

OKLAHOMA STATE BOND ADVISOR

Annual Report *2016*



January 15, 2017

Council of Bond Oversight

Mark Beffort, Chairman

Preston Doerflinger

Robert M. Jones

Tom Maxwell

Blaine Peterson

State Bond Advisor

James C. Joseph

Senior Bond Analyst

Jordan Perdue

Legal Counsel

Lyn Martin-Diehl

Assistant Attorney General

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INTRODUCTION

INTRODUCTION

The State of Oklahoma has adopted a statutory framework to provide for the comprehensive oversight of debt issuance by its departments, agencies, authorities, trusts, and institutions of higher education. This process was initiated in 1987, with the passage of House Bill 1444 (the “Oklahoma Bond Oversight and Reform Act,” codified as Title 62, Oklahoma Statutes 695.1 *et seq.*). In addition to creating Executive and Legislative Bond Oversight Commissions, the Act created the position of Oklahoma State Bond Advisor and the Oklahoma State Bond Advisor’s Office. Its purpose is to protect the interests of Oklahoma citizens by providing for an open, fair, and efficient debt issuance process.

As noted, the oversight function was originally carried out by two commissions, meeting and acting in concert. The Executive Bond Oversight Commission consisted of the Governor, Lieutenant Governor, Director of the Department of Commerce, and two public members appointed by the Governor. The Legislative Bond Oversight Commission consisted of six legislators, three from the Oklahoma House of Representatives and three from the Oklahoma State Senate. In 2002, in response to a taxpayer challenge, the Oklahoma Supreme Court found the composition of the Legislative Bond Oversight Commission to be unconstitutional. As a result, the statutorily defined responsibilities of both the Executive and Legislative Bond Oversight Commissions devolved to the Council of Bond Oversight, a five-member body that does not include any legislative members.

The scope of the Council’s review includes consideration of the immediate and long-term fiscal impact of an obligation, the proposed method of sale, the structure of the issue and the public purpose to be served.

The Council includes two public members appointed by the Governor, one public member appointed by the Speaker of the Oklahoma House of Representatives, one public member appointed by the President Pro Tempore of the Oklahoma State Senate, and the Director of the Office of Management and Enterprise Services as a voting, *ex officio* member. The State Bond Advisor and his staff provide administrative support for the Council.

The State Bond Advisor is also charged with providing advice and assistance to the Governor and Oklahoma Legislature on matters relating to capital planning, debt issuance and debt management. The State Bond Advisor's Office also provides guidance and support services to State Governmental Entities in the planning, structuring, and issuance of debt. Such services include assistance with the selection of financing teams, structuring of proposed issues, preparation of disclosure materials, and pricing of the obligations. The Act authorizes the Office of the State Bond Advisor to provide assistance to local governments upon request. While the Office is authorized to charge for such services, assistance to local governments has always been provided without charge. Other duties of the Office of the State Bond Advisor are delineated below:

Coordination of State debt issuance

As noted above, prior to any State bond offering, an issuer must obtain the approval of the Council. The State Bond Advisor and staff of the Office review applications for financing and provide summaries of the requests to the Council at its monthly meetings. The regularly scheduled Council meetings are the last Thursday of each month, except in months where holidays fall on that date or when special meetings are appropriate to meet the needs of an applicant. If an applicant's financing plan receives Council approval, it has 180 days to complete the transaction. Under the Act, the State Bond Advisor may grant a single 180-day extension of Council approval.

In providing for the coordination of State debt issuance, the State Bond Advisor is also charged with the following:

- (i) reviewing and commenting on all requests for proposals for professional services;
- (ii) approving fees and expenses paid to professional service providers;
- (iii) providing technical advice to issuers on structuring and marketing of proposed obligations;
- (iv) approving interest rates and reoffering yields on all negotiated transactions; and
- (v) maintaining records of the State's outstanding obligations.

Management of relations with the rating agencies and credit markets

The Office of the State Bond Advisor serves as the central clearinghouse for information provided to the bond rating agencies, credit enhancement providers, and credit markets with respect to Oklahoma's credit quality. This process is beneficial because it ensures that all relevant material is made available to investors and other market participants in a timely and uniform manner. This on-going effort to maintain positive relations with the credit markets is an important component of the staff's work.

Assisting OMES with staff support for the Long-Range Capital Planning Commission

In 1992, the State of Oklahoma created the Long-Range Capital Planning Commission ("LRCPC"). Since November 1, 2012, the Office of Management and Enterprise Services has had primary responsibility for administrative support of the LRCPC, with assistance provided by the State Bond Advisor's Office. This change was designed to more closely integrate the State's capital planning with the Executive Budget process. Having this function more closely linked to OMES is intended to focus greater attention on the capital funding needs of the State.

The LRCPC is charged with: (i) compiling capital project and equipment requests; (ii) reviewing the importance of each request; (iii) ranking each capital funding request; and (iv) developing an eight-year capital improvements plan. Additional information on the current Capital Improvements Plan may be found in the "Capital Planning" section of this report.

Member, School and County Funds Management Commission

By statute, the State Bond Advisor serves as a member of the Oklahoma Commission on School and County Funds Management (the "Commission"). The Commission, created by the 1st Session of the 43rd Oklahoma Legislature in 1991, is responsible for providing oversight of the cash-flow borrowings undertaken by common school districts, career tech districts, and counties. Staffing of the Commission is provided by the Oklahoma Department of Education.

To participate in a cash management program, a school district, career tech education district, or county must submit an application packet to the Commission that includes fund balance information and cash-flow projections. This process is used to document the anticipated revenue shortfall for the coming year.

The annual review of funding requests begins in December and is concluded in the late spring. The borrowing in 2016 (for fiscal year 2016-2017) included funding for four (4) series of notes (including two for career tech institutions). The total principal amount issued to meet the various districts' cash-flow needs in 2016 was \$7,330,000. See Appendix I for a breakdown of note amounts by district.

Member, Program Development and Credit Review Committee

The State Bond Advisor serves as a member of the Oklahoma Development Finance Authority's ("ODFA") three-person Program Development and Credit Review Committee (the "PDCRC"). Together with a representative of the ODFA and a private consultant, the State Bond Advisor reviews the credit quality of applicants wishing to take part in the Credit Enhancement Reserve Fund ("CERF") program. The PDCRC approved two (2) guarantees in 2016, both to refinance outstanding bonds at a savings. The total outstanding CERF commitment as of December 31, 2016 is \$39,594,238. See Appendix F for a detailed description of all outstanding CERF commitments.

Management of the Oklahoma Private Activity Bond Allocation Program

The Federal Tax Reform Act of 1986 established limits on the volume of private activity bonds that can be issued in a state during any calendar year. To ensure compliance with federal law, Oklahoma enacted the "Oklahoma Private Activity Bond Allocation Act."

Under this statute, the State Bond Advisor was given responsibility to allocate and monitor the use of the State's private activity volume cap. In calendar year 2016, Oklahoma's private activity bond capacity was \$391,133,800. See the section of this report entitled, "Private Activity Bonds" for additional detail.

* * * * *

This report was prepared to comply with a provision in the Bond Oversight and Reform Act (specifically 62 OS 695.7 D) that requires the State Bond Advisor to "prepare an annual report to be submitted to the Governor, the President Pro Tempore of the Senate and the Speaker of the House of Representatives as of January 15 each year."

On February 25, 2016, Scott Hatch resigned from the Council of Bond Oversight after five years as a member, including four years as Chairman. He made a significant contribution to the oversight of State debt issuance during that period. His leadership and thoughtful consideration of the issues were greatly appreciated by his fellow Council members and the staff of the State Bond Advisor's Office.

Additional information on the activities of the Office of the State Bond Advisor is available from the following sources.

Office of the State Bond Advisor
9220 N. Kelley Avenue
Oklahoma City, OK 73131

Telephone: 405-602-3100

Facsimile: 405-848-3314

<http://www.ok.gov/bondadvisor>

CAPITAL PLANNING

CAPITAL PLANNING

Recent Changes

The State of Oklahoma's Capital Improvement Plan ("CIP") and the Long-Range Capital Planning Commission (the "Commission") were established by House Bill 2375 in 1992. This action represented Oklahoma's recognition of the need for comprehensive capital planning in state government. The capital planning process was changed significantly during the 2012 and 2013 legislative sessions with the passage of HB 2392, HB 1910, and HB 2301. Approved as part of the 2012 legislative session, HB 2392 amended the composition of the Commission and shifted primary administrative responsibility for preparation of the CIP to the Office of Management and Enterprise Services ("OMES"). Signed into law on May 7, 2013, HB 1910 modified the membership, qualifications, and terms of Commission members, expanded the duties of the Commission, adjusted the components of the capital plan, and extended the plan by three years, requiring the preparation of an eight-year CIP. The measure also directed the Commission to decrease the amount of property owned by the state and to better maintain and utilize the state's real property assets.

Pursuant to HB 1910, the Commission must submit an itemized and prioritized list of the proposed projects set forth the CIP to the Governor, the President Pro Tempore of the Senate and the Speaker of the House of Representatives within the first seven legislative days of the session. The Legislature then has 45 calendar days to pass a concurrent resolution disapproving any or all of the proposed projects or the CIP is deemed approved.

During the 2016 Legislative Session, two bills were approved that authorized the issuance of bonds by the Oklahoma Capitol Improvement Authority ("OCIA"). HB 3231 authorized bonds sufficient to generate \$200 million in proceeds on behalf of the Oklahoma Department of Transportation ("ODOT"), to fund the construction, improvement, maintenance and repair of roads, highways and bridges within the state highway system. The Legislature also approved HB 3168, which authorized an additional \$125 million in bonds for the Capitol Renovation Project. Those bonds cannot be delivered prior to July 1, 2018. The OCIA plans to issue the remaining \$70 million from the initial authorization for the Capitol project, in the spring of 2017.

Funding of the Plan

Since its inception in 1992, the Commission has consistently recommended that certain capital projects be funded by direct appropriations from the General Fund. However, these recommendations were not acted upon and no funding was directed to the capital projects recommended by the Commission until 2013.

In addition to the changes previously discussed, HB 1910 created the Maintenance of State Buildings Revolving Fund and stipulated that monies within the fund could be expended for approved projects as itemized and prioritized in the approved CIP. The Maintenance of State Buildings Revolving Fund did not receive an appropriation from the legislature in fiscal years 2015 or 2016. Some funding was collected through the sale of surplus property, but fell well short of the needed amounts to address the backlog of projects. As a result of this underfunding, only 21 of 62 approved projects were funded during fiscal year 2016 and none of the 51 projects included in the fiscal year 2017 CIP were funded.

Development of the Plan

State agencies submit their applications for capital project funding using the State's newly implemented Hyperion budget system operated online by OMES. The transition to a new system required agencies to recreate their capital requests instead of rolling over existing ones. Many of the agencies took this opportunity to reevaluate their priorities and focus on their greatest capital needs. The capital planning process begins early in each calendar year with the opening of the web-based capital budget system to all State departments, agencies, authorities, and trusts. Each entity has until July 1 to submit their capital budget information to the Commission using the referenced web-based system.

The Commission accepts the applicant's ranking of self-funded projects without further review, since these do not require appropriation funding or other state support. For example, the Commission does not re-evaluate the capital spending priorities established by the Oklahoma Transportation Commission. Projects requiring an appropriation are evaluated according to a ranking process developed by the Commission to permit more equitable allocation of limited State resources.

Organization of the Plan

In prioritizing the large number of submissions received, the Commission focused on those projects that addressed issues of reducing future capital and operating budget costs, projects that could leverage other sources of revenue such as federal dollars, and legal obligations or court mandated projects. Prioritization of project requests was based on a combination of agency priority, established project rating criteria and project type.

The Commission recommends a combined approach with pay-as-you-go monies and a bond package, as described in the Bond Recommendations section, to tackle the growing list of capital needs. For fiscal year 2018, the Commission recommends the expenditure of \$38.5 million from the Maintenance of State Buildings Revolving Fund, a recommendation that includes \$37.5 million from pay-go and \$1.5 million for the debt service payment on the bond issue.

In addition to the recommended funding for fiscal year 2018, the Commission identified \$49.6 million in projects to be funded in fiscal year 2019 and a total of \$224.3 million in projects be funded in fiscal years 2020-2025. In total, the Commission recommends funding \$313 million for 261 projects for fiscal years 2018-2025. This represented a modest decrease from the total requested amount in fiscal year 2017, which totaled \$363 million.

Bond Recommendations

Another crucial component of the CIP is a proposed broad-based bond issue to address the growing backlog of crucial maintenance and health and safety projects. The Commission recommends authorizing a bond issue totaling \$165.1 million to fund six (6) major capital projects. The proposed bond issue assumes a 15-year amortization schedule with level debt service. These projects include: (1) secure housing units for the Department of Corrections; (2) replacement of public health lab for the Department of Health; (3) replacement of various buildings for the Department of Mental Health and Substance Abuse Services; (4) residence replacements and maximum security expansion for the Office of Juvenile Affairs; (5) modernization, renovation and expansion of the Tulsa medical examiner's office for the Office of the Chief Medical Examiner; and (6) parking garage repair for the Department of Environmental Quality.

The Commission used the following criteria to select projects: (1) The facility or system has failed, or is likely to fail within the scope of the plan (eight years); (2) The failure of the facility or system would be dangerous to the public, state employees and/or those being served by the facility; (3) The failure would significantly increase costs to the State; and (4) The estimated project cost is greater than \$4 million.

The State has the available debt capacity to carry the proposed bond issue. The State's outstanding General Obligation Bonds are set to expire on July 15, 2018, which will free up roughly \$28 million for the other purposes.

Policy Recommendations

In addition to providing an itemized and prioritized list of projects in the CIP for fiscal years 2018-2025, the Commission offered four policy recommendations to improve statewide capital asset management. These recommendations are as follows: (1) Establish a consistent and adequate annual appropriation for renewal of the state's real property assets; (2) Improve the State Legislature's awareness of the capital needs of state government and connect the capital budget to the appropriations process; (3) Establish mechanisms to ensure accountability for the proper maintenance of the state's real property portfolio; and (4) Examine opportunities to consolidate and share facilities services, operations and maintenance functions across agencies and at a regional level.

Conclusion

Capital planning is critical to achieving the State's long term strategic goals of maximizing efficiency within the constraints of its finite resources. The continued lack of action and underfunding has led to an ever-growing list of vital capital projects. The proposed combined approach of pay-as-you go funding and bond package, would allow the State to begin addressing the major challenges facing Oklahoma's infrastructure.

STATE FINANCING ACTIVITY - 2016

STATE FINANCING ACTIVITY – 2016

General Market Conditions

For the second year in a row, refunding bond volume exceeded new money issuance in the national municipal market. Refunding volume was the highest recorded in more than a decade. New-money sales volume also increased and was the highest since 2010 as issuers were motivated by low interest rates to fund new projects.

Municipal issuance volume increased from the 2015 total of \$397.7 billion to \$444.8 billion, an increase of 11.8%. The calendar year 2016 total eclipsed the old record of \$433.3 billion set in 2010. The greatest market activity in 2016 was in October, leading up to the presidential election, when \$53.4 billion was marketed, compared to \$33.9 billion in October of 2015.

The lowest municipal market interest rates of 2016 were recorded in the first week of July, with *The Bond Buyer* 20-Bond General Obligation Index, 11-G.O. Bond Index, and 25-Bond Revenue Index all recording lows on July 7th. The weeks following the November general election saw the biggest moves in all indexes, with increases of 43 to 45 basis points in two weeks.

Key Market Rates Calendar Year 2016

	Bond Buyer Indexes			
	20-Bond G.O. Index	11-Bond G.O. Index	Revenue Index	10-Year Treasury
High Yield	4.03% December 1	3.58% December 1	4.10% December 1	2.60% December 15
Low Yield	2.80% July 7	2.39% July 7	2.98% July 7	1.38% July 7

In a move that became less newsworthy following the post-election rate spike, the Federal Reserve took action to increase rates on December 14, 2016. The Federal Open Market Committee decided to raise rates 0.25% to a range of 0.50% to 0.75%, citing its belief that economic activity would continue to expand at a moderate pace as labor market indicators strengthened. The Fed action had been anticipated for so long that there was little change in the market following the announcement.

According to statistics compiled by *The Bond Buyer*, the average annual municipal debt issuance volume in calendar years 2006 to 2010 (both taxable and tax-exempt) was \$410.3 billion. Calendar year 2011 saw a significant decline in issuance to \$287.7 billion, as both refundings and new money sales totals dropped. Market activity recovered in 2012 to \$376.6 billion and over the past five years (2012 to 2016), the average annual volume was \$379 billion.

New money sales, which rebounded in 2015, continued to grow in 2016 as issuers began to address a significant backlog of infrastructure needs. For the first time in several years, new money issuance grew at a faster rate than refundings. This was due, in part, to the significant spike in interest rates following the November 8th general election and resulted in fewer refunding opportunities in the last two months of the year. While municipal rates began to improve at the end of the year, they remained well above the levels issuers enjoyed earlier in 2016.

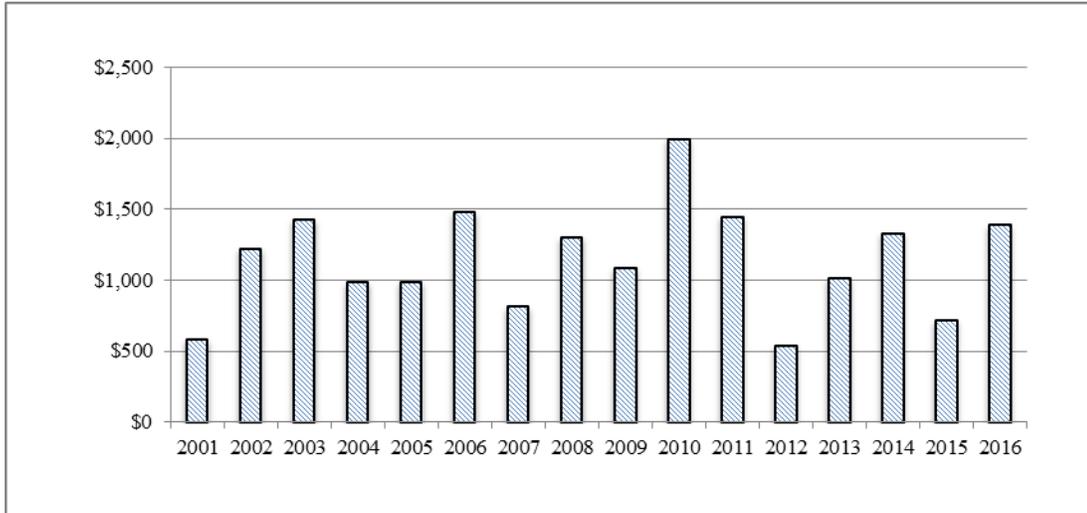
Oklahoma Financings

State debt issuance in Oklahoma rebounded significantly in calendar year 2016. State entities subject to Council of Bond Oversight approval issued thirty-two (32) series of bonds and leases in 2016 in the total principal amount of \$1,384,682,362, compared to a total of \$713,435,000 in 2015. Of the current year total, lease-backed obligations accounted for \$360,212,362, or 26% and revenue bond sales totaled \$1,024,470,000 or 74% of total volume. There were no general obligation bond sales by the State in 2016.

Total issuance volume for the State of Oklahoma in calendar year 2016 was the highest since 2010. Significant refunding transactions by the Grand River Dam Authority (two series totaling \$496,405,000) and the Oklahoma Municipal Power Authority (\$124,315,000) contributed to the higher 2016 total. As the graph on the following page demonstrates, the State has averaged \$1.14 billion in annual sales over the last sixteen (16) years, with a high of \$1.99 billion in 2010 and a low of \$534.8 million in 2012.

The calendar year 2012 sales total was unusually low because the Oklahoma Development Finance Authority's Higher Education Master Lease Program was inactive for the entire year due to a legal challenge. The validity of that program was upheld by the Oklahoma Supreme Court and both the real property and personal property lease financings resumed in calendar year 2013.

**State of Oklahoma
Par Value of Debt Issuance
Calendar Years 2001-2016
(\$ in millions)**



Note: Issuance volume shown includes bonds, notes, and lease-backed obligations by State entities.

The largest State sale of 2016 was a refinancing by the Grand River Dam Authority that included the partial advance refunding of outstanding 2008 and 2010 bonds and the conversion of a 2014 variable-rate demand obligation to fixed rate. The refunding portion of the transaction resulted in net present value savings of \$69,507,568. The Oklahoma Municipal Power Authority completed the second largest transaction of the year when it sold \$124,315,000 bonds to refund its outstanding Series 2007A issue. The OMPA realized a net present value savings of \$20,292,838.

Other significant sales in 2016 included three series refunding and new-money general revenue bonds by the Board of Regents for the University of Oklahoma. The transactions totaled \$156,815,000 and included \$141,050,000 of tax-exempt bonds and a federally taxable series of \$15,765,000. The refunding portions of those issues resulted in net present value savings for the University of \$24,044,363.

As noted above, refundings were a significant contributor to the higher issuance volume in Oklahoma in 2016. Low interest rates for most of the year allowed State issuers to realize savings through both current and advance refunding transactions. The table below summarizes the refunding activity by State issuers during the calendar year.

State of Oklahoma - Refunding Activity	
Calendar Year 2016	
<u>Issue</u>	<u>Net Present Value Savings</u>
Oklahoma City CC - Student Facility Revenue Bonds, Series 2015*	\$ 642,654
OU Regents (OU refunding), Series 2016A	13,819,267
ODFA Master Equipment Lease Refunding Bonds, Series 2016A	605,810
ODFA Master Equipment Lease Refunding Bonds, Series 2016B (tx)	626,802
ODFA Master Real Property Lease Refunding Bonds, Series 2016B	4,585,939
ODFA Master Real Property Lease Refunding Bonds, Series 2016C (tx)	1,112,527
Oklahoma Municipal Power Authority Refunding Rev., Series 2016A	20,292,838
ODFA-CERF (Union City Project), Refunding Series 2016	202,389
ODFA Master Real Property Lease Revenue Bonds, Series 2016G	249,650
GRDA Refunding Series 2016A & 2016B (taxable)	69,507,568
OU Regents (OU Refunding & New Money), Series 2016A	8,585,149
OU Regents (OU Refunding & New Money), Series 2016B (tx)	<u>1,639,947</u>
	\$ 121,870,540

* Transaction completed in 2016.

Governmental-Purpose General Obligation Bonds

The Oklahoma Building Bonds Commission was created to issue general obligation bonds following voter approval of a \$350 million authorization in 1992. Those bonds were issued in two series in 1993 and were refunded to realize a significant interest rate savings on the first optional redemption date in 2003. In 2010, the Building Bonds Commission advance refunded a portion of the outstanding Series 2003 General Obligation Bonds to provide for budget relief.

In January 2013, the Commission took advantage of very favorable interest rates to current refund the outstanding 2003 G.O. bonds that were not refunded in 2010. As of December 31, 2016, the outstanding principal of these governmental-purpose, general obligation bonds was \$82,100,000. As shown on the following page, the final payment of these bonds is scheduled for July 15, 2018. The bonds issued by the Building Bonds Commission carry the full faith and credit pledge of the State.

Initial security for the following governmental-purpose, G.O. bonds is provided by a pledge of a portion of the State’s cigarette tax. That source has always been sufficient to make scheduled debt service payments without use of other general revenues. The principal redemption schedule for the remaining G.O. bonds is provided below.

**State of Oklahoma
Outstanding Governmental-Purpose General Obligation Bonds
Principal Redemption Schedule
(as of December 31, 2016)**

<u>Calendar Year</u>	<u>Series 2013A</u>	<u>Series 2010A</u>
2017	\$ 850,000	\$ 26,495,000
2018	<u>7,070,000</u>	<u>21,460,000</u>
Totals	\$ 7,920,000	\$ 47,955,000

Self-Supporting General Obligation Bonds - OIFA

The Oklahoma Industrial Finance Authority (“OIFA”) operates a voter-approved State general obligation bond financing program under which the proceeds of the issues are used to make industrial development loans. The State Constitution limits the amount of general obligation debt that can be outstanding at any time for this purpose to \$90,000,000.

Security for OIFA general obligation bonds is provided initially by the loan repayments from the private borrower and then by OIFA reserves. If these sources are insufficient to cover debt service, the State would step in and make the required payment. To date, the State has never had to utilize its own funds to meet an obligation under this program. The outstanding principal balance of OIFA general obligation bonds, as of December 31, 2016, was \$40,000,000.

Contingent Liability General Obligation Bonds - ODFA

The Oklahoma Development Finance Authority (the “ODFA”) is also constitutionally authorized to incur general obligation indebtedness in an amount not to exceed \$100 million to provide credit support for the Credit Enhancement Reserve Fund (“CERF”) Program.

All or portions of issues approved for participation in the program are guaranteed by CERF. The CERF guarantee is provided by the ODFA’s standing authority to sell general obligation bonds,

if needed, to make required debt service payments. The CERF Program consists of the following: (i) the Pooled Business Financing Program; (ii) the Public Facilities Financing Program; and (iii) the Quality Jobs Investment Program.

The \$100 million Constitutional limit on general obligation bonds referenced above has been divided by statute, with \$60 million dedicated to the Pooled Business Financing Program and the Public Facilities Financing Program. The remaining \$40 million is reserved for the Quality Jobs Investment Program. One issue of \$9,999,000 is currently outstanding for the Quality Jobs Investment Program.

There were two CERF applications and approvals in 2016. Only one of these sold during the calendar year, a \$2,610,000 issue to refund a 2006 ODFA issue for the Department of Corrections. Including that issue and above-referenced Quality Jobs issue, there are fifteen (15) outstanding CERF commitments at year-end 2016, including thirteen fully guaranteed issues and two debt service reserve funds. The total outstanding CERF commitment at calendar year-end 2016 is \$39,594,238. To date, no general obligation bonds have been issued to provide for payment of debt service on any bonds issued under the ODFA program. For a summary of outstanding ODFA-CERF obligations, see Appendix F.

OCIA Lease Revenue Bonds

The Oklahoma Capitol Improvement Authority (the “OCIA”) has historically issued lease revenue bonds and notes to finance various State buildings. In 1997, the Oklahoma Legislature expanded the OCIA’s authority to include financing of transportation-related projects. Security for OCIA obligations is provided by contractual lease and lease purchase arrangements with the State agencies occupying or using the facilities. As such, the market treats these securities as lease revenue bonds.

There are currently seventeen (17) series of OCIA obligations outstanding in the total principal amount of \$1,073,793,408. The principal balance of each of these obligations as of December 31, 2016 is shown in the table on page 19.

The OCIA sold only one bond issue in 2016, a \$170 million offering to fund certain projects in the Department of Transportation’s 8-year capital plan.

Additional OCIA sales that are expected to be sold in 2017 or 2018 include the following:

- \$9 million for a new headquarters for the Department of Tourism and Recreation;
- \$24 million to refund or advance refund the outstanding Series 2008A-B issues;
- \$70 million to complete the first phase of funding for State Capitol Building renovations;
- \$125 million for the second phase of Capitol Building renovations (expected in 2018);
- \$25 million to fund a Museum of Popular Culture in Tulsa; and
- \$25 million for completion of the American Indian Cultural Center & Museum.

ODFA Higher Education Master Lease Program

The Master Personal Property Lease Program was created in 2001 to provide Oklahoma's public institutions of higher education with an efficient vehicle for funding equipment needs. Under the program, bond obligations issued by the ODFA are secured by a master lease with the Oklahoma Regents for Higher Education and sub-leases with participating institutions. Since its inception, the program has become a very popular and cost-effective financing tool for Oklahoma campuses. There were twenty-three (23) series of Master Personal Property lease obligations outstanding as of December 31, 2016 in the total principal amount of \$106,380,000.

In 2006, a second master lease program was created to address real property needs at the State's institutions of higher education. This has been an especially successful program, allowing many campuses to refinance outstanding revenue bonds with higher-rated Master Real Property Lease issues. Thirty-nine (39) series of Master Real Property lease bonds were outstanding as of December 31, 2016 in the total principal amount of \$769,445,000.

Other Lease Purchase Obligations

In addition to the bonds sold by the OCIA, a few other State agencies and institutions of higher education have issued lease revenue obligations to meet capital needs. Often, the annual lease payments are made by the agencies from their General Revenue appropriation without the need for an increase in their budget. In other cases, the agency is given an increase in its appropriation to make required lease payments. The State closely monitors these lease obligations to ensure that such payments do not become a burden on the General Revenue Fund (see Appendix J for a summary of annual requirements for outstanding lease obligations).

State agency lease purchase agreements all contain “non-appropriation” language that allows the State to terminate the lease at the end of any fiscal year. From a credit perspective, the markets recognize that these leases are not legally a debt of the State, but do represent an on-going commitments backed by the State’s general resources. A failure to appropriate for these lease payments could have negative consequences for Oklahoma’s credit rating and affect its ability to access funds in the capital markets. However, the Oklahoma Legislature has never failed to appropriate sufficient funds to an agency to meet an annual lease requirement and these are considered very secure obligations.

* * * * *

When compared to other states, Oklahoma has a very modest debt burden. According to the latest medians published by Moody’s Investors Service on May 6, 2016, Oklahoma ranked 43rd in net tax-supported debt per capita (\$386) and 42nd in net tax-supported debt as a percent of 2014 personal income (0.9%). The table on the following page provides a detailed summary of the State’s outstanding tax-backed obligations as of December 31, 2016.

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State of Oklahoma
Gross and Net Tax-Supported Debt
as of December 31, 2016
(\$ in thousands)

General Obligation Bonds¹

Building Bonds of 2013, Refunding Series A	\$ 7,920
Refunding Bonds of 2010, Series A	47,955
Industrial Finance Authority, Series 2001 Refunding	40,000
Gross General Obligation Bonds	\$ 95,875

Oklahoma Capitol Improvement Authority Lease Revenue Bonds²

State Highway Capital Improvement Revenue Bonds, Series 2016	\$ 170,000
State Facilities Refunding Revenue Bonds, Series 2015B	39,535
State Facilities Refunding Revenue Bonds, Series 2015A (Capitol Repair)	38,450
State Facilities Refunding Revenue Bonds, Series 2014C	79,335
State Facilities Refunding Revenue Bonds, Series 2014B	33,458
State Facilities Refunding Revenue Bonds, Series 2014A	205,410
State Facilities Refunding Revenue Bonds, Tax-Exempt Series 2013A	15,790
State Highway Capital Improvements Revenue Bonds, Series 2012.....	42,705
State Highway Capital Improvements Revenue Bonds, Fed. Taxable, Series 2010B	92,075
State Highway Capital Improvements Revenue Bonds, Series 2010A	53,740
State Facilities Refunding Revenue Bonds Series 2010A	63,590
Endowed Chairs Funding & Refunding Revenue Bonds, Fed. Taxable, Series 2010.....	110,965
State Highway Capital Improvements Revenue Bonds, Series 2009B	68,830
State Highway Capital Improvements Revenue Bonds, Series 2009A	19,950
State Facilities Revenue Bonds, Series 2009A (Conservation Commission Projects).....	14,965
State Facilities Revenue Bonds, Series 2008B (Supreme Court Project)	8,640
State Facilities Revenue Bonds, Series 2008A (Native American Center).....	16,355
Gross OCIA Lease Revenue Bonds	\$ 1,073,793

ODFA (Master Lease Program – Real Property)³

Series 2016G (Regents Master Real Property Lease Program)	\$ 18,900
Series 2016F (Regents Master Real Property Lease Program)	17,200
Series 2016E (Regents Master Real Property Lease Program)	17,295
Series 2016D (Regents Master Real Property Lease Program)	65,975
Series 2016C (Regents Master Real Property Lease Program).....	10,930
Series 2016B (Regents Master Real Property Lease Program).....	18,825
Series 2016A (Regents Master Real Property Lease Program)	14,025
Series 2015E (Regents Master Real Property Lease Program)	7,805
Series 2015D (Regents Master Real Property Lease Program)	8,230
Series 2015C (Regents Master Real Property Lease Program).....	72,595
Series 2015B (Regents Master Real Property Lease Program).....	41,320
Series 2015A (Regents Master Real Property Lease Program)	40,660
Series 2014 BAN (Regents Master Real Property Lease Program).....	4,335
Series 2014H (Regents Master Real Property Lease Program)	1,735
Series 2014G (Regents Master Real Property Lease Program)	3,105
Series 2014F (Regents Master Real Property Lease Program)	8,415
Series 2014E (Regents Master Real Property Lease Program).....	47,975
Series 2014D (Regents Master Real Property Lease Program)	14,690

ODFA (Master Lease Program – Real Property) ³

Series 2014C (Regents Master Real Property Lease Program).....	\$	38,925
Series 2014B (Regents Master Real Property Lease Program).....		13,840
Series 2014A (Regents Master Real Property Lease Program)		52,575
Series 2013B (Regents’ Master Real Property Lease Program)		12,985
Series 2013A (Regents’ Master Real Property Lease Program)		6,515
Series 2011F (Regents’ Master Real Property Lease Program).....		9,490
Series 2011E (Regents’ Master Real Property Lease Program).....		6,850
Series 2011D (Regents’ Master Real Property Lease Program)		8,185
Series 2011C (Regents’ Master Real Property Lease Program)		7,640
Series 2011B (Regents’ Master Real Property Lease Program)		8,490
Series 2011A (Regents’ Master Real Property Lease Program)		31,245
Series 2010D (Regents’ Master Real Property Lease Program)		7,090
Series 2010C (Regents’ Master Real Property Lease Program)		5,710
Series 2010B (Regents’ Master Real Property Lease Program)		7,230
Series 2010A (Regents’ Master Real Property Lease Program)		31,650
Series 2009D (Regents’ Master Real Property Lease Program)		7,035
Series 2009C (Regents’ Master Real Property Lease Program)		16,980
Series 2009A (Regents’ Master Real Property Lease Program)		44,595
Series 2008A (Regents’ Master Real Property Lease Program)		11,340
Series 2007B (Regents’ Master Real Property Lease Program)		21,930
Series 2007A (Regents’ Master Real Property Lease Program)		5,130
Gross Master Lease (Real Property) Bonds.....	\$	769,445

ODFA (Master Lease Program – Personal Property (Equipment) ³

Series 2016B (Regents Master Equipment Lease Program).....	\$	6,800
Series 2016A (Regents Master Equipment Lease Program).....		4,960
Series 2015C (Regents Master Equipment Lease Program)		1,390
Series 2015B (Regents Master Equipment Lease Program).....		8,955
Series 2015A (Regents Master Equipment Lease Program).....		7,160
Series 2014D (Regents Master Equipment Lease Program).....		1,985
Series 2014C (Regents Master Equipment Lease Program).....		7,735
Series 2014B (Regents Master Equipment Lease Program).....		4,250
Series 2014A (Regents Master Equipment Lease Program).....		6,835
Series 2013A (Regents Master Equipment Lease Program).....		7,185
Series 2011C (Regents’ Master Equipment Lease Program).....		11,230
Series 2011B (Regents’ Master Equipment Lease Program).....		7,065
Series 2011A (Regents’ Master Equipment Lease Program)		615
Series 2010B (Regents’ Master Equipment Lease Program).....		1,110
Series 2010A (Regents’ Master Equipment Lease Program)		8,225
Series 2009B (Regents’ Master Equipment Lease Program).....		8,355
Series 2009A (Regents’ Master Equipment Lease Program)		875
Series 2008B (Regents’ Master Equipment Lease Program).....		2,180
Series 2008A (Regents’ Master Equipment Lease Program)		2,160
Series 2007C (Regents’ Master Equipment Lease Program).....		2,590
Series 2007B (Regents’ Master Equipment Lease Program).....		1,255
Series 2007A (Regents’ Master Equipment Lease Program)		1,320
Series 2006C (Regents’ Master Equipment Lease Program).....		2,145
Gross Master Lease (Personal Property) Bonds.....	\$	106,380

ODFA Lease Purchase Obligations – Public Sales⁴

Series 2016 (Union City Correctional Facility Refunding) – CERF	\$ 2,610
Series 2014 (East Central University Refunding) – CERF.....	4,010
Series 2014A (Department of Human Services – Refunding).....	2,700
Series 2014A (Department of Human Services) Taxable Note - CERF	296
Series 2013 (Department of Corrections Refunding)	15,620
Series 2013 (Rogers State University Project) – CERF.....	2,655
Series 2013 (CLEET Refunding)	13,405
Series 2012A (Department of Human Services – Refunding/New Money)	8,990
Series 2012A (LeFlore County Health Department Project) - CERF	1,980
Series 2011 (Tillman County Project) – CERF	2,740
Series 2009 (Office of State Finance Facilities)	34,985
Series 2008 (Muskogee Port Project) – CERF	545
Series 2008A (Pontotoc County Health Department Project) - CERF	3,605
Series 2008 (Department of Human Services Projects).....	12,190
Series 2007A (Washington County Health Department Project) - CERF	2,950
Series 2006A (Pittsburg County Health Department Project) - CERF	2,785
Series 2004 (Goodyear Project) – CERF (d.s. reserve)	1,955
Series 2004 (Michelin Project) – CERF (d.s. reserve)	1,595
Series 2003 (Muskogee Port Project – CERF.....	863
Woodward Industrial Authority Loan - CERF	1,006
<u>Community Economic Development Pooled Program:</u>	
Series 2016 (Johnson Controls Project).....	\$ 1,750
Series 2015 (CP Kelco Project)	1,750
Series 2015 (Anchor Glass Project).....	1,345
Series 2014 (International Paper Project)	3,265
Series 2014 (Bullet Energy Project).....	728
Series 2014 (Orchids Paper Project)	2,379
Series 2014 (Whirlpool Project)	2,445
Series 2014 (Newell Coach Project)	505
Series 2013 (V&M Project)	1,175
Series 2013 (Advance Foods Project).....	1,235
Series 2013 (Lufthansa Technik Project).....	2,160
Series 2013 (Michelin Project)	7,210
Series 2013 (Temtrol Project).....	1,030
Series 2013 (Berry Plastics Project).....	395
Series 2012 (L-3 Aeromet Project)	1,960
Series 2012 (International Paper Project)	4,945
Series 2012 (Process Manufacturing Project).....	2,825
Series 2012 (Parrish Enterprises Project).....	279
Series 2010 (Goodyear Project)	10,793
Series 2010 (Hitachi Project)	11,330
Gross ODFA Lease Revenue Bonds – Public Sales	\$ 176,989
College Lease Revenue Bonds	
Board of Regents of Oklahoma Colleges	
Series 2002 COPs (University of Science and Arts) - Energy Mgmt. ⁵	\$ 515
Board of Regents of A&M Colleges (Panhandle State) - Energy Mgmt. ⁵	1,240
Gross Public Lease Purchase Debt	\$ 1,755

Gross Lease Purchase Debt Privately Placed or Competitively Sold – 13 leases⁶ \$ 11,704

TOTAL GROSS TAX-SUPPORTED DEBT \$2,229,713

LESS: Self-Supporting Bonds

Industrial Finance Authority.....\$ 40,000

ODFA Series 2012A (CLEET Project)⁷ 13,405

OCIA Series 2014A (Attorney General Project portion)⁸ 1,560

OCIA Series 2013A (Attorney General Project portion)⁸ 3,390

ODFA Community Development Pooled Program - 20 issues 59,504

ODFA Series 2004 (Michelin Project)..... 1,594

ODFA Series 2004 (Goodyear Project)..... 1,955

LESS: Debt Service Reserve Funds (OCIA Series 2008B) 468

Total Reductions to Gross Tax-Supported Debt..... (121,877)

TOTAL NET TAX-SUPPORTED DEBT \$2,107,836

Notes to Tax-Supported Debt Table

- ¹ Full faith and credit debt, initially secured by a Cigarette Tax pledge. OIFA G.O. bonds are secured by loan repayments. No taxes have ever been used to pay debt service on the OIFA program bonds.
- ² With the exception of those issues listed as “Self-Supporting Bonds,” security for these lease-backed bonds is provided by annual appropriations from the State Legislature. In 2015, the OCIA advance refunded all but the 7/1/2016 maturities of its outstanding Series 2006A-C and Series 2006E issues. The advance refunded bonds were called on 7/1/2016.
- ³ Secured by allocations by the Oklahoma State Regents for Higher Education from a single appropriation. Most institutions structure these as revenue bonds and use non-tax sources as initial security (e.g. student fees). The 6/1/2016 and 6/1/2017 maturities of the Master Real Property Lease Revenue Bonds, Series 2015C were defeased with the proceeds of the Master Real Property Lease Revenue Bonds, Series 2015E. A total of \$81,000 principal amount of the Master Equipment Lease Revenue Bonds, Series 2014A was defeased with proceeds of the Master Equipment Lease Revenue Bonds, Series 2015C.
- ⁴ Secured by various agency sources and, in some cases, legislative appropriations. Certain ODFA issues carry a Credit Enhancement Reserve Fund (“CERF”) guarantee. The CERF guarantee is a commitment to issue State G.O. bonds if the initially pledged revenues ever fail to cover debt service. No G.O. bonds have ever been issued to secure guarantees under this program. A cash reserve of approximately \$1.1 million is available to provide liquidity until G.O. bonds can be marketed. The two Muskogee Port issues and the Woodward Industrial Authority loan are held as investments by the Oklahoma Industrial Finance Authority.
- ⁵ These agreements provided for the installation of energy management systems in State-owned facilities. The equipment vendor has guaranteed energy savings at least equal to the annual lease payment.
- ⁶ Typically, these transactions are financed by vendors or third party leasing companies.
- ⁷ The ODFA (CLEET Project) lease payments are being made from dedicated fines and assessments.
- ⁸ The OCIA (Attorney General Project) lease payments are being made from the Oklahoma Attorney General’s Evidence Fund.

Revenue Obligations

As noted above, revenue bonds represented 74% of the State’s issuance volume in calendar year 2016. There were sixteen (16) separate series of revenue bonds issued during the calendar year in the total principal amount of \$1,024,470,000.

STATE OF OKLAHOMA
Revenue Bond Activity
Calendar Year 2016

<u>Issuer</u>	<u>Amount</u>
OK Housing Finance Agency (Progressive Rural Housing Project), Series 2015*	\$ 4,000,000
OK Housing Finance Agency (New Page Project), Series 2016*	21,000,000
OKC Community College Student Facility Revenue Bonds, Refunding Series 2015*	5,830,000
OK Development Finance Authority (CP Kelco Project), Series 2016*	1,750,000
University of Oklahoma General Revenue Refunding Bonds, Series 2016A	75,080,000
Oklahoma State University General Revenue Bonds, Series 2016A	60,300,000
OK Development Finance Authority (Johnson Controls Project) Series 2016	1,750,000
Oklahoma Water Resources Board, Drinking Water SRF Program Series 2016	90,000,000
OK Student Loan Authority, LIBOR-Indexed Floating Rate Note, Series 2016	17,725,000
OK Housing Finance Agency(Savanna Landing Project), Series 2016	22,000,000
OK Municipal Power Authority, Refunding Revenue Bonds, Series 2016A	124,315,000
Grand River Dam Authority, Refunding Revenue Bonds, Series 2016A	475,330,000
Grand River Dam Authority, Refunding Revenue Bonds, Series 2016B	21,075,000
University of Oklahoma General Revenue and Refunding Bonds, Series 2016B	65,970,000
University of Oklahoma General Revenue and Refunding Bonds, Series 2016C	21,910,000
Oklahoma Water Resources Board, State Loan Program Series 2016A	<u>16,435,000</u>
TOTAL	<u>\$ 1,024,470,000</u>

* Issues approved by the Council of Bond Oversight in 2015 that were completed in 2016.

Historically, revenue bond programs have been the largest borrowers in the State of Oklahoma. These programs derive their funding from user fees and loan repayments and, as a result, they have a greater capacity to service bonded debt than other State departments and agencies.

A list of the State's largest revenue bond issuers is provided on the following page.

**State of Oklahoma
Largest Revenue Bond Issuers
Outstanding Bonded Indebtedness
(as of December 31, 2016)**

<u>Issuer</u>	<u>Outstanding Debt</u>
Grand River Dam Authority	\$ 1,012,240,000
University of Oklahoma	933,270,000 ¹
Oklahoma Turnpike Authority	880,345,000 ²
Oklahoma Water Resources Board	796,565,000
Oklahoma Municipal Power Authority	666,785,000
Oklahoma State University	405,230,000 ³
Oklahoma Student Loan Authority	316,796,358
Oklahoma Housing Finance Agency	295,434,213 ⁴

¹ Total shown is for the University's General Revenue Bonds, as of June 30, 2016. The total excludes \$6,288,000 Master Lease Program obligations.

² Excludes a bank loan of \$15 million and a Revolving Credit Agreement against which the Authority had drawn down \$54.7 million by December 31, 2016.

³ Total shown is for the University's General Revenue Bonds, as of June 30, 2016 and includes prior encumbrances of \$5,165,000 and Student Fee revenue bonds of \$1,640,000 for OSU-Okmulgee. The total excludes \$360,378,000 in Master Lease Program obligations.

⁴ Includes single-family (\$233,236,355) and multi-family (\$62,197,858) obligations, as of September 30, 2016 (the latest date for which numbers were available from the OHFA).

* * * * *

PRIVATE ACTIVITY BONDS - 2016

PRIVATE ACTIVITY BONDS

Private Activity Bond Program

Administered by the State Bond Advisor’s Office, the Oklahoma Private Activity Bond Allocation Act (the “Private Activity Bond Act”) provides for the systematic distribution of the State’s Volume Ceiling, gives fair access to small communities, and eliminates waste. The Private Activity Bond Act is important because it ensures that the State complies with the provisions of federal law that limit the use of these bonds.

Private activity bonds under the Internal Revenue Code (the “Code”) are described generally as any bond: (i) of which more than 10% of the proceeds is to be used in a trade or business of any person or persons other than a governmental unit, and which is to be directly or indirectly repaid, or secured by revenues from, a private trade or business; and (ii) in which an amount exceeding the lesser of 5% or \$5 million of the proceeds is to be used for loans to any person or persons other than a governmental unit.

Most private activity bonds must be sold on a taxable basis. However, the Code does grant exceptions that provide for the sale of certain bonds (“Qualified Private Activity Bonds”) on a tax-exempt basis. With the exception of certain housing issues, such bonds are subject to the alternative minimum tax. Categories of Qualified Private Activity Bonds include: (i) Small-Issue Industrial Development Revenue Bonds (small manufacturing facilities); (ii) Mortgage Revenue Bonds (housing); (iii) Student Loan Revenue Bonds; (iv) Exempt Facilities Bonds (private water, wastewater, multi-family housing, etc.); and (v) Other purposes as defined by the Code.

Pursuant to Revenue Procedure 2012-41 published by the Internal Revenue Service, the volume limit on qualified private activity bonds adjusted for inflation for calendar year 2016 was \$100 per capita of the state’s resident population or \$302,875,000, whichever is greater. For calendar year 2016 Oklahoma’s volume ceiling was \$391,133,800.

Mechanics of the State Allocation Program

Pursuant to the Private Activity Bond Act, cap allocations can only be made from specified pools from January 1st through September 1st of each calendar year. The pools in effect for 2016 during this period were:

- 12.0% of the cap for Qualified Small Issue Bonds;
- 2.5% of the cap for Exempt Facility Bonds;
- 1.0% for Beginning Agricultural Producer Bonds;
- 15.5% for Student Loans Bonds;
- 12.0% to the Economic Development Pool;
- 15.0% for the Oklahoma Housing Finance Agency;
- 4.0% to the State Issuer Pool;
- 17.5% to the Local Issuer Single Family Pool;
- 12.5% to the Metropolitan Area Housing Pool; and
- 8.0% to the Rural Area Housing Pool.

The Economic Development Pool was created to give the State greater flexibility in addressing key business development needs. Allocations from the Economic Development Pool can be made only following a recommendation of the Director of the Oklahoma Department of Commerce and approval by the Council of Bond Oversight.

The dollar amounts available in each of the statutorily designated pools are shown in the table on the following page.

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2016 State Volume Ceiling	\$ 391,133,800
Qualified Small Issue Pool (12.0%)	\$ 46,936,056
Exempt Facility Pool (2.5%)	9,778,345
Beginning Agricultural Producer Pool (1.0%)	3,911,338
Student Loan Pool (15.5%)	60,625,739
Economic Development Pool (12.0%)	46,936,056
Oklahoma Housing Finance Agency Pool (15.0%)	58,670,070
State Issuer Pool (4.0%) ¹	15,645,352
Local Issuer Single Family Pool (17.5%) ²	68,448,415
Metropolitan Area Housing Pool (12.5%) ³	48,891,725
Rural Area Housing Pool (8.0%) ²	31,290,704

¹ Allocations for certain State Issuers of Qualified Small Issue obligations.

² Allocations to local issuers of single family mortgage revenue bonds and/or mortgage credit certificates.

³ Allocations to certain Oklahoma County and Tulsa County issuers of single family mortgage revenue bonds (with each county receiving an allocation of 50% of this pool).

Note: Certain allocations were rounded down to the nearest dollar to stay within the overall volume cap.

Consolidated Pool and Carryforward

Each year on September 2nd, the remaining unallocated Volume Cap from all pools is combined to form the Consolidated Pool. Allocations from this pool can be made to any type of Private Activity Bond pursuant to a priority system provided for in the Act. The Consolidated Pool terminates at 9:00 a.m. on December 20th of each calendar year.

Carryforward allocations from any available volume ceiling are made from 9:00 a.m. December 20th through December 30th (or the next to last business day of the year). Those issuers receiving approval for carryforward allocations have three years in which to use the allocation.

Program Activity in Oklahoma in 2016

Excluding carryforward allocations, the State Bond Advisor's Office granted cap allocations to seven applicants in 2016, equal to the number of applicants in 2015. The majority (6) of those allocations were for Mortgage Credit Certificate Programs, where there has been a

consistent source of demand. The Tulsa County Industrial Authority submitted allocation requests from two different pools, the Exempt Facility Pool and Economic Development Pool, for the same multi-family project called Indian Springs. The project required more funding than was available from the Exempt Facility Pool. As previously noted, an allocation from the Economic Development Pool requires a request from the Commerce Director and approval from Council of Bond Oversight, which was received at the May 26, 2016 meeting. As was the case in previous years, there was significant cap remaining for carryforward allocations on December 20, 2016. For 2016, there were five carryforward allocations totaling \$360,873,800. The tables below provide a detailed description of the activity in Oklahoma’s Private Activity Bond Allocation Program for calendar year 2016.

**State of Oklahoma
2016 Private Activity Bond Allocations**

Total State Ceiling		\$ 391,133,800
<hr/>		
<u>Qualified Small Issue Pool</u>	Beginning Balance:	\$ 46,936,056
No allocations in 2016	Ending Balance:	\$ 46,936,056
<u>Exempt Facility Pool</u>	Beginning Balance:	\$ 9,778,345
Tulsa County Industrial Authority (Indian Springs)		
		\$ <u>9,000,000</u>
	Ending Balance:	\$ 778,345
<u>Beginning Farmer Pool</u>	Beginning Balance:	\$ 3,911,338
No allocations in 2016	Ending Balance:	\$ 3,911,338
<u>Student Loan Pool</u>	Beginning Balance:	\$ 60,625,739
No allocations in 2016	Ending Balance:	\$ 60,625,739
<u>Economic Development Pool</u>	Beginning Balance:	\$ 46,936,056
Tulsa County Industrial Authority (Indian Springs)		
		\$ <u>6,300,000</u>
	Ending Balance:	\$ 40,636,056
<u>Housing Finance Agency Pool</u>	Beginning Balance:	\$ 58,670,070
No allocations in 2016	Ending Balance:	\$ 58,670,070

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<u>State Issuer Pool</u>	Beginning Balance:	\$ 15,645,352
No allocations in 2016	Ending Balance:	\$ 15,645,352
<u>Local Issuer Single Family Pool</u>	Beginning Balance:	\$ 68,448,415
Cherokee County Economic Development Authority (Mortgage Credit Certificates)	\$ 4,000,000	
Bryan County Public Facilities Authority (Mortgage Credit Certificates)	4,000,000	
Cleveland County Home Loan Authority (Mortgage Credit Certificates)	4,000,000	
McClain County Economic Development Authority (Mortgage Credit Certificates)	1,000,000	
Pottawatomie County Home Finance Authority (Mortgage Credit Certificates)	1,000,000	
LeFlore County Home Finance Authority (Mortgage Credit Certificates)	<u>960,000</u>	
Issuance Total:	\$ 14,960,000	
	Ending Balance:	\$ 53,488,415
<u>Metropolitan Area Housing Pool</u>	Beginning Balance:	\$ 48,891,725
No allocations in 2016	Ending Balance:	\$ 48,891,725
<u>Rural Area Housing Pool</u>	Beginning Balance:	\$ 31,290,704
No allocations in 2016	Ending Balance:	\$ 31,290,704
<u>Consolidated Pool</u>	Beginning Balance:	\$ 360,873,800
Tulsa County Industrial Authority (Multifamily Housing) – <i>Expired 12/20/16</i>	\$ 8,000,000	
Comanche County Home Finance Authority (Multifamily Housing) – <i>Expired 12/20/16</i>	<u>14,000,000</u>	
Ending Balance:	\$ 360,873,800	
<u>Carryforward</u>	Beginning Balance:	\$ 360,873,800
Tulsa County Industrial Authority (Multifamily Housing)	\$ 8,000,000	
Tulsa County Industrial Authority (Multifamily Housing)	500,000	
Comanche County Home Finance Authority (Multifamily Housing)	14,000,000	
Oklahoma Housing Finance Authority (Multifamily Housing)	150,000,000	
Oklahoma Housing Finance Authority (Single-Family Home Loan Program)	<u>188,373,800</u>	
Allocation Total:	\$ 360,873,800	
	Ending Balance:	\$ 0

Summary

As has been the case for several years, the demand for private activity volume cap in 2016 was well below the amount available for allocation in Oklahoma. Prior to the carryforward allocations at the end of the year, the only private activity cap confirmations in 2016 were for Mortgage Credit Certificate Programs and two multi-family housing projects. There were six MCC allocations in the calendar year in the total amount of \$14,960,000. Five applicants requested and were allocated a total of \$360,873,800 in carryforward capacity in 2016.

For calendar year 2017, the State of Oklahoma will have a total of \$392,356,100 of private activity cap available for allocation.

LOCAL FINANCING ACTIVITY - 2016

LOCAL FINANCING ACTIVITY - 2016

Oklahoma statutes require local governmental issuers to file notice of the sale of obligations with the State Bond Advisor's Office within 10 days of the date upon which funds become available (closing of the issue/loan). The filing must include a copy of the official statement or notice of sale and "any other information concerning the proposed financing required" by the Council of Bond Oversight.

As shown below, local issuers in Oklahoma just under \$1.94 billion in bond, lease, and note issuance volume in calendar year 2016, one of the highest totals reported since these numbers have been compiled. The annual average of par value sold by local entities over the most recent five years was \$1.59 billion. Significant refundings of \$200 million and \$97.1 million by the Oklahoma City Water Utilities Trust contributed to the higher than normal 2016 total. Including these two transactions, the local water and sewer issuance volume increased from \$105.9 million in 2015 to over \$508 million for calendar year 2016.

The relationship between local authority and school district issues has been distorted somewhat in recent years by an increasing volume of lease-backed issues by educational facilities authorities. One result of this trend has been an increase in these lower-rated, higher-cost lease transactions and more voter-approved general obligation bonds being used by school districts to retire portions of these leases each year.

School district general obligation sales dropped from \$465.2 million in 2013 to \$311.9 million in 2015, but bounced back to a total of \$412.5 million in 2016. There were 166 school district sales in 2016 compared to 165 in 2015 and the average issue size increased from \$1.9 million to \$2.5 million.

In addition to the Oklahoma City Water Utilities Trust refundings referenced above, other large local issues in calendar year 2016 included a \$136.2 million refunding by the Norman Regional Hospital Authority and a \$111.0 million retirement community financing by the Payne County Economic Development Authority.

A five-year history of local bond issuance volume in Oklahoma by issuer class is provided below:

**Volume of Local Government Issuance
Calendar Years 2012-2016
(\$ in 000)**

<u>Category</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
Authorities	\$ 894,729	\$ 756,006	\$ 321,481	\$ 570,626	\$ 702,716
School Districts	351,726	465,168	383,675	311,989	412,525
Cities	221,425	195,760	229,955	133,530	312,750
Counties	4,000	0	10,000	0	0
Water/Sewer	<u>392,021</u>	<u>446,270</u>	<u>231,360</u>	<u>105,915</u>	<u>508,083</u>
TOTALS	\$ 1,863,900	\$ 1,863,204	\$ 1,176,470	\$ 1,117,755	\$ 1,936,073

A detailed listing of the local issues that were reported to the State Bond Advisor’s Office in calendar year 2016 is provided on the following pages.

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**Oklahoma Local Government Issuance
Calendar Year 2016**

<u>Municipal Authority Issuances</u>	<u>Amount</u>	<u>Filing</u>	<u>Issue</u>
Ardmore Development Authority -Tax Increment Revenue Note, Taxable Series 2016	\$ 2,130,000	03/02/16	03/02/16
Bartlesville Development Authority -Tax Increment Revenue Note, Taxable Series 2016	2,758,580	08/29/16	08/29/16
Bartlesville Municipal Authority -Utility System Revenue Note, Series 2016	3,355,000	05/24/16	05/24/16
Blackwell Facilities Authority -Revenue Note, Taxable Series 2016	7,195,000	09/30/16	09/30/16
Blanchard Municipal Improvement Authority -Utility System and Sales Tax Revenue Note, Series 2016	1,580,000	06/07/16	06/07/16
Carter County Public Facilities Authority -Educational Facilities Lease Revenue Bonds	5,200,000	09/29/16	09/22/16
Cleveland Educational Facilities Authority -Educational Facilities Lease Revenue Bonds, Series 2016	9,090,000	06/06/16	05/31/16
Collinsville Municipal Authority -Sales Tax Revenue Note, Series 2016	2,800,000	11/15/16	11/15/16
Comanche County Hospital Authority -Amended and Restated Promissory Note	4,000,000	11/17/16	11/15/16
Craig County Educational Facilities Authority -Educational Facilities Lease Revenue Bonds, Series 2016	3,715,000	05/04/16	04/28/16
Creek County Educational Facilities Authority -Educational Facilities Lease Revenue Bonds, Series 2016	9,240,000	08/17/16	08/11/16
Delaware County Economic Development Authority -Grand lake Economic Development and Tourism Project Plan Tax Apportionment Revenue Note-C2	118,630	08/03/16	07/01/16
Delaware County Economic Development Authority -Grand Lake Economic Development and Tourism Project Plan Tax Apportionment Revenue Note-B6	13,370	08/03/16	07/01/16
Dewey County Educational Facilities Authority -Lease Revenue Bonds (Seiling Public Schools Project), Series 2016	18,840,000	11/23/16	11/03/16
El Reno Municipal Authority -Sales Tax Revenue Note, Series 2016	12,855,000	08/29/16	08/31/16
Fort Gibson Utilities Authority -Utility System Revenue Note, Series 2016	1,600,000	03/03/16	03/03/16
Grady County School Finance Authority -Educational Facilities Lease Revenue Bonds, Series 2016	3,485,000	08/31/16	08/26/16
Grady Memorial Hospital Authority -Sales Tax Revenue Note, Series 2016	13,200,000	04/29/16	04/29/16
Hugo Municipal Authority -Sales Tax Revenue Note, Series 2016	1,495,000	02/19/16	02/19/16
Kiowa County, Oklahoma, Searchlight Center Inc. -Non-Profit Corporation, Oklahoma Rural Development Loans	4,420,000	11/17/16	11/06/16
LeFlore County Sales Tax Supported Hospital Authority -Sales Tax Revenue Note, Taxable Series 2016	5,700,000	02/18/16	02/17/16
LeFlore County Sales Tax Supported Hospital Authority -Sales Tax Revenue Note, Taxable Series 2016A	11,000,000	06/07/16	06/07/16
Love County Justice Authority -Sales Tax Revenue Note, Series 2016	9,050,000	02/09/16	02/04/16
McAlester Regional Health Center Authority -Hospital Revenue Note, Series 2016	8,600,000	05/17/16	05/17/16

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	<u>Amount</u>	<u>Filing</u>	<u>Issue</u>
Moore Economic Development Authority -Sales Tax Revenue Note, Series 2016	\$ 2,090,000	10/03/16	09/29/16
Muskogee Municipal Authority -Utility System Revenue Note, Series 2016	22,095,000	05/19/16	05/19/16
Mustang Improvement Authority -Utility System and Sales Tax Revenue Note, Series 2016	13,385,000	10/12/16	10/12/16
Norman Regional Hospital Authority -Hospital Revenue Refunding Bonds, Series 2016	136,235,000	11/28/16	11/10/16
Oklahoma Industries Authority -Revenue Bonds, Series 2016	29,535,000	07/13/16	07/13/16
Okmulgee Municipal Authority -Utility System and Sales Tax Revenue Note, Series 2016	2,600,000	10/12/16	10/12/16
Pauls Valley Municipal Authority -Utility System and Sales Tax Revenue Note, Series 2016A, Taxable Series 2016B	6,530,000	06/03/16	06/03/16
Payne County Economic Development Authority -The Ranch, an Epworth Living Community Project	110,960,000	06/24/16	06/14/16
Sands Springs Municipal Authority -Capital Improvement Revenue Bonds, Series 2016	7,360,000	03/28/16	03/16/16
Shawnee Municipal Authority -Sales Tax Revenue Note, Series 2016	3,565,000	12/21/16	12/21/16
Shawnee Municipal Authority -Utility System Revenue Note, Series 2016	5,410,000	06/08/16	06/08/16
Tonkawa Municipal Authority -Utility System and Sales Tax Revenue Note, Series 2016	3,435,000	08/23/16	08/23/16
Tulsa County Industrial Authority -Tax Appointment Note, Series 2016A	11,415,000	08/17/16	08/03/16
Tulsa County Industrial Authority -Multifamily Housing Revenue Bonds Series 2016	15,300,000	09/02/16	08/31/16
Tulsa County Industrial Authority -Multifamily Housing Revenue Bonds	7,710,000	07/18/16	07/14/16
Tulsa County Industrial Authority -Educational Facilities Lease Revenue Bonds, Series 2016	14,145,000	07/06/16	06/30/16
Tulsa County Industrial Authority -Educational Facilities Lease Revenue Bonds, Series 2016	65,275,000	03/21/16	03/01/16
Tulsa Industrial Authority -Student Housing Revenue Refunding Bonds, Series 2015	28,760,000	01/15/16	11/19/15
Tulsa Industrial Authority -Capital Improvement Revenue Bonds, Series 2016	38,020,000	04/20/16	04/20/16
Tulsa Metropolitan Utility Authority -Utility Revenue Bonds, Series 2016A	16,565,000	03/31/16	04/07/16
Tulsa Metropolitan Utility Authority -Utility Revenue Bonds, Series 2016B	10,885,000	03/31/16	04/07/16
Woodward Municipal Authority -Utility System Revenue Note, Series 2016	5,200,000	06/01/16	06/01/16
Yukon Municipal Authority -Yukon Municipal Authority 2016 Revenue Note	4,800,000	10/31/16	10/30/16
Subtotal - Municipal Authority Issuances	\$ 702,715,580		
<u>School District Issuances</u>	<u>Amount</u>	<u>Filing</u>	<u>Issue</u>
Alfalfa County, Oklahoma, ISD. No. 1 -Transportation Equipment Bonds	\$ 210,000	12/01/16	11/01/16
Beckham County, Oklahoma, ISD. No. 2 -Combined Purpose Bonds	945,000	03/25/16	03/01/16

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	<u>Amount</u>	<u>Filing</u>	<u>Issue</u>
Beckham County, Oklahoma, ISD. No. 31 -Transportation Equipment Bonds	\$ 265,000	05/10/16	05/01/16
Blaine County, Oklahoma, ISD. No. 42 -Building Bonds	1,300,000	10/25/16	10/01/16
Bryan County, Oklahoma, ISD. No. 48 -Building Bonds	590,000	12/01/16	11/01/16
Bryan County, Oklahoma, ISD. No. 72 -Building Bonds	1,940,000	07/12/16	07/01/16
Bryan County, Oklahoma, ISD. No. 72 -Combined Purpose Bonds	1,965,000	06/20/16	06/01/16
Caddo County, Oklahoma, ISD. No. 11 -Combined Purpose Bonds	745,000	03/14/16	03/01/16
Caddo County, Oklahoma, ISD. No. 20 -Building Bonds	780,000	06/13/16	06/01/16
Caddo County, Oklahoma, ISD. No. 33 -Combined Purpose Bonds	600,000	03/03/16	02/01/16
Caddo County, Oklahoma, ISD. No. 56 -Building Bonds	840,000	10/25/16	10/01/16
Caddo County, Oklahoma, ISD. No. 161 -Building Bonds	970,000	03/07/16	03/01/16
Caddo County, Oklahoma, ISD. No. 167 -Building Bonds	445,000	08/02/16	07/01/16
Caddo County, Oklahoma, ISD. No. 168 -Building Bonds	970,000	04/06/16	04/01/16
Canadian County, Oklahoma, ISD. No. 76 -Combined Purpose Bonds	1,630,000	02/26/16	02/01/16
Carter County, Oklahoma, ISD. No. 19 -Building Bonds	2,075,000	03/07/16	03/01/16
Carter County, Oklahoma, ISD. No. 27 -Building Bonds	405,000	01/12/16	01/01/16
Carter County, Oklahoma, ISD. No. 43 -Building Bonds	365,000	06/06/16	06/01/16
Carter County, Oklahoma, ISD. No. 77 -Building Bonds, Series B	745,000	07/12/16	07/01/16
Carter County, Oklahoma, ISD. No. 77 -Building Bonds, Series A	325,000	06/30/16	06/01/16
Cherokee County, Oklahoma, ISD. No. 35 -Building Bonds	2,210,000	04/06/16	04/01/16
Choctaw County, Oklahoma, ISD. No. 2 -Building Bonds	385,000	05/16/16	05/01/16
Cleveland County, Oklahoma, ESD. No. 16 -Building Bonds	395,000	06/13/16	06/01/16
Cleveland County, Oklahoma, ESD. No. 17 -Building Bonds	60,000,000	06/30/16	06/01/16
Cleveland County, Oklahoma, ISD. No. 57 -Building Bonds	730,000	07/12/16	07/01/16
Cleveland County, Oklahoma, ISD. No. 70 -Combined Purpose Bonds	1,010,000	04/06/16	04/01/16
Comanche County, Oklahoma, ISD. No. 1 -Building Bonds	3,015,000	07/12/16	07/01/16
Comanche County, Oklahoma, ISD. No. 8 -Combined Purpose Bonds	5,085,000	04/06/16	04/01/16
Comanche County, Oklahoma, ISD. No. 9 -Transportation Equipment Bonds	220,000	08/02/16	06/01/16

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	<u>Amount</u>	<u>Filing</u>	<u>Issue</u>
Comanche County, Oklahoma, ISD. No. 9 -Transportation Equipment Bonds	\$ 220,000	06/30/16	06/01/16
Comanche County, Oklahoma, ISD. No. 16 -Combined Purpose Bonds	2,065,000	08/02/16	07/01/16
Cotton County, Oklahoma, ISD. No. 333 -Combined Purpose Bonds	440,000	07/12/16	07/01/16
Craig County, Oklahoma, ISD. No. 6 -Combined Purposed Bonds	900,000	05/10/16	05/01/16
Craig County, Oklahoma, ISD. No. 65 -Combined Purpose Bonds	1,920,000	02/26/16	02/01/16
Creek County, Oklahoma, ISD. No. 2 -Building Bonds	1,950,000	01/12/16	01/01/16
Creek County, Oklahoma, ESD. No. 8 -Building Bonds, Series B	385,000	07/12/16	07/01/16
Creek County, Oklahoma, ESD. No. 8 -Building Bonds, Series A	500,000	06/20/16	06/01/16
Creek County, Oklahoma, ISD. No. 31 -Building Bonds	750,000	08/02/16	07/01/16
Creek County, Oklahoma, ISD. No. 33 -Combined Purpose Bonds	870,000	03/07/16	03/01/16
Creek County, Oklahoma, ESD. No. 35 -Building Bonds, Series A	800,000	05/25/16	05/01/16
Creek County, Oklahoma, ESD. No. 35 -Building Bonds, Series B	100,000	05/25/16	05/01/16
Custer County, Oklahoma, ISD. No. 5 -Combined Purpose Bonds	615,000	07/12/16	07/01/16
Custer County, Oklahoma, ISD. No. 7 -Building Bonds	550,000	04/06/16	04/01/16
Custer County, Oklahoma, ISD. No. 99 -Building Bonds	3,010,000	08/02/16	07/01/16
Delaware County, Oklahoma, ISD. No. 1 -Combined Purpose Bonds	4,425,000	06/20/16	06/01/16
Delaware County, Oklahoma, ISD. No. 1 -Transportation Equipment Bonds	500,000	06/20/16	06/01/16
Delaware County, Oklahoma, ESD. No. 6 -Building Bonds	4,090,000	05/10/16	05/01/16
Dewey County, Oklahoma, ISD. No. 5 -Building Bonds	170,000	11/28/16	11/01/16
Dewey County, Oklahoma, ISD. No. 8 -Building Bonds	2,060,000	08/02/16	07/01/16
Eastern Oklahoma County, TCD. No. 23 -Building Bonds	760,000	05/10/16	05/01/16
Ellis County, Oklahoma, ISD. No. 2 -Building Bonds	825,000	10/25/16	10/01/16
Ellis County, Oklahoma, ISD. No. 42 -Building Bonds	910,000	04/06/16	04/01/16
Garfield County, Oklahoma, ISD. No. 57 -Combined Purpose Bonds	7,990,000	06/08/16	06/01/16
Garvin County, Oklahoma, ISD. No. 2 -Building Bonds	305,000	06/13/16	06/01/16
Garvin County, Oklahoma, ISD. No. 18 -Building Bonds	585,000	06/06/16	06/01/16
Garvin County, Oklahoma, ISD. No. 38 -Building Bonds	1,510,000	04/06/16	04/01/16

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	<u>Amount</u>	<u>Filing</u>	<u>Issue</u>
Grady County, Oklahoma, ISD. No. 2 -Combined Purpose Bonds	\$ 940,000	03/07/16	03/01/16
Grady County, Oklahoma, ESD. No. 37 -Building Bonds	265,000	11/16/16	11/01/16
Grady County, Oklahoma, ISD. No. 56 -Building Bonds	1,695,000	01/12/16	01/01/16
Grady County, Oklahoma, ISD. No. 68 -Transportation Equipment Bonds	475,000	12/01/16	11/01/16
Grady County, Oklahoma, ISD. No. 95 -Combined Purpose Bonds	1,255,000	03/07/16	03/01/16
Grady County, Oklahoma, ESD. No. 96 -Building Bonds	315,000	08/02/16	07/01/16
Grady County, Oklahoma, ISD. No. 97 -Combined Purpose Bonds	2,355,000	08/02/16	07/01/16
Grady County, Oklahoma, ISD. No. 128 -Combined Purpose Bonds	570,000	07/12/16	07/01/16
Grant County, Oklahoma, ISD. No. 95 -Transportation Equipment Bonds	225,000	04/06/16	04/01/16
Grant County, Oklahoma, ISD. No. 90 -Building Bonds	690,000	10/25/16	10/01/16
Haskell County, Oklahoma, ISD No. 13 -Lease Purchase Financing	314,721	02/11/16	02/10/16
Hughes County, Oklahoma, ISD. No. 35 -Building Bonds	25,000,000	05/10/16	05/01/16
Jackson County, Oklahoma, ISD. No. 1 -Building Bonds	650,000	02/26/16	02/01/16
Jackson County, Oklahoma, ISD. No. 14 -Combined Purpose Bonds	365,000	10/25/16	10/01/16
Jefferson County, Oklahoma, ISD. No. 1 -Building Bonds	400,000	05/25/16	05/01/16
Jefferson County, Oklahoma, ISD. No. 23 -Combined Purpose Bonds	750,000	11/28/16	11/01/16
Johnston County, Oklahoma, ISD. No. 2 -Transportation Equipment Bonds	250,000	01/12/16	01/01/16
Johnston County, Oklahoma, ISD. No. 20 -Building Bonds	325,000	03/25/16	03/01/16
Johnston County, Oklahoma, ISD. No. 37 -Transportation Equipment Bonds	200,000	06/06/16	06/01/16
Johnston County, Oklahoma, ISD. No. 37 -Building Bonds	350,000	06/06/16	06/01/16
Kay County, Oklahoma, ISD. No. 45 -Building Bonds	780,000	07/12/16	07/01/16
Kay County, Oklahoma, ISD. No. 71 -Building Bonds	1,360,000	01/27/16	01/01/16
Kay County, Oklahoma, ISD. No. 71 -Combined Purpose Bonds	5,055,000	05/10/16	05/01/16
Kay County, Oklahoma, ISD. No. 87 -Combined Purpose Bonds	645,000	07/21/16	07/01/16
Kay County, Oklahoma, ISD. No. 87 -Building Bonds	500,000	07/21/16	07/01/16
Kingfisher County, Oklahoma, ISD. No. 2 -Combined Purpose Bonds	855,000	01/12/16	01/01/16
Kingfisher County, Oklahoma, ISD. No. 7 -Building Bonds	3,170,000	07/12/16	07/01/16

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	<u>Amount</u>	<u>Filing</u>	<u>Issue</u>
Kingfisher County, Oklahoma, ISD. No. 105 -Building Bonds	\$ 550,000	11/28/16	11/01/16
Kingfisher County, Oklahoma, ISD. No. 105 -Building Bonds	620,000	07/21/16	07/01/16
Kiowa County, Oklahoma, ISD. No. 1 -Building Bonds	340,000	11/28/16	11/01/16
Latimer County, Oklahoma, ISD. No. 1 -Building Bonds	600,000	07/21/16	07/01/16
Leflore County, Oklahoma, ISD. No. 20 -Building Bonds	260,000	08/02/16	07/01/16
Lincoln County, Oklahoma, ISD. No. 1 -Building Bonds	355,000	08/02/16	07/01/16
Lincoln County, Oklahoma, ISD. No. 54 -Combined Purpose Bonds	4,250,000	11/28/16	11/01/16
Lincoln County, Oklahoma, ISD. No. 54 -Building Bonds	670,000	03/25/16	03/01/16
Lincoln County, Oklahoma, ISD. No. 95 -Combined Purpose Bonds	700,000	07/21/16	07/01/16
Logan County, Oklahoma, ISD. No. 1 -Building Bonds, Series 2016	11,000,000	08/29/16	08/01/16
Love County, Oklahoma, ISD. No. 4 -Building Bonds	340,000	06/13/16	06/01/16
Major County, Oklahoma, ISD. No. 84 -Combined Purpose Bonds	1,030,000	05/16/16	05/01/16
Mayes County, Oklahoma, ESD. No. 43 -Lease Purchase Financing	525,000	02/26/16	02/19/16
McClain County, Oklahoma, ISD. No. 1 -Combined Purpose Bonds	4,410,000	07/21/16	07/01/16
McClain County, Oklahoma, ISD. No. 5 -Building Bonds	700,000	03/03/16	02/01/16
McClain County, Oklahoma, ISD. No. 15 -Combined Purpose Bonds	1,385,000	07/21/16	07/01/16
McClain County, Oklahoma, ISD. No. 29 -Building Bonds	3,100,000	08/02/16	07/01/16
McCurtain County, Oklahoma, ISD. No. 6 -Building Bonds	145,000	07/21/16	07/01/16
McIntosh County, Oklahoma, ISD. No. 1 -Combined Purpose Bonds	1,030,000	06/06/16	06/01/16
McIntosh County, Oklahoma, ISD. No. 19 -Building Bonds	1,360,000	06/06/16	06/01/16
Muskogee County, Oklahoma, ISD. No. 20 -Combined Purposed Bonds	7,105,000	07/12/16	07/01/16
Noble County, Oklahoma, ISD. No. 2 -Building Bonds	230,000	07/12/16	07/01/16
Nowata County, Oklahoma, ISD. No. 40 -Building Bonds	725,000	06/13/16	06/01/16
Okfuskee County, Oklahoma, ISD. No. 26 -Building Bonds	420,000	07/12/16	07/01/16
Okfuskee County, Oklahoma, ISD. No. 31 -Building Bonds	425,000	07/12/16	07/01/16
Okfuskee County, Oklahoma, ISD. No. 31 -Transportation Equipment Bonds	200,000	06/20/16	06/01/16
Oklahoma County, Oklahoma, ISD. No. 3 -Building Bonds	980,000	07/21/16	07/01/16

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	<u>Amount</u>	<u>Filing</u>	<u>Issue</u>
Oklahoma County, Oklahoma, ISD. No. 4 -Building Bonds	\$ 7,100,000	05/25/16	05/01/16
Oklahoma County, Oklahoma, ISD. No. 7 -Combined Purpose Bonds	3,385,000	06/06/16	06/01/16
Oklahoma County, Oklahoma, ISD. No. 9 -Building Bonds	2,530,000	05/10/16	05/01/16
Oklahoma County, Oklahoma, ISD. No. 37 -Building Bonds	565,000	07/12/16	07/01/16
Oklahoma County, Oklahoma, ISD. No. 41 -Combined Purpose Bonds	9,385,000	02/26/16	02/01/16
Oklahoma County, Oklahoma, ISD. No. 53 -Combined Purpose Bonds	1,490,000	06/06/16	06/01/16
Oklahoma County, Oklahoma, ISD. No.88 -Building Bonds	555,000	06/13/16	06/01/16
Oklahoma County, Oklahoma, ISD. No. 89 -General Obligation Bonds, 2016	10,000,000	06/28/16	06/01/16
Okmulgee County, Oklahoma, ISD. No. 5 -Building Bonds	180,000	08/02/16	07/01/16
Okmulgee County, Oklahoma, ISD. No. 7 -Building Bonds	290,000	07/12/16	07/01/16
Okmulgee County, Oklahoma, ISD. No. 8 -Combined Purpose Bonds	310,000	07/12/16	07/01/16
Osage County, Oklahoma, ISD. No. 2 -Building Bonds	550,000	08/02/16	07/01/16
Osage County, Oklahoma, ISD. No. 50 -Combined Purpose Bonds	375,000	06/30/16	06/01/16
Ottawa County, Oklahoma, ISD. No. 23 -Building Bonds	3,600,000	07/12/16	07/01/16
Ottawa County, ISD. No.31 -Building Bonds	455,000	05/10/16	05/01/16
Pawnee County, Oklahoma, ESD. No. 2 -Building Bonds	160,000	03/03/16	02/01/16
Pawnee County, Oklahoma, ESD. No. 6 -Combined Purpose Bonds	1,685,000	04/06/16	04/01/16
Payne County, Oklahoma, ISD. No. 16 -Combined Purpose Bonds, Series 2016	4,750,000	05/26/16	05/26/16
Payne County, Oklahoma, ISD. No. 67 -Building Bonds	7,470,000	06/06/16	06/01/16
Payne County, Oklahoma, ISD. No. 101 -Building Bonds	400,000	07/12/16	07/01/16
Pittsburg County, Oklahoma, ISD. No. 11 -Building Bonds	1,150,000	05/16/16	05/01/16
Pittsburg County, Oklahoma, ISD. No. 63 -Combined Purpose Bonds	400,000	05/25/16	05/01/16
Pontotoc County, Oklahoma, ISD. No. 19 -Building Bonds	770,000	03/07/16	03/01/16
Pontotoc County, Oklahoma, ISD. No. 24 -Building Bonds	475,000	07/12/16	07/01/16
Pontotoc County, Oklahoma, ISD. No. 30 -Building Bonds	220,000	07/12/16	07/01/16
Pontotoc County, Oklahoma, ISD. No. 30 -Combined Purpose Bonds	750,000	06/20/16	06/01/16
Pottawatomie County, Oklahoma, ISD. No 3 -Building Bonds	490,000	03/07/16	03/01/16

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	<u>Amount</u>	<u>Filing</u>	<u>Issue</u>
Pottawatomie County, Oklahoma, ESD. No. 32 -Building Bonds	\$ 435,000	07/12/16	07/01/16
Pottawatomie County, Oklahoma, ISD. No. 92 -Building Bonds	1,215,000	11/28/16	11/01/16
Pottawatomie County, Oklahoma, ISD. No. 117 -Combined Purpose Bonds	200,000	05/25/16	05/01/16
Rogers County, Oklahoma, ISD. No. 2 -Building Bonds	1,205,000	03/07/16	03/01/16
Rogers County, Oklahoma, ISD. No. 4 -Building Bonds	1,500,000	06/13/16	06/01/16
Seminole County, Oklahoma, ISD. No. 3 -Building Bonds	230,000	07/12/16	07/01/16
Seminole County, Oklahoma, ISD. No. 10 -Combined Purpose Bonds	405,000	03/03/16	02/01/16
Seminole County, Oklahoma, ISD. No. 15 -Building Bonds	365,000	07/12/16	07/01/16
Sequoyah County, Oklahoma, ISD. No. 1 -Building Bonds	990,000	06/13/16	06/01/16
Sequoyah County, Oklahoma, ISD. No. 2 -Building Bonds	415,000	06/13/16	06/01/16
Sequoyah County, Oklahoma, ISD. No. 5 -Building Bonds	870,000	03/03/16	02/01/16
Stephens County, Oklahoma, ISD. No. 1 -Building Bonds	2,460,000	07/12/16	07/01/16
Stephens County, Oklahoma, ISD. No. 3 -Building Bonds	955,000	07/12/16	07/01/16
Stephens County, Oklahoma, ISD. No. 34 -Building Bonds	430,000	06/06/16	06/01/16
Tulsa County, Oklahoma, ISD. No. 1 -Combined Purpose Bonds, Series 2016B	34,770,000	08/22/16	08/01/16
Tulsa County, Oklahoma, ISD. No. 1 -Building Bonds, Series 2016A	7,500,000	05/13/16	05/01/16
Tulsa County, Oklahoma, ISD. No. 2 -Combined Purpose Bonds	6,225,000	06/03/16	05/01/16
Tulsa County, Oklahoma, ISD. No. 5 -Combined Purpose Bonds	24,990,000	06/20/16	06/01/16
Tulsa County, Oklahoma, ISD. No. 9 -Combined Purpose Bonds 2016	27,000,000	04/25/16	04/01/16
Tulsa County, Oklahoma, ISD. No. 10 -Combined Purpose Bonds	300,000	05/25/16	05/01/16
Tulsa County, Oklahoma, ISD. No. 11 -Transportation Equipment Bonds	2,130,000	08/29/16	08/01/16
Tulsa County, Oklahoma, ISD. No. 11 -Building Bonds	1,875,000	05/10/16	05/01/16
Tulsa County, Oklahoma, ISD. No. 13 -Building Bonds	2,195,000	06/06/16	06/01/16
Washington County, Oklahoma, ISD. No. 30 -Building Bonds, Series 2016D	2,020,000	11/30/16	11/01/16
Washington County, Oklahoma, ISD. No. 30 -Building Bonds, Series 2016C	2,480,000	11/30/16	11/01/16
Washington County, Oklahoma, ISD. No. 30 -Combined Purpose Bonds, Series 2016B	1,570,000	06/29/16	06/01/16
Washington County, Oklahoma, ISD. No. 30 -Building Bonds, Series 2016A	3,930,000	06/29/16	06/01/16

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	<u>Amount</u>	<u>Filing</u>	<u>Issue</u>
Woodward County, Oklahoma, ISD. No. 3 -Building Bonds	\$ 800,000	08/02/16	07/01/16

Subtotal - School District Issuances

\$ 412,524,721

Direct City Issuances

	<u>Amount</u>	<u>Filing</u>	<u>Issue</u>
City of Bethany, Oklahoma -General Obligation Bonds, Series 2016	\$ 8,180,000	07/08/16	06/01/16
City of Bixby, Oklahoma -General Obligation Bonds, Series 2016	4,900,000	11/15/16	12/08/16
City of Bixby, Oklahoma -General Obligation Refunding Bonds, Series 2016	5,015,000	07/28/16	07/20/16
City of Broken Arrow, Oklahoma -General Obligation Bonds, Series 2016A	11,575,000	01/20/16	01/01/16
City of Broken Arrow, Oklahoma -General Obligation Refunding Bonds, Series 2016B	6,625,000	01/20/16	01/01/16
City of Broken Arrow, Oklahoma -General Obligation Refunding Bonds, Series 2016C	7,015,000	07/08/16	06/01/16
City of Broken Arrow, Oklahoma -General Obligation Bonds, Series 2016D	18,720,000	12/28/16	12/01/16
City of Lawton, Oklahoma -General Obligation Bonds, Series 2016	2,900,000	06/09/16	06/01/16
City of Moore, Oklahoma -General Obligation Bonds, Series 2016B	5,000,000	11/03/16	11/03/16
City of Moore, Oklahoma -General Obligation Bonds, Series 2016	2,805,000	03/11/16	03/09/16
City of Nichols Hills, Oklahoma -General Obligation Bonds, Series 2016	4,200,000	01/06/16	12/01/15
City of Noble, Oklahoma -General Obligation Limited Tax Bonds, Series 2016	445,000	04/26/16	04/01/16
City of Norman, Oklahoma -General Obligation Bonds, Series 2016	15,000,000	06/23/16	06/01/16
City of Norman -Combined Purpose General Refunding Bonds, Series 2016A	7,775,000	06/01/16	06/01/16
City of Oklahoma City, Oklahoma -General Obligation Bonds, Series 2016	77,500,000	05/17/16	05/01/16
City of Oklahoma City, Oklahoma -General Obligation Limited Tax Bonds, Taxable Series 2016	12,000,000	05/17/16	05/01/16
City of Oklahoma City, Oklahoma -General Obligation Bonds, Series 2016	32,525,000	03/01/16	03/01/16
City of Perkins, Oklahoma -General Obligation Bonds, Series 2016	1,285,000	06/24/16	06/01/16
City of Shawnee, Oklahoma Sales Tax Revenue Note, Series 2016	3,565,000	12/21/16	12/21/16
City of Tulsa, Oklahoma -General Obligation Bonds, Series 2016	57,000,000	04/11/16	04/14/16
City of Tulsa, Oklahoma -General Obligation Refunding Bonds, Series 2016A	28,720,000	04/20/16	04/28/16

Subtotal - Direct City Issuances

\$ 312,750,000

Direct County Issuances

No direct county issues were reported in 2016.

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<u>Water/Sewer Issuances</u>	<u>Amount</u>	<u>Filing</u>	<u>Issue</u>
Ardmore Public Works Authority -Sales Tax Revenue Note, Series 2016	\$ 7,035,000	06/07/16	06/06/16
Barnsdall Public Works Authority -Promissory Note to American Heritage Bank, Series 2016A	186,000	07/08/16	06/30/16
Bernice Public Works Authority -The Bernice Public Works Authority Grant and Loan	252,000	07/13/16	06/30/16
Broken Bow Public Works Authority -Utility System and Sales Tax Revenue Note, Series 2016	1,345,000	06/27/16	06/24/16
Chattanooga Public Works Authority -Utility Revenue Credit Facility Note, Series 2016A	150,000	10/21/16	09/21/16
Choctaw Utilities Authority -Tax Increment Revenue Note, Taxable, Series 2016	6,095,000	06/30/16	06/30/16
Choctaw Utilities Authority -Utility System and Sales Tax Revenue Note, Series 2016	1,045,000	05/23/16	05/23/16
Coweta Public Works Authority -Revenue Bonds Taxable Refunding, Series 2016B	1,195,000	10/20/16	10/20/16
Coweta Public Works Authority -Revenue Bonds Tax-Exempt Refunding, Series 2016A	23,980,000	10/20/16	10/20/16
Edmond Public Works Authority -Sales Tax and Utility System Revenue Bonds, Series 2016	41,795,000	07/05/16	07/05/16
Gore Public Works Authority -Sales Tax Revenue Note, Series 2016	655,000	10/19/16	10/19/16
Guthrie Public Works Authority -Utility System and Sales Tax Revenue Note, Series 2016	16,995,000	05/13/16	05/12/16
Guymon Utilities Authority -Sales Tax Revenue Note, Taxable Series 2016B	3,090,000	10/06/16	10/06/16
Guymon Utilities Authority -Sales Tax Revenue Note, Series 2016A	650,000	06/13/16	06/10/16
Hollis Public Works Authority - Revenue Note, Series 2016	1,000,000	02/12/16	02/12/16
Logan County Public Works Authority -Tax Appointment Note, Series 2016A	150,000	05/31/16	05/11/16
Norman Utilities Authority -Utility System Revenue Note, Series 2016	9,380,000	05/19/16	05/19/16
North Blaine Water Corporation, Blaine County, Oklahoma -Rural Utilities Service Development Loan	279,800	12/06/16	12/02/16
Oklahoma City Water Utilities Trust -Water and Sewer System Revenue Refunding Bonds, Series 2016	97,135,000	11/17/16	11/17/16
Oklahoma City Water Utilities Trust -Water Utilities Trust Commercial Paper Notes, Series 2016	200,000,000	08/02/16	07/26/16
Okeene Public Works Authority -Utility System Revenue Note, Series 2016	1,760,000	03/30/16	03/30/16
Owasso Public Works Authority -Sales Tax Revenue Note, Series 2016	21,265,000	11/15/16	11/15/16
Rural Water District No. 5 Rogers County, Oklahoma -Utility System Revenue Note, Taxable, Series 2016B	205,000	04/11/16	03/29/16
Rural Water District No. 5 Rogers County, Oklahoma -Utility Revenue Note, Series 2016A	925,000	03/29/16	03/29/16
Skiatook Public Works Authority -Sales Tax Revenue Note, Series 2016	8,100,000	04/07/16	04/07/016
Tulsa Metropolitan Utility Authority -Utility Revenue Bonds, Series 2016B	10,885,000	03/31/16	04/07/16
Tulsa Metropolitan Utility Authority -Utility Revenue Bonds, Series 2016A	16,565,000	03/31/16	04/07/16

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	<u>Amount</u>	<u>Filing</u>	<u>Issue</u>
Tulsa Metropolitan Utility Authority -Utility Revenue Bonds, Refunding, Series 2016C	\$ 34,810,000	07/11/16	07/07/16
Waynoka Utilities Authority -Utility System and Sales Tax Revenue Note, Series 2016	1,155,000	10/25/16	10/25/16
	<hr/>		
Subtotal - Water/Sewer Issuances	\$ 508,082,800		
TOTAL LOCAL ISSUANCE VOLUME: 2016	\$ 1,936,073,101		

SUMMARY/CONCLUSIONS

SUMMARY / CONCLUSIONS

While the dollar volume of bond issuance by State entities was significantly higher in 2016 than in the prior calendar year, almost all of the increased activity occurred in the first ten months of the year. Following the presidential election on November 8, interest rates rose at the fastest pace in recent memory, causing many issuers to delay both new money offerings and refundings.

Although all fixed yields went up following the election, the municipal market was especially hard hit. Yields on *The Bond Buyer* 20-Bond G.O. Index increased from 3.27% on November 3rd to 4.03% on December 1st. Over the same period, the 10-year U.S. Treasury rate went from 1.81% to 2.45%. These moves and the uncertainty surrounding federal fiscal policy, including possible financial deregulation, suggest that the fixed income market could be very different in 2017.

Higher interest rates would likely result in fewer refunding opportunities in the coming year. That is very significant, because refundings represented more than half the total par value of bonds sold in 2016. As many states and local governments continue to struggle with budget challenges, there could also be a decline in new money offerings. It remains to be seen whether a Trump Administration, with Republican control of both houses of Congress, will be able to implement programs to significantly boost infrastructure spending – and whether such program will include incentives that would lead to a higher volume of municipal bond issuance.

Oklahoma continues to face challenges in the funding of its infrastructure needs. Funding to address deferred maintenance has been inadequate and recent declines in general revenue collections make it difficult to secure support for additional borrowing. The decision to sell bonds for capital projects is difficult at times of fiscal stress, but some commitment to addressing deferred capital needs is necessary to ensure efficient delivery of essential core services.

Although debt issuance volume in Oklahoma returned to more normal levels in 2016, much of the increase was in the form of refunding and advance refunding issues. While some new money needs were addressed, including a commitment of \$200 million in bond proceeds for transportation projects, there is still a shortage of funding to address deferred maintenance. The State's public institutions of higher education have been able to keep up with most of their capital needs by using the ODFA's Master Lease Program. Additionally, OU and OSU have been able to access the market using their General Revenue Bond authority.

As noted previously, there are a few new-money projects expected to be funded with bond proceeds in 2017, including on-going renovation of the Oklahoma State Capitol Building, construction of the Museum of Popular Culture in Tulsa, and completion of the American Indian Cultural Center and Museum in Oklahoma City. Other transactions that may be considered in 2017 include additional bonds for the Department of Transportation capital program, a building for the Health Department, renovation of the Jim Thorpe Building, and a headquarters building for the Department of Tourism and Recreation. In mid-2018, three series of tax-supported bonds will be redeemed, freeing up more than \$60 million in annual payments currently being applied to that debt. That will give the State's leadership an opportunity to address some of these deferred capital needs, either through borrowing or on a pay as you go basis.

The State's tax-backed debt remains very low compared to other states. According to statistics published by Moody's Investors Service on May 6, 2016, Oklahoma's net tax-supported debt per capita was \$386 (down from \$493 in 2015), which ranked 43rd among all states, and tax-supported debt as a percent of 2014 personal income was 0.9%, which ranked 42nd overall. About 37% of outstanding debt is scheduled to pay off in the next five years and 66% is retired in ten years.

While the State has retained its "AA+" general obligation bond rating and "AA" ratings on lease-backed obligations, it was placed on negative credit watch in 2016. There are concerns among credit analysts at the rating agencies that the State's revenue shortfalls in recent years are an indication of a structurally imbalanced operating budget. The analysts have expressed the view that unless action is taken to ensure a stable, recurring revenue base, the existing ratings may be in jeopardy. There is an opportunity to address these concerns, but difficult political decisions will need to be made concerning ways to increase revenue collections. These may involve modest tax increases which, under Oklahoma law, would require the consent of 75% of the Legislature or voter approval. Additionally, action to curtail or eliminate tax credit programs may be necessary as a part of the on-going effort to assess the benefits of these economic incentive programs. However, the window to act is closing and failure to address these credit concerns in a decisive and positive manner could result in rating downgrades that would make it even more difficult and costly for the State to fund essential capital needs in the future.

* * * * *

APPENDIX A

*COUNCIL OF BOND
OVERSIGHT ACTIVITY*

**Council of Bond Oversight
Approvals Carried Forward From Calendar Year 2015**

#	Issuer/Project	CBO Approval (expiration)	Status	Issue Size	Comment
1	Oklahoma Housing Finance Agency, Multi-Family Revenue Bonds (Progressive Rural Housing Apartments), Series 2015	5/28/2015 (5/22/2016)	Closed 2/24/2016	\$ 4,000,000	Acquisition and rehabilitation of low and moderate income housing. A 180-day extension of Council of Bond Oversight approval was granted by the State Bond Advisor on November 4, 2015.
2	Oklahoma Housing Finance Agency, Multi-Family Revenue Bonds (New Page Project)	9/24/2015 (9/29/2016)	Closed 3/18/2016	\$ 21,000,000	Conversion of a former school to low and moderate income apartments 180-day extension of CBO approval was granted
3	Oklahoma Development Finance Authority, Community Development Pooled Finance Act (CNI, Inc. Project), 2015	10/29/2015 (4/26/2016)	Expired	\$ 400,000	Capital expansion project for Chickasaw Nation Industries, Inc. in Norman.
4	University of Central Oklahoma, Bond Anticipation Note, Series 2016	11/19/2015 (5/17/2016)	Closed 1/6/2016	\$ 10,850,000	Refund outstanding Series 2004B bonds on a taxable basis, due to change in use concerns.
5	Oklahoma City Community College Student Facility Revenue Bonds, Refunding Series 2015	11/19/2015 (5/17/2016)	Closed 1/6/2016	\$ 5,830,000	Refunded Student Facility Revenue Bonds, Series 2005
6	Oklahoma Development Finance Authority (Regents Master Equipment Lease Program) - 2016 Program Request	12/17/2015 (12/11/2016)	2016 Program Complete	\$ 4,960,000 \$ 6,800,000 expired expired \$ 11,760,000.00	\$50,000,000 authorization for 2016 Master Equipment Lease Program A 180-day extension of CBO approval was granted by State Bond Advisor Series 2016A refunding: RSU and Cameron / Savings 605,809.75 or 11.7% Series 2016B refunding: RSU and OSU / Savings \$626,802.32 or 9.3% Series 2016C refunding of 2006C Bonds Series 2016D equipment for OSU
7	Oklahoma Development Finance Authority (Regents Master Real Property Lease Program) - 2016 Program Request	12/17/2015 (12/11/2016)	2016 Program Complete	\$ 14,240,000 \$ 18,825,000 \$ 10,930,000 \$ 65,975,000 \$ 17,295,000 \$ 17,200,000 \$ 18,900,000 \$ 163,365,000	\$200,000,00 approval for the 2016 Master Real Property Lease Program A 180-day extension of CBO approval was granted by State Bond Advisor Series 2016A - Langston student housing / TIC: 2.234% Series 2016B - refund 2004 Cameron; 2004 EOCS; 2006 Seminole; 2004 NE Series 2016C - redeem UCO BAN for stadium Series 2016D - 11 projects on 4 campuses / TIC: 2.816% Series 2016E - 3 projects on 2 campuses (taxable) / TIC: 3.674% Series 2016F - housing projects at ECU, NEO, and SWOSU / TIC: 2.793% Series 2016G - refund 2006A and new building for NOC / TIC: 2.810%

**Council of Bond Oversight
Approvals Carried Forward From Calendar Year 2015**

#	Issuer/Project	CBO Approval (expiration)	Status	Issue Size	Comment
8	State Regents for Higher Education and Langston University, lease with the ODFA to secure Master Real Property Lease Revenue Bonds, Series 2016A	12/17/2015 (6/14/2016)	Closed 2/24/2016	see Item #7 (2015)	Acquire student housing facilities from the Langston Economic Development Authority to realize a savings.
9	Oklahoma State Bureau of Investigation, lease with Ultra-Electronics Forensic Technology, Inc.	12/17/2015 (6/14/2016)	Closed 1/21/2016	\$ 321,119	Acquire the National Integrated Ballistic Information Network System.
10	Oklahoma Development Finance Authority - Community Development Pooled Finance Act (CP Kelco Project), 2016	12/17/2015 (6/14/2016)	Closed 2/23/2016	\$ 1,750,000	Capital expansion project supported by payroll taxes of company.
11	Oklahoma Student Loan Authority, LIBOR-Indexed Floating-Rate Note, Series 2016	12/17/2015 (6/14/2016)	Resubmitted 4/28/2016	See Item #13 (2016)	Acquire FFELP guaranteed loans from the lending network. A proposed refunding of auction rate bonds was removed from request.
Calendar Year 2015 authorizations carried forward:				\$ 320,238,526	
Calendar Year 2015 authorizations issued in 2016:				\$ 218,876,119	

**Council of Bond Oversight
Approvals During Calendar Year 2016**

#	Issuer/Project	CBO Approval (expiration)	Status	Issue Size	Comment
1	Oklahoma Housing Finance Agency, Single-Family Loan Program for 2016	2/3/2016 (1/28/2017)	Pending	\$ 310,000,000	Single-family mortgage revenue bond program authorization for 2016. A 180-day extension of the Council's approval was granted on February 24, 2016.
2	Board of Regents of the University of Oklahoma (University of Oklahoma), General Revenue Refunding Bonds, Series 2016A	2/25/2016 (8/23/2016)	Closed 5/3/2016	\$ 75,080,000	Current refunding of the University's outstanding Series 2006A General Revenue Bonds. TIC: 2.397% / NPV Savings: \$13,819,266.74 or 16.5%
3	Approval of Proposed Changes to the Oklahoma Administrative Code, Title 90, as follows: 90: 1-3-1. Official office 90: 1-3-2 Meetings of the Council 90: 10-5-2 Fee Schedule	2/25/2016	Adopted 2/25/2016 Approved by Governor 6/11/2016 Effective 9/11/2016	n.a.	Rules approved by Council and posted on State's electronic filing system
4	Board of Regents for the Oklahoma A&M Colleges (Oklahoma State University), General Revenue Bonds (federally taxable), Series 2016A	3/31/2016 (9/27/2016)	Closed 5/26/2016	\$ 60,300,000	Funding of a Performing Arts Center project on the Stillwater campus TIC: 3.773%
5	Oklahoma Department of Transportation, Equipment Lease with Caterpillar Financial Services	3/31/2016 (9/27/2016)	Closed 4/27/2016	\$ 191,472	Division 4 lease for acquisition of Caterpillar Track Excavator. Financed with a 60-month term at 2.85%.
6	Oklahoma Department of Transportation, Equipment Lease with Caterpillar Financial Services	3/31/2016 (9/27/2016)	Not Issued	\$ 73,650	Division 7 lease for acquisition of Caterpillar 110 HGD trailer. ODOT chose to acquire this item with cash.
7	State Regents for Higher Education and Multiple Campuses lease with the ODFA to secure Master Equipment Lease Revenue Refunding Bonds, Series 2016A and Series 2016B (federally taxable)	3/31/2016 (9/27/2016)	Closed 4/28/2016	See Item #6 (2015)	Refunding of Master Equipment Leases, Series 2006A-B
8	State Regents for Higher Education and Multiple Campuses lease with the ODFA to secure Master Real Property Lease Revenue Bonds, Series 2016B and Series 2016C	4/28/2016 (10/25/2016)	Closed 6/15/2016	See Item #7 (2015)	Series 2016B refunded outstanding Series 2004 Cameron bonds; Series 2004 Eastern Oklahoma State bonds; Series 2006 Seminole State bonds; and Series 2004 Northeastern State bonds. Series 2016C redeemed a UCO BAN

**Council of Bond Oversight
Approvals During Calendar Year 2016**

#	Issuer/Project	CBO Approval (expiration)	Status	Issue Size	Comment
9	Oklahoma Turnpike Authority, four equipment leases with Caterpillar Financial Services Corporation	4/28/2016 (10/25/2016)	Closed 5/3/2016	\$ 1,011,200	Motor Grader - Transaction #2823727 Motor Grader - Transaction #2823728 Motor Grader - Transaction #2823729 Motor Grader - Transaction #2817468
10	Oklahoma Development Finance Authority - Community Development Pooled Finance Act (Johnson Controls Project), Series 2016	4/28/2016 (10/25/2016)	Closed 8/1/2016	\$ 1,750,000	Expansion of Norman facility
11	Oklahoma Water Resources Board, Drinking Water State Revolving Fund Revenue Bonds, Series 2016A	4/28/2016 (4/23/2017)	Closed 10/19/2016	\$ 90,000,000	Loans to municipalities and water districts for drinking water projects Extension of Council approval granted by State Bond advisor. TIC: 2.683%
12	Oklahoma Water Resources Board, Drinking Water State Revolving Fund Refunding Revenue Bonds, Series 2016	4/28/2016 (10/25/2016)	OWRB elected to cash defease bonds	No bonds issued	Refunding of outstanding Series 2010 revenue bonds. An issue of \$85 million was authorized by the Council of Bond Oversight.
13	Oklahoma Student Loan Authority, LIBOR-Indexed Floating-Rate Note, Series 2016	4/28/2016 (10/25/2016)	Closed 6/29/2016	\$ 17,725,000	Acquisition of student loans from original network lenders
14	Oklahoma Housing Finance Agency, Multi-Family Revenue Bonds (Savanna Landing Project), Series 2016	4/28/2016 (10/25/2016)	Closed 8/17/2016	\$ 22,000,000	Renovation of multi-family units
15	State Regents for Higher Education and Multiple Campuses lease with the ODFA to secure Master Real Property Lease Revenue Bonds, Series 2016D and Series 2016E	5/26/2016 (11/22/2016)	Closed 8/24/2016	See Item #7 (2015)	Eleven tax-exempt projects: six on the OSU Stillwater campus, one at OSU-IT, two at UCO and two at NWOSU. Three federally taxable projects including two at OSU-Stillwater and one at UCO.
16	Allocation of Oklahoma Private Activity Cap from the Economic Development Pool to the Tulsa County Industrial Authority	5/26/2016 (11/22/2016)	Cap Allocated	\$ 7,000,000	Statutes require the Council to approve a request from the Commerce Dept. to authorize an allocation of cap from this pool. Amount will be combined with \$9 million from the Exempt Facility Pool for a multi-family project in Tulsa.
17	Oklahoma Municipal Power Authority, Power Supply System Refunding Revenue Bonds, Series 2016A	6/28/2016 (12/25/2016)	Closed 10/5/2016	\$ 124,315,000	Refunding of the outstanding Series 2007 bonds. Net Present Value savings of \$20.3 million / 14.99% / TIC: 3.442%

**Council of Bond Oversight
Approvals During Calendar Year 2016**

#	Issuer/Project	CBO Approval (expiration)	Status	Issue Size	Comment
18	State Regents for Higher Education and Multiple Campuses lease with the ODFA to secure Master Real Property Lease Revenue Bonds, Series 2016F	7/28/2016 (1/24/2017)	Closed 9/15/2016	See Item #7 (2015)	Lease agreements with East Central, NEO A&M and Southwestern for student housing facilities
19	Oklahoma State University - Lease Purchase Agreement with All Lines Leasing for acquisition of Equipment	8/25/2016 (2/21/2017)	Closed 11/15/2016	\$ 52,193.00	Acquire a Hybrid Ecoflex Package Sweeper Scrubber from Nilfisk, Inc.
20	Oklahoma Capitol Improvement Authority, Series 2016A Highway Improvement Lease Revenue Bonds	8/25/2016 (2/21/2017)	Closed 10/13/2016	\$ 170,000,000	Lease purchase financing with the Oklahoma Department of Transportation for funding of a portion of its capital program. TIC: 2.613%
21	Oklahoma Department of Transportation Lease with the OCIA to secure Series 2016A	8/25/2016 (2/21/2017)	Closed 10/13/2016	See Item #20 (2016)	Lease and other agreements to secure the OCIA Series 2016A Lease Revenue Bonds
22	Oklahoma Turnpike Authority, Second Senior Revenue Bonds, Series 2016	8/25/2016 (2/21/2017)	Pending	\$ 480,000,000	Initial phase funding of the Driving Forward Program to improve, expand and extend the turnpike system in Oklahoma
23	Grand River Dam Authority, Power Supply Refunding Revenue Bonds, Series 2016A and 2016B (federally taxable)	9/29/2016 (3/28/2017)	Closed 11/15/2016	\$ 475,330,000 \$ 21,075,000	Advance refunding of Series 2008A and partial of Series 2010A. Converted Series 2014C VRDOs to fixed rate. Original approval: \$700 million. Series 2016A / TIC: 2.696% / NPV savings: \$61.67 million Series 2016B (tx) / TIC: 3.001% / NPV savings: \$7.84 million
24	Oklahoma Development Finance Authority, CERF-backed Lease Revenue Refunding Bonds (Union City Project), Series 2016	9/29/2016 (3/28/2017)	Closed 11/1/2016	\$ 2,610,000.00	Current refunding of Series 2006 bonds issued for the Union City Facility TIC: 1.86% / NPV savings: \$202,389 or 7.965%
25	Oklahoma Department of Corrections lease with the ODFA to secure bonds for the refunding of Union City bonds	9/29/2016 (3/28/2017)	Closed 11/1/2016	See Item #24 (2016)	Secure ODFA bonds issued to current refund the Series 2006 Bonds
26	Oklahoma Development Finance Authority, CERF-backed Lease Revenue Refunding Bonds (Pittsburg County Project), Series 2016	9/29/2016 (3/28/2017)	Pending	\$ 2,785,000.00	Current refunding of Series 2006 Bonds

**Council of Bond Oversight
Approvals During Calendar Year 2016**

#	Issuer/Project	CBO Approval (expiration)	Status	Issue Size	Comment
27	Pittsburg County Commissioners lease with the ODFA to secure bonds for the refunding of Pittsburg bonds	9/29/2016 (3/28/2017)	Pending	See Item #26 (2016)	Secure ODFA bonds issued to current refund the Series 2006 Bonds
28	Oklahoma Water Resources Board, State Loan Program Revenue Bonds, Series 2016A	9/29/2016 (3/28/2017)	Closed 12/21/2016	\$ 16,435,000	Funding and refunding of local loans under the State Loan Program TIC: 3.752%
29	State Regents for Higher Education and Multiple Campuses lease with the ODFA to secure Master Real Property Lease Revenue Bonds, Series 2016G	9/29/2016 (3/28/2017)	Closed 11/3/2016	See Item #7 (2015)	Refunded outstanding Series 2006A Master Real Property Lease Revenue Bonds and funded a new classroom building for Northern Oklahoma College. NPV Savings: \$249,650 / 6.38%
30	State Regents for Higher Education and Oklahoma State University lease with the ODFA to secure Master Equipment Lease Revenue Bonds, Series 2016C and federally taxable Series 2016D	9/29/2016 (3/28/2017)	Master Equipment Lease Program authorization expired	See Item #6 (2015)	Series 2016C will refund the outstanding series 2006C Bonds. Series 2016D will fund mechanical equipment in the OSU New Product Development Lab
31	Oklahoma State University - Lease Purchase Agreement with John Deere Financial	9/29/2016 (3/28/2017)	Pending	\$ 51,378	Lease purchase of mower/related equipment
32	Board of Regents for the University of Oklahoma (University of Oklahoma), Series 2016B and Series 2016C (fed. taxable)	10/27/2016 (4/25/2017)	Closing 12/13/2016	\$ 65,970,000 \$ 21,910,000	Series 2016B: refund Series 2007A bonds and advance refund Series 2007C Also provided funding for new projects. Series 2016C: refund (federally taxable) Series 2007B bonds and advance refund Series 2007D bonds. Also provided funding for new projects.
33	Oklahoma Capitol Improvement Authority, Refunding Series 2016	10/27/2016 (4/25/2017)	Pending	\$ 25,000,000	Advance refund the outstanding Series 2008A and Series 2008B
34	Oklahoma Capitol Improvement Authority (Department of Tourism and Recreation Project), Series 2017A	12/22/2016 (6/20/2017)	Pending	\$ 9,000,000	Construction and furnishing of new headquarters building for the Department.
Calendar Year 2016 authorizations:				\$ 2,420,837,055	
Calendar Year 2016 issuance:				\$ 1,165,806,243	

APPENDIX B
GRAND RIVER DAM
AUTHORITY

**Grand River Dam Authority
Outstanding Bonded Indebtedness
December 31, 2016**

<u>Year</u>	<u>Series 2008A</u>	<u>Series 2010A</u>	<u>Series 2010B</u>	<u>Series 2014A</u>
2017	\$ 19,760,000	\$ 3,645,000	\$ 1,375,000	\$ -
2018	-	(1) 3,790,000	1,435,000	7,080,000
2019	-	(1) 3,940,000	1,510,000	7,205,000
2020	-	(1) 4,095,000	1,590,000	7,405,000
2021	-	(1) 4,260,000	1,675,000 (4)	7,685,000
2022	-	(1) 4,435,000	1,790,000 (4)	7,930,000
2023	-	(1) - (2)	1,915,000 (4)	8,150,000
2024	-	(1) - (2)	2,050,000 (4)	8,465,000
2025	-	(1) - (2)	2,190,000 (4)	8,750,000
2026	-	(1) - (2)	2,340,000 (4)	9,085,000
2027	-	(1) - (2)	2,505,000 (4)	9,445,000
2028	-	(1) - (2)	2,675,000 (4)	9,800,000
2029	-	(1) - (2)	2,865,000 (4)	10,145,000
2030	-	(1) - (2)	3,060,000 (4)	10,420,000
2031	-	(1) 6,830,000 (3)	3,275,000 (5)	10,835,000
2032	-	(1) 7,185,000 (3)	3,510,000 (5)	11,275,000
2033	-	(1) 7,565,000 (3)	3,760,000 (5)	11,735,000
2034	-	7,960,000 (3)	4,030,000 (5)	12,215,000
2035	-	8,380,000 (3)	4,315,000 (5)	12,585,000 (6)
2036	-	8,820,000 (3)	4,625,000 (5)	13,070,000 (6)
2037	-	9,280,000 (3)	4,955,000 (5)	13,580,000 (6)
2038	-	9,770,000 (3)	5,310,000 (5)	14,110,000 (6)
2039	-	10,280,000 (3)	5,690,000 (5)	14,665,000 (6)
2040	-	10,820,000 (3)	6,095,000 (5)	-
Totals	\$ 19,760,000	\$ 111,055,000	\$ 74,540,000	\$ 225,635,000

(1) Maturities were advance refunded to the 6/1/2018 first optional redemption date.

(2) Maturities were advance refunded to the 6/1/2020 first optional redemption date.

(3) Sinking Fund requirements for \$86.890 million term bonds due 6/1/2040.

(4) Sinking Fund requirements for \$23,065,000 term bonds due 6/1/2030.

(5) Sinking Fund requirements for \$45,565,000 term bonds due 6/1/2040.

(6) Sinking Fund requirements for \$68,010,000 term bonds due 6/1/2039.

**Grand River Dam Authority
Outstanding Bonded Indebtedness
December 31, 2016**

<u>Year</u>	<u>Series 2014B</u>	<u>Series 2016A</u>	<u>Series 2016B</u>	<u>Total Principal</u>
2017	\$ -	\$ -	\$ -	\$ 24,780,000
2018	2,455,000	-	-	7,680,000
2019	2,540,000	11,010,000	-	26,080,000
2020	2,635,000	21,245,000	535,000	37,305,000
2021	2,740,000	22,100,000	640,000	38,820,000
2022	2,845,000	22,880,000	1,630,000	41,265,000
2023	2,960,000	28,385,000	1,670,000	42,860,000
2024	3,080,000	33,920,000	1,710,000	48,910,000
2025	3,205,000	33,525,000	1,755,000	49,140,000
2026	3,345,000	36,080,000	1,800,000	52,315,000
2027	3,480,000	32,650,000	1,455,000	49,175,000
2028	3,630,000	34,420,000	1,500,000	51,670,000
2029	3,785,000	36,305,000	1,540,000	54,295,000
2030	3,945,000 (1)	38,300,000	1,590,000	57,040,000
2031	4,120,000 (1)	34,135,000	1,640,000	60,420,000
2032	4,305,000 (1)	36,060,000	1,695,000	63,590,000
2033	4,485,000 (1)	36,300,000	1,915,000	65,300,000
2034	4,685,000 (1)	4,795,000	-	33,205,000
2035	4,880,000 (2)	5,200,000	-	34,990,000
2036	5,095,000 (2)	3,620,000	-	34,745,000
2037	5,315,000 (2)	2,800,000	-	35,420,000
2038	5,540,000 (2)	900,000	-	35,100,000
2039	5,775,000 (2)	700,000	-	36,555,000
2040	-	-	-	31,580,000
Totals	\$ 84,845,000	\$ 475,330,000	\$ 21,075,000	\$ 1,012,240,000

(1) Sinking Fund requirements for \$21,540,000 term bonds due 6/1/2034.

(2) Sinking Fund requirements for \$26,605,000 term bonds due 6/1/2039.

Note: The Series 2014C VRDO issue was converted to fixed rate as part of the 2016 transaction.

APPENDIX C
OKLAHOMA TURNPIKE
AUTHORITY

**Oklahoma Turnpike Authority
Outstanding Bonded Indebtedness
(as of December 31, 2016)**

<u>Year</u>	<u>Series 2006B Refunding Second Sr.</u>	<u>Series 2006E Refunding Second Sr.</u>	<u>Series 2006F Refunding Second Sr.</u>	<u>Series 2007A Refunding Second Sr.</u>
2017	\$ 4,555,000 ¹	\$ 4,555,000 ¹	\$ 4,555,000 ¹	\$ 4,420,000
2018	3,535,000 ¹	3,535,000 ¹	3,535,000 ¹	4,610,000
2019	4,005,000 ¹	4,005,000 ¹	4,005,000 ¹	4,800,000
2020	4,175,000 ¹	4,175,000 ¹	4,175,000 ¹	4,995,000
2021	2,145,000 ¹	2,145,000 ¹	2,145,000 ¹	5,445,000
2022	4,035,000 ¹	4,035,000 ¹	4,035,000 ¹	4,710,000
2023	11,395,000 ¹	11,395,000 ¹	11,395,000 ¹	-
2024	11,690,000 ¹	11,690,000 ¹	11,690,000 ¹	-
2025	12,375,000 ¹	12,375,000 ¹	12,375,000 ¹	-
2026	12,880,000 ¹	12,880,000 ¹	12,880,000 ¹	-
2027	13,405,000 ¹	13,405,000 ¹	13,405,000 ¹	-
2028	13,955,000 ¹	13,955,000 ¹	13,955,000 ¹	-
	<u>\$ 98,150,000</u>	<u>\$ 98,150,000</u>	<u>\$ 98,150,000</u>	<u>\$ 28,980,000</u>

¹ Issued as multi-modal bonds, these issues have stated maturities of January 1, 2028. The amounts shown for each year are mandatory sinking fund redemption requirements.

**Oklahoma Turnpike Authority
Outstanding Bonded Indebtedness
(as of December 31, 2016)**

<u>Year</u>	<u>Series 2011A Refunding Second Sr.</u>	<u>Series 2011B Second Senior</u>	<u>Total Outstanding Principal</u>
2017	\$ 38,420,000	\$ -	\$ 56,505,000
2018	37,820,000	1,555,000	54,590,000
2019	40,215,000	5,000	57,035,000
2020	41,925,000	5,000	59,450,000
2021	41,295,000	6,180,000	59,355,000
2022	39,985,000	5,215,000	62,015,000
2023	24,275,000	6,430,000	64,890,000
2024	24,880,000	7,670,000	67,620,000
2025	26,350,000	7,065,000	70,540,000
2026	27,470,000	7,525,000	73,635,000
2027	28,615,000	7,980,000	76,810,000
2028	29,805,000	8,475,000	80,145,000
2029	-	31,995,000	31,995,000
2030	-	33,545,000	33,545,000
2031	-	32,215,000	32,215,000
	<u>\$ 401,055,000</u>	<u>\$ 155,860,000</u>	<u>\$ 880,345,000</u> ¹

¹ Excludes a U.S. Bank loan outstanding in the amount of \$15 million and a \$54,700,000 balance under a Revolving Credit Agreement.

APPENDIX D

*OKLAHOMA HOUSING
FINANCE AGENCY*

**Oklahoma Housing Finance Agency
Outstanding Single-Family Revenue Bonds
(as of September 30, 2016)**

<u>Issue</u>	<u>Original Principal</u>	<u>Outstanding Principal</u>
Series 1991 A	\$ 30,115,000	\$ 200,080
Series 2007 A-2 (Taxable)	10,790,000	150,000
Series 2007 B-1	32,000,000	6,110,000
Series 2007 C-1	28,700,000	4,225,000
Series 2007 D-1	36,000,000	5,145,000
Series 2007 D-2 (Taxable)	4,000,000	90,000
Series 2008 A-1	25,000,000	1,315,000
Series 2008 B	40,000,000	7,205,000
Series 2009 A	30,905,000	3,130,000
Series 2009 B	32,800,000	6,755,000
Series 2010 A	20,000,000	5,620,000 (1)
Series 2011 A	24,000,000	9,110,000 (1)
Series 2011 B	28,000,000	12,120,000 (1)
Series 2009 C-3	42,000,000	25,180,000 (1)
Series 2012A	63,500,000	42,495,000 (1)
Series 2009 C-4	42,000,000	31,760,000 (1)
Series 2013 A (Taxable)	24,935,000	15,195,000 (1)
Series 2013 B (Taxable)	32,360,000	18,750,000 (1)
Series 2013 C	25,143,342	20,072,319
Series 2013 D	31,150,654	18,608,956
Single-Family Total	<u>\$ 603,398,996</u>	<u>\$ 233,236,355</u>

¹ New Issue Bond Program (NIBP)

**Oklahoma Housing Finance Agency
 Outstanding Multi-Family Revenue Bonds
 (as of September 30, 2016)**

<u>Multi-Family Revenue Bonds</u>	<u>Original Principal</u>	<u>Outstanding Principal</u>
Series 1985 - Go Ye Village	\$ 13,315,000	\$ 2,475,000
Series 2000 - Chapel Ridge	4,100,000	3,702,858
Series 2015 - Cherokee Terrace	5,000,000	5,000,000
Series 2015 - Ashford Place	4,020,000	4,020,000
Series 2016 - Progressive Rural Housing	4,000,000	4,000,000
Series 2016 - Savanna Landing	22,000,000	22,000,000
Subtotal	<u>\$ 52,435,000</u>	<u>\$ 41,197,858</u>
 <u>Multi-Family Tax Exempt Loans</u> 		
New Page Project - 2016	\$ 21,000,000	\$ 21,000,000
Total	<u><u>\$ 73,435,000</u></u>	<u><u>\$ 62,197,858</u></u>

APPENDIX E

*OKLAHOMA MUNICIPAL
POWER AUTHORITY*

Oklahoma Municipal Power Authority
Outstanding Bonded Indebtedness
(as of December 31, 2016)

<u>Year</u>	<u>Series</u> <u>1992B</u>	<u>Series</u> <u>2005A</u>	<u>Series</u> <u>2007A</u> ³	<u>Series</u> <u>2008A</u>
2017	\$ 9,715,000 ¹	\$ 3,900,000 ²	\$ -	\$ 3,000,000 ⁴
2018	10,275,000 ¹	4,200,000 ²	-	3,000,000 ⁴
2019	10,865,000 ¹	4,400,000 ²	-	-
2020	11,495,000 ¹	4,600,000 ²	-	-
2021	-	4,800,000 ²	-	-
2022	-	5,100,000 ²	-	-
2023	-	5,400,000 ²	-	-
2024	10,370,000 ¹	-	-	-
2025	-	-	-	-
2026	-	-	-	-
2027	-	-	-	-
2028	-	-	-	-
2029	-	-	-	-
2030	-	-	-	-
2031	-	-	-	-
2032	-	-	-	-
2033	-	-	-	-
2034	-	-	-	-
2035	-	-	-	-
2036	-	-	-	-
2037	-	-	-	-
2038	-	-	-	-
2039	-	-	-	-
2040	-	-	-	-
2041	-	-	-	-
2042	-	-	-	-
2043	-	-	-	-
2044	-	-	-	-
2045	-	-	-	-
2046	-	-	-	-
2047	-	-	-	-
Totals	<u>\$ 52,720,000</u>	<u>\$ 32,400,000</u>	<u>\$ -</u>	<u>\$ 6,000,000</u>

¹ \$61.905 million term bonds due 2024 - mandatory sinking fund requirements shown.

² Mandatory sinking fund installments for floating-rate note with a special mandatory tender 8/1/2018.

³ The Series 2007A Bonds were refunded to the January 1, 2017 call date by the Series 2016A issue.

⁴ Unrefunded portion is shown - balance of Series 2008 issue was advance refunded (call on 1/1/2018).

Oklahoma Municipal Power Authority
Outstanding Bonded Indebtedness
(as of December 31, 2016)

<u>Year</u>	<u>Series 2010A/B</u>	<u>Series 2013A</u>	<u>Series 2013B</u>	<u>Series 2014A</u>
2017	\$ 5,050,000	\$ -	\$ -	\$ -
2018	5,300,000	-	-	-
2019	5,560,000	-	-	1,640,000
2020	5,770,000	-	-	1,560,000
2021	17,560,000	-	-	-
2022	15,965,000	-	-	-
2023	16,735,000	-	-	-
2024	2,540,000	-	3,000,000	805,000
2025	2,640,000	-	3,000,000	825,000
2026	2,740,000	-	12,000,000	4,590,000
2027	2,855,000	-	-	12,250,000
2028	2,970,000	4,340,000	7,255,000	4,825,000
2029	-	3,810,000	6,500,000	5,070,000
2030	-	3,930,000	7,810,000	5,320,000
2031	-	4,055,000	-	5,495,000
2032	-	4,190,000	-	5,770,000
2033	-	4,330,000	-	6,055,000
2034	-	4,475,000	-	6,355,000
2035	-	4,655,000	-	6,580,000 ³
2036	-	4,840,000	-	6,880,000 ³
2037	-	5,035,000	-	7,195,000 ³
2038	-	5,230,000	-	7,525,000 ³
2039	8,800,000 ¹	5,705,000	-	-
2040	9,170,000 ¹	5,920,000	-	-
2041	9,555,000 ²	6,150,000	-	-
2042	9,960,000 ²	6,390,000	-	-
2043	10,385,000 ²	6,635,000	-	-
2044	10,835,000 ²	6,885,000	-	-
2045	11,295,000 ²	7,155,000	-	-
2046	-	19,210,000	-	-
2047	-	19,980,000	-	-
Totals	<u>\$ 155,685,000</u>	<u>\$ 132,920,000</u>	<u>\$ 39,565,000</u>	<u>\$ 88,740,000</u>

¹ \$17.97 million term bond due 2040 - mandatory sinking fund requirements shown.

² \$52.03 million term bond due 2045 - mandatory sinking fund requirements shown.

³ \$28.18 million term bond due 2038 - mandatory sinking fund requirements shown.

Oklahoma Municipal Power Authority
Outstanding Bonded Indebtedness
(as of December 31, 2016)

<u>Year</u>	<u>Series</u> <u>2014B</u>	<u>Series</u> <u>2016A</u>	<u>Total</u> <u>Principal</u>
2017	\$ -	\$ -	\$ 21,665,000
2018	-	-	22,775,000
2019	-	-	22,465,000
2020	-	-	23,425,000
2021	325,000	-	22,685,000
2022	2,825,000	-	23,890,000
2023	3,055,000	-	25,190,000
2024	4,385,000	-	21,100,000
2025	15,735,000	-	22,200,000
2026	3,905,000	-	23,235,000
2027	4,210,000	-	19,315,000
2028	-	575,000	19,965,000
2029	-	4,365,000	19,745,000
2030	-	4,585,000	21,645,000
2031	-	4,815,000	14,365,000
2032	-	5,055,000	15,015,000
2033	-	5,295,000	15,680,000
2034	-	5,565,000	16,395,000
2035	-	5,810,000	17,045,000
2036	-	6,045,000	17,765,000
2037	-	6,255,000 ¹	18,485,000
2038	-	6,455,000 ¹	19,210,000
2039	-	6,650,000 ¹	21,155,000
2040	-	6,855,000 ¹	21,945,000
2041	-	7,065,000 ¹	22,770,000
2042	-	7,325,000 ²	23,675,000
2043	-	7,640,000 ²	24,660,000
2044	-	7,965,000 ²	25,685,000
2045	-	8,305,000 ²	26,755,000
2046	-	8,660,000 ²	27,870,000
2047	-	9,030,000 ²	29,010,000
Totals	<u>\$ 34,440,000</u>	<u>\$ 124,315,000</u>	<u>\$ 666,785,000</u>

¹ \$33.28 million term bond due 2041 - mandatory sinking fund requirements shown.

² \$33.295 million term bond 4.0% coupon due 2047 and \$15.0 million term bond 5.0% coupon due 2047 - mandatory sinking fund requirements shown.

APPENDIX F

*OKLAHOMA DEVELOPMENT
FINANCE AUTHORITY*

Credit Enhancement Reserve Fund Program
Outstanding Bonded Indebtedness
(as of December 31, 2016)

<u>Public Facilities Program</u>	<u>Original Principal</u>	<u>Outstanding Principal</u>	<u>Remaining CERF Guarantee</u>
Woodward Industrial Foundation ¹	\$ 1,395,856	\$ 1,006,379	\$ 1,006,379
Series 2003 (Muskogee Port Authority) ¹	1,500,000	862,880	862,880
Series 2004 (Goodyear Project)	36,325,000	3,760,000	1,955,252
Series 2004 (Michelin Project)	29,280,000	1,765,000	1,594,701
Series 2006A (Pittsburg Co. Health Dept.)	4,645,000	2,785,000	2,785,000
Series 2007A (Washington Co. Health Dept)	4,570,000	2,950,000	2,950,000
Series 2008A Pontotoc County Health Dept	4,630,000	3,605,000	3,605,000
Series 2008 Muskogee Port Authority ¹	750,000	544,722	544,722
Series 2011 Tillman County Public Facilities	3,290,000	2,740,000	2,740,000
Series 2012A LeFlore County Health	2,380,000	1,980,000	1,980,000
Series 2013A Rogers State University	3,000,000	2,655,000	2,655,000
Series 2014 (DHS Taxable Note) ¹	551,879	296,304	296,304
Series 2014 (East Central University)	4,340,000	4,010,000	4,010,000
Series 2016 (Department of Corrections)	2,610,000	2,610,000	2,610,000
	<u>\$ 99,267,735</u>	<u>\$ 31,570,285</u>	<u>\$ 29,595,238</u>
 <u>Quality Jobs Investment Program</u>			
Series 1996 Revenue Bonds	<u>\$ 9,999,000</u>	<u>\$ 9,999,000</u>	<u>\$ 9,999,000</u>
TOTAL	\$ 109,266,735	\$ 41,569,285	\$ 39,594,238

¹ Note held by Oklahoma Industrial Finance Authority.

APPENDIX G

*OKLAHOMA WATER
RESOURCES BOARD*

Oklahoma Water Resources Board
Outstanding Bonded Indebtedness
(as of December 31, 2016)

<u>Issue</u>	<u>Original Principal</u>	<u>Outstanding Principal</u>
State Loan Program Revenue Bonds, Series 1989	\$ 50,000,000	\$ 70,000
State Loan Program Revenue Bonds, Series 1994A	109,845,000	330,000
State Loan Program Revenue Bonds, Series 1995	50,000,000	615,000
State Loan Program Revenue Bonds, Series 1997	50,000,000	170,000
State Loan Program Revenue Bonds, Series 1999	75,000,000	3,680,000
State Loan Program Revenue Bonds, Series 2001	110,000,000	3,950,000
State Loan Program Revenue Bonds, Series 2003A	100,000,000	5,945,000
State Loan Program Revenue Bonds, Series 2007	10,215,000	1,485,000
State Loan Program Revenue Bonds, Series 2009	2,825,000	2,020,000
State Loan Program Revenue Bonds, Series 2010A	30,035,000	22,930,000
State Loan Program Revenue Bonds, Series 2010B	27,955,000	23,210,000
Clean Water State Revolving Fund Bonds, Series 2011A	85,000,000	61,665,000
Drinking Water State Revolving Fund Bonds, Series 2011B	57,910,000	52,785,000
State Loan Program Revenue Bonds, Series 2011	14,275,000	11,660,000
Drinking Water State Revolving Fund Bonds, Series 2012A	49,395,000	43,960,000
State Loan Program Revenue Bonds, Series 2012	30,595,000	29,295,000
State Loan Program Revenue Bonds, Series 2012A	33,445,000	22,365,000
State Loan Program Revenue Bonds, Series 2012B	8,750,000	7,405,000
State Loan Program Revenue Bonds, Series 2012C	9,625,000	4,985,000
Clean Water State Revolving Fund Bonds, Series 2012B	86,505,000	81,815,000
State Loan Program Revenue Bonds, Series 2013A	43,290,000	39,845,000

**Oklahoma Water Resources Board
Outstanding Bonded Indebtedness
(as of December 31, 2016)**

<u>Issue</u>	<u>Original Principal</u>	<u>Outstanding Principal</u>
State Loan Program Revenue Bonds, Series 2013B	\$ 5,460,000	\$ 5,135,000
Drinking Water State Revolving Fund Bonds, Series 2013A	41,410,000	37,005,000
Drinking Water State Revolving Fund Bonds, Series 2013B ¹	35,505,000	25,725,000
Clean Water State Revolving Fund Bonds, Series 2014A ²	55,560,000	42,885,000
State Loan Program Revenue Bonds, Series 2014A	10,180,000	9,120,000
State Loan Program Revenue Bonds, Series 2014B	9,595,000	9,300,000
State Loan Program Revenue Bonds, Series 2014C	20,000,000	18,725,000
State Loan Program Revenue Bonds, Series 2015A	21,540,000	20,830,000
Clean Water State Revolving Fund Bonds, Series 2015	100,620,000	100,620,000
Drinking Water State Revolving Fund Bonds, Series 2016	90,000,000	90,000,000
State Loan Program Revenue Bonds, Series 2016A	<u>17,035,000</u>	<u>17,035,000</u>
Total	<u>\$ 1,441,570,000</u>	<u>\$ 796,565,000</u>

¹ Refunding of Series 2003 Drinking Water issue.

² Refunding of Series 2004 Clean Water issue.

APPENDIX H

*OKLAHOMA STUDENT
LOAN AUTHORITY*

**Oklahoma Student Loan Authority
Outstanding Bonded Indebtedness
(as of December 31, 2016)**

<u>Issue</u>	<u>Original Principal</u>	<u>Outstanding Principal</u>
Series 1995 A-1 Senior Revenue Notes	\$ 21,600,000	\$ 6,800,000
Series 2001 A-4 Senior Taxable Floating Rate Bonds	50,000,000	7,400,000
Series 2001 B-1 Subordinate Auction Rate Bonds	25,000,000	11,300,000
Series 2004A-1 Senior Auction Rate Bonds	40,625,000	12,025,000
Series 2004A-2 Senior Auction Rate Bonds	40,625,000	17,375,000
Series 2010A-2A LIBOR Floating Rate Bond	51,225,000	44,945,000
Series 2010A-2B LIBOR Floating Rate Bond	44,230,000	44,230,000
Series 2011-1 LIBOR Floating Rate Bond	205,200,000	69,455,000
Series 2013-1 LIBOR Floating Rate Bond	211,820,000	87,605,000
Series 2016 LIBOR Floating Rate Note	<u>17,725,000</u>	<u>15,661,358</u>
Total	<u><u>\$ 708,050,000</u></u>	<u><u>\$ 316,796,358</u></u>

APPENDIX I

*SCHOOL & COUNTY CASH
MANAGEMENT PROGRAM*

**Oklahoma School District and County
Revenue Anticipation Program
Series 2016-2017 Notes**

<u>County/School</u>	<u>Note Amount</u> ¹
Bryan / Silo Public Schools	\$ 350,000
Haskell / Kinta Public Schools	235,000
Oklahoma / Metro Technology Centers	4,325,000
Cleveland / Moore Norman Technology Center	<u>2,420,000</u>
TOTAL	<u><u>\$ 7,330,000</u></u>

¹ The notes are not a debt of the State of Oklahoma.
Sold as Certificates of Participation due June 30, 2017 at an interest rate of 1.00%.

APPENDIX J
FISCAL YEAR DEBT SERVICE

Appendix J

**STATE OF OKLAHOMA
Fiscal Year Tax-Backed Debt Service
as of December 31, 2016**

Fiscal Year --->	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
Certified Authorized Expenditures - General Revenue Fund	\$ 4,941,726,210 (1)	\$ 5,040,560,734 (1)	\$ 5,141,371,949 (1)	\$ 5,244,199,388 (1)	\$ 5,349,083,376 (1)
Oklahoma Building Bonds Commission:					
- General Obligation Bonds, Series 2010A/B	\$ 28,910,375	\$ 28,030,375	\$ 21,940,250 (5)	\$ -	\$ -
- General Obligation Bonds, Series 2013	383,500	1,212,250	7,240,500 (5)	-	-
Subtotal - Building Bonds Commission	<u>\$ 29,293,875</u>	<u>\$ 29,242,625</u>	<u>\$ 29,180,750</u>	<u>\$ -</u>	<u>\$ -</u>
Capitol Improvement Authority Leases:					
- Series 2006E (OSBI Project - Phase II) (2)	\$ 479,768	\$ -	\$ -	\$ -	\$ -
- Series 2006C (Supreme Court Project) (2)	1,656,274	-	-	-	-
- Series 2006B (Dept. of Mental Health Project) (2)	1,382,145	-	-	-	-
- Series 2006A (Agriculture Project) (2)	1,810,485	-	-	-	-
- Series 2008A (Native American Center Project)	2,301,815	2,301,777	2,304,978	2,306,565	2,305,815
- Series 2008B (Supreme Court Project - Wiley Post Building)	931,636	935,076	931,258	930,577	933,138
- Series 2009A (Conservation Commission Projects)	2,213,613	2,214,262	2,211,462	2,214,862	2,211,862
- Series 2009A/B (Highway Capital Improvement Projects)	14,138,035	14,138,935	14,137,535	13,950,815	13,755,812
- Series 2010 Endowed Chairs (Federally Taxable)	11,371,798	11,348,250	11,339,829	11,331,740	11,310,755
- Series 2010A Refunding Bonds [partially advance refunded Series 2005F] (3)	21,669,113	33,686,831	32,894,750	-	-
- Series 2010A/B Highway Capital Improvement Revenue Bonds	17,706,842	17,709,417	17,707,067	17,708,067	17,708,817
- Series 2012 Highway Capital Improvement Revenue Bonds	5,807,300	5,811,700	5,807,400	5,811,400	5,811,700
- Series 2013A State Facilities Refunding Revenue Bonds (4)	2,669,213	2,665,213	2,666,150	2,669,525	2,653,275
- Series 2014A State Facilities Refunding Revenue Bonds (4)	24,811,025	12,688,225	13,031,825	12,832,225	12,620,125
- Series 2014B State Facilities Refunding Revenue Bonds	12,573,299	11,466,548	10,049,299	10,015,080	228,668
- Series 2014C State Facilities Refunding Revenue Bonds	5,998,369	5,999,919	6,457,119	6,459,119	6,457,869
- Series 2015A State Facilities Revenue Bonds (Capitol Repairs)	11,734,025	4,170,550	4,185,525	4,152,875	4,176,625
- Series 2015B State Agency Facilities Refunding Revenue Bonds	1,681,350	4,946,625	4,950,600	4,949,075	4,944,100
- Series 2016 State Highway Capital Improvement Revenue Bonds	-	9,285,843	7,632,200	14,900,750	14,903,275
Subtotal - OCIA	<u>\$ 140,936,104</u>	<u>\$ 139,369,171</u>	<u>\$ 136,306,997</u>	<u>\$ 110,232,675</u>	<u>\$ 100,021,836</u>

(1) Fiscal Year 2017 General Revenue Fund actual amount adopted by the State Equalization Board on June 20, 2016. Amounts shown for Fiscal Years 2018-2021 assume an annual growth of 2.0%.

(2) The Series 2006A/B/C/E issues were refunded by the Series 2015B issue. Lease payments into debt service account were made in FY 2016, final payment was made July 1, 2016.

(3) Final payment was made on the Series 2010B issue on July 1, 2015. Final payment on the Series 2010A issue is July 1, 2018.

(4) The Attorney General makes payment from the Evidence Fund for a portion of the debt service on these issues.

(5) Final payment due July 15, 2018.

	Fiscal Year --->	2017	2018	2019	2020	2021
Oklahoma Development Finance Authority:						
- Community Economic Development Pooled Finance Program (20 series)	(1)	\$ 12,316,919	\$ 12,932,127	\$ 9,367,494	\$ 6,978,856	\$ 5,272,041
- Series 2004 (Goodyear Project) - CERF	(2)	3,910,123	-	-	-	-
- Series 2004 (Michelin Project) - CERF	(2)	1,817,106	-	-	-	-
- Series 2006A (Pittsburg County Health Dept. Project) - CERF	(3)	350,383	350,838	350,758	350,133	349,083
- Series 2007A (Washington County Health Dept. Project) - CERF	(3)	343,459	339,659	340,659	341,359	341,214
- Series 2008 (Dept. of Human Services - multiple projects)		2,029,881	2,030,456	2,032,094	2,029,469	2,030,269
- Series 2008A (Pontotoc County Health Dept. Project) - CERF	(3)	313,849	318,411	317,211	315,811	313,881
- Series 2008 (Muskogee Port Project)		48,756	48,756	48,756	48,756	48,756
- Series 2009 (Office of State Finance - Data Center Project)		2,935,193	2,937,655	2,935,505	2,938,543	2,936,218
- Series 2011 (Tillman County Project) - CERF		237,200	233,525	234,225	234,725	235,025
- Series 2012A (Dept. of Human Services) - Refunding/New Money		1,797,788	1,797,588	1,794,838	1,793,588	1,793,588
- Series 2012A (LeFlore County Health Department Project) - CERF		156,975	155,400	158,300	156,100	153,900
- Series 2013 (CLEET Refunding)	(4)	1,465,638	1,462,488	1,467,738	1,463,538	1,464,938
- Series 2013 (Department of Corrections Refunding)		2,648,410	2,647,360	2,650,260	2,651,250	2,652,750
- Series 2013 (Rogers State University) - CERF		216,673	220,190	218,230	215,850	218,033
- Series 2014A (DHS Refunding) & Taxable Note - CERF	(5)	1,045,091	1,048,065	1,049,413	924,150	-
- Series 2014 (East Central University Refunding) - CERF		328,000	332,750	327,200	331,650	325,800
- Series 2016 (Dept. of Corrections - Union City Project Refunding) - CERF		10,585	296,163	296,413	\$296,562	296,613
Subtotal - ODFA (6)		<u>\$ 31,972,028</u>	<u>\$ 27,151,429</u>	<u>\$ 23,589,092</u>	<u>\$ 21,070,339</u>	<u>\$ 18,432,107</u>
ODFA - Regents' Master Equipment Lease Program:						
- Series 2006C (Master Equipment Lease Program)		\$ 476,619	\$ 261,025	\$ 259,181	\$ 262,056	\$ 259,400
- Series 2007A/B/C (Master Equipment Lease Program)		1,276,520	1,274,081	589,031	591,296	587,405
- Series 2008A/B (Master Equipment Lease Program)		1,571,327	1,563,267	699,967	240,607	242,424
- Series 2009A/B (Master Equipment Lease Program)		1,150,628	1,154,681	1,151,450	925,890	833,818
- Series 2010A/B (Master Equipment Lease Program)		1,472,913	994,538	850,469	847,244	847,631
- Series 2011A/B/C (Master Equipment Lease Program)		3,290,651	3,280,638	2,317,388	2,321,925	2,031,913
- Series 2013A (Master Equipment Lease Program)		661,163	664,463	592,313	596,963	577,563
- Series 2014A/B/C/D (Master Equipment Lease Program)		4,540,368	4,535,008	4,458,806	3,969,180	3,805,439
- Series 2015A/B/C (Master Equipment Lease Program)		1,764,931	1,769,231	1,767,581	1,739,631	1,411,381
- Series 2016A/B (Master Equipment Lease Program Refunding)		1,596,985	1,595,930	1,597,270	1,595,306	1,595,615
Subtotal - Master Equipment Lease Program		<u>\$ 17,802,105</u>	<u>\$ 17,092,863</u>	<u>\$ 14,283,457</u>	<u>\$ 13,090,098</u>	<u>\$ 12,192,588</u>

(1) Notes are secured solely by the beneficiary company's payroll taxes. These amortization schedules are subject to revision as pledged taxes pay down the notes.

(2) Bonds are secured by payroll taxes that are diverted to pay debt service prior to being certified as State revenues (also backed by a corporate pledge and a state pledge of corporate income taxes).

(3) Bonds are secured by a local property tax for health services. Issue is backed by a Credit Enhancement Reserve Fund guaranty.

(4) Initial source of payment is CLEET's share of court assessments and fines.

(5) The Series 2014A Bonds refunded the Series 2004A Bonds and the tax-exempt portion of the Series 2004B issue. The 2014 Taxable Note refunded the taxable portion of the Series 2004B issue.

(6) Excludes three ODFA loans guaranteed through the CERF Program. Outstanding principal: Woodward Industrial Authority (\$1,006,379), Muskogee Port Authority (\$862,880 and \$544,722).

Fiscal Year -->	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
ODFA - Regents' Master Real Property Lease Program:					
- Series 2006A (Master Real Property Lease Program) [refunded by Series 2016G] (1)	\$ 862,203	\$ -	\$ -	\$ -	\$ -
- Series 2007A/B (Master Real Property Lease Program)	3,755,956	3,654,325	3,575,581	3,579,050	3,570,513
- Series 2008A (Master Real Property Lease Program)	1,223,476	1,216,514	1,216,945	1,152,873	1,152,354
- Series 2009A/C/D (Master Real Property Lease Program)	5,207,734	5,209,386	5,208,149	5,212,469	5,204,561
- Series 2010A/B/C/D (Master Real Property Lease Program)	5,423,658	5,425,035	5,429,111	5,425,462	4,518,299
- Series 2011A/B/C/D/E/F (Master Real Property Lease Program)	6,871,380	6,873,222	6,885,843	6,897,380	6,915,878
- Series 2013A/B (Master Real Property Lease Program)	2,474,150	2,466,350	2,212,200	2,204,050	2,199,700
- Series 2014A/B/C/D/E/F/G/H and BAN (Master Real Property Lease Program)	13,140,789	13,203,819	17,264,084	12,993,729	12,979,224
- Series 2015A/B/C/D/E (Master Real Property Lease Program)	9,891,339	11,490,406	11,483,864	11,487,387	11,490,499
- Series 2016A/B/C/D/E/F/G (Master Real Property Lease Program)	9,103,832	12,234,691	12,284,396	12,283,513	12,278,580
Subtotal - Master Real Property Lease Program	\$ 57,954,517	\$ 61,773,747	\$ 65,560,173	\$ 61,235,913	\$ 60,309,608
Direct Agency/Higher Education Obligations:					
- Series 2002 (USAO Energy Management)	\$ 431,979	\$ 219,604	\$ -	\$ -	\$ -
- Series 2002 (Panhandle State University - Energy Mgmt.)	247,473	243,420	243,558	242,735	241,358
Subtotal - Direct Agency/Higher Education Obligations	\$ 679,452	\$ 463,024	\$ 243,558	\$ 242,735	\$ 241,358
Competitive Sales/Small Leases (13 leases) (2)	\$ 2,348,150	\$ 1,976,371	\$ 1,792,163	\$ 1,472,721	\$ 1,446,575
Total Annual Debt Service and Lease Payments	\$ 280,986,230	\$ 277,069,231	\$ 270,956,189	\$ 207,344,481	\$ 192,644,071

(1) Final payment was made December 1, 2016.

(2) Includes competitively sold and privately placed leases.