

Honorable Mayor and City Council
The City of Oklahoma City, Oklahoma

We are pleased to present this report related to our audit of the basic financial statements of The City of Oklahoma City (City), as of and for the year ended June 30, 2022. This report summarizes certain matters required by professional standards to be communicated to you in your oversight responsibility for the City's financial reporting process.

This report is intended solely for the information and use of the Mayor, City Council and management, and is not intended to be, and should not be, used by anyone other than these specified parties.

Consistent with this requirement, the following summarizes our responsibilities regarding the basic financial statement audit as well as observations arising from our audit that are significant and relevant to your responsibility to oversee the financial and related compliance reporting process.

This letter includes other comments and suggestions with respect to matters that came to our attention in connection with our audit of the City's financial statements. These items are offered as constructive suggestions to be considered part of the ongoing process of modifying and improving the City's practices and procedures.

The following summarizes various matters that must be communicated to you under auditing standards generally accepted in the United States of America.

Our Responsibilities With Regard to the Financial Statement and Compliance Audit

Our responsibilities under auditing standards generally accepted in the United States of America and *Government Auditing Standards* issued by the Comptroller General of the United States have been described to you in our arrangement letter dated July 5, 2022. Our audit of the financial statements does not relieve management or those charged with governance of their responsibilities, which are also described in that letter.

Overview of the Planned Scope and Timing of the Financial Statement Audit

We have issued a separate communication dated July 5, 2022 regarding the planned scope and timing of our audit and identified significant risks. We made no significant changes to the scope or timing of our procedures.

Accounting Policies and Practices

Preferability of Accounting Policies and Practices - Under generally accepted accounting principles, in certain circumstances, management may select among alternative accounting practices. In our view, in such circumstances, management has selected the preferable accounting practice.

Adoption of, or Change in, Accounting Policies - Management has the ultimate responsibility for the appropriateness of the accounting policies used by the City. The following is a description of significant accounting policies or their application that were either initially selected or changed during the year:

- The City adopted GASB Statement No. 89, *Accounting for Interest Cost Incurred Before the End of a Construction Period* in the current year. This statement no longer allows the City to capitalize interest which will increase current period expense. This statement was adopted prospectively.

- The City adopted GASB Statement No. 87, *Leases* in the current year. GASB 87 improves accounting and financial reporting for leases by governments. This statement requires recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right-to-use an underlying asset. Under this statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities. This resulted in an increase to beginning Governmental Activities net position, Business-Type Activities net position, Governmental Fund fund balance, Proprietary Fund net position and Discretely Presented Component Unit net position of \$1.3 million, \$312 thousand, \$312 thousand, \$2.1 million, and \$1.3 million, respectively.

In light of the implementation of these standards we will include an emphasis-of-matter paragraph in the auditor's report. Below are the paragraphs included in the auditor's report:

Emphasis-of-Matter

As discussed in Note IV.A. to the financial statements, the City adopted GASB Statement No. 87, *Leases*. Our opinions are not modified with respect to this matter.

As discussed in Note I.D.I. to the financial statements, the City adopted GASB Statement No. 89, *Accounting for Interest Cost Incurred Before the End of a Construction Period*. Our opinions are not modified with respect to this matter.

Significant Accounting Policies - We did not identify any significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus.

Significant or Unusual Transactions - We did not identify any significant or unusual transactions.

Management's Judgments and Accounting Estimates - Accounting estimates are an integral part of the preparation of financial statements and are based upon management's current judgment. The process used by management encompasses their knowledge and experience about past and current events, and certain assumptions about future events. You may wish to monitor throughout the year the process used to determine and record these accounting estimates. The following describes the significant accounting estimates reflected in the City's financial statements.

- *Estimated Claims Liabilities*: The City has a variety of areas involving estimated claims liability related to risk including, health insurance, worker's compensation, tort claims and other liabilities. In many cases, these estimates are based on information from third parties such as actuaries, lag reports from insurance providers and reports from in-house legal counsel. As a basis for our conclusions, we obtained all reports utilized by the City to develop these estimates. We obtained an understanding of the methods and assumptions used by the actuaries and performed procedures to test the accuracy and completeness of the information used to develop the estimates including obtaining confirmations where appropriate.
- *Allowances for Uncollectible Receivables*: The allowance for doubtful accounts is set by management based on knowledge of the customer base, specific past due balances, past performance of a customer, and specific conversations with past due customers. We reviewed management's estimate for the allowance for doubtful accounts and reviewed the reasonableness and the process used to calculate it.

- *Incremental Borrowing Rates and lease terms used in Lease Calculations:* The borrowing rate used by the City in a majority of the lease receivable and liability present value calculations is estimated. This was determined using a tool that uses US Treasury rates at the time of the lease agreement or implementation as the base and adding a spread based on credit risk. The spread is determined by averaging three different financial institutions credit risk spreads. Lease terms were determined by management based on the lease agreement and an assessment of the reasonable possibility that extensions and/or termination options will be exercised. As a basis for our conclusions, we reviewed the incremental borrowing rate tool used by the City and documentation regarding the reasonable possibility of exercising extension or termination options for reasonableness.
- *Net Pension Liability:* The City's pension systems contract with an external actuary to develop an estimate for the actuarial value of plan assets as well as the actuarial accrued liability for each plan. The valuations performed by the external actuary incorporates a number of assumptions, including among others, a discount rate, a rate of return on investments, projected salary increases, mortality rates, and assumptions related to increases in benefits. We performed procedures to test the completeness and accuracy of information provided to the actuary as a basis for their calculations. We also obtained an understanding of the methods and assumptions used by the actuary, evaluating them for compliance with generally accepted accounting principles and consistency from year to year.
- *Net Pension Liability: Police and Firefighters:* The City followed guidelines in GASB Statement No. 68 for reporting its proportionate share of the Oklahoma Police Pension and Retirement System's and the Oklahoma Firefighters Pension and Retirement System's net pension liabilities. This included obtaining the Police Plan's and Firefighter's Plan's reports on Schedules of Employer and Nonemployer Allocations and Schedules of Pension Amounts by Employer Allocation and Pension Amounts by Employer as of June 30, 2021, which was audited by other auditors. The City compared contributions made by the City to amounts included in this report. As a basis for our conclusions, we reviewed these reports for reasonableness and verified and recalculated the City's information provided in the report.
- *Net Other Post-Employment Benefit (OPEB) Liability:* The City contracts with an external actuary to develop an estimate for the annual OPEB cost, which pertains to health care offered to retirees. The valuations performed by the external actuary incorporates a number of assumptions, including among others, a discount rate, a rate of return on investments, mortality rates, and assumptions related to increases in healthcare expenses. The amount calculated by the actuary is then reduced by actual claims paid for retirees, resulting in a net OPEB liability at year-end to record as a liability. As a basis for our conclusions, we reviewed the assumptions used for reasonableness and recalculated the liability.
- *Pollution Remediation:* The City is required to record a liability for pollution remediation obligations in accordance with GASB 49. The City is required to estimate the components of expected pollution remediation outlays and record a liability when expected outlays are reasonably estimable based on certain obligating events. The City currently has several sites that qualify for accrual. The City utilizes an external environmental consulting firm to assist with pollution remediation activities, including the development of estimated liabilities in accordance with GASB 49. As a basis for our conclusions, we have reviewed the measurable transactions, events, methods and assumptions, including estimated recoveries derived by the City and its consulting firm used to arrive at the current estimated obligation for pollution remediation.

- *Fair Value of Investments:* The Oklahoma City Employee Retirement System (System/OCERS) reports investments at fair value. Fair values are estimated as follows:
 - Money market funds are reported at cost which approximates fair value and are traded on active markets at quoted prices.
 - Judgments and certificates of deposit fair value approximate cost and therefore do not report a fair value measurement.
 - Government securities consist of U.S. Treasury strips, U.S. Treasury bonds, Federal agency notes, Ginnie Mae notes, and Small Business Administration Loans. These securities use pricing models that maximize the use of observable inputs for similar securities.
 - International stocks are traded on active markets at quoted prices and are valued at level 1.
 - Corporate obligations consist of domestic and international corporate bonds and are valued using pricing models maximizing the use of observable inputs for similar securities which includes basing value on yields currently available on comparable securities of issuers with similar credit ratings.
 - Mutual funds are valued at the daily closing price as reported by the fund. Mutual funds held by the System include open-end mutual funds and are required to publish their daily values and to transact at that price. The mutual funds held by the System are deemed to be actively traded. Investments in various mutual funds include equity funds, bond funds, and outside common trust funds.
 - The System invests in comingled funds and limited partnerships which are valued at net asset value (NAV). The NAV, as provided by the trustee, is used as a practical expedient to estimate the fair value. The NAV is based on the fair value of the underlying investments held by the fund and other various methods are used to value these securities.
 - Other investments consist of foreign government obligations and asset backed obligations. Foreign government obligations and asset backed obligations are valued using inputs of quoted prices of similar securities.

As a basis for our conclusions, we selected a sample of individual investment securities and used Harvest Investments, a renowned valuation firm, to provide an independent pricing of the securities.

Audit Adjustments

Audit adjustments proposed by us and recorded by the City are as follows:

- An adjustment in the General Obligation Bond Fund to decrease retainage payable and expense by \$2,306,379.
- An adjustment in the OCPPA Golf Fund to increase accumulated depreciation and depreciation expense by \$130,399.
- An adjustment in the OCPPA General Purpose Fund to decrease receivables and revenue by \$197,617.
- An adjustment in OCERS to decrease investments and increase unrealized loss by \$14,827,301.
- An adjustment in the COTPA, a discretely presented component unit, to increase compensated absences and expenses by \$73,454.

Uncorrected Misstatements

During the course of our audit, we accumulated uncorrected misstatements that were determined by management to be immaterial, both individually and in the aggregate, to the opinion units of the financial statements. Therefore, the adjustments to correct these misstatements were not made to the financial statements. These items are summarized in the attached Summary of Adjustments Passed.

Management Representations

In connection with our audit procedures, we have obtained a written management representation letter. This representation letter constitutes written acknowledgments by management that it has the primary responsibility for the fair presentation of the financial statements in conformity with generally accepted accounting principles and also includes the more significant and specific oral representations made by officers and employees during the course of the audit. The letter is intended to reduce the possibility of misunderstandings between us and the City and reminds the signing officers to consider seriously whether all material liabilities, commitments and contingencies or other important financial information have been brought to our attention.

Other Information Included in Annual Reports

Our responsibility for other information included in annual reports is to read the information and consider whether its content or the manner of its presentation is materially inconsistent with the financial information covered by our auditor's report, whether it contains a material misstatement of fact or whether the other information is otherwise misleading. We read the City's introductory and statistical sections. We did not identify material inconsistencies with the audited basic financial statements.

Observations About the Audit Process

We did not discuss with management any alternative treatments within generally accepted accounting principles for accounting policies and practices related to material items during the current audit year; we encountered no disagreements with management over the application of significant accounting principles, the basis for management's judgments on any significant matters, the scope of the audit or significant disclosures to be included in the financial statements; we are not aware of any consultations management had with other accountants about accounting or auditing matters; no significant issues arising from the audit were discussed or the subject of correspondence with management; we did not encounter any difficulties in dealing with management relating to the performance of the audit; and we did not encounter any significant and difficult or contentious matters that required consultation outside the engagement team.

Internal Control Matters

In planning and performing our audit of the basic financial statements of the City as of and for the year ended June 30, 2022, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Governmental Auditing Standards*, issued by the Comptroller General of the United States, we considered the City's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, we identified certain deficiencies in internal control that we consider to be significant deficiencies.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A deficiency in design exists when (a) a control necessary to meet the control objective is missing, or (b) an existing control is not properly designed so that, even if the control operates as designed, the control objective would not be met. A deficiency in operation exists when a properly designed control does not operate as designed or when the person performing the control does not possess the necessary authority or competence to perform the control effectively.

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

A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the following deficiencies in the City's internal control to be significant deficiencies:

- Year-end retainage payable accrual - We proposed a significant audit adjustment to the General Obligation Bond's year-end retainage accrual by \$2,306,379. This adjustment resulted from a reporting error in a system generated report that was used to calculate the year-end accrual. There are procedures noted to check that system reports are generating correctly; however, those procedures were not fully performed in the current year. We recommend that management review the procedures developed for ensuring system generated reports are accurate and perform additional reasonableness reviews of data generated by those reports.
- Investment valuation - We proposed a significant audit adjustment to the OCER's ending investment balances totaling \$14,827,301. This adjustment resulted from an investment being improperly recorded by the custodian and was not identified as an error prior to year-end reporting. We recommend that management review the custodian's recording of investments at least quarterly and match that information to reports provided by the investment consultant to ensure that investments are accurately recorded by the custodian.

Other Matters

Cybersecurity Risk

Effective cybersecurity risk management has never been more important than in today's environment. Boards of directors and executive management (the governance team) face an enormous challenge: to oversee how the organization manages cybersecurity risk.

An effective cybersecurity risk management program provides reasonable, but not absolute, assurance that material breaches are prevented or detected, and mitigated in a timely manner. The combined effects of an organization's dependency on IT, the complexity of IT networks and business applications, extensive reliance on third parties and human nature (i.e., susceptibility to social engineering) are only likely to increase the need for effective cybersecurity risk management programs. Elements of an effective cyber risk management program should include:

- A comprehensive and documented risk assessment. Such assessment should not fall solely on the IT team. It is a governance and management challenge that should involve executive management and others charged with governance.

- Control assessments should include, at a minimum, an information technology systems general controls review, social engineering testing and, potentially, internal and/or external penetration testing.
- A vulnerability assessment will identify potential network vulnerabilities that can leave a company open to significant risk. Using automated scanners, this will help the organization identify and resolve vulnerabilities before they are exploited by cybercriminals.

The organization has annual IT assessments and vulnerability assessments, which we believe is imperative in today's environment. We encourage executive management to be intimately involved with the review and summary reports should also be shared with the governance team.

Comprehensive Policy and Procedure Review

Given the broad and deep scope of your operations, you should consider completing a comprehensive evaluation of the adequacy and effectiveness of the entity's internal financial policies, processes and procedures, including a comparison to best practices among organizations the same size.

For entities that have experienced budget cuts in the finance area or those that have experienced turnover, a periodic review of controls is imperative. Even if your finance team has been stable over the years, we remind you that even the best design of controls is only as good as the people who carry out and execute such controls.

Financial policies, procedures and processes are a key element of sound fiscal administration. When policies are effective, they can preserve or enhance the fiscal health and wealth of the organization and create efficiencies for staff members.

This comprehensive evaluation could include:

- Evaluation of existing controls
- Identification of financial policies that could lead to vulnerability to fraud and/or abuse
- For those identified weaknesses and risks, recommendations for improvement

AGHUniversity Resources

As part of AGH's ongoing commitment to serve as a trusted advisor, we offer these resources as a key part of the additional value AGH provides beyond the engagement itself:

- AGHUniversity.com - a full schedule of complimentary CPE or current and relevant topics and other updates to clients throughout the year. Free registration and webinars are available for the City's staff and board members at aghuniversity.com. A sample of recent topics include Management and Key Position Succession Planning; Destroying the Myths about Employee Engagement; Preventing Fraud in Small and Medium Sized Organizations; Measuring What Matters in Your 401(k) Plan to Recruitment, Retention and Reward; Planning The Transition: Taking Your Company To Market; and The How and Why of Business Valuations.
- AGH alerts and newsletters - this includes periodic mailings or emails to alert clients to new accounting standards or regulatory changes.

- Also available from the home page of www.aghlc.com are COVID-19 resources for employers and taxpayers. You can access tax and HR-related alerts, webinars and other third-party resources to help you navigate through the COVID-19 pandemic.

Pending Standards

The Government Accounting Standards Board (GASB) has issued several statements not yet implemented by the City. The City's management has not yet determined the effect these statements will have on the City's financial statements. However, the City plans to implement all standards by the required dates. Listed below are the issued GASB statements that have not yet been adopted:

- GASB Statement No. 91, *Conduit Debt Obligations*, provides a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. The provisions of this statement were originally effective for the City's fiscal year ending June 30, 2022 and now are postponed until June 30, 2023 per GASB Statement No. 95.
- GASB Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*, improves financial reporting by addressing issues related to public-private and public-public partnership arrangements (PPPs). A PPP is an arrangement in which a government contracts with an operator to provide public services by conveying control of the right to operate or use a nonfinancial asset, such as infrastructure or other capital asset, for a period of time in an exchange or exchange-like transaction. This statement also provides guidance for accounting and financial reporting for availability payment arrangements (APAs), which is an arrangement in which a government compensates an operator for services that may include designing, constructing, financing, maintaining, or operating an underlying nonfinancial asset for a period of time in an exchange or exchange-like transaction. The provisions of this statement are effective for the City's fiscal year ending June 30, 2023.
- GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*, provides new accounting and financial reporting guidance for subscription-based information technology arrangements (SBITAs), which have become increasingly common among state and local governments in recent years. Statement 96 is based on the standards established in Statement 87, *Leases*. The new standard defines a SBITA as a contract that conveys control of the right to use a SBITA vendor's IT software, alone or in combination with tangible capital assets (the underlying IT assets), as specified in the contract for a period of time in an exchange or exchange-like transaction. The guidance requires governments with SBITAs to recognize a right-to-use subscription asset, an intangible asset, and a corresponding subscription liability (with an exception for short-term SBITAs, those with a maximum possible term of 12 months) and provides guidance related to outlays other than subscription payments, including implementation costs, and requirements for note disclosures related to a SBITA. The provisions of this statement will be effective for the City's fiscal year ending June 30, 2023.
- GASB Statement No. 99, *Omnibus 2022*, enhances comparability in accounting and financial reporting and improves the consistency of authoritative literature by addressing practice issues that have been identified during implementation and application of certain GASB Statements. This statement addresses a variety of topics including: 1) classification and reporting of derivative instruments within the scope of Statement No. 53 that do not meet the definition of either an investment derivative instrument or a hedging derivative instrument; 2) clarification of certain provisions in Statement No. 87, Statement No. 94 and Statement No. 96; 3) extension of the period during which the London Interbank offered Rate (LIBOR) is considered an

appropriate benchmark interest rate of the qualitative evaluation of the effectiveness of an interest rate swap that hedges the interest rate risk of taxable debt; 4) accounting for the distribution of benefits as part of the Supplemental Nutrition Assistance Program; 5) disclosures related to nonmonetary transactions; 6) pledges of future revenues when resources are not received by the pledging government; 7) clarification of provisions in Statement No. 34 related to the focus of the government-wide financial statements; terminology updates related to certain provisions of Statement No. 63; and 8) terminology used in Statement No. 53 to refer to resource flows statements. The provisions of this statement for items 1 and 2 are effective for financial statements for the City's fiscal year ending June 30, 2024, and June 30, 2023, respectively. All other provisions of this statement are effective upon issuance.

- GASB statement No. 100, *Accounting Changes and Error Corrections*, enhances accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent and comparable information for making decisions or assessing accountability. This statement defines accounting changes as changes in accounting principles, changes in accounting estimates and changes to or within the financial reporting entity. This statement also addresses corrections of errors in previously issued financial statements. This statement prescribes the accounting and financial reporting for each type of accounting change and error corrections. This statement requires that changes in accounting principles and error corrections be reported retroactively by restating prior periods, changes to or within the financial reporting entity be reported by adjusting beginning balances of the current period, and changes in accounting estimates be reported prospectively by recognizing the change in the current period. This statement also requires disclosure in the notes to the financial statements of descriptive information about accounting changes and error corrections. Furthermore, this statement addresses how information that is affected by a change in accounting principle or error correction should be presented in required supplementary information and supplementary information. The provisions of this statement are effective for financial statements for the City's fiscal year ending June 30, 2024.
- GASB Statement No. 101, *Compensated Absences*, better meets the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. This is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. The provisions of this statement are effective for financial statements for the City's fiscal year ending June 30, 2022.

Closing

We will be pleased to respond to any questions you have about this report or set up an introductory meeting to discuss the other recommendations at no charge. We appreciate the opportunity to continue to be of service to The City of Oklahoma City, Oklahoma.

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

Wichita, KS
December 12, 2022

City of Oklahoma City
Summary of Adjustments Passed
June 30, 2022

ENTITY-WIDE STATEMENTS

Description	Effect on				
	Assets/ Deferred Outflows	Liabilities/ Deferred Inflows	Beg. Equity	Revenues	Expenses
<u>PRIMARY GOVERNMENT:</u>					
ENTITY WIDE ENTRIES (effect of prior year)					
To capitalize assets that were expensed	\$ -	\$ -	\$ (4,543,185)	\$ -	\$ 4,543,185
To record liability for subsequent legal settlement	-	-	2,000,000	-	(2,000,000)
ENTITY WIDE ENTRIES (current year)					
To capitalize assets that were expensed	8,289,383	-	-	-	(8,289,383)
To record depreciation expense in correct period	(4,201,771)	-	-	-	4,201,771
To correct prior year police net pension liability	-	-	13,173,668	-	(13,173,668)
FUND ENTRIES (summary)					
OCPPA Golf	(34,018)	-	-	-	34,018
OCPPA Fairgrounds	-	-	95,205	-	(95,205)
Aggregate other	-	-	364,797	-	(364,797)
	<u>\$ 4,053,594</u>	<u>\$ -</u>	<u>\$ 11,090,485</u>	<u>\$ -</u>	<u>\$ (15,144,079)</u>

Total Current Year Effect \$ (15,144,079)
Total Cumulative Effect on Equity \$ (4,053,594)

City of Oklahoma City
Summary of Adjustments Passed
June 30, 2022

OCPPA Golf Fund

Description	Effect on				
	Assets/ Deferred Outflows	Liabilities/ Deferred Inflows	Beg. Equity	Revenues	Expenditures
<u>Effect of prior year's entries on current year:</u>					
None	\$ -	\$ -	\$ -	\$ -	\$ -
<u>Current year adjustments passed:</u>					
To correct depreciation expense	(34,018)	-	-	-	34,018
	<u>\$ (34,018)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 34,018</u>

Current Year Effect \$ 34,018
Cumulative Effect on Equity \$ 34,018

City of Oklahoma City
Summary of Adjustments Passed
June 30, 2022

OCPPA Fairgrounds Fund

Description	Effect on				
	Assets/ Deferred Outflows	Liabilities/ Deferred Inflows	Beg. Equity	Revenues	Expenditures
<u>Effect of prior year's entries on current year:</u>					
To correct depreciation expense	\$ -	\$ -	\$ 95,205	\$ -	\$ (95,205)
<u>Current year adjustments passed:</u>					
None	-	-	-	-	-
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 95,205</u>	<u>\$ -</u>	<u>\$ (95,205)</u>

Current Year Effect \$ (95,205)
Cumulative Effect on Equity \$ -

City of Oklahoma City
Summary of Adjustments Passed
June 30, 2022

Aggregate Other

Description	Effect on				
	Assets/ Deferred Outflows	Liabilities/ Deferred Inflows	Beg. Equity	Revenues	Expenditures

Effect of prior year's entries on current year:

To record payable to discretely presented component unit

\$	-	\$	-	\$	364,797	\$	-	\$	(364,797)
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Current year adjustments passed:

None

	-		-		-		-		-
\$	-	\$	-	\$	364,797	\$	-	\$	(364,797)

Current Year Effect	\$	(364,797)
Cumulative Effect on Equity	\$	-

City of Oklahoma City
Summary of Adjustments Passed
June 30, 2022

Discretely Presented Component Units

Description	Effect on				
	Assets/ Deferred Outflows	Liabilities/ Deferred Inflows	Beg. Equity	Revenues	Expenditures

Effect of prior year's entries on current year:

OCWUT - To record receivable at year-end	\$	-	\$	-	\$	(1,525,388)	\$	1,525,388	\$	-
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COTPA - To record receivable from City at year-end	-	-	(364,797)	364,797	-
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Current year adjustments passed:

OCEDT - to correct prior year note receivable balance	-	-	1,696,678	(1,696,678)	-
COTPA - To record additional legal liability	-	(175,000)	-	-	175,000
	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>
	-	(175,000)	(193,507)	193,507	175,000

Current Year Effect	\$	368,507
Cumulative Effect on Equity	\$	175,000