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Trust Auth*

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State Auditor & Inspector

OKLAHOMA CITY DEPARTMENT OF AIRPORTS

A COMPONENT UNIT OF OKLAHOMA CITY, OKLAHOMA

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED JUNE 30, 2011

**RECEIPT #
3083**

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

Independent Accountants' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*

Board of Trustees
Oklahoma City Airports Trust
Oklahoma City, Oklahoma

We have audited the financial statements of the business-type activities and the major funds of the Oklahoma City Department of Airports (the Department), a component unit of the City of Oklahoma City, Oklahoma (the City), as of and for the year ended June 30, 2011, which collectively comprise its basic financial statements and have issued our report thereon dated December 2, 2011. 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.

Internal Control over Financial Reporting

In planning and performing our audit, we considered the Department's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Department's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Department's internal control over financial reporting.

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 a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the Department's financial statements will not be prevented or detected and corrected on a timely basis.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses as defined above.

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*.

Board of Trustees
Oklahoma City Airports Trust
Page 2

The Independent Accountants' Report on Internal Control over Financial Reporting and Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards* of the City should be read in conjunction with this report.

This report is intended solely for the information and use of the Board of Trustees, management, the City and others within the Department and is not intended to be and should not be used by anyone other than these specified parties.

BKD, LLP

December 2, 2011

INTRODUCTORY SECTION

CONTAINING THE FOLLOWING SUBSECTIONS:

✈ LETTER OF TRANSMITTAL
✈ ORGANIZATION CHART
✈ PRINCIPAL OFFICERS
✈ CERTIFICATE OF ACHIEVEMENT



OKLAHOMA CITY, OKLAHOMA, DEPARTMENT OF AIRPORTS

Transmittal Letter

June 30, 2011

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 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, 2026. 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 comprised of Will Rogers World Airport (a small hub commercial airport) and 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.

Oklahoma's economy continues to recover and remains in much better shape than the nation. While unemployment rates remain elevated by Oklahoma standards at 5.4%, this is well below the national rate of 9.2% at the end of fiscal 2011. The 2011 Greater Oklahoma City Economic Forecast reported Oklahoma City enjoyed very strong employment gains from new to market firms and expansion of existing businesses. Compared to the previous year, jobs from new to market firms more than doubled. Significant momentum is expected as Oklahoma production, employment, and income all make significant gains in the year to come. The official forecast call for average monthly employment to grow at 1.5% in 2011 and 1.9% in 2012. Personal incomes accelerated modestly by 4.0% in 2011. Thanks to good jobs and low cost of living, the Oklahoma City metro area ranks as America's Most Affordable City by Forbes Magazine.

OKLAHOMA CITY, OKLAHOMA, DEPARTMENT OF AIRPORTS

Transmittal Letter

June 30, 2011

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 fully every two years and amended, as necessary, in other years.

Each year, the Department hosts a joint planning conference for tenants of the City's three airports and interested Federal Aviation Administration (FAA) officials. Input during the conference helps the Department identify projects, assess possible funding sources, and determine timeframes 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 2012 capital budget is \$45,487,000.

The capital plan for Will Rogers World Airport includes the following projects: (1) the design and development for construction of a consolidated rental car facility at \$6,393,000, (2) replacement of the outbound baggage system with a checked baggage inspection system at \$5,567,000, (3) the realignment and reconstruction of Taxiway H at \$5,100,000, (4) installation of a closed circuit television camera system at \$2,319,000, (5) renovation of the existing 2 and 5 story parking garages at \$2,217,000, (6) re-alignment of Portland Avenue at \$1,542,000, (7) the purchase of various equipment for \$2,417,000, (8) various airfield improvement projects for \$2,500,000, (9) various environmental projects for \$998,000, and, (10) various other improvements for \$1,054,000.

The capital plan for the general aviation airports includes the following projects at Wiley Post Airport: (1) reconstruction of Taxiway C & C1 with lights for \$236,000, (2) reconstruction of taxi lanes for Hangars 4B and 4E for \$200,000, (3) the replacement of H2O tanks for high fire pressure for \$200,000, and (4) various airfield projects for \$25,000. C. E. Page Airport projects include: (1) the reconstruction of 650' of runway 17L for \$573,000, (2) rehabilitation and rubber removal on runway 17L/35R for \$462,000, (3) installing lighted holding position signs for \$213,000, (4) construction of a new fuel facility for \$200,000, and (5) various other improvements for \$50,000.

The capital plan for the Mike Monroney Aeronautical Center located at Will Rogers World Airport includes various heat and air systems improvements for \$7,216,000, building improvement projects for \$1,750,000, roof replacements for \$1,730,000, pavement improvements for \$1,582,000, and improving electrical distributions systems for \$943,000.

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, 2011

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 BKD LLP was selected to perform the fiscal year 2011 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 CAFR for the fiscal year ended June 30, 2010. 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.

OKLAHOMA CITY, OKLAHOMA, DEPARTMENT OF AIRPORTS

Transmittal Letter

June 30, 2011

A Certificate of Achievement is valid for a period of one year only. The Department has received a Certificate of Achievement for the last nineteen fiscal years ended 1992 – 2010. We believe our current report continues to conform to the Certificate of Achievement program requirements, and we are submitting it to GFOA.

Acknowledgments

The quality of the financial information in this CAFR 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.

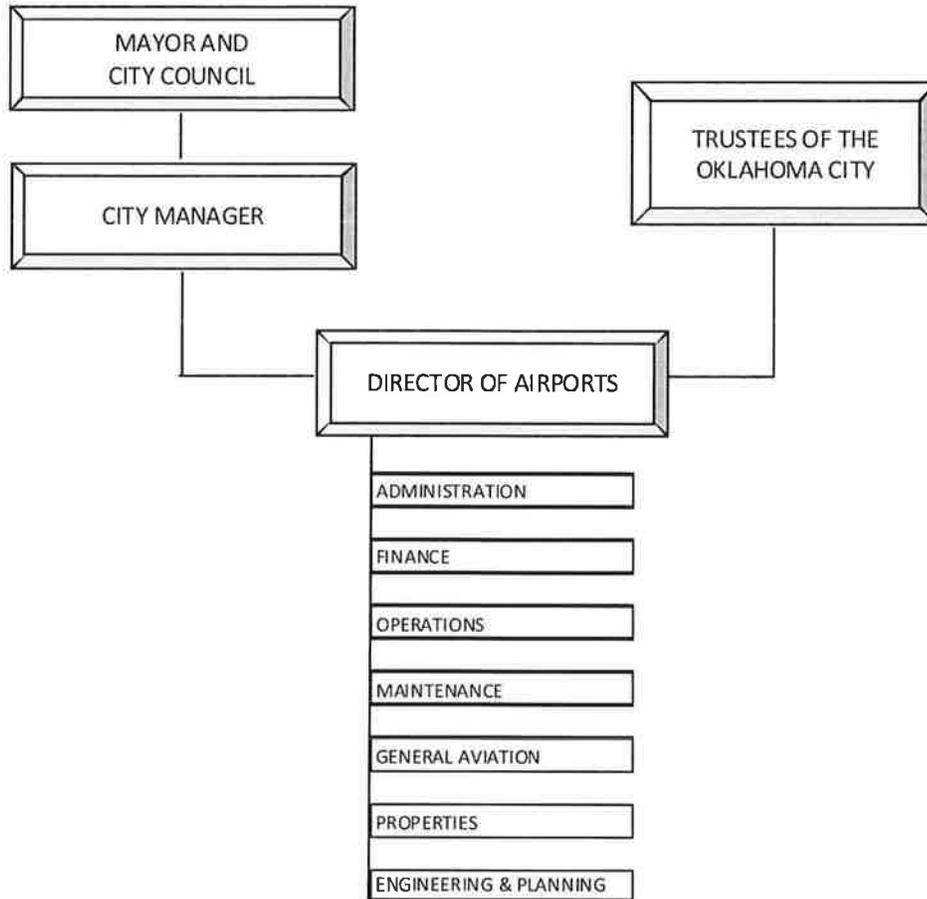
Respectfully submitted,


Mark D. Kranenburg, AAE
Director of Airports


Kim Sotomayor, MSA
Business Manager

OKLAHOMA CITY, OKLAHOMA, DEPARTMENT OF AIRPORTS
Organization Chart
June 30, 2011

ORGANIZATION CHART



OKLAHOMA CITY, OKLAHOMA, DEPARTMENT OF AIRPORTS

Principal Officials

June 30, 2011

Mayor and City Council

Mick Cornett, Mayor
Gary Marrs, Ward 1
Ed Shadid, Ward 2
Larry McAtee, Ward 3
Pete White, Ward 4
David Greenwell, Ward 5
Margaret S. "Meg" Salyer, Ward 6
Ronald "Skip" Kelly, Ward 7
Patrick J. Ryan, Ward 8

Trustees of the Oklahoma City Airport Trust

Larry McAtee, Chairman, Trustee-Council Member
Kirk Humphreys, Vice Chairman, Independent Trustee
Mick Cornett, Trustee-Mayor
 Gary Marrs, Surrogate Trustee-Mayor
James D. Couch, Trustee-City Manager
 Dennis Clowers, Surrogate Trustee-City Manager
Terry Salmon, Independent-Trustee

City Manager's Office

James D. Couch, City Manager
Dennis Clowers, Assistant City Manager

Department of Airports

Mark D. Kranenburg, Director
Scott L. Keith, Assistant Director
Kim Sotomayor, Business Manager
Jim B. Thrash, Operations Manager
Tim Whitman, General Aviation Manager
Donald G. Jones, Facilities Planner
Pamela Newell, Properties Manager
Phillip Florey, Maintenance Manager
Karen Carney, Marketing & Public Information

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Oklahoma City
Department of Airports
Oklahoma

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
June 30, 2010

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



President

Executive Director

Independent Accountants' Report on Financial Statements and Supplementary Information

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

We have audited the accompanying financial statements of the business-type activities and the major funds of the Oklahoma City Department of Airports (the Department), a component unit of the City of Oklahoma City, Oklahoma (the City), as of and for the year ended June 30, 2011, which collectively comprise the Department's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Department's management. Our responsibility is to express opinions on these financial statements based on our audits. The prior year summarized comparative information has been derived from the Department's 2010 financial statements and, in our report dated December 3, 2010, we expressed an unqualified opinion on those financial statements.

We conducted our audits 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 of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinions.

As discussed in *Note 2*, the financial statements of the Department are intended to present the financial position, the changes in financial position and the cash flows of only that portion of the business-type activities and major funds of the City 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 as of June 30, 2011, the changes in its financial position or its cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In our opinion, the 2011 financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities and the major funds of the Department as of June 30, 2011, and the respective changes in financial position and cash flows thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated December 2, 2011, on our consideration of the Department's internal control over financial reporting and 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* and should be considered in assessing the results of our audit.

The accompanying management's discussion and analysis and pension and other post-employment benefit information as listed in the table of contents are not a required part of the basic financial statements but are supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the Department's basic financial statements. The accompanying budget versus actual schedule, as listed in the table of contents, is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

The accompanying information in the statistical section as listed on the table of contents has not been subjected to the procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on it.

BKD, LLP

December 2, 2011

OKLAHOMA CITY, OKLAHOMA, DEPARTMENT OF AIRPORTS
Management's Discussion and Analysis
June 30, 2011

MANAGEMENT'S DISCUSSION AND ANALYSIS

Within this section of the Oklahoma City Department of Airports (Department) annual financial report, the Department's management provides narrative discussion and analysis of the financial activities of the Department for the fiscal years ended June 30, 2011 and 2010. 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 Comprehensive Annual Financial Report (CAFR). However, the Trust is a component unit of the City of Oklahoma City (City), and reported as a major fund within the City's CAFR. The Airports Fund is reported as a non-major fund within the City's CAFR.

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 Assets presents information that includes all the Department's assets and liabilities, with the difference reported as "net assets". Over time, increases or decreases in net assets 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 Assets reports how the Department's net assets 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, 2011

Financial Position Summary and Highlights

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

	2011	2010	2009	\$ Change		% Change	
				2011	2010	2011	2010
Assets:							
Current and other assets	\$ 135,256,795	\$ 124,530,459	\$ 127,245,230	\$ 10,726,336	(\$ 2,714,771)	8.6 %	(2.1) %
Capital assets	413,934,425	421,964,020	418,954,613	(8,029,595)	3,009,407	(1.9)	0.7
Total assets	<u>549,191,220</u>	<u>546,494,479</u>	<u>546,199,843</u>	<u>2,696,741</u>	<u>294,636</u>	0.5	0.1
Liabilities:							
Current liabilities	25,867,251	26,584,100	28,155,553	(716,849)	(1,571,453)	(2.7)	(5.6)
Noncurrent liabilities	119,010,072	136,937,380	153,900,358	(17,927,308)	(16,962,978)	(13.1)	(11.0)
Total liabilities	<u>144,877,323</u>	<u>163,521,480</u>	<u>182,055,911</u>	<u>(18,644,157)</u>	<u>(18,534,431)</u>	(11.4)	(10.2)
Net assets:							
Invested in capital assets, net of related debt	282,438,969	271,640,181	254,446,734	10,798,788	17,193,447	4.0	6.8
Restricted	44,466,570	44,239,895	44,209,113	226,675	30,782	0.5	0.1
Unrestricted	77,408,358	67,092,923	65,488,085	10,315,435	1,604,838	15.4	2.5
Total net assets	<u>\$404,313,897</u>	<u>\$382,972,999</u>	<u>\$364,143,932</u>	<u>\$21,340,898</u>	<u>\$18,829,067</u>	5.6	5.2

An analysis of changes in assets and liabilities for the year ended June 30, 2011 is as follows in approximate amounts:

- The net increase in current and other assets less current liabilities of approximately \$11,443,000 is primarily the result of the following: (1) decrease of \$1,779,000 related to continuing construction of revenue bond funded projects, (2) decrease of \$85,000 related to the addition of current bonds payable (3) decrease of \$60,000 related to escrowed amounts for improvements to tenant facilities as required by tenant leases, (4) decrease of \$313,000 related to assets restricted for debt service payments, (5) increase of \$1,176,000 in PFC assets set aside for future debt service payments, (6) decrease of \$3,438,000 related to assets restricted for capital projects, and (7) an increase of \$15,942,000 related to operations.
- The decrease in capital assets of approximately \$8,030,000 is primarily the result of the following: (1) capital asset acquisitions during the year of \$13,576,000, (2) depreciation of \$21,572,000, and (3) disposition of assets with a net book value of \$34,000.
- The decrease in noncurrent liabilities of approximately \$17,927,000 is the result of the following: (1) decrease of \$20,642,000 due to refunding/redemption of revenue bonds, (2) decrease of \$78,000 related to compensated absences, (3) increase of \$360,000 related to OPEB obligations, and (4) increase of \$2,433,000 in deferred revenue. Other items contributing to the change in long-term liabilities relate to amortization of bond discounts, premiums and deferred amounts from refunding bonds.

OKLAHOMA CITY, OKLAHOMA, DEPARTMENT OF AIRPORTS
Management's Discussion and Analysis
June 30, 2011

An analysis of changes in assets and liabilities for the year ended June 30, 2010 is as follows:

- The net decrease in current and other assets less current liabilities of approximately \$1,143,000 is primarily the result of the following: (1) decrease of \$3,263,000 related to continuing construction of revenue bond funded projects, (2) increase of \$115,000 related to reduction of current bonds payable (3) decrease of \$1,866,000 related to escrowed amounts for improvements to tenant facilities as required by tenant leases, (4) decrease of \$506,000 related to assets restricted for debt service payments, (5) increase of \$856,000 in PFC assets set aside for future debt service payments, (6) increase of \$1,547,000 related to assets restricted for capital projects, and (7) an increase of \$1,975,000 related to operations.
- The increase in capital assets of approximately \$3,009,000 is primarily the result of the following: (1) capital asset acquisitions during the year of \$23,527,000, (2) depreciation of \$20,514,000, and (3) disposition of assets with a net book value of \$4,000.
- The decrease in noncurrent liabilities of approximately \$16,963,000 is the result of the following: (1) decrease of \$17,770,000 due to retirement of revenue bonds, (2) increase of \$43,000 related to compensated absences, and (3) increase of \$458,000 related to OPEB obligations. Other items contributing to the change in long-term liabilities relate to amortization of bond discounts, premiums and deferred amounts from refunding bonds.

An analysis of components of net assets for the years ended June 30, 2011 and 2010 is as follows:

- Approximately seventy percent of the Department's net assets represent 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 several airfield improvement projects at both Will Rogers World Airport and Wiley Post, and on-going construction of improvement projects funded by capital grants at all three airports.
- Restricted net assets represent 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 2011 restricted net assets for debt service increased approximately \$848,000 from the prior year and restricted net assets for maintenance and capital assets decreased approximately \$621,000 from the prior year.
- Unrestricted net assets 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, 2011

Financial Operations Summary and Highlights

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

	2011	2010	2009	\$ Change		% Change	
				2011	2010	2011	2010
Operating revenues:							
Parking	\$9,259,742	\$7,624,268	\$6,483,384	\$1,635,474	\$1,140,884	21.5 %	17.6 %
Landing fees	6,924,831	6,477,192	5,599,435	447,639	877,757	6.9	15.7
Rental income	32,053,658	31,501,522	32,214,685	552,136	(713,163)	1.8	(2.2)
Other, net	9,033,240	7,895,007	7,413,968	1,138,233	481,039	14.4	6.5
Total operating revenues	57,271,471	53,497,989	51,711,472	3,773,482	1,786,517	7.1	3.5
Nonoperating revenues:							
Investment income	818,289	1,018,916	1,930,101	(200,627)	(911,185)	(19.7)	(47.2)
Oil and gas royalties	2,968,830	2,567,709	2,341,859	401,121	225,850	15.6	9.6
Liquidated Damages	390,000	-	-	390,000	-	100.0	0.0
Passenger facility charges	7,055,522	5,170,911	4,489,113	1,884,611	681,798	36.4	15.2
Grants income	440,268	448,185	440,965	(7,917)	7,220	(1.8)	1.6
Gain on disposition of assets	-	39,489	-	(39,489)	39,489	(100.0)	0.0
Total nonoperating revenues	11,672,909	9,245,210	9,202,038	2,427,699	43,172	26.3	0.5
Total revenues	68,944,380	62,743,199	60,913,510	6,201,181	1,829,689	9.9	3.0
Operating expenses							
Personal services	8,002,625	7,736,677	7,593,852	265,948	142,825	3.4	1.9
Maintenance, operations and contractual services	13,888,354	13,721,815	13,925,529	166,539	(203,714)	1.2	(1.5)
Materials and supplies	1,398,612	1,355,518	1,255,003	43,094	100,515	3.2	8.0
Depreciation	21,571,778	20,514,004	19,588,271	1,057,774	925,733	5.2	4.7
Total operating expenses	44,861,369	43,328,014	42,362,655	1,533,355	965,359	3.5	2.3
Nonoperating expenses:							
Interest	8,389,506	9,362,559	10,438,253	(973,053)	(1,075,694)	(10.4)	(10.3)
Amortization	152,881	130,897	149,641	21,984	(18,744)	16.8	(12.5)
Loss on disposition of assets	3,777	-	49,790	3,777	(49,790)	100.0	(100.0)
Total nonoperating expenses	8,546,164	9,493,456	10,637,684	(947,292)	(1,144,228)	(10.0)	(10.8)
Total expenses	53,407,533	52,821,470	53,000,339	586,063	(178,869)	1.1	(0.3)
Income before capital contributions and transfers							
	15,536,847	9,921,729	7,913,171	5,615,118	2,008,558	56.6	25.4
Capital contributions, grants	5,804,051	8,907,338	8,515,369	(3,103,287)	391,969	(34.8)	4.6
Transfers from City funds	-	-	399,928	-	(399,928)		0.0
Change in net assets	21,340,898	18,829,067	16,828,468	2,511,831	2,000,599	13.3	11.9
Beginning net assets	\$382,972,999	\$364,143,932	347,315,464	18,829,067	16,828,468	5.2	4.8
Ending net assets	\$404,313,897	\$382,972,999	\$364,143,932	\$21,340,898	\$18,829,067	5.6	5.2

OKLAHOMA CITY, OKLAHOMA, DEPARTMENT OF AIRPORTS

Management's Discussion and Analysis

June 30, 2011

An analysis of changes in revenues and expenses for the year ended June 30, 2011 is as follows:

- Parking revenues increased due to increased passenger activity and full year of increased parking rates.
- Landing fees increased due to the annual adjustment as provided for in the airline agreements, as well as additional service to destination cities.
- Rental income increased primarily due to rentals increase on several leased facilities.
- Other income increased primarily due to increased maintenance fees on the facilities at the Mike Monroney Aeronautical Center (MMAC), and the early lease termination agreement with Hagggar.
- Investment income decreased during the fiscal year primarily due to the declining interest rates.
- Oil and gas royalties increased due to increased sales prices for oil and natural gas produced on airport properties.
- Liquidated Damages increased due to a final settlement relating to the construction of the 5 story parking garage.
- Passenger facility charges increased due to the increased passenger activity and a full year of collections at \$4.50 per passenger.
- Depreciation expense increased due to the completion of construction on various capital projects which were placed in service during the fiscal year.
- Interest expense decreased due to the refunding of Junior Lien 22B and Junior Lien 27B Series Revenue Bonds, the redemption of Junior Lien 24 Series Revenue Bonds, and continued decrease in interest expense on remaining bonds outstanding.
- Capital contributions decreased due to the timing of reimbursements related to the start of construction projects funded by capital grants, and the delay of payments due to the temporary shutdown of the Federal Aviation Administration.

An analysis of changes in revenues and expenses for the year ended June 30, 2010 is as follows:

- Parking revenues increased due to an increase in parking rates that became effective December 1, 2009 upon completion of the new 5 story parking garage.
- Landing fees increased due to the annual adjustment as provided for in the airline agreements.
- Rental income decreased due to the reduction in rentals on several facilities leased to federal government agencies.
- Other income increased primarily due to increased maintenance fees on the facilities at the Mike Monroney Aeronautical Center (MMAC).
- Investment income decreased during the fiscal year primarily due to decreasing funds available for investing as well as declining interest rates.
- Oil and gas royalties increased due to increased sales prices for oil and natural gas produced on airport properties.
- Passenger facility charges increased due to the increased level of collection from \$3.00 per passenger to \$4.50 per passenger which became effective April 1, 2010.
- Depreciation expense increased due to the completion of construction on various capital projects which were placed in service during the fiscal year, in particular the 5 story parking garage.
- Interest expense decreased due to the pay off of Junior Lien 25 Series Revenue Bonds and continued decrease in interest expense on remaining bonds outstanding.

OKLAHOMA CITY, OKLAHOMA, DEPARTMENT OF AIRPORTS

Management's Discussion and Analysis

June 30, 2011

- Capital contributions had a net increase due to contributions from a tenant for construction of a general aviation terminal which was offset by reductions of federal and state grants on grant eligible construction projects.

Capital Acquisitions and Construction Activities

During 2011, the Department incurred approximately \$13,576,000 for capital activities, compared to \$23,527,000 during the prior year. This included \$169,000 for buildings, \$719,000 for equipment, \$149,000 for improvements, and the balance for construction projects. During the year approximately \$16,537,000 in multi-year construction projects were completed and transferred to depreciable assets. Completed projects in approximate amounts were:

Location	Project Description	Amount
WRWA:	VOIP Phone System Upgrade	\$ 79,000
	Seal and Rejuvenate Rwy's and Twy's	1,089,000
	Recon Twy K and Twy F&G East of K	3,306,000
	Water Sewer Lines South of ARINC	511,000
	Upgrade Edge Lights, Twy A,B,C,D,H	2,030,000
	Terminal Drive and Meridian Overlay	518,000
WPA:	Reconstruction Twy C & C1, with Lights	1,318,000
MMAC:	Replace 1st Floor Slab - ANF 2	3,499,000
	Recon Parking Lots, Headqtrs, ESS, RA	1,332,000
	High Bay Doors - Hangar 8 & 9	1,236,000
	Freight Elevators - Base Mtc Building	271,000
	East Elevator - MPB	288,000
	Electrical Distribution System - ARB/Headqtrs	495,000
	Reroof Radar Antenna Lab	119,000
	15KV Cable Type D	291,000
Logistics Staircase with Monorail	155,000	
		<u>\$ 16,537,000</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.

OKLAHOMA CITY, OKLAHOMA, DEPARTMENT OF AIRPORTS

Management's Discussion and Analysis

June 30, 2011

Long-Term Debt

Junior Lien 30 and Junior Lien 29B Revenue Bonds are backed by a combination of passenger facility charge revenues and lease revenues. All other revenue bonds of the Trust will be paid from tenant lease payments to the Trust. The last principal payment is scheduled for July 1, 2026.

Changes in gross revenue bonds payable for the fiscal years ended June 30, 2011 and 2010 are as follows:

	2011	2010	\$ Change	% Change
Balance, beginning of year	\$ 152,935,000	\$ 170,705,000	\$ (17,770,000)	(10.4)
Issued	28,675,000	-	28,675,000	(28,675,000)
Retired	(50,300,000)	(17,770,000)	(32,530,000)	183.1
Balance, end of year	<u>\$ 131,310,000</u>	<u>\$ 152,935,000</u>	<u>\$ (21,625,000)</u>	(14.1)

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

	Moody's (Underlying)	S&P (Unenhanced)	Fitch (Unenhanced)	Insured (Moody's\S&P)
Senior Lien 19th Series	Aa1	AA		
Senior Lien 20th Series	Aa1	AA		Aaa\AAA
All Junior Lien Series (23rd, 26th, 29th, and 30th)	A2	A+		Aaa\AAA
Registry Building (1991, 1992 issues)	Aa1	AA	AA	
Federal Bureau of Prisons (1992, 1995 issues)		BBB		

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.

Economic Factors

The national economy continues to remain slow in its recovery; however, Oklahoma City continues to have positive growth through employment gains and business expansions. The anticipation of the first construction to begin on MAPS3 projects will continue to enhance the quality of life and economic development opportunities for the City. This success is often attributed to a business-friendly, low-cost environment. Economists continue to indicate that Oklahoma City and the state has weathered the recession very well and are set to rebound fairly effectively.

Oklahoma City's commercial airport, Will Rogers World Airport, has seen positive growth in 2011 with an increase in passenger traffic of 3% over 2010 and 1% over 2009. The increases are attributable to positive economic growth in the greater metro area, along with the addition of new non-stop air service. Increased passenger activity is a direct correlation to increased rental car revenues, as well as food and retail revenues. The increase in activity to the airport supports indicators the economists have about the continued recovery for Oklahoma City and the State of Oklahoma.

OKLAHOMA CITY, OKLAHOMA, DEPARTMENT OF AIRPORTS
Management's Discussion and Analysis
June 30, 2011

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.

OKLAHOMA CITY, OKLAHOMA, DEPARTMENT OF AIRPORTS

Statement of Net Assets

June 30, 2011 with summarized comparative information for June 30, 2010

ASSETS	2011			2010
	OKLAHOMA CITY AIRPORT TRUST	AIRPORTS FUND	TOTAL	TOTAL
Current assets:				
Pooled cash	\$ -	\$ 75,740	\$ 75,740	\$ 314,363
Non-pooled cash	1,721,954	-	1,721,954	914,820
Investments	103,194,943	2,041,163	105,236,106	90,869,969
Accounts receivable, net	3,968,030	13,640	3,981,670	4,000,875
Interest receivable	94,295	19,319	113,614	131,305
Royalties receivable	340,522	-	340,522	265,214
Passenger facility charges receivable	810,161	-	810,161	795,512
Inventory	-	838,180	838,180	751,961
Due from other governments	2,022,843	-	2,022,843	2,844,382
Total current assets	112,152,748	2,988,042	115,140,790	100,888,401
Noncurrent assets:				
Investments	19,082,341	-	19,082,341	20,008,009
Intergovernmental advance	305,201	-	305,201	2,956,628
Deferred debt expense, net of accumulated amortization of \$1,972,551 and \$1,781,531	728,463	-	728,463	677,421
Capital assets:				
Land	14,465,751	16,114,538	30,580,289	30,580,289
Construction in progress	7,791,695	-	7,791,695	11,751,254
Other capital assets, net of accumulated depreciation	373,547,877	2,014,564	375,562,441	379,632,477
Total noncurrent assets	415,921,328	18,129,102	434,050,430	445,606,078
Total assets	\$ 528,074,076	\$ 21,117,144	\$ 549,191,220	\$ 546,494,479

(continued)

OKLAHOMA CITY, OKLAHOMA, DEPARTMENT OF AIRPORTS

Statement of Net Assets

June 30, 2011 with summarized comparative information for June 30, 2010

LIABILITIES	2011			2010
	OKLAHOMA CITY AIRPORT TRUST	AIRPORTS FUND	TOTAL	TOTAL
Current liabilities:				
Retainage and accounts payable	\$ 3,706,589	\$ 343,651	\$ 4,050,240	\$ 3,746,875
Wages and benefits payable	-	304,016	304,016	385,340
Due to depositors	2,920	-	2,920	2,865
Due to City funds	-	102,402	102,402	31,439
Compensated absences	-	423,322	423,322	407,797
Deferred revenue	562,238	-	562,238	189,035
Pollution remediation obligation	65,837	-	65,837	636,559
Bond interest payable	2,616,276	-	2,616,276	3,529,190
Bonds payable	17,740,000	-	17,740,000	17,655,000
Total current liabilities	24,693,860	1,173,391	25,867,251	26,584,100
Noncurrent liabilities:				
Compensated absences	-	705,848	705,848	783,502
Deferred revenue	2,432,533	-	2,432,533	-
OPEB obligation	-	1,387,772	1,387,772	1,028,230
Bonds payable	113,570,000	-	113,570,000	135,280,000
Unamortized bond discount/premium, net	2,099,353	-	2,099,353	1,482,818
Deferred amount on refunding	(1,185,434)	-	(1,185,434)	(1,637,170)
Bonds payable, net of unamortized discount/premium and deferred amount on refunding	114,483,919	-	114,483,919	135,125,648
Total noncurrent liabilities	116,916,452	2,093,620	119,010,072	136,937,380
Total liabilities	141,610,312	3,267,011	144,877,323	163,521,480
NET ASSETS				
Invested in capital assets, net of related debt	264,309,867	18,129,102	282,438,969	271,640,181
Restricted for capital assets	1,571,566	-	1,571,566	2,131,661
Restricted for debt service	25,473,781	-	25,473,781	24,626,588
Restricted for maintenance	17,421,223	-	17,421,223	17,481,646
Unrestricted	77,687,327	(278,969)	77,408,358	67,092,923
Total net assets	\$ 386,463,764	\$ 17,850,133	\$ 404,313,897	\$ 382,972,999

See accompanying notes to financial statements

OKLAHOMA CITY, OKLAHOMA, DEPARTMENT OF AIRPORTS
Statement of Revenues, Expenses, and Change in Net Assets
For the Year Ended June 30, 2011
with summarized comparative information for June 30, 2010

	<u>2011</u>			<u>2010</u>
	OKLAHOMA CITY AIRPORT TRUST	AIRPORTS FUND	TOTAL	TOTAL
Operating revenues:				
Parking	\$ 9,259,742	\$ -	\$ 9,259,742	\$ 7,624,268
Landing fees	6,924,831	-	6,924,831	6,477,192
Rental income	32,053,658	-	32,053,658	31,501,522
Other, net	9,033,240	-	9,033,240	7,895,007
Total operating revenues	<u>57,271,471</u>	<u>-</u>	<u>57,271,471</u>	<u>53,497,989</u>
Operating expenses:				
Personal services	6,431	7,996,194	8,002,625	7,736,677
Maintenance, operations, and contractual services	8,476,628	5,411,726	13,888,354	13,721,815
Materials and supplies	905,533	493,079	1,398,612	1,355,518
Depreciation	21,091,835	479,943	21,571,778	20,514,004
Total operating expenses	<u>30,480,427</u>	<u>14,380,942</u>	<u>44,861,369</u>	<u>43,328,014</u>
Operating income (loss)	<u>26,791,044</u>	<u>(14,380,942)</u>	<u>12,410,102</u>	<u>10,169,975</u>
Nonoperating revenues (expenses):				
Investment income:				
Interest	590,267	25,359	615,626	739,169
Increase in fair value of investments	202,663	-	202,663	279,747
Oil and gas royalties	2,968,830	-	2,968,830	2,567,709
Liquidated damages	390,000	-	390,000	-
Passenger facility charges	7,055,522	-	7,055,522	5,170,911
Operating grants	440,268	-	440,268	448,185
Interest expense	(8,389,506)	-	(8,389,506)	(9,362,559)
Amortization expense	(152,881)	-	(152,881)	(130,897)
Gain (loss) on disposition of assets	(17,417)	13,640	(3,777)	39,489
Net nonoperating revenues (expenses)	<u>3,087,746</u>	<u>38,999</u>	<u>3,126,745</u>	<u>(248,246)</u>
Income (loss) before contributions and transfers	<u>29,878,790</u>	<u>(14,341,943)</u>	<u>15,536,847</u>	<u>9,921,729</u>
Capital grants and contributions	5,804,051	-	5,804,051	8,907,338
Transfers between Department funds	<u>(13,375,183)</u>	<u>13,375,183</u>	<u>-</u>	<u>-</u>
Change in net assets	<u>22,307,658</u>	<u>(966,760)</u>	<u>21,340,898</u>	<u>18,829,067</u>
Total net assets, beginning of year	<u>364,156,106</u>	<u>18,816,893</u>	<u>382,972,999</u>	<u>364,143,932</u>
Total net assets, end of year	<u>\$ 386,463,764</u>	<u>\$ 17,850,133</u>	<u>\$ 404,313,897</u>	<u>\$ 382,972,999</u>

See accompanying notes to financial statements

OKLAHOMA CITY, OKLAHOMA, DEPARTMENT OF AIRPORTS

Statement of Cash Flows

For the Year Ended June 30, 2011

with summarized comparative information for June 30, 2010

	2011			2010
	OKLAHOMA CITY AIRPORT TRUST	AIRPORTS FUND	TOTAL	TOTAL
Cash flows from operating activities:				
Cash received from charges	\$ 57,229,152	\$ -	\$ 57,229,152	\$ 53,270,391
Cash received from oil and gas royalties	2,893,522	-	2,893,522	2,487,445
Cash payments to suppliers for goods and services	(9,468,488)	(6,022,250)	(15,490,738)	(14,843,942)
Cash payments to employees and professional contractors for services	(5,497)	(7,779,955)	(7,785,452)	(7,208,653)
Net cash provided (used) by operating activities	<u>50,648,689</u>	<u>(13,802,205)</u>	<u>36,846,484</u>	<u>33,705,241</u>
Cash flows from noncapital financing activities:				
Operating grants received	181,695	-	181,695	448,185
Liquidated damages	390,000	-	390,000	-
Transfers between Department funds	<u>(13,375,183)</u>	<u>13,375,183</u>	<u>-</u>	<u>-</u>
Net cash provided (used) by noncapital financing activities	<u>(12,803,488)</u>	<u>13,375,183</u>	<u>571,695</u>	<u>448,185</u>
Cash flows from capital and related financing activities:				
Intergovernmental advance (payment)	598,594	-	598,594	(413,885)
Advance payable - Gulfstream	394,721	-	394,721	-
Acquisition and construction of capital assets	(11,661,947)	(275,277)	(11,937,224)	(22,142,436)
Capital grants received	6,884,162	-	6,884,162	5,956,333
Capital contributions	-	-	-	1,034,233
Interest paid on bonds	(9,562,443)	-	(9,562,443)	(10,438,945)
Principal paid on bonds	(17,655,000)	-	(17,655,000)	(17,770,000)
Deferred revenue	2,861,803	-	2,861,803	-
Bond redemption	(2,980,000)	-	(2,980,000)	-
Proceeds from bond refunding	29,843,387	-	29,843,387	-
Transfer to sinking fund	437,206	-	437,206	-
Bond issuance costs	(312,151)	-	(312,151)	-
Transfer to escrow agent	(29,958,335)	-	(29,958,335)	-
Proceeds from sale of capital assets	7,900	24,325	32,225	18,773
Passenger facility charges	7,040,874	-	7,040,874	5,036,184
Net cash used by capital and related financing activities	<u>(24,061,229)</u>	<u>(250,952)</u>	<u>(24,312,181)</u>	<u>(38,719,743)</u>
Cash flows from investing activities:				
Interest on investments	604,429	28,888	633,317	727,822
Proceeds from sale of investments	50,308,000	-	50,308,000	72,776,134
Purchase of investments	(63,889,267)	-	(63,889,267)	(68,237,451)
Change in pooled investments	-	410,463	410,463	198,156
Net cash provided (used) by investing activities	<u>(12,976,838)</u>	<u>439,351</u>	<u>(12,537,487)</u>	<u>5,464,661</u>
Net increase (decrease) in cash	807,134	(238,623)	568,511	898,344
Cash, beginning of year	<u>914,820</u>	<u>314,363</u>	<u>1,229,183</u>	<u>330,839</u>
Cash, end of year	<u>\$ 1,721,954</u>	<u>\$ 75,740</u>	<u>\$ 1,797,694</u>	<u>\$ 1,229,183</u>

See accompanying notes to financial statements

OKLAHOMA CITY, OKLAHOMA, DEPARTMENT OF AIRPORTS
Statement of Cash Flows
For the Year Ended June 30, 2011
with summarized comparative information for June 30, 2010

	<u>2011</u>			<u>2010</u>
	OKLAHOMA CITY AIRPORT TRUST	AIRPORTS FUND	TOTAL	TOTAL
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:				
Operating income (loss)	\$ 26,791,044	\$ (14,380,942)	\$ 12,410,102	\$ 10,169,975
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:				
Depreciation	21,091,835	479,943	21,571,778	20,514,004
Nonoperating revenues (expenses):				
Oil and gas royalties	2,968,830	-	2,968,830	2,567,709
Changes in assets and liabilities:				
(Increase) decrease in accounts receivable	8,520	-	8,520	(148,744)
(Increase) decrease in royalties receivable	(75,308)	-	(75,308)	(80,264)
(Increase) decrease in inventory	-	(86,218)	(86,218)	65,179
Increase (decrease) in accounts payable	489,568	(31,227)	458,341	(25,712)
Increase (decrease) in wages and benefits payable	934	(81,173)	(80,239)	20,363
Increase (decrease) in compensated absences	-	(62,130)	(62,130)	50,079
Increase (decrease) in OPEB liability	-	359,542	359,542	457,582
Increase (decrease) in pollution remediation	(570,721)	-	(570,721)	186,559
Increase (decrease) in deferred revenue	(56,067)	-	(56,067)	(71,444)
Increase (decrease) in due to depositors	55	-	55	(45)
Total adjustments	<u>23,857,646</u>	<u>578,737</u>	<u>24,436,383</u>	<u>23,535,266</u>
Net cash provided (used) by operating activities	<u>\$ 50,648,690</u>	<u>\$ (13,802,205)</u>	<u>\$ 36,846,485</u>	<u>\$ 33,705,241</u>
Noncash investing, capital and financing activities:				
Net increase (decrease) in fair value of investments	<u>\$ 202,663</u>	<u>\$ -</u>	<u>\$ 202,663</u>	<u>\$ 279,747</u>

See accompanying notes to financial statements

OKLAHOMA CITY, OKLAHOMA, DEPARTMENT OF AIRPORTS

Notes to Financial Statements

June 30, 2011

1. ORGANIZATION

The financial transactions of the Oklahoma City Airport Trust (Trust), a blended component unit major enterprise fund 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, 2026, 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 and operation and salary expenses. Grant Assurance 25 along with Section 47107 of Title 49, United State 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 five 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.

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.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

The Trust is a blended component unit major enterprise fund of the City. This conclusion is based on the following:

OKLAHOMA CITY, OKLAHOMA, DEPARTMENT OF AIRPORTS

Notes to Financial Statements

June 30, 2011

Appointment of Voting Majority: The Trust is administered by five Trustees: the Mayor, City Manager, a City Council member, and two citizens and residents of the City of Oklahoma City. The citizen Trustees and the City Council member are appointed by the Mayor and confirmed by Council.

Imposition of Will: By lease agreement with the City, the Trustees of the Trust (a) secure approval from Council for the terms of any contract or lease agreement of any of the Airports' facilities, (b) secure approval from Council for setting any uniform rate, fee or charge to be imposed by the Trustees, (c) submit an annual budget to the City, and (d) acquire consent of Council for the issuance of additional debt.

Based on the City's appointment of the voting majority of the Trust's governing body and its imposition of will on the Trust, the Trust is a blended component unit of the City and the City is financially accountable for the Department.

Measurement Focus, Basis for Accounting, and Financial Statement Presentation

The Department complies with accounting principles generally accepted in the United States of America (US GAAP). Because the Department accounts for its activities in proprietary funds, the Department has elected to apply all Governmental Accounting Standards Board (GASB) pronouncements and Financial Accounting Standards Board (FASB) pronouncements issued on or before November 30, 1989, unless those FASB pronouncements conflict with or contradict GASB pronouncements, in which case, GASB prevails.

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 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

OKLAHOMA CITY, OKLAHOMA, DEPARTMENT OF AIRPORTS

Notes to Financial Statements

June 30, 2011

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 March 2011. 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 balance sheet 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 in debt securities are reported at fair value based on quoted market prices. Investments in guaranteed investment contracts are reported at cost. 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, 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.

Inventory

Inventory is recorded at the lower of cost or market on a first-in, first-out basis.

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

OKLAHOMA CITY, OKLAHOMA, DEPARTMENT OF AIRPORTS

Notes to Financial Statements

June 30, 2011

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 fair market value at the date donated. The Department generally capitalizes assets with a cost of \$7,500 or more as purchases and construction outlays occur. 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 Assets.

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.

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. Interest revenue used to offset interest cost was \$0 and \$773 for the years ended June 30, 2011 and 2010, respectively. Total interest expense net amortization of discount and premium incurred was \$8,657,642 and \$10,209,838, for the years ended June 30, 2011 and 2010, respectively. Of these amounts, \$268,136 and \$847,279 was included as part of the cost of capital assets under construction for the years ended June 30, 2011 and 2010, respectively.

Deferred Debt Expense and Bond Discount

The costs of issuing revenue bonds, the related bond discounts or premiums, and the difference between the reacquisition price and the net carrying value of refunded debt have been capitalized and are being amortized over the term of the respective bonds using a method which approximates the effective interest method.

OKLAHOMA CITY, OKLAHOMA, DEPARTMENT OF AIRPORTS

Notes to Financial Statements

June 30, 2011

Risk Management

The City's Finance Department Risk Management Division and Personnel Department administer employee life, health, property and liability, workers' compensation, unemployment, and disability insurance programs of the City on a cost-reimbursement basis. Any significant losses incurred by the Department are covered by commercial insurance for all programs except one employee health care alternative and workers' compensation, for which the City retains all risk of loss. For insured programs, there have been no significant reductions in insurance coverage. Settlement amounts have not exceeded insurance coverage for the current year or the three prior years. The Department reimburses the City for airport related premiums paid to commercial carriers, claims liabilities plus an estimate for claims incurred but not reported based on historical experience, and a portion of the Risk Management Division's administrative costs. See Note 6.

Passenger Facility Charges (PFC) Revenue

Passenger Facility Charges have been levied at the rate of \$3 per enplaned passenger since July 1, 1997, under Federal Aviation Administration (FAA) approved applications to impose and use \$132,958,661 for construction and debt payments of FAA approved improvements. Effective April 1, 2010 the FAA approved an increase in the collection rate to \$4.50 per enplaned passenger. Under the approved applications, collections extend until August 1, 2020. Total cumulative PFC revenues remitted to the Department for the years ended June 30, 2011 and 2010 were \$67,856,343 and \$60,815,469, respectively. PFC revenues are recognized as earned and are included in non-operating revenues.

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 \$502,979,000 and \$494,558,000 as of June 30, 2011 and 2010, respectively. Accumulated depreciation on this leased property was approximately \$252,543,000 and \$240,068,000 as of June 30, 2011 and 2010, respectively.

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

Year	Amount
2012	\$ 21,579,550
2013	14,273,343
2014	13,857,822
2015	7,009,600
2016	4,313,197
2017 - 2021	19,357,117
2022 - 2026	7,736,538
2027 - 2031	778,927
2032 - 2036	58,107
Total	\$ <u>88,964,201</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, 2011.

OKLAHOMA CITY, OKLAHOMA, DEPARTMENT OF AIRPORTS

Notes to Financial Statements

June 30, 2011

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 2011 and 2010 received through these leases was approximately \$6,888,000 and \$6,102,000, respectively. Although the actual income to be received in future periods cannot be known due to the nature of these leases, management does not anticipate a significant decrease in these rental amounts.

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.

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, 2010, from which the summarized totals were derived.

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.

OKLAHOMA CITY, OKLAHOMA, DEPARTMENT OF AIRPORTS

Notes to Financial Statements

June 30, 2011

Deposits of the Trust and the City are insured or collateralized with securities held by the City, its agent, 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 counterparty 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.

Trust requirements for investing monies related to the Separate Lease Indentures provide that investments shall mature not later than the intended date of the use of such monies. Investments under the Separate Lease Indentures are permitted in (1) obligations of the United States including Federal agencies, (2) certain Federal mortgage associations, banks, and cooperatives, (3) certain housing authority bonds and notes secured by contracts with the United States, (4) obligations of states or municipalities backed by the full faith and credit of the state or municipality provided that the rating of the obligations equal or exceed the rating of the Separate Lease Indenture Bonds, (5) repurchase agreements with banks which are members of the Federal Deposit Insurance Corporation and provided certain other criteria are satisfied, (6) certificates of deposit provided certain criteria are satisfied, (7) obligations or investment contracts with national or state banking institutions meeting certain criteria, and (8) money market funds which are 100% backed or collateralized by the foregoing securities.

As of June 30, 2011, the Trust had the following investments:

Type of Investment	Fair Value/ Carrying Value	Cost	Rating (1)	Weighted Average Days to Maturity
U.S. Treasury Bills	\$20,273,980	\$20,232,427	N/A	75
U.S. Treasury Money Market Fund	57,501,847	57,501,847	AAA/Aaa	39
U.S Treasury Strips	25,638,041	25,320,084	N/A	429
U.S Treasury Notes	11,189,416	11,154,047	N/A	459
Guaranteed Investment Contracts	7,674,000	7,674,000	AAA/Aaa	1,221
Total Investments	<u>\$122,277,284</u>	<u>\$121,882,405</u>		

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

OKLAHOMA CITY, OKLAHOMA, DEPARTMENT OF AIRPORTS

Notes to Financial Statements

June 30, 2011

As of June 30, 2010, the Trust had the following investments:

Type of Investment	Fair Value/ Carrying Value	Cost	Rating (1)	Weighted Average Days to Maturity
U.S. Treasury Bills	\$33,310,285	\$33,246,540	N/A	170
U.S. Treasury Money Market Fund	43,496,518	43,496,518	AAA/Aaa	31
U.S Treasury Strips	12,348,064	12,168,820	N/A	777
U.S Treasury Notes	11,203,803	11,203,803	N/A	274
Freddie Mac	463,977	463,146	AAA/Aaa	250
Guaranteed Investment Contracts	7,674,000	7,674,000	AAA/Aaa	1,585
Total Investments	<u>\$108,496,647</u>	<u>\$108,252,827</u>		

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

The Airports Fund pooled investments as of June 30, 2011 were \$2,041,163. The Airports Fund participates in the City's investment pool which had the following investments as of June 30, 2011:

Type of City Pooled Investments	Fair Value/ Carrying Value	Cost	Rating (1)	Weighted Average Months to Maturity
Money Market funds	\$5,537,000	\$5,537,000	AAA/Aaa	1.43
U.S. Treasury bonds	71,186,000	71,214,000	N/A	18.89
Fannie Mae	147,495,000	148,761,000	AAA/Aaa	19.80
Federal obligations	183,208,000	183,467,000	AAA/Aaa	23.56
Total pooled investments	<u>\$407,426,000</u>	<u>\$408,979,000</u>		

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

The Airports Fund pooled investments as of June 30, 2010 were \$2,381,331. The Airports Fund participates in the City's investment pool which had the following investments as of June 30, 2010:

Type of City Pooled Investments	Fair Value/ Carrying Value	Cost	Rating (1)	Weighted Average Months to Maturity
Money Market funds	\$11,688,006	\$11,688,006	AAA/Aaa	1.41
U.S. Treasury notes	40,684,542	40,657,344	N/A	18.17
U.S. Treasury bonds	15,038,280	14,564,062	N/A	0.83
Fannie Mae	42,425,000	43,116,250	AAA/Aaa	17.83
Federal obligations	153,607,785	154,142,080	AAA/Aaa	13.13
Certificates of deposit	2,000,000	2,000,000	N/A	3.83
Total pooled investments	<u>\$265,443,613</u>	<u>\$266,167,742</u>		

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.

Custodial credit risk is the risk that, in the event of the failure of the counterparty, 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.

OKLAHOMA CITY, OKLAHOMA, DEPARTMENT OF AIRPORTS

Notes to Financial Statements

June 30, 2011

4. CAPITAL ASSETS

As of June 30, 2011 capital assets consist of the following:

	Balance		Increases		Decreases		Balance
	July 1, 2010						June 30, 2011
Depreciable capital assets							
Buildings	\$ 493,319,413	\$	6,557,437	\$	(177,853)	\$	499,698,997
Improvements	273,022,610		10,180,379		-		283,202,989
Furniture, fixtures and equipment	19,818,943		797,686		(1,565,706)		19,050,923
Total depreciable capital assets	<u>786,160,966</u>		<u>17,535,502</u>		<u>(1,743,559)</u>		<u>801,952,909</u>
Less accumulated depreciation							
Buildings	226,014,688		10,760,640		(177,853)		236,597,475
Improvements	167,688,288		9,416,532		-		177,104,820
Furniture, fixtures and equipment	12,825,513		1,394,606		(1,531,946)		12,688,173
Total accumulated depreciation	<u>406,528,489</u>		<u>21,571,778</u>		<u>(1,709,799)</u>		<u>426,390,468</u>
Depreciable capital assets, net of accumulated depreciation	<u>\$ 379,632,477</u>	<u>\$</u>	<u>(4,036,276)</u>	<u>\$</u>	<u>(33,760)</u>	<u>\$</u>	<u>375,562,441</u>
Nondepreciable capital assets							
Land	\$ 30,580,289	\$	-	\$	-	\$	30,580,289
Construction in progress	11,751,254		12,577,585		(16,537,144)		7,791,695

As of June 30, 2010 capital assets consist of the following:

	Balance		Increases		Decreases		Balance
	July 1, 2009						June 30, 2010
Depreciable capital assets							
Buildings	\$ 458,518,539	\$	34,800,874	\$	-	\$	493,319,413
Improvements	259,423,555		13,599,055		-		273,022,610
Furniture, fixtures and equipment	19,097,380		1,036,273		(314,710)		19,818,943
Total depreciable capital assets	<u>737,039,474</u>		<u>49,436,202</u>		<u>(314,710)</u>		<u>786,160,966</u>
Less accumulated depreciation							
Buildings	215,864,355		10,150,333		-		226,014,688
Improvements	158,637,324		9,050,964		-		167,688,288
Furniture, fixtures and equipment	11,823,906		1,312,707		(311,100)		12,825,513
Total accumulated depreciation	<u>386,325,585</u>		<u>20,514,004</u>		<u>(311,100)</u>		<u>406,528,489</u>
Depreciable capital assets, net of accumulated depreciation	<u>\$ 350,713,889</u>	<u>\$</u>	<u>28,922,198</u>	<u>\$</u>	<u>(3,610)</u>	<u>\$</u>	<u>379,632,477</u>
Nondepreciable capital assets							
Land	\$ 30,580,289	\$	-	\$	-	\$	30,580,289
Construction in progress	37,660,435		22,091,332		(48,000,513)		11,751,254

OKLAHOMA CITY, OKLAHOMA, DEPARTMENT OF AIRPORTS

Notes to Financial Statements

June 30, 2011

5. LIABILITIES

Compensated Absences

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

	Balance			Balance	Due
	July 1, 2010	Increases	Decreases	June 30, 2011	Within
					One Year
Compensated absences	\$ 1,191,299	\$ 552,013	\$ 614,142	\$ 1,129,170	\$ 423,322

Pollution Remediation

Upon construction of a new aviation fuel facility at Will Rogers World Airport, the existing underground fuel storage tanks were vacated. The vacated facility includes thirteen 30,000 gallon underground storage tanks and four other tanks of various sizes. In May, 2009, the Oklahoma Corporation Commission (OCC) was notified of the closure of the facility. On April 16, 2010, the OCC notified the Trust that based upon the preponderance of non-impacted native soils the OCC declined the need to activate any kind of release case. The OCC did not require the replacement of backfill when the tanks were removed from the location. However, the Trust removed the tanks, piping, and backfill and filled with fresh soil at a cost of approximately \$319,000. The OCC indicated any risk until future development is specifically identified cannot be evaluated. Currently the Trust has no specific development planned for this site.

The Gulfstream Maintenance Facility located at Wiley Post Airport has environmental deficiencies that may have been caused by certain aviation manufacturing activities. During Gulfstream's occupation of the premises, the Trust acquired legal title to the property in a sale-leaseback arrangement and therefore has never operated the site. The Trust has negotiated an allocation agreement with Gulfstream in which the Trust will assume an allocable share of the clean-up effort. The Trust has recorded a liability and expense of approximately \$65,800 as of June 30, 2011, for the allocable share of the site assessment and characterization based upon an environmental engineer's cost estimate. The Trust cannot reasonably estimate a cost for remediation at the site until the site assessment and characterization has been completed. The Trust will bear only the costs of remediation for its allocable share.

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.

Twenty series of Senior Lien Bonds have been issued pursuant to the Bond Indenture and supplemental indentures thereto. Two of these series are still outstanding. The Senior Lien Bonds are secured by a mortgage lien on all facilities constructed with the bond proceeds and the Trust's leasehold interest in and to the City's airports, together with all buildings and improvements, including all lease rentals and other Trust revenues derived there from, and all property pledged as security under supplemental bond indentures to the Bond Indenture.

OKLAHOMA CITY, OKLAHOMA, DEPARTMENT OF AIRPORTS

Notes to Financial Statements

June 30, 2011

Thirty 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 the Senior Lien Bonds. The bond proceeds were used to construct various facilities at the Airports. Six Junior Lien series are still outstanding.

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 Trustees issued separate lease revenue bonds on October 1, 1991, and November 1, 1992, pursuant to a separate bond indenture (1991 Indenture) for the purpose of constructing the Registry Building. The lease payments deposited to the accounts created under the 1991 Indenture secure the debt payments on the Registry Building bonds only and the Trust has no obligation for the debt beyond the payments received under this lease.

On November 1, 1992, and June 1, 1995, the Trustees issued separate lease revenue bonds pursuant to a separate bond indenture (1992 Indenture) for the purpose of constructing the Federal Transfer Center for the Federal Bureau of Prisons (FBOP). Lease payments deposited to the accounts created under this 1992 Indenture secure the debt payments on this facility only and the Trust has no obligation for the debt beyond the payments received under this lease.

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. Management believes the Trust has complied with all bond covenants at June 30, 2011.

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, 2011.

OKLAHOMA CITY, OKLAHOMA, DEPARTMENT OF AIRPORTS

Notes to Financial Statements

June 30, 2011

A summary of changes in bonds payable as of June 30, 2011 is as follows:

Description	Balance July 1, 2010	Issued	Retired	Balance June 30, 2011	Due Within One Year
Senior Lien Bonds:					
Nineteenth Series	\$ 9,705,000	\$ -	\$ 3,350,000	\$ 6,355,000	\$ 3,075,000
Twentieth Series	4,375,000	-	1,390,000	2,985,000	1,455,000
Senior Lien Bonds Total	<u>14,080,000</u>	<u>-</u>	<u>4,740,000</u>	<u>9,340,000</u>	<u>4,530,000</u>
Junior Lien Bonds:					
Twenty-second Series B	845,000	-	845,000	-	-
Twenty-third Series	535,000	-	95,000	440,000	100,000
Twenty-fourth Series	3,325,000	-	3,325,000	-	-
Twenty-sixth Series	2,035,000	-	640,000	1,395,000	680,000
Twenty-seventh Series B	38,185,000	-	33,490,000	4,695,000	4,695,000
Twenty-ninth Series A	20,575,000	-	880,000	19,695,000	910,000
Twenty-ninth Series B	31,760,000	-	-	31,760,000	-
Thirtieth Series	-	28,675,000	-	28,675,000	110,000
Junior Lien Bonds Total	<u>97,260,000</u>	<u>28,675,000</u>	<u>39,275,000</u>	<u>86,660,000</u>	<u>6,495,000</u>
Separate Lease Bonds:					
1991 Registry Building	2,720,000	-	830,000	1,890,000	905,000
1992 Registry Building	320,000	-	100,000	220,000	105,000
1992 Federal Bureau of Prisons	36,565,000	-	5,025,000	31,540,000	5,345,000
1995 Federal Bureau of Prisons	1,990,000	-	330,000	1,660,000	360,000
Separate Lease Bonds Total	<u>41,595,000</u>	<u>-</u>	<u>6,285,000</u>	<u>35,310,000</u>	<u>6,715,000</u>
Total	<u>\$ 152,935,000</u>	<u>\$ 28,675,000</u>	<u>\$ 50,300,000</u>	<u>131,310,000</u>	<u>\$ 17,740,000</u>
Less current maturities				(17,740,000)	
Long-term portion				113,570,000	
Less unamortized discount				(436,000)	
Add unamortized premium				2,535,353	
Less deferred amount on refunding				(1,185,434)	
Total				<u>\$ 114,483,919</u>	

OKLAHOMA CITY, OKLAHOMA, DEPARTMENT OF AIRPORTS

Notes to Financial Statements

June 30, 2011

Additional information of revenue bond issues is as follows:

Description	Original Amount Issued	Interest Rate	Issue Date	Final Maturity Date
Senior Lien Bonds:				
Nineteenth Series	\$ 43,175,000	5.75 - 6.75 %	12/01/97	07/01/12
Twentieth Series	12,780,000	1.60 - 5.20	12/01/02	10/01/12
Junior Lien Bonds:				
Twenty-second Series B	3,295,000	3.00 - 5.35	12/01/93	07/01/13
Twenty-third Series	1,535,000	3.50 - 5.35	12/01/93	07/01/14
Twenty-fourth Series	6,375,000	4.30 - 5.75	08/01/97	02/01/18
Twenty-sixth Series	6,665,000	5.06 - 5.85	12/01/98	07/01/12
Twenty-seventh Series B	61,215,000	5.00 - 5.75	12/01/00	07/01/17
Twenty-ninth Series A	21,420,000	3.50 - 4.20	02/20/07	07/01/26
Twenty-ninth Series B	31,760,000	5.00	02/20/07	07/01/21
Thirtieth Series	28,675,000	3.00 5.00	03/03/11	07/01/17
Separate Lease Bonds:				
1991 Registry Bldg	10,000,000	6.50 - 8.95	10/01/91	10/01/12
1992 Registry Bldg	1,185,000	8.25	11/01/92	10/01/12
1992 FBOP	76,775,000	6.50 - 9.80	11/01/92	11/01/14
1995 FBOP	4,670,000	6.55 - 7.50	06/01/95	11/01/14

Principal and interest requirements for revenue bonds are as follows:

Fiscal Year	Principal	Interest	Total
2012 \$	17,740,000 \$	7,146,344 \$	24,886,344
2013	19,215,000	6,087,095	25,302,095
2014	13,370,000	4,974,368	18,344,368
2015	20,950,000	3,679,534	24,629,534
2016	6,745,000	2,686,101	9,431,101
2017-2021	37,180,000	8,293,209	45,473,209
2022-2026	14,470,000	1,300,602	15,770,602
2027	1,640,000	34,440	1,674,440
	<u>\$ 131,310,000</u>	<u>\$ 34,201,693</u>	<u>\$ 165,511,693</u>

OKLAHOMA CITY, OKLAHOMA, DEPARTMENT OF AIRPORTS

Notes to Financial Statements

June 30, 2011

Prior Year Defeasance of Debt

In fiscal year 2007, the Trust defeased Junior Lien 27A series bonds by placing the proceeds of the new bonds in a irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the irrevocable trust account assets and the liability of the defeased bonds are not included in the Trust financial statements. On June 30, 2010, \$35,520,000 on bonds outstanding were considered defeased. On July 1, 2010 the bonds were called and are no longer considered defeased at June 30, 2011.

Current Year Defeasance of Debt

In fiscal year 2011, the Trust defeased Junior Lien Bond Series 22B and a portion of 27B with face amounts of \$625,000 and \$29,040,000, respectively. The defeased bonds carried interest rates averaging 5.5% while the new bond issue averages 4%. The net present value savings from cash flow on the refunding was \$1,996,737. The Trust recognized a gain on of \$206,590 on the defeasance. Subsequent to the defeasance, the bonds were called on March 3, 2011 and are no longer considered defeased as of June 30, 2011.

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, 2011 and 2010, were \$4,237,650 and \$3,998,910, 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 \$4,915,413 and \$4,818,548 for the years ended June 30, 2011 and 2010, respectively. The total payroll for all Department employees was \$5,516,057 and \$5,299,825 for the years ended June 30, 2011 and 2010, respectively.

OKLAHOMA CITY, OKLAHOMA, DEPARTMENT OF AIRPORTS

Notes to Financial Statements

June 30, 2011

Eligibility, Contribution Methods, Benefit Provisions

Year established and governing authority	1958; City Council ordinance
Determination of contribution requirements	Actuarially determined
Employer contributions (1)	8.56% of covered payroll
Plan member contributions	6.00% of covered payroll
Eligible to participate	Full-time Department employees
Funding of administrative costs	Investment earnings
Period required to vest	5 years
Eligibility for distribution	30 years credited service regardless of age, or Age 60 with 10 years (Pre 3/67 hires), or 25 years 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 service, with benefits to begin at age 65 (60 with 10 years if Pre 3/67 hire)
Post-retirement benefit increases	Cost of living adjustments compounded annually; Increases must be approved by the OCERS Board
Provisions for:	
Disability benefits	Yes
Death benefits	Yes

(1) Beginning June 1, 2011, the employer contribution rate changed from 6.77% to 8.56%.

Plan Membership

Non-vested active members.....	0
Fully vested active members.....	692
Retirees and beneficiaries currently receiving benefits	1,612
Terminated plan members entitled to but not yet receiving benefits.....	1,283
Total	<u>3,587</u>

Actuarial Methods and Assumptions

Actuarial methods and assumptions used to determine the annual required contribution (ARC) are as follows:

Valuation date	12/31/10
Actuarial cost method	Individual entry age
Amortization method	Level percentage of payroll
Amortization period (1)	25 years, closed
Actuarial asset valuation method	4-year smoothed market
Actuarial assumptions:	
Investment rate of return	8.0%
Projected salary increases	4.5% - 8.3%
Post retirement benefit increases (maximum)	4%

OKLAHOMA CITY, OKLAHOMA, DEPARTMENT OF AIRPORTS

Notes to Financial Statements

June 30, 2011

Inflation	4.5%
Other	1994 group annuity table set forward 1 year for women and 3 years for men

(1) The actuarial report for the ERS dated December 31, 2010 changed the amortization period from 26 years closed to 25 years closed.

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.

Annual Pension Cost, Net Pension Obligation (NPO), and Trend Information

Fiscal Year	City's Annual Pension Cost	Percentage Contributed	NPO	Airports Fund Annual Pension Cost	Percentage Contributed	Airports Fund Annual Pension Cost as a percentage of City's
2011	\$ 7,133,000	100 %	\$ -	\$ 334,478	100 %	4.69 %
2010	5,586,000	100	-	250,664	100	4.49
2009	5,464,000	100	-	225,910	100	4.13

Funding Status

The required schedule of funding progress as of the last actuarial date was as follows:

Actuarial Accrued Liability (AAL)	\$ 566,834,000
Actuarial Value of Plan Assets (AVA)	524,731,000
Unfunded Actuarial Accrued Liability (UAAL)	42,103,000
Funded Ratio (AVA/AAL)	93%
Covered Payroll (Active Plan Members)	102,915,000
UAAL as a Percentage of Covered Payroll	40.9%

The required supplementary information schedules of funding progress 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.

Plan Assets

There are no assets legally reserved for purposes other than the payment of plan member benefits. The plan held no individual investments (other than U.S. government and U.S. government guaranteed obligations) whose market value exceeds five percent or more of net assets available for benefits. There are no long-term contracts for contributions.

Related-Party Transactions

As of June 30, 2011, the OCERS' investments include purchased judgments against the City in the amount of \$2,488,000. The judgments earn interest at rates of 5.25%. State statute permits OCERS to purchase

OKLAHOMA CITY, OKLAHOMA, DEPARTMENT OF AIRPORTS

Notes to Financial Statements

June 30, 2011

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.

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, 2011 actual contributions by the Department and plan participants were \$13,516 and \$10,382, respectively.

These two plans include 109 participants comprised of City Council Appointees and management personnel. 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.

OKLAHOMA CITY, OKLAHOMA, DEPARTMENT OF AIRPORTS

Notes to Financial Statements

June 30, 2011

Funding Policies, Contribution Methods and Benefit Provisions

Year established and governing authority	2008; City Council Ordinance
Determination of contribution requirements	City Policy
Contributions Rates:	
Employer	66% of premium
Plan members	34% of premium
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 55 with 5 years of service or at any age with 25 years of service.

Funding Policies

Effective January 1, 2011, the employer contribution changed from 68% to 66% of the premium. The retirees and their dependents premium percentage increased from 32% to 34%.

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

Membership

As of the last actuarial date, membership consisted of:

Retirees and beneficiaries currently receiving benefits	3,182
Active members	2,183
Total	<u>5,365</u>

OKLAHOMA CITY, OKLAHOMA, DEPARTMENT OF AIRPORTS

Notes to Financial Statements

June 30, 2011

The required supplementary information schedules of funding progress, 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 financial statements 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 \$9,786,000 and \$7,967,000 as of June 30, 2011 and 2010, 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 \$25,829,601 and \$6,718,966, as of June 30, 2011 and 2010, 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 position, results of operations, and cash flow of the Trust.

OKLAHOMA CITY, OKLAHOMA, DEPARTMENT OF AIRPORTS

Required Supplementary Information

June 30, 2011

OKLAHOMA CITY EMPLOYEE RETIREMENT SYSTEM

Schedule of Funding Progress

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability (AAL) entry age	Unfunded AAL (UAAL)	Funded Ratio	Covered Payroll	UAAL as a Percentage of Covered Payroll
12/31/2010	\$524,731,000	\$566,834,000	\$42,103,000	93 %	\$102,915,000	41 %
12/31/2009	529,137,000	556,427,000	27,290,000	95	110,408,000	25
12/31/2008	528,664,000	519,234,000	(9,430,000)	102	105,566,000	(9)
12/31/2007	529,876,000	488,827,000	(41,049,000)	108	99,574,000	(41)
12/31/2006	476,913,000	457,547,000	(19,366,000)	104	95,504,000	(20)
12/31/2005	424,182,000	436,904,000	12,722,000	97	91,641,000	14

Schedule of Employer Contributions

Fiscal Year	Annual Required Contribution	Percentage Contributed
2011	\$7,133,000	100 %
2010	\$5,586,000	100
2009	5,464,000	100
2008	7,212,000	100
2007	8,479,000	100
2006	7,838,000	100

OKLAHOMA CITY, OKLAHOMA, DEPARTMENT OF AIRPORTS
Required Supplementary Information
June 30, 2011

OKLAHOMA CITY OTHER POST EMPLOYMENT BENEFITS (1)

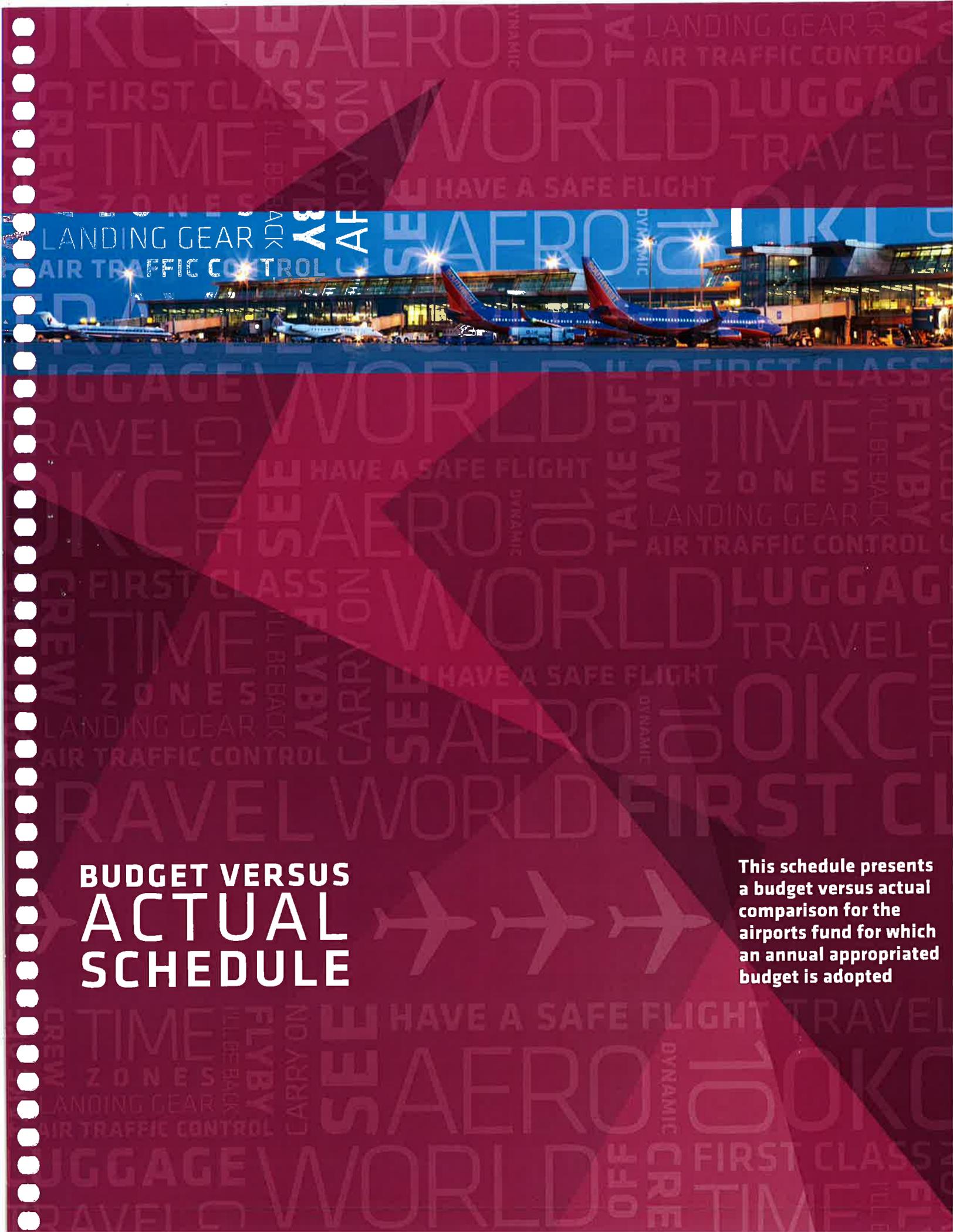
Schedule of Funding Progress

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability (AAL)	Unfunded AAL (UAAL)	Funded Ratio	Covered Payroll	UAAL as a Percentage of Covered Payroll
7/1/2010	\$11,566,000	\$517,682,000	\$506,116,000	2 %	\$175,293,000	289%
7/1/2009	8,252,345	479,805,848	471,553,503	2	176,563,546	267%
7/1/2008	5,000,000	635,125,217	630,125,217	1	171,420,918	368%
7/1/2007	-	369,201,530	369,201,530	0	198,700,000	186%

Schedule of Employer Contributions

Fiscal Year	Employer Contributions	Annual Required Contributions	Percentage Contributed
2011	\$18,747,000	\$39,560,000	47%
2010	19,424,748	35,614,202	55%
2009	18,688,224	47,826,483	39%
2008	18,054,039	29,151,630	62%

(1) The City's other post-employment benefit trust plan was created June 17, 2008. Historical data does not exist for years before 2008



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, 2011

	Original Budget	Revisions	Revised Budget
REVENUES			
Interest income	\$ 86,481	\$ -	\$ 86,481
Other Income	-	-	-
Total revenues before prior year fund balance	86,481	-	86,481
Prior year fund balance:			
Reappropriated for prior year encumbrances	-	10,492	10,492
Total revenues and prior year fund balance	86,481	10,492	96,973
EXPENDITURES AND ENCUMBRANCES			
Personal services	7,544,058	-	7,544,058
Contractual services	6,320,633	(81,000)	6,239,633
Supplies	704,637	11,492	716,129
Capital outlay	400,000	80,000	480,000
Expenditures and encumbrances related to prior year budget (2)	-	-	-
Total expenditures and encumbrances	14,969,328	10,492	14,979,820
Deficiency of revenues over expenditures and encumbrances	(14,882,847)	-	(14,882,847)
OTHER FINANCING SOURCES			
Transfers from other funds	14,882,847	-	14,882,847
Net other financing sources (uses)	14,882,847	-	14,882,847
Excess of revenues and other sources over expenditures and encumbrances	-	\$ -	-
Fund balance, beginning (Non-GAAP budgetary basis)	2,065,655		2,065,655
Less prior year fund balance (1)	-		(10,492)
Fund balance, ending (Non-GAAP budgetary basis)	\$ 2,065,655		\$ 2,055,163
ADJUSTMENTS TO GENERALLY ACCEPTED ACCOUNTING PRINCIPLES			
Current year encumbrances included in expenditures			
Reserve for inventories			
Revenue accruals			
Capital assets, net of depreciation			
Compensated absences			
Other post employment benefits			

Airports Cash Fund balance, ending (GAAP basis) (3)

Airports Capital Assets Fund balance, ending (GAAP basis) (3)

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. Beginning budgetary fund balance is then reduced by the budgeted carryover to reflect budgetary ending fund balance.
- (2) Expenditures paid against prior year encumbrances were less than the original encumbrances, which increased available ending fund balance.
- (3) The Airports Cash Fund and the Airports Capital Assets Fund are combined and reported as the Airports Fund in this report.

Expenditures	Encumbrances	Total Actual	Variance Favorable (Unfavorable)
		\$ 39,571	\$ (46,910)
		24,325	24,325
		<u>63,896</u>	<u>(22,585)</u>
		-	(10,492)
		<u>63,896</u>	<u>(33,077)</u>
\$ 7,238,994	\$ -	7,238,994	305,064
5,871,514	8,995	5,880,509	359,124
579,297	-	579,297	136,832
450,280	24,741	475,021	4,979
(21,504)	-	(21,504)	21,504
<u>\$ 14,118,581</u>	<u>\$ 33,736</u>	<u>14,152,317</u>	<u>827,503</u>
		(14,088,421)	794,426
		<u>13,375,183</u>	<u>(1,057,664)</u>
		13,375,183	(1,057,664)
		(713,238)	(713,238)
		2,065,655	-
		-	10,492
		<u>1,352,417</u>	<u>\$ (702,746)</u>
		33,736	
		838,180	
		13,640	
		1,603,922	
		(1,129,170)	
		(1,387,772)	
		<u>1,324,953</u>	
		16,525,180	
		<u>\$ 17,850,133</u>	

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STATISTICAL SECTION

(U N A U D I T E D)

This part of the Department's CAFR 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.

OPERATING 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 Assets and Changes in Net Assets

Last ten fiscal years

	2011	2010	2009	2008
Operating revenues:				
Landing fees	\$ 6,924,831	\$ 6,477,192	\$ 5,599,435	\$ 6,383,195
Other aircraft fees	2,118,706	1,941,066	2,206,013	2,722,124
Building rents	22,470,025	22,938,179	23,773,947	24,735,971
Parking revenues	9,259,742	7,624,268	6,483,384	6,965,859
Concession fees	1,937,188	1,852,376	1,781,462	1,805,081
Car rental commissions	4,565,970	3,914,401	3,837,845	3,763,254
Land rents	1,491,459	1,323,939	1,313,797	1,220,212
Maintenance, utility and insurance fees	6,943,578	6,557,797	5,761,819	5,598,690
Other	1,559,972	868,771	953,770	1,272,205
Total operating revenues	<u>57,271,471</u>	<u>53,497,989</u>	<u>51,711,472</u>	<u>54,466,591</u>
Nonoperating revenues:				
Investment Income	818,289	1,018,916	1,930,101	4,478,824
Oil and gas royalties	2,968,830	2,567,709	2,341,859	3,493,361
Passenger facility charges	7,055,522	5,170,911	4,489,113	5,133,202
Operating grants income	440,268	448,185	440,965	334,194
Other nonoperating revenues	386,223	39,489	-	-
Total nonoperating revenues	<u>11,669,132</u>	<u>9,245,210</u>	<u>9,202,038</u>	<u>13,439,581</u>
Total Revenues	<u>68,940,603</u>	<u>62,743,199</u>	<u>60,913,510</u>	<u>67,906,172</u>
Operating expenses:				
Personal services	8,002,625	7,736,677	7,593,852	6,332,528
Maintenance, operations, and contractual services	13,888,354	13,721,815	13,925,529	13,391,437
Materials and supplies	1,398,612	1,355,518	1,255,003	1,361,037
Depreciation	21,571,778	20,514,004	19,588,271	20,251,446
Total operating expenses	<u>44,861,369</u>	<u>43,328,014</u>	<u>42,362,655</u>	<u>41,336,448</u>
Nonoperating expenses:				
Interest expense	8,389,506	9,362,559	10,438,253	12,342,311
Amortization	152,881	130,897	149,641	171,600
Payments to City funds	-	-	-	-
Other expenses	-	-	49,790	69,296
Total nonoperating expenses	<u>8,542,387</u>	<u>9,493,456</u>	<u>10,637,684</u>	<u>12,583,207</u>
Total Expenses	<u>53,403,756</u>	<u>52,821,470</u>	<u>53,000,339</u>	<u>53,919,655</u>
Capital contributions, grants	5,804,051	8,907,338	8,515,369	5,282,612
Capital contributions, other	-	-	-	-
Transfers from City funds	-	-	399,928	-
Increase in Net Assets	<u>\$ 21,340,898</u>	<u>\$ 18,829,067</u>	<u>\$ 16,828,468</u>	<u>\$ 19,269,129</u>
Net Assets at Year-End				
Invested in capital assets, net of related debt	282,438,969	271,640,181	254,446,734	236,903,699
Restricted for capital assets	1,571,566	2,131,661	584,728	1,438,995
Restricted for debt service	25,473,781	24,626,588	24,276,528	24,656,966
Restricted for maintenance	17,421,223	17,481,646	19,347,857	19,964,075
Unrestricted	77,408,358	67,092,923	65,488,085	64,351,729
Total Net Assets	<u>\$ 404,313,897</u>	<u>\$ 382,972,999</u>	<u>\$ 364,143,932</u>	<u>\$ 347,315,464</u>

	2007	2006	2005	2004	2003	2002
\$	5,897,784	\$ 5,847,250	\$ 4,884,888	\$ 4,412,357	\$ 4,257,115	\$ 3,980,877
	2,354,284	2,164,130	2,092,902	1,671,016	1,480,124	1,712,180
	24,919,930	24,216,719	26,229,689	26,372,040	26,096,922	26,396,541
	6,461,347	6,177,511	5,702,567	5,311,712	5,202,983	5,246,596
	1,546,083	1,230,150	997,634	913,583	667,264	723,560
	3,373,730	3,213,692	3,021,007	2,911,547	3,033,242	3,051,780
	1,197,440	1,147,516	1,153,717	1,079,452	1,048,965	1,045,653
	5,623,058	4,852,648	3,955,068	3,840,865	3,776,111	3,666,215
	1,115,501	1,011,490	810,670	631,886	1,687,416	1,953,304
	<u>52,489,157</u>	<u>49,861,106</u>	<u>48,848,142</u>	<u>47,144,458</u>	<u>47,250,142</u>	<u>47,776,706</u>
	5,145,526	4,017,827	2,756,925	1,409,586	3,631,934	5,100,594
	2,617,649	2,909,454	2,302,883	2,067,112	2,276,120	2,188,598
	4,912,518	4,867,999	4,629,911	4,445,641	4,315,374	4,420,587
	-	-	-	-	310,197	730,907
	-	-	17,150	-	13,711	86,229
	<u>12,675,693</u>	<u>11,795,280</u>	<u>9,706,869</u>	<u>7,922,339</u>	<u>10,547,336</u>	<u>12,526,915</u>
	<u>65,164,850</u>	<u>61,656,386</u>	<u>58,555,011</u>	<u>55,066,797</u>	<u>57,797,478</u>	<u>60,303,621</u>
	6,096,608	5,672,069	5,295,050	5,154,289	5,004,080	4,783,494
	13,144,287	12,755,681	11,453,417	11,145,761	11,918,518	11,471,147
	1,183,468	1,006,828	768,362	790,137	730,782	793,258
	18,863,700	16,938,503	15,385,675	15,185,918	17,433,350	17,575,402
	<u>39,286,063</u>	<u>36,373,081</u>	<u>32,902,504</u>	<u>32,276,105</u>	<u>35,086,730</u>	<u>34,623,301</u>
	12,827,853	13,728,584	14,171,846	11,620,299	14,494,144	15,974,005
	208,773	267,479	298,335	326,632	248,553	240,312
	-	503,982	477,259	-	534,654	-
	53,546	-	36,708	12,859	-	-
	<u>13,090,172</u>	<u>14,500,045</u>	<u>14,984,148</u>	<u>11,959,790</u>	<u>15,277,351</u>	<u>16,214,317</u>
	<u>52,378,235</u>	<u>50,873,126</u>	<u>47,886,652</u>	<u>44,235,895</u>	<u>50,364,081</u>	<u>50,837,618</u>
	4,737,308	9,503,209	11,915,433	5,517,821	5,625,360	2,349,727
	-	-	-	-	100,000	438,750
	-	-	-	-	-	-
\$	<u>17,523,923</u>	<u>20,286,469</u>	<u>16,348,723</u>	<u>13,158,757</u>	<u>13,158,757</u>	<u>12,254,480</u>
	228,854,505	219,177,904	191,845,421	168,555,751	147,150,262	134,728,853
	1,431,995	1,417,162	1,078,176	2,231,485	5,522,948	6,743,827
	24,983,267	24,762,413	28,583,408	26,667,581	25,106,286	24,362,847
	16,914,353	13,534,860	16,801,004	17,451,087	16,123,648	14,800,649
	<u>55,862,215</u>	<u>51,630,073</u>	<u>51,904,359</u>	<u>52,722,672</u>	<u>57,376,709</u>	<u>57,484,920</u>
\$	<u>328,046,335</u>	<u>310,522,412</u>	<u>290,212,368</u>	<u>267,628,576</u>	<u>251,279,853</u>	<u>238,121,096</u>

OKLAHOMA CITY, OKLAHOMA, DEPARTMENT OF AIRPORTS

Changes in Cash and Cash Equivalents

Last ten fiscal years

	2011	2010	2009	2008
Cash flows from operating activities:				
Cash received from charges	\$ 57,229,152	\$ 53,270,391	\$ 52,133,024	\$ 54,806,188
Cash received from oil and gas royalties	2,893,522	2,487,445	2,620,596	3,289,450
Cash payments to suppliers for goods and services	(15,490,738)	(14,843,942)	(14,758,225)	(15,115,075)
Cash payments to employees and professional contractors for services	(7,785,452)	(7,208,653)	(7,122,127)	(6,097,545)
Net cash provided by operating activities	36,846,484	33,705,241	32,873,268	36,883,018
Cash flows from noncapital financing activities:				
Operating grants received	181,695	448,185	440,965	259,793
Purchase concession rights	-	-	-	-
Liquidated Damages	390,000	-	-	-
Payments from City funds	-	-	399,928	-
Net cash provided (used) by noncapital financing activities	571,695	448,185	840,893	259,793
Cash flows from capital and related financing activities:				
Intergovernmental advance	598,594	(413,885)	(2,773,442)	(1,490,751)
Advance Payable - Gulfstream	394,721	-	-	-
Acquisition and construction of capital assets	(11,937,224)	(22,142,436)	(26,949,346)	(17,306,389)
Capital grants received	6,884,162	5,956,333	10,316,195	2,696,592
Capital contributions	-	1,034,233	-	-
Interest paid on bonds	(9,562,443)	(10,438,945)	(11,653,499)	(12,525,028)
Principal paid on bonds	(17,655,000)	(17,770,000)	(17,960,000)	(18,045,000)
Proceeds from sale of capital assets	32,225	18,773	37,300	18,700
Deferred revenue	2,861,803	-	-	-
Bond redemption	(2,980,000)	-	-	-
Proceeds from bond refunding	29,843,387	-	-	-
Transfer to sinking fund	437,206	-	-	-
Bond issuance costs	(312,151)	-	-	(538)
Transfer to escrow agent	(29,958,335)	-	-	-
Passenger facility charges	7,040,874	5,036,184	4,369,831	5,180,881
Net cash provided (used) by capital and related financing activities	(24,312,181)	(38,719,743)	(44,612,961)	(41,471,533)
Cash flows from investing activities:				
Interest on investments	633,317	727,822	1,156,471	2,895,503
Proceeds from sale of investments	50,308,000	72,776,134	102,764,606	141,700,565
Purchase of investments	(63,889,267)	(68,237,451)	(93,272,929)	(139,663,981)
Change in pooled investments	410,463	198,156	(554,175)	(9,542)
Net cash provided (used) by investing activities	(12,537,487)	5,464,661	10,093,973	4,922,545
Net increase (decrease) in cash and cash equivalents	568,511	898,344	(804,827)	593,823
Cash, beginning of year (1)	1,229,183	330,839	1,135,666	541,843
Cash, end of year (1) (2)	\$ 1,797,694	\$ 1,229,183	\$ 330,839	\$ 1,135,666

(1) GASB Statement 40 was implemented July 1, 2003. Cash and Cash Equivalents prior to fiscal year 2004 have been restated in conformance with GASB 40.

(2) Pooled cash equivalents are reported as investments beginning in fiscal year 2007.

	2007	2006	2005	2004	2003	2002
\$	52,093,772	\$ 49,738,215	\$ 48,655,048	\$ 47,482,151	\$ 47,655,990	\$ 47,369,311
	2,648,383	2,837,474	2,252,558	2,174,419	2,200,859	2,214,517
	(13,908,383)	(13,744,335)	(12,220,258)	(12,036,108)	(13,445,578)	(11,861,425)
	(6,019,233)	(5,628,566)	(5,346,945)	(5,034,119)	(4,972,194)	(4,645,658)
	<u>34,814,539</u>	<u>33,202,788</u>	<u>33,340,403</u>	<u>32,586,343</u>	<u>31,439,077</u>	<u>33,076,745</u>
	-	-	-	-	310,197	730,907
	-	-	-	(233,220)	-	-
	-	-	-	-	-	-
	-	(503,982)	(477,259)	-	(534,654)	-
	<u>-</u>	<u>(503,982)</u>	<u>(477,259)</u>	<u>(233,220)</u>	<u>(224,457)</u>	<u>730,907</u>
	-	-	-	-	-	-
	(17,660,820)	(35,942,010)	(30,469,046)	(24,844,233)	(47,313,061)	(26,101,963)
	8,766,325	6,541,793	11,084,606	5,262,515	5,631,014	2,903,040
	-	-	-	-	100,000	438,750
	(13,374,520)	(14,570,965)	(15,699,080)	(16,748,792)	(18,345,258)	(20,068,054)
	(16,820,000)	(19,200,000)	(17,360,000)	(16,185,000)	(14,730,000)	(12,490,000)
	-	23,575	17,150	2,500	14,316	86,229
	-	-	-	-	-	-
	-	-	-	-	-	-
	55,194,967	-	-	-	27,101,124	-
	(646,616)	-	-	(603)	(385,408)	-
	-	-	-	-	-	-
	(36,748,792)	-	-	-	(27,430,150)	-
	4,986,107	4,816,174	4,558,857	4,447,999	4,475,998	4,058,521
	<u>(16,303,349)</u>	<u>(58,331,433)</u>	<u>(47,867,513)</u>	<u>(48,065,614)</u>	<u>(70,881,425)</u>	<u>(51,173,477)</u>
	5,057,568	3,857,886	2,426,869	2,571,750	2,857,385	5,455,218
	251,568,471	271,216,085	132,814,880	40,533,091	41,997,433	17,483,233
	(275,191,280)	(249,082,422)	(120,469,332)	(27,612,222)	(4,561,415)	(6,235,622)
	(2,020,884)	-	-	-	-	-
	<u>(20,586,125)</u>	<u>25,991,549</u>	<u>14,772,417</u>	<u>15,492,619</u>	<u>40,293,403</u>	<u>16,702,829</u>
	(2,074,935)	358,922	(231,952)	(219,872)	626,598	(662,996)
	<u>2,616,778</u>	<u>2,257,856</u>	<u>2,489,808</u>	<u>2,709,680</u>	<u>2,083,082</u>	<u>2,746,078</u>
\$	<u>541,843</u>	\$ <u>2,616,778</u>	\$ <u>2,257,856</u>	\$ <u>2,489,808</u>	\$ <u>2,709,680</u>	\$ <u>2,083,082</u>

OKLAHOMA CITY, OKLAHOMA, DEPARTMENT OF AIRPORTS

Revenue Sources

Last ten fiscal years

	2011	2010	2009	2008
Passenger airline revenue:				
Landing fees	\$ 6,317,473	\$ 5,885,713	\$ 4,993,203	\$ 5,805,095
Terminal rental	2,215,677	2,427,239	2,169,804	2,681,449
Bag claim area	1,015,831	909,833	887,174	850,278
Airport gate fee	52,858	50,109	41,189	114,060
Passenger boarding bridges	198,117	203,344	186,692	133,492
Scheduled airline aviation fuel	308,603	293,669	334,010	377,519
Utilities	146,321	132,883	167,276	136,428
Security	529,690	468,439	698,380	883,290
Total passenger airline revenue	<u>10,784,570</u>	<u>10,371,229</u>	<u>9,477,728</u>	<u>10,981,611</u>
Other aeronautical revenue:				
Landing fees-freighters	607,357	591,479	606,233	578,100
Apron rental	-	-	25,002	100,008
Apron maintenance	202,400	223,090	224,058	218,575
Nonscheduled aviation fuel	1,280,414	1,178,958	1,148,621	1,361,306
Utilities	-	-	-	-
Cargo building rental	204,575	183,189	165,097	220,879
Hangar rental	2,195,059	2,094,294	2,110,489	2,157,271
Ground rental	1,058,338	936,255	911,574	877,800
Maintenance fees	358,323	335,491	335,312	343,859
Insurance fees	44,704	41,814	41,255	46,919
Other aeronautical revenue	44,204	45,017	45,288	45,288
Total other aeronautical revenue	<u>5,995,374</u>	<u>5,629,587</u>	<u>5,612,929</u>	<u>5,950,005</u>
Total aeronautical revenue	16,779,944	16,000,816	15,090,657	16,931,616
Nonaeronautical revenue:				
Building rentals-Separate Lease facilities	10,243,902	10,243,902	10,243,902	10,243,902
Building rentals-Senior Lien facilities	4,181,971	5,750,397	6,543,246	6,543,246
Building rentals-other facilities	1,837,826	816,155	1,192,099	1,424,509
Concessions	1,937,187	1,852,376	1,781,462	2,053,674
Parking	9,259,742	7,624,268	6,483,384	6,621,341
Rental car commissions	4,565,970	3,914,401	3,837,845	4,279,621
Maintenance, utility, insurance fees	6,933,846	5,898,767	5,102,702	4,755,315
Other nonaeronautical revenue	1,531,083	1,396,907	1,422,410	1,608,867
Total nonaeronautical revenue	<u>40,491,527</u>	<u>37,497,173</u>	<u>36,607,050</u>	<u>37,530,475</u>
Nonoperating revenue:				
Investment income	818,288	1,018,916	1,930,101	4,478,824
Revenues from natural resources	2,968,830	2,567,709	2,341,859	3,493,361
Passenger facility charges	7,055,522	5,170,911	4,489,113	5,133,202
Other nonoperating revenue	826,492	487,674	492,030	338,694
Total nonoperating revenue	<u>11,669,132</u>	<u>9,245,210</u>	<u>9,253,103</u>	<u>13,444,081</u>
Total revenue (1)	\$ 68,940,603	\$ 62,743,199	\$ 60,950,810	\$ 67,906,172
Capital contributions, grants (2)	5,804,051	8,907,338	8,515,369	5,282,612
Transfers from City funds	-	-	399,928	-
Total revenues and contributions	<u>\$ 74,744,654</u>	<u>\$ 71,650,537</u>	<u>\$ 69,866,107</u>	<u>\$ 73,188,784</u>

(1) Revenues in this schedule are reported according to FAA guidelines for Form 5100-127, Operating and Financial Summary, that require airports to report revenues, expenses, and other financial information on an annual basis. Therefore, classification of revenues on this report may not agree with like classifications elsewhere in this report.

(2) FAA requires capital grants to be reported as nonoperating revenue on Form 5100-127.

	2007	2006	2005	2004	2003	2002
\$	5,390,835	\$ 5,377,443	\$ 4,482,991	\$ 4,049,688	\$ 3,911,680	\$ 3,622,820
	2,251,135	1,654,027	1,352,555	1,503,415	1,010,708	1,267,843
	692,345	693,994	669,728	643,002	631,783	615,673
	18,263	-	15,578	53,130	-	-
	95,081	62,234	28,095	12,727	-	-
	346,318	246,656	236,797	250,674	282,823	219,768
	156,019	231,627	56,131	27,527	-	-
	679,031	685,470	685,523	329,468	268,553	573,577
	<u>9,629,027</u>	<u>8,951,451</u>	<u>7,527,398</u>	<u>6,869,631</u>	<u>6,105,547</u>	<u>6,299,681</u>
	506,949	469,807	401,897	362,669	345,435	358,057
	100,008	100,008	100,008	100,008	122,488	125,572
	206,411	204,920	207,029	205,554	196,748	195,714
	1,228,927	1,131,995	1,070,574	990,866	806,260	793,262
	-	44,725	45,208	52,795	41,194	21,184
	210,345	204,994	208,921	186,248	196,483	196,016
	2,286,737	2,265,059	2,305,189	2,236,082	2,196,371	2,209,071
	794,146	801,033	815,741	739,607	693,429	681,155
	349,074	341,816	339,623	294,010	301,460	298,056
	66,077	63,762	53,303	43,774	38,380	27,586
	45,288	40,101	40,572	35,853	8,744	7,610
	<u>5,793,962</u>	<u>5,668,220</u>	<u>5,588,065</u>	<u>5,247,466</u>	<u>4,946,992</u>	<u>4,913,283</u>
	15,422,989	14,619,671	13,115,463	12,117,097	11,052,539	11,212,964
	10,243,902	10,243,902	10,243,902	10,243,902	10,243,902	10,243,902
	6,543,246	6,543,246	8,867,886	8,950,191	9,205,959	9,214,051
	2,198,914	2,514,794	2,503,367	2,513,448	2,611,716	2,649,984
	1,801,348	1,473,332	1,213,633	1,095,037	1,010,562	1,077,208
	6,149,921	6,177,512	5,702,567	5,311,713	5,202,983	5,246,596
	3,872,044	3,213,692	3,021,007	2,911,547	3,033,242	3,051,780
	4,745,650	3,880,548	3,129,281	3,142,894	3,154,131	3,079,298
	1,511,143	1,077,370	911,717	742,344	1,629,954	1,874,052
	<u>37,066,168</u>	<u>35,124,396</u>	<u>35,593,360</u>	<u>34,911,076</u>	<u>36,092,449</u>	<u>36,436,871</u>
	5,145,526	4,017,827	2,756,925	1,409,586	3,631,934	5,100,594
	2,617,649	3,026,493	2,442,202	2,183,397	2,381,274	2,315,469
	4,912,518	4,867,999	4,629,911	4,445,641	4,315,374	4,420,587
	-	23,575	17,150	-	13,711	86,229
	<u>12,675,693</u>	<u>11,935,894</u>	<u>9,846,188</u>	<u>8,038,624</u>	<u>10,342,293</u>	<u>11,922,879</u>
\$	65,164,850	\$ 61,679,961	\$ 58,555,011	\$ 55,066,797	\$ 57,487,281	\$ 59,572,714
	4,737,308	9,503,209	11,915,433	5,517,821	5,935,557	3,080,634
	-	-	-	-	-	-
\$	<u>69,902,158</u>	<u>\$ 71,183,170</u>	<u>\$ 70,470,444</u>	<u>\$ 60,584,618</u>	<u>\$ 63,422,838</u>	<u>\$ 62,653,348</u>

OKLAHOMA CITY, OKLAHOMA, DEPARTMENT OF AIRPORTS

Principal Revenue Sources

Last ten fiscal years

	2011	2010	2009	2008
Principal revenues sources:				
Building rentals-separate lease facilities (1)	\$ 10,243,902	\$ 10,243,902	\$ 10,243,902	\$ 10,243,902
Passenger airline revenue (2)	10,784,570	10,371,229	9,477,728	10,981,611
Building rentals-senior lien facilities (3)	4,181,971	5,750,397	6,543,246	6,543,246
Parking (4)	9,259,742	7,624,268	6,483,384	6,965,859
Maintenance fees (5)	6,401,134	6,032,131	5,175,285	5,023,248
Passenger facility charges (PFC) (6)	7,055,522	5,170,911	4,489,113	5,133,202
Interest income (7)	818,288	1,018,916	1,930,101	4,478,824
Total principal revenue sources	<u>\$ 48,745,129</u>	<u>\$ 46,211,754</u>	<u>\$ 44,342,759</u>	<u>\$ 49,369,892</u>
Total revenues	\$ 68,940,603	\$ 62,743,199	\$ 60,950,810	\$ 67,906,172
Percentage of principal revenues to total revenues:				
Building rentals-separate lease facilities (1)	14.9%	16.3%	16.8%	15.1%
Passenger airline revenue (2)	15.6%	16.5%	15.5%	16.2%
Building rentals-senior lien facilities (3)	6.1%	9.2%	10.7%	9.6%
Parking (4)	13.4%	12.2%	10.6%	10.3%
Maintenance fees (5)	9.3%	9.6%	8.5%	7.4%
Passenger facility charges (PFC) (6)	10.2%	8.2%	7.4%	7.6%
Interest income (7)	1.2%	1.6%	3.2%	6.6%
Total principal revenue percentages	<u>70.7%</u>	<u>73.6%</u>	<u>72.7%</u>	<u>72.8%</u>
<p>(1) The lease on the Separate Lease Registry Building facility requires the Federal government to provide rentals in equal monthly installments sufficient to fully amortize debt service on the Separate Lease Registry bonds. 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.</p>				
(2) Enplaned passengers	1,748,379	1,694,060	1,730,874	1,913,747
Airline revenue per enplaned passenger	\$6.17	\$6.12	\$5.48	\$5.74
Percentage of airline revenues - airfield charges	57.3%	59.6%	56.2%	56.3%
Percentage of airline revenues - terminal charges	40.4%	40.4%	43.8%	43.7%
<p>(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.</p>				
(4) Public parking revenues	8,726,192	7,250,785	\$6,155,956	\$6,621,342
Number of revenue transactions	741,082	707,362	751,666	847,652
Public parking revenue per transaction	\$11.77	\$10.25	\$8.19	\$7.81
<p>Public parking revenue = parking revenues net of rental car ready space revenue and employee parking lot revenue. Certain public parking rates were changed effective December 1, 2009. 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 - \$4.00; North Parking Lot - \$5.00; Covered Parking Lot - \$6.00; and Long-Term Parking Garage - \$7.00. Previously the rates for all long-term lots provided for a maximum of \$5.00 per day up to \$25.00 per seven-day week.</p>				
<p>(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.</p>				
(6) PFC revenue per enplaned passenger	\$4.04	\$3.05	\$2.59	\$2.68
<p>PFCs 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 27B and Junior Lien 29B debt service.</p>				
(7) Average cash and investments	\$119,111,651	\$113,870,816	\$120,085,363	\$124,395,231
Average interest rate on cash and investments	0.7%	0.9%	1.6%	3.6%

	2007	2006	2005	2004	2003	2002
\$	10,243,902	\$ 10,243,902	\$ 10,243,902	\$ 10,243,902	\$ 10,243,902	\$ 10,243,902
	9,629,027	8,951,451	7,527,398	6,869,631	6,105,547	6,299,681
	6,543,246	6,543,246	8,867,886	8,950,191	9,205,959	9,214,051
	6,461,347	6,177,511	5,702,567	5,311,713	5,202,983	5,246,596
	4,922,160	4,142,423	3,388,664	3,361,931	3,394,733	3,375,371
	4,912,518	4,867,999	4,629,911	4,445,641	4,315,374	4,420,587
	5,145,526	4,017,827	2,756,925	1,409,586	3,631,934	5,100,594
\$	<u>47,857,726</u>	<u>44,944,359</u>	<u>43,117,253</u>	<u>40,592,595</u>	<u>42,100,432</u>	<u>43,900,782</u>
\$	65,164,850	\$ 61,679,961	\$ 58,555,011	\$ 55,066,797	\$ 57,487,281	\$ 59,572,714

	15.7%	16.6%	17.5%	18.6%	17.8%	17.2%
	14.8%	14.5%	12.9%	12.5%	10.6%	10.6%
	10.0%	10.6%	15.1%	16.3%	16.0%	15.5%
	9.9%	10.0%	9.7%	9.6%	9.1%	8.8%
	7.6%	6.7%	5.8%	6.1%	5.9%	5.7%
	7.5%	7.9%	7.9%	8.1%	7.5%	7.4%
	7.9%	6.5%	4.7%	2.6%	6.3%	8.6%
	<u>73.4%</u>	<u>72.8%</u>	<u>73.6%</u>	<u>73.8%</u>	<u>73.2%</u>	<u>73.8%</u>

1,799,199	1,809,354	1,736,722	1,666,115	1,604,358	1,574,738
\$5.35	\$4.95	\$4.33	\$4.12	\$3.81	\$4.00
59.6%	62.8%	62.7%	62.6%	68.7%	61.0%
40.4%	37.2%	37.3%	37.4%	31.3%	39.0%

\$6,152,487	\$5,868,099	\$5,396,109	\$5,011,291	\$4,908,731	\$4,805,699
868,402	894,998	896,533	891,077	781,426	749,002
\$7.08	\$6.56	\$6.02	\$5.62	\$6.28	\$6.42

\$2.73	\$2.69	\$2.67	\$2.67	\$2.69	\$2.81
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\$112,293,079	\$111,124,453	\$87,421,473	\$100,662,241	\$166,533,163	\$190,458,286
4.6%	3.6%	3.2%	1.4%	2.2%	2.7%

OKLAHOMA CITY, OKLAHOMA, DEPARTMENT OF AIRPORTS

Schedule of Bond Debt Service Coverage

Last ten fiscal years

	2011	2010	2009	2008
Gross revenues	\$ 74,744,654	\$ 71,650,537	\$ 69,779,017	\$ 73,207,484
Adjustments per Original Bond Indenture (1)	<u>(23,254,441)</u>	<u>(24,478,948)</u>	<u>(23,609,461)</u>	<u>(21,779,800)</u>
Gross revenues as provided in the Original Bond Indenture	<u>51,490,213</u>	<u>47,171,589</u>	<u>46,169,556</u>	<u>51,427,684</u>
Expenses per Original Bond Indenture	23,289,591	22,814,010	22,774,383	21,085,002
Adjustments per Original Bond Indenture (2)	<u>(199,409)</u>	<u>(84,654)</u>	<u>(56,404)</u>	<u>(87,907)</u>
Expenses net of adjustments as provided in the Original Bond Indenture	<u>23,090,182</u>	<u>22,729,356</u>	<u>22,717,979</u>	<u>20,997,095</u>
Net revenues	28,400,031	24,442,233	23,451,577	30,430,589
Transfers from escrow	<u>-</u>	<u>-</u>	<u>-</u>	<u>550,520</u>
Total available for debt service coverage	<u>\$ 28,400,031</u>	<u>\$ 24,442,233</u>	<u>\$ 23,451,577</u>	<u>\$ 30,981,109</u>
Senior Lien debt service requirements	\$ 5,468,770	\$ 6,345,286	\$ 6,358,423	\$ 6,371,648
Bank fees	<u>2,000</u>	<u>2,165</u>	<u>2,642</u>	<u>3,088</u>
Net Senior Lien debt service requirements	<u>5,470,770</u>	<u>6,347,451</u>	<u>6,361,065</u>	<u>6,374,736</u>
Available for Junior Lien requirements	22,929,261	18,094,782	17,090,512	24,606,373
Passenger Facility Charge (PFC) revenue available for Junior Lien debt service requirements	<u>5,879,865</u>	<u>4,315,968</u>	<u>5,414,299</u>	<u>5,360,713</u>
Total available for Junior Lien debt requirements	<u>\$ 28,809,126</u>	<u>\$ 22,410,750</u>	<u>\$ 22,504,811</u>	<u>\$ 29,967,086</u>
Junior Lien requirements	\$ 5,581,918	\$ 7,537,333	\$ 7,806,070	\$ 8,792,153
PFC backed revenue bond debt	5,879,865	4,315,968	5,414,299	5,360,713
Bank fees	12,386	14,862	16,469	18,947
Capitalized interest available (3)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Junior Lien debt service requirements	<u>\$ 11,474,169</u>	<u>\$ 11,868,163</u>	<u>\$ 13,236,838</u>	<u>\$ 14,171,813</u>
Senior Lien debt service coverage				
Gross	9.41	7.43	7.26	8.07
Net	5.19	3.85	3.69	4.86
Junior Lien debt service coverage				
Gross	4.52	3.80	3.42	3.56
Net	2.51	1.89	1.70	2.11
Junior Lien gross debt coverage requirement (4)	1.50	1.50	1.50	1.50
Junior Lien gross debt coverage margin	3.02	2.30	1.92	2.06

(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) Certain bond indentures require part of the proceeds from the issuance of bonds to be set aside to pay interest on the bonds during the period of construction. The amount of capitalized interest available for debt service will not agree to the amount of interest capitalized as part of the historical cost of the asset as reported in Note 2 to the financial statements.

(4) 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.

	2007	2006	2005	2004	2003	2002
\$	69,902,158 (21,040,781)	\$ 71,183,171 (25,543,207)	\$ 70,470,444 (27,479,165)	\$ 60,587,116 (20,718,861)	\$ 63,522,837 (21,951,647)	\$ 63,092,098 (20,073,402)
	<u>48,861,377</u>	<u>45,639,964</u>	<u>42,991,279</u>	<u>39,868,255</u>	<u>41,571,190</u>	<u>43,018,696</u>
	<u>20,424,364</u> (66,314)	<u>19,434,578</u> (51,274)	<u>17,516,829</u> (54,755)	<u>17,090,187</u> (67,853)	<u>17,653,380</u> (85,037)	<u>17,047,899</u> (289,817)
	<u>20,358,050</u>	<u>19,383,304</u>	<u>17,462,074</u>	<u>17,022,334</u>	<u>17,568,343</u>	<u>16,758,082</u>
	28,503,327	26,256,660	25,529,205	22,845,921	24,002,847	26,260,614
	<u>550,520</u>	<u>550,520</u>	<u>550,520</u>	<u>550,520</u>	<u>550,520</u>	<u>550,520</u>
\$	<u>29,053,847</u>	<u>\$ 26,807,180</u>	<u>\$ 26,079,725</u>	<u>\$ 23,396,441</u>	<u>\$ 24,553,367</u>	<u>\$ 26,811,134</u>
\$	6,385,232 3,539	\$ 8,303,903 4,940	\$ 8,728,158 5,691	\$ 8,735,220 6,166	\$ 8,981,126 6,632	\$ 9,089,389 7,133
	<u>6,388,771</u>	<u>8,308,843</u>	<u>8,733,849</u>	<u>8,741,386</u>	<u>8,987,758</u>	<u>9,096,522</u>
	22,665,076	18,498,337	17,345,876	14,655,055	15,565,609	17,714,612
	<u>5,306,513</u>	<u>5,204,950</u>	<u>5,102,588</u>	<u>5,000,712</u>	<u>4,904,963</u>	<u>-</u>
\$	<u>27,971,589</u>	<u>\$ 23,703,287</u>	<u>\$ 22,448,464</u>	<u>\$ 19,655,767</u>	<u>\$ 20,470,572</u>	<u>\$ 17,714,612</u>
\$	8,436,288 5,306,513 19,027 -	\$ 10,186,661 5,204,950 18,764 -	\$ 9,132,888 5,102,588 19,173 (1,675,775)	\$ 9,087,668 5,000,712 19,615 (1,675,775)	\$ 9,327,662 4,904,963 20,457 (1,675,775)	\$ 13,324,552 - 20,972 (5,650,382)
\$	<u>13,761,828</u>	<u>\$ 15,410,375</u>	<u>\$ 12,578,874</u>	<u>\$ 12,432,220</u>	<u>\$ 12,577,307</u>	<u>\$ 7,695,142</u>
	7.65	5.49	4.92	4.56	4.63	4.73
	4.55	3.23	2.99	2.68	2.73	2.95
	3.47	2.76	3.13	2.91	2.98	4.41
	2.03	1.54	1.78	1.58	1.63	2.30
	1.50	1.50	1.50	1.50	1.50	1.50
	1.97	1.26	1.63	1.41	1.48	2.91

OKLAHOMA CITY, OKLAHOMA, DEPARTMENT OF AIRPORTS

Debt Ratios

Last ten fiscal years

	2011	2010	2009
Junior Lien (JL) Bonds - Passenger Use Facilities:			
17 Air Cargo, Parking Garage, Tunnel, Surface Lot	\$ -	\$ -	\$ -
18 Terminal Renovation	-	-	-
22B Terminal, Air Cargo, Parking Garage	-	845,000	1,050,000
27A Terminal Renovation/Expansion	-	-	-
27B Terminal Renovation/Expansion	4,695,000	38,185,000	42,395,000
28 Parking Garage, Tunnel, Surface Lot	-	-	-
29A 5 Story Parking Garage	19,695,000	20,575,000	21,420,000
29B Terminal Renovation/Expansion	31,760,000	31,760,000	31,760,000
30 Terminal Renovation/Expansion	28,675,000	-	-
Total JL Bonds - Passenger Use Facilities	\$ <u>84,825,000</u>	\$ <u>91,365,000</u>	\$ <u>96,625,000</u>
Percentage of Total Outstanding Debt	64.6%	59.7%	56.6%
Enplaned Passengers	1,748,379	1,694,060	1,730,874
Debt per Enplaned Passenger (1)	\$48.52	\$53.93	\$55.82
Junior Lien Bonds - Other Facilities:			
21 Gulfstream Complex	-	-	-
22A Metro-Tech Aviation Career Center	-	-	-
23 5300 Portland Building	440,000	535,000	625,000
24 AAR Hangar 3A	-	3,325,000	3,650,000
25 US Customs Service	-	-	440,000
26 US Marshals Service	1,395,000	2,035,000	2,640,000
Total JL Bonds - Other Facilities	\$ <u>1,835,000</u>	\$ <u>5,895,000</u>	\$ <u>7,355,000</u>
Percentage of Total Outstanding Debt	1.4%	3.9%	4.3%
Percentage rentals to outstanding debt (2)	92.8%	92.8%	94.1%
Senior Lien Bonds - Mike Monroney Aeronautical Center			
	\$ 9,340,000	\$ 14,080,000	\$ 19,385,000
Percentage of Total Outstanding Debt	7.1%	9.2%	11.4%
Percentage rentals to outstanding debt (3)	100.0%	100.0%	100.0%
Total Junior and Senior Lien Bonds	\$ <u>96,000,000</u>	\$ <u>111,340,000</u>	\$ <u>123,365,000</u>
Total Debt per Enplaned Passenger	\$54.91	\$65.72	\$71.27
Separate Lease Bonds			
	\$ 35,310,000	\$ 41,595,000	\$ 47,340,000
Percentage of Total Outstanding Debt	26.9%	27.2%	27.7%
Percentage rentals to outstanding debt (4)	100.0%	100.0%	100.0%
Total Outstanding Debt	\$ <u>131,310,000</u>	\$ <u>152,935,000</u>	\$ <u>170,705,000</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.

	2008	2007	2006	2005	2004	2003	2002
\$	-	\$	-	\$	-	\$	5,675,000
							10,785,000
	1,270,000	1,480,000	1,680,000	1,870,000	2,050,000	2,205,000	2,355,000
			35,520,000	35,520,000	35,520,000	35,520,000	35,520,000
	46,380,000	50,045,000	53,405,000	56,490,000	58,245,000	59,815,000	61,215,000
	1,675,000	3,265,000	4,785,000	7,940,000	10,965,000	13,850,000	-
	21,420,000	21,420,000	-	-	-	-	-
	31,760,000	31,760,000	-	-	-	-	-
\$	<u>102,505,000</u>	<u>\$ 107,970,000</u>	<u>\$ 95,390,000</u>	<u>\$ 101,820,000</u>	<u>\$ 106,780,000</u>	<u>\$ 111,390,000</u>	<u>\$ 115,550,000</u>
	54.3%	52.2%	45.0%	45.2%	44.0%	43.1%	42.2%
	1,913,747	1,799,119	1,809,354	1,736,722	1,666,115	1,604,358	1,574,738
	\$53.56	\$60.01	\$52.72	\$58.63	\$64.09	\$69.43	\$73.38
\$	440,000	\$ 1,590,000	\$ 2,665,000	\$ 3,675,000	\$ 4,675,000	\$ 5,560,000	\$ 6,395,000
		590,000	1,150,000	1,690,000	2,200,000	2,690,000	3,155,000
	710,000	795,000	875,000	950,000	1,020,000	1,085,000	1,150,000
	3,960,000	4,255,000	4,535,000	4,805,000	5,060,000	5,305,000	5,540,000
	855,000	1,250,000	1,620,000	1,970,000	2,305,000	2,620,000	2,920,000
	3,210,000	3,750,000	4,260,000	4,745,000	5,205,000	5,640,000	6,055,000
\$	<u>9,175,000</u>	<u>\$ 12,230,000</u>	<u>\$ 15,105,000</u>	<u>\$ 17,835,000</u>	<u>\$ 20,465,000</u>	<u>\$ 22,900,000</u>	<u>\$ 25,215,000</u>
	4.9%	5.9%	7.1%	7.9%	8.4%	8.9%	9.2%
	91.4%	88.2%	87.0%	86.3%	86.0%	85.8%	85.7%
\$	24,385,000	\$ 29,105,000	\$ 39,590,000	\$ 39,590,000	\$ 45,675,000	\$ 51,440,000	\$ 56,980,000
	12.9%	14.1%	18.7%	17.6%	18.8%	19.9%	20.8%
	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
\$	<u>136,065,000</u>	<u>\$ 149,305,000</u>	<u>\$ 150,085,000</u>	<u>\$ 159,245,000</u>	<u>\$ 172,920,000</u>	<u>\$ 185,730,000</u>	<u>\$ 197,745,000</u>
	\$71.10	\$82.99	\$82.95	\$91.69	\$103.79	\$115.77	\$125.57
\$	52,600,000	\$ 57,405,000	\$ 61,805,000	\$ 65,825,000	\$ 69,510,000	\$ 72,885,000	\$ 75,990,000
	27.9%	27.8%	29.2%	29.2%	28.7%	28.2%	27.8%
	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
\$	<u>188,665,000</u>	<u>\$ 206,710,000</u>	<u>\$ 211,890,000</u>	<u>\$ 225,070,000</u>	<u>\$ 242,430,000</u>	<u>\$ 258,615,000</u>	<u>\$ 273,735,000</u>

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

Landed Weights (1)	2011	Percent	2010	Percent	2009
Air Wisconsin	-	- %	-	- %	-
Allegiant Air	-	-	-	-	13,113
America West/US Airways	-	-	-	-	8,135
American	329,716	15.04	333,235	15.53	334,423
American Eagle	76,063	3.47	56,937	2.65	58,582
Atlantic Southeast	134,298	6.13	102,678	4.79	95,745
Champion	-	-	-	-	-
Chautauqua	11,408	0.52	35,768	1.67	33,250
Colgan Air	21,762	0.99	-	-	-
Comair	33,949	1.55	22,586	1.05	17,618
Compass	7,196	0.33	985	0.05	-
Continental	115,990	5.29	163,690	7.63	163,737
Delta	33,564	1.53	3,407	0.16	24,307
ExpressJet	44,877	2.05	5,625	0.26	11,459
Freedom	-	-	5,914	0.28	2,519
Frontier	86,210	3.93	111,710	5.21	104,247
GoJet	56,749	2.59	51,657	2.41	37,051
Mesa	603	0.03	34,210	1.59	28,564
Mesaba	15,735	0.72	40,676	1.90	-
Northwest	-	-	40,491	1.89	138,522
Pinnacle	68,210	3.11	49,346	2.30	-
Republic	-	-	-	-	-
Skywest	207,804	9.48	159,985	7.46	117,542
Southwest	851,700	38.85	791,046	36.86	827,292
Trans State	7,914	0.36	11,361	0.53	36,252
TWA, LLC	-	-	-	-	-
United	80,891	3.69	115,190	5.37	109,778
United Express/Atlantic Coast	-	-	-	-	-
Others	7,439	0.34	8,698	0.41	8,334
Total landed weights	2,192,078	100.00 %	2,145,195	100.00 %	2,170,470
Change from previous year	2.19%		(1.16%)		(13.93%)

(1) In thousand pounds.

(2) Effective rates for the various years are:

Signatory Rates/1000 lbs.	Start Date	End Date
\$1.3838	01/01/02	12/31/02
\$1.5407	01/01/03	12/31/03
\$1.6353	01/01/04	12/31/04
\$1.8150	01/01/05	12/31/05
\$2.2346	01/01/06	12/31/06
\$2.3128	01/01/07	12/31/07
\$2.4356	01/01/08	12/31/08
\$2.2422	01/01/09	12/31/09
\$2.5652	01/01/10	12/31/10
\$2.8505	01/01/11	12/31/11

2008	2007	2006	2005	2004	2003	2002
-	-	29,031	67,896	6,768	2,632	-
4,883	-	26,075	23,029	-	-	-
56,168	46,150	64,888	9,515	-	-	-
328,933	336,554	295,856	234,625	296,146	409,584	365,542
93,894	93,256	124,613	171,747	169,738	147,514	109,328
82,740	82,579	125,989	82,687	25,138	40,006	47,173
40,336	48,658	39,386	40,495	43,712	42,102	47,851
38,873	8,806	-	18,916	50,439	3,108	-
41,090	49,351	57,744	84,169	80,519	65,793	46,718
-	-	-	-	-	-	-
-	-	-	-	-	-	-
171,983	186,183	185,948	168,258	155,473	171,307	173,506
62,722	57,561	82,066	104,013	223,815	284,142	298,621
113,882	27,642	-	-	-	-	-
-	-	-	-	-	-	-
95,657	68,926	71,680	61,991	53,062	45,387	-
57,888	-	-	-	-	-	-
20,244	29,569	21,998	-	-	-	-
-	-	-	-	-	-	-
126,403	135,268	167,673	198,789	192,500	185,592	147,574
-	-	-	-	-	-	-
-	11,570	-	-	-	-	-
118,399	137,077	26,562	53,099	63,920	62,839	40,514
860,882	758,618	747,538	738,719	796,759	823,229	829,191
56,590	60,164	73,695	46,591	15,147	-	-
-	-	-	-	-	-	103,458
137,972	133,845	175,807	167,021	151,251	169,699	151,341
-	-	-	-	69,983	67,351	54,597
12,340	7,484	3,641	12,743	45,825	44,317	46,361
<u>2,521,879</u>	<u>2,279,261</u>	<u>2,320,190</u>	<u>2,284,303</u>	<u>2,440,195</u>	<u>2,564,602</u>	<u>2,461,775</u>
10.64%	(1.76%)	1.57%	(6.39%)	(4.85%)	4.18%	(6.99%)

OKLAHOMA CITY, OKLAHOMA, DEPARTMENT OF AIRPORTS
Will Rogers World Airport Average Monthly Activity by Passenger Airline
Fiscal year ended June 30, 2011

Airline	Average Number of Passengers Deplaning Monthly	Average Landed Weight Monthly In Thousand Lbs.	Average Number of Daily Flights Into Oklahoma City
American	24,711	27,476	7
American Eagle	5,351	6,339	4
Atlantic Southeast	9,192	11,191	5
Chautauqua	1,846	1,901	1
Colgan Air	4,899	5,441	1
Comair	2,975	3,395	2
Compass	1,033	1,199	-
Continental	8,964	9,666	7
Delta	2,225	2,797	1
Express Jet	3,679	3,740	3
Frontier	6,312	7,184	3
GoJet	3,416	4,729	2
Mesa	127	201	-
Mesaba	1,045	1,311	1
Pinnacle	4,766	5,684	3
Skywest	13,518	17,317	9
Southwest	52,325	70,975	19
Trans State	653	719	1
United	4,271	6,741	2
Others	252	620	-
Totals	<u>151,560</u>	<u>188,626</u>	<u>71</u>

Airline	Average Number of Passengers Boarding Monthly	Average Freight Poundage Shipped Monthly Out of Oklahoma City	Number of Months In Service During Fiscal Year
American	24,586	56	12
American Eagle	5,233	-	12
Atlantic Southeast	9,047	-	12
Chautauqua	1,511	-	6
Colgan Air	4,676	379	4
Comair	3,027	-	10
Compass	910	-	6
Continental	8,914	5,112	12
Delta	2,039	895	12
Express Jet	3,557	-	12
Frontier	6,115	67	12
GoJet	3,544	-	12
Mesa	152	-	3
Mesaba	895	-	12
Pinnacle	4,843	-	12
Skywest	13,535	-	12
Southwest	52,651	33,002	12
Trans State	681	-	11
United	4,523	1,403	12
Others	264	-	12
Totals	<u>150,703</u>	<u>40,914</u>	

Source: Department of Airports Activity Reports

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

Top Ten Employers in the Primary Air Trade Area
Current Year and Nine Years Ago

Employers in Air Trade Area:	2011			2002		
	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment
Local Governments	49,200	1	8.85 %	39,800	1	7.37 %
State Government	41,000	2	7.38	36,700	2	6.79
Tinker Air Force Base	27,000	3	4.86	24,080	4	4.46
Federal Government	26,300	4	4.73	28,500	3	5.28
Integrus Health	9,200	5	1.26	5,300	7	0.98
FAA Aeronautical Center	7,000	6	-	3,500	9	0.65
University of Oklahoma	-	-	-	6,603	5	1.22
Oklahoma City Public Schools	-	-	-	5,722	6	1.06
O.U. Health Science Center	4,200	7	0.76	3,125	11	0.58
General Motors	-	-	-	3,500	10	0.65
OGE Energy Corp.	3,450	8	0.62	-	-	-
Healthcare of Oklahoma	-	-	-	3,061	12	0.57
AT&T	3,000	9	0.54	-	-	-
Chesapeake Energy Corp.	3,000	10	0.54	-	-	-
Totals	173,350		29.54 %	159,891		29.61 %

Source: Oklahoma City Chamber of Commerce. Government employment has civilian and non-civilian combined.

Major Tenants at Airports:

- AAR Oklahoma, Inc.
- American Airlines
- ARINC
- Atlantic Aviation
- Avis Rent-A-Car Systems, Inc.
- Board of Education of Metro Area Vocational Technical School District
- Continental Airlines
- Delta Airlines
- Paradies-Kambers, LLC.
- Trajen
- Southwest Airlines
- The Hertz Corporation
- U.S. Department of Justice - Federal Bureau of Prisons
- U.S. Department of Justice - U.S. Marshals Service
- U.S. Department of Transportation - Federal Aviation Administration
- U.S. Department of Treasury - U.S. Customs Service
- United Airlines

Source: Department of Airports Revenue Reports

