
OKLAHOMA STATE BOND ADVISOR

Annual Report
2014



January 15, 2015

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ANNUAL REPORT
OF THE
OKLAHOMA STATE BOND ADVISOR

Calendar Year 2014

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INTRODUCTION

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Formal oversight of the State of Oklahoma's borrowing practices began with the passage of the Oklahoma Bond Oversight and Reform Act (HB 1444) in 1987 (codified as Title 62, Oklahoma Statutes 695.1 *et seq.*). That statute created the Executive and Legislative Bond Oversight Commissions, the position of State Bond Advisor, and the State Bond Advisor's Office. Its purpose was to provide both oversight of, and a variety of services related to, the issuance and management of long-term borrowings by State governmental entities.

The oversight function operated as originally designed until 2002, when 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. The State Bond Advisor is charged with helping the Council ensure that each borrowing is undertaken in the most efficient, timely, and cost-effective manner possible.

The State Bond Advisor also provides advice and assistance to the Governor and Oklahoma Legislature on matters relating to capital planning, debt issuance and debt management. The State Bond Advisor 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 charges 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

Effective November 1, 2012, the Office of Management and Enterprise Services assumed primary responsibility for administrative support of the Long-Range Capital Planning Commission (“LRCPC”), with assistance provided by the State Bond Advisor’s Office. This change, made in the 2012 legislative session, was designed to more closely integrate the State’s capital planning with the Executive Budget process. It is hoped that this having this function more closely linked to OMES will build on the progress that has been made toward linking the operating and capital budgets and help Oklahoma better manage and maintain its capital facilities and equipment.

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 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 short-fall for the coming year. This annual review begins in December and is concluded in the late spring. The borrowing in 2014 (for fiscal year 2014-2015) included funding for six (6) series of notes (including two for career tech institutions). The total principal amount issued to meet the various districts’ cash-flow needs in 2014 was \$8,540,000. 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 2014 totaling \$4,891,879. This total included \$551,879 for the Department of Human Services and \$4,340,000 for an East Central University refunding. See Appendix F for a 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 2014, Oklahoma’s private activity bond capacity was \$385,056,800. 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.”

In the past year, there were two personnel changes in the State Bond Advisor’s Office. On May 9th, Alex Edwards resigned her position as Senior Bond Analyst. We greatly appreciate the contribution Alex made during her time with the Office and wish her the very best. On November 17th, Jordan Perdue joined the Office as Senior Bond Analyst. We are pleased to have Jordan as a new member of the team.

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

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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.

The 2014 Oklahoma Legislature addressed one of the state's most pressing capital needs with the approval of \$120 million lease revenue bonds to repair the State Capitol. A taxpayer challenge to that issue required the Oklahoma Capitol Improvement Authority to seek validation of the bonds in late 2014. The Oklahoma Supreme Court unanimously validated the proposed bonds on December 15, 2014. The Capitol Building renovation project is expected to be funded in two phases, with the first sale of bonds expected in early 2015. The bonds are limited by the statutory authorization to a ten-year maturity.

Funding of the Plan

Since its inception in 1992, the Commission consistently recommended that certain capital projects be funded by direct appropriations from the General Fund. However, these recommendations were not acted upon and funding was not 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 currently has a \$15 million appropriation from the 2014 legislative session, but the Commission recommends the Legislature appropriate an additional \$19.63 million to fully fund CIP projects for FY 2016.

Development of the Plan

State agencies submit their applications for capital project funding using the State's Budget Request System operated online by OMES. 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

To help organize and prioritize the large number of submissions received, the commission placed project requests into five categories: Critical Asset Prevention, Health & Safety, Economic Development, Service Upgrades and Bond Appropriate.

The Commission focused heavily on projects that address asset preservation and health and safety issues. Therefore, funding recommendations were limited to projects that will address the most critical needs. Prioritization of project requests was based on a combination of agency priority, established project rating criteria and project type. Examples of projects selected by the Commission include replacement of fire alarms and property repairs, improvements and upgrades.

For FY 2016, the Commission has recommended the expenditure of \$34.88 million from the Maintenance of State Buildings Revolving Fund to pay for sixty (60) capital projects, as summarized below.

<u>Category</u>	<u>Amount</u>	<u>Percent of Total</u>
Critical Asset Preservation	\$ 18,716,184	54%
Service Upgrades	\$ 11,776,987	34%
Health and Safety	\$ 4,391,283	12%

In addition to the recommended project list for FY 2016, the Commission recommends \$36.36 million in projects be funded in FY 2017 and an additional \$86.72 million in projects be funded over FYs 2018-2023. In total, the Commission recommends funding \$157.97 million for 468 projects through the Maintenance of State Buildings Revolving Fund for FYs 2016-2023.

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 has recommended that the Oklahoma Legislature authorize a bond issue totaling \$349,644,320 to fund fifty-three (53) projects for eleven state agencies. The projects were chosen from over 1,000 capital requests and are considered to represent the most pressing needs. The selected projects will significantly improve state agencies ability to provide crucial services to the public in an efficient, cost effective manner. Some proposed projects call for the replacement of worn out cell doors and locks at correctional facilities across the state, completion of the Jim Thorpe building rehabilitation, land acquisition and construction of an office building to more efficiently house state agencies.

It is the Commission's view that the State has the available debt capacity to carry the proposed bond issue. The CIP notes that in FY 2019, the state's annual debt service will drop significantly to \$143.3 million. By delaying any bond issuance, the State runs the risk that interest rates will increase, resulting in higher annual debt service on the proposed bonds. Many market participants expect interest rates to increase beginning in mid-to-late 2015.

Policy Recommendations

In addition to providing an itemized and prioritized list of projects in the CIP for FYs 2016-2023, the Commission offered four policy recommendations to improve statewide capital asset management. These recommendations are as follows: (1) Establish the Capital Improvements Plan as the sole method of obtaining funding for new facilities construction, capital renewal and major maintenance projects; (2) Establish statewide performance measures for facilities operations and maintenance; (3) Authorize the state facilities director to utilize the Maintenance of State Buildings Revolving Fund to implement the Real Property Management Program; and (4) Establish a consistent and adequate appropriation for recapitalization of the state's real property assets.

Conclusion

Capital planning is very important to achieving the State's long term strategic goals of maximizing efficiency within the constraints of available resources. Like many other state governments, Oklahoma has not consistently provided for the repair and replacement of capital assets on a schedule that allows its agencies to operate in the most efficient and cost-effective manner possible. A comprehensive and consistent capital planning process will help the state address deferred maintenance needs and manage on-going requirements in a timely manner.

STATE FINANCING ACTIVITY - 2014

STATE FINANCING ACTIVITY - 2014

Background

In December of 2013, the Federal Reserve announced that it planned to gradually end its third round of “quantitative easing” in 2014 by purchasing \$10 billion fewer bonds each month – reducing Treasury and mortgage-backed bond purchases equally. In the five years of QE3, the Fed purchased more than \$1.7 trillion worth of U.S. Treasuries and mortgage-backed securities with the stated goal of reducing interest rates and stimulating economic activity. The program was very successful in keeping interest rates at near historic lows over that period, but economic activity – especially in the housing sector – did not respond as quickly as the Fed had hoped. Despite a change in leadership when Ben Bernanke stepped down as Chairman at the end of January, the Fed tapering program continued until bond purchases ended in October of 2014.

After a brief increase in January following the announcement of the Fed’s tapering plans, interest rates began to decline and the 10-year Treasury bond reached its lowest yield of the calendar year on December 18th. Other indexes reached their lowest levels on the last day of 2014 (see below). This favorable interest rate environment allowed state and local bond issuers to realize significant debt service savings by refunding their outstanding bonds. Additionally, issuers had an opportunity to sell bonds at very low rates to fund new projects and programs, although relatively few chose to do so. The table below provides a comparison of the highest and lowest rates in various bond categories over the past year. The source of the index rates is *The Bond Buyer*.

		20-Bond G.O. Index	11-Bond G.O. Index	Revenue Index	10-Year Treasury
High	January 2	4.75%	4.46%	5.39%	2.99%
Low	December 31	3.56%	3.41%	4.39%	2.16%*

* The low yield on the 10-Year Treasury Note for calendar year 2014 was on October 16th (it was 2.18% on 12/31).

The past decade has seen a decline in the issuance of municipal bonds. In calendar years 2005 to 2009, municipal bond volume (both taxable and tax-exempt) averaged \$405.3 billion per year. In the past four years (2010 to 2013), the average volume has dropped to \$358.6 billion and preliminary totals for 2014 indicate a long-term volume of about \$334.4 billion.

Oklahoma Financings

As noted above, one beneficial impact of the Fed's quantitative easing program has been an extended period of low interest rates. Oklahoma state agencies and departments that have issued refunding and new money bonds in the past few years have secured some of the lowest borrowing costs in recent history.

Compared to the nation as a whole, 2014 was a fairly active year for debt issuance in Oklahoma. State issuers completed thirty-six bond and note transactions totaling \$1,330,851,879 during the calendar year. Of these, ten were bond issues (in the par amount of \$385,105,000) that had been authorized in 2013, but carried over to 2014. Another twenty-six series of bonds were authorized and issued in 2014 in the par amount of \$945,746,879.

Of all issues completed in 2014, revenue bonds represented \$730,380,000, or 54.9% of the total. Lease-backed obligations made up the balance of issuance volume (there were no general obligation bond sales in 2014). The Grand River Dam Authority accounted for \$375,480,000 of the year's revenue bond volume, issuing three series of bonds to replace an aging coal-fired facility with combined-cycle gas generation. The Oklahoma Municipal Power Authority sold two series of revenue bonds in 2014 totaling \$123,180,000. The proceeds of both OMPA issues were sold to refund outstanding power supply revenue bonds.

Significant issuers of lease-backed obligations in the past year were: (i) the Oklahoma Capitol Improvement Authority, which sold three series totaling \$359,975,000 – all of which were to either refund or restructure outstanding bonds; and (ii) the ODFA's Master Real Property and Equipment Lease Programs, which sold eleven series of bonds totaling \$219,140,000.

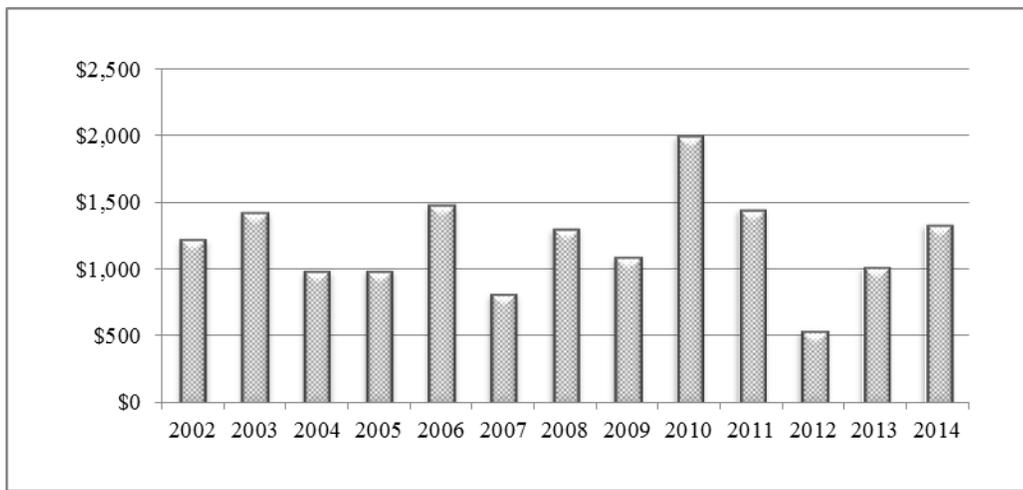
Of all transactions completed in 2014, there were multiple series (and portions of series) that were sold to refund or advance refund outstanding bonds to achieve debt service savings. Oklahoma issuers have been taking advantage of the low rate environment to refund outstanding debt for several years now and the result has been significant savings for the State. The following table summarizes refunding activity since 2011, which has resulted in net present value savings in excess of \$123.2 million. Assuming interest rates remain favorable, additional refundings are expected in 2015 as more outstanding bonds become eligible for early redemption.

**State of Oklahoma Refunding Activity
Calendar Years 2011-2014**

	<u>Net Present Value Savings</u>	<u>Savings as % of Refunded Par</u>
Oklahoma Turnpike Authority, Series 2011	\$ 19,609,788	3.68%
Master Real Property Lease (UCO), Series 2011A	900,606	12.03%
Master Real Property Lease (UCO), Series 2011B	1,638,379	14.24%
Master Real Property Lease (OSUIT), Series 2011D	2,394,324	16.96%
Master Real Property Lease (Connors), Series 2011E	1,607,680	18.41%
Master Real Property Lease (USAO), Series 2011F	2,480,997	20.42%
University of Oklahoma, Series 2011E	1,993,188	9.68%
University of Oklahoma, Series 2011F	204,034	11.15%
Tulsa Community College, Series 2012	1,010,091	12.82%
University of Oklahoma, Series 2012C	1,281,425	21.76%
University of Oklahoma Series 2012D	3,927,280	15.17%
OSU General Revenue Bonds, Refunding Series 2013A	4,257,253	24.21%
ODFA (Corrections Dept. Refunding), Series 2013	3,313,122	12.85%
ODFA (CLEET Refunding), Series 2013A	3,728,317	19.49%
Oklahoma Capitol Improvement Authority, Series 2013A/B	3,107,224	12.15%
Oklahoma Building Bonds Commission, Series 2013	1,759,736	5.60%
OWRB State Revolving Fund, Series 2013B (Federally Taxable)	7,774,175	9.49%
OSU General Revenue Bonds, Refunding Series 2013B	1,718,758	8.89%
Master Real Property Lease, Series 2013B	1,816,093	10.29%
OWRB State Revolving Fund, Series 2014A (Federally Taxable)	8,263,471	9.99%
Master Real Property Lease, Series 2014A	959,220	11.30%
Master Real Property Lease, Series 2014B	3,213,564	19.43%
Oklahoma Capitol Improvement Authority Series 2014A	18,618,128	8.03%
University of Oklahoma, Series 2014C	3,456,525	13.09%
Master Equipment Lease, Series 2014A	1,159,890	11.95%
ODFA (DHS Project), Series 2014A / Taxable Note	306,886	6.26%
Oklahoma Capitol Improvement Authority, Series 2014B	6,577,656	11.10%
OWRB State Loan Program, Series 2014B	1,937,539	21.21%
Master Equipment Lease, Series 2014B	778,848	12.31%
ODFA (East Central University Project), Series 2014	500,723	10.85%
Oklahoma Municipal Power Authority, Series 2014A	12,316,145	14.10%
OWRB State Loan Program, Series 2014C	245,257	14.12%
Master Equipment Lease, Series 2014C	374,922	12.65%
Total	\$ 123,231,245	

Total State issuance volume in 2014 was higher than in 2013, due in part to refunding activity and the large power issues referenced above. As the following table demonstrates, the \$1.33 billion sold in 2014 was fairly consistent with recent years. However, when refunding activity and the few large power sales are deducted, Oklahoma’s debt issuance volume is less than is needed to fully address deferred maintenance and other infrastructure needs.

**State of Oklahoma
Par Value of Debt Issuance
Calendar Years 2002-2014
(\$ in millions)**



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 1993 and refunded 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. This transaction, totaling \$29,620,000, resulted in a net present value savings to the state of \$1,759,735.91, or 5.60% of the par value of refunded bonds. As of December 31, 2014, the outstanding principal of these governmental-purpose, general obligation bonds was \$107,395,000. As shown below, 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 all of the State’s governmental-purpose general obligation 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 Government-Purpose General Obligation Bonds
Principal Redemption Schedule
(as of December 31, 2014)

<u>Calendar</u> <u>Year</u>	<u>Series</u> <u>2013A</u>	<u>Series</u> <u>2010A</u>
2015	\$ 900,000	\$ 24,395,000
2016	0	26,225,000
2017	850,000	26,495,000
2018	<u>7,070,000</u>	<u>21,460,000</u>
Totals	\$ 8,820,000	\$ 98,575,000

Self-Supporting General Obligation Bonds - OIFA

The Oklahoma Industrial Finance Authority 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, 2014, was \$44,885,000.

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 outstanding for the Quality Jobs Investment Program.

Two issuers requested and received CERF approval under the Public Facilities Financing Program in 2014. These were: (i) \$4,340,000 for East Central University to enhance the credit quality of bonds issued to refund outstanding housing bonds; and (ii) \$551,879 to secure a note issued by the Department of Human Services. In each case, the CERF program improved the credit quality of the offering and resulted in significant debt service savings for the State.

Under the various components of the CERF guaranty program (Pooled Business Program, the Public Facilities Program, and the Quality Jobs Investment Program) there were sixteen (16) partially or wholly guaranteed issues outstanding, as of December 31, 2014, including one approval for a bank loan (for the Woodward Industrial Foundation). For some loans, private sector entities (including bond insurance companies) have participated as co-guarantors, allowing the ODFA to leverage its available resources.

At the end of the 2014 calendar year, the par value outstanding for all CERF issues was \$56,739,330, of which \$41,912,593 was the CERF-guaranteed portion (including the aforementioned \$1.15 million Woodward Industrial Foundation financing). The outstanding par amount of bonds issued with CERF backing dropped in 2014 as some issues were refunded. 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 twenty-seven (27) series of OCIA obligations outstanding in the total principal amount of \$1,046,935,000. The principal balance of each of these obligations as of December 31, 2014 is shown in the table on page 19.

The OCIA issued three series of bonds in 2014. All three were sold to refinance outstanding obligations of the Authority. In April, the Authority sold \$220,725,000 Series 2014A lease revenue refunding bonds to current refund its outstanding Series 2005A-F obligations. That transaction resulted in a net present value savings of over \$18.6 million. In July, the Authority sold \$55,505,000 lease revenue refunding bonds to refinance its outstanding Series 2004A Bonds (excluding the September 1, 2014 bonds that were paid at maturity). The Series 2014B refunding resulted in net present value savings of nearly \$6.8 million. The final OCIA issue of 2014 provided for the conversion of the outstanding Series 2006D variable-rate demand obligations to long-term, fixed-rate bonds. That transaction removed the interest rate risk associated with the VRDOs and reduced the administrative burden for the Authority.

On December 15, 2014, the Oklahoma Supreme Court issued an Order validating a planned \$120 million lease revenue bond issue by the OCIA to provide for renovation of the Oklahoma State Capitol Building. The first phase of this financing is expected in early 2015.

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 State agencies from their normal General Revenue Fund appropriation, without the need for an increase in their budget to meet the lease requirement. In other cases,

however, the agency is given approval by the Legislature to enter into a lease purchase agreement that requires an increase in the general revenue appropriation. 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.

The Master Personal Property (Equipment) Lease Program, created in 2001 for the benefit of Oklahoma’s public institutions of higher education, (with obligations issued through the ODFA) remains a very popular and efficient means for public institutions of higher education in Oklahoma to acquire personal property. There were twenty-six (26) series of Master Personal Property lease obligations outstanding as of December 31, 2014, including two series that have been refunded and will be called on January 12, 2015. When the two refunded series are excluded, the outstanding principal of Master Equipment Lease bonds at calendar year-end 2014 was \$121,695,000.

In 2006, a second master lease program was created to address real property needs at the State’s institutions of higher education. Twenty-six (26) series of Master Real Property lease bonds were outstanding as of December 31, 2014 in the total principal amount of \$473,395,000.

* * * * *

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 22, 2014, Oklahoma ranked 41st in net tax-supported debt per capita (\$529) and 42nd in net tax-supported debt as a percent of 2012 personal income (1.3%). The table on the following page provides a detailed summary of the State’s outstanding tax-backed obligations as of December 31, 2014.

State of Oklahoma
Gross and Net Tax-Supported Debt
as of December 31, 2014
(\$ in thousands)

General Obligation Bonds¹

Building Bonds of 2013, Refunding Series A	\$ 8,820
Refunding Bonds of 2010, Series A	98,575
Industrial Finance Authority, Series 2001 Refunding	40,000
Industrial Finance Authority, Series W-1	4,255
Industrial Finance Authority, Series W-2	630
Gross General Obligation Bonds	\$ 152,280

Oklahoma Capitol Improvement Authority Lease Revenue Bonds²

State Facilities Refunding Revenue Bonds, Series 2014C	\$ 83,745
State Facilities Refunding Revenue Bonds, Series 2014B	55,505
State Facilities Refunding Revenue Bonds, Series 2014A	220,725
State Facilities Refunding Revenue Bonds, Series 2013C	5,955
State Facilities Refunding Revenue Bonds, Tax-Exempt Series 2013A	20,010
State Highway Capital Improvements Revenue Bonds, Series 2012	50,180
State Highway Capital Improvements Revenue Bonds, Fed. Taxable Series 2010B	92,075
State Highway Capital Improvements Revenue Bonds, Series 2010A	77,620
State Facilities Refunding Revenue Bonds Series 2010B	12,555
State Facilities Refunding Revenue Bonds Series 2010A	87,260
Endowed Chairs Funding & Refunding Revenue Bonds, Fed. Taxable Series 2010	121,785
State Highway Capital Improvements Revenue Bonds, Series 2009B	68,830
State Highway Capital Improvements Revenue Bonds, Series 2009A	38,545
State Facilities Revenue Bonds, Series 2009A (Conservation Commission Projects)	18,075
State Facilities Revenue Bonds, Series 2008B (Supreme Court Project)	9,565
State Facilities Revenue Bonds, Series 2008A (Native American Center)	19,180
State Facilities Revenue Bonds, Series 2006E (OSBI – Phase II)	4,460
State Facilities Revenue Bonds, Series 2006C (Supreme Court Project)	15,335
State Facilities Revenue Bonds, Series 2006B (Mental Health Project)	13,015
State Facilities Revenue Bonds, Series 2006A (Agriculture Project)	16,805
State Facilities Revenue Bonds, Series 2005F (Higher Education Projects)	11,275
State Facilities Revenue Bonds, Series 2005E (Attorney General - Phase III)	145
State Facilities Revenue Bonds, Series 2005D (OSBI)	750
State Facilities Revenue Bonds, Series 2005C (Native American Center)	1,445
State Facilities Revenue Bonds, Series 2005B (Attorney General - Phase II)	190
State Facilities Revenue Bonds, Series 2005A (Military Department)	430
State Facilities Lease Revenue Bonds, Series 2003E (DCS/Sci, & Math/Tourism)	1,475
Gross OCIA Lease Revenue Bonds	\$ 1,046,935

ODFA (Master Lease Program – Real Property)³

Series 2014G (Regents Master Real Property Lease Program)	\$ 3,205
Series 2014F (Regents Master Real Property Lease Program)	8,680
Series 2014E (Regents Master Real Property Lease Program)	49,770
Series 2014D (Regents Master Real Property Lease Program)	15,515
Series 2014C (Regents Master Real Property Lease Program)	41,570
Series 2014B (Regents Master Real Property Lease Program)	15,095
Series 2014A (Regents Master Real Property Lease Program)	56,140

Tax-Supported Debt Table (continued)

Series 2013B (Regents' Master Real Property Lease Program)	\$ 15,875
Series 2013A (Regents' Master Real Property Lease Program)	6,990
Series 2011F (Regents' Master Real Property Lease Program)	10,440
Series 2011E (Regents' Master Real Property Lease Program)	7,520
Series 2011D (Regents' Master Real Property Lease Program)	9,545
Series 2011C (Regents' Master Real Property Lease Program)	8,055
Series 2011B (Regents' Master Real Property Lease Program)	9,575
Series 2011A (Regents' Master Real Property Lease Program)	34,755
Series 2010D (Regents' Master Real Property Lease Program)	8,785
Series 2010C (Regents' Master Real Property Lease Program)	6,145
Series 2010B (Regents' Master Real Property Lease Program)	8,185
Series 2010A (Regents' Master Real Property Lease Program)	35,125
Series 2009D (Regents' Master Real Property Lease Program)	7,400
Series 2009C (Regents' Master Real Property Lease Program)	18,340
Series 2009A (Regents' Master Real Property Lease Program)	46,790
Series 2008A (Regents' Master Real Property Lease Program)	12,470
Series 2007B (Regents' Master Real Property Lease Program)	26,125
Series 2007A (Regents' Master Real Property Lease Program)	6,015
Series 2006A (Regents' Master Real Property Lease Program)	5,285
Gross Master Lease (Real Property) Bonds.....	\$ 473,395

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

Series 2014D (Regents Master Equipment Lease Program).....	\$ 2,730
Series 2014C (Regents Master Equipment Lease Program).....	10,785
Series 2014B (Regents Master Equipment Lease Program).....	5,755
Series 2014A (Regents Master Equipment Lease Program).....	9,075
Series 2013A (Regents Master Equipment Lease Program).....	7,935
Series 2011C (Regents' Master Equipment Lease Program).....	13,585
Series 2011B (Regents' Master Equipment Lease Program).....	9,635
Series 2011A (Regents' Master Equipment Lease Program)	1,055
Series 2010B (Regents' Master Equipment Lease Program).....	1,815
Series 2010A (Regents' Master Equipment Lease Program)	10,025
Series 2009B (Regents' Master Equipment Lease Program).....	10,840
Series 2009A (Regents' Master Equipment Lease Program)	1,420
Series 2008B (Regents' Master Equipment Lease Program).....	3,145
Series 2008A (Regents' Master Equipment Lease Program)	3,800
Series 2007C (Regents' Master Equipment Lease Program).....	4,220
Series 2007B (Regents' Master Equipment Lease Program).....	1,760
Series 2007A (Regents' Master Equipment Lease Program)	1,500
Series 2006C (Regents' Master Equipment Lease Program).....	2,900
Series 2006B (Regents' Master Equipment Lease Program).....	960
Series 2006A (Regents' Master Equipment Lease Program)	14,230
Series 2005C (Regents' Master Equipment Lease Program).....	175
Series 2005B (Regents' Master Equipment Lease Program).....	530
Series 2005A (Regents' Master Equipment Lease Program)	3,600
Series 2004C (Regents' Master Equipment Lease Program) [refunded–call 1/12/15]	-
Series 2004B (Regents' Master Equipment Lease Program) [refunded–call 1/12/15]	-
Series 2003C (Regents' Master Equipment Lease Program).....	220
Gross Master Lease (Personal Property) Bonds.....	\$ 121,695

ODFA Lease Purchase Obligations – Public Sales⁴

Series 2014 (East Central University Refunding) – CERF.....	\$ 4,340
Series 2014A (Department of Human Services – Refunding).....	4,410
Series 2014 (Department of Human Services) Taxable Note - CERF.....	509
Series 2013 (Department of Corrections Refunding).....	19,480
Series 2013 (Rogers State University Project) – CERF.....	2,925
Series 2012A (CLEET Refunding).....	15,345
Series 2012A (Department of Human Services – Refunding/New Money).....	11,690
Series 2012A (LeFlore County Health Department Project) - CERF.....	2,180
<u>Community Economic Development Pooled Program:</u>	
Series 2014 (International Paper Project).....	4,000
Series 2014 (Bullet Energy Project).....	1,000
Series 2014 (Orchids Paper Project).....	3,500
Series 2014 (Whirlpool Project).....	4,000
Series 2014 (Newell Coach Project).....	1,000
Series 2013 (V&M Project).....	1,730
Series 2013 (Advance Foods Project).....	2,425
Series 2013 (Lufthansa Technik Project).....	2,725
Series 2013 (Michelin Project).....	9,090
Series 2013 (Temtrol Project).....	2,020
Series 2013 (Berry Plastics Project).....	770
Series 2012 (L-3 Aeromet Project).....	2,890
Series 2012 (International Paper Project).....	6,200
Series 2012 (Process Manufacturing Project).....	3,504
Series 2012 (Parrish Enterprises Project).....	884
Series 2010 (Goodyear Project).....	13,281
Series 2010 (Hitachi Project).....	11,330
Series 2009 (Office of State Finance Facilities).....	37,615
Series 2008 (Muskogee Port Project) – CERF.....	620
Series 2008A (Pontotoc County Health Department Project) - CERF.....	3,885
Series 2008A (DHS Projects).....	15,155
Series 2007A (Washington County Health Department Project) - CERF.....	3,360
Series 2006A (Pittsburg County Health Department Project) - CERF.....	3,215
Series 2006 (Corrections Department – Union City Project).....	3,035
Series 2005A (Department of Veterans’ Affairs Refunding Bonds).....	910
Series 2004 (Goodyear Project).....	10,725
Series 2004 (Michelin Project).....	7,575
Gross ODFA Lease Revenue Bonds – Public Sales.....	\$ 217,324
College Lease Revenue Bonds	
Board of Regents of Oklahoma Colleges	
Series 2002 COPs (University of Science and Arts) - Energy Mgmt. ⁵	\$ 1,235
Board of Regents of A&M Colleges (Panhandle State) - Energy Mgmt. ⁵	1,580
Gross Public Lease Purchase Debt.....	\$ 2,815
Gross Lease Purchase Debt Privately Placed or Competitively Sold - 8 leases⁶.....	\$ 14,551
TOTAL GROSS TAX-SUPPORTED DEBT.....	<u>\$2,028,995</u>

Tax-Supported Debt Table (continued)

LESS: Self-Supporting Bonds	
Industrial Finance Authority.....	\$ 44,885
ODFA Series 2002 (CLEET Project) ⁷	15,345
OCIA Series 2005B and 2005E (AG Projects) ⁸	335
OCIA Series 2013A (Attorney General Project portion) ⁹	4,408
OCIA Series 2005D & 2006E (OSBI Projects) ⁹	5,210
ODFA Community Development Pooled Program - 17 issues	70,350
ODFA Series 2004 (Michelin Project)	7,575
ODFA Series 2004 (Goodyear Project)	10,725
LESS: Debt Service Reserve Funds.....	<u>1,558</u>
Total Reductions to Gross Tax-Supported Debt.....	(<u>160,391</u>)
TOTAL NET TAX-SUPPORTED DEBT	<u>\$1,868,604</u>

Notes to Tax-Supported Debt Table

- ¹ Full faith and credit debt, initially secured by a Cigarette Tax pledge. OIFA bonds are secured by loan repayments.
- ² Unless otherwise noted, security is provided by funds appropriated annually to make lease payments.
- ³ Secured by allocations by the Oklahoma State Regents for Higher Education from a single appropriation.
- 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. The outstanding commitment (including issues shown on this table is currently \$41,912,593.
- 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 Most of these are financed by vendors or third party leasing companies. Amortization schedules for these leases were provided by vendors as part of the State’s standard lease purchase agreement. Privately placed leases of the Oklahoma Legislature have not been reported to the Bond Advisor’s Office.
- 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.
- ⁹ The OCIA (OSBI Project) lease payments are being made from the Forensic Science Improvement Revolving Fund.

Revenue Obligations

As noted previously, revenue bonds represented 54.9% of the State’s issuance volume in calendar year 2014. There were eighteen (18) separate series of revenue bonds issued during the calendar year in the total principal amount of \$730,380,000.

The largest revenue bond issuers in the State in 2014 were the Grand River Dam Authority, the Oklahoma Municipal Power Authority, and the Oklahoma Water Resources Board. The Grand

River Dam Authority sold two fixed-rate issues and one variable-rate obligation to finance construction of a new, gas-power generation facility and to provide for environmental upgrades to an existing coal-fired plant. The total par value of GRDA issues for the year was \$375,480,000. The Oklahoma Municipal Power Authority issued two series of bonds totaling \$123,180,000. Both of those transactions refinanced outstanding issues. The Oklahoma Water Resources Board sold four series of bonds in 2014 in the total par value of \$95,335,000. Three were for the State Loan Program, totaling \$39,775,000, and one was for the State Revolving Fund in the par amount of \$55,560,000. The University of Oklahoma completed three series of general revenue bonds in the calendar year, totaling \$113,545,000.

The table on the following page lists of all revenue bond issues by State entities in calendar year 2014, by issuer and series.

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**STATE OF OKLAHOMA
Revenue Bond Activity
Calendar Year 2014**

<u>Issuer</u>	<u>Amount</u>
Oklahoma Development Finance Authority (Bullet Energy) Series 2014	\$ 1,000,000
Oklahoma Development Finance Authority (Orchids Paper) 2014	3,500,000
Oklahoma Development Finance Authority (Whirlpool) Series 2014	4,000,000
Oklahoma Development Finance Authority (Newell Coach) Series 2014	1,000,000
Oklahoma Development Finance Authority (International Paper) Series 2014	4,000,000
Oklahoma Development Finance Authority (East Central Refunding) Series 2014	4,340,000
Oklahoma Municipal Power Authority, Series 2014A	88,740,000
Oklahoma Municipal Power Authority, Series 2014B	34,440,000
Oklahoma Housing Finance Agency(Wesley Village), Series 2014	5,000,000
Grand River Dam Authority, Series 2014A	225,635,000
Grand River Dam Authority, Series 2014B	84,845,000
Grand River Dam Authority, Series 2014C	65,000,000
University of Oklahoma, Series 2014A	12,380,000
University of Oklahoma, Series 2014B	11,980,000
University of Oklahoma, Series 2014C	89,185,000
Oklahoma Water Resources Board, State Loan Program Series 2014A	10,180,000
Oklahoma Water Resources Board, State Loan Program Series 2014B	9,595,000
Oklahoma Water Resources Board, State Loan Program Series 2014C	20,000,000
Oklahoma Water Resources Board, State Revolving Loan Program Series 2014A	<u>55,560,000</u>
TOTAL	<u>\$ 730,380,000</u>

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 summary of the outstanding debt of Oklahoma's largest revenue bond issuers is provided below.

**Oklahoma's Largest Revenue Bond Issuers
Outstanding Bonded Indebtedness
(as of December 31, 2014)**

<u>Issuer</u>	<u>Outstanding Debt</u>
Grand River Dam Authority	\$ 1,153,545,000
Oklahoma Turnpike Authority	986,175,000
Oklahoma Water Resources Board	768,250,000
Oklahoma Municipal Power Authority	718,260,000
Oklahoma Student Loan Authority	449,109,000
Oklahoma Housing Finance Agency	429,388,561 ¹

¹ Includes single-family (\$418,127,413) and multi-family (\$11,263,148) obligations, as of September 30, 2014 (the latest date for which numbers were available from the OHFA).

* * * * *

PRIVATE ACTIVITY BONDS

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 2014 was \$100 per capita of the state’s resident population or \$291,880,000, whichever is greater. For calendar year 2014 Oklahoma’s volume ceiling was \$385,056,800.

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 2014 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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2014 State Volume Ceiling	\$ 385,056,800
Qualified Small Issue Pool (12.0%)	\$ 46,206,816
Exempt Facility Pool (2.5%)	9,626,420
Beginning Agricultural Producer Pool (1.0%)	3,850,568
Student Loan Pool (15.5%)	59,683,804
Economic Development Pool (12.0%)	46,206,816
Oklahoma Housing Finance Agency Pool (15.0%)	57,758,520
State Issuer Pool (4.0%) ¹	15,402,272
Local Issuer Single Family Pool (17.5%) ²	67,384,940
Metropolitan Area Housing Pool (12.5%) ³	48,132,100
Rural Area Housing Pool (8.0%) ²	30,804,544

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.

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Program Activity in Oklahoma in 2014

Excluding carryforward allocations, the State Bond Advisor’s Office granted cap allocations to six applicants in 2014, compared to nine in 2013. All of those approvals in 2014 were for Mortgage Credit Certificate Programs, which have been the only consistent source of demand for cap in recent years. As was the case in 2013, there was significant cap remaining for carryforward allocations on December 20, 2014. For 2014, there were three carryforward allocations totaling \$371,456,800. The tables below provide a detailed description of the activity in Oklahoma’s Private Activity Bond Allocation Program for calendar year 2014.

**State of Oklahoma
2014 Private Activity Bond Allocations**

Total State Ceiling		\$ 385,056,800
<hr/>		
<u>Qualified Small Issue Pool</u>	Beginning Balance:	\$ 46,206,816
No allocations in 2014	Ending Balance:	\$ 46,206,816
<u>Exempt Facility Pool</u>	Beginning Balance:	\$ 9,626,420
No allocations in 2014	Ending Balance:	\$ 9,626,420
<u>Beginning Farmer Pool</u>	Beginning Balance:	\$ 3,850,568
No allocations in 2014	Ending Balance:	\$ 3,850,568
<u>Student Loan Pool</u>	Beginning Balance:	\$ 59,683,804
No allocations in 2014	Ending Balance:	\$ 59,683,804
<u>Economic Development Pool</u>	Beginning Balance:	\$ 46,206,816
No allocations in 2014	Ending Balance:	\$ 46,206,816
<u>Housing Finance Agency Pool</u>	Beginning Balance:	\$ 57,758,520
No allocations in 2014	Ending Balance:	\$ 57,758,520
<u>State Issuer Pool</u>	Beginning Balance:	\$ 15,504,272
No allocations in 2014	Ending Balance:	\$ 15,504,272

[TABLE CONTINUES ON FOLLOWING PAGE]

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<u>Local Issuer Single Family Pool</u>	Beginning Balance:	\$ 67,384,940
Bryan County Public Facilities Authority (Mortgage Credit Certificates)	\$ 4,000,000	
Cherokee County Economic Development Authority (Mortgage Credit Certificates)	1,200,000	
Cleveland County Home Loan Authority (Mortgage Credit Certificates)	4,000,000	
LeFlore County Home Finance Authority (Mortgage Credit Certificates)	<u>2,400,000</u>	
Issuance Total:	\$ 11,600,000	
	Ending Balance:	\$ 55,784,940
 <u>Metropolitan Area Housing Pool</u>	Beginning Balance:	 \$ 48,132,100
No allocations in 2014	Ending Balance:	\$ 48,132,100
 <u>Rural Area Housing Pool</u>	Beginning Balance:	 \$ 30,804,544
No allocations in 2014	Ending Balance:	\$ 30,804,544
 <u>Consolidated Pool</u>	Beginning Balance:	 \$ 373,456,800
Pittsburg County Economic Development Authority (Mortgage Credit Certificates)	\$ 1,000,000	
McClain County Economic Development Authority (Mortgage Credit Certificates)	<u>1,000,000</u>	
Issuance Total:	\$ 2,000,000	
	Ending Balance:	\$ 371,456,800
 <u>Carryforward</u>	Beginning Balance:	 \$ 371,456,800
Oklahoma County Home Finance Authority (Mortgage Credit Certificates)	\$ 40,000,000	
Garfield County Industrial Authority (The Sooner Generating State Project)	125,000,000	
Oklahoma Housing Finance Agency (Single-Family Home Loan Program)	<u>206,456,800</u>	
Allocation Total:	\$ 371,456,800	
	Ending Balance:	\$ 0

Summary

As has been the case for several years, the demand for private activity volume cap in 2014 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 2014 were for Mortgage Credit Certificate Programs. There were six (6) MCC allocations in the calendar year in the total amount of \$13.6 million. Three issuers requested and were allocated a total of \$371,456,800 in carryforward capacity in 2014.

For calendar year 2015, the State of Oklahoma will have a total of \$387,805,100 of private activity cap available for allocation.

LOCAL FINANCING ACTIVITY - 2014

LOCAL FINANCING ACTIVITY - 2014

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 reported¹ nearly \$1.2 billion in bond and note volume in calendar year 2014 a significant decline when compared to sales totals in 2012 and 2013. The local volume in 2014 was only 62.2% of the average of the past four years, despite very favorable interest rates in the municipal market. The largest local issues in 2014 included: (i) a \$91,850,000 lease revenue bonds by the Cleveland County Educational Facilities Authority; (ii) a \$40,840,000 Tulsa County ISD No. 1 combined purpose issue; and (iii) a \$92,185,000 General Obligation Bond transaction by the City of Oklahoma City.

Not counting multiple lease-backed obligations sold through special authorities, school districts in Oklahoma sold 164 separate series of bonds in 2014. However, unlike the lease-backed issues, these offerings were fairly small, averaging just \$2.34 million. A five-year history of issuance volume by issuer class is provided below:

**Volume of Local Government Issuance
Calendar Years 2010-2014
(\$ in 000)**

<u>Category</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
Authorities	\$ 1,014,304	\$ 387,337	\$ 894,729	\$ 756,006	\$ 321,481
School Districts	414,254	423,967	351,726	465,168	383,675
Cities	209,700	152,000	221,425	195,760	229,955
Counties	1,000	0	4,000	0	10,000
Water/Sewer	<u>280,042</u>	<u>228,787</u>	<u>392,021</u>	<u>446,270</u>	<u>231,360</u>
TOTALS	\$ 1,908,794	\$ 1,919,300	\$ 1,863,900	\$ 1,863,204	\$ 1,176,470

¹ The Office does not independently confirm that all issuers reported their sales, as required by statute.

A listing of the local issues in 2014 that were reported to the State Bond Advisor's Office is provided on the following pages. The table includes the par amount of each series, the delivery date of the bonds/notes, and the filing date.

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Local Government Issuance in Oklahoma - 2014

<u>Issuer</u>	<u>Amount</u>	<u>Filing</u>	<u>Issue</u>
<u>Municipal Authority Issuances</u>			
Alfalfa County Educational Facilities Authority - Educational Facilities Lease Revenue Bonds, Series 2014	\$ 3,520,000	08/21/14	08/14/14
Antlers Public Works Authority - Sales Tax Revenue Note, Series 2014	875,000	02/20/14	02/20/14
Blaine County Educational Facilities Authority - Educational Facilities Lease Revenue Bonds, Series 2014	14,605,000	07/28/14	07/24/14
Blanchard Municipal Improvement Authority - Sales Tax Revenue Note, Series 2014	1,135,000	06/03/14	06/03/14
Caddo County Educational Facilities Authority - Educational Facilities Lease Revenue Bonds, Series 2014	7,060,000	08/28/14	08/20/14
Catoosa Economic Development Authority - Tax Apportionment Note, Series 2014A	1,100,000	08/28/14	08/18/14
Chickasha Municipal Authority - Sales Tax Revenue Note, Taxable Series 2014	9,875,000	03/10/14	03/10/14
Choctaw Utilities Authority - Sales Tax Revenue Note, Subordinate Series 2014	6,455,000	07/03/14	07/03/14
Chouteau County Education Facilities Authority - Educational Facilities Lease Revenue Bonds, Series 2014	6,145,000	06/03/14	05/15/14
Claremore Industrial and Economic Development Authority - Tax Apportionment Note, Series 2014A	500,000	12/15/14	12/01/14
Cleveland County Educational facilities Authority - Lease Revenue Bond Series 2014	91,850,000	06/09/14	06/05/14
Collinsville Municipal Authority - Sales Tax Revenue Note Series 2013	1,415,000	06/06/14	06/06/14
Comanche County Facilities Authority - Sales Tax Revenue Anticipation Note, Series 2014	900,000	08/21/14	08/18/14
Creek County Public Works Authority - Promissory Note	1,206,153	02/13/14	02/11/14
Drumright Gas Authority - Gas System Revenue note Series 2014	2,285,000	06/19/14	06/18/14
Ellis County Education Facilities Authority - Educational Facilities Lease Revenue Bonds, Series 2014	4,570,000	03/21/14	03/19/14
Fredrick Public Works Authority - Sales Tax Revenue Note Series 2014	1,800,000	11/24/14	11/24/14
Grady County Industrial Authority - Lease Revenue Note, Series 2014	10,000,000	10/07/14	10/22/14
Haskell County Public Facilities - Public Facilities Lease Revenue Refunding Bonds, Series 2014	7,235,000	07/07/14	06/27/14
Johnston County Educational Facilities Authority - Educational Facilities Lease Revenue Bonds, Series 2014	2,725,000	02/27/14	02/25/14
Lawton Water Authority - Sales Tax Revenue Note, Series 2014	9,500,000	12/23/14	12/22/14
LeFlore County Public Building Authority - Public Facilities Lease Revenue Refunding Bonds, Series 2013	7,100,000	03/10/14	03/01/14
LeFlore County Public Building Authority - Sales Tax Revenue Refunding Bonds, Series 2014	5,675,000	12/17/14	12/04/14
LeFlore County Sales Tax Supported Hospital Authority - Sales Tax Revenue Note, Taxable Series 2014	2,900,000	10/16/14	10/15/14
LeFlore County Public Facilities Authority - Educational Facilities Lease Revenue Bonds, Series 2014	2,815,000	12/15/14	12/11/14

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<u>Issuer</u>	<u>Amount</u>	<u>Filing</u>	<u>Issue</u>
McClain County Economic Development Authority - Lease Revenue Refunding Bonds Series 2014	\$ 5,305,000	10/03/14	09/25/14
Muskogee Redevelopment Authority - Tax Increment Revenue Note, Taxable Series 2014	6,550,000	12/31/14	12/30/14
Oklahoma City Economic Development Trust - Private Placement Tax Anticipation Note 2014	10,000,000	04/24/14	04/16/14
Oklahoma Baptist University Authority - Bond Anticipation Note, Series 2014	600,000	06/30/14	06/30/14
Oklahoma County Finance Authority - Oklahoma County Finance Authority Revenue Note, Series 2014	3,000,000	12/15/14	12/10/14
Oklahoma Development Finance Authority - Lease Revenue Bond Series 2014A	4,410,000	06/27/14	06/26/14
Pauls Valley Municipal Authority - Sales Tax Revenue Note, Taxable Series 2014	1,025,000	03/05/14	03/01/14
Pauls Valley Municipal Authority - Sales Tax Revenue Note, Taxable Series 2014A and 2014A	6,146,000	06/30/14	06/30/14
Pontotoc County Educational Facilities Authority - Educational Facilities Lease Revenue Bonds, Series 2014	11,485,000	06/19/14	07/02/14
Rogers County Educational Facilities Authority - Educational Facilities Lease Revenue Bonds, Series 2014A & 2014B	14,025,000	08/27/14	08/25/14
Stillwater Medical Center Authority - Hospital Revenue Bonds, Series 2014	15,570,000	04/10/14	03/28/14
Sapulpa Municipal Authority - Capital Improvement Revenue Bonds, Series 2014	7,410,000	07/14/14	07/03/14
Tulsa County Industrial Authority - Capital Improvement Revenue Bonds, Series 2014	9,595,000	07/25/14	07/16/14
Tulsa Metropolitan Utility Authority - Promissory Note, Series 2014C	17,735,000	11/24/14	12/05/14
Verden Public Works Authority - Promissory Note	132,300	01/16/14	01/09/14
Wanette Public Works Authority - Promissory Note	325,275	01/27/14	01/23/14
Wanette Public Works Authority - Promissory Note	121,225	01/27/14	01/23/14
Yukon Municipal Authority - 2014 Revenue Note	4,800,000	10/30/14	10/30/14
Subtotal - Municipal Authority Issuances	\$ 321,480,953		

School District Issuances

Alfalfa County, ISD No.46 - Building Bonds	\$ 530,000	06/11/14	01/01/14
Beaver County, ISD No. 75 - Taxable QZAB Lease/Purchase Financing (Direct Subsidy)	1,000,000	04/02/14	03/31/14
Beckham County, ISD No. 2 - Building Bonds	430,000	08/20/14	06/01/14
Blaine County, ISD No. 105 - Transportation Equipment Bonds	225,000	06/16/14	06/01/14
Blaine County, ISD No.105 - Building Bonds	2,875,000	06/16/14	07/01/14
Blaine County, ISD No. 42 - Building Bonds	1,300,000	07/17/14	03/01/14
Bryan County, ISD No. 72 - Combined Purpose Bonds	870,000	03/24/14	03/01/14
Bryan County, ISD No. 72 - Building Bonds	3,260,000	03/24/14	05/01/14

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<u>Issuer</u>	<u>Amount</u>	<u>Filing</u>	<u>Issue</u>
Bryan County, ISD No. 4	\$ 905,000	05/22/14	05/01/14
- Transportation Equipment Bonds			
Caddo County, ISD No. 33	585,000	05/28/14	07/01/14
- Combined Purpose Bonds			
Caddo County, ISD No. 20	730,000	07/17/14	07/01/14
- Building Bonds			
Caddo County, ISD No. 161	895,000	08/04/14	07/01/14
- Building Bonds			
Caddo County, ISD No. 167	445,000	08/04/14	03/01/14
- Building Bonds			
Caddo County, ISD No. 11	730,000	08/20/14	08/01/14
- Combined Purpose Bonds			
Caddo County, ISD No. 168	520,000	08/01/14	07/01/14
- Transportation Equipment Bonds			
Canadian County, ISD. No 76	545,000	03/17/14	05/01/14
- Building Bonds			
Carter County, ISD No. 19	2,075,000	05/22/14	06/01/14
- Building Bonds			
Carter County, ISD No. 74	195,000	06/30/14	07/01/14
- Building Bonds, Series A			
Carter County, ISD No. 74	1,855,000	07/17/14	07/01/14
- Building Bonds, Series B			
Carter County, ISD No. 77	700,000	08/14/14	07/01/14
- Building Bonds			
Carter County, ISD No. 43	350,000	08/20/14	08/01/14
- Building Bonds			
Cherokee County, ISD No. 35	2,080,000	08/14/14	07/01/14
- Building Bonds			
Cleveland County, ISD No. 57	690,000	08/04/14	07/01/14
- Building Bonds			
Cleveland County, ISD No. 16	370,000	08/04/14	03/01/14
- Building Bonds			
Cleveland County, ISD No. 70	500,000	08/20/14	08/01/14
- Building Bonds			
Comanche County, ISD No. 1	2,845,000	03/27/14	05/01/14
- Combined Purpose Bonds			
Comanche County, ISD No. 1	460,000	05/28/14	06/01/14
- Combined Purpose Bonds			
Comanche County, ISD No. 8	3,100,000	06/30/14	07/01/14
- Combined Purpose Bonds			
Comanche County, ISD No. 16	1,910,000	08/04/14	05/01/14
- Combined Purpose Bonds			
Cotton County, ISD No. 101	450,000	12/19/14	11/01/14
- Combined Purpose Bonds			
Craig County, ISD No. 65	1,130,000	05/28/14	06/01/14
- Combined Purpose Bonds			
Craig County, ISD No. 6	1,675,000	06/11/14	05/01/14
- Building Bonds			
Creek County, ISD No. 34	575,000	05/28/14	07/01/14
- Building Bonds			
Creek County, ISD No. 33	4,100,000	07/17/14	06/01/14
- Building Bonds			
Creek County, ISD No. 33	4,700,000	06/30/14	06/01/14
- Building Bonds, Series A			
Creek County, ISD No. 17	850,000	06/30/14	07/01/14
- Building Bonds, Series A			

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<u>Issuer</u>	<u>Amount</u>	<u>Filing</u>	<u>Issue</u>
Creek County, ISD No. 2 - Building Bonds	\$ 1,825,000	07/17/14	07/01/14
Creek County, ISD No. 8 - Building Bonds	375,000	08/04/14	03/01/14
Custer County, ISD No. 5 - Building Bonds	410,000	03/10/14	07/01/14
Custer County, ISD No. 7 - Building Bonds	550,000	08/04/14	05/01/14
Custer County, ISD No. 26 - Building Bonds	1,665,000	08/20/14	08/01/14
Custer County, ISD No. 99 - Building Bonds	2,195,000	08/20/14	08/01/14
Delaware County, ISD No. 1 - Building Bonds	1,020,000	05/16/14	07/01/14
Delaware County, ISD No. 3 - Building Bonds	335,000	08/14/14	01/01/14
Ellis County, ISD No. 2 - Building Bonds	825,000	01/31/14	07/01/14
Ellis County, ISD No. 42 - Building Bonds	845,000	08/04/14	03/06/14
Ellis County, ISD No. 2 - Building Bonds	825,000	12/01/14	11/01/14
Haskell County, ISD No. 13 - Taxable Lease/Purchase Financing	700,000	03/07/14	07/01/14
Haskell County, ISD No. 43 - Building Bonds	520,000	07/17/14	05/23/14
Garfield County, ISD No. 1 - Lease/Purchase Financing	2,105,000	06/09/14	07/01/14
Garfield County, ISD No. 57 - Building Bonds	6,030,000	07/17/14	07/01/14
Garvin County, ISD No. 2 - Building Bonds	305,000	08/04/14	03/01/14
Garvin County, ISD No. 9 - Transportation Equipment Bonds	350,000	08/01/14	07/01/14
Garfield County, ISD No. 72 - Building Bonds	2,275,000	12/19/14	11/01/14
Grady County, ISD No. 95 - Building Bonds	1,085,000	03/24/14	03/01/14
Grady County, ISD No. 128 - Building Bonds	450,000	03/24/14	07/01/14
Grady County, ISD No. 1 - Combined Purpose Bonds	4,405,000	07/17/14	07/01/14
Grady County, ISD No. 1 - Transportation Equipment Bonds	290,000	07/17/14	05/01/14
Grady County, ESD No. 96 - Building Bonds	295,000	08/20/14	08/01/14
Grady County, ISD No. 97 - Building Bonds	1,635,000	08/20/14	08/01/14
Grant County, ISD No. 90 - Building Bonds	104,500	05/22/14	05/01/14
Grant County, ISD No. 56 - Building Bonds	700,000	12/03/14	11/01/14
Jackson County, ISD No. 14 - Transportation Equipment Bonds	270,000	05/16/14	07/01/14
Johnston County, ESD No. 7 - Building Bonds	360,000	07/17/14	05/01/14

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<u>Issuer</u>	<u>Amount</u>	<u>Filing</u>	<u>Issue</u>
Johnston County, ESD No. 37	\$ 395,000	12/19/14	11/01/14
- Building Bonds			
Kay County, ISD No. 71	775,000	05/28/14	07/01/14
- Building Bonds			
Kay County, ISD No. 45	780,000	08/04/14	06/01/14
- Building Bonds			
Kay County, ISD No. 87	485,000	08/20/14	08/01/14
- Building Bonds			
Kingfisher County, ISD No. 105	595,000	08/20/14	08/01/14
- Building Bonds			
Kingfisher County, ISD No. 105	350,000	12/03/14	11/01/14
- Building Bonds			
Latimer County, ISD No. 4	260,000	06/11/14	04/16/14
- Building Bonds			
LeFlore county, ISD No. 3	100,000	04/17/14	06/01/14
- Taxable QZAB Lease Purchase Financing			
LeFlore County, No.16	220,000	06/11/14	07/01/14
- Building Bonds			
LeFlore County, No.29	640,000	07/17/14	01/01/14
- Transportation Equipment Bonds			
LeFlore County, No. 20	515,000	12/03/14	11/01/14
- Building Bonds			
Lincoln County, ISD No. 54	7,900,000	01/31/14	05/01/14
- Building Bonds			
Lincoln County, ISD No. 54	600,000	05/28/14	06/01/14
- Combined Purpose Bonds			
Lincoln County, ISD No. 54	635,000	08/20/14	08/01/14
- Building Bonds			
Love County, ISD No.16	965,000	06/30/14	07/01/14
- Building Bonds			
Love County, ISD No. 4	340,000	07/07/14	07/01/14
- Building Bonds			
Love County, ISD No. 5	715,000	07/17/14	05/01/14
- Combined Purpose Bonds			
Major County, ISD No. 1	995,000	08/01/14	07/01/14
- Building Bonds			
Mayes County, ISD No. 32	1,690,000	05/22/14	07/01/14
- Building Bonds			
McClain County, ISD No. 1	3,925,000	07/17/14	07/01/14
- Combined Purpose Bonds			
McClain County, ISD No. 10	1,300,000	07/17/14	03/01/14
- Building Bonds			
McCurtain County, ISD No. 6	145,000	03/27/14	06/01/14
- Building Bonds			
McCurtain County, No.11	2,935,000	06/11/14	06/01/14
- Building Bonds			
McCurtain County, ISD No.11	240,000	06/11/14	07/01/14
- Transportation Bond			
McCurtain County, No.5	810,000	08/04/14	07/01/14
- Building Bonds			
McClain County, ISD No. 9	210,000	07/17/14	07/01/14
- Building Bonds			
McIntosh County, ISD No. 1	965,000	07/17/14	07/01/14
- Building Bonds			
McIntosh County, ISD No. 19	1,260,000	08/04/14	07/01/14
- Building Bonds			

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<u>Issuer</u>	<u>Amount</u>	<u>Filing</u>	<u>Issue</u>
Muskogee County, ISD No. 20 - Combined Purpose Bonds	\$ 3,570,000	08/01/14	07/01/14
Nowata County, ISD No. 40 - Combined Purpose Bonds	700,000	08/14/14	07/01/14
Okfuskee County, ISD No. 31 - Building Bonds	425,000	08/04/14	01/23/14
Okfuskee County, ISD No. 31 - Building Bonds	295,000	08/20/14	08/01/14
Okfuskee County, ISD No. 14 - Building Bonds	635,000	12/23/14	11/01/14
Oklahoma City Schools, ISD No. 89 - General Obligation Bonds of 2014	60,000,000	01/23/14	03/01/14
Oklahoma County, ISD No. 41 - Building Bonds	1,595,000	03/10/14	05/01/14
Oklahoma County, ISD No. 9 - Building Bonds	2,085,000	05/16/14	06/01/14
Oklahoma County, ISD No.4 - Combined Purpose Bond	6,100,000	06/11/14	06/01/14
Oklahoma County, ISD No. 3 - Combined Purpose Bond	1,000,000	06/30/14	06/01/14
Oklahoma County, ISD No. 7 - Building Bonds, Series A	2,625,000	06/30/14	07/01/14
Oklahoma County, ISD No. 3 - Building Bonds, Series	980,000	07/17/14	07/01/14
Oklahoma County, ISD No. 7 - Building Bonds, Series B	1,125,000	07/17/14	07/01/14
Oklahoma County, ISD No. 88 - Building Bonds	515,000	08/04/14	05/27/14
Oklahoma County, ISD No. 74 - Building Bonds	980,000	07/17/14	07/01/14
Oklahoma County, ISD No. 37 - Building Bonds	565,000	08/04/14	07/01/14
Oklahoma County, ISD No. 41 - Building Bonds	5,455,000	08/14/14	05/01/14
Oklahoma County, ISD No. 53 - Combined Purpose Bonds	1,465,000	09/02/14	08/01/14
Oklmulgee County, ISD No. 1 - Taxable QZAB Lease /Purchase Financing	1,000,000	06/09/14	07/01/14
Osage County, ISD No. 7 - Transportation Equipment Bonds	200,000	05/16/14	05/01/14
Osage County, ISD No. 30 - Combined Purpose Bonds	180,000	05/28/14	07/01/14
Osage County, ISD No. 2 - Building Bonds	525,000	08/04/14	05/01/14
Osage County, ISD No. 29 - Transportation Equipment Bonds	235,000	12/03/14	11/01/14
Ottawa County, ISD No. 31 - Building Bonds	240,000	05/16/14	05/01/14
Ottawa County, ISD No. 1 - Building Bonds	1,620,000	08/01/14	07/01/14
Pawnee County, ISD No. 2 - Building Bonds	100,000	05/28/14	12/31/13
Payne County, ISD No. 16 - Lease Agreement, Series 2013 (Tax-Exempt)	2,460,000	01/02/14	06/01/14
Payne County, ISD No. 67 - Building Bonds	1,200,000	06/11/14	06/01/14

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<u>Issuer</u>	<u>Amount</u>	<u>Filing</u>	<u>Issue</u>
Payne County, ISD No. 16 - Combined Purpose Bond Series 2014	\$ 8,300,000	06/27/14	07/01/14
Payne County, ISD No. 101 - Building Bond	525,000	12/03/14	11/01/14
Pittsburg County, ISD No. 28 - Building Bonds	560,000	07/17/14	01/01/14
Pottawatomie County, ISD No. 1 - Transportation Equipment Bonds	625,000	01/31/14	03/01/14
Pottawatomie County, ISD No. 3 - Building Bonds	470,000	03/10/14	06/01/14
Pottawatomie County, ISD No. 92 - Building Bonds	485,000	08/20/14	08/01/14
Pontotoc County, ISD No. 19 - Combined Purpose Bonds	1,380,000	06/27/14	07/01/14
Pontotoc County, ISD No. 1 - Combined Purpose Bond	250,000	07/17/14	07/01/14
Pontotoc County, ISD No. 30 - Building Bonds	220,000	08/04/14	07/01/14
Pottawatomie County, ISD No. 24 - Building Bonds	440,000	08/04/14	07/01/14
Pottawatomie County, ISD No. 93 - Building Bonds	1,980,000	08/04/14	07/01/14
Pottawatomie County, ISD No. 24 - Building Bonds	270,000	08/14/14	03/01/14
Rogers County, ISD No. 4 - Building Bonds	1,500,000	03/17/14	05/01/14
Rogers County, ISD No. 8 - Building Bonds	4,675,000	05/16/14	05/01/14
Rogers County, ISD No. 9 - Building Bonds	415,000	05/22/14	07/01/14
Rogers County, ISD No. 2 - Combined Purpose Bond	4,800,000	07/17/14	05/01/14
Roger Mills County, ISD No. 3 - Building Bonds	3,500,000	06/05/14	07/01/14
Roger Mills County, ISD No. 5 - Building Bonds	2,625,000	07/17/14	05/01/14
Seminole County, ISD No. 4 - Building Bonds	1,485,000	08/01/14	07/01/14
Sequoyah County, ISD No. 5 - Building Bonds	315,000	05/28/14	07/01/14
Sequoyah County, ISD No. 1 - Building Bonds	990,000	07/17/14	07/01/14
Sequoyah County, ISD No. 2 - Building Bonds	395,000	08/04/14	07/01/14
Stephens County, ISD No. 34 - Building Bonds	410,000	07/17/14	07/01/14
Stephens County, ISD No. 3 - Building Bonds	915,000	08/04/14	03/01/14
Stephens County, ISD No. 21 - Building Bonds	350,000	08/01/14	07/01/14
Texas County, ISD No. 53 - Combined Purpose Bonds	220,000	12/15/14	07/01/14
Tillman County, ISD No. 8 - Building Bonds	510,000	12/19/14	11/01/14
Tulsa County, ISD No. 13 - Building Bonds	1,920,000	03/10/14	03/01/14

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<u>Issuer</u>	<u>Amount</u>	<u>Filing</u>	<u>Issue</u>
Tulsa County, ISD No. 1 - Combined Purpose Bonds, Series 2014A	\$ 10,840,000	03/19/14	03/01/14
Tulsa County, ISD No. 1 - Technology Equipment Bonds, Series 2014B	7,160,000	03/19/14	04/01/14
Tulsa County, ISD No. 9 - Combined Purpose Bonds	21,000,000	04/23/14	05/01/14
Tulsa County, ISD No. 2 - Combined Purpose Bonds	4,395,000	05/28/14	05/01/14
Tulsa County, ISD No. 10 - Building Bonds	470,000	05/28/14	06/01/14
Tulsa County, ISD No. 5 - Combined Purpose Bonds	25,000,000	06/30/14	07/01/14
Tulsa County, ISD No. 11 - Combined Purpose Bonds	12,900,000	07/07/14	07/01/14
Tulsa County, ISD No. 1 - Combined Purpose Bonds, Series 2014C	40,840,000	07/24/14	07/01/14
Tulsa County, ISD No. 1 - Technology Equipment Bonds, Series 2014D	7,160,000	07/24/14	07/01/14
Tulsa County, ISD No. 14 - Building Bonds	140,000	08/04/14	03/01/14
Washita County, ISD No. 11 - Building Bonds	190,000	03/17/14	06/01/14
Washita County, ISD No. 78 - Building Bonds	585,000	12/03/14	11/01/14
Washington County, ISD No. 30 - Combined Purpose Bonds	800,000	07/07/14	06/01/14
Washington County, ISD No. 30 - Combined Purpose Bonds, Series 2014A	2,800,000	07/07/14	05/01/14
Woodward County, ISD No. 5 - Building Bonds	200,000	05/22/14	05/01/14
Woodward County, ISD No. 3 - Building Bonds	800,000	08/20/14	08/01/14
Subtotal - School District Issuances	\$ 383,674,500		

Direct City Issuances

City of Bartlesville - Combined Purpose General Obligation Bonds, Series 2014	\$ 1,500,000	06/27/14	06/01/14
City of Bartlesville - Combined Purpose General Obligation Bonds, Series 2014B	5,200,000	12/30/14	12/01/14
City of Moore - General Obligation Bonds of 2014	9,075,000	01/30/14	01/29/14
City of Moore - Lease Purchase Financing	9,525,000	02/21/14	02/20/14
City of Nichols Hills - General Obligation Bonds, Series 2014	3,900,000	05/23/14	05/01/14
City of Oklahoma City - General Obligation Bonds, Series 2014	92,185,000	05/06/14	05/01/14
City of Oklahoma City - General Obligation Limited Tax Bonds, Taxable Series 2014	15,000,000	05/06/14	05/01/14
City of Oklahoma City - General Obligation Limited Tax Bonds, Taxable Series 2014A	12,000,000	09/04/14	09/01/14
City of Sand Springs - General Obligation Bonds, Series 2014	2,365,000	02/10/14	02/01/14
City of Tulsa - General Obligation Bonds, Series 2014	50,000,000	02/25/14	02/01/14

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<u>Issuer</u>	<u>Amount</u>	<u>Filing</u>	<u>Issue</u>
City of Tulsa - General Obligation Refunding Bonds of 2014, Series A	\$ 16,305,000	08/26/14	09/02/14
City of Tulsa - General Obligation Limited Tax Bonds, Taxable Series 2014A	12,000,000	09/04/14	09/01/14
City of Wewoka - General Obligation Bonds, Series 2014	900,000	03/26/14	03/25/14
Subtotal - Direct City Issuances	\$ 229,955,000		
<u>Direct County Issuances</u>			
Oklahoma County - General Obligation Limited Tax Bonds of 2014	\$ 10,000,000	09/18/14	09/01/14
Subtotal - Direct County Issuances	\$ 10,000,000		
<u>Water/Sewer Issuances</u>			
Alva Utility Authority - Utility System Revenue Notes, Taxable Series 2014A & Series 2014B	\$ 2,400,000	12/09/14	12/09/14
Blair Public Works Authority - Refunding Utility Revenue Notes, Series 2014A	395,000	03/07/14	02/27/14
Blanchard Municipal Improvement Authority - Utility System and Sales Tax Revenue Note, Series 2014A	4,620,000	07/09/14	07/08/14
Broken Bow Public Works Authority - Utility System and Sales Tax Revenue Note, Series 2014	5,355,000	02/18/14	02/15/14
Canute Public Works Authority - Utility System and Sales Tax Revenue Note, Series 2014	780,000	12/18/14	12/18/14
Chandler Municipal Authority - Utility System and Sales Tax Revenue Note, Taxable Series 2014	530,000	12/17/14	12/16/14
Clinton Public Works Authority - Utility System and Sales Tax Revenue Bonds, Series 2014	29,450,000	12/23/14	12/23/14
Edmond Public Works Authority - Sales Tax and Utility System Revenue Refunding Note, Series 2014	22,730,000	04/03/14	04/03/14
Edmond Public Works Authority - Sales Tax & Utility System Revenue Refunding Note, Series 2014B	20,755,000	12/09/14	12/09/14
Eufaula Public Works Authority - Utility System and Sales Tax Revenue Note, Taxable Series 2014A	2,165,000	08/29/14	08/29/14
Eufaula Public Works Authority - Utility System and Sales Tax Revenue Note, Series 2014B	4,410,000	08/29/14	08/29/14
Gore Public Works Authority - Utility System and Sales Tax Revenue Note, Series 2014	1,710,000	05/01/14	05/01/14
Henryetta Municipal Authority - Utility System and Sales Tax Revenue Note, Series 2014	1,040,000	05/29/14	05/29/14
Hobart Public Works Authority - Utility System and Sales Tax Revenue Note, Series 2014	850,000	02/14/14	02/14/14
Jay Utilities Authority - Utility System and Sales Tax Revenue Note, Series 2014	2,735,000	02/18/14	02/18/14
Lexington Public Works Authority - Utility System Revenue Note, Series 2014	680,000	04/03/14	04/03/14
Minco Municipal Authority - Utility System Revenue Note, Series 2014	1,680,000	07/03/14	07/03/14
Mountain Park Master Conservancy District - Taxable Water Revenue Refunding Note, Series 2014	10,000,000	10/30/14	10/30/14
Mustang Improvement Authority - Utility System and Sales Tax Revenue Note, Series 2014A	7,740,000	05/13/14	05/13/14
Mustang Improvement Authority - Utility System and Sales Tax Revenue Note, Series 2014B	7,895,000	12/09/14	12/09/14

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<u>Issuer</u>	<u>Amount</u>	<u>Filing</u>	<u>Issue</u>
Okemah Utilities Authority	\$ 1,820,000	09/30/14	09/30/14
- Utility System and Sales Tax Revenue Note, Series 2014			
Pawnee Public Works Authority	755,000	07/25/14	07/16/14
- Utility System and Sales Tax Revenue Note, Series 2014			
Skiatook Public Works Authority	3,905,000	09/19/14	09/19/14
- Utility System and Sales Tax Revenue Note, Series 2014			
Stillwater Utilities Authority	61,830,000	08/13/14	08/01/14
- Utility System and Sales Tax Revenue Bonds, Series 2014A			
Stroud Utilities Authority	2,650,000	11/20/14	11/20/14
- Utility System and Sales Tax Revenue Note, Series 2014			
Tulsa Metropolitan Utility Authority	10,160,000	02/24/14	03/13/14
- Promissory Note, Series 2014B			
Tulsa Metropolitan Utility Authority	2,910,000	03/12/14	03/13/14
- Promissory Note, Series 2014A			
Tulsa Metropolitan Utility Authority	17,825,000	09/29/14	10/02/14
- Utility Revenue Bonds, Series 2014			
Wagoner County	1,585,000	03/31/14	03/31/14
- Utility System Revenue Note, Taxable Series 2014			
Subtotal - Water/Sewer Issuances	\$ 231,360,000		
TOTAL LOCAL ISSUANCE VOLUME: 2014	\$ 1,176,470,453		

SUMMARY/CONCLUSIONS

SUMMARY / CONCLUSIONS

The bond markets in calendar year 2014 were defined by a long, steady decline in interest rates following a brief spike in January. The end of QE3 was expected to cause rates to go up, but the impact of reduced bond-buying by the Fed was short-lived. The lowest interest rates of 2014 were recorded in December and many economists were pushing their forecasts for an increase into late 2015.

In Oklahoma, State issuers took advantage of the low rates to refinance outstanding bonds at an interest rate savings. Among the most significant of these transactions were the Oklahoma Capitol Improvement Authority's refunding Series 2014A issue that resulted in a net present value savings of \$18.6 million and the Oklahoma Municipal Power Authority advance refunding Series 2014A that resulting in a net present value savings of \$12.3 million. In all, there were nine refundings in 2014, with savings totaling nearly \$46.3 million.

Bond volume in the calendar year was fairly typical, but significant sales by the Grand River Dam Authority, totaling \$375,480,000 were responsible for a significant portion of the total. There were also a number of Regents' Master Lease Program issues in 2014, as the State's colleges and universities made up for delays caused by legal challenges to the program structure. There were seven series of bonds sold under the Master Real Property Lease Program, totaling \$189,975,000 and four series sold under the Master Equipment Lease Program, totaling \$28,345,000.

Tax-backed borrowing for new general government facilities and deferred maintenance was very limited in 2014. Continuing to ignore existing facility needs will inevitably lead to higher maintenance costs and, ultimately, will require replacement of essential property and equipment at much higher costs in the future. While important strides have been taken in recent years to call attention to these infrastructure needs, Oklahoma must take the next step and provide funding. While there is strong opposition to borrowing for these projects, the current bond market offers exceptionally low cost capital and the State should consider taking advantage of this opportunity.

The challenges facing Oklahoma in 2015 and beyond are significant, but remain manageable as long as the conservative budgeting and spending practices of the past continue. The allocation of limited resources is always a challenge and that is especially true when attempting to address

deferred capital needs. However, by combining current funds and a conservative amount of bonded debt, Oklahoma should have adequate resources to address these needs and create an attractive environment for economic growth. The following actions would demonstrate a strong commitment to sound financial management and contribute to a more favorable opinion of Oklahoma in the national credit markets.

- address the backlog of deferred capital needs
- fund equipment replacement and upgrades to permit more efficient operation
- fully fund the actuarially required contributions to the pension funds each year
- eliminate duplication of programs and splintering of limited resources
- commit to energy efficiency, where meaningful savings can be realized

* * * * *

APPENDIX A

COUNCIL OF BOND
OVERSIGHT ACTIVITY

**Council of Bond Oversight
Approvals Carried Forward From Calendar Year 2013**

#	Issuer/Project	CBO Approval (expiration)	Status	Issue Size	Comment
1	Oklahoma Development Finance Authority (Regents' Master Real Property Lease Program) - 2013 Program Request	3/28/2013 (3/23/2014)	Expired	[\$200 million Program]	Program authorization for 2013. Extension granted on 9/12/2013. Two issues (Series 2013A and 2013B) were completed under this program in 2013.
2	Oklahoma Development Finance Authority (Regents' Master Equipment Lease Program) - 2013 Program Request	3/28/2013 (3/23/2014)	Expired	[\$50 million Program]	Program authorization for 2013. Extension granted on 9/12/2013. No Master Equipment Lease financings were completed under this authorization.
3	Oklahoma Housing Finance Agency - Series 2013 Single-Family Mortgage Bond Program	8/29/2013 (8/24/2014)	Expired	[\$417 million Program]	\$417,295,000 Single-Family Program re-authorization for 2013. The Series 2013C (non-AMT): 2013 and Series 2013D (AMT) were completed under this authorization in calendar year 2013. There were no issues in 2014.
4	State Regents for Higher Education and the University of Central Oklahoma, Master Real Property Lease Program (State Medical Examiner's Project)	9/26/2013 (9/21/2014)	Expired	\$ 38,500,000	Construction and furnishing of a building for the Oklahoma State Medical Examiner on UCO's Edmond campus. Extension granted by the State Bond Advisor on January 13, 2014.
5	State Regents for Higher Education and multiple campuses to participate in the Master Real Property Lease Program (refunding projects)	10/31/2013 (4/29/2014)			Authorization was for \$48,780,000 to refund 10 outstanding series at an interest rate savings under the 2014 Master Real Property Lease Program
				<u>Series 2013B</u>	
			Closed 1/23/2014	2,832,000	Northeastern State University / TIC: 2.906%
			Closed 1/23/2014	1,036,000	Northern Oklahoma College / TIC: 2.906%
			Closed 1/23/2014	2,402,000	Seminole State College / TIC: 2.906%
			Closed 1/23/2014	5,515,000	Southeastern Oklahoma State University / TIC: 2.906%
			Closed 1/23/2014	4,610,000	Southwestern Oklahoma State University / TIC: 2.906%
			Closed 2/27/2014	\$ 2,137,000	Langston University - Series 2014A / TIC: 3.852%
				<u>Series 2014A</u>	
			Closed 2/27/2014	4,188,000	Langston University / TIC: 3.852%
			Closed 2/27/2014	967,000	University of Central Oklahoma / TIC: 3.852%
				<u>Series 2014B</u>	
			Closed 3/20/2014	11,115,000	Northeastern State University / TIC: 3.388%
			Closed 3/20/2014	4,405,000	Panhandle State University / TIC: 3.388%
6	State Regents for Higher Education and multiple campuses to participate in the Master Real Property Lease Program, Series 2014A	10/31/2013 (4/29/2014)			Approval of \$63 million in leases with the ODFa for multiple campuses.
				<u>Series 2014A</u>	
			Closed 2/27/2014	\$ 1,880,000	OSU Institute of Technology - Series 2014A / TIC: 2.930%
			Closed 2/27/2014	23,957,000	University of Central Oklahoma - Series 2014A / TIC: 4.050%
			Closed 2/27/2014	14,517,000	Northeastern State University - Series 2014A / TIC: 3.538%
			Closed 2/27/2014	5,985,000	Murray State College - Series 2014A / TIC: 4.142%
			Closed 2/27/2014	2,904,000	Tulsa Community College - Series 2014A / TIC: 3.538%

**Council of Bond Oversight
Approvals Carried Forward From Calendar Year 2013**

#	Issuer/Project	CBO Approval (expiration)	Status	Issue Size	Comment
7	Oklahoma Capitol Improvement Authority, Taxable and Tax-exempt Refunding Lease Revenue Bonds	10/31/2013 (10/26/2014)	Completed Closed 4/9/2014	[\$325 million Program] \$ 220,725,000	\$325 million authorization to refund outstanding OCIA lease-revenue bonds. Series 2014A / TIC: 3.636%
8	Oklahoma Housing Finance Agency, Multi-family (Wesley Village Retirement Community Project, Series 2013	12/19/2013 (6/17/2014)	Closed 2/13/2014	\$ 5,000,000	Renovation of retirement community facility in Oklahoma City.
9	State Regents for Higher Education and multiple campuses to participate in the Master Real Property Lease Program (new money projects), Series 2014C	12/19/2013 (6/17/2014)	Closed 4/24/2014 Closed 4/24/2014 Closed 4/24/2014 Closed 4/24/2014 Closed 4/24/2014 Closed 4/24/2014 Closed 4/24/2014 Closed 4/24/2014 Closed 4/24/2014 Closed 4/24/2014	\$ 4,928,000 6,030,000 1,129,000 4,928,000 4,928,000 1,972,000 753,000 3,596,000 5,421,000 7,885,000	Authorization of \$42,000,000 for new money projects under the 2014 Indenture. All projects were funded by Series 2014C / TIC 3.578% (combined) East Central University / TIC: 3.458% Murray State College / TIC: 3.906% NE Oklahoma A&M / TIC: 3.459% Northern Oklahoma – Enid / TIC: 3.459% Northern Oklahoma – Tonkawa / TIC: 3.459% Southwestern OSU / TIC: 3.459% Seminole State / TIC: 3.900% University of Central Oklahoma / TIC: 3.753% Connors State College / TIC: 3.458% Connors State College / TIC: 3.458%
10	Board of Regents for the University of Oklahoma (University of Oklahoma Project), Series 2014A-B	12/19/2013 (6/17/2014)	Closed 3/5/2014	\$ 12,380,000 \$ 11,980,000	Series 2014A: Tax-Exempt Series / TIC: 4.15% Series 2014B: Federally Taxable Series / TIC: 4.93%
11	Oklahoma Development Finance Authority (Whirlpool Project), Series 2014 - Community Development Pooled Finance Act	12/19/2013 (6/17/2014)	Closed 3/1/2014	\$ 4,000,000	Pooled finance transaction - note held by company.
12	Oklahoma Development Finance Authority (Newell Coach Project), Series 2014 - Community Development Pooled Finance Act	12/19/2013 (6/17/2014)	Closed 2/1/2014	\$ 1,000,000	Pooled finance transaction - note held by company.
Year 2013 authorizations carried forward:				\$ 1,065,795,000	
Year 2013 authorizations issued in 2014:				\$ 385,105,000	

**Council of Bond Oversight
Approvals During Calendar Year 2014**

#	Issuer/Project	CBO Approval (expiration)	Status	Issue Size	Comment
1	Oklahoma Water Resources Board, Clean Water SRF and Drinking Water SRF Refunding Bonds, Series 2014	1/30/2014 (7/29/2014)	Closed 3/20/2014	\$ 55,560,000	State Revolving Fund Revenue Funding Bonds, Series 2014A / TIC: 2.733% Taxable refunding of outstanding SRF bonds - original approval: \$150 million
2	Oklahoma Housing Finance Agency, Single-Family Loan Program for 2014	1/30/2014 (1/25/2015)	pending	\$ 310,000,000	SBA granted 180-day extension of approval. There were no issuances of single-family bonds by the OHFA in 2014.
3	Oklahoma Development Finance Authority (Regents' Master Real Property Lease Program) - 2014 Program Request	1/30/2014 (1/25/2015)	Active	[\$200 million Program]	For real property projects funded under the 2014 Indenture. On May 30, 2014, the Master Real Property Lease authorization was granted a 180-day extension.
4	Oklahoma Development Finance Authority (Regents' Master Equipment Lease Program) - 2014 Program Request	1/30/2014 (1/25/2015)	Active	[\$50 million Program]	For personal property (equipment) projects funded in 2014. On May 30, 2014 the Master Equipment Lease authorization was granted a 180-day extension.
5	Oklahoma Water Resources Board, State Loan Program Revenue Bonds, Series 2014A	1/30/2014 (7/29/2014)	Closed 3/13/2014	\$ 10,180,000	Funding for loans under the State Loan Program. Council authorization was for \$15 million. / TIC: 3.400%
6	State Regents and Rogers State University request to secure financing under Master Real Property Lease Program, 2014	2/27/2014 (8/26/2014)	see Item #13	\$ 11,500,000	Construction of student housing on the Claremore campus. This approval was sold with the Northern Oklahoma College lease as Series 2014D.
7	Board of Regents for the University of Oklahoma, General Revenue Refunding Bonds, Series 2014C	2/27/2014 (8/26/2014)	Closed 5/15/2014	\$ 89,185,000	Refund two outstanding revenue bond issues / TIC: 3.464% Net Present Value Savings: \$12,439,100 or 13.23% of refunded par
8	Oklahoma Development Finance Authority (East Central University Refunding), Series 2014 - CERF	5/29/2014 (11/25/2014)	Closed 9/11/2014	\$ 4,340,000	Refund outstanding housing revenue bonds issued by East Central University Secured by Credit Enhancement Reserve Fund guaranty / TIC: 3.152%
9	East Central University Refunding - CERF Policy	5/29/2014 (11/25/2014)	pending	See Item #8	Authorization to enter into agreements with the ODFA to secure CERF-guaranteed bonds to refund outstanding housing revenue bonds

**Council of Bond Oversight
Approvals During Calendar Year 2014**

#	Issuer/Project	CBO Approval (expiration)	Status	Issue Size	Comment
10	Oklahoma Development Finance Authority (Department of Human Service Refunding), Series 2014 - partial CERF	5/29/2014 (11/25/2014)	Closed 6/16/2014	\$ 4,410,000 \$ 551,879	Refunded tax-exempt portion of outstanding Series 2004A/B Refunded taxable portion of outstanding Series 2004B - CERF portion
11	Department of Human Services Refunding - CERF Policy	5/29/2014 (11/25/2014)	Closed 6/16/2014	See Item #10	Lease to support tax-exempt bonds issued through the ODFA - Series 2014A Note to support taxable bonds placed with the OIFA - CERF guarantee
12	Oklahoma Capitol Improvement Authority, Series 2014B (Refunding of Series 2004A)	5/29/2014 (11/25/2014)	Closed 7/23/2014	\$ 55,505,000	Refunded outstanding Series 2004A Bonds TIC: 1.21% / NPV savings: \$6,577,656 / 11.1% of refunded par
13	Oklahoma Development Finance Authority (Regents' Master Real Property Lease Program), Series 2014D (Northern Oklahoma College and Rogers State Projects)	5/29/2014 (11/25/2014)	Closed 7/24/2014	\$ 3,868,000 \$ 11,647,000	New money for NOC housing system projects / TIC: 3.596% New money for RSU housing system projects / TIC: 3.784% Combined TIC: 3.640%
14	State Regents for Higher Education and multiple campuses to participate in the Master Equipment Lease Program (new money and refunding projects)	5/29/2014 (11/25/2014)	Closed 6/19/2014	<u>Series 2014A</u> \$ 290,000 4,139,000 1,160,000 1,533,000 370,000 99,000 1,014,000 470,000	Authorization of \$13,200,000 for projects under the 2014 Indenture. TIC: 2.076% Northeastern State University / TIC: 1.027% Northeastern State University / TIC: 2.190% Panhandle State University / TIC: 2.190% Panhandle State University / TIC: 1.845% Seminole State College / TIC: 2.023% Southeastern Oklahoma State / TIC: 1.233% University of Central Oklahoma / TIC: 2.189% University of Central Oklahoma / TIC: 1.742%
			8/28/2014	<u>Series 2014B</u> \$ 1,632,000.00 \$ 4,123,000.00	Southeastern Oklahoma State / TIC: 1.260% University of Central Oklahoma / TIC: 1.742%
15	Oklahoma Capitol Improvement Authority, State Agency Facilities Revenue Bonds, Series 2014C	6/26/2014 (12/23/2014)	Closed 9/30/2014	\$ 83,745,000	Refunded the outstanding Series 2006D VRDOs to fixed rate and terminated the associated interest rate cap. TIC: 3.117%
16	Oklahoma Water Resources Board, State Loan Program Revenue Bonds, Series 2014B	6/26/2014 (12/23/2014)	Closed 8/1/2014	\$ 9,595,000	Refunded local water loans for the Wilburton Public Works Authority and the Rogers County Rural Water District #8. Council approval was \$20 million.

**Council of Bond Oversight
Approvals During Calendar Year 2014**

#	Issuer/Project	CBO Approval (expiration)	Status	Issue Size	Comment
17	State Regents, the University of Central Oklahoma and Tulsa Community College request to secure financing through the 2014 Master Real Property Lease Program	6/26/2014 (12/23/2014)	Completed See Item #18	See Item #18	Renovation of the Southeast Campus Student Union and campus bookstore for TCC and construction of a softball field and supporting facilities for UCO Combined with OSU Projects in Series 2014E (see Item #18)
18	State Regents and Oklahoma State University request to secure financing under the Master Real Property Lease Program, Series 2014E	7/31/2014 (1/27/2015)	Closed 10/16/2014		The UCO and TCC projects approved in June were added to the Series 2014E issue. The OSU student union approval was sold as Series 2014F/G
			Series 2014E	\$ 16,222,000	OSU - Human Sciences Project / TIC: 3.753%
			Series 2014E	18,537,000	OSU - Business School Project / TIC: 3.754%
			Series 2014E	11,123,000	OSU - Dining Facility Project / TIC: 3.754%
			Series 2014E	2,034,000	TCC - Student Union Project / Approved 6-26-2014 / TIC: 2.002%
			Series 2014E	1,854,000	UCO - Softball Project / Approved 6-26-2014 / TIC: 3.752%
			Series 2014F	8,680,000	OSU - Student Union Project / TIC: 3.702%%
			Series 2014G	3,205,000	OSU - Student Union Project / TIC: 4.357% (federally taxable)
19	Oklahoma Development Finance Authority (Orchids Paper Project), Series 2014 - Community Development Pooled Finance Act	7/31/2014 (1/27/2015)	Closed 10/1/2014	\$ 3,500,000	Funding for the expansion of the Orchids Paper facility in the Mid-America Industrial Park in Pryor.
20	State Regents and University Center of Southern Oklahoma request to secure financing under the Master Real Property Lease Program, Series 2014	8/28/2014 (2/24/2015)	Pending	\$ 6,500,000	Financing is expected in early 2015.
21	Oklahoma Development Finance Authority (Bullet Energy Project), Series 2014 - Community Development Pooled Finance Act	8/28/2014 (2/24/2015)	Closed 10/1/2014	\$ 1,000,000.00	Funding for the expansion of a specialized trucking facility in Velma, OK
22	Oklahoma Development Finance Authority request to add \$75 million to the 2014 Master Real Property Lease Program	8/28/2014 (2/24/2015)	Pending	\$ 75,000,000	Additional capacity for Real Property Program funding needs.
23	Grand River Dam Authority request for power supply revenue bonds, Series 2014A-B	8/28/2014 (2/24/2015)	Closed 10/23/2014	\$ 225,635,000 \$ 84,845,000	Series 2014A (tax-exempt) / TIC: 3.474% Series 2014B (taxable) / TIC: 4.173%
24	Oklahoma Capitol Improvement Authority request for action to clarify language regarding the refunding of its Series 2006D variable-rate demand obligations	8/28/2014 (2/24/2015)	Closed	See Item #15	Refunded outstanding Series 2006D VRDO. This action was taken to clarify certain language included in the original approval regarding the role of Goldman Sachs as underwriter of the issue.

**Council of Bond Oversight
Approvals During Calendar Year 2014**

#	Issuer/Project	CBO Approval (expiration)	Status	Issue Size	Comment
25	Oklahoma Capitol Improvement Authority, Series 2014D (State Capitol Repair Project)	9/25/2014 3/24/2015	Pending	\$ 120,000,000	Threatened litigation may require the OCIA to seek a validation opinion from the Oklahoma Supreme Court.
26	Office of Management and Enterprise Services lease with the OCIA to secure \$120 million Capitol repair bonds	9/25/2014 3/24/2015	Pending	See Item #25	Leases and other agreements to secure State Capitol repair bonds
27	State Regents, Rose State, the University of Central Oklahoma, Oklahoma State University, and the OU Health Sciences Center for funding through the Master Equipment Lease Program, 2014	9/25/2014 3/24/2015	Closed 12/11/2014	<u>Series 2014C</u> \$ 372,000 374,000 7,350,000 753,000 1,936,000 <u>Series 2014D</u> \$ 2,730,000	New money for equipment purchases. Original authorization: \$11.5 million. OUHSC - OU physicians revenue management system / TIC: 1.285% Rose State - Transcript imaging system / TIC: 1.285% UCO - IT infrastructure upgrade / TIC: 1.472% Refund Series 2004B issue / TIC: 1.988% Refund Series 2004C / TIC: 2.129% OSU - Elevator upgrades (federally taxable) / TIC: 2.190%
28	Oklahoma Municipal Power Authority, Refunding Revenue Bonds, Series 2014A-B	9/25/2014 3/24/2015	Closed 11/21/2014	\$ 88,740,000 \$ 34,440,000	Series 2014A - Advance refund Series 2008A / TIC: 3.627% / NPV savings \$12,316,145.32 / 14.1% of refunded par Series 2014B - remarketing of Series 2001B/2003A FRNs / TIC: 2.702%
29	Oklahoma Water Resources Board, State Loan Program Revenue Bonds, Series 2014C	10/30/2014 (4/28/2015)	Closed 12/4/2014	\$ 20,000,000	New money and refunding projects. Original approval was for \$25 million. TIC: 3.228%
30	State Regents, Connors State and Southeastern OSU for funding through the Master Equipment Lease Program, 2014	10/30/2014 (4/28/2015)	Closed 12/11/2014	See Item #27	Refundings of 2004 Master Equipment Lease financings. Included in Series 2014C Master Equipment Lease Revenue Bonds.
31	Oklahoma Development Finance Authority (International Paper Project), Series 2014 - Community Development Pooled Finance Act	10/30/2014 (4/28/2015)	Closed 12/19/2014	\$ 4,000,000	Expansion of the Valliant paper mill

**Council of Bond Oversight
Approvals During Calendar Year 2014**

#	Issuer/Project	CBO Approval (expiration)	Status	Issue Size	Comment
32	Board of Regents for the University of Oklahoma (University of Oklahoma Project), Series 2015A-B	11/20/2014 (5/19/2015)	Pending	\$ 33,175,000 A \$ 5,080,000 B	Multiple campus infrastructure projects. Sale expected in 2015.
33	Grand River Dam Authority, variable-rate demand bonds, Series 2014C	11/20/2014 (5/19/2015)	12/10/2014	\$ 65,000,000	Taxable, variable-rate bonds as 3rd Phase of power supply project Original authorization was \$80 million. Initial rate: 0.13%
Year 2014 authorizations:				\$ 1,923,625,000	
Year 2014 issuance:				\$ 945,746,879	

APPENDIX B
GRAND RIVER DAM
AUTHORITY

**Grand River Dam Authority
Outstanding Bonded Indebtedness
December 31, 2014**

<u>Year</u>	<u>Series 2008A</u>	<u>Series 2010A</u>	<u>Series 2010B</u>	<u>Series 2014A</u>
2015	\$ 18,260,000	\$ 3,435,000	\$ 1,270,000	\$ -
2016	18,940,000	3,535,000	1,320,000	-
2017	19,760,000	3,645,000	1,375,000	-
2018	20,715,000	3,790,000	1,435,000	7,080,000
2019	21,645,000	3,940,000	1,510,000	7,205,000
2020	22,565,000	4,095,000	1,590,000	7,405,000
2021	23,600,000	4,260,000	1,675,000 (4)	7,685,000
2022	24,775,000	4,435,000	1,790,000 (4)	7,930,000
2023	26,015,000	4,630,000 (2)	1,915,000 (4)	8,150,000
2024	27,245,000	4,860,000 (2)	2,050,000 (4)	8,465,000
2025	28,605,000	5,100,000 (2)	2,190,000 (4)	8,750,000
2026	30,040,000	5,350,000 (2)	2,340,000 (4)	9,085,000
2027	31,540,000	5,620,000 (2)	2,505,000 (4)	9,445,000
2028	33,115,000	5,900,000 (2)	2,675,000 (4)	9,800,000
2029	34,750,000 (1)	6,195,000 (2)	2,865,000 (4)	10,145,000
2030	36,480,000 (1)	6,505,000 (2)	3,060,000 (4)	10,420,000
2031	38,295,000 (1)	6,830,000 (3)	3,275,000 (5)	10,835,000
2032	40,200,000 (1)	7,185,000 (3)	3,510,000 (5)	11,275,000
2033	42,205,000 (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	\$ 538,750,000	\$ 162,185,000	\$ 77,130,000	\$ 225,635,000

(1) Sinking Fund requirements for \$191,930,000 term bonds due 6/1/2033.

(2) Sinking Fund requirements for \$41,290,000 term bonds due 6/1/2030. The 2025 payment includes a scheduled bond principal payment of \$2,870,000.

(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, 2014**

Year	Series 2014B	Series 2014C	Total Principal
2015	\$ -	\$ -	\$ 22,965,000
2016	-	-	23,795,000
2017	-	-	24,780,000
2018	2,455,000	-	28,395,000
2019	2,540,000	-	36,715,000
2020	2,635,000	-	38,090,000
2021	2,740,000	-	39,680,000
2022	2,845,000	-	41,530,000
2023	2,960,000	-	43,450,000
2024	3,080,000	-	45,385,000
2025	3,205,000	-	47,565,000
2026	3,345,000	-	49,825,000
2027	3,480,000	-	52,230,000
2028	3,630,000	-	54,765,000
2029	3,785,000	-	57,395,000
2030	3,945,000 (1)	-	60,135,000
2031	4,120,000 (1)	-	62,940,000
2032	4,305,000 (1)	-	66,035,000
2033	4,485,000 (1)	-	69,290,000
2034	4,685,000 (1)	-	28,410,000
2035	4,880,000 (2)	-	29,790,000
2036	5,095,000 (2)	-	31,125,000
2037	5,315,000 (2)	-	32,620,000
2038	5,540,000 (2)	-	34,200,000
2039	5,775,000 (2)	65,000,000 (3)	100,855,000
2040	-	-	31,580,000
Totals	\$ 84,845,000	\$ 65,000,000	\$ 1,153,545,000

(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.

(3) Federally taxable, variable-rate demand obligation in weekly mode. May be paid down or converted to long-term, fixed-rate mode on any interest rate re-set date.

APPENDIX C
OKLAHOMA TURNPIKE
AUTHORITY

Appendix C

**Oklahoma Turnpike Authority
Outstanding Bonded Indebtedness
(as of December 31, 2014)**

<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>
2015	\$ 3,925,000 (1)	\$ 3,925,000 (1)	\$ 3,925,000 (1)	\$ 4,080,000
2016	4,085,000 (1)	4,085,000 (1)	4,085,000 (1)	4,245,000
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>\$ 106,160,000</u>	<u>\$ 106,160,000</u>	<u>\$ 106,160,000</u>	<u>\$ 37,305,000</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, 2014)

<u>Year</u>	<u>Series 2011A</u> <u>Refunding</u> <u>Second Sr.</u>	<u>Series 2011B</u> <u>Second</u> <u>Senior</u>	<u>Total</u> <u>Outstanding</u> <u>Principal</u>
2015	\$ 34,575,000	\$ 1,350,000	\$ 51,780,000
2016	36,125,000	1,425,000	54,050,000
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>\$ 471,755,000</u>	<u>\$ 158,635,000</u>	<u>\$ 986,175,000</u> (1)

(1) Excludes a U.S. Bank loan outstanding in the amount of \$15 million on December 31, 2014.

APPENDIX D

*OKLAHOMA HOUSING
FINANCE AGENCY*

Appendix D

**Oklahoma Housing Finance Agency
Outstanding Multi-Family Revenue Bonds
(as of September 30, 2014)**

<u>Issue</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	3,788,148
Series 2014 - Wesley Village	5,000,000	5,000,000
Multi-Family Total	<u>\$ 22,415,000</u>	<u>\$ 11,263,148</u>

**Oklahoma Housing Finance Agency
Outstanding Single-Family Revenue Bonds
(as of September 30, 2014)**

<u>Issue</u>	<u>Original Principal</u>	<u>Outstanding Principal</u>
Series 1991 A	\$ 30,115,000	\$ 408,796
Series 2005 A	35,000,000	7,950,000
Series 2005 B	51,450,000	9,695,000
Series 2005 C-1	2,510,000	410,000
Series 2005 C-2	42,490,000	9,770,000
Series 2005 D	20,000,000	3,445,000
Series 2006 A	45,000,000	8,605,000
Series 2006 B	45,000,000	8,080,000
Series 2006 C	45,000,000	8,045,000
Series 2006 D	36,125,000	9,655,000
Series 2007 A-1	41,710,000	12,770,000
Series 2007 A-2 (Taxable)	10,790,000	420,000
Series 2007 B-1	32,000,000	9,775,000
Series 2007 C-1	28,700,000	7,370,000
Series 2007 D-1	36,000,000	9,355,000
Series 2007 D-2 (Taxable)	4,000,000	300,000
Series 2008 A-1	25,000,000	4,830,000
Series 2008 B	40,000,000	12,750,000
Series 2009 A	30,905,000	9,845,000
Series 2009 B	32,800,000	13,970,000
Series 2010 A	20,000,000	10,490,000 (1)
Series 2011 A	24,000,000	14,365,000 (1)
Series 2011 B	28,000,000	18,735,000 (1)
Series 2009 C-3	42,000,000	34,090,000 (1)
Series 2012A	63,500,000	56,360,000 (1)
Series 2009 C-4	42,000,000	39,260,000 (1)
Series 2013 A (Taxable)	24,935,000	20,500,000 (1)
Series 2013 B (Taxable)	32,360,000	25,900,000 (1)
Series 2013 C	25,143,342	24,384,588
Series 2013 D	31,150,654	26,594,029
Single-Family Total	<u>\$ 967,683,996</u>	<u>\$ 418,127,413</u>

(1) New Issue Bond Program (NIBP)

APPENDIX E

*OKLAHOMA MUNICIPAL
POWER AUTHORITY*

Appendix E

**Oklahoma Municipal Power Authority
Outstanding Bonded Indebtedness
(as of December 31, 2014)**

<u>Year</u>	<u>Series 1992B</u>	<u>Series 2005A</u>	<u>Series 2007A</u>	<u>Series 2008A</u>
2015	\$ 8,680,000 (1)	\$ 3,600,000 (3)	\$ -	\$ 3,000,000 (6)
2016	9,185,000 (2)	3,700,000 (3)	-	3,000,000 (6)
2017	9,715,000 (2)	3,900,000 (3)	-	3,000,000 (6)
2018	10,275,000 (2)	4,200,000 (3)	-	3,000,000 (6)
2019	10,865,000 (2)	4,400,000 (3)	-	-
2020	11,495,000 (2)	4,600,000 (3)	-	-
2021	-	4,800,000 (3)	-	-
2022	-	5,100,000 (3)	-	-
2023	-	5,400,000 (3)	-	-
2024	10,370,000 (2)	-	-	-
2025	-	-	-	-
2026	-	-	-	-
2027	-	-	-	-
2028	-	-	865,000	-
2029	-	-	4,650,000	-
2030	-	-	4,845,000	-
2031	-	-	5,045,000	-
2032	-	-	5,255,000	-
2033	-	-	5,475,000 (4)	-
2034	-	-	5,735,000 (4)	-
2035	-	-	6,000,000 (4)	-
2036	-	-	6,285,000 (4)	-
2037	-	-	6,580,000 (4)	-
2038	-	-	6,890,000 (5)	-
2039	-	-	7,195,000 (5)	-
2040	-	-	7,520,000 (5)	-
2041	-	-	7,860,000 (5)	-
2042	-	-	8,215,000 (5)	-
2043	-	-	8,585,000 (5)	-
2044	-	-	8,970,000 (5)	-
2045	-	-	9,375,000 (5)	-
2046	-	-	9,795,000 (5)	-
2047	-	-	10,235,000 (5)	-
Totals	<u>\$ 70,585,000</u>	<u>\$ 39,700,000</u>	<u>\$ 135,375,000</u>	<u>\$ 12,000,000</u>

- (1) Remaining mandatory sinking fund redemption of original \$24.625 million term bond.
(2) \$61.905 million term bonds due 2024 - mandatory sinking fund requirements shown.
(3) Mandatory sinking fund installments for floating-rate note with a special mandatory tender 8/1/2018.
(4) Term bond due 1/1/2037 - mandatory sinking fund requirements shown.
(5) Term bond due 1/1/2047 - mandatory sinking fund requirements shown.
(6) 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, 2014)

<u>Year</u>	<u>Series</u> <u>2010A/B</u>	<u>Series</u> <u>2013A</u>	<u>Series</u> <u>2013B</u>	<u>Series</u> <u>2014A</u>
2015	\$ 4,735,000	\$ -	\$ -	\$ -
2016	4,875,000	-	-	-
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	\$ 165,295,000	\$ 132,920,000	\$ 39,565,000	\$ 88,740,000

(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, 2014)**

<u>Year</u>	<u>Series 2014B</u>	<u>Total Principal</u>
2015	\$ -	\$ 20,015,000
2016	-	20,760,000
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	-	20,255,000
2029	-	20,030,000
2030	-	21,905,000
2031	-	14,595,000
2032	-	15,215,000
2033	-	15,860,000
2034	-	16,565,000
2035	-	17,235,000
2036	-	18,005,000
2037	-	18,810,000
2038	-	19,645,000
2039	-	21,700,000
2040	-	22,610,000
2041	-	23,565,000
2042	-	24,565,000
2043	-	25,605,000
2044	-	26,690,000
2045	-	27,825,000
2046	-	29,005,000
2047	-	30,215,000
Totals	<u>\$ 34,440,000</u>	<u>\$ 718,620,000</u>

APPENDIX F

*OKLAHOMA DEVELOPMENT
FINANCE AUTHORITY*

Appendix F

**Credit Enhancement Reserve Fund Program
Outstanding Bonded Indebtedness
(as of December 31, 2014)**

<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	\$ 1,146,415	\$ 1,146,415
Series 2003 (Muskogee Port Authority)	1,500,000	987,269	987,269
Series 2004 (Eastern Oklahoma State College)	2,200,000	1,295,000	1,395,000
Series 2004 (Goodyear Project)	36,325,000	10,275,000	1,957,348
Series 2004 (Michelin Project)	29,280,000	7,575,000	1,595,013
Series 2006 (OSU Refunding)	6,510,000	1,505,000	800,903
Series 2006A (Pittsburg Co. Health Dept.)	4,645,000	3,215,000	3,215,000
Series 2007A (Washington Co. Health Dept)	4,570,000	3,360,000	3,360,000
Series 2008A Ponotoc County Health Dept	4,630,000	3,885,000	3,885,000
Series 2008 Muskogee Port Authority	750,000	597,414	597,414
Series 2011 Tillman County Public Facilities	3,290,000	2,945,000	2,945,000
Series 2012A LeFlore County Health	2,380,000	2,180,000	2,180,000
Series 2013A Rogers State University	3,000,000	2,925,000	3,000,000
Series 2014 Notes (Dept. of Human Services)	551,879	509,232	509,232
Series 2014 (East Central Univ. Refunding)	4,340,000	4,340,000	4,340,000
Subtotal	\$ 105,367,735	\$ 46,740,330	\$ 31,913,593
 <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	<u><u>\$ 115,366,735</u></u>	<u><u>\$ 56,739,330</u></u>	<u><u>\$ 41,912,593</u></u>

(1) Guarantee of a bank loan (no securities issued).

APPENDIX G

*OKLAHOMA WATER
RESOURCES BOARD*

Appendix G

**Oklahoma Water Resources Board
Outstanding Bonded Indebtedness
(as of December 31, 2014)**

<u>Issue</u>	<u>Original Principal</u>	<u>Outstanding Principal</u>
State Loan Program Revenue Bonds, Series 1989	\$ 50,000,000	\$ 115,000
State Loan Program Revenue Bonds, Series 1994A	109,845,000	2,480,000
State Loan Program Revenue Bonds, Series 1995	50,000,000	2,655,000
State Loan Program Revenue Bonds, Series 1997	50,000,000	380,000
State Loan Program Revenue Bonds, Series 1999	75,000,000	5,125,000
State Loan Program Revenue Bonds, Series 2001 ¹	110,000,000	7,185,000
State Loan Program Revenue Bonds, Series 2003A	100,000,000	7,640,000
State Loan Program Revenue Bonds, Series 2004A	12,630,000	555,000
State Loan Program Revenue Bonds, Series 2006B	52,585,000	35,430,000
State Loan Program Revenue Bonds, Series 2007	10,215,000	7,455,000
State Loan Program Revenue Bonds, Series 2009	2,825,000	2,280,000
Drinking Water State Revolving Fund Bonds, Series 2010	94,460,000	86,690,000
State Loan Program Revenue Bonds, Series 2010A	30,035,000	25,430,000
State Loan Program Revenue Bonds, Series 2010B	27,955,000	24,890,000
Clean Water State Revolving Fund Bonds, Series 2011A	85,000,000	71,615,000
Drinking Water State Revolving Fund Bonds, Series 2011B	57,910,000	55,415,000
State Loan Program Revenue Bonds, Series 2011	14,275,000	12,750,000
Drinking Water State Revolving Fund Bonds, Series 2012A	49,395,000	47,945,000
State Loan Program Revenue Bonds, Series 2012	30,595,000	30,095,000
State Loan Program Revenue Bonds, Series 2012A	33,445,000	27,685,000

¹ Excludes defeased bonds of \$3,605,000.

**Oklahoma Water Resources Board
Outstanding Bonded Indebtedness
(as of December 31, 2014)**

<u>Issue</u>	<u>Original Principal</u>	<u>Outstanding Principal</u>
State Loan Program Revenue Bonds, Series 2012B	\$ 8,750,000	\$ 8,050,000
State Loan Program Revenue Bonds, Series 2012C	9,625,000	7,245,000
Clean Water State Revolving Fund Bonds, Series 2012B	86,505,000	85,885,000
State Loan Program Revenue Bonds, Series 2013A	43,290,000	39,845,000
State Loan Program Revenue Bonds, Series 2013B	5,460,000	5,135,000
Drinking Water State Revolving Fund Bonds, Series 2013A	41,410,000	41,410,000
Drinking Water State Revolving Fund Bonds, Series 2013B ²	35,505,000	31,755,000
Clean Water State Revolving Fund Bonds, Series 2014A ³	55,560,000	55,560,000
State Loan Program Revenue Bonds, Series 2014A	10,180,000	9,955,000
State Loan Program Revenue Bonds, Series 2014B	9,595,000	9,595,000
State Loan Program Revenue Bonds, Series 2014C	<u>20,000,000</u>	<u>20,000,000</u>
Total	<u><u>\$ 1,372,050,000</u></u>	<u><u>\$ 768,250,000</u></u>

² Refunding of Series 2003 Drinking Water issue.

³ Refunding of Series 2004 Clean Water issue.

APPENDIX H
OKLAHOMA STUDENT
LOAN AUTHORITY

Appendix H

**Oklahoma Student Loan Authority
Outstanding Bonded Indebtedness
(as of December 31, 2014)**

<u>Issue</u>	<u>Original Principal</u>	<u>Outstanding Principal</u>
Series 1995 A-1 Senior Revenue Notes	\$ 21,600,000	\$ 9,500,000
Series 1995 B-2 Subordinate Bonds	3,980,000	-
Series 2001 A-2 Senior Taxable Auction Rate Bonds	50,000,000	-
Series 2001 A-4 Senior Taxable Floating Rate Bonds	50,000,000	17,800,000
Series 2001 B-1 Subordinate Auction Rate Bonds	25,000,000	15,300,000
Series 2004A-1 Senior Auction Rate Bonds	40,625,000	16,450,000
Series 2004A-2 Senior Auction Rate Bonds	40,625,000	21,925,000
Series 2010A-1 LIBOR Floating Rate Bond	132,545,000	25,500,000
Series 2010A-2A LIBOR Floating Rate Bond	51,225,000	51,225,000
Series 2010A-2B LIBOR Floating Rate Bond	44,230,000	44,230,000
Series 2010B-1 Adjustable Fixed Rate	15,517,718	-
Series 2011-1 LIBOR Floating Rate Bond	205,200,000	103,185,000
Series 2013-1 LIBOR Floating Rate Bond	<u>211,820,000</u>	<u>143,994,000</u>
Total	<u><u>\$ 892,367,718</u></u>	<u><u>\$ 449,109,000</u></u>

APPENDIX I

*SCHOOL & COUNTY CASH
MANAGEMENT PROGRAM*

Appendix I

**Oklahoma School District and County
Revenue Anticipation Program
Series 2014-2015 Notes**

<u>County/School</u>	<u>Note Amount</u> ¹
Bryan / Silo Public Schools	\$ 285,603
Carter / Fox Public Schools	265,828
Haskell / Kinta Public Schools	222,321
Pittsburg / Haileyville Public Schools	325,284
Oklahoma / Metro Technology Centers	4,002,684
Cleveland / Moore Norman Technology Center	<u>3,438,280</u>
TOTAL	<u><u>\$ 8,540,000</u></u>

¹ The notes are not a debt of the State of Oklahoma.
Sold as Certificates of Participation due June 30, 2015 at an interest rate of 0.75%.

APPENDIX J

*TAX-BACKED DEBT
SERVICE SCHEDULE*

STATE OF OKLAHOMA
Fiscal Year Debt Service as Percent of General Appropriations
as of December 31, 2014

Fiscal Year --->	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
General Revenue Fund Appropriations Available for Debt Service	\$ 5,628,158,429 (1)	\$ 5,894,399,318 (1)	\$ 5,955,482,028 (1)	\$ 6,134,146,489 (1)	\$ 6,318,170,884 (1)
Oklahoma Building Bonds Commission:					
General Obligation Bonds, Series 2010A/B	\$ 1,390,718	\$ 21,728,486	\$ 1,688,730	\$ 753,855	\$ 1,617,835
General Obligation Bonds, Series 2013	<u>4,590,050</u>	<u>7,956,500</u>	<u>28,093,400</u>	<u>28,910,375</u>	<u>28,030,375</u>
Subtotal - Building Bonds Commission	\$ 5,980,768	\$ 29,684,986	\$ 29,782,130	\$ 29,664,230	29,648,210
Capitol Improvement Authority Leases:					
- Series 2003E	\$ 1,503,213	\$ 1,505,980	\$ 1,504,500	\$ -	\$ -
- Series 2004A Advance Refunding	13,713,041	10,788,125	-	-	-
- Series 2005A (Military Department Projects) [refunded by Series 2014A]	550,140	431,485	-	-	-
- Series 2005B (Attorney General Project - Phase II) [refunded by Series 2014A] (2)	304,658	187,358	-	-	-
- Series 2005C (Native American Center Project) [refunded by Series 2014A]	2,221,265	1,447,378	-	-	-
- Series 2005D (OSBI Forensic Center Projects) [refunded by Series 2014A] (3)	1,438,634	751,925	-	-	-
- Series 2005E (Attorney General Project - Phase III) [refunded by Series 2014A] (2)	228,755	145,630	-	-	-
- Series 2005F Tax-Exempt (Higher Ed. Projects) [refunded by Series 2014A]	21,078,815	11,161,966	-	-	-
- Series 2006A (Dept. of Agriculture Projects)	1,809,004	1,807,816	1,809,004	1,808,691	1,810,485
- Series 2006B (Dept. of Mental Health Project)	1,399,615	1,397,885	1,399,583	1,399,708	1,398,476
- Series 2006C (Supreme Court Project - Wiley Post Bldg.)	1,677,762	1,679,162	1,677,958	1,674,590	1,679,020
- Series 2006D VRDO (Higher Ed. Projects) [refunded by Series 2014C] (4)	5,091,250	16,631	-	-	-
- Series 2006E (OSBI Project - Phase II)	484,353	488,154	486,059	483,478	485,483
- Series 2008A (Native American Center Project)	2,303,015	2,304,815	2,304,415	2,301,815	2,301,777
- Series 2008B (Supreme Court Project - Wiley Post Bldg.)	930,889	934,576	931,376	931,636	935,076
- Series 2009A (Conservation Commission Projects)	2,211,988	2,215,363	2,211,813	2,213,613	2,214,262
- Series 2009A/B (Highway Capital Improvement Projects) (5)	14,135,160	14,139,760	14,139,135	14,138,035	14,138,935
- Series 2010 Endowed Chairs Bonds (Federally Taxable)	11,419,370	11,403,277	11,386,119	11,371,798	11,348,250
- Series 2010A/B Refunding Bonds (partially advance refund 2005F)	22,057,487	22,056,924	22,054,063	34,414,163	33,649,500
- Series 2010A/B Highway Capital Improvement Revenue Bonds	17,709,142	17,705,542	17,704,342	17,706,842	17,709,417
- Series 2012 Highway Capital Improvement Revenue Bonds	5,807,075	5,808,125	5,811,800	5,807,300	5,811,700
- Series 2013A-B State Facilities Refunding Revenue Bonds	1,065,609	2,823,400	2,666,750	2,669,213	2,665,213
- Series 2013C State Facilities Refunding Revenue Bonds (5)	4,458,913	5,999,663	-	-	-
- Series 2014A State Facilities Refunding Revenue Bonds	-	2,203,642	9,849,525	24,811,025	12,688,225
- Series 2014B State Facilities Refunding Revenue Bonds	-	799,875	11,722,500	12,635,175	12,618,150
- Series 2014C State Facilities Refunding Revenue Bonds	-	4,458,320	5,999,669	5,998,369	5,999,919
Subtotal - OCIA	\$ 133,599,153	\$ 124,662,776	\$ 113,658,611	\$ 140,365,450	\$ 127,453,887

(1) Final FY 2014 General Revenue Fund receipts and revised FY 2015 estimated, as adopted by the State Equalization Board on December 18, 2014. The FY 2016 figure is the initial estimate for that year. For FY 2017-18, the assumed annual growth rate is 3.0%.

(2) Initial source of payment is the Attorney General's Evidence Fund. Approximately \$833,000 per year of the debt service on the Series 2013B refunding issue is also paid from the AG's Evidence Fund.

(3) Initial source of payment is the OSBI Revolving Fund.

(4) Debt service shown was interest paid at an assumed rate of 5%. Amounts collected in excess of actual debt service were used to retire principal early. This issue was refunded at a fixed rate by the OCIA Series 2014C.

(5) Initial source of payment is the ROADS Fund. The Series 2013C issue refunded the Series 2003A and 2003B issues.

	Fiscal Year --->	2014	2015	2016	2017	2018
Oklahoma Development Finance Authority:						
- Series 2004 (Goodyear Project)	(1)	\$ 3,908,133	\$ 3,914,695	\$ 3,910,505	\$ 3,910,123	\$ -
- Series 2004 (Michelin Project)	(1)	3,186,643	3,187,446	3,189,402	1,817,106	-
- Series 2005A (Department of Veterans Affairs Refunding)		944,455	943,215	-	-	-
- Series 2006 (Department of Corrections - Union City)		329,061	331,461	328,461	330,005	330,868
- Series 2006A (Pittsburg County Health Dept. Project)	(2)	345,908	347,908	349,403	350,383	350,838
- Series 2007A (Washington County Health Dept. Project)	(2)	342,315	339,759	341,859	343,459	339,659
- Series 2008 (DHS - multiple projects)		2,032,475	2,033,125	2,030,675	2,029,881	2,030,456
- Series 2008A (Pontotoc County Health Dept. Project) - CERF	(2)	317,861	318,474	313,749	313,849	318,411
- Series 2008 (Muskogee Port Project)		48,756	48,756	48,756	48,756	48,756
- Series 2009 (Office of State Finance Project)		2,935,068	2,937,418	2,938,568	2,935,193	2,937,655
- Series 2009/2010 BRAC for Lawton (2) & Enid (1) - State pays interest		2,902,030	2,902,030	-	-	-
- Series 2010 (Goodyear Project)		1,615,329	1,615,329	1,615,329	1,615,329	1,615,329
- Series 2010 (Hitachi Project)		2,346,400	2,346,200	2,351,800	2,352,000	2,356,400
- Community Economic Development Pooled Finance Program (17 series)	(3)	8,504,454	11,154,100	11,215,694	11,251,719	10,970,044
- Series 2012A (Dept. of Human Services) - Refunding/New Money		1,797,788	1,796,688	1,793,588	1,797,788	1,797,588
- Series 2012A (LeFlore County Health Department Project) - CERF		155,475	154,475	153,475	156,975	155,400
- Series 2013 (CLEET Refunding)	(4)	1,466,738	1,463,238	1,485,638	1,465,638	1,462,488
- Series 2013 (Department of Corrections Refunding)		2,647,560	2,650,060	2,641,760	2,648,410	2,647,360
- Series 2013A (Rogers State University) - CERF		80,349	158,413	217,753	216,673	220,190
- Series 2014A (DHS Refunding) & Series 2004 (DHS Taxable Note) - CERF	(5)	-	166,058	1,045,701	1,045,091	1,048,065
- Series 2014 (East Central University Refunding)- CERF		-	303,378	328,100	328,000	332,750
SUBTOTAL - ODFA		\$ 35,906,797	\$ 39,112,225	\$ 36,300,214	\$ 34,956,377	\$ 28,962,256
ODFA - Regents' Master Equipment Lease Program:						
- Series 2003A/B/C (Master Equipment Lease Program)		\$ 828,170	\$ 831,620	\$ 469,783	\$ 242,598	\$ 243,578
- Series 2004A/B/C (Master Equipment Lease Program)		1,449,746	860,571	858,171	859,391	854,284
- Series 2005A/B/C (Master Equipment Lease Program)		1,162,436	1,014,921	618,084	438,109	440,909
- Series 2006A/B/C (Master Equipment Lease Program)		2,941,435	2,938,108	2,748,338	2,232,751	2,018,551
- Series 2007A/B/C (Master Equipment Lease Program)		2,419,738	1,577,913	1,277,303	1,276,520	1,274,081
- Series 2008A/B (Master Equipment Lease Program)		2,722,330	1,590,430	1,584,330	1,571,327	1,563,267
- Series 2009A/B (Master Equipment Lease Program)		3,197,217	2,919,000	2,626,431	1,150,628	1,154,681
- Series 2010A/B (Master Equipment Lease Program)		2,144,863	1,847,113	1,769,738	1,472,913	994,538
- Series 2011A/B/C+C123 (Master Equipment Lease Program)		3,874,426	3,581,931	3,507,701	3,290,651	3,280,638
- Series 2013A (Master Equipment Lease Program)		325,328	663,663	662,563	661,163	664,463
- Series 2014A/B/C/D (Master Equipment Lease Program)		-	2,213,225	4,549,278	4,562,648	4,557,688
SUBTOTAL - Master Equipment Lease Program		\$ 21,065,689	\$ 20,038,495	\$ 20,671,719	\$ 17,758,699	\$ 17,046,678

- (1) 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).
- (2) Bonds are secured by a local property tax for health services. Issue is backed by a Credit Enhancement Reserve Fund guaranty.
- (3) 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.
- (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.

	Fiscal Year --->	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
ODFA - Regents' Master Real Property Lease Program:						
- Series 2006A (Master Real Property Lease Program)		\$ 865,446	\$ 862,165	\$ 862,815	\$ 862,203	\$ 860,484
- Series 2007A/B (Master Real Property Lease Program)		3,762,931	3,767,075	3,758,738	3,755,956	3,654,325
- Series 2008A (Master Real Property Lease Program)		1,224,339	1,223,539	1,219,189	1,223,476	1,216,514
- Series 2009A/B/C/D (Master Real Property Lease Program)		6,538,577	5,206,544	5,210,499	5,207,734	5,209,386
- Series 2010A/B/C/D (Master Real Property Lease Program)		5,415,166	5,447,782	5,425,754	5,423,658	5,425,035
- Series 2011A/B/C/D/E/F (Master Real Property Lease Program)		7,041,697	7,061,697	6,962,138	6,871,380	6,873,222
- Series 2013A/B (Master Real Property Lease Program)		964,582	2,480,100	2,465,150	2,474,150	2,466,350
- Series 2014A/B/C/D/E/F/G (Master Real Property Lease Program)		984,473	10,851,003	13,070,865	13,058,745	13,072,275
SUBTOTAL - Master Real Property Lease Program		<u>\$ 26,797,211</u>	<u>\$ 36,899,904</u>	<u>\$ 38,975,147</u>	<u>\$ 38,877,302</u>	<u>\$ 38,777,590</u>
Direct Agency/Higher Education Obligations:						
- Series 2002 (USAO Energy Management)		\$ 391,068	\$ 403,855	\$ 420,147	\$ 431,979	\$ 219,604
- Series 2002 (Panhandle State University - Energy Mgmt.)		247,080	244,303	246,143	247,473	243,420
SUBTOTAL - Direct Agency/Higher Education Obligations		<u>\$ 638,148</u>	<u>\$ 648,158</u>	<u>\$ 666,290</u>	<u>\$ 679,452</u>	<u>\$ 463,024</u>
Competitive Sales/Small Leases (8 leases)	(1)	\$ 2,982,728	\$ 2,901,075	\$ 2,705,130	\$ 1,919,695	\$ 1,543,850
Total Annual Debt Service and Lease Payments		\$ 226,970,494	\$ 253,947,619	\$ 242,759,240	\$ 264,221,204	\$ 243,895,495

(1) Includes competitively sold and privately placed leases.