

OKLAHOMA

2000

**Comprehensive Annual Financial Report
for the Fiscal Year Ended June 30, 2000**

Frank Keating
Governor

Prepared by

Office of State Finance

Tom Daxon, Director
Mark A. Meadors, State Comptroller

The Oklahoma Comprehensive Annual Financial Report is an annual publication of the Oklahoma Office of State Finance and is prepared by the Division of Central Accounting & Reporting.

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The Office of State Finance would appreciate credit for any reprint.

Requests for additional copies, comments or questions may be directed to Shawn Ashley, Office of State Finance, 2300 North Lincoln Blvd., Suite 122, Oklahoma City, Oklahoma 73105.

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INTRODUCTORY SECTION

INTRODUCTORY SECTION

THOMAS E. DAXON
SECRETARY OF FINANCE AND REVENUE
DIRECTOR OF STATE FINANCE



FRANK KEATING
GOVERNOR

STATE OF OKLAHOMA
OFFICE OF STATE FINANCE

December 29, 2000

To the Honorable Frank Keating, Governor
Members of the Legislature, and
Citizens of the State of Oklahoma

The Office of State Finance is pleased to present the Comprehensive Annual Financial Report (CAFR) for the State of Oklahoma for the fiscal year ended June 30, 2000. This report, presented in three sections: Introductory, Financial, and Statistical, is the primary means of reporting the State government's financial activities. The Introductory Section contains an overview of the State's economic performance, a review of current initiatives, and summary financial data. The Financial Section contains the general purpose financial statements and the combining and individual fund and account group statements and schedules. The Statistical Section contains selected financial and demographic information.

Management of the State, through the Office of State Finance (OSF), is responsible for the accuracy, fairness and completeness of the financial statements presented in this report. The statements have been prepared in accordance with generally accepted accounting principles (GAAP). To the best of our knowledge and belief, the information presented is accurate in all material respects and includes all disclosures necessary for an understanding of the State's financial position and activities. The Governor and Legislature govern all funds and accounts for every executive agency, board, commission, public trust, authority, college and university whose data are presented in this report. The financial reporting entity, the State of Oklahoma, includes these funds, organizations, account groups, agencies, boards, commissions, and authorities. In accordance with Governmental Accounting Standards Board Statement 14, the State financial reporting entity includes twenty-one component units. These component units, one governmental activity, six pension trusts, thirteen proprietary activities and the State's higher education institutions, are discretely presented in the financial statements.

ECONOMIC CONDITIONS AND OUTLOOK

Oklahoma is an attractive place in which to live and conduct business. The state enjoys a very low cost of doing business, has a highly skilled work force and is geographically well positioned for interstate commercial activity. For example, Oklahoma lies at the crossroads of U.S. Interstates 35, 40 and 44, three of the nation's most important transportation and shipping corridors, allowing state businesses to take advantage of opportunities anywhere in the United States. Oklahoma ranks 22nd among the 50 states in full-time equivalent college enrollment as a percentage of population. At the same time, our pioneering Career and Technology Education system is a national leader in developing training programs for industry. Oklahoma remains committed to improving the quality of its education system.

Oklahoma is also known for its abundant resources. The state remains a leading producer of oil and natural gas, allowing Oklahoma manufacturers to take advantage of some of the lowest energy prices in the nation. Oklahoma is a leading producer of agricultural products, ranking in the top ten in production of wheat, peanuts, grain sorghum, pecans, rye, hogs and cattle. Oklahomans also enjoy many opportunities for outdoor recreation and due to its many man-made reservoirs, Oklahoma has more miles of shoreline than any other state.

Oklahoma's gross state product for 1999 was \$80.34 billion, an inflation-adjusted increase of 4.1% from the previous year. This compares with 5.13% growth in the national gross domestic product. Oklahoma's per capita income for 1999 was \$22,953, 43rd among the states, and 80.42% of the national average. This is up 3.4% from 1998, trailing average gains nationally of 4.5%. Adjusting for cost of living, Oklahoma is at 87.16% of the national average or 39th in the nation.

Oklahoma continues to enjoy a low unemployment rate. Estimates for 2000 reflect a favorable 3.4% rate in Oklahoma versus a 4.2% rate nationally. With a population of approximately 3.4 million people, Oklahoma is the 27th most populous state.

Oklahoma has a rich heritage in diversity of cultures. Most of what is now Oklahoma was originally set aside as Indian Territory. Many tribes, often forcibly relocated to Oklahoma, stayed on, and as a result, Oklahoma is home to 39 tribal headquarters. Colorful pow-wows that keep alive sacred Native American traditions are a regular feature in all parts of the state.

FINANCIAL CONDITION OF STATE GOVERNMENT

State finances are governed by rules designed to ensure sound, conservative management. The legislature cannot appropriate more than 95% of the general revenue expected to be collected in the coming year. An independent board not subject to legislative control establishes the revenue estimate. Unlike many states that use seasonal borrowing to meet cash demands, Oklahoma maintains a cash flow reserve sufficient to meet fluctuating cash needs. General obligation indebtedness is prohibited without a vote of the people.

The impact of these fiscally conservative rules, however, has been to some extent offset by the practice of granting pension benefits and incurring other liabilities without providing the long range funding required to assure that the State will be able to pay those amounts when they become due. Unless the Teachers' Retirement System stops granting ad hoc cost-of-living benefit increases or continues to enjoy investment returns substantially above historic averages, it will eventually be unable to meet its obligations without additional outside funding.

In spite of these challenges, the State's overall financial condition is healthy. The state's general obligation debt load remains modest and the State's "Rainy Day Fund" provides ample room to address unforeseen emergencies.

CURRENT DEVELOPMENTS AND MAJOR INITIATIVES

Despite our many achievements, we can do better and accomplish more. We enjoy many advantages that should enable Oklahomans to enjoy a higher standard of living. With particular emphasis on improving per capita personal income, our sights are set on implementing policies that will allow Oklahomans to realize their potential.

With the advantages provided by its labor force, location, and culture, our goal is to complement these advantages with a results-oriented, business-friendly government.

Oklahoma wants to be the nation's friendliest state to small and growing businesses. Several initiatives are underway to achieve this goal, including: 1) worker's compensation reform, 2) education reform, 3) road improvements, 4) tax relief targeted to encourage economic growth, and 5) both cost-effective and user-friendly delivery of state services.

Highlights of the fiscal 2000 and fiscal 2001 budgets include (expressed in millions):

	Amount Appropriated		Percentage of Total Appropriations		Increase (Decrease) from Prior Year		Percentage Increase (Decrease)	
	2000	2001	2000	2001	2000	2001	2000	2001
Department of Education	\$ 1,786	\$ 1,971	36%	37%	\$ 48	\$ 185	3%	10%
Regents for Higher Education	772	816	16%	15%	14	44	2%	6%
Department of Vo-Tech	117	125	2%	2%	0	8	0%	7%
Other education	20	23	0%	0%	0	3	0%	15%
Total Education	2,695	2,935	54%	54%	62	240	2%	9%
Department of Human Services	363	386	7%	7%	27	23	8%	6%
Health Care Authority	334	363	7%	7%	12	29	4%	9%
Office of Juvenile Affairs	99	100	2%	2%	2	1	2%	1%
University Hospitals Authority	27	32	1%	1%	0	5	0%	19%
Dept. of Rehabilitation Services	23	24	0%	0%	0	1	0%	4%
Total Human Services	846	905	17%	17%	41	59	5%	7%
Department of Corrections	347	364	7%	7%	20	17	6%	5%
Department of Transportation	320	311	6%	6%	(8)	(9)	(2%)	(3%)
Department of Mental Health	128	138	3%	3%	2	10	2%	8%
Department of Health	66	69	1%	1%	0	3	0%	5%
Department of Public Safety	68	70	1%	1%	7	2	11%	3%
Other	492	539	11%	11%	(22)	47	(4%)	10%
Total	\$ 4,962	\$ 5,331	100%	100%	\$ 102	\$ 369	2%	7%

Legislators tackled a variety of issues during the 2000 legislative session, passing a number of key bills which were signed by the Governor. One of the most important measures of the session implemented the second phase of Oklahoma's record highway construction and improvement program. This phase adds \$300 million in highway funds, making the state's five-year investment in Oklahoma's highways \$1 billion, all without an increase in taxes. Also approved was a \$157 million capital improvement bond issue to provide for statewide infrastructure improvements.

Legislators and the Governor also agreed to spend additional state dollars to gain more federal funds to improve health care for Oklahomans, using money received from the national tobacco settlement. The action also boosts nursing home funding and inspections, and increases Medicaid payments for maternity care.

During the 2000 legislative session, lawmakers passed and the Governor signed a measure amending a school reform measure originally enacted in 1999, which elevated minimum high school graduation requirements to better prepare Oklahoma students for college and the workplace. For example, the two-tiered high school diploma, a part of the original measure, was abolished after educators expressed concern over this provision, and language concerning the core academic curriculum for high school students was also clarified.

Meanwhile, more than 70% of Oklahoma's public schools are now connected to the state's OneNet system. This state-of-the-art telecommunications network allows multi-dimensional instruction to occur throughout the state. This not only dramatically increases the instructional resources available to teachers, but allows schools, even those in rural areas, to offer a rich, varied curriculum. Through OneNet, a single teacher may interact with students at various distant locations. Each of these students may not only see and talk to the teacher, but see and talk with those at the other locations as well.

The Teachers' Retirement System (TRS) has continued to accrue liabilities in excess of its asset growth despite investment returns which have averaged 17.1% over the last five years. The unfunded liabilities of the system have grown and now exceed \$5 billion. This amount is actually a significant understatement of liabilities to the system as this amount does not include a cost-of-living assumption which would increase the total liabilities markedly. The state's policy of granting benefits without adequate funding was continued in fiscal 2000 with the addition of a cost-of-living increase and an increase in the medical supplement for retirees in Senate Bill 994. This bill added \$200 million in unfunded liabilities to TRS.

Without serious changes in TRS's benefit plan or a large increase in the dedicated revenue source, the system is in danger of experiencing a negative cash flow sometime in the near future which would result in an erosion of the asset base. TRS's funding problems could become an immediate problem should the investment market take a prolonged downturn. Even a mild recession could create a situation where investment returns below actuarial assumptions would require new appropriations in a economic climate where other state services would have to be reduced or curtailed in order to meet the state's statutory obligation.

Governor Keating's 2000 legislative agenda reflected again the nine long-range goals he originally expressed in his February 1999 state-of-the-state message. Those goals include:

- * Increasing Oklahoma's per capita personal income to that of the national average by 2025;
- * Reducing the size and cost of government;
- * Raising Oklahoma students' ACT scores to above the national average by 2005;
- * Encouraging one-third of all Oklahomans to earn a college degree by 2010;
- * Cutting the divorce rate by one-third by 2010;
- * Reducing out of wedlock births by one-third by 2010;
- * Cutting child abuse and neglect by one-half by 2010;
- * Reducing drug abuse by one-half by 2010;
- * Building and improving Oklahoma's infrastructure.

FOR THE FUTURE

The State continues to aggressively research and pursue solutions to improve the State's competitive economic performance and the quality of life for its citizens. Economic growth in rural Oklahoma has seriously lagged behind both state and national averages over the past 15 years.

The State is seeking to encourage new business development, and its Quality Jobs program, providing tax credits for creating new jobs in basic industries, has helped Oklahoma win the location of several new branch plants within its borders. However, more progress is needed.

Approaches under consideration included targeted tax reforms designed to spur entrepreneurship and new business development, further developing our educational system, reducing the cost of worker's compensation insurance and enactment of a right-to-work law. At the same time, the Governor is proposing a series of programs designed to preserve our rural economic and physical infrastructure in order to build a base for future revitalization.

While the State strives to strengthen it's financial position, Oklahoma remains committed to maintaining public safety and providing a "safety net" for the less fortunate. To be successful, such a program will require a fresh look at how the State provides services. Building upon the work of the Governor's Commission on Government Performance, the State will consider the sale of assets, privatization of functions and programs, elimination of unneeded or excessive services, and reforms in purchasing and personnel policies.

FINANCIAL INFORMATION

Internal Controls

Management of the State of Oklahoma is responsible for the establishment and maintenance of internal accounting controls that have been designed to ensure assets are safeguarded and financial transactions are properly recorded and adequately documented. Such internal controls require estimates and judgments from management so that, in attaining reasonable assurance as to the adequacy of such controls, the cost does not exceed the benefit obtained.

General Governmental Functions

Most financial operations of the State are reported in governmental fund types, which are the General Fund and Capital Projects Fund. Following are schedules of revenues and expenditures for these governmental funds. Note that the following tables present data according to generally accepted accounting principles for the fiscal year ended June 30, 2000, while previous tables have presented budgetary data for this and later periods. Transfers are primarily from the General Fund to support public institutions of higher education.

Budget and Fiscal Policy

The budget process begins when each agency that expends money through the state treasury, except the legislature, submits an annual budget request to the Office of State Finance (OSF). Copies are also provided to the legislative fiscal staffs. These requests are reviewed and analyzed for the Governor by OSF. The Governor then makes formal recommendations in his "Executive Budget" which is presented to the legislature on the first day of the legislative session. During the legislative session, legislative committees review agency needs and appropriations made for state agency operations during the ensuing fiscal year. Prior to encumbering or spending money in the fiscal year, each agency submits a Budget Work Program to OSF. In this document the agency outlines, by object of expenditure, fund source, and program category, how they plan to spend the various resources available to them.

Oklahoma's Constitution restricts total appropriations to 95% of estimated general revenues. The Board of Equalization is responsible for approving the official itemized estimate of revenues, based upon information provided by the Office of State Finance and the Oklahoma Tax Commission. The Board is comprised of six elected officials: the Governor, the State Auditor and Inspector, the State Treasurer, the Lieutenant Governor, the Attorney General, and the Superintendent of Public Instruction, as well as the President of the State Board of Agriculture.

The Constitution requires that collections in excess of the Board of Equalization's itemized estimate of General Revenue Fund revenues be deposited to the "Rainy Day Fund" each year until the balance of the Rainy Day Fund equals 10% of the prior fiscal year's General Revenue Fund certified appropriations authority. Up to one-half of the July 1 balance each year may be appropriated upon emergency declaration by the Governor with concurrence of two-thirds of the House and Senate, or by a declaration of an emergency by the Speaker of the House and President-Pro Tempore of the Senate with concurrence of three-fourths of the members of each house.

The State also has an oversight process for the issuance of debt. The Executive and Legislative Bond Oversight Commissions jointly review and approve all debt issued by the State, its agencies and public trusts, and perform an assessment of all capital leases.

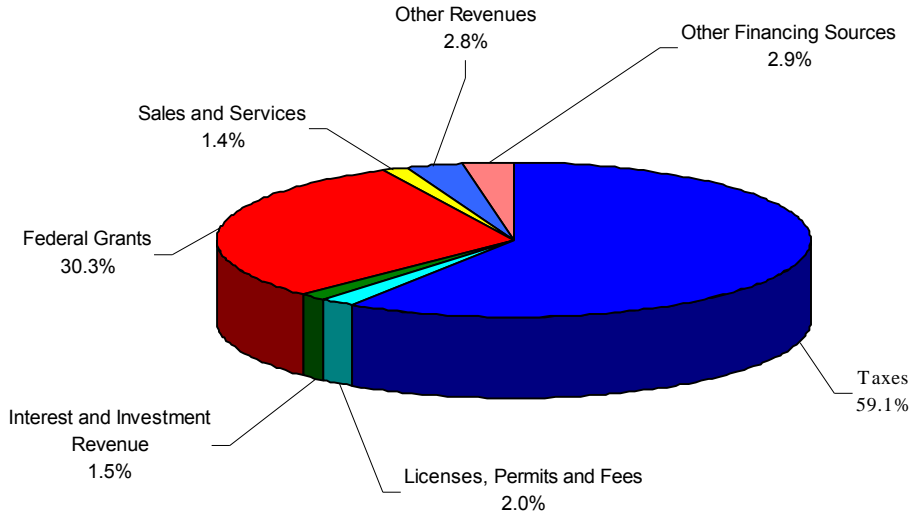
Governmental Funds: Revenues and Other Financing Sources - GAAP Basis
(expressed in millions)

	2000 Amount	Percentage of Total	Increase (Decrease) from Prior Year	Percentage Increase (Decrease)
Taxes	\$ 5,533	59.1%	\$ 188	3.5%
Licenses, permits and fees	184	2.0%	2	1.1%
Interest and investment revenue	138	1.5%	21	17.9%
Federal grants	2,842	30.3%	211	8.0%
Sales and services	135	1.4%	14	11.6%
Other revenues	261	2.8%	19	7.9%
Other financing sources:				
Operating transfers	65	0.7%	23	54.8%
Bond and note proceeds	192	2.1%	(120)	(38.5%)
Other	12	0.1%	(1)	(7.7%)
Total revenues and other financing sources	<u>\$ 9,362</u>	<u>100.00%</u>	<u>\$ 357</u>	

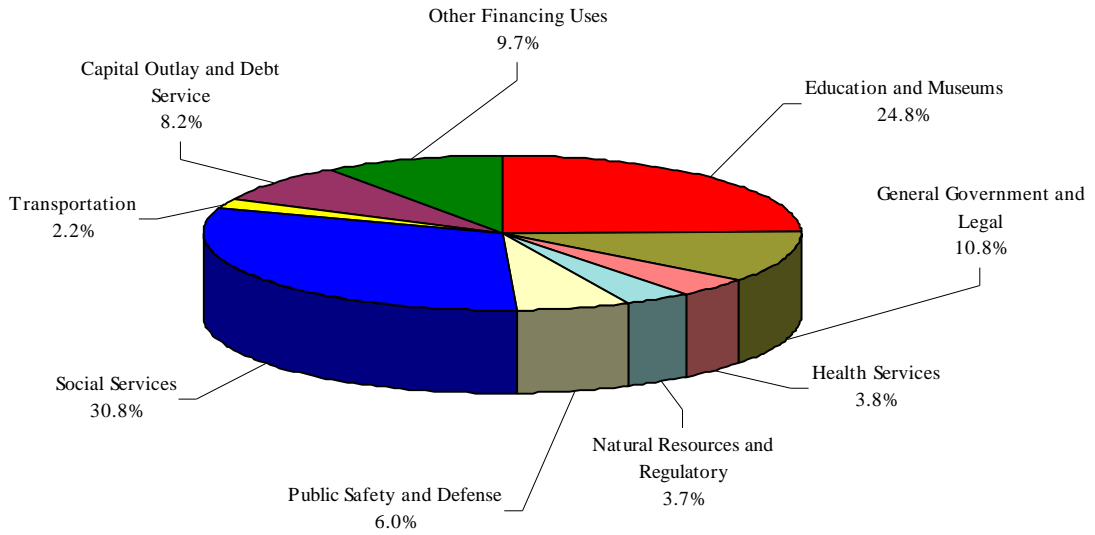
Governmental Funds: Expenditures and Other Financing Uses - GAAP Basis
(expressed in millions)

	2000 Amount	Percentage of Total	Increase (Decrease) from Prior Year	Percentage Increase (Decrease)
Education	\$ 2,255	24.7%	\$ 42	1.9%
General government	828	9.1%	59	7.7%
Health services	343	3.8%	6	1.8%
Legal and judiciary	151	1.7%	7	4.9%
Museums	13	0.1%	(5)	(27.8%)
Natural resources	183	2.0%	(65)	(26.2%)
Public safety and defense	552	6.0%	65	13.3%
Regulatory services	158	1.7%	21	15.3%
Social services	2,819	30.8%	157	5.9%
Transportation	203	2.2%	43	26.9%
Capital outlay	667	7.3%	(84)	(11.2%)
Debt service	85	0.9%	16	23.2%
Operating transfers	883	9.7%	(2)	(0.2%)
Total expenditures and other financing uses	<u>\$ 9,140</u>	<u>100.00%</u>	<u>\$ 260</u>	2.9%
Governmental Funds - Net increase in fund balance	<u>\$ 222</u>			

**Governmental Fund Revenues and
Other Financing Sources (GAAP Basis) - Fiscal Year 2000**



**Governmental Funds Expenditures and
Other Financing Uses (GAAP Basis) - Fiscal Year 2000**



Revenue Collections and Estimates

As noted in a preceding subsection, the budget is prepared using cash available plus 95% of the itemized revenue estimate as approved by the State Board of Equalization. It should be noted that taxes deposited into the budgetary General Revenue Fund (GRF), as defined by Oklahoma law, are approximately 74% of the total tax revenues of the governmental funds, as defined by generally accepted accounting principles. However, the budgetary GRF should not be confused with the General Fund as presented in the accompanying GAAP-basis financial statements, as the two terms are not interchangeable. For example, the GAAP-basis General Fund includes revenues deposited to the State Transportation Fund, federal grant proceeds, revolving fund revenues, fees and charges as well as other money used in the general operations of government which are not considered in the Board of Equalization's estimates of tax revenues.

Receipts from three of the four major taxes exceeded revenues of the prior year while income tax revenue decreased, producing a combined total of \$3.7 billion, or 85% of total GRF receipts. The total of major taxes collected was \$155 million, or 4.4% above that of the prior year, an indication of increased business activity.

As compared to fiscal 1999, collections from income taxes decreased by \$33.9 million, or 1.6%; sales taxes increased by \$5.6 million, or 0.5%; motor vehicle taxes increased by \$20.2 million, or 7.1%; and gross production taxes on gas increased by \$162.6 million, or 197%.

Oklahoma has established an enviable record in recent years in its revenue forecasting results. Since enactment of a constitutional amendment in 1985 establishing new revenue estimating procedures, collections have exceeded the estimate in eight years and dipped below the estimate seven years, with actual collections averaging 100.7% of the estimate over the period. The comparison of estimated revenues to actual collections for fiscal 2000 is as follows:

Revenue Collections Compared to Itemized Estimate for Fiscal 2000
(expressed in millions)

	Itemized Estimate	Actual Collections	Over (Under) Estimate	Percentage Collected
Individual and Corporate				
Income tax	\$ 2,062.0	\$ 1,990.9	\$ (71.1)	96.6%
Sales tax	1,166.7	1,163.1	(3.6)	99.7%
Motor vehicle tax	297.3	304.7	7.4	102.5%
Gross production tax	171.7	245.1	73.4	142.7%
Subtotal Major Taxes	3,697.7	3,703.8	6.1	100.2%
Other sources	573.7	650.2	76.5	113.3%
Total	\$ 4,271.4	\$ 4,354.0	\$ 82.6	101.9%

The fifteen-year comparative history of estimated to actual collections is shown in the following table.

Budgetary General Revenue Fund Comparisons
(expressed in millions)

Fiscal Year	Itemized Estimate	Actual Collections	Over (Under) Estimate	Percentage Collected
1986	\$ 2,456.6	\$ 2,271.3	\$ (185.3)	92.5%
1987	\$ 2,166.7	\$ 2,070.0	\$ (96.7)	95.5%
1988	\$ 2,319.8	\$ 2,397.8	\$ 78.0	103.4%
1989	\$ 2,499.8	\$ 2,600.6	\$ 100.8	104.0%
1990	\$ 2,661.2	\$ 2,735.1	\$ 73.9	102.8%
1991	\$ 3,034.4	\$ 3,109.5	\$ 75.1	102.5%
1992	\$ 3,213.9	\$ 3,161.2	\$ (52.7)	98.4%
1993	\$ 3,365.2	\$ 3,258.9	\$ (106.3)	96.8%
1994	\$ 3,398.5	\$ 3,341.5	\$ (57.0)	98.3%
1995	\$ 3,515.3	\$ 3,512.6	\$ (2.7)	99.9%
1996	\$ 3,613.6	\$ 3,705.0	\$ 91.4	102.5%
1997	\$ 3,531.0	\$ 3,777.7	\$ 246.7	107.0%
1998	\$ 3,866.4	\$ 4,009.3	\$ 142.9	103.7%
1999	\$ 4,185.6	\$ 4,147.5	\$ (38.1)	99.1%
2000	\$ 4,271.4	\$ 4,354.0	\$ 82.6	101.9%
Fifteen-Year Average	\$ 3,206.6	\$ 3,230.1	\$ 23.5	100.7%

The status of three important fund balances affecting the new year's fiscal picture is explained below:

Cash-Flow Reserve Fund - At the close of fiscal 2000 the State set aside \$424.2 million to meet anticipated monthly cash-flow needs for the new fiscal year. The new total amounted to 10% of the GRF certified appropriation level, an increase of 1/2 percentage point above the prior year.

The **General Revenue Fund's** fiscal 2000 cash carryover available to the next Legislature was \$85.5 million, compared with \$116.2 million in the prior year. The carryover funds reflect the difference between the 95% appropriation limit and actual receipts up to 100% of the estimate. Funds required to replenish or increase the cash-flow reserve fund also come from this source.

Constitutional Reserve "Rainy Day Fund" - At the start of each fiscal year, collections that exceed the estimate for the preceding year are automatically deposited in the Rainy Day Fund until the total balance equals 10% of the prior year's certified appropriation authority for the General Revenue Fund. On July 1, 2000, this fund had a balance of \$157.5 million.

Proprietary Operations

The State's proprietary operations are comprised of governmental agencies and quasi-governmental agencies providing goods and/or services to the public on a user charge basis. These activities are financed and operated in a manner similar to private business enterprises. They operate with the intent to recover the costs of operations from those directly benefiting from the goods or services. Some of the activities included in the State's proprietary operations are power generating plants, turnpikes, medical services, and insurance and financing services for both public and private entities.

Cash Management

State law requires full collateralization of all State Treasurer bank balances. Generally, the Treasurer promulgates rules that establish the amount of collateral that must be pledged against deposits. However, component units of the State reporting entity may have collateralization policies that differ from those of the State Treasurer. The State Treasurer is required to keep at least 80% of available cash invested.

Debt Administration

The authority of the State to incur debt is described in Article X, Section 25, of the Oklahoma Constitution. In 1987 the State created the Executive Bond Oversight Commission and the Legislative Bond Oversight Commission. The commissions meet jointly to review all proposed debt issuances. Both commissions must approve each financing plan before obligations are issued. The legislation that created the bond oversight commissions also created the position of State Bond Advisor, who advises the commissions, and must approve the pricing and fees associated with any debt issuance.

General obligation bonds are backed by the full faith and credit of the State, including the State's power to levy additional taxes to ensure repayment of the debt. Accordingly, all general obligation debt currently outstanding was approved by a vote of the citizens. The general obligation bonds of the State are rated "Aa3" by Moody's Investors Service and "AA" by both Standard & Poor's Corporation and Fitch Investors Service. Prior to a 1993 general obligation bond program, except for refunding bonds, the State last issued general obligation bonds in 1968. Certain maturities of those bonds were advance refunded in 1977. As of June 30, 2000, the outstanding general obligation net debt of the State of Oklahoma was \$300 million. This figure excludes the self-supporting taxable bonds of the Oklahoma Industrial Finance Authority, which are secured by the repayment of loans made to private businesses. State revenues have never been required to support debt service payments on these obligations.

Various agencies, trusts, and authorities issue revenue bonds on behalf of the State of Oklahoma, and these obligations are supported solely by the revenues of the issuing entities.

Risk Management and Insurance

In general, the State is "self-insured" for health care claims, workers' compensation, tort liability, vehicle liability, and property losses, with some exceptions for participation in health maintenance organizations and for excess coverage items. The property loss excess coverage is limited to a maximum loss of \$1 billion. The Oklahoma State and Education Employees' Group Insurance Board provides group health, life, dental and disability benefits to the State's employees and certain other eligible participants. The State Insurance Fund provides workers' compensation coverage for both public and private sector employees in Oklahoma.

CERTIFICATE OF ACHIEVEMENT

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the State of Oklahoma for its comprehensive annual financial report (CAFR) for the fiscal year ended June 30, 1999. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of a state and local government financial report.


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. The CAFR must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. The State of Oklahoma has received a Certificate of Achievement for the last four consecutive years. We believe our current report continues to conform to the Certificate of Achievement program requirements, and we are submitting it to the GFOA.

ACKNOWLEDGMENTS

The Office of State Finance is pleased to recognize and commend the efforts of the numerous individuals across the State who made this Comprehensive Annual Financial Report possible. Questions or requests for additional information related to this report can be directed to our office at (405) 521-2141.

Respectfully submitted,



Tom Daxon
Director of State Finance



Mark A. Meadors
State Comptroller

[Click here to view certificate.](#)

CERTIFICATE OF ACHIEVEMENT FOR EXCELLENCE IN FINANCIAL REPORTING

SELECTED OKLAHOMA STATE OFFICIALS

June 30, 2000

LEGISLATIVE BRANCH

Senate
Stratton Taylor
President Pro Tempore

House of Representatives
Lloyd L. Benson
Speaker of the House

EXECUTIVE BRANCH

Governor
Frank Keating

Lieutenant Governor
Mary Fallin

* Secretary of State
Mike Hunter

State Auditor and Inspector
Clifton Scott

Attorney General
Drew Edmondson

State Treasurer
Robert Butkin

Superintendent of
Public Instruction
Sandy Garrett

Commissioner of Labor
Brenda Reneau

Commissioner of Insurance
Carroll Fisher

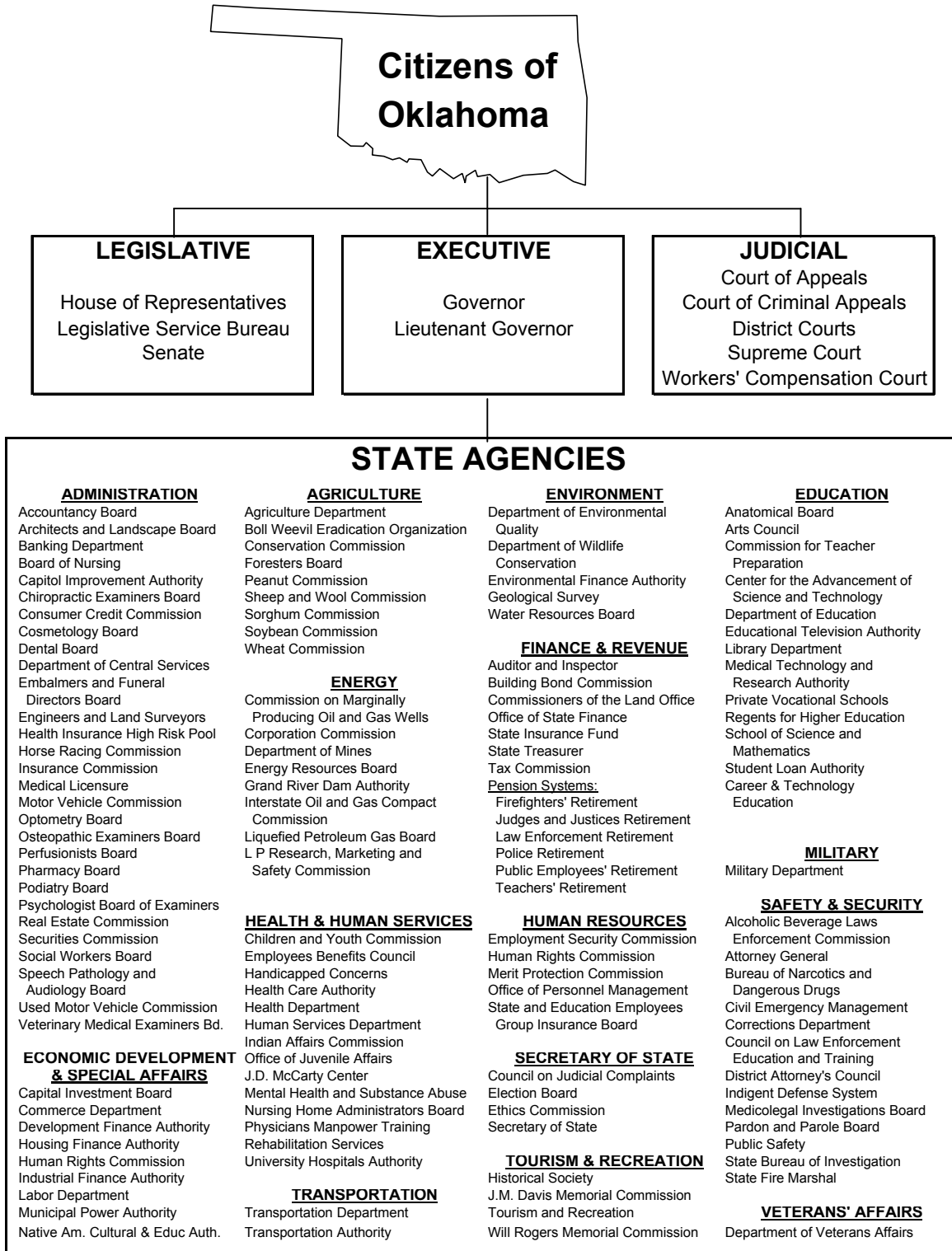
Commissioners of the
Corporation Commission
Bob Anthony
Ed Apple
Denise Bode

JUDICIAL BRANCH

* State Supreme Court
Hardy Summers
Chief Justice

* Court of Criminal Appeals
Reta M. Strubhar
Presiding Judge

* Appointed Position



FINANCIAL SECTION

FINANCIAL SECTION

INDEPENDENT AUDITORS REPORT

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General Purpose Financial Statements

General Purpose Financial Statements

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Combined Balance Sheet
All Fund Types, Account Groups and
Discretely Presented Component Units
 June 30, 2000
 (with comparative totals for June 30, 1999)
 (expressed in thousands)

	Governmental Fund Types		Proprietary Fund Type	Fiduciary Fund Type
	General	Capital Projects	Enterprise - Oklahoma Water Resources Board	Trust and Agency
Assets and Other Debits				
Assets				
Cash/Cash Equivalents	\$ 1,975,203	\$ 5,229	\$ 74,119	\$ 791,183
Investments	163,149	0	70,707	1,228,412
Securities Lending Investments	661,335	0	0	0
Accounts Receivable	22,149	0	0	1,873
Interest and Investment Revenue Receivable	19,468	28	5,983	9,954
Employer Contributions Receivable	0	0	0	0
Employee Contributions Receivable	0	0	0	0
Other Contributions Receivable	0	0	0	0
Federal Grants Receivable	342,584	186	428	157
Taxes Receivable	143,914	0	0	1,877
Lease Payments Receivable	81,754	0	0	0
Other Receivables	26	0	0	3,037
Notes and Loans Receivable	0	0	329,416	0
Due from Brokers	0	0	0	0
Due from Other Funds	0	0	0	551
Due from Component Units	50,381	0	0	213
Due from Primary Government	0	0	0	0
Inventory	42,293	0	0	4,647
Prepaid Items	23,260	0	0	0
Fixed Assets, Net	0	0	194	0
Other Assets	3,152	0	1,063	6,475
Total Assets	3,528,668	5,443	481,910	2,048,379
Other Debits				
Amount Available for Debt Service	0	0	0	0
Amount to Be Provided For				
Retirement of Debt	0	0	0	0
Compensated Absences	0	0	0	0
Capital Leases	0	0	0	0
Certificates of Participation	0	0	0	0
Claims and Judgments	0	0	0	0
Pension Obligation	0	0	0	0
Total Other Debits	0	0	0	0
Total Assets and Other Debits	\$ 3,528,668	\$ 5,443	\$ 481,910	\$ 2,048,379

The Notes to the Financial Statements are an integral part of this statement.

Account Groups		Total Primary Government		Total Reporting Entity		
General Fixed Assets	General Long-Term Debt	(Memorandum Only)		Component Units	(Memorandum Only)	
		2000	1999		2000	1999
\$ 0	\$ 0	\$ 2,845,734	\$ 2,554,278	\$ 1,714,423	\$ 4,560,157	\$ 3,546,306
0	0	1,462,268	1,407,189	16,624,221	18,086,489	17,191,382
0	0	661,335	0	1,939,925	2,601,260	690,913
0	0	24,022	26,648	191,222	215,244	226,547
0	0	35,433	32,116	96,940	132,373	128,600
0	0	0	0	13,637	13,637	14,062
0	0	0	0	14,106	14,106	14,625
0	0	0	0	947	947	852
0	0	343,355	343,979	1,275	344,630	344,907
0	0	145,791	133,835	0	145,791	133,835
0	0	81,754	37,290	1,380	83,134	72,507
0	0	3,063	3,273	1,470	4,533	3,454
0	0	329,416	305,441	964,287	1,293,703	1,198,339
0	0	0	0	315,065	315,065	201,458
0	0	551	217	107,070	107,621	115,457
0	0	50,594	48,887	2,001	52,595	50,204
0	0	0	0	66,844	66,844	12,311
0	0	46,940	47,515	53,870	100,810	98,705
0	0	23,260	29,139	13,571	36,831	42,522
1,022,681	0	1,022,875	981,583	3,463,350	4,486,225	4,117,739
0	0	10,690	10,486	330,267	340,957	358,220
<u>1,022,681</u>	<u>0</u>	<u>7,087,081</u>	<u>5,961,876</u>	<u>25,915,871</u>	<u>33,002,952</u>	<u>28,562,945</u>
0	76,150	76,150	27,794	0	76,150	27,794
0	789,251	789,251	687,154	0	789,251	687,154
0	113,217	113,217	112,816	0	113,217	112,816
0	7,327	7,327	9,238	0	7,327	9,238
0	3,759	3,759	5,141	0	3,759	5,141
0	0	0	3,638	172,506	172,506	170,557
0	1,818	1,818	1,983	0	1,818	1,983
<u>0</u>	<u>991,522</u>	<u>991,522</u>	<u>847,764</u>	<u>172,506</u>	<u>1,164,028</u>	<u>1,014,683</u>
<u>\$ 1,022,681</u>	<u>\$ 991,522</u>	<u>\$ 8,078,603</u>	<u>\$ 6,809,640</u>	<u>\$ 26,088,377</u>	<u>\$ 34,166,980</u>	<u>\$ 29,577,628</u>

(continued)

Combined Balance Sheet
All Fund Types, Account Groups and
Discretely Presented Component Units
June 30, 2000
(with comparative totals for June 30, 1999)
(expressed in thousands)

(continued)	Governmental Fund Types		Proprietary Fund Type	Fiduciary Fund Type
	General	Capital Projects	Enterprise - Oklahoma Water Resources Board	Trust and Agency
Liabilities, Fund Equity and Other Credits				
Liabilities				
Accounts Payable and Accrued Liabilities	\$ 488,471	\$ 245	\$ 1,557	\$ 45
Payable Under Securities				
Lending Agreements	661,335	0	0	0
Claims and Judgments	32,889	0	0	0
Interest Payable	8,532	0	3,867	0
Tax Refunds Payable	0	0	0	6,850
Due to Brokers	0	0	0	0
Due to Other Funds	551	0	0	0
Due to Component Units	73,254	0	0	0
Due to Primary Government	0	0	0	0
Due to Others	52,929	0	0	161,327
Deferred Revenue	151,714	0	0	5,628
Pension Obligation	0	0	0	0
Capital Leases	0	0	0	0
Capital Leases - OCIA	0	0	0	0
Compensated Absences	0	0	55	0
Benefits in the Process of Payment	0	0	0	0
Notes Payable	1,263	0	3,478	0
General Obligation Bonds	25	0	0	0
Revenue Bonds	0	0	261,555	0
Certificates of Participation	0	0	0	0
Other Liabilities	0	3	3,292	0
Total Liabilities	1,470,963	248	273,804	173,850
Fund Equity and Other Credits				
Investment in General Fixed Assets	0	0	0	0
Contributed Capital	0	0	0	0
Retained Earnings				
Reserved - Debt Service	0	0	16,238	0
Unreserved	0	0	191,868	0
Fund Balances				
Reserved				
Encumbrances	334,384	921	0	0
Inventory/Prepaid Items	65,285	0	0	0
Unemployment Benefits	0	0	0	583,171
Debt Service	76,149	0	0	0
Preservation of Wildlife	0	0	0	43,823
Employees Pension Benefits	0	0	0	54,943
External Investment Pool Participants	0	0	0	5,408
Permanent Trust	0	0	0	1,051,023
Undistributed Revenue	0	0	0	136,161
Other Special Purposes	850	0	0	0
Unreserved				
Designated for Cash Flow Reserve Fund	424,153	0	0	0
Designated for Rainy Day Fund	74,958	0	0	0
Designated for Other Special Purposes	0	0	0	0
Undesignated	1,081,926	4,274	0	0
Total Fund Equity and Other Credits	2,057,705	5,195	208,106	1,874,529
Total Liabilities, Fund Equity and Other Credits	\$ 3,528,668	\$ 5,443	\$ 481,910	\$ 2,048,379

The Notes to the Financial Statements are an integral part of this statement.

Account Groups		Total Primary Government			Total Reporting Entity		
General Fixed Assets	General Long-Term Debt	(Memorandum Only)		Component Units	(Memorandum Only)		
		2000	1999		2000	1999	
\$ 0	\$ 0	\$ 490,318	\$ 469,351	\$ 193,086	\$ 683,404	\$ 623,201	
0	0	661,335	0	1,939,925	2,601,260	690,913	
0	0	32,889	36,351	745,107	777,996	759,882	
0	0	12,399	10,180	67,484	79,883	77,346	
0	0	6,850	4,592	0	6,850	4,592	
0	0	0	0	742,124	742,124	91,889	
0	0	551	217	107,070	107,621	99,650	
0	0	73,254	28,014	2,001	75,255	29,331	
0	0	0	0	49,737	49,737	48,050	
0	0	214,256	192,389	33,155	247,411	221,987	
0	0	157,342	167,230	114,577	271,919	283,106	
0	1,818	1,818	1,983	0	1,818	1,983	
0	7,327	7,327	9,238	21,033	28,360	26,639	
0	0	0	0	45,397	45,397	0	
0	113,217	113,272	112,816	56,765	170,037	163,333	
0	0	0	0	75,089	75,089	76,019	
0	36,508	41,249	40,894	166,148	207,397	120,119	
0	300,100	300,125	309,315	94,666	394,791	404,192	
0	528,793	790,348	646,147	3,436,453	4,226,801	4,205,560	
0	3,759	3,759	5,141	0	3,759	5,141	
0	0	3,295	1,727	97,526	100,821	69,938	
0	991,522	2,910,387	2,035,585	7,987,343	10,897,730	8,002,871	
1,022,681	0	1,022,681	981,583	1,621,541	2,644,222	2,520,340	
0	0	0	0	19,253	19,253	22,596	
0	0	16,238	17,243	0	16,238	17,243	
0	0	191,868	179,648	749,419	941,287	939,499	
0	0	335,305	234,239	0	335,305	234,239	
0	0	65,285	72,151	0	65,285	72,151	
0	0	583,171	598,444	0	583,171	598,444	
0	0	76,149	27,794	0	76,149	27,794	
0	0	43,823	41,564	0	43,823	41,564	
0	0	54,943	46,245	14,934,188	14,989,131	13,776,874	
0	0	5,408	6,501	0	5,408	6,501	
0	0	1,051,023	931,156	0	1,051,023	931,156	
0	0	136,161	132,171	0	136,161	132,171	
0	0	850	850	0	850	850	
0	0	424,153	385,498	0	424,153	385,498	
0	0	74,958	149,859	0	74,958	149,859	
0	0	0	0	808,535	808,535	775,013	
0	0	1,086,200	969,109	(31,902)	1,054,298	942,965	
1,022,681	0	5,168,216	4,774,055	18,101,034	23,269,250	21,574,757	
\$ 1,022,681	\$ 991,522	\$ 8,078,603	\$ 6,809,640	\$ 26,088,377	\$ 34,166,980	\$ 29,577,628	

Combined Statement of Revenues, Expenditures
and Changes in Fund Balances
All Governmental Fund Types, Expendable Trust Fund and
Discretely Presented Governmental Component Unit
For the Fiscal Year Ended June 30, 2000
(with comparative totals for June 30, 1999)
(expressed in thousands)

	Governmental Fund Types		Fiduciary Fund Type
	General	Capital Projects	Expendable Trust - Employment Security Commission
Revenues			
Taxes	\$ 5,532,814	\$ 0	\$ 62,735
Licenses, Permits and Fees	184,433	0	0
Interest and Investment Revenue	138,228	380	38,597
Federal Grants	2,839,666	2,865	5,783
Sales and Services	134,692	0	0
Other	260,975	0	6
Total Revenues	9,090,808	3,245	107,121
Expenditures			
Current			
Education	2,255,004	0	0
General Government	827,654	0	0
Health Services	342,768	0	0
Legal and Judiciary	150,855	0	0
Museums	13,239	0	0
Natural Resources	182,695	0	0
Public Safety and Defense	552,450	0	0
Regulatory Services	158,248	0	0
Social Services	2,818,497	0	122,394
Transportation	203,257	0	0
Capital Outlay	661,619	5,039	0
Debt Service			
Principal Retirement	46,465	0	0
Interest and Fiscal Charges	38,844	0	0
Total Expenditures	8,251,595	5,039	122,394
Revenues in Excess of (Less Than) Expenditures	839,213	(1,794)	(15,273)
Other Financing Sources (Uses)			
Operating Transfers In	5,469	0	0
Operating Transfers from Component Units	59,199	177	0
Operating Transfers from Primary Government	0	0	0
Operating Transfers Out	(2,045)	(27)	0
Operating Transfers to Component Units	(879,667)	(1,563)	0
Bond Proceeds	191,340	0	0
Note Proceeds	300	0	0
Capital Leases and Certificates of Participation	1,167	0	0
Sale of General Fixed Assets	10,663	0	0
Total Other Financing Sources (Uses)	(613,574)	(1,413)	0
Revenue and Other Sources in Excess of (Less Than) Expenditures and Other Uses	225,639	(3,207)	(15,273)
Fund Balances - Beginning of Year (as restated)	1,832,066	8,402	598,444
Fund Balances - End of Year	\$ 2,057,705	\$ 5,195	\$ 583,171

The Notes to the Financial Statements are an integral part of this statement.

Total Primary Government		Governmental Component Unit	Total Reporting Entity	
(Memorandum Only)		Multiple Injury Trust Fund	(Memorandum Only)	
2000	1999		2000	1999
\$ 5,595,549	\$ 5,412,243	\$ 0	\$ 5,595,549	\$ 5,412,243
184,433	181,759	0	184,433	181,759
177,205	157,743	0	177,205	157,743
2,848,314	2,634,803	0	2,848,314	2,634,803
134,692	121,276	0	134,692	121,276
260,981	243,201	0	260,981	243,201
9,201,174	8,751,025	0	9,201,174	8,751,025
2,255,004	2,212,851	0	2,255,004	2,212,851
827,654	769,015	0	827,654	769,015
342,768	336,737	0	342,768	336,737
150,855	144,376	0	150,855	144,376
13,239	17,609	0	13,239	17,609
182,695	247,916	0	182,695	247,916
552,450	487,375	0	552,450	487,375
158,248	137,221	22,372	180,620	159,572
2,940,891	2,790,483	0	2,940,891	2,790,483
203,257	160,375	0	203,257	160,375
666,658	750,451	0	666,658	750,451
46,465	34,996	0	46,465	34,996
38,844	33,628	0	38,844	33,628
8,379,028	8,123,033	22,372	8,401,400	8,145,384
822,146	627,992	(22,372)	799,774	605,641
5,469	8,261	0	5,469	8,261
59,376	33,400	0	59,376	33,400
0	0	16,614	16,614	18,074
(2,072)	(682)	0	(2,072)	(682)
(881,230)	(884,477)	0	(881,230)	(884,477)
191,340	310,087	0	191,340	310,087
300	2,163	0	300	2,163
1,167	3,354	0	1,167	3,354
10,663	9,879	0	10,663	9,879
(614,987)	(518,015)	16,614	(598,373)	(499,941)
207,159	109,977	(5,758)	201,401	105,700
2,438,912	2,328,935	(26,144)	2,412,768	2,307,068
\$ 2,646,071	\$ 2,438,912	\$ (31,902)	\$ 2,614,169	\$ 2,412,768

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Combined Statement of Revenues, Expenditures
and Changes in Fund Balance
Budget to Actual (Non-GAAP Budgetary Basis)
General Fund
For the Fiscal Year Ended June 30, 2000
(expressed in thousands)

	Budgetary General Fund		
	Final Budget	Actual	Variance
Revenues			
Taxes	\$ 4,315,182	\$ 4,335,216	\$ 20,034
Licenses, Permits and Fees	44,436	46,078	1,642
Interest and Investment Revenue	85,559	113,597	28,038
Local Receipts and Reimbursements	25,933	26,501	568
Other	22,849	63,884	41,035
Total Revenues	4,493,959	4,585,276	91,317
Expenditures			
Education	141,001	130,696	(10,305)
General Government	121,072	114,372	(6,700)
Health Services	173,638	168,615	(5,023)
Legal and Judiciary	108,440	103,479	(4,961)
Museums	8,195	7,890	(305)
Natural Resources	73,538	71,823	(1,715)
Public Safety and Defense	464,129	457,029	(7,100)
Regulatory Services	24,189	23,364	(825)
Social Services	152,494	149,541	(2,953)
Total Expenditures	1,266,696	1,226,809	(39,887)
Revenues in Excess of Expenditures	3,227,263	3,358,467	131,204
Other Financing Sources (Uses)			
Operating Transfers In	151,091	518,240	367,149
Operating Transfers Out	(1,206,958)	(1,206,958)	0
Intra Agency Transfers to Continuing Funds	(2,504,554)	(2,504,554)	0
Total Other Financing Sources (Uses)	(3,560,421)	(3,193,272)	367,149
Revenue and Other Sources in Excess of Expenditures and Other Uses	(333,158)	165,195	498,353
Budgetary Fund Balance - Beginning of Year	669,165	669,165	0
Budgetary Fund Balance - End of Year	\$ 336,007	\$ 834,360	\$ 498,353

The Notes to the Financial Statements are an integral part of this statement.

Combined Statement of Revenues, Expenses
and Changes in Retained Earnings/Fund Balances
Proprietary Fund Type, Nonexpendable Trust Funds and
Discretely Presented Proprietary Component Units
For the Fiscal Year Ended June 30, 2000
(with comparative totals for June 30, 1999)
(expressed in thousands)

	Proprietary Fund Type	Fiduciary Fund Type
	Enterprise - Oklahoma Water Resources Board	Nonexpendable Trusts
Operating Revenues		
Licenses, Permits and Fees	\$ 0	\$ 2,208
Sales and Services	0	71
Interest and Investment Revenue	20,865	176,033
Rental Revenue	0	8,633
Sale of Investments	0	3,253
Other	0	305
Total Operating Revenues	<u>20,865</u>	<u>190,503</u>
Operating Expenses		
Operations and Maintenance of Facilities	0	0
Losses and Loss Expense	0	0
Administrative and General Expense	2,493	3,906
Interest Expense	12,637	0
Depreciation Expense	60	0
Benefit Payments and Refunds	0	41,511
Total Operating Expenses	<u>15,190</u>	<u>45,417</u>
Operating Income	<u>5,675</u>	<u>145,086</u>
Nonoperating Revenues (Expenses)		
Interest and Investment Revenue	106	0
Other Nonoperating Revenues	5,166	0
Interest Expense	0	0
Amortization of Losses and Discounts	0	0
Other Nonoperating Expenses	0	0
Total Nonoperating Revenues (Expenses)	<u>5,272</u>	<u>0</u>
Income (Loss) Before Operating Transfers	10,947	145,086
Operating Transfers In	2,045	0
Operating Transfers from Primary Government	0	0
Operating Transfers Out	(808)	(4,633)
Operating Transfers to Component Units	0	(14,337)
Operating Transfers to Primary Government	0	0
Costs to be Recovered from Future Revenues	0	0
Net Income (Loss)	<u>12,184</u>	<u>126,116</u>
Retained Earnings/Fund Balances - Beginning of Year (as restated)	195,922	1,104,891
Retained Earnings/Fund Balances - End of Year	<u>\$ 208,106</u>	<u>\$ 1,231,007</u>

The Notes to the Financial Statements are an integral part of this statement.

Total Primary Government		Component Units		Total Reporting Entity	
(Memorandum Only)		Proprietary		(Memorandum Only)	
2000	1999			2000	1999
\$ 2,208	\$ 2,181	\$ 0	\$ 2,208	\$ 2,181	
71	71	860,480	860,551	845,722	
196,898	135,378	34,253	231,151	161,431	
8,633	8,838	0	8,633	8,838	
3,253	762	0	3,253	762	
305	79	36,276	36,581	9,060	
<u>211,368</u>	<u>147,309</u>	<u>931,009</u>	<u>1,142,377</u>	<u>1,027,994</u>	
0	0	249,486	249,486	249,513	
0	0	132,604	132,604	118,249	
6,399	3,959	64,397	70,796	65,294	
12,637	9,430	18,355	30,992	25,759	
60	0	80,908	80,968	83,173	
41,511	40,452	346,360	387,871	339,125	
<u>60,607</u>	<u>53,841</u>	<u>892,110</u>	<u>952,717</u>	<u>881,113</u>	
<u>150,761</u>	<u>93,468</u>	<u>38,899</u>	<u>189,660</u>	<u>146,881</u>	
106	0	80,729	80,835	149,075	
5,166	20,239	61,717	66,883	57,549	
0	0	(137,139)	(137,139)	(132,357)	
0	0	(16,283)	(16,283)	(16,999)	
0	0	(60,833)	(60,833)	(43,267)	
<u>5,272</u>	<u>20,239</u>	<u>(71,809)</u>	<u>(66,537)</u>	<u>14,001</u>	
<u>156,033</u>	<u>113,707</u>	<u>(32,910)</u>	<u>123,123</u>	<u>160,882</u>	
2,045	12	0	2,045	12	
0	0	59,942	59,942	68,425	
(5,441)	(7,591)	0	(5,441)	(7,591)	
(14,337)	(13,899)	0	(14,337)	(13,899)	
0	0	(33,113)	(33,113)	(32,172)	
0	0	(4,351)	(4,351)	(1,400)	
<u>138,300</u>	<u>92,229</u>	<u>(10,432)</u>	<u>127,868</u>	<u>174,257</u>	
<u>1,300,813</u>	<u>1,208,584</u>	<u>759,851</u>	<u>2,060,664</u>	<u>1,886,407</u>	
<u>\$ 1,439,113</u>	<u>\$ 1,300,813</u>	<u>\$ 749,419</u>	<u>\$ 2,188,532</u>	<u>\$ 2,060,664</u>	

Combined Statement of Cash Flows
Proprietary Fund Type, Nonexpendable Trust Funds and
Discretely Presented Proprietary Component Units
For the Fiscal Year Ended June 30, 2000
(with comparative totals for June 30, 1999)
(expressed in thousands)

	Proprietary Fund Type	Fiduciary Fund Types
	Enterprise - Oklahoma Water Resources Board	Nonexpendable Trusts
Cash Flows from Operating Activities		
Operating Income	\$ 5,675	\$ 145,086
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities		
Depreciation Expense	60	0
Amortization (Accretion) and Other Noncash Expenses	1,298	104
Other	0	0
Reclassification of Investment Income	0	(158,555)
Net Appreciation in Fair Value of Investments	0	(63,197)
Decrease (Increase) in Assets		
Accounts Receivable	264	0
Interest and Investment Revenue Receivable	(770)	0
Interfund Receivable	0	8
Inventory	0	0
Prepaid Items	0	0
Long-Term Notes Receivable	0	0
Other Current Assets	(13)	0
Other Noncurrent Assets	0	0
Increase (Decrease) in Liabilities		
Accounts Payable and Accrued Liabilities	69	0
Claims and Judgments	0	0
Interest Payable	534	0
Deferred Revenue	0	(28)
Other Current Liabilities	78	0
Due to Primary Government	0	0
Other Noncurrent Liabilities	0	0
Net Cash Provided (Used) by Operating Activities	<u>7,195</u>	<u>(76,582)</u>
Cash Flows from Noncapital Financing Activities		
Proceeds from Bonds and Notes Payable	2,294	0
Federal Grants and Other Contributions	5,060	0
Operating Transfers In	2,045	0
Operating Transfers from Primary Government	0	0
Operating Transfers Out	(808)	(4,633)
Operating Transfers to Component Units	0	(14,337)
Operating Transfers to Primary Government	0	0
Principal Paid on Bonds and Notes Payable	(17,675)	0
Other Increases	0	0
Other Decreases	(46)	0
Net Cash Provided (Used) by Noncapital Financing Activities	<u>\$ (9,130)</u>	<u>\$ (18,970)</u>

The Notes to the Financial Statements are an integral part of this statement.

Total Primary Government		Component Units		Total Reporting Entity	
(Memorandum Only)		Proprietary		(Memorandum Only)	
2000	1999			2000	1999
\$ 150,761	\$ 93,468	\$ 38,899	\$ 189,660	\$ 146,881	
60	0	80,908	80,968	83,173	
1,402	38	4,887	6,289	1,654	
0	0	1,023	1,023	338	
(158,555)	(127,893)	0	(158,555)	(127,893)	
(63,197)	(19,617)	0	(63,197)	(19,617)	
264	(9,811)	(115)	149	(5,472)	
(770)	(379)	(3,502)	(4,272)	239	
8	(16)	0	8	(16)	
0	0	(972)	(972)	(2,520)	
0	0	384	384	(773)	
0	0	(97,008)	(97,008)	(45,791)	
(13)	(13)	131	118	284	
0	0	33,318	33,318	3,643	
69	212	19,002	19,071	18,569	
0	0	12,638	12,638	(44,723)	
534	529	1,430	1,964	557	
(28)	8	582	554	(3,308)	
78	0	390	468	432	
0	0	1,658	1,658	1,638	
0	(417)	1,432	1,432	1,773	
(69,387)	(63,891)	95,085	25,698	9,068	
2,294	76,991	89,880	92,174	136,706	
5,060	32,950	0	5,060	32,950	
2,045	12	0	2,045	12	
0	0	59,942	59,942	68,425	
(5,441)	(7,591)	0	(5,441)	(7,591)	
(14,337)	(13,899)	0	(14,337)	(13,899)	
0	0	(33,113)	(33,113)	(32,172)	
(17,675)	(21,210)	(40,511)	(58,186)	(39,767)	
0	0	307	307	350	
(46)	0	(1,428)	(1,474)	(989)	
\$ (28,100)	\$ 67,253	\$ 75,077	\$ 46,977	\$ 144,025	

(continued)

Combined Statement of Cash Flows
Proprietary Fund Type, Nonexpendable Trust Funds and
Discretely Presented Proprietary Component Units
For the Fiscal Year Ended June 30, 2000
(with comparative totals for June 30, 1999)
(expressed in thousands)

(continued)

	Proprietary Fund Type	Fiduciary Fund Types
	Enterprise - Oklahoma Water Resources Board	Nonexpendable Trusts
Cash Flows from Capital and Related Financing Activities		
Proceeds from Bonds and Notes Payable	\$ 0	\$ 0
Payments for Acquisitions of Fixed Assets	(101)	0
Principal Paid on Bonds, Notes, and Capital Leases	0	0
Interest Paid on Bonds, Notes, and Capital Leases	0	0
Increase (Decrease) in Payable Under Security Lending Agreement	0	0
Other Capital and Related Financing Activity	0	0
Net Cash (Used) by Capital and Related Financing Activities	<u>(101)</u>	<u>0</u>
Cash Flows from Investing Activities		
Interest and Investment Revenue	94	112,836
Fees Paid Under Security Lending Agreement	0	0
Increase (Decrease) in Security Lending Investment Pool	0	0
Proceeds from Sale and Maturity of Investments	13,822	743,499
Principal Received from Notes Receivable	37,543	235
Payments to Purchase Investments	0	(759,662)
Payments to Issue Notes Receivable	(61,515)	0
Net Cash Provided (Used) by Investing Activities	<u>(10,056)</u>	<u>96,908</u>
Net Increase (Decrease) in Cash/Cash Equivalents	<u>(12,092)</u>	<u>1,356</u>
Cash/Cash Equivalents - Beginning of Year	<u>86,211</u>	<u>41,657</u>
Cash/Cash Equivalents - End of Year	<u>\$ 74,119</u>	<u>\$ 43,013</u>

Reconciliation of Cash/Cash Equivalents to Combined Balance Sheet

Cash/Cash Equivalents per Combining Balance Sheets:

Expendable Trusts	\$ 580,765
Nonexpendable Trusts	43,013
Investment Trust	5,377
Pension Trusts	0
Agency Funds	162,028
Governmental Component Unit	
Proprietary Component Units	
Fiduciary Component Units	
Higher Education Component Unit	
Total	<u>\$ 791,183</u>

Noncash Capital and Related Financing Activities

Accepted bonds as payment on note
Receipt of land in lieu of construction commitment

The Notes to the Financial Statements are an integral part of this statement.

Total Primary Government		Component Units		Total Reporting Entity	
(Memorandum Only)		Proprietary		(Memorandum Only)	
2000	1999			2000	1999
\$ 0	\$ 0	\$ 2,661	\$ 2,661	\$ 681,118	
(101)	0	(281,995)	(282,096)	(87,073)	
0	0	(64,287)	(64,287)	(62,533)	
0	0	(137,553)	(137,553)	(113,315)	
0	0	21,380	21,380	(67,537)	
0	0	508	508	854	
(101)	0	(459,286)	(459,387)	351,514	
112,930	98,377	125,007	237,937	186,732	
0	0	(6,487)	(6,487)	(7,476)	
0	0	(21,380)	(21,380)	67,537	
757,321	515,264	1,681,298	2,438,619	2,192,956	
37,778	39,324	3,517	41,295	45,264	
(759,662)	(575,743)	(1,470,504)	(2,230,166)	(2,852,553)	
(61,515)	(79,190)	(3,382)	(64,897)	(92,163)	
86,852	(1,968)	308,069	394,921	(459,703)	
(10,736)	1,394	18,945	8,209	44,904	
127,868	126,474	186,382	314,250	269,346	
\$ 117,132	\$ 127,868	\$ 205,327	\$ 322,459	\$ 314,250	

\$ 94
205,327
995,611
513,391
\$ 1,714,423

\$ 990
1,890

Combined Statement of Changes in Plan Net Assets
Investment Trust Fund, Pension Trust Fund and
Discretely Presented Fiduciary Component Units
For the Fiscal Year Ended June 30, 2000
(with comparative totals for June 30, 1999)
(expressed in thousands)

	Investment Trust	Pension Trust Fund Wildlife Conservation Retirement Plan
Additions		
Contributions		
Employer Contributions	\$ 0	\$ 1,200
Employee Contributions	0	335
Other Contributions	5,157	0
Total Contributions	<u>5,157</u>	<u>1,535</u>
Investment Income		
Net Appreciation in Fair Value of Investments	0	8,367
Investment and Interest Revenue	350	0
	<u>350</u>	<u>8,367</u>
Less Investment Expense	0	0
Net Investment Income	<u>350</u>	<u>8,367</u>
Other Revenue	0	0
Total Additions	<u>5,507</u>	<u>9,902</u>
Deductions		
Administrative and General Expenses	0	314
Payments and Refunds	6,600	890
Total Deductions	<u>6,600</u>	<u>1,204</u>
Net Increase	(1,093)	8,698
Net Assets Held in Trust		
Beginning of Year	<u>6,501</u>	<u>46,245</u>
End of Year	<u>\$ 5,408</u>	<u>\$ 54,943</u>

The Notes to the Financial Statements are an integral part of this statement.

Total Primary Government (Memorandum Only)		Component Units Fiduciary Funds Pension Trusts		Total Primary Government (Memorandum Only)	
2000	1999			2000	1999
\$ 1,200	\$ 1,200	\$ 305,785	\$ 306,985	\$ 323,652	
335	327	275,309	275,644	267,714	
5,157	11,414	219,456	224,613	200,388	
<u>6,692</u>	<u>12,941</u>	<u>800,550</u>	<u>807,242</u>	<u>791,754</u>	
8,367	3,362	994,350	1,002,717	918,827	
350	649	495,237	495,587	428,317	
<u>8,717</u>	<u>4,011</u>	<u>1,489,587</u>	<u>1,498,304</u>	<u>1,347,144</u>	
0	0	114,096	114,096	81,845	
<u>8,717</u>	<u>4,011</u>	<u>1,375,491</u>	<u>1,384,208</u>	<u>1,265,299</u>	
0	0	0	0	0	
<u>15,409</u>	<u>16,952</u>	<u>2,176,041</u>	<u>2,191,450</u>	<u>2,057,053</u>	
314	369	8,244	8,558	7,998	
7,490	30,744	964,238	971,728	938,336	
<u>7,804</u>	<u>31,113</u>	<u>972,482</u>	<u>980,286</u>	<u>946,334</u>	
7,605	(14,161)	1,203,559	1,211,164	1,110,719	
52,746	66,907	13,730,629	13,783,375	12,672,656	
<u>\$ 60,351</u>	<u>\$ 52,746</u>	<u>\$ 14,934,188</u>	<u>\$ 14,994,539</u>	<u>\$ 13,783,375</u>	

Combined Statement of Changes in Fund Balances
Component Unit - Higher Education Funds
For the Fiscal Year Ended June 30, 2000
(with comparative totals for June 30, 1999)
(expressed in thousands)

	Current Funds	
	Unrestricted	Restricted
Revenues and Other Additions		
Unrestricted Current Fund Revenues	\$ 989,779	\$ 0
Endowment Income	0	4,693
Federal Grants and Contracts	0	285,657
State and Local Grants and Contracts	0	47,172
Private Gifts, Grants and Contracts	0	91,772
Auxiliary Enterprises	0	66
Investment and Interest Revenue	0	1,551
Retirement of Indebtedness	0	0
Expended for Plant Facilities	0	0
Bond Proceeds	0	0
Other	0	5,238
Total Revenues and Other Additions	989,779	436,149
Expenditures and Other Deductions		
Education and General Expenditures	1,208,765	437,715
Auxiliary Enterprises	251,151	31
Professional Practice Plans and Clinics	227,837	0
Expended for Plant Facilities	0	0
Indirect Cost Recoveries	0	23,801
Cancellation of Student Loans	0	0
Administrative and Collection Costs	0	0
Interest on Indebtedness	0	0
Retirement of Equipment	0	0
Retirement of Indebtedness	0	0
Disposal of Plant Facilities	0	0
Depreciation and Amortization	0	0
Other	0	0
Total Expenditures and Other Deductions	1,687,753	461,547
Transfers Among Funds - Additions (Deductions)		
Mandatory Transfers		
Principal and Interest	(17,820)	0
Loan Fund Matching Grant	(484)	0
Other	1,875	(1,875)
Nonmandatory	(6,492)	(2,774)
Operating Transfers from Primary Government	738,114	37,166
Total Transfers Among Funds	715,193	32,517
Net Increase in Fund Balances	17,219	7,119
Fund Balances - Beginning of Year (as restated)	326,802	84,064
Fund Balances - End of Year	\$ 344,021	\$ 91,183

The Notes to the Financial Statements are an integral part of this statement.

Loan Funds	Endowment Funds	Plant Funds	Total (Memorandum Only)	
			2000	1999
\$ 0	\$ 0	\$ 0	\$ 989,779	\$ 835,284
0	0	0	4,693	3,737
568	0	0	286,225	277,075
76	0	4,676	51,924	48,793
7	2,925	10,988	105,692	103,791
0	0	0	66	3,721
1,636	5,350	7,763	16,300	31,786
0	0	12,858	12,858	16,978
0	0	187,267	187,267	178,836
0	0	0	0	3,406
1,676	11,423	21,318	39,655	16,394
<u>3,963</u>	<u>19,698</u>	<u>244,870</u>	<u>1,694,459</u>	<u>1,519,801</u>
2	10,813	0	1,657,295	1,561,792
0	0	0	251,182	236,245
0	0	0	227,837	128,586
0	0	134,032	134,032	100,644
0	0	0	23,801	23,372
1,974	0	5	1,979	4,474
117	0	0	117	53
0	0	17,929	17,929	14,143
0	0	64	64	5,128
0	0	13,310	13,310	21,751
0	0	9,732	9,732	14,900
0	0	54,567	54,567	52,087
(911)	36	7,451	6,576	9,921
<u>1,182</u>	<u>10,849</u>	<u>237,090</u>	<u>2,398,421</u>	<u>2,173,096</u>
0	0	18,014	194	151
196	0	0	(288)	197
0	0	0	0	0
157	(72)	9,205	24	(504)
0	15,031	30,027	820,338	800,827
<u>353</u>	<u>14,959</u>	<u>57,246</u>	<u>820,268</u>	<u>800,671</u>
3,134	23,808	65,026	116,306	147,376
50,842	198,024	1,654,038	2,313,770	2,166,394
<u>\$ 53,976</u>	<u>\$ 221,832</u>	<u>\$ 1,719,064</u>	<u>\$ 2,430,076</u>	<u>\$ 2,313,770</u>

Combined Statement of Current Funds, Revenues,
Expenditures and Other Changes
Component Unit - Higher Education Funds
For the Fiscal Year Ended June 30, 2000
(with comparative totals for June 30, 1999)
(expressed in thousands)

	Current Funds		Total Current Funds	
	Unrestricted	Restricted	2000	1999
Revenues				
Tuition and Fees	\$ 295,225	\$ 0	\$ 295,225	\$ 274,277
Federal Appropriations	10,188	0	10,188	9,088
Federal Grants and Contracts	19,485	269,112	288,597	281,969
State and Local Grants and Contracts	13,990	44,357	58,347	46,434
Private Gifts, Grants and Contracts	39,754	77,950	117,704	115,104
Investment and Interest Revenue	3,888	356	4,244	5,654
Endowment Income	3,549	4,859	8,408	6,770
Sales and Services				
Educational Department	27,715	0	27,715	21,474
Auxiliary Enterprises	255,738	66	255,804	244,265
Professional Practice Plans and Clinics	234,129	0	234,129	140,618
Other Sources	86,118	5,352	91,470	74,830
Total Revenues	989,779	402,052	1,391,831	1,220,483
Expenditures and Mandatory Transfers				
Educational and General				
Instruction	560,138	47,000	607,138	581,093
Research	61,114	113,153	174,267	162,143
Public Service	52,921	61,306	114,227	105,734
Academic Support	160,603	3,297	163,900	146,766
Student Services	61,438	50,753	112,191	111,858
Institutional Support	151,172	21,448	172,620	144,600
Operation/Maintenance of Plant	109,018	53	109,071	108,583
Scholarships and Fellowships	52,361	140,705	193,066	191,711
Education and General Expenditures	1,208,765	437,715	1,646,480	1,552,488
Mandatory Transfers				
Principal and Interest	6,842	0	6,842	6,041
Loan Fund Matching Grant	203	0	203	216
Other	(1,875)	1,875	0	0
Total Education and General	1,213,935	439,590	1,653,525	1,558,745
Auxiliary Enterprises				
Mandatory Transfers	251,151	31	251,182	236,245
Principal and Interest	10,978	0	10,978	10,284
Loan Fund Matching Grant	281	0	281	126
Total Auxiliary Enterprises	\$ 262,410	\$ 31	\$ 262,441	\$ 246,655

The Notes to the Financial Statements are an integral part of this statement.

	Current Funds		Total Current Funds	
	Unrestricted	Restricted	2000	1999
Professional Practice Plans and Clinics	\$ 227,837	\$ 0	\$ 227,837	\$ 128,586
Mandatory Transfers	0	0	0	0
Total Professional Practice Plans and Clinics	227,837	0	227,837	128,586
Total Expenditures and Mandatory Transfers	1,704,182	439,621	2,143,803	1,933,986
Other Transfers and Additions (Deductions)				
Restricted Receipts in Excess of				
Transfers to Revenues	0	10,296	10,296	9,146
Refunded to Grantors	0	0	0	(171)
Nonmandatory	(6,492)	(2,774)	(9,266)	(17,517)
Operating Transfers from Primary Government	738,114	37,166	775,280	761,921
Other Transfers and Additions, Net	731,622	44,688	776,310	753,379
Net Increase in Fund Balances	\$ 17,219	\$ 7,119	\$ 24,338	\$ 39,876

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Notes to the Financial Statements

Notes to the Financial Statements

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NOTES TO THE FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED JUNE 30, 2000

Note 1. Summary of Significant Accounting Policies

The accompanying financial statements of the State of Oklahoma (the "State") have been prepared in conformity with generally accepted accounting principles as prescribed by the Governmental Accounting Standards Board. The financial statements of the Higher Education Component Unit are based on the American Institute of Certified Public Accountants College Guide model.

The accompanying financial statements present the financial position of the various fund types and account groups, the results of operations of the various fund types, and the cash flows of the proprietary and nonexpendable trust funds. The financial statements are presented as of June 30, 2000, and for the year then ended. The financial statements include the various agencies, boards, commissions, public trusts and authorities and any other organizational units governed by the Oklahoma State Legislature and/or Constitutional Officers of the State of Oklahoma.

A. Reporting Entity

The State has considered all potential component units for which it is financially accountable and other organizations for which the nature and significance of their relationship with the State are such that exclusion would cause the State's financial statements to be misleading or incomplete. The Governmental Accounting Standards Board has set forth criteria to be considered in determining financial accountability. These criteria include appointing a voting majority of an organization's governing body and (1) the ability of the State to impose its will on that organization or (2) the potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the State. Local school districts (the State's support of the public education system is reported in the General Fund) and other local authorities of various kinds that may meet only one of the criteria for inclusion in this report have not been included.

As required by generally accepted accounting principles, these financial statements present the State of Oklahoma (the primary government) and its component units.

Discrete Component Units

These component units are entities which are legally separate from the State, but are financially accountable to the State, or whose relationships with the State are such that exclusion would cause the State's financial statements to be misleading or incomplete. The Component Units columns of the combined financial statements include the financial data of the following entities.

Governmental Component Unit

A separately issued independent audit report may be obtained from the Office of State Finance, 2300 North Lincoln Blvd., Suite 122, Oklahoma City, Oklahoma 73105, or the component unit's office at the address presented on the description page of the combining financial statement section of this report.

Multiple Injury Trust Fund provides additional compensation to a worker with a pre-existing injury who suffers a second injury. The State can impose its will on the Fund by its ability to remove management at will. The Fund was audited by other independent auditors for the period ended December 31, 1999, and their report, dated July 19, 2000, has been previously issued under separate cover.

Proprietary Component Units

Separately issued independent audit reports may be obtained from the Office of State Finance, 2300 North Lincoln Blvd., Suite 122, Oklahoma City, Oklahoma 73105, or the respective proprietary component units at the addresses presented on the description page of the combining financial statement section of this report.

Oklahoma Industrial Finance Authority assists with the State's industrial development by making loans to authorized industrial development agencies or trusts and new or expanding industries within Oklahoma. These loans are secured by first or second mortgages on real estate and equipment. The Authority's loans are financed by issuance of general obligation bonds. The Board of Directors is comprised of seven members appointed by the Governor, with the advice and consent of the Senate. The State can impose its will on the Authority by its ability to veto or modify the Authority's decisions. The Authority was audited by other independent auditors for the year ended June 30, 2000, and their report, dated August 25, 2000, has been previously issued under separate cover.

Health Insurance High Risk Pool (HIHRP) provides health insurance to individuals who are unable to obtain coverage from independent insurers. HIHRP is financed by assessments levied on independent insurers. The Board consists of nine members appointed by the Insurance Commissioner. The State can impose its will on the Pool by its ability to modify the decisions of the Board. The Pool was audited by other independent auditors for the year ended June 30, 2000, and their report, dated October 18, 2000, has been previously issued under separate cover.

State Insurance Fund (SIF) provides a source for workers' compensation insurance for all public and private employers within the state and operates similarly to an insurance company. SIF is financed through employer premiums. The Board of Managers is comprised of nine members: The Director of State Finance, the Lieutenant Governor, the State Auditor (or their designees), the Director of Central Services, and appointees by the Governor, Speaker of the House of Representatives, and the President Pro Tempore of the Senate. The State can impose its will on the Fund by its ability to remove board members at will. The Fund was audited by other independent auditors for the year ended December 31, 1999, and their report, dated March 3, 2000, has been previously issued under separate cover.

State and Education Employees Group Insurance Board provides group health, life, dental, disability and other benefits to active employees and retirees of the State and certain other eligible participants. The Board is financed through employer and employee premiums. The Board consists of eight members: the State Insurance Commissioner, the Director of State Finance, and appointees by the Governor, the Speaker of the House of Representatives, and the President Pro Tempore of the Senate. A financial benefit/burden relationship exists between the State and the Board. The Board was audited by other independent auditors for the year ended June 30, 2000, and their report, dated October 27, 2000, has been previously issued under separate cover.

Oklahoma Student Loan Authority provides loan funds to qualified persons at participating educational institutions through the issuance of tax-exempt revenue bonds or other debt obligations. The Authority is composed of five members appointed by the Governor, with the advice and consent of the Senate. The State can impose its will on the Authority by its ability to veto or modify the Authority's decisions. The Authority was audited by other independent auditors for the year ended June 30, 2000, and their report, dated September 15, 2000, has been previously issued under separate cover.

University Hospitals Authority consists of The University Hospital and Children's Hospital of Oklahoma, and their related clinics and other services. The Authority is affiliated with the University of Oklahoma Health Sciences Center whose medical school residents and staff provide patient care, in-service education, and certain administrative duties for the benefit of the Authority. The Authority is governed by a six-member board consisting of appointees of the Governor, Speaker of the House of Representatives, and the President Pro Tempore of the Senate, and officials from the state Medicaid Program, the University of Oklahoma Health Sciences Center and the Authority. A financial benefit/burden relationship exists between the State and the Authority. The Authority was audited by other independent auditors for the year ended June 30, 2000, and their report, dated July 28, 2000, has been previously issued under separate cover.

Medical Technology and Research Authority is authorized to promote and assist the development of medical technology and research benefiting the citizens of Oklahoma. The Authority obtains funds through parking revenue, lease revenue, and other services. The Authority is directed by an eight-member board. The two ex officio members include the President of the University of Oklahoma and the Chief Executive Officer of The University Hospitals, or their designees. Of the remaining members, two are appointed by the Governor and one is appointed by each of the following: Speaker of the House of Representatives, President Pro Tempore of the Senate, President of the University of Oklahoma and the Director of the Department of Human Services. The State can impose its will on the Authority by its ability to modify or approve changes the Authority makes to its fees. The Authority was audited by the State Auditor and Inspector for the year ended June 30, 2000, and their report, dated August 22, 2000, has been previously issued under separate cover.

Oklahoma Development Finance Authority provides financing for both public and private entities in the state. The Authority obtains funds through the issuance of bonds and notes. Private entities qualifying for financing are generally agricultural, civic, educational, health care, industrial, or manufacturing enterprises. Financing is also provided to governmental agencies and instrumentalities of the State. The Governing Board is comprised of seven members, of which five are appointed by the Governor, with the advice and consent of the Senate, plus the Director of the Department of Commerce and the State Treasurer. The State can impose its will on the Authority by its ability to veto or modify the Authority's decisions. The Authority was audited by other independent auditors for the year ended June 30, 2000, and their report, dated September 1, 2000, has been previously issued under separate cover.

Oklahoma Environmental Finance Authority provides public and private entities financing for facilities necessary or useful to abate, control, and reduce air and water pollution. The Authority obtains funds through the issuance of bonds and notes. The three Trustees of the Authority are appointed by the Governor. The State can impose its will on the Authority by its ability to remove trustees at will. The Authority was audited by other independent auditors for the year ended June 30, 2000, and their report, dated August 2, 2000, has been previously issued under separate cover.

Oklahoma Housing Finance Agency is authorized to issue revenue bonds and notes in order to provide funds to promote the development of residential housing and other economic development for the benefit of citizens. In addition, the Agency administers Section 8 Housing Assistance Payments Programs for the U.S. Department of Housing and Urban Development. The Board of Trustees consists of five members appointed by the Governor. The State can impose its will on the Agency by its ability to veto or modify the Agency's decisions. The Agency was audited by other independent auditors for the year ended September 30, 1999, and their report, dated December 17, 1999, has been previously issued under separate cover.

Oklahoma Transportation Authority constructs, maintains, repairs, and operates turnpike projects at locations authorized by the Legislature and approved by the State Department of Transportation. The Authority receives its revenues from turnpike tolls and a percentage of turnpike concession sales. The Authority issues revenue bonds to finance turnpike projects. The Authority consists of the Governor and six members appointed by the Governor, with the advice and consent of the Senate. The State can impose its will on the Authority by its ability to veto or modify the Authority's decisions. The Authority was audited by other independent auditors for the year ended December 31, 1999, and their report, dated March 15, 2000, has been previously issued under separate cover.

Grand River Dam Authority controls the waters of the Grand River system to develop and generate water power and electric energy, and to promote irrigation, conservation and development of natural resources. The Authority produces and distributes electrical power for sale to customers primarily located in northeastern Oklahoma. The customers consist of rural electric cooperatives, municipalities, industries and off-system sales. The Board of Directors consists of seven members appointed by the Governor, with the advice and consent of the Senate. The State can impose its will on the Authority by its ability to veto or modify the Authority's decisions. The Authority was audited by other independent auditors for the year ended December 31, 1999, and their report, dated March 10, 2000, has been previously issued under separate cover.

Oklahoma Municipal Power Authority provides a means for the municipal electric systems in the state to jointly plan, finance, acquire, and operate electrical power supply facilities. Facilities are financed through the issuance of revenue bonds, which are approved by the State's Bond Oversight Commission. Exclusion of the component unit would cause the State's financial statements to be misleading or incomplete. The Authority was audited by other independent auditors for the year ended December 31, 1999, and their report, dated February 8, 2000, has been previously issued under separate cover.

Fiduciary Component Units

Separately issued independent audit reports may be obtained from the Office of State Finance, 2300 North Lincoln Blvd., Suite 122, Oklahoma City, Oklahoma 73105, or the respective fiduciary component units at the addresses presented on the description page of the combining financial statement section of this report.

The six Public Employee Retirement Systems (PERS) administer pension funds for the State and its political subdivisions. The six PERS are subject to state legislative and executive controls and the administrative expenses are subject to legislative budget controls.

Oklahoma Firefighters Pension and Retirement System provides retirement benefits for municipal firefighters. The System is administered by a board comprised of thirteen members: The President of the Professional Fire Fighters of Oklahoma, the President of the Oklahoma State Retired Fire Fighters Association, the State Insurance Commissioner, the Director of State Finance (or their designees), the five members of the Board of Trustees of the Oklahoma Firefighters Association, and appointees by the Speaker of the House of Representatives, the President Pro Tempore of the Senate, and the President of the Oklahoma Municipal League. The System was audited by other independent auditors for the year ended June 30, 2000, and their report, dated August 4, 2000, has been previously issued under separate cover.

Oklahoma Law Enforcement Retirement System provides retirement benefits for qualified law enforcement officers. The System is administered by a board comprised of thirteen members: The Assistant Commissioner of Public Safety, the Director of State Finance (or his designee), members of the Department of Public Safety, the Oklahoma State Bureau of Investigation, the Oklahoma State Bureau of Narcotics and Dangerous Drugs Control, and the Alcoholic Beverage Laws Enforcement Commission, and appointees by the Governor, the Speaker of the House of Representatives, the President Pro Tempore of the Senate. The System was audited by other independent auditors for the year ended June 30, 2000, and their report, dated September 20, 2000, has been previously issued under separate cover.

Oklahoma Public Employees Retirement System administers the Oklahoma Public Employee Retirement Plan which provides retirement benefits for state, county and local employees. The board is comprised of thirteen members: The Chairman of the Corporation Commission, the Administrator of the Office of Personnel Management, the State Insurance Commissioner, the Director of State Finance (or their designees), a member of the State Tax Commission, and appointees by the Governor, the Speaker of the House of Representatives, and the President Pro Tempore of the Senate. The System was audited by other independent auditors for the year ended June 30, 2000, and their report, dated September 22, 2000, has been previously issued under separate cover.

Uniform Retirement System for Justices and Judges is administered by the Oklahoma Public Employee Retirement System and provides retirement benefits for justices and judges. The System was audited by other independent auditors for the year ended June 30, 2000, and their report, dated September 22, 2000, has been previously issued under separate cover.

Oklahoma Police Pension and Retirement System provides retirement benefits for police officers employed by participating municipalities. The System is administered by a board comprised of thirteen members: Seven members elected from the seven Districts, the Director of State Finance, the State Insurance Commissioner (or their designees) and appointees by the Governor, the Speaker of the House of Representatives, the President Pro Tempore of the Senate, and the President of the Oklahoma Municipal League. The System was audited by other independent auditors for the year ended June 30, 2000, and their report, dated September 1, 2000, has been previously issued under separate cover.

Teachers' Retirement System of Oklahoma provides retirement allowances and benefits for qualified persons employed by state-supported educational institutions. The System is administered by a board consisting of the Superintendent of Public Instruction, the Director of the State Department of Vocational and Technical Education, the Director of State Finance (or their designees), and appointees by the Governor, with the advice and consent of the Senate, the President Pro Tempore of the Senate, and the Speaker of the House of Representatives. The System was audited by other independent auditors for the year ended June 30, 2000, and their report, dated August 15, 2000, has been previously issued under separate cover.

Higher Education Component Unit

Separately issued independent audit reports for each college, university, or other included entity may be obtained from the Office of State Finance, 2300 North Lincoln Blvd., Suite 122, Oklahoma City, Oklahoma 73105.

This component unit is primarily comprised of the twenty-five colleges and universities that are members of the Oklahoma State System of Higher Education (the System). Each institution in the System is governed by a Board of Regents. The Boards of Regents consist of five to ten members appointed by the Governor, with the advice and consent of the Senate. The State can impose its will on each institution by its ability to modify and approve their budget and its ability to approve fee changes. The colleges and universities are funded through state appropriations, tuition, federal grants, and private donations and grants. Also included in the Higher Education Component Unit are the following entities.

Oklahoma State Regents for Higher Education serves as the coordinating board of control for the System. The Board of Regents for Higher Education consists of nine members appointed by the Governor, with the advice and consent of the Senate. The State can impose its will on the State Regents for Higher Education by its ability to modify and approve their budget.

Board of Regents of Oklahoma Colleges has legislative powers and duties to manage, supervise, and control operation of the six regional state universities which are the University of Central Oklahoma, East Central University, Northeastern State University, Northwestern Oklahoma State University, Southeastern Oklahoma State University, and Southwestern Oklahoma State University. The Board consists of nine members appointed by the Governor, with the advice and consent of the Senate. The State can impose its will on the Board of Regents by its ability to modify and approve their budget.

Ardmore Higher Education Program and **McCurtain County Higher Education Program** were established to make higher education available to those persons who might otherwise not be able to attend an institution of higher learning. Students enrolled in the Programs earn credit applicable toward academic degrees and certificates at participating institutions in the System. Each Program is administered by a Board of Trustees who are appointed by the Governor, with the advice and consent of the Senate. The State can impose its will on the Programs by its ability to modify and approve their budget.

Rose State College Technical Area Education District, South Oklahoma City Area School District, and Tulsa Community College Area School District #18 were created to provide postsecondary vocational, technical, and adult education programs for persons within their defined geographical boundaries. The primary source of operating funds is ad valorem taxes assessed against real property located in their districts. The Districts are component units of Rose State College, Oklahoma City Community College, and Tulsa Community College, respectively.

The entities included in the Higher Education Component Unit were audited by independent auditors, for the year ended June 30, 2000, and reports dated from August 16, 2000, to November 27, 2000, have been previously issued under separate cover. Because these entities are similar in nature and function, they have been combined and presented as a single component unit.

Related Organizations and Related Parties

Organizations for which a primary government is accountable because the State appoints a voting majority of the board, but is not financially accountable, are considered to be related organizations. The Oklahoma Ordinance Works Authority (OOWA) is a related organization of the State. The State appoints a voting majority of the Trustees of OOWA but has no further accountability.

Oklahoma Education Television Authority Foundation, Inc. is a non-profit organization established to receive private donations and contributions that could be used for the benefit of the Oklahoma Education Television Authority (OETA), a part of the primary government. The Foundation does not meet the definition of a component unit but is considered a related party of OETA. During the fiscal year ended June 30, 2000, the foundation disbursed approximately \$4,000,000 for the benefit of OETA.

The colleges and universities included in the Higher Education Component Unit have various foundations organized for the purpose of receiving and administering gifts intended for the benefit of their respective college or university. These foundations do not meet the definition of a component unit but are considered a related party of the college or university. During the fiscal year ended June 30, 2000, these foundations expended, on-behalf of the State's colleges and universities, approximately \$61,023,000 for facilities and equipment, salary supplements, general educational assistance, faculty awards, and scholarships.

B. Fund Accounting

The financial activities of the State are recorded in individual Funds classified by type, each of which is deemed to be a separate accounting entity. The State uses fund accounting to report on its financial position and results of operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities.

A Fund is a separate accounting entity with a self-balancing set of accounts. An Account Group is a financial reporting device designed to provide accountability for assets and liabilities that are not recorded in Funds because they do not directly affect net expendable available financial resources.

The financial activities of the State reported in the accompanying financial statements have been classified into the following fund types and account groups.

1. Governmental Fund Types

General Fund - This Fund accounts for all activities of the State not specifically required to be accounted for in other Funds. Included are transactions for services such as education, general government, health services, legal and judiciary, museums, natural resources, public safety and defense, regulatory services, social services, and transportation. Debt service transactions and related cash balances are reported in the General Fund with a reservation of fund balance for debt service.

Capital Projects Fund - This Fund accounts for financial resources used for the acquisition, construction, or improvement of major capital facilities other than those financed by proprietary funds, similar trust funds, or higher education funds. These resources are derived from proceeds of the general obligation bonds issued on March 9, 1993, and July 21, 1993.

2. Proprietary Fund Type

Enterprise Fund - This Fund accounts for those activities for which the intent of management is to recover, primarily through user charges, the cost of providing goods or services to the general public, or where sound financial management dictates that periodic determinations of results of operations are appropriate. This Fund is comprised of Oklahoma Water Resources Board and the Department of Environmental Quality bond issues and revolving loan programs. These programs make loans to local government units for the acquisition, development, and utilization of storage and control facilities for water and sewage systems.

3. Fiduciary Fund Types

The State presents as Fiduciary Funds those activities that account for assets held in a trustee capacity or as an agent for individuals, private organizations, other governmental units, and/or other Funds.

Nonexpendable Trust Funds - These Funds require that the principal of the trusts be preserved intact. Only the earnings of the Funds are expendable. They account for trust transactions, assets, liabilities, and fund equity of the Commissioners of the Land Office and the Department of Wildlife Conservation.

Expendable Trust Fund - This Fund allows for the spending of both the principal and earnings of the Trust. The Fund accounts for assets received and expended by the Oklahoma Employment Security Commission, from the Federal Unemployment Insurance Trust Fund.

Investment Trust Fund - This Fund accounts for the transactions, assets, liabilities and fund equity of the external investment pool.

Pension Trust Fund - This Fund accounts for the transactions, assets, liabilities, and fund equity of the Wildlife Conservation Retirement Plan.

Agency Funds - These Funds account for the assets held for distribution by the State as an agent for other governmental units, other organizations or individuals.

4. Account Groups

General Fixed Assets Account Group - This group of accounts is used to account for fixed assets acquired or constructed for general governmental purposes other than those of the proprietary, similar trust funds, governmental component units, proprietary component units, or higher education fund types.

General Long-Term Debt Account Group - This group of accounts is used to account for unmatured general obligation bonds, revenue bonds, certificates of participation, lease revenue bonds, capital lease obligations, employee leave obligations, and other long-term obligations not recorded in proprietary, similar trust funds, governmental component units, proprietary component units, or higher education fund types.

5. Component Units

These Funds are legally separate from the State but are considered part of the reporting entity.

Governmental Funds – These Funds meet the definition of a component unit as previously described.

Special Revenue Funds – These funds are used to account for transactions in which the source of revenue is specific (other than expendable trust), the funds require separate accounting because of the legal restriction, and the purpose of the expenditure is specific.

Proprietary Funds - These Funds meet the definition of both a component unit and that of an enterprise fund as previously described.

Fiduciary Funds – These Funds meet the definition of a component unit and account for the transactions, assets, liabilities, and fund equity of the six Public Employee Retirement Systems (PERS).

Higher Education Funds - These Funds account for transactions related to the resources received and used in the operation of the State's colleges and universities.

Current Funds - These Funds account for unrestricted funds over which the governing boards retain full control in achieving the institutions' purposes and restricted funds that may be utilized in accordance with externally restricted purposes.

Loan, Endowment, and Agency Funds - These Funds account for assets in which the colleges and universities act in a fiduciary capacity.

Plant Funds - These Funds account for institutional property acquisition, renewal, replacement, and debt service.

Financial Statement Reporting Periods

The accompanying financial statements of the State are presented as of June 30, 2000, and for the year then ended, except for the following funds and entities which were audited by other independent auditors.

Multiple Injury Trust Fund	12-31-99
State Insurance Fund	12-31-99
Oklahoma Transportation Authority	12-31-99
Grand River Dam Authority	12-31-99
Oklahoma Municipal Power Authority	12-31-99
Oklahoma Housing Finance Agency	9-30-99

C. Basis of Accounting

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus.

All governmental funds, the expendable trust fund and the governmental component unit are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Operating statements of these funds present increases (e.g., revenues and other financing sources) and decreases (e.g., expenditures and other financing uses) in net current assets.

All proprietary funds, nonexpendable trust funds, investment trust funds, pension trust funds and proprietary and fiduciary component units are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and all liabilities associated with the operation of these funds are included on the balance sheet. Proprietary fund equity (i.e., net total assets) is segregated into retained earnings components. Proprietary fund operating statements present increases (e.g., revenues) and decreases (e.g., expenses) in net total assets. Each proprietary fund has the option under Governmental Accounting Standards Board (GASB), Statement 20, *Accounting and Financial Reporting for Proprietary*

Funds and Other Governmental Entities That Use Proprietary Fund Accounting to elect to apply all Financial Accounting Standards Board (FASB) pronouncements issued after November 30, 1989, unless FASB conflicts with GASB. The primary government enterprise fund has elected to not apply FASBs issued after the applicable date. Each proprietary component unit has individually made this election as disclosed in their separate audit reports.

All capital project funds and proprietary component units account for arbitrage rebate payable as a liability of the fund. The increase in the obligation has been recorded as a reduction of current year interest income.

All governmental funds, expendable trust and agency funds are maintained and reported on the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues and related current assets are recognized when measurable and available to finance operations during the year or liquidate liabilities existing at the end of the year when such revenues are susceptible to accrual; expenditures and liabilities are recognized when obligations are incurred as a result of receipt of goods and services. Principal revenue sources considered susceptible to accrual include federal grants, interest on investments, sales and income taxes, and lease payments receivable. Some revenue items that are considered measurable and available to finance operations during the year from an accounting perspective are not available for expenditure due to the State's present appropriation system. These revenues have been accrued in accordance with generally accepted accounting principles (GAAP) since they have been earned and are expected to be collected within sixty days of the end of the period. Modifications to the accrual basis of accounting include:

- Employees' vested annual leave is recorded as an expenditure when utilized. The amount of accumulated annual leave unpaid at June 30, 2000, has been reported in the general long-term debt account group (see Item M of this Note).
- Interest on general long-term obligations is recognized when paid.
- Executory purchase orders and contracts are recorded as a reservation of fund balance.

The accounts of the enterprise, nonexpendable trust, investment trust fund, pension trust funds and proprietary component units are reported using the accrual basis of accounting. Under the accrual basis, revenues are recorded when earned and expenses are recorded when the related liability is incurred.

The Higher Education Component Unit is accounted for on the accrual basis of accounting, with the following exceptions:

- Nineteen of the State's colleges and universities report depreciation expense related to plant fund assets.
- Revenues and expenditures of an academic term encompassing more than one fiscal year are solely reported in the fiscal year in which the program is predominantly conducted.

The Higher Education Component Unit is an aggregate of financial statements from the 32 higher education entities described in Item A of this Note.

D. Budgeting and Budgetary Control

The State's annual budget is prepared on the cash basis utilizing encumbrance accounting. Encumbrances represent executed but unperformed purchase orders. In the accompanying financial statements, encumbrances are recorded as expenditures for budgetary purposes if expected to be presented for payment by November 15 following the end of the fiscal year and as reservations of fund balance for GAAP purposes. Since the budgetary basis differs from generally accepted accounting principles, budget and actual amounts in the accompanying Combined Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget to Actual (Non-GAAP Budgetary Basis) are presented on the budgetary basis. A reconciliation of revenues in excess of (less than) expenditures and other financing sources (uses) on a budgetary basis at June 30, 2000, to revenues in excess of (less than) expenditures and other financing sources (uses) presented in conformity with generally accepted accounting principles is set forth in Note 2.

The Governor prepares and submits to the Legislature at the beginning of each annual legislative session a balanced budget based on budget requests prepared by the various state agencies. The General Fund is the only Fund for which an annual budget is legally adopted. Budgeted expenditures can not exceed the amount available for appropriation as

certified by the State Board of Equalization. The Legislature may modify the Governor's proposed budget as it deems necessary and legally enacts an annual state budget through the passage of appropriation bills. The Governor has the power to approve or veto each line item appropriation.

The legal level of budgetary control is maintained at the line item level (i.e., General Operations, Duties, etc.) identified in the appropriation acts. Budgets may be modified subject to statutory limits on transfers. The Director of State Finance can approve transfers of up to 25% between line items. The Contingency Review Board (a three-member board comprised of the Governor, the President Pro Tempore of the Senate, and the Speaker of the House of Representatives) can approve transfers between line items of up to 40%. All transfers are subject to review by the Joint Legislative Committee on Budget and Program Oversight to determine if the transfer tends to effectuate or subvert the intention and objectives of the Legislature.

Current policy allows agencies to use unexpended moneys for one-time purchases or non-recurring expenditures in the next fiscal year. This policy provides an incentive for agency managers to distribute resources efficiently; however, it is subject to annual approval by the Legislature. Unexpended balances not carried forward to the new fiscal year by November 15 may: 1) lapse to unrestricted balances and be available for future appropriation, 2) lapse to restricted balances and be available for future appropriations restricted for specific purposes as defined by statute, or 3) be non-fiscal, and may be spent from one to 30 months from the date of appropriation.

If funding sources are not sufficient to cover appropriations, the Director of State Finance is required to reduce the budget by the amount of such deficiency. Any other changes to the budget must be approved by the Legislature in a supplemental appropriation. For fiscal year 2000, \$26,134,000 was approved by the Legislature for supplemental appropriation. All fiscal year 2000 appropriated line items were within their authorized spending level.

E. Cash and Cash Equivalents

The State uses a pooled cash concept in maintaining its bank accounts. All cash is pooled for operating and investment purposes and each fund has an equity in the pooled amount. For reporting purposes, cash and related time deposits have been allocated to each fund based on its equity in the pooled amount. Interest earned on investments is allocated to the General Fund except for those investments made specifically for the Capital Projects Fund, proprietary fund type, fiduciary fund type, proprietary component units, and higher education component unit, for each of which investment revenue is allocated to the investing fund.

The State Treasurer requires that financial institutions deposit collateral securities to secure the deposits of the State in each such institution. The amount of collateral securities to be pledged for the security of public deposits shall be established by rules and regulations promulgated by the State Treasurer.

The Oklahoma Employment Security Commission Trust Fund is maintained to account for the collection of unemployment contributions from employers and the payment of unemployment benefits to eligible claimants. As required by Federal law, all resources not necessary for current benefit payments are placed on deposit with the U.S. Treasury. Interest from these resources is retained in the Fund.

For purposes of reporting cash flows, cash equivalents are defined as short-term, highly liquid investments that are readily convertible to cash.

F. Investments

Investments, which may be restricted by law or legal instruments, are under control of either the State Treasurer or other administrative bodies as determined by law.

Investments are generally stated at fair value in accordance with GASB Statement 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*.

G. Receivables

Accounts receivable in all funds report amounts that have arisen in the ordinary course of business and are stated net of allowances for uncollectible amounts.

Governmental fund type receivables consist primarily of amounts due from the Federal government. Interest and investment revenue receivable in all funds consist of revenues due on each investment. Taxes receivable in governmental funds represent taxes subject to accrual, primarily income taxes and sales taxes, that are collected within sixty days after year end. Lease payments receivable in the General Fund consists of capital lease payments due for equipment and railroad lines owned by the Department of Transportation. Collectibility of these lease payments is reasonably assured and no allowance for uncollectible amounts has been established.

Taxes receivable in fiduciary funds represents unemployment taxes due at year end, net of an allowance for uncollectible amounts. The uncollectible amounts are based on collection experience and a review of the status of existing receivables.

H. Inter/Intrafund Transactions

Interfund Transactions - The State has three types of interfund transactions.

- Services rendered transactions are accounted for as revenues and expenditures or expenses in the funds involved.
- Operating appropriations/subsidies are accounted for as operating transfers in the funds involved.
- Equity and working capital contributions are accounted for as residual equity transfers (additions to or deductions from beginning governmental fund balances or proprietary fund equity).

Intrafund Transactions - Intrafund transfers, as a result of contracts among departments and/or agencies within the same fund, are considered expenditures by the contractor and revenues by the contractee for budgetary purposes. The Combined Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget to Actual (Non-GAAP Budgetary Basis) includes these transactions. However, recorded intrafund revenues and expenditures have been eliminated in the GAAP-basis Combined Statement of Revenues, Expenditures, and Changes in Fund Balances.

A portion of motor fuel excise taxes collected on fuels consumed on the State's turnpikes is made available to the Oklahoma Transportation Authority (OTA) from the Oklahoma Tax Commission. These taxes are apportioned to OTA monthly to fund debt service, to the extent amounts are not otherwise available to OTA. If the motor fuel excise taxes apportioned to OTA are not needed in the month of apportionment, the taxes are to be transferred to the Department of Transportation (DOT). Before these monthly transfers were mandated, a balance owed to DOT had accumulated and at year end this balance is presented as a noncurrent Due to Other Funds on the financial statements of OTA.

I. Inventories

Inventories of materials and supplies are determined both by physical counts and through perpetual inventory systems. Generally, inventories are valued at cost and predominantly on either the first-in first-out or weighted average basis. Inventories of federal surplus properties are valued at a percentage of federal acquisition cost. General fund inventories are recorded as expenditures when consumed rather than when purchased by recording adjustments to the inventory account on the balance sheet. The general fund inventories on hand at year-end are reflected as a reservation of fund balance on the balance sheet, except for \$268,000 in food stamps which is recorded as inventory and deferred revenue. Upon distribution, the food stamps are recognized as revenues and expenditures of the general fund.

The value of the inventory of food commodities in the agency fund is calculated by using a weighted average cost based on the U.S. Department of Agriculture commodity price list at the inventory receipt date. The value of the inventory of food stamps in the general fund is valued at coupon value.

Higher education inventories are stated at the lower of cost or market, cost being determined on either the first-in first-out or average cost basis.

J. Fixed Assets

General Fixed Assets - Fixed assets used in governmental-type operations (general fixed assets) are recorded as expenditures in the governmental funds and the related assets are reported in the General Fixed Assets Account Group (GFAAG). Purchased and constructed general fixed assets are valued in the GFAAG at historical cost or estimated historical cost. Donated fixed assets are recorded at their fair market value at the date of donation. The estimates of historical costs of buildings and other improvements were based on appraised value, as of August 4, 1994, indexed to the date of acquisition. The costs of normal maintenance and repairs that do not add to the asset's value or materially extend as asset's useful life are not capitalized. Significant general fixed assets which have a cost in excess of \$25,000 at the date of acquisition and have an expected useful life of five or more years are capitalized.

Interest incurred during construction of capital facilities is not capitalized. General fixed assets are not depreciated.

Infrastructure is normally immovable and of value only to the State. Infrastructure, which includes roads, bridges, dikes, curbs and gutters, streets and sidewalks, drainage systems, and lighting systems, is not reported in the General Fixed Assets Account Group.

Proprietary and Similar Trust Fund Fixed Assets - Purchased and constructed fixed assets are valued at historical cost or estimated historical cost. Donated fixed assets are recorded at their fair market value at the date of donation. Fixed assets, excluding land, are depreciated on the straight-line method over the assets' estimated useful life. Generally, estimated useful lives are as follows:

Buildings and Other Improvements	7 - 45 years
Machinery and Equipment	3 - 20 years

Higher Education Fixed Assets - Purchased and constructed fixed assets are stated principally at cost or fair market value at the date of donation in the case of gifts. Depreciation is provided for the cost of plant assets of certain colleges and universities which elect the option of reporting depreciation expense in Plant Funds. Depreciation, which is charged to expenditures, is computed on the straight-line method over the estimated useful lives of the assets. Estimated useful lives are as follows:

Buildings and Other Improvements	40 - 60 years
Machinery and Equipment	5 - 10 years

K. Other Assets

Included in other assets (noncurrent for proprietary component units) are costs to be recovered from future revenues. Certain items included in the operating costs of **Grand River Dam Authority**, an unregulated enterprise, are recovered through rates set by the Board of Directors. Recognition of these costs, primarily depreciation on debt funded fixed assets, amortization of debt discount and expense, and amortization of losses on advance refunding of long-term debt, is deferred to the extent that such costs will be included in rates charged in future years. The **Oklahoma Municipal Power Authority** (OMPA) enters into power sales contracts with participating municipalities that provide for billings to those municipalities for output and services of the projects. Revenues from these contracts provide for payment of current operating and maintenance expenses (excluding depreciation and amortization), as well as payment of scheduled debt principal and interest, and deposits into certain funds as prescribed in the bond resolutions. For financial reporting purposes, OMPA currently recognizes depreciation of assets financed by bond principal and amortization expense. The difference between current operating expenses and the amounts currently billed under the terms of the power sales contracts are deferred to future periods in which these amounts will be recovered through revenues.

L. Deferred Revenue

Deferred revenues arise when potential revenue does not meet the available criterion for recognition in the current period. Available is defined as due (or past due) at June 30, and collected thereafter to pay obligations due at June 30. Deferred revenues also arise when resources are received by the State before it has a legal claim to them. In subsequent periods, when the revenue recognition criterion is met, or when the State has a legal claim to the resources, the liability for deferred revenue is removed from the combined balance sheet, and revenue is recognized.

Also included in deferred revenue is the undistributed food stamp inventory.

M. Compensated Absences

Employees entering service prior to July 1, 1996, earn annual vacation leave at the rate of 10 hours per month for the first 5 years of service, 12 hours per month for service of 5 to 10 years, 13.3 hours per month for service of 10 to 20 years, and 16.66 hours per month for over 20 years of service. Employees entering State service on or after July 1, 1996, earn annual vacation leave at the rate of 6.66 hours per month for the first 5 years of service, 10 hours per month for service of 5 to 10 years, 13.3 hours per month for service of 10 to 20 years, and 16.66 hours per month for over 20 years of service. Unused annual leave may be accumulated to a maximum of 480 hours. All accrued annual leave is payable upon termination, resignation, retirement, or death. The General Fund records expenditures when employees are paid for leave, and the cost of accumulated vacation leave is recorded in the General Long-Term Debt Account Group.

N. Risk Management

The Risk Management Division of the Department of Central Services is responsible for the acquisition and administration of all insurance purchased by the State, or administration of any self-insurance plans and programs adopted for use by the State or for certain organizations and bodies outside of state government, at the sole expense of such organizations and bodies.

The Risk Management Division is authorized to settle claims of the State and oversee the dispensation and/or settlement of claims against a state political subdivision. In no event shall self-insurance coverage exceed the limitations on the maximum dollar amount of liability specified by the Oklahoma Governmental Tort Claims Act. The Risk Management Division oversees the collection of liability claims owed to the State incurred as the result of a loss through the wrongful or negligent act of a private person or other entity.

The Risk Management Division is also charged with the responsibility to immediately notify the Attorney General of any claims against the State presented to the Risk Management Division.

O. Federal Grants

In addition to monetary transactions, Federal grants also include non-monetary transactions for surplus inventory, food stamps, food, and other commodities. Surplus inventory is valued at a percentage of government acquisition cost. Food stamps are valued at coupon value. Commodities are valued at their federally reported value in the Agency Fund.

P. Fund Balance Reserves and Designations

The State's fund balance reserves represent those portions of fund balance (1) not available for appropriation for expenditure or (2) legally segregated for a specific future use. In the accompanying combined balance sheet, reserves for related assets such as inventories and prepayments are examples of the former. Reserves for encumbrances, contracts, and other specific purposes are examples of the latter. The State's fund balance designation reflects tentative plans for future use of financial resources.

Q. Deficit Fund Balance – Multiple Injury Trust Fund

The Multiple Injury Trust Fund (MITF), a governmental component unit, has a deficit fund balance of \$31,902,000 at December 31, 1999. Legislation was passed in May 2000 providing new funding for MITF through an assessment on gross premiums on workers compensation policies written by insurance carriers and an assessment on disability awards paid by self-insured employers, and further prohibits future awards against MITF. Funding is to continue until the Board of Managers of the State Insurance Fund, pursuant to an independent actuarial audit, has certified that there are sufficient funds to satisfy all outstanding obligations of MITF.

R. Total (Memorandum Only)

Total columns on the combined statements are captioned "Memorandum Only" to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position, results of operations, or cash flows in conformity with generally accepted accounting principles. Neither are such data comparable to a consolidation. Inter-fund eliminations have not been made in the aggregation of these data.

S. Comparative Data/Restatements

Comparative total (Memorandum Only) data for the prior year has been presented in selected sections of the accompanying financial statements in order to provide an understanding of the changes in the State's financial position and operations. Certain amounts presented have been reclassified and/or restated to be consistent with the current year presentation.

Note 2. Budgetary Reporting

The Combined Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget to Actual (Non-GAAP Budgetary Basis) presents comparisons of the legally adopted budget with actual data on a budgetary basis.

Certain appropriations are transferred to continuing funds for expenditure. Unexpended amounts so transferred may then be rebudgeted in subsequent fiscal years. These transfers are not included in the total expenditures on the Combined Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget to Actual (Non-GAAP Budgetary Basis), but are reported as a separate item under Other Financing Uses. Presented below are transfers to continuing funds by function of government within the General Fund and a reconciliation to the Schedule of Expenditures and Intra-Agency Transfers as presented in the Supplementary Information (expressed in thousands):

Education	\$	1,423,882
General Government		5,073
Health Services		22,088
Legal and Judiciary		2,115
Museums		285
Natural Resources		1,522
Public Safety and Defense		30
Regulatory Services		-
Social Services		729,242
Transportation		320,317
Total Transfers to Continuing Funds		<u>2,504,554</u>
Total Expenditures per Combined Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget to Actual (Non-GAAP Budgetary Basis)		<u>1,226,809</u>
Total per Schedule of Expenditures and Intra-Agency Transfers as Presented in the Required Supplementary Information	\$	<u><u>3,731,363</u></u>

Since accounting principles applied for purposes of developing data on a budgetary basis differ significantly from those used to present financial statements in conformity with GAAP, a reconciliation of resulting basis, perspective, and entity differences in the revenues in excess of (less than) expenditures and other financing sources (uses) between budgetary and GAAP presentations for the year ended June 30, 2000, is presented below (expressed in thousands) for the General Fund.

Budgetary Basis Fund Balance, June 30, 1999	\$ 669,165
Excess of total sources over total uses of financial resources (Budgetary Basis)	<u>165,195</u>
Budgetary Basis Fund Balance, June 30, 2000	834,360
Entity and Perspective Differences:	
Non-budgeted Funds and Capital Funds	1,912,284
Encumbrances	56,195
Basis Differences:	
Add: Net accrued revenues, related receivables, and deferred revenues	508,562
Less: Net accrued expenditures and related liabilities	<u>(1,253,696)</u>
GAAP Basis Fund Balance, June 30, 2000	<u><u>\$ 2,057,705</u></u>

Note 3. Deposits and Investments

The State Treasurer requires that financial institutions deposit collateral securities to secure the deposits of the State in each such institution. The amount of collateral securities to be pledged for the security of public deposits is established by rules promulgated by the State Treasurer. In accordance with the Office of State Treasurer's policies, the amount of collateral securities to be pledged by financial institutions through the State Treasurer's Office are pledged at market value and must be at 110% of value to collateralize the amount on deposit, less any federal insurance coverage. This percentage may vary for political subdivisions according to their respective policies.

In accordance with statutes, the State Treasurer may purchase and invest in the following:

Obligations of the United States Government, its agencies and instrumentalities	Collateralized or insured certificates of deposit
Prime banker's acceptances	Negotiable certificates of deposit
Investment grade obligations of state and local governments	Prime commercial paper
Money market funds	Repurchase agreements

Deposits

As of June 30, 2000, the State and its discretely presented component units' bank balances of deposits are fully insured or collateralized with securities held by an agent of the State or its discretely presented component units in their respective names. In addition to these deposits, the State has approximately \$583,000,000 on deposit with the U.S. Government. These funds represent unemployment insurance taxes collected from Oklahoma employers that are held by the U.S. Treasury.

Investments

The State's investments are categorized below per Governmental Accounting Standards Board Statement 3, *Deposits with Financial Institutions, Investments and Reverse Repurchase Agreements*, to give an indication of the level of custodial risk assumed at year end. Category 1 includes investments that are insured, registered, or are held by the State or its agent in the name of the State. Category 2 includes uninsured and unregistered investments, which are held by the counterparties' trust departments or agents in the name of the State. Category 3 includes uninsured and unregistered investments, held by counterparties, or their trust departments or agents, but not in the name of the State.

Investments at June 30, 2000, by investment type, are listed below (expressed in thousands).

Primary Government	Risk Categories			Fair Value
	1	2	3	
U.S. Government Securities	\$ 1,387,838	\$ -	\$ -	\$ 1,387,838
Repurchase Agreements	1,134,681	-	2,080	1,136,761
State Bond Issues	15,898	-	-	15,898
Debt Securities	220,471	-	-	220,471
Equity Securities	621,454	-	-	621,454
Investments Held Under Securities Loans for Non-Cash Collateral:				
U.S. Government Securities	102,889	-	-	102,889
	<u>\$ 3,483,231</u>	<u>\$ -</u>	<u>\$ 2,080</u>	<u>3,485,311</u>
Investments Not Subject to Categorization:				
Guaranteed Investment Contracts				66,339
Mutual Funds				54,897
Money Market Mutual Funds				113,101
Limited Partnerships and Other Investments				18
Investments Held Under Securities Loans for Cash Collateral:				
U.S. Government Securities				637,291
Less: Component Units' Investment in State Treasurer's Cash Management Program*				(202,958)
Total Investments				<u>\$ 4,153,999</u>

* Includes presentation and timing differences of \$25,567,000 attributable to proprietary component units.

The State's Investment Trust Fund has investments of repurchase agreements. These investments are included in the primary government's schedule of investments above. All repurchase agreements held by the Investment Trust Fund are included in risk category 1.

Component Units-Proprietary	Risk Categories			Fair Value
	1	2	3	
U.S. Government Securities	\$ 537,785	\$ 163,533	\$ -	\$ 701,318
Repurchase Agreements	-	180	5,465	5,645
State Bond Issues	18,063	-	-	18,063
Debt Securities	162,715	-	-	162,715
Equity Securities	190,619	-	-	190,619
	<u>\$ 909,182</u>	<u>\$ 163,713</u>	<u>\$ 5,465</u>	<u>1,078,360</u>
Investments Not Subject to Categorization:				
Guaranteed Investment Contracts				551,427
Negotiable Certificates of Deposit				2,295
Mutual Funds				30,151
Money Market Mutual Funds				3,678
Other Pooled Funds				24,967
Investment in State Treasurer's Cash Management Program				6,031
Investments Held Under Securities Loans for Cash Collateral:				
U.S. Government Securities				131,194
Debt Securities				5,211
Securities Lending Collateral-Short Term Investment Pools				139,083
Total Investments				<u>\$ 1,972,397</u>

Component Units-Fiduciary	Risk Categories			Fair
	1	2	3	Value
U.S. Government Securities	\$ 1,681,588	\$ -	\$ -	\$ 1,681,588
Debt Securities	2,045,645	-	-	2,045,645
Equity Securities	6,677,284	-	-	6,677,284
Investments Held Under Securities Loans for Non-Cash Collateral:				
U.S. Government Securities	-	-	57,892	57,892
Debt Securities	-	-	3,133	3,133
Equity Securities	-	-	19,492	19,492
	<u>\$ 10,404,517</u>	<u>\$ -</u>	<u>\$ 80,517</u>	<u>10,485,034</u>
Investments Not Subject to Categorization:				
Real Estate				29,256
Mutual Funds				1,991,334
Limited Partnerships and Other Investments				71,593
Investments Held Under Securities Loans for Cash Collateral:				
U.S. Government Securities				929,061
Debt Securities				103,898
Equity Securities				716,114
Securities Lending Collateral-Short Term Investment Pools				1,800,842
Total Investments				<u>\$ 16,127,132</u>

Component Unit-Higher Education	Risk Categories			Fair
	1	2	3	Value
U.S. Government Securities	\$ 109,190	\$ 13,430	\$ 1,300	\$ 123,920
State Bond Issues	5,850	-	-	5,850
Short Term Investments	51	-	-	51
	<u>\$ 115,091</u>	<u>\$ 13,430</u>	<u>\$ 1,300</u>	<u>129,821</u>
Investments Not Subject to Categorization:				
Real Estate				347
Mutual Funds				218,253
Money Market Mutual Funds				378
Other Pooled Funds				77,411
Investment in State Treasurer's Cash Management Program				171,360
Total Investments				<u>\$ 597,570</u>

The governmental component unit, Multiple Injury Trust Fund, did not hold any investments at June 30, 2000.

The following table reconciles the details included within this footnote to the Combined Balance Sheet at June 30, 2000 (expressed in thousands).

	Component Units			
	Primary Government	Proprietary	Fiduciary	Higher Education
Investments per Combined Balance Sheet:				
Investments	\$ 1,462,268	\$ 1,871,586	\$ 14,326,290	\$ 426,345
Securities Lending Investments	661,335	139,083	1,800,842	-
Total Investments	<u>2,123,603</u>	<u>2,010,669</u>	<u>16,127,132</u>	<u>426,345</u>
Non-negotiable CDs classified as investments	-	(51,044)	-	(135)
Pooled cash investments classified as cash equivalents	2,030,396	-	-	-
Short term investments classified as cash equivalents	-	12,772	-	-
Investment in State Treasurer Cash Management Program classified as cash equivalent	-	-	-	171,360
Total Investments	<u>\$ 4,153,999</u>	<u>\$ 1,972,397</u>	<u>\$ 16,127,132</u>	<u>\$ 597,570</u>

Securities Lending Transactions – Primary Government

State statute authorizes the State Treasurer's Office to participate in securities lending transactions. In a securities lending transaction, securities are loaned to approved brokers through a securities lending agreement with a simultaneous agreement to return collateral for the same security in the future. All securities held by Northern Trust Company, as trustee or custodian, may be lent in the securities lending program unless specifically excluded by the State Treasurer's Office.

During the fiscal year ended June 30, 2000, securities lending agents lent primarily U.S. Government securities. Cash and U.S. Government securities were provided as collateral for the securities lent. Generally, collateral must be provided in the amount of 100% of the fair value of the securities loaned. At June 30, 2000, the carrying amount and fair value of the securities on loan was approximately \$740,180,000. The underlying collateral for these securities had a market value of approximately \$764,224,000. Collateral of U.S. Government securities represented approximately \$103,000,000 of the total collateral. Because these securities cannot be sold or pledged unless the borrower defaults, this collateral and related liability are not presented on the balance sheet. The remaining collateral represents cash collateral that is invested in U.S. Government securities and is included as an asset on the balance sheet with an offsetting liability for the return of collateral.

At June 30, 2000, there was no credit risk exposure to borrowers because the amounts the Primary Government owes the borrowers exceed the amounts the borrowers owe the Primary Government. Contracts with securities lending agents require them to indemnify the lender if the borrower fails to return the securities or otherwise fails to pay the lender for income while the securities are on loan. There were no losses on security lending transactions, or recoveries from prior period losses, resulting from the default of a borrower or the lending agent. Because these transactions are terminable at will, their duration generally did not match the duration of the investments made with cash collateral.

Securities Lending Transactions – Proprietary Component Units

The State Insurance Fund (SIF) participates in securities lending transactions as provided by its investment policies. In a securities lending transaction, securities are loaned to approved brokers through a securities lending agreement with a simultaneous agreement to return collateral for the same security in the future. There are no restrictions regarding the amount of securities that may be lent. The changes for the year in the securities lending asset and liability are presented at net in the Combined and Combining Statement of Cash Flows since the maturity dates differ by less than three months.

During the fiscal year securities lending agents lent primarily U.S. Government securities, equity securities and debt securities. Cash and U.S. Government securities were provided as collateral for the securities lent. Collateral must be provided in the amount of 102% of the fair value of the securities loaned. At fiscal year end, the carrying amount and market value of securities on loan was approximately \$136,405,000. The underlying collateral for these securities had a market value of approximately \$139,083,000. At fiscal year end no securities on loan were collateralized by securities. Because all collateral represents cash collateral that is invested in short-term investment pools, it is included as an asset on the balance sheet with an offsetting liability for the return of the collateral.

At fiscal year end, there was no credit risk exposure to borrowers because the amounts the Proprietary Component Units owe the borrowers exceed the amounts the borrowers owe the Proprietary Component Units. Contracts with securities lending agents require them to indemnify the lender if the borrower fails to return the securities or otherwise fails to pay the lender for income while the securities are on loan. There were no losses on security lending transactions or recoveries from prior period losses resulting from the default of a borrower or the lending agent. Because these transactions are terminable at will, their duration generally did not match the duration of the investments made with the cash collateral.

Securities Lending Transactions – Fiduciary Component Units

The six Public Employees Retirement Systems (PERS) participate in securities lending transactions as provided by their respective investment policies. In a securities lending transaction, securities are loaned to approved brokers through a securities lending agreement with a simultaneous agreement to return collateral for the same security in the future. There are no restrictions regarding the amount of securities that may be lent.

During the fiscal year ended June 30, 2000, securities lending agents lent primarily U.S. Government securities, equity securities and debt securities. Cash, U.S. Government securities and letters of credit were provided as collateral for the securities lent. Generally, collateral must be provided in the amount of 102% of the fair value of the securities loaned. However, in certain instances collateral must be provided in the amount of 105% when the principal trading market for the loaned securities is outside the United States. At June 30, 2000, the carrying amount and fair value of securities on loan was approximately \$1,829,590,000. The underlying collateral for these securities had a market value of approximately \$1,884,509,000. Collateral of securities and letters of credit represented approximately \$83,667,000 of total collateral. Because these securities and letters of credit cannot be sold or pledged unless the borrower defaults, the collateral and related liability are not presented on the balance sheet. The remaining collateral represents cash collateral that is invested in short-term investments pools and is included as an asset on the balance sheet with an offsetting liability for the return of the collateral.

At June 30, 2000, there was no credit risk exposure to borrowers because the amounts the Fiduciary Component Units owe the borrowers exceed the amounts the borrowers owe the Fiduciary Component Units. Contracts with securities lending agents require them to indemnify the lender if the borrower fails to return the securities or otherwise fails to pay the lender for income while the securities are on loan. There were no losses on security lending transactions, or recoveries from prior period losses, resulting from the default of a borrower or the lending agent. Investment policies do not require the maturities of investments made with cash collateral to match the maturities of securities lent; however, investment policies may establish minimum levels of liquidity to minimize the interest rate risk associated with not matching the maturity of the investments with the loans.

External Investment Pool – Primary Government

The State sponsors an investment pool that includes internal and external pool participants. The portion of the pool attributable to external pool participants is included in the primary government as an Investment Trust Fund. The pool is not registered with the SEC and is reviewed by an Executive Review Committee of the State's Cash Management and Investment Oversight Commission. Assets of the pool are invested pursuant to an overnight repurchase agreement and are collateralized by U.S. Government obligations held by an independent third party custodian. Fair value of the investments is determined on a daily basis. Par value of participants' investments is based on the amount invested and accrued interest. Due to the daily nature of the pool, the third party custodian guarantees the value of the participants' investments. The pool does not include any involuntary participants.

Note 4. Accounts Receivable

Receivables as of June 30, 2000, including the applicable allowances for uncollectible accounts, are as follows (expressed in thousands).

Receivables:	General	Capital Projects	Enterprise	Trust and Agency	Component Units			Total
					Proprietary	Fiduciary	Higher Education	
Accounts	\$ 59,430	\$ -	\$ -	\$ 1,873	\$ 55,840	\$ -	\$ 189,945	\$ 307,088
Interest	19,468	28	5,983	9,954	20,997	71,939	4,004	132,373
Contributions	-	-	-	-	-	28,690	-	28,690
Federal	342,584	186	428	157	-	-	1,275	344,630
Taxes	143,914	-	-	1,877	-	-	-	145,791
Lease Payments	81,754	-	-	-	1,380	-	-	83,134
Other	26	-	-	3,037	-	1,470	-	4,533
Notes and Loans	-	-	329,416	-	922,748	-	56,614	1,308,778
Gross Receivables	647,176	214	335,827	16,898	1,000,965	102,099	251,838	2,355,017
Less Uncollectibles:								
Accounts Receivable	37,281	-	-	-	2,711	-	51,852	91,844
Notes, Loans, and Other	-	-	-	-	2,843	-	12,232	15,075
Net Total Receivables	\$ 609,895	\$ 214	\$ 335,827	\$ 16,898	\$ 995,411	\$ 102,099	\$ 187,754	\$ 2,248,098

Note 5. Interfund Accounts/Operating Transfers

A. Due from Other Funds/Due to Other Funds

A summary of interfund obligations at June 30, 2000, is shown below (expressed in thousands).

	Due From		Due To	
	Other Funds	Component Units	Other Funds	Component Units
Primary Government				
General Fund	\$ -	\$ 50,381	\$ 551	\$ 73,254
Nonexpendable Trust: Dept. of Wildlife Conservation	75	-	-	-
Pension Trusts: Wildlife Conserv. Retirement Plan	28	-	-	-
Agency Funds: Other	448	213	-	-
Total Primary Government	\$ 551	\$ 50,594	\$ 551	\$ 73,254

	Due From			Due To		
	Primary Government	Other Funds	Other Component Units	Primary Government	Other Funds	Other Component Units
Component Units						
Governmental Fund:						
Multiple Injury Trust Fund	\$ 1,202	\$ -	\$ -	\$ -	\$ -	\$ 61
Proprietary Funds:						
State Insurance Fund	793	-	126	73	-	206
State and Education Emp. Group Insurance Board	2,252	-	-	42	-	3
Student Loan Authority	-	-	-	-	-	14
University Hospitals Authority	2,281	-	-	17	-	1
Medical Technology and Research Authority	1	-	24	6	-	13
Oklahoma Development Finance Authority	12	-	44	60	-	-
Oklahoma Housing Finance Agency	-	-	-	-	-	15
Oklahoma Transportation Authority	965	-	-	48,512	-	22
Grand River Dam Authority	37	-	1,174	222	-	273
Oklahoma Municipal Power Authority	-	-	-	-	-	1,195
Fiduciary Funds:						
Firefighters Pension and Retirement System	2,107	-	-	-	-	-
Oklahoma Law Enforcement Retirement System	1,873	-	-	-	-	-
Oklahoma Public Employees Retirement System	94	-	260	-	-	-
Oklahoma Police Pension and Retirement System	867	-	-	-	-	-
Teachers' Retirement System of Oklahoma	13,290	-	155	-	-	-
Higher Education Funds:						
Current, Unrestricted	41,070	42,052	218	805	38,717	198
Current, Restricted	-	3,571	-	-	31,961	-
Loan	-	3,451	-	-	49	-
Endowment	-	1,554	-	-	30,823	-
Plant	-	31,586	-	-	5,410	-
Agency	-	24,856	-	-	110	-
Total Component Units	\$ 66,844	\$ 107,070	\$ 2,001	\$ 49,737	\$ 107,070	\$ 2,001

A reconciliation of interfund receivables and interfund payables at June 30, 2000, follows. Timing differences occur between agencies with a June 30 year end and the component units with different fiscal year ends.

Due From Other Funds	\$ 107,621	Due To Other Funds	\$ 107,621
Due From Component Units	52,595	Due To Component Units	75,255
Due From Primary Government	<u>66,844</u>	Due To Primary Government	<u>49,737</u>
Total Interfund Receivables	227,060	Total Interfund Payables	232,613
Per Financial Statements		Per Financial Statements	
Financial Statement Account		Timing Differences, Fiscal Year	
Presentation Difference		Ending December 31, 1999:	
Higher Education Component Unit	<u>5,952</u>	Proprietary Component Units	<u>399</u>
Total Interfund Receivables	\$ <u>233,012</u>	Total Interfund Payables	\$ <u>233,012</u>

B. Operating Transfers

A summary of interfund operating transfers for the fiscal year ended June 30, 2000, follows (expressed in thousands).

	Operating Transfers			
	In	From Component Units	Out	To Component Units
Primary Government				
General Fund	\$ 5,469	\$ 59,199	\$ 2,045	\$ 879,667
Capital Projects	-	177	27	1,563
Proprietary Funds:				
Oklahoma Water Resources Board	2,045	-	808	-
Nonexpendable Trust:				
Commissioners of the Land Office	-	-	2,535	14,337
Department of Wildlife Conservation	-	-	2,098	-
Total Primary Government	<u>\$ 7,514</u>	<u>\$ 59,376</u>	<u>\$ 7,513</u>	<u>\$ 895,567</u>

	Operating Transfers	
	From Primary Government	To Primary Government
Component Units		
Governmental Fund:		
Multiple Injury Trust Fund	\$ 16,614	\$ -
Proprietary Funds:		
University Hospitals Authority	26,829	-
Oklahoma Transportation Authority	33,113	33,113
Higher Education Funds:		
Current, Unrestricted	738,114	-
Current, Restricted	37,166	-
Endowment	15,031	-
Plant	30,027	-
Total Component Units	<u>\$ 896,894</u>	<u>\$ 33,113</u>

The amount of total Operating Transfers In of \$963,784,000 does not agree with total Operating Transfers Out of \$936,193,000 for the fiscal year ended June 30, 2000. The following presents a reconciliation of operating transfers reported in the financial statements (expressed in thousands).

Operating Transfers In	\$ 7,514
Operating Transfers In - From Component Units	59,376
Operating Transfers In - From Primary Government	<u>896,894</u>
Total Operating Transfers In Per Financial Statements	963,784
Financial Statement Account Presentation Differences:	
Proprietary Component Units	33,470
Timing Differences, Fiscal Year Ending December 31, 1999:	
Proprietary Component Units	<u>436</u>
Total Operating Transfers In	<u>\$ 997,690</u>
Operating Transfers Out	\$ 7,513
Operating Transfers Out - To Component Units	895,567
Operating Transfers Out - To Primary Government	<u>33,113</u>
Total Operating Transfers Out Per Financial Statements	936,193
Financial Statement Account Presentation Differences:	
Proprietary Component Units	26,830
Higher Education Component Unit	31,982
Timing Differences, Fiscal Year Ending December 31, 1999:	
Governmental Component Unit	2,249
Proprietary Component Units	<u>436</u>
Total Operating Transfers Out	<u>\$ 997,690</u>

Note 6. Fixed Assets

Fixed Assets by category, as of June 30, 2000, (December 31, 1999, or September 30, 1999, for those entities/funds identified in Item B of Note 1) are summarized below (expressed in thousands).

	Primary Government		Component Units			Total
	Proprietary	General Fixed Assets	Proprietary	Pension Trusts	Higher Education	
Land	\$ -	\$ 65,940	\$ 1,155,825	\$ -	\$ 117,229	\$ 1,338,994
Buildings and Other Improvements	-	648,027	1,314,117	-	1,505,421	3,467,565
Machinery and Equipment	276	242,967	184,462	3,081	839,752	1,270,538
Construction in Progress	-	65,747	220,519	-	187,852	474,118
Total	276	1,022,681	2,874,923	3,081	2,650,254	6,551,215
Less: Accumulated Depreciation	82	-	1,323,448	2,179	739,281	2,064,990
Total	\$ 194	\$ 1,022,681	\$ 1,551,475	\$ 902	\$ 1,910,973	\$ 4,486,225

Changes in general fixed assets for the year ended June 30, 2000, were as follows (expressed in thousands).

	Balance July 1, 1999	Additions	Deletions/ Net Transfers	Balance June 30, 2000
Land	\$ 61,435	\$ 4,314	\$ (191)	\$ 65,940
Buildings and Other Improvements	622,903	27,242	2,118	648,027
Machinery and Equipment	232,532	17,605	7,170	242,967
Construction in Progress	52,909	24,351	11,513	65,747
Total	\$ 969,779	\$ 73,512	\$ 20,610	\$ 1,022,681

Schedule of General Fixed Assets by Function for fiscal year ended June 30, 2000.

Function	Land	Buildings and Other Improvements	Machinery and Equipment	Construction in Progress	Total
Education	\$ 3,659	\$ 12,170	\$ 25,626	\$ 99	\$ 41,554
General Government	5,930	120,859	60,295	1,753	188,837
Health Services	2,139	73,534	7,731	-	83,404
Legal and Judiciary	-	-	4,026	-	4,026
Museums	1,460	7,295	310	328	9,393
Natural Resources	42,350	36,592	21,679	19,665	120,286
Public Safety and Defense	7,568	275,272	34,103	9,344	326,287
Regulatory Services	-	41	2,239	-	2,280
Social Services	1,228	105,294	13,030	34,348	153,900
Transportation	1,606	16,970	73,928	210	92,714
Total	\$ 65,940	\$ 648,027	\$ 242,967	\$ 65,747	\$ 1,022,681

Schedule of changes in General Fixed Assets by Function for fiscal year ended June 30, 2000.

Function	Balance July 1, 1999	Additions	Deletions/ Net Transfers	Balance June 30, 2000
Education	\$ 40,045	\$ 2,294	\$ 785	\$ 41,554
General Government	179,061	12,363	2,587	188,837
Health Services	81,931	1,534	61	83,404
Legal and Judiciary	4,150	-	124	4,026
Museums	9,065	568	240	9,393
Natural Resources	112,608	9,446	1,768	120,286
Public Safety and Defense	307,627	22,417	3,757	326,287
Regulatory Services	2,092	624	436	2,280
Social Services	145,799	16,272	8,171	153,900
Transportation	87,401	7,994	2,681	92,714
Total	\$ 969,779	\$ 73,512	\$ 20,610	\$ 1,022,681

Note 7. Risk Management and Insurance

It is the policy of the State to cover the risk of losses to which it may be exposed through risk management activities. In general, the State is self-insured for health care claims (except for employee participation in certain health maintenance organizations), workers' compensation, second injury workers' compensation, tort liability (except for excess coverage for certain losses in excess of \$1,000,000), vehicle liability, and property losses (except for excess coverage for certain losses in excess of \$250,000, or \$750,000 for certain agencies). The property loss excess coverage is limited to a maximum loss of \$1,000,000,000.

Coverage for health care claims and workers' compensation is provided by two separate proprietary component units. The State and Education Employees' Group Insurance Board provides group health, life, dental and disability benefits to the State's employees and certain other eligible participants. The State Insurance Fund (SIF) provides workers' compensation coverage for the State's employees (and private and local government employees).

The SIF administers claim payments and provides excess-of-loss reinsurance to certain governmental entities that are self-insured. The premiums and fees received in connection with these transactions are included in sales revenue and were approximately \$4,607,000 in 1999. The liability for claims in excess of the self-insured entities' respective retention limits included in unpaid losses and loss adjustment expenses was approximately \$36,697,000 at December 31, 1999.

The SIF limits the maximum net loss that can arise from risks by entering into reinsurance agreements to assign risk to other insurers on a catastrophe basis. Premiums paid for this reinsurance were approximately \$32,000 in 1999. No losses have been ceded under these agreements. Reinsurance receivables with a single reinsurer of \$1,042,000 at December 31, 1999, have been recorded in anticipation of estimated amounts to be recovered from reinsurers in future years for losses ceded pursuant to certain prior year reinsurance agreements. These agreements do not relieve SIF from its obligation to policyholders. Failure of reinsurers to honor their obligations could result in losses to SIF. Management believes that all reinsurers presently used are financially sound and will be able to meet their contractual obligations.

Coverage for second injury workers' compensation is provided by a discretely presented governmental component unit. The Multiple Injury Trust Fund (MITF) was created to encourage the hiring of individuals with a pre-existing disability and to protect those employers from liability for the pre-existing disability. MITF records a liability for outstanding court awards only as those amounts are awarded by the Workers' Compensation Court for both permanent partial and permanent total disability awards. There is no provision for incurred but not reported claims or claims pending Court determination. Claims and Judgments which were due and owing at December 31, 1999, have been charged to operations for the year ended December 31, 1999. At year end, the MITF loss liability exceeded expendable available financial resources; however, because these are adjudicated claims, the full amount of adjudicated claims is presented as a current liability in the component unit column. In addition to awards currently due and owing, MITF has a noncurrent liability for court awarded future payments payable after December 31, 1999, in the amount of \$172,506,000 as reported in the General Long-Term Debt Accounts of the discretely presented component unit's separately issued financial statements. Legislation enacted in May 2000 terminated future awards against MITF for actions filed on or after June 1, 2000.

The remaining risk management activities of the State are included in the State's General Fund. The Risk Management Division of the Department of Central Services is responsible for administering the State's tort liability, vehicle liability, property loss, and other types of risk coverage. Also, the Division is responsible for the acquisition and administration of all insurance policies purchased by the State and administration of any self-insurance plans and programs adopted for use by the State (and for certain organizations and bodies outside of state government).

Except for MITF, estimates relating to incurred but not reported claims, as well as other probable and estimable losses have been included in accrued liabilities for each fund. Because actual claims liabilities are impacted by complex factors including inflation, changes in legal doctrines, and unanticipated damage awards, the process used in computing claims liabilities does not necessarily result in exact amounts. Claims liabilities are re-evaluated periodically to take into consideration recently settled claims, and other economic and social factors.

The General Fund self-insurance loss liability for the Risk Management Division of the Department of Central Services represents an estimate of amounts to be paid from currently expendable available financial resources.

The following table presents the changes in claims liability balances (both current and noncurrent) during the current fiscal year ended June 30, 2000, (December 31, 1999, for Multiple Injury Trust Fund and State Insurance Fund) and the prior fiscal year, (expressed in thousands).

	Beginning Balance	Plus: Current Year Claims and Changes in Estimates	Less: Claim Payments	Ending Balance	Noncurrent Liability	Current Liability
Current Fiscal Year						
General Fund* -						
Risk Management Division	\$ 14,129	\$ 3,482	\$ (4,274)	\$ 13,337	\$ -	\$ 13,337
Governmental Component Unit:						
Multiple Injury Trust Fund	\$ 189,530	\$ 27,903	\$ (18,964)	\$ 198,469	\$ 172,506	\$ 25,963
Proprietary Component Units:						
State Insurance Fund	\$ 473,713	\$ 121,378	\$ (111,259)	\$ 483,832	\$ -	\$ 483,832
State and Education Employees Group Insurance Board	60,288	337,436	(334,918)	62,806	-	62,806
Total Proprietary Component Units	\$ 534,001	\$ 458,814	\$ (446,177)	\$ 546,638	\$ -	\$ 546,638

* As discussed in the Litigation and Contingencies note, general fund claims and judgments includes \$19,552,000 accrued for the payment of litigation losses.

	Beginning Balance	Plus: Current Year Claims and Changes in Estimates	Less: Claim Payments	Ending Balance	Noncurrent Liability	Current Liability
Prior Fiscal Year						
General Fund -						
Risk Management Division	\$ 5,372	\$ 11,887	\$ (3,130)	\$ 14,129	\$ 3,638	\$ 10,491
Governmental Component Unit:						
Multiple Injury Trust Fund	\$ 171,651	\$ 36,967	\$ (19,088)	\$ 189,530	\$ 166,919	\$ 22,611
Proprietary Component Units:						
State Insurance Fund	\$ 518,309	\$ 104,267	\$ (148,863)	\$ 473,713	\$ -	\$ 473,713
State and Education Employees Group Insurance Board	60,415	293,394	(293,521)	60,288	-	60,288
Total Proprietary Component Units	\$ 578,724	\$ 397,661	\$ (442,384)	\$ 534,001	\$ -	\$ 534,001

Public Entity Risk Pool - State and Education Employees' Group Insurance Board

The State operates the Oklahoma State and Education Employees' Group Insurance Board (Plan), a Public Entity Risk Pool.

A. Description of Plan

The Plan provides group health, dental, life, and disability benefits to active state employees and local government employees, as well as varying coverages for active education employees and certain participants of the state's retirement systems, survivors, and persons covered by COBRA. Disability coverage is available only to active state employees and local government employees. The Plan is self-insured and provides participants with the option of electing coverage from certain health maintenance organizations (HMOs). Premium rates for the various groups are separately established.

The coverages are funded by monthly premiums paid by individuals, the State, local governments, educational employers, and retirement systems. A participant may extend coverage to dependents for an additional monthly premium based on the coverage requested. Of the 193,000 primary participants and dependents, approximately 25,000 primary participants and 19,000 dependents were covered by HMOs. These counts relate to health coverage only.

All state agencies are required to participate in the Plan. Eligible local governments may elect to participate in the Plan (240 local governments actually participate). Education entities may participate if a minimum of 50% of their eligible employees elect to join the Plan. Any education entity or local government which elects to withdraw from the Plan may do so with 30 days written notice, and must withdraw both its active and inactive participants.

A summary of available coverages and eligible groups, along with the number of health care participants follows.

	State Employee	Local Government Employee	Education Employee	Teachers' Retirement System	Other Retirement Systems	Survivors	COBRA
Health	X	X	X	X	X	X	X
Dental	X	X	X	X	X	X	X
Life	X	X	X	X	X		
Disability	X	X					
Medicare Supplement				X	X	X	X
Health Care Participants:							
Primary	19,000	7,000	37,000	----- 36,000 -----			
Dependents	----- 50,000 -----						

B. Unpaid Claims Liabilities

The Plan establishes policy and contract claim reserves based on the estimated ultimate cost of settling claims that have been reported but not settled, and of claims that have been incurred but not yet reported. Disability reserves are also established based on the estimated ultimate cost of settling claims of participants currently receiving benefits and for disability claims incurred but not yet reported to the Plan.

The reserves are determined using the Plan's historical benefit payment experience. The length of time for which costs must be estimated depends on the coverages involved. Although such estimates are the Plan's best estimates of the incurred claims to be paid, due to the complex nature of the factors involved in the calculation, the actual results may be more or less than the estimate. The claim liabilities are recomputed on a periodic basis using actuarial and statistical techniques which consider the effects of general economic conditions, such as inflation, and other factors of past experience, such as changes in participant counts. Adjustments to claim liabilities are recorded in the periods in which they are made.

Premium deficiency reserves are required to be recorded when the anticipated costs of settling claims for the following fiscal year are in excess of the anticipated premium receipts for the following year. Anticipated investment income is considered in determining whether a premium deficiency exists.

C. Reconciliation of Claims Liabilities

The schedule below presents the changes in policy and contract claim reserves and disability reserves for the past two years for the three types of coverages: health and dental, life, and disability (expressed in thousands).

	Health and Dental		Life		Disability	
	2000	1999	2000	1999	2000	1999
Reserves at beginning of year	\$ 47,470	\$ 48,717	\$ 2,511	\$ 1,291	\$ 7,537	\$ 10,407
Incurring claims:						
Provision for insured events of current year	336,473	288,233	11,103	10,289	1,700	1,977
Changes in provisions for insured events of prior years	(10,103)	(7,217)	(643)	298	(1,094)	(2,956)
	<u>326,370</u>	<u>281,016</u>	<u>10,460</u>	<u>10,587</u>	<u>606</u>	<u>(979)</u>
Payments:						
Claims attributable to insured events of current year	285,715	248,489	8,456	8,025	242	264
Claims attributable to insured events of prior years	36,907	40,774	1,696	1,342	1,500	1,627
	<u>322,622</u>	<u>289,263</u>	<u>10,152</u>	<u>9,367</u>	<u>1,742</u>	<u>1,891</u>
Reserves at end of year	<u>\$ 51,218</u>	<u>\$ 40,470</u>	<u>\$ 2,819</u>	<u>\$ 2,511</u>	<u>\$ 6,401</u>	<u>\$ 7,537</u>

D. Revenue and Claims Development Information

The separately issued audited financial statements for the Plan include Required Supplementary Information regarding revenue and claims development.

Note 8. Operating Lease Commitments

The State has commitments with non-state entities to lease certain buildings and equipment. Future minimum rental commitments for equipment operating leases as of June 30, 2000, follows (expressed in thousands).

	Primary Government	Component Units		
		Proprietary	Fiduciary	Higher Education
2001	\$ 485	\$ 389	\$ 52	\$ 2,378
2002	403	320	34	1,827
2003	385	228	34	1,677
2004	290	217	13	83
2005	-	228	-	-
Later Years	-	239	-	-
Total Future Minimum Lease Payments	<u>\$ 1,563</u>	<u>\$ 1,621</u>	<u>\$ 133</u>	<u>\$ 5,965</u>
Operating lease commitments for building rental for year ended June 30, 2001	\$ 14,858	\$ 770	\$ 327	\$ 32
Rent expenditures/expenses for operating leases for year ended June 30, 2000	\$ 16,597	\$ 1,144	\$ 277	\$ 8,906

Note 9. Lessor Agreements

Direct Financing Leases

At June 30, 2000, minimum lease payments receivable for the State as a whole for each of the five succeeding fiscal years follows (expressed in thousands).

	2001	2002	2003	2004	2005
Primary Government	<u>\$ 5,623</u>	<u>\$ 4,866</u>	<u>\$ 4,406</u>	<u>\$ 3,854</u>	<u>\$ 3,091</u>
Proprietary Component Units:					
Municipal Power Authority	\$ 118	\$ 118	\$ 118	\$ 72	\$ 7
Environmental Finance Authority	59	59	59	59	59
Total	<u>\$ 177</u>	<u>\$ 177</u>	<u>\$ 177</u>	<u>\$ 131</u>	<u>\$ 66</u>

Primary Government

The **Department of Transportation** maintains leases classified as direct financing leases. The State leases heavy equipment and machinery to counties within the state. The lease terms are determined by the depreciation schedules published by the American Association of State Highway Transportation Officials. All new county equipment leases were charged an interest amount equivalent to 3% of the equipment cost. Title to this equipment passes to the counties at the end of the lease term. The Department of Transportation also leases railroad lines within the state to the AT&L Railroad Company and the Oklahoma, Kansas, and Texas Railroad Company with lease terms ending in 2014 and 2011, respectively. No interest or executory costs are charged, and the leases include bargain purchase options. The unguaranteed residual values of the machinery, equipment, and railroad lines are not estimated by the State. Contingent rentals are not a part of any lease and uncollectible amounts are not expected. The total minimum lease payments to be received in future years is approximately \$35,623,000, which is also the net investment in direct financing leases at June 30, 2000.

Component Units

The **Oklahoma Environmental Finance Authority** leases facilities necessary for the abatement, control and reduction of pollution to industrial and commercial entities and the **Oklahoma Municipal Power Authority** leases two electrical substations to two of its member municipalities. These leases are accounted for as direct financing leases. The following schedule lists the net investment in direct financing leases as of June 30, 2000 (expressed in thousands).

Total minimum lease payments to be received	\$	1,851
- Gross investment in financing leases		471
Less: Cost of investments and unearned income		<u>471</u>
Net investment in direct financing leases	\$	<u><u>1,380</u></u>

Operating Leases

Primary Government

The State has operating leases maintained by various state agencies consisting primarily of state owned building space leased to non-state entities. The following schedule presents minimum future rentals receivable from these operating leases (expressed in thousands).

2001	2002	2003	2004	2005	Total
\$ 454	\$ 96	\$ 64	\$ 39	\$ 20	<u><u>\$ 673</u></u>

In addition, the leasing operations of the **Commissioners of the Land Office** consist of leasing approximately 800,000 acres of land principally for agricultural purposes. The lease terms are principally for five-year periods with one-fifth of the leases expiring each year. The lease year is on a calendar year basis with rents prepaid one year in advance. The rental amount is determined based on the maximum amount bid by the lessee. The following schedule presents minimum future rentals receivable from the leasing of these lands (expressed in thousands).

2001	2002	2003	2004	2005	Total
\$ 8,117	\$ 7,363	\$ 5,707	\$ 4,020	\$ 2,410	<u><u>\$ 27,617</u></u>

Component Units

The **Oklahoma Transportation Authority** has various noncancelable contracts with concessionaires to provide patron services on the State's turnpike system. The contracts are generally for five year terms, with two five-year renewal options. The Authority receives concession revenue that includes minimum rentals plus contingent rentals based on sales volume. The Authority also leases antenna space under noncancelable contracts with a 20 year term. The following schedule presents minimum future rentals receivable from these contracts (expressed in thousands).

2001	2002	2003	2004	2005	Total
\$ 198	\$ 198	\$ 190	\$ 179	\$ 179	<u><u>\$ 944</u></u>

Note 10. Long-Term Obligations - Primary Government, Governmental Funds

Long-term obligations at June 30, 2000, and changes for the fiscal year then ended are as follows (expressed in thousands).

	Issue Dates	Interest Rates	Maturity Through	Beginning Balance	Additions	Reductions	Ending Balance
General Long-Term Debt Account Group							
General Obligation Bonds Payable from Tax Revenue:							
Institutional Bldg 1992A	1993	4.25-5.20%	2018	\$ 227,360	\$ -	\$ 5,130	\$ 222,230
Institutional Bldg 1992B	1993	4.15-6.60%	2013	81,930	-	4,060	77,870
Total				309,290	-	9,190	300,100
Revenue Bonds Payable from Lease Rentals:							
OCIA Series A of 1986	1986	6.50%	2007	2,872	-	299	2,573
OCIA Series A of 1994	1994	3.00-4.65%	2003	3,995	-	935	3,060
OCIA Series B of 1994	1994	4.85-7.15%	2010	14,255	-	930	13,325
OCIA Series B of 1995	1995	3.60-5.30%	2016	28,750	-	1,735	27,015
OCIA Series B of 1996	1996	3.75-5.50%	2021	3,200	-	80	3,120
OCIA Series 1998, Corrections	1998	3.90-5.00%	2018	19,315	-	670	18,645
OCIA Series 1998, Highway	1998	4.25-5.00%	2008	285,290	-	26,155	259,135
OCIA Series 1999A	1999	4.50-5.50%	2017	-	151,350	-	151,350
OCIA Series 1999B	1999	6.20-7.375%	2009	-	5,955	-	5,955
OCIA Series 1999C	1999	4.50-5.50%	2017	-	5,355	-	5,355
OCIA Series 1999D	1999	3.85-5.65%	2019	-	14,085	-	14,085
Tourism 1990	1990	5.95%	2000	1,120	-	1,120	-
Tourism 1994	1994	5.30-7.20%	2012	4,915	-	255	4,660
Boll Weevil Series 1999	1999	5.15-6.25%	2008	5,000	-	445	4,555
DHS-Tulsa Co. 1990 (ODFA)	1990	6.15-7.00%	2000	485	-	485	-
DHS-Pittsburg Co. 1998 (ODFA)	1998	4.25-5.30%	2012	1,430	-	65	1,365
DHS-Canad/Linc Co. 2000 (ODFA)	2000	4.30-5.60%	2015	-	3,710	-	3,710
Veterans Series 2000 (ODFA)	2000	4.2-5.625%	2015	-	10,885	-	10,885
Total				370,627	191,340	33,174	528,793
Note Payable - Sardis Reservoir				36,460	-	252	36,208
Bond Anticipation Note - Boll Weevil Eradication				-	300	-	300
Certificates of Participation				5,141	-	1,382	3,759
Capital Leases				9,028	1,167	2,868	7,327
Compensated Absences				112,816	401	-	113,217
Pension Obligation				1,983	-	165	1,818
Other Claims and Judgments				3,638	-	3,638	-
Total General Long-Term Debt Account Group				\$ 848,983	\$ 193,208	\$ 50,669	\$ 991,522

Reduction of debt includes deletions of Certificates of Participation (\$273) and Capital Leases (\$128) and decreases in Pension Obligation and Other Claims and Judgments which are not included as expenditures in the operating statement.

A. General Obligation Bonds

General obligation bonds, administered by the State Treasurer, are authorized and issued primarily to provide resources for State-owned capital improvements, including office buildings for state agencies. The State has pledged 100% of cigarette taxes collected under these bond issues. General obligation bonds are backed by the full faith and credit of the State, including the State's power to levy additional taxes to ensure repayment of the bonds.

The Tax Reform Act of 1986 imposed additional restrictive regulations, reporting requirements and arbitrage rebate liability on issuers of tax-exempt debt. The State's cumulative arbitrage rebate liability on general obligation bonds for the year ended June 30, 2000, is approximately \$2,800.

The following table presents annual debt service requirements for those long-term debts outstanding at June 30, 2000, that have scheduled debt service amounts (expressed in thousands).

General Long-Term Debt Account Group	2001	2002	2003	2004	2005	Maturity	Total
General Obligation Bonds:							
Institutional Bldg 1992A	\$ 16,385	\$ 16,420	\$ 16,460	\$ 16,508	\$ 16,557	\$ 280,337	\$ 362,667
Institutional Bldg 1992B	7,922	7,895	7,871	7,835	7,800	68,240	107,563
	<u>24,307</u>	<u>24,315</u>	<u>24,331</u>	<u>24,343</u>	<u>24,357</u>	<u>348,577</u>	<u>470,230</u>
Interest	14,707	14,285	13,836	13,357	12,847	101,098	170,130
Total	<u>9,600</u>	<u>10,030</u>	<u>10,495</u>	<u>10,986</u>	<u>11,510</u>	<u>247,479</u>	<u>300,100</u>
Revenue Bonds:							
OCIA Series A of 1986	477	477	477	477	476	794	3,178
OCIA Series A of 1994	1,114	1,116	1,115	-	-	-	3,345
OCIA Series B of 1994	1,854	1,850	1,851	1,846	1,845	9,163	18,409
OCIA Series B of 1995	3,122	2,712	2,715	2,712	2,706	23,886	37,853
OCIA Series B of 1996	242	244	245	245	241	4,101	5,318
OCIA Series 1998, Corrections	1,578	1,579	1,579	1,577	1,578	20,500	28,391
OCIA Series 1998, Highway	39,412	39,408	39,416	39,407	39,414	118,231	315,288
OCIA Series 1999A	14,067	14,106	14,037	14,042	14,046	166,124	236,422
OCIA Series 1999B	1,141	1,132	1,133	1,128	1,128	2,224	7,886
OCIA Series 1999C	514	513	512	514	512	5,814	8,379
OCIA Series 1999D	1,114	1,112	1,115	1,115	1,114	18,021	23,591
Tourism 1990	-	-	-	-	-	-	-
Tourism 1994	574	573	575	576	570	3,976	6,844
Boll Weevil Series 1999	725	725	727	723	726	2,171	5,797
DHS-Tulsa Co. 1990 (ODFA)	-	-	-	-	-	-	-
DHS-Pittsburg Co. 1998 (ODFA)	136	133	140	136	137	1,224	1,906
DHS-Canad/Linc Co. 2000 (ODFA)	361	364	366	367	362	3,650	5,470
Veterans Series 2000 (ODFA)	1,049	1,074	1,069	1,073	1,071	10,709	16,045
	<u>67,480</u>	<u>67,118</u>	<u>67,072</u>	<u>65,938</u>	<u>65,926</u>	<u>390,588</u>	<u>724,122</u>
Interest	25,810	23,837	21,747	19,537	17,245	87,153	195,329
Total	<u>41,670</u>	<u>43,281</u>	<u>45,325</u>	<u>46,401</u>	<u>48,681</u>	<u>303,435</u>	<u>528,793</u>
Note Payable - Sardis Reservoir	923	923	923	923	923	44,649	49,264
Interest	661	651	641	631	621	9,851	13,056
Total	<u>262</u>	<u>272</u>	<u>282</u>	<u>292</u>	<u>302</u>	<u>34,798</u>	<u>36,208</u>
Bond Antic. Note - Boll Weevil Erad.	300	-	-	-	-	-	300
Certificates of Participation	723	774	832	870	503	57	3,759
Capital Leases	2,378	1,686	1,339	1,304	508	112	7,327
Total Debt Service	<u>\$ 54,933</u>	<u>\$ 56,043</u>	<u>\$ 58,273</u>	<u>\$ 59,853</u>	<u>\$ 61,504</u>	<u>\$ 585,881</u>	<u>\$ 876,487</u>
Long-Term Debt without scheduled debt service:							
Compensated Absences							113,217
Pension Obligation							1,818
Other Claims and Judgments							-
Total General Long-Term Debt Account Group							<u>\$ 991,522</u>

B. Revenue Bonds

The **Oklahoma Capitol Improvement Authority (OCIA)** has eleven outstanding series of building bonds to construct and equip state office buildings and prisons. Principal and interest payments on these bond issues are paid from rents collected from the various state and federal agencies that occupy the buildings constructed with the bond proceeds. OCIA also issued a series of revenue bonds to construct and improve the highway system. Principal and interest payments on these bonds are paid from rents collected from the Oklahoma Department of Transportation (DOT). The 1999 Legislature expressed its intent to annually appropriate to DOT sufficient moneys to make payments to OCIA for the purpose of retiring the debt.

The **Oklahoma Tourism and Recreation Department** has one remaining revenue bond issue for the financing of capital projects of the Parks Division. The revenue generated by fees from the Parks Division is used to meet the bond obligations. Additional security is provided by a special "Bond Reserve Fund", which is maintained in the amount of \$525,000 for the 1994 Series.

The **Boll Weevil Eradication Organization** issued revenue bonds for the purpose of eradicating boll weevils in the state. Principal and interest payments on this bond issue will be paid from assessments charged to cotton growers.

The **Oklahoma Development Finance Authority (ODFA)** has issued three series of lease revenue bonds to provide lease financing for the Department of Human Services. ODFA has also issued lease revenue bonds to provide lease financing for the Department of Veterans Affairs. The actual lease payments are made to a trustee who is responsible for payments to individual investors.

C. Notes Payable

The **Oklahoma Water Resources Board** has a contractual agreement to repay the United States, through the Army Corps of Engineers, for the costs of constructing water supply storage at Sardis Reservoir in southeastern Oklahoma. Under the 1974 contract, annual payments over a period of 50 years are to be made for the reservoir construction, operation and maintenance allocated to the present use water supply storage. The water storage facility was completed in 1982 and annual payments began in 1983. For further discussion of this note payable, refer to the Litigation and Contingencies note.

The **Boll Weevil Eradication Organization** issued bond anticipation notes prior to the issuance of the revenue bond to be issued in fiscal year 2001. The temporary note will be liquidated during fiscal year 2001 with the proceeds of the revenue bond.

D. Certificates of Participation

The State has lease purchase agreements funded through certificates of participation. These leases are for the purchase of equipment and facilities. Third-party leasing companies assigned their interest in the lease to underwriters which issued certificates for the funding of these obligations. The certificates of participation represent an ownership interest of the certificate holder in a lease purchase agreement. While the State is liable for lease payments to the underwriters, the State is not liable for payments to holders of the certificates.

The following schedule presents, by fiscal year, future minimum lease payments in the General Long Term Debt Account Group, as of June 30, 2000 (expressed in thousands).

	2001	2002	2003	2004	2005	Maturity	Total
Less: Interest	\$ 964	\$ 964	\$ 964	\$ 940	\$ 521	\$ 59	\$ 4,412
Present Value of Minimum Lease Payments							<u>\$ 653</u>
							<u>\$ 3,759</u>

Leased equipment financed by certificates of participation is included the general fixed asset account group at June 30, 2000, at an approximate cost of \$7,200,000.

E. Capital Leases

The State has entered into agreements to lease various facilities and equipment. Such agreements are, in substance, purchases (capital leases) and are reported as capital lease obligations. Capital lease obligations are reported for those leases with annual payments equal to \$10,000 or more.

The following schedule presents, by fiscal year, future minimum lease payments in the General Long-Term Debt Account Group, as of June 30, 2000 (expressed in thousands).

	2001	2002	2003	2004	2005	Maturity	Total
	\$ 3,269	\$ 2,287	\$ 1,811	\$ 1,742	\$ 623	\$ 145	\$ 9,877
Less: Executory costs included in minimum lease payments							1,291
Net Minimum Lease Payments							8,586
Less: Interest							1,259
Present Value of Minimum Lease Payments							<u>\$ 7,327</u>

Leased buildings and equipment under capital leases in the general fixed asset account group at June 30, 2000, include the following (expressed in thousands).

Equipment	\$ 11,678
Buildings	3,359
Total	<u>\$ 15,037</u>

F. Other Claims and Judgments

Included in other claims and judgments are Risk Management liabilities that will not be paid with currently expendable available financial resources.

G. Authorized Unissued Bonds

The State has authorized the Department of Corrections to issue bonds in the amount of \$1,500,000. The Oklahoma Capital Improvement Authority has been authorized to issue bonds in the amount of \$157,500,000 for construction and acquisition of property and \$150,000,000 for construction and improvement of the highway system. The Department of Transportation has been authorized to issue Grant Anticipation Revenue Bonds in the amount of \$799,000,000 for construction and improvement of the highway system.

Note 11. Long-Term Obligations - Primary Government, Proprietary Fund

The **Oklahoma Water Resources Board** and the **Department of Environmental Quality** have issued seven series of revenue bonds and six series of notes payable. These bonds and notes payable provide resources to implement its statewide financial assistance programs. These programs make loans to local government units for the acquisition, development, and utilization of storage and control facilities for water and sewage systems.

Bonds payable at June 30, 2000, and changes for the fiscal year then ended are as follows (expressed in thousands).

	Issue Dates	Interest Rates	Maturity Through	Authorized Unissued	Beginning Balance	Additions	Reductions	Ending Balance
Revenue Bonds Payable from User Fees:								
1989-1999 Issues	1989-1999	3.10-6.70%	2018-2032	\$ -	\$ 277,785	\$ -	\$ 15,430	\$ 262,355
Less: Bond Discounts				-	835	-	35	800
Total Bonds Payable Net of Discounts				<u>\$ -</u>	<u>\$ 276,950</u>	<u>\$ -</u>	<u>\$ 15,395</u>	<u>\$ 261,555</u>

The following table presents estimated annual debt service requirements for bonds payable outstanding at June 30, 2000 (expressed in thousands).

	2001	2002	2003	2004	2005	Maturity	Total
Revenue Bonds Payable:							
1989-1999 Issues Principal and Interest	\$ 20,807	\$ 21,385	\$ 21,278	\$ 20,417	\$ 20,062	\$ 299,951	\$ 403,900
Less: Interest	11,437	10,995	10,528	10,072	9,622	88,891	141,545
Total Principal	<u>\$ 9,370</u>	<u>\$ 10,390</u>	<u>\$ 10,750</u>	<u>\$ 10,345</u>	<u>\$ 10,440</u>	<u>\$ 211,060</u>	<u>\$ 262,355</u>

Notes payable at June 30, 2000, and changes for the fiscal year then ended are as follows (expressed in thousands).

	Issue Dates	Interest Rates	Maturity Through	Original Amount	Beginning Balance	Additions	Reductions	Ending Balance
Loan Programs	1999-2000	5.15-7.55%	2001	\$ 3,485	\$ 3,430	\$ 2,300	\$ 2,245	\$ 3,485
Less: Note Discounts					8	5	6	7
Total Notes Payable Net of Discounts					\$ 3,422	\$ 2,295	\$ 2,239	\$ 3,478

The following table presents estimated annual debt service requirements for notes payable outstanding at June 30, 2000 (expressed in thousands).

	2000	2001	2002	2003	2004	Maturity	Total
Loan Programs Principal and Interest	\$ 2,458	\$ 1,236	\$ -	\$ -	\$ -	\$ -	\$ 3,694
Less: Interest	163	46	-	-	-	-	209
Total Principal	\$ 2,295	\$ 1,190	\$ -	\$ -	\$ -	\$ -	\$ 3,485

The Tax Reform Act of 1986 imposed additional restrictive regulations, reporting requirements and arbitrage rebate liability on issuers of tax-exempt debt. The cumulative arbitrage rebate liability for the year ended June 30, 2000, is approximately \$2,917,000 and is recorded as other liabilities.

Note 12. Long-Term Obligations – Component Unit, Governmental Fund

The **Multiple Injury Trust Fund** (MITF) is indebted to claimants for court awarded judgments. Only those judgments currently payable in arrears bear interest. Included in Long-Term Obligations are permanent total and permanent partial awards payable after December 31, 1999.

Awards payable at December 31, 1999, and changes for the fiscal year then ended are as follows (expressed in thousands).

	Beginning Balance	Additions	Reductions	Ending Balance
Claims and Judgments	\$ 166,919	\$ 5,587	\$ -	\$ 172,506

The principal allocated by year cannot be determined as amounts paid are contingent on amounts collected from funding sources.

Note 13. Long-Term Obligations - Component Units, Proprietary Funds

Bonds payable at June 30, 2000, and changes for the fiscal year then ended are as follows (expressed in thousands).

	Issue Dates	Interest Rates	Maturity Through	Authorized Unissued	Beginning Balance	Additions	Reductions	Ending Balance
General Obligation Bonds Payable from User Fees:								
Industrial Finance Authority	1961-2000	3.90-10.00%	2022	\$ 16,333	\$ 73,567	\$ 1,045	\$ 826	\$ 73,786
Revenue Bonds Payable from User Fees:								
Student Loan Authority	1992-1998	4.45-6.70%	2028	-	169,905	-	4,160	165,745
Development Finance Auth.	1996	6.30%	2006	-	9,999	-	-	9,999
Environmental Finance Auth.	1977	5.90%	2007	-	34,700	-	33,700	1,000
Housing Finance Agency	1987-1999	3.55-9.65%	2030	-	555,456	211,665	232,458	534,663
Transportation Authority	1989-1998	3.15-7.88%	2028	-	1,328,325	-	12,962	1,315,363
Grand River Dam Authority	1987-1995	4.00-8.00%	2013	-	956,495	-	42,965	913,530
Municipal Power Authority	1990-1994	2.75-6.75%	2028	-	378,605	-	7,680	370,925
Total Before Discounts/Deferrals				16,333	3,507,052	212,710	334,751	3,385,011
Less: Bond Discounts				-	46,724	-	3,560	43,164
Net Deferred Debits on Refundings				-	93,142	-	12,240	80,902
Total Bonds Payable Net of Discounts/Deferrals				\$ 16,333	\$ 3,367,186	\$ 212,710	\$ 318,951	\$ 3,260,945

The following table presents annual principal and interest payments (principal payments only for the revenue bonds of Oklahoma Housing Finance Agency) for bonds payable outstanding at June 30, 2000 (September 30, 1999, for Oklahoma Housing Finance Agency and December 31, 1999, for Oklahoma Transportation Authority and Grand River Dam Authority) (expressed in thousands).

	2001	2002	2003	2004	2005	Maturity	Total
General Obligation Bonds:							
Industrial Finance Authority	\$ 5,336	\$ 5,439	\$ 5,461	\$ 5,450	\$ 5,464	\$ 115,471	\$ 142,621
Revenue Bonds:							
Student Loan Authority	11,623	11,086	10,476	9,631	14,874	273,304	330,994
Development Finance Auth.	630	630	630	630	630	10,629	13,779
Environmental Finance Auth.	59	59	59	59	59	1,177	1,472
Transportation Authority	86,609	86,610	86,608	90,132	93,018	2,117,624	2,560,601
Grand River Dam Authority	95,552	95,739	95,718	95,289	95,327	804,964	1,282,589
Municipal Power Authority	28,269	28,249	28,237	28,217	28,198	529,514	670,684
Total Principal and Interest	228,078	227,812	227,189	229,408	237,570	3,852,683	5,002,740
Less: Interest	156,280	152,751	148,419	143,350	139,267	1,412,325	2,152,392
Subtotal: Principal	71,798	75,061	78,770	86,058	98,303	2,440,358	2,850,348
Housing Finance Agency	89,998	25,638	25,628	23,855	9,890	359,654	534,663
Total Principal	\$ 161,796	\$ 100,699	\$ 104,398	\$ 109,913	\$ 108,193	\$ 2,800,012	\$ 3,385,011

A. General Obligation Bonds

Oklahoma Industrial Finance Authority (OIFA) has issued eleven series of general obligation bonds. These bonds are issued for the funding of industrial finance loans to encourage business development within the state. All revenues arising from the net proceeds from repayment of industrial finance loans and interest received thereon are pledged under these bond issues. In addition, these general obligation bonds are backed by the full faith and credit of the State.

B. Revenue Bonds

The **Oklahoma Student Loan Authority** (SLA) has issued ten series of revenue bonds. The bonds are issued for the purpose of funding student loans. All bonds payable are primarily secured by the student loans receivable, related accrued interest and by the amounts on deposit in the accounts established under the respective bond resolution.

The **Oklahoma Development Finance Authority** (ODFA) has issued a revenue bond to fund loans to various investment enterprises in connection with the Quality Jobs Investment Program. The bond is payable solely from and secured by the revenues and funds in the Quality Jobs Investment Program and a Credit Enhancement Reserve Fund guarantee insurance policy.

The **Oklahoma Housing Finance Agency** (OHFA) has issued 49 series of revenue bonds with an original issue amount of \$1,327,531,000. The net proceeds of these bonds are used to provide financing for qualifying residences, provide interim and permanent financing for multi family construction projects, and establish debt service reserves as required by the various trust indentures.

The **Oklahoma Transportation Authority** (OTA) has issued seven series of revenue bonds with an original issue amount of \$1,904,534,000. The bonds are issued for the purpose of financing capital improvements and new projects relating to the State's turnpike system and are financed primarily by tolls assessed on users of the turnpikes.

The Tax Reform Act of 1986 imposed additional restrictive regulations, reporting requirements and arbitrage rebate liability on issuers of tax-exempt debt. OTA's cumulative arbitrage rebate liability for the year ended December 31, 1999, is approximately \$5,409,000 and is recorded as other liabilities.

The **Grand River Dam Authority** (GRDA) has issued three series of revenue bonds with an original issue amount of \$2,091,030,000. The bonds were issued to advance refund all of GRDA's previously issued acquisition and construction indebtedness.

The **Oklahoma Municipal Power Authority (OMPA)** has issued five series of revenue bonds. The bonds are issued to finance portions of OMPA's acquisition and construction activities. The bonds are payable from and collateralized by a pledge of and security interest in the proceeds of the sale of the bonds, the revenues of OMPA, and assets in the funds established by the respective bond resolutions. Neither the State of Oklahoma nor any political subdivision thereof is obligated to pay principal or interest on the bonds. OMPA does not have any taxing authority.

C. Defeased Bonds

In prior years, proprietary component units have defeased bonds by placing assets in irrevocable trusts to provide for all future debt service payments on the defeased bonds. Accordingly, the trusts' assets and the liability for the defeased bonds are not included in the accompanying financial statements. The following defeased bonds were outstanding at June 30, 2000 (December 31, 1999 for OTA, GRDA, and OMPA) (expressed in thousands).

General Obligation Bonds	Revenue Bonds			
	OIFA	OTA	GRDA	OMPA
\$ 5,000	\$ 99,570	\$ 92,377	\$ 50,485	

D. Notes Payable

Notes payable at June 30, 2000, and changes for the fiscal year then ended are as follows (expressed in thousands).

	Issue Dates	Interest Rates	Maturity Through	Original Amount	Beginning Balance	Additions	Reductions	Ending Balance
Student Loan Authority	1993-1999	4.42-6.84%	2029	\$ 144,825	\$ 48,600	\$ 88,835	\$ 1,610	\$ 135,825
Medical Technology and Research Authority	1995-1996	6.25-8.25%	2015	4,462	3,956	-	218	3,738
Total					\$ 52,556	\$ 88,835	\$ 1,828	\$ 139,563
Less: Current Portion								16,462
Total Noncurrent Notes Payable								\$ 123,101

The following table presents annual debt service requirements for notes payable outstanding at June 30, 2000 (expressed in thousands).

	2001	2002	2003	2004	2005	Maturity	Total
Student Loan Authority	\$ 23,858	\$ 7,515	\$ 94,896	\$ 1,287	\$ 1,287	\$ 54,567	\$ 183,410
Medical Technology and Research Auth.	476	476	475	476	476	3,140	5,519
Total Principal and Interest	24,334	7,991	95,371	1,763	1,763	57,707	188,929
Less: Interest	7,871	7,733	4,086	1,448	1,436	26,792	49,366
Total Principal	\$ 16,463	\$ 258	\$ 91,285	\$ 315	\$ 327	\$ 30,915	\$ 139,563

Notes of the **Oklahoma Student Loan Authority (OSLA)** are issued to fund student loans and are primarily secured by the student loans receivable, related accrued interest and by the amounts on deposit in the accounts established under the respective financing agreements.

The Tax Reform Act of 1986 imposed additional restrictive regulations, reporting requirements and arbitrage rebate liability on issuers of tax-exempt debt. OSLA's cumulative arbitrage rebate liability for the year ended June 30, 2000, is approximately \$927,000 and is recorded as other liabilities.

Notes of the **Medical Technology and Research Authority** are issued for the purpose of financing the construction of facilities and equipment and are secured by a mortgage, security interest in properties, and revenues.

Note 14. Long-Term Obligations - Component Unit, Higher Education Funds

Long-term obligations at June 30, 2000, and changes for the fiscal year then ended are as follows (expressed in thousands).

	Issue Dates	Interest Rates	Maturity Through	Authorized Unissued	Beginning Balance	Additions	Reductions	Ending Balance
General Obligation Bonds	1996-1999	4.20-6.70%	2006		\$ 21,310	\$ -	\$ 430	\$ 20,880
Revenue Bonds	1963-1999	3.00-12.00%	2028	\$ 7,600	258,290	-	8,965	249,325
Notes Payable					26,669	1,385	1,469	26,585
Total Before Discounts					306,269	1,385	10,864	296,790
Less: Bond Discounts					33	-	2	31
Total Bonds and Notes Payable Net of Discounts					\$ 306,236	\$ 1,385	\$ 10,862	\$ 296,759

The following table presents annual principal and interest payments applicable to long-term debt outstanding at June 30, 2000 (expressed in thousands).

	2001	2002	2003	2004	2005	Maturity	Total
General Obligation Bonds	\$ 5,852	\$ 5,651	\$ 5,448	\$ 5,246	\$ 469	\$ 449	\$ 23,115
Less: Interest	847	646	443	241	39	19	2,235
Total Principal	\$ 5,005	\$ 5,005	\$ 5,005	\$ 5,005	\$ 430	\$ 430	\$ 20,880
Revenue Bonds	\$ 21,966	\$ 22,919	\$ 22,378	\$ 22,291	\$ 21,648	\$ 290,647	\$ 401,849
Less: Interest	12,685	12,146	11,557	10,981	10,443	94,712	152,524
Total Principal	\$ 9,281	\$ 10,773	\$ 10,821	\$ 11,310	\$ 11,205	\$ 195,935	\$ 249,325
Notes Payable	\$ 2,429	\$ 2,345	\$ 2,351	\$ 2,393	\$ 2,362	\$ 32,213	\$ 44,093
Less: Interest	1,456	1,412	1,369	1,326	1,269	10,676	17,508
Total Principal	\$ 973	\$ 933	\$ 982	\$ 1,067	\$ 1,093	\$ 21,537	\$ 26,585

A. General Obligation Bonds

Rose State College Technical Area Education District and Tulsa Community College Area School District #18 have authorized and issued two series of general obligation bonds with an original issue amount of \$22,175,000. These bonds were issued for the financing of buildings, equipment, and related capital improvements. Ad valorem taxes levied upon taxable property within their respective districts have been pledged to retire these general obligation bonds.

B. Revenue Bonds

Nineteen of the State's colleges and universities have authorized and issued 47 series of revenue bonds with an original issue amount of \$309,397,000. These bonds were issued for the construction of student housing and other facilities. Student fees, revenues produced by the facilities constructed, and other revenues collateralize the revenue bonds.

Other colleges and universities have defeased revenue bonds in prior years by placing the proceeds of new bonds in irrevocable trusts to provide for all future debt service payments on the defeased bonds. Accordingly, the trusts' assets and the liability for the defeased bonds are not included in the accompanying financial statements. At June 30, 2000, \$13,637,000 of bonds defeased in prior years were outstanding.

C. Notes Payable

Oklahoma State University and Carl Albert State College each entered into a note payable to fund the construction of facilities. Lease payments, a pledge of "Section Thirteen Fund State Educational Institutions" moneys, and the facilities constructed secure the notes. Oklahoma State University also entered into note payables for the purchase of equipment. The equipment purchased is pledged as collateral on the note. The University of Oklahoma Health Sciences Center (the Center) has entered into a note payable to provide start up costs for the Sooner Care HMO which is operated by the Center. The revenues produced by Sooner Care HMO will be used to retire the note. Also, the Center entered into a note payable to the Oklahoma Development Finance Authority. The revenues received from rentals of properties purchased with the proceeds of the note and additional income from the operation of the Center's Tulsa Medical Clinic, as needed,

are pledged toward payment to the Oklahoma Development Finance Authority. Oklahoma Panhandle State University entered into a note payable for the purchase of accounting software and computer equipment. University of Oklahoma issued a mortgage payable to secure the financing of two buildings used by the University.

D. Capital Leases

The Higher Education Component Unit has entered into agreements with unrelated parties as well as agreements with the Oklahoma Capital Improvement Authority (OCIA) to lease various facilities, equipment and improvements. During fiscal year 2000, the capital lease agreements the Higher Education Component Unit entered into with OCIA totaled \$45,674,000. Such agreements are included with capital lease obligations.

The following presents, by fiscal year, future minimum lease payments in the Higher Education Component Unit as of June 30, 2000 (expressed in thousands).

	2001	2002	2003	2004	2005	Maturity	Total
	\$ 9,558	\$ 8,593	\$ 8,132	\$ 6,534	\$ 5,858	\$ 55,465	\$ 94,140
Less: Interest							29,675
Present Value of Minimum Lease Payments							<u>\$ 64,465</u>

Capital lease obligations at June 30, 2000, and changes for the fiscal year then ended are as follows (expressed in thousands).

	Beginning Balance	Additions	Reductions	Ending Balance
Capital Lease Obligations	\$ 17,326	\$ 51,482	\$ 4,343	\$ 64,465

Leased equipment under capital leases in investment in fixed assets at June 30, 2000, included the following (expressed in thousands).

Facilities and Equipment	\$ 44,795
Less: Accumulated Depreciation	6,944
Net	<u>\$ 37,851</u>

Note 15. Beginning Fund Equity Adjustments and Other Changes

Beginning Fund Equity Adjustments

During fiscal 2000, one university included in the Higher Education Component Unit restated the carrying value of their plant assets.

The following schedule reconciles June 30, 1999, fund equity as previously reported, to beginning fund equity, as restated, to include the adoption of new pronouncements and other changes noted above (expressed in thousands).

	General	Capital Projects	Enterprise	Trust and Agency	Governmental Component Unit	Proprietary Component Units	Fiduciary Component Units	Higher Education Component Unit
June 30, 1999, fund equity, as previously reported	\$ 1,831,036	\$ 8,402	\$ 208,633	\$ 1,756,081	\$ (26,144)	\$ 782,447	\$ 13,730,629	\$ 2,318,450
Prior period adjustments:								
Plant inventory adjustments	-	-	-	-	-	-	-	(16,292)
Correction of errors	1,030	-	(12,711)	-	-	-	-	11,612
June 30, 1999, fund equity, as restated	<u>\$ 1,832,066</u>	<u>\$ 8,402</u>	<u>\$ 195,922</u>	<u>\$ 1,756,081</u>	<u>\$ (26,144)</u>	<u>\$ 782,447</u>	<u>\$ 13,730,629</u>	<u>\$ 2,313,770</u>

Note 16. Nonrecourse Debt and Debt Guarantees

Nonrecourse (Conduit) Debt, Notes Receivable and Funds in Trust

Financing agreements of Oklahoma Development Finance Authority (ODFA) and Oklahoma Housing Finance Agency (OHFA) are structured such that the debt is to be repaid solely from the revenues derived from the related facilities leased or acquired, or from the disposition of collateral. ODFA and OHFA do not hold notes receivable and trust investments in amounts equal to the long-term financings. As of June 30, 2000, ODFA had 193 series of debt outstanding for non-state entities, with an aggregate principal amount payable of approximately \$607,365,000. As of September 30, 1999, OHFA had 56 series of single family bonds outstanding with an aggregate principal amount payable of approximately \$534,663,000 and 8 series of multi family bonds outstanding with an aggregate principal amount payable of approximately \$31,893,000. These financings are not the general obligations of the State or state agencies, and it is the opinion of agency management and its legal counsel that, in the event of default by a borrower, the State has no responsibility for repayment of such financings. Accordingly, the nonrecourse debt and the related notes receivable and trust investments of ODFA and OHFA's multi family bond programs have been excluded from the financial statements. The nonrecourse debt and other obligations and the related notes receivable and other assets of OHFA's single family bonds are presented in the financial statements, since any assets remaining when the single family bond programs are liquidated are transferred to OHFA.

Credit Enhancement Reserve Fund

Under the Constitution of the State of Oklahoma, ODFA may issue bonds of the State, to be known as Credit Enhancement Reserve Fund General Obligation Bonds, in a total principal amount of \$100,000,000 for the sole purpose of generating resources if there are insufficient assets to meet insurance obligations. The Fund is managed, administered, and utilized by ODFA solely to secure the payment of interest insurance on the revenue bonds and other financial obligations issued by the Authority for the specific purpose of enhancing and supporting the credit of such obligations. As of June 30, 2000, there were approximately \$35,000,000 of outstanding financial obligations insured by ODFA. At year end, the Fund has accrued a reserve for losses of approximately \$51,000, to cover potential losses from outstanding financial obligations insured by the Fund. Through June 30, 2000, there have been no Oklahoma Credit Enhancement Reserve Fund General Obligation Bonds issued since it is the intention of ODFA to utilize existing assets to meet obligations arising from losses reserved and accrued payments in lieu of interest by the Fund.

Note 17. Retirement and Pension Systems

The State of Oklahoma has six Public Employee Retirement Systems (PERS) that administer pension plans: Oklahoma Firefighters Pension and Retirement System (OFPRS), Oklahoma Law Enforcement Retirement System (OLERS), Oklahoma Public Employees Retirement System (OPERS), Uniform Retirement System for Justices and Judges (URSJJ), Oklahoma Police Pension and Retirement System (OPPRS), and the Teachers' Retirement System of Oklahoma (TRS). These plans are all fiduciary component units of the State. The Department of Wildlife Conservation administers the Wildlife Conservation Retirement Plan (WCRP) which is part of the primary government. The Oklahoma Housing Finance Authority has a defined contribution plan that is privately administered.

A. Primary Government

1. General Description of the Retirement System

The Wildlife Conservation Retirement Plan (WCRP) is a single-employer defined benefit retirement system administered by the Wildlife Conservation Commission for employees of the Department of Wildlife Conservation. The WCRP provides retirement, disability and death benefits to plan members and their beneficiaries. The WCRP was established by statute, however, benefit provisions are established and amended by the Wildlife Conservation Commission. Cost-of-living adjustments are provided to members at the discretion of the Wildlife Conservation Commission.

The Wildlife Conservation Retirement Plan is included in the audit report of the Department of Wildlife Conservation. This report may be obtained from the Department of Wildlife Conservation, 1801 N. Lincoln, Oklahoma City, OK 73105.

2. Funding Policy

The Wildlife Conservation Retirement Plan required contribution is determined by the Wildlife Conservation Commission and is based on actuarial calculations.

The Wildlife Conservation Retirement Plan receives contributions from each member based on their annual covered salary. The contribution requirements are established and amended by the Wildlife Conservation Commission. For fiscal year 2000, the employee contribution rate was 3%. The Department of Wildlife Conservation is required to contribute at an actuarially determined rate. The required contribution for the year ended June 30, 2000 was \$1,161,000.

3. Annual Pension Cost and Net Pension Obligation

The current year annual pension cost and net pension obligation for the Wildlife Conservation Retirement Plan was as follows (expressed in thousands):

	<u>WCRP</u>
Annual required contribution	\$ 1,161
Interest on net pension obligation	159
Adjustment to annual required contribution	<u>(285)</u>
Annual pension cost	1,035
Contributions made	<u>1,200</u>
Increase (decrease) in net pension obligation	(165)
Net pension obligation-beginning of year	<u>1,983</u>
Net pension obligation-end of year	<u><u>\$ 1,818</u></u>
Actuarial Assumptions:	
Investment rate of return	8.0%
Annual salary increase	5.0%
COLA increase	2.0%

The annual required contribution for the WCRP for the current year was determined as part of the July 1, 1999, actuarial valuation. Costs in the valuation were prepared using the entry age actuarial cost method. The actuarial value of assets is set equal to the market value of assets. The unfunded actuarial accrued liability is being amortized over a 15-year period.

Three-Year Trend Information
Wildlife Conservation Retirement Plan
(expressed in thousands)

Fiscal Year <u>Ending</u>	Annual Pension Cost (APC)	Percentage Of APC <u>Contributed</u>	Net Pension Obligation
6/30/00	\$ 1,035	116%	\$ 1,818
6/30/99	990	121%	1,983
6/30/98	1,372	109%	2,193

The following Required Supplementary Information for the Wildlife Conservation Retirement Plan was determined as part of the actuarial valuations at the dates indicated.

Schedule of Funding Progress
Wildlife Conservation Retirement Plan
(unaudited)
(expressed in thousands)

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
7/1/00	\$ 49,309	\$ 48,602	\$ (707)	101.5%	\$ 11,508	(6.1%)
7/1/99	42,827	44,545	1,719	96.1%	11,318	15.2%
7/1/98	51,345	53,005	1,660	96.9%	11,094	15.0%

In 1999 the Wildlife Conservation Retirement Plan made a one-time payment of approximately \$13,734,000 to an outside pension benefits administrator for guaranteed monthly retirement benefit contracts covering 111 individuals. As a result of this payment, the WCRP is no longer liable for the guaranteed monthly benefits these contracts provided. The WCRP will continue to have liability for any future cost-of-living adjustments provided to these individuals.

B. Component Units

1. General Description of the Retirement Systems

The Oklahoma Firefighters Pension and Retirement System (OFPRS), Oklahoma Public Employees Retirement System (OPERS), Oklahoma Police Pension and Retirement System (OPPRS), and the Teachers' Retirement System of Oklahoma (TRS) are all cost-sharing multi-employer defined benefit retirement systems. The Uniform Retirement System for Justices and Judges (URSJJ) and the Oklahoma Law Enforcement Retirement System (OLERS) are single-employer defined benefit retirement systems. Pension benefit provisions for all plans were established by statute and benefit provisions are amended by the State Legislature. Each plan provides retirement, disability, and death benefits to plan members and their beneficiaries. Cost-of-living adjustments are provided to plan members at the discretion of the State Legislature.

Separately issued independent audit reports for each pension plan may be obtained from the following:

Firefighters Pension and Retirement 4545 N. Lincoln Blvd., Suite 265 Oklahoma City, OK 73105-3414	Law Enforcement Retirement 4545 N. Lincoln Blvd., Suite 257 Oklahoma City, OK 73105-3414	Police Pension and Retirement 1001 N.W. 63rd St., Suite 605 Oklahoma City, OK 73116-7335
Public Employees Retirement 6601 N. Broadway Ext., Suite 129 Oklahoma City, OK 73152-3007	Uniform Retirement System for Justices and Judges 6601 N. Broadway Ext., Suite 129 Oklahoma City, OK 73152-3007	Teachers' Retirement System 2801 N. Lincoln Blvd. Oklahoma City, OK 73105-4209

The number of participating employers in cost-sharing multiple employer plans is as follows:

OFPRS	OPERS	OPPRS	TRS
501	129	115	633

During fiscal year 2000, the Teachers' Retirement System's unfunded liability decreased from \$4,750,000,000 to \$4,636,000,000. This slight decrease was primarily the result of better than expected return on assets. Despite the improved results this year, it should be noted that unfunded liabilities are expected to increase until the year 2013 due to negative amortization created by the current funding schedule.

2. Funding Policy

The contribution requirements for the six PERS are an established rate determined by the State Legislature each year and are not based on actuarial calculations. The Uniform Retirement System for Judges and Justices Board has the ability to adjust contribution rates to prevent a funded ratio of less than 100%.

Oklahoma Firefighters Pension and Retirement System (OFPRS) receives contributions from participating full-time firefighters equal to 8% of applicable earnings, while member cities contribute 13% of the member's applicable earnings. In addition, the member cities contribute \$60 for each volunteer firefighter unless their income in the general fund is less than \$25,000, in which case they are exempt. The State allocates to OFPRS 34% of the insurance premium tax collected from insurance companies on various types of insurance policies as required by statute. Insurance premium contributions to the plan for the years ended June 30, 2000, 1999, and 1998 totaled \$42,118,000, \$40,897,000, and \$40,882,000, respectively.

Oklahoma Law Enforcement Retirement System (OLERS) receives contributions from state agencies and members of 10% and 8%, respectively, of the actual paid base salary of each member. State employer contributions to the plan for the years ended June 30, 2000, 1999, and 1998 were \$4,878,000, \$4,267,000, and \$3,661,000, respectively. These contributions represent 100% of the contribution required. OLERS also receives 1.2% of all fees, taxes, and penalties collected by motor license agents, 50 cents per vehicle inspection sticker issued and 5% of the insurance premium taxes collected from insurance companies on various types of insurance policies as required by statute. The state contributions to the plan for years ended June 30, 2000, 1999, and 1998 totaled \$14,967,000, \$13,977,000, and \$14,345,000, respectively.

Oklahoma Public Employees Retirement System (OPERS) receives contributions from each member based on their gross salary earned (excluding overtime). There is no cap on qualifying gross salary earned, subject to Internal Revenue Service limitations on compensation.

State, County, and Local Agency Employees - The following contribution rates were in effect during fiscal year 2000:

State employees and agencies – State employees contribute 3% on the first \$25,000 of salary and 3.5% on salary above \$25,000. State agency employers contribute 10% on all salary. In fiscal year 1999 state agency employers contributed 12.5% on all salary.

Participating county and local agencies – Employees contribute a minimum of 3.5% up to a maximum of 8.5%. Employers contribute a minimum of 7.5% up to a maximum of 12.5%. Combined employee and employer contributions equal 13.5% of total salary. In fiscal year 1999 combined employee and employer contributions equaled 16% of salary.

Elected Officials - Elected officials' employee contributions are based on the maximum compensation levels set for all members and the participating employers are required to contribute on the elected officials' covered salary using the same percentage and limits as applicable for state agencies. Elected officials must select an employee contribution rate of 4.5%, 6%, 7.5%, 8.5%, 9%, or 10%.

Eligible Officers - Eligible officers contribute 8% on all salary. Employers contribute 10% on all salary. In fiscal year 1999 employers contributed 12.5% on all salary.

State agency employer contributions to OPERS for the year ended June 30, 2000, 1999, and 1998 were \$107,996,000, \$128,528,000, and \$123,944,000, respectively. These contributions represent 100% of the contribution required.

Uniform Retirement System for Justices and Judges (URSJJ) member contributions for fiscal 2000 are 5% of members' monthly salary. For fiscal 2000 each married member in the plan must provide for spouse survivor benefits at the contributory rate of 8% unless the member's spouse waives this benefit. State statutes require participating court employers to contribute monthly a percentage of the gross salaries of active members. The percentage established for the year ended June 30, 2000, was 14.89%. Effective January 1, 2000, employers' contributions will be reduced to 2% of the monthly gross salaries of active members.

Oklahoma Police Pension and Retirement System (OPPRS) receives contributions from each participating municipality and each participant. Until July 1, 1991, each municipality contributed 10% of the actual base salary of each participant employed by the municipality. Beginning July 1, 1991, municipality contributions increased by 0.5% per year and continued until July 1, 1996, when the contribution level reached 13%, where it remains. Each participant of OPPRS contributes 8% of actual paid base salary. In addition, the State allocates 14% of the insurance premium taxes collected from insurance companies on various types of insurance policies as required by statute. Insurance premium contributions to the plan for the years ended June 30, 2000, 1999, and 1998 totaled \$17,342,000, \$16,841,000, and \$17,177,000, respectively.

Teachers' Retirement System (TRS) receives contributions from participating members and employers. All active members contribute to the system; however, the employer may elect to make all or part of the contribution for its employees. All members must contribute 7% of regular annual compensation, not to exceed the members maximum compensation. For members other than those employed by a comprehensive university on or before June 30, 1995, the maximum compensation level will be the member's regular annual compensation. For those members employed by a comprehensive university, the following table summarizes the maximum compensation level.

<u>Fiscal Year</u>	<u>For Members Who Elected the \$25,000 Limit Prior to June, 30 1995</u>	<u>For All Other Members</u>
1999	42,500	59,000
2000	47,500	64,000
2001	52,500	69,000

Maximum compensation levels will increase by \$5,000 each year through June 30, 2007, after which the full amount of regular annual compensation will be considered.

Employers are required to contribute a fixed percentage of annual compensation on behalf of active members. The employer contribution rate of 11.5% for fiscal year 2000 is applied to annual compensation up to defined caps depending upon the member's elections as previously described. Oklahoma statutes require the state to contribute 3.54% of the State's sales, income and use tax. These contributions received from the State are used to offset the percentage of the required employer contributions. TRS received approximately \$132,575,000 that was used to offset the percentage of the required employer contributions. As a result of this payment, the actual contribution rate due from employers was 4.8%. State contributions on behalf of employees totaled approximately \$34,679,000 for fiscal year 2000. Federal contributions to TRS for fiscal year 2000 totaled approximately \$12,454,000. State employer contributions to TRS for the year ended June 30, 2000, 1999, and 1998 were \$2,814,000, \$2,489,000, and \$2,324,000, respectively. These contributions represent 100% of the contributions required.

House Bill 1574, passed during the 1999 legislative session, modified one of the system's funding sources. Effective July 1, 1999, TRS began receiving 3.54% of the State's sales, use and income taxes. This contribution was subject to a \$136,000,000 maximum for fiscal year 2000 only. For fiscal year 2000 the local employer contribution was 4.8% of each member's regular annual compensation. Beginning July 1, 2000, the rate will increase to 5.8%. The rate will increase 1% to 6.8% beginning July 1, 2001. The rate will increase to 7.05% beginning July 1, 2002, and remain there for subsequent years.

3. Annual Pension Cost and Net Pension Obligation

The State's annual pension cost and net pension obligation (excess funding is represented as negative amounts) for the current year were as follows (expressed in thousands):

	OLERS	URSJJ
Annual required contribution	\$ 6,320	\$ 436
Interest on net pension obligation	(4,301)	(1,025)
Adjustment to annual required contribution	9,112	1,484
Annual pension cost	11,131	895
Contributions made	19,671	3,201
Increase (decrease) in net pension obligation	(8,540)	(2,306)
Net pension obligation-beginning of year	(61,445)	(13,668)
Net pension obligation-end of year	\$ (69,985)	\$ (15,974)
Actuarial Assumptions:		
Investment rate of return	7.0%	7.5%
Annual salary increase	5% to 9%	5.5%
COLA increase	4.0%	2.0%

The annual required contribution for URSJJ for the current year was determined as part of the July 1, 1999, actuarial valuation. Costs in the valuation were prepared using the entry age actuarial cost method until July 1, 1994. For the period July 1, 1994, through July 1, 1999, the aggregate cost method was used to determine cost. Effective July 1, 2000, URSJJ will use the entry age normal method for determining cost.

The annual required contribution for OLERS for the current year was determined as part of the July 1, 1999, actuarial valuation. Costs in the valuation were prepared using the entry age actuarial cost method until July 1, 1997, when the unfunded actuarial liability was negative and the actuarial cost method was changed to the aggregate cost method, the valuation method used for the current year.

For actuarial purposes, assets are determined equal to the prior year's actuarial value of assets plus cash flow (excluding realized and unrealized gains or losses) for the year ended on the valuation date, assuming a 7.5% rate of return for URSJJ and 7% rate of return for OLERS. Prior year's unrecognized gains and losses are added to this amount to develop expected actuarial value. The expected actuarial value is then compared to the market value of the assets at the valuation date, and 20% of any gain (loss) for the last five years is added to the expected actuarial value. The gain (loss) is amortized over five years with the actuarial value of the assets being constrained to a range of 80% to 120% of the market value at the valuation date. The aggregate cost method does not identify or separately amortize unfunded actuarial liabilities.

Three-Year Trend Information

(expressed in thousands)

	Fiscal Year Ending	Annual Pension Cost (APC)	Percentage Of APC Contributed	Net Pension Obligation
Oklahoma Law Enforcement Retirement System	6/30/00	\$ 11,131	177%	\$ (69,985)
	6/30/99	12,522	144%	(61,445)
	6/30/98	7,259	245%	(55,919)
Uniform Retirement System for Justices and Judges	6/30/00	895	358%	(15,974)
	6/30/99	368	843%	(13,668)
	6/30/98	219	1314%	(10,931)

The following Required Supplementary Information for the OLEERS was determined as part of the actuarial valuations at the dates indicated. The Required Supplementary Information is not supplied for URSJJ since contributions are determined under the aggregate cost method.

Schedule of Funding Progress
Oklahoma Law Enforcement Retirement System
(unaudited)
(expressed in thousands)

Acturial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
7/1/00	\$ 495,093	\$ 457,404	\$ (37,689)	108.2%	\$ 47,638	(79.1%)
7/1/99	442,565	425,908	(16,657)	103.9%	44,738	(37.2%)
7/1/98	392,095	396,600	4,505	98.9%	34,032	13.2%

4. Other Retirement Systems

The Oklahoma Housing Finance Agency (OHFA), a component unit of the State, contributes to the Oklahoma Housing Finance Agency Retirement Plan, which is a defined contribution plan with 86 members. Under its provisions, no new employees are allowed to join the plan after June 30, 1997. OHFA's contribution amount is at the discretion of the Board of Trustees and does not have any limitations. The current contribution rate is 10% of eligible employees compensation. Employees begin vesting after two years of service and become fully vested after six years of service. Plan provisions were established and may be amended by the Board of Trustees. For the year ended September 30, 1999, OHFA's retirement plan expense was \$328,000. Contributions made by OHFA represent 10% of covered payroll for fiscal year 1999.

In addition to the TRS, various institutions in the Higher Education Component Unit participate in other pension plans, primarily the Teachers Insurance and Annuity Association. These plans are defined contribution plans. Contributions made by participating institutions are based on a percentage of payroll for qualified employees as determined by each institution's contract. For those institutions providing these plans, the total covered payroll was \$561,124,000. The institution contributions were \$43,273,000 or 7.7% of covered payroll. Employees are not required to contribute to the plans.

Several institutions in the Higher Education Component Unit also sponsor supplemental retirement annuities to guarantee eligible retirees a minimum level of benefits from other retirement sources. New employees are not eligible to participate in these plans. These annuities operate as defined benefit plans. Funding varies among institutions, with some funding based on actuarial calculations and others on a pay-as-you-go basis. Employees are not required to contribute to these plans.

Some Public Beneficiary Trusts are not eligible for participation in OPERS, and may have their own retirement plans. Additional information regarding these plans may be found in the separately issued financial reports of these component units.

Note 18. Other Postemployment Benefits

Primary Government

In addition to the pension benefits described in the Retirement and Pension Systems note, the State provides post-retirement health care benefits (OPEB). The Department of Wildlife Conservation pays the Medicare supplement insurance premium or \$75 per month, whichever is less, for all retirees of the Wildlife Conservation Retirement Plan who elect coverage at the time of retirement through the Oklahoma State and Education Employees Group Insurance Board.

	<u>Current Year Expenditures</u>	<u>Eligible Participants</u>	<u>Enabling Legislation</u>
Department of Wildlife Conservation	\$ 64,162	75	Title 29, 3-306

The Department of Wildlife Conservation funds postemployment health care benefits on a pay-as-you-go basis as part of the overall retirement benefit. No separation of pension obligation and health insurance obligation is made and assets are not allocated between obligations.

Component Units

Oklahoma Law Enforcement Retirement System (OLERS), Oklahoma Public Employees Retirement System (OPERS), and Uniform Retirement System for Judges and Justices (URSJJ) pay the Medicare supplement insurance premium or \$75 per month, whichever is less, for all retirees who elect coverage at time of retirement through the Oklahoma State and Education Employees Group Insurance Board. Teachers' Retirement System of Oklahoma (TRS) pays between \$70 and \$75 per month for each retiree, depending on the member's years of service.

	<u>Current Year Expenditures</u>	<u>Eligible Participants</u>	<u>Enabling Legislation</u>
OLERS	\$ 364,560	408	Title 74, 1316.2
OPERS	12,027,000	13,413	Title 74, 1316.2
URSJJ	75,300	89	Title 74, 1316.2
TRS	20,537,000	24,557	Title 74, 1316.2

OLERS, OPERS, URSJJ, and TRS fund postemployment health care benefits on a pay-as-you-go basis as part of the overall retirement benefit. No separation of pension obligation and health insurance obligation is made and assets are not allocated between obligations. The Retirement and Pension Systems note includes additional basic disclosures related to OPEB.

Legislation effective July 1, 2000, increased the benefit amount paid for insurance premiums by \$30 per month for all eligible retirees. OLERS, OPERS and URSJJ will pay the Medicare supplemental insurance premium or \$105 per month, whichever is less. TRS will pay between \$100 and \$105 per month for each retiree, depending on the member's years of service.

Oklahoma Firefighters Pension and Retirement System and Oklahoma Police Pension and Retirement System do not provide other postemployment benefits.

Fifteen of the institutions included in the Higher Education Component Unit offer postemployment benefits upon the authorization of the institution's Board of Regents. These benefits primarily provide health, dental and life insurance benefits. The eligibility requirements differ depending on the higher education institution. Current year benefit expenditures, funded on a pay-as-you-go basis, totaled approximately \$3,464,000 for the estimated 2,108 eligible participants.

Note 19. On-Behalf Payments

House Bill 1574, passed during the 1999 legislative session, modified the funding source for on-behalf payments to the Teachers' Retirement System (TRS). Effective July 1, 1999, the State made on-behalf contributions to TRS equal to 3.54% of the State's sales, use and income taxes. Total on-behalf contributions made to TRS were \$132,575,000 for the year ended June 30, 2000. Contributions were limited to \$136,000,000 for fiscal year 2000 only.

Note 20. Condensed Financial Statement Information

Primary Government

The enterprise fund presented in the combined financial statements is comprised solely of **Oklahoma Water Resources Board** loan programs and bond issues. This enterprise fund has current assets totaling \$110,437,000 and current liabilities totaling \$18,251,000, leaving net working capital of \$92,186,000 for the fiscal year ended June 30, 2000.

The investment trust fund presented in the fiduciary column of the combined financial statements is comprised of an external investment pool. The investment pool consists of both internal and external investors. Condensed financial statement information for the internal and external portions of the pool follows (expressed in thousands).

	Internal Investment Pool	External Investment Pool	Total Pool
Assets	\$ 695,240	\$ 5,408	\$ 700,648
Liabilities	-	-	-
Net Assets	<u>\$ 695,240</u>	<u>\$ 5,408</u>	<u>\$ 700,648</u>
Additions			
Contributions	\$ 8,846,236	\$ 5,157	\$ 8,851,393
Investment Revenue	39,045	350	39,395
Total Additions	<u>8,885,281</u>	<u>5,507</u>	<u>8,890,788</u>
Deductions			
Distributions to Pool Participants	<u>8,865,966</u>	<u>6,600</u>	<u>8,872,566</u>
Net Increase (Decrease)	19,315	(1,093)	18,222
Net Assets, Beginning of Year	675,925	6,501	682,426
Net Assets, End of Year	<u>\$ 695,240</u>	<u>\$ 5,408</u>	<u>\$ 700,648</u>

Component Units

Condensed financial statement information (where applicable) for the discretely presented component units for the fiscal year ended June 30, 2000 (unless a different fiscal year is indicated), follows (expressed in thousands). Descriptions of and goods or services provided by each component unit are disclosed in Item A of Note 1.

	Governmental Special Indemnity Fund	Proprietary	Fiduciary	Higher Education	Total
Current Assets		\$ 1,406,353			
Current Liabilities		974,245			
Net Working Capital		<u>\$ 432,108</u>			
Total Assets and Other Debits	\$ 173,802	\$ 5,134,289	\$ 17,559,542	\$ 3,220,744	\$ 26,088,377
Total Liabilities	205,704	4,365,617	2,625,354	790,668	7,987,343
Fund Equity	<u>\$ (31,902)</u>	<u>\$ 768,672</u>	<u>\$ 14,934,188</u>	<u>\$ 2,430,076</u>	<u>\$ 18,101,034</u>
Amount to Be Provided For Claims and Judgements	<u>\$ 172,506</u>				
Long-term Liabilities		<u>\$ 3,391,372</u>			
Fixed Assets, Net	<u>\$ -</u>	<u>\$ 1,551,475</u>	<u>\$ 902</u>	<u>\$ 1,910,973</u>	<u>\$ 3,463,350</u>

Proprietary Component Units

	Oklahoma Industrial Finance Authority	Health Insurance High Risk Pool	State Insurance Fund (12-31-99 Fiscal Year)	State and Education Employ. Group Insurance Bd.	Oklahoma Student Loan Authority	University Hospitals Authority
Operating Revenue	\$ 5,001	\$ 10,283	\$ 85,302	\$ 347,970	\$ 23,028	\$ 40,148
Operating Expenses						
Depreciation	15	-	1,679	181	1,266	7,834
Other	4,873	9,801	145,927	362,288	17,952	58,330
Operating Income (Loss)	113	482	(62,304)	(14,499)	3,810	(26,016)
Operating Transfers:						
From Primary Government	-	-	-	-	-	26,829
To Primary Government	-	-	-	-	-	-
Nonoperating Revenues (Expenses)	(62)	107	12,545	7,438	1,073	2,856
Deferred Costs	-	-	-	-	-	-
Net Income (Loss)	<u>\$ 51</u>	<u>\$ 589</u>	<u>\$ (49,759)</u>	<u>\$ (7,061)</u>	<u>\$ 4,883</u>	<u>\$ 3,669</u>
Current Assets	\$ 11,376	\$ 1,421	\$ 838,937	\$ 187,010	\$ 29,124	\$ 37,188
Current Liabilities	2,308	-	669,042	77,171	24,331	8,197
Net Working Capital	<u>\$ 9,068</u>	<u>\$ 1,421</u>	<u>\$ 169,895</u>	<u>\$ 109,839</u>	<u>\$ 4,793</u>	<u>\$ 28,991</u>
Total Assets	\$ 76,618	\$ 1,421	\$ 846,138	\$ 189,907	\$ 357,458	\$ 173,328
Total Liabilities	75,176	-	669,042	77,171	306,011	8,489
Fund Equity	<u>\$ 1,442</u>	<u>\$ 1,421</u>	<u>\$ 177,096</u>	<u>\$ 112,736</u>	<u>\$ 51,447</u>	<u>\$ 164,839</u>
Long-term Liabilities	<u>\$ 72,868</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 281,680</u>	<u>\$ 292</u>
Fixed Assets - Beginning of Year	\$ 157	\$ -	\$ 21,258	\$ 1,680	\$ 1,035	\$ 270,657
Additions	-	-	372	39	129	10,379
Deletions	(7)	-	(561)	-	(128)	(3,453)
Fixed Assets - End of Year	<u>\$ 150</u>	<u>\$ -</u>	<u>\$ 21,069</u>	<u>\$ 1,719</u>	<u>\$ 1,036</u>	<u>\$ 277,583</u>

Fiduciary Component Units

	Oklahoma Firefighters Pension and Retirement System	Oklahoma Law Enforcement Retirement System	Oklahoma Public Employees Retirement System	Uniform Retirement System for Justices and Judges	Oklahoma Police Pension and Retirement System	Teachers' Retirement System of Oklahoma	Total
Total Assets	\$ 1,568,951	\$ 588,912	\$ 6,517,690	\$ 235,391	\$ 1,385,076	\$ 7,263,522	\$ 17,559,542
Total Liabilities	125,593	73,194	1,271,915	48,478	93,201	1,012,973	2,625,354
Fund Equity	\$ 1,443,358	\$ 515,718	\$ 5,245,775	\$ 186,913	\$ 1,291,875	\$ 6,250,549	\$ 14,934,188
Fixed Assets, Net	\$ 76	\$ 53	\$ 373	\$ -	\$ -	\$ 400	\$ 902
Additions							
Contributions	\$ 73,663	\$ 23,449	\$ 170,861	\$ 4,822	\$ 48,941	\$ 478,814	\$ 800,550
Investment Revenue	154,805	34,654	519,826	20,132	115,348	644,822	1,489,587
Total Additions	228,468	58,103	690,687	24,954	164,289	1,123,636	2,290,137
Deductions							
Investment Expenses	10,187	4,993	43,296	1,759	8,748	45,113	114,096
Benefits and General	87,227	24,379	232,814	4,888	58,196	564,978	972,482
Net Increase	\$ 131,054	\$ 28,731	\$ 414,577	\$ 18,307	\$ 97,345	\$ 513,545	\$ 1,203,559

Medical Technology and Research Authority	Oklahoma Development Finance Authority	Oklahoma Environmental Finance Authority	Oklahoma Housing Finance Agency (9-30-99 Fiscal Year)	Oklahoma Transportation Authority (12-31-99 Fiscal Year)	Grand River Dam Authority (12-31-99 Fiscal Year)	Oklahoma Municipal Power Authority (12-31-99 Fiscal Year)	Total
\$ 3,157	\$ 589	\$ 352	\$ 6,357	\$ 131,089	\$ 184,387	\$ 93,346	\$ 931,009
262	49	-	316	36,149	26,763	6,394	80,908
2,714	1,147	363	5,786	40,932	90,114	70,975	811,202
181	(607)	(11)	255	54,008	67,510	15,977	38,899
-	-	-	-	33,113	-	-	59,942
-	-	-	-	(33,113)	-	-	(33,113)
40	876	2	6,552	(29,155)	(52,617)	(21,464)	(71,809)
-	-	-	-	-	(8,099)	3,748	(4,351)
\$ 221	\$ 269	\$ (9)	\$ 6,807	\$ 24,853	\$ 6,794	\$ (1,739)	\$ (10,432)
\$ 742	\$ 8,806	\$ -	\$ 7,334	\$ 122,513	\$ 147,864	\$ 14,038	\$ 1,406,353
418	97	6	2,174	102,285	62,372	25,844	974,245
\$ 324	\$ 8,709	\$ (6)	\$ 5,160	\$ 20,228	\$ 85,492	\$ (11,806)	\$ 432,108
\$ 5,129	\$ 14,138	\$ 1,064	\$ 583,967	\$ 1,571,674	\$ 913,689	\$ 399,758	\$ 5,134,289
4,466	10,429	1,002	542,287	1,419,490	866,519	385,535	4,365,617
\$ 663	\$ 3,709	\$ 62	\$ 41,680	\$ 152,184	\$ 47,170	\$ 14,223	\$ 768,672
\$ 4,048	\$ 10,332	\$ 996	\$ 540,113	\$ 1,317,205	\$ 804,147	\$ 359,691	\$ 3,391,372
\$ 4,598	\$ 767	\$ -	\$ 1,965	\$ 1,189,112	\$ 908,772	\$ 203,849	\$ 2,603,850
839	8	-	243	256,620	21,083	2,182	291,894
(27)	-	-	-	(2,913)	(12,671)	(1,061)	(20,821)
\$ 5,410	\$ 775	\$ -	\$ 2,208	\$ 1,442,819	\$ 917,184	\$ 204,970	\$ 2,874,923

Note 21. Commitments

Primary Government

The **Department of Transportation** had contractual commitments at June 30, 2000, of approximately \$566,872,000 for construction of various highway projects. Future appropriations will fund these commitments as work is performed.

The **Department of Human Services** (DHS) maintains a construction unit which engages in capital improvements of state buildings. At year end, DHS had long-term projects totaling \$25,900,000 for the General Fund.

Component Units

The **Oklahoma Industrial Finance Authority** (OIFA) had outstanding loan commitments at June 30, 2000, approved by its Board of Directors totaling \$1,000,000. These loan agreements include a "pending clause" which states that money would be disbursed upon availability of funds.

The **Oklahoma Student Loan Authority** (OSLA) has entered into various forward purchase and sale commitment agreements with certain Oklahoma financial institutions for which it performs interim status loan servicing. Under these forward purchase and sale commitments, OSLA is required to purchase Federal Family Education Loans (FFEL) under certain terms and conditions. As of June 30, 2000, OSLA was committed to purchase approximately \$44,129,000 of FFEL.

The **Oklahoma Transportation Authority** (OTA) had commitments outstanding at December 31, 1999, relating to equipment orders and supplies of approximately \$1,628,000. At December 31, 1999, OTA had commitments outstanding relating to construction and maintenance contracts of approximately \$173,500,000.

The **Oklahoma Municipal Power Authority** (OMPA) purchased approximately \$10,700,000 of power pursuant to several long-term purchase agreements during 1999. OMPA is obligated to purchase, at a minimum, approximately \$6,200,000 of power annually through 2000, then decreasing to \$2,800,000 through 2003.

Under the bond resolutions, OMPA has covenanted that it will establish and collect rents, rates, and charges under various power sales contracts and will charge and collect rents, rates, and charges for the use or sale of the output, capacity or service of its system. This revenue and other available revenues, are expected to yield net revenues for the 12 month period commencing with the effective date of such rents, rates, and charges equal to at least 110% of the aggregate debt service for such period. This revenue and other available funds will enable OMPA to discharge all other indebtedness, charges, and liens payable under the resolutions.

Note 22. Litigation and Contingencies

The State and its component units are parties to numerous legal proceedings, many of which normally occur in governmental operations. Such litigation includes, but is not limited to, claims assessed against the State for property damage and personal injury, alleged breaches of contract, condemnation proceedings, and other alleged violations of state and federal laws. Certain claims have been adjudicated against the State, but remained unpaid as of June 30, 2000. Including the \$7,427,000 claim incurred by the Component Units discussed below, the State has accrued a liability of \$19,552,000 for the payment of such claims. This amount is reported in the General Fund.

Other litigation and civil actions have been filed against the State with an estimated loss of approximately \$4,000,000 to \$4,547,000. \$4,000,000 of this total is a potential loss in a settled case against the Department of Public Safety brought in a class action suit seeking injunctive relief, damages and reimbursement for collection of multiple reinstatement fees and additional fees. The amount of the settlement expected to be paid has been included in the \$19,552,000 accrued as a liability.

The State receives significant financial assistance from the Federal Government in the form of grants and entitlements, which are generally conditioned upon compliance with terms and conditions of the grant agreements and applicable federal regulations, including the expenditure of the resources for eligible purposes. Substantially all grants are subject to financial and compliance audits by federal agencies. Any disallowance as a result of these audits could become a liability of the State. As of June 30, 2000, the State is unable to estimate what liabilities may result from such audits.

Primary Government

The **Department of Transportation** (DOT) has incurred significant expenditures on construction projects that have exceeded the amounts approved by the federal grantor. These project expenditures are held in suspense until approved by the federal grantor and subsequently reimbursed. Based on prior years' experience, 82% of the amount held in suspense will be reimbursed. At June 30, 2000, DOT had project expenditures totaling \$4,580,000 of which an estimated \$3,756,000 will be reimbursed pending approval of the Federal Government.

The **Oklahoma Water Resources Board** (Board), pursuant to statute, assumed the obligations of the Oklahoma Water Conservation Storage Commission including a 1974 contractual obligation to repay the United States (through the Army Corps of Engineers) for the costs of constructing water supply storage at Sardis Reservoir in southeastern Oklahoma. Under the 1974 contract, annual payments are to be made for the reservoir construction, operation, and maintenance allocated to the present use water supply storage. Total unaudited construction costs of the Sardis Reservoir allocated to water supply storage are approximately \$38,400,000. Payments on the reservoir began in 1983 and are to continue for 50 years. As of June 30, 2000, the State has made payments of approximately \$4,416,000; however, the Board did not receive legislative authorization to pay the annual payments due in the fiscal years 1989 through 1995. The amount in arrears, including interest and penalty is approximately \$8,253,000. The Army Corps of Engineers has indicated that the obligation may be declared in default and remedies sought. However, as an alternative the State is considering making a proposal to extinguish the debt on the reservoir by making a single lump sum payment to the federal government in the amount of \$20,000,000. This lump sum payment would need approval by all parties involved and as of June 30, 2000, such approval for this payment had not yet been received.

Component Units

The State Legislature enacted legislation that transferred \$31,500,000 of state employee insurance premiums during fiscal year 1997 to the **Oklahoma State Regents for Higher Education** to help fund higher education in the state. These premiums were originally designated to be paid to the **Oklahoma State and Education Employees Group Insurance Board** to provide health insurance coverage for participating employees. In August 1998 the Federal Department of Health and Human Services Departmental Appeals Board sided with the federal government and ordered the State to pay \$7,427,000 which represents the amount included in grant costs charged to the federal government. This balance accrues simple interest at a rate of 13.75%, and \$2,871,000 in interest has accrued through June 30, 2000. A liability for principal and interest is recorded in the General Fund. The State is continuing to pursue alternatives for resolution of this claim.

Multiple Injury Trust Fund (MITF) is involved in a class action suit whereby members of the class are seeking recovery of interest on awards of the Workers' Compensation Court (WCC) which were unpaid, not fully paid or paid late. On December 29, 1999, a summary judgment was entered in WCC against MITF in the amount of approximately \$25,000,000, which is the amount determined to be due to the members of the class as of October 15, 1999. However, management's attorneys represent that MITF has appealed the judgment and that there is a reasonable probability that the judgment will be reversed. Claimants will have the opportunity to file separately, or as a class, in State District Court when the judgment is successfully appealed. At the present time, management cannot reasonable estimate potential loss, as parties have yet to file suit in State District Court.

Note 23. Subsequent Events

Primary Government

Legislation enacted during the fiscal year ended June 30, 2000, authorized the **Oklahoma Capital Improvement Authority** (OCIA) to issue the second phase of highway improvement bonds. During fiscal year 1999 the first phase was issued in the amount of \$297,960,000. The OCIA State Highway Capital Improvement Revenue Bonds, Series 2000 (second phase) were sold in August 2000 in the amount of \$153,840,000.

As further described in Note 10, Section B, the **Oklahoma Capital Improvement Authority** (OCIA) collects rents from state agencies for the purpose of making principal and interest payments on bond debt when due. The next principal and interest payment on OCIA 1999 Bond Series A is due March 1, 2001. As of December 22, 2000, OCIA had not received \$120,000 due from the **State Supreme Court**. The Court has stated its intent to seek a supplemental appropriation from the Legislature to pay the required amounts.

Component Units

In July 2000 **Oklahoma Student Loan Authority** placed its 2000N Tax Exempt Promissory Note in the amount of \$3,665,000 and its 2000A Oklahoma Student Loan Bonds and Notes in the amount of \$120,945,000.

Legislation enacted in 1999 authorized the **State Insurance Fund** (SIF) to pay a dividend to policyholders. The legislation required the dividend to be an amount which would reduce the ratio of premium to surplus to 1:1.75 or less, but not less than 1:1.5. The dividend was to be paid in February 2000, however, due to a petition filed by a third party, a temporary order restraining SIF from declaration of payment was issued. Ultimately, a dividend of approximately \$30,000,000 was paid in July 2000.

Legislation enacted during the 2000 legislative session authorized SIF to make loans to the **Multiple Injury Trust Fund** (MITF) in order to pay awards to claimants for which MITF did not have sufficient cash flow to pay. As of December 22, 2000, loans outstanding totaled approximately \$39,240,000. Repayment of these loans by MITF is to be funded by an assessment on gross premiums on workers compensation policies written by insurance carriers and an assessment on disability awards paid by self-insured employers after July 1, 2000.

Note 24. New Reporting Standard

In June 1999 the Governmental Accounting Standards Board (GASB) issued Statement 34 *Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments* and Statement 35 *Basic Financial Statements and Management's Discussion and Analysis for Public Colleges and Universities*. These Statements establish new financial reporting requirements for state and local governments and public colleges and universities throughout the United States. When implemented, it will require new information and restructure much of the information that governments have presented in the past. Comparability with reports issued in all prior years will be affected. The State is required to implement this standard for the fiscal year ending June 30, 2002. However, the State expects to implement this standard for the fiscal year ending June 30, 2001, in advance of the required implementation date. The State has not yet determined the full impact that adoption of GASB Statements 34 and 35 will have on the financial statements.

Supplementary
Information –
Budgetary
Schedule

Supplementary Information – Budgetary Schedule

Schedule of Expenditures and Intra-Agency Transfers-Detail
 Budget to Actual Comparison (Non-GAAP Budgetary Basis)
 General Fund
 For the Fiscal Year Ended June 30, 2000
 (expressed in thousands)

	GENERAL FUND		
	BUDGET	ACTUAL	VARIANCE
EDUCATION			
State Arts Council			
1 Duties	\$ 3,886	\$ 3,133	\$ 753
1 Duties	198	140	58
2 Duties	90	78	12
11 FY'98 Carryover from Duties	15	15	0
Agency Total	<u>4,189</u>	<u>3,366</u>	<u>823</u>
Department of Education			
1 Fin. Support of Public School (1)	1,155,357	1,155,357	0
1 Fin. Support of Public School (1)	17,500	17,500	0
1 Fin. Support of Public School (1)	950	950	0
2 Psychometric Services (1)	887	887	0
2 Charter Sch Incentive Fund (1)	1,000	1,000	0
2 FY'99 Carryover Fin. Supt Schools (1)	60	60	0
3 Office of Accountability	242	215	27
4 Staff Development-Ardmore (1)	93	93	0
5 Staff Development-Bartlesville (1)	93	93	0
5 Staff Development-PDI/RI (1)	2,890	2,890	0
6 Ed Leader (1)	350	350	0
6 Staff Development-Lawton (1)	93	93	0
7 Ed Leader (1)	400	400	0
7 Staff Development-McAlester (1)	93	93	0
8 Staff Development-Norman (1)	93	93	0
8 Staff Development-Read Suff Act (1)	779	779	0
9 Staff Development-Stillwater (1)	93	93	0
10 Staff Development-Woodward (1)	93	93	0
11 Staff Development-Read Suff Act (1)	3,927	3,927	0
12 Staff Development-Great Expect.	500	500	0
13 Staff Development-ADA (1)	5,311	5,311	0
14 AP Administrative Cost	55	55	0
15 Advanced Placement Incent. (2)	3,645	3,505	140
16 Teacher Consultant Stipends (1)	1,038	1,038	0
16 FY'99 Carryover Adv Placement	6	6	0
17 Teacher Retirement Credit	33,482	33,482	0
18 Certified Emp. Health Allow (1)	29,450	29,450	0
19 Support Personnel Health Allow (1)	22,976	22,976	0
21 School Lunch Matching (1)	3,576	3,576	0
21 Textbooks (1)	19,196	19,196	0

(continued)

Schedule of Expenditures and Intra-Agency Transfers-Detail
 Budget to Actual Comparison (Non-GAAP Budgetary Basis)
 General Fund
 For the Fiscal Year Ended June 30, 2000
 (expressed in thousands)
 (continued)

	GENERAL FUND		
	BUDGET	ACTUAL	VARIANCE
21 School Lunch Programs (1)	3,191	3,178	13
22 Homebound Children (1)	1,193	1,193	0
23 Alter Education Program Eval	940	934	6
24 Alt. Ed. Arts ComponentI (1)	200	200	0
25 Alter Education Admin Costs	83	82	1
26 Alt. Ed. Competitive Grants (1)	2,265	2,265	0
27 Alt. & High Challenge Ed. (1)	17,861	17,861	0
28 Adult Ed. Matching (1)	1,309	1,309	0
29 Driver Ed. (1)	1,605	1,605	0
30 Early Intervention (1)	9,868	9,868	0
31 Hissom Compliance	191	188	3
32 Community Ed. Grants (1)	400	400	0
33 Community Education Consortium	25	25	0
34 Parent Teaching Program (1)	2,174	2,174	0
35 OPAT - Program Evaluation (2)	19	3	16
36 OPAT - Public Housing Projects (2)	150	98	52
37 OPAT - Technical Assistance (2)	42	42	0
38 OPAT - Field Operations (2)	75	62	13
39 Special Ed. Assist. (1)	1,084	1,084	0
40 School/Commun. Network/Arts'n Ed (1)	129	129	0
42 ICTE - Small School Coop. (1)	518	518	0
43 ICTE - Jane Brooks School Deaf (1)	56	56	0
44 ICTE - OK Science and Engin. Fair (1)	53	53	0
45 ICTE - Telecommunications Curr. (1)	280	280	0
46 ICTE - Small School Incent. (1)	300	300	0
47 Summer Arts Institute	300	300	0
48 AG in the classroom (1)	50	50	0
49 OK Ambassador of Teaching	38	2	36
50 Fin. Support of Public School (1)	20,000	20,000	0
51 Staff Development-Read Suff Act (1)	650	650	0
52 Certified Emp. Health Allow (1)	1,160	1,160	0
53 Support Personnel Health Allow (1)	883	883	0
54 School Lunch Matching (1)	23	23	0
55 From 190-51 Adult Ed Match (2)	503	500	3
56 Early Intervention (1)	1,891	1,891	0
57 ICTE - Telecommunications Curr. (1)	125	125	0
57 Transfer to Nat'l Board Cert. (1)	35	35	0
58 Education Leadership Teach. Prep (1)	16	16	0
58 FY'99 Carryover Read Suff (1)	21	21	0
59 Education Leadership OK (1)	100	100	0
59 FY'99 Carryover Teach Cons Stip (1)	0	0	0

	GENERAL FUND		
	BUDGET	ACTUAL	VARIANCE
60 Office of Accountability	4	3	1
60 FY'99 Carryover Eighth Grd Test (1)	217	217	0
61 FY'99 Carryover School Lunch (1)	1	1	0
61 Support Personnel Health Allow (1)	366	366	0
62 FY'99 Carryover Driver Ed (1)	156	155	1
63 FY'99 Carryover Parent Training (1)	27	27	0
65 FY'99 Carryover Ambass of Teach	10	10	0
66 FY'99 Carryover Admin & Support	73	73	0
67 FY'99 Carryover OPAT Field Ops	3	3	0
68 FY'99 Carryover OPAT Tech Assist	2	2	0
69 FY'99 Carryover OPAT Pub Housing	17	17	0
70 DOE Admin & Suppt Functions	18,408	17,350	1,058
71 Admin & Support Functions	240	239	1
73 DOE Admin & Suppt Fin Accting	203	202	1
75 DOE Admin & Suppt NAEP	48	47	1
76 Eighth Grade Testing (1)	333	333	0
77 FY'99 Carryover Admin & Support	677	674	3
78 DOE Admin & Suppt OKAGE	48	48	0
79 FY'99 Carryover Alt Educ Admin	5	5	0
80 FY'99 Carryover Alt Educ Eval	6	6	0
81 FY'99 Carryover Ambas of Teaching	34	21	13
82 FY'99 Carryover School Lunch	10	10	0
83 School/Commun. Network/Arts'n Ed (1)	40	40	0
83 FY'99 Carryover Ad Suppt Fin Acct	14	14	0
84 Office of Accountability	8	8	0
84 FY'99 Carryover Hissom Compliance	42	42	0
85 FY'99 Carryover NAEP	3	3	0
86 FY'99 Carryover Office of Account	14	14	0
87 FY'99 Carryover Admin & Support	1	1	0
88 Certified Emp. Health Allow (1)	2,418	2,418	0
89 Support Personnel Health Allow (1)	3,177	3,177	0
Agency Total	<u>1,400,639</u>	<u>1,399,250</u>	<u>1,389</u>
Oklahoma Education Television Authority			
1 Duties	50	50	0
1 Duties	3,315	3,311	4
2 Duties	76	67	9
3 FY'99 Carryover Eng/Twr/Freq Std	7	7	0
11 FY'99 Carryover from Duties	53	53	0
22 Documentary Program	94	94	0
Agency Total	<u>3,595</u>	<u>3,582</u>	<u>13</u>

(continued)

Schedule of Expenditures and Intra-Agency Transfers-Detail
 Budget to Actual Comparison (Non-GAAP Budgetary Basis)
 General Fund
 For the Fiscal Year Ended June 30, 2000
 (expressed in thousands)
 (continued)

	GENERAL FUND		
	BUDGET	ACTUAL	VARIANCE
Oklahoma Commission for Teacher Preparation			
1 Duties	1,554	1,458	96
2 Duties	36	22	14
11 FY'99 Carryover from Duties	427	425	2
11 FY'99 Carryover from Duties	110	110	0
12 FY'99 Carryover from Duties	36	36	0
Agency Total	<u>2,163</u>	<u>2,051</u>	<u>112</u>
Commission of the Land Office			
1 Duties	3,406	2,990	416
2 Duties	730	719	11
Agency Total	<u>4,136</u>	<u>3,709</u>	<u>427</u>
Department of Libraries			
1 Duties	6,334	6,286	48
2 Duties	269	269	0
11 FY'99 Carryover from Duties	300	290	10
12 FY'99 Carryover from Duties	109	109	0
Agency Total	<u>7,012</u>	<u>6,954</u>	<u>58</u>
Physician Manpower Training Commission			
1 Duties	4,908	4,817	91
2 Duties	400	400	0
2 Duties	131	131	0
Agency Total	<u>5,439</u>	<u>5,348</u>	<u>91</u>
Center for Advancement of Science and Technology			
1 Duties	458	452	6
2 Transfer to Research Suppt Rev. (1)	17	0	17
3 Duties - Administration	37	37	0
11 FY'99 Carryover from Duties	11,149	11,149	0
Agency Total	<u>11,661</u>	<u>11,638</u>	<u>23</u>
Oklahoma School of Science and Mathematics			
1 Duties	4,216	3,728	488
2 Pilot Outreach Programs	300	199	101
3 Duties	103	103	0
4 FY'99 Carryover Fund Campus Growth	87	87	0
5 FY'99 Carryover Adv Comp Sci Courses	52	50	2
6 FY'99 Carryover Phys Ed Bldg Maint	163	119	44

	GENERAL FUND		
	BUDGET	ACTUAL	VARIANCE
7 FY'99 Carryover Outreach Pilot Prog	197	190	7
8 Adv Sci/Math Curr. (from OETA)	189	103	86
11 FY'99 Carryover from Duties	54	53	1
12 FY'99 Carryover from Pilot Outreach	149	130	19
13 FY'99 Carryover from Duties	98	91	7
Agency Total	<u>5,608</u>	<u>4,853</u>	<u>755</u>

Department of Career and Technology Education

1 Duties (1)	2,975	2,975	0
2 Rapid Response Disaster Trning	1,000	181	819
3 Aircraft Maintenance Programs	100	0	100
4 Duties	100	60	40
8 Duties (2)	111,316	105,716	5,600
11 FY'99 Carryover TIP	2,785	2,785	0
11 FY'99 Carryover Duties	100	45	55
11 FY'99 Carryover Future Farmers Chap.	3	3	0
12 FY'99 Carryover Rural Bus Pilot Prog	38	38	0
18 FY'99 Carryover from Duties	2,025	2,025	0
Agency Total	<u>120,442</u>	<u>113,828</u>	<u>6,614</u>

Education Total

<u>1,564,884</u>	<u>1,554,579</u>	<u>10,305</u>
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GENERAL GOVERNMENT

Office of State Finance

1 Duties	7,986	7,253	733
2 Duties	215	215	0
21 FY'99 Carryover from Operations	650	650	0
Agency Total	<u>8,851</u>	<u>8,118</u>	<u>733</u>

Department of Commerce

1 Duties (2)	18,625	18,026	599
2 Transfer to 205 rev (1)	150	150	0
3 Transfer to Native Amer. Auth. Fd (1)	500	500	0
5 Duties	2,669	2,252	417
6 SODA	15	15	0
7 EODD	141	140	1
8 COEDD	300	300	0
9 ASCOG	305	137	168
10 Southern OK State Univ.	30	30	0
11 FY'99 Carryover from duties	233	233	0
11 COEDD	200	200	0
13 FY'99 Carryover from Kiamichi	331	331	0

(continued)

Schedule of Expenditures and Intra-Agency Transfers-Detail
 Budget to Actual Comparison (Non-GAAP Budgetary Basis)
 General Fund
 For the Fiscal Year Ended June 30, 2000
 (expressed in thousands)
 (continued)

	GENERAL FUND		
	BUDGET	ACTUAL	VARIANCE
14 FY'99 Carryover from Home Prog	5	5	0
15 FY'99 Carryover from Headstart	11	0	11
17 FY'99 Carryover from Mas Bus Lic	147	147	0
21 FY'99 Carryover from Inte'al Div	38	38	0
23 FY'99 Carryover from SWODA	150	150	0
Agency Total	<u>23,850</u>	<u>22,654</u>	<u>1,196</u>
State Election Board			
1 Duties	5,021	4,123	898
2 Expenses for Holding Elections	1,260	118	1,142
3 Duties	165	60	105
4 Expenses for Holding Elections	161	0	161
10 Presidential Preferential Prim	700	685	15
11 FY'99 Carryover from Duties	154	147	7
11 FY'99 Carryover from Duties	146	144	2
12 FY'99 Carryover from Elections	228	228	0
12 FY'99 Carryover from Duties	97	97	0
Agency Total	<u>7,932</u>	<u>5,602</u>	<u>2,330</u>
Ethics Commission			
1 Duties	420	420	0
2 Duties	26	26	0
11 FY'98 Carryover from Duties	2	2	0
Agency Total	<u>448</u>	<u>448</u>	<u>0</u>
Merit Protection Commission			
1 Duties	552	513	39
2 Duties	22	11	11
11 FY'99 Carryover from Duties	10	10	0
Agency Total	<u>584</u>	<u>534</u>	<u>50</u>
State Auditor and Inspector			
1 Duties	4,783	4,779	4
2 Comm County Govt Pers Ed Trning	500	500	0
3 County Govt Comp Syst Develop	45	45	0
5 Duties	249	249	0
6 From 199-01 Circuit Engineer	195	195	0
Agency Total	<u>5,772</u>	<u>5,768</u>	<u>4</u>

Governor

1 Duties	2,318	2,216	102
2 Expenses of Secretary of Educ	200	131	69
3 Expenses of Sec of Vet Affairs	75	73	2
4 Expenses of Governor's Mansion	58	58	0
5 Duties	54	0	54
11 FY'99 Carryover from Duties	165	165	0
12 FY'99 Carryover from Sec of Educ	55	55	0
25 FY'99 Carryover from Duties	6	6	0
31 FY'99 Carryover from Duties	52	52	0
Agency Total	<u>2,983</u>	<u>2,756</u>	<u>227</u>

Lieutenant Governor

1 Duties	40	40	0
1 Duties	446	396	50
2 Duties	23	23	0
11 FY'99 Carryover from Duties	40	40	0
12 FY'99 Carryover from Duties	15	15	0
Agency Total	<u>564</u>	<u>514</u>	<u>50</u>

Office of Personnel Management

1 Duties	5,340	4,475	865
2 Duties	114	114	0
11 FY'99 Carryover from Duties	412	412	0
Agency Total	<u>5,866</u>	<u>5,001</u>	<u>865</u>

Department of Central Services

1 Asbestos Abatement Programs	1,232	923	309
1 Duties	7,603	7,107	496
2 Transfer to Bldg & Fac. Rev (1)	3,830	3,830	0
3 Veterans Memorial maint.	5	5	0
4 Hissom Memorial Center Maintenance	193	134	59
4 Capitol Restroom Renov. (1)	1,021	1,021	0
6 Duties	319	319	0
11 FY'99 Carryover from Manvile/Asbes	211	211	0
11 FY'99 Carryover from Duties	824	802	22
13 FY'99 Carryover from Vets Memorial	1	0	1
14 FY'99 Carryover from Hissom Ctr	114	114	0
16 FY'99 Carryover from Duties	331	327	4
Agency Total	<u>15,684</u>	<u>14,793</u>	<u>891</u>

(continued)

Schedule of Expenditures and Intra-Agency Transfers-Detail
 Budget to Actual Comparison (Non-GAAP Budgetary Basis)
 General Fund
 For the Fiscal Year Ended June 30, 2000
 (expressed in thousands)
 (continued)

	GENERAL FUND		
	BUDGET	ACTUAL	VARIANCE
Secretary of State			
1 Duties	288	288	0
2 Office of Administrative Rules	130	130	0
3 Ballot Titles	10	0	10
4 Duties	27	27	0
13 FY'99 Carryover from Ballot Titles	9	7	2
Agency Total	<u>464</u>	<u>452</u>	<u>12</u>
Council on Judicial Complaints			
1 Duties	292	282	10
2 Duties	2	0	2
Agency Total	<u>294</u>	<u>282</u>	<u>12</u>
Oklahoma Tax Commission			
30 Duties	47,182	47,075	107
31 Duties	345	345	0
32 Duties	60	0	60
Agency Total	<u>47,587</u>	<u>47,420</u>	<u>167</u>
State Treasurer			
1 Duties	3,379	3,300	79
2 Bank Service Charges	958	899	59
3 Duties	624	624	0
4 Duties	25	0	25
10 Payments to counties (to revolving) (1)	98	98	0
11 FY'99 Carryover from Duties	84	84	0
12 FY'99 Carryover from Bank Service Charges	66	66	0
13 FY'99 Carryover from Duties	32	32	0
Agency Total	<u>5,266</u>	<u>5,103</u>	<u>163</u>
General Government Total	<u>126,145</u>	<u>119,445</u>	<u>6,700</u>
HEALTH SERVICES			
Department of Health			
1 Duties	36,341	35,273	1,068
2 Transfer to Eldercare Rev (1)	6,157	6,157	0
3 Duties	185	137	48
4 Margaret Hudson Program	43	43	0
5 Community Health Centers Inc.	173	173	0

	GENERAL FUND		
	BUDGET	ACTUAL	VARIANCE
6 Southeast Area Health Center	173	173	0
7 Morton Comp Health Services	312	312	0
8 Sickle Cell Research Found.	154	154	0
9 Emerson Teen Parent Program	135	135	0
10 Alzheimer's Research Council	55	55	0
11 Tolliver Alternative Care Center	47	47	0
12 Transfer to Child Abuse Prevention (1)	2,681	2,681	0
14 Konowa Community Health Center	150	150	0
15 Dental Progs Disabled/Elderly	125	125	0
16 OUHSC Women/Children Program	2,127	2,127	0
17 FY'99 Carryover from Duties	285	275	10
19 High Risk Perinatal	2,502	2,452	50
20 Perinatal Continuing Education	230	230	0
21 Perinatal Demo Project	64	62	2
23 Transfer to Kidney Health Rev. (1)	65	65	0
25 Oklahoma City Indian Clinic	75	75	0
27 Transfer to Children First (1)	13,125	13,125	0
29 Care for Children	5	0	5
31 Transfer to Eldercare Rev (1)	50	50	0
32 Sickle Cell Research Found.	10	10	0
33 Transfer to Kidney Health Rev. (1)	10	10	0
37 Community Health Centers	25	25	0
38 Southeast Area Health Center	25	25	0
39 Morton Comp Health Services	75	75	0
40 Konowa Community Health Center - New	75	75	0
41 Dental Services	10	10	0
42 Greenwood Center	125	125	0
43 College of Osteopath	460	460	0
Agency Total	66,074	64,891	1,183
Mental Health and Substance Abuse			
1 Duties	109,744	108,097	1,647
1 Drug Court Treatment Programs	88	86	2
2 Duties	15,067	12,979	2,088
2 Eastern State Restructuring	1,400	1,400	0
3 Duties	254	246	8
10 Duties	750	750	0
11 Duties	637	546	91
11 FY'99 Carryover from Duties	1,483	1,479	4
12 FY'99 Carryover from Duties	229	229	0
Agency Total	129,652	125,812	3,840
Health Services Total	195,726	190,703	5,023

(continued)

Schedule of Expenditures and Intra-Agency Transfers-Detail
 Budget to Actual Comparison (Non-GAAP Budgetary Basis)
 General Fund
 For the Fiscal Year Ended June 30, 2000
 (expressed in thousands)
 (continued)

	GENERAL FUND		
	BUDGET	ACTUAL	VARIANCE
LEGAL AND JUDICIARY			
Indigent Defense System			
1 Duties	13,611	12,284	1,327
2 Duties	375	64	311
11 FY'99 Carryover from Duties	164	164	0
11 FY'99 Carryover from Duties	572	572	0
12 FY'99 Carryover from Duties	893	893	0
Agency Total	<u>15,615</u>	<u>13,977</u>	<u>1,638</u>
Attorney General			
1 Duties	5,948	5,716	232
2 Public Employees Relations Bd	40	37	3
3 Duties	198	186	12
10 AG's Evidence Fund (1)	150	150	0
11 FY'99 Carryover from Duties	195	195	0
13 FY'99 Carryover from Duties	2	2	0
Agency Total	<u>6,533</u>	<u>6,286</u>	<u>247</u>
Court of Criminal Appeals			
1 Duties	2,512	2,410	102
2 Duties	60	60	0
3 From Sup Ct for Retirement	12	12	0
11 FY'99 Carryover from Duties	96	96	0
12 FY'99 Carryover from Duties	0	0	0
Agency Total	<u>2,680</u>	<u>2,578</u>	<u>102</u>
District Courts			
1 Duties	17,389	17,389	0
1 Duties	18,398	17,510	888
3 Duties	840	840	0
4 From Supreme Court for Retirement	416	416	0
10 Duties	553	523	30
11 FY'99 Carryover from Duties	12	12	0
11 Duties	7	7	0
11 FY'99 Carryover from Duties	641	608	33
12 Secretary, Baliff and Court Reporter	71	71	0
Agency Total	<u>38,327</u>	<u>37,376</u>	<u>951</u>

	GENERAL FUND		
	BUDGET	ACTUAL	VARIANCE
District Attorneys Council			
1 Duties	28,346	27,169	1,177
2 Witness Fees	305	305	0
3 Duties	1,130	1,130	0
10 Witness Fees	75	75	0
11 FY'99 Carryover from Duties	933	933	0
11 FY'99 Carryover from Murrah Building	56	56	0
20 DAC Evidence Fund (1)	25	25	0
Agency Total	<u>30,870</u>	<u>29,693</u>	<u>1,177</u>
Workers Compensation Court			
1 Duties	3,763	3,763	0
2 Duties	111	111	0
3 From Supreme Court for Retirement	21	21	0
10 Duties	100	100	0
Agency Total	<u>3,995</u>	<u>3,995</u>	<u>0</u>
Supreme Court			
1 Duties	9,901	9,272	629
2 Supreme Court Rev. Fund (1)	900	900	0
3 Legal Services Rev. Fund (1)	600	600	0
4 Duties	292	80	212
10 Duties	483	483	0
11 FY'99 Carryover from Duties	193	191	2
12 FY'99 Carryover from Duties	130	127	3
14 FY'99 Carryover from Duties	36	36	0
Agency Total	<u>12,535</u>	<u>11,689</u>	<u>846</u>
Legal and Judiciary Total	<u>110,555</u>	<u>105,594</u>	<u>4,961</u>
MUSEUMS			
J.M. Davis Memorial Commission			
1 Duties	8	8	0
1 Duties	369	361	8
Agency Total	<u>377</u>	<u>369</u>	<u>8</u>
Historical Society			
1 Duties	5,880	5,742	138
2 Duties	250	250	0
3 Operations	200	167	33
3 Capitol Complex/Centennial	285	285	0

(continued)

Schedule of Expenditures and Intra-Agency Transfers-Detail
 Budget to Actual Comparison (Non-GAAP Budgetary Basis)
 General Fund
 For the Fiscal Year Ended June 30, 2000
 (expressed in thousands)
 (continued)

	GENERAL FUND		
	BUDGET	ACTUAL	VARIANCE
3 Mickey Mantle Portrait	25	25	0
3 African American Heritage	45	45	0
3 Historic Preservation Education	355	273	82
11 FY'99 Carryover from Duties	170	164	6
12 FY'99 Carryover from Duties	1	0	1
12 FY'99 Carryover from Duties	70	53	17
13 FY'99 Carryover from Operations	138	125	13
Agency Total	<u>7,419</u>	<u>7,129</u>	<u>290</u>
Will Rogers Memorial Commission			
1 Duties	8	8	0
1 Duties	676	669	7
Agency Total	<u>684</u>	<u>677</u>	<u>7</u>
Museums Total	<u>8,480</u>	<u>8,175</u>	<u>305</u>
NATURAL RESOURCES			
Department of Agriculture			
1 Duties	19,391	19,081	310
2 Duties	773	713	60
3 Rural Fire 80/20 Match	1,270	1,113	157
4 Agriculture Enhancement and Diversification (1)	150	150	0
5 Rural Fire Protection Training Programs	203	203	0
6 Plant Industry/Consumer Services	85	85	0
7 Operations/Duties Wildlife Services	335	335	0
10 Duties	3,000	3,000	0
11 Duties	415	415	0
11 FY'99 Carryover from Duties	271	268	3
12 FY'99 Carryover from Duties	10	10	0
13 FY'99 Carryover from Rural Fire 80/20	22	22	0
14 FY'99 Carryover from Duties	2	2	0
16 FY'99 Carryover from Rural Fire	109	109	0
17 FY'99 Carryover from Forestry Division	0	0	0
18 FY'99 Carryover from Water Quality	36	36	0
20 FY'99 Carryover from Fire Ant Research	43	43	0
21 Repayment for Emer. Fire Suppression	572	572	0
Agency Total	<u>26,687</u>	<u>26,157</u>	<u>530</u>

	GENERAL FUND		
	BUDGET	ACTUAL	VARIANCE
Department of Environmental Quality			
1 Duties	6,601	6,249	352
2 Duties	155	151	4
11 FY'99 Carryover from Duties	291	291	0
12 FY'99 Carryover from Duties	1	1	0
Agency Total	<u>7,048</u>	<u>6,692</u>	<u>356</u>
Department of Tourism and Recreation			
1 Duties	27,008	26,594	414
2 Duties	648	648	0
3 Red Earth	20	20	0
4 Jazz Hall of Fame	75	75	0
5 Keep Oklahoma Beautiful	50	50	0
11 FY'99 Carryover from Duties	257	257	0
12 FY'99 Carryover from Duties	221	221	0
14 FY'99 Carryover from Duties	14	14	0
19 FY'99 Carryover from Duties	3	3	0
20 FY'99 Carryover from Duties	44	44	0
22 FY'00 Supplemental Resort Maintenance	200	112	88
Agency Total	<u>28,540</u>	<u>28,038</u>	<u>502</u>
Conservation Commission			
1 Duties	250	250	0
1 Duties	6,856	6,720	136
2 Conservatrn District Dependent Coverage	141	0	141
2 Reappr./Redesign. Cost Share Match (1)	500	500	0
Agency Total	<u>7,747</u>	<u>7,470</u>	<u>277</u>
Water Resources Board			
1 Duties	3,547	3,530	17
2 Weather Modification (1)	500	500	0
6 Duties	25	25	0
7 FY'99 Carryover from Redesign-Beneficial Use	500	468	32
8 FY'99 Carryover from Technical Training/Education	190	190	0
11 FY'99 Carryover from Duties	1	0	1
13 FY'99 Carryover from Water Quality	275	275	0
Agency Total	<u>5,038</u>	<u>4,988</u>	<u>50</u>
Natural Resources Total	<u>75,060</u>	<u>73,345</u>	<u>1,715</u>

(continued)

Schedule of Expenditures and Intra-Agency Transfers-Detail
 Budget to Actual Comparison (Non-GAAP Budgetary Basis)
 General Fund
 For the Fiscal Year Ended June 30, 2000
 (expressed in thousands)
 (continued)

	GENERAL FUND		
	BUDGET	ACTUAL	VARIANCE
PUBLIC SAFETY AND DEFENSE			
Oklahoma Military Department			
1 Duties	6,629	6,259	370
2 Duties	316	312	4
11 FY'99 Carryover from Computer Switch Purchase	4	4	0
11 FY'99 Carryover from Duties	393	393	0
12 FY'99 Carryover from Duties	45	45	0
12 FY'99 Carryover from Armory Maintenance	86	86	0
12 FY'99 Carryover from T-Bird Program	18	18	0
Agency Total	<u>7,491</u>	<u>7,117</u>	<u>374</u>
Alcoholic Beverage Laws Enforcement			
1 Duties	3,724	3,710	14
2 Duties	129	129	0
Agency Total	<u>3,853</u>	<u>3,839</u>	<u>14</u>
Department of Corrections			
3 Duties	1,250	1,250	0
30 Duties	327,051	323,668	3,383
31 Enhance Quality Medical Services	7,197	7,196	1
32 Duties	12,582	12,582	0
35 FY'99 Carryover from Duties	2,602	2,602	0
36 FY'00 Supplemental for Duties	8,206	7,699	507
Agency Total	<u>358,888</u>	<u>354,997</u>	<u>3,891</u>
Pardon and Parole Board			
1 Duties	1,802	1,763	39
2 Duties	86	86	0
11 FY'99 Carryover from Duties	70	70	0
Agency Total	<u>1,958</u>	<u>1,919</u>	<u>39</u>
State Bureau of Investigation			
1 Duties	9,465	9,464	1
2 Duties	465	465	0
3 FY'00 Supplemental for Duties	500	317	183
Agency Total	<u>10,430</u>	<u>10,246</u>	<u>184</u>
Department of Civil Emergency			
1 Duties	586	585	1
2 Duties	152	119	33
Agency Total	<u>738</u>	<u>704</u>	<u>34</u>

	GENERAL FUND		
	BUDGET	ACTUAL	VARIANCE
State Fire Marshal			
1 Duties	1,615	1,615	0
2 Duties	90	90	0
11 FY'99 Carryover from Duties	0	0	0
Agency Total	<u>1,705</u>	<u>1,705</u>	<u>0</u>
Board of Medicolegal Investigation			
1 Duties (2)	3,031	3,031	0
2 Duties	233	180	53
11 FY'99 Carryover from Duties	51	17	34
12 FY'99 Carryover from Duties	23	3	20
Agency Total	<u>3,338</u>	<u>3,231</u>	<u>107</u>
Council on Law Enforcement, Education and Training			
1 Duties	354	345	9
1 Duties	2,130	2,107	23
2 Duties	27	27	0
10 Duties	260	254	6
11 FY'99 Carryover from Duties	15	15	0
11 FY'99 Carryover from Duties	19	19	0
13 FY'99 Carryover from Duties	14	14	0
Agency Total	<u>2,819</u>	<u>2,781</u>	<u>38</u>
Bureau of Narcotics and Dangerous Drugs			
1 Duties	4,895	4,725	170
2 Duties	510	503	7
11 FY'99 Carryover from Duties	50	50	0
12 FY'99 Carryover from Duties	69	69	0
Agency Total	<u>5,524</u>	<u>5,347</u>	<u>177</u>
Department of Public Safety			
1 Duties	59,306	57,116	2,190
2 Duties	6,388	6,388	0
3 Capitol Patrol Officer Services Work Comp Court	26	24	2
4 Clinton - Sherman Lease Payment	65	65	0
10 Motor Vehicles	1,500	1,450	50
11 First Program Mesonet Service	130	130	0
Agency Total	<u>67,415</u>	<u>65,173</u>	<u>2,242</u>
Public Safety and Defense Totals	<u>464,159</u>	<u>457,059</u>	<u>7,100</u>

(continued)

Schedule of Expenditures and Intra-Agency Transfers-Detail
 Budget to Actual Comparison (Non-GAAP Budgetary Basis)
 General Fund
 For the Fiscal Year Ended June 30, 2000
 (expressed in thousands)
 (continued)

	GENERAL FUND		
	BUDGET	ACTUAL	VARIANCE
REGULATORY SERVICES			
State Banking Department			
1 Duties	2,594	2,500	94
2 Duties	153	153	0
Agency Total	<u>2,747</u>	<u>2,653</u>	<u>94</u>
Department of Mines			
1 Duties	438	438	0
2 Duties	24	24	0
3 Miner Training Institute	50	50	0
10 Duties	350	350	0
Agency Total	<u>862</u>	<u>862</u>	<u>0</u>
Corporation Commission			
1 Duties	9,223	9,166	57
11 FY'99 Carryover from Duties	97	97	0
Agency Total	<u>9,320</u>	<u>9,263</u>	<u>57</u>
Oklahoma Horse Racing Commission			
1 Duties	2,192	2,027	165
11 FY'99 Carryover from Duties	141	100	41
Agency Total	<u>2,333</u>	<u>2,127</u>	<u>206</u>
Insurance Department			
1 Duties	2,784	2,672	112
2 Duties	94	94	0
Agency Total	<u>2,878</u>	<u>2,766</u>	<u>112</u>
Department of Labor			
1 Duties	1,454	1,268	186
1 Duties	1,916	1,839	77
2 Joint Shope Review Program	148	147	1
10 Duties	209	209	0
11 FY'99 Carryover from Duties	141	141	0
11 FY'99 Carryover from Duties	61	61	0
Agency Total	<u>3,929</u>	<u>3,665</u>	<u>264</u>

	GENERAL FUND		
	BUDGET	ACTUAL	VARIANCE
Liquefied Petroleum Gas Board			
1 Duties	418	375	43
2 Duties	7	0	7
11 FY'99 Carryover from Duties	53	53	0
12 FY'99 Carryover from Duties	1	1	0
Agency Total	<u>479</u>	<u>429</u>	<u>50</u>
Oklahoma Securities Commission			
1 Duties	619	619	0
2 Duties	29	29	0
11 FY'99 Carryover from Duties	51	51	0
Agency Total	<u>699</u>	<u>699</u>	<u>0</u>
Commission on Consumer Credit			
1 Duties	729	701	28
2 Duties	18	18	0
11 FY'99 Carryover from Duties	26	21	5
Agency Total	<u>773</u>	<u>740</u>	<u>33</u>
Board of Private Vocational School			
1 Duties	159	155	4
2 Duties	5	0	5
11 FY'99 Carryover from Duties	3	3	0
12 FY'99 Carryover from Duties	2	2	0
Agency Total	<u>169</u>	<u>160</u>	<u>9</u>
Regulatory Services Total	<u>24,189</u>	<u>23,364</u>	<u>825</u>
SOCIAL SERVICES			
Commission on Children and Youth			
2 Duties	10	10	0
10 Duties	1,624	1,549	75
20 Duties	16	16	0
40 FY'99 Carryover from Duties	134	134	0
Agency Total	<u>1,784</u>	<u>1,709</u>	<u>75</u>
Employment Security Commission			
1 Welfare to Work Match	900	217	683
Agency Total	<u>900</u>	<u>217</u>	<u>683</u>

(continued)

Schedule of Expenditures and Intra-Agency Transfers-Detail
 Budget to Actual Comparison (Non-GAAP Budgetary Basis)
 General Fund
 For the Fiscal Year Ended June 30, 2000
 (expressed in thousands)
 (continued)

	GENERAL FUND		
	BUDGET	ACTUAL	VARIANCE
Office of Handicapped Concerns			
1 Duties	319	292	27
2 Duties	15	15	0
2 Duties	39	36	3
11 FY'99 Carryover from Duties	8	8	0
Agency Total	<u>381</u>	<u>351</u>	<u>30</u>
Oklahoma Human Rights Commission			
10 Duties	781	767	14
20 Duties	16	16	0
Agency Total	<u>797</u>	<u>783</u>	<u>14</u>
Oklahoma Indian Affairs Commission			
10 Duties	228	224	4
11 FY'99 Carryover from Duties	19	19	0
20 Duties	22	6	16
21 FY'99 Carryover from Duties	21	21	0
Agency Total	<u>290</u>	<u>270</u>	<u>20</u>
Office of Juvenile Affairs			
1 Duties	94,729	93,291	1,438
2 FY'99 Carryover from Violent Offenders Match	521	504	17
2 Duties	1,960	1,823	137
3 Delinquent and Youth Gang	1,400	1,391	9
11 FY'99 Carryover from Duties	836	836	0
13 FY'99 Carryover from Delinquent and Youth Gang	83	83	0
14 FY'99 Carryover from Violent Offenders	38	38	0
Agency Total	<u>99,567</u>	<u>97,966</u>	<u>1,601</u>
Department of Veteran Affairs			
1 Duties	20,317	20,317	0
Agency Total	<u>20,317</u>	<u>20,317</u>	<u>0</u>
Department of Human Services			
1 Duties (1)	344,826	344,826	0
10 Duties (1)	8,000	8,000	0
11 Child Welfare Services (1)	1,805	1,805	0
12 Prater Willie Program (1)	65	65	0
13 Case Management Elderly (1)	1,500	1,500	0

	GENERAL FUND		
	BUDGET	ACTUAL	VARIANCE
14 Senior Nutrition Services (1)	2,000	2,000	0
15 In-Home Non-Tech. Med. Care (1)	2,000	2,000	0
16 Geriatric Day Care (1)	500	500	0
17 Developmentally Disabled Serv. (1)	2,000	2,000	0
18 Duties (1)	18	18	0
Agency Total	<u>362,714</u>	<u>362,714</u>	<u>0</u>
J.D. McCarty Center			
10 Duties	500	500	0
10 Duties	1,254	1,254	0
20 Duties	127	127	0
Agency Total	<u>1,881</u>	<u>1,881</u>	<u>0</u>
Department of Rehabilitative Services			
1 Duties (1)	23,045	23,045	0
2 Duties (1)	359	329	30
Agency Total	<u>23,404</u>	<u>23,374</u>	<u>30</u>
Health Care Authority			
1 Duties (1)	307,964	307,964	0
2 Duties (1)	7,536	7,536	0
3 Duties (1)	7,767	7,767	0
4 Managed Care Pharmacy (1)	1,060	1,060	0
10 Duties (1)	15,000	15,000	0
11 Duties (1)	3,297	3,297	0
12 Restore Services - Outpatient	500	500	0
Agency Total	<u>343,124</u>	<u>343,124</u>	<u>0</u>
University Hospitals Authority			
1 Duties	26,577	26,077	500
Agency Total	<u>26,577</u>	<u>26,077</u>	<u>500</u>
Social Services Total	<u>881,736</u>	<u>878,783</u>	<u>2,953</u>

(continued)

Schedule of Expenditures and Intra-Agency Transfers-Detail
 Budget to Actual Comparison (Non-GAAP Budgetary Basis)
 General Fund
 For the Fiscal Year Ended June 30, 2000
 (expressed in thousands)
 (continued)

	GENERAL FUND		
	BUDGET	ACTUAL	VARIANCE
TRANSPORTATION			
Department of Transportation			
1 Highway Construction and Maintenance (1)	176,476	176,476	0
2 Highway Construction and Maintenance (1)	9,160	9,160	0
1 Highway Construction and Maintenance (1)	40,630	40,630	0
2 Highway Construction and Maintenance (1)	1,500	1,500	0
3 Highway Construction and Maintenance (1)	82,171	82,171	0
4 Highway Construction and Maintenance (1)	10,379	10,379	0
Agency Total	<u>320,316</u>	<u>320,316</u>	<u>0</u>
Transportation Total	<u>320,316</u>	<u>320,316</u>	<u>0</u>
General Fund Total	<u>\$ 3,771,250</u>	<u>\$ 3,731,363</u>	<u>\$ 39,887</u>

(1) Appropriation was transferred to a continuing fund for expenditure.

(2) Part of the appropriation was transferred to a continuing fund for expenditure.

Combining Financial Statements

Combining Financial Statements

Combining Financial Statements
- Trust and Agency Funds

Combining Financial Statements - Trust and Agency Funds

Trust and Agency Funds account for assets the State holds in a trustee capacity or as an agent for individuals, private organizations, other governmental organizations, or other funds.

EXPENDABLE TRUST FUND

The Expendable Trust Fund accounts for assets held by the State in a trustee capacity where the principal and income may be expended in the course of the funds' designated operations.

Employment Security Commission accounts for the deposit of moneys requisitioned from the Oklahoma Unemployment Insurance Trust Fund held by the U.S. Treasury for payment of unemployment benefits.

NONEXPENDABLE TRUST FUNDS

Nonexpendable Trust Funds account for the assets held by the State in a trustee capacity where only income derived from the trust principal may be expended for designated operations. The principal must be preserved intact.

Commissioners of the Land Office accounts for the land and cash granted to the State by the United States Congress for the use and benefit of educational systems in Oklahoma.

Department of Wildlife Conservation accounts for moneys held in trust for the improvement and preservation of wildlife. The moneys have been accumulated from the sale of lifetime hunting and fishing licenses.

INVESTMENT TRUST FUND

Investment Trust Funds account for transactions, assets, liabilities, and net assets available for participants in an external investment pool. The pool is administered by the **Office of the State Treasurer** for other local governments. This includes Federal Farm Credit, county governments, and several school districts.

PENSION TRUST FUND

The Pension Trust Fund accounts for assets held by the State in a trustee capacity for the benefit of Plan members.

Wildlife Conservation Retirement Plan accounts for transactions, assets, liabilities, and net assets available for payment of plan benefits to employees of the Department of Wildlife Conservation.

AGENCY FUNDS

Agency Funds account for the receipt and disbursement of various moneys and property collected by the State, acting in the capacity of an agent, for distribution to other governmental units, organizations, or individuals.

Taxes Held for Outside Entities is maintained by the Oklahoma Tax Commission to account for taxes: (1) being held for distribution to county and city governments, (2) to cover anticipated tax refunds, (3) paid conditionally on an increase in gross value of oil and/or gas sold by a producer waiting on approval or settlement of an appeal, and (4) that have been intercepted by the Tax Commission to be disbursed to claimants.

Funds Held in Escrow are moneys held in an account until certain conditions or requirements are met. These include: (1) Cash Performance Bonds maintained by the Department of Mines until mining is complete and reclamation meets specifications, (2) Unlocated Mineral Owner's Fund maintained by the Corporation Commission as an escrow account for royalties due unlocated owners, (3) Workers' Compensation Claims Under Appeal contains money being held in trust for an injured worker whose claim is on appeal. This fund is maintained by the Workers' Compensation Court, (4) Unsettled Premium Tax Suits is an escrow account being maintained by the Oklahoma Insurance Department for the purpose of depositing protested taxes and/or fees imposed under Oklahoma law, (5) Other moneys accounted for by the State Department of Health for bond requirements for disposal sites, by the Department of Public Safety for the retention and refund of financial responsibility security amounts and sign deposits for motor vehicle inspection stations, (6) Money held in escrow by the Attorney General's Office for funds received as a result of litigation.

Assets Held for Beneficiaries are moneys maintained for: (1) clients in institutions under the jurisdiction of the Office of Juvenile Affairs (OJA), Department of Human Services (DHS), the Department of Corrections (DOC), the Department of Veterans Affairs, and the Department of Mental Health, (2) DHS custodial parents from the collection from absent parents, (3) DHS clients placed in agency custody, and (4) the inventory maintained for commodities.

Other is moneys accounted for (1) by the Employees' Benefit Council for payment of employee claims against SoonerFlex flexible spending accounts, (2) property distribution maintained by the Department of Central Services to account for federal surplus property transferred to the State's custody to be sold or donated to other governmental entities and/or specified nonprofit organizations and property seized by state organizations pending the outcome of legal proceedings, (3) deposits held by the Department of Central Services for bid process documents, (4) donations held by the District Attorney's Council for the Murrah Crime Victims Compensation Fund, and (5) funds held by the Department of Transportation which had accrued to its former health insurance rate stabilization account and being returned to the accounts contributors.

Combining Balance Sheet
Trust and Agency Funds
June 30, 2000
(with comparative totals for June 30, 1999)
(expressed in thousands)

	Expendable Trust Employment Security Commission	Nonexpendable Trusts	Investment Trust
Assets			
Cash/Cash Equivalents	\$ 580,765	\$ 43,013	\$ 5,377
Investments	0	1,173,497	0
Accounts Receivable	1,823	0	0
Interest and Investments Revenue Receivable	0	9,144	31
Taxes Receivable	1,859	0	0
Federal Grants Receivable	157	0	0
Other Receivables	0	3,037	0
Due from Other Funds	0	75	0
Due from Component Units	0	0	0
Inventory	0	0	0
Other Assets	0	6,475	0
Total Assets	\$ 584,604	\$ 1,235,241	\$ 5,408
Liabilities and Fund Balances			
Liabilities			
Accounts Payable and Accrued Liabilities	\$ 39	\$ 0	\$ 0
Tax Refunds Payable	0	0	0
Due to Others	0	0	0
Deferred Revenue	1,394	4,234	0
Total Liabilities	1,433	4,234	0
Fund Balances			
Reserved			
Unemployment Benefits	583,171	0	0
Preservation of Wildlife	0	43,823	0
Employees' Pension Benefits	0	0	0
External Investment Pool Participants	0	0	5,408
Permanent Trust	0	1,051,023	0
Undistributed Revenue	0	136,161	0
Total Fund Balances	583,171	1,231,007	5,408
Total Liabilities and Fund Balances	\$ 584,604	\$ 1,235,241	\$ 5,408

Pension Trust Fund		Total	
Wildlife Conservation Retirement Plan	Agency	2000	1999
\$ 0	\$ 162,028	\$ 791,183	\$ 787,176
54,915	0	1,228,412	1,097,334
0	50	1,873	2,863
0	779	9,954	6,227
0	18	1,877	1,710
0	0	157	180
0	0	3,037	3,234
28	448	551	217
0	213	213	207
0	4,647	4,647	4,214
0	0	6,475	7,367
<u>\$ 54,943</u>	<u>\$ 168,183</u>	<u>\$ 2,048,379</u>	<u>\$ 1,910,729</u>
\$ 0	\$ 6	\$ 45	\$ 1,246
0	6,850	6,850	4,592
0	161,327	161,327	143,230
0	0	5,628	5,580
<u>0</u>	<u>168,183</u>	<u>173,850</u>	<u>154,648</u>
0	0	583,171	598,444
0	0	43,823	41,564
54,943	0	54,943	46,245
0	0	5,408	6,501
0	0	1,051,023	931,156
0	0	136,161	132,171
<u>54,943</u>	<u>0</u>	<u>1,874,529</u>	<u>1,756,081</u>
<u>\$ 54,943</u>	<u>\$ 168,183</u>	<u>\$ 2,048,379</u>	<u>\$ 1,910,729</u>

Combining Balance Sheet
 Nonexpendable Trust Funds
 June 30, 2000
 (with comparative totals for June 30, 1999)
 (expressed in thousands)

	Commissioners of the Land Office	Department of Wildlife Conservation	Total	
			2000	1999
Assets				
Cash/Cash Equivalents	\$ 41,815	\$ 1,198	\$ 43,013	\$ 41,657
Investments	1,130,954	42,543	1,173,497	1,051,117
Interest and Investment Receivable	9,144	0	9,144	5,695
Other Receivables	3,037	0	3,037	3,234
Due from Other Funds	0	75	75	83
Other Assets	6,468	7	6,475	7,367
Total Assets	\$ 1,191,418	\$ 43,823	\$ 1,235,241	\$ 1,109,153
Liabilities and Fund Balances				
Liabilities				
Deferred Revenue	\$ 4,234	\$ 0	\$ 4,234	\$ 4,262
Total Liabilities	4,234	0	4,234	4,262
Fund Balances				
Reserved				
Preservation of Wildlife	0	43,823	43,823	41,564
Permanent Trust	1,051,023	0	1,051,023	931,156
Undistributed Revenue	136,161	0	136,161	132,171
Total Fund Balances	1,187,184	43,823	1,231,007	1,104,891
Total Liabilities and Fund Balances	\$ 1,191,418	\$ 43,823	\$ 1,235,241	\$ 1,109,153

Combining Statement of Revenues, Expenses
and Changes in Fund Balances
Nonexpendable Trust Funds
For the Fiscal Year Ended June 30, 2000
(with comparative totals for June 30, 1999)
(expressed in thousands)

	Commissioners of the Land Office	Department of Wildlife Conservation	Total	
			2000	1999
Operating Revenues				
Licenses, Permits and Fees	\$ 0	\$ 2,208	\$ 2,208	\$ 2,181
Sales and Services	0	71	71	71
Interest and Investment Revenue	173,955	2,078	176,033	117,994
Rental Revenue	8,633	0	8,633	8,838
Sales of Land and Easements	3,253	0	3,253	762
Other	305	0	305	79
Total Operating Revenues	186,146	4,357	190,503	129,925
Operating Expenses				
Administrative Expense	3,906	0	3,906	2,959
Benefit Payments and Refunds	41,511	0	41,511	40,452
Total Operating Expenses	45,417	0	45,417	43,411
Income Before Operating Transfers	140,729	4,357	145,086	86,514
Operating Transfers Out	(2,535)	(2,098)	(4,633)	(6,663)
Operating Transfers To Component Units	(14,337)	0	(14,337)	(13,899)
Net Income	123,857	2,259	126,116	65,952
Fund Balances - Beginning of Year	1,063,327	41,564	1,104,891	1,038,939
Fund Balances - End of Year	\$ 1,187,184	\$ 43,823	\$ 1,231,007	\$ 1,104,891

Combining Statement of Cash Flows
 Nonexpendable Trust Funds
 For the Fiscal Year Ended June 30, 2000
 (with comparative totals for June 30, 1999)
 (expressed in thousands)

	Commissioners of the Land Office	Department of Wildlife Conservation	Total	
			2000	1999
Cash Flows from Operating Activities				
Operating Income	\$ 140,729	\$ 4,357	\$ 145,086	\$ 86,514
Adjustments to Reconcile Operating Income to Net Cash Provided by Operations				
Amortization (Accretion) and Other Noncash Expenses	104	0	104	286
Reclassification of Investment Income	(156,477)	(2,078)	(158,555)	(127,893)
Net Appreciation in Fair Value of Investments	(63,197)	0	(63,197)	(19,617)
Decrease (Increase) in Assets				
Interfund Receivable	0	8	8	(16)
Increase (Decrease) in Liabilities				
Deferred Revenue	(28)	0	(28)	8
Net Cash Provided (Used) by Operating Activities	(78,869)	2,287	(76,582)	(60,718)
Cash Flows from Noncapital Financing Activities				
Operating Transfers Out	(2,535)	(2,098)	(4,633)	(6,663)
Operating Transfers to Component Units	(14,337)	0	(14,337)	(13,899)
Net Cash (Used) by Noncapital Financing Activities	(16,872)	(2,098)	(18,970)	(20,562)
Cash Flows from Investing Activities				
Interest and Investment Revenue	110,758	2,078	112,836	98,377
Proceeds from Sale/Maturities of Investments	743,499	0	743,499	558,085
Principal Received from Notes Receivable	235	0	235	345
Payments to Purchase Investments	(757,524)	(2,138)	(759,662)	(575,743)
Net Cash Provided (Used) by Investing Activities	96,968	(60)	96,908	81,064
Net Increase (Decrease) in Cash/Cash Equivalents	1,227	129	1,356	(216)
Cash/Cash Equivalents - Beginning of Year	40,588	1,069	41,657	41,873
Cash/Cash Equivalents - End of Year	\$ 41,815	\$ 1,198	\$ 43,013	\$ 41,657

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Combining Statement of Assets and Liabilities

Agency Funds

June 30, 2000

(with comparative totals for June 30, 1999)

(expressed in thousands)

	Taxes Held For Outside Entities	Funds Held In Escrow
Assets		
Cash/Cash Equivalents	\$ 127,183	\$ 6,637
Accounts Receivable	3	0
Interest Receivable	726	18
Taxes Receivable	18	0
Due from Other Funds	0	0
Due from Component Units	0	0
Inventory	0	0
Total Assets	<u>\$ 127,930</u>	<u>\$ 6,655</u>
Liabilities		
Accounts Payable and Accrued Liabilities	\$ 0	\$ 0
Tax Refunds Payable	6,850	0
Due to Others	121,080	6,655
Total Liabilities	<u>\$ 127,930</u>	<u>\$ 6,655</u>

Assets Held For Beneficiaries	Other	Total	
		2000	1999
\$ 19,126	\$ 9,082	\$ 162,028	\$ 143,736
5	42	50	69
35	0	779	506
0	0	18	6
0	448	448	106
0	213	213	207
1,707	2,940	4,647	4,214
<u>\$ 20,873</u>	<u>\$ 12,725</u>	<u>\$ 168,183</u>	<u>\$ 148,844</u>
\$ 6	\$ 0	\$ 6	\$ 1,022
0	0	6,850	4,592
20,867	12,725	161,327	143,230
<u>\$ 20,873</u>	<u>\$ 12,725</u>	<u>\$ 168,183</u>	<u>\$ 148,844</u>

Combining Statement of Changes in Assets and Liabilities
 Agency Funds
 For the Fiscal Year Ended June 30, 2000
 (expressed in thousands)

	Balance June 30, 1999	Additions	Deletions	Balance June 30, 2000
Taxes Held for Outside Entities				
Assets				
Cash/Cash Equivalents	\$ 111,857	\$ 1,750,935	\$ 1,735,609	\$ 127,183
Accounts Receivable	2	3	2	3
Interest Receivable	467	726	467	726
Taxes Receivable	6	18	6	18
Total Assets	\$ 112,332	\$ 1,751,682	\$ 1,736,084	\$ 127,930
Liabilities				
Accounts Payable and Accrued Liabilities	\$ 50	\$ 0	\$ 50	\$ 0
Tax Refunds Payable	4,592	6,850	4,592	6,850
Due to Others	107,690	1,744,832	1,731,442	121,080
Total Liabilities	\$ 112,332	\$ 1,751,682	\$ 1,736,084	\$ 127,930
Funds Held in Escrow				
Assets				
Cash/Cash Equivalents	\$ 6,516	\$ 2,652	\$ 2,531	\$ 6,637
Accounts Receivable	6	0	6	0
Interest Receivable	13	18	13	18
Total Assets	\$ 6,535	\$ 2,670	\$ 2,550	\$ 6,655
Liabilities				
Accounts Payable and Accrued Liabilities	\$ 16	\$ 0	\$ 16	\$ 0
Due to Others	6,519	2,670	2,534	6,655
Total Liabilities	\$ 6,535	\$ 2,670	\$ 2,550	\$ 6,655
Assets Held for Beneficiaries				
Assets				
Cash/Cash Equivalents	\$ 13,791	\$ 162,826	\$ 157,491	\$ 19,126
Accounts Receivable	13	5	13	5
Interest Receivable	26	35	26	35
Inventory	222	13,570	12,085	1,707
Total Assets	\$ 14,052	\$ 176,436	\$ 169,615	\$ 20,873
Liabilities				
Accounts Payable and Accrued Liabilities	\$ 956	\$ 6	\$ 956	\$ 6
Due to Others	13,096	176,430	168,659	20,867
Total Liabilities	\$ 14,052	\$ 176,436	\$ 169,615	\$ 20,873

	Balance June 30, 1999	Additions	Deletions	Balance June 30, 2000
Other				
Assets				
Cash/Cash Equivalents	\$ 11,572	\$ 142,978	\$ 145,468	\$ 9,082
Accounts Receivable	48	42	48	42
Due from Other Funds	106	448	106	448
Due from Component Units	207	213	207	213
Inventory	3,992	2,428	3,480	2,940
Total Assets	\$ 15,925	\$ 146,109	\$ 149,309	\$ 12,725
Liabilities				
Due to Others	\$ 15,925	146,109	149,309	\$ 12,725
Total Liabilities	\$ 15,925	\$ 146,109	\$ 149,309	\$ 12,725
Total - All Agency Funds				
Assets				
Cash/Cash Equivalents	\$ 143,736	\$ 2,059,391	\$ 2,041,099	\$ 162,028
Accounts Receivable	69	50	69	50
Interest Receivable	506	779	506	779
Taxes Receivable	6	18	6	18
Due from Other Funds	106	448	106	448
Due from Component Units	207	213	207	213
Inventory	4,214	15,998	15,565	4,647
Total Assets	\$ 148,844	\$ 2,076,897	\$ 2,057,558	\$ 168,183
Liabilities				
Accounts Payable and Accrued Liabilities	\$ 1,022	\$ 6	\$ 1,022	\$ 6
Tax Refunds Payable	4,592	6,850	4,592	6,850
Due to Others	143,230	2,070,041	2,051,944	161,327
Total Liabilities	\$ 148,844	\$ 2,076,897	\$ 2,057,558	\$ 168,183

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Combining Financial Statements - Component Units

Combining Financial Statements - Component Units

GOVERNMENTAL COMPONENT UNIT

MULTIPLE INJURY TRUST FUND

P.O. Box 528801, Oklahoma City, Oklahoma 73152

The Multiple Injury Trust Fund provides additional compensation to a worker with a pre-existing injury who suffers a second injury.

PROPRIETARY COMPONENT UNITS

Proprietary component units include the entities listed below. A brief description of these entities is included in the Combining Financial Statements-Component Units-Proprietary Funds section of this report.

Oklahoma Industrial Finance Authority	Medical Technology and Research Authority
Health Insurance High Risk Pool	Oklahoma Development Finance Authority
State Insurance Fund	Oklahoma Environmental Finance Authority
State and Education Employees	Oklahoma Housing Finance Agency
Group Insurance Board	Oklahoma Transportation Authority
Oklahoma Student Loan Authority	Grand River Dam Authority
University Hospitals Authority	Oklahoma Municipal Power Authority

FIDUCIARY COMPONENT UNITS

Fiduciary component units include the entities listed below. A brief description of these entities is included in the Combining Financial Statements-Component Units-Fiduciary Funds section of this report.

Oklahoma Firefighters Pension and Retirement System	Uniform Retirement System for Judges and Justices
Oklahoma Law Enforcement Retirement System	Oklahoma Police Pension and Retirement System
Oklahoma Public Employees Retirement System	Teachers' Retirement System of Oklahoma

HIGHER EDUCATION COMPONENT UNIT

The Higher Education Component Unit includes the entities listed below. A brief description of these entities is included in the Combining Financial Statements-Component Unit-Higher Education Funds section of this report.

University of Oklahoma	Redlands Community College
Oklahoma State University	Murray State College
University of Central Oklahoma	Northeastern Oklahoma A&M College
East Central University	Northern Oklahoma College
Northeastern State University	Oklahoma City Community College
Northwestern Oklahoma State University	Rose State College
Southeastern Oklahoma State University	Seminole State College
Southwestern Oklahoma State University	Tulsa Community College
Cameron University	Western Oklahoma State College
Langston University	Board of Regents of Oklahoma Colleges
Oklahoma Panhandle State University	Oklahoma State Regents for Higher Education
Rogers State University	Ardmore Higher Education Program
University of Science and Arts of Oklahoma	McCurtain County Higher Education Program
Carl Albert Junior College	Rose State College Technical Area
Connors State College	Education District
Eastern Oklahoma State College	South Oklahoma City Area School District
	Tulsa Community College Area School District

Combining Balance Sheet
Component Units
June 30, 2000
(with comparative totals for June 30, 1999)
(expressed in thousands)

	Governmental	
	Multiple Injury Trust Fund	Proprietary
Assets and Other Debits		
Assets		
Cash/Cash Equivalents	\$ 94	\$ 205,327
Investments	0	1,871,586
Securities Lending Investments	0	139,083
Accounts Receivable	0	53,129
Interest and Investment Revenue Receivable	0	20,997
Employer Contributions Receivable	0	0
Employee Contributions Receivable	0	0
Other Contributions Receivable	0	0
Federal Grants Receivable	0	0
Lease Payments Receivable	0	1,380
Other Receivables	0	0
Notes and Loans Receivable	0	919,905
Due from Brokers	0	0
Due from Other Funds	0	0
Due from Component Units	0	1,368
Due from Primary Government	1,202	6,341
Inventory	0	33,899
Prepaid Items	0	1,081
Fixed Assets, Net	0	1,551,475
Other Assets	0	328,718
Other Debits		
Amount to Be Provided for Claims and Judgments	172,506	0
Total Assets and Other Debits	<u>\$ 173,802</u>	<u>\$ 5,134,289</u>
Liabilities, Fund Equity and Other Credits		
Liabilities		
Accounts Payable and Accrued Liabilities	\$ 51	\$ 94,076
Payable Under Securities Lending Agreement	0	139,083
Claims and Judgments	198,469	546,638
Interest Payable	7,123	55,078
Due to Brokers	0	0
Due to Other Funds	0	0
Due to Component Units	61	1,742
Due to Primary Government	0	48,932
Due to Others	0	0
Deferred Revenue	0	31,668
Capital Leases	0	0
Capital Leases - OCIA	0	1,965
Compensated Absences	0	5,690
Benefits in the Process of Payment	0	0
Notes Payable	0	139,563
General Obligation Bonds	0	73,786
Revenue Bonds	0	3,187,159
Other Liabilities	0	40,237
Total Liabilities	<u>205,704</u>	<u>4,365,617</u>
Fund Equity and Other Credits		
Investment in General Fixed Assets	0	0
Contributed Capital	0	19,253
Retained Earnings - Unreserved	0	749,419
Fund Balances		
Reserved for Employee Pension Benefits	0	0
Unreserved		
Designated for Other Special Purposes	0	0
Undesignated	(31,902)	0
Total Fund Equity and Other Credits	<u>(31,902)</u>	<u>768,672</u>
Total Liabilities, Fund Equity and Other Credits	<u>\$ 173,802</u>	<u>\$ 5,134,289</u>

Fiduciary	Higher Education	Total	
		2000	1999
\$ 995,611	\$ 513,391	\$ 1,714,423	\$ 992,028
14,326,290	426,345	16,624,221	15,784,193
1,800,842	0	1,939,925	690,913
0	138,093	191,222	199,899
71,939	4,004	96,940	96,484
13,637	0	13,637	14,062
14,106	0	14,106	14,625
947	0	947	852
0	1,275	1,275	928
0	0	1,380	35,217
1,470	0	1,470	181
0	44,382	964,287	892,898
315,065	0	315,065	201,458
0	107,070	107,070	99,433
415	218	2,001	1,317
18,231	41,070	66,844	28,118
0	19,971	53,870	51,190
0	12,490	13,571	13,383
902	1,910,973	3,463,350	3,136,156
87	1,462	330,267	347,734
0	0	172,506	166,919
<u>\$ 17,559,542</u>	<u>\$ 3,220,744</u>	<u>\$ 26,088,377</u>	<u>\$ 22,767,988</u>
\$ 3,215	\$ 95,744	\$ 193,086	\$ 153,850
1,800,842	0	1,939,925	690,913
0	0	745,107	723,531
0	5,283	67,484	67,166
742,124	0	742,124	91,889
0	107,070	107,070	99,433
0	198	2,001	1,317
0	805	49,737	48,050
0	33,155	33,155	29,598
0	82,909	114,577	115,876
0	21,033	21,033	17,401
0	43,432	45,397	0
212	50,863	56,765	50,517
75,089	0	75,089	76,019
0	26,585	166,148	79,225
0	20,880	94,666	94,877
0	249,294	3,436,453	3,559,413
3,872	53,417	97,526	68,211
<u>2,625,354</u>	<u>790,668</u>	<u>7,987,343</u>	<u>5,967,286</u>
0	1,621,541	1,621,541	1,538,757
0	0	19,253	22,596
0	0	749,419	759,851
14,934,188	0	14,934,188	13,730,629
0	808,535	808,535	775,013
0	0	(31,902)	(26,144)
<u>14,934,188</u>	<u>2,430,076</u>	<u>18,101,034</u>	<u>16,800,702</u>
<u>\$ 17,559,542</u>	<u>\$ 3,220,744</u>	<u>\$ 26,088,377</u>	<u>\$ 22,767,988</u>

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Combining Financial Statements
- Component Units
- Proprietary Funds

Combining Financial Statements

- Component Units
- Proprietary Funds

The State of Oklahoma has thirteen proprietary component units which are described below:

OKLAHOMA INDUSTRIAL FINANCE AUTHORITY

301 N.W. 63rd Street, Suite 225, Oklahoma City, Oklahoma 73116
The Authority assists with the State's industrial development by making loans to authorized industrial development agencies or trusts and new or expanding industries within Oklahoma. The loans are financed by issuance of general obligation bonds.

HEALTH INSURANCE HIGH RISK POOL

3814 N. Santa Fe, Oklahoma City, Oklahoma 73118
The Pool provides health insurance to individuals who are unable to obtain coverage from independent insurers. The Pool is financed by assessments levied on independent insurers.

STATE INSURANCE FUND

P.O. Box 53505, Oklahoma City, Oklahoma 73152
The Fund provides a source for workers' compensation insurance for all employers within the state including state agencies and other governmental units. The Fund is financed through employer premiums.

**STATE AND EDUCATION EMPLOYEES GROUP
INSURANCE BOARD**

3545 N.W. 58th Street, Suite 1000, Oklahoma City, Oklahoma 73112
The Board provides varying coverages of group health, dental, life, and disability benefits to active employees and retirees of the State, local governments, and education entities as well as certain other eligible participants. The Board is financed through employer and employee premiums.

OKLAHOMA STUDENT LOAN AUTHORITY

4545 N. Lincoln Blvd., Suite 66, Oklahoma City, Oklahoma 73105
The Authority provides loans to qualified persons at participating educational institutions through the issuance of tax-exempt revenue bonds or other debt obligations.

**MEDICAL TECHNOLOGY AND RESEARCH
AUTHORITY**

1100 N. Lindsey, SCB 148, Oklahoma City, Oklahoma 73104
The Authority promotes and assists the development of medical technology and research benefiting the citizens of Oklahoma.

UNIVERSITY HOSPITALS AUTHORITY

940 N.E. 13th Street, Oklahoma City, Oklahoma 73104
The Authority consists of The University Hospital and Children's Hospital of Oklahoma. The University Hospital is affiliated with the University of Oklahoma Health Sciences Center. The University Hospital is financed primarily through patient service charges.

OKLAHOMA DEVELOPMENT FINANCE AUTHORITY

301 N.W. 63rd Street, Suite 225, Oklahoma City, Oklahoma 73116
The Authority provides financing for both public and private entities in the state. The Authority obtains funds through the issuance of bonds and notes.

**OKLAHOMA ENVIRONMENTAL FINANCE
AUTHORITY**

2809 N.W. Expressway, Suite 485, Oklahoma City, Oklahoma 73112
The Authority provides financing necessary or useful to abate, control, and reduce air and water pollution. The Authority obtains funds through the issuance of bonds and notes.

OKLAHOMA HOUSING FINANCE AGENCY

1140 N.W. 63rd Street, Suite 200, Oklahoma City, Oklahoma 73116
The Agency is authorized to issue revenue bonds and notes in order to provide funds to promote the development of adequate residential housing and other economic development for the benefit of the State of Oklahoma.

OKLAHOMA TRANSPORTATION AUTHORITY

P.O. Box 11357, Oklahoma City, Oklahoma 73136
The Authority is authorized to construct, maintain, repair, and operate turnpike projects at locations authorized by the Legislature and approved by the Department of Transportation. The Authority receives revenues from turnpike tolls and a percentage of the turnpike concessions sales. The Authority issues revenue bonds to finance the cost of turnpike projects.

GRAND RIVER DAM AUTHORITY

P.O. Box 409, Vinita, Oklahoma 74301
The Authority controls the waters of the Grand River system to generate water power and electric energy and to promote irrigation, conservation and development of natural resources. The Authority produces and distributes electrical power for sale to customers primarily located in northeastern Oklahoma.

OKLAHOMA MUNICIPAL POWER AUTHORITY

P.O. Box 1960, Edmond, Oklahoma 73083
The Authority provides a means for the municipal electric systems in the state to jointly plan, finance, acquire, and operate electrical power supply facilities necessary to meet the electrical energy requirements of their consumers. The Authority also sells electric power to its member municipalities.

Combining Balance Sheet
Component Units - Proprietary Funds
June 30, 2000
(with comparative totals for June 30, 1999)
(expressed in thousands)

	Oklahoma Industrial Finance Authority	Health Insurance High Risk Pool	State Insurance Fund	State and Education Empl. Group Insurance Bd.	Oklahoma Student Loan Authority	University Hospitals Authority
Assets						
Current Assets						
Cash/Cash Equivalents	\$ 164	\$ 1,421	\$ 8,374	\$ 7,121	\$ 79	\$ 33,493
Investments	5,912	0	668,943	165,394	19,363	38
Securities Lending						
Investments	0	0	139,083	0	0	0
Accounts Receivable	0	0	14,429	10,810	0	1,199
Interest and Investment						
Revenue Receivable	725	0	6,086	1,433	9,682	172
Other Receivables	0	0	0	0	0	0
Notes Receivable	4,575	0	0	0	0	0
Due from Component Units	0	0	126	0	0	0
Due from Primary Government	0	0	793	2,252	0	2,281
Inventory	0	0	0	0	0	0
Prepaid Items	0	0	0	0	0	5
Other Current Assets	0	0	1,103	0	0	0
Total Current Assets	11,376	1,421	838,937	187,010	29,124	37,188
Restricted Assets						
Cash/Cash Equivalents	89	0	0	0	0	16,760
Investments	119	0	0	0	0	336
Other Restricted Assets	1	0	0	0	0	115
Total Restricted Assets	209	0	0	0	0	17,211
Other Assets						
Fixed Assets, Net	24	0	7,201	760	345	91,154
Long-Term Notes						
Receivable, Net	25,776	0	0	0	325,509	0
Long-Term Investments	38,123	0	0	0	0	0
Lease Payments Receivable	0	0	0	0	0	0
Other Noncurrent Assets	1,110	0	0	2,137	2,480	27,775
Total Other Assets	65,033	0	7,201	2,897	328,334	118,929
Total Assets	\$ 76,618	\$ 1,421	\$ 846,138	\$ 189,907	\$ 357,458	\$ 173,328

Medical Technology and Research Authority	Oklahoma Development Finance Authority	Oklahoma Environmental Finance Authority	Oklahoma Housing Finance Agency	Oklahoma Transportation Authority	Grand River Dam Authority	Oklahoma Municipal Power Authority	Total	
							2000	1999
\$ 263	\$ 881	\$ 0	\$ 4,364	\$ 12,303	\$ 38,346	\$ 1,298	\$ 108,107	\$ 79,640
0	7,268	0	1,195	103,128	62,077	3,021	1,036,339	1,053,711
0	0	0	0	0	0	0	139,083	117,703
450	183	0	1,567	3,288	14,482	6,721	53,129	68,269
0	168	0	106	1,304	1,321	0	20,997	17,206
0	0	0	0	0	0	0	0	0
0	250	0	0	0	0	0	4,825	2,076
24	44	0	0	0	1,174	0	1,368	679
1	12	0	0	965	37	0	6,341	4,886
0	0	0	0	1,410	29,572	2,917	33,899	32,399
4	0	0	102	115	855	0	1,081	1,467
0	0	0	0	0	0	81	1,184	1,316
<u>742</u>	<u>8,806</u>	<u>0</u>	<u>7,334</u>	<u>122,513</u>	<u>147,864</u>	<u>14,038</u>	<u>1,406,353</u>	<u>1,379,352</u>
0	0	17	1	53,550	0	26,803	97,220	107,142
0	0	46	0	568,931	148,364	35,499	753,295	975,089
0	0	0	0	1,273	0	0	1,389	17,504
<u>0</u>	<u>0</u>	<u>63</u>	<u>1</u>	<u>623,754</u>	<u>148,364</u>	<u>62,302</u>	<u>851,904</u>	<u>1,099,735</u>
4,387	709	0	597	813,025	490,328	142,945	1,551,475	1,353,311
0	4,428	0	559,367	0	0	0	915,080	848,304
0	0	0	13,354	0	0	30,475	81,952	73,699
0	0	1,001	0	0	0	379	1,380	35,217
0	195	0	3,314	12,382	127,133	149,619	326,145	327,820
<u>4,387</u>	<u>5,332</u>	<u>1,001</u>	<u>576,632</u>	<u>825,407</u>	<u>617,461</u>	<u>323,418</u>	<u>2,876,032</u>	<u>2,638,351</u>
<u>\$ 5,129</u>	<u>\$ 14,138</u>	<u>\$ 1,064</u>	<u>\$ 583,967</u>	<u>\$ 1,571,674</u>	<u>\$ 913,689</u>	<u>\$ 399,758</u>	<u>\$ 5,134,289</u>	<u>\$ 5,117,438</u>

(continued)

Combining Balance Sheet
Component Units - Proprietary Funds
June 30, 2000
(with comparative totals for June 30, 1999)
(expressed in thousands)

(continued)	Oklahoma Industrial Finance Authority	Health Insurance High Risk Pool	State Insurance Fund	State and Education Empl. Group Insurance Bd.	Oklahoma Student Loan Authority	University Hospitals Authority
Liabilities and Fund Equity						
Liabilities						
Current Liabilities						
Accounts Payable and Accrued Liabilities	\$ 0	\$ 0	\$ 25,469	\$ 13,690	\$ 230	\$ 6,163
Payable Under Securities						
Lending Agreement	0	0	139,083	0	0	0
Claims and Judgments	0	0	483,832	62,806	0	0
Interest Payable	1,163	0	0	0	3,195	0
Due to Component Units	0	0	206	3	14	1
Due to Primary Government	0	0	73	42	0	17
Deferred Revenue	118	0	19,344	0	0	10
Capital Leases	0	0	0	0	0	0
Capital Leases - OCIA	0	0	0	0	0	1,965
Compensated Absences	74	0	1,035	630	75	41
Notes Payable	0	0	0	0	16,225	0
General Obligation Bonds	953	0	0	0	0	0
Revenue Bonds	0	0	0	0	3,665	0
Other Current Liabilities	0	0	0	0	927	0
Total Current Liabilities	2,308	0	669,042	77,171	24,331	8,197
Other Liabilities						
Due to Primary Government	0	0	0	0	0	0
Notes Payable	0	0	0	0	119,600	0
General Obligation Bonds	72,833	0	0	0	0	0
Revenue Bonds	0	0	0	0	162,080	0
Other Noncurrent Liabilities	35	0	0	0	0	292
Total Other Liabilities	72,868	0	0	0	281,680	292
Total Liabilities	75,176	0	669,042	77,171	306,011	8,489
Fund Equity						
Contributed Capital	0	0	0	0	0	0
Retained Earnings Unreserved	1,442	1,421	177,096	112,736	51,447	164,839
Total Fund Equity	1,442	1,421	177,096	112,736	51,447	164,839
Total Liabilities and Fund Equity	\$ 76,618	\$ 1,421	\$ 846,138	\$ 189,907	\$ 357,458	\$ 173,328

Medical Technology and Research Authority	Oklahoma Development Finance Authority	Oklahoma Environmental Finance Authority	Oklahoma Housing Finance Agency	Oklahoma Transportation Authority	Grand River Dam Authority	Oklahoma Municipal Power Authority	Total	
							2000	1999
\$ 110	\$ 0	\$ 1	\$ 191	\$ 32,525	\$ 10,424	\$ 5,273	\$ 94,076	\$ 78,381
0	0	0	0	0	0	0	139,083	117,703
0	0	0	0	0	0	0	546,638	534,001
0	0	5	0	36,297	4,208	10,210	55,078	57,343
13	0	0	15	22	273	1,195	1,742	1,096
6	60	0	0	2,289	222	0	2,709	2,951
0	37	0	1,577	10,582	0	0	31,668	32,609
0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	1,965	0
52	0	0	391	1,146	2,130	116	5,690	5,331
237	0	0	0	0	0	0	16,462	222
0	0	0	0	0	0	0	953	826
0	0	0	0	14,015	45,115	8,050	70,845	68,100
0	0	0	0	5,409	0	1,000	7,336	4,957
<u>418</u>	<u>97</u>	<u>6</u>	<u>2,174</u>	<u>102,285</u>	<u>62,372</u>	<u>25,844</u>	<u>974,245</u>	<u>903,520</u>
0	0	0	0	46,223	0	0	46,223	44,565
3,501	0	0	0	0	0	0	123,101	52,334
0	0	0	0	0	0	0	72,833	72,741
0	9,999	996	534,129	1,270,982	787,487	350,641	3,116,314	3,233,056
547	333	0	5,984	0	16,660	9,050	32,901	28,775
<u>4,048</u>	<u>10,332</u>	<u>996</u>	<u>540,113</u>	<u>1,317,205</u>	<u>804,147</u>	<u>359,691</u>	<u>3,391,372</u>	<u>3,431,471</u>
<u>4,466</u>	<u>10,429</u>	<u>1,002</u>	<u>542,287</u>	<u>1,419,490</u>	<u>866,519</u>	<u>385,535</u>	<u>4,365,617</u>	<u>4,334,991</u>
0	0	0	19,253	0	0	0	19,253	22,596
663	3,709	62	22,427	152,184	47,170	14,223	749,419	759,851
663	3,709	62	41,680	152,184	47,170	14,223	768,672	782,447
<u>\$ 5,129</u>	<u>\$ 14,138</u>	<u>\$ 1,064</u>	<u>\$ 583,967</u>	<u>\$ 1,571,674</u>	<u>\$ 913,689</u>	<u>\$ 399,758</u>	<u>\$ 5,134,289</u>	<u>\$ 5,117,438</u>

Combining Statement of Revenues, Expenses
and Changes in Retained Earnings
Component Units - Proprietary Funds
For the Fiscal Year Ended June 30, 2000
(with comparative totals for June 30, 1999)
(expressed in thousands)

	Oklahoma Industrial Finance Authority	Health Insurance High Risk Pool	State Insurance Fund	State and Education Empl. Group Insurance Bd.	Oklahoma Student Loan Authority	University Hospitals Authority
Operating Revenues						
Sales and Services	\$ 0	\$ 10,283	\$ 85,240	\$ 341,989	\$ 0	\$ 10,773
Interest Revenue	4,951	0	0	0	23,028	0
Other	50	0	62	5,981	0	29,375
Total Operating Revenues	5,001	10,283	85,302	347,970	23,028	40,148
Operating Expenses						
Operations and Maintenance of Facilities	6	0	0	0	0	58,208
Losses and Loss Expense	0	0	132,604	0	0	0
Administrative and General	518	475	13,323	25,254	5,011	0
Interest Expense	4,349	0	0	0	12,941	122
Depreciation Expense	15	0	1,679	181	1,266	7,834
Benefit Payments and Refunds	0	9,326	0	337,034	0	0
Total Operating Expenses	4,888	9,801	147,606	362,469	19,218	66,164
Operating Income (Loss)	113	482	(62,304)	(14,499)	3,810	(26,016)
Nonoperating Revenues (Expenses)						
Interest and Investment Revenue	(108)	107	19,032	7,438	1,073	2,549
Other Nonoperating Revenues	48	0	0	0	0	307
Interest Expense	0	0	0	0	0	0
Amortization of Losses and Discounts	0	0	0	0	0	0
Other Nonoperating Expenses	(2)	0	(6,487)	0	0	0
Total Nonoperating Revenues (Expenses)	(62)	107	12,545	7,438	1,073	2,856
Income (Loss) Before Operating Transfers	51	589	(49,759)	(7,061)	4,883	(23,160)
Operating Transfers:						
From Primary Government	0	0	0	0	0	26,829
To Primary Government	0	0	0	0	0	0
Costs to be Recovered from Future Revenues	0	0	0	0	0	0
Net Income (Loss)	51	589	(49,759)	(7,061)	4,883	3,669
Retained Earnings - Beginning of Year	1,391	832	226,855	119,797	46,564	161,170
Retained Earnings - End of Year	\$ 1,442	\$ 1,421	\$ 177,096	\$ 112,736	\$ 51,447	\$ 164,839

Medical Technology and Research Authority	Oklahoma Development Finance Authority	Oklahoma Environmental Finance Authority	Oklahoma Housing Finance Agency	Oklahoma Transportation Authority	Grand River Dam Authority	Oklahoma Municipal Power Authority	Total	
							2000	1999
\$ 3,157	\$ 551	\$ 175	\$ 0	\$ 131,089	\$ 183,877	\$ 93,346	\$ 860,480	\$ 845,651
0	0	174	6,100	0	0	0	34,253	26,053
0	38	3	257	0	510	0	36,276	8,981
<u>3,157</u>	<u>589</u>	<u>352</u>	<u>6,357</u>	<u>131,089</u>	<u>184,387</u>	<u>93,346</u>	<u>931,009</u>	<u>880,685</u>
2,666	0	0	4,971	37,979	78,691	66,965	249,486	249,513
0	0	0	0	0	0	0	132,604	118,249
48	553	14	815	2,953	11,423	4,010	64,397	61,335
0	594	349	0	0	0	0	18,355	16,329
262	49	0	316	36,149	26,763	6,394	80,908	83,173
0	0	0	0	0	0	0	346,360	298,673
<u>2,976</u>	<u>1,196</u>	<u>363</u>	<u>6,102</u>	<u>77,081</u>	<u>116,877</u>	<u>77,369</u>	<u>892,110</u>	<u>827,272</u>
<u>181</u>	<u>(607)</u>	<u>(11)</u>	<u>255</u>	<u>54,008</u>	<u>67,510</u>	<u>15,977</u>	<u>38,899</u>	<u>53,413</u>
0	876	2	817	35,223	11,052	2,668	80,729	149,075
40	0	0	59,994	1,029	299	0	61,717	37,310
0	0	0	0	(65,407)	(51,391)	(20,341)	(137,139)	(132,357)
0	0	0	0	0	(12,577)	(3,706)	(16,283)	(16,999)
0	0	0	(54,259)	0	0	(85)	(60,833)	(43,267)
<u>40</u>	<u>876</u>	<u>2</u>	<u>6,552</u>	<u>(29,155)</u>	<u>(52,617)</u>	<u>(21,464)</u>	<u>(71,809)</u>	<u>(6,238)</u>
221	269	(9)	6,807	24,853	14,893	(5,487)	(32,910)	47,175
0	0	0	0	33,113	0	0	59,942	68,425
0	0	0	0	(33,113)	0	0	(33,113)	(32,172)
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>(8,099)</u>	<u>3,748</u>	<u>(4,351)</u>	<u>(1,400)</u>
<u>221</u>	<u>269</u>	<u>(9)</u>	<u>6,807</u>	<u>24,853</u>	<u>6,794</u>	<u>(1,739)</u>	<u>(10,432)</u>	<u>82,028</u>
<u>442</u>	<u>3,440</u>	<u>71</u>	<u>15,620</u>	<u>127,331</u>	<u>40,376</u>	<u>15,962</u>	<u>759,851</u>	<u>677,823</u>
<u>\$ 663</u>	<u>\$ 3,709</u>	<u>\$ 62</u>	<u>\$ 22,427</u>	<u>\$ 152,184</u>	<u>\$ 47,170</u>	<u>\$ 14,223</u>	<u>\$ 749,419</u>	<u>\$ 759,851</u>

Combining Statement of Cash Flows
Component Units - Proprietary Funds
For the Fiscal Year Ended June 30, 2000
(with comparative totals for June 30, 1999)
(expressed in thousands)

	Oklahoma Industrial Finance Authority	Health Insurance High Risk Pool	State Insurance Fund	State and Education Empl. Group Insurance Bd.	Oklahoma Student Loan Authority	University Hospitals Authority
Cash Flows from Operating Activities						
Operating Income (Loss)	\$ 113	\$ 482	\$ (62,304)	\$ (14,499)	\$ 3,810	\$ (26,016)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:						
Depreciation Expense	15	0	1,679	181	1,266	7,834
Amortization (Accretion) and Other Noncash Expenses	(1)	0	1,037	0	925	0
Other	0	0	0	0	0	0
Decrease (Increase) in Assets						
Accounts Receivable	0	0	(958)	(145)	0	3,559
Interest and Investment Revenue Receivable	(196)	0	42	0	(3,260)	(90)
Inventory	0	0	0	0	0	0
Prepaid Items	0	0	0	0	0	11
Long-Term Notes Receivable	0	0	0	0	(97,008)	0
Other Current Assets	0	0	88	0	0	0
Other Noncurrent Assets	0	0	0	(607)	0	0
Increase (Decrease) in Liabilities						
Accounts Payable and Accrued Liabilities	0	0	(446)	579	(21)	4,714
Claims and Judgments	0	0	10,120	2,518	0	0
Interest Payable	126	0	0	0	1,470	0
Deferred Revenue	0	0	(172)	0	0	0
Other Current Liabilities	0	0	0	0	(26)	383
Due to Primary Government	0	0	0	0	0	0
Other Noncurrent Liabilities	0	0	0	0	0	177
Net Cash Provided (Used) by Operating Activities	<u>57</u>	<u>482</u>	<u>(50,914)</u>	<u>(11,973)</u>	<u>(92,844)</u>	<u>(9,428)</u>
Cash Flows from Noncapital Financing Activities						
Proceeds from Bonds and Notes	1,045	0	0	0	88,835	0
Operating Transfers:						
From Primary Government	0	0	0	0	0	26,829
To Primary Government	0	0	0	0	0	0
Principal Paid on Bonds and Notes	(826)	0	0	0	(5,770)	0
Other Increases	0	0	0	0	0	307
Other Decreases	0	0	0	0	(1,428)	0
Net Cash Provided (Used) by Noncapital Financing Activities	<u>\$ 219</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 81,637</u>	<u>\$ 27,136</u>

Medical Technology and Research Authority	Oklahoma Development Finance Authority	Oklahoma Environmental Finance Authority	Oklahoma Housing Finance Agency	Oklahoma Transportation Authority	Grand River Dam Authority	Oklahoma Municipal Power Authority	Total	
							2000	1999
\$ 181	\$ (607)	\$ (11)	\$ 255	\$ 54,008	\$ 67,510	\$ 15,977	\$ 38,899	\$ 53,413
262	49	0	316	36,149	26,763	6,394	80,908	83,173
(77)	0	(59)	34	0	846	2,182	4,887	1,616
(6)	0	0	0	1,029	0	0	1,023	338
(202)	19	0	(315)	(2,826)	851	(98)	(115)	4,339
0	0	0	2	0	0	0	(3,502)	618
0	0	0	0	455	(402)	(1,025)	(972)	(2,520)
(1)	0	0	(1)	11	364	0	384	(773)
0	0	0	0	0	0	0	(97,008)	(45,791)
0	0	0	0	0	0	43	131	297
0	0	33,925	0	0	0	0	33,318	3,643
(73)	(57)	0	(486)	15,512	1,092	(1,812)	19,002	18,357
0	0	0	0	0	0	0	12,638	(44,723)
0	0	(166)	0	0	0	0	1,430	28
0	(37)	0	0	791	0	0	582	(3,316)
0	0	0	33	0	0	0	390	432
0	0	0	0	1,658	0	0	1,658	1,638
0	0	0	0	1,405	0	(150)	1,432	2,190
84	(633)	33,689	(162)	108,192	97,024	21,511	95,085	72,959
0	0	0	0	0	0	0	89,880	59,715
0	0	0	0	33,113	0	0	59,942	68,425
0	0	0	0	(33,113)	0	0	(33,113)	(32,172)
0	0	(33,700)	(215)	0	0	0	(40,511)	(18,557)
0	0	0	0	0	0	0	307	350
0	0	0	0	0	0	0	(1,428)	(989)
\$ 0	\$ 0	\$ (33,700)	\$ (215)	\$ 0	\$ 0	\$ 0	\$ 75,077	\$ 76,772

(continued)

Combining Statement of Cash Flows
Component Units - Proprietary Funds
For the Fiscal Year Ended June 30, 2000
(with comparative totals for June 30, 1999)
(expressed in thousands)

(continued)

	Oklahoma Industrial Finance Authority	Health Insurance High Risk Pool	State Insurance Fund	State and Education Empl. Group Insurance Bd.	Oklahoma Student Loan Authority	University Hospitals Authority
Cash Flows from Capital and Related Financing Activities						
Proceeds from Bonds and Notes Payable	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 2,095
Payments for Acquisition of Fixed Assets	0	0	(372)	(38)	(117)	(15,481)
Principal Paid on Bonds, Notes, and Capital Leases	0	0	0	0	0	(130)
Interest Paid on Bonds, Notes, and Capital Leases	0	0	0	0	0	0
Increase (Decrease) in Payable Under Securities Lending Agreement	0	0	21,380	0	0	0
Other Capital and Related Financing Activity	0	0	18	0	0	198
Net Cash (Used) by Capital and Related Financing Activities	0	0	21,026	(38)	(117)	(13,318)
Cash Flows from Investing Activities						
Interest and Investment Revenue	0	107	41,878	7,282	1,073	2,549
Fees Paid Under Security Lending Agreement	0	0	(6,487)	0	0	0
Increase (Decrease) in Security Lending Investment Pool	0	0	(21,380)	0	0	0
Proceeds from Sale and Maturity of Investments	5,443	0	1,009,035	72,321	147,481	0
Principal Received from Notes Receivable	2,977	0	0	0	0	0
Payments to Purchase Investments	(6,061)	0	(990,981)	(62,449)	(137,277)	(2,050)
Payments to Issue Notes Receivable	(3,232)	0	0	0	0	0
Net Cash Provided (Used) by Investing Activities	(873)	107	32,065	17,154	11,277	499
Net Increase (Decrease) in Cash/Cash Equivalents	(597)	589	2,177	5,143	(47)	4,889
Cash/Cash Equivalents - Beginning of Year (as restated)	850	832	6,197	1,978	126	45,364
Cash/Cash Equivalents - End of Year	\$ 253	\$ 1,421	\$ 8,374	\$ 7,121	\$ 79	\$ 50,253

Noncash Capital and Related Financing Activities

Accepted bonds as payment on note \$ 990
Receipt of land in lieu of construction commitment

Medical Technology and Research Authority	Oklahoma Development Finance Authority	Oklahoma Environmental Finance Authority	Oklahoma Housing Finance Agency	Oklahoma Transportation Authority	Grand River Dam Authority	Oklahoma Municipal Power Authority	Total	
							2000	1999
\$ 566	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 2,661	\$ 681,118
(778)	(158)	0	(277)	(254,184)	(8,597)	(1,993)	(281,995)	(87,073)
(217)	0	0	0	(13,295)	(42,965)	(7,680)	(64,287)	(62,533)
0	0	0	0	(65,459)	(51,570)	(20,524)	(137,553)	(113,315)
0	0	0	0	0	0	0	21,380	(67,537)
20	0	0	0	(27)	299	0	508	854
(409)	(158)	0	(277)	(332,965)	(102,833)	(30,197)	(459,286)	351,514
0	780	2	817	53,387	12,606	4,526	125,007	88,355
0	0	0	0	0	0	0	(6,487)	(7,476)
0	0	0	0	0	0	0	(21,380)	67,537
0	2,819	0	23,807	325,761	36,004	58,627	1,681,298	1,677,692
0	180	0	273	0	0	87	3,517	5,940
0	(3,213)	0	(25,953)	(161,037)	(24,252)	(57,231)	(1,470,504)	(2,276,810)
0	(150)	0	0	0	0	0	(3,382)	(12,973)
0	416	2	(1,056)	218,111	24,358	6,009	308,069	(457,735)
(325)	(375)	(9)	(1,710)	(6,662)	18,549	(2,677)	18,945	43,510
588	1,256	26	6,075	72,515	19,797	30,778	186,382	142,872
<u>\$ 263</u>	<u>\$ 881</u>	<u>\$ 17</u>	<u>\$ 4,365</u>	<u>\$ 65,853</u>	<u>\$ 38,346</u>	<u>\$ 28,101</u>	<u>\$ 205,327</u>	<u>\$ 186,382</u>

\$ 1,890

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Combining Financial Statements
- Component Unit
- Fiduciary Funds

Combining Financial Statements

- Component Unit
- Fiduciary Funds

The State of Oklahoma has six fiduciary component units which are described below:

OKLAHOMA FIREFIGHTERS PENSION AND RETIREMENT SYSTEM

4545 N. Lincoln Blvd., Suite 265, Oklahoma City, Oklahoma 73105

The System provides retirement benefits for municipal firefighters in the State of Oklahoma.

OKLAHOMA LAW ENFORCEMENT RETIREMENT SYSTEM

4545 N. Lincoln Blvd., Suite 257, Oklahoma City, Oklahoma 73105

The System provides retirement benefits for qualified law enforcement officers in the State of Oklahoma.

OKLAHOMA PUBLIC EMPLOYEES RETIREMENT SYSTEM

6601 N. Broadway Ext., Suite 129, Oklahoma City, Oklahoma 73152

The System administers the Oklahoma Public Employee Retirement Plan which provides retirement benefits for state, county and local employees in the State of Oklahoma.

UNIFORM RETIREMENT SYSTEM FOR JUSTICES AND JUDGES

6601 N. Broadway Ext., Suite 129, Oklahoma City, Oklahoma 73152

The System provides retirement benefits for justices and judges in the State of Oklahoma.

OKLAHOMA POLICE PENSION AND RETIREMENT SYSTEM

1001 N.W. 63rd Street, Suite 305, Oklahoma City, Oklahoma 73116

The System provides retirement benefits for police officers employed by participating municipalities in the State of Oklahoma.

TEACHERS' RETIREMENT SYSTEM OF OKLAHOMA

P.O. Box 53524, Oklahoma City, Oklahoma 73105

The System provides retirement allowances and benefits for qualified persons employed by state-supported educational institutions in the State of Oklahoma.

Combining Statement of Plan Net Assets
Component Units – Fiduciary Funds
Pension Trust Funds
June 30, 2000
(with comparative totals for June 30, 1999)
(expressed in thousands)

	Oklahoma Firefighters Pension and Retirement System	Oklahoma Law Enforcement Retirement System	Oklahoma Public Employees Retirement System
Assets			
Cash/Cash Equivalents	\$ 102,994	\$ 13,172	\$ 384,629
Investments	1,329,666	499,102	5,148,724
Securities Lending Investments	113,626	67,028	802,753
Interest and Investment Revenue Receivable	3,796	2,917	25,188
Employer Contributions Receivable	713	0	1,365
Employee Contributions Receivable	375	0	543
Other Contributions Receivable	0	0	0
Other Receivables	173	1,297	0
Due from Broker	15,425	3,470	153,674
Due from Primary Government	2,107	1,873	94
Due from Component Units	0	0	260
Fixed Assets, Net	76	53	373
Other Assets	0	0	87
Total Assets	<u>1,568,951</u>	<u>588,912</u>	<u>6,517,690</u>
Liabilities			
Accounts Payable	1,437	603	0
Securities Lending Payable	113,626	67,028	802,753
Due to Broker	10,480	0	469,162
Compensated Absences	50	0	0
Benefits in the Process of Payment	0	5,563	0
Other Liabilities	0	0	0
Total Liabilities	<u>125,593</u>	<u>73,194</u>	<u>1,271,915</u>
Fund Balance Reserved for Employees' Pension Benefits	<u>\$ 1,443,358</u>	<u>\$ 515,718</u>	<u>\$ 5,245,775</u>

Uniform Retirement System for Justices and Judges	Oklahoma Police Pension and Retirement System	Teachers' Retirement System of Oklahoma	Total	
			2000	1999
\$ 13,458	\$ 111,837	\$ 369,521	\$ 995,611	\$ 378,879
182,740	1,209,545	5,956,513	14,326,290	13,201,241
29,983	55,586	731,866	1,800,842	573,210
1,252	5,633	33,153	71,939	76,131
0	1,041	10,518	13,637	14,062
0	567	12,621	14,106	14,625
0	0	947	947	852
0	0	0	1,470	181
7,958	0	134,538	315,065	201,458
0	867	13,290	18,231	15,807
0	0	155	415	417
0	0	400	902	938
0	0	0	87	30
<u>235,391</u>	<u>1,385,076</u>	<u>7,263,522</u>	<u>17,559,542</u>	<u>14,477,831</u>
0	1,175	0	3,215	2,559
29,983	55,586	731,866	1,800,842	573,210
18,495	9,052	234,935	742,124	91,889
0	0	162	212	203
0	27,388	42,138	75,089	76,019
0	0	3,872	3,872	3,322
<u>48,478</u>	<u>93,201</u>	<u>1,012,973</u>	<u>2,625,354</u>	<u>747,202</u>
<u>\$ 186,913</u>	<u>\$ 1,291,875</u>	<u>\$ 6,250,549</u>	<u>\$ 14,934,188</u>	<u>\$ 13,730,629</u>

Combining Statement of Changes in Plan Net Assets
Component Units – Fiduciary Funds
Pension Trust Funds
For the Fiscal Year Ended June 30, 2000
(with comparative totals for June 30, 1999)
(expressed in thousands)

	Oklahoma Firefighters Pension and Retirement System	Oklahoma Law Enforcement Retirement System	Oklahoma Public Employees Retirement System
Additions			
Contributions			
Employer Contributions	\$ 20,787	\$ 4,878	\$ 125,803
Employee Contributions	10,758	3,604	45,058
Other Contributions	42,118	14,967	0
Total Contributions	<u>73,663</u>	<u>23,449</u>	<u>170,861</u>
Investment Income			
Net Appreciation in Fair Value of Investments	125,496	11,655	344,931
Interest and Investment Revenue	29,309	22,999	174,895
	<u>154,805</u>	<u>34,654</u>	<u>519,826</u>
Less Investment Expenses	10,187	4,993	43,296
Net Investment Income	<u>144,618</u>	<u>29,661</u>	<u>476,530</u>
Total Additions	<u>218,281</u>	<u>53,110</u>	<u>647,391</u>
Deductions			
Administrative and General Expenses	890	793	2,479
Benefit Payments and Refunds	86,337	23,586	230,335
Total Deductions	<u>87,227</u>	<u>24,379</u>	<u>232,814</u>
Net Increase	131,054	28,731	414,577
Fund Balance Reserved for Employees' Pension Benefits			
Beginning of Year	1,312,304	486,987	4,831,198
End of Year	<u>\$ 1,443,358</u>	<u>\$ 515,718</u>	<u>\$ 5,245,775</u>

Uniform Retirement System for Justices and Judges	Oklahoma Police Pension and Retirement System	Teachers' Retirement System of Oklahoma	Total	
			2000	1999
\$ 3,201	\$ 20,358	\$ 130,758	\$ 305,785	\$ 322,452
1,621	11,241	203,027	275,309	267,387
0	17,342	145,029	219,456	188,974
<u>4,822</u>	<u>48,941</u>	<u>478,814</u>	<u>800,550</u>	<u>778,813</u>
12,916	81,769	417,583	994,350	915,465
7,216	33,579	227,239	495,237	427,668
<u>20,132</u>	<u>115,348</u>	<u>644,822</u>	<u>1,489,587</u>	<u>1,343,133</u>
1,759	8,748	45,113	114,096	81,845
<u>18,373</u>	<u>106,600</u>	<u>599,709</u>	<u>1,375,491</u>	<u>1,261,288</u>
23,195	155,541	1,078,523	2,176,041	2,040,101
66	1,052	2,964	8,244	7,629
4,822	57,144	562,014	964,238	907,592
<u>4,888</u>	<u>58,196</u>	<u>564,978</u>	<u>972,482</u>	<u>915,221</u>
18,307	97,345	513,545	1,203,559	1,124,880
168,606	1,194,530	5,737,004	13,730,629	12,605,749
<u>\$ 186,913</u>	<u>\$ 1,291,875</u>	<u>\$ 6,250,549</u>	<u>\$ 14,934,188</u>	<u>\$ 13,730,629</u>

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Combining Financial Statements
- Component Unit
- Higher Education Funds

Combining Financial Statements

- Component Unit
- Higher Education Funds

The Higher Education Component Unit is primarily comprised of colleges and universities which are members of the Oklahoma State System of Higher Education. The System includes the following colleges and universities:

COMPREHENSIVE UNIVERSITIES

University of Oklahoma
Oklahoma State University

OTHER FOUR YEAR UNIVERSITIES

University of Central Oklahoma
East Central University
Northeastern State University
Northwestern Oklahoma State University
Southeastern Oklahoma State University
Southwestern Oklahoma State University
Cameron University
Langston University
Oklahoma Panhandle State University
Rogers State University
University of Science and Arts of Oklahoma

TWO YEAR COLLEGES

Carl Albert State College
Connors State College
Eastern Oklahoma State College
Redlands Community College
Murray State College
Northeastern Oklahoma A & M College
Northern Oklahoma College
Oklahoma City Community College
Rose State College
Seminole State College
Tulsa Community College
Western Oklahoma State College

Each institution which is a member of the Oklahoma State System of Higher Education (the "System") is governed by a Board of Regents. The Boards of Regents consist of five to ten members appointed by the Governor, with the advice and consent of the Senate. The colleges and universities are funded through state appropriations, tuition, federal grants, and private donations and grants. Also included in the Higher Education Component Unit are the following entities:

Oklahoma State Regents for Higher Education serves as the coordinating board of control for the System.

Board of Regents of Oklahoma Colleges has legislative powers and duties to manage, supervise, and control operation of the six regional state universities which are the University of Central Oklahoma, East Central University, Northeastern State University, Northwestern Oklahoma State University, Southeastern Oklahoma State University, and Southwestern Oklahoma State University.

Ardmore Higher Education Program and **McCurtain County Higher Education Program** were established to make higher education available to those persons who might otherwise not be able to attend an institution of higher learning. Students enrolled in the Programs earn credit applicable toward academic degrees and certificates at participating institutions in the System.

Rose State College Technical Area Education District, South Oklahoma City Area School District, and Tulsa Community College Area School District #18 were created to provide postsecondary vocational, technical, and adult education programs for persons within their defined geographical boundaries. The primary source of operating funds is ad valorem taxes assessed against real property located in their districts.

Combining Balance Sheet
Component Unit - Higher Education Funds
June 30, 2000
(with comparative totals for June 30, 1999)
(expressed in thousands)

	Current Funds		Loan Funds
	Unrestricted	Restricted	
Assets			
Cash/Cash Equivalents	\$ 288,241	\$ 84,356	\$ 5,168
Investments	68,654	29,046	109
Accounts Receivable	68,700	67,527	500
Interest and Investment Revenue Receivable	2,138	93	433
Federal Grants Receivable	0	1,275	0
Notes and Loans Receivable	0	0	44,382
Due from Other Funds	42,052	3,571	3,451
Due from Component Units	218	0	0
Due from Primary Government	41,070	0	0
Inventory	19,971	0	0
Prepaid Items	12,251	0	0
Fixed Assets, Net	0	0	0
Other Assets	366	54	0
Total Assets	\$ 543,661	\$ 185,922	\$ 54,043
Liabilities and Fund Balances			
Liabilities			
Accounts Payable and Accrued Liabilities	\$ 72,033	\$ 9,632	\$ 17
Interest Payable	0	0	0
Due to Other Funds	38,717	31,961	49
Due to Component Units	198	0	0
Due to Primary Government	805	0	0
Due to Others	0	0	0
Deferred Revenue	40,734	41,870	1
Capital Leases	0	0	0
Capital Leases - OCIA	466	0	0
Compensated Absences	46,551	4,312	0
Notes Payable	0	0	0
General Obligation Bonds	0	0	0
Revenue Bonds	0	0	0
Other Liabilities	136	6,964	0
Total Liabilities	199,640	94,739	67
Fund Balances			
Unrestricted	344,021	0	0
Restricted	0	91,183	53,976
Unexpended Plant Funds	0	0	0
Renewals and Replacements	0	0	0
Retirement of Indebtedness	0	0	0
Investment in Fixed Assets	0	0	0
Total Fund Balances	344,021	91,183	53,976
Total Liabilities and Fund Balances	\$ 543,661	\$ 185,922	\$ 54,043

Endowment Funds	Plant Funds	Agency Funds	Total	
			2000	1999
\$ 18,838	\$ 111,255	\$ 5,533	\$ 513,391	\$ 426,314
255,222	70,821	2,493	426,345	480,453
323	621	422	138,093	131,630
480	860	0	4,004	3,147
0	0	0	1,275	928
0	0	0	44,382	42,518
1,554	31,586	24,856	107,070	99,433
0	0	0	218	221
0	0	0	41,070	5,870
0	0	0	19,971	18,791
0	239	0	12,490	11,916
0	1,910,973	0	1,910,973	1,781,907
0	1,039	3	1,462	1,064
<u>\$ 276,417</u>	<u>\$ 2,127,394</u>	<u>\$ 33,307</u>	<u>\$ 3,220,744</u>	<u>\$ 3,004,192</u>
\$ 24	\$ 13,996	\$ 42	\$ 95,744	\$ 72,859
0	5,283	0	5,283	4,784
30,823	5,410	110	107,070	99,433
0	0	0	198	170
0	0	0	805	534
0	0	33,155	33,155	29,598
0	304	0	82,909	83,267
0	21,033	0	21,033	17,401
0	42,966	0	43,432	0
0	0	0	50,863	44,983
0	26,585	0	26,585	26,669
0	20,880	0	20,880	21,310
0	249,294	0	249,294	258,257
23,738	22,579	0	53,417	31,157
<u>54,585</u>	<u>408,330</u>	<u>33,307</u>	<u>790,668</u>	<u>690,422</u>
0	0	0	344,021	326,312
221,832	0	0	366,991	333,287
0	81,119	0	81,119	85,396
0	2,263	0	2,263	2,068
0	14,141	0	14,141	27,950
0	1,621,541	0	1,621,541	1,538,757
<u>221,832</u>	<u>1,719,064</u>	<u>0</u>	<u>2,430,076</u>	<u>2,313,770</u>
<u>\$ 276,417</u>	<u>\$ 2,127,394</u>	<u>\$ 33,307</u>	<u>\$ 3,220,744</u>	<u>\$ 3,004,192</u>

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STATISTICAL SECTION

STATISTICAL SECTION

**STATISTICAL SECTION
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CASH RECEIPTS AND DISBURSEMENTS

(For all fund types combined)

by Category

For the Fiscal Years Ended June 30, 1991 through June 30, 2000

	2000	1999	1998	1997
Cash Receipts by Source:				
Taxes	\$ 5,697,859,338	\$ 5,279,273,861	\$ 5,209,586,780	\$ 4,951,517,415
Licenses, Permits, and Fees	197,787,613	185,597,529	147,912,938	144,622,951
Fines, Forfeits, and Penalties	13,427,239	13,381,855	10,762,072	9,603,493
Income from Money and Property	463,728,654	558,450,738	263,652,251	218,405,052
Grants, Refunds, and Reimbursements	3,965,351,939	3,458,676,556	3,074,473,470	2,598,674,805
Higher Education	189,585,509	172,559,295	167,947,916	142,535,049
Sales and Services	665,567,542	461,333,974	502,450,334	405,156,027
Non-Revenue Receipts	1,303,298,759	1,275,814,346	734,953,815	414,275,218
Total Collections	\$ 12,496,606,593	\$ 11,405,088,154	\$ 10,111,739,576	\$ 8,884,790,010
Disbursements by Function of Government:				
Education	\$ 5,045,950,609	\$ 4,657,096,815	\$ 4,289,049,377	\$ 3,768,208,810
General Government	503,591,712	374,981,563	311,969,847	285,182,151
Health Services	370,899,258	360,805,473	342,167,860	335,120,001
Legal and Judiciary	159,108,855	150,131,046	138,160,259	118,916,855
Museums	12,153,175	18,490,854	9,229,910	7,798,223
Natural Resources	243,888,670	236,331,593	199,996,020	191,578,397
Public Safety and Defense	682,792,652	537,381,033	539,917,199	473,378,027
Regulatory Services	110,808,273	103,564,495	102,076,996	102,733,288
Social Services	3,192,318,483	2,992,584,466	2,798,134,462	2,485,060,196
Transportation	1,022,135,910	967,807,283	843,838,823	774,131,933
Other Local Apportionments	64,675,529	62,513,698	58,771,755	40,524,674
Sinking Fund Payments on Bonded Debt	77,671,370	89,576,197	69,145,249	49,468,807
Total Disbursements	\$ 11,485,994,496	\$ 10,551,264,516	\$ 9,702,457,757	\$ 8,632,101,362

Prepared on a cash basis to aid in budgetary analysis.

For years prior to FY 97, cash basis numbers did not include amounts expended from Agency Special Accounts. These moneys were not subject to the State's regular budgeting and expenditure processes.

	1996	1995	1994	1993	1992	1991
\$	4,533,832,681	\$ 4,292,825,694	\$ 4,171,399,330	\$ 4,004,262,875	\$ 3,767,112,946	\$ 3,732,786,561
	126,746,123	125,546,800	114,190,748	113,409,593	111,042,458	100,840,990
	9,712,974	12,922,896	12,713,597	11,975,799	6,980,944	6,216,510
	200,299,903	189,470,710	160,427,452	184,869,454	218,903,029	234,014,771
	2,664,011,649	2,342,091,497	2,230,459,216	2,149,710,999	2,144,771,088	1,900,189,845
	163,733,815	150,907,027	155,495,049	132,592,295	111,400,434	130,120,595
	349,726,346	353,614,351	350,148,435	396,832,644	383,543,021	390,263,499
	428,531,083	600,562,290	664,277,305	763,837,201	500,503,475	432,251,486
	<u>\$ 8,476,594,574</u>	<u>\$ 8,067,941,265</u>	<u>\$ 7,859,111,132</u>	<u>\$ 7,757,490,860</u>	<u>\$ 7,244,257,395</u>	<u>\$ 6,926,684,257</u>
\$	3,479,049,093	\$ 3,363,972,223	\$ 3,243,011,505	\$ 3,094,920,009	\$ 2,934,689,937	\$ 2,759,703,679
	258,065,326	232,779,824	217,894,423	230,095,993	222,111,235	229,921,339
	313,345,235	295,676,766	285,088,005	297,114,426	295,806,883	260,821,678
	107,889,849	103,062,230	98,207,598	96,169,096	89,485,986	78,796,103
	8,029,357	7,103,208	7,787,539	7,285,465	7,076,222	5,963,354
	174,284,377	165,215,892	145,877,414	131,516,482	126,076,211	109,614,320
	428,385,545	394,732,689	376,683,833	353,878,439	351,705,324	342,336,219
	99,065,119	94,526,541	93,424,312	85,222,082	74,985,759	83,769,888
	2,447,007,338	2,316,200,744	2,219,811,291	2,262,275,215	2,345,644,915	2,227,481,279
	776,979,475	680,440,719	649,409,416	634,285,372	641,074,879	635,104,373
	39,104,818	38,215,192	38,434,483	33,679,675	15,680,219	13,037,225
	42,485,191	48,670,759	47,876,004	41,946,165	42,543,878	21,796,136
	<u>\$ 8,173,690,723</u>	<u>\$ 7,740,596,787</u>	<u>\$ 7,423,505,823</u>	<u>\$ 7,268,388,419</u>	<u>\$ 7,146,881,448</u>	<u>\$ 6,768,345,593</u>

TAX COLLECTIONS

For the Fiscal Years Ended June 30, 1991 through June 30, 2000

Taxes	2000	1999	1998	1997
Aircraft Excise Tax	\$ -	\$ 289,157	\$ 1,756,312	\$ 2,453,179
Alcoholic Beverage Excise Tax	22,257,132	21,084,824	21,077,364	20,987,501
Alternative Fuel Surcharge	41,335	60,811	148,311	166,328
Beverage Tax	23,745,437	23,862,270	22,458,552	22,588,694
Bingo Tax	7,140,436	7,619,106	9,807,638	12,289,463
Charity Games Tax	793,283	811,912	785,001	1,138,144
Cigarette Tax	56,893,148	57,585,123	59,029,445	59,748,356
City Use Tax - Collect/Deposit	536,426	413,222	444,099	377,102
Coin Operated Device Decal	4,525,674	5,990,538	3,775,631	2,436,631
Conservation Excise Tax	-	10,664,825	-	-
Diesel Fuel Excise Tax	87,393,807	77,379,390	69,061,184	66,156,283
Documentary Stamp Tax	9,043,443	8,985,127	7,844,930	6,885,045
Franchise Tax	41,383,006	36,929,956	42,131,950	37,983,444
Freight Car Tax	923,602	977,251	973,689	1,051,553
Fuels Excise Tax	-	-	36,000	539,333
Gasoline Excise Tax	297,503,359	281,505,198	283,082,667	280,344,427
Gross Production Tax - Oil and Gas	386,974,956	206,621,486	333,773,839	398,743,724
Income Tax (Corporate and Individual)	2,328,650,691	2,257,760,243	2,107,857,522	1,918,772,165
Inheritance and Estate Tax	87,510,064	88,796,014	81,385,630	80,513,845
Insurance Premium Tax	127,982,702	118,589,471	121,582,595	113,819,384
Mixed Beverage Gross Receipts Tax	14,887,167	13,993,406	13,366,577	12,618,051
Occupational Health and Safety Tax	1,472,712	1,462,275	1,783,346	1,797,088
OESC Computer Fund Assessment	-	411,740	19,473,028	-
Pari-Mutuel Taxes	4,091,260	4,328,186	4,743,674	3,744,615
Pari-Mutuel Exotic Wager	-	-	-	-
Pari-Mutuel - Other Tax	27,648	37,586	39,075	27,753
Petroleum Excise Tax	5,630,909	3,583,533	4,722,738	5,306,110
Rural Electric Co-operative Tax	14,537,845	14,802,050	14,037,824	13,758,308
Sales Tax	1,351,844,381	1,292,153,052	1,245,355,208	1,193,727,537
Sales Tax - City	9,276,726	9,223,985	8,456,320	8,071,662
Sales Tax - County	932,079	845,115	892,807	771,848
Self-Insurance Premium Tax	-	-	-	-
Special Fuel Decal	407,115	436,048	462,007	497,380
Special Fuel Use Tax	59,639	58,782	63,764	94,774
Tag Agent Remittance Tax	645,340,468	571,984,678	582,199,329	541,334,368
Telephone Surcharge	1,080,869	1,054,221	1,058,214	1,006,694
Tobacco Products Tax	11,910,948	11,794,863	11,072,673	11,198,865
Tourism Gross Receipt Tax	3,997,956	3,901,958	3,744,091	3,466,923
Tribal Compact in Lieu of Tax Payments	8,060,703	8,381,324	7,484,832	6,888,623
Unclaimed Property Tax	9,873,481	17,495,526	6,120,039	4,465,704
Unclassified Tax Receipts	-	-	-	-
Use Tax	89,828,413	83,727,678	82,939,748	78,877,952
Vehicle Revenue Tax Stamps	47,195	45,507	43,837	45,005
Workers' Compensation Awards - Assessments	28,355,873	20,151,923	21,415,556	22,677,854
Workers' Compensation Insurance Premium Tax	4,591,448	4,837,972	5,503,954	6,037,222
Other Taxes	8,305,981	8,636,529	7,595,780	8,108,478
Total	\$ 5,697,859,317	\$ 5,279,273,861	\$ 5,209,586,780	\$ 4,951,517,415

Prepared on a cash basis to aid in budgetary analysis.

	1996	1995	1994	1993	1992	1991
\$	1,681,776	\$ 1,853,999	\$ 1,402,816	\$ 1,630,073	\$ 1,778,536	\$ 1,533,394
	20,845,359	20,211,389	21,133,027	20,947,382	22,147,248	20,917,099
	182,018	133,284	198,749	170,892	98,846	-
	22,978,605	22,461,075	22,827,056	21,810,405	21,487,488	21,503,791
	12,359,983	11,816,705	10,883,377	5,026,496	-	-
	1,196,451	1,039,031	1,515,757	1,146,840	-	-
	60,527,991	58,332,155	58,251,171	60,456,532	60,339,722	61,058,310
	346,360	295,570	251,529	207,169	196,043	161,228
	3,814,318	3,404,098	3,972,441	4,071,043	3,377,121	4,518,184
	75,193	873,542	501,863	844,262	2,687,396	1,967,459
	76,058,267	62,902,742	56,987,746	53,640,018	51,035,710	49,756,094
	6,604,360	5,961,293	6,281,264	5,032,770	4,485,783	4,256,584
	36,264,543	36,721,223	32,817,309	34,341,621	33,900,715	31,387,096
	970,565	1,515,736	1,135,505	853,410	808,281	819,329
	1,494,378	1,460,982	1,456,769	1,379,576	1,344,661	1,359,443
	263,258,712	267,138,186	268,605,663	258,493,935	249,822,104	246,342,350
	315,549,773	301,524,689	367,736,133	404,905,673	342,177,274	404,143,185
	1,700,792,804	1,592,915,946	1,490,180,078	1,453,295,598	1,369,734,220	1,357,169,347
	67,881,873	68,789,242	58,052,250	50,943,472	46,962,269	39,465,754
	108,625,507	103,957,280	105,344,076	92,916,758	91,363,715	85,450,248
	12,018,242	11,395,625	11,338,883	11,176,891	11,345,355	11,297,842
	1,895,164	1,819,752	1,811,543	1,601,694	1,487,888	1,216,596
	-	-	-	-	-	-
	3,312,299	3,151,651	3,600,525	3,845,857	4,282,925	5,231,046
	-	-	3,535	66,612	2,189,171	2,340,059
	66,363	129,878	161,939	160,441	775,809	773,269
	4,279,030	4,072,789	5,086,869	5,409,358	4,641,228	5,318,067
	13,401,177	13,154,486	13,404,328	12,927,846	13,195,104	13,041,716
	1,135,594,213	1,076,970,533	1,033,687,832	957,681,580	909,604,940	909,774,294
	7,792,195	7,360,330	6,848,307	6,265,328	6,107,216	5,836,086
	615,674	632,306	297,025	236,598	224,793	170,159
	-	88,739	148,189	139,114	125,936	110,072
	558,653	594,524	650,516	665,844	567,501	555,056
	92,598	136,419	222,505	473,876	556,052	589,029
	516,519,709	490,213,416	472,071,427	428,320,724	408,854,360	389,604,571
	997,902	951,735	930,015	878,254	77,478	61,631
	11,256,079	11,303,560	10,622,404	9,664,544	9,010,579	8,604,570
	3,077,388	2,978,677	2,638,751	2,505,566	2,455,025	2,245,474
	6,172,567	4,829,309	3,790,436	1,787,138	-	-
	10,116,730	5,760,279	6,901,353	7,659,463	9,073,096	4,399,862
	-	98,332	75,339	28,477	48,838	59,924
	66,388,592	59,630,927	51,880,903	49,323,050	48,267,881	46,940,425
	44,800	41,592	41,555	38,138	36,187	46,552
	23,386,339	20,129,038	21,160,528	17,779,633	11,626,131	9,452,730
	7,245,625	7,042,702	6,880,624	6,550,637	5,396,592	4,352,553
	7,492,506	7,030,928	7,609,420	6,962,261	7,415,703	8,198,857
\$	4,533,832,681	\$ 4,292,825,694	\$ 4,171,399,330	\$ 4,004,262,849	\$ 3,761,112,920	\$ 3,762,029,335

GROSS SALES TAX BY INDUSTRY

For the Fiscal Year Ended June 30, 2000

Industry	Gross Sales Tax
General Merchandise Stores	\$ 252,774,269
Food Stores	196,184,051
Eating and Drinking Establishments	135,197,205
Wholesale Trade-Durable Goods	100,546,163
Miscellaneous Retail Stores	98,683,280
Building Materials, Hardware, Garden Supply, and Mobile Home Dealers	92,985,092
Communications	90,231,797
Furniture, Home Furnishings, and Equipment Stores	85,981,781
Automotive Dealers and Gasoline Service Stations	50,680,543
Business Services	42,201,023
Apparel and Accessory Stores	40,895,948
Electric, Gas, and Sanitary Services	38,649,571
Wholesale Trade-Nondurable Goods	22,902,444
Hotels, Rooming Houses, Camps, and Other Lodging Places	19,874,849
Automotive Services	16,631,432
Stone, Clay, Glass, and Concrete Products	11,231,903
Amusement and Recreation Services, except Motion Pictures	9,873,634
Non-Classifiable Establishments	9,382,101
Personal Services	8,528,593
Motion Pictures	7,350,901
Printing, Publishing, and Allied Industries	4,891,704
Machinery, except Electrical	4,144,734
Fabricated Metal Products, except Machinery and Transportation Equipment	3,492,202
Electrical and Electronic Machinery, Equipment, and Supplies	3,163,496
Miscellaneous Repair Services	2,846,413
Measuring, Analyzing, and Controlling Instruments	2,447,270
Construction-Special Trade Contractors	2,231,701
Lumber and Wood Products, except Furniture	1,610,997
Membership Organizations	1,489,577
Petroleum Refining and Related Industries	1,346,617
Oil and Gas Extraction	1,325,985
Food and Kindred Products	1,264,211
Educational Services	1,205,138
Apparel and Other Finished Products made from Fabrics	1,142,623
Miscellaneous Manufacturing Industries	1,071,310
Health Services	844,289
Furniture and Fixtures	801,039
Chemicals and Allied Products	781,825
Transportation Equipment	743,537
Agricultural Services	694,912
Paper and Allied Products	535,523
Local and Suburban Transit and Interurban Highway Passenger Transportation	530,985
Engineering, Architectural, and Surveying Services	512,662
Rubber & Miscellaneous Plastics Products	442,485
Credit Agencies other than Banks	416,472
Motor Freight Transportation & Warehousing	384,916
Agricultural Production Crops	336,205
Building Construction-General Contractors and Operative Builders	312,721
Primary Metal Industries	303,662
Other Industries	2,029,368
Total	<u>\$ 1,374,131,159</u>

Source: Oklahoma Tax Commission

BANK DEPOSITS

for the Years 1990 through 1999

<u>Year</u>	<u># of Banks</u>	<u>\$ Amount of Deposits</u>
1999	302	31,001,952,000
1998	311	28,626,804,000
1997	320	27,782,228,000
1996	332	29,934,094,000
1995	342	28,686,783,000
1994	350	27,406,069,000
1993	371	26,881,835,000
1992	394	26,591,862,000
1991	411	24,745,757,000
1990	419	23,598,333,000

Source: Federal Reserve Bank of Kansas City

For statistics presented after June 1996, comparisons to the prior years should take into account the effects of the Riegle-Neal Interstate Banking and Branching Efficiency Act of 1994.

ASSESSED VALUATIONS

For the Years 1991 through 2000

	2000	1999	1998	1997
Real Estate and Improvements	\$ 11,178,752,084	\$ 10,076,204,008	\$ 9,547,705,065	\$ 9,134,059,265
Personal Property Subject to Tax	2,554,077,938	2,553,659,001	2,448,630,626	2,301,719,971
Total Locally Assessed	13,732,830,022	12,629,863,009	11,996,335,691	11,435,779,236
Homestead Exemptions Allowed	805,129,450	756,617,864	752,780,195	742,096,539
Net Assessed Locally	12,927,700,572	11,873,245,145	11,243,555,496	10,693,682,697
Public Service Assessment	2,144,840,285	2,122,948,816	2,009,118,864	2,066,005,099
Net Assessed Valuation	<u>\$ 15,072,540,857</u>	<u>\$ 13,996,193,961</u>	<u>\$ 13,252,674,360</u>	<u>\$ 12,759,687,796</u>

Locally assessed property has been assessed at varying rates. This property is valued, assessed, and taxed locally. Public Service property is valued and assessed at a central state level, and taxed and collected at the local level. The rate of assessment varies by type of property.

Source: Oklahoma Tax Commission

NON-AGRICULTURAL WAGE AND SALARY EMPLOYMENT

Annual Average Number of Employees

For the Years 1990 through 1999

INDUSTRY GROUP	1999	1998	1997	1996
Wholesale and Retail Trade	337,100	332,200	324,600	318,300
Services	417,100	404,200	379,000	363,300
Manufacturing	183,900	185,900	180,900	174,100
Local Government	158,600	156,200	153,700	151,200
State Government	78,500	77,100	77,900	76,400
Transportation and Public Utilities	81,800	82,000	79,100	77,300
Finance, Insurance, and Real Estate	73,200	72,000	69,500	67,200
Federal Government	45,500	44,900	44,700	43,800
Mining	28,300	31,900	32,100	31,600
Construction	57,900	54,800	51,200	50,300
Totals	<u>1,461,900</u>	<u>1,441,200</u>	<u>1,392,700</u>	<u>1,353,500</u>

Source: Oklahoma Employment Security Commission - Research and Planning Division

	1996	1995	1994	1993	1992	1991
\$	8,738,449,049	\$ 8,395,607,977	\$ 8,037,465,631	\$ 7,843,783,897	\$ 7,742,345,977	\$ 7,680,130,611
	<u>2,086,267,080</u>	<u>2,057,628,937</u>	<u>2,028,445,909</u>	<u>2,014,749,962</u>	<u>1,991,659,840</u>	<u>1,921,683,561</u>
	10,824,716,129	10,453,236,914	10,065,911,540	9,858,533,859	9,734,005,817	9,601,814,172
	<u>717,109,228</u>	<u>715,229,658</u>	<u>712,925,382</u>	<u>710,429,125</u>	<u>710,318,425</u>	<u>739,355,660</u>
	10,107,606,901	9,738,007,256	9,352,986,158	9,148,104,734	9,023,687,392	8,862,458,512
	<u>2,063,227,985</u>	<u>2,023,137,118</u>	<u>1,980,070,550</u>	<u>1,868,033,971</u>	<u>1,835,701,692</u>	<u>1,905,964,059</u>
\$	<u><u>12,170,834,886</u></u>	<u><u>\$ 11,761,144,374</u></u>	<u><u>\$ 11,333,056,708</u></u>	<u><u>\$ 11,016,138,705</u></u>	<u><u>\$ 10,859,389,084</u></u>	<u><u>\$ 10,768,422,571</u></u>

	1995	1994	1993	1992	1991	1990
	312,400	301,300	289,600	286,200	285,300	280,500
	343,800	320,100	305,900	293,100	279,800	272,900
	170,500	169,800	168,600	163,800	168,900	168,800
	150,100	148,500	146,100	142,300	135,900	132,800
	76,100	76,600	76,400	78,000	76,900	75,600
	74,000	72,800	72,400	70,600	70,400	68,700
	65,400	64,300	62,200	60,700	60,900	60,300
	43,600	45,100	47,300	49,800	49,600	50,800
	31,600	34,400	35,700	37,500	41,900	43,300
	<u>48,200</u>	<u>46,700</u>	<u>42,800</u>	<u>39,800</u>	<u>38,800</u>	<u>39,600</u>
	<u><u>1,315,700</u></u>	<u><u>1,279,600</u></u>	<u><u>1,247,000</u></u>	<u><u>1,221,800</u></u>	<u><u>1,208,400</u></u>	<u><u>1,193,300</u></u>

STATE COLLEGES AND UNIVERSITIES - PUBLIC

<u>Four Year Universities (Location)</u>	<u>Student Enrollment 2000</u>
University of Oklahoma (Norman Campus, Health Sciences Center, Law Center, and Geological Survey)	31,206
Oklahoma State University (Stillwater Campus, Tulsa Campus, School of Technical Training at Okmulgee, the College of Veterinary Medicine, the Oklahoma City Technical Institute, the Agricultural Experiment Station, the Agricultural Extension Division, and Oklahoma College of Osteopathic Medicine and Surgery)	34,334
University of Central Oklahoma (Edmond)	18,368
East Central University (Ada)	5,318
Northeastern State University (Tahlequah and Muskogee)	10,142
Northwestern Oklahoma State University (Alva, Woodward and Enid)	2,581
Southeastern Oklahoma State University (Durant)	4,785
Southwestern Oklahoma State University (Weatherford and Sayre)	6,200
Cameron University (Lawton)	7,437
Langston University (Langston)	3,950
Oklahoma Panhandle State University (Goodwell)	1,411
Rogers State University (Claremore)	3,979
University of Science and Arts of Oklahoma (Chickasha)	1,707
Total - Four Year Universities	<u><u>131,418</u></u>
 <u>Two Year Junior Colleges (Location)</u>	
Carl Albert State College (Poteau and Sallisaw)	2,609
Connors State College (Warner and Muskogee)	2,701
Eastern Oklahoma State College (Wilburton and McAlester)	2,738
Redlands Community College (El Reno)	3,137
Murray State College (Tishomingo)	2,263
Northeastern Oklahoma A&M College (Miami)	2,857
Northern Oklahoma College (Tonkawa)	3,452
Oklahoma City Community College (Oklahoma City)	14,685
Rose State College (Midwest City)	11,267
Seminole State College (Seminole)	2,935
Tulsa Community College (Tulsa)	26,211
Western Oklahoma State College (Altus)	3,576
Total - Two Year Junior Colleges	<u><u>78,431</u></u>

Source: Oklahoma State Regents for Higher Education

STATE COLLEGES AND UNIVERSITIES - PRIVATE

<u>Higher Education Institutions (Location)</u>	<u>Student Enrollment 2000</u>
American Bible College and Seminary (Bethany)	325
Bacone College (Muskogee)	735
Bartlesville Wesleyan College (Bartlesville)	1002
Hillsdale Freewill Baptist College (Moore)	312
Mid-America Bible College (Oklahoma City)	1099
National Education Center: Spartan School of Aeronautics (Tulsa)	1,810
Oklahoma Baptist University (Shawnee)	2,252
Oklahoma Christian University of Science and Arts (Oklahoma City)	1,837
Oklahoma City University (Oklahoma City)	4,758
Oral Roberts University (Tulsa)	10,332
St. Gregory's College (Shawnee)	921
Southern Nazarene University (Bethany)	2,386
Southwestern College of Christian Ministries (Bethany)	363
University of Tulsa (Tulsa)	<u>4,077</u>
Total	<u><u>32,209</u></u>

Source: Oklahoma State Regents for Higher Education

SCHOOL ENROLLMENTS

For the Years 1991 through 2000

<u>Public School Enrollments:</u>	2000	1999	1998	1997
Early Childhood	23,204	18,934	4,289	3,644
Kindergarten	46,084	47,487	55,669	55,037
Elementary School	262,778	266,733	268,215	269,928
Junior High School	126,432	129,226	131,547	132,568
Senior High School	177,099	175,782	173,160	172,962
Non-High School Districts (Grades 1-8)	17,937	18,484	18,236	18,035
Special Education (Ungraded)	3,373	3,695	3,359	3,367
Out-of-Home Placements	1,496	1,446	1,053	0
Total	658,403	661,787	655,528	655,541
<u>Higher Education:</u>				
Public Institutions	209,849	211,882	209,111	210,824
Private Institutions	32,209	26,780	26,124	24,849
Total	242,058	238,662	235,235	235,673
<u>Career-Technology Education:</u>				
Secondary *	135,575	134,692	132,753	130,856
Adult	361,676	347,129	335,733	275,114
Total	497,251	481,821	468,486	405,970

* These students may also be included in public school enrollments above.

Sources: Department of Education, Regents for Higher Education, and Department of Vocational and Technical Education

ECONOMIC AND DEMOGRAPHIC ESTIMATES

For the Years 1990 through 1999

	1999	1998	1997	1996
Population	3,358,000	3,346,700	3,317,100	3,295,300
Labor Force	1,647,640	1,627,267	1,599,870	1,576,630
Total Employment	1,590,950	1,553,653	1,533,900	1,512,610
Oklahoma Unemployment Rate	3.40%	4.50%	4.10%	4.10%
U.S. Unemployment Rate	4.40%	4.50%	4.94%	5.40%
Oklahoma Per Capita Income	\$22,801	\$21,072	\$20,214	\$19,363
Oklahoma Per Capita Income Expressed As a Percentage of the U.S. Average	79.95%	79.78%	79.90%	80.12%

Sources: Oklahoma Employment Security Commission - Research and Planning Division and Office of State Finance - Economic and Fiscal Policy Research Division

1996	1995	1994	1993	1992	1991
5,069	4,911	5,304	4,765	4,034	3,075
52,150	49,839	47,698	48,041	48,469	49,121
273,429	274,994	278,076	282,749	278,772	277,626
130,208	127,750	124,610	118,516	119,495	117,259
167,359	161,933	157,291	150,405	142,837	144,459
17,883	17,473	17,538	17,259	17,575	17,347
3,279	3,224	2,808	2,817	2,246	2,647
0	0	0	0	0	0
<u>649,377</u>	<u>640,124</u>	<u>633,325</u>	<u>624,552</u>	<u>613,428</u>	<u>611,534</u>
216,400	223,279	224,829	238,244	228,718	218,601
<u>25,401</u>	<u>24,627</u>	<u>25,839</u>	<u>25,433</u>	<u>27,336</u>	<u>28,836</u>
<u>241,801</u>	<u>247,906</u>	<u>250,668</u>	<u>263,677</u>	<u>256,054</u>	<u>247,437</u>
120,481	107,894	102,852	96,275	91,039	82,763
<u>222,384</u>	<u>191,261</u>	<u>191,137</u>	<u>218,072</u>	<u>300,533</u>	<u>296,091</u>
<u>342,865</u>	<u>299,155</u>	<u>293,989</u>	<u>314,347</u>	<u>391,572</u>	<u>378,854</u>

1995	1994	1993	1992	1991	1990
3,271,400	3,248,300	3,232,900	3,206,200	3,167,700	3,145,585
1,546,270	1,544,260	1,529,460	1,520,840	1,499,930	1,513,830
1,473,610	1,454,360	1,435,790	1,433,460	1,399,170	1,427,880
4.70%	5.80%	6.10%	5.70%	6.70%	5.70%
5.60%	6.10%	6.80%	7.40%	6.70%	5.50%
\$18,560	\$17,984	\$17,360	\$16,837	\$16,064	\$15,584
80.48%	81.54%	81.79%	81.81%	81.81%	81.41%

MAJOR EMPLOYERS BY SIZE

Non-Government (Listed Alphabetically)
2000

5,001 OR MORE EMPLOYEES

AMR, Corp.	Integris Health
Columbia HCA Healthcare	Saint Francis Hospital
Hillcrest Healthcare System	Wal-Mart Stores, Inc.

3,001 TO 5,000 EMPLOYEES

W. H. Braum, Inc.	MCI Worldcom
Dillard Department Stores	Personnel Solutions
General Motors Corporation	Phillips Petroleum Co.
SSM Healthcare of Oklahoma	Southwestern Bell Telephone Co.
The Hertz Corporation	St. John Medical Center, Inc.
Homeland Stores	Williams Companies
Lucent Technologies	

1,001 TO 3,000 EMPLOYEES

Albertson's	Michelin North America
America On-Line	Midwest City Regional Medical Center
Amoco Corporation	Montgomery Ward & Co., Inc.
Arrow Trucking Co.	Musket Corporation (Love's Country Store)
AT&T Wireless	Muskogee Regional Medical Center
Avis Rent-A-Car System, Inc.	Nordam
BankFirst	Norman Regional Hospital
BankOne	Oklahoma Gas & Electric Co.
Bar-S Foods	The Oklahoma Publishing Company
Boeing	OneOK, Inc.
BOK Financial Group	Oral Roberts University
CMI Corporation	J. C. Penney Co., Inc.
Central and South West	Reasors Corporation
Charles Machine Works (Ditch Witch International)	Sabre Group
CITGO Petroleum Corp. (Cities Service)	Seaboard Farms
Columbia-Presbyterian Hospital	Seagate Technology
Columbia-University Hospitals	Sears, Roebuck and Co.
Comanche Memorial Hospital	Snappy Car Rental
Conoco, Inc.	Southwest Airlines Reservation Center
Convergys	State Farm Mutual Automobile Insurance
Dayton Tire, Division of Bridgestone	Sykes Enterprise
First Data Resources, Inc.	Target Stores
Fleming Companies, Inc.	Tulsa Regional Medical Center
Fort James Paper Company	TV Guide, Inc.
Goodyear Tire and Rubber Company	Tyson Foods, Inc.
Grace Living Centers	Unit Parts Co.
Hale-Halsell Co.	United Parcel Service of America, Inc.
KMart Corporation	United Supermarkets of Oklahoma, Inc.
L.S.B. Industries, Inc.	Warehouse Market
McDonald's Restaurants of Okla., Inc.	Wrangler, Inc.
Matrixx Marketing	Weyarhaeuser Company
Mazzio's Corporation, Inc.	York International Central Environmental Systems
Mercury MerCruiser	

500 TO 1000 EMPLOYEES
(Oklahoma-based Employers Only)

AAON Inc.	Hillcrest Health Center, Inc.
Acme Engineering and Manufacturing	Hobby Lobby
Advance Food Company	Jane Phillips Episcopal Hospital
American Fidelity Group	Kerr-McGee Corporation
Bama Companies	Macklanburg-Duncan
BP Amoco Corp./PriceWaterhouse Cooper	Oklahoma Fixture Company
Braden Manufacturing	Oklahoma Nursing Homes Ltd.
Candid Color Systems/Glamour Shots	Pratt Foods
Crest Discount Foods, Inc.	PSINet
Deaconess Hospital	QuikTrip Corporation
Delta Faucet	St. Mary's Hospital
Dolese Bros. Co.	Sonic Industries, Inc.
Dollar Systems	Sundowner Trailer Inc.
Eateries, Inc.	Sykes Enterprises
Exciss Aluminum Trailers	Thrifty Car Rental
Farm Fresh, Inc.	Valley View Regional Hospital
Flint Industries, Inc.	Webco Industries
Gulfstream Aeospace Tech	West TeleServices Corp.
Haliburton Services	Whitlock Packaging Corp
Harold's Stores, Inc.	World Publishing Company
Helmerich & Payne, Inc.	Young America Corp.

Source: Oklahoma Department of Commerce

NET GENERAL OBLIGATION BONDS AND NOTES PER CAPITA

For the Years 1991 through 2000

(amounts expressed in thousands with the exception of General Bonded Debt Per Capita)

Fiscal Year Ended June 30	Population	Total General Bonded Debt (1)	Debt Payable From Proprietary Component Units	Debt Payable From Higher Education Component Units	Net General Bonded Debt	General Bonded Debt Per Capita
2000	3,358	\$ 394,766	\$ 73,786	\$ 20,880	\$ 300,100	\$ 89.69
1999	3,346	404,167	73,567	21,310	309,290	92.44
1998	3,346	391,658	68,823	4,740	318,095	95.07
1997	3,317	395,038	62,073	6,425	326,540	98.44
1996	3,295	395,420	53,040	7,700	334,680	101.57
1995	3,271	404,715	55,085	5,150	344,480	105.31
1994	3,248	428,925	67,320	6,475	355,130	109.34
1993	3,233	340,745	81,030	-	259,715	80.33
1992	3,206	95,665	81,115	-	14,550	4.54
1991	3,168	96,345	72,660	-	23,685	7.48

(1) General Bonded Debt is the bonded debt expected to be repaid through general governmental resources.

Notes:

Assessed value data is not presented in this table because the State of Oklahoma does not receive property tax revenue.

RATIO OF ANNUAL DEBT SERVICE EXPENDITURES FOR GENERAL OBLIGATION DEBT TO TOTAL GENERAL GOVERNMENTAL EXPENDITURES

For the Years 1991 through 2000

(amounts expressed in thousands)

Fiscal Year Ended June 30	Principal	Interest	Total Debt Service	General Governmental Expenditures	Ratio of Debt Service to General Governmental Expenditures
2000	\$ 9,190	\$ 15,105	\$ 24,295	\$ 8,256,634	0.29%
1999	8,805	15,529	\$ 24,334	8,017,497	0.30%
1998	8,445	19,679	28,124	7,147,477	0.39%
1997	8,115	16,417	24,532	6,937,902	0.35%
1996	9,800	16,930	26,730	6,688,130	0.40%
1995	10,580	17,480	28,060	6,338,769	0.44%
1994	4,670	9,638	14,308	5,675,628	0.25%
1993	4,510	613	5,123	5,171,373	0.10%
1992	7,400	1,359	8,759	5,112,494	0.17%
1991	11,250	1,282	12,532	4,636,483	0.27%

General Governmental Expenditures include the General and Capital Projects Funds.

REVENUE BOND COVERAGE ENTERPRISE FUND AND PROPRIETARY COMPONENT UNITS

(amounts expressed in thousands)

	Gross Revenues (1)	Operating Expenses (2)	Net Revenues Available for Debt Service	Debt Service Requirements	Debt Service Coverage
Enterprise Fund:					
Oklahoma Water Resources Board					
For the fiscal year ended June 30, 2000	\$ 14,620	\$ 3,699	\$ 10,921	\$ 25,301	0.43
1999	11,932	1,000	10,932	28,188	0.39
1998	12,411	816	11,595	15,226	0.76
1997	10,061	777	9,284	15,508	0.60
1996	10,091	746	9,345	11,218	0.83
1995	12,577	835	11,742	60,160	0.20
1994	11,471	1,423	10,048	12,075	0.83
1993	9,483	493	8,990	9,981	0.90
1992	9,306	697	8,609	12,227	0.70
1991	10,176	573	9,603	16,790	0.57
Proprietary Component Units:					
Oklahoma Student Loan Authority					
For the fiscal year ended June 30, 2000	\$ 24,101	\$ 5,011	\$ 19,090	\$ 11,272	1.69
1999	19,138	3,418	15,720	12,399	1.27
1998	16,806	2,806	14,000	12,753	1.10
1997	14,373	2,401	11,972	12,332	0.97
1996	12,874	2,048	10,826	5,897	1.84
1995	10,324	2,134	8,190	6,324	1.30
1994	8,532	2,358	6,174	3,727	1.66
1993	8,827	2,083	6,744	20,453	0.33
1992	11,213	2,359	8,854	13,347	0.66
1991	12,492	2,063	10,429	5,171	2.02
Oklahoma Environmental Finance Authority					
For the fiscal year ended June 30, 2000	\$ 354	\$ 14	\$ 340	\$ 349	0.97
1999	2,127	21	2,106	5,082	0.41
1998	2,607	17	2,590	3,622	0.72
1997	2,674	18	2,656	3,685	0.72
1996	2,732	12	2,720	3,713	0.73
1995	2,800	13	2,787	3,514	0.79
1994	2,868	12	2,856	3,782	0.76
1993	3,220	38	3,182	7,343	0.43
1992	3,236	13	3,223	4,580	0.70
Oklahoma Housing Finance Agency					
For the fiscal year ended September 30, 1999	\$ 67,168	\$ 5,786	\$ 61,382	\$ 110,584	0.56
1998	41,326	5,268	36,058	52,906	0.68
1997	49,053	8,463	40,590	43,536	0.93
1996	50,599	8,330	42,269	60,771	0.70
1995	52,149	7,846	44,303	45,074	0.98
1994	53,810	8,342	45,468	53,105	0.86
1993	67,008	10,171	56,837	71,806	0.79
Oklahoma Transportation Authority					
For the fiscal year ended December 31, 1999	\$ 167,341	\$ 40,932	\$ 126,409	\$ 78,702	1.61
1998	161,660	36,545	125,115	70,376	1.78
1997	131,279	32,713	98,566	53,450	1.84
1996	122,501	33,160	89,341	50,830	1.76
1995	117,136	33,626	83,510	50,527	1.65
1994	109,691	33,117	76,574	44,510	1.72
1993	96,828	31,477	65,351	37,346	1.75
1992	83,214	29,192	54,022	17,899	3.02
1991	74,778	26,219	48,559	16,522	2.94
1990	61,834	19,828	42,006	15,393	2.73
Grand River Dam Authority					
For the fiscal year ended December 31, 1999	\$ 195,738	\$ 90,114	\$ 105,624	\$ 94,356	1.12
1998	215,879	109,795	106,084	95,830	1.11
1997	192,904	89,046	103,858	111,560	0.93
1996	188,672	93,054	95,618	92,828	1.03
1995	181,018	83,616	97,402	92,223	1.06
1994	180,751	84,315	96,436	90,266	1.07
1993	175,242	76,799	98,443	101,726	0.97
1992	161,046	72,542	88,504	95,436	0.93
1991	159,599	82,935	76,664	95,562	0.80
1990	158,403	75,114	83,289	82,761	1.01
Oklahoma Municipal Power Authority					
For the fiscal year ended December 31, 1999	\$ 96,014	\$ 70,975	\$ 25,039	\$ 28,020	0.89
1998	99,538	70,953	28,585	28,148	1.02
1997	88,127	61,304	26,823	24,622	1.09
1996	82,840	45,948	36,892	22,932	1.61
1995	72,988	39,617	33,371	22,983	1.45
1994	74,931	43,872	31,059	22,203	1.40
1993	70,922	44,392	26,530	18,397	1.44
1992	68,194	42,497	25,697	17,861	1.44
1991	71,217	45,104	26,113	18,223	1.43
1990	72,700	46,746	25,954	17,313	1.50

(1) Gross revenues including interest and investment income but excluding revenues restricted to other debt

(2) Operating expenses, exclusive of depreciation and operating interest (where applicable)

- Revenue bond coverage is not intended to portray compliance with bond indenture agreements.

- Comparable data for the fiscal years June 30, 1989 through June 30, 1990 is not available.

- Upon implementation of GASB Statement 14, the Oklahoma Housing Finance Agency was included within the State's reporting entity. Comparable data prior to their inclusion is not available.

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