



ANNUAL REPORT
2021

For the year ended June 30, 2021

OKLAHOMA CITY DEPARTMENT OF AIRPORTS

OKLAHOMA CITY DEPARTMENT OF AIRPORTS

A DEPARTMENT OF THE CITY OF OKLAHOMA CITY, OKLAHOMA

ANNUAL REPORT FOR THE YEAR ENDED JUNE 30, 2021

**PREPARED BY THE DEPARTMENT OF AIRPORTS
FINANCE DIVISION
OKLAHOMA CITY, OKLAHOMA**

OKLAHOMA CITY DEPARTMENT OF AIRPORTS

ANNUAL REPORT

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INTRODUCTORY SECTION

**CONTAINING THE
FOLLOWING SUBSECTIONS:**

Letter of Transmittal

Organization Chart

Principal Officials

Certificate of Achievement



The City of
OKLAHOMA CITY
DEPARTMENT OF AIRPORTS

November 19, 2021

Honorable Mayor and City Council
Trustees of the Oklahoma City Airport Trust

We are pleased to present the Oklahoma City Department of Airports' (Department) Annual Report for the fiscal year ended June 30, 2021. This report was prepared by the Department's Finance Division, using accounting principles generally accepted in the United States of America (US GAAP). The accuracy, completeness and fairness of the presented information are the responsibility of the Department. We believe that the information presented is accurate in all material respects and that all necessary disclosures are included to enable the reader to gain an understanding of the Department's financial activity.

Management's Discussion and Analysis (MD&A) in the Financial Section of this report contains a narrative introduction, overview, and analysis to accompany the basic financial statements. This letter of transmittal is designed to complement MD&A and should be read in conjunction with it.

The Reporting Entity

The Department combines and reports on the financial transactions of the Oklahoma City Airport Trust (Trust), a discrete component unit of The City of Oklahoma City (City) and the Airports Fund, a non-major enterprise fund of the City. References to the Department include the Trust and the Airports Fund unless specifically designated otherwise.

The Trust is a public trust established in 1956 pursuant to Title 60 of the Oklahoma Statutes, Section 176 et seq. to provide a means of financing and administering the construction of the City's airports and air navigation facilities. The Trust is a legal entity separate and distinct from the City; however, the City is the sole beneficiary of the Trust. Despite the legal distinction and due to the integral relationship, the Trust's financial position is reported as a discretely presented component unit of the City through the Department of Airports.

The documents establishing and describing the legal and operational relationship between the City and the Trust provide that all City owned airport-related assets (as of the date of inception, as well as property acquired thereafter) would be leased to the Trust and that the Trust will lease or otherwise manage the related property and improvements financed by the Trust.

All user fees and revenues generated from the Trust estate are deposited to the Trust and are used to repay the revenue bonds or other debt instruments issued by the Trust. The Trust does not have the power to levy taxes and the City has no obligation for debt issued by the Trust.

Cash transfers are made monthly from the Trust to the Airports Fund for certain maintenance and operating expenses and salaries of all Department employees paid by the City to support the operations of the airport system. Assets contributed to the Department from the City are recorded along with their applicable annual depreciation in the Airports Fund for internal accounting purposes.

Fund structure has been designed to comply with legal requirements of the Oklahoma Statutes and the legal requirements of various bond indentures. All revenues generated by these assets will accrue to the

OKLAHOMA CITY, OKLAHOMA, DEPARTMENT OF AIRPORTS

Transmittal Letter

June 30, 2021

Trust to such date all indebtedness authorized by the Bond Indenture and Supplemental Bond Indentures have been paid or provision for payment thereof have been made, whichever event shall happen later. Currently, this date is July 1, 2047. The Trustees must secure prior approval from the Mayor and City Council on the terms of any contract or lease agreement of any of the facilities of the airports, and the amount of any uniform rate, fee or charge to be imposed. The Trustees may authorize the issuance of revenue bonds only with the consent of the Mayor and City Council.

The persons occupying the office of the Mayor and City Manager, as well as a City Council member and two independent trustees who are citizens and residents of the City appointed by the Mayor and confirmed by the Council, serve as trustees of the Trust. The Director of Airports is designated by the City Manager and serves as General Manager of the Trust.

The City's airport system is comprised of Will Rogers World Airport (a small hub commercial airport), Wiley Post Airport and Clarence E. Page Airport (general aviation airports).

Economic Conditions and Outlook

The airport system primarily serves central and western Oklahoma and serves as an exciting aviation gateway to Oklahoma City which enhances and compliments the City's redevelopment projects. Local population and the economy of the service area have a direct impact on passenger and cargo activity and aircraft operations because of the origin-destination needs of the users.

Dr. Russell Evans, Executive Director of the Steven C. Agee Economic Research & Policy Institute of Oklahoma City University, provides an annual economic outlook to City leaders in February. This year's forecast was marked by hope that Oklahoma City and the state could exit from the economic effects of the pandemic and get past the bottom of the current energy cycle. The forecast was that both of those factors would provide support for the economy in 2021 and a return to growth and pre-pandemic levels of economic activity in 2022. His baseline expectations were that economic activity holds steady through some challenging months early in the calendar year. From there the expectation was for a slow transition to pre-pandemic levels of activity. The unprecedented levels of fiscal stimulus led to a significant growth in per-capita personal income in Oklahoma City. A return to pre-pandemic per capita income of \$48,567 was projected. The forecast for nonfarm employment in Oklahoma City was for 3.2% growth in the number of people employed. Dr. Evans' forecast sales tax growth of 4.1% for fiscal year 2022.

In August 2021, Dr. Evans provided a mid-year update that took into account the continuing fiscal stimulus provided by the federal government. With gross domestic product (GDP) growing at 6.0% in the first quarter of the year and 6.5% in the second quarter, the U.S. economic expansion continues unabated and many economic forecasters are expecting continued strong growth through the remainder of 2021. At the state level Dr. Evans projects employment to return to pre-pandemic levels by 2022 and for Oklahoma City that is expected to occur by late 2021. While there is uncertainty about the underlying strength of the economy, Dr. Evans updated models project sales tax growth of up to 6.1% for fiscal year 2022.

Going forward, Oklahoma City has a number of factors in its favor for continued economic growth. The cost of living and the cost of doing business are consistently rated among the best in the country. In addition, low commuting times, convenient airline travel, and excellent entertainment and sports opportunities make Oklahoma City a great place for businesses and residents. Oklahoma City has

OKLAHOMA CITY, OKLAHOMA, DEPARTMENT OF AIRPORTS

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dedicated a significant portion of the CARES Act funds the City received to supporting small businesses and even carved out a portion for live performance venues in an effort to support local businesses and continued quality of life.

Oklahoma City is being recognized more and more as a great place to work, live and visit. As evidence, Zippia.com, a career-advice website, recently set out to find the best cities to start a career and Oklahoma City came in at number 9. The website looked at factors such as median income, rent and unemployment rate in more than 200 cities. According to recent analysis by SmartAsset.com, Oklahoma City ranked in the top 25 most livable cities in the U.S., taking into account a variety of factors like unemployment rate, crime, housing costs and more among the 100 largest cities in the nation. Thrillist.com, an online media website, named Oklahoma City as among "underappreciated cities you should totally move to".

Oklahoma City's commercial airport, Will Rogers World Airport, saw a significant decrease to enplaned passengers of 28.22% in fiscal year 2021 compared to fiscal year 2020. The decrease is attributable to COVID-19 global pandemic. The Trust received \$6,552,000 in Coronavirus Response and Relief Supplemental Appropriations Act (CRRSAA). The Trust is currently utilizing these funds for concessions relief and operation expenses at all three Trust owned airports.

Capital Planning

The Department participates in the capital planning process along with other City departments. The City adopts policies and procedures for the coordination of public improvements of all City-related entities through a Capital Improvement Plan (CIP). The goal of the CIP is to improve service to the community by adopting a CIP, which will not jeopardize financial condition and will fund capital improvements at a realistic and achievable level. The CIP consists of a general five-year plan, which is updated annually.

Each year, the Department hosts a joint planning conference for tenants of the City's three airports and Federal Aviation Administration (FAA) officials. Input during the conference helps the Department identify projects, assess possible funding sources, and determine time frames for planning the implementation of the projects based on critical needs and funding sources.

Capital projects at the City's three airports are all funded through the Trust. As part of the annual budget cycle, construction projects are listed along with their estimated project life begin and end years, estimated costs for the budget year, and an estimated total project cost. The Trust's 2022 capital budget is \$63,600,000.

The capital plan for Will Rogers World Airport includes the following projects: (1) Terminal expansion for \$13,600,000, (2) Runway 13-31 rehabilitation \$8,900,000, (3) upper deck structural repair for \$7,100,000, and (4) various other improvements for \$11,200,000.

The capital plan for the general aviation airports Wiley Post Airport and C. E. Page Airport includes various projects for \$8,200,000.

The capital plan for the Mike Monroney Aeronautical Center located at Will Rogers World Airport includes various projects for \$14,600,000.

Sources of funds to purchase, construct, and improve these capital assets will come from federal grants, revenue bond proceeds, oil and gas revenues, and operating revenues.

OKLAHOMA CITY, OKLAHOMA, DEPARTMENT OF AIRPORTS

Transmittal Letter

June 30, 2021

Internal Control Structure and Budgetary Controls

The internal control structure of the Department is designed to provide reasonable assurance that the assets of the Department are protected from loss, theft or misuse and to ensure that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with US GAAP. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and, (2) the valuation of costs and benefits requires estimates and judgments by management.

The Department prepares annual budgets for the Trust and the Airports Fund. Certain maintenance and operating expenses and salaries for all Department employees are budgeted in the Airports Fund. This appropriated budget is prepared on the cash and expenditures/encumbrances basis and is subject to budget requirements under the City Charter and Oklahoma Municipal Budget Act. Remaining airport-related expenses are budgeted in the Trust. The Oklahoma Statutes require public trusts to prepare annual budgets and submit them to the beneficiary of the Trust.

Financial Policies

The Trust's financial policies are shaped by state law and bond indentures and are established by the Trustees. The Airports Fund financial policies are shaped by state law and established by City Council. Financial policies include budgeting and financial planning, capital planning, revenue, investment, debt management, procurement, and accounting and auditing. Annual operating and capital budgets for the Airports Fund and the Trust are reflective of the established policies. The Department has been evaluating revenue policies and undertaken a project to establish a leasing policy that will require market-based lease rates to include a cost recovery component for airport funded infrastructure improvements.

Independent Audit

The financial records of the Department are audited each year by an independent certified public accountant. The accounting firm of Allen, Gibbs & Houlik, L.C. was selected to perform the fiscal year 2021 audit. The report of independent certified public accountants is included in the financial section of this report.

Certificate of Achievement for Excellence in Financial Reporting

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Oklahoma City Department of Airports for its Annual Report for the fiscal year ended June 30, 2020. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government financial reports. In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized comprehensive annual financial report, whose contents conform to program standards. Such reports must satisfy both GAAP and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. The Department has received a Certificate of Achievement for the last twenty-eight fiscal years ended 1992 – 2020. We believe our current report continues to conform to the Certificate of Achievement program requirements, and we are submitting it to GFOA.

OKLAHOMA CITY, OKLAHOMA, DEPARTMENT OF AIRPORTS

Transmittal Letter

June 30, 2021

Acknowledgments

The quality of the financial information in this Annual Report is a result of the dedicated service that the Department's Finance Division staff provides to the Department throughout the year. We extend our appreciation to the Division for the commitment they have made toward financial integrity of the Oklahoma City airports. We also extend our thanks to all members of the airport staff for their dedication in supporting our City's aviation system.

Respectfully submitted,



Jeff Mulder
Director of Airports



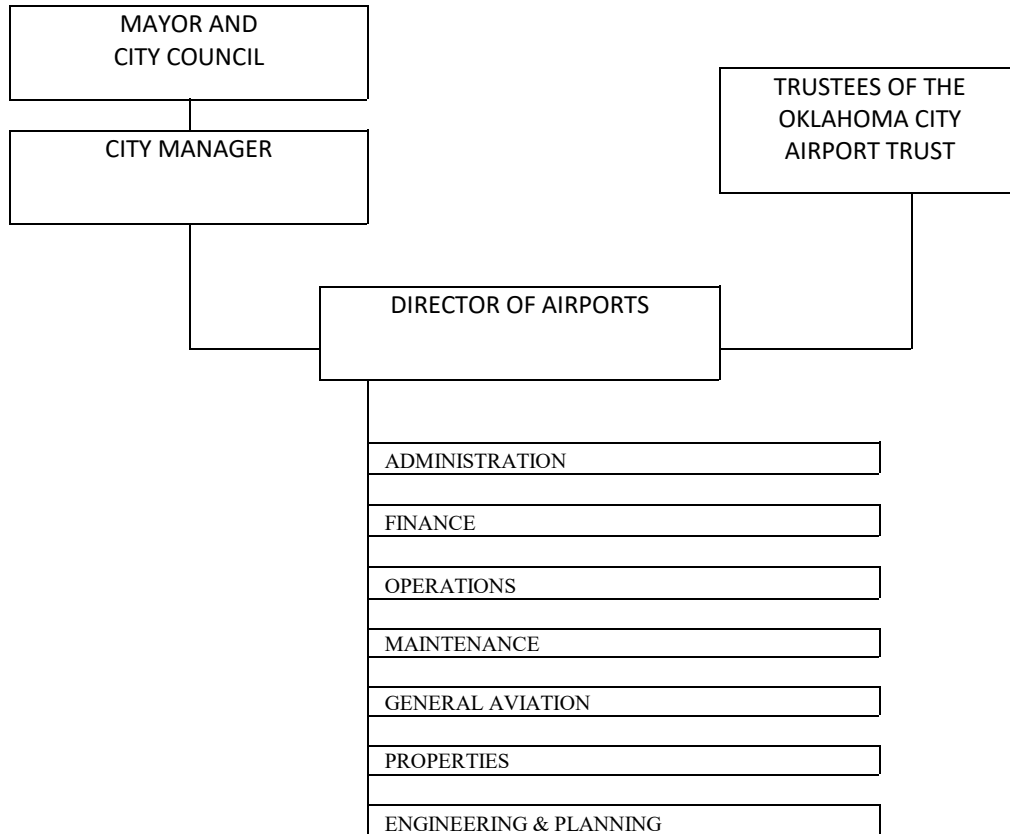
Tara Summerlin
Business Manager

OKLAHOMA CITY, OKLAHOMA, DEPARTMENT OF AIRPORTS

Organization Chart

June 30, 2021

ORGANIZATION CHART



OKLAHOMA CITY, OKLAHOMA, DEPARTMENT OF AIRPORTS

Principal Officials

June 30, 2021

Mayor and City Council

David Holt, Mayor
Bradley Carter, Ward 1
James Cooper, Ward 2
Barbara Young, Ward 3
Todd Stone, Ward 4
David Greenwell, Ward 5
JoBeth Hamon, Ward 6
Nikki Nice, Ward 7
Mark K. Stonecipher, Ward 8

Trustees of the Oklahoma City Airport Trust

Terry Salmon, Chairman, Independent Trustee
Kirk Humphreys, Vice Chairman, Independent Trustee
David Holt, Trustee-Mayor
Todd Stone, Surrogate Trustee-Mayor
Craig Freeman, Trustee-City Manager
Aubrey McDermid, Surrogate Trustee-City Manager
Barbara Young, Trustee-Council Member

City Manager's Office

Craig Freeman, City Manager
Aubrey McDermid, Assistant City Manager

Department of Airports

Jeff Mulder, Director
Scott L. Keith, Assistant Director
Tara Summerlin, Business Manager
Jim B. Thrash, Operations Manager
Kristy Slater, General Aviation Manager
John Storms, Civil Engineer IV
Tiffany Lawson, Properties Manager
Don Kortemeier, Maintenance Manager
Robert Scarberry, Systems Analyst III
Stacey Hamm, Marketing & Public Information Manager



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

Oklahoma City Department of Airports

For its Comprehensive Annual
Financial Report
For the Fiscal Year Ended

June 30, 2020

Christopher P. Morill

Executive Director/CEO



FINANCIAL SECTION

**CONTAINING THE
FOLLOWING SUBSECTIONS:**

Independent Auditor's Report
Management's Discussion and Analysis
Basic Financial Statements
Required Supplementary Information

INDEPENDENT AUDITOR'S REPORT

To the Board of Trustees
Oklahoma City Department of Airports
Oklahoma City, Oklahoma

Report on the Financial Statements

We have audited the accompanying financial statements of the business-type activities and each major fund of the Oklahoma City Department of Airports (Department), which includes a discretely presented component unit and a non-major enterprise fund of the City of Oklahoma City, Oklahoma (City), as of and for the year ended June 30, 2021, and the related notes to financial statements, which collectively comprise the Department's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities and each major fund of the Department as of

June 30, 2021, and the respective changes in financial position and cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matters

As discussed in Note 2, the financial statements of the Department are intended to present the financial position, the changes in financial position, and cash flows of only that portion of the discretely presented component unit (the Oklahoma City Airport Trust), and the non-major enterprise fund (the Airports Fund) of the City of Oklahoma City, Oklahoma that is attributable to the transactions of the Department. They do not purport to, and do not, present fairly the financial position of the City of Oklahoma City, Oklahoma as of June 30, 2021, the changes in its financial position, or where applicable, its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America. Our opinions are not modified with respect to this matter.

As discussed in Note 2, the financial statements disclose the recent and on-going impacts of COVID-19 on the Department's operations and implementation of financial and operational measures. Our opinions are not modified with respect to this matter.

Other Matters

Prior-Year Comparative Information

The financial statements include summarized prior-year comparative information. Such information does not include a presentation in accordance with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the Department's financial statements for the year ended June 30, 2020, from which such summarized information was derived.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and the required supplementary information listed in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary and Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Department's basic financial statements. The accompanying budget versus actual schedule, introductory, and statistical sections as listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The budget versus actual schedule is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the budget versus actual schedule is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 19, 2021 on our consideration of the Department's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Department's internal control over financial reporting and compliance.

Allen, Gibbs & Houlik, L.C.
CERTIFIED PUBLIC ACCOUNTANTS

November 19, 2021
Wichita, KS

MANAGEMENT'S DISCUSSION AND ANALYSIS

Within this section of the Oklahoma City Department of Airports (Department) annual report, the Department's management provides narrative discussion and analysis of the financial activities of the Department for the fiscal years ended June 30, 2021 and 2020. The Department's financial performance is discussed and analyzed within the context of the accompanying financial statements and disclosures following this section.

Management's Discussion and Analysis (MD&A) introduces the Department's basic financial statements. The basic financial statements of the Department comprise two components: (1) department-wide financial statements of the Oklahoma City Department of Airports; and (2) notes to the financial statements. The Oklahoma City Airport Trust (Trust) and Airports Fund are both reported as major funds in the Department's Annual Report. However, the Trust is a discretely presented component unit of the City of Oklahoma City (City) within the City's Annual Report. The Airports Fund is reported as a non-major fund within the City's Annual Report.

The City's airport system is comprised of Will Rogers World Airport (WRWA), Wiley Post Airport (WPA), and Clarence E. Page Airport (CEPA).

Department-wide Financial Statements

The Statement of Net Position presents information that includes all the Department's assets, liabilities, and deferred outflows and inflows of resources with the difference reported as "net position". Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Department as a whole is improving or deteriorating.

The Statement of Revenues, Expenses, and Change in Net Position reports how the Department's net position changed during the current fiscal year. All current year revenues and expenses are included regardless of when cash is received or paid.

The Statement of Cash Flows reports the inflows and outflows of the Department's cash.

Fund Financial Statements

A fund is an accountability unit used to maintain control over resources segregated for specific activities and objectives. The Department uses funds to ensure and demonstrate compliance with laws, regulations, and legal restrictions.

Fund statements provide both long-term and short-term financial information consistent with the focus provided by the department-wide financial statements, but with more detail.

OKLAHOMA CITY, OKLAHOMA, DEPARTMENT OF AIRPORTS
Management's Discussion and Analysis
June 30, 2021

Financial Position Summary and Highlights

The following table provides a summary of the Department's net position for the following years:

	2021	2020	2019	\$ Change		% Change	
				2021	2020	2021	2020
Assets:							
Current and other assets	\$ 226,594,013	\$ 268,088,513	\$ 285,700,921	\$ (41,494,500)	\$ (17,612,408)	(15.5)%	(6.2)%
Capital assets	539,866,001	502,145,272	474,140,165	37,720,729	28,005,107	7.5	5.9
Total assets	<u>766,460,014</u>	<u>770,233,785</u>	<u>759,841,086</u>	<u>(3,773,771)</u>	<u>10,392,699</u>	<u>(0.5)</u>	<u>1.4</u>
Deferred Outflows of Resources	<u>13,731,364</u>	<u>10,812,944</u>	<u>2,088,033</u>	<u>2,918,420</u>	<u>8,724,911</u>	<u>27.0</u>	<u>417.9</u>
Liabilities:							
Current liabilities	24,457,839	24,977,526	22,646,810	(519,687)	2,330,716	(2.1)	10.3
Noncurrent liabilities	162,116,933	166,924,920	170,605,261	(4,807,987)	(3,680,341)	(2.9)	(2.2)
Total liabilities	<u>186,574,772</u>	<u>191,902,446</u>	<u>193,252,071</u>	<u>(5,327,674)</u>	<u>(1,349,625)</u>	<u>(2.8)</u>	<u>(0.7)</u>
Deferred Inflows of Resources	<u>5,969,698</u>	<u>5,569,262</u>	<u>4,806,079</u>	<u>400,436</u>	<u>763,183</u>	<u>7.2</u>	<u>15.9</u>
Net Position:							
Net investment in capital assets	412,782,394	399,664,752	395,098,444	13,117,642	4,566,308	3.3	1.2
Restricted	78,995,066	88,170,842	82,575,859	(9,175,776)	5,594,983	(10.4)	6.8
Unrestricted	95,869,448	95,739,427	86,196,666	130,021	9,542,761	0.1	11.1
Total net position	<u>\$ 587,646,908</u>	<u>\$ 583,575,021</u>	<u>\$ 563,870,969</u>	<u>\$ 4,071,887</u>	<u>\$ 19,704,052</u>	<u>0.7</u>	<u>3.5</u>

Department of Airports overall financial position has improved in FY 2021.

An analysis of changes in assets, liabilities and deferred outflows and inflows of resources for the year ended June 30, 2021 is as follows in approximate amounts:

- The net decrease in current and other assets less current liabilities of approximately \$42,015,000 is primarily the result of the following: (1) decrease of \$34,125,000 due to funding construction payments and capitalized interest payments until Terminal Expansion project is complete, (2) increase of \$2,250,000 related to current bonds payable, (3) decrease of \$4,048,000 related to escrow amounts for improvements to tenant facilities as required by tenant leases, (4) decrease of \$11,078,000 related to assets restricted for debt service payments, (5) decrease of \$1,242,000 in PFC assets set aside for future debt service payments, (6) decrease of \$1,228,000 in CFC assets for the operations and maintenance of the Conrac facility and buses as required by tenant leases, (7) increase of \$7,456,000 related to operations.
- The increase in capital assets of approximately \$37,721,000 is primarily the result of the following: (1) capital asset acquisitions during the year of \$67,213,000, (2) depreciation of \$29,394,000.
- The decrease in noncurrent liabilities of approximately \$4,808,000 is the result of the following: (1) net decrease of \$7,805,000 due to the redemption of revenue bonds, (2) increase of \$13,000 related to compensated absences, (3) increase of \$2,569,000 related to pension liabilities, (4) decrease of \$414,000 of unamortized bond discount/premium, and (5) increase of \$829,000 related to OPEB obligations.

OKLAHOMA CITY, OKLAHOMA, DEPARTMENT OF AIRPORTS

Management's Discussion and Analysis

June 30, 2021

An analysis of changes in assets, liabilities and deferred outflows and inflows of resources for the year ended June 30, 2020 is as follows in approximate amounts:

- The net decrease in current and other assets less current liabilities of approximately \$15,282,000 is primarily the result of the following: (1) decrease of \$30,562,000 due to funding construction payments and capitalized interest payments until Terminal Expansion project is complete, (2) increase of \$795,000 related to current bonds payable, (3) increase of \$3,622,000 related to escrow amounts for improvements to tenant facilities as required by tenant leases, (4) increase of \$9,220,000 related to assets restricted for debt service payments, (5) increase of \$729,000 in PFC assets set aside for future debt service payments, (6) increase of \$236,000 in CFC assets for the operations and maintenance of the Conrac facility and buses as required by tenant leases, (7) a decrease of \$2,268,000 related to operations.
- The increase in net capital assets of approximately \$28,005,000 is primarily the result of the following: (1) capital asset acquisitions during the year of \$57,349,000, (2) depreciation of \$28,729,000.
- The decrease in noncurrent liabilities of approximately \$3,680,000 is the result of the following: (1) net decrease of \$3,925,000 due to the redemption of revenue bonds, (2) decrease of \$78,000 related to compensated absences, and (3) increase of \$323,000 related to OPEB obligations.

An analysis of components of net position for the years ended June 30, 2021 and 2020 is as follows:

- Approximately seventy percent of the Department's net position represents its investment in capital assets, net of related debt. The Department uses its capital assets to provide facilities for the servicing of aircraft, or for the comfort and accommodations of air travelers, or for use by aviation authorities or agencies of other government entities. Although the Department's investment in its capital assets is reported net of related debt, the resources required to pay the debt are provided primarily from operations. The increase is primarily attributable to completing airfield, building, and infrastructure improvement projects at both Will Rogers World Airport and Wiley Post, and on-going construction improvement projects funded by capital grants at all three airports.
- Restricted net position represents resources that are subject to external restrictions as to how they can be used as required by bond indentures, contractual agreements with tenants, or by federal and state regulations. For the year ended 2021 restricted net position for debt service decreased approximately \$5,328,000 from the prior year. Restricted net position for maintenance and capital asset's decreased approximately \$4,019,000 from the prior year and restricted for capital assets increased approximately \$172,000 from the prior year.
- Unrestricted net position may be used to meet any of the Department's ongoing operations. Although these funds are not externally restricted, it is the intent of the Trustees and the Department's management to utilize available funds for capital projects at the City's three airports and continuing operations.

OKLAHOMA CITY, OKLAHOMA, DEPARTMENT OF AIRPORTS
Management's Discussion and Analysis
June 30, 2021

Financial Operations Summary and Highlights

The following table provides a summary of the Department's changes in revenues, expenses, contributions, and donated assets for the following years:

	2021	2020	2019	\$ Change		% Change	
				2021	2020	2021	2020
Operating revenues							
Parking	\$ 8,522,799	\$ 12,911,923	\$ 14,540,397	\$ (4,389,124)	\$ (1,628,474)	(34.0)%	(11.2)%
Landing fees	3,861,547	6,641,666	6,609,353	(2,780,119)	32,313	(41.9)	0.5
Customer facility charges	3,321,718	4,454,522	5,627,407	(1,132,804)	(1,172,885)	(25.4)	(20.8)
Rental Income	12,248,768	14,179,367	14,508,340	(1,930,599)	(328,973)	(13.6)	(2.3)
Other, net	18,645,976	20,754,942	21,650,892	(2,108,966)	(895,950)	(10.2)	(4.1)
	<u>46,600,808</u>	<u>58,942,420</u>	<u>62,936,389</u>	<u>(12,341,612)</u>	<u>(3,993,969)</u>	<u>(20.9)</u>	<u>(6.3)</u>
Nonoperating revenues							
Investment income	115,823	3,689,926	4,717,387	(3,574,103)	(1,027,461)	(96.9)	(21.8)
Oil and gas royalties	508,038	759,482	2,123,125	(251,444)	(1,363,643)	(33.1)	(64.2)
Passenger facility charges	4,292,576	6,081,512	8,486,348	(1,788,936)	(2,404,836)	(29.4)	(28.3)
Grants income	262,800	263,518	262,800	(718)	718	(0.3)	0.3
Federal Stimulus Grants	9,861,122	12,153,791	-	(2,292,669)	12,153,791	(18.9)	100.0
Other Nonoperating revenues	1,485	148,530	106,044	(147,045)	42,486	(99.0)	40.1
Total nonoperating revenues	<u>15,041,844</u>	<u>23,096,759</u>	<u>15,695,704</u>	<u>(8,054,915)</u>	<u>7,401,055</u>	<u>(34.9)</u>	<u>47.2</u>
Total revenues	<u>61,642,652</u>	<u>82,039,179</u>	<u>78,632,093</u>	<u>(20,396,527)</u>	<u>3,407,086</u>	<u>(24.9)</u>	<u>4.3</u>
Operating expenses							
Personal services	13,197,973	12,448,170	11,423,324	749,803	1,024,846	6.0	9.0
Maintenance, operations, and contractual services	22,213,279	21,077,074	20,614,678	1,136,205	462,396	5.4	2.2
Material and supplies	1,969,507	1,960,374	1,924,581	9,133	35,793	0.5	1.9
Depreciation	29,394,119	28,729,451	26,753,263	664,668	1,976,188	2.3	7.4
Total operating expenses	<u>66,774,878</u>	<u>64,215,069</u>	<u>60,715,846</u>	<u>2,559,809</u>	<u>3,499,223</u>	<u>4.0</u>	<u>5.8</u>
Nonoperating expenses							
Interest	3,801,907	5,038,844	4,892,800	(1,236,937)	146,044	(24.5)	3.0
Amortization	(472,613)	(924,541)	(823,929)	451,928	(100,612)	(48.9)	12.2
Bond issuance	-	386,074	825,151	(386,074)	(439,077)	(100.0)	100.0
Loss on disposition of assets	121,824	(109,981)	160,046	231,805	(270,027)	(210.8)	(168.7)
Total nonoperating expenses	<u>3,451,118</u>	<u>4,390,396</u>	<u>5,054,068</u>	<u>(939,278)</u>	<u>(663,672)</u>	<u>(21.4)</u>	<u>(13.1)</u>
Total expenses	<u>70,225,996</u>	<u>68,605,465</u>	<u>65,769,914</u>	<u>1,620,531</u>	<u>2,835,551</u>	<u>2.4</u>	<u>4.3</u>
Income before capital grants, contributions, donated assets, and transfers	(8,583,344)	13,433,714	12,862,179	(22,017,058)	571,535	(163.9)	4.4
Transfers between Department funds	200,079	-	-	-	-	100.0	
Capital contributions, grants	12,455,152	6,270,338	5,822,567	6,184,814	447,771	98.6	7.7
Change in net position	<u>4,071,887</u>	<u>19,704,052</u>	<u>18,684,746</u>	<u>(15,832,244)</u>	<u>1,019,306</u>	<u>(80.4)</u>	<u>5.5</u>
Total net position, beginning of	583,575,021	563,870,969	545,186,223	19,704,052	18,684,746	3.5	3.4
Total net position, ending	<u>\$ 587,646,908</u>	<u>\$ 583,575,021</u>	<u>\$ 563,870,969</u>	<u>\$ 4,071,887</u>	<u>\$ 19,704,052</u>	<u>0.7</u>	<u>3.5</u>

Financial Operations Summary and Highlights

An analysis of changes in revenues and expenses for the year ended June 30, 2021 is as follows:

- Parking revenues decreased due to a decline in passenger activity related to COVID-19.
- Landing fees decreased due to a reduction in rates and activity.
- Rental income decreased due to a decline in passenger activity related to COVID-19.
- Other income decreased due to a decline in passenger activity related to COVID-19.
- Investment income decreased during the fiscal year primarily due to the decrease in interest rates.
- Oil and gas royalties decreased due to the fluctuation in activity for oil and natural gas produced on airport properties.

OKLAHOMA CITY, OKLAHOMA, DEPARTMENT OF AIRPORTS

Management's Discussion and Analysis

June 30, 2021

- Passenger facility charges and customer facility charges decreased due to decline in passenger activity related to COVID-19.
- Personal service expense increased due to an increase in salaries and benefits.
- Maintenance, operations, and contractual services increased due to an increase in janitorial, parking management, ARFF services, and other maintenance contracts.
- Depreciation expense increased due to completed construction on various capital projects which were placed in service during the current fiscal year or a full year of depreciation was recognized in the current fiscal year.
- Interest expense decreased due to a reduction of the outstanding bond debt.
- Capital contributions and grants increased due to Airport Improvement Program grants and CARES Act grants.

An analysis of changes in revenues and expenses for the year ended June 30, 2020 is as follows:

- Parking revenues decreased due to a decline in passenger activity related to COVID-19.
- Landing fees increased due to an increase in rates.
- Rental income decreased due to a decline in passenger activity related to COVID-19.
- Other income decreased due to a decline in passenger activity related to COVID-19.
- Investment income decreased during the fiscal year primarily due to the decrease in fair market value of investments.
- Oil and gas royalties decreased due to the fluctuation in activity for oil and natural gas produced on airport properties.
- Passenger facility charges and customer facility charges decreased due to a decline in passenger activity related to COVID-19.
- Personal service expense increased due to an increase in salaries and benefits.
- Maintenance, operations, and contractual services increased due to an increase in janitorial, parking management, ARFF services, and other maintenance contracts.
- Depreciation expense increased due to completed construction on various capital projects which were placed in service during the current fiscal year or a full year of depreciation was recognized in the current fiscal year.
- Interest expense increased due to the increase of the outstanding bond debt.
- Capital contribution, grants increased due to CARES Act grants.

Capital Acquisitions and Construction Activities

During 2021, the Department incurred approximately \$67,213,000 for capital activities, compared to \$57,349,000 during the prior year. During the year approximately \$20,423,000 in multi-year construction projects were completed and transferred to depreciable assets. Completed projects in approximate amounts were:

Location	Project Description	Amount
WRWA:	Terminal Access Road Rehabilitation	\$ 5,453,000
	Garage A Waterproofing	1,676,000
	Emergency Generator	1,071,000
	3631 SW 54th St. Westside Roof Replacement	1,019,000
	W. Terminal Multi-Use Parking Lots	971,000
	AARF Access Road Pavement Replacement	637,000
	South Maintenance Roof	418,000
	Terminal Food Court Modifications	317,000
	SORB Asbestos Abatement	303,000
	PCI Study	275,000

OKLAHOMA CITY, OKLAHOMA, DEPARTMENT OF AIRPORTS
Management's Discussion and Analysis
June 30, 2021

	Automatic Transfer Switch for Fuel Facility Generator	269,000
	CCTV Hardware and Software Replacement	202,000
	Data Center Consolidation	131,000
	Network Infrastructure	109,000
	Hotel Renovations	62,000
	Refurbish Escalators and Walkways Study	30,000
CEPA:	PCN Study	40,000
MMAC:	Hangar 8 & 9 Electrical	3,072,000
	Hangar 8 Boiler and Heat	2,797,000
	Aging Medium Voltage Equipment Replacement 2015	1,188,000
	Aviation Records Building Site Improvements	310,000
	Replace Medium Voltage Switch	73,000
		<u>\$ 20,423,000</u>

Acquisitions are generally funded from revenue bond proceeds, oil and gas revenues, federal and state grants, and from operations. Additional information on the Department's capital assets can be found in Note 4, Capital Assets, and Note 10, Commitments and Contingencies, of the notes to the financial statements.

Long-Term Debt

Junior Lien 32B and Junior Lien 33, Revenue Bonds are backed by a combination of passenger facility charge revenues and lease revenues. Junior Lien 31 and 34 Revenue Bonds are backed by a combination of customer facility charge revenues and lease revenues. The last principal payment is scheduled for July 1, 2043.

Changes in gross revenue bonds payable for the fiscal years ended June 30, 2021 and 2020 are as follows:

	2021	2020	\$ Change	% Change
Balance, beginning of year	\$ 157,885,000	\$ 161,015,000	\$ (3,130,000)	(1.9)%
Issue	-	39,175,000	(39,175,000)	(100.0)%
Retired	(10,055,000)	(42,305,000)	32,250,000	(76.2)%
Balance, end of year	<u>\$ 147,830,000</u>	<u>\$ 157,885,000</u>	<u>\$ (10,055,000)</u>	1.9%

Ratings on the Trust's revenue bonds are as follows:

	Moody's	S&P
All Junior Lien Series	A1	A+

(31st, 32nd, 33rd and 34th)

Additional information regarding the revenue bonds can be found in Note 5, Liabilities, of the notes to the financial statements. Information regarding debt service coverage is presented in the Statistical Section of this report.

OKLAHOMA CITY, OKLAHOMA, DEPARTMENT OF AIRPORTS
Management's Discussion and Analysis
June 30, 2021

Economic Factors

The Oklahoma unemployment rate at the end of fiscal year 2021 was 3.8%, while the national unemployment rate was 5.9%.

Oklahoma City's commercial airport, Will Rogers World Airport, saw a significant decrease to enplaned passengers of 28.22% in fiscal year 2021 compared to fiscal year 2020. The decrease is attributable to COVID-19 global pandemic.

Contacting the Department's Financial Management

This financial report is designed to provide a general overview of the Department's finances, comply with finance-related laws and regulations, and demonstrate the Department's commitment to public accountability. If you have questions about this report or would like to request additional information, contact the Airport's Finance Division at 7100 Terminal Drive, Unit 937, Oklahoma City, Oklahoma 73159-0937.

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OKLAHOMA CITY, OKLAHOMA, DEPARTMENT OF AIRPORTS

Statement of Net Position

June 30, 2021 with summarized comparative information for June 30, 2020

	2021			2020
	OKLAHOMA CITY AIRPORT TRUST	AIRPORTS FUND	TOTAL	TOTAL
ASSETS				
Current Assets:				
Pooled cash	\$ -	\$ -	\$ -	\$ 17,125
Non-pooled cash	124,658	-	124,658	117,534
Investments	174,425,624	1,662,473	176,088,097	202,477,556
Accounts receivable, net	665,227	-	665,227	2,058,434
Passenger facility charges receivable	645,122	-	645,122	293,122
Customer facility charges receivable	399,306	-	399,306	219,781
Interest receivable	-	7,366	7,366	5,451
Royalties receivable	98,158	-	98,158	59,462
Inventory	-	809,449	809,449	802,896
Due from City funds	-	-	-	31,252
Due from component units	35,757	-	35,757	26,173
Due from other governments	4,161,853	331	4,162,184	13,506,877
Prepays	10,095	-	10,095	12,685
Total current assets	<u>180,565,800</u>	<u>2,479,619</u>	<u>183,045,419</u>	<u>219,628,348</u>
Noncurrent assets:				
Net pension asset	-	-	-	493,051
Investments	30,344,501	-	30,344,501	32,552,085
Intergovernmental advance	12,854,449	349,644	13,204,093	15,415,029
Advance (to)/from other City funds	(12,900,185)	12,900,185	-	-
Capital assets:				
Land	14,465,751	16,114,538	30,580,289	30,580,289
Art	450,420	-	450,420	450,420
Construction in progress	131,479,545	-	131,479,545	85,086,890
Other capital assets, net of accumulated depreciation	376,115,474	1,240,273	377,355,747	386,027,673
Total noncurrent assets	<u>552,809,955</u>	<u>30,604,640</u>	<u>583,414,595</u>	<u>550,605,437</u>
Total assets	<u>733,375,755</u>	<u>33,084,259</u>	<u>766,460,014</u>	<u>770,233,785</u>
DEFERRED OUTFLOWS OF RESOURCES				
Deferred amount from refunding, net of accumulated amortization \$42,729 and \$29,054				
	7,759,626	-	7,759,626	8,270,550
Deferred outflow pensions	-	3,817,337	3,817,337	1,652,145
Deferred outflow OPEB	-	2,154,401	2,154,401	890,249
Total deferred outflows	<u>\$ 7,759,626</u>	<u>\$ 5,971,738</u>	<u>\$ 13,731,364</u>	<u>\$ 10,812,944</u>

(continued)

OKLAHOMA CITY, OKLAHOMA, DEPARTMENT OF AIRPORTS
Statement of Net Position
June 30, 2021 with summarized comparative information for June 30, 2020

	2021			2020
	OKLAHOMA CITY AIRPORT TRUST	AIRPORTS FUND	TOTAL	TOTAL
LIABILITIES				
Current liabilities:				
Retainage and accounts payable	\$ 10,416,091	\$ 2,634	\$ 10,418,725	\$ 9,521,534
Wages and benefits payable	-	649,205	649,205	636,886
Due to City funds	6,622	59,553	66,175	8,067
Compensated absences	-	509,591	509,591	585,335
Unearned revenue	615,458	-	615,458	508,219
Bond interest payable	4,393,685	-	4,393,685	3,662,485
Bonds payable	7,805,000	-	7,805,000	10,055,000
Total current liabilities	<u>23,236,856</u>	<u>1,220,983</u>	<u>24,457,839</u>	<u>24,977,526</u>
Noncurrent liabilities:				
Compensated absences	-	1,133,044	1,133,044	1,120,506
Net OPEB obligation	-	11,673,504	11,673,504	10,844,125
Net pension liability	-	2,568,907	2,568,907	-
Bonds payable, net of unamortized discount or premium	146,741,478	-	146,741,478	154,960,289
Total non-current liabilities	<u>146,741,478</u>	<u>15,375,455</u>	<u>162,116,933</u>	<u>166,924,920</u>
Total liabilities	<u>169,978,334</u>	<u>16,596,438</u>	<u>186,574,772</u>	<u>191,902,446</u>
DEFERRED INFLOWS OF RESOURCES				
Deferred amount from refunding, net of accumulated amortization \$31,827 and \$26,335	864,950	-	864,950	937,427
Deferred pension inflows	-	689,676	689,676	853,866
Deferred OPEB inflows	-	4,415,072	4,415,072	3,777,969
Total deferred inflows	<u>\$ 864,950</u>	<u>\$ 5,104,748</u>	<u>\$ 5,969,698</u>	<u>\$ 5,569,262</u>
NET POSITION				
Net Investment in capital assets	\$ 395,427,583	\$ 17,354,811	\$ 412,782,394	\$ 399,664,752
Restricted for construction	1,502,744	-	1,502,744	1,331,030
Restricted for debt service	26,839,868	-	26,839,868	32,167,897
Restricted for maintenance	50,652,454	-	50,652,454	54,671,915
Unrestricted	95,869,448	-	95,869,448	95,739,427
Total net position	<u>\$ 570,292,097</u>	<u>\$ 17,354,811</u>	<u>\$ 587,646,908</u>	<u>\$ 583,575,021</u>

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OKLAHOMA CITY, OKLAHOMA, DEPARTMENT OF AIRPORTS
Statement of Revenues, Expenses, and Change in Net Position
For the Year Ended June 30, 2021 with summarized comparative information for June 30, 2020

	2021			2020
	OKLAHOMA CITY AIRPORT TRUST	AIRPORTS FUND	TOTAL	TOTAL
Operating revenues:				
Parking	\$ 8,522,799	\$ -	\$ 8,522,799	\$ 12,911,923
Landing fees	3,861,547	-	3,861,547	6,641,666
Rental income	12,248,768	-	12,248,768	14,179,367
Customer facility charges	3,321,718	-	3,321,718	4,454,522
Proprietary payments (to) from component unit	(19,038,270)	19,038,270	-	-
Other, net	18,645,976	-	18,645,976	20,754,942
Total operating revenues	<u>27,562,538</u>	<u>19,038,270</u>	<u>46,600,808</u>	<u>58,942,420</u>
Operating expenses:				
Personal services	-	13,197,973	13,197,973	12,448,170
Maintenance, operations, and contractual services	16,510,404	5,702,875	22,213,279	21,077,074
Materials and supplies	1,610,058	359,449	1,969,507	1,960,374
Depreciation	29,008,013	386,106	29,394,119	28,729,451
Total operating expenses	<u>47,128,475</u>	<u>19,646,403</u>	<u>66,774,878</u>	<u>64,215,069</u>
Operating Income (Loss)	<u>(19,565,937)</u>	<u>(608,133)</u>	<u>(20,174,070)</u>	<u>(5,272,649)</u>
Nonoperating revenues (expenses):				
Investment income				
Interest	3,695	4,461	8,156	366,769
Increase in fair value of investments	107,667	-	107,667	3,323,157
Oil and gas royalties	508,038	-	508,038	759,482
Passenger facility charges	4,292,576	-	4,292,576	6,081,512
Operating grants	262,800	-	262,800	263,518
Federal Stimulus Grants	9,861,122	-	9,861,122	12,153,791
Other nonoperating revenue	709	776	1,485	148,530
Interest expense	(3,801,907)	-	(3,801,907)	(5,038,844)
Amortization	472,613	-	472,613	924,541
Bond issue costs	-	-	-	(386,074)
Gain (loss) on disposition of assets	(138,535)	16,711	(121,824)	109,981
Net nonoperating revenues (expenses)	<u>11,568,778</u>	<u>21,948</u>	<u>11,590,726</u>	<u>18,706,363</u>
Income (loss) before capital grants, contributions and transfers between City funds	(7,997,159)	(586,185)	(8,583,344)	13,433,714
Capital grants and contributions	12,455,152	-	12,455,152	6,270,338
Transfers between City funds	-	200,079	200,079	-
Change in Net Position	4,457,993	(386,106)	4,071,887	19,704,052
Total net position, beginning of year	<u>565,834,104</u>	<u>17,740,917</u>	<u>583,575,021</u>	<u>563,870,969</u>
Total net position, end of year	<u>\$ 570,292,097</u>	<u>\$ 17,354,811</u>	<u>\$ 587,646,908</u>	<u>\$ 583,575,021</u>

See accompanying notes to financial statements.

OKLAHOMA CITY, OKLAHOMA, DEPARTMENT OF AIRPORTS

Statement of Cash Flow

For the Year Ended June 30, 2021 with summarized comparative information for June 30, 2020

	2021			2020
	OKLAHOMA CITY AIRPORT TRUST	AIRPORTS FUND	TOTAL	TOTAL
Cash flows from operating activities:				
Cash received from charges	\$ 44,782,122	\$ -	\$ 44,782,122	\$ 53,085,053
Cash received from customer facility charges	3,142,560	-	3,142,560	4,826,577
Cash received from oil and gas royalties	469,349	-	469,349	781,400
Cash payments to suppliers for goods and services	(17,791,083)	(5,954,045)	(23,745,128)	(23,757,945)
Cash payments to employees	-	(12,313,957)	(12,313,957)	(11,812,372)
Proprietary payments (to) from component unit	(18,483,930)	18,483,930	-	-
Net cash provided (used) by operating activities	<u>12,119,018</u>	<u>215,928</u>	<u>12,334,946</u>	<u>23,122,713</u>
Cash flow from noncapital financing activities:				
Operating grants received	284,400	-	284,400	241,920
Transfers received from (paid to) other City funds	(9,584)	200,078	190,494	(26,173)
Airport CARES / CRRSAA act grant received	<u>9,861,122</u>	-	<u>9,861,122</u>	<u>12,153,791</u>
Net cash provided (used) by noncapital financing activities	<u>10,135,938</u>	<u>200,078</u>	<u>10,336,016</u>	<u>12,369,538</u>
Cash flow from capital and related financing activities:				
Intergovernmental advance (payment)	(8,148,739)	-	(8,148,739)	-
Advance payable - Gulfstream	67,467	-	67,467	(266,442)
Acquisition and construction of capital assets	(52,797,347)	777	(52,796,570)	(46,869,802)
Capital grants received	21,778,575	-	21,778,575	(5,527,868)
Interest paid on bonds	(6,195,275)	-	(6,195,275)	(13,650,820)
Principal paid on bonds	(10,055,000)	-	(10,055,000)	(42,305,000)
Bond proceeds	-	-	-	39,279,739
Bond issuance costs	-	-	-	(386,074)
Proceeds from sale of capital assets	709	16,711	17,420	96,186
Passenger facility charges	<u>3,940,208</u>	-	<u>3,940,208</u>	<u>7,009,619</u>
Net cash provided (used) by capital and related financing activities	<u>(51,409,402)</u>	<u>17,488</u>	<u>(51,391,914)</u>	<u>(62,620,462)</u>
Cash flows from investing activities:				
Interest on investments	4,345	1,896	6,241	1,975,664
Proceeds from sale of investments	311,178,340	-	311,178,340	414,632,772
Purchase of investments	(282,021,115)	-	(282,021,115)	(389,935,459)
Change in pooled investments	-	(452,515)	(452,515)	8,373
Net cash provided (used) by investing activities	<u>29,161,570</u>	<u>(450,619)</u>	<u>28,710,951</u>	<u>26,681,350</u>
Net increase (decrease) in cash	7,124	(17,125)	(10,001)	(446,861)
Cash, beginning	<u>117,534</u>	<u>17,125</u>	<u>134,659</u>	<u>581,520</u>
Cash, ending	<u>\$ 124,658</u>	<u>\$ -</u>	<u>\$ 124,658</u>	<u>\$ 134,659</u>

See accompanying notes to financial statements.

OKLAHOMA CITY, OKLAHOMA, DEPARTMENT OF AIRPORTS

Statement of Cash Flow

For the Year Ended June 30, 2021 with summarized comparative information for June 30, 2020

	2021			2020
	OKLAHOMA CITY AIRPORT TRUST	AIRPORTS FUND	TOTAL	TOTAL
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:				
Operating income (Loss)	\$ (19,565,937)	\$ (608,133)	\$ (20,174,070)	\$ (5,272,649)
Adjustment to reconcile operating income (loss) to net cash provided by operating activities:				
Depreciation	29,008,013	386,106	29,394,119	28,729,451
Non-operating revenues (expenses):				
Oil and gas royalties	508,038	-	508,038	759,482
Changes in assets and liabilities:				
(Increase) decrease in accounts receivable	1,214,050	-	1,214,050	(978,130)
(Increase) decrease in royalties receivable	(38,690)	-	(38,690)	21,918
(Increase) decrease in due from City funds	-	85,598	85,598	4,647
(Increase) decrease in inventory	-	(6,553)	(6,553)	61,786
(Increase) decrease in prepaid assets	2,590	-	2,590	2,590
(Increase) decrease in advance (to) from other funds	560,961	(523,419)	37,542	(31,253)
Increase (decrease) in accounts payable	322,755	(1,688)	321,067	(755,680)
Increase (decrease) in wages and benefits payable	-	12,317	12,317	109,952
Increase (decrease) in compensated absences	-	(63,206)	(63,206)	(92,104)
Increase (decrease) in net pension asset	-	732,576	732,576	580,389
Increase (decrease) in OPEB liability	-	202,330	202,330	37,562
Increase (decrease) in pollution remediation	-	-	-	-
Increase (decrease) in deferred revenue	107,238	-	107,238	(55,248)
Total adjustments	<u>31,684,955</u>	<u>824,061</u>	<u>32,509,016</u>	<u>28,395,362</u>
Net cash provided (used) by operating activities	<u>\$ 12,119,018</u>	<u>\$ 215,928</u>	<u>\$ 12,334,946</u>	<u>\$ 23,122,713</u>
Noncash investing, capital and financing activities:				
Net increase (decrease) in fair value of investments	\$ 107,667	\$ -	\$ 107,667	\$ 3,323,157

See accompanying notes to financial statements.

OKLAHOMA CITY, OKLAHOMA, DEPARTMENT OF AIRPORTS

Notes to Financial Statements

June 30, 2021

1. ORGANIZATION

The financial transactions of the Oklahoma City Airport Trust (Trust), a discrete component unit of The City of Oklahoma City (City), and the Airports Fund, a non-major enterprise fund of the City, have been functionally combined and reported as the Oklahoma City Department of Airports (Department).

The Trust is a public trust established in 1956 pursuant to Title 60 of the Oklahoma Statutes section 176 et seq. to provide a means of financing and administering the construction of airports and air navigation facilities of the City. In the same year, the City, beneficiary of the Trust, signed a lease agreement with the Trust, which provides that all airport-related assets owned by the City or acquired thereafter would be leased to the Trust and that the Trust will lease or otherwise manage the related property and improvements financed by the Trust.

The term of the lease is currently July 1, 2047, or until all indebtedness authorized by the Bond Indenture and Supplemental Bond Indentures have been paid or provisions of the payment thereof have been made, whichever event shall happen later. Under the provisions of the lease, surplus revenues of the Trust derived from the operation of the Trust Estate are to be paid to the City as rent and are to be used by the City for any lawful purpose. In 1988, a joint resolution of the City Council and the Trustees of the Trust established the Airports Fund in order for the Department to meet maintenance, operation and salary expenses. Grant Assurance 25 along with Section 47107 of Title 49, United States Code established proper use of airport revenue is vital to an airport's ability to be self-sustaining. In accordance with federal law, revenues generated by a federally obligated airport must be expended for capital and operating costs of the airport. The establishment of the Airports Fund in 1988 ensures the prevention of revenue diversion, and cash transfers are made monthly from the Trust to the Airports Fund for certain maintenance and operating expenses and all salary expenses of the Department. Any excess funds remaining in the Trust are available for preservation and maintenance of the Trust Estate.

One hundred and thirty one full-time City employees serve the Department. Employee's salaries and benefits, as well as certain maintenance, contractual items, and supplies are paid through the Airports Fund. Assets contributed to the Department from the City are recorded along with their applicable annual depreciation in the Airports Fund for internal accounting.

In May of 2020, the Governmental Accounting Standards Board (GASB) issued statement number 95, Postponement of the Effective Dates of Certain Authoritative Guidance, effective immediately to provide temporary relief to governments and other stakeholders in light of the COVID-19 pandemic. Certain Statements that first became effective after June 15, 2018 and later have been postponed by one year up to 18 months depending upon the pronouncement.

Effective July 1, 2020, the City implemented Governmental Accounting Standards Board (GASB) statement number 84, Fiduciary Activities. The primary purpose of this statement is to improve guidance and financial reporting of fiduciary activities. The requirements of this statement are intended to enhance the consistency and comparability of fiduciary activity to improve the usefulness of this information primarily for assessing government accountability and stewardship as a fiduciary. There was not impact to the Trust as a result of adopting this standard.

OKLAHOMA CITY, OKLAHOMA, DEPARTMENT OF AIRPORTS

Notes to Financial Statements

June 30, 2021

Effective July 1, 2020, the City implemented Governmental Accounting Standards Board (GASB) statement number 90, Majority Equity Interests. The primary objectives of this statement are to improve the consistency and comparability of reporting majority equity interest in a legally separate organization and to improve the relevance of financial statement information by providing essential information related to presentation for certain component units. There was not impact to the Trust for adopting this standard.

The City's airport system consists of Will Rogers World Airport, Wiley Post Airport, and Clarence E. Page Airport. The Director of Airports administers the day-to-day operations of the airport system with the support of the Department employees. The Director reports to the Trustees and the City Manager. Subsequent events have been evaluated through November 19, 2021.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

Per the requirements of GASB Statement No. 61, *The Financial Reporting Entity – Omnibus*, an amendment of GASB Statement No. 14, *The Financial Reporting Entity*, and the related financial reporting requirements of Statement No. 34, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments*, the Trust and the City have determined that the Trust meets the criteria of a discretely presented component unit of the City of Oklahoma City, Oklahoma.

While the City appoints a majority of the board members of the Trust it is not substantially the same as the City. The Trust does not have a financial benefit or burden relationship with the Primary Government nor does management of the Primary Government have operational responsibility for the Trust. In addition, the Airport Trust does not provide goods or services to the Primary Government but rather, the Airport Trust services are provided to the citizenry at large.

Measurement Focus, Basis for Accounting, and Financial Statement Presentation

The Trust and the Airports Fund are both major funds of the reporting entity and are combined and reported as the Department.

The measurement focus is on the flow of economic resources and the accrual basis of accounting whereby, revenues are recognized when earned and expenses are recorded when incurred, regardless of the timing of related cash flows.

Operating income includes revenues and expenses related to the primary continuing operations of the Department. Principal operating revenues include charges to customers for services and rentals of Department-owned facilities. Principal operating expenses are the costs of providing services, or facilities, and include administrative expenses and depreciation of capital assets. Other revenues and expenses are classified as nonoperating in the financial statements.

When both restricted and unrestricted resources are available for use, it is the Department's policy to use restricted resources first, and then unrestricted resources as needed. Restricted assets and

OKLAHOMA CITY, OKLAHOMA, DEPARTMENT OF AIRPORTS

Notes to Financial Statements

June 30, 2021

liabilities payable from restricted assets current in nature are reported with current assets and liabilities in the financial statements. See information describing restricted assets later in this section.

Budgetary Controls

An annual budget is prepared for the Airports Fund and submitted to and adopted by the City Council in June of each year for the succeeding fiscal year according to the City Charter and the Oklahoma Municipal Budget Act. The Airports Fund appropriated budget is prepared on the cash and expenditures/encumbrances basis. Revenues are budgeted by source in the year receipt is expected. Expenditures and encumbrances are budgeted in the year applicable purchase orders are expected to be issued. The legal level of control for expenditures is at the character level (personal services, maintenance and operations, commodities, capital outlay, and debt service). Management can transfer within individual levels without City Council approval. Transfers between characters are subject to City Council approval. Revisions to the budget were made throughout the year. City Council may amend the appropriated budget. Unencumbered appropriations lapse at fiscal year-end.

The Trust budget is submitted to and adopted by the Trustees of the Trust and filed with the City in June of each year for the succeeding fiscal year according to budget provisions for public trusts of the Oklahoma Statutes. The Trust is not required to demonstrate statutory compliance with its annual operating budget.

Deposits and Investments

The City Council updated and adopted a formal deposit and investment policies in August 2017. These policies apply to all City funds not contained in public trusts; therefore, these deposit and investment policies apply to the Airports Fund. The Trust has a separately adopted investment policy.

The deposits of the Airports Fund are pooled with other City deposits and are under the custody of the City Treasurer. The Department's portion of the pool is displayed on the statement of net position as "Pooled cash".

The deposits of the Trust are made directly to the trustee bank. The deposits and investments of the Trust are held separately from those under the custody of the City Treasurer. These are reflected as "Non-pooled cash" and "Investments", some of which are restricted assets.

Investments are reported at fair value based on quoted market prices. Cash deposits are reported at carrying amount that reasonably estimates fair value.

Additional deposit and investment information is presented in Note 3.

Receivables

Receivables include amounts due from tenants for the use of airport facilities under rental and concession agreements, royalties, customer facility charges, and passenger facility charges. All receivables are current and therefore due within one year. Receivables are reported net of an allowance for uncollectible accounts and revenues net of uncollectibles. Allowances are reported when accounts are determined to be uncollectible based on the facts and circumstances of each receivable. Allowances for uncollectible accounts are netted against accounts receivable and revenues.

OKLAHOMA CITY, OKLAHOMA, DEPARTMENT OF AIRPORTS

Notes to Financial Statements

June 30, 2021

Receivables are as follows:

Miscellaneous accounts receivable	\$	114,772
Billed accounts receivable		(115,521)
Unbilled accounts receivable		583,158
Credit card receivables		83,008
Allowance for uncollectible accounts receivable		(190)
	\$	<u>665,227</u>

Inventory

Inventory is recorded at cost or on a first-in, first-out basis.

Intergovernmental Advance

The Trust has two active reimbursable agreements with the Federal Aviation Administration (FAA) to fund a capital projects with Senior Lien Maintenance funds for improvements to Trust owned buildings. The agreements are for the portions of the project that the Trust is responsible for according to the lease with the FAA. Any funds that are not used will be refunded to the Trust.

Restricted Assets

Assets acquired from revenue bond proceeds are restricted for capital projects. Passenger Facility Charges (PFC) collections are either restricted for capital projects on a pay-as-you-go basis or restricted for debt service on PFC backed revenue bonds. Other assets are restricted contractually for operations. Assets restricted for acquisition or construction of noncurrent assets and assets restricted for liquidation of noncurrent debt are reported as noncurrent assets in the financial statements.

Capital Assets and Depreciation

Property and equipment are stated at actual or estimated historical cost, net of accumulated depreciation. Contributions of assets from airport lessees are recorded at acquisition value at the date donated. The Department generally capitalizes assets with a cost of \$50,000 or more as purchases and construction outlays occur. The exception to this rule will be assets funded by grants of \$5,000 or greater. Depreciation is computed on a straight-line method over the estimated useful lives as follows:

Buildings	10-50 years
Improvements	10-50 years
Furniture, fixtures, and equipment	5-20 years

Maintenance and repairs are charged to operations, while renewals and betterments are capitalized. When property and equipment is disposed of, the cost and applicable accumulated depreciation are removed from the respective accounts and the resulting gain or loss is recorded as a nonoperating item in the Statement of Revenues, Expenses and Change in Net Position.

Cost incurred during construction of long-lived assets is recorded as construction in progress and are not depreciated until placed in service. The Department capitalizes interest as a component of capital assets constructed for its own use.

Additional capital asset and depreciation information is presented in Note 4.

OKLAHOMA CITY, OKLAHOMA, DEPARTMENT OF AIRPORTS

Notes to Financial Statements

June 30, 2021

Interest Capitalization

Interest costs are capitalized as part of the historical cost of acquiring certain assets. To qualify for interest capitalization, assets must require a period of time to get them ready for their intended purpose. Interest earned on proceeds of tax-exempt borrowing arrangements restricted to the acquisition of qualifying assets is offset against interest costs in determining the amount to be capitalized. Total interest cost net of amortization of discount and premium incurred was \$6,453,862 and \$5,479,853 for the years ended June 30, 2021 and 2020, respectively. Of these amounts, \$3,621,815 and \$3,062,697 was included as part of the cost of capital assets under construction for the years ended June 30, 2021 and 2020, respectively.

Bond Discounts and/or Premiums

The related bond discounts or premiums from issuing bonds are being amortized over the term of the respective bonds using a method which approximates the effective interest method.

Deferred Outflows of Resources and Deferred Inflows of Resources

In addition to assets and liabilities, the statement of net position may report separate sections of deferred outflows of resources and deferred inflows of resources. Deferred outflows of resources represent a consumption of net position that applies to a future period which will not be recognized as an outflow of resources until that time. Deferred inflows of resources represent an acquisition of net position that applies to a future period which will not be recognized as an inflow of resources until that time.

Risk Management

The Department's risk management activities are recorded in the City Risk Management fund, Oklahoma City Municipal Facilities Authority (OCMFA) service fund and the Oklahoma City Postemployment Benefit Trust (OCPEBT). The purpose of these funds is to administer employee life, health, property and liability, workers' compensation, unemployment, and disability insurance programs of the City, in which the Department participates. These funds account for the risk financing activities of the Department and constitute a transfer of risk from the Department.

The Department pays premiums to the City and has no other cost or liabilities related to risk management activities. Costs and liabilities for commercial insurances, stop-loss insurance, and claims paid are recorded in the City Risk Management Fund and OCMFA Services Fund. Retiree health insurance claim costs and liabilities are reported in OCPEBT. See Note 6.

On March 11, 2020, the World Health Organization declared COVID-19 a global pandemic and recommended worldwide mitigation measures. The extent of COVID-19's effect on the Trust's operational and financial performance will depend on future developments, including the duration, spread and intensity of the pandemic, all of which are uncertain and difficult to predict considering the rapidly evolving landscape. The Trust saw a significant decrease to enplaned passengers of 28.23% in fiscal year 2021 compared to fiscal year 2020. In FY 2020 and FY 2021, the Trust received \$12,154,000 and \$9,791,000 in Coronavirus Aid, Relief and Economic Securities (CARES) Act. The Trust was awarded \$6,552,000 in Coronavirus Response and Relief Supplemental Appropriation Act (CRRSAA). The Trust will use these funds for concession relief and operation expenses at all three Trust owned airports. Lastly, continued disruption in the financial markets may have an impact on the investment portfolio. As a result, it is not currently possible to ascertain the overall impact of COVID-19 on future operations.

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One lawsuit was settled in the current year. The lawsuit was initiated by Trust on March 4, 2020, through attorneys Ronald Shinn and Katelyn King of McAfee & Taft, who filed a forcible entry and detainer action against the operator of the Airport Hotel, OM Hospitality, L.L. C. (OM), in Oklahoma County District Court in order to obtain possession of the hotel due to OM's failure to maintain the hotel. The matter was subsequently transferred to the Oklahoma County civil docket (Case No. CJ-2020-1456) for consideration of the OM's counterclaims made against the Trust, which included, but were not limited to, breach of contract and violation of due process allegations, to which OM alleges damages in excess of \$3 million. Trust agreed to settle the case with OM for \$2,000,000 in exchange for the early termination of the long-term lease, OM vacating the premises, and a mutual dismissal of all claims. A mutual dismissal with prejudice was filed in the action on April 30, 2021. In the current year, this was recorded in the maintenance, operations, and contractual services line of the Statement of Revenues, Expenses, and Change in Net Position.

Passenger Facility Charges (PFC) Revenue

Passenger Facility Charges have been levied at the rate of \$3 (July 1, 1997 through March 31, 2010) and \$4.50 (since April 1, 2010) per enplaned passenger, under FAA approved applications to impose and use \$262,452,615 for construction and debt payments of FAA approved improvements. Under the approved applications, collections extend until October 31, 2035. Total cumulative PFC revenues remitted to the Department through the years ended June 30, 2021 and 2020 were \$138,204,141 and \$134,263,933, respectively. PFC revenues earned by the Department for the years ended June 30, 2021 and 2020 were \$4,292,576 and \$6,081,512, respectively. PFC revenues are recognized as earned and are included in non-operating revenues.

Customer Facility Charges (CFC) Revenue

Pursuant to a Joint Resolution adopted by the Trust and the City, the collection of a Customer Facility Charge (CFC) began July 1, 2012. The CFC is charged at a rate of \$4.50 per rental car transaction day, and is to be collected by on-airport rental car companies renting an automobile to an airport customer from either a location on airport premises or from a location off-airport but with an airport customer. CFC revenues may be used for any legal use to sustain, maintain, or expand the rental car program. CFC revenues earned by the Department for the year ended June 30, 2021 and 2020 were \$3,321,718 and \$4,454,522 respectively. CFC revenues are recognized as earned. While CFC revenues are included in operating revenues, these revenues pay for both operating and non-operating expenses. Those operating expenses consist of shuttle bus and facility maintenance and operations.

Rental Income

Property is leased to commercial airlines, car rental companies, concessionaires, several fixed base operators who service the airline industry, the FAA, and other Federal and state agencies. All leases are non-cancelable operating leases. Property leased, or held for lease, to others was approximately \$558,673,361 and \$552,438,629 as of June 30, 2021 and 2020, respectively. Accumulated depreciation on this leased property was approximately \$353,794,602 and \$330,764,056 as of June 30, 2021 and 2020, respectively.

OKLAHOMA CITY, OKLAHOMA, DEPARTMENT OF AIRPORTS

Notes to Financial Statements

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Minimum rentals on non-cancelable operating leases are as follows:

Year	Amount
2022	\$ 29,634,223
2023	26,088,330
2024	11,519,757
2025	5,669,544
2026	4,248,231
2027-2031	9,312,369
2032-2036	8,388,628
2037-2041	7,557,552
2042-2046	7,742,974
2047-2051	8,179,619
2052-2056	8,483,415
2057-2061	7,716,252
2062-2066	7,310,584
2067-2071	7,643,135
2072-2076	127,478
Total	<u>\$ 149,622,091</u>

Several of the leases include rental amounts that are determined annually based on formulas prescribed in the individual lease agreements. The minimum future rentals for these leases were determined using the rates in effect at June 30, 2021.

Several leases require the lessee to remit a percentage of its revenue as the rental charge. Under leases of this type, minimum annual guaranteed income is included in the future minimum rental amounts above. Rental income for 2021 and 2020 received through these leases was approximately \$4,703,000 and \$7,581,000, respectively. Although the actual income to be received in future periods cannot be known due to the nature of these leases, management does anticipate a significant decrease in these rental amounts due to new concession agreements, amendments, and memorandums of understandings that are expected to be executed as a result of COVID-19.

Compensated Absences

Full-time, permanent employees are granted vacation benefits in varying amounts to specified maximums depending on tenure with the City. Sick leave accrues to full-time, permanent employees to specified maximums. Generally, after one year of service, employees are entitled to a percentage of their sick leave balance and all accrued vacation leave upon termination. The estimated liability for vested vacation and sick leave benefits are charged to expense and the corresponding liability.

Use of Estimates

The preparation of financial statements in conformity with US GAAP requires management to make estimates and assumptions that affect certain reported amounts and disclosures; accordingly, actual results could differ from those estimates.

OKLAHOMA CITY, OKLAHOMA, DEPARTMENT OF AIRPORTS

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Prior Year Information

The financial statements include certain prior year summarized comparative totals. Such information does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the Department's financial statements for the year ended June 30, 2020, from which the summarized totals were derived.

Reclassification

Certain amounts from the prior year have been reclassified to conform to the current year presentation.

Defined Benefit Pension Plan

The Trust's full-time employees are eligible to participate in the City's Employee Retirement System (OCERS). For purposes of measuring the net pension asset (liability), deferred outflows of resources and deferred inflows of resources related to pensions and pension expense, information about the fiduciary net position of the OCERS and additions to/deductions from the OCERS's fiduciary net position have been determined on the same basis as they are reported by the OCERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Post-Employment Plans

Effective July 1, 2017 the Airport implemented Governmental Accounting Standards Board (GASB) statement number 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pension Plans. This statement replaces GASB statements 45 as amended and 57. This statement establishes standards for measuring and recognizing liabilities, deferred outflows of resources, deferred inflows of resources, and expenses/expenditures for other post employment benefits (OPEB). It also includes note disclosure and required supplementary information requirements for OPEB plans.

3. DEPOSITS AND INVESTMENTS

Deposits

Custodial credit risk for deposits is the risk that in the event of a bank failure, the City's deposits may not be returned or the City will not be able to recover collateral securities in the possession of an outside party. The City policy requires deposits to be 110% secured by collateral valued at market or par, whichever is lower, less the amount of the Federal Deposit Insurance Corporation insurance. Pooled deposits funds may be invested in certificates of deposit in institutions with an established record of fiscal health and service, as determined by a rating of C minus or above by independent rating agencies. Collateral agreements must be approved prior to deposit of funds as provided by law. The City Council approves and designates a list of authorized depository institutions by resolution. Investing is performed in accordance with the formally adopted investment policies of the City that comply with State statutes and the City Charter. These policies apply to the Airport's Cash Fund.

The Trust deposits as required by the Bond Indenture and Supplemental Bond Indentures are to be maintained by the trustee banks specified in the indentures. Trust deposits are continuously secured for the benefit of the Trust in the manner prescribed by Federal Law for the securing of trust funds. Deposits of the Trust and the City are insured or collateralized with securities held by the City, its agent,

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or by the pledging financial institution’s trust department or agent in the name of the City or Trust as applicable.

Investments

Credit risk is the risk that an issuer or other counter party to an investment will not fulfill its obligations. The Trust adopted a policy for investing Trust monies related to the Bond Indenture, with the exception of the Construction Account of the Trust, in general obligations of the United States with maturities not to exceed a term of five years or the intended date of use of said monies. Construction Account monies are required by the Bond Indenture to be invested in general obligations of the Federal government with terms not exceeding six months.

Investments are categorized within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset; the hierarchy requires an entity to maximize the use of observable inputs when measuring fair value. The following describes three levels of inputs that may be used to measure fair value:

Level 1 - Inputs to the valuation methodology are quoted prices available in active markets for identical investments as of the reporting date;

Level 2 - Inputs to the valuation methodology are other than quoted prices in active markets, which are either directly or indirectly observable as of the reporting date, and fair value can be determined through the use of models or other valuation methodologies; and

Level 3 - Inputs to the valuation methodology are unobservable inputs in situations where there is little or no market activity for the asset or liability and the reporting entity makes estimates and assumptions related to the pricing of the asset or liability including assumptions regarding risk.

A financial instrument’s level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement.

U.S. Treasury money market funds and U.S. Treasury strips are valued using quoted market prices, and therefore are classified as Level 1.

Restricted Deposits and Investments	2021	2020
Bond principal and interest accounts	\$ 1,690,031	\$ 3,817,143

As of June 30, 2021, the Trust had the following investments:

Type of Investment	Fair Value/Carrying Amount	Cost	Ratings (1)	Weighted Average Days to Maturity	Hierarchy
U.S. Treasury Money Market Fund	\$ 87,615,876	\$ 87,615,876	N/A	17	Level 1
U.S. Treasury Strips	117,154,249	117,148,654	N/A	136	Level 1
Total Investments	\$ 204,770,125	\$ 204,764,530			

(1) Ratings are provided where applicable to indicate associated Credit Risk

OKLAHOMA CITY, OKLAHOMA, DEPARTMENT OF AIRPORTS
Notes to Financial Statements
June 30, 2021

As of June 30, 2020, the Trust had the following investments:

Type of Investment	Fair Value/Carrying Amount	Cost	Ratings (1)	Weighted Average Days to Maturity	Hierarchy
U.S. Treasury Money Market Fund	\$ 78,212,710	\$ 78,212,710	N/A	17	Level 1
U.S. Treasury Strips	155,606,973	155,208,108	N/A	124	Level 1
Total Investments	\$ 233,819,683	\$ 233,420,818			

(1) Ratings are provided where applicable to indicate associated Credit Risk

The Airports Fund pooled investments as of June 30, 2021 were \$1,662,473. The Airports Fund participates in the City's investment pool which had the following investments as of June 30, 2021:

Type of City Pooled Investments	Fair Value/Carrying Amount	Cost	Ratings (1)	Weighted Average Months to Maturity	Hierarchy
Money Market funds	\$ 126,118,698	\$ 126,118,698	AAA/Aaa	1.37	Level 1
U.S. Treasury Notes	593,108,005	595,489,623	NA/Aaa	22.50	Level 2
Fannie Mae	52,648,756	52,036,642	AA/Aaa	10.77	Level 2
Federal obligations	423,814,197	419,331,613	AA/Aaa	12.80	Level 2
Certificate of Deposit	227,272	227,272	N/A	8.20	Level 1
Total Investments	\$ 1,195,916,928	\$ 1,193,203,848			

(1) Ratings are provided where applicable to indicate Credit Risk

The Airports Fund pooled investments as of June 30, 2020 were \$1,209,958. The Airports Fund participates in the City's investment pool which had the following investments as of June 30, 2020:

Type of City Pooled Investments	Fair Value/Carrying Amount	Cost	Ratings (1)	Weighted Average Months to Maturity	Hierarchy
Money Market funds	\$ 156,961,000	\$ 156,961,000	AAA/Aaa	1.33	Level 1
U.S. Treasury Notes	262,146,000	258,250,000	AAA/Aaa	18.67	Level 2
Fannie Mae	120,441,000	118,963,000	AA/Aaa	31.27	Level 2
Federal obligations	570,588,000	558,252,000	AA/Aaa	21.39	Level 2
Commercial paper	19,968,000	19,966,000	A1/P1	5.57	Level 2
Total Investments	\$ 1,130,104,000	\$ 1,112,392,000			

(1) Ratings are provided where applicable to indicate associated Credit Risk

Interest rate risk is the risk that changes in interest will adversely affect the fair value of an investment. Investments held for longer periods are subject to increased risk of adverse interest rate changes. Trust investments are diversified to minimize the risk of loss resulting from over-concentration of assets in a specific maturity period. Investments are made in anticipation of cash flow requirements. Interest rate risk and concentration of credit risk are not addressed by bond indentures or investment policies.

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Custodial credit risk is the risk that, in the event of the failure of the counter party, the Trust will not be able to recover the value of its investments or collateral securities in the possession of an outside party. Investments are insured or registered, with securities held by the entity or its agent in the entity's name.

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4. CAPITAL ASSETS

As of June 30, 2021 capital assets consist of the following:

	Balance			Balance
Depreciable capital assets	July 1, 2020	Increases	Decreases	June 30, 2021
Buildings	\$ 566,604,231	\$ 5,146,659	\$ (474,200)	\$ 571,276,690
Improvements	374,762,073	9,172,976	(321,670)	383,613,379
Furniture, fixtures, and equipment	48,449,104	6,500,444	(427,114)	54,522,434
Total depreciable capital assets	<u>989,815,408</u>	<u>20,820,079</u>	<u>(1,222,984)</u>	<u>1,009,412,503</u>
Less accumulated depreciation				
Buildings	324,518,634	14,471,790	(466,968)	338,523,456
Improvements	252,319,846	10,781,030	(187,366)	262,913,510
Furniture, fixtures, and equipment	26,949,255	4,141,299	(470,764)	30,619,790
Total accumulated depreciation	<u>603,787,735</u>	<u>29,394,119</u>	<u>(1,125,098)</u>	<u>632,056,756</u>
 Depreciable capital assets, net of accumulated depreciation	 <u>\$ 386,027,673</u>	 <u>\$ (8,574,040)</u>	 <u>\$ (97,886)</u>	 <u>\$ 377,355,747</u>
Nondepreciable capital assets				
Land	\$ 30,580,289	\$ -	\$ -	\$ 30,580,289
Art	450,420	-	-	450,420
Construction in progress	85,086,891	66,815,721	(20,423,067)	131,479,545

As of June 30, 2020 capital assets consist of the following:

	Balance			Balance
Depreciable capital assets	July 1, 2019	Increases	Decreases	June 30, 2020
Buildings	\$ 564,175,057	\$ 2,429,174	\$ -	\$ 566,604,231
Improvements	372,221,918	2,540,155	-	374,762,073
Furniture, fixtures, and equipment	47,188,725	2,357,710	(1,097,331)	48,449,104
Total depreciable capital assets	<u>983,585,700</u>	<u>7,327,039</u>	<u>(1,097,331)</u>	<u>989,815,408</u>
Less accumulated depreciation				
Buildings	310,166,787	14,351,847	-	324,518,634
Improvements	241,521,607	10,798,239	-	252,319,846
Furniture, fixtures, and equipment	23,852,396	3,579,365	(482,506)	26,949,255
Total accumulated depreciation	<u>575,540,790</u>	<u>28,729,451</u>	<u>(482,506)</u>	<u>603,787,735</u>
 Depreciable capital assets, net of accumulated depreciation	 <u>\$ 408,044,910</u>	 <u>\$ (21,402,412)</u>	 <u>\$ (614,825)</u>	 <u>\$ 386,027,673</u>
Nondepreciable capital assets				
Land	\$ 30,580,289	\$ -	\$ -	\$ 30,580,289
Art	450,420	-	-	450,420
Construction in progress	35,064,546	56,090,545	(6,068,200)	85,086,891

5. LIABILITIES

Compensated Absences

Changes in compensated absences for the fiscal year are as follows:

	Balance			Balance	Due within
	July 1, 2020	Increases	Decreases	June 30, 2021	one year
Compensated absences	\$ 1,705,841	\$ 705,843	\$ (769,049)	\$ 1,642,635	\$ 509,591

Revenue Bonds Payable

The Trust has at various times issued bonds for the purpose of financing the construction of certain facilities and improvements for the airports and air navigation facilities of the City. The bonds that have been issued by the Trustees are of three types, Senior Lien Bonds and Junior Lien Bonds issued pursuant to the Bond Indenture and Separate Lease Revenue Bonds issued pursuant to separate indentures. There is no outstanding Senior Lien Bonds.

Thirty-Four series of Junior Lien Bonds have been issued pursuant to supplemental bond indentures to the Bond Indenture, and are secured by a pledge of the gross revenues of the Airports, subject to the debt service requirements of any outstanding Senior Lien Bonds. In fiscal year 2020, the Series 31 bonds were partially refunded which achieved a cashflow savings of approximately, \$12.213 million and an economic gain of approximately \$8.526 million. The bond proceeds were used to construct various facilities at the Airports. Five Junior Lien series are still outstanding as of June 30, 2021. The Bond Indenture and its supplements require the use of a project account, bond (sinking) account, and various construction accounts. These accounts are held by a Trustee bank and managed pursuant to terms of the Bond Indenture. The Bond Indenture provides that gross revenues from operations will be deposited into the project account and transfers will be made to the other accounts for current requirements on a monthly basis.

The bonds are generally subject to prior redemption in part or in whole at the option of the Trustees. However, certain minimum redemptions are to be made as set forth in the various bond indentures in the event there are any available funds. Certain bonds are subject to a redemption premium of up to 5% of par value, as described in the various bond indentures, if redeemed prior to scheduled dates.

Proceeds from tax-exempt bonds issued after September 1, 1986 are subject to the 1986 Tax Reform Act. The Trust complies with Internal Revenue Service regulations in order to maintain tax-exempt status on the bonds. The Trust has no arbitrage rebate liability at June 30, 2021.

OKLAHOMA CITY, OKLAHOMA, DEPARTMENT OF AIRPORTS
Notes to Financial Statements
June 30, 2021

A summary of changes in bonds payable as of June 30, 2021 is as follows:

Description	Balance July 1, 2020	Issued	Retired	Balance June 30, 2021	Due within one year
Junior Lien Bonds:					
Thirty-first Series	\$ 3,130,000	\$ -	\$ 740,000	\$ 2,390,000	\$ 765,000
Thirty-second Series A Private Placement	9,785,000	-	1,460,000	8,325,000	1,490,000
Thirty-second Series B Private Placement	12,245,000	-	7,245,000	5,000,000	5,000,000
Thirty-three Series	93,550,000	-	-	93,550,000	-
Thirty-fourth Series	39,175,000	-	610,000	38,565,000	550,000
Total	<u>\$ 157,885,000</u>	<u>\$ -</u>	<u>\$ 10,055,000</u>	<u>\$ 147,830,000</u>	<u>\$ 7,805,000</u>
Less current maturities				(7,805,000)	
Long-term portion				140,025,000	
Less unamortized discount				-	
Add unamortized premium				6,716,478	
Total				<u>\$ 146,741,478</u>	

Additional information on revenue bond issues is as follows:

Description	Original Amount Issued	Interest Rate	Issue Date	Final Maturity Date
Junior Lien Bonds:				
Thirty-first Series	39,615,000	.985 - 6.86	9/25/2013	7/1/2043
Thirty-second Series A	12,165,000	1.88	11/15/2017	7/1/2026
Thirty-second Series B	24,505,000	1.88	11/15/2017	7/1/2021
Thirty-three Series	93,550,000	5.00	11/14/2018	7/1/2047
Thirty-fourth Series	39,175,000	1.876 -3.43	1/22/2020	7/1/2043

Additional information on revenue bond issues is as follows:

Fiscal Year	Principal	Interest	Total
2022	7,805,000	6,080,285	13,885,285
2023	4,470,000	5,920,012	10,390,012
2024	4,635,000	5,757,633	10,392,633
2025	4,790,000	5,597,161	10,387,161
2026	4,945,000	5,439,110	10,384,110
2027-2031	21,380,000	24,756,712	46,136,712
2032-2036	24,480,000	20,156,034	44,636,034
2037-2041	30,350,000	14,192,651	44,542,651
2042-2046	32,740,000	6,770,295	39,510,295
2047-2048	12,235,000	619,375	12,854,375
	<u>\$ 147,830,000</u>	<u>95,289,268</u>	<u>243,119,268</u>

6. RELATED PARTY TRANSACTIONS

The Department reimburses the City for the cost of providing the Department with security, insurance, water and other services. Amounts charged by other City departments are expensed during the period incurred. Amounts charged by other City departments for fiscal years ended June 30, 2021 and 2020, were \$6,196,510 and \$6,232,443, respectively.

7. RETIREMENT PLAN

All full-time employees of the Department participate in the City's Employees Retirement System (OCERS), a single-employer defined benefit public employee retirement system. The Department's covered payroll was \$7,581,640 and \$7,418,796 for the years ended June 30, 2021 and 2020, respectively. The total payroll for all Department employees was \$8,663,301 and \$8,383,353 for the years ended June 30, 2021 and 2020, respectively.

Eligibility, Contribution Methods, Benefit Provisions

Year established and governing authority	1958; City Council Ordinance
Determination of contribution requirements	Actuarially determined
Employer contributions	5.56% of covered payroll (5.23 in 2020)
Plan members contributions	6.00% of covered payroll
Funding of administrative costs	Investment earnings
Period required to vest	5 years
Post-retirement benefit increases	Cost of living adjustments are compounded annually; increases must be approved by the OCERS board
Eligibility for distribution	30 years credited service regardless of age, or age 60 with 20 years (Pre 3/67 hires), or 25 years of credited service regardless of age, or age 65 with 5 years (Post 3/67 hires), or age 55 with 5 years on a reduced basis, or 5 years of service with benefits.

Benefit Provisions

Benefit provisions include both duty and non-duty disability retirement and death benefits. Average Final Compensation (AFC) determines the retirement benefit and is calculated as the highest 36 months of earned employee compensation (excluding compensation for unused vacation and sick leave and amounts elected to be deferred under Section 125 of the Internal Revenue Code) during the last 60 months of service. Generally, the normal retirement benefit is 2% of AFC for each full year of service, plus 1/12 of 2% for each whole month of a partial year of service to a maximum of 100% of AFC. There are modifications to the normal retirement benefit for the early and deferred retirement, duty and non-duty disability, and death benefits.

Post-Retirement Adjustments

Post-retirement benefits for retirees are not subject to any changes in the Consumer Price Index.

OKLAHOMA CITY, OKLAHOMA, DEPARTMENT OF AIRPORTS
Notes to Financial Statements
June 30, 2021

Plan Membership

Active employees	2,470
Retirees and beneficiaries currently receiving benefits	1,652
Terminated plan members entitled to but not yet receiving benefits	151
	4,273

Actuarial Methods and Assumptions

Valuation date	12/31/2019
Provisions for:	
Disability benefits	Yes
Death benefits	Yes
Actuarial cost method	Individual entry age
Amortization method	Level percentage of payroll
Amortization period	25 years, closed
Actuarial asset valuation method	4-year smoothed market
Actuarial assumptions	
Investment rate of return	7.0%
Projected salary increases	3.0%
Post-retirement increases (max)	2%
Inflation	2.25%
Source of mortality assumptions	RP-2014 Blue Collar Healthy Annuitant combined mortality table projected to 2025 using scale MP -2016.
Experience study	Actuarial assumptions were based upon results of an experience study covering the period January 1, 2014 through December 31, 2018

Projections of benefits for financial reporting purposes are based on the substantive plan (the Plan as understood by OCERS and Plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between OCERS and Plan members to that point. Actuarial calculations reflect a long-term perspective. The actuarial methods and assumptions use techniques that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of calculations.

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future and that actuarially determined amounts are subject to continual revision as results are compared to past expectations and new estimates are made about the future.

The OCERS issues a separate stand-alone report which can be obtained from the City's Accounting Services Division at 100 N. Walker, Oklahoma City, Oklahoma 73102.

Reserves

There are no assets legally reserved for purposes other than the payment of plan member benefits.

OKLAHOMA CITY, OKLAHOMA, DEPARTMENT OF AIRPORTS

Notes to Financial Statements

June 30, 2021

Concentrations

The plan held no individual investments (other than U.S. Government and U.S. Government guaranteed obligations) whose market value exceeds 5% or more of net position available for benefits. There are no long-term contracts for contributions.

Net Pension Asset (Liability)

The departmental share of net pension liability is allocated using the departments share of employer contributions for the payroll ending June 30, 2021. The department portion for 2021 was 5.43%.

	Total	Airports Fund Share
Total pension asset (liability)	\$ (807,738,265)	\$ (43,860,188)
Fiduciary net position	760,428,740	41,291,281
Net pension asset (liability)	<u>\$ (47,309,525)</u>	<u>\$ (2,568,907)</u>
 Plan fiduciary net position as a percentage of total pension liability	 94.14%	 94.14%

Rate of Return

The annual money-weighted rate of return on pension plan investments, net of pension plan investment expenses was 4.08%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Long-term Expected Rate of Return

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation.

	Long-Term Expected Real Rate of Return	Target Allocation
Core bonds	2.60%	5.00%
Core plus	2.87%	7.50%
Global bonds	2.37%	7.50%
Absolute return	4.25%	5.00%
U.S. large cap equity	7.14%	20.00%
U.S. small cap equity	8.43%	10.00%
International developed equity	8.14%	10.00%
Emerging market equity	9.48%	5.00%
Long / short equity	5.64%	10.00%
Private equity	10.42%	5.00%

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Core real estate	6.73%	6.00%
Opportunistic real estate	9.73%	4.00%
Commodities	0.00%	5.00%
		100.00%

Discount rate

A single discount rate of 7.0% was used to measure the total pension liability. This single discount rate was based on the expected rate of return on pension plan investments of 7.0%. The projections of cash flows used to determine this single discount rate assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between the actuarially determined contributions rates and the member rate. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of Net Pension Liability to Changes in the Discount Rate

	Rate	OCERS Total Pension Liability	Airports Fund Share Total Pension Liability	OCERS Net Pension (Asset) Liability	Airports Fund Share
1% decrease	6.00	%\$ 911,492,892	\$ 49,494,064	\$ 151,064,152	\$ 8,202,783
Current single discount rate	7.00	807,738,265	43,860,188	47,309,525	2,568,907
1% increase	8.00	721,302,356	39,166,718	(39,126,384)	(2,124,563)

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

For the years ended June 30, 2021 and 2020, the Department recognized pension expenses of \$1,341,681 and \$1,025,707, respectively. At June 30, 2021, the Department reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	2021	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 172,695	\$ 689,676
Net difference between projected and actual earnings on pension plan investments	989,423	-
Change in assumption	2,129,670	-
Trust's contributions made subsequent to the measurement date of the net pension asset/liability	525,549	-
Total	\$ 3,817,337	\$ 689,676

OKLAHOMA CITY, OKLAHOMA, DEPARTMENT OF AIRPORTS

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At June 30, 2021, the Department reported \$525,549 as deferred outflows of resources related to pensions resulting from department contributions subsequent to the measurement date and prior to year-end that will be recognized as a reduction of the net pension liability as of June 30, 2022. Other amounts reported as deferred inflows of resources at June 30, 2021, related to pensions will be recognized in pension expense as follows:

2022	\$	300,799
2023		610,275
2024		730,566
2025		593,490
2026		299,587
Thereafter		67,395
	\$	<u>2,602,112</u>

The required supplementary information schedules of funding progress immediately following the notes to the financial statements presents certain ten-year trend information for as many years for which information measured in conformity with the requirements of GASB 68 is available.

Related-Party Transactions

As of June 30, 2021, the OCERS' investments include purchased judgments against the City in the amount of \$4,242,104. The judgments earn interest at rates of 6.75%. State statute permits OCERS to purchase judgments rendered against the City throughout the year. In November of each year, the City (through the property tax levy process) pays the OCERS for the principal amount and earned interest for each purchased judgment. The Trust had no judgements assigned to OCERS.

8. DEFINED CONTRIBUTION SINGLE EMPLOYER PENSION PLANS

The Department participates in two of the City's defined contribution plans administered by the International City Manager's Association Retirement Corporation (ICMA Retirement). Plan provisions and contribution requirements are established or amended by City Council resolution. Participants of the first plan are comprised of eligible employees hired before September 1, 2001. The Department and participants are required to contribute 8.35% and 6% of annual covered payroll, respectively. Participants of the second plan are comprised of eligible employees hired after September 1, 2001. The Department and participants are required to contribute 7% and 6% of annual covered payroll, respectively. For the fiscal year ended June 30, 2021 actual contributions by the Department and plan participants were \$23,990 and \$36,193, respectively.

Participants of the first plan vest at service inception and are entitled to 100% of vested contributions. Participants of the second plan vest after 5 years of service. The plans are money purchase plans qualified under section 401 of the Internal Revenue Code.

9. OTHER POST-EMPLOYMENT BENEFITS (OPEB)

Plan Description

The City provides post-employment healthcare benefits for retired employees and their dependents through the City of Oklahoma City Post-Retirement Medical Plan (the City OPEB Plan), a single-employer defined benefit healthcare plan. The benefits, coverage levels, employee contributions and employer contributions are governed by the City and can be amended by the City through its personnel manual and union contracts. The City OPEB Plan covers all current retirees who elected post-retirement medical coverage through the City of Oklahoma City and future retired general employees.

The City OPEB Plan issues a separate report that can be obtained from the City's Human Resource Department at 420 W. Main, Suite 110, Oklahoma City, OK 73102.

Funding Policies, Contribution Methods and Benefit Provisions

Year established and governing authority	2008; City Council Ordinance
Determination of contribution requirements	City Policy
Contribution rates:	
Employer	50% of premium (50% in 2020)
Plan members	50% of premium (50% in 2020)
Funding of administrative costs	Investment earnings
Period required to vest	5 years
Eligibility for distribution	General employees are eligible for membership in the Plan if they retire from the City on or after age 60 with 15 years of service or at any age with 25 years of service. If hired before 1/1/2017 and employee attains the age of 55 with a minimum of 5 years service on or before 12/31/2016 will be grandfathered in. General employees hired after 1/1/2017 are not eligible for cost sharing.

Funding Policy

The employer contribution rate is 50% of premium for retirees under 65 and will remain at that rate going forward. The retirees were responsible for paying the remaining balance of the premium.

Benefit Provided

The City provides medical benefits either through a fully insured health plan or through a self-insured Group Indemnity Plan. Benefits include general inpatient and outpatient medical services and prescription drug coverage. Additional benefits for dental, life and vision are available with no subsidy

OKLAHOMA CITY, OKLAHOMA, DEPARTMENT OF AIRPORTS

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June 30, 2021

from the City. Coverage for dependents can continue upon the death of the retiree. Spouses and eligible dependents of employees who die in active service while eligible for benefits can receive coverage.

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

The Department's net OPEB liability of \$11,673,504 was measured as of June 30, 2020, and was determined by an actuarial valuation as of that date. The Department's proportion of the collective OPEBT net OPEB liability is based on the ratio of the Department's total employees relative to the total employees for the City as a whole.

For the year ended June 30, 2021, the Department recognized OPEB expense of \$121,695. At June 30, 2020, the Department reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources Airport Fund Share	Deferred Inflows of Resources Airport Fund Share
Net difference between projected and actual OPEB plan experience	\$ 75,422	\$ 3,172,629
Net difference between projected and actual earnings on OPEB plan investments	55,726	-
Employer contributions	350,167	-
Changes in assumptions	1,673,086	1,242,443
Total	<u>\$ 2,154,401</u>	<u>\$ 4,415,072</u>

The \$350,167 reported as deferred outflows of resources related to OPEB resulting from Department contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the year ended June 30, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

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Year ended June 30:	Deferred Outflows (Inflows) of Resources Airport Fund Share
2022	(701,825)
2023	(691,844)
2024	(683,907)
2025	(146,321)
2026	(101,504)
Thereafter	(285,437)
	<u>\$ (2,610,838)</u>

Membership

As of the last actuarial date, membership consisted of:

Retirees and beneficiaries currently receiving benefits	2,141
Active members	<u>3,487</u>
Total	<u>5,628</u>

Annual Required Contributions - Actuarial Assumptions

Provisions for:

Disability benefits	Yes
Death benefits	Yes
Valuation date	6/30/2020
Actuarial cost method	Entry age normal
Amortization method/period	Level percentage of payroll/30 years, closed
Actuarial asset valuation method	4-year smoothed market
Actuarial Assumptions	
Investment rate of return	7.50%
Inflation	3.25%
Projected salary increases	3.25% (3.25% in 2020)
Health care trend rate	8.0% (6.0% for Medicare age)
Ultimate health care trend rate	4.50%
Mortality table	RP 2000 combined mortality table fully generational using scale AA

Projections of benefits for financial reporting purposes are based on the substantive plan (the Plan as understood by the City and Plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the City and Plan members to that point. Actuarial calculations reflect a long-term perspective. The actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

OKLAHOMA CITY, OKLAHOMA, DEPARTMENT OF AIRPORTS
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Discount Rate

The discount rate used to measure the total OPEB liability was 3.35% in 2020. Assets were projected using expected benefit payments and expected asset returns. Expected benefit payments by year were discounted using the expected asset return assumption for years in which the assets were sufficient to pay all benefit payments. Any remaining benefit payments after the net position is exhausted are discounted at the 20-year municipal bond rate. Therefore, the long-term expected rate of return on OPEB investments (7.50%) was applied to years 2020 through 2028 of projected benefit payments and the 20-year municipal bond rate based on a range of indices from 2.21%-2.66% was applied to projected benefit payments after 2028 to determine the total OPEB liability. The discount rate decreased from 4.05% on June 30, 2019 to 3.35% on June 30, 2020.

	Long-Term Expected Real Rate of Return	Target Allocation
Domestic equity	7.50%	60.00%
Domestic bonds	2.50%	30.00%
International equity	8.50%	10.00%
International bonds	3.50%	0.00%
Real estate	4.50%	0.00%
		<u>100.00%</u>

Sensitivity of the net OPEB liability to changes in the discount rate. The following presents the net OPEB liability of the Department, as well as what the Department's net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.35%) or 1-percentage-point higher (4.35% than the current discount rate).

	Rate	Total Net OPEB liability	Airport Fund Share Net OPEB liability
1% decrease	2.35 %	\$ 540,827,721	\$ 14,223,769
Current single discount rate	3.35 %	\$ 443,859,480	\$ 11,673,504
1% increase	4.35 %	\$ 367,580,376	\$ 9,667,364

Sensitivity of the net OPEB liability to changes in the healthcare cost trend rates. The following presents the net OPEB liability of the Department, as well as what the Department's net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower (8.0% decreasing to 7.0%) or 1-percentage-point higher (8.0% increasing to 9.0%) than the current healthcare cost trend rates:

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	<u>Rate</u>	<u>Total Net OPEB liability</u>	<u>Airport Fund Share Net OPEB liability</u>
1% decrease	7.0 %	\$ 359,155,214	\$ 9,445,782
Current sigle discount rate	8.0 %	\$ 443,859,480	\$ 11,673,504
1% increase	9.0 %	\$ 554,449,610	\$ 14,582,025

Actuarial Changes

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future and actuarially determined amounts are subject to continual revision as results are compared to past expectations and new estimates are made about the future.

In the June 30, 2020, actuarial valuation, the initial health care trend rate was 8.0% for pre-65 retirees and set at 6.0% for post 65 retirees.

The required supplementary information schedule of changes in the net OPEB Liability (Asset) and related ratios and the schedule of the Trust's proportionate share net pension Liability (Asset), immediately following the notes to the financial statements presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits. OCEBT issues a separate stand-alone report which may be obtained from Finance Department, Accounting Services Division, 100 N. Walker, Suite 300, Oklahoma City, OK 73102.

10. COMMITMENTS AND CONTINGENCIES

Engineering and construction contracts relating to construction or major repairs in progress aggregated approximately \$37,501,068 and \$51,337,075 as of June 30, 2021 and 2020, respectively. These contracts will be paid in future periods as work is performed. Payment will be made with proceeds remaining from past bond issues, oil and gas royalties, operating revenues, and Federal grants to be received.

Federal grant expenses are subject to audit by the FAA, the purpose of which is to ensure compliance with conditions precedent to the granting of funds. Any liability for reimbursement that may arise, as the result of these audits, is not believed to be material by management. Outstanding Federal and State grant awards for improvements on approved projects were \$17,900,153 and \$17,877,841 as of June 30, 2021 and 2020, respectively. The Federal grant funds are not available to the Department until expenses are incurred and therefore, are not recorded as receivables.

The Trust is subject to various legal proceedings that arise in the ordinary course of business. It is the opinion of management that the disposition or ultimate resolution of such legal proceedings are not likely to have a material adverse impact on the financial net position, results of operations, and cash flow of the Trust.

OKLAHOMA CITY, OKLAHOMA, DEPARTMENT OF AIRPORTS
Required Supplementary Information
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OKLAHOMA CITY EMPLOYEE RETIREMENT SYSTEM*

Schedule of Proportionate Share Net Pension Liability (Asset)(1)(2)

	2021	2020	2019	2018
Proportionate Share	5.43%	5.10%	5.25%	5.26%
Proportionate share of the net pension liability (asset)	\$ 2,568,907	\$ (493,051)	\$ (1,466,538)	\$ (1,315,975)
Covered payroll	\$ 7,639,736	\$ 6,895,203	\$ 6,839,365	\$ 6,008,667
Net pension liability (asset) as a percentage of covered - payroll	33.63%	(7.15)%	(21.44)%	(19.74)%
Plan fiduciary net position as a percentage of total pension liability	94.14%	101.30%	103.92%	103.69%

(1) Amounts presented above represent the Authority's proportionate share presented in Note 7 RETIREMENT PLAN

(2) This schedule is presented to illustrate the requirements to show information for 10 years. However, results for measurement years before June 30, 2014, are not available. This information will be developed prospectively beginning in 2014 until eventually 10 years of information is available.

Schedule of Employer Contributions

(1)(2)	2021 (4)	2020	2019	2018
Contractually required contribution (3)	\$ 525,549	\$ 424,769	\$ 360,619	\$ 361,118
Contributions in relation to the contractually required contribution	525,549	421,161	358,433	370,477
Contribution deficiency (excess)	\$ -	\$ 3,608	\$ 2,186	\$ (9,359)
Department's covered payroll	\$ 9,678,624	\$ 7,639,736	\$ 6,895,203	\$ 6,839,365
Contributions as a percentage of covered payroll	5.50%	5.51%	5.20%	5.42%

(1) The amounts reported represent amounts paid and covered payroll for the fiscal year indicated.

(2) This schedule is presented to illustrate the requirement to show information for 10 years. However, Authority share for fiscal years before June 30, 2014, is not available. This information will be developed prospectively until eventually 10 years of information is available. Total plan information is provided below.

(3) Contributions are deferred in the fiscal year reported and recognized in the financial statements in the subsequent year.

(4) The contractually required contribution for 2021 is estimated and may change upon receipt of actuarial report.

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OKLAHOMA CITY EMPLOYEE RETIREMENT SYSTEM*

<u>2017</u>	<u>2016</u>	<u>2015</u>
5.26%	4.86%	4.92%
\$ 61,707	\$ (2,277,303)	\$ (3,201,495)
\$ 6,629,496	\$ 6,211,368	\$ 6,147,906
0.97%	(33.37)%	(44.27)%
99.82%	107.52%	110.29%

<u>2017</u>	<u>2016</u>	<u>2015</u>
\$ 320,261	\$ 389,814	\$ 400,012
361,439	389,825	398,864
<u>\$ (41,178)</u>	<u>\$ (11.00)</u>	<u>\$ 1,148</u>
\$ 6,008,667	\$ 6,629,496	\$ 6,211,368
6.02%	5.89%	6.42%

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Required Supplementary Information
June 30, 2021


OKLAHOMA CITY OTHER POST EMPLOYMENT BENEFITS*

Schedule of Proportionate Share Net OPEB Liability (Asset)(1)(2)	2021	2020	2019	2018
Proportionate Share	2.63%	2.55%	2.50%	2.51%
Proportionate share of the net OPEB liability (asset)	\$ 11,673,504	\$ 10,844,125	\$ 10,521,004	\$ (13,100,389)
Covered payroll	\$ 6,156,812	\$ 5,900,566	\$ 5,244,780	\$ 5,642,681
Net OPEB liability (asset) as a percentage of covered - payroll	2.04%	1.84%	2.01%	2.18%
Plan fiduciary net position as a percentage of total OPEB liability (asset)	13.80%	13.10%	12.00%	8.50%

- (1) Amounts presented above represent the Authority's proportionate share presented in Note 9 OTHER POST-EMPLOYMENT BENEFITS (OPEB).
(2) This schedule is presented to illustrate the requirements to show information for 10 years. However, results for measurement years before June 30, 2018, are not available. This information will be developed prospectively beginning in 2018 until eventually 10 years of information is available.

Schedule of changes in the Net OPEB Liability (Asset) and related ratios (1)(2)	2021 (4)	2020	2019	2018	2017
Contractually required contribution (3)	\$ 350,167	\$ 526,168	\$ 552,808	\$ 629,098	\$ 855,477
Contributions in relation to the contractually required contribution	350,167	383,003	371,352	364,071	397,011
Contribution deficiency (excess)	\$ -	\$ 143,165	\$ 181,456	\$ 265,027	\$ 458,466
Departments covered payroll	\$ 5,387,185	\$ 6,156,812	\$ 5,900,566	\$ 5,244,780	\$ 5,642,681
Contributions as a percentage of covered payroll	6.50%	6.22%	6.29%	6.94%	7.04%

- (1) The amounts reported represent amounts paid and covered payroll for the fiscal year indicated.
(2) This schedule is presented to illustrate the requirement to show information for 10 years. However, Authority share for fiscal years before June 30, 2014, is not available. This information will be developed prospectively until eventually 10 years of information is available. Total plan information is provided below.
(3) Contributions are deferred in the fiscal year reported and recognized in the financial statements in the subsequent year.
(4) The contractually required contribution for 2021 is estimated and may change upon receipt of the actuarial report.



BUDGET VERSUS ACTUAL SCHEDULE

This schedule presents a budget versus actual comparison for the airports fund for which an annual appropriated budget is adopted.

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OKLAHOMA CITY, OKLAHOMA, DEPARTMENT OF AIRPORTS

Airports Fund

Schedule of Revenues, Expenditures, Encumbrances, and Changes in Fund Balance

Budget and Actual (Non-GAAP Budgetary Basis)

For the Year Ended June 30, 2021

	Original Budget	Revisions	Revised Budget
REVENUES			
Interest income	\$ 28,830	\$ -	\$ 28,830
Other Income	153,354	-	153,354
Total revenues before prior year fund balance	<u>182,184</u>	<u>-</u>	<u>182,184</u>
Prior year fund balance:			
Reappropriated for prior year encumbrances	-	-	-
Total revenues and prior year fund balance	<u>182,184</u>	<u>-</u>	<u>182,184</u>
EXPENDITURES AND ENCUMBRANCES			
Personal services	12,486,397	-	12,486,397
Contractual services	6,584,728	-	6,584,728
Supplies	701,932	-	701,932
Capital outlay	500,000	-	500,000
Total expenditures and encumbrances	<u>20,273,057</u>	<u>-</u>	<u>20,273,057</u>
Deficiency of revenues over expenditures and encumbrances	(20,090,873)	-	(20,090,873)
OTHER FINANCING SOURCES			
Transfers from other funds			
Net other financing sources (uses)	<u>20,090,873</u>	-	<u>20,090,873</u>
	20,090,873	-	20,090,873
Excess of revenues and other sources over expenditures and encumbrances	-	<u>\$ -</u>	-
Fund balance, beginning (Non-GAAP budgetary basis)	1,348,037		1,348,037
Less prior year fund balance (1)	-		-
Fund balance, ending (Non-GAAP budgetary basis)	<u>\$ 1,348,037</u>		<u>\$ 1,348,037</u>
ADJUSTMENTS TO GENERALLY ACCEPTED ACCOUNTING PRINCIPLES			
Current year encumbrances included in expenditures			
Accounts receivable			
Reserve for inventories			
Net pension asset (liability)			
Advance to OCMFA Non-Current			
Deferred pension outflows			
Deferred OPEB outflows			
Revenue accruals			
Capital assets, net of depreciation			
Accounts Payable			
Compensated absences			
Other post employment benefits			
Deferred pension inflows			
Deferred OPEB inflows			
Change in Advance to/from other funds			
Airports Cash Fund balance, ending (GAAP basis) (2)			
Airports Capital Assets Fund balance, ending (GAAP basis) (2)			
Airports Fund balance, ending (GAAP basis)			

(1) Budgeted carryover reflects a portion of fund balance carried over from prior years. It is not a revenue of the current period, but is presented as revenue only for budgetary purposes.

(2) The Airports Cash Fund and the Airports Capital Assets Fund are combined and reported as the Airports fund in this report.

OKLAHOMA CITY, OKLAHOMA, DEPARTMENT OF AIRPORTS
Airports Fund
Schedule of Revenues, Expenditures, Encumbrances, and Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
For the Year Ended June 30, 2021

Expenditures	Encumbrances	Total Actual	Variance Favorable (Unfavorable)
		\$ 21,692	\$ (7,138)
		21,197	(132,157)
		<u>42,889</u>	<u>(139,295)</u>
		-	-
		<u>42,889</u>	<u>(139,295)</u>
\$ 11,865,109	\$ -	11,865,109	621,288
6,129,927	48,068	6,177,995	406,733
366,002	34,714	400,716	301,216
<u>-</u>	<u>-</u>	<u>-</u>	<u>500,000</u>
<u>\$ 18,361,038</u>	<u>82,782</u>	<u>18,443,820</u>	<u>1,829,237</u>
		(18,400,931)	1,689,942
		<u>18,680,300</u>	<u>(1,410,573)</u>
		18,680,300	(1,410,573)
		279,370	279,369
		1,348,037	-
		<u>-</u>	<u>-</u>
		<u>1,627,407</u>	<u>\$ 279,369</u>
		82,782	
		-	
		809,449	
		(2,568,907)	
		349,643	
		3,817,336	
		2,154,401	
		1,200,124	
		1,175,848	
		-	
		(1,642,635)	
		(11,673,504)	
		(689,676)	
		(4,415,072)	
		<u>10,948,653</u>	
		1,175,849	
		16,178,962	
		<u>\$ 17,354,811</u>	

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STATISTICAL SECTION

This part of the department's Annual Report presents detailed information as a context for understanding what the information in the financial statement, note disclosures and required supplementary information says about the airports overall financial health.

THE CONTENTS OF THE SECTION RELATE TO:

FINANCIAL TRENDS –

These schedules contain trend information to help the reader understand how the Department's financial performance and well-being have changed over time.

REVENUE CAPACITY –

These schedules contain information to help the reader assess the factors affecting the Department's ability to generate its rental rates and charges.

DEBT CAPACITY –

These schedules present information to help the reader assess the affordability of the Department's current level of outstanding debt and the Department's ability to issue additional debt in the future.

DEMOGRAPHIC AND ECONOMIC INFORMATION –

These schedules offer demographic and economic indicators to help the reader understand the environment within which the Department's financial activities take place and to help make comparisons over time and with other governments.

RATING INFORMATION –

These schedules contain information about the Department's operations and resources to help the reader understand how the Department's financial information relates to the services the Department provides and the activities it performs.

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OKLAHOMA CITY, OKLAHOMA, DEPARTMENT OF AIRPORTS

Net Position and Changes in Net Position

Last ten fiscal years

	2021	2020	2019	2018
Operating revenues:				
Landing fees	\$ 3,861,547	\$ 6,641,666	\$ 6,609,354	\$ 8,624,918
Other aircraft fees	2,585,948	2,902,271	3,283,367	3,052,125
Building rents	4,458,907	5,861,201	5,441,041	5,934,527
Parking revenues	8,522,799	12,911,923	14,540,397	13,244,922
Concession fees	893,397	1,903,289	2,494,162	2,358,895
Car rental commissions	3,521,469	5,317,659	5,960,313	5,704,600
Customer facility charges	3,321,718	4,454,522	5,627,407	5,507,073
Land rents	3,839,182	3,086,818	3,010,808	2,710,071
Maintenance, utility and insurance fees	14,689,654	14,709,340	14,755,484	14,742,209
Other	906,187	1,153,731	1,214,056	961,553
Total operating revenues	<u>46,600,807</u>	<u>58,942,420</u>	<u>62,936,389</u>	<u>62,840,893</u>
Nonoperating revenues:				
Investment Income	115,823	3,689,926	4,717,387	1,279,868
Oil and gas royalties	508,038	759,482	2,123,125	1,264,062
Passenger facility charges	4,292,576	6,081,512	8,486,348	7,944,255
Operating grants income	262,800	263,518	262,800	262,799
Federal stimulus grants	9,861,122	12,153,791	-	-
Other nonoperating revenues	1,485	148,530	106,044	98,379
Total nonoperating revenues	<u>15,041,844</u>	<u>23,096,759</u>	<u>15,695,704</u>	<u>10,849,363</u>
Total Revenues	<u>61,642,651</u>	<u>82,039,179</u>	<u>78,632,093</u>	<u>73,690,256</u>
Operating expenses:				
Personal services	13,197,973	12,448,170	11,423,324	11,028,574
Maintenance, operations, and contractual services	22,213,279	21,077,074	20,614,678	20,220,895
Materials and supplies	1,969,507	1,960,374	1,924,581	1,766,475
Depreciation	29,394,119	28,729,451	26,753,263	27,385,627
Total operating expenses	<u>66,774,878</u>	<u>64,215,069</u>	<u>60,715,846</u>	<u>60,401,571</u>
Nonoperating expenses:				
Interest expense	3,801,907	5,038,844	4,892,800	2,483,500
Amortization	(472,613)	(924,541)	(823,929)	(6,068)
Bond Insurance	-	-	-	3,722
Other expenses	121,824	276,093	985,197	1,003,762
Total nonoperating expenses	<u>3,451,118</u>	<u>4,390,396</u>	<u>5,054,068</u>	<u>3,484,916</u>
Total Expenses	<u>70,225,996</u>	<u>68,605,465</u>	<u>65,769,914</u>	<u>63,886,487</u>
Capital contributions, grants	12,455,152	6,270,338	5,822,567	6,888,914
Capital asset contribution	-	-	-	-
Donated Assets	-	-	-	-
Transfers between City funds	200,079	-	-	-
Increase in Net Position	<u>\$ 4,071,886</u>	<u>\$ 19,704,052</u>	<u>\$ 18,684,746</u>	<u>\$ 16,692,683</u>
Net Position at Year-End				
Net investment in capital assets	412,782,394	399,664,752	395,098,444	392,540,380
Restricted for construction	1,502,744	1,331,030	1,320,036	633,381
Restricted for debt service	26,839,868	32,167,897	30,201,947	27,064,856
Restricted for maintenance	50,652,454	54,671,915	51,053,876	42,128,718
Unrestricted	95,869,448	95,739,427	86,196,666	82,818,888
Total Net Position (1)	<u>\$ 587,646,908</u>	<u>\$ 583,575,021</u>	<u>\$ 563,870,969</u>	<u>\$ 545,186,223</u>

(1) GASB 63 was implemented in fiscal year 2013 along with GASB 65. These GASB statements changed the classification and calculations of net position. Years 2011 through 2009 have not been restated for the impacts of these GASB statements. In 2015, the Department implemented GASB 68. Years 2014 through 2009 have not been restated for the impacts of this GASB statement.

	2017	2016	2015	2014	2013	2012
\$	8,108,973	\$ 7,790,758	\$ 7,210,738	\$ 7,152,728	\$ 7,024,001	\$ 6,835,170
	2,868,227	2,784,646	2,478,747	2,439,028	2,394,241	2,365,761
	5,833,572	5,989,716	8,181,439	14,768,054	15,361,205	17,678,091
	11,758,033	10,739,480	11,040,207	10,962,305	10,023,542	9,804,277
	2,218,839	2,205,039	2,138,070	2,086,491	2,035,324	1,792,818
	5,395,187	5,376,852	5,664,322	5,594,192	5,137,368	4,979,821
	5,272,543	4,906,530	4,891,573	4,818,253	4,506,156	-
	2,473,656	2,021,079	1,809,234	1,703,293	1,898,020	1,604,330
	14,306,131	13,945,149	13,861,611	13,853,789	13,578,706	11,213,097
	988,676	1,063,715	1,071,109	1,019,416	994,265	989,924
	<u>59,223,837</u>	<u>56,822,964</u>	<u>58,347,050</u>	<u>64,397,549</u>	<u>62,952,828</u>	<u>57,263,289</u>
	(162,786)	823,150	441,967	647,767	617,954	647,961
	1,105,677	936,090	2,019,412	2,958,796	2,509,712	2,820,798
	7,166,215	7,098,192	7,338,801	7,199,252	7,364,701	7,210,909
	339,320	195,840	262,800	328,320	224,918	403,054
	-	-	-	-	-	-
	5,326	289,536	1,150,139	1,122,982	9,690	49,129
	<u>8,453,752</u>	<u>9,342,808</u>	<u>11,213,119</u>	<u>12,257,117</u>	<u>10,726,975</u>	<u>11,131,851</u>
	<u>67,677,589</u>	<u>66,165,772</u>	<u>69,560,169</u>	<u>76,654,666</u>	<u>73,679,803</u>	<u>68,395,140</u>
	10,936,183	10,269,437	9,619,805	9,801,524	9,181,703	8,417,255
	18,971,452	17,286,421	16,075,940	15,959,524	14,368,584	14,800,764
	1,514,057	1,506,824	1,568,587	1,717,949	1,376,306	1,328,835
	26,038,900	23,299,388	21,926,967	21,684,600	20,478,414	21,238,540
	<u>57,460,592</u>	<u>52,362,070</u>	<u>49,191,299</u>	<u>49,163,597</u>	<u>45,405,007</u>	<u>45,785,394</u>
	2,567,385	2,210,053	3,752,718	5,523,683	5,121,660	6,690,475
	(56,627)	(123,335)	(164,871)	(193,214)	(206,727)	(165,560)
	16,135	16,491	16,862	17,193	17,503	17,822
	603,102	121,232	36,211	591,802	1,893,395	-
	<u>3,129,995</u>	<u>2,224,441</u>	<u>3,640,920</u>	<u>5,939,464</u>	<u>6,825,831</u>	<u>6,542,737</u>
	<u>60,590,587</u>	<u>54,586,511</u>	<u>52,832,219</u>	<u>55,103,061</u>	<u>52,230,838</u>	<u>52,328,131</u>
	7,583,038	15,120,699	11,173,450	5,050,411	9,409,881	7,505,159
	-	-	750,000	-	-	-
	(10,474,784)	(3,240,414)	-	-	-	(2,872,287)
	-	-	-	(4,221)	-	-
\$	<u>4,195,256</u>	<u>\$ 23,459,546</u>	<u>\$ 28,651,400</u>	<u>\$ 26,597,795</u>	<u>\$ 30,858,846</u>	<u>\$ 20,699,881</u>
	389,774,402	382,440,123	354,975,104	325,767,028	318,022,197	296,325,773
	477,259	21,657	216,881	505,230	864,478	861,658
	25,089,920	20,782,026	26,196,690	30,472,168	26,493,184	26,104,542
	35,417,641	38,002,926	36,695,692	28,910,630	22,939,168	19,840,192
	88,059,799	93,377,033	93,079,852	96,243,894	86,982,128	81,310,144
\$	<u>538,819,021</u>	<u>\$ 534,623,765</u>	<u>\$ 511,164,219</u>	<u>\$ 481,898,950</u>	<u>\$ 455,301,155</u>	<u>\$ 424,442,309</u>

2017	2016	2015	2014	2013	2012 (Restated)
\$ 53,138,264	\$ 51,979,687	\$ 55,534,503	\$ 59,648,742	\$ 60,039,905	\$ 55,525,812
5,227,172	4,921,661	4,895,541	4,882,262	3,971,335	-
1,094,911	1,001,563	2,098,994	2,927,804	2,514,571	2,950,211
(20,526,460)	(17,056,091)	(14,452,169)	(14,398,231)	(16,805,729)	(16,326,012)
(10,515,564)	(10,227,959)	(9,685,595)	(9,394,574)	(8,803,749)	(8,250,041)
<u>28,418,323</u>	<u>30,618,861</u>	<u>38,391,274</u>	<u>43,666,003</u>	<u>40,916,333</u>	<u>33,899,970</u>
209,000	392,400	87,840	329,040	268,442	670,184
(53,928)	1,095,396	2,380,427	14,868	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>155,072</u>	<u>1,487,796</u>	<u>2,468,267</u>	<u>343,908</u>	<u>268,442</u>	<u>670,184</u>
884,779	(1,328,664)	2,017,574	2,374,349	1,648,009	(7,712,012)
(171,312)	104,856	(95,967)	(106,986)	(22,103)	(325,478)
(37,079,371)	(50,868,606)	(51,581,529)	(28,192,785)	(25,398,156)	(18,192,283)
9,797,014	15,066,599	10,367,527	3,246,308	9,523,886	7,337,406
(4,734,572)	(5,064,999)	(6,072,010)	(6,291,138)	(6,087,095)	(7,146,344)
(7,745,000)	(7,410,000)	(20,950,000)	(13,370,000)	(19,215,000)	(17,740,000)
96,073	141,468	62,721	53,825	10,890	34,735
-	-	-	39,615,000	-	-
-	-	-	(563,431)	-	-
<u>6,824,699</u>	<u>7,095,218</u>	<u>7,466,794</u>	<u>7,093,852</u>	<u>6,587,178</u>	<u>7,134,987</u>
<u>(32,127,690)</u>	<u>(42,264,128)</u>	<u>(58,784,890)</u>	<u>3,858,994</u>	<u>(32,952,391)</u>	<u>(36,608,989)</u>
33,352	24,163	263,463	502,444	532,883	578,692
45,655,189	70,894,582	144,294,472	40,571,000	56,227,000	25,308,000
(43,316,604)	(61,371,616)	(127,131,940)	(88,298,335)	(65,237,880)	(24,261,607)
<u>681,690</u>	<u>398,880</u>	<u>(581,934)</u>	<u>(449,634)</u>	<u>223,160</u>	<u>435,196</u>
<u>3,053,627</u>	<u>9,946,009</u>	<u>16,844,061</u>	<u>(47,674,525)</u>	<u>(8,254,837)</u>	<u>2,060,281</u>
(500,668)	(211,462)	(1,081,288)	194,380	(22,453)	21,446
<u>698,317</u>	<u>(124,454)</u>	<u>956,834</u>	<u>762,454</u>	<u>784,907</u>	<u>763,461</u>
<u>\$ 197,649</u>	<u>\$ (335,916)</u>	<u>\$ (124,454)</u>	<u>\$ 956,834</u>	<u>\$ 762,454</u>	<u>\$ 784,907</u>

OKLAHOMA CITY, OKLAHOMA, DEPARTMENT OF AIRPORTS

Revenue Sources

Last ten fiscal years

	2021	2020	2019	2018
Passenger airline revenue:				
Landing fees	\$ 3,263,871	\$ 5,913,318	\$ 6,035,582	\$ 7,823,524
Terminal rental	1,937,208	2,786,864	2,320,802	2,539,849
Bag claim area	1,076,321	1,076,321	1,121,154	1,166,500
Ground rental (3)	7,000	7,000	5,250	5,250
Airport gate fee	98,272	134,783	153,833	35,296
Passenger boarding bridges	143,967	142,126	361,519	301,904
Utilities	62,348	85,269	93,932	109,449
Security	1,229,593	1,255,942	1,450,144	1,400,710
Total passenger airline revenue	<u>7,818,580</u>	<u>11,401,623</u>	<u>11,542,216</u>	<u>13,382,482</u>
Other aeronautical revenue:				
Landing fees-freighters	597,676	728,346	573,771	801,394
Apron maintenance	192,339	188,915	187,201	185,239
Nonscheduled aviation fuel	1,356,354	1,646,329	1,833,223	1,608,812
Cargo building rental	-	-	-	-
Hangar rental	835,362	819,007	748,609	1,080,358
Ground rental	1,721,174	1,683,907	1,610,781	1,530,760
Maintenance fees	407,418	401,033	394,883	392,105
Insurance fees	56,608	62,755	70,716	70,717
Other aeronautical revenue	95,697	94,844	94,303	94,067
Security Reimbursement from Federal Gov't (4)	262,800	263,520	262,800	241,200
Total other aeronautical revenue	<u>5,525,428</u>	<u>5,888,656</u>	<u>5,776,287</u>	<u>6,004,652</u>
Total aeronautic revenue	13,344,008	17,290,279	17,318,503	19,387,134
Nonaeronautical revenue:				
Building rentals-separate lease facilities	-	-	-	-
Building rentals-Senior Lien facilities	-	-	-	-
Building rentals-other facilities	626,772	647,868	640,315	620,434
Concessions	893,397	1,903,289	2,494,162	2,397,815
Parking	8,522,799	12,911,923	14,540,397	13,244,922
Rental car commissions	3,521,469	5,317,659	5,960,313	5,704,600
Maintenance, utility, and insurance fees	13,617,332	14,142,653	13,984,948	14,062,186
Other nonaeronautical revenue	6,337,825	6,992,267	8,260,551	7,665,003
Total nonaeronautical revenue	<u>33,519,594</u>	<u>41,915,659</u>	<u>45,880,686</u>	<u>43,694,960</u>
Non-operating revenue:				
Investment income	115,823	3,689,925	4,717,387	1,279,870
Revenues from natural resources	508,038	759,482	2,123,125	1,264,062
Passenger facility charges	4,292,576	6,081,512	8,486,348	7,944,255
Other non-operating revenue	1,486	258,511	106,044	104,288
Airport Cares Act Grant/CRRST Grant	9,861,122	12,153,791	-	-
Total non-operating revenue	<u>14,779,045</u>	<u>22,943,221</u>	<u>15,432,904</u>	<u>10,592,475</u>
Total revenue (1)	\$ 61,642,647	\$ 82,149,159	\$ 78,632,093	\$ 73,674,569
Capital contributions, grants (2)	12,455,152	6,270,338	5,822,564	5,117,378
Capital asset contribution	-	-	-	-
Transfers between City funds	-	-	-	-
Total revenues, contributions, and transfers (5)	<u>\$ 74,097,799</u>	<u>\$ 88,419,497</u>	<u>\$ 84,454,657</u>	<u>\$ 78,791,947</u>

(1) Revenues in this schedule are reported according to FAA guidelines for Form 5100-127, Operating and Financial Summary. The classifications of revenues on this report may not agree with like classifications elsewhere in the CAFR.

(2) In 2011 FAA requires capital grants to be moved from Non-operating to Operating other aeronautical Revenue on Form 5100-127.

(3) In 2011 FAA requires Ground Rental to be reported separately under Passenger airline revenue on the Form 5100-127.

(4) Due to changes in 5100 in FY 2011 this was moved from Non-Operating Revenue to Operating Other Aeronautical Revenue.

(5) GASB 63 was implemented in fiscal year 2013 along with GASB 65. These GASB statements changed the classification and calculations of net position. Years 2012 through 2009 have not been restated for the impacts of these GASB statements as the FAA 127 report will not be re-filed.

	2017	2016	2015	2014	2013	2012
\$	7,387,706	\$ 7,113,080	\$ 6,591,816	\$ 6,533,798	\$ 6,430,507	\$ 6,244,742
	2,424,401	2,313,596	2,246,914	2,084,837	2,408,154	2,353,052
	1,081,596	1,041,140	1,036,013	1,060,052	1,060,086	1,062,211
	4,500	5,250	6,750	4,463	2,250	4,875
	29,574	42,772	28,598	13,447	30,338	29,990
	276,176	300,965	262,909	226,408	208,464	188,640
	92,779	93,516	83,189	82,923	136,983	149,575
	1,231,031	1,122,926	828,482	786,292	722,651	624,176
	<u>12,527,763</u>	<u>12,033,245</u>	<u>11,084,671</u>	<u>10,792,220</u>	<u>10,999,433</u>	<u>10,657,261</u>
	721,268	677,678	618,922	618,930	593,495	590,428
	183,320	179,688	178,312	176,963	175,077	174,384
	1,637,196	1,661,720	1,650,263	1,652,731	1,671,590	1,741,585
	-	121,743	145,580	184,029	200,748	194,649
	1,210,545	1,195,694	1,181,331	1,167,996	1,134,904	1,233,081
	1,383,369	1,356,843	1,351,660	1,286,112	1,236,539	1,210,034
	385,658	375,007	391,251	386,588	367,947	340,699
	69,830	65,993	62,223	56,326	56,872	50,078
	93,835	81,507	45,614	45,395	45,287	44,746
	339,320	195,840	262,800	328,320	224,918	403,054
	<u>6,024,341</u>	<u>5,911,713</u>	<u>5,887,956</u>	<u>5,903,390</u>	<u>5,707,377</u>	<u>5,982,738</u>
	18,552,104	17,944,958	16,972,627	16,695,610	16,706,810	16,639,999
	-	-	2,260,177	9,040,711	9,341,509	10,243,902
	-	-	-	-	-	1,386,931
	621,973	640,472	671,113	649,885	645,974	647,418
	2,218,839	2,205,038	2,138,070	2,086,492	2,035,324	1,793,225
	11,758,032	10,739,480	11,040,207	10,962,305	10,023,542	9,804,277
	5,395,186	5,376,852	5,664,322	5,594,192	5,137,368	4,979,821
	13,650,351	13,388,859	12,296,116	13,283,439	12,909,201	10,565,958
	7,366,671	6,723,144	6,567,218	6,413,235	6,378,018	1,604,812
	<u>41,011,052</u>	<u>39,073,845</u>	<u>40,637,223</u>	<u>48,030,259</u>	<u>46,470,936</u>	<u>41,026,344</u>
	(162,786)	823,150	441,967	647,767	617,955	647,962
	1,105,677	936,090	2,019,412	2,958,796	2,509,712	2,820,798
	7,166,215	7,098,192	7,338,801	7,199,252	7,364,701	7,210,909
	34,740	289,537	1,150,139	1,122,982	9,690	52,262
	-	-	-	-	-	-
	<u>8,143,846</u>	<u>9,146,969</u>	<u>10,950,319</u>	<u>11,928,797</u>	<u>10,502,058</u>	<u>10,731,931</u>
\$	67,707,002	\$ 66,165,772	\$ 68,560,169	\$ 76,654,666	\$ 73,679,804	\$ 68,398,274
	7,583,038	15,120,699	11,173,450	5,050,411	9,409,881	7,505,159
	-	-	750,000	-	-	-
	-	-	-	(4,221)	-	-
\$	<u>75,290,040</u>	<u>\$ 81,286,471</u>	<u>\$ 80,483,619</u>	<u>\$ 81,700,856</u>	<u>\$ 83,089,685</u>	<u>\$ 75,903,433</u>

OKLAHOMA CITY, OKLAHOMA, DEPARTMENT OF AIRPORTS

Principal Revenue Sources

Last ten fiscal years

	2021	2020	2019	2018
Principal revenue sources:				
Building rentals-separate lease facilities (1)	\$ -	\$ -	\$ -	\$ -
Passenger airline revenue (2)	7,818,580	11,401,623	11,542,216	13,382,482
Building rentals-senior lien facilities (3)	-	-	-	-
Parking (4)	8,522,799	12,911,923	14,540,397	13,244,922
Maintenance fees (5)	14,256,579	14,193,818	14,175,310	14,127,098
Passenger facility charges (PFC) (6)	4,292,576	6,081,512	8,486,348	7,944,255
Customer facility charges (CFC)(8)	3,321,718	4,454,522	5,627,407	5,507,073
Investment income (7)	115,823	3,631,533	4,717,387	1,279,870
Airport - CARES Act / CRRSAA Grants (9)	9,861,122	12,153,791	-	-
Total principal revenue sources	<u>\$ 48,189,197</u>	<u>\$ 64,828,722</u>	<u>\$ 59,089,065</u>	<u>\$ 55,485,700</u>
Total revenues	61,642,647	82,149,159	78,632,091	73,674,569
Percentage of principal revenues to total revenues:				
Building rentals-separate lease facilities (1)	0.0%	0.0%	0.0%	0.0%
Passenger airline revenue (2)	12.7%	13.9%	14.7%	18.2%
Building rentals-senior lien facilities (3)	0.0%	0.0%	0.0%	0.0%
Parking (4)	13.8%	15.7%	18.5%	18.0%
Maintenance fees (5)	23.1%	17.3%	18.0%	19.2%
Passenger facility charges (PFC) (6)	7.0%	7.4%	10.8%	10.8%
Customer facility charges (CFC)(8)	5.4%	5.4%	7.2%	7.5%
Investment income (7)	0.2%	4.4%	6.0%	1.7%
Airport - CARES Act / CRRSAA Grants (9)	16.0%	14.8%	-	-
Total principal revenue percentages	<u>78.2%</u>	<u>78.9%</u>	<u>75.2%</u>	<u>75.4%</u>

(1) The lease on the Separate Lease Federal Bureau of Prisons (FBOP) facility requires the Federal government to provide rentals in equal semi-annual installments at the rate of 1% above the average interest cost of the bonds sufficient to fully amortize debt service on the Separate Lease FBOP bonds.

(2) Enplaned passengers	1,170,373	1,630,659	2,204,113	2,072,135
Airline revenue per enplaned passenger	\$ 6.68	\$ 6.99	\$ 5.24	\$ 6.46
Percentage of airline revenues - airfield charges	41.7%	51.9%	52.3%	58.5%
Percentage of airline revenues - terminal charges	58.2%	48.1%	47.7%	41.5%

(3) The lease on the Senior Lien facilities requires the Federal government to provide rentals in equal monthly installments sufficient to fully amortize debt service of the Senior Lien bonds.

(4) Public parking revenues	8,431,755	12,799,083	14,416,768	13,139,018
Number of revenue transactions	328,066	525,756	710,201	723,316
Public parking revenue per transaction	\$ 25.70	\$ 24.34	\$ 20.30	\$ 18.16

Public parking revenue = parking revenues net of rental car ready space revenue and employee parking lot revenue. Certain public parking rates were changed effective May 14, 2019. Short- term parking garage rates did not change and are set at no charges for the first hour and \$1.00 per hour thereafter with no maximum charges. Daily rates were increased as follows for the long-term parking lots: Remote Shuttle Lot - \$6.00; North Parking Lot - \$7.00; Covered Parking Lot \$9.00; Long-Term Garage - \$12.00; and Premium Parking - \$18.00. Premium Parking can be reserved online for \$5.00 per reservation.

(5) Leases with tenants provide for maintenance fees based upon a specified rate per square foot or percentage of the appraised value of the facility.

(6) PFC revenue per enplaned passenger	\$ 3.67	\$ 3.73	\$ 3.85	\$ 3.83
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PFC's per enplaned passenger were levied at \$3 per passenger since July 1, 1997 and increased to \$4.50 effective April 1, 2010. These revenues are restricted to pay a portion of the Junior Lien 29B and Junior Lien 30 debt service.

(7) Average cash and investments	\$ 220,860,778	\$ 246,844,536	\$ 209,044,214	\$ 155,592,742
Average interest rate on cash and investments	0.05%	1.47%	2.26%	0.82%

(8) Customer facility charge is levied at \$4.50 per transaction day since July 1, 2012.

(9) Coronavirus Air, Relief, and Economic Security (CARES) Act and Coronavirus Response and Relief Supplemental Appropriations Act (CRRSAA)

2017	2016	2015	2014	2013	2012
\$ -	\$ -	\$ 2,260,177	\$ 9,040,711	\$ 9,341,509	\$ 10,243,902
12,527,763	12,033,245	11,084,669	10,792,217	10,999,433	10,657,261
-	-	-	-	-	1,386,931
11,758,033	10,739,480	11,040,207	10,962,305	10,023,542	9,804,277
13,737,815	13,389,931	13,323,627	13,337,304	13,005,826	11,213,097
7,166,215	7,098,192	7,338,801	7,199,252	7,364,701	7,210,909
5,272,543	4,906,530	4,891,573	4,818,253	4,506,156	-
(162,786)	823,150	441,967	647,767	617,955	647,960
-	-	-	-	-	-
<u>\$ 50,299,583</u>	<u>\$ 48,990,528</u>	<u>\$ 50,381,021</u>	<u>\$ 56,797,809</u>	<u>\$ 55,859,122</u>	<u>\$ 51,164,337</u>
67,707,002	66,165,772	69,560,169	76,654,666	73,679,804	68,398,274
0.0%	0.0%	3.2%	11.8%	12.7%	15.0%
18.5%	18.2%	15.9%	14.1%	14.9%	15.6%
0.0%	0.0%	0.0%	0.0%	0.0%	2.0%
17.4%	16.2%	15.9%	14.3%	13.6%	14.3%
20.3%	20.2%	19.2%	17.4%	17.7%	16.4%
10.6%	10.7%	10.6%	9.4%	10.0%	10.5%
7.8%	7.4%	7.0%	6.3%	6.1%	0.0%
(0.2)%	1.2%	0.6%	0.8%	0.8%	0.9%
-	-	-	-	-	-
<u>74.4%</u>	<u>73.9%</u>	<u>72.4%</u>	<u>74.1%</u>	<u>75.8%</u>	<u>74.7%</u>

1,880,480	1,867,336	1,886,219	1,847,283	1,845,055	1,824,313
\$ 6.66	\$ 6.44	\$ 5.88	\$ 5.84	\$ 5.96	\$ 5.84
59.0%	59.1%	59.5%	60.5%	58.6%	58.6%
41.0%	40.8%	40.5%	39.5%	41.4%	41.4%

11,655,008	10,350,363	10,499,579	10,430,550	9,516,987	9,271,862
710,708	733,585	751,344	769,889	725,592	760,305
\$ 16.41	\$ 14.11	\$ 13.97	\$ 13.55	\$ 13.12	\$ 12.19

\$ 3.81	\$ 3.80	\$ 3.89	\$ 3.90	\$ 3.99	\$ 3.95
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\$ 153,482,338	\$ 160,010,805	\$ 173,378,821	\$ 157,820,823	\$ 128,730,490	\$ 125,007,241
0.02%	0.50%	0.40%	0.40%	0.50%	0.50%

OKLAHOMA CITY, OKLAHOMA, DEPARTMENT OF AIRPORTS
Schedule of Bond Debt Service Coverage
Last ten fiscal years

	2021	2020	2019	2018
Gross Revenues	\$ 73,975,975	\$ 88,419,497	\$ 84,454,657	\$ 79,803,753
Adjustments per Original Bond Indenture (1)	<u>(16,818,369)</u>	<u>(12,563,968)</u>	<u>(14,525,088)</u>	<u>(14,902,497)</u>
Gross revenue as provided in the Original Bond Indenture	<u>57,157,606</u>	<u>75,855,529</u>	<u>69,929,569</u>	<u>64,901,256</u>
Expenses per Original Bond Indenture	37,258,933	35,595,598	33,545,552	32,240,489
Adjustments per Original Bond Indenture (2)	<u>(18,854)</u>	<u>(18,891)</u>	<u>(16,515)</u>	<u>(9,080)</u>
Expenses net of adjustments as provided in the Original Bond Indenture	<u>37,240,079</u>	<u>35,576,707</u>	<u>33,529,037</u>	<u>32,231,409</u>
Net revenues	<u>19,917,527</u>	<u>40,278,822</u>	<u>36,400,532</u>	<u>32,669,847</u>
Total available for debt service coverage	<u>\$ 19,917,527</u>	<u>\$ 40,278,822</u>	<u>\$ 36,400,532</u>	<u>\$ 32,669,847</u>
Senior Lien debt service requirements	\$ -	\$ -	\$ -	\$ -
Bank fees	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Senior Lien debt service requirements	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Available for Junior Lien requirements	19,917,527	40,278,822	36,400,532	32,669,847
Passenger Facility Charge (PFC) revenue available for Junior Lien debt service requirements	<u>5,535,224</u>	<u>5,535,177</u>	<u>4,156,617</u>	<u>4,832,413</u>
Total available for Junior Lien debt requirements	<u>\$ 25,452,751</u>	<u>\$ 45,813,999</u>	<u>\$ 40,557,149</u>	<u>\$ 37,502,260</u>
Junior Lien requirements	\$ 10,714,751	\$ 11,834,854	\$ 5,624,197	\$ 6,133,365
PFC backed revenue bond debt	5,535,224	5,535,177	4,156,617	4,832,413
Bank fees	<u>18,854</u>	<u>18,891</u>	<u>16,515</u>	<u>9,080</u>
Net Junior Lien debt service requirements	<u>\$ 16,268,829</u>	<u>\$ 17,388,922</u>	<u>\$ 9,797,329</u>	<u>\$ 10,974,858</u>
Senior Lien debt service coverage				
Gross	NA	NA	NA	NA
Net	NA	NA	NA	NA
Junior Lien debt service coverage				
Gross	3.85	4.68	7.56	6.35
Net	1.56	2.63	4.14	3.42
Junior Lien gross debt coverage requirement (3)	1.50	1.50	1.50	1.50
Junior Lien gross debt coverage margin	2.35	3.18	6.06	4.85

- (1) Revenues of the Trust pledged to the payment of debt under the Original Bond Indenture and supplemental bond indentures exclude certain interest earnings and certain Trust revenues pledged to the trust estates created pursuant to the Separate Lease Revenue Bond Indentures.
- (2) Expenses exclude trustee bank fees and expenses related to the trust estates created pursuant to the Separate Lease Revenue Bond Indentures.
- (3) The Original Bond Indenture provides that gross revenues of the trust estate less the Senior Lien debt service requirements must be at least 1.5 times the Junior Lien debt service requirements to issue additional Junior Lien bonds.

2017	2016	2015	2014	2013	2012
\$ 74,657,524 (14,763,341)	\$ 81,165,239 (22,220,482)	\$ 81,466,672 (23,664,003)	\$ 81,780,690 (20,715,356)	\$ 83,089,685 (26,185,418)	\$ 75,900,300 (25,389,422)
59,894,183	58,944,757	57,802,669	61,065,334	56,904,267	50,510,878
30,818,588 (10,727)	28,941,450 (11,261)	27,215,564 (22,868)	27,572,972 (12,542)	26,819,986 (86,732)	24,546,088 (83,154)
30,807,861	28,930,189	27,192,696	27,560,430	26,733,254	24,462,934
29,086,322	30,014,568	30,609,973	33,504,904	30,171,013	26,047,944
<u>\$ 29,086,322</u>	<u>\$ 30,014,568</u>	<u>\$ 30,609,973</u>	<u>\$ 33,504,904</u>	<u>\$ 30,171,013</u>	<u>\$ 26,047,944</u>
\$ - -	\$ - -	\$ - -	\$ - -	\$ 4,960,480 250	\$ 4,970,480 2,000
-	-	-	-	4,960,730	4,972,480
29,086,322	30,014,568	30,609,973	33,504,904	25,210,283	21,075,464
5,795,203	5,796,510	5,816,351	5,812,360	5,809,885	5,562,547
<u>\$ 34,881,525</u>	<u>\$ 35,811,078</u>	<u>\$ 36,426,324</u>	<u>\$ 39,317,264</u>	<u>\$ 31,020,168</u>	<u>\$ 26,638,011</u>
\$ 6,683,123 5,795,203 10,727	\$ 6,698,422 5,796,510 11,261	\$ 6,833,888 5,816,351 11,958	\$ 3,918,213 5,812,360 12,542	\$ 4,745,818 5,809,885 9,747	\$ 4,541,507 5,562,547 11,993
<u>\$ 12,489,053</u>	<u>\$ 12,506,193</u>	<u>\$ 12,662,197</u>	<u>\$ 9,743,115</u>	<u>\$ 10,565,450</u>	<u>\$ 10,116,047</u>
NA NA	NA NA	NA NA	NA NA	11.47 6.08	10.16 5.24
5.26 2.79	5.18 2.87	5.02 2.88	6.86 4.04	5.47 2.94	5.05 2.63
1.50 3.76	1.50 3.68	1.50 3.52	1.50 5.36	1.50 3.97	1.50 3.55

OKLAHOMA CITY, OKLAHOMA, DEPARTMENT OF AIRPORTS

Debt Ratios

Last ten fiscal years

	2021	2020 *	2019 *	2018
Junior Lien (JL) Bonds - Passenger Use Facilities:				
29A 5 Story Parking Garage	\$ -	\$ -	\$ -	\$ -
29B Terminal Renovation/Expansion	-	-	-	-
30 Terminal Renovation/Expansion	-	-	-	-
31 Consolidated Rental Car Facility	2,390,000	3,130,000	36,895,000	37,595,000
32A 5 Story Parking Garage	8,325,000	9,785,000	11,215,000	12,165,000
32B Terminal Renovation/Expansion	5,000,000	12,245,000	19,355,000	24,505,000
33 Terminal Expansion	93,550,000	93,550,000	93,550,000	-
34 Consolidated Rental Car Facility	38,565,000	39,175,000	-	-
Total JL Bonds - Passenger Use Facilities	<u>\$ 147,830,000</u>	<u>\$ 157,885,000</u>	<u>\$ 161,015,000</u>	<u>\$ 74,265,000</u>
Less unamortized discount	-	-	-	-
Add unamortized premium	6,716,478	7,130,289	7,130,289	-
Total outstanding debt	<u>\$ 154,546,478</u>	<u>\$ 165,015,289</u>	<u>\$ 168,145,289</u>	<u>\$ 74,265,000</u>
Percentage of Total Outstanding Debt	100.0%	100.0%	100.0%	100.0%
Enplaned Passengers	1,170,373	1,630,659	2,204,113	2,072,135
Debt per Enplaned Passenger (1)	<u>\$ 132.05</u>	<u>\$ 101.20</u>	<u>\$ 76.29</u>	<u>\$ 35.84</u>
Junior Lien Bonds - Other Facilities:				
23 5300 Portland Building	\$ -	\$ -	\$ -	\$ -
26 US Marshals Service	-	-	-	-
Total JL Bonds - Other Facilities	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Percentage of Total Outstanding Debt	0.0%	0.0%	0.0%	0.0%
Percentage rentals to outstanding debt (2)	0.0%	0.0%	0.0%	0.0%
Senior Lien Bonds - Mike Monroney Aeronautical Center	\$ -	\$ -	\$ -	\$ -
Percentage of Total Outstanding Debt	0.0%	0.0%	0.0%	0.0%
Percentage rentals to outstanding debt (3)	0.0%	0.0%	0.0%	0.0%
Total Junior and Senior Lien Bonds	<u>\$ 147,830,000</u>	<u>\$ 157,885,000</u>	<u>\$ 161,015,000</u>	<u>\$ 74,265,000</u>
Total Debt per Enplaned Passenger	<u>\$ 126.31</u>	<u>\$ 96.82</u>	<u>\$ 73.05</u>	<u>\$ 35.84</u>
Separate Lease Bonds	\$ -	\$ -	\$ -	\$ -
Percentage of Total Outstanding Debt	0.0%	0.0%	0.0%	0.0%
Percentage rentals to outstanding debt (4)	0.0%	0.0%	0.0%	0.0%
Total	<u>\$ 147,830,000</u>	<u>\$ 157,885,000</u>	<u>\$ 161,015,000</u>	<u>\$ 74,265,000</u>
Less current maturities	<u>(7,805,000)</u>	<u>(10,055,000)</u>	<u>(9,260,000)</u>	<u>(6,800,000)</u>
Long-term portion	<u>\$ 140,025,000</u>	<u>\$ 147,830,000</u>	<u>\$ 151,755,000</u>	<u>\$ 67,465,000</u>
Less unamortized discount	-	-	-	-
Add unamortized premium	6,716,478	7,130,289	7,130,289	-
Total outstanding debt	<u><u>\$ 146,741,478</u></u>	<u><u>\$ 154,960,289</u></u>	<u><u>\$ 158,885,289</u></u>	<u><u>\$ 67,465,000</u></u>

Generally, rates and charges to users/lessees are established to provide rentals sufficient to pay the indebtedness on the bonds specific to the user/lessee of the facility. However, the Original Bond Indenture provides that gross revenues of the Trust Estate are pledged first to the debt service requirements of the Senior Lien bonds and second to the Junior Lien bonds.

- (1) Passengers indirectly fund debt related to the passenger use facilities such as public parking areas and the terminal through parking fees, airline ticket purchases, passenger facility charges, retail and food purchases, and car rentals.
- (2) One outstanding Junior Lien bond issue has leases effective whereby rentals are insufficient to pay the specific bonded indebtedness on the facility, the 5300 Portland Building.
- (3) The lease with the Federal government, Federal Aviation Administration, provides for lease rentals sufficient to fully pay the principal and interest on the bonds when due.
- (4) The leases with the Federal government under the Separate Lease Bond Indentures provide for lease rentals sufficient to fully pay the principal and interest on the bonds when due.

* Fiscal years 2019 and 2020 show corrections for incorrect data.

	2017	2016	2015	2014	2013	2012
\$	13,705,000	\$ 14,800,000	\$ 15,855,000	\$ 16,870,000	\$ 17,845,000	\$ 18,785,000
	31,760,000	31,760,000	31,760,000	31,760,000	31,760,000	31,760,000
	750,000	6,730,000	12,420,000	17,885,000	23,285,000	28,565,000
	38,280,000	38,950,000	39,615,000	39,615,000	-	-
	-	-	-	-	-	-
	-	-	-	-	-	-
	-	-	-	-	-	-
	-	-	-	-	-	-
\$	84,495,000	\$ 92,240,000	\$ 99,650,000	\$ 106,130,000	\$ 72,890,000	\$ 79,110,000
	(75,278)	(89,968)	(105,737)	(144,906)	(218,518)	(313,695)
	468,480	679,335	947,791	1,271,625	1,648,858	2,078,786
\$	84,888,202	\$ 92,829,367	\$ 100,492,054	\$ 107,256,719	\$ 74,320,340	\$ 80,875,091
	100.0%	100.0%	100.0%	88.0%	77.3%	69.7%
	1,880,480	1,867,336	1,886,219	1,847,283	1,845,055	1,824,313
	\$ 45.14	\$ 49.71	\$ 53.28	\$ 58.06	\$ 40.28	\$ 44.33
\$	-	\$ -	\$ -	\$ 120,000	\$ 235,000	\$ 340,000
	-	-	-	-	-	715,000
\$	-	\$ -	\$ -	\$ 120,000	\$ 235,000	\$ 1,055,000
	0.0%	0.0%	0.0%	0.1%	0.2%	0.9%
	0.0%	0.0%	0.0%	0.0%	0.0%	67.8%
\$	-	\$ -	\$ -	\$ -	\$ -	\$ 4,810,000
	0.0%	0.0%	0.0%	0.0%	0.0%	4.2%
	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%
\$	84,495,000	\$ 92,240,000	\$ 99,650,000	\$ 106,250,000	\$ 73,125,000	\$ 84,975,000
\$	44.93	\$ 49.40	\$ 52.83	\$ 57.52	\$ 39.63	\$ 46.58
\$	-	\$ -	\$ -	\$ 14,350,000	\$ 21,230,000	\$ 28,595,000
	0.0%	0.0%	0.0%	11.9%	22.5%	25.2%
	0.0%	0.0%	0.0%	100.0%	100.0%	100.0%
\$	84,495,000	\$ 92,240,000	\$ 99,650,000	\$ 120,600,000	\$ 94,355,000	\$ 113,570,000
	(7,420,000)	(7,745,000)	(7,410,000)	(20,950,000)	(13,370,000)	(19,215,000)
\$	77,075,000	\$ 84,495,000	\$ 92,240,000	\$ 99,650,000	\$ 80,985,000	\$ 94,355,000
	(75,278)	(89,968)	(105,737)	(144,906)	(218,806)	(316,000)
	468,480	679,335	947,791	1,271,625	1,648,858	2,078,786
\$	77,468,202	\$ 85,084,367	\$ 93,082,054	\$ 100,776,719	\$ 82,415,052	\$ 96,117,786

OKLAHOMA CITY, OKLAHOMA, DEPARTMENT OF AIRPORTS
Summary Schedule of Debt Service Requirements

Fiscal Year	Junior Lien
End	Requirements
2021	\$ 16,249,975
2022	13,885,285
2023	10,390,012
2024	10,392,633
2025	10,387,161
2026	10,384,110
2027	10,373,400
2028	8,943,129
2029	8,942,427
2030	8,937,932
2031	8,939,824
2032	8,937,195
2033	8,929,708
2034	8,931,755
2035	8,923,200
2036	8,914,176
2037	8,921,289
2038	8,909,331
2039	8,910,761
2040	8,904,910
2041	8,896,361
2042	8,888,966
2043	8,881,998
2044	8,880,207
2045	6,430,500
2046	6,428,625
2047	6,427,625
2048	6,426,750
	<u>\$ 259,369,243</u>

OKLAHOMA CITY, OKLAHOMA, DEPARTMENT OF AIRPORTS

Primary Origin and Destination Passenger Markets

Last two fiscal years

2021					2020				
Rank	Market	Trip Length (1)	Airport Note Below	Total O & D Passengers	Rank	Market	Trip Length (1)	Airport Note Below	Total O & D Passengers
1	Denver	SH		157,294	1	Denver	SH	-	199,585
2	Houston	SH	(2)	122,096	2	Houston	SH	(2)	186,858
3	Las Vegas	MH		112,125	3	Los Angeles Basin	LH	(3)	153,505
4	Los Angeles Basin	LH	(3)	105,169	4	Washington/Baltimore	LH	(4)	150,829
5	Phoenix	MH		98,724	5	Las Vegas	MH	-	126,142
6	Orlando	LH	(4)	77,539	6	Orlando	LH	(11)	112,063
7	Atlanta	MH		71,386	7	Chicago	MH	(7)	105,623
8	Washington/Baltimore	LH	(5)	65,960	8	Phoenix	MH	-	96,647
9	Chicago	MH	(6)	60,772	9	Atlanta	MH	-	92,556
10	Seattle	LH		59,935	10	New York	LH	(5)	87,020
11	South Florida	LH	(7)	48,683	11	Seattle	LH	-	75,588
12	New York	LH	(8)	46,505	12	Bay Area	LH	(9)	62,137
13	Salt Lake City	MH		37,847	13	South Florida	LH	(8)	59,960
14	Bay Area	LH	(9)	36,310	14	Dallas/Fort Worth	SH	(6)	53,724
15	San Diego	LH		33,588	15	San Diego	LH	-	43,248
16	Charlotte	MH		32,382	16	Nashville	MH	-	43,160
17	Tampa	LH	(10)	31,920	17	Metro Boston	LH	(10)	41,578
18	Nashville	MH		31,624	18	Salt Lake City	MH	-	40,897
	Destin-Fort Walton								
19	Beach	MH		31,181	19	Tampa	LH	-	38,584
20	Sacramento	LH		31,143	20	St. Louis	SH	-	34,812

- (1) SH = Short Haul = 0 to 500 miles. MH = Medium Haul = 501 to 1,000 miles. LH = Long Haul = over 1,000 miles
- (2) Includes Hobby and Intercontinental
- (3) Includes Los Angeles, Orange County, Long Beach, Ontario and Burbank
- (4) Includes Los Angeles, Orange County, Long Beach, Ontario and Burbank
- (5) Includes Baltimore, Dulles, and Reagan-National
- (6) Includes Midway and O'Hare
- (7) Includes Fort Lauderdale, Miami, and West Palm Beach
- (8) Includes JFK, LaGuardia, Newark
- (9) Includes Oakland, San Francisco, and San Jose
- (10) Includes Tampa and St. Petersburg
- (11) Includes DFW and Dallas Love
- (12) Includes Boston, Manchester, and Providence

Source: U.S. DOT, O&D data via Diio online portal

OKLAHOMA CITY, OKLAHOMA, DEPARTMENT OF AIRPORTS
Will Rogers World Airport and Wiley Post Airport Summarized Statistics
Last ten fiscal years

Will Rogers World Airport	2021	Percent	2020	Percent	2019	2018
Aircraft Operations (1)						
Commercial	35,502	38.44%	46,196	45.09%	54,322	51,162
Itinerant military	26,212	28.38%	23,117	22.56%	19,692	21,998
Local military	8,832	9.56%	9,687	9.45%	12,027	12,722
Itinerant civil	21,208	22.97%	22,762	22.22%	24,852	26,037
Local civil	593	0.64%	694	0.68%	1,214	1,519
Total operations	92,347	100%	102,456	100%	112,107	113,438
Change from previous year						
All operations	(9.87)%		(8.61)%		(1.17)%	(4.44)%
Commercial operations	(23.15)%		(14.96)%		6.18%	1.11%
Passenger Traffic						
Enplanements	1,170,373		1,630,659		2,204,113	2,072,135
Deplanements	1,166,231		1,643,871		2,201,818	2,069,407
Total passengers	2,336,604		3,274,530		4,405,931	4,141,542
Change from previous year	(28.64)%		(25.68)%		6.38%	10.10%
Freight and Mail (in pounds)						
Freight and mail - enplaned	27,173,829		22,770,234		21,691,959	24,096,660
Freight and mail - deplaned	42,432,716		41,448,636		41,842,121	40,396,419
Total freight and mail	69,606,545		64,218,870		63,534,080	64,493,079
Change from previous year	8.39%		1.08%		(1.49)%	6.58%
Landed Weights (in thousand pounds)						
Passenger airlines landed weights	1,613,342		2,134,251		2,568,450	2,427,600
Change from previous year	(24.41)%		(16.91)%		5.80%	5.61%
Wiley Post Airport						
Aircraft Operations (1)						
Itinerant military	1,539	2.55%	1,839	2.91%	1,341	1,025
Local military	2,202	3.65%	1,694	2.68%	618	368
Itinerant civil	44,366	73.45%	46,217	73.09%	47,414	49,141
Local civil	12,300	20.36%	13,480	21.32%	12,221	14,550
Total operations	60,407	100%	63,230	100%	61,594	65,084
Change from previous year	(4.46)%		2.66%		(5.36)%	3.56%

(1) Operations include aircraft landings and take-offs.

Source: Department of Airports Activity Reports

2017	2016	2015	2014	2013	2012
50,598	51,318	51,964	54,236	56,226	55,944
23,924	23,347	19,575	20,423	17,114	21,244
15,594	16,433	17,248	19,574	13,921	23,988
26,337	25,754	25,420	25,514	24,779	25,108
2,253	2,116	1,625	1,586	1,241	1,342
118,706	118,968	115,832	121,333	113,281	127,626
(0.22)%	(2.71)%	(4.53)%	7.11%	(11.24)%	1.01%
(1.40)%	(1.24)%	(4.19)%	(3.54)%	0.50%	2.35%
1,880,480	1,867,336	1,886,219	1,847,283	1,845,055	1,824,313
1,881,054	1,873,498	1,883,844	1,852,599	1,847,689	1,827,530
3,761,534	3,740,834	3,770,063	3,699,882	3,692,744	3,651,843
0.55%	(0.78)%	1.90%	0.19%	1.12%	4.25%
22,152,601	25,541,493	27,607,848	29,206,429	28,566,115	29,857,754
38,358,264	36,195,845	35,537,324	34,084,425	38,794,580	40,113,944
60,510,865	61,737,338	63,145,172	63,290,854	67,360,695	69,971,698
(1.99)%	(2.23)%	(0.23)%	(6.04)%	(3.73)%	3.02%
2,298,581	2,235,065	2,251,616	2,241,550	2,321,934	2,282,732
2.84%	(0.74)%	0.45%	(3.46)%	1.72%	4.14%
814	1,731	1,862	2,435	3,666	3,979
122	660	946	1,342	910	1,467
49,307	52,426	50,548	49,295	58,145	57,861
12,602	15,271	15,464	15,727	19,344	17,567
62,845	70,088	68,820	68,799	82,065	80,874
(10.33)%	1.84%	0.03%	(16.17)%	1.47%	3.48%

OKLAHOMA CITY, OKLAHOMA, DEPARTMENT OF AIRPORTS

Will Rogers World Airport Aircraft Landings by Airline

Last ten fiscal years

Passenger Airline Landings	2021	Percent	2020	Percent	2019	2018
Signatory Airlines						
Alaska	350	2.15%	317	1.46%	362	364
American	4,922	30.19%	6,585	30.24%	7,209	5,997
Continental	-	0.00%	-	0.00%	-	-
Delta	3,106	19.05%	3,334	15.31%	4,119	4,039
Frontier	179	1.10%	168	0.77%	353	385
Southwest	4,378	26.85%	5,629	25.85%	6,554	6,454
United	3,104	19.04%	5,438	24.98%	6,644	6,484
Non-Signatory Airlines						
Allegiant	231	1.42%	244	1.12%	422	268
Via	-	0.00%	-	0.00%	89	49
Others	36	0.22%	58	0.27%	65	80
Total passenger airline landings	16,306	100.00%	21,773	100.00%	25,817	24,120

Change from previous year (25.11)% (15.66)% 7.04% 2.00%

Source: Department of Airports Activity Reports

Will Rogers World Airport Passenger Traffic by Airline

Last ten fiscal years

Enplaned Passengers	2021	Percent	2020	Percent	2019	2018
Signatory Airlines						
Alaska	26,503	2.26%	25,436	1.56%	25,082	24,462
American	346,666	29.62%	439,517	26.95%	558,257	488,719
Continental	-	0.00%	-	0.00%	-	-
Delta	163,912	14.00%	254,331	15.60%	350,959	331,452
Frontier	22,750	1.94%	25,659	1.57%	50,935	58,521
Southwest	413,085	35.30%	556,014	34.10%	749,561	712,472
United	171,216	14.63%	295,297	18.11%	409,109	414,161
Non-Signatory Airlines						
Allegiant Air	24,882	2.13%	31,930	1.96%	55,859	37,532
Via	-	0.00%	-	0.00%	1,011	709
Others	1,359	0.12%	2,475	0.15%	3,340	4,107
Total Enplaned Passengers	1,170,373	100.00%	1,630,659	100.00%	2,204,113	2,072,135

Deplaned Passengers (1) 1,166,231 1,643,871 2,201,818 2,069,407

Total Passengers 2,336,604 3,274,530 4,405,931 4,141,542

Change from Previous Year (28.64)% (25.68)% 6.38% 10.10%

(1) Oklahoma City is an Origin and Destination Airport. Therefore, deplaning passengers and market percentage by airline are comparable to enplaning passengers and market percentage of airline.

Source: Department of Airports Activity Reports

2017	2016	2015	2014	2013	2012
365	366	-	-	-	-
5,874	6,098	6,080	5,245	4,884	4,776
-	-	-	-	-	499
3,974	4,117	3,963	4,164	4,959	5,601
-	-	386	655	746	812
6,581	6,547	6,738	7,114	7,660	7,211
6,568	6,595	6,976	7,833	7,871	7,170
227	153	59	71	-	-
-	-	-	-	-	-
57	41	54	51	57	79
23,646	23,917	24,256	25,133	26,177	26,148
(1.13)%	(1.40)%	(3.49)%	(3.99)%	0.11%	2.18%

2017	2016	2015	2014	2013	2012
25,012	24,067	-	-	-	-
412,997	430,823	450,375	392,849	381,609	383,170
-	-	-	-	-	61,951
328,466	329,864	314,289	299,749	305,564	319,057
-	-	48,567	82,295	79,739	76,438
680,532	673,310	683,441	676,351	680,578	658,425
400,231	385,971	378,113	382,913	394,879	321,143
30,274	21,022	7,645	9,195	-	-
-	-	-	-	-	-
2,968	2,279	3,789	3,931	2,686	4,129
1,880,480	1,867,336	1,886,219	1,847,283	1,845,055	1,824,313
1,881,054	1,873,498	1,883,844	1,852,599	1,847,689	1,827,530
3,761,534	3,740,834	3,770,063	3,699,882	3,692,744	3,651,843
0.55%	(0.78)%	1.90%	0.19%	1.12%	4.25%

OKLAHOMA CITY, OKLAHOMA, DEPARTMENT OF AIRPORTS
Will Rogers World Airport Aircraft Landed Weights by Airline
Last ten fiscal years

Landed Weights (1) (2)	2021	Percent	2020	Percent	2019	2018
Signatory Airlines						
Alaska	34,759	2.15%	35,832	1.68%	27,134	27,284
American	425,202	26.36%	584,733	27.40%	678,367	567,906
Continental	-	0.00%	-	0.00%	-	-
Delta	289,962	17.97%	333,246	15.61%	421,761	406,741
Frontier	25,355	1.57%	24,284	1.14%	50,176	54,561
Southwest Airlines	577,260	35.78%	737,184	34.54%	857,459	834,025
United	223,637	13.86%	377,210	17.67%	462,633	487,285
Non-Signatory Airlines						
Allegiant	32,205	2.00%	33,804	1.58%	58,054	37,549
Via Airlines	-	0.00%	-	0.00%	3,924	2,161
Others	4,962	0.31%	7,956	0.37%	8,942	10,088
Total landed weights	1,613,342	100.00%	2,134,249	100.00%	2,568,450	2,427,600
Change from previous year	(24.41)%		(16.91)%		5.80%	5.61%

(1) In thousand pounds.

(2) Effective rates for the various years are:

<u>Signatory</u> <u>Rates/1000 lbs.</u>	<u>Start Date</u>	<u>End Date</u>
\$ 2.5652	1/1/2010	12/31/2010
\$ 2.8505	1/1/2011	12/31/2011
\$ 2.8484	1/1/2012	12/31/2012
\$ 2.8485	1/1/2013	10/31/2014
\$ 2.9100	11/1/2014	6/30/2015
\$ 3.0900	7/1/2015	6/30/2016
\$ 3.0900	7/1/2016	6/30/2017
\$ 3.1800	7/1/2017	6/30/2018
\$ 2.7900	7/1/2018	6/30/2019
\$ 2.7500	7/1/2019	6/30/2020
\$ 2.7500	7/1/2020	1/31/2021
\$ 1.5500	2/1/2021	6/30/2021

Source: Department of Airports Activity Reports

2017	2016	2015	2014	2013	2012
27,412	27,371	-	-	-	-
500,928	511,120	530,682	469,235	458,519	457,500
-	-	-	-	-	22,769
407,689	400,922	371,920	365,270	364,473	393,493
-	-	51,975	85,648	83,057	86,731
827,878	800,162	826,748	856,802	936,146	871,776
494,866	468,175	455,775	448,591	472,360	439,905
31,736	21,427	8,271	9,977	-	-
-	-	-	-	-	-
8,072	5,888	6,245	6,027	7,379	10,558
2,298,581	2,235,065	2,251,616	2,241,550	2,321,934	2,282,732
2.84%	(0.74)%	0.45%	(3.46)%	1.72%	4.14%

OKLAHOMA CITY, OKLAHOMA, DEPARTMENT OF AIRPORTS
Will Rogers World Airport Average Monthly Activity by Passenger Airline
Fiscal year ended June 30, 2021

	Average Number of Passengers Deplaning Monthly	Average Landed Weight Monthly In Thousand Lbs.	Average Number of Daily Flights Into Oklahoma City
Signatory Airlines			
Alaska	2,112	2,897	1
American	28,756	35,434	13
Delta	13,996	24,163	9
Frontier	1,955	2,113	-
Southwest Airlines	34,006	48,105	12
United	14,157	18,636	9
Non-Signatory Airlines			
Allegiant Air	2,083	2,684	1
Others	132	451	-
Totals	<u>97,197</u>	<u>134,483</u>	<u>45</u>

	Average Number of Passengers Boarding Monthly	Average Freight Poundage Shipped Monthly Out of Oklahoma City	Number of Months In Service During Fiscal Year
Signatory Airlines			
Alaska	2,209	577	12
American	28,889	722	12
Delta	13,659	-	12
Frontier	1,896	-	12
Southwest Airlines	34,424	24,275	12
United	14,268	6,898	12
Non-Signatory Airlines			
Allegiant Air	2,074	-	12
Others	124	-	11
Totals	<u>97,543</u>	<u>32,472</u>	

Source: Department of Airports Activity Reports

**OKLAHOMA CITY, OKLAHOMA, DEPARTMENT OF AIRPORTS
Top Employers and Major Tenants**

**Top Employers in the Primary Air Trade Area
Current Year and Nine Years Ago (1)**

Employers in Air Trade Area:	2021			2011		
	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment
Local Governments (2)	51,917	1	7.99%	49,200	1	8.74%
State Government (2)	44,075	2	6.78	41,000	2	7.28
Federal Government (2)	30,108	3	4.63	27,000	4	4.80
Tinker Air Force Base (2)	24,000	4	3.69	26,300	3	4.67
University of Oklahoma	12,700	5	1.95			
INTEGRIS Health (3)	9,000	6	1.39	9,200	5	1.63
OU Health Sciences Center	7,500	7	1.15	4,200	7	0.75
FAA Aeronautical Center	7,000	8	1.08	7,000	6	1.24
Hobby Lobby Stores Inc.	6,500	9	1.00	2,500	14	0.44
Mercy Hospital	5,540	10	0.85			
Amazon	5,000	11	0.77			
The Boeing Company	3,600	12	0.55			
OGE Energy Corp.	3,400	13	0.52	3,450	8	0.61
OU Medical Center	3,300	14	0.51	2,600	13	0.46
SSM Health Care of Oklahoma, Inc.	3,000	15	0.46	2,750	11	0.49
University of Central Oklahoma	3,000	16	0.46			
Paycom	3,000	17	0.46			
Norman Regional Hospital	2,950	18	0.45			
Devon Energy Corp	2,700	19	0.42	2,600	12	0.46
AT&T	2,700	20	0.42	3,000	9	0.53
Midfirst Bank	2,500	21	0.38	1,150	24	0.20
Sonic Corp	2,460	22	0.38			
Dell	2,300	23	0.35	1,500	19	0.27
Oklahoma City Community College	2,100	24	0.32			
LSB Industries, Inc.	-			1,875	15	0.33
UPS	1,800	25	0.28	1,550	18	0.28
Hertz Corporation	1,700	26	0.26	1,650	16	0.29
BancFirst	1,700	27	0.26			
Chesapeake Energy Corp	1,630	28	0.25	3,000	10	0.53
Enable Midstream	1,600	29	0.25			
Love's Travel Stops and Country Stores	1,500	30	0.23			
Cox Communications	1,400	31	0.22	1,400	21	0.25
American Fidelity	1,400	32	0.22	1,000	26	0.18
Great Pains Coke-Cola Bottling Company	1,300	33	0.20	1,500	20	0.27
Johnson Controls	1,200	34	0.18	1,200	23	0.21
Farmers Insurance Group	1,100	35	0.17	1,600	17	0.28
Bank of Oklahoma	1,100	36	0.17			
Continental Resources	1,080	37	0.17			
Dolese Brothers Company	1,060	38	0.16			
INTEGRIS-Deaconess Hospital	1,000	39	0.15	1,200	22	0.21
Rose State College	1,000	40	0.15	1,100	25	0.20
Oklahoma Publishing Co.				1,000	27	0.18
Totals	261,920		40.31%	201,525		35.80%

(1) Information was provided by the Greater OKC Chamber and the Bureau of Labor Statistics.

(2) Local, State, and Federal, as well as Tinker Air Force Base include both civilian and non-civilian employees

(3) INTEGRIS Health includes INTEGRIS Medical Center and INTEGRIS Baptist Medical Center.

OKLAHOMA CITY, OKLAHOMA, DEPARTMENT OF AIRPORTS
Top Employers and Major Tenants

Major Tenants

Major Tenants at Airports:

AAR Aircraft Services, Inc.
Alaska Airlines
American Airlines
Avis Budget Group, LLC.
A-Z Oklahoma City OK Landlord, LLC.
Board of Education of Metro Area Vocational Technical School District
Breeze Airways
Delta Airlines
EAN Holdings, LLC
FC Oklahoma City OK Landlord
Frontier Airlines
Paradies-Lagardere, LLC.
SORB Technology
Southwest Airlines
TAG OKC, Inc.
The Hertz Corporation
Trajen Flight Support LP
U.S. Department of Transportation - Federal Aviation Administration
United Airlines
Valair Aviation

Source: Department of Airports Revenue Reports

OKLAHOMA CITY, OKLAHOMA, DEPARTMENT OF AIRPORTS

Department Employees

Last ten fiscal years

Division	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Administration	15	15	15	15	15	15	11	11	10	7
Finance	9	10	7	7	6	6	7	7	7	6
Operations	11	11	11	10	10	10	10	10	10	9
Maintenance	64	64	62	59	59	59	59	59	58	56
General Aviation	10	10	10	9	9	9	9	9	9	9
Business and Properties	8	6	6	7	6	6	9	9	9	9
Planning and Development	14	14	14	13	15	15	13	13	12	12
Total Employees	131	130	125	120	120	120	118	118	115	108

Source: Department of Airports Budget Reports

OKLAHOMA CITY, OKLAHOMA, DEPARTMENT OF AIRPORTS
Will Rogers World Airport Capital Asset Information
June 30, 2021

Location:	8 miles southwest of downtown Oklahoma City, the capital of the State of Oklahoma		
Area:	7,956 acres		
Elevation:	1,295 ft.		
Airport Code:	KOKC		
Runways:	17L/35R	North/South	9,800 x 150 ft. ILS/VOR
	17R/35L	North/South	9,800 x 150 ft. ILS/VOR
	13/31	Northwest/Southeast	7,800 x 150 ft. VOR
Terminal:	Airlines		191,065 sq. ft
	Tenants		35,720 sq. ft
	Public/Common		114,430 sq. ft
	Mechanical		49,688 sq. ft
	Administration		19,925 sq. ft
		Total Terminal Square Footage	<u>410,828</u> sq. ft
	Number of passenger gates		17
	Number of loading bridges		17
	Number of concessionaires in terminal		1
Apron:	Commercial Airlines		3,302,580 sq. ft
	FBO		1,456,203 sq. ft
Consolidated Rental Car Facility:	Number of rental car agencies		8
Parking:	Garage		2,789
	Short-term		285
	Long-term		4,241
	Employees		432
		Total Parking Spaces	<u>7,747</u>
Cargo:	U.S. Post Office		36,467 sq. ft
International:	N/A		
Tower:	TRACON 24/7 - 365		
Fixed Base Operators:	AAR Aircraft Services		
	Atlantic Aviation		

Source: Department of Airports

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS
PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

To the Board of Trustees
Oklahoma City Department of Airports
Oklahoma City, Oklahoma

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the business-type activities and each major fund of the Oklahoma City Department of Airports (Department), which includes a discretely presented component unit and a non-major enterprise fund of the City of Oklahoma City, Oklahoma (City), as of and for the year ended June 30, 2021, and the related notes to financial statements, which collectively comprise the Department's basic financial statements and have issued our report thereon dated November 19, 2021. The audit report included an emphasis of matter paragraph to emphasize that the financial statements present only the Oklahoma City Department of Airports and not the City of Oklahoma City, Oklahoma and an emphasis of matter paragraph to emphasize the on-going impacts of COVID-19.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Department's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Department's internal control. Accordingly, we do not express an opinion on the effectiveness of the Department's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Department's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance

with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control on compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Department's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Department's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Allen, Gibbs & Houlik, L.C.
CERTIFIED PUBLIC ACCOUNTANTS

November 19, 2021
Wichita, KS