



# *Comprehensive Annual Financial Report*

*The City of Oklahoma City, Oklahoma | for the Fiscal Year ended June 30, 2018*





Oklahoma City, Oklahoma

# *Comprehensive Annual Financial Report*

For the Fiscal Year Ended June 30, 2018

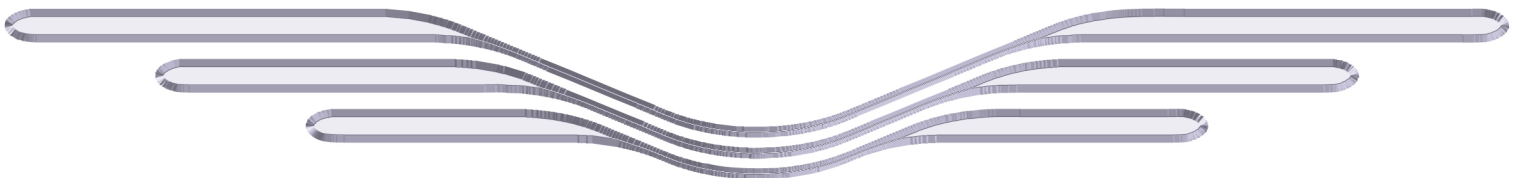


The City of  
**OKLAHOMA CITY**

Prepared by the Finance Department, Accounting Services Division  
Laura L. Papas, Controller



# *Introductory*





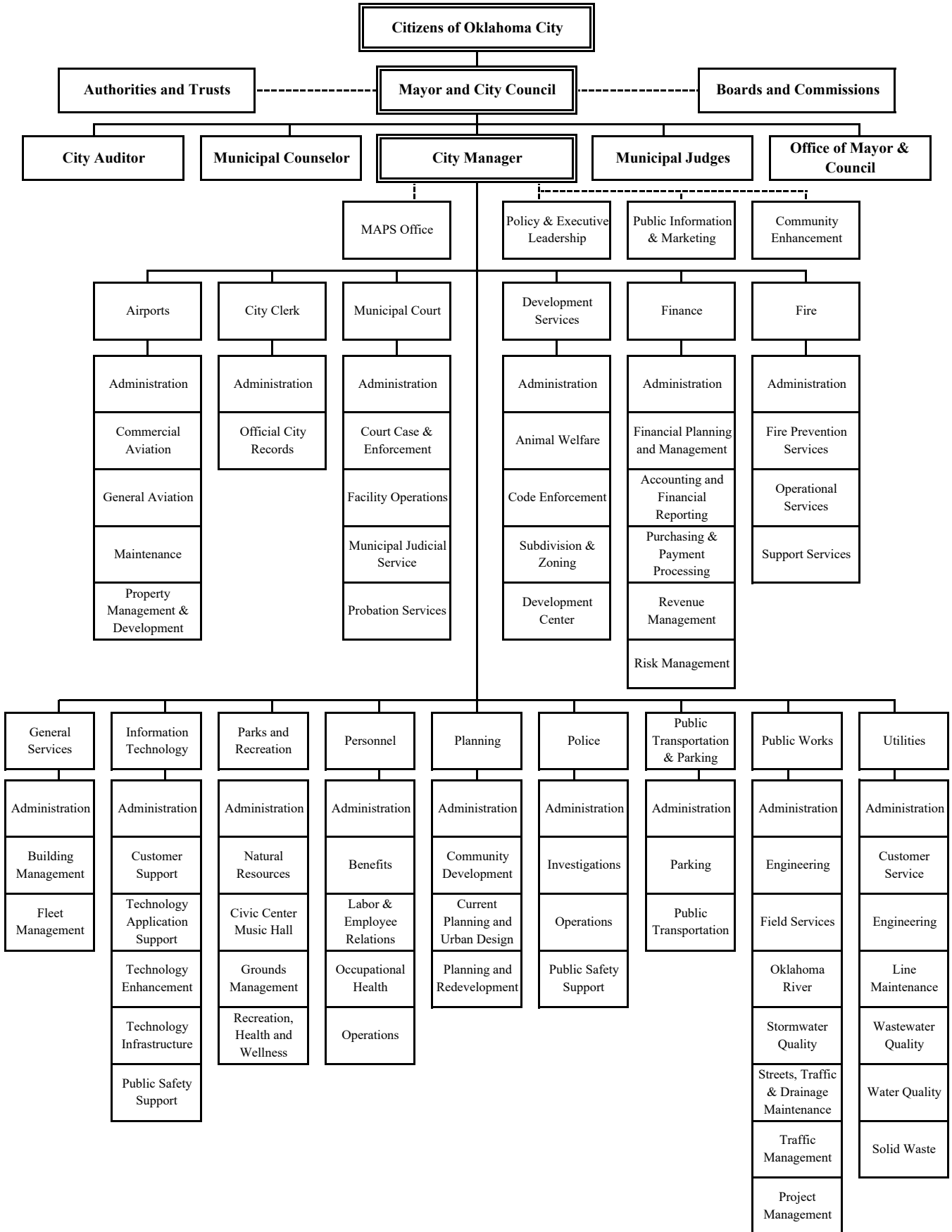
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# City of Oklahoma City Organization Chart





# The City of **OKLAHOMA CITY**

November 19, 2018

Citizens of Oklahoma City  
Honorable Mayor and City Council  
and other interested readers:

The City of Oklahoma City (City) fiscal year 2018 Comprehensive Annual Financial Report (CAFR) provides a comprehensive overview of the City's financial position and the results of operations for the past fiscal year. It complies with the City Charter and Oklahoma Statutes requiring an annual independent audit and submission of the report within six months of the close of the fiscal year to the State Auditor and Inspector.

The CAFR was prepared using accounting principles generally accepted in the United States (U.S. GAAP). It is fairly stated in all material respects based on a comprehensive framework of internal controls discussed in more detail later in this letter. Responsibility for the accuracy of the data, and the completeness and fairness of the presentation, including all disclosures, rests with the City. City management's narrative on the financial activities of the City for the fiscal year ended June 30, 2018, is expanded in the Management's Discussion and Analysis (MD&A) section of this report, immediately following the Independent Auditor's Report on Financial Statements and Supplementary Information. This letter of transmittal is written to convey the CAFR to its intended users and provide information about the City that is useful in assessing the City's general economic condition and to recognize contributors to the CAFR. As such, it should be read from that perspective and in conjunction with all other sections of the CAFR.

## ***Financial Reporting Entity***

The City's financial reporting entity consists of the primary government, organizations for which the primary government is financially accountable, and other organizations whose relationships with the primary government are such that the City's financial statements would be misleading or incomplete if excluded. The definition of the reporting entity is based primarily on financial accountability as distinct from strictly legal relationships. See the notes to the financial statements for descriptions of legally separate organizations included with the City and other related organizations not included in the financial reporting entity.

## **Independent Audit**

The City engaged AGH, L.C. to express opinions on the financial statements based on their audit. The goal of the independent audit is to provide reasonable assurance that the financial statements are free of material misstatement. The audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. The auditor's examination encompassed the basic financial statements, as well as combining and individual fund statements and schedules for the fiscal year ended June 30, 2018. The independent auditor's report is presented as the first component of the financial section of this report. AGH, L.C. also audited the City's federal financial assistance programs, complying with the provisions of the Single Audit Act. The City's Single Audit Report can be obtained from the City's Finance Department, Accounting Services Division, at 100 N. Walker Avenue, 3rd Floor, Oklahoma City, Oklahoma 73102.

## **Profile of Oklahoma City**

Oklahoma City was settled in a single day as a result of the "Land Run of 1889". Today, Oklahoma City is the state capital and Oklahoma's largest city with a population of approximately 660,637 citizens. Historically, the City has pursued a policy of annexation, and at 620.34 square miles, is one of the largest cities in land area in the United States. Oklahoma City encompasses portions of four counties and is centrally located in the state. It is a regional center for education, energy, agribusiness, transportation, financial services, health care, wholesale and retail trade, and manufacturing.

Incorporated in 1890, the City initiated a Council-Manager form of government in 1927. The Mayor has an equal vote with an eight-member City Council (Council). The Mayor is elected at large and the Council members are elected by citizens of their wards. The Mayor and Council appoint the City Manager who serves as the City's chief administrative officer. The Mayor and Council also appoint the Municipal Counselor, City Auditor, and Municipal Judges. The Mayor, Council, and City Manager provide direction for the management of the City's financial resources and operating departments. The City provides all basic municipal services including police and fire protection, parks, street maintenance, traffic control, water and wastewater, airport facilities, and solid waste collection and disposal. The City does not own or operate any landfills.

Elected and appointed City officials work with community and volunteer groups to make Oklahoma City a vibrant American city. These efforts include a commitment to well-staffed and well-equipped public safety services, quality neighborhoods, and aggressive economic development.

***Factors Affecting Financial Condition***

**Economic Outlook**

Oklahoma City's recovery from the regional recession caused by the significant downturn in the energy industry solidly took hold during fiscal year (FY) 2018. Higher oil and natural gas prices have meant significant gains in employment and investment in the energy sector and have led to broad economic strength in Oklahoma. While Oklahoma City has a diverse economic base, the energy industry still has a major impact on the health of the local economy. Going forward, Oklahoma City has a number of factors in its favor. The cost of living and the cost of doing business are consistently rated among the best in the country. In addition, low commuting times, convenient airline travel, and excellent entertainment and sports opportunities make Oklahoma City a great place for businesses and residents.

Oklahoma City is being recognized more and more as a great place to work, live and visit. According to CNBC and Go Banking Rates, Oklahoma City was the number 1 city in the country where wages most outpaced expenses based on average annual income and average monthly living expenses. Oklahoma City was ranked as one of the top 10 "Best Cities for New Small Businesses" based on average annual revenue and profitability. The website OnlineDegrees.com rated the Oklahoma City metro as the number eleven "Best Big Cities for New Grads." Business Insider rated Oklahoma City as number 8 on their list of most popular cities everyone wants to live in right now based on factors such as migration ratio and growth rate. Southern Living magazine and Money magazine both ranked Oklahoma City as a top destination for travel.

In his February 6, 2018 report Dr. Russel Evans, Executive Director of the Steven C. Agee Economic Research & Policy Institute of Oklahoma City University, provided his economic forecast to the City Council during the annual budget workshop. Dr. Evans highlighted state economic performance relative to the U.S. economy and how the two diverged significantly between 2015 through early 2017 with Oklahoma impacted by the contraction in the oil and gas industry. Dr. Evans noted how important the metro areas in Oklahoma have become to the state economy and how much better Oklahoma City has performed on his macroeconomic performance index compared to Tulsa and the rest of the state. The macroeconomic index tracks employment, income and business creation. Dr. Evans forecasted U.S. Gross Domestic Product (GDP) to grow at a rate of 2.2% in 2018 and 2.1% in 2019. He is projecting higher growth in Oklahoma with projected gross state product growth of 3.6% in 2018 and 3.2% in 2019. The outlook for Oklahoma City is also very positive, with projections for steady growth in population, per capita personal income, and employment. Dr. Evans' fiscal forecast for Oklahoma City projects sales tax growth in FY19 of 3.0% - 3.3%.

The underlying growth rate for sales tax in FY18 was 5.9%. After two consecutive years of decline, this strong level of growth was very positive for the City. It is important to note that in September 2017, Oklahoma City voters approved a ¼% increase in the sales tax rate for the General Fund. The increase was intended to pay for additional Police and Fire positions, which have been added to the budget. The change in tax rates took effect on January 1, 2018 and this higher rate impacted the growth rate of sales tax in the General Fund, pushing it up to 10.6% for FY18, compared to the 5.9% growth experienced in other sales tax funds.

The City seeks to regularly engage citizens to determine how we are meeting their expectations. On August 14, 2018, Chris Tatham, president of ETC Institute, presented the results of the annual Citizen Satisfaction Survey that was conducted in May and June of 2018. The report showed that among large U.S. cities, Oklahoma City's ratings for the overall quality of customer service, fire service, and utility services are among the best. Likewise, Oklahoma City is "Setting the Standard" for cities over 250,000 population as a place to live, a place to work and a City that is moving in the right direction. The top priority for improvement continues to be maintenance of City streets.

Since 2007, City Council has periodically adopted a set of priorities to guide the City in subsequent years. The City Council voted to update the priorities on January 31, 2017, and maintaining strong financial management was once again one of the top priorities. This focus on strong financial management is reflected in the top ratings of the City's general obligation bonds by both Moody's and Standard and Poor's.

***Long-term Financial Planning and Major Initiatives***

Financial planning for the City is a dynamic interactive effort of the community, small and large business and industry, social and cultural service organizations, and municipal government. These dynamics are best demonstrated by the willingness of the City citizens to tax themselves to support both City services and long-term capital investment. In September 2017, the citizens approved three separate measures requested by the City. The first is a 27-month temporary one percent sales tax to provide funding primarily for street resurfacing and improvements as well as some funding for sidewalks and trails. The second measure is a permanent ¼% increase in the sales tax rate for the General Fund. The additional tax added 57 firefighting positions and 129 police officer positions. Finally, voters approved a \$967.4 million general obligation bond package that will provide funding for streets, bridges, drainage, parks, facilities, economic development funding and other improvements. It is expected that bonds will be sold over ten years to fund the projects. Still in progress are many of the projects funded by the temporary one percent sales tax approved by voters in 2009. The whitewater facility, a new exhibit hall at the state fairgrounds, two senior centers and many miles of sidewalks are already completed. The remaining projects are in various stages of construction and include a modern streetcar system, a new hotel/convention center, a new downtown park and two more senior centers.

Leading for Results is the City’s strategic planning and performance management program which focuses City services on the results that customers expect. The City budget is prepared, presented, and monitored in the Leading for Results format. All City departments report on performance measures included in their business plans. Performance reporting provides the information necessary to make informed decisions, ensure services are aligned with goals, and improve the services provided to citizens.

In addition, the City coordinates all City related public improvements through adoption of a Capital Improvement Plan (CIP). The goal of the City is to improve service to the community by adopting a CIP that is compatible with the City's financial condition and will fund capital improvements at a realistic and achievable level. The CIP consists of a general five-year plan of capital expenditures for all City and public trust projects. The CIP is prepared every two years and amended, as necessary, in other years. The amendment process ensures continuity in projects and funding. The CIP is available from the City's Finance Department, Office of Management and Budget.

The fiscal year 2017 - 2021 CIP, approved by Council on November 8, 2016, lists projects to be implemented or continued during the years of the CIP. The City's 2017 and 2018 expenditures and 2019 capital budget by function are summarized in the following table (dollars are in thousands).

	2017	2018	2019
	CIP Project	CIP Project	CIP
	<u>Expenditures</u>	<u>Expenditures</u>	<u>Budget (1)</u>
General government	\$30,418	\$19,803	\$32,695
Public safety	73,525	56,897	53,203
Public services (includes infrastructure)	417,813	407,465	721,581
Culture and recreation	358,860	568,799	492,292
Education	<u>4,963</u>	<u>3,341</u>	<u>7,000</u>
	<b><u>\$885,579</u></b>	<b><u>\$1,056,305</u></b>	<b><u>\$1,306,771</u></b>

(1) The CIP budget reflects total project estimates, including significant multi-year projects, and may not be comparable to expenditures in any one year.

***Accountability and Budgetary Controls***

The City’s management has established a comprehensive internal control framework designed to provide sufficient reliable information for the preparation of the City’s financial statements in conformity with U.S. GAAP. Since the cost of internal controls should not outweigh their benefits, the City’s internal controls are designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement.

The City's internal control structure is subject to internal audits performed by the City Auditor’s Office, and is also considered in the independent audit. Receipt of material Federal and State financial assistance subjects the City to further internal control analysis under the provisions of the Single Audit Act. The City implements cost-effective management and internal control recommendations.

The Mayor and all Council members constitute the Finance Committee, which is responsible for a detailed review of the budget and other significant City financial matters. By resolution, the City Council has established an Audit Committee responsible for reviewing matters relating to internal and external audits including internal controls, compliance with laws, regulations, and ethical standards. Additionally, the Audit Committee promotes cooperation among auditors and management, preserves the independence of the auditing function, and ensures that appropriate action is taken on audit findings. The Audit Committee is independent of day-to-day management of City operations and consists of the Mayor and at least two members of the City Council appointed by the Mayor.

The City Charter and Oklahoma Statutes require an annual independent audit. Statutes additionally require annual audits of active public trusts. Public trusts of which the City is the beneficiary are encouraged to use the independent auditors selected competitively by the City Council. The City and its public trusts fully comply with audit requirements.

Duties of the City Auditor and staff include: internal audits of City financial records, reports, and procedures; property and equipment inventories; accounting internal controls; concessionaires, agreements, and contracts relating to City revenues; along with performance audits; and special projects and investigations. The City Auditor is appointed by the City Council and is directly responsible to the Council. The City Auditor's Office is independent of City management.

The City also maintains budgetary controls to ensure compliance with the legal level of control in the annual budget. The City Council approves annually appropriated budgets for the General Fund, budgeted special revenue funds, the Debt Service Fund, and certain portions of proprietary fund operations. The level of budgetary control within the fund is by department and expenditure category. For additional information on City budgetary practices, see the notes to the financial statements related to budgetary information.

#### ***Financial Policies***

The City's financial policies are shaped by State law and established by the City Council. The most recent update to the financial policies was adopted by the City Council on March 27, 2018. Financial policies include budgeting and financial planning, capital planning, revenue, investment, debt management, procurement, accounting and auditing. Full descriptions of these policies are available in the City's annual budget publication which can be obtained from the City's Finance Department, Office of Management and Budget, and from the City's website at [www.okc.gov](http://www.okc.gov). As part of the City's annual budget process, compliance with established policies is reviewed. A compliance report is provided annually to the City Council. The City's fiscal year 2018 annual budget was awarded the Government Finance Officers Association of the United States and Canada (GFOA) Distinguished Budget Presentation Award. This is the 31st year the City has submitted and been awarded this honor.

#### ***Other Significant Matters***

##### **Supplemental Disclosure – Outstanding Bonded Debt**

In response to municipal securities disclosure regulations issued by the Securities and Exchange Commission (SEC), the City publishes the Supplemental Disclosure – Outstanding Bonded Debt Report. Detailed debt service schedules and information specific to individual issues are presented for the bonded debt of the City and its related public trusts. Supplemental financial information and operating data for the City and public trust issuers are included to provide updates to official statements and ongoing disclosure of material information. The Supplemental Disclosure – Outstanding Bonded Debt Report, along with the City's CAFR and other pertinent financial documents, are submitted to the Electronic Municipal Market Access (EMMA) data collection site. EMMA is the comprehensive, centralized online source for access to municipal disclosures established by the Municipal Securities Rulemaking Board (MSRB). The Supplemental Disclosure - Outstanding Bonded Debt Report is prepared by the City's Finance Department, Accounting Services Division and is available upon request.

##### **Certificate of Achievement for Excellence in Financial Reporting**

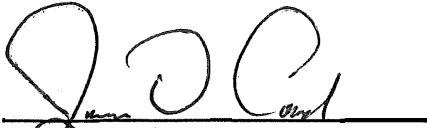
The GFOA awarded a Certificate of Achievement for Excellence in Financial Reporting to the City for its CAFR for the fiscal year ended June 30, 2017. This was the 35th consecutive year that the City has achieved this prestigious award.

In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized CAFR. The CAFR must satisfy both U.S. GAAP and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe our current report continues to meet the Certificate of Achievement program's requirements, and we are submitting it to the GFOA to determine its eligibility for another certificate.

*Acknowledgements*

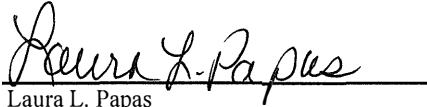
The dedicated work of the entire Finance Department, Accounting Services Division staff made possible the preparation of the City's CAFR. Other accountants and administrators at various sites throughout the City provided additional valuable help. The City also acknowledges our professional independent auditors, AGH, L.C. Finally, the City staff extends appreciation to the City Council who encourages and supports progressive public accountability.



James D. Couch  
City Manager



Craig Freeman  
Finance Director



Laura L. Papas  
Controller

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**SELECTED CITY OFFICIALS  
MAYOR AND COUNCIL**

David Holt	Mayor
James Greiner	Ward 1
Ed Shadid	Ward 2
Larry McAtee	Ward 3
Todd Stone	Ward 4
David Greenwell	Ward 5
Margaret S. "Meg" Salyer	Ward 6
Lee E. Cooper Jr.	Ward 7
Mark K. Stonecipher	Ward 8

**CITY MANAGER AND  
DEPARTMENT HEADS**

James D. Couch	City Manager
Kenneth Jordan	Municipal Counselor
Jim Williamson	City Auditor
Dennis Clowers	Assistant City Manager
M.T. Berry	Assistant City Manager
Laura A. Johnson	Assistant City Manager
Craig A. Freeman	Finance Director
Eric J. Wenger	Public Works Director
Chris Browning	Utilities Director
Paul Bronson	General Services Director
Mark Kranenburg	Airports Director
LaShawn Thompson	Court Administrator
Frances Kersey	City Clerk
Jason Ferbrache	Public Transportation and Parking Director
Douglas R. Kupper	Parks and Recreation Director
Bob Tener	Development Services
Dianna Berry	Personnel Director
Richard Kelly	Fire Chief
Kristy Yager	Public Information and Marketing Director
Aubrey McDermid	Planning Director
Schad Meldrum	Information Technology Director
Dwight Lawson	Oklahoma City Zoo Director
William City	Police Chief

**SELECTED MANAGERS**

Steve Hill	Assistant to the Mayor
Matt Weller	Assistant City Auditor
Melinda McMillan	Assistant Parks Director
Doborah K Miller	Public Works Assistant Director
Doug Dowler	Budget Director
Kenton E. Tsoodle	Assistant Finance Director
Laura L. Papas	Controller
Amy Simpson	Purchasing Agent
Robert Ponkilla	City Treasurer
Brent Bryant	Economic Development Program Manager
Tara Summerlin	Airports Business Manager
Michael Stroope	Police Business Manager
Clint Regier	Fire Business Manager
Bret Weingart	Assistant Utilities Director



Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**The City of Oklahoma City**  
**Oklahoma**

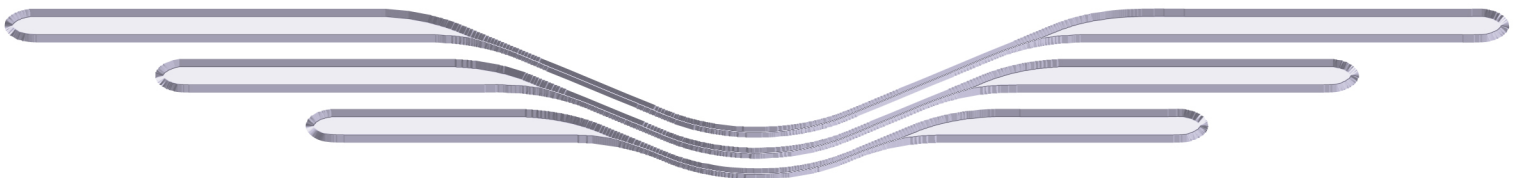
For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**June 30, 2017**

*Christopher P. Morill*

Executive Director/CEO

*Financial*





## INDEPENDENT AUDITOR'S REPORT

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

### **Report on the Financial Statements**

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund and the aggregate remaining fund information of the City of Oklahoma City, Oklahoma (City), as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

### ***Management's Responsibility for the Financial Statements***

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### ***Auditor's Responsibility***

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Oklahoma City Industrial and Cultural Facilities Trust (OCICF) and the Oklahoma City Redevelopment Authority (OCRA), which are discretely presented component units comprising 0.22% and 1.32% respectively, of total assets and deferred outflows of resources, 0.13% and 2.07% respectively, of net position and 0.02% and 1.11% respectively, of revenues of the City's aggregate discretely presented component units. Those statements were audited by other auditors, whose reports have been furnished to us, and our opinions, insofar as it relates to the amounts included in OCICF and OCRA, are based solely on the reports of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. The financial statements for The Combined Operations of the Cox Convention Center and the Chesapeake Energy Arena, as managed by SMG (Arena), which are reported within the Oklahoma City Public Property Authority's governmental activities and general purpose fund financial statements, were not audited in accordance with *Government Auditing Standards*, and accordingly, this report does not include reporting on internal control over financial reporting or instances of reportable noncompliance associated with the Arena. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

### **Opinions**

In our opinion, based on our audit and the reports of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund and the aggregate remaining fund information of the City as of June 30, 2018, and the respective changes in financial position and, where applicable, cash flows thereof and the general fund budgetary comparisons for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### **Emphasis of Matters**

As discussed in *Note IV.*, in 2018, the City adopted Government Accounting Standards Board Statement No. 75, *Accounting and Financial Reporting by Employers for Post-Employment Benefits Other Than Pensions*. Our opinions are not modified with respect to this matter.

As discussed in *Note IV.*, adjustments were made to the beginning net position and fund balance to record a prior period adjustment in the prior year financial statements. Our opinions are not modified with respect to this matter.

### **Other Matters**

#### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis and required supplementary information listed in the table of contents be presented to supplement the basic financial statements. Such information, although not part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

#### *Supplementary and Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The combining and individual fund statements and schedules and the introductory and statistical sections as listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual fund statements and schedules are the responsibility of management and were derived from and related directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, such information is fairly stated, in all material respects, in relation to the financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on them.

**Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated November 19, 2018, on our consideration of the City's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

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

November 19, 2018  
Wichita, KS

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## MANAGEMENT'S DISCUSSION AND ANALYSIS

Within this section of the City of Oklahoma City (City) annual financial report, the City's management provides narrative discussion and analysis of the financial activities of the City for the fiscal year ended June 30, 2018. The City's financial performance is discussed and analyzed within the context of the accompanying financial statements and disclosures following this section. Additional information is available in the transmittal letter that precedes this discussion and analysis. The discussion focuses on the City's primary government and, unless otherwise noted, component units reported separately from the primary government are not included. Dollars are reported in thousands, except as indicated.

### *Financial Summary*

- The City's assets and deferred outflows of resources exceeded its liabilities and deferred inflows of resources by \$2,128,706 (net position) for 2018. This compares to the previous year when assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$2,268,723.
- Total liabilities of the City increased by \$370,270 to \$2,130,735 during the fiscal year. General obligation bonds issued for capital improvements during the fiscal year were \$130,595. General obligation bonds repaid during the year were \$64,864.
- Total net position is comprised of the following:
  - (1) Net investment in capital assets of \$1,897,443 include property and equipment, net of accumulated depreciation, and reduced for outstanding debt related to the purchase or construction of capital assets.
  - (2) Net position of \$732,029 is restricted by constraints imposed from outside the City such as debt covenants, grantors, laws, or regulations.
  - (3) Unrestricted net deficit is \$500,766 compared to unrestricted net deficit of \$131,794 last year.
- The City's governmental funds reported total ending fund balance of \$1,192,452 this year. This compares to the prior year ending fund balance of \$1,078,868 showing an increase of \$113,584 during the current year. Unassigned fund balance is \$128,449 for fiscal year 2018.
- At the end of the current fiscal year, unassigned fund balance for the General Fund was \$132,690 or 32.3% of total General Fund expenditures including transfers and 30.3% of total General Fund revenues including transfers.

### *Overview of the Financial Statements*

This discussion and analysis introduces the City's basic financial statements. The basic financial statements include: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the financial statements. The City also includes in this report additional information to supplement the basic financial statements.

### **Government-wide Financial Statements**

The City's annual report includes two government-wide financial statements. These statements provide both long-term and short-term information about the City's overall status and are presented to demonstrate the extent to which the City has met its operating objectives efficiently and effectively using all the resources available and whether the City can continue to meet its objectives in the foreseeable future. Financial reporting at this level uses a perspective similar to that found in the private sector with its basis in full accrual accounting and elimination or reclassification of internal activities.



The first of these government-wide statements is the statement of net position. This is the City-wide statement of financial position presenting information that includes all of the City's assets, deferred outflows, liabilities, and deferred inflows with the difference reported as net position. Increases or decreases in net position over time may serve as a useful indicator of whether the financial position of the City as a whole is improving or deteriorating, identify financial strengths and weaknesses, and provide an assessment of liquidity. Evaluation of the overall economic health of the City would extend to other non-financial factors such as diversification of the taxpayer base or the condition of City infrastructure in addition to the financial information provided in this report.

The second government-wide statement is the statement of activities, which reports how the City's net position changed during the current fiscal year and can be used to assess the City's operating results in its entirety and analyze how the City's programs are financed. All current year revenues and expenses are included regardless of when cash is received or paid. An important purpose of the design of the statement of activities is to show the financial reliance of the City's distinct activities or functions on revenues provided by the City's taxpayers.

Both government-wide financial statements distinctively report governmental activities of the City that are principally supported by taxes and intergovernmental revenues, such as grants, and business-type activities that are intended to recover all or a significant portion of their costs through user fees and charges. Governmental activities include general government, public safety, public services, culture and recreation, education, and economic development. Business-type activities include airports, water and wastewater utilities, solid waste management, stormwater drainage, golf courses, fairgrounds, transportation and parking, and zoo operations. Fiduciary activities such as employee pension plans are not included in the government-wide statements since these assets are not available to fund City programs.

The City's financial reporting entity includes the funds and blended organizations of the City (primary government) and organizations for which the City is accountable (component units). Most of these legally separate organizations operate like City departments and are governed by a Board of Trustees wholly comprised of the City's Mayor and Council. These organizations are blended into the primary government for financial reporting purposes. Blended organizations reported as City funds include the Oklahoma City Environmental Assistance Trust (OCEAT), the Oklahoma City Zoological Trust (OCZT), the Oklahoma City Municipal Facilities Authority (OCMFA), and the Oklahoma City Public Property Authority (OCPPA). Other organizations operate more independently or provide services directly to the citizens, though the City remains accountable for their activities. These organizations, such as the Oklahoma City Airport Trust (OCAT), the Oklahoma City Water Utilities Trust (OCWUT), and the Central Oklahoma Transportation and Parking Authority (COTPA), are reported separately from the primary government, though included in the City's overall reporting entity. Fiduciary organizations like pension plans and other post-employment benefit (OPEB) plans are reported separately and not blended with the government-wide statements. A schedule at the close of this discussion and analysis lists the City's component units.

### **Fund Financial Statements**

A fund is an accountability unit used to maintain control over resources segregated for specific activities or objectives. The City uses funds to ensure and demonstrate compliance with finance-related laws and regulations and to demonstrate fiscal accountability. Within the basic financial statements, fund financial statements focus on the City's most significant funds rather than the City as a whole. Major funds are separately reported while all others are combined into a single, aggregated presentation. Individual fund data for non-major funds is provided in the form of combining statements in a later section of this report.

#### Governmental funds

Governmental funds are reported in the fund financial statements and encompass essentially the same functions reported as governmental activities in the government-wide financial statements. However, the focus is different with fund statements reporting short-term fiscal accountability focusing on the use of spendable resources during the year and balances of spendable resources available at the end of the year. These financial statements are useful in evaluating annual financing requirements of governmental programs and the commitment of spendable resources for the near-term.

Since the government-wide focus includes the long-term view, comparisons between these two perspectives may provide insight into the long-term impact of short-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to the government-wide statements to assist in understanding the differences between these two perspectives.

Budgetary comparison statements are included in the basic financial statements for the General Fund. Budgetary comparison schedules for other special revenue funds and the Debt Service Fund can be found in a later section of this report. These statements and schedules demonstrate compliance with the City's adopted and final revised budget.

#### Proprietary funds

Proprietary funds are reported in the fund financial statements and generally report services for which the City charges customers a fee. There are two kinds of proprietary funds: enterprise funds and internal service funds. Enterprise funds essentially encompass the same functions reported as business-type activities in the government-wide statements. Services are provided to external city customers such as solid waste management and the City golf courses. Internal service funds provide services and charge fees within the City organization such as fleet services (repair and maintenance of City vehicles) and the print shop (mail and printing services for City departments). Because the City's internal service funds primarily serve governmental functions, they are generally included within the governmental activities of the government-wide financial statements.

Proprietary fund statements and statements for discretely presented component units (reporting is similar to proprietary funds) provide both long-term and short-term financial information consistent with the focus provided by the government-wide financial statements but with more detail for major enterprise funds and individual component units. Individual fund information for internal service funds and non-major enterprise funds is found in combining statements in a later section of this report.

#### Fiduciary funds

Fiduciary funds such as the employee pension plans are reported in the fiduciary fund financial statements, but are excluded from the government-wide reporting. Fiduciary fund financial statements report resources that are not available to fund City programs. Fiduciary fund financial statements are reported similarly to proprietary funds.

#### **Notes to the Financial Statements**

The accompanying notes to the financial statements provide information essential to gain a full understanding of the government-wide and fund financial statements. The notes to the financial statements begin immediately following the basic financial statements.

#### **Other Information**

In addition to the basic financial statements and accompanying notes, this report also presents required supplementary information concerning the City's pension and OPEB benefits provided to its employees. Other supplementary information includes detail for long-term debt supporting general government services and information by fund and component unit for capital assets, receivables, payables, transfers, and payments within the reporting entity.

Major funds and component units are reported in the basic financial statements as discussed. Combining and individual statements and schedules for non-major, internal service, and fiduciary funds are presented in a subsequent section of this report.

Statistical data is presented to provide trend information, revenue and debt capacity, and other information helpful in analyzing the financial health of the City.

#### ***Financial Analysis of the City as a Whole***

The City's net position at June 30, 2018 is \$2,128,706. This is a \$151,966 increase compared to June 30, 2017 net position, as restated, of \$1,976,740. Net position increased \$137,411 for governmental activities and \$14,555 for business-type activities, as restated. The City's overall financial position, as restated, improved during fiscal year 2018.

	Summary of Net Position						Amount of Change	% Change
	Governmental Activities		Business-type Activities		Totals			
	2018	2017	2018	2017	2018	2017		
<b>Assets</b>								
Current assets	\$1,381,786	\$1,274,733	\$86,006	\$105,614	\$1,467,792	\$1,380,347	\$87,445	6.3%
Capital assets, net	2,096,462	1,998,387	524,794	497,219	2,621,256	2,495,606	125,650	5.0
Other non-current assets	<u>48,417</u>	<u>33,255</u>	<u>99,620</u>	<u>13,410</u>	<u>148,037</u>	<u>46,665</u>	<u>101,372</u>	217.2
<b>Total assets</b>	<b><u>3,526,665</u></b>	<b><u>3,306,375</u></b>	<b><u>710,420</u></b>	<b><u>616,243</u></b>	<b><u>4,237,085</u></b>	<b><u>3,922,618</u></b>	<b><u>314,467</u></b>	8.0
<b>Deferred outflows of resources</b>	<b><u>115,665</u></b>	<b><u>125,490</u></b>	<b><u>15,848</u></b>	<b><u>22,550</u></b>	<b><u>131,513</u></b>	<b><u>148,040</u></b>	<b><u>(16,527)</u></b>	(11.2)
<b>Liabilities</b>								
Current liabilities	204,705	199,210	27,020	25,040	231,725	224,250	7,475	3.3
Non-current liabilities	<u>1,647,445</u>	<u>1,381,782</u>	<u>251,565</u>	<u>154,433</u>	<u>1,899,010</u>	<u>1,536,215</u>	<u>362,795</u>	23.6
<b>Total liabilities</b>	<b><u>1,852,150</u></b>	<b><u>1,580,992</u></b>	<b><u>278,585</u></b>	<b><u>179,473</u></b>	<b><u>2,130,735</u></b>	<b><u>1,760,465</u></b>	<b><u>370,270</u></b>	21.0
<b>Deferred inflows of resources</b>	<b><u>83,028</u></b>	<b><u>29,878</u></b>	<b><u>26,129</u></b>	<b><u>11,592</u></b>	<b><u>109,157</u></b>	<b><u>41,470</u></b>	<b><u>67,687</u></b>	163.2
<b>Net position</b>								
Net investment								
in capital assets	1,467,803	1,391,501	429,640	412,544	1,897,443	1,804,045	93,398	5.2
Restricted	727,442	592,807	4,587	3,665	732,029	596,472	135,557	22.7
Unrestricted (deficit)	<u>(488,093)</u>	<u>(163,313)</u>	<u>(12,673)</u>	<u>31,519</u>	<u>(500,766)</u>	<u>(131,794)</u>	<u>(368,972)</u>	(280.0)
<b>Total net position</b>	<b><u>\$1,707,152</u></b>	<b><u>\$1,820,995</u></b>	<b><u>\$421,554</u></b>	<b><u>\$447,728</u></b>	<b><u>\$2,128,706</u></b>	<b><u>\$2,268,723</u></b>	<b><u>(\$140,017)</u></b>	(6.2)

Total assets increased 8.0% or \$314,467 during the year. Current assets in governmental activities increased \$107,053 primarily for increased cash and investments of \$95,774 related to net proceeds from the issuance of general obligation bonds and increases in tax revenue. Sales and use tax receivable increased \$10,107 while intergovernmental receivables decreased \$4,142 mostly related to Federal Emergency Management Agency (FEMA) reimbursements for storm emergency assistance from prior years. Current assets in business-type activities decreased \$19,608 primarily for decreased cash and investments of \$16,381 related in part to capital acquisitions at the Zoo which increased \$10,413 in 2018. In addition, business-type activities intergovernmental receivable decreased \$1,427 for amounts received from FEMA for reimbursement of storm debris removal costs due to OCEAT. Capital assets increased \$125,650 for capital expenditures of \$265,818 and special item of \$1,541, offset by depreciation of \$139,972 and retirements of \$1,736. Other non-current assets increased \$101,372 primarily related to the change in the actuarially calculated net pension liability in the prior year to a net pension asset in the current year of \$13,766 and \$11,218 in governmental and business-type activities, respectively. There was also an increase of \$72,842 in receivable from component units in large part due to a change in accounting principle related to cost reimbursements charged back to discretely presented component units for the use of other post employment benefits in business-type activities. Deferred outflows of resources decreased \$16,527 related mainly to actuarially calculated pension and other post employment benefit deferred outflows of resources.

Total liabilities increased 21.0% or \$370,270 during the year. Current liabilities in governmental activities increased \$5,495 related to an increase in accounts payable and accrued expenses of \$7,020 related to timing of vendor payments and an increase in \$4,150 in scheduled bond payments offset by a decrease in unearned revenue of \$5,137 mostly related to prior year increases in arena and convention center event sales. Current liabilities in business-type activities remained constant. Non-current liabilities increased \$265,663 in governmental activities primarily for changes in bonds payable of \$61,581 and an increase of \$243,312 in the actuarially determined net other post-employment benefit (OPEB) liability over the prior year obligation, offset by a decrease of \$39,439 in the actuarially determined net pension liability. Non-current liabilities increased \$97,132 in business-type activities related primarily to an increase in the actuarially determined net OPEB liability over last year's liability of \$103,807 offset by a decrease in bonds payable of \$6,052. Deferred inflows of resources increased \$67,687 mainly related to actuarially determined pension and other post employment benefit deferred inflows.

Summary of Changes in Net Position

	Governmental		Business-type		Totals		Amount of Change	% Change
	Activities	Activities	Activities	Activities	2018	2017		
	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>		
<b>Revenues</b>								
Program revenues								
Charges for services	\$96,762	\$93,532	\$93,599	\$92,303	\$190,361	\$185,835	\$4,526	2.4%
Operating grants and contributions	78,652	75,729	2,569	3,086	81,221	78,815	2,406	3.1
Capital grants and contributions	18,130	96,778	14,360	20,712	32,490	117,490	(85,000)	(72.3)
General revenues								
Sales taxes	443,804	404,518	-	-	443,804	404,518	39,286	9.7
Use taxes	61,880	48,566	-	-	61,880	48,566	13,314	27.4
Property taxes	88,875	83,305	-	-	88,875	83,305	5,570	6.7
Franchise taxes (fees)	45,260	41,530	-	-	45,260	41,530	3,730	9.0
Other taxes	28,066	25,453	-	-	28,066	25,453	2,613	10.3
Other	<u>7,335</u>	<u>870</u>	<u>362</u>	<u>384</u>	<u>7,697</u>	<u>1,254</u>	<u>6,443</u>	513.8
<b>Total revenues</b>	<b><u>868,764</u></b>	<b><u>870,281</u></b>	<b><u>110,890</u></b>	<b><u>116,485</u></b>	<b><u>979,654</u></b>	<b><u>986,766</u></b>	<b><u>(7,112)</u></b>	(0.7)
<b>Expenses</b>								
General government	58,532	64,330	-	-	58,532	64,330	(5,798)	(9.0)
Public safety	347,428	335,296	-	-	347,428	335,296	12,132	3.6
Public services	183,256	177,509	-	-	183,256	177,509	5,747	3.2
Culture and recreation	102,774	99,818	-	-	102,774	99,818	2,956	3.0
Education	21,854	412	-	-	21,854	412	21,442	5204.4
Economic development	4,241	3,263	-	-	4,241	3,263	978	30.0
Interest on long-term debt	23,944	23,606	-	-	23,944	23,606	338	1.4
Airports	-	-	-	98	-	98	(98)	(100.0)
Water and wastewater utilities	-	-	9,292	9,193	9,292	9,193	99	1.1
Solid waste management	-	-	49,888	46,192	49,888	46,192	3,696	8.0
Stormwater drainage	-	-	17,025	18,023	17,025	18,023	(998)	(5.5)
Golf courses	-	-	9,760	10,707	9,760	10,707	(947)	(8.8)
Fairgrounds	-	-	11,251	12,296	11,251	12,296	(1,045)	(8.5)
Ground transportation and parking	-	-	403	605	403	605	(202)	(33.4)
Zoo operations	-	-	19,876	22,258	19,876	22,258	(2,382)	(10.7)
<b>Total expenses</b>	<b><u>742,029</u></b>	<b><u>704,234</u></b>	<b><u>117,495</u></b>	<b><u>119,372</u></b>	<b><u>859,524</u></b>	<b><u>823,606</u></b>	<b><u>35,918</u></b>	4.4
<b>Increase in net position before transfers</b>	<b>126,735</b>	<b>166,047</b>	<b>(6,605)</b>	<b>(2,887)</b>	<b>120,130</b>	<b>163,160</b>	<b>(43,030)</b>	(26.4)
<b>Special item</b>	<b>31,836</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>31,836</b>	<b>-</b>	<b>31,836</b>	100.0
<b>Transfers</b>	<b><u>(21,160)</u></b>	<b><u>(21,597)</u></b>	<b><u>21,160</u></b>	<b><u>21,597</u></b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>-</u></b>	0.0
<b>Change in net position</b>	<b><u>137,411</u></b>	<b><u>144,450</u></b>	<b><u>14,555</u></b>	<b><u>18,710</u></b>	<b><u>151,966</u></b>	<b><u>163,160</u></b>	<b><u>(11,194)</u></b>	(6.9)
Beginning net position								
As originally reported	1,820,995	1,676,545	447,728	424,810	2,268,723	2,101,355	167,368	8.0
Change in accounting principle	(252,393)	-	(40,729)	-	(293,122)	-	(293,122)	(100.0)
Prior period adjustment	<u>1,139</u>	<u>-</u>	<u>-</u>	<u>4,208</u>	<u>1,139</u>	<u>4,208</u>	<u>(3,069)</u>	(72.9)
Beginning net position, as restated	<u>1,569,741</u>	<u>1,676,545</u>	<u>406,999</u>	<u>429,018</u>	<u>1,976,740</u>	<u>2,105,563</u>	<u>(128,823)</u>	(6.1)
<b>Ending net position</b>	<b><u>\$1,707,152</u></b>	<b><u>\$1,820,995</u></b>	<b><u>\$421,554</u></b>	<b><u>\$447,728</u></b>	<b><u>\$2,128,706</u></b>	<b><u>\$2,268,723</u></b>	<b><u>(\$140,017)</u></b>	(6.2)

Total revenues decreased by \$7,112 or 0.7% in 2018. Charges for services in governmental activities increased \$3,230 related in part to an increase in impact fees for streets, parks, and trails of approximately \$5,323 for a full year of collections in the current year versus collections starting in January the prior year. Charges for services in business-type activities increased by \$1,296 related primarily to increased solid waste residential charges of \$2,209 related to a 3.5% rate increase and a 1.81% increase in the number of customers offset by a decrease in zoo operations of \$1,242 related to a drop in attendance. Operating grants and contributions in governmental activities increased \$2,923 related to normal year to year fluctuations in the City's operating grants and business-type activities decreased \$517. Capital grants and contributions in governmental activities decreased \$78,648 related to a capital contribution to the City from OCEDT in the prior year of \$29,839, prior year capital grant revenue of \$15,944 primarily related to Department of Housing and Urban Development grants, and a decrease in capital donations from developers of \$23,699. Capital grants and contributions decreased \$6,352 in business-type activities for a decrease in capital donations from developers. General revenues increased \$70,956 related primarily to an increase in tax revenues of \$64,513 and an increase in the market value of investments of \$6,638.

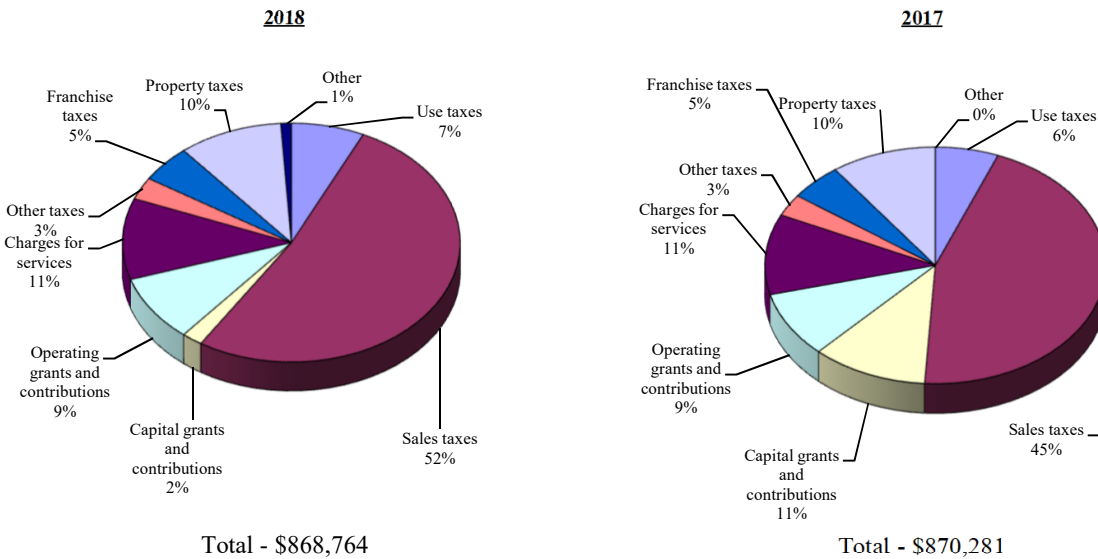
Overall expenses increased \$35,918 or 4.4% in 2018. Program expenses reported in governmental activities increased \$37,795. Public safety-Fire expenses increased \$17,776 due to increases in personnel expenses and an \$11,086 increase in retirement pension contribution. Education expenses increased \$21,442 with the dissolution of the Oklahoma City Metropolitan Area Public Schools Trust (OCMAPS) and remaining school donation activity now taking place in the City Schools Sales Tax fund. Business-type activities expenses decreased \$1,877. Zoo operations expenses decreased \$2,382 related to outsourcing of retail and gift shop concessions.

In 2018, a change in accounting principle related to other post employment benefits (OPEB) required restating beginning net position by recording previously unrecorded net OPEB liabilities resulting in a decrease in governmental activities and business type activities of \$252,393 and \$40,729, respectively. Also in 2018 a prior year restatement is reported in governmental activities in the Grants Management Fund for a previously unrecorded receivable related to economic development.

Graphic presentations of the Summary of Changes in Net Position follows to assist in the analysis of the City's activities for fiscal years 2018 and 2017.

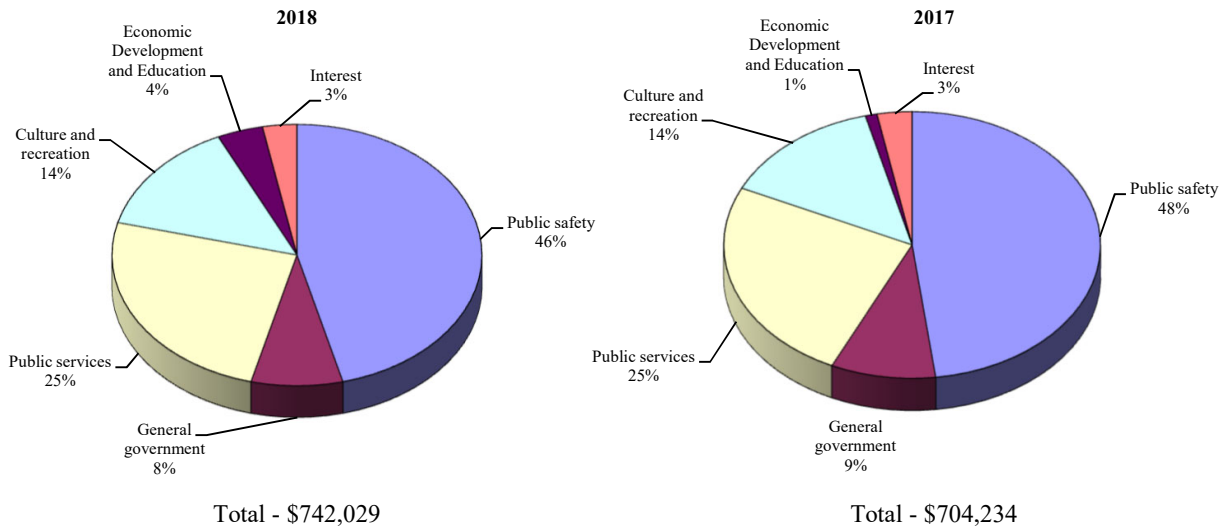
**Governmental Activities**

**REVENUES**



Overall revenues from governmental activities decreased \$1,517. Charges for services increased 3.5%. Operating grants and contributions increased 3.9% and capital grants and contributions decreased 81.3%. Sales taxes provided 52% and 45% of the City's total governmental revenues in fiscal years 2018 and 2017, respectively. Sales tax revenues increased \$39,286 particularly as a result of the 1/4 sales tax effective January 1, 2018, and the recovery of the local economy. Use tax increased \$13,314. Property tax levy collections for fiscal years 2018 and 2017 were \$88,875 and \$83,305, respectively.

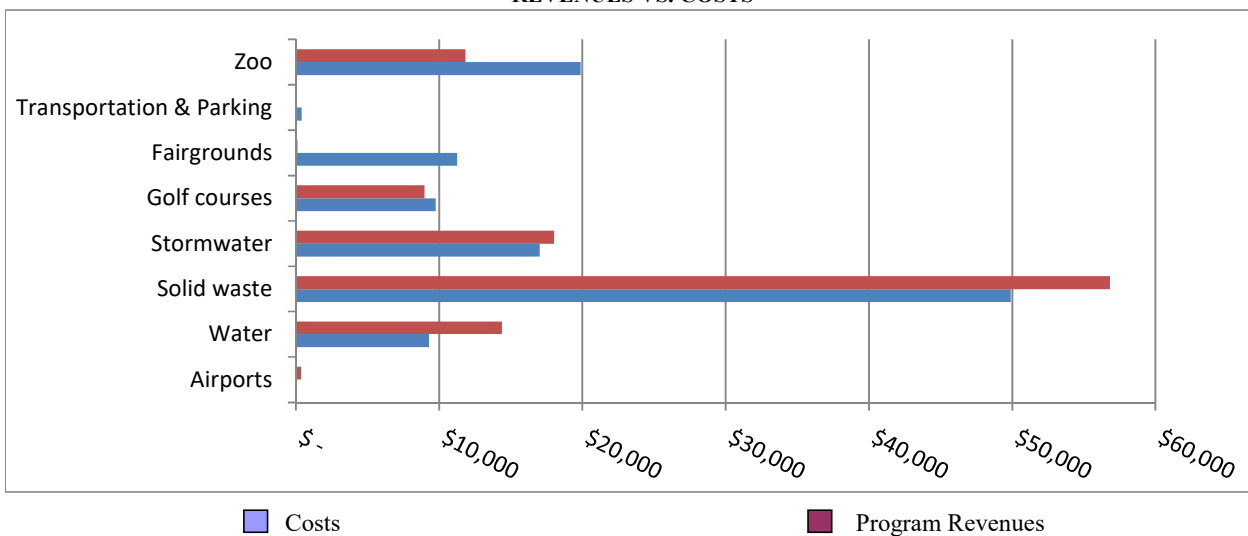
**FUNCTIONAL EXPENSES**



The graph shows the total governmental activities expenses of \$742,029 for 2018. Public safety, with \$167,839 in cost for police and \$147,406 in cost for fire, was the largest operating service cost, at 46.0% of total cost of services in 2018. These costs, as well as all governmental activities expenses, were primarily funded by taxes. Public safety expenses used \$279,227 in taxes and other general revenues. Other governmental activities with significant tax-based funding include public services of \$111,978 and culture and recreation activities of \$69,293.

**Business-Type Activities**

**REVENUES VS. COSTS**



Business-type activities are shown comparing costs to revenues generated by related services. Airports, water and wastewater utilities, solid waste management, and parking business-type activities are intended to be self-supporting with user charges and other revenues designed to recover costs. Other activities provide services with user charges that are not structured to recover costs. Golf courses and transportation historically have been subsidized by the City. The zoo is partially funded by dedicated sales taxes.

Charges for services for business-type activities increased \$1,296. Operating grants and contributions decreased \$517 and capital grants decreased \$6,352. Business-type activities expenses decreased \$1,877.

### *Financial Analysis of the City's Funds*

#### **Governmental Funds**

Governmental funds are reported in the fund statements with a short-term, inflow and outflow of spendable resources focus. This information is useful in assessing resources available at the end of the year in comparison with upcoming financing requirements. Governmental funds reported ending fund balances of \$1,192,452. Of this year-end total, \$128,449 is unassigned indicating availability for continuing City service requirements. The total ending restated fund balances of governmental funds show an increase of \$112,445 over the prior year.

#### Major Governmental Funds

The General Fund is the City's primary operating fund and the largest source of day-to-day service delivery. The fund balance of the General Fund increased by \$27,122 during fiscal year 2018. Sales tax revenues increased with and additional 1/4 cent sales tax effective January 1, 2018 offset by increases in expenditures for additional police and fire staffing. Sales and use tax revenues benefited from improvements in the local economy related to the energy sector as well as major out of state online retailers beginning to collect and submit taxes. Investment income increased \$6,472 over the prior year due to an increase in market valuation of investments and a change in accounting practice of distributing the fair market value to the corresponding funds participating in the pool. The General Fund made a \$9,000 payment for the City's obligation toward the completion of the American Indian Culture Center to promote economic development and tourism. See Statistical Table 20, General Government, Investment Portfolio Return and Benchmark index for additional information on year to year rates of investment return. See General Fund Budgetary Highlights for more information.

The Debt Service Fund has a fund balance of \$112,776 which was a net increase of \$5,983. The change in fund balance reflects the City's continuing commitment to time the issuance of debt with debt retirements to support the objective of maintaining level City property taxes. A key factor in achieving this objective is the counties' annual reassessment of City property values, which has been steadily rising over recent years. This favorable trend in property assessments has allowed the City to maintain an active general obligation bond program without substantially increasing property tax rates.

In fiscal year 2018 the Grants Management Fund reported a \$6,896 increase in fund balance, as restated. The change in the Grants Management Fund's fund balance is primarily a result of a decrease in reimbursable grant amounts and timing of payments received.

In fiscal year 2018 the MAPS3 Sales Tax Fund reported a \$61,299 decrease in fund balance. The sales tax levied for construction and renovation of multiple capital projects throughout the City is reported in the MAPS3 Sales Tax Fund. The fund balance decreased as project spending has continued while the tax collections declined significantly with the expiration of the levy effective January 1.

In fiscal year 2018 the Better Streets/Safer City Sales Tax Fund reported a \$52,895 increase in fund balance. The sales tax levied to fund additional police officers and firefighters and street resurfacing and related improvements throughout the City is reported in the Better Streets/Safer City Sales Tax Fund.

The General Obligation Bond Fund has a fund balance of \$288,271, a net increase of \$61,450. Fund balance increased as a result of proceeds from bond issuance in excess of expenditures for bond projects during the year.

The Oklahoma City Public Property Authority (OCPPA) General Purpose Fund accounts for the general government activities of OCPPA. In fiscal year 2018 the OCPPA General Purpose Fund reported a \$1,808 decrease in fund balance.

### **Proprietary Funds**

The proprietary fund statements share the same focus as the government-wide statements, reporting both short-term and long-term information about financial status.

#### Major Proprietary Funds

The Water and Wastewater Fund reports the capital asset activity of the City's water and wastewater utilities. Net position for the Water and Wastewater Fund increased by \$3,448 for an ending net position of \$294,652. Major revenues include donated assets from developers. Expenses include depreciation. Contributions from developers decreased \$6,352 during the year.

OCEAT reports the financing and operations of the City's solid waste disposal program. OCEAT's restated net position increased \$5,808 during the current year. Operating revenues increased 4.1% and operating expenses increased 7.9% primarily related to scheduled increases in rates for amounts charged and increases in service costs related to recycling pick up, respectively.

OCZT provides the financing and daily operations for the zoo. OCZT receives sales tax funding from the City Zoo Fund to fund debt service, capital projects, and operating costs. During the year the OCZT increased its net position, as restated, \$6,004 to \$81,768. During 2018 operating revenues decreased 11.1% even though there was a \$3 increase in general admission prices. Attendance also dropped by over 100,000 visitors. Operating expenses decreased 10.6% due to the outsourcing of retail and gift shop concessions. Sales tax payments from the City increased 6.2% due to improved economic conditions. Investment income increased 35.2% due to an increase in investments.

The OCPPA Fairgrounds Fund provides financing for the Oklahoma City Fairgrounds through transfer of hotel/motel tax restricted for fairgrounds debt service and capital projects. During the year the OCPPA Fairgrounds Fund net deficit increased to a deficit of \$19,942 as expenses exceeded revenues and transfers by \$2,800. The deficit increased primarily due to depreciation on capital assets.

The OCPPA Golf Courses Fund accounts for the finances of five municipal golf courses. The current year restated net deficit increased \$392 resulting in a net deficit of \$5,573. Operating revenues decreased \$70 due to a decrease in golf rounds played. Expenses decreased \$895 primarily due to decreases in personnel costs and materials and supplies.

### ***General Fund Budgetary Highlights***

The original adopted General Fund budget for fiscal year June 30, 2018, was \$404,456. This was a decrease of \$9,741 over the previous year budget. The effects of the regional recession impacted most revenues negatively resulting in the lower budget. The reduction in revenue resulted in a decrease of 20 positions affecting most departments.

The General Fund adopted budget was amended three times during the 2018 fiscal year. The amendments increased the budget by \$11,345. The first amendment increased the use of prior year's fund balance by \$543 for valid prior year encumbrances rolled over to the current fiscal year. The second amendment took into account the additional 1/4 cent sales tax approved by voters on September 12, 2017 to enhance fire and police staffing. The sales tax increase went into effect on January 1, 2018, added \$9,976 to the General Fund budget and funded 129 positions in Police and 60 positions in Fire. In addition, \$216 was added for positions to manage bond and special sales tax projects in Public Works. This addition resulted in five new positions in Public Works funded by chargebacks to the GO Bonds and the Better Streets Safer City Sales Tax Funds, bringing the total increase in positions to 194. The third amendment added \$610 transferred from the Court Administration Fund to the General Fund. One subfund in the Court Administration Fund was closed and the funds were transferred to the General Fund where they will be used for court-related purposes. The final amended General Fund budget was \$415,801. The General Fund budget complied with financial policies approved by the City Council and maintained core City services.



**Capital Assets**

The City's investment in capital assets, net of accumulated depreciation, for governmental and business-type activities as of June 30, 2018, was \$2,096,462 and \$524,794, respectively. The total increase in net capital assets was 4.9% for governmental activities and the total increase for business-type activities was 5.5%. The overall increase was 5.0% for the City as a whole.

<b>Capital Assets, Net of Accumulated Depreciation</b>								
	Governmental		Business-type		Totals		Amount of Change	%
	Activities		Activities					
	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>		
<b>Non-Depreciable Assets</b>								
Land and water storage rights	\$177,740	\$168,564	\$30,664	\$30,664	\$208,404	\$199,228	\$9,176	4.6%
Construction in progress	<u>426,459</u>	<u>362,685</u>	<u>29,963</u>	<u>6,897</u>	<u>456,422</u>	<u>369,582</u>	<u>86,840</u>	23.5
<b>Total non-depreciable assets</b>	<b><u>604,199</u></b>	<b><u>531,249</u></b>	<b><u>60,627</u></b>	<b><u>37,561</u></b>	<b><u>664,826</u></b>	<b><u>568,810</u></b>	<b><u>96,016</u></b>	16.9
<b>Depreciable Assets</b>								
Buildings	367,936	321,414	99,049	102,589	466,985	424,003	42,982	10.1
Infrastructure and improvements other than buildings	1,037,008	1,066,732	334,710	337,216	1,371,718	1,403,948	(32,230)	(2.3)
Furniture, machinery, and equipment	<u>87,319</u>	<u>78,992</u>	<u>30,408</u>	<u>19,853</u>	<u>117,727</u>	<u>98,845</u>	<u>18,882</u>	19.1
<b>Total depreciable assets</b>	<b><u>1,492,263</u></b>	<b><u>1,467,138</u></b>	<b><u>464,167</u></b>	<b><u>459,658</u></b>	<b><u>1,956,430</u></b>	<b><u>1,926,796</u></b>	<b><u>29,634</u></b>	1.5
<b>Total</b>	<b><u>\$2,096,462</u></b>	<b><u>\$1,998,387</u></b>	<b><u>\$524,794</u></b>	<b><u>\$497,219</u></b>	<b><u>\$2,621,256</u></b>	<b><u>\$2,495,606</u></b>	<b><u>\$125,650</u></b>	5.0

General obligation and revenue bonds provided the major funding for the construction and acquisition of capital assets in governmental activities during the year. Construction projects in governmental activities during the current year included the Senior Health and Wellness Center, the Modern Streetcar equipment and mainline construction, street improvements, and the Scissortail Park. The increase of land includes the acquisition and relocation of an electrical substation for the new Convention Center and land acquisitions for the Oklahoma City Boulevard. Construction in business-type activities included the fairgrounds recreational vehicle parking lot and new arena. Capital assets also increased in business-type activities from assets donated from developers. See Note II. A. 6. for additional information about capital assets.

**Debt Administration**

**Other Long-term Debt**

The City retired \$893 of notes payable and added lease obligations of \$46 and retired \$85. Estimated claims payable decreased a net amount of \$2,748. See Note III. A. 6. for additional information about notes, lease obligations, and estimated claims payable.

**Bonds Payable**

At the end of the fiscal year, the City had total bonded debt outstanding of \$993,001. Of this amount, \$886,069 is backed by the full faith and credit of the City (general obligation bonds) with debt service fully funded by voter-approved property taxes. Bonded debt of \$106,932 is supported by pledged revenues generated primarily by business-type activities of the City (revenue bonds). During the current year, the City issued \$130,595 in general obligation bonds under the voter authorization discussed earlier in this report. See Note III. A. 7. for additional information about bonds payable.

**Bond Ratings**

Current bond ratings are reported in the City's Supplemental Disclosure: Outstanding Bonded Debt report and is available from the City's Finance Department, Accounting Services Division. The bond ratings did not change during the year.

**Long-term Debt**

	Governmental Activities		Business-type Activities		Totals		Amount of Change	Total % Change
	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>		
Other long-term debt	\$61,870	\$65,537	\$194	\$207	\$62,064	\$65,744	(\$3,680)	(5.6%)
General obligation bonds	886,069	820,338	-	-	886,069	820,338	65,731	8.0
Revenue bonds	-	-	<u>106,932</u>	<u>112,029</u>	<u>106,932</u>	<u>112,029</u>	<u>(5,097)</u>	(4.5)
	<u>\$947,939</u>	<u>\$885,875</u>	<u>\$107,126</u>	<u>\$112,236</u>	<u>\$1,055,065</u>	<u>\$998,111</u>	<u>\$56,954</u>	5.7

Changes in long-term debt are related to issuances and payments of current principal requirements. Issuances in governmental activities included the Series 2018 Non-Taxable General Obligation Bonds that will be used to fund infrastructure improvements and Series 2018 Taxable General Obligation Bonds which will be used to fund parks and recreation facilities and a downtown city arena. In business-type activities Oklahoma City Economic Development Trust Tax Increment Revenue Bonds Taxable Series 2018 were issued to pay the OCEDT Private Placement Tax Anticipation note, 2008, to fund economic development projects in the Increment District #2 project area, and to establish a reserve fund. See Note III. A. 10. for additional information about changes in long-term debt.

***Economic Environment and Fees and Rates***

**Economic Environment**

The economic recovery in Oklahoma City caused by the downturn in the energy industry solidly took hold during fiscal year 2018. Higher oil and natural gas prices have meant significant gains in employment and investment in the energy sector and have lead to broad economic strength in Oklahoma. While Oklahoma City has a diverse economic base, the energy industry still has a major impact on the health of the local economy which continues on an upward trend of improvement.

**Fees and Rates**

In September 2016 the City approved an ordinance that adjusts the collection of solid waste service fees by 3.5 percent annually effective October 1, 2016 through October 1, 2019.

***Contacting the City's Financial Management***

This financial report is designed to provide a general overview of the City's finances, comply with finance-related laws and regulations, and demonstrate the City's commitment to public accountability. If you have questions about this report or would like to request additional information, contact the City's Finance Department, Accounting Services Division, at 100 N. Walker, Suite 300, Oklahoma City, Oklahoma 73102.

OVERVIEW OF COMPONENT UNITS

<u>BLENDDED COMPONENT UNITS</u>	<u>DATE ESTABLISHED</u>	<u>ACTIVITY</u>
Oklahoma City Environmental Assistance Trust (OCEAT)	January 23, 1979	Solid waste management and pollution control
Oklahoma City Zoological Trust (OCZT)	January 7, 1975	Oklahoma City Zoo
Oklahoma City Municipal Facilities Authority (OCMFA)	November 10, 1976	Municipal services
Oklahoma City Public Property Authority (OCPPA)	August 15, 1961	Golf courses operations, fairgrounds improvements, and various municipal services
<u>DISCRETELY PRESENTED COMPONENT UNITS</u>	<u>DATE ESTABLISHED</u>	<u>ACTIVITY</u>
Oklahoma City Airport Trust (OCAT)	April 1, 1956	Airport services
Oklahoma City Riverfront Redevelopment Authority (OCRRA)	March 19, 1985	Riverfront development
Oklahoma City Industrial and Cultural Facilities Trust (OCICF)	December 15, 1962	Cultural facilities and employment activities
Oklahoma City Water and Wastewater Utilities Trust (OCWUT)	April 17, 1990	Water and wastewater utilities services (replaced the Oklahoma City Municipal Improvement Authority established 8/1/1960) and water supply services. Includes the operations of the McGee Creek Authority, established August 1, 1977, a blended component unit of OCWUT.
Port Authority of the Greater Oklahoma City Area (Port Authority)	October 30, 1962	Foreign trade zone
Central Oklahoma Transportation and Parking Authority (COTPA)	February 1, 1966	Public transportation and parking services
Oklahoma City Redevelopment Authority (OCRA)	May 7, 1985	Conservation, development and redevelopment of the City's downtown central business district
Oklahoma City Economic Development Trust (OCEDT)	October 15, 2007	Economic development
<u>FIDUCIARY COMPONENT UNITS</u>	<u>DATE ESTABLISHED</u>	<u>ACTIVITY</u>
Oklahoma City Employee Retirement System (OCERS)	January 21, 1958	Retirement benefits and disability allowances
Central Oklahoma Transportation and Parking Employee Retirement Trust (COTPA Retirement)	February 1, 1970 (effective date)	Retirement benefits
Oklahoma City Post-Employment Benefits Trust (OCPEBT)	June 17, 2008	Post-employment benefits other than retirement.

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# *Basic Financial Statements*





## **Government-wide Financial Statements**

*Provide both long-term and short-term information about the City's overall status using full accrual accounting and elimination or reclassification of internal activities.*

- \* **Governmental Activities** – *Reports general government, public safety, public services, culture and recreation, education, and economic development activities and the general revenues of the City.*
- \* **Business-Type Activities** – *Reports airports, water and wastewater utilities, solid waste management, stormwater drainage, golf courses, fairgrounds, transportation and parking and zoo operations activities.*
- \* **Component Units** – *Reports airports, water and wastewater utilities, riverfront redevelopment, foreign trade zone operations, transportation and parking, education, and economic development activities and the general revenues of the discrete component units of the City.*

## **Fund Financial Statements**

*Focus on the City's most significant funds. Major funds are separately reported while all others are combined into a single, aggregated presentation.*

### **Governmental Fund Financial Statements**

*Encompass essentially the same functions reported as governmental activities in the government-wide financial statements using modified accrual accounting and report the annual financing requirements of governmental programs and the commitment of spendable resources for the near-term. A budgetary comparison statement is included for the General Fund.*

### **Proprietary Fund Financial Statements**

*Generally report services for which the City charges customers a fee using full accrual accounting and provide both long-term and short-term financial information.*

### **Fiduciary Fund Financial Statements**

*Report assets held for others that cannot be used to support the City's programs combined by fund type.*

### **Component Unit Combining Financial Statements**

*Provide both long-term and short-term financial information consistent with the focus provided by the government-wide financial statements for discretely presented component units of the City.*

**STATEMENT OF NET POSITION**  
**June 30, 2018**  
(dollars are in thousands)

**CITY OF OKLAHOMA CITY, OKLAHOMA**

	Primary Government			Component Units
	Governmental Activities	Business-Type Activities	Total	
<b>ASSETS</b>				
<b>CURRENT ASSETS</b>				
Cash-----	\$25,237	\$13,828	\$39,065	\$37,394
Investments-----	1,191,670	92,348	1,284,018	473,038
Sales and use taxes receivable-----	73,763	-	73,763	-
Property taxes receivable-----	4,403	-	4,403	6,673
Accounts receivable, net-----	13,629	11,306	24,935	36,120
Interest, dividends, and royalties receivable-----	4,594	314	4,908	1,446
Internal balances-----	43,830	(43,830)	-	-
Receivable from component units-----	3,010	415	3,425	10
Receivable from primary government-----	-	-	-	4,117
Intergovernmental receivables-----	10,169	976	11,145	8,038
Notes, service concession arrangements, and economic incentives receivable-----	1,401	1,014	2,415	5,121
Inventories and prepaids-----	10,080	9,635	19,715	1,411
<b>Total current assets-----</b>	<b>1,381,786</b>	<b>86,006</b>	<b>1,467,792</b>	<b>573,368</b>
<b>NON-CURRENT ASSETS</b>				
Investments-----	-	3,680	3,680	85,699
Prepays, non-current-----	611	301	912	118
Notes, service concession arrangements, and economic incentives receivable-----	16,081	5,351	21,432	55,993
Receivable from primary government-----	-	-	-	1,727
Receivable from component units-----	4,255	79,070	83,325	-
Equity interest in joint venture-----	13,704	-	13,704	-
Net pension asset-----	13,766	11,218	24,984	-
Other-----	-	-	-	63,906
Capital assets:				
Land, art, water storage rights, and construction in progress-----	604,199	60,627	664,826	386,530
Other capital assets, net of accumulated depreciation-----	1,492,263	464,167	1,956,430	1,491,505
Capital assets, net-----	2,096,462	524,794	2,621,256	1,878,035
<b>Total non-current assets-----</b>	<b>2,144,879</b>	<b>624,414</b>	<b>2,769,293</b>	<b>2,085,478</b>
<b>Total assets-----</b>	<b>3,526,665</b>	<b>710,420</b>	<b>4,237,085</b>	<b>2,658,846</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
	<b>115,665</b>	<b>15,848</b>	<b>131,513</b>	<b>12,956</b>
<b>LIABILITIES</b>				
<b>CURRENT LIABILITIES</b>				
Accounts payable and accrued expenses-----	63,651	11,732	75,383	54,334
Wages and benefits payable-----	15,346	3,698	19,044	314
Payable to component units-----	3,510	607	4,117	10
Payable to primary government-----	-	-	-	3,425
Interest payable-----	238	-	238	1,539
Compensated absences-----	25,042	3,883	28,925	229
Tax anticipation debt-----	-	-	-	524
Notes, lease obligations, and estimated claims payable-----	16,415	13	16,428	90,870
Commercial paper-----	-	-	-	12,500
Unearned revenue-----	9,051	494	9,545	1,350
Bond interest payable-----	9,831	1,243	11,074	14,570
Bonds payable-----	61,365	5,350	66,715	38,475
Intergovernmental payable-----	256	-	256	10,000
<b>Total current liabilities-----</b>	<b>204,705</b>	<b>27,020</b>	<b>231,725</b>	<b>228,140</b>
<b>NON-CURRENT LIABILITIES</b>				
Compensated absences-----	55,991	6,606	62,597	318
Payable to primary government-----	-	-	-	83,325
Payable to component units-----	1,727	-	1,727	-
Intergovernmental payable-----	-	-	-	12,500
Notes, lease obligations, and estimated claims payable-----	45,455	181	45,636	85,681
Unearned revenue-----	533	2,120	2,653	439
Bonds payable, net-----	824,704	101,582	926,286	722,015
Net pension liability-----	338,446	-	338,446	4,082
Net other post-employment benefit liability-----	380,589	141,076	521,665	1,493
<b>Total non-current liabilities-----</b>	<b>1,647,445</b>	<b>251,565</b>	<b>1,899,010</b>	<b>909,853</b>
<b>Total liabilities-----</b>	<b>1,852,150</b>	<b>278,585</b>	<b>2,130,735</b>	<b>1,137,993</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
	<b>83,028</b>	<b>26,129</b>	<b>109,157</b>	<b>12,203</b>
<b>NET POSITION</b>				
Net investment in capital assets-----	1,467,803	429,640	1,897,443	1,064,235
Restricted for:				
Capital projects-----	594,891	25	594,916	633
Debt service-----	97,399	4,562	101,961	74,547
Public safety-----	8,754	-	8,754	-
Public services-----	16,056	-	16,056	25,227
Culture and recreation-----	10,342	-	10,342	-
Maintenance-----	-	-	-	42,129
Unrestricted-----	(488,093)	(12,673)	(500,766)	314,835
<b>Total net position-----</b>	<b>\$1,707,152</b>	<b>\$421,554</b>	<b>\$2,128,706</b>	<b>\$1,521,606</b>

See accompanying notes to financial statements.



**STATEMENT OF ACTIVITIES**  
**For the Year Ended June 30, 2018**  
**(dollars are in thousands)**

**CITY OF OKLAHOMA CITY, OKLAHOMA**

	Program Revenues					Net (Expense) Revenue and Changes in Net Position			Component Units
	Expenses	Indirect Expenses Allocation	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government			
						Governmental Activities	Business Type Activities	Total	
<b>Primary government</b>									
<i>Governmental activities</i>									
General government-----	\$65,864	(\$7,332)	\$8,935	\$10,782	\$ -	(\$38,815)	\$ -	(\$38,815)	\$ -
Public safety:									
Police-----	167,839	-	1,614	9,878	-	(156,347)	-	(156,347)	-
Fire-----	147,406	-	16	23,654	26	(123,710)	-	(123,710)	-
Other-----	32,183	-	30,473	2,206	334	830	-	830	-
Public services-----	182,811	445	26,072	28,275	16,931	(111,978)	-	(111,978)	-
Culture and recreation-----	98,326	4,448	29,652	2,990	839	(69,293)	-	(69,293)	-
Education-----	21,945	(91)	-	38	-	(21,816)	-	(21,816)	-
Economic development-----	4,241	-	-	829	-	(3,412)	-	(3,412)	-
Interest on long-term debt-----	23,944	-	-	-	-	(23,944)	-	(23,944)	-
Total governmental activities-----	744,559	(2,530)	96,762	78,652	18,130	(548,485)	-	(548,485)	-
<i>Business-type activities</i>									
Airports-----	-	-	11	355	-	-	366	366	-
Water and wastewater utilities-----	9,292	-	-	17	14,360	-	5,085	5,085	-
Solid waste management-----	48,076	1,812	56,664	157	-	-	6,933	6,933	-
Stormwater drainage-----	16,384	641	18,029	-	-	-	1,004	1,004	-
Golf courses-----	9,683	77	8,971	13	-	-	(776)	(776)	-
Fairgrounds-----	11,251	-	-	110	-	-	(11,141)	(11,141)	-
Transportation and parking-----	403	-	-	-	-	-	(403)	(403)	-
Zoo operations-----	19,876	-	9,924	1,917	-	-	(8,035)	(8,035)	-
Total business-type activities-----	114,965	2,530	93,599	2,569	14,360	-	(6,967)	(6,967)	-
<b>Total primary government-----</b>	<b>\$859,524</b>	<b>\$ -</b>	<b>\$190,361</b>	<b>\$81,221</b>	<b>\$32,490</b>	<b>(548,485)</b>	<b>(6,967)</b>	<b>(555,452)</b>	<b>-</b>
<b>Component units</b>									
Airports-----	\$63,765	\$ -	\$64,192	\$8,369	\$6,889	-	-	-	15,685
Water and wastewater utilities-----	192,585	-	268,463	1,226	1,468	-	-	-	78,572
Riverfront development-----	177	-	16	47	-	-	-	-	(114)
Foreign trade zone operations-----	24	-	12	-	-	-	-	-	(12)
Transportation and parking-----	37,572	-	11,936	26,509	3,503	-	-	-	4,376
Economic development-----	32,914	-	284	12,805	5,096	-	-	-	(14,729)
<b>Total component units-----</b>	<b>\$327,037</b>	<b>\$ -</b>	<b>\$344,903</b>	<b>\$48,956</b>	<b>\$16,956</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>83,778</b>
<b>GENERAL REVENUES</b>									
Taxes:									
Sales taxes:									
General-----						234,517	-	234,517	-
Police-----						41,695	-	41,695	-
Fire-----						41,695	-	41,695	-
Public Services-----						54,724	-	54,724	-
Culture and recreation-----						70,344	-	70,344	-
Tax incremental financing-----						829	-	829	-
Total sales tax-----						443,804	-	443,804	-
Use taxes-----						61,880	-	61,880	-
Hotel/Motel taxes-----						15,323	-	15,323	-
Property taxes-----						88,875	-	88,875	20,639
Franchise taxes-----						45,260	-	45,260	-
Emergency telephone taxes-----						5,882	-	5,882	-
Other taxes-----						6,861	-	6,861	-
Total taxes-----						667,885	-	667,885	20,639
Oil and gas royalties-----						380	-	380	35
Unrestricted investment income-----						4,257	362	4,619	2,038
Miscellaneous-----						2,698	-	2,698	26
<b>Total general revenues-----</b>						<b>675,220</b>	<b>362</b>	<b>675,582</b>	<b>22,738</b>
Special item-----						31,836	-	31,836	(31,836)
Transfers-----						(21,160)	21,160	-	-
<b>Total general revenues and transfers-----</b>						<b>685,896</b>	<b>21,522</b>	<b>707,418</b>	<b>(9,098)</b>
<b>Changes in net position-----</b>						<b>137,411</b>	<b>14,555</b>	<b>151,966</b>	<b>74,680</b>
<b>NET POSITION BEGINNING</b>									
As previously reported-----						1,820,995	447,728	2,268,723	1,518,551
Change in accounting principle-----						(252,393)	(40,729)	(293,122)	(71,625)
Prior period adjustment-----						1,139	-	1,139	-
As restated-----						1,569,741	406,999	1,976,740	1,446,926
<b>Net position-ending-----</b>						<b>\$1,707,152</b>	<b>\$421,554</b>	<b>\$2,128,706</b>	<b>\$1,521,606</b>

See accompanying notes to financial statements.

**BALANCE SHEET**  
**GOVERNMENTAL FUNDS**  
**June 30, 2018**  
(dollars are in thousands)

	<u>General</u>	<u>Debt Service</u>	<u>Grants Management</u>	<u>MAPS3 Sales Tax</u>	<u>Better Streets/ Safer City Sales Tax</u>	<u>General Obligation Bonds</u>	<u>OCPPA General Purpose</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>ASSETS</b>									
Pooled cash-----	\$446	\$268	\$ -	\$1,007	\$64	\$98	\$68	\$924	\$2,875
Non-pooled cash-----	-	-	-	-	-	5,195	9,183	45	14,423
Investments-----	96,429	111,081	6,201	407,623	38,783	296,178	13,144	169,200	1,138,639
Sales and use taxes receivable-----	41,542	-	-	57	15,548	-	-	16,616	73,763
Property taxes receivable-----	-	4,400	-	-	-	-	3	-	4,403
Accounts receivable-----	7,581	-	63	-	-	-	1,103	4,882	13,629
Interest, dividends, and royalties receivable-----	405	467	69	1,708	162	892	28	690	4,421
Due from other funds-----	10,442	-	861	-	-	364	177	9,059	20,903
Receivable from component units-----	2,918	-	-	-	-	-	53	-	2,971
Intergovernmental receivables-----	1,448	-	3,265	49	-	3,465	163	1,716	10,106
Notes receivable, current-----	-	-	1,401	-	-	-	-	-	1,401
Inventories-----	6,621	-	-	155	-	-	229	-	7,005
Prepays-----	150	-	4	-	-	-	100	374	628
Notes receivable, non-current-----	-	-	16,081	-	-	-	-	-	16,081
Prepays, non-current-----	5	-	6	-	-	-	164	423	598
Advance to other funds-----	1,020	-	-	-	-	-	-	4,792	5,812
Receivable from component units, non-current-----	-	-	4,255	-	-	-	-	-	4,255
<b>Total assets-----</b>	<b>\$169,007</b>	<b>\$116,216</b>	<b>\$32,206</b>	<b>\$410,599</b>	<b>\$54,557</b>	<b>\$306,192</b>	<b>\$24,415</b>	<b>\$208,721</b>	<b>\$1,321,913</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>									
<b>LIABILITIES</b>									
Accounts payable and accrued expenditures-----	\$4,708	\$ -	\$3,666	\$27,691	\$1,595	\$15,029	\$2,440	\$4,554	\$59,683
Wages and benefits payable-----	12,229	-	183	-	-	-	-	2,296	14,708
Due to other funds-----	8,413	-	1,866	799	9	1,442	1,306	6,986	20,821
Payable to component units, current-----	585	-	-	-	-	-	150	2,499	3,234
Unearned revenue-----	289	-	781	-	-	-	5,754	2,227	9,051
Intergovernmental payable, current-----	-	-	8	-	-	248	-	-	256
Payable to component units, non-current--	-	-	-	-	-	-	-	1,450	1,450
Advance from other funds-----	-	-	-	-	-	908	6,509	3,162	10,579
Unearned revenue, non-current-----	-	-	-	-	-	-	533	-	533
<b>Total liabilities-----</b>	<b>26,224</b>	<b>-</b>	<b>6,504</b>	<b>28,490</b>	<b>1,604</b>	<b>17,627</b>	<b>16,692</b>	<b>23,174</b>	<b>120,315</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>									
<b>OF RESOURCES-----</b>	<b>757</b>	<b>3,440</b>	<b>919</b>	<b>608</b>	<b>58</b>	<b>294</b>	<b>402</b>	<b>2,668</b>	<b>9,146</b>
<b>FUND BALANCES</b>									
Non-spendable-----	7,564	-	10	204	-	3,465	656	1,531	13,430
Restricted-----	-	112,776	24,773	381,297	52,895	284,806	3,204	69,421	929,172
Committed-----	-	-	-	-	-	-	557	60,553	61,110
Assigned-----	1,772	-	-	-	-	-	2,904	55,615	60,291
Unassigned-----	132,690	-	-	-	-	-	-	(4,241)	128,449
<b>Total fund balances-----</b>	<b>142,026</b>	<b>112,776</b>	<b>24,783</b>	<b>381,501</b>	<b>52,895</b>	<b>288,271</b>	<b>7,321</b>	<b>182,879</b>	<b>1,192,452</b>
<b>Total liabilities, deferred outflows of resources and fund balances-----</b>	<b>\$169,007</b>	<b>\$116,216</b>	<b>\$32,206</b>	<b>\$410,599</b>	<b>\$54,557</b>	<b>\$306,192</b>	<b>\$24,415</b>	<b>\$208,721</b>	<b>\$1,321,913</b>

See accompanying notes to financial statements.

**RECONCILIATION OF THE BALANCE  
SHEET OF GOVERNMENTAL FUNDS  
TO THE STATEMENT OF NET POSITION  
June 30, 2018  
(dollars are in thousands)**

**CITY OF OKLAHOMA CITY, OKLAHOMA**

Total fund balance -- total governmental funds \$1,192,452

Land and capital assets, net of accumulated depreciation, are not financial resources and, therefore, are not reported in the funds.

Land, art, and construction in progress	\$604,199	
Capital assets	2,820,916	
Less: Accumulated depreciation	<u>(1,328,653)</u>	2,096,462
Less: Internal service fund net capital assets included in net assets above		(9,602)

The City's equity interest in the Emergency Medical Services Authority (EMSA) joint venture is primarily attributable to capital assets, and not attributable to current financial resources, and therefore is not reported in the funds. 13,704

Receivables not collected within 60 days of the end of the fiscal year are deferred in the funds. These other long-term assets are not available to pay current-period expenditures.

Unavailable revenues (governmental funds) 9,146

Net pension asset represent pension assets in excess of total pension liabilities and are not available to pay current-period expenditures.

Net pension assets	\$13,766	
Net pension assets - internal service funds	<u>(1,622)</u>	12,144

Internal service funds are used by management to charge the costs of internal activities to individual funds. Assets and liabilities of the internal services funds are allocated to the governmental activities in the statement of net position. Internal activity is allocated to governmental and business-type activities based on the function of the activities charged.

Internal service funds net position	\$15,865	
Business-type activities internal liabilities to governmental fund activities	<u>43,086</u>	58,951

Long-term liabilities and debt and pension related deferred inflows and outflows are not due and payable in the current period and are not reported in the funds.

	Government Wide		<i>Deferred Outflows (Inflows)</i>	<i>Internal Service Funds</i>	
	<i>Current</i>	<i>Non-Current</i>			
Notes, lease obligations, estimated claims payable	(\$16,415)	(\$45,455)	\$ -	\$41,937	
Bonds payable, net	(61,365)	(824,704)	-	-	
Deferred amounts on refunding	-	-	4,241	-	
Compensated absences	(25,042)	(55,991)	-	2,083	
Interest payable	(238)	-	-	63	
Bonds interest payable	(9,831)	-	-	-	
Net pension liability	-	(338,446)	-	-	
Pension deferred outflows	-	-	97,930	(1,559)	
Pension deferred inflows	-	-	(50,026)	1,064	
Other post-employment benefit deferred outflows	-	-	13,494	(531)	
Other post-employment benefit deferred inflows	-	-	(33,002)	1,298	
Net other post-employment benefit liability	-	<u>(380,589)</u>	-	14,979	(1,666,105)

**Net position of governmental activities \$1,707,152**

**STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS**

**CITY OF OKLAHOMA CITY, OKLAHOMA**

**For the Year Ended June 30, 2018**

**(dollars are in thousands)**

	<u>General</u>	<u>Debt Service</u>	<u>Grants Management</u>	<u>MAPS3 Sales Tax</u>	<u>Better Streets/ Safer City Sales Tax</u>	<u>General Obligation Bonds</u>	<u>OCPPA General Purpose</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>REVENUES</b>									
Sales taxes-----	\$234,517	\$ -	\$ -	\$56,446	\$54,724	\$ -	\$ -	\$98,117	\$443,804
Use taxes-----	46,417	-	-	-	-	-	-	15,463	61,880
Hotel/Motel taxes-----	-	-	-	-	-	-	-	15,341	15,341
Property taxes-----	-	88,972	-	-	-	-	67	-	89,039
Emergency telephone taxes-----	-	-	-	-	-	-	-	5,871	5,871
Other taxes-----	6,861	-	-	-	-	-	-	-	6,861
Franchise taxes-----	44,795	-	-	-	-	-	-	-	44,795
Licenses and permits-----	12,931	-	-	-	-	-	365	16,549	29,845
Oil and gas royalties-----	116	-	-	-	-	-	-	263	379
Fines and forfeitures-----	20,204	-	-	-	-	-	-	1,314	21,518
Investment income-----	2,263	1,379	71	2,604	(136)	1,854	51	1,103	9,189
Charges for services-----	26,508	-	-	-	-	-	19,448	2,957	48,913
Rental income-----	2,799	-	-	4	-	-	1,372	26	4,201
Payments from component units-----	4,491	-	2,946	-	-	-	-	1,303	8,740
Intergovernmental programs-----	32,638	-	25,303	-	-	-	-	9,048	66,989
Capital grants-----	-	-	2,999	-	-	-	-	530	3,529
Other-----	1,722	441	-	-	-	5	544	2,152	4,864
<b>Total revenues-----</b>	<b>436,262</b>	<b>90,792</b>	<b>31,319</b>	<b>59,054</b>	<b>54,588</b>	<b>1,859</b>	<b>21,847</b>	<b>170,037</b>	<b>865,758</b>
<b>EXPENDITURES</b>									
<b>CURRENT</b>									
General government-----	53,021	-	-	-	-	-	-	176	53,197
Public safety:									
Police-----	132,498	-	-	-	-	-	-	42,783	175,281
Fire-----	103,141	-	-	-	-	-	-	43,746	146,887
Other-----	10,366	-	-	-	-	-	-	17,452	27,818
Public services-----	60,532	-	20,930	-	1,693	24,565	-	13,055	120,775
Culture and recreation-----	25,633	-	-	326	-	-	26,671	12,693	65,323
Education-----	1	-	-	-	-	-	-	42	43
Economic development-----	22	-	-	-	-	-	-	1,807	1,829
Capital outlay-----	228	-	6,597	118,732	-	39,184	4,920	20,612	190,273
<b>DEBT SERVICE</b>									
Principal-----	24	61,473	225	-	-	-	-	-	61,722
Interest-----	4	29,819	-	-	-	-	175	-	29,998
Bond issuance costs-----	-	372	-	-	-	400	-	-	772
Other debt service-----	5	-	-	-	-	-	-	-	5
<b>Total expenditures-----</b>	<b>385,475</b>	<b>91,664</b>	<b>27,752</b>	<b>119,058</b>	<b>1,693</b>	<b>64,149</b>	<b>31,766</b>	<b>152,366</b>	<b>873,923</b>
<b>Excess (deficiency) of revenues over (under) expenditures-----</b>	<b>50,787</b>	<b>(872)</b>	<b>3,567</b>	<b>(60,004)</b>	<b>52,895</b>	<b>(62,290)</b>	<b>(9,919)</b>	<b>17,671</b>	<b>(8,165)</b>
<b>OTHER FINANCING</b>									
<b>SOURCES (USES)</b>									
Transfers from other funds-----	1,553	-	3,329	-	-	123,740	8,227	17,871	154,720
Transfers to other funds-----	(25,288)	(123,740)	-	(1,295)	-	(5)	(131)	(24,389)	(174,848)
Capital financing and long-term debt issued-----	46	-	-	-	-	-	-	-	46
Sale of assets-----	24	-	-	-	-	5	15	1,582	1,626
Premium on bonds-----	-	6,855	-	-	-	-	-	-	6,855
Bonded debt issued-----	-	123,740	-	-	-	-	-	-	123,740
<b>Net other financing sources (uses)-----</b>	<b>(23,665)</b>	<b>6,855</b>	<b>3,329</b>	<b>(1,295)</b>	<b>-</b>	<b>123,740</b>	<b>8,111</b>	<b>(4,936)</b>	<b>112,139</b>
<b>SPECIAL ITEM</b>									
Special item-----	-	-	-	-	-	-	-	8,471	8,471
<b>Net change in fund balances-----</b>	<b>27,122</b>	<b>5,983</b>	<b>6,896</b>	<b>(61,299)</b>	<b>52,895</b>	<b>61,450</b>	<b>(1,808)</b>	<b>21,206</b>	<b>112,445</b>
<b>FUND BALANCES</b>									
Fund balances, beginning:									
As previously reported-----	114,904	106,793	16,748	442,800	-	226,821	9,129	161,673	1,078,868
Prior period adjustment-----	-	-	1,139	-	-	-	-	-	1,139
Fund balances, beginning, as restated-----	114,904	106,793	17,887	442,800	-	226,821	9,129	161,673	1,080,007
<b>Fund balances, ending-----</b>	<b>\$142,026</b>	<b>\$112,776</b>	<b>\$24,783</b>	<b>\$381,501</b>	<b>\$52,895</b>	<b>\$288,271</b>	<b>\$7,321</b>	<b>\$182,879</b>	<b>\$1,192,452</b>

See accompanying notes to financial statements.

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES**  
**For the Year Ended June 30, 2018**  
**(dollars are in thousands)**

Net change in fund balances – total governmental funds			\$112,445
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.			
Capital outlay		\$190,273	
Depreciation expense		<u>(110,290)</u>	79,983
In the statement of activities, the loss on the disposal of assets is reported, whereas in the governmental funds, the proceeds from the sale increase financial resources. The change in net position differs from the change in fund balance by the cost of the assets disposed, net of related accumulated depreciation.			
Sale of assets - governmental funds		(\$1,626)	
Gain on disposal of assets - government-wide		<u>(383)</u>	(2,009)
Donations of capital assets increase net position in the statement of activities, but do not appear in the governmental funds because they are not financial resources.			
Assets donated to others - Public Schools			(21,824)
Special Item - dissolution of OCMAPs Trust			23,365
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. Also, in the prior year, earned, but unavailable, revenue was reported as revenue in the statement of activities and in the current year. It is recognized in the governmental funds and reversed in the statement of activities.			
		<u>Current Year</u>	<u>Prior Year</u>
Unavailable revenues reported in governmental funds		\$9,146	(\$13,599)
EMSA joint venture equity interest		<u>13,704</u>	<u>(13,986)</u>
The proceeds of debt issuances provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.			
Debt activity reported in fund statements			
Long-term debt issued		(\$123,740)	
Premium on bonds		(6,855)	
Capital financing		(46)	
Debt principal		61,698	
Capital lease principal payments		24	
Debt activity recognized in the statement of activities			
Pollution remediation identified/adjusted in current year		380	
Disposal of capital lease		16	
Torts and other identified/adjusted in current year		(5,672)	
Amortization of deferred amount on refunding		(794)	
Amortization of premium on bonds		7,649	
Change in bond interest payable		<u>(29)</u>	(67,369)
Some expenses reported in the statement of activities do not require the use of current financial resources and are not reported as expenditures in governmental funds.			
		<u>Current Year</u>	<u>Prior Year</u>
Compensated absences		(\$81,033)	\$76,125
Compensated absences - internal service funds		2,083	(1,991)
Pension asset, liability, deferred inflows and outflows		(276,776)	287,307
Pension asset, liability, deferred inflows and outflows - internal service funds		(2,116)	2,117
Other post-employment benefit liability, deferred inflows and outflows		(400,097)	137,277
Other post-employment benefit liability			
deferred inflows and outflows - internal service funds		15,747	(5,262)
Change in accounting principle		252,393	-
Change in accounting principle - internal service funds		(10,198)	-
Change in accounting principle - internal service funds allocated to business-type activities		<u>3,140</u>	<u>-</u>
			(1,284)
Internal service funds are used by management to charge the costs of internal activities.			
Internal service fund changes in net position		\$8,499	
Business-type activities net activities due to governmental type activities		<u>(2,617)</u>	<u>5,882</u>
<b>Change in net position of governmental activities</b>			<b><u><u>\$137,411</u></u></b>

See accompanying notes to financial statements.

**STATEMENT OF REVENUES, EXPENDITURES,  
ENCUMBRANCES, AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
For the Year Ended June 30, 2018  
(dollars are in thousands)**

**CITY OF OKLAHOMA CITY, OKLAHOMA**

	General Fund						Total Actual	Variance
	Original Budget	Revisions	Revised Budget	Expenditures	Encumbrances			
<b>REVENUES</b>								
<u>TAXES</u>								
Sales taxes-----	\$212,187	\$9,976	\$222,163			\$230,068	\$7,905	
Use taxes-----	38,485	-	38,485			44,680	6,195	
Hotel/Motel taxes-----	-	-	-			660	660	
Commercial vehicle taxes-----	4,324	-	4,324			4,438	114	
Motor fuel taxes-----	1,174	-	1,174			1,202	28	
Excise taxes-----	4,728	-	4,728			5,166	438	
Alcoholic beverage taxes-----	973	-	973			989	16	
Utility taxes-----	5,778	-	5,778			5,545	(233)	
<u>LICENSES, PERMITS AND FEES</u>								
Licenses-----	1,560	-	1,560			871	(689)	
Permits-----	10,315	-	10,315			11,004	689	
Franchise fees-----	35,269	-	35,269			37,986	2,717	
Other police fees-----	483	-	483			481	(2)	
Other fees-----	612	-	612			560	(52)	
Fines and forfeitures-----	21,917	-	21,917			20,321	(1,596)	
Investment income-----	566	-	566			1,046	480	
Charges for services-----	8,432	-	8,432			7,592	(840)	
Administrative charges-----	23,183	-	23,183			23,283	100	
<u>OTHER REVENUE</u>								
Rental income-----	2,586	-	2,586			2,774	188	
Other revenue-----	28,656	216	28,872			28,129	(743)	
<b>Total revenues</b> -----	<b>401,228</b>	<b>10,192</b>	<b>411,420</b>			<b>426,795</b>	<b>15,375</b>	
<b>EXPENDITURES</b>								
<u>GENERAL GOVERNMENT</u>								
Juvenile justice - Municipal Counselor:								
Personal services-----	117	8	125	124	-	124	1	
Supplies-----	3	3	6	4	1	5	1	
Mayor and Council:								
Personal services-----	872	65	937	911	-	911	26	
Other services and charges-----	129	-	129	83	24	107	22	
Supplies-----	10	-	10	3	5	8	2	
City manager:								
Personal services-----	2,704	45	2,749	2,734	-	2,734	15	
Other services and charges-----	321	73	394	382	-	382	12	
Supplies-----	27	42	69	49	11	60	9	
Municipal counselor:								
Personal services-----	5,992	145	6,137	6,102	-	6,102	35	
Other services and charges-----	457	208	665	615	12	627	38	
Supplies-----	121	-	121	105	-	105	16	
Personnel:								
Personal services-----	2,538	2	2,540	2,539	-	2,539	1	
Other services and charges-----	386	31	417	390	1	391	26	
Supplies-----	16	-	16	15	-	15	1	
City clerk:								
Personal services-----	700	18	718	713	-	713	5	
Other services and charges-----	202	5	207	207	-	207	-	
Supplies-----	5	-	5	5	-	5	-	

**STATEMENT OF REVENUES, EXPENDITURES,  
ENCUMBRANCES, AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
For the Year Ended June 30, 2018  
(dollars are in thousands)**

**CITY OF OKLAHOMA CITY, OKLAHOMA**

	General Fund						Total Actual	Variance
	Original Budget	Revisions	Revised Budget	Expenditures	Encumbrances			
Finance:								
Personal services-----	6,705	(164)	6,541	6,541	-	6,541	-	
Other services and charges-----	1,376	27	1,403	1,281	-	1,281	122	
Supplies-----	100	(40)	60	53	-	53	7	
City auditor:								
Personal services-----	1,006	10	1,016	1,015	-	1,015	1	
Other services and charges-----	57	5	62	53	-	53	9	
Supplies-----	10	(2)	8	5	-	5	3	
General services:								
Personal services-----	3,153	60	3,213	3,200	-	3,200	13	
Other services and charges-----	1,410	220	1,630	1,488	12	1,500	130	
Supplies-----	137	350	487	402	19	421	66	
Non-departmental:								
Personal services-----	20,397	(1,751)	18,646	18,534	-	18,534	112	
Other services and charges-----	15,432	(3,981)	11,451	5,405	18	5,423	6,028	
Supplies-----	8	52	60	20	-	20	40	
Debt service-----	10	-	10	-	-	-	10	
<b><u>PUBLIC SAFETY</u></b>								
Juvenile justice - Court administration:								
Personal services-----	621	65	686	680	-	680	6	
Other services and charges-----	143	(20)	123	112	-	112	11	
Supplies-----	7	(6)	1	1	-	1	-	
Municipal courts:								
Personal services-----	4,099	(55)	4,044	4,004	-	4,004	40	
Other services and charges-----	3,194	(497)	2,697	2,615	-	2,615	82	
Supplies-----	192	37	229	111	1	112	117	
Police:								
Personal services-----	111,870	5,282	117,152	117,115	-	117,115	37	
Other services and charges-----	17,181	(97)	17,084	16,781	203	16,984	100	
Supplies-----	904	(69)	835	692	127	819	16	
Fire:								
Personal services-----	85,317	3,782	89,099	88,619	-	88,619	480	
Other services and charges-----	5,944	(106)	5,838	5,677	39	5,716	122	
Supplies-----	1,305	120	1,425	1,307	64	1,371	54	
Capital outlay-----	-	36	36	36	-	36	-	
<b><u>PUBLIC SERVICES</u></b>								
Development services:								
Personal services-----	13,969	43	14,012	14,011	-	14,011	1	
Other services and charges-----	2,750	38	2,788	2,643	1	2,644	144	
Supplies-----	679	(18)	661	605	23	628	33	
Planning:								
Personal services-----	2,594	(237)	2,357	2,326	-	2,326	31	
Other services and charges-----	1,126	146	1,272	1,148	28	1,176	96	
Supplies-----	15	-	15	11	1	12	3	
Public works:								
Personal services-----	19,345	(710)	18,635	18,401	-	18,401	234	
Other services and charges-----	5,639	383	6,022	5,727	36	5,763	259	
Supplies-----	2,820	(224)	2,596	1,968	126	2,094	502	

(continued)

**STATEMENT OF REVENUES, EXPENDITURES,  
ENCUMBRANCES, AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
For the Year Ended June 30, 2018  
(dollars are in thousands)**

**CITY OF OKLAHOMA CITY, OKLAHOMA**

	General Fund						Total Actual	Variance
	Original Budget	Revisions	Revised Budget	Expenditures	Encumbrances			
<b>CULTURE AND RECREATION</b>								
Parks:								
Personal services-----	14,941	(1,352)	13,589	13,477	-	13,477	112	
Other services and charges-----	8,875	(1)	8,874	8,126	61	8,187	687	
Supplies-----	1,995	(283)	1,712	1,562	84	1,646	66	
Capital outlay-----	-	208	208	135	21	156	52	
<b>Total expenditures and encumbrances---</b>	<b>369,926</b>	<b>1,896</b>	<b>371,822</b>	<b>360,868</b>	<b>918</b>	<b>361,786</b>	<b>10,036</b>	
<b>PRIOR YEAR ENCUMBRANCES</b>								
Related to prior year budgets (1)-----	-	-	-	(543)	-	(543)	543	
Related to current year budgets-----	-	-	-	-	(918)	(918)	918	
<b>Net expenditures and encumbrances---</b>	<b>369,926</b>	<b>1,896</b>	<b>371,822</b>	<b>\$360,325</b>	<b>\$ -</b>	<b>360,325</b>	<b>11,497</b>	
<b>Excess of revenues over expenditures-----</b>	<b>31,302</b>	<b>8,296</b>	<b>39,598</b>			<b>66,470</b>	<b>26,872</b>	
<b>OTHER FINANCING SOURCES (USES)</b>								
<b>TRANSFERS FROM OTHER FUNDS</b>								
OCPPA General Purpose Fund-----	231	-	231			231	-	
Capital Improvement Fund-----	450	610	1,060			794	(266)	
Courts Administration-----	-	-	-			427	427	
<b>TRANSFERS FROM COMPONENT UNITS</b>								
OCEDT-----	447	-	447			361	(86)	
<b>TRANSFERS TO OTHER FUNDS</b>								
General government:								
Capital Improvement Fund-----	(6,301)	(8,194)	(14,495)			(14,354)	141	
OCMFA General Purpose Fund-----	(395)	(75)	(470)			(432)	38	
OCMFA Services Fund-----	(225)	-	(225)			(165)	60	
OCPPA General Purpose Fund-----	(6,417)	(798)	(7,215)			(7,138)	77	
Grants Management Fund-----	-	(132)	(132)			(132)	-	
Public safety:								
Emergency Management Fund-----	(2,835)	35	(2,800)			(2,800)	-	
Public services:								
Parking Fund-----	(502)	-	(502)			(502)	-	
Transportation Fund-----	(405)	-	(405)			(405)	-	
Culture and recreation:								
OCPPA Golf Courses Fund-----	(1,196)	-	(1,196)			(1,222)	(26)	
OCPPA Fairgrounds-----	(15)	-	(15)			-	15	
<b>Total transfers to other funds-----</b>	<b>(18,291)</b>	<b>(9,164)</b>	<b>(27,455)</b>			<b>(27,150)</b>	<b>305</b>	
<b>TRANSFERS TO COMPONENT UNITS</b>								
General government:								
OCEDT-----	-	-	-			(5,494)	(5,494)	
Public services:								
COTPA-----	(16,239)	(285)	(16,524)			(16,524)	-	
<b>OTHER FINANCING SOURCES</b>								
Sale of assets-----	100	-	100			24	(76)	
<b>Total other financing sources (uses)-----</b>	<b>(33,302)</b>	<b>(8,839)</b>	<b>(42,141)</b>			<b>(47,331)</b>	<b>(5,190)</b>	
<b>Excess (deficiency) of revenues and other sources over expenditures and other uses----</b>	<b>(2,000)</b>	<b>(543)</b>	<b>(2,543)</b>			<b>19,139</b>	<b>21,682</b>	

(continued)



**STATEMENT OF REVENUES, EXPENDITURES,  
ENCUMBRANCES, AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
For the Year Ended June 30, 2018  
(dollars are in thousands)**

**CITY OF OKLAHOMA CITY, OKLAHOMA**

	General Fund				Total Actual	Variance
	Original Budget	Revisions	Revised Budget	Expenditures Encumbrances		
<b><u>FUND BALANCE (NON-GAAP BUDGETARY BASIS)</u></b>						
<b><u>BEGINNING FUND BALANCE</u></b>						
Appropriated for current year budget-----	2,000	-	2,000		2,000	-
Reappropriated for prior year encumbrances-----	-	543	543		543	-
Not appropriated-----	-	-	-		63,117	63,117
Beginning fund balance-----	<u>2,000</u>	<u>543</u>	<u>2,543</u>		<u>65,660</u>	<u>63,117</u>
<b><u>ENDING FUND BALANCE</u></b>						
Before encumbrances-----	-	-	-		84,799	84,799
Less: current year encumbrances-----	-	-	-		(918)	(918)
Ending fund balance-----	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>		<u>83,881</u>	<u>\$83,881</u>
<b><u>RECONCILIATION OF FUND BALANCE NON-GAAP BUDGETARY BASIS TO GENERALLY ACCEPTED ACCOUNTING PRINCIPLES</u></b>						
Current year encumbrances included in expenditures-----					918	
Inventories -----					6,621	
Revenue and transfer accruals-----					46,629	
Expenditure and transfer accruals-----					3,977	
Fund balance, ending-----					<u>\$142,026</u>	

- (1) Expenditures paid against prior year encumbrances are reported with current year expenditures in the schedule shown. Prior year encumbrances reduce beginning budgetary fund balance. Therefore, prior year encumbrances are subtracted from current year expenditures to appropriately report the amount of beginning fund balance.

See accompanying notes to the financial statements

**STATEMENT OF FUND NET POSITION  
PROPRIETARY FUNDS  
June 30, 2018  
(dollars are in thousands)**

**CITY OF OKLAHOMA CITY, OKLAHOMA**

	Water and Wastewater		OCPPA		OCPPA Golf	Other Enterprise	Total Enterprise	Internal Service
	Fund	OCEAT	OCZT	Fairgrounds	Courses	Funds	Funds	Funds
<b>ASSETS</b>								
<b>CURRENT ASSETS</b>								
Pooled cash-----	\$ -	\$ -	\$ -	\$8	\$5	\$51	\$64	\$1,235
Non-pooled cash-----	-	2,401	10,073	-	1,290	-	13,764	6,704
Investments-----	11,007	44,998	-	13,364	1,991	20,988	92,348	53,031
Accounts receivable, net-----	-	8,372	1,167	-	-	1,767	11,306	-
Interest, dividends, and royalties receivable-----	46	155	-	20	4	89	314	173
Due from other funds-----	-	400	1,951	755	-	241	3,347	1,040
Receivable from component units-----	-	8	-	-	-	407	415	39
Intergovernmental receivables-----	-	976	-	-	-	-	976	63
Service concession arrangements receivable-----	-	-	1,014	-	-	-	1,014	-
Inventories-----	7,266	822	149	-	332	1,003	9,572	1,120
Prepays-----	21	-	13	19	4	6	63	1,327
Total current assets-----	18,340	58,132	14,367	14,166	3,626	24,552	133,183	64,732
<b>NON-CURRENT ASSETS</b>								
Investments-----	-	1,322	1,119	783	456	-	3,680	-
Prepays, non-current-----	-	-	-	294	5	2	301	13
Service concession arrangements receivable-----	-	-	5,351	-	-	-	5,351	-
Advance to other funds-----	-	-	363	-	-	12,664	13,027	21,774
Receivable from component units-----	63,724	-	-	-	-	15,346	79,070	-
Net pension asset-----	5,939	-	1,116	-	435	3,728	11,218	1,622
Capital assets:								
Land, art, water storage rights and construction in progress-----	9,378	568	21,472	9,515	-	19,694	60,627	928
Other capital assets, net of accumulated depreciation--	285,468	24,644	69,269	38,270	10,804	35,712	464,167	8,674
Capital assets, net-----	294,846	25,212	90,741	47,785	10,804	55,406	524,794	9,602
Total non-current assets-----	364,509	26,534	98,690	48,862	11,700	87,146	637,441	33,011
<b>Total assets-----</b>	<b>382,849</b>	<b>84,666</b>	<b>113,057</b>	<b>63,028</b>	<b>15,326</b>	<b>111,698</b>	<b>770,624</b>	<b>97,743</b>
<b>DEFERRED OUTFLOWS OF RESOURCES-----</b>	<b>8,296</b>	<b>21</b>	<b>1,776</b>	<b>-</b>	<b>704</b>	<b>5,051</b>	<b>15,848</b>	<b>2,090</b>
<b>LIABILITIES</b>								
<b>CURRENT LIABILITIES</b>								
Accounts payable and accrued expenses-----	1,912	5,966	1,941	1,239	372	302	11,732	3,968
Wages and benefits payable-----	1,998	-	140	-	223	1,337	3,698	638
Due to other funds-----	3,100	262	-	755	44	193	4,354	115
Payable to component units-----	537	-	-	-	-	70	607	276
Interest payable-----	-	-	-	-	-	-	-	63
Compensated absences-----	2,153	-	109	-	46	1,575	3,883	787
Notes, lease obligations and estimated claims payable----	13	-	-	-	-	-	13	10,492
Unearned revenue-----	-	-	494	-	-	-	494	-
Bond interest payable-----	-	251	2	897	93	-	1,243	-
Bonds payable-----	-	965	680	2,860	845	-	5,350	-
Total current liabilities-----	9,713	7,444	3,366	5,751	1,623	3,477	31,374	16,339
<b>NON-CURRENT LIABILITIES</b>								
Compensated absences-----	3,523	-	-	-	114	2,969	6,606	1,296
Payable to component units-----	-	-	-	-	-	-	-	277
Notes, lease obligations and estimated claims payable----	181	-	-	-	-	-	181	31,445
Advance from other funds-----	-	12,212	-	-	552	-	12,764	17,270
Unearned revenue-----	-	-	2,120	-	-	-	2,120	-
Bonds payable, net-----	-	14,174	6	77,050	10,352	-	101,582	-
Net other post-employment benefit liability-----	72,861	-	18,842	-	7,984	41,389	141,076	14,979
Total non-current liabilities-----	76,565	26,386	20,968	77,050	19,002	44,358	264,329	65,267
<b>Total liabilities-----</b>	<b>86,278</b>	<b>33,830</b>	<b>24,334</b>	<b>82,801</b>	<b>20,625</b>	<b>47,835</b>	<b>295,703</b>	<b>81,606</b>
<b>DEFERRED INFLOWS OF RESOURCES-----</b>	<b>10,215</b>	<b>-</b>	<b>8,731</b>	<b>169</b>	<b>978</b>	<b>6,036</b>	<b>26,129</b>	<b>2,362</b>
<b>NET POSITION</b>								
Net investment in capital assets-----	294,652	13,261	91,829	(26,422)	478	55,406	429,204	3,880
Restricted for:								
Capital projects-----	-	24	-	-	1	-	25	-
Debt service-----	-	988	3	2,929	642	-	4,562	-
Unrestricted-----	-	36,584	(10,064)	3,551	(6,694)	7,472	30,849	11,985
<b>Total net position-----</b>	<b>\$294,652</b>	<b>\$50,857</b>	<b>\$81,768</b>	<b>(\$19,942)</b>	<b>(\$5,573)</b>	<b>\$62,878</b>	<b>\$464,640</b>	<b>\$15,865</b>

Adjustment to reflect consolidation of applicable internal service fund activities to business-type activities----- (43,086)

**Net position business-type activities-----** **\$421,554**

See accompanying notes to financial statements.

**STATEMENT OF REVENUES, EXPENSES,  
AND CHANGES IN FUND NET POSITION  
PROPRIETARY FUNDS  
For the Year Ended June 30, 2018  
(dollars are in thousands)**

**CITY OF OKLAHOMA CITY, OKLAHOMA**

	Water and Wastewater		OCPPA		OCPPA Golf	Other Enterprise	Total Enterprise	Internal Service
	Fund	OCEAT	OCZT	Fairgrounds	Courses	Funds	Funds	Funds
<b>OPERATING REVENUES</b>								
<b>CHARGES FOR SERVICES</b>								
Drainage charges-----	\$ -	\$ -	\$ -	\$ -	\$ -	\$17,752	\$17,752	\$ -
Sanitation charges-----	-	55,974	-	-	-	-	55,974	-
Green fees-----	-	-	-	-	5,011	-	5,011	-
Concessions-----	-	-	1,431	-	1,410	-	2,841	-
Internal service charges-----	-	-	-	-	-	-	-	104,736
Other charges-----	-	-	6,992	-	23	38	7,053	226
Total charges for services-----	-	55,974	8,423	-	6,444	17,790	88,631	104,962
Lease and rental income-----	-	-	1,501	-	2,401	-	3,902	-
Forfeitures-----	-	-	-	-	-	-	-	1
Other-----	-	-	-	-	20	122	142	108
<b>Total operating revenues-----</b>	<b>-</b>	<b>55,974</b>	<b>9,924</b>	<b>-</b>	<b>8,865</b>	<b>17,912</b>	<b>92,675</b>	<b>105,071</b>
<b>OPERATING EXPENSES</b>								
Personal services-----	-	8,503	10,527	-	4,504	9,269	32,803	14,890
Maintenance, operations, and contractual services----	-	35,186	3,819	1,469	2,417	4,095	46,986	75,402
Materials and supplies-----	-	2,276	2,209	171	1,588	815	7,059	4,827
Depreciation-----	10,922	3,341	3,240	6,692	910	3,972	29,077	605
<b>Total operating expenses-----</b>	<b>10,922</b>	<b>49,306</b>	<b>19,795</b>	<b>8,332</b>	<b>9,419</b>	<b>18,151</b>	<b>115,925</b>	<b>95,724</b>
<b>Operating income (loss)-----</b>	<b>(10,922)</b>	<b>6,668</b>	<b>(9,871)</b>	<b>(8,332)</b>	<b>(554)</b>	<b>(239)</b>	<b>(23,250)</b>	<b>9,347</b>
<b>NON-OPERATING REVENUES (EXPENSES)</b>								
Non-capital contributions-----	-	-	1,917	-	-	-	1,917	-
Investment income-----	-	277	142	111	15	103	648	339
Bond insurance-----	-	-	-	(19)	-	-	(19)	-
Interest on torts, bonds, notes, commercial paper, and lease obligations-----	(7)	(435)	(83)	(2,899)	(389)	-	(3,813)	(262)
Amortization-----	-	-	-	-	2	-	2	-
Payments from component units-----	17	-	-	-	-	355	372	-
Other revenues-----	-	351	-	-	96	114	561	107
<b>Net non-operating revenues (expenses)-----</b>	<b>10</b>	<b>193</b>	<b>1,976</b>	<b>(2,807)</b>	<b>(276)</b>	<b>572</b>	<b>(332)</b>	<b>184</b>
<b>Income (loss) before contributions and transfers---</b>	<b>(10,912)</b>	<b>6,861</b>	<b>(7,895)</b>	<b>(11,139)</b>	<b>(830)</b>	<b>333</b>	<b>(23,582)</b>	<b>9,531</b>
<b>CONTRIBUTIONS AND TRANSFERS</b>								
Capital contributions from developers-----	14,360	-	-	-	-	-	14,360	-
Transfers from other funds-----	-	-	13,899	8,339	1,222	405	23,865	856
Transfers to other funds-----	-	(1,053)	-	-	-	(1,652)	(2,705)	(1,888)
<b>Total contributions and transfers-----</b>	<b>14,360</b>	<b>(1,053)</b>	<b>13,899</b>	<b>8,339</b>	<b>1,222</b>	<b>(1,247)</b>	<b>35,520</b>	<b>(1,032)</b>
<b>Changes in net assets-----</b>	<b>3,448</b>	<b>5,808</b>	<b>6,004</b>	<b>(2,800)</b>	<b>392</b>	<b>(914)</b>	<b>11,938</b>	<b>8,499</b>
<b>NET POSITION</b>								
Net assets, beginning:								
As previously reported-----	291,204	55,166	89,582	(17,142)	(2,217)	73,696		17,564
Change in accounting principle-----	-	(10,117)	(13,818)	-	(3,748)	(9,904)		(10,198)
Net assets, beginning, as restated-----	291,204	45,049	75,764	(17,142)	(5,965)	63,792		7,366
<b>Total net position, ending-----</b>	<b>\$294,652</b>	<b>\$50,857</b>	<b>\$81,768</b>	<b>(\$19,942)</b>	<b>(\$5,573)</b>	<b>\$62,878</b>		<b>\$15,865</b>
Adjustment to reflect the consolidation of applicable internal service fund activities to business-type activities-----							2,617	
<b>Changes in net assets of business-type activities-----</b>							<b>\$14,555</b>	
Adjustment to reflect the applicable internal service fund change in accounting principles-----							<b>(\$3,140)</b>	

See accompanying notes to financial statements.

**STATEMENT OF CASH FLOWS  
 PROPRIETARY FUNDS  
 For the Year Ended June 30, 2018  
 (dollars are in thousands)**

**CITY OF OKLAHOMA CITY, OKLAHOMA**

	Water and Wastewater		OCPPA		OCPPA Golf	Other Enterprise	Total Enterprise	Internal Service
	Fund	OCEAT	OCZT	Fairgrounds	Courses	Funds	Funds	Funds
<b><u>CASH FLOWS FROM OPERATING ACTIVITIES</u></b>								
Cash received from customers-----	\$ -	\$55,426	\$10,759	\$ -	\$8,868	\$17,761	\$92,814	\$104,894
Cash payments to suppliers for goods and services-----	(21,528)	(31,107)	(7,270)	(1,973)	(3,705)	(8,508)	(74,091)	(79,340)
Cash payments to employees and professional contractors for services-----	(48,416)	(26)	(11,889)	-	(4,390)	(30,658)	(95,379)	(14,393)
Cash payments for internal services-----	(11,287)	(3,509)	-	-	(197)	(4,052)	(19,045)	(2,109)
Operating payments to component units-----	-	(8)	-	-	-	15,851	15,843	-
Cost reimbursements from (to) other funds-----	82,900	(9,700)	-	-	-	12,534	85,734	(2,688)
Other cash receipts-----	263	-	-	-	-	-	263	1
<b>Net cash provided (used) by operating activities-----</b>	<b>1,932</b>	<b>11,076</b>	<b>(8,400)</b>	<b>(1,973)</b>	<b>576</b>	<b>2,928</b>	<b>6,139</b>	<b>6,365</b>
<b><u>CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES</u></b>								
Cash received from operating grants and donations-----	-	1,427	1,424	-	-	-	2,851	-
Interest paid on torts-----	-	-	-	-	-	-	-	(55)
Transfers received from other funds-----	-	(869)	13,768	16,836	1,222	734	31,691	(1,078)
Transfers received paid to other funds-----	-	-	-	(7,357)	(83)	(1,652)	(9,092)	(3,750)
Other non-capital financing cash receipts-----	-	-	-	-	-	-	-	12
<b>Net cash provided (used) by non-capital financing activities-----</b>	<b>-</b>	<b>558</b>	<b>15,192</b>	<b>9,479</b>	<b>1,139</b>	<b>(918)</b>	<b>25,450</b>	<b>(4,871)</b>
<b><u>CASH FLOWS FROM CAPITAL AND CAPITAL RELATED FINANCING ACTIVITIES</u></b>								
Payments for acquisition and construction of capital assets-----	-	(13,207)	(18,760)	(6,768)	(269)	(1,173)	(40,177)	(4,052)
Principal paid on long-term debt-----	(12)	(195)	(650)	(2,725)	(825)	-	(4,407)	(668)
Interest paid on long-term debt-----	(5)	(368)	(58)	(3,655)	(383)	-	(4,469)	64
Proceeds from sale of assets-----	-	199	-	-	2	131	332	(272)
Capital grants and contributions received-----	-	-	493	-	-	-	493	-
<b>Net cash used by capital and related financing activities-----</b>	<b>(17)</b>	<b>(13,571)</b>	<b>(18,975)</b>	<b>(13,148)</b>	<b>(1,475)</b>	<b>(1,042)</b>	<b>(48,228)</b>	<b>(4,928)</b>
<b><u>CASH FLOWS FROM INVESTING ACTIVITIES</u></b>								
Payments for purchase of investments-----	-	(70,597)	(14,540)	(20,332)	(1,230)	-	(106,699)	-
Proceeds from sale of investments-----	-	66,500	14,171	28,355	1,225	-	110,251	74
Changes in pooled investments-----	(2,287)	13	-	(2,809)	(309)	(1,638)	(7,030)	(13,596)
Investment income received-----	76	671	131	98	13	109	1,098	644
Purchased interest-----	(3)	12	-	-	-	(4)	5	(11)
<b>Net cash provided (used) by investing activities-----</b>	<b>(2,214)</b>	<b>(3,401)</b>	<b>(238)</b>	<b>5,312</b>	<b>(301)</b>	<b>(1,533)</b>	<b>(2,375)</b>	<b>(12,889)</b>
<b>Net decrease in cash-----</b>	<b>(299)</b>	<b>(5,338)</b>	<b>(12,421)</b>	<b>(330)</b>	<b>(61)</b>	<b>(565)</b>	<b>(19,014)</b>	<b>(16,323)</b>
Cash, beginning-----	299	7,739	22,494	338	1,356	616	32,842	24,262
<b>Cash, ending-----</b>	<b>\$ -</b>	<b>\$2,401</b>	<b>\$10,073</b>	<b>\$8</b>	<b>\$1,295</b>	<b>\$51</b>	<b>\$13,828</b>	<b>\$7,939</b>

**STATEMENT OF CASH FLOWS  
 PROPRIETARY FUNDS  
 For the Year Ended June 30, 2018  
 (dollars are in thousands)**

**CITY OF OKLAHOMA CITY, OKLAHOMA**

	Water and Wastewater Fund	OCEAT	OCZT	OCPPA Fairgrounds	OCPPA Golf Courses	Other Enterprise Funds	Total Enterprise Funds	Internal Service Funds
<b><u>RECONCILIATION OF OPERATING INCOME</u></b>								
<b><u>(LOSS) TO NET CASH PROVIDED (USED) BY</u></b>								
<b><u>OPERATING ACTIVITIES</u></b>								
Operating income (loss)-----	(\$10,922)	\$6,668	(\$9,871)	(\$8,332)	(\$554)	(\$239)	(\$23,250)	\$9,347
<b><u>ADJUSTMENTS TO RECONCILE</u></b>								
<b><u>OPERATING INCOME (LOSS) TO NET CASH</u></b>								
<b><u>PROVIDED (USED) BY OPERATING ACTIVITIES</u></b>								
Depreciation-----	10,922	3,341	3,240	6,692	910	3,972	29,077	605
Other revenue (expense)-----	-	245	-	(19)	96	(441)	(119)	91
Changes in assets and liabilities:								
(Increase) decrease in accounts receivable-----	-	(556)	861	-	5	(139)	171	35
(Increase) decrease in due from other funds-----	-	(7)	-	-	-	1	(6)	(4,394)
(Increase) decrease in receivable from component units-----	(1,454)	(8)	-	-	-	(735)	(2,197)	35
(Increase) decrease in inventories-----	(255)	(248)	727	-	5	(41)	188	(435)
(Increase) decrease in prepaid assets-----	(5)	1	10	19	-	2	27	513
(Increase) decrease in net pension asset-----	(5,939)	-	(1,116)	-	(435)	(3,728)	(11,218)	(1,622)
(Increase) decrease in deferred outflows-----	5,802	-	1,063	-	412	3,666	10,943	1,609
Increase (decrease) in accounts payable and accrued expenses-----	(185)	1,490	(1,902)	(250)	64	(378)	(1,161)	(313)
Increase (decrease) in wages and benefits payable-----	70	-	(329)	-	3	130	(126)	100
Increase (decrease) in due to other funds-----	2,269	148	-	(83)	(69)	(89)	2,176	4,009
Increase (decrease) in payable to component unit-----	81	2	-	-	-	70	153	176
Increase (decrease) in compensated absences-----	17	-	(52)	-	(38)	20	(53)	92
Increase (decrease) in long-term debt-----	-	-	-	-	-	-	-	(3,944)
Increase (decrease) in notes, lease and estimated claims payable-----	-	-	(55)	-	-	-	(55)	162
Increase (decrease) in net pension liability-----	(279)	-	(52)	-	(20)	(175)	(526)	(76)
Increase (decrease) in net other post-employment benefit liability-----	(4,549)	-	(1,176)	-	(498)	(2,583)	(8,806)	(935)
Increase (decrease) in unearned revenue-----	-	-	(49)	-	-	-	(49)	-
Increase (decrease) in deferred inflows-----	6,359	-	301	-	695	3,615	10,970	1,310
Total adjustments-----	12,854	4,408	1,471	6,359	1,130	3,167	29,389	(2,982)
<b>Net cash provided (used) by operating activities-----</b>	<b>\$1,932</b>	<b>\$11,076</b>	<b>(\$8,400)</b>	<b>(\$1,973)</b>	<b>\$576</b>	<b>\$2,928</b>	<b>\$6,139</b>	<b>\$6,365</b>
<b><u>NON-CASH INVESTING, CAPITAL, AND FINANCING</u></b>								
<b><u>ACTIVITIES</u></b>								
Net increase (decrease) in fair value of investments-----	\$ -	(\$473)	\$ -	\$ -	\$ -	\$ -	(\$473)	(\$353)
Donated assets-----	14,360	-	-	-	-	-	14,360	-
<b>Total non-cash investing, capital, and financing activities-----</b>	<b>\$14,360</b>	<b>(\$473)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$13,887</b>	<b>(\$353)</b>

See accompanying notes to financial statements.

**STATEMENT OF FIDUCIARY NET POSITION**  
**June 30, 2018**  
(dollars are in thousands)

**CITY OF OKLAHOMA CITY, OKLAHOMA**

	<b>Pension and Other Post-employment Benefit Trust Funds</b>	<b>Agency Fund</b>
<b><u>ASSETS</u></b>		
Pooled cash-----	\$ -	\$4
Non-pooled cash-----	6,359	638
Total cash-----	<u>6,359</u>	<u>642</u>
<b><u>RECEIVABLES</u></b>		
Interest and dividends-----	1,288	7
Employer-----	309	-
Plan members-----	802	-
Other receivables-----	215	515
Total receivables-----	<u>2,614</u>	<u>522</u>
<b><u>INVESTMENTS, AT FAIR VALUE</u></b>		
Pooled investments-----	-	1,833
Domestic common stock-----	340,602	-
Passive domestic stock funds-----	24,573	-
Government securities/fixed income-----	53,880	-
Passive bond fund-----	92,960	-
International stock-----	188,686	-
Treasury money market fund-----	18,357	-
Commodities-----	26,638	-
Real estate-----	65,473	-
Oklahoma City judgments-----	4,262	-
Total investments-----	<u>815,431</u>	<u>1,833</u>
Net pension asset-----	35	-
<b>Total assets</b> -----	<b><u>824,439</u></b>	<b><u>2,997</u></b>
<b><u>DEFERRED OUTFLOWS OF RESOURCES</u></b>		
	<b><u>43</u></b>	<b><u>-</u></b>
<b><u>LIABILITIES</u></b>		
Accounts payable and accrued expenses-----	1,614	166
Due to broker-----	10,128	-
Wages and benefits payable-----	10	-
Due to depositors-----	-	2,831
Compensated absences, current-----	20	-
Estimated claims payable-----	1,520	-
Compensated absences, non-current-----	75	-
Net other post-employment benefits obligation-----	261	-
<b>Total liabilities</b> -----	<b><u>13,628</u></b>	<b><u>2,997</u></b>
<b><u>DEFERRED OUTFLOWS OF RESOURCES</u></b>		
	<b><u>46</u></b>	<b><u>-</u></b>
<b><u>NET POSITION</u></b>		
Restricted for:		
Pension benefits-----	752,689	-
Other post-employment benefits-----	58,119	-
<b>Net position held in trust</b> -----	<b><u>\$810,808</u></b>	<b><u>\$ -</u></b>

See accompanying notes to financial statements.

**STATEMENT OF CHANGES IN FIDUCIARY NET POSITION**  
**For the Year Ended June 30, 2018**  
**(dollars are in thousands)**

**CITY OF OKLAHOMA CITY, OKLAHOMA**

	<b>Pension and Other Post- employment Benefit Trust Funds</b>
<b><u>ADDITIONS</u></b>	
<b><u>CONTRIBUTIONS</u></b>	
Employer-----	\$22,296
Plan members-----	21,411
<b>Total contributions</b> -----	<b>43,707</b>
<b><u>INVESTMENT INCOME</u></b>	
Net appreciation in fair value of investments-----	56,164
Interest-----	1,209
Dividends-----	10,280
	67,653
Less: investment expense-----	(2,886)
<b>Net investment income</b> -----	<b>64,767</b>
Other-----	100
<b>Total additions</b> -----	<b>108,574</b>
<b><u>DEDUCTIONS</u></b>	
Benefits paid-----	58,988
Refunds of contributions-----	1,718
Administrative expenses-----	597
<b>Total deductions</b> -----	<b>61,303</b>
<b>Change in net position</b> -----	<b>47,271</b>
<b><u>NET POSITION RESTRICTED FOR PENSION BENEFITS AND OTHER POST-EMPLOYMENT BENEFITS</u></b>	
Net assets, beginning:	
As previously reported-----	763,747
Change in accounting principle-----	(210)
<b>Net position, beginning, as restated</b> -----	<b>763,537</b>
<b>End of year</b> -----	<b>\$810,808</b>

See accompanying notes to financial statements.

**COMBINING STATEMENT OF NET POSITION  
COMPONENT UNITS**

**CITY OF OKLAHOMA CITY, OKLAHOMA**

**June 30, 2018**

**(dollars are in thousands)**

	<b>OKCAT</b>	<b>OCRRA</b>	<b>OCICF</b>	<b>OCWUT</b>	<b>Port Authority</b>	<b>COTPA</b>	<b>OCRA</b>	<b>OCEDT</b>	<b>Total</b>
<b>ASSETS</b>									
<b>CURRENT ASSETS</b>									
Pooled cash-----	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$16	\$16
Non-pooled cash-----	561	1	611	25,841	29	5,042	3,989	1,304	37,378
Investments-----	133,705	177	373	225,865	-	28,685	9,280	74,953	473,038
Property taxes receivable-----	-	-	-	-	-	-	721	5,952	6,673
Accounts receivable, net-----	3,494	11	-	32,142	-	237	236	-	36,120
Interest, dividends, and royalties receivable-----	398	-	22	839	-	1	62	124	1,446
Receivable from component units-----	-	-	-	-	-	-	10	-	10
Receivable from primary government-----	253	26	-	759	-	243	-	2,836	4,117
Intergovernmental receivables-----	1,899	-	-	5,211	-	486	22	420	8,038
Notes and economic incentives receivable-----	-	-	-	-	-	-	233	4,888	5,121
Inventories and prepaids-----	18	-	5	409	-	979	-	-	1,411
Total current assets-----	140,328	215	1,011	291,066	29	35,673	14,553	90,493	573,368
<b>NON-CURRENT ASSETS</b>									
Investments-----	24,828	-	-	42,867	-	1,493	-	16,511	85,699
Prepaids, non-current-----	-	-	-	118	-	-	-	-	118
Notes and economic incentives receivable-----	-	-	4,255	-	-	-	15,007	36,731	55,993
Receivable from primary government-----	-	-	-	-	-	277	-	1,450	1,727
Other-----	4,472	-	-	59,069	-	65	300	-	63,906
Capital assets:									
Land and construction in progress-----	42,994	32	953	316,870	-	9,114	541	16,026	386,530
Other capital assets, net of accumulated depreciation-----	408,207	2,454	-	996,176	-	70,429	4,854	9,385	1,491,505
Capital assets, net-----	451,201	2,486	953	1,313,046	-	79,543	5,395	25,411	1,878,035
Total non-current assets-----	480,501	2,486	5,208	1,415,100	-	81,378	20,702	80,103	2,085,478
<b>Total assets-----</b>	<b>620,829</b>	<b>2,701</b>	<b>6,219</b>	<b>1,706,166</b>	<b>29</b>	<b>117,051</b>	<b>35,255</b>	<b>170,596</b>	<b>2,658,846</b>
<b>DEFERRED OUTFLOWS OF RESOURCES-----</b>	<b>85</b>	<b>-</b>	<b>-</b>	<b>11,332</b>	<b>-</b>	<b>1,539</b>	<b>-</b>	<b>-</b>	<b>12,956</b>
<b>LIABILITIES</b>									
<b>CURRENT LIABILITIES</b>									
Accounts payable and accrued expenses-----	4,674	-	3	33,812	2	1,945	278	13,620	54,334
Wages and benefits payable-----	-	-	-	12	-	302	-	-	314
Payable to component units-----	-	-	-	-	-	-	-	10	10
Payable to primary government-----	11	34	-	2,182	-	632	-	566	3,425
Interest payable-----	-	-	-	1,539	-	-	-	-	1,539
Compensated absences-----	-	-	-	12	-	217	-	-	229
Tax anticipation debt-----	-	-	-	-	-	-	-	524	524
Notes and estimated claims payable-----	57	-	-	90,005	-	-	808	-	90,870
Commercial paper-----	-	-	-	12,500	-	-	-	-	12,500
Unearned revenue-----	733	2	-	371	6	202	36	-	1,350
Bond interest payable-----	1,524	-	-	10,239	-	422	-	2,385	14,570
Bonds payable-----	6,800	-	-	19,550	-	635	-	11,490	38,475
Intergovernmental payable-----	-	-	-	10,000	-	-	-	-	10,000
Total current liabilities-----	13,799	36	3	180,222	8	4,355	1,122	28,595	228,140
<b>NON-CURRENT LIABILITIES</b>									
Compensated absences-----	-	-	-	60	-	258	-	-	318
Payable to primary government-----	12,275	-	4,255	63,724	-	3,071	-	-	83,325
Intergovernmental payable-----	-	-	-	12,500	-	-	-	-	12,500
Notes and estimated claims payable payable-----	-	-	-	83,071	-	-	2,610	-	85,681
Unearned revenue-----	-	-	-	5	-	434	-	-	439
Bonds payable, net-----	67,465	-	-	464,113	-	18,935	-	171,502	722,015
Net pension liability-----	-	-	-	-	-	4,082	-	-	4,082
Net other post-employment benefit liability-----	-	-	-	-	-	1,493	-	-	1,493
Total non-current liabilities-----	79,740	-	4,255	623,473	-	28,273	2,610	171,502	909,853
<b>Total liabilities-----</b>	<b>93,539</b>	<b>36</b>	<b>4,258</b>	<b>803,695</b>	<b>8</b>	<b>32,628</b>	<b>3,732</b>	<b>200,097</b>	<b>1,137,993</b>
<b>DEFERRED INFLOWS OF RESOURCES-----</b>	<b>31</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,672</b>	<b>-</b>	<b>10,500</b>	<b>12,203</b>
<b>NET POSITION</b>									
Net investment in capital assets-----	374,700	2,486	953	647,555	-	60,042	3,057	(24,558)	1,064,235
Restricted for:									
Capital projects-----	633	-	-	-	-	-	-	-	633
Debt service-----	27,065	-	-	37,940	-	2,129	1,095	6,318	74,547
Public services-----	-	-	-	-	-	-	-	25,227	25,227
Maintenance-----	42,129	-	-	-	-	-	-	-	42,129
Unrestricted-----	82,817	179	1,008	228,308	21	22,119	27,371	(46,988)	314,835
<b>Total net position-----</b>	<b>\$527,344</b>	<b>\$2,665</b>	<b>\$1,961</b>	<b>\$913,803</b>	<b>\$21</b>	<b>\$84,290</b>	<b>\$31,523</b>	<b>(\$40,001)</b>	<b>\$1,521,606</b>

See accompanying notes to financial statements.



**COMBINING STATEMENT OF ACTIVITIES  
COMPONENT UNITS  
For the Year Ended June 30, 2018  
(dollars are in thousands)**

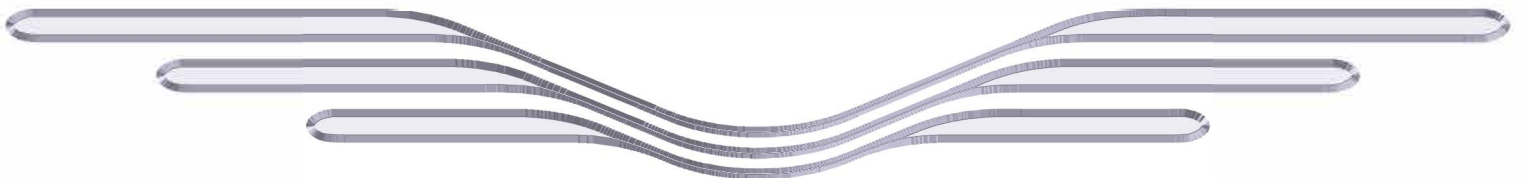
**CITY OF OKLAHOMA CITY, OKLAHOMA**

	OKCAT	OCRRA	OCICF	OCWUT	Port					Total
					Authority	COTPA	OCMAPS	OCRA	OCEDT	
<b>PROGRAM EXPENSES</b>										
Airports-----	\$63,765	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$63,765
Water utilities-----	-	-	-	192,585	-	-	-	-	-	192,585
Riverfront development-----	-	177	-	-	-	-	-	-	-	177
Foreign trade zone operations-----	-	-	-	-	24	-	-	-	-	24
Transportation and parking-----	-	-	-	-	-	37,572	-	-	-	37,572
Economic development-----	-	-	53	-	-	-	-	1,026	31,835	32,914
<b>Total expenses-----</b>	<b>63,765</b>	<b>177</b>	<b>53</b>	<b>192,585</b>	<b>24</b>	<b>37,572</b>	<b>-</b>	<b>1,026</b>	<b>31,835</b>	<b>327,037</b>
<b>PROGRAM REVENUES</b>										
<b>CHARGES FOR SERVICES</b>										
Airports-----	64,192	-	-	-	-	-	-	-	-	64,192
Water utilities-----	-	-	-	268,463	-	-	-	-	-	268,463
Riverfront development-----	-	16	-	-	-	-	-	-	-	16
Foreign trade zone operations-----	-	-	-	-	12	-	-	-	-	12
Transportation and parking-----	-	-	-	-	-	11,936	-	-	-	11,936
Economic development-----	-	-	77	-	-	-	-	207	-	284
<b>Total charges for services-----</b>	<b>64,192</b>	<b>16</b>	<b>77</b>	<b>268,463</b>	<b>12</b>	<b>11,936</b>	<b>-</b>	<b>207</b>	<b>-</b>	<b>344,903</b>
<b>OPERATING GRANTS AND CONTRIBUTIONS</b>										
Airports-----	8,369	-	-	-	-	-	-	-	-	8,369
Water utilities-----	-	-	-	1,226	-	-	-	-	-	1,226
Riverfront development-----	-	47	-	-	-	-	-	-	-	47
Transportation and parking-----	-	-	-	-	-	26,509	-	-	-	26,509
Economic development-----	-	-	-	-	-	-	-	609	12,196	12,805
<b>Total operating grants and contributions-----</b>	<b>8,369</b>	<b>47</b>	<b>-</b>	<b>1,226</b>	<b>-</b>	<b>26,509</b>	<b>-</b>	<b>609</b>	<b>12,196</b>	<b>48,956</b>
<b>CAPITAL GRANTS AND CONTRIBUTIONS</b>										
Airports-----	6,889	-	-	-	-	-	-	-	-	6,889
Water utilities-----	-	-	-	1,468	-	-	-	-	-	1,468
Transportation and parking-----	-	-	-	-	-	3,503	-	-	-	3,503
Economic development-----	-	-	-	-	-	-	-	-	5,096	5,096
<b>Total capital grants and contributions-----</b>	<b>6,889</b>	<b>-</b>	<b>-</b>	<b>1,468</b>	<b>-</b>	<b>3,503</b>	<b>-</b>	<b>-</b>	<b>5,096</b>	<b>16,956</b>
<b>Total program revenues-----</b>	<b>79,450</b>	<b>63</b>	<b>77</b>	<b>271,157</b>	<b>12</b>	<b>41,948</b>	<b>-</b>	<b>816</b>	<b>17,292</b>	<b>410,815</b>
<b>Net program revenues (expenses)-----</b>	<b>15,685</b>	<b>(114)</b>	<b>24</b>	<b>78,572</b>	<b>(12)</b>	<b>4,376</b>	<b>-</b>	<b>(210)</b>	<b>(14,543)</b>	<b>83,778</b>
Property taxes-----	-	-	-	-	-	-	-	3,975	16,664	20,639
Oil and gas royalties-----	-	35	-	-	-	-	-	-	-	35
Unrestricted investment income-----	1,103	2	30	555	-	332	-	-	16	2,038
Miscellaneous-----	-	26	-	-	-	-	-	-	-	26
<b>Total general revenues-----</b>	<b>1,103</b>	<b>63</b>	<b>30</b>	<b>555</b>	<b>-</b>	<b>332</b>	<b>-</b>	<b>3,975</b>	<b>16,680</b>	<b>22,738</b>
Special item-----	-	-	-	-	-	-	(31,836)	-	-	(31,836)
<b>Changes in net position-----</b>	<b>16,788</b>	<b>(51)</b>	<b>54</b>	<b>79,127</b>	<b>(12)</b>	<b>4,708</b>	<b>(31,836)</b>	<b>3,765</b>	<b>2,137</b>	<b>74,680</b>
<b>NET POSITION BEGINNING</b>										
Net position-beginning										
As previously reported-----	520,881	2,716	1,907	892,150	33	83,408	31,836	27,758	(42,138)	1,518,551
Change in accounting principle-----	(10,325)	-	-	(57,474)	-	(3,826)	-	-	-	(71,625)
Net position-beginning, as restated-----	510,556	2,716	1,907	834,676	33	79,582	31,836	27,758	(42,138)	1,446,926
<b>Net position-ending-----</b>	<b>\$527,344</b>	<b>\$2,665</b>	<b>\$1,961</b>	<b>\$913,803</b>	<b>\$21</b>	<b>\$84,290</b>	<b>\$ -</b>	<b>\$31,523</b>	<b>(\$40,001)</b>	<b>\$1,521,606</b>

See accompanying notes to financial statements.

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# *Notes to Financial Statements*





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## I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

### I. A. INTRODUCTION

The accounting and reporting framework and the more significant accounting principles and practices of Oklahoma City (City) are discussed in subsequent sections of this note. The remainder of the notes are organized to provide explanations, including required disclosures, of the City's financial activities for the fiscal year ended June 30, 2018.

### I. B. BASIS OF PRESENTATION

#### I. B. 1. REPORTING ENTITY

##### *Fund Types and Major Funds*

##### **Major Governmental Funds**

###### General Fund

Reports as the primary fund of the City. This fund is used to account for all financial resources not reported in other funds.

###### Debt Service Fund

Accounts for the accumulation of financial resources for the payment of principal and interest on the City's general obligation debt. The City annually levies ad valorem taxes restricted for the retirement of general obligation bonds, interest, and judgments. This fund reports ad valorem taxes collected to service debt.

###### Grants Management Fund

Established as a special revenue fund to account for the City's grant programs not reported in proprietary funds. Grants include Community Development Block Grants.

###### MAPS3 Sales Tax Fund

Established by City ordinance to account for limited purpose sales tax designated for construction and renovation of multiple capital projects throughout the City.

###### Better Streets/Safer City Sales Tax Fund

Established by City ordinance to account for limited purpose sales tax designated for street resurfacing, enhancements, sidewalks, trails and bike lanes and hiring additional police officers and firefighters.

###### General Obligation Bonds Fund

Accounts for the capital expenditures of general obligation bond proceeds and reports as a capital projects fund.

###### Oklahoma City Public Property Authority (OCPPA) General Purpose Fund

Established to account for the general government activities of OCPPA. Specific revenues include box office and event ticket sales and lease revenues which are designated to finance activities such as general government, public services, parks, and public events.

##### **Major Proprietary Funds**

###### Water and Wastewater Fund

Accounts for the operating activities of the City's water and wastewater utilities services.

###### Oklahoma City Environmental Assistance Trust (OCEAT) Fund

Accounts for primarily solid waste disposal contracting or other activities requiring commitment for more than one fiscal year.



Oklahoma City Zoological Trust (OCZT)

Accounts for the transactions related to the operation of the Oklahoma City Zoo.

OCPPA Fairgrounds

Accounts for transfers from City hotel/motel tax revenues dedicated for debt service and the expenditure of bond funds.

OCPPA Golf Courses

Accounts for the operations of five municipal golf courses.

Internal Service Funds

Accounts for the financing of goods or services provided by one department to other departments within the City on a cost-reimbursement basis. These include fleet services, risk management, information technology, print shop, and central financing services. These proprietary funds are reported primarily with governmental activities in the government-wide financial statements.

**Fiduciary Funds**

Pension and Other Post-Employment Benefit (OPEB) Trust Funds

Report fiduciary resources held in trust and the receipt, investment, and distribution of retirement and OPEB contributions. The City's pension trust funds are limited to non-uniformed City employees and employees of the Central Oklahoma Transportation and Parking Authority (COTPA). The City's OPEB trust funds are limited to health insurance benefits for participating Oklahoma City Employee Retirement System (OCERS) retirees.

Agency Fund

Accounts for fiduciary assets held by the City in a custodial capacity as an agent on behalf of others. The City's Agency Fund is used to account for various deposits, bail bonds, performance bonds, and escrow monies.

**Component Units**

The City is a charter city in which citizens elect the Mayor at large and eight Council members by wards. The accompanying financial statements present the City's primary government and component units for which the City is considered to be financially accountable. Financial accountability is based primarily on certain authoritative, operational or financial relationships with the City (as distinct from legal relationships).

Component units of the City, except the Port Authority of the Greater Oklahoma City Area (Port Authority) and Central Oklahoma Transportation and Parking Employee Retirement Trust (COTPA Retirement), issue separately audited financial statements. Copies of component unit reports may be obtained from the City's Accounting Services Division at 100 N. Walker, Suite 300, Oklahoma City, Oklahoma 73102.

Due to restrictions of the state constitution relating to the issuance of municipal debt, public trusts are created to finance City services with revenue bonds or other non-general obligation financing and provide for multi-year contracting. Financing services provided by these public trusts are solely for the benefit of the City. Public trusts created to provide financing services are blended into the City's primary government as an integral part of City operations although retaining separate legal identity. Component units that do not meet the criteria for blending are reported discretely.

**Blended Component Units Reported with Primary Government**

Oklahoma City Municipal Facilities Authority (OCMFA)

Established to finance general government, risk management, architectural and engineering fees, and other activities. City Council members serve as Trustees, and the City Manager is General Manager. City employees manage Authority assets and provide services to citizens. OCMFA meets the requirements for blending because its governing body is identical to the City's elected governing body, City Council, and is managed as a department of the City under the direction of the City Manager using City employees. OCMFA is reported in the OCMFA General Purpose Fund and OCMFA Services Fund.

OCPPA

Established to finance five municipal golf courses, the Oklahoma City Fairgrounds, Cox Convention Center (Cox Center), Civic Center Music Hall (Civic Center), Chesapeake Energy Arena, river improvements, economic development projects, and City natural gas charges. The City Council members serve as Trustees, and the City Manager is General Manager. OCPPA meets the requirements for blending because its governing body is identical to the City's elected governing body, City Council, and is managed as a department of the City under the direction of the City Manager using City employees. OCPPA is reported in the OCPPA General Purpose Fund, OCPPA Golf Courses Fund, OCPPA Fairgrounds Fund, and OCPPA Services Fund. Other than golf course operations, City employees manage Authority assets and provide services to citizens.

OCEAT

Established to encourage, promote, and finance pollution control, waste disposal, and cultural, educational, and housing activities. The City Council members serve as Trustees, and the City Manager is General Manager. City employees manage assets and provide services to citizens. OCEAT meets the requirements for blending because its governing body is identical to the City's elected governing body, City Council, and is managed as a department of the City under the direction of the City Manager using City employees. The OCEAT Fund is the only reporting fund.

OCZT

Established to finance and operate the Oklahoma City Zoo. Trustees include the Mayor, one City Council member, the City Manager, and six Mayor-selected and City Council-approved appointees. The City Council approves the OCZT sales tax budget and regularly transfers sales tax designated for the Zoo to the trust. Significant land and improvements, owned by the City, are leased to the OCZT at nominal cost. OCZT employees manage assets and provide services to citizens. OCZT meets the requirements for blending because OCZT bonded debt is expected to be repaid by the City, funded by the designated sales tax which is pledged for that purpose. The OCZT Fund is the only reporting fund.

**Discretely Presented Component Units**

Oklahoma City Airport Trust (OCAT)

Established to finance development of the City's airports. The Mayor, City Manager, a City Council member, a Trustee representing holders of junior and senior lien bonds, and a citizen of the City serve as Trustees. City employees manage assets and provide services to citizens. OCAT is a component unit of the City because the majority of OCAT's governing body consists of City officials and the City Council approves debt issuances, approves the terms of any contract or lease of OCAT's facilities and approves setting any uniform rate or fee.

Oklahoma City Riverfront Redevelopment Authority (OCRRA)

Established to develop, finance, and maintain the property adjacent to the Oklahoma River. The Mayor and three City Council members serve with five other Trustees appointed by the Mayor and approved by the Council. The City Manager is the General Manager. The City Council reviews the OCRRA budget. Land and improvements owned by the City are leased to OCRRA at nominal cost. Assets are managed by an OCRRA appointee. OCRRA is presented as a component unit of the City because the City appoints all Trustees and has the ability to remove members and may over-rule or modify OCRRA's decisions.

Oklahoma City Industrial and Cultural Facilities Trust (OCICF)

Established to promote the development of industrial, manufacturing, cultural, and educational activities both inside and outside the corporate City limits. The five Trustees are appointed by the Mayor and confirmed by the City Council. OCICF is a component unit of the City because the City appoints all the Trustees and the City Council approves all debt issuances.

Oklahoma City Water Utilities Trust (OCWUT)

OCWUT presents the blended operations of the Oklahoma City Water Utilities Trust and the McGee Creek Authority (MCA).

**Oklahoma City Water Utilities Trust:**

Established to finance projects and development for the City's water and wastewater utilities. The City Manager, the Mayor, and one City Council member serve as Trustees of the Trust along with two Mayor and City Council appointees. Assets financed by the Oklahoma City Water Utilities Trust are managed by City employees who provide services to citizens. The Oklahoma City Water Utilities Trust is a component unit of the City because the Oklahoma City Water Utility Trust's governing body consists of City officials or their appointees and the City approves debt issuances and water utility rates are set by City Council through City ordinance.

**MCA:**

Established to finance the purchase of water storage rights at the McGee Creek Reservoir for the benefit of the Oklahoma City Water Utilities Trust. The beneficiaries of MCA are the City, City of Atoka, Oklahoma, and Atoka County, Oklahoma. The MCA Trustees are the Mayors/Chairpersons of the respective beneficiaries and the Chairperson of the Oklahoma City Water Utilities Trust and the Chairman of the Southern Oklahoma Development Trust. MCA meets the criteria of a blended component unit of the Oklahoma City Water Utilities Trust because the Oklahoma City Water Utilities Trust is expected to fund the debt service requirements of MCA due to an agreement of support between the Oklahoma City Water Utilities Trust and MCA dated October 11, 1979.

**Port Authority**

Established by City ordinance to administer the foreign trade zone on behalf of metropolitan Oklahoma City. The five citizens who govern the Port Authority are appointed by the Mayor with the advice and consent of the City Council. The Port Authority is a component unit of the City because the City appoints all Trustees and has the ability to abolish the Port Authority. Port Authority operations are managed by City employees.

**COTPA**

Established to finance, develop, and operate public transportation and parking systems. The Mayor, City Manager, City Finance Director, and five Mayor-selected and City Council-approved appointees are Trustees. COTPA is a component unit of the City because the City appoints six of the Trustees and the other Trustees are employees of the City and the City Council approves the budget and provides regular operating subsidies. COTPA employees provide services to citizens.

**Oklahoma City Metropolitan Area Public Schools Trust (OCMAPS)**

Established to administer a dedicated City sales tax levied to provide funding for improvements to public schools attended by City-resident students. The seven Trustees are appointed by the City Council with three Trustees nominated by the Oklahoma City Independent School District Board of Education. City employees manage trust assets. OCMAPS is a component unit of the City because the City appoints the voting majority of the OCMAPS Board of Trustees and relies on the dedicated City sales tax as its major revenue source. OCMAPS's net position represents unspent sales tax collections received from the City. During February 2018, OCMAPS was dissolved and all assets, liabilities, fund balance and operations were transferred to the City and Schools Sales Tax Fund as of July 1.

**Oklahoma City Redevelopment Authority (OCRA)**

Established to conserve, develop, and redevelop the central business district. The seven Trustees are nominated by the City's Mayor and approved by the City Council. OCRA is designated to receive tax apportionment revenues for certain tax increment districts of the City. OCRA is presented as a component unit of the City because the City appoints all Trustees and may over-rule or modify OCRA's decisions.

**Oklahoma City Economic Development Trust (OCEDT)**

Established to finance economic development within or near the City by providing loans, grants, and other incentives in furtherance of job creation and private investment in the community. The Mayor nominates and City Council confirms the appointment of five Trustees. OCEDT is designated to receive tax apportionment revenues for certain tax increment districts of the City. OCEDT is a component unit of the City because the City appoints all Trustees, the City must approve all debt issuances, and OCEDT is fiscally dependent on the City for tax apportionment revenues pledged to repay bonded debt.

**Fiduciary Component Units (reported in fiduciary financial statements)**

OCERS

Established to provide retirement benefits and disability allowances for substantially all full-time, civilian employees of the City and public trusts included in the City's reporting entity. Assets are held separately from the City and may be used only for the payment of benefits to the members. The OCERS Board of Trustees serves as the governing body and is comprised of thirteen members. The City Council appoints two City employees from the various City departments. The City Council also appoints three members who have demonstrated professional experience relating to pension fund investment and management practices. The City Clerk serves as an ex-officio member (non-voting) and acts as the Clerk and Secretary of the Board. The City Auditor and Finance Director are members by position. Three members are elected by ballot of active City employees. One member is elected by ballot of retired City employees. The City Treasurer serves as an ex-officio member (non-voting) and acts as the Treasurer of the OCERS.

COTPA Retirement

Established to provide retirement benefits to employees of COTPA. The COTPA Pension Plan Committee serves as the governing body and is comprised of the City's Transportation and Parking Department Director who is also the COTPA Administrator, City Finance Director, City Treasurer, President of the Amalgamated Transit Union - Local 993, one COTPA retiree, COTPA Human Resources Manager, and two retirement plan participants appointed by the the President of the Amela Transit Union - Local 993, and approved by the COTPA Trustees. COTPA Retirement is a fiduciary fund of the discretely presented component unit COTPA.

Oklahoma City Post-Employment Benefits Trust (OCPEBT)

Established to provide post-employment benefits, other than pensions, for substantially all full-time, civilian employees of the City and public trusts included in the City's reporting entity. Assets are held separately from the City and may be used only for the payment of benefits for the members. The OCPEBT Board of Trustees serves as the governing body and is comprised of five members. Two members are appointed by the Council from retired membership. The City Clerk serves as an ex-officio member (non-voting) and acts as the Clerk and Secretary of the Board. The Finance Director, Assistant City Manager, and Personnel Director are members by position. The City Treasurer serves as an ex-officio member (non-voting) and acts as the Treasurer of the OCPEBT.

***Related Organizations***

Related organizations are excluded from the financial reporting entity because the City's accountability does not extend beyond making appointments. Audited financial statements are available from the respective organizations.

**Lake Atoka Reservation Association (LARA)**

Created to administer the Atoka Reservoir and its facilities. The managing board consists of the Mayors of Oklahoma City and Atoka, City Manager of Oklahoma City, Chairman of the Board of Trustees of OCWUT, one member appointed by the governing body of Oklahoma City, and three citizens of Atoka County appointed by the Atoka County governing body. The Association reports independently. The report can be obtained at 420 W. Main, Suite 500, Oklahoma City, Oklahoma 73102.

**Oklahoma City Urban Renewal Authority (OCURA)**

Created to administer community development activities approved by the U.S. Department of Housing and Urban Development including projects jointly undertaken with the City. The five citizens who serve as the governing board are appointed by the Mayor and confirmed by the City Council. The City Council has no significant influence over the management, budget, or policies of the Authority. OCURA reports independently. The report can be obtained at 105 N. Hudson Avenue, Suite 101, Oklahoma City, Oklahoma 73102.

**Oklahoma City Housing Authority (OCHA)**

Created to administer Federal funding and other financing for improvement of housing conditions in the City. The five citizens who serve as the governing board are appointed by the Mayor and approved by the City Council. The City has no significant influence over the management, budget, or policies of OCHA. The Authority reports independently. The report can be obtained at 1700 Northeast 4th, Oklahoma City, Oklahoma 73117.

**Oklahoma County Utilities Services Authority (OCUSA)**

Created to furnish water services to residents in rural areas of Oklahoma County who are not served by other water systems. Oklahoma County and the City are joint beneficiaries of the Authority. The City has no significant influence over the Authority operations, and no resident within the City's corporate limits is served by OCUSA. The Authority reports independently. The report can be obtained at 3134 Northwest 23rd Street, Oklahoma City, Oklahoma 73107.

**Oklahoma City Myriad Gardens Foundation (OCMGF)**

Created to serve as conduit for charitable contributions intended to finance a portion of the Myriad Botanical Gardens development. The OCMGF Board of Directors is comprised of nineteen members. Eight are elected by the OCMGF Board. The remainder are selected by various community organizations including the City's Mayor. The OCMGF reports independently. The report can be obtained at 100 Myriad Gardens, Oklahoma City, Oklahoma 73102.

**Civic Center Foundation (CCF)**

Created to advance charitable and educational purposes by providing for the improvement and support of the Civic Center. The CCF Board of Directors is comprised of 29 members. Six are appointed by the Mayor with the remaining directors elected by the CCF Board. The CCF reports independently. The report can be obtained at 1912 North Drexel Boulevard, Oklahoma City, Oklahoma 73107.

**Alliance for Economic Development of Oklahoma City (AEDOC)**

The AEDOC functions as a service provider that performs consolidated economic development functions pursuant to service contracts with various agencies. OCEDT has a service contract with AEDOC to provide consolidated and coordinated economic development services to the City and OCEDT. The agreement is effective July 1, 2016, through June 30, 2021. AEDOC also manages the operations of OCICF and OCRA. The eleven member board includes the City Manager and a City Council representative. AEDOC can be contacted at 105 N. Hudson Avenue, Suite 101, Oklahoma City, OK 73102.

**Oklahoma City/County Health Department (OCCBH)**

The OCCBH was created by City ordinance in accordance with state statutes. OCCBH is comprised of five members appointed by the City Council and four members appointed by the Oklahoma County Commissioners. The OCCBH services to recommend ordinances, rules and regulations in both the City and Oklahoma County in matters pertaining to the preservation and promotion of public health and enforce and administer all ordinances, rules and regulations and all state laws pertaining to public health.

**I. B. 2. BASIC FINANCIAL STATEMENTS**

***Government-wide Financial Statements***

The government-wide financial statements include the statement of net position and the statement of activities. These statements report financial information for the City as a whole excluding fiduciary activities such as employee pension plans. The primary government and component units are presented separately within the financial statements with the focus on the primary government. Individual funds are not displayed; however, the statements distinguish governmental activities, generally supported by taxes and City general revenues, from business-type activities, generally financed in whole or in part with fees charged to external customers.

The statement of activities reports the expenses of a given function offset by program revenues directly connected with the functional program. A function is an assembly of similar activities and may include portions of a fund or summarize more than one fund to capture the expenses and program revenues associated with a distinct functional activity. Program revenues include: (1) charges for services which report fees, fines, and forfeitures, and other charges to users of the City's services; (2) operating grants and contributions which finance annual operating activities including restricted investment income; and (3) capital grants and contributions which fund the acquisition, construction, or rehabilitation of capital assets and include fees to developers. These revenues are subject to externally imposed restrictions. Taxes and other revenue sources not properly included with program revenues are reported as general revenues.

### ***Fund Financial Statements***

Fund financial statements are provided for governmental, proprietary, and fiduciary funds. Major individual governmental and enterprise funds are reported in separate columns with composite columns for non-major funds.

## **I. B. 3. MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND FINANCIAL STATEMENT PRESENTATION**

### ***Generally Accepted Accounting Principles (U.S. GAAP)***

The financial statements of the City are prepared in accordance with U.S. GAAP. The City applies all relevant GASB pronouncements.

### ***Measurement Focus, Basis of Accounting, and Financial Statement Presentation***

The government-wide statements report using the economic resources measurement focus and the accrual basis of accounting including the reclassification or elimination of internal activity (between or within funds). However, internal eliminations do not include utility services provided to City departments. Reimbursements are reported as reductions to expenses. Proprietary and fiduciary fund financial statements and financial statements of component units also report using this same focus and basis of accounting although internal activity is not eliminated in these statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property tax revenues are recognized in the year for which they are levied while grants are recognized when grantor eligibility requirements are met.

Pension and OPEB trust funds recognize employer and participant contributions in the period in which contributions are due and the City has made a formal commitment to provide the contributions. Retirement benefits and refunds are recognized when due and payable in accordance with the terms of the plans. The Agency Fund is custodial in nature and does not measure results of operations.

Governmental fund financial statements report using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized when they are both measurable and available. Available means collectible within the current period or soon enough thereafter to pay current liabilities. The City considers revenues to be available if they are collected within 60 days of the end of the fiscal year. Expenditures are recorded when the related fund liability is incurred, except for general obligation bond principal and interest which are reported as expenditures in the year due.

Major revenue sources reported in governmental financial statements susceptible to accrual includes sales and use taxes, hotel/motel taxes, property taxes, franchise taxes (fees), intergovernmental revenues, and investment income. In general, other revenues are recognized when cash is received.

Operating income reported in proprietary fund financial statements includes revenues and expenses related to the primary, continuing operations of the fund. Principal operating revenues for proprietary funds are charges to customers for sales or services. Principal operating expenses are the costs of providing goods or services and include administrative expenses and depreciation of capital assets. Other revenues and expenses are classified as non-operating in the financial statements.

### **I. C. BUDGET POLICY AND PRACTICE**

#### ***Budget Approval***

The City Manager submits an annual budget to the City Council in accordance with the City Charter and the Oklahoma Municipal Budget Act. The budget is presented to the City Council for review, and public hearings are held to address priorities and the allocation of resources. In June, the City Council adopts the annual fiscal year budgets for City funds. The City's financial statement presents budget and actual financial statements for the following funds approved in that budget: General, Debt Service, Emergency Management, Court Administration and Training, Police, Fire, Asset Forfeiture, Zoo, MAPS Operations, Special Purpose, Special Districts, Medical Services Fund and Hotel/Motel Tax Fund.

In addition, the City Council approves budgets for other funds, in part or in whole, not presented in the financial statements including Airports, Capital Improvement, Street and Alley, City and Schools Sales Tax, City and Schools Use Tax, Internal Service, Police/Fire Equipment Sales Tax, Police/Fire Equipment Use Tax, MAPS3 Sales Tax, MAPS3 Use Tax, Solid Waste Management, Stormwater Drainage, Transportation, Parking and Water and Wastewater Funds. The Grants Management Fund, a major special revenue fund, is budgeted on a project-length basis and is also subject to Council review. Each grant agreement, approved by Council, is the legal budget for the grant. Once approved, the City Council may amend the legally adopted budget when unexpected modifications are required in estimated revenues and appropriations. Public trusts submit budgets and other planning documents to their respective governing bodies.

#### ***Basis of Budgeting***

Revenues are budgeted by source. With the exception of grants, expenditures are budgeted by department and class as follows: personal services, other services and charges, supplies, capital outlay, transfers, and debt service. Budget revisions at this level are managed administratively and reported to the City Council. The legal level of control is by department and class within a fund. The legal level of the Grants Management Fund is determined by individual grant award. Expenditures may not exceed appropriations at this level. Within these control levels, management may transfer appropriations without Council approval. Revisions to the budget are made throughout the year.

The budgets for operating fund and proprietary fund operations are prepared on the cash and expenditures/encumbrances basis. Revenues are budgeted in the year receipt is expected, and expenditures are budgeted in the year that the applicable purchase orders are expected to be issued. The Debt Service Fund budget is prepared to provide funding for general obligation debt service when liabilities are due for payment. The budget and actual financial statements are reported on these bases. Unencumbered appropriations for annually budgeted funds lapse at fiscal year-end.

### **I. D. POLICIES RELATED TO ASSETS, DEFERRED OUTFLOWS OF RESOURCES, LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND EQUITY**

#### **I. D. 1. CASH AND INVESTMENTS**

The City Council updated and adopted formal deposit and investment policies in August 2017 (City Investment Policy). These policies apply to all City funds not contained in public trusts. In addition, public trusts including OCPPA, OCEAT, OCMFA, OCEDT, COTPA, OCZT and OCRRA, formally adopted the City Investment Policy. The City Treasurer manages the unrestricted investments of these trusts except for OCZT and COTPA where investments are managed independently.

Where applicable, public trusts are subject to the deposit and investment policy specified in their respective bond indentures for restricted deposits and investments. The OCAT, OCWUT, and OCRA separately adopted investment policies. MCA, Port Authority (no investments), and OCICF have no adopted deposit and investment policy other than investment restrictions specified in applicable bond indentures and state law.

Pension and OPEB trust funds have investment policies separately approved by their respective oversight boards.

The City maintains and controls four major cash and investment pools. These pools are allocated to the funds of the City, OCPPA, OCMFA, and OCEDT. Fund pooled cash, investments, interest, and unrealized gain or loss are allocated based on the fund's position in the pool and are reported either as pooled cash or investments. In addition, non-pooled cash and investments, some of which are restricted assets, are separately held.

Investments are reported at fair value and determined using selected bases. Securities traded on a national or international exchange are valued at the last reported sales price at current exchange rates. Cash deposits are reported at carrying amount which reasonably estimates fair value.

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability (i.e., the "exit price") in an orderly transaction between market participants at the measurement date.

Accounting guidance establishes a consistent framework for measuring fair value and establishes a fair value hierarchy based on the observability of inputs used to measure fair value. These different levels of valuation hierarchy are described as follows:

Level 1 - Quoted prices in active markets for identical assets or liabilities.

Level 2 - Quoted prices for similar assets or liabilities in active markets or inputs other than quoted prices that are observable.

Level 3 - Significant unobservable prices or inputs.

An investment's categorization within the valuation hierarchy is based upon the lowest level of input that is significant to the fair value measurement.

## **I. D. 2. RECEIVABLES AND UNCOLLECTIBLE AMOUNTS**

### ***Property Taxes Receivable and Property Tax Calendar***

Property taxes are collected and remitted to the City by four county governments. Taxes levied annually on November 1 are due one-half by December 31 and one-half by March 31. Major tax payments are received December through April. Lien dates for real property are in June and October, respectively. In the governmental fund financial statements, property taxes receivable are recorded in the Debt Service Fund fifteen days (taxpayer protest period) after the debt service budget is approved by the Oklahoma County Excise Board.

In the government-wide financial statements, property taxes receivable and related revenue include all amounts due the City regardless of when cash is received. Over time, substantially all property taxes are collected.



**Other Significant Receivables**

Significant receivables include sales and use tax receivable, amounts due from customers primarily for utility services and use or rental agreements for the City's airports' facilities. These receivables are due within one year. Certain enterprise funds and similar component units report accounts receivable net of an allowance for uncollectible accounts and revenues net of uncollectibles. The allowance amount is estimated using accounts receivable past due more than 60 to 90 days, depending on the fund.

**I. D. 3. INVENTORIES AND PREPAIDS**

Both inventories and prepaids are similarly reported in government-wide and fund financial statements.

**Inventories**

Inventories in governmental funds consist of expendable supplies held for consumption stated on either a first-in, first-out or weighted average basis. They are reported on the consumption basis at cost and recorded as an expense at the time individual inventory items are used. Proprietary fund and similar component unit inventories are recorded at cost on either a first-in, first-out or weighted average basis.

	<b>Primary Government</b>	
	<u>Method</u>	<u>Description</u>
<i>Governmental Activities</i>		
General Fund		
General activities	First-in, First Out	Maintenance parts, salt, chemicals, gift shop, ammunition, concession items, ticket stock, and animal supplies
Fire activities	Weighted Average	Maintenance parts
Culture and recreation activities	Weighted Average	Maintenance parts and chemicals
Streetcar activities	First-in, First Out	Streetcar maintenance parts
OCPPA General Purpose		
Culture and recreation activities	Weighted Average	Food and beverage items and other supplies
Internal Service Funds		
Fleet	First-in, First Out	Fuel sites and tanks
Print shop	First-in, First Out	Card stock, paper, color paper, envelopes, and machine parts
Information Technology	First-in, First Out	Installation and repair parts
<i>Business-Type Activities</i>		
Airports		
Field maintenance	Weighted Average	Maintenance parts
Fuel farm and runway maintenance	First-in, First Out	Fuel storage and runway paint
OCEAT	Weighted Average	Operational and service supplies
OCWUT	First-in, First Out	Fuel storage
OCZT	First-in, First Out	Animal food and operating supplies
OCPPA Golf Courses	First-in, First Out	Golf cart maintenance and driving range supplies, restaurant and clubhouse food and condiments and cleaning supplies
Stormwater Drainage	First-in, First Out	Chemicals, first-aid supplies, welding supplies and hand tools
Water and Wastewater		
Pump shop and fleet maintenance shop	First-in, First Out	Maintenance parts, chemicals, instruments, and repair parts
Line maintenance warehouse	Weighted Average	Materials and hand tools

*(continued)*

**I. D. 3. INVENTORIES AND PREPAIDS (continued)**

	<b>Component Unit</b>	
	<u>Method</u>	<u>Description</u>
COTPA - Transportation	Weighted Average	Fuel, vehicle parts and supplies
COTPA - Parking	First-in, First Out	Parking meter receipt rolls

**Prepays**

Prepays are payments to vendors that benefit future reporting periods and are reported on the consumption basis. Non-current prepaids benefit periods beyond the following 12 month period. Payments to vendors that are less than \$5,000 are considered *di minimus* and are reported with expenses/expenditures in the year of payment.

**I. D. 4. RESTRICTED ASSETS**

Restricted assets include assets legally restricted for capital projects funded through long-term debt, debt service reserves, facility charges, and federal, state, and private grants. Restricted assets and liabilities current in nature are reported with current assets and current liabilities in the financial statements. Assets restricted for acquisition or construction of non-current assets or assets restricted for liquidation of long-term debt are reported with non-current assets.

It is the City's policy when purchasing goods or services, or servicing debt for which resources have been restricted, to use restricted resources first and then unrestricted resources as needed. Restricted assets and liabilities payable from restricted assets current in nature are reported with current assets and current liabilities in the financial statements.

**I. D. 5. INTERFUND BALANCES**

Generally, outstanding balances between funds reported as due to/from other funds include outstanding charges by one fund to another for services or goods, subsidy commitments outstanding at year-end, or other miscellaneous receivables/payables between funds. Activity between funds that is representative of lending/borrowing arrangements outstanding at the end of the fiscal year are described as advances to/from other funds.

All activity between governmental and business-type activities are eliminated and any residual balances outstanding between the activities are reported in the government-wide financial statements as internal balances.

**I. D. 6. CAPITALIZED INTEREST**

Interest costs are capitalized when incurred by enterprise funds and similar component units on debt where proceeds were used to finance the construction of assets. Interest earned on proceeds of tax-exempt borrowing arrangements restricted to the acquisition of qualifying assets is offset against interest costs in determining the amount to be capitalized.

**I. D. 7. CAPITAL ASSETS, DEPRECIATION, AND AMORTIZATION**

The City's property, plant, equipment, and infrastructure with useful lives of more than one year are stated at historical cost and reported in the government-wide financial statements. Proprietary and component unit capital assets are also reported in their respective fund and combining component units' financial statements. Donated capital assets, donated works of art and similar items and capital assets received as part of a service concession arrangement are reported at acquisition value. All other donated assets are valued at donor's acquisition cost which approximates fair value on the date donated. The City generally capitalizes assets with a cost of \$7.5 thousand or more as purchase and construction outlays occur, with the exception of golf carts used for golf operations. Assets purchased or constructed with grants are an exception. These assets are capitalized at cost of \$5 thousand or more.

The costs of normal maintenance and repairs that do not add to the asset value or materially extend useful lives are not capitalized. Capital assets, including those of component units, are depreciated using the straight-line method. When capital assets are disposed, the cost and applicable accumulated depreciation are removed from the respective accounts, and the resulting gain or loss is recorded in operations.

	<u>Useful life</u>
Buildings	10 - 50
Infrastructure and improvements other than buildings	10 - 50
Mobile equipment, furniture, machinery, and equipment	5 - 20

Costs incurred during construction of long-lived assets are recorded as construction in progress and are not depreciated until placed in service. The City capitalizes interest as a component of capital assets constructed for its own use.

#### **I. D. 8. DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS OF RESOURCES**

In addition to assets and liabilities, the statement of financial position and the governmental fund balance sheet may report separate sections of deferred outflows of resources and deferred inflows of resources. Deferred outflows of resources represent a consumption of net position that applies to a future period which will not be recognized as an outflow of resources until that time. Deferred inflows of resources represent an acquisition of net position that applies to a future period which will not be recognized as an inflow of resources until that time.

#### **I. D. 9. BOND DISCOUNTS/PREMIUMS**

In the government-wide, proprietary, and component unit financial statements, outstanding debt is reported as liabilities. Bond discounts or premiums are capitalized and amortized over the terms of the respective bonds using a method that approximates the effective interest method. The governmental fund financial statements recognize the proceeds of debt and premiums as other financing sources of the current period.

#### **I. D. 10. COMPENSATED ABSENCES**

Full-time, permanent employees are granted vacation benefits in varying amounts to specified maximums depending on tenure with the City. Sick leave accrues to full-time, permanent employees to specified maximums. Generally, after one year of service, employees are entitled to a percentage of their sick leave balance and all accrued vacation leave upon termination. Selected management employees are entitled to all accrued sick and vacation leave balances at termination. The estimated liabilities include required salary-related payments. Compensated absences are reported as accrued current and non-current liabilities in the government-wide, proprietary, fiduciary, and component unit financial statements. Governmental funds report only matured compensated absences payable to currently terminating employees.

#### **I. D. 11. TAX INCREMENTAL FINANCING (TIF)**

The City uses TIF to obtain financing using future gains in taxes to finance current improvements which will create the conditions for those future gains. When a development project is carried out, the increase in the value of surrounding real estate, and perhaps new investment, generates increased property and sales tax revenues dedicated to finance the debt issued to pay for the project. The City uses TIF to stimulate economic development. The OCEDT, OCPPA, and OCRA have TIFs in place.

## I. D. 12. FUND EQUITY

### *Fund Balance*

#### **Non-Spendable Fund Balance**

Fund balance reported as non-spendable includes amounts that cannot be spent because it is not in spendable form or is not expected to be converted to cash including inventories, prepaid expenses, and advance fundings. In addition, non-current assets which will eventually be converted to cash are reported where unassigned fund balance would otherwise be reported.

#### **Restricted Fund Balance**

Restricted fund balance includes amounts that are constrained for specific purposes which are externally imposed by providers, such as creditors, or amounts constrained due to constitutional provisions or enabling legislation including City ordinances approved by a vote of the citizens.

#### **Committed Fund Balance**

Committed fund balance includes amounts that are constrained for specific purposes that are internally imposed by a vote of the Board of Trustees for trusts or codified through an ordinance for City funds. Commitments of fund balance do not lapse at year-end.

#### **Assigned Fund Balance**

Assigned fund balance includes amounts that are intended to be used for specific purposes that are neither considered restricted or committed. Fund balance may be assigned by formal action of the City Finance Director for trusts and authorities or through City Council resolution for City funds.

#### **Unassigned Fund Balance**

Unassigned fund balance includes positive fund balance within the General Fund and negative fund balances in other governmental funds.

The City maintains self balancing books of account for each detail fund balance designation, therefore negative balances at the individual level of accounting are used to reclassify negative balances of other fund balance classifications.

#### **Fund Balance Usage**

The City uses restricted amounts first when both restricted and unrestricted fund balance is available unless there are legal documents or contracts that prohibit doing this, such as grant agreements requiring dollar for dollar spending. Additionally, the City uses committed, then assigned, and lastly unassigned amounts of unrestricted fund balance when expenditures are made.

#### **Minimum Fund Balances**

City Council has adopted a minimum fund balance policy for the General Fund requiring unbudgeted reserves of 8-15%. In addition, the Council has set target levels of unbudgeted reserves of 5-10% for other City funds.

### *Net Position*

Net investment in capital assets and legally restricted amounts are separated from unrestricted net position.

#### **Net Investment in Capital Assets**

The amount reported is calculated as total capital assets less accumulated depreciation and outstanding debt used to purchase the assets net of unspent portions. Unspent portions of debt, along with any amounts used to fund debt reserves, are included with restricted net position.

**Restricted Net Position**

Amounts reported as restricted for debt service include those amounts held in restricted accounts as required by the debt instrument. Restricted amounts held to pay bond interest are reduced by accrued interest payable. Net position restricted for capital projects includes unspent debt proceeds legally restricted for capital outlays. Restricted net position also includes purpose restrictions from enabling legislation and other external sources.

**I. D. 13. USE OF ESTIMATES**

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect certain reported amounts and disclosures; accordingly, actual results could differ from those estimates.

**I. E. POLICIES RELATED TO REVENUES AND EXPENSES/EXPENDITURES**

**I. E. 1. MAJOR REVENUES**

*Program Revenues*

**Charges for Services**

Program revenues reported with governmental activities include charges for services like permits and fees, parks charges, and fines and forfeitures. Business-type activity charges for services includes all operating income of proprietary funds.

**Grants and Contributions**

Governmental grants and contributions primarily consists of grants from Federal and state agencies. The nature of the grant determines if it is reported as operating or capital program revenues.

Business-type activities grants and contributions include restricted investment income, donations from others, as well as grants from Federal and state agencies.

*General Revenues*

General revenues reported with governmental activities include tax revenues. Both governmental and business-type activities report unrestricted investment income as general revenues.

**I. E. 2. TRANSFERRED INVESTMENT INCOME**

Investment income, which includes changes in the fair value of investments, associated with the Agency Fund is administratively assigned and transferred to the General Fund. Investment income related to immaterial residual balances in certain other funds is assigned and transferred to the General Fund.

**I. E. 3. ALLOCATION OF INDIRECT EXPENSES**

The City allocates indirect expenses primarily comprised of central governmental services to operating functions and programs benefiting from those services. Central services include overall City management, centralized budgetary formulation and oversight, accounting, financial reporting, payroll, procurement contracting and oversight, investing and cash management, personnel services, and other central administrative services. Allocations are charged to programs based on use of central services determined by various allocation methodologies. These charges are separately reported in the statement of activities. As a matter of policy, certain functions that use significant central services are not charged for the use of these services. Component unit charges paid directly to the General Fund and fiduciary fund charges are not allocated.

**I. F. RETAINAGES**

It is the policy of the City to retain a percentage of construction contracts until a completed project has been accepted. A contractor may request to opt out or withdraw any part, or the whole, of the amount retained for construction contracts upon deposit with, or delivery to, the City securities limited to: (1) U.S. Treasury Bonds, U.S. Treasury Notes, U.S. Treasury Bills; (2) general obligations of the State of Oklahoma; or (3) certificates of deposit from a state or national bank having its principal office in the State of Oklahoma (In Lieu Securities). No retained amount shall be withdrawn which would represent an amount in excess of the market value of the In Lieu Securities at the time of the deposit or of the par value of such securities, whichever is lower. The City holds the In Lieu Securities and retains the risk of incurring costs related to a contractor's failure to perform. However, in the event of non-performance, the City calls the In Lieu Securities and utilizes the proceeds to cover any costs incurred. The City does not record the effect of holding the In Lieu Securities.

**I. G. PENSION AND POST-EMPLOYMENT PLANS**

*Pension Plans*

The City provides two single-employer, defined benefit, public retirement systems, OCERS and COTPA Retirement, and two statewide, cost-sharing, multiple-employer defined benefit plans, Oklahoma Police Pension and Retirement System (Police Pension) and Oklahoma Firefighters Pension and Retirement System (Firefighters Pension).

In addition, the City provides two defined contribution single employer plans to City Council and management personnel, one defined contribution single-employer plan to COTPA administrative employees, and a deferred compensation, defined contribution plan for MCA employees.

*Post-Employment Plans*

Effective July 1, 2017, the City implemented Governmental Accounting Standards Board (GASB) statement number 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pension Plans. This statement replaces GASB statements 45 as amended and 57. This statement establishes standards for measuring and recognizing liabilities, deferred outflows of resources, deferred inflows of resources, and expenses/expenditures for other post employment benefits (OPEB). It also includes note disclosure and required supplementary information requirements for OPEB plans. See Note IV. A. Change in Accounting Principle/Prior Period Adjustment for the effects of the adoption of GASB 75.

**II. ASSETS AND DEFERRED OUTFLOWS OF RESOURCES**

**II. A. ASSETS**

**II. A. 1. DEPOSITS AND INVESTMENTS**

*Pooled and Non-pooled Cash*

	Primary Government		Total	Component Units
	Governmental Activities	Business-Type Activities		
Pooled cash	\$4,110	\$64	\$4,174	\$16
Non-pooled cash	<u>21,127</u>	<u>13,764</u>	<u>34,891</u>	<u>37,378</u>
	<u>\$25,237</u>	<u>\$13,828</u>	<u>\$39,065</u>	<u>\$37,394</u>

**Deposits**

Custodial credit risk for deposits is the risk that in the event of a bank failure, the City's deposits may not be returned or the City will not be able to recover collateral securities in the possession of an outside party. Investment Policies require deposits to be 110% secured by collateral valued at market under the City's Investment Policy and market or par, whichever is lower under the OCAT and OCWUT Investment Policies, less the amount covered by Federal deposit insurance. Under the OCWUT Investment Policy, repurchase agreements are required to be collateralized at 102%. Deposited funds may be invested in certificates of deposit in institutions with an established record of fiscal health. Under the City's Investment Policy, this is determined by the bank's institutional rating on the performance evaluations conducted pursuant to the Federal Community Reinvestment Act, 12 United States Code, Section 2901. This is determined by independent rating agencies of C minus or above under the Trust and OCAT Investment Policies and B or above under the OCWUT Policy. Collateral agreements must be approved prior to deposit of funds as provided by law. The City Council approves and designates a list of authorized depository institutions by resolution based on evaluation by the City Treasurer of the institutions' financial strength in accordance with the investment policy. Many bond indentures require deposits to be maintained by trustee banks specified in the indentures.

Custodial credit risk for deposits is not formally addressed by bond indentures or pension trust policy. Indentures require that restricted deposits be maintained by the trustee bank specified in the indenture. Pension trust investment policies restrict uninvested cash to minimal balances generally covered by the Federal deposit insurance. The OCPEBT investment policy does not formally address custodial credit risk for deposits, however, true cash deposits are minimal and are required to be collateralized at 110% for any deposits in excess of Federal deposit insurance. Deposits of the City's reporting entity are insured or collateralized with securities held by the City, its agent, or by the pledging financial institution's trust department or agent in the name of the City or applicable public trust. However, a balance of \$8.933 million is held by OCPPA that is not collateralized and exceeds the Federal deposit insurance.

**Investments**

The City invests in various investment securities. Investment securities are exposed to various risks such as interest rate risk and credit risk. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the City's financial position.

	Primary Government							
	Cost	Fair Value/	Level 1 Inputs	Level 2 Inputs	Level 3 Inputs	Measured at NAV (1)	Average	Weighted Average/
		Carrying Amount					Credit Quality/ Ratings (2)	Effective Duration (months) (3)
<b>POOLED</b>								
<b>INVESTMENTS (4)</b>								
Money market (5)(6)	\$57,279	\$57,279	\$57,279	\$ -	\$ -	\$ -	AAA/Aaa	1.50
U.S. Treasury notes	291,452	290,067	-	290,067	-	-	AAA/Aaa	14.53
Fannie Mae	184,962	183,017	-	183,017	-	-	AA/Aaa	12.27
Federal obligations	395,883	390,868	-	390,868	-	-	AA/Aaa	28.63
Commercial paper	<u>49,457</u>	<u>49,674</u>	-	<u>49,674</u>	-	-	A1/P1	3.33
Total pooled investments	<u>979,033</u>	<u>970,905</u>	<u>57,279</u>	<u>913,626</u>	-	-		
Less agency fund (4)(5)	<u>(1,833)</u>	<u>(1,833)</u>	-	-	-	-		

(continued)

NOTES TO FINANCIAL STATEMENTS  
June 30, 2018

CITY OF OKLAHOMA CITY, OKLAHOMA

*Investments (continued)*

<b>Primary Government</b>								
	<u>Cost</u>	Fair Value/ Carrying <u>Amount</u>	Level 1 <u>Inputs</u>	Level 2 <u>Inputs</u>	Level 3 <u>Inputs</u>	Measured at <u>NAV (1)</u>	Average Credit Quality/ <u>Ratings (2)</u>	Weighted Average/ Effective Duration <u>(months) (3)</u>
<u>NON-POOLED INVESTMENTS</u>								
U.S. Treasury notes	42,439	42,292	-	42,292	-	-	AAA/Aaa	20.60
Federal obligations	116,232	115,330	-	115,330	-	-	AA/Aaa	18.67
Fannie Mae	67,561	67,046	-	67,046	-	-	AA/Aaa	14.43
Money market (5)(6)	93,947	93,947	93,947	-	-	-	AAA/Aaa	14.43
Domestic								
common stock	4	4	-	-	-	-	N/A	N/A
Certificates of deposit (5)	<u>7</u>	<u>7</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	N/A	30.23
Total non-pooled investments	<u>320,190</u>	<u>318,626</u>	<u>93,947</u>	<u>224,668</u>	<u>-</u>	<u>-</u>		
<b>Total primary government investments</b>	<b><u>\$1,297,390</u></b>	<b><u>\$1,287,698</u></b>	<b><u>\$151,226</u></b>	<b><u>\$1,138,294</u></b>	<b><u>\$-</u></b>	<b><u>\$-</u></b>		

<b>Pension Trust Funds</b>								
	<u>Cost</u>	Fair Value/ Carrying <u>Amount</u>	Level 1 <u>Inputs</u>	Level 2 <u>Inputs</u>	Level 3 <u>Inputs</u>	Measured at <u>NAV (1)</u>	Average Credit Quality/ <u>Ratings (2)</u>	Weighted Average/ Effective Duration <u>(months) (3)</u>
<u>COMMON STOCK</u>								
Domestic	\$134,426	\$181,788	\$175,244	\$6,544	\$ -	\$ -	0.00	N/A
International	4,249	5,486	5,486	-	-	-	0.00	N/A
<u>GOVERNMENT SECURITIES</u>								
U.S. Treasury strips	-	-	-	-	-	-	0.00	0.00
U.S. Treasury bonds	9,695	9,637	-	9,637	-	-	AA	14.60
U.S. Treasury TIPS	300	327	-	327	-	-	AA	15.50
Federal agency notes	15,528	14,915	-	14,915	-	-	A	5.40
Ginnie Mae	5,999	5,906	-	5,906	-	-	A	4.10
Small Business								
Administration Loans	631	621	-	621	-	-	0.00	7.90
<u>CORPORATE OBLIGATIONS</u>								
Domestic	13,446	13,436	-	13,436	-	-	BBB	7.50
International	5,191	5,142	-	5,142	-	-	BBB	7.10

*(continued)*



NOTES TO FINANCIAL STATEMENTS  
June 30, 2018

CITY OF OKLAHOMA CITY, OKLAHOMA

*Investments (continued)*

<b>Pension Trust Funds</b>								
	Cost	Fair Value/ Carrying Amount	Level 1 Inputs	Level 2 Inputs	Level 3 Inputs	Measured at NAV (1)	Average Credit Quality/ Ratings (2)	Weighted Average/ Effective Duration (months) (3)
<u>MUTUAL FUNDS/</u>								
<u>COMMINGLED FUNDS</u>								
Equity	123,177	211,404	64,850	35,608	-	110,946	0.00	N/A
Bond	68,464	78,779	2,869	-	-	75,910	B	72.27
Real estate investment trusts	51,767	65,473	229	1,322	-	63,922	N/A	N/A
Other	116,400	134,301	-	2,208	-	132,093	0.00	0.00
<u>OTHER</u>								
<u>INVESTMENTS</u>								
Asset backed obligations	11,536	11,337	-	11,337	-	-	AA	6.20
Money market (5)(6)	11,344	11,339	638	10,701	-	-	N/A	2.57
Foreign government obligations	1,639	1,635	-	1,635	-	-	BBB	8.80
Oklahoma City judgments (5)	<u>4,262</u>	<u>4,262</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	0.00	4.00
<b>Total pension trust fund investments</b>	<b><u>\$578,054</u></b>	<b><u>\$755,788</u></b>	<b><u>\$249,316</u></b>	<b><u>\$119,339</u></b>	<b><u>\$-</u></b>	<b><u>\$382,871</u></b>		

<b>OPEB Trust Funds</b>								
	Cost	Fair Value/ Carrying Amount	Level 1 Inputs	Level 2 Inputs	Level 3 Inputs	Measured at NAV (1)	Average Credit Quality/ Ratings (2)	Weighted Average/ Effective Duration (months) (3)
Passive stock funds	\$27,474	\$34,891	\$34,891	\$-	\$-	\$-	N/A	N/A
International stock	4,117	5,006	5,006	-	-	-	N/A	N/A
Passive bond funds	13,362	12,728	12,728	-	-	-	Not Rated	52.20
Money market (5)(6)	<u>7,018</u>	<u>7,018</u>	<u>7,018</u>	<u>-</u>	<u>-</u>	<u>-</u>	AAA/Aaa	0.63
<b>Total OPEB trust fund investments</b>	<b><u>\$51,971</u></b>	<b><u>\$59,643</u></b>	<b><u>\$59,643</u></b>	<b><u>\$-</u></b>	<b><u>\$-</u></b>	<b><u>\$-</u></b>		

(continued)

NOTES TO FINANCIAL STATEMENTS  
June 30, 2018

CITY OF OKLAHOMA CITY, OKLAHOMA

*Investments (continued)*

	Component Units							Average Credit Quality/ Ratings (2)	Weighted Average/ Effective Duration (months) (3)
	Cost	Fair Value/ Carrying Amount	Level 1 Inputs	Level 2 Inputs	Level 3 Inputs	Measured at NAV (1)			
<u>POOLED</u>									
<u>INVESTMENTS</u>									
Federal Obligations	\$4,972	\$4,952	\$ -	\$4,952	\$ -	\$ -	AA/Aaa	11.80	
Fannie Mae	4,972	4,977	-	4,977	-	-	AAA/Aaa	5.57	
Money market (5)(6)	<u>33,682</u>	<u>33,682</u>	<u>33,682</u>	<u>-</u>	<u>-</u>	<u>-</u>	AAA/Aaa	1.50	
Total pooled investments	<u>43,626</u>	<u>43,611</u>	<u>33,682</u>	<u>9,929</u>	<u>-</u>	<u>-</u>			
<u>NON-POOLED</u>									
<u>INVESTMENTS</u>									
U.S. Treasury notes	76,769	75,908	-	75,908	-	-	AAA/Aaa	22.43	
U.S. Treasury bills	28,907	29,018	-	29,018	-	-	N/A	2.90	
Federal obligations	91,450	89,991	-	89,991	-	-	AA/Aaa	19.53	
Fannie Mae	30,829	30,502	-	30,502	-	-	AA/AAA	19.87	
Money market (5)(6)	146,022	146,022	146,022	-	-	-	AAA/Aaa	0.61	
U.S. Treasury Strips	127,632	125,707	-	125,707	-	-	N/A	20.97	
U.S. Treasury bonds	1,652	1,669	-	1,669	-	-	N/A	1.80	
Guaranteed investment contract (4)	6,653	6,653	-	-	-	-	N/A	54.90	
Certificate of deposit (4)(5)	<u>9,656</u>	<u>9,656</u>	<u>-</u>	<u>9,656</u>	<u>-</u>	<u>-</u>	N/A	14.28	
Total non-pooled investments	<u>519,570</u>	<u>515,126</u>	<u>146,022</u>	<u>362,451</u>	<u>-</u>	<u>-</u>			
<b>Total component unit investments</b>	<b><u>\$563,196</u></b>	<b><u>\$558,737</u></b>	<b><u>\$179,704</u></b>	<b><u>\$372,380</u></b>	<b><u>\$-</u></b>	<b><u>\$-</u></b>			

- (1) The net asset value (NAV) is used as a practical expedient to estimate fair value. NAV is explained further in the paragraphs below.
- (2) Ratings are provided where applicable to indicate associated credit risk. See pension trust fund credit risk for minimum quality credit ratings indicated with an \*.
- (3) Interest rate risk is estimated using weighted average months to maturity for all investments except for pension trust fund investments which use effective duration in months for all investments except passive bond mutual funds, money market funds, and Oklahoma City judgments.
- (4) City pooled investments include \$1,833 reported in the City's Agency Fund.
- (5) Cost approximates fair value.
- (6) Consists solely of U.S. Treasury securities.

***Fair Value Measurement***

The following is a description of the valuation methodologies used for assets measured at fair value in the tables above. There have been no changes in the methodologies used at June 30, 2018, from the prior year.

An investment's categorization within the valuation hierarchy is based upon the lowest level of input that is significant to the fair value measurement. Valuation techniques maximize the use of relevant observable inputs and minimize the use of unobservable inputs.

Money market funds are reported at cost which approximates fair value, are traded on active markets at quoted prices, and are valued at level 1. The City's guaranteed investment contract securities are valued at cost. They are considered nonparticipating contracts with redemption terms that do not consider market rates and therefore do not report a fair value measurement.

Federal obligations consist of Federal Agricultural Mortgage Corporation, Federal Farm Credit Bank, Federal Home Loan Bank, Federal Home Loan Mortgage Corporation (Freddie Mac), and Federal National Mortgage Association (Fannie Mae) notes. Government securities consists of U.S. Treasury strips, U.S. Treasury bonds, U.S. Treasury notes, U.S. Treasury TIPS, Federal agency notes, Government National Mortgage Association (Ginnie Mae) notes, and Small Business Administration Loans. These securities use pricing models that maximize the use of observable inputs for similar securities and are valued at level 2.

Commercial paper is priced at amortized cost. Although amortized cost may approximate fair market value, it does not meet the definition of a level 1 asset as it is not a listed price or a broker quote in an active market and therefore, is valued at level 2.

Domestic common stock are valued using prices quoted in active markets for those securities and are classified as 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. Corporate bonds are valued at level 2.

Mutual funds are valued at the daily closing price as reported by the fund. Mutual funds held by the City's Pension and OPEB Trust Funds include open-end mutual funds and are required to publish their daily value and to transact at that price. The mutual funds held by the City's Pension and OPEB Trust Funds are deemed to be actively traded. Investments in various mutual funds include equity funds, bond funds, and outside common trust funds. Mutual funds are valued at level 1, 2 or NAV depending on the type.

OCERS invests in commingled 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 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. The investment objectives are described in the tables and paragraphs in greater detail below.

Other investments consist of foreign government obligations and asset backed obligations. Foreign government obligations and asset backed obligations are valued at level 2 and are valued by the use of inputs of quoted prices of similar securities.

**Investments measured at the NAV**

	Fair Value	Unfunded Commitments	Redemption Frequency (if currently eligible)	Redemption Notice Period
<u>COMMINGLED FUNDS</u>				
U.S. Large Cap Core	\$82,048	\$ -	Daily	T/D-2
Long/Short Equity	70,959	-	Quarterly	60 days
Core Fixed Income	21,139	-	Daily	T/D-2
Core Plus Fixed Income	8,109	-	Daily	T/D-2
Absolute Return	34,497	-	Quarterly	90 days
Global Opportunistic Fixed Income	46,662	-	Daily	T/D-2
Core Real Estate	60,775	-	Quarterly	90 days
Commodities	26,638	-	Daily	N/A
<u>LIMITED PARTNERSHIPS</u>				
<u>- PRIVATE EQUITY</u>				
Warburg Pincus	11,482	-	Not Eligible	Not Eligible
Siguler Guff	911	-	Not Eligible	Not Eligible
Mesirow	16,504	-	Not Eligible	Not Eligible
<u>LIMITED PARTNERSHIPS</u>				
<u>- REAL ESTATE</u>				
TA Realty	3,147	-	Not Eligible	Not Eligible
	<b><u>\$382,871</u></b>	<b><u>\$-</u></b>		

Commingled Funds

SSGA S&P Flagship Fund Non-Lending (U.S. Large Cap Core):

The investment objective of the fund is to approximate as closely as practicable, before expenses, the performance of the S&P 500 Index over the long term. The fund invests primarily in long term common stocks. Other investments include government issues, derivatives, and futures contracts.

K2 Overseas Fund (Long/Short Equity):

The investment objective of the fund is to achieve superior investment returns with less volatility than the Standard & Poor's 500 Composite Stock Index over a full market cycle by investing in a broadly diversified portfolio of hedge funds, other investment entities, and/or separate accounts, which engage in a variety of investment strategies that include long/short equity, equity market neutral, catalyst driven equity, or other similar hedge fund strategies. If redemption requests are received as of any redemption date for more than 20% of the net asset value of the fund as of such redemption date, the directors may, at their sole discretion; (i) satisfy all of such redemptions, or (ii) reduce all redemption requests pro-rata so that no more than 20% of the net asset value of the fund is redeemed as of such redemption date. The fund was formed on May 1, 2003, and commenced operations on March 1, 2004.

**Western Asset Management Core Plus Fixed Income (Emerging Markets Local Debt):**

The investment strategy of the fund, under normal market conditions, is to invest all or substantially all of its assets in lower-rated debt and other fixed income securities of non-U.S. issuers. Although the fund may invest in any country, it generally expects to invest a significant portion of its assets in the non-U.S. dollar denominated sovereign debt issued by emerging market countries, and in fixed income securities of other issuers (including corporate issuers) located in such countries, and supranational issuers that issue fixed income securities in the currency of such countries. The objective of the fund is to maximize total return, consistent with prudent investment management. The fund reserves the right to implement a redemption notice period. A notice period is currently not in place. The fund was inceptioned on May 30, 2006, and a termination date has not been determined.

**Western Asset Management Core Plus Fixed Income (Floating Rate High Income):**

The investment strategy of the fund, under normal market conditions, is to invest at least 80% of its total assets in U.S. dollar denominated loans, loan participations and fixed income securities that are rated below investment grade at the time of purchase by one or more nationally recognized statistical organizations or are of a comparable quality as determined by the investment manager. The objective of the fund is to maximize total return. The fund reserves the right to implement a redemption notice period. A notice period is currently not in place. The fund was inceptioned on August 12, 2003, and a termination date has not been determined.

**Western Asset Management Core Plus Fixed Income (Non-Dollar Hedged):**

The investment strategy of the fund, under normal market conditions, is to invest substantially all of its assets in non-U.S. dollar denominated debt and fixed income securities of foreign issuers, while hedging at least 75% of its foreign currency exposure. The objective of the fund is to maximize total return. The fund reserves the right to implement a redemption notice period. A notice period is currently not in place. The fund was inceptioned on September 3, 1997, and a termination date has not been determined.

**Western Asset Management Core Plus Fixed Income (Opportunistic US\$ High Yield Securities):**

The investment strategy of the fund, under normal market conditions, is to invest at least 90% of its total assets in U.S. dollar denominated debt or fixed income securities that are rated below investment grade at the time of purchase by one or more nationally recognized statistical organizations or are of comparable quality as determined by the investment manager. The objective of the fund is to maximize total return. The fund reserves the right to implement a 15 day redemption notice period. A notice period is currently not in place. The fund was inceptioned on September 15, 1999, and a termination date has not been determined.

**SSgA Bond Market Non-Lending Fund (Core Fixed Income):**

The investment objective of the fund is to approximate as closely as practicable, before expenses, the performance of the Barclays U.S. Aggregate Bond Index over the long term. The fund attempts to achieve its investment objective by investing in other collective investment funds, each an underlying fund, managed by the trustee, which have characteristics consistent with the fund's overall investment objective.

PAAMCO (Absolute Return):

PAAMCO consists of Pacific Hedged Strategies, LLC, which on June 1, 2004, transferred substantially all of its investment holdings to the Pacific Atlantic Master Fund, L.P. (Master Fund) in exchange for an ownership percentage in that fund. A related party, Pacific Alternative Asset Management Company, LLC serves as the investment manager of the company and the Master Fund. The objective, through its investment in the Master Fund, is to seek capital appreciation with an attractive risk-adjusted rate of return over a complete market cycle. In pursuit of the objective, the Master Fund may allocate substantially all of its assets across a variety of private investment vehicles (hedge funds), generally with fixed income and equity orientations, covering many different investment styles. Pacific Hedged Strategies, LLC was incepted April 25, 2000, and commenced operations on November 1, 2011. A termination date of the fund has not been established.

Brandywine (Global Opportunistic Fixed Income):

The investment objective of the fund is to achieve interest income and long-term capital appreciation by investing in U.S. fixed income instruments and non-U.S. developed and emerging markets sovereign debt securities. The fund concentrates its investments in bonds of countries having the best value in the form of high real interest rates. The Brandywine Global Investment Management Trust was organized on May 1, 2006, with an agreement permitting the investment advisor to create multiple funds. The fund is currently one of eight active funds in the investment trust. The trust will continue until May 1, 2056, unless sooner terminated upon the occurrence of any of the following: (1) resignation or removal of the trustee when no successor trustee is appointed, (2) termination of all the funds of the trust.

Prime Property Fund (Core Real Estate):

The fund is a core commingled real estate investment fund. The fund invests in high quality, well leased and strategically located U.S. properties. The fund seeks to achieve an aggregate long term annual return on investment equity of 8-10% with the majority of the return being realized from income, with modest appreciation, and using leverage when appropriate. Morgan Stanley Real Estate Advisor, Inc. serves as the sponsor and advisor of the fund. Redemptions are subject to available cash.

Gresham TAP Fund (Commodities):

The investment objectives of the fund are to provide an investor's portfolio of financial investments a partial inflation hedge, with an attractive risk/return profile as compared to other products using a commodity index or a pool of commodities. The fund commenced operations on March 1, 2011. A termination date of the fund has not been established.

Limited Partnerships - Private Equity

Warburg Pincus:

Investments consist of Warburg Pincus Private Equity XI, operations effective May 9, 2012, and Warburg Pincus Private Equity XII, operations effective December 1, 2015, both with the purpose to make private equity investments and help build durable companies with sustainable value and related investments. Each fund provides for a 12 year partnership life. The general partner of each fund may extend the partnership term up to two additional years with the approval of the respective advisory committee. Each fund may be dissolved earlier upon specific events, as provided for in the respective partnership agreement.

Siguler Guff:

The purpose of the Siguler Guff Distressed Opportunities Fund III is to invest in pooled investment vehicles and direct investments consisting of direct or indirect securities of companies undergoing financial distress, operating difficulties and significant restructuring. The partnership's portfolio investments are generally illiquid. The partnership was formed on October 18, 2007. The term of the fund will continue until December 31, 2018, unless dissolved earlier in accordance with fund agreements. The term may be extended for up to three additional years with the consent of the advisory board.

**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2018**

**CITY OF OKLAHOMA CITY, OKLAHOMA**

Mesirow:

The purpose of the Mesirow Financial Private Equity Partnership Fund V is to invest in private equity limited partnerships. The fund was formed on November 5, 2008, and terminates on November 5, 2020. Provisions allow for three one-year extensions to provide for orderly liquidation of remaining assets.

Limited Partnerships - Real Estate

TA Realty:

The fund is organized for the purpose of investing in a diversified portfolio of income-producing real estate investment properties. The fund extends seven years from October 7, 2014, the date when the capital commitments were substantially invested, unless extended longer or terminated earlier, as provided in the amended and restated partnership agreement dated January 10, 2013. The fund has invested in a geographically diversified portfolio of real estate investments, principally office, industrial, multifamily and retail properties. There are no further capital commitments to the fund.

**Pension Trust Fund Credit Risk**

Ratings represent the pension funds exposure to credit risk including obligations of the U.S. government and those explicitly guaranteed by the U.S. government as of June 30, 2018.

	<u>AAA</u>	<u>AA</u>	<u>A</u>	<u>BBB</u>	<u>BB</u>	<u>B</u>	<u>CCC</u>	<u>CC</u>	<u>D</u>	Not <u>Rated</u>	Not <u>Available</u>
<u>GOVERNMENT SECURITIES</u>											
U.S. Treasury bonds	0%	100%	0%	0%	0%	0%	0%	0%	0%	0%	0%
U.S. Treasury TIPS	0	100	0	0	0	0	0	0	0	0	0
Federal agency notes (1)	1	5	94	0	0	0	0	0	0	0	0
Ginnie Mae	0	0	100	0	0	0	0	0	0	0	0
Small Business Administration Loans	0	35	65	0	0	0	0	0	0	0	0
<u>CORPORATE OBLIGATIONS</u>											
Domestic	4	8	24	64	0	0	0	0	0	0	0
International	0	1	34	50	15	0	0	0	0	0	0
<u>MUTUAL FUNDS</u>											
Bond-Active	0	29	61	2	8	0	0	0	0	0	0
<u>OTHER INVESTMENTS</u>											
Asset backed obligations	46	31	11	7	0	0	1	4	0	0	0
Money market fund	100	0	0	0	0	0	0	0	0	0	0
Foreign government obligations	0	0	12	70	18	0	0	0	0	0	0

(1) Below is the list of agencies in which the government is currently invested

Federal Home Loan Mortgage Corporation	\$4,422
Fannie Mae	\$10,493
Ginnie Mae	\$5,906
Small Business Administration Guaranteed Development	\$621
U.S. Treasury	\$9,964

**Foreign Investments**

Foreign currency risk is the risk that changes in exchange rates will adversely affect the fair value of an investment. In 2018, the System does not have any individual investments held in a foreign currency.

**Securities Held by Others**

For investments, custodial credit risk is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities in the possession of an outside party. City policy provides that investment collateral is held by a third party custodian with whom the City has a current custodial agreement in the City's name or be held in the name of both parties by the Federal Reserve Bank servicing Oklahoma.

**Investment Policies**

Investment policies for the City's reporting entity are maintained by the City Treasurer.

City Investment Policy

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. Generally, the City's investing activities are managed under the custody of the City Treasurer. Investing is performed in accordance with investment policies adopted by the City Council complying with State Statutes and the City Charter. City funds may be invested in: (1) direct obligations of the U.S. government, its agencies or instrumentalities to the payment of which the full faith and credit of the U.S. government is pledged, or obligations to the payment of which the full faith and credit of the State of Oklahoma is pledged; (2) federal agency or U.S. government-sponsored enterprise obligations, participations, or other instruments, including those insured by or fully guaranteed as principal and interest by federal agencies or U.S. government-sponsored enterprises; (3) collateralized or insured certificates of deposit and other evidences of deposits at banks, savings and loan associations, and credit unions located in Oklahoma when secured by appropriate collateral or fully insured certificates of deposit and other evidences of deposits at banks, savings and loan associations, and credit unions located outside of Oklahoma; (4) repurchase agreements that have underlying collateral of direct obligations or obligations of the U.S. government, its agencies, and instrumentalities; (5) money market funds regulated by the Securities and Exchange Commission which consist of authorized domestic securities with restrictions as specified in state law; (6) savings accounts or certificates of savings and loan associations, banks, and credit unions, to the extent the accounts are fully insured by federal depository insurance; (7) State and Local Government Series (SLGS); (8) City direct debt obligations for which an ad valorem tax may be levied or bonds issued by a public trust of which the City is a beneficiary and judgments rendered against the City by a court of record, provided it is a prudent investment; (9) prime commercial paper with a maturity date less than 180 days which represents less than 10% of the outstanding paper of an issuing corporation.

Under the City Investment Policy, the City may not invest in reverse repurchase agreements, derivative instruments created from, whose value depends on, or is derived from, the value of one or more underlying assets or indices of asset values or is a variable rate instrument. Collateralization is further restricted to permitted investments shown previously as items (1) and (2).



Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. Investments held for longer periods are subject to increased risk of adverse interest rate changes. The City Investment Policy provides that to the extent practicable, investments are matched with anticipated cash flows. Investments are diversified to minimize the risk of loss resulting from overconcentration of assets in a specific maturity period, a single issuer, or an individual class of securities. Unless matched to a specific cash flow, investments are not made in securities maturing more than five years from the date of purchase. Certificates of deposit may not be purchased with maturities greater than 365 days from date of purchase.

Concentration of credit risk is the risk of loss attributed to the magnitude of the City’s investment in a single issuer. Cumulatively, portfolios of the City may not be invested in any given financial institution in excess of 5% of such institution’s total assets, excluding U.S. government securities and those issued by government sponsored enterprises, SLGS, and City judgments. Additionally, no more than 5% of the total City portfolio may be placed with any single financial institution, excluding U.S. government securities and those issued by government sponsored enterprises, savings, money market funds, SLGS, City judgments and repurchase agreements.

Portfolio Structure (1)

Investment Type Limitations		Maturity Limitations	
Percentage of Total Invested Principal		Percentage of Total Invested Principal	
	<u>Maximum % (2)</u>		<u>Maximum % (4)</u>
Repurchase agreements	100%	0-1 year	100%
U.S. Treasury securities (3)	100	1-3 years	90
Certificates of deposit	50	3-5 years	90
Money market funds	100		
Savings accounts	100		
U.S. noncallable agency securities	100		
U.S. callable agency securities	20		
Prime commercial paper	7.5		
City judgments	5		

- (1) Specifically matched cash flows are excluded.
- (2) For investments listed, there is no minimum percentage specified under the policy.
- (3) Includes SLGS.
- (4) For maturities limited to 0-1 year, the minimum percentages allowed under the policy are 5-25%.

The City Investment Policy also allows surplus cash, certificates of deposit, and repurchase agreements to be collateralized with securities with longer maturities if such maturity does not exceed ten years.

OCAT Investment Policy

Trustees for the OCAT adopted a separate investment policy in addition to the investment provisions of bond indentures. This separate policy, not limited to restricted funds subject to indenture requirements, provides that OCAT invest in U.S. government obligations with maturities not to exceed a term of five years or the intended date of use of said funds.

OCWUT Investment Policy

Trustees for the OCWUT adopted a separate investment policy in addition to the investment provisions of bond indentures. OCWUT funds may be invested in: (1) direct obligations of the U.S. government, its agencies or instrumentalities to the payment of which the full faith and credit of the U.S. government is pledged; (2) obligations of Ginnie Mae, Fannie Mae, or Freddie Mac, or any Federal farm credit bank, Federal land bank, or Federal home loan bank notes or bonds; (3) collateralized or insured certificates of deposit and other evidences of deposits at banks, savings and loan associations, and credit unions located in the City when secured by appropriate collateral; (4) repurchase agreements that have underlying collateral of obligations of the U.S. government, its agencies, and instrumentalities; and (5) money market funds regulated by the Securities and Exchange Commission which consist of authorized domestic securities with restrictions as specified in state law.

Under the OCWUT Investment Policy, OCWUT may not invest in reverse repurchase agreements, derivative instruments created from, whose value depends on, or is derived from, the value of one or more underlying assets or indices of asset values and/or has no call options prior to OCWUT's desired maturity or is a variable rate instrument. Collateralization is further restricted to permitted investments shown previously as items (1) and (2).

The OCWUT Investment Policy provides that to the extent practicable, investments are matched with anticipated cash flows. Investments are diversified to minimize the risk of loss resulting from overconcentration of assets in a specific maturity period, a single issuer, or an individual class of securities. Unless matched to a specific cash flow, investments are not made in securities maturing more than five years from the date of purchase. Certificates of deposit may not be purchased with maturities greater than 365 days from date of purchase.

Concentration of credit risk is the risk of loss attributed to the magnitude of the OCWUT's investment in a single issuer. Cumulatively, OCWUT's portfolios may not be invested in any given financial institution in excess of 5% of such institution's total assets. Additionally, no more than 5% of the total Trusts portfolio may be placed with any single financial institution with the exception of repurchase agreements and money market funds. U.S. government securities, SLGS, and City judgments are excluded from these restrictions.

Portfolio Structure (1)

Investment Type Limitations		Maturity Limitations	
Percentage of Total Invested Principal		Percentage of Total Invested Principal	
	<u>Maximum % (2)</u>		<u>Maximum % (4)</u>
Repurchase agreements	100%	0-1 year	100%
U.S. Treasury securities (3)	100	1-3 years	90
Certificates of deposit	50	3-5 years	90
Money market funds	100		
Savings accounts	100		

- (1) Specifically matched cash flows are excluded.
- (2) For investments listed, there is no minimum percentage specified under the policy.
- (3) Includes SLGS.
- (4) For maturities limited to 0-1 year, the minimum percentages allowed under the policy are 5-25%.

The OCWUT Investment Policy also allows surplus cash, certificates of deposit, and repurchase agreements to be collateralized with securities with longer maturities if such maturity does not exceed ten years. The OCWUT Investment Policy does not address investments of MCA which are subject to bond indenture restrictions.

OCRA Investment Policy

Trustees for OCRA adopted a separate investment policy. The policy provides that funds may be invested in: (1) direct obligations of the U.S. government, its agencies or instrumentalities to the payment of which the full faith and credit of the U.S. government is pledged; (2) bonds or other legally created general obligations of the State of Oklahoma or an agency or political subdivision of the State of Oklahoma; (3) Federal agency or U.S. government sponsored enterprise obligations, participations, or other instruments including those issued by or fully guaranteed as to principal and interest by Federal agencies or U.S. government sponsored enterprises; (4) collateralized or insured certificates of deposit; (5) fully insured savings accounts. No more than 75% of the total funds available to invest may be placed in any one authorized institution. Of the funds invested, up to 100% may be invested with a maturity date of 2 years or less, up to 30% may be invested with a maturity date of 2-3 years, up to 10% may be invested with a maturity date of 3-5 years, and up to 5% may be invested with a maturity date of 5-30 years.

Public Trust Bond Indenture Restrictions

Public trust non-pooled cash and investments are restricted in purpose by the policies incorporated in applicable bond indentures. Credit risk policy generally restricts investing to cash, investments fully insured by the FDIC and U.S. government agencies (obligations not fully guaranteed must meet rating criteria Moody's AA2 or better, or similarly rated by Standard and Poor's). These include principal only and interest only strips if held by a third party, certificates of deposit, guaranteed investment contracts, commercial paper, Oklahoma municipal debt, and mutual funds or money market funds invested in obligations of the U.S. government, repurchase agreements comprised of these investment types or investment agreements approved by AmBac. There is some variation among the investments authorized by the respective indentures relating primarily to specified government agencies obligations. Trustee bank departments provide the management of restricted, non-pooled investments. Custodial credit risk for investments is not addressed by bond indentures.

Interest rate risk in public trust bond indentures provide that investments mature in no more than six to sixty months depending on the purpose of the funds and the requirements of the account in which funds are deposited (i.e. construction, reserve, operations and maintenance, etc.). Concentration of credit risk is not addressed.

**Restricted Deposits and Investments**

	<b>Primary Government</b>				<u>Total</u>
	Bond Principal and Interest	Project and Construction	Bond Reserve	Other	
	<u>Accounts</u>	<u>Accounts</u>	<u>Accounts</u>		
<i>Governmental Activities</i>					
Governmental funds					
General Obligation Bonds Fund	\$ -	\$301,471	\$ -	\$ -	\$301,471
Debt Service	111,081	-	-	-	111,081
Grants Management Fund	6,201	-	-	-	6,201
OCPPA General Purpose Fund	-	-	-	1,265	1,265
Special Purpose Fund	<u>-</u>	<u>-</u>	<u>-</u>	<u>8,201</u>	<u>8,201</u>
Total governmental funds	<u>117,282</u>	<u>301,471</u>	<u>-</u>	<u>9,466</u>	<u>428,219</u>
Internal service funds					
OCMFA Services Fund	<u>-</u>	<u>6,704</u>	<u>-</u>	<u>-</u>	<u>6,704</u>
<i>Business-Type Activities</i>					
OCEAT	1,224	2,397	1,322	-	4,943
OCZT	548	-	571	-	1,119
OCPPA Fairgrounds Fund	3,042	6,619	783	-	10,444
OCPPA Golf Courses Fund	<u>734</u>	<u>220</u>	<u>456</u>	<u>-</u>	<u>1,410</u>
Total business-type activities	<u>5,548</u>	<u>9,236</u>	<u>3,132</u>	<u>-</u>	<u>17,916</u>
<b>Total primary government</b>	<b><u>\$122,830</u></b>	<b><u>\$317,411</u></b>	<b><u>\$3,132</u></b>	<b><u>\$9,466</u></b>	<b><u>\$452,839</u></b>

**Component Units**

	Bond Principal and Interest	Construction	Bond Reserve	<u>Total</u>
	<u>Accounts</u>	<u>Accounts</u>	<u>Accounts</u>	
OCAT	\$2,531	\$ -	\$ -	\$2,531
OCWUT	28,963	379	42,867	72,209
COTPA	1,057	-	1,493	2,550
OCEDT	<u>2,171</u>	<u>28,727</u>	<u>16,511</u>	<u>47,409</u>
<b>Total component units</b>	<b><u>\$34,722</u></b>	<b><u>\$29,106</u></b>	<b><u>\$60,871</u></b>	<b><u>\$124,699</u></b>

**Pension Trust Policies**

The City's two pension trusts, OCERS and COTPA Retirement, investment policies provide for investment manager's who have full discretion of assets allocated to them subject to the overall investment guidelines set out in the policies. In February, 2017, the COTPA Pension Committee approved updates to the COTPA Retirement investment policy. Manager performance is reviewed by a consultant who provides reports to the respective governing boards. Any changes in the investment management firm must be reported as they occur. Overall investment guidelines provide for diversification and allow investment in domestic and international common stocks, fixed income securities, cash equivalents, index funds, collective trust funds, mutual funds, and City judgments (OCERS only).

Asset Allocation Guidelines

	OCERS				COTPA Retirement			
	<u>Minimum</u>	<u>Target</u>	<u>Maximum</u>	<u>Actual</u>	<u>Minimum</u>	<u>Target</u>	<u>Maximum</u>	<u>Actual</u>
<u>EQUITIES</u>								
Domestic	50.0 %	50.0 %	50.0 %	54.3 %	40.0 %	55.0 %	70.0 %	56.0 %
International	5.0	10.0	15.0	8.8	10.0	15.0	20.0	15.0
Alternatives	N/A	N/A	N/A	N/A	0.0	15.0	25.0	9.0
Fixed income (1)	20.0	25.0	30.0	24.1	10.0	25.0	40.0	20.0
Real assets	10.0	15.0	20.0	12.4	N/A	N/A	N/A	N/A
Cash Equivalents	N/A	N/A	N/A	0.28	0.0	5.0	10.0	0.0

(1) For the OCERS, fixed income includes cash.

Both plans address custodial credit risk similarly with policy providing for the engagement of a custodian who accepts possession of securities for safekeeping, collects and disburses income, collects principal of sold, matured, or called items; and provides periodic accounting to the respective pension boards. The pension trust funds hold \$506.077 million in common stock or stock funds. Of this amount \$176.233 million is held by the investment counterparty, not in the name of the pension fund or the City.

COTPA Retirement addresses credit risk and concentration of credit risk with policy that prohibits investment of more than 5% of its assets in the securities of any one issuer with the exception of the U.S. government. Policy further prohibits investment of more than 20% in any one market sector. Fixed income securities must be considered "investment grade" by at least one major rating agency at the time of purchase. Cash equivalents can include U.S. Treasury bills, money market mutual funds, repurchase agreements, certificates of deposit or FDIC insured deposits. Alternative investments shall be restricted to mutual funds and/or exchange traded funds with daily liquidity.

Interest rate risk is addressed by the policy requiring the active fixed income managers to maintain portfolio duration at a minimum of 50% and a maximum of 150% of the Barclay's Capital Aggregate Bond Index (LAGG=100).

OCERS policy provides risk parameters for various portfolio compositions. These address credit risk, concentration of credit risk, interest rate risk, and foreign currency risk applicable to the portfolio. OCERS contractually delegates portfolio management to investment managers based on these prescribed portfolio structures. Domestic equity securities (common stock or equivalent) must be traded on a major U.S. exchange and may include issues convertible to common stocks. International equity securities are non-U.S. issues whose principal markets are outside the U.S. In general, cash may not exceed more than 10% of any equity manager's portfolio.

Portfolio Parameters

Large Cap Domestic Portfolio:

Investment in equity securities may not exceed 10% of an individual equity, 10% of the market value of the individual portfolio, or 10% of any company's outstanding equity.

Small Cap Portfolio:

Investment in equity securities may not exceed 5% of an individual equity, 10% of the market value of the individual portfolio, or 5% of any company's outstanding equity.

International Portfolio:

Designates that no single stock may exceed 5% of the market value of the individual portfolio or 5% of any company's outstanding equity. Cash assets may be invested in short-term fixed income investments denominated in U.S. dollars or foreign currencies. Fixed income should not exceed 10% of the individual portfolio.

**Emerging Markets Portfolio:**

Investment policy designates that no single stock may exceed 5% of the market value of the individual portfolio or 5% of any company's outstanding equity. Cash should not exceed 10% of the individual portfolio.

**Long Short Equity Portfolio:**

This portfolio will be implemented through a fund of funds approach. Equity oriented strategies shall include primarily fundamental long/short equity managers, but may include other primarily equity oriented strategies at the managers discretion.

**Private Equity and Venture Capital Portfolio:**

Within the Private Equity/Venture Capital investment portfolio, the following securities and/or strategies may be included: Seed, Early, and Late Stage Venture Capital; Small, Mid and Large Market Buyout; Messanine Debt; and Distressed Debt. Other strategies that improve the potential risk/reward profile may be included.

**Core Fixed Income Portfolio:**

Investments may include any amount of U.S. government or U.S. government agencies obligations. Corporate bonds are diversified by industry and may include no more than 5% of any issuer. Mortgages and mortgage-backed securities are permitted. Bonds must have a minimum quality rating of BBB with overall portfolio average credit quality of AA or higher. International bonds may not exceed 20% of an individual portfolio and no more than 5% may be invested in one country. Convertible securities or preferred stock may not exceed 5% of the portfolio. Average option adjusted duration of the portfolio shall approximate the option adjusted duration of the relevant benchmark designated as the Barclay's Capital Aggregate Bond Index.

**Core Plus Fixed Income Portfolio:**

Investment is structured to include 75-100% domestic securities and 0-25% high yield, emerging market, non-dollar securities which may include below investment grade corporate bonds. Other provisions are similar to the core fixed income portfolio with exceptions for bonds limited to 2% and neither cash nor structured notes, as individual investment types, may exceed 5% of the total portfolio. Derivatives may be used on a limited basis to eliminate undesirable risk. No more than 5% of the portfolio will be invested in original futures margin and option premiums. Swap contracts may be executed with counterparties whose credit rating is A2/A or better. Average option adjusted duration of the portfolio shall approximate the option adjusted duration of the relevant benchmark designated as the Barclay's Capital Aggregate Bond Index, within a band of plus or minus 20%. On an ongoing basis, cash should not exceed 5% of the portfolio.

**Low Volatility Hedge Fund of Funds:**

This portfolio will be implemented through a fund of funds approach. The portfolio is intended to serve as a surrogate to traditional fixed income and maintain a volatility profile similar to the Barclays Capital Aggregate Bond Index. The portfolio may include various relative value, event driven and market neutral oriented hedge fund strategies, all at the manager's discretion.

**Real Estate Manager:**

The manager may invest in real estate and related securities permitted under Oklahoma Law including improved or unimproved real property, mortgages, or collective investment funds (Real Estate Investment Trusts or Real Estate Funds, notes secured by real property, mortgage-backed bonds and pass through securities backed by mortgages). Investments in real estate properties will be broadly diversified by geography, property type, and the number of properties.

**Securities Lending Transactions:**

City ordinance and the Board of Trustees permit the OCERS to lend securities with a simultaneous agreement to return collateral for the same securities in the future with agent indemnification in the event of borrower default. Securities lent may consist of both equity and fixed income securities. Collateral may consist of cash or securities issued or guaranteed by the U.S. government or its agencies or letters of credit. The OCERS may use or invest cash collateral at its own risk. However, collateral other than cash may not be pledged, sold, or otherwise transferred without borrower default.

During fiscal year 2018, OCERS had no securities lending amounts invested.

**Derivatives:**

The OCERS is permitted to own derivative investments. However, OCERS investment policy restricts derivative investing with investment policy guidelines. Derivative investments comprise less than 0.5% of the OCERS portfolio.

**Judgments:**

Judgments may be purchased by the City Treasurer for the benefit of the OCERS. The interest rate shall be in conformance with state law, 12 Oklahoma Statute 727.1(I), which currently provides that interest shall be the prime rate, as listed in the first edition of the Wall Street Journal published for each calendar year and as certified to the Administrative Director of the Courts by the Oklahoma State Treasurer on the first regular day following publication in January of each year, plus two percent (2%).

**Other Post-Employment Trust Policies**

The OCPEBT investment policies provide for investment managers who have full discretion of assets allocated to them subject to the overall investment guidelines set out in the policy unless governed by a prospectus. Investment manager performance is reviewed by a consultant who provides reports to the governing board. Overall investment guidelines provide for diversification and allow investment in domestic common stocks, domestic and international fixed income securities, cash equivalents, and domestic and international index funds, collective trust funds, and mutual funds.

OCPEBT's financial consultant will oversee and manage all funds invested in international equities, domestic equities and fixed income. In accordance with the OCPEBT trust indenture, the City Treasurer shall serve as the Treasurer of OCPEBT and shall have such duties and responsibilities as determined by the OCPEBT Trustees and will provide the oversight necessary to carry out the investment policies of OCPEBT. As such, the City Treasurer will manage any cash, cash equivalents and money market funds deemed necessary to accommodate the operational activities of OCPEBT. These assets will be reported separately and segregated from the asset allocation managed by the investment consultant.

Custodial credit risk policy provides for the engagement of a custodian who accepts possession of securities for safekeeping, collects and disburses income, collects principal of sold, matured, or called items, and provides periodic accounting to the Board. The OCPEBT has no investments held by an investment counterparty, not in the name of the OCPEBT.

Asset Allocation Guidelines

	<u>Minimum</u>	<u>Target</u>	<u>Maximum</u>	<u>Actual (1)</u>
Domestic equities	30%	55%	65%	66.3%
International equities	5	10	15	9.5
Fixed income	12	21	65	24.2
Cash	0	0	100	0

(1) Funds held by the OCPEBT Treasurer for cash flow purposes are invested temporarily in money market funds. These funds have not been made available to the investment manager and therefore are not included in actual percentages above. At June 30, 2018, the amount of funds temporarily invested by the OCPEBT Trust Treasurer in money market funds was \$7,018,285.

The OCPEBT policy provides risk parameters for various portfolio compositions. These address credit risk, concentration of credit risk, interest rate risk, and foreign currency risk applicable to the portfolio. The OCPEBT contractually delegates portfolio management to investment managers based on these prescribed portfolio structures. Equity securities (common stock or equivalent) must be traded on a major U.S. exchange and may include issues convertible to common stocks. International fixed income securities purchases are generally limited to issues of at least \$50 million. Investment managers may not invest in more than 5% of any one issuer or more than 30% of any one sector of the market. U.S. government securities are excluded from these restrictions.

Portfolio Parameters

Domestic Common Stocks:

Investments are limited to stocks with both the perceived ability of the company to appreciate and achieve future growth in earnings and current dividend return.

Fixed Income Securities:

Fixed income securities must be rated BBB by Standard and Poor's or Baa by Moody's rating agencies to qualify for purchase.

Cash Equivalents:

Cash equivalents are limited to A1, P1 rated commercial paper, obligations of the U.S. government or its agencies maturing in one year or less, and broker or bank repurchase agreements collateralized by U.S. government or its agency assets. Money market mutual funds and bank short-term investment funds invested as listed above are also acceptable.

Domestic Index and Mutual Funds:

Index and mutual funds are limited to investment company shares, collective trust fund of banks or trust companies, and insurance company separate accounts and must have at least a three year history, \$50 million in assets under management, and the same investment philosophy and strategy for the previous three years. The domestic index funds must strive to replicate the return of Standard and Poor's 500 Stock Index or Barclays Capital Aggregate Bond Index, or another index, as deemed to be appropriate.

International Index and Mutual Funds:

Index and mutual funds are limited to investment company shares, collective trust fund of banks or trust companies, and insurance company separate accounts, and must have at least a three year history, \$50 million in assets under management, and the same investment philosophy and strategy for the previous three years. The international index funds must strive to replicate the return of the Morgan Stanley Capital International Europe Australia and Far East Index (MSCI/EAFE).

Judgments:

Judgments may be purchased by the City Treasurer for the benefit of the OCPEBT. The interest rate shall be in conformance with state law, 12 Oklahoma Statute 727.1(I), which currently provides that interest shall be the prime rate, as listed in the first edition of the Wall Street Journal published for each calendar year and as certified to the Administrative Director of the Courts by the Oklahoma State Treasurer on the first regular day following publication in January of each year, plus two percent (2%).

**Compliance with State Requirements**

Trust investment policies and bond indentures are more restrictive than the requirements of Oklahoma law found in Title 60 of the Oklahoma Statutes and the standards of the Oklahoma Uniform Prudent Investor Act. These statutes restrict public trust investing to the Prudent Investor Rule defined by Title 60 Oklahoma Statutes to consider the purposes, terms, distribution requirements, and other circumstances of the trust, and to exercise reasonable care, skill, and caution. Investment decisions must be evaluated not in isolation, but in the context of the trust portfolio as a whole and as a part of the overall investment strategy having risk and return objectives reasonably suited to the trust.



**II. A. 2. RECEIVABLES AND UNCOLLECTIBLE AMOUNTS**

**Governmental Taxes and Accounts Receivable**

**Sales and Use Taxes Receivable**

Governmental activities report sales and use taxes receivable of \$73.763 million comprised of amounts received after year-end for current year taxes on sales. Sales and use tax are considered fully collectible.

**Property Taxes Receivable and Property Tax Calendar**

At June 30, 2018, receivables of \$4.400 million represent delinquent and escrowed paid-under-protest taxes. Approximately \$172 thousand of the receivable is comprised of payments to the counties made under protest. If paid under protest and delinquent taxes are not paid within 60 days of year-end, they are recorded as unavailable revenue in governmental funds.

Governmental fund property taxes receivable related to TIF at June 30, 2018, is \$3 thousand reported in the OCPPA General Purpose Fund.

**Accounts Receivable**

Governmental funds report taxes receivable other than sales and property taxes as part of accounts receivable. In addition, governmental funds report court fees, nuisance abatement, and other receivables including naming rights, event sales, special assessments, and oil & gas royalties receivables.

	Hotel/ Motel Taxes Receivable	Emergency Telephone Taxes Receivable	Franchise Fees Receivable	Nuisance Abatement Receivable (1)	Utility Receivable (1)	Courts Receivable	Other Receivables	Total Accounts Receivable
Governmental Funds								
General fund	\$ -	\$ -	\$4,888	\$88	\$21	\$1,593	\$991	\$7,581
Grants management fund	-	-	-	63	-	-	-	63
OCPPA general purpose	-	-	-	-	-	-	1,103	1,103
Other governmental funds	<u>1,600</u>	<u>929</u>	<u>-</u>	<u>1,494</u>	<u>366</u>	<u>15</u>	<u>478</u>	<u>4,882</u>
Total governmental funds	<u>1,600</u>	<u>929</u>	<u>4,888</u>	<u>1,645</u>	<u>387</u>	<u>1,608</u>	<u>2,572</u>	<u>13,629</u>
<b>Total governmental activities</b>	<b><u>\$1,600</u></b>	<b><u>\$929</u></b>	<b><u>\$4,888</u></b>	<b><u>\$1,645</u></b>	<b><u>\$387</u></b>	<b><u>\$1,608</u></b>	<b><u>\$2,572</u></b>	<b><u>\$13,629</u></b>

(1) Receivables are reported net of the allowance for uncollectible receivables.

	Nuisance abatement receivable			Utility receivable		
	Receivable	Allowance for Uncollectible	Net Receivable	Receivable	Allowance for Uncollectible	Net Receivable
General Fund	\$231	(\$143)	\$88	\$163	(\$142)	\$21
Grants Management Fund	164	(101)	63	-	-	-
Other Governmental Funds	<u>3,898</u>	<u>(2,404)</u>	<u>1,494</u>	<u>545</u>	<u>(179)</u>	<u>366</u>
	<b><u>\$4,293</u></b>	<b><u>(\$2,648)</u></b>	<b><u>\$1,645</u></b>	<b><u>\$708</u></b>	<b><u>(\$321)</u></b>	<b><u>\$387</u></b>

*Proprietary Accounts Receivable*

	<u>Major Enterprise Funds</u>		Other Enterprise Funds	<u>Total</u>
	<u>OCEAT</u>	<u>OCZT</u>		
Accounts receivable	\$15,490	\$1,167	\$3,545	\$20,202
Less: allowance for uncollectible accounts	<u>(7,118)</u>	<u>-</u>	<u>(1,778)</u>	<u>(8,896)</u>
<b>Net accounts receivable</b>	<b><u>\$8,372</u></b>	<b><u>\$1,167</u></b>	<b><u>\$1,767</u></b>	<b><u>\$11,306</u></b>

*Component Unit Property Taxes and Accounts Receivable*

**Property Taxes Receivable**

Component unit property taxes receivable related to TIF at June 30, 2018, is \$721 thousand reported in OCRA and \$5.952 million reported in OCEDT.

**Accounts Receivable**

Customer Accounts Receivable

	<u>OKCAT</u>	<u>OCRRA</u>	<u>OCWUT</u>	<u>COTPA</u>	<u>OCRA</u>	<u>Total</u>
Accounts receivable	\$3,494	\$ -	\$32,509	\$129	\$236	\$36,368
Less: allowance for uncollectible accounts	<u>-</u>	<u>-</u>	<u>(1,031)</u>	<u>(2)</u>	<u>-</u>	<u>(1,033)</u>
<b>Net accounts receivable</b>	<b><u>\$3,494</u></b>	<b><u>\$-</u></b>	<b><u>\$31,478</u></b>	<b><u>\$127</u></b>	<b><u>\$236</u></b>	<b><u>\$35,335</u></b>

Other Accounts Receivable

Oil and gas royalties	\$ -	\$10	\$13	\$ -	\$ -	\$23
Other	<u>-</u>	<u>1</u>	<u>651</u>	<u>110</u>	<u>-</u>	<u>762</u>
<b>Net accounts receivable</b>	<b><u>\$-</u></b>	<b><u>\$11</u></b>	<b><u>\$664</u></b>	<b><u>\$110</u></b>	<b><u>\$-</u></b>	<b><u>\$785</u></b>

*Fiduciary Receivables*

**Pension and OPEB Receivables**

	<u>Contributions Receivable</u>		Other	<u>Total</u>
	<u>Employer</u>	<u>Plan Members</u>		
OCERS	\$296	\$336	\$ -	\$632
COTPA Retirement	11	9	-	20
OCPEBT	<u>2</u>	<u>457</u>	<u>215</u>	<u>674</u>
	<b><u>\$309</u></b>	<b><u>\$802</u></b>	<b><u>\$215</u></b>	<b><u>\$1,326</u></b>

**Agency Fund Receivables**

The Agency Fund reports \$304 thousand in amounts receivable from property owners for special improvement district assessments, \$208 thousand for court receivables that will be remitted to the State of Oklahoma, and \$3 thousand in amounts receivable from other City funds.

***Intergovernmental Receivables and Advance Funding***

**Intergovernmental Receivables**

*Governmental Activities*

Governmental Funds

General Fund	Commercial vehicle, excise, motor fuel and alcoholic beverage taxes receivable	\$1,418
Grants Management Fund	Grant revenues receivable	3,265
Special Purpose Fund	State matching emergency management funds receivable	158
Tax Incremental Financing Fund	State matching TIF revenues receivable	824

Internal Service Funds

OCMFA Services Fund	State matching emergency management funds receivable	63
Total governmental activities		<u>5,728</u>

*Business-Type Activities*

OCEAT	State matching emergency management funds receivable	976
<b>Total primary government</b>		<b><u>\$6,704</u></b>

**Intergovernmental Receivables**

*Component Units*

OCAT	Grant revenues receivable	\$1,899
OCWUT	Federal and state emergency management matching funds	138
	Atoka and Sardis conservation projects receivable	5,000
	Federal Bureau of Reclamation funds receivable	73
COTPA	Grant revenues receivable	470
OCRA	Grant revenues receivable	22
<b>Total component units</b>		<b><u>\$7,602</u></b>

**Advance Funding**

ODOT Advance Funding

Periodically, the City enters into agreements with ODOT for cost sharing on projects funded with Federal grants awarded to ODOT. These agreements require the City to fund the match requirement of the grant in advance of any construction. Amounts which have been paid to ODOT but not yet spent on construction projects are reported as advance fundings.

General Obligation Bond Fund	\$3,465
Special Purpose Fund	9
Capital Improvement Fund	396
COTPA Fund	16
MAPS3 Sales Tax Fund	49
General Fund	<u>30</u>
	<b><u>\$3,965</u></b>

OCPPA General Purpose Fund Advance Funding

OCPPA advances funds to allow the management company to operate for the City's business improvement districts (BID) until payment is received from the business owners for services and improvements. As of June 30, 2018, \$163 thousand was unexpended.

City and Schools Sales Tax Advance Funding

OCMAPS provides advance funding to suburban school districts for on-going projects. As of June 30, 2018, \$329 thousand has been paid but not expended by suburban school districts.

OCEDT Oklahoma County Advance Funding

On January 18, 2013, OCEDT approved the Board of County Commissioners of Oklahoma County Annex Building renovation for \$4 million to be funded from TIF district #8 funds. On December 9, 2013, OCEDT approved a \$2 million advance distribution. As of June 30, 2018, \$420 thousand is unexpended.

*Notes, Service Concession Arrangements and Economic Incentives Receivable*

**Notes Receivable**

Grants Management Fund

Notes Receivable reported in the grants management fund include loans of \$17.482 million made to businesses and individuals for economic development, housing assistance, and revitalization of downtown Oklahoma City. These notes are repaid by the recipient business or future grant monies.

OCICF

In July 2015 OCICF sold the Journal Record Building for approximately \$4.4 million through multiple transactions. As part of the sale, OCICF established a note receivable of \$4.255 million from the buyer, which bears interest at rates established in the note agreement and matures in 2045. Future principal payments from the note receivable will be used to pay the principal due on the payable to the City. Interest earned from the note receivable will remain with OCICF and is required to be used for future economic development. The balance at June 30, 2018 is \$4.255 million.

OCRA

Skirvin Hotel:

OCRA loaned \$10.654 million for renovation costs for the Skirvin Hotel. The note bears interest at 3% payable semi-annually in June 1 and December 1. Principal of \$200 thousand is due annually on December 1. At June 30, 2018, \$9.590 million is outstanding.

Oklahoma Health Center Project:

In 2016 OCRA entered into a development financing and subordinated loan agreement for \$5.650 million with Page Woodson Development, LLC. to provide for eligible project costs under the amended Oklahoma Health Center Economic Development Project Plan. The note bears interest of .25% and is payable annually. The note has a term of 35 years. Principal is due on the maturity date and there is no penalty for prepayment in whole or in part. An additional contingent standby loan was approved on February 10, 2016, to Page Woodson Development, LLC. not to exceed \$3.5 million for this project, which would be funded only in the event that certain specific conditions prevent the funding of one of the contemplated private loans. As of June 30, 2018, the total amount outstanding is \$5.650 million.

OCEDT

Steelyard Residential and Commercial Building Project:

During fiscal year 2015 the Trust provided \$1 million to Bricktown Apartments, LLC in the form of a low-interest, non-forgivable loan to rehabilitate infrastructure that is necessary for the development of the residential and commercial project to make possible investment, development and economic growth in the area, thereby reversing economic stagnation and decline. Interest on the note will accrue at 2.5% and the length of the note will not exceed 10 years. The balance of the funding plan, including capitalized interest, is \$1.082 million at June 30, 2018.

Midtown HC:

In 2013 a loan agreement for \$1 million was established between OCEDT and Bricktown Midtown HC, LLC to construct a multi-story parking garage on property located at 123 N.W. 10th Street, Oklahoma City. The project advances the goals and objectives of the Downtown/MAPS Project Plan by developing and redeveloping vacant and unproductive property in the Midtown area. Repayment of the loan began in June 2015. The balance, including capitalized interest, is \$874 thousand at June 30, 2018.

21c Museum Hotel Redevelopment Project:

In 2014 a loan agreement for \$3.300 million was established between OCEDT and 21c Museum Hotels, LLC to aide in the redevelopment and renovation of approximately 150,000 square feet within the area of the Downtown/Maps Project Plan. The result includes a hotel, a museum, and a restaurant to be known as the 21c Museum Hotel Oklahoma City. The \$3.300 million non-forgivable, low-interest loan was drawn in June 2015 with repayment to begin upon completion of the project. The project was completed in 2016. The balance at June 30, 2018, is \$2.323 million.

Century Center Mixed Use Redevelopment Project:

During fiscal year 2016 OCEDT provided \$800 thousand to 100 Main, LLC in the form of a low-interest, non-forgivable loan for renovation of commercial, restaurant, retail and office space to make possible investment, development and economic growth in the area, thereby reversing economic stagnation and decline. The balance is \$676 thousand at June 30, 2018.

**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2018**

**CITY OF OKLAHOMA CITY, OKLAHOMA**

**NE 23rd Street Clinic:**

On March 19, 2018, the Trust disbursed \$600 thousand in the form of a forgivable, no interest loan to TwoYetMany for the redevelopment of commercial space into a medical clinic to make possible investment, development and economic growth in the area, thereby reversing economic stagnation and decline. The balance is \$600 thousand at June 30, 2018.

**Journal Record Building Redevelopment Project:**

During fiscal year 2018, the Trust provided \$1.875 million in the form of a forgivable, low interest loan to JRB Holdings, LLC for redeveloping the Commercial Unit of the Journal Record Building Condominiums into commercial office space and related uses and construction of a multistory parking structure. Interest will accrue at a rate of 2.11%, adjusted annually with a term of 7 years. The balance is \$1.652 million at June 30, 2018.

**American Indian Cultural Center and Museum Project:**

On August 17, 2017, the City entered into an agreement with the American Indian Cultural Center and Museum Land Development Company to develop, manage and operate the land adjacent to the Oklahoma River between Interstate 35 and Eastern Avenue into a museum and educational center showcasing the history of American Indian values that are expressed through language, arts, dance, music, literature, crafts and other traditions. The City agreed to sell the land for \$14 million with all of the balance outstanding at June 30, 2018.

**Economic Incentives Receivable**

OCEDT provides assistance in development financing to various developers, in anticipation of generating increased property tax value in TIF district #2. The developer agrees to make a minimum annual property tax payment. The minimum payments, less the base tax, continue until the total, including finance charges, is reached or TIF district #2 expires or terminates.

	<u>Loan Date</u>	<u>Loan Amount</u>	<u>Finance Charges</u>	<u>Minimum Tax</u>	<u>Base Tax</u>	<u>Outstanding Balance</u>
Midtown HC #1 mixed use project	4/29/2013	\$1,000	\$309	\$210	\$23	\$341
Midtown HC #2 mixed use project	7/7/2014	1,100	382	201	13	757
4th Street residential project	10/13/2014	1,000	365	191	8	600
	8/15/2017	1,000	202	200	14	988
Carnegie Centre mixed use project	2/12/2015	370	95	85	11	156
City Center residential project	2/16/2015	1,250	231	229	18	252
10th Street parking garage and mixed use project	4/9/2015	2,000	611	260	22	1,876
Edge Apartments residential redevelopment project	2/2/2016	1,500				
	12/15/2016	400	298	363	-	1,430
	12/14/2017	400				
Mideke Commercial Office Building redevelopment project	3/10/2016	1,000	210	191	38	726
Century Center mixed use redevelopment project	9/8/2015	1,250	316	184	24	1,061
Level West (Mosaic) Residential Apartments project	9/9/2016	1,150	291	172	7	1,137
21c Hotel & Museum project	10/21/2016	2,000	1,404	214	23	3,020
Sunshine Cleaners mixed use project	3/17/2017	550	196	31	9	705
Journal Record Building	7/14/2017	875	406	150	-	1,131
Journal Record Garage	7/14/2017	1,500	1,015	50	-	2,465
10th & Shartel Apartments	12/18/2018	3,000	773	450	-	3,323
Townhouse Hotel	5/11/2018	350	122	29	13	444
						<u>\$20,412</u>

**Service Concession Arrangement Receivable**

OCZT

Lancer Corporation

On January 5, 2017, OCZT entered into an arrangement with Lancer Hospitality Oklahoma, LLC (Lancer), under which Lancer will operate and collect revenue from food and beverage sales and services, along with room rentals. Lancer is to pay the OCZT a commission based on adjusted gross receipts on retail sales with guaranteed minimum payments of \$700 thousand annually for the first five years and \$750 thousand for years six and seven of arrangement. The OCZT recognized a service concession arrangement receivable for the present value of the minimum guaranteed payments discounted at 4% which will be amortized over the seven years of the agreement.

On February 1, 2018, OKZT entered into a six year arrangement with Lancer Hospitality Oklahoma, LLC (Lancer), which may be renewed for one additional five-year term by mutual consent. Under the agreement, Lancer will operate and collect revenue for gift store services. Lancer is to pay the OKZT a commission based on adjusted gross receipts for retail sales with Lancer guaranteeing minimum aggregate commission payments based on targets set for retail per capital sales. Lancer will invest \$1.25 million during the first five years of the agreement in existing or new retail or food facilities.

The OKZT recognized a service concession arrangement receivable and a related deferred inflow of resources in the amount of \$6.365 million at June 30, 2018 pursuant to these service concession arrangements.

**II. A. 3. OTHER ASSETS**

*Non-Current Receivables*

**OCAT Intergovernmental Receivables**

OCAT participates in reimbursable agreements with the Federal Aviation Administration. The agreements provide certain architectural and engineering services, as well as, structural maintenance of certain capital assets. OCAT reported non-current intergovernmental receivables related to these agreements of \$4.472 million, reported with other assets as non-current.

**OCWUT Receivable from MCA Participants**

In August 1992 the MCA trust indenture was amended to define the relationship between MCA and its aliquot share participants (Participants). Payment of the aliquot share of the costs affords Participants the right to store and transport water they are permitted to use. The portion of funds paid or transferred to MCA by Participants for aliquot shares are a period cost. Unpaid aliquot share balances from the Participants are cumulative and recorded as a non-current receivable by MCA. Payments to MCA from Participants reduce the amounts receivable from Participants for outstanding aliquot share payments receivable. At June 30, 2018, OCWUT reported \$56.897 million receivable from MCA Participants.

**OCWUT Receivable from Gaillardia Golf Course, LLC**

An agreement between OCWUT and Gaillardia Golf Course, LLC (Gaillardia) to construct, operate and maintain a recycled water system to irrigate the Gaillardia Golf Course was entered into in 1996. Prior to completing the construction, the agreement was amended to a recycled water sales contract and the related asset, valued at \$618 thousand, was donated to the City and OCWUT. A new agreement was entered into in 2008 between Gaillardia and OCWUT to recover the additional costs to OCWUT for constructing ultraviolet and chlorination treatment facilities needed to comply with changes in the environmental regulations. On April 16, 2013, a new agreement between OCWUT and Gaillardia was made for the sale and purchase of recycled water and settled all prior claims for an amount of \$277 thousand. The agreement was made effective January 1, 2013, for financial purposes, and effectively terminated all prior agreements and obligations. At June 30, 2018, the remaining balance payable to OCWUT was \$277 thousand.

*Advanced Funded Costs*

**OCWUT Tinker Air Force Base Advance Funded Costs**

On May 8, 2014, OCWUT contracted with MWH America's, Inc. to provide consulting services for the municipalization of Tinker Air Force Base's water and wastewater utilities. The consulting services were ongoing at June 30, 2017; however, no formal agreement with Tinker Air Force Base was in effect. OCWUT does not anticipate any fund usage in the next 12 months. The balance at June 30, 2018, is \$1.895 million.

*Security Deposit and Debt Reserve*

**COTPA**

COTPA has a \$65 thousand security deposit which is collateral to secure the obligation regarding a \$75 thousand deductible for automobile liability coverage.

**OCRA**

OCRA has a \$300 thousand non-current other asset for debt reserve held by the Presbyterian Health Foundation related to a note payable.

**II. A. 4. NET PENSION ASSETS**

Net pension assets are reported when a plan's net position exceeds the plan's total pension liability, or the employer's proportionate share of the plan's net position exceeds the plan's proportionate share of total pension liability for cost sharing, multiple employer plans.

	Primary Government			Component Unit	Fiduciary Funds	Total
	Governmental	Business-Type	Total			
	Activities	Activities				
OCERS	<u>\$13,766</u>	<u>\$11,218</u>	<u>\$24,984</u>	<u>\$ -</u>	<u>\$35</u>	<u>\$25,019</u>

**II. A. 5. EQUITY INTEREST IN JOINT VENTURE**

The Emergency Medical Services Authority (EMSA) provides emergency medical services to participating jurisdictions. The EMSA Board of Trustees is comprised of four Trustees appointed by the Eastern Division (Tulsa area) and four Trustees appointed by the Western Division (Oklahoma City area). EMSA has established capital accounts for each beneficiary jurisdiction. These capital accounts record the economic activity of the jurisdiction and represent an equity interest. The City reports this equity interest in governmental activities in the government-wide financial statements. EMSA issues separate financial statements available at 1417 North Lansing, Tulsa, Oklahoma 74106.

	Capital Interests		Total			
	Tulsa	Oklahoma City	Net Position			
	Area	Area	Net Position		Liabilities	
July 1, 2017, capital	\$9,655	\$13,986	Assets	\$42,877	Short-term	\$13,773
Changes in net position	416	(282)	Liabilities	19,102	Long-term	5,329
<b>June 30, 2018, capital</b>	<u><b>\$10,071</b></u>	<u><b>\$13,704</b></u>	<b>Net position</b>	<u><b>\$23,775</b></u>		<u><b>\$19,102</b></u>



II. A. 6. CAPITAL ASSETS

*Changes in Capital Assets*

	Primary Government							Total Capital Assets, Net
	Capital Assets, not depreciated			Capital Assets, depreciated				
	Land, Art, and Water Storage Rights	Construction In Progress	Total Capital Assets	Buildings	Infrastructure and Other Than Buildings	Furniture, Machinery, and Equipment	Total Capital Assets, Depreciable	
<i>Governmental Activities</i>								
<u>CAPITAL ASSETS (1)</u>								
Balance, June 30, 2017	\$168,564	\$362,685	\$531,249	\$523,183	\$1,906,441	\$264,491	\$2,694,115	\$3,225,364
Increases	10,083	159,167	169,250	8	13,519	26,276	39,803	209,053
Decreases	(583)	(5)	(588)	(632)	(2,650)	(7,472)	(10,754)	(11,342)
Transfers	<u>(324)</u>	<u>(95,388)</u>	<u>(95,712)</u>	<u>60,924</u>	<u>34,505</u>	<u>2,323</u>	<u>97,752</u>	<u>2,040</u>
Balance, June 30, 2018	<u>177,740</u>	<u>426,459</u>	<u>604,199</u>	<u>583,483</u>	<u>1,951,815</u>	<u>285,618</u>	<u>2,820,916</u>	<u>3,425,115</u>
<u>ACCUMULATED DEPRECIATION</u>								
Balance, June 30, 2017				201,769	839,709	185,499	1,226,977	1,226,977
Increases				14,209	76,523	20,163	110,895	110,895
Decreases				(478)	(1,877)	(7,363)	(9,718)	(9,718)
Transfers				47	452	-	499	499
Balance, June 30, 2018				<u>215,547</u>	<u>914,807</u>	<u>198,299</u>	<u>1,328,653</u>	<u>1,328,653</u>
Total governmental activities	<u>177,740</u>	<u>426,459</u>	<u>604,199</u>	<u>367,936</u>	<u>1,037,008</u>	<u>87,319</u>	<u>1,492,263</u>	<u>2,096,462</u>
<i>Business-Type Activities</i>								
<u>CAPITAL ASSETS</u>								
Balance, June 30, 2017	30,664	6,897	37,561	182,475	857,429	83,166	1,123,070	1,160,631
Increases	-	23,554	23,554	-	17,968	15,242	33,210	56,764
Decreases	-	-	-	-	-	(1,819)	(1,819)	(1,819)
Transfers	<u>-</u>	<u>(488)</u>	<u>(488)</u>	<u>-</u>	<u>-</u>	<u>488</u>	<u>488</u>	<u>-</u>
Balance, June 30, 2018	<u>30,664</u>	<u>29,963</u>	<u>60,627</u>	<u>182,475</u>	<u>875,397</u>	<u>97,077</u>	<u>1,154,949</u>	<u>1,215,576</u>
<u>ACCUMULATED DEPRECIATION</u>								
Balance, June 30, 2017				79,886	520,213	63,313	663,412	663,412
Increases				3,540	20,474	5,063	29,077	29,077
Decreases				-	-	(1,707)	(1,707)	(1,707)
Balance, June 30, 2018				<u>83,426</u>	<u>540,687</u>	<u>66,669</u>	<u>690,782</u>	<u>690,782</u>
Total business-type activities	<u>30,664</u>	<u>29,963</u>	<u>60,627</u>	<u>99,049</u>	<u>334,710</u>	<u>30,408</u>	<u>464,167</u>	<u>524,794</u>
<b>Total</b>	<b><u>\$208,404</u></b>	<b><u>\$456,422</u></b>	<b><u>\$664,826</u></b>	<b><u>\$466,985</u></b>	<b><u>\$1,371,718</u></b>	<b><u>\$117,727</u></b>	<b><u>\$1,956,430</u></b>	<b><u>\$2,621,256</u></b>

(continued)

NOTES TO FINANCIAL STATEMENTS  
June 30, 2018

CITY OF OKLAHOMA CITY, OKLAHOMA

	Component Units							
	Capital Assets, not depreciated			Capital Assets, depreciated				
	Land, Art, and Water Storage Rights	Construction In Progress	Total Capital Assets	Infrastructure and Improvements Other Than Buildings	Furniture, Machinery, and Equipment	Total Capital Assets, Depreciable	Total Capital Assets, Net	
<b>CAPITAL ASSETS</b>								
Balance, June 30, 2017	\$147,627	\$237,382	\$385,009	\$687,448	\$1,637,992	\$177,787	\$2,503,227	\$2,888,236
Increases	4,654	133,925	138,579	3	3,688	18,976	22,667	161,246
Decreases	(2,000)	(579)	(2,579)	(366)	(2)	(4,812)	(5,180)	(7,759)
Transfers	-	(134,479)	(134,479)	22,814	107,110	3,014	132,938	(1,541)
Balance, June 30 2018	<u>150,281</u>	<u>236,249</u>	<u>386,530</u>	<u>709,899</u>	<u>1,748,788</u>	<u>194,965</u>	<u>2,653,652</u>	<u>3,040,182</u>
<b>ACCUMULATED DEPRECIATION</b>								
Balance, June 30, 2017				352,160	628,882	107,380	1,088,422	1,088,422
Increases				16,047	49,189	13,406	78,642	78,642
Decreases				(189)	(3)	(4,725)	(4,917)	(4,917)
Transfers				-	60	(60)	-	-
Balance, June 30, 2018				<u>368,018</u>	<u>678,128</u>	<u>116,001</u>	<u>1,162,147</u>	<u>1,162,147</u>
<b>Total</b>	<b><u>\$150,281</u></b>	<b><u>\$236,249</u></b>	<b><u>\$386,530</u></b>	<b><u>\$341,881</u></b>	<b><u>\$1,070,660</u></b>	<b><u>\$78,964</u></b>	<b><u>\$1,491,505</u></b>	<b><u>\$1,878,035</u></b>

Approximately \$229.997 million (cost of \$546.012 million and accumulated depreciation of \$316.015 million) of airport property is leased or held for lease to others as of June 30, 2018.

**Depreciation Expense**

		Primary Government		Component Units	
		Governmental Activities	Business-Type Activities		
General government	\$1,595	Airport	\$457	Airports	\$26,929
Public safety: Police	919	Water and wastewater	10,922	Riverfront redevelopment	75
Fire	973	Solid waste management	3,341	Water utilities	45,895
Other	4,141	Stormwater drainage	3,515	Parking	1,579
Public services	62,825	Golf courses	910	Transit	3,378
Economic Development	2,412	Zoo	3,240	Economic development	<u>786</u>
Culture and recreation	<u>37,425</u>	Fairgrounds	<u>6,692</u>		
Subtotal	110,290				
Allocated internal service fund depreciation	<u>605</u>				
<b>Total governmental activities</b>	<b><u>\$110,895</u></b>	<b>Total business-type activities</b>	<b><u>\$29,077</u></b>	<b>Total component unit activities</b>	<b><u>\$78,642</u></b>

*Transfer of Capital Assets*

	<u>Transfer From</u>			<u>Transfer To</u>		
	<u>Capital Assets</u>	<u>Accumulated Depreciation</u>	<u>Capital Assets, Net</u>	<u>Capital Assets</u>	<u>Accumulated Depreciation</u>	<u>Capital Assets, Net</u>
<b>Primary Government</b>						
<i>Governmental Activities</i>						
Governmental Activities	\$ -	\$ -	\$ -	\$1,541	\$ -	\$1,541
<b>Component Units</b>						
OCMAPS	1,541	-	1,541	-	-	-

*Capitalized Interest*

	<u>Total Interest Costs Incurred</u>	<u>Interest Revenue Used to Offset</u>	<u>Capitalized Interest</u>
<b>Primary Government</b>			
<i>Business-type Activities</i>			
OCPPA Fairgrounds Fund	\$3,622	\$ -	\$83
<b>Component Units</b>			
OCAT	3,596	-	1,118
OCEAT	502	-	3
OCWUT	<u>24,734</u>	<u>-</u>	<u>7,261</u>
	<u><b>\$32,454</b></u>	<u><b>\$-</b></u>	<u><b>\$8,465</b></u>

II. B. DEFERRED OUTFLOWS OF RESOURCES

II. B. 1. DEFERRED AMOUNT ON REFUNDING

Deferred charges on refunding of bonds result from a difference in the carrying value of refunded debt to its reacquisition price. The amounts are deferred and amortized over the shorter of the life of the refunded or refunding debt.

	Debt Issue	Debt Issue Refunded	Deferred Amount	Accumulated Amortization	Net Amount
<b>Primary Government</b>					
<i>Governmental Activities</i>					
General obligation bonds	Series 2012 Refunding	Series 2002, 2002 Refunding, 2003, 2004, and 2005	\$3,148	\$596	\$2,552
General obligation bonds	Series 2015 Refunding	Series 2005 Refunding and 2006	765	87	678
General obligation bonds	Series 2016 Refunding	Series 2007	563	59	504
General obligation bonds	Series 2017 Refunding		<u>559</u>	<u>52</u>	<u>507</u>
			<b><u>\$5,035</u></b>	<b><u>\$794</u></b>	<b><u>\$4,241</u></b>
<i>Business-Type Activities</i>					
OCEAT	Series 2017 Refunding	Series 2005	24	3	21
OCZT	Series 2005 Refunding	Series 1999	69	35	34
OCPPA Golf Courses	Series 2010 Refunding	Series 1998	<u>1</u>	<u>-</u>	<u>1</u>
			<u>94</u>	<u>38</u>	<u>56</u>
			<b><u>\$5,129</u></b>	<b><u>\$832</u></b>	<b><u>\$4,297</u></b>
<b>Component Unit</b>					
OCAT	Junior Lien Series 29B	Junior Lien Series	\$179	\$94	\$85
OCWUT	Series 2013 Refunding	Series 2004 and 2008	7,827	299	7,528
OCWUT	Series 2016 Refunding	Series 2009A	<u>3,928</u>	<u>125</u>	<u>3,803</u>
			<b><u>\$11,934</u></b>	<b><u>\$518</u></b>	<b><u>\$11,416</u></b>

**II. B. 2. PENSION AND OPEB DEFERRED OUTFLOWS**

Differences are deferred when the actuarial estimate of the plan's experience costs for a given period differ from the actual experience costs. Deferred outflows that result from plan experience differences and changes in assumptions and proportion are divided by the beginning expected remaining service life of its members and amortized over that period, with the current year amount included in the determination of pension and OPEB expense. Differences are also calculated and recorded as deferred outflows when actual investment earnings exceed estimated investment earnings. This amount is amortized over a fixed five year period for each fiscal year. Current year employee contributions are deferred and included in the following year net pension or OPEB, asset or liability on calculation.

***Pension Deferred Outflows***

	<b>Primary Government</b>				<i>Business-Type Activity</i>	<b>Component Unit</b>	<b>Fiduciary Fund</b>		
	<i>Governmental Activities</i>			<b>Total</b>				<b>COTPA Retirement</b>	<b>OCERS</b>
	Police	Fire							
	<u>OCERS</u>	<u>Pension</u>							
Current year contributions - Employer	\$3,883	\$11,695	\$11,612	\$27,190	\$3,164	\$546	\$10		
Differences between expected and actual pension plan experience	-	110	44,918	45,028	-	222	-		
Investment projected vs actual	6,529	16,327	-	22,856	5,321	229	17		
Changes in assumption	2,829	-	-	2,829	2,305	-	7		
Changes in proportion and differences between employer contributions and proportion share of contributions	-	27	-	27	-	-	-		
	<b><u>\$13,241</u></b>	<b><u>\$28,159</u></b>	<b><u>\$56,530</u></b>	<b><u>\$97,930</u></b>	<b><u>\$10,790</u></b>	<b><u>\$997</u></b>	<b><u>\$34</u></b>		

***OPEB Deferred Outflows***

	<b>Primary Government</b>		<b>Component Unit</b>	<b>Fiduciary Funds</b>		
	<i>Governmental Activities</i>	<i>Business-Type Activity</i>			<b>COTPA COTPA OPEB</b>	<b>OCERS City OPEB</b>
	City OPEB					
Current year contributions - Employer	\$10,619	\$3,936	\$130	\$7		
Differences between expected and actual pension plan experience	2,875	1,066	413	2		
	<b><u>\$13,494</u></b>	<b><u>\$5,002</u></b>	<b><u>\$543</u></b>	<b><u>\$9</u></b>		

**III. LIABILITIES AND DEFERRED INFLOWS OF RESOURCES**

**III. A. LIABILITIES**

**III. A. 1. UNEARNED REVENUES**

	Primary Government		Total	Component Units
	Governmental Activities	Business-Type Activities		
<u>CURRENT</u>				
Grant revenues	\$781	\$ -	\$781	\$ -
Event sales	5,326	-	5,326	-
Charges for services	289	447	736	335
Advance construction costs	2,220	-	2,220	-
Naming rights	299	-	299	-
Rent	136	47	183	1,009
Other advance revenues	-	-	-	6
	<b><u>\$9,051</u></b>	<b><u>\$494</u></b>	<b><u>\$9,545</u></b>	<b><u>\$1,350</u></b>
<u>NON-CURRENT</u>				
Rent	<b><u>\$533</u></b>	<b><u>\$2,120</u></b>	<b><u>\$2,653</u></b>	<b><u>\$439</u></b>

**III. A. 2. INTERGOVERNMENTAL PAYABLES**

***Payable to the Federal Emergency Management Agency (FEMA)***

The amount payable to FEMA from the Grants Management Fund for advance funded disaster relief projects where costs were less than the amount funded is \$8 thousand.

***Payable to ODOT***

Periodically, the City enters into agreements with ODOT for cost sharing on projects funded with Federal grants awarded to ODOT. These agreements require the City to fund the match requirement of the grant. The amount payable as of June 30, 2018, is \$248 thousand which is reported in the General Obligation Bond Fund.

***Payable to the Oklahoma Water Resources Board (OWRB)***

During fiscal year 2010, OCWUT entered into an agreement with the OWRB to repay the Federal government for certain costs related to construction of Sardis Lake in Southeastern Oklahoma. The initial cost to OCWUT was \$27.814 million for the settlement of the OWRB's debt to the Federal government. This was paid in 2010. An additional amount of \$12.500 million is payable to reimburse the OWRB for certain costs for which the state previously made payments and upon the event of the issuance of a water use permit by the OWRB in accordance with Oklahoma law.

***Advance Funded Costs***

On December 8, 2016, the Federal government enacted the Water Infrastructure Improvements for the Nation Act which required OCWUT, the State of Oklahoma, the Choctaw Nation, and the Chickasaw Nation to contribute a total of \$10 million to establish the Atoka and Sardis Conservation Projects Board and Fund (Conservation Fund). The funding will be used to construct lake improvements and recreation facilities at Atoka and Sardis Lakes. At June 30, 2018, the balance of unspent funding is \$10 million.

**III. A. 3. COMPENSATED ABSENCES**

Compensated absences balances changed from 2017 to 2018 by accruals of \$37.144 million and usages of \$32.328 million.

	General Fund	Grants Management Fund	Other Governmental Funds	Total
Compensated absences	<u>\$66,573</u>	<u>\$251</u>	<u>\$12,126</u>	<u>\$78,950</u>

**III. A. 4. TAX ANTICIPATION DEBT**

***OCEDT TIF Districts #2 and #3***

The City created TIF district #2 on March 7, 2000, and TIF district #3 on July 20, 2004. OCPPA issued a line of credit to provide the funding for the projects related to the two TIF districts. In April 2012, the City Council approved a joint resolution with the OCEDT authorizing the assignment of TIF district #2 and #3 LOC, from OCPPA to OCEDT and the transfer of any TIF district #2 and #3 assets along with any outstanding obligations.

On October 22, 2008, OCEDT issued Private Placement Tax Anticipation Note 2008, (2008 TAN) from JP Morgan Chase Bank, N.A. in the amount of \$25 million with a fixed interest rate of 6.99% for a 16 year term to pay the outstanding principal and interest on the OCPPA TIF #2 and #3 line of credit in the amount of \$20.523 million. The balance of proceeds from the 2008 TAN is available to fund the remaining projects within the TIFs. The loan was paid in full in January of 2018 with the Series 2018 OCEDT Bonds.

On April 16, 2014, OCEDT issued Private Placement Tax Anticipation Note 2014 from JP Morgan Chase Bank, N.A. in the amount of \$10 million. On April 26, 2016, the maximum amount was changed from \$18 million to \$25 million. On May 16, 2017, the due date of the note was extended to March 31, 2018. The loan was paid in full in January of 2018 with the Series 2018 OCEDT Bonds.

***OCEDT TIF Districts #4 and #5***

In October 2004, Dell Incorporated (Dell) announced the selection of the City as the permanent site of the Dell Business Services Center. In November 2004, the City Council approved a Memorandum of Understanding (MOU) with Dell that outlined the incentives to be provided to Dell as a result of the selection of the City. The MOU required the City to provide land and infrastructure improvements to the site along with job creation grants. In December 2004 OCPPA approved the incurrence of indebtedness to JP Morgan Chase for a \$12 million line of credit (LOC) with a rate of the London Interbank Offering Rate (LIBOR) (30 day) plus 45 basis points. The financing requires a moral (not legal) pledge by the City in the event that proceeds of the tax increment debt issued by a City beneficiary trust are insufficient to repay the LOC. On June 21, 2011, OCPPA decreased the maximum amount of the LOC to \$11 million and increased the interest rate to LIBOR plus 115 basis points.

In April 2012, the City Council approved a joint resolution with the OCEDT authorizing the assignment of TIF district #4 & #5 LOC, from OCPPA to OCEDT and the transfer of any TIF district #4 and #5 assets along with any outstanding obligations. On June 25, 2013, OCEDT changed the interest rate to LIBOR plus 85 basis points. On May 16, 2017, OCEDT authorized the extension of the maturity date to June 30, 2018, and reduced the maximum principal amount to \$3.5 million. On June 28, 2018, OCEDT authorized the extension of the maturity date to June 30, 2019, and reduced the maximum principal amount to \$2.0 million. As of June 30, 2018, \$524 thousand is outstanding and reported with current liabilities.

**Changes in Tax Anticipation Debt**

	Component Unit			Effective Interest	
	Balance July 1, 2017	Issued/ Transferred	Retired	Balance June 30, 2018	Rate, June 30, 2018
<b>OCEDT</b>					
2008 TIF district #2 and #3	\$15,910	\$ -	\$15,910	\$ -	6.99%
2014 TIF district #2 and #3	13,080	4,750	17,830	-	2.17
TIF district #4 and #5	2,173	-	1,649	524	2.78
TIF interest payable	<u>278</u>	<u>1,443</u>	<u>1,721</u>	<u>-</u>	
	<b><u>\$31,441</u></b>	<b><u>\$6,193</u></b>	<b><u>\$37,110</u></b>	<b><u>\$524</u></b>	

**Tax Anticipation Debt Payment Requirements to Maturity**

	Component Unit					
	OCEDT					
	TIF district #2 and #3		TIF district #4 and #5		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
2018	<u>\$-</u>	<u>\$-</u>	<u>\$524</u>	<u>\$-</u>	<u>\$524</u>	<u>\$-</u>

**Pledged Revenues**

**OCEDT TIF Revenues**

The OCEDT issued tax anticipation notes to support its economic development activities. The OCEDT TIF Fund reports revenue-supported debt. In 2018, OCEDT recognized \$10.610 million in property taxes and \$1.182 million in payments from the City for sales tax restricted to repay tax anticipation debt.

OCEDT and the City entered into Agreements of Support for Tax Incremental Financing (TIF) Tax Anticipation Notes and the 2013 Tax Apportionment Bonds. The agreements provide for financial support of the Trust's financial agreements from legally available funds of the City. The agreements are on a year-to-year basis to be renewed annually until the principal and interest has been paid on the tax anticipation notes and tax apportionment bonds.



**III. A. 5. COMMERCIAL PAPER**

*Commercial Paper*

On January 17, 2006, OCWUT established a commercial paper program of tax-exempt commercial paper notes with letter of credit security. On May 17, 2016, OCWUT approved a resolution authorizing the commercial paper program to an amount not to exceed \$275 million in principal of tax-exempt commercial paper notes at any one time. The commercial paper program provides interim financing for OCWUT's ongoing capital program. Maturity of commercial paper ranges from 1 to 270 days, depending on market conditions at the time of issue. It is the general practice of OCWUT to extinguish commercial paper through issuance of bonded debt.

	Balance July 1, 2017	Issued	Retired	Balance June 30, 2018	Effective Interest Rate
OCWUT	<u>\$4,500</u>	<u>\$8,000</u>	<u>\$-</u>	<u>\$12,500</u>	1.62%

**III. A. 6. NOTES, LEASE OBLIGATIONS, AND ESTIMATED CLAIMS PAYABLE**

*Notes Payable*

**Federal Section 108 Notes Payable**

The City facilitated Section 108 loans, administered by the U.S. Department of Housing and Urban Development (HUD), for economic development projects, and a small business revolving loan fund. These loans are secured by HUD guarantees of future Federal grant allocations for repayment through the Community Development Block Grant (CDBG) program. JP Morgan Chase financed current outstanding Section 108 loans for City projects. These loans bear interest ranging from 0.45% - 6.62% and maturing from August 1, 2017, through August 1, 2025. Outstanding loans at June 30, 2018, are \$2.500 million and \$11 thousand in accrued interest. This loan activity is reported in the government-wide financial statements.

The City facilitated a Section 108 loan, administered by the U.S. Department of Housing and Urban Development (HUD), for the 21c Museum Hotel. This loan is secured by HUD guarantees of future Federal grant allocations for repayment through the Community Development Block Grant (CDBG) program. This loan bears interest of 0.85% and matures on August 1, 2034. Outstanding loans at June 30, 2018, are \$6.900 million and \$29 thousand in accrued interest. This loan activity is reported in the government-wide financial statements.

**OCMFA Services P25 Radio System Note Payable**

On March 30, 2017, OCMFA entered into a master lease/purchase agreement with Banc of America Public Capital Corporation for a new P25 Phase II trunked radio system to replace the existing emergency communications system serving the City. The note bears interest at 2.57% and matures on October 1, 2031. As of June 30, 2018, the balance of the note is \$9.832 million and \$63 thousand in accrued interest.

**OCWUT OWRB Notes Payable Revolving Loans**

On November 13, 2009, OCWUT finalized two revolving loans for a maximum of \$7.634 million for water line improvements and \$9.469 million in wastewater improvements. Upon completion of the construction projects, each loan has a provision for a minimum 20% match, \$2 million maximum from the American Recovery and Reinvestment Act of 2009. The match was in the form of principal forgiveness in each loan. As of June 30, 2018, \$8.883 million is outstanding. The effective interest rates of the two loans are 2.86% and 3.57% payable on March 15 and September 15 for the term of the loans. Principal payments began on March 15, 2011, and will continue semiannually for the term of the loans. The loans expire on March 15, 2031, and September 15, 2040.

On December 1, 2010, OCWUT finalized two revolving loans for a maximum of \$24.927 million for wastewater improvements and \$35 million for water line improvements. As of June 30, 2018, \$26.219 million is outstanding. The effective interest rates of the two loans are 3.27% and 3.74% payable on March 15 and September 15 for the term of the loan. Principal payments began on September 15, 2013, and will continue semiannually for the term of the loans. The loans expire on March 15, 2043.

On June 30, 2015, OCWUT finalized a revolving loan for a maximum of \$800 thousand for wastewater improvements. As of June 30, 2018, \$585 thousand is outstanding. The effective interest rate of the loan is 2.71% payable on March 15 and September 15 for the term of the loan. Principal payments began on September 15th, 2015, and will continue semiannually for the term of the loan. The loan expires on September 15, 2046. On June 30, 2015, OCWUT approved a revolving loan for a maximum of \$36 million for water line improvements. As of June 30, 2018, \$34.258 million is outstanding. The effective interest rate of the loan is 2.93%. Principal payments began on March 15, 2018 and will continue semiannually for the term of the loan. The loan expires on September 15, 2046.

On April 19, 2016, OCWUT approved a revolving loan for a maximum of \$64.750 million for station and facility improvements and \$800 thousand for water line improvements. As of June 30, 2018, \$61.447 million is outstanding. The effective interest rate of the loan is 2.55% payable on March 15 and September 15 for the term of the loan.

On November 15, 2016, the OCWUT approved a revolving loan for a maximum of \$57.300 million for water line improvements. As of June 30, 2018, \$23.455 million is outstanding. The effective interest rate of the loan is 2.98% payable on March 15 and September 15 for the term of the loan.

On December 19, 2017, OCWUT approved three revolving loans for a maximum of \$68.800 million for wastewater line improvements. The 2018A Clean Water note refunded the 2010 Clean Water note for \$15.550 million and has an interest rate of 2.43%. As of June 30, 2018, \$15.433 million is outstanding. The 2018B and 2018C loans will finance several wastewater projects. The interim effective interest rate of these loans is 2.55% payable on March 15 and September 15. Principal payments will commence the March 15 or September 15 following the date the projects are completed or on March 15, 2020 and will continue semiannually for the term of the loan. As of June 30, 2018, \$2.796 million is outstanding for the 2018B loan. There were no draws on the 2018B and 2018C loans as of June 30, 2018.

**OCRA Bio-Pharmaceutical Manufacturing Facility**

On August 31, 2007, OCRA issued a Bio-Pharmaceutical Manufacturing Facility note payable. The amount refinanced was \$6.528 million including \$28 thousand advanced closing costs. The note bears interest at the lesser of prime minus 1% or LIBOR plus 1%. The initial rate, determined using LIBOR plus 1% was 6.32%. The rate changes annually on July 1. The note matures July 1, 2022, and requires interest only to be paid monthly until August 1, 2010, at which time interest and principal payments commenced. As of June 30, 2018, the balance due is \$2.339 million. The interest rate at June 30, 2018, is 2.22%.

**OCRA Dean A. McGee Note Payable**

OCRA issued a \$3 million parity tax apportionment revenue note on August 3, 2007. The note matures on July 1, 2022, and interest on the note is calculated as either the LIBOR rate plus 1% or the prime rate minus 1%, whichever is less, adjusted annually on July 1st of each year. From the issue date to July 1, 2010, only interest is due on the note and commencing August 1, 2010, both interest and principal are due on the note. As of June 30, 2018, the balance of the note is \$1.079 million. The interest rate at June 30, 2018, is 2.22%.

*Capital Leases*

The City has outstanding capital lease agreements of \$236 thousand. These capital leases were used to finance the acquisition of copiers and office and printing equipment at a cost of \$130 thousand and ground equipment at a cost of \$219 thousand.

*Estimated Claims Payable*

The City's risk management activities reported with governmental activities are recorded in the Risk Management Fund, the OCMFA Services Fund and OCPEBT. The purpose of these funds is to administer employee life, employee health, workers' compensation, unemployment, and disability insurance programs of the City. These funds account for the risk financing activities of the City and certain component units of the City and constitute a transfer of risk from the other City funds and certain component units of the City.

The City funds and certain component units of the City pay a premium for insurance coverage and have no further costs or liabilities. Costs and liabilities for commercial insurance, stop-loss insurance, and claims paid are recorded in the City Risk Management Fund and OCMFA Services Fund. Retiree health insurance claims costs and liabilities are reported in OCPEBT.

Significant losses are covered by commercial insurance for all major programs except one employee health care alternative, which is covered by stop-loss commercial insurance, and workers' compensation, for which the City Risk Management Fund, OCMFA Services Fund, and OCPEBT retain risk of loss. For insured programs, there have been no significant reductions in insurance coverage. Settlement amounts have not exceeded insurance coverage for the current year or the three prior years.

Estimated claims liabilities are based on estimates of the ultimate cost of reported claims (including future claim adjustment expenses) and an estimate for claims incurred but not reported based on historical experience. Claims liabilities include specific, incremental claim adjustment expenses, allocated loss adjustment expenses, and are reduced for estimated recoveries on unsettled claims such as salvage or subrogation. The liability at June 30, 2018, is \$44.173 million, including \$1.520 million reported with fiduciary funds.

**Health Insurance Claims Liabilities**

Health insurance claims incurred but not reported for the City's self-insured group indemnity plan (Indemnity Plan) is calculated by a third party using the one day weighted average of annual claims over the weighted average days lag in claims reporting. A copy of the third-party report can be obtained from Human Resources, 420 W. Main, Suite 110, Oklahoma City, OK 73102.

**Worker's Compensation Claims Liabilities**

Worker's compensation claims incurred but not yet paid are calculated by a third-party using the inverse power curve and lognormal probability distribution methods. The City records worker's compensation claims payable at the discounted amount. The undiscounted carrying value at June 30, 2018, is \$34.350 million. Claims are discounted at 2.5% which was \$3.801 million at June 30, 2018. A copy of the third-party report can be obtained from Risk Management, 420 W. Main, Suite 630, Oklahoma City, OK 73102.

**Risk Liabilities**

Reported risk management liabilities constitute estimated insurance damage claims of City funds; are funded through insurance recoveries; and are recorded in the OCMFA Services Fund.

**Tort Claims Liabilities**

Reported judgments (tort liability) are principally funded through property taxes over a three-year period. Taxes collected are recorded in the Debt Service Fund.

**Other Liabilities**

Planned Unit Development

Landfill owner, Waste Connections, established a trust fund with the City to ensure completion of construction of Phase One and Phase Two Planned Unit Development improvements and maintenance of improvements during the 30 year post closure period. As improvements and maintenance are completed, the landfill owner can withdraw funds from the trust and withdraw the remaining balance upon the conclusion of the 30 year maintenance period. A liability has been recorded in the Special Purpose Fund in the amount of \$1.126 million which includes \$149 thousand of interest earnings.

**Pollution Remediation Obligations**

The City has identified pollution remediation obligations to address the current or potential detrimental effects of existing pollution through pollution remediation activities such as site assessments and cleanups. Pollution prevention and control is not included in the scope of these obligations.

Scissortail Park

During the cleanup of land purchased for the new Scissortail Park, several sources of pollution were discovered. Costs incurred through June 30, 2018 total \$301 thousand and the estimated cost of remaining obligations is \$464 thousand. These costs are required to prepare the property for use and were known or suspected at the time of purchase. The costs are included in the cost of the land. The Federal Environmental Protection Agency has awarded the City \$600 thousand in grant funds which will be used to mitigate the cost of the remediation. At June 30, 2018, a liability of \$394 thousand has been recorded in the Grants Management Fund.

Convention Center

During the cleanup of land purchased for the new MAPS3 Convention Center, several sources of pollution were discovered. Environmental assessment reports and plans are expected to be completed within the next twelve months. At June 30, 2018, potential future obligations are not estimable.

Streetcar Project

During the cleanup of land purchased for the new MAPS3 Streetcar Project, sources of pollution were discovered. Environmental assessment reports and plans are expected to be completed within the next twelve months. At June 30, 2018, potential future obligations are estimated at \$49 thousand.

Old Jail Building

In 2013, employees of the City Marshal's Office filed claims with the Oklahoma State Department of Labor for conditions in the old jail building. The building was evacuated of employees and has remained empty since that time. In 2013 the Oklahoma State Department of Labor confirmed reports of mold, water damage and the presence of vermin. At this time the building is not in use and it is not known when the City Council will determine the outcome of the building. Once an outcome is determined, remediation and abatement work will be necessary, but there is no estimate at June 30, 2018.

Gulfstream Maintenance Facility

The Wiley Post Airport Gulfstream Maintenance Facility is polluted with chemical compounds caused by certain aviation manufacturing activities. The liability is based on contracts in place for estimated site assessment and site characterization costs provided by the vendor. The remaining obligation will be paid by OCAT. As of June 30, 2018, the remaining estimated obligation is \$57 thousand.

**Pollution Remediation Obligations**

Pollution remediation obligations represent estimated and contractually derived obligations to address the current or potential detrimental effects of existing pollution. The pollution remediation obligation is an estimate and is subject to revision because of price increases or reductions, changes in technology, or changes in applicable laws or regulations.

	<u>Estimate Method and Assumption</u>	<u>Total Estimated Obligation</u>	<u>Estimated Recoveries</u>	<u>Pollution Remediation Obligation</u>
<b>Primary Government</b>				
<i>Governmental Activities</i>				
Scissortail Park	Engineer report	\$464	\$ -	\$464
Streetcar Project	Vendor Estimate	<u>49</u>	<u>-</u>	<u>49</u>
<b>Total primary government</b>		<b><u>\$513</u></b>	<b><u>\$-</u></b>	<b><u>\$513</u></b>
<b>Component Unit</b>				
<i>OCAT Fund</i>				
Gulfstream Maintenance Facility	Vendor estimate	<b><u>\$57</u></b>	<b><u>\$-</u></b>	<b><u>\$57</u></b>

**Estimated Claims Aggregate Liabilities**

	<u>Primary Government</u>						<u>Component Unit</u>	<u>Fiduciary Fund</u>
	<i>Governmental Activities</i>						<u>OCAT</u>	<u>OCPEBT</u>
	<u>Health Care</u>	<u>Workers' Compensation</u>	<u>Risk</u>	<u>Tort</u>	<u>Pollution</u>	<u>Other</u>	<u>Pollution Remediation</u>	<u>Health Care</u>
Liability balance, July 1, 2016	\$1,372	\$38,283	\$444	\$5,453	\$1,426	\$1,110	\$75	\$874
Claims and changes in estimates	17,169	1,442	1,282	4,297	99	10	81	19,725
Claims payments	<u>(17,289)</u>	<u>(6,139)</u>	<u>(677)</u>	<u>(2,306)</u>	<u>(632)</u>	<u>-</u>	<u>-</u>	<u>(19,856)</u>
Liability balance, July 1, 2017	1,252	33,586	1,049	7,444	893	1,120	156	743
Claims and changes in estimates	15,422	2,771	524	5,666	(39)	6	26	16,497
Claims payments	<u>(15,260)</u>	<u>(5,808)</u>	<u>(1,431)</u>	<u>(4,258)</u>	<u>(341)</u>	<u>-</u>	<u>(125)</u>	<u>(15,720)</u>
<b>Liability balance, June 30, 2018</b>	<b><u>\$1,414</u></b>	<b><u>\$30,549</u></b>	<b><u>\$142</u></b>	<b><u>\$8,852</u></b>	<b><u>\$513</u></b>	<b><u>\$1,126</u></b>	<b><u>\$57</u></b>	<b><u>\$1,520</u></b>
<b>Assets available to pay claims</b>	<b><u>\$5,745</u></b>	<b><u>\$33,836</u></b>	<b><u>\$4,459</u></b>	<b><u>\$112,776</u></b>	<b><u>\$142,026</u></b>	<b><u>\$1,126</u></b>	<b><u>\$95,160</u></b>	<b><u>\$59,639</u></b>

*Notes, Lease Obligations, and Estimated Claims Payment Requirements to Maturity*

<b>Primary Government</b>											
<i>Governmental Activities</i>											
	Notes Payable (1)				Capital Leases (2)				Estimated Claims Payable (3)		
	Governmental		Internal Service		Governmental		Internal Service		Governmental	Internal	
	Funds (4)		Funds		Funds		Funds		Funds	Service Funds	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Principal	
2019	\$548	\$128	\$618	\$249	\$10	\$3	\$ -	\$ -	\$5,365	\$9,874	
2020	629	119	634	233	9	2	-	-	5,126	22,231	
2021	636	110	650	216	10	2	-	-	-	-	
2022	642	101	667	200	11	1	-	-	-	-	
2023	699	91	684	182	2	-	-	-	-	-	
2024-2028	2,879	317	3,696	637	-	-	-	-	-	-	
2029-2033	2,046	160	2,883	150	-	-	-	-	-	-	
2034-2038	<u>1,321</u>	<u>24</u>	-	-	-	-	-	-	-	-	
	<b><u>\$9,400</u></b>	<b><u>\$1,050</u></b>	<b><u>\$9,832</u></b>	<b><u>\$1,867</u></b>	<b><u>\$42</u></b>	<b><u>\$8</u></b>	<b><u>\$-</u></b>	<b><u>\$-</u></b>	<b><u>\$10,491</u></b>	<b><u>\$32,105</u></b>	
Range of interest rates	1.838% LIBOR		2.57%		2.25% - 9.17%		2.05% - 5.33%				
<b>Cost of assets</b>					<b><u>\$130</u></b>		<b><u>\$58</u></b>				
<b>Accumulated depreciation</b>					<b><u>\$30</u></b>		<b><u>\$15</u></b>				

	<b>Primary Government</b>				<b>Component Unit</b>				<b>OPEB Trust Funds</b>	
	<i>Business-Type Activities</i>				Estimated Claims Payable				Estimated Claims Payable (3)	
	Capital Leases (2) Proprietary Funds				Notes Payable OCAT		Notes Payable (1) OCRA		OCPEBT	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	
2019	\$13	\$4	\$57		\$90,005	\$4,390	\$808	\$68	\$1,520	
2020	181	-	-		2,372	2,615	827	50	-	
2021	-	-	-		2,453	2,533	845	31	-	
2022	-	-	-		2,531	2,455	864	12	-	
2023	-	-	-		2,611	2,376	74	-	-	
2024-2028	-	-	-		14,336	10,597	-	-	-	
2029-2033	-	-	-		15,933	8,182	-	-	-	
2034-2038	-	-	-		17,305	5,583	-	-	-	
2039-2043	-	-	-		19,534	2,622	-	-	-	
2044-2048	-	-	-		<u>5,996</u>	<u>361</u>	<u>-</u>	<u>-</u>	<u>-</u>	
	<b><u>\$194</u></b>	<b><u>\$4</u></b>	<b><u>\$57</u></b>		<b><u>\$173,076</u></b>	<b><u>\$41,714</u></b>	<b><u>\$3,418</u></b>	<b><u>\$161</u></b>	<b><u>\$1,520</u></b>	
Range of interest rates	2.35%				2.71% - 3.74%		2.22%			
<b>Cost of assets</b>	<b><u>\$219</u></b>									
<b>Accumulated depreciation</b>	<b><u>\$44</u></b>									

- (1) Notes payable includes non-interest bearing notes.
- (2) For capital leases, totals of principal and interest components equal required minimum payments for periods shown, and total principal equals the net present value of these leases.
- (3) There is no effective method to determining the future maturities of actuarially determined estimated claims payable.
- (4) Governmental notes payable include Section 108 loans secured by the U.S. Department of Housing and Urban Development and use variable interest rates tied to prime. Interest is estimated using the rate in effect at June 30.

III. A. 7. BONDS PAYABLE

*Unamortized Bond Discount/Premium*

	Primary Government			Component Units
	<i>Governmental Activities</i>	<i>Business-Type Activities</i>	Total	
Bonds payable	\$836,030	\$101,480	\$937,510	\$715,050
Unamortized bond discount/premium	<u>50,039</u>	<u>5,452</u>	<u>55,491</u>	<u>45,440</u>
<b>Bonds payable, net</b>	<b><u>\$886,069</u></b>	<b><u>\$106,932</u></b>	<b><u>\$993,001</u></b>	<b><u>\$760,490</u></b>

*General Obligation Bonds*

**Bond Indentures and Covenants**

General obligation bonds, issued by City for various municipal improvements, are approved by the voters and repaid with property taxes recorded in the Debt Service Fund. These bonds are required to be fully paid within 25 years from the date of issue and are backed by the full faith and credit of the City. The City has no debt outstanding subject to legal debt limitations. The City's borrowing capacity is restrained by maintaining the City's debt at a responsible level. Other debt issued to support governmental activities is repaid as follows: compensated absences are paid from the fund responsible for the employee's compensation with significant liabilities payable from the General Fund; lease obligations are primarily paid from the General Fund; and liabilities payable from internal service funds are indicated by fund in the table summarizing changes in long-term debt.

**Issuances**

General Obligation Bonds, Taxable Series 2018

On May 10, 2018, the City issued \$40.990 million in taxable general obligation bonds, dated March 1, 2018 with an average interest rate (coupon) of 3.43%. Net proceeds of \$41.113 million included \$40.990 million to fund parks and recreation facilities, a downtown city arena, \$244 thousand in premium and \$264 thousand in accrued interest. Issuance costs were \$385 thousand. The premium and accrued interest will be used to reduce the ad valorem tax requirements in the year of issuance. The bonds mature on March 1, 2038.

General Obligation Bonds, Series 2018

On May 10, 2018, the City issued \$82.750 million in non-taxable general obligation bonds, dated March 1, 2018 with an average interest rate (coupon) of 4.05%. Net proceeds of \$89.585 million included \$82.750 million to fund infrastructure improvements, \$6.610 million in premium and \$626 thousand in accrued interest. Issuance costs were \$401 thousand. The premium and accrued interest will be used to reduce the ad valorem tax requirements in the year of issuance. The bonds mature on March 1, 2028.

**General Obligation Bonds Authorized But Unissued**

	<b>2007</b>	<b>2017</b>
	<b>Authorization</b>	<b>Authorization</b>
Streets	\$27,535	\$481,260
Bridges	5,285	26,520
Traffic control	1,370	27,585
Economic Development	-	60,000
Drainage control	5	49,670
Parks & recreational facilities	10,250	100,595
Police facilities	-	26,880
Fire facilities	-	45,350
Civic Center Complex	-	20,185
Transit	-	20,395
Libraries	-	23,910
City maintenance facilities	-	<u>11,085</u>
<b>Total</b>	<b><u>\$44,445</u></b>	<b><u>\$893,435</u></b>

**Revenue Bonds**

**Bond Indentures and Covenants**

Revenue bonds outstanding consist of debt issued by the various public trusts. The debt of these trusts does not constitute debt of the City and is payable solely from resources of the trusts. In general, respective facilities and revenues derived from them are pledged for the payment of revenue bond debt service. Debt is issued for the purposes of the fund or component unit responsible for payment.

Bond indentures contain significant requirements for annual debt service and flow of funds through various restricted accounts. The OCPPA Golf Courses bond indenture requires the use of gross revenue, sinking, bond reserve, contingency, and future expansion accounts. The OCPPA Fairgrounds bond indenture requires the use of project, principal, interest, and reserve accounts. The OCPPA Fairgrounds bonds are collateralized by pledged hotel-motel taxes transferred from the City under a security agreement and subject to annual appropriations. The OCEAT bond indenture requires the use of construction, revenue, and bond accounts. The OCZT bonds are collateralized by the sales tax agreement with the City for sales tax designated for the Zoo and the indenture requires maintenance of bond reserve, principal (sinking), and construction accounts.

The bond indentures for the OCAT bonds require project, bond (sinking), and various construction accounts. The general bond indenture and its supplements for Oklahoma City Water Utilities Trust water and wastewater system bonds require the use of revenue, bond, operations and maintenance, reserve, construction, and renewal and replacement accounts. The MCA bond indenture requires the use of bond proceeds, project, revenue, and bond accounts. The COTPA Parking bond indenture requires the use of revenue, bond, operating and maintenance, major maintenance and replacement, reserve, construction, and special use accounts.



**Issuances**

Oklahoma City Economic Development Trust Tax Increment Revenue Bonds (TIF2), Taxable Series 2018

On January 30, 2018, OCEDT issued \$67.355 million OCEDT Economic Development Activities Revenue and Refunding Bonds, Series 2018 with an average interest rate (coupon) of 3.03%. Issuance costs were \$504 thousand. Net proceeds of \$66.851 million will be used to fund economic development projects in the Increment District #2 project area and to establish a reserve fund. The Series 2018 bonds paid \$15.933 million of OCEDT Private Placement Tax Anticipation Note, 2008.

Oklahoma City Airport Trust, Junior Lien Revenue Private Placement Refunding Bonds, Thirty Second Series A 2018

On November 15, 2017, OKCAT issued \$12.165 million Junior Lien Revenue Private Placement Refunding Bonds, Thirty Second Series A with an average interest rate (coupon) of 1.88%. Issuance costs were \$80 thousand. Net proceeds of \$12.085 million will be used to refund Junior Lien Series 29A.

Oklahoma City Airport Trust, Junior Lien Revenue Private Placement Refunding Bonds, Thirty Second Series B 2018

On November 15, 2017, OKCAT issued \$24.505 million Junior Lien Revenue Private Placement Refunding Bonds, Thirty Second Series B with an average interest rate (coupon) of 1.88%. Issuance costs were \$161 thousand. Net proceeds of \$24.344 million will be used to refund Junior Lien Series 29B.

***Tax Apportionment Bonds***

**Bond Indentures and Covenants**

Tax apportionment bonds outstanding consist of debt issued by OCEDT. The OCEDT tax apportionment bond indenture requires the use of project, principal, interest, reserve, and apportionment accounts. The reporting entity is in compliance with all significant requirements of the various bond covenants. The debt of this trust does not constitute debt of the City and is payable solely from resources of OCEDT. Property taxes and special assessments are pledged for the payment of bond debt service. Debt is issued for economic development.

Bond indentures contain significant requirements for annual debt service and flow of funds through various restricted accounts. The OCEDT tax apportionment bond indenture requires the use of project, principal, interest, reserve, and apportionment accounts. The reporting entity is in compliance with all significant requirements of the various bond covenants.

**Bonded Debt Service Requirements To Maturity**

	<b>Primary Government</b>									
	<i>Governmental Activities</i>				<i>Business-Type Activities</i>					
	General Obligation Bonds		Revenue Bonds							
	Principal	Interest	OCEAT		OCZT		Fairgrounds		Golf Courses	
		Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	
2019	\$61,365	\$32,481	\$965	\$481	\$680	\$27	\$2,860	\$3,519	\$845	\$357
2020	64,660	30,145	1,010	439	-	-	3,005	3,376	870	330
2021	60,495	27,622	1,055	394	-	-	3,155	3,225	900	303
2022	60,350	25,222	1,095	352	-	-	3,315	3,067	925	275
2023	57,545	22,752	1,140	312	-	-	3,480	2,900	955	245
2024-2028	262,650	78,847	5,110	1,031	-	-	20,220	11,678	2,905	863
2029-2033	187,560	33,207	4,400	269	-	-	25,740	6,155	1,710	552
2034-2038	81,405	6,908	-	-	-	-	10,445	1,474	2,060	205
2039-2043	-	-	-	-	-	-	<u>2,635</u>	<u>133</u>	-	-
<b>Totals</b>	<b><u>\$836,030</u></b>	<b><u>\$257,184</u></b>	<b><u>\$14,775</u></b>	<b><u>\$3,278</u></b>	<b><u>\$680</u></b>	<b><u>\$27</u></b>	<b><u>\$74,855</u></b>	<b><u>\$35,527</u></b>	<b><u>\$11,170</u></b>	<b><u>\$3,130</u></b>

	<b>Component Unit</b>							
	Revenue Bonds						Tax Apportionment Bonds	
	OCAT		OCWUT		COTPA		OCEDT	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2019	\$6,800	\$2,981	\$19,550	\$20,154	\$635	\$837	\$11,490	\$6,142
2020	9,260	2,822	19,505	19,208	650	823	11,735	5,903
2021	9,445	2,635	19,660	18,278	665	806	12,015	5,637
2022	7,255	2,464	19,080	17,339	680	787	12,340	5,324
2023	2,110	2,359	20,005	16,330	700	766	12,690	4,975
2024-2028	10,130	10,750	81,415	67,800	3,900	3,414	69,910	18,582
2029-2033	6,175	8,911	85,100	49,368	4,825	2,455	41,460	8,338
2034-2038	8,455	6,542	88,815	29,663	6,105	1,137	9,535	477
2039-2043	11,765	3,107	63,375	11,495	1,410	35	-	-
2044-2048	<u>2,870</u>	<u>98</u>	<u>23,535</u>	<u>1,924</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Totals</b>	<b><u>\$74,265</u></b>	<b><u>\$42,669</u></b>	<b><u>\$440,040</u></b>	<b><u>\$251,559</u></b>	<b><u>\$19,570</u></b>	<b><u>\$11,060</u></b>	<b><u>\$181,175</u></b>	<b><u>\$55,378</u></b>

**Outstanding Bonds, Maturity Dates, and Interest Rates**

	<b>Primary Government</b>			
	<u>Amount of Original Issue</u>	<u>Range of Final Maturity Dates</u>	<u>Range of Effective Interest Rates</u>	<u>Outstanding Balance</u>
<i>Governmental Activities</i>				
General obligation bonds	\$1,106,455	2018 - 2038	2.0 - 6.0	\$836,030
<i>Business-Type Activities</i>				
Revenue bonds - major enterprise funds				
OCEAT	14,970	2032	2.8 - 5.0	14,775
OCZT	5,660	2019	3.8 - 4.0	680
OCPPA Fairgrounds Fund	87,590	2019 - 2040	2.5 - 5.0	74,855
OCPPA Golf Courses Fund	16,030	2025 - 2038	2.0 - 3.85	11,170
<b>Component Units</b>				
Revenue bonds				
OCAT	\$104,960	2017-2043	0.99-6.86	\$74,265
OCWUT	519,030	2025 - 2047	3.0 - 7.85	440,040
COTPA	22,000	2039	0.71 - 4.97	19,570
OCEDT	207,640	2027 - 2034	0.4 - 5.0	181,175

**OCICF Conduit Debt**

OCICF has issued industrial revenue bonds and leasing obligations to provide financial assistance to private-sector entities for the acquisition and construction of facilities deemed to be in the public interest. The bonds and leasing obligations are secured by the property financed and are payable solely from payment received on underlying mortgage loans or leasing agreements. Upon payment of the bonds and leasing obligations, ownership of the acquired facilities transfers to the private-sector entity. OCICF and the City are not obligated in any manner for repayment of the bonds or leasing obligations; accordingly, the bonds and leasing obligations are not reported as liabilities. The aggregate principal amount payable at June 30, 2018, is \$8.240 million.

**Bond Defeasance**

**Prior Years Defeasance**

In prior years, certain outstanding bonds were defeased by placing proceeds of new bonds in an irrevocable trust or escrow account to provide for all future debt service payments on the old bonds. This results in a transfer of liability to the irrevocable trust or escrow account trustee. Accordingly, the trust or escrow accounts and the defeased bonds are not included in the financial statements.

**Outstanding Defeased Bonds**

	<u>Purpose</u>	<b>Primary Government</b>		
		<u>Bond Series</u>	<u>Defeased Balance</u>	<u>Outstanding Balance</u>
<i>Governmental Activities</i>				
General obligation bonds	Combined Purpose	2005 Refunding	\$29,075	\$15,305
General obligation bonds	Combined Purpose	2006	42,110	33,690
General obligation bonds	Combined Purpose	2007	37,890	34,100
General obligation bonds	Combined Purpose	2008	31,895	31,895
<i>Business-Type Activities</i>				
OCPPA Fairgrounds	Fairgrounds	2005	43,860	37,645
			<b><u>\$184,830</u></b>	<b><u>\$152,635</u></b>
<b>Component Unit</b>				
OCWUT	Water and wastewater	1978G	\$1,890	\$55
OCWUT	Water and wastewater	2009A	51,030	14,918

*Segment Information and Pledged Revenues*

The City issues revenue bonds to support a variety of public services. The fund financial statements report major funds with revenue-supported debt for the OCEAT, OCZT, and OCPPA Fairgrounds Fund. OCAT financial information for revenue bonds is also included within the component unit combining financial statements in the basic financial statements.

The other fund of the primary government with revenues pledged for bonded debt is the OCPPA Golf Courses Fund which provides for the operations of four municipal golf courses (excluding James E. Stewart Golf Course). The Oklahoma City Water Utilities Trust provides water and wastewater services to citizens. OCWUT reports the blended operations of the Oklahoma City Water Utilities Trust and MCA. MCA is a component unit of OCWUT. MCA provides water storage in Atoka, Oklahoma. COTPA Parking is a fund of COTPA. COTPA Parking provides public parking primarily in downtown Oklahoma City. OCEDT TIF district #8 is a segment of OCEDT. TIF district #8 is located in downtown Oklahoma City.

**Condensed Statement of Net Position**

	<b>Primary Government</b>				<b>Activity With</b>	
	<i>Business-Type Activities</i>		<b>Component Units</b>		<b>Revenue</b>	
	<b>Segment Information</b>				<b>Supported</b>	
	Oklahoma City				<b>Debt</b>	
	OCPPA Golf	Water Utilities	MCA	COTPA	OCEDT	OCEDT
	Courses (1)	Trust		Parking	TIF District #8	TIF District #2
<b><u>ASSETS</u></b>						
Current assets	\$3,548	\$287,235	\$3,950	\$17,585	\$21,336	\$44,197
Non-current assets	<u>11,382</u>	<u>1,334,310</u>	<u>138,065</u>	<u>46,964</u>	<u>27,104</u>	<u>36,794</u>
<b>Total assets</b>	<b><u>14,930</u></b>	<b><u>1,621,545</u></b>	<b><u>142,015</u></b>	<b><u>64,549</u></b>	<b><u>48,440</u></b>	<b><u>80,991</u></b>
<b><u>DEFERRED OUTFLOWS</u></b>	<b><u>624</u></b>	<b><u>11,332</u></b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>-</u></b>
<b><u>LIABILITIES</u></b>						
Current liabilities	1,810	174,496	5,847	2,408	8,485	\$7,284
Non-current liabilities	<u>17,792</u>	<u>600,506</u>	<u>80,246</u>	<u>18,935</u>	<u>110,122</u>	<u>61,380</u>
<b>Total liabilities</b>	<b><u>19,602</u></b>	<b><u>775,002</u></b>	<b><u>86,093</u></b>	<b><u>21,343</u></b>	<b><u>118,607</u></b>	<b><u>68,664</u></b>
<b><u>DEFERRED INFLOWS</u></b>	<b><u>865</u></b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>-</u></b>
<b><u>NET POSITION</u></b>						
Net investment in capital	221	599,321	48,230	26,023	(32,277)	\$5,240
Restricted	643	29,346	8,594	2,129	(37,894)	7,087
Unrestricted	<u>(5,777)</u>	<u>229,208</u>	<u>(902)</u>	<u>15,054</u>	<u>4</u>	<u>-</u>
<b>Total net position</b>	<b><u>(\$4,913)</u></b>	<b><u>\$857,875</u></b>	<b><u>\$55,922</u></b>	<b><u>\$43,206</u></b>	<b><u>(\$70,167)</u></b>	<b><u>\$12,327</u></b>

(1) Does not include James E. Stewart Golf Course because those revenues are not pledged.

Condensed Statement of Revenues, Expenses, and Changes in Net Position

	Primary Government				Activity With	
	<u>Business-Type Activities</u>		Component Units		Revenue Supported	
	Segment Information				Debt	
	OCPPA Golf Courses (1)	Oklahoma City Water Utilities Trust	MCA	COTPA Parking	OCEDT TIF District #8	OCEDT TIF District #2
<b><u>OPERATING INCOME</u></b>						
Operating revenues	\$8,576	\$260,616	\$7,061	\$8,619	\$11,610	\$12,995
Depreciation expense	(840)	(45,119)	(775)	(1,579)	(214)	(100)
Other operating expenses	<u>(7,794)</u>	<u>(123,556)</u>	<u>(581)</u>	<u>(4,260)</u>	<u>(5,176)</u>	<u>(8,988)</u>
<b>Operating income (loss)</b>	<b>(58)</b>	<b>91,941</b>	<b>5,705</b>	<b>2,780</b>	<b>6,220</b>	<b>3,907</b>
<b><u>NON-OPERATING REVENUES</u></b>						
<b><u>(EXPENSES)</u></b>						
Interest expense	(389)	(13,124)	(1,877)	(843)	-	-
Other	47	(4,088)	562	403	-	-
Transfers	<u>875</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Changes in net position</b>	<b>475</b>	<b>74,729</b>	<b>4,390</b>	<b>2,340</b>	<b>6,220</b>	<b>3,907</b>
Beginning net position	(2,117)	840,620	51,532	41,348	(76,387)	8,420
Change in accounting principle	(3,271)	(57,474)	-	(482)	-	-
Prior period adjustment	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Ending net position</b>	<b><u>(\$4,913)</u></b>	<b><u>\$857,875</u></b>	<b><u>\$55,922</u></b>	<b><u>\$43,206</u></b>	<b><u>(\$70,167)</u></b>	<b><u>\$12,327</u></b>

(1) Does not include James E. Stewart Golf Course because those revenues are not pledged.

Condensed Statement of Cash Flows (2)

	Primary Government			
	<u>Business-Type Activities</u>		Component Unit	
	Segment Information			
	OCPPA Golf Courses (1)	Oklahoma City Water Utilities Trust	MCA	COTPA Parking
<b><u>NET CASH PROVIDED (USED) BY</u></b>				
Operating activities	\$907	\$134,654	\$6,439	\$4,396
Non-capital financing activities	792	3,905	-	215
Capital and related financing activities	(1,467)	(96,559)	(6,958)	(2,636)
Investing activities	<u>(301)</u>	<u>(63,262)</u>	<u>(399)</u>	<u>(2,791)</u>
<b>Net increase (decrease) in cash</b>	<b>(69)</b>	<b>(21,262)</b>	<b>(918)</b>	<b>(816)</b>
Beginning cash	<u>1,307</u>	<u>46,907</u>	<u>1,113</u>	<u>3,118</u>
<b>Ending cash</b>	<b><u>\$1,238</u></b>	<b><u>\$25,645</u></b>	<b><u>\$195</u></b>	<b><u>\$2,302</u></b>

(1) Does not include James E. Stewart Golf Course because those revenues are not pledged.

(2) OCEDT TIF district #2 and #8 is a governmental fund and does not present a statement of cash flows.

**III. A. 8. NET PENSION LIABILITIES**

A net pension liability is reported when a plan’s total pension liability exceeds the plan’s net position, or the employer’s proportionate share of the plan’s net total pension liability exceeds the plan’s proportionate share of net assets for cost sharing, multiple employer plans. COTPR reported a net pension liability of \$4.082 million at June 30, 2018. The COTPR total pension liability of \$16.514 million was determined by an actuarial valuation as of July 1, 2016, which was rolled forward to June 30, 2017. The Police Pension reported a net pension liability of \$7.692 million, of which the City’s proportionate share was \$2.192 million at June 30, 2018. The Police Pension net pension liability was determined by an actuarial valuation as of July 1, 2017, which was rolled to June 30, 2017. The Firefighters Pension reported a net pension liability of \$1.258 billion, of which the City’s proportionate share was \$336.254 million at June 30, 2018. The Firefighters Pension net pension liability was measured as of June 30, 2017, and the total pension liability was determined by an actuarial valuation as of July 1, 2017.

	<b>Primary Government</b>			<b>Component Unit</b>	<b>Fiduciary Funds</b>	<b>Total</b>
	<i>Governmental</i>	<i>Business-Type</i>	<i>Total</i>			
	<i>Activities</i>	<i>Activities</i>				
COTPR	\$ -	\$ -	\$ -	\$4,082	\$ -	\$4,082
Police Pension	2,192	-	2,192	-	-	2,192
Fire Pension	336,254	-	336,254	-	-	336,254
	<b>\$338,446</b>	<b>\$ -</b>	<b>\$338,446</b>	<b>\$4,082</b>	<b>\$ -</b>	<b>\$342,528</b>

**III. A. 9. NET OPEB LIABILITY**

A net OPEB liability is reported when a plan’s total OPEB liability exceeds the plan’s net position.

Primary Government	
<i>Governmental Activities</i>	\$380,589
<i>Business-Type Activities</i>	141,076
Component Unit	
COTPA	1,493
Fiduciary Fund	
OCERS	261
	<b>\$523,419</b>

III. A. 10. CHANGES IN LONG-TERM LIABILITIES

	Primary Government						
	Balance	Change in			Balance	Due Within	Due After
	July 1, 2017	Accounting Principle	Issued	Retired	June 30, 2018	One Year	One Year
<i>Governmental Activities</i>							
<u>COMPENSATED ABSENCES</u>							
Governmental funds	\$74,134	\$ -	\$37,144	\$32,328	\$78,950	\$24,255	\$54,695
Internal service funds	<u>1,991</u>	<u>-</u>	<u>1,300</u>	<u>1,208</u>	<u>2,083</u>	<u>787</u>	<u>1,296</u>
	<u>76,125</u>	<u>-</u>	<u>38,444</u>	<u>33,536</u>	<u>81,033</u>	<u>25,042</u>	<u>55,991</u>
<u>NOTES, LEASE OBLIGATIONS, AND</u>							
<u>ESTIMATED CLAIMS PAYABLE</u>							
Governmental funds:							
Notes payable	9,625	-	-	225	\$9,400	548	8,852
Lease obligations payable	36	-	46	40	42	10	32
Estimated claims payable	9,457	-	5,633	4,599	10,491	5,365	5,126
Internal service funds:							
Notes payable	10,500	-	-	668	9,832	618	9,214
Lease obligations payable	32	-	-	32	-	-	-
Estimated claims payable	<u>35,887</u>	<u>-</u>	<u>18,717</u>	<u>22,499</u>	<u>32,105</u>	<u>9,874</u>	<u>22,231</u>
	<u>65,537</u>	<u>-</u>	<u>24,396</u>	<u>28,063</u>	<u>61,870</u>	<u>16,415</u>	<u>45,455</u>
<u>BONDS PAYABLE (1)</u>							
Governmental funds-general obligation bonds	<u>820,338</u>	<u>-</u>	<u>130,595</u>	<u>64,864</u>	<u>886,069</u>	<u>61,365</u>	<u>824,704</u>
<u>NET PENSION LIABILITY (2)</u>							
Governmental funds	377,809	-	83,319	122,682	338,446	-	338,446
Internal service funds	<u>76</u>	<u>-</u>	<u>899</u>	<u>975</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>377,885</u>	<u>-</u>	<u>84,218</u>	<u>123,657</u>	<u>338,446</u>	<u>-</u>	<u>338,446</u>
<u>NET OPEB LIABILITY</u>							
Governmental funds	132,015	256,415	43,568	66,388	365,610	-	365,610
Internal service funds	<u>5,262</u>	<u>10,652</u>	<u>1,785</u>	<u>2,720</u>	<u>14,979</u>	<u>-</u>	<u>14,979</u>
	<u>137,277</u>	<u>267,067</u>	<u>45,353</u>	<u>69,108</u>	<u>380,589</u>	<u>-</u>	<u>380,589</u>
<i>Business-Type Activities</i>							
<u>COMPENSATED ABSENCES</u>							
Water and Wastewater Fund	5,659	-	3,477	3,460	5,676	2,153	3,523
OCZT	161	-	266	318	109	109	-
OCPPA Golf Courses	198	-	37	75	160	46	114
Other enterprise funds	<u>4,524</u>	<u>-</u>	<u>2,287</u>	<u>2,267</u>	<u>4,544</u>	<u>1,575</u>	<u>2,969</u>
	<u>10,542</u>	<u>-</u>	<u>6,067</u>	<u>6,120</u>	<u>10,489</u>	<u>3,883</u>	<u>6,606</u>
<u>NOTES AND LEASE OBLIGATIONS</u>							
Lease obligations payable-							
Water and Wastewater Fund	<u>207</u>	<u>-</u>	<u>-</u>	<u>13</u>	<u>194</u>	<u>13</u>	<u>181</u>
	<u>207</u>	<u>-</u>	<u>-</u>	<u>13</u>	<u>194</u>	<u>13</u>	<u>181</u>

(continued)

NOTES TO FINANCIAL STATEMENTS  
June 30, 2018

CITY OF OKLAHOMA CITY, OKLAHOMA

III. A. 10. CHANGES IN LONG-TERM LIABILITIES (continued)

	Primary Government						
	Balance July 1, 2017	Change in			Balance June 30, 2018	Due Within One Year	Due After One Year
		Accounting Principle	Issued	Retired			
<b>BONDS PAYABLE (1)</b>							
OCEAT	15,401	-	-	262	15,139	965	14,174
OCZT	1,343	-	-	657	686	680	6
OCPPA Fairgrounds Fund	83,260	-	-	3,350	79,910	2,860	77,050
OCPPA Golf Courses	<u>12,025</u>	-	-	<u>828</u>	<u>11,197</u>	<u>845</u>	<u>10,352</u>
	<u>112,029</u>	-	-	<u>5,097</u>	<u>106,932</u>	<u>5,350</u>	<u>101,582</u>
<b>NET PENSION LIABILITY (2)</b>							
Water and Wastewater Fund	279	-	3,293	3,572	-	-	-
OCZT	52	-	630	682	-	-	-
OCPPA Golf Courses	20	-	241	261	-	-	-
Other enterprise funds	<u>175</u>	-	<u>2,067</u>	<u>2,242</u>	-	-	-
	<u>526</u>	-	<u>6,231</u>	<u>6,757</u>	-	-	-
<b>NET OPEB LIABILITY</b>							
Water and Wastewater Fund	17,726	59,683	8,683	13,231	72,861	-	72,861
OCZT	5,628	14,390	2,245	3,421	18,842	-	18,842
OCPPA Golf Courses	4,494	3,990	952	1,452	7,984	-	7,984
Other enterprise funds	<u>9,421</u>	<u>34,551</u>	<u>4,932</u>	<u>7,515</u>	<u>41,389</u>	-	<u>41,389</u>
	<u>37,269</u>	<u>112,614</u>	<u>16,812</u>	<u>25,619</u>	<u>141,076</u>	-	<u>141,076</u>
<b>Total primary government (4) (5)</b>	<b><u>\$1,637,735</u></b>	<b><u>\$379,681</u></b>	<b><u>\$352,116</u></b>	<b><u>\$362,834</u></b>	<b><u>\$2,006,698</u></b>	<b><u>\$112,068</u></b>	<b><u>\$1,894,630</u></b>

	Component Units						
	Balance July 1, 2017	Change in			Balance June 30, 2018	Due Within One Year	Due After One Year
		Accounting Principle	Issued	Retired			
<b>COMPENSATED ABSENCES</b>							
OCWUT	\$66	-	\$19	\$13	\$72	\$12	\$60
COTPA	<u>402</u>	-	<u>488</u>	<u>415</u>	<u>475</u>	<u>217</u>	<u>258</u>
	<u>468</u>	-	<u>507</u>	<u>428</u>	<u>547</u>	<u>229</u>	<u>318</u>
<b>INTERGOVERNMENTAL PAYABLE (5)</b>							
OCWUT	<u>12,500</u>	-	-	-	<u>12,500</u>	-	<u>12,500</u>
<b>NOTES, LEASE OBLIGATIONS, AND ESTIMATED CLAIMS PAYABLE</b>							
Estimated claims payable-OCAT	156	-	26	125	57	57	-
Notes payable-OCWUT	122,946	-	69,103	18,973	173,076	90,005	83,071
Notes payable-OCRA	<u>4,212</u>	-	-	<u>794</u>	<u>3,418</u>	<u>808</u>	<u>2,610</u>
	<u>127,314</u>	-	<u>69,129</u>	<u>19,892</u>	<u>176,551</u>	<u>90,870</u>	<u>85,681</u>
<b>BONDS PAYABLE (1)</b>							
OCAT	84,888	-	36,670	47,293	74,265	6,800	67,465
OCWUT	505,438	-	-	21,775	483,663	19,550	464,113
COTPA	20,195	-	-	625	19,570	635	18,935
OCEDT	<u>121,178</u>	-	<u>67,355</u>	<u>5,541</u>	<u>182,992</u>	<u>11,490</u>	<u>171,502</u>
	<u>731,699</u>	-	<u>104,025</u>	<u>75,234</u>	<u>760,490</u>	<u>38,475</u>	<u>722,015</u>

(continued)



III. A. 10. CHANGES IN LONG-TERM LIABILITIES (continued)

	Component Units						
	Balance July 1, 2017	Change in Accounting Principle	Issued	Retired	Balance June 30, 2018	Due Within One Year	Due After One Year
<b>NET PENSION LIABILITY (2)</b>							
COTPA	4,600	-	1,156	1,674	4,082	-	4,082
<b>NET OPEB LIABILITY</b>							
COTPA	192	1,250	618	567	1,493	-	1,493
<b>Total component units</b>	<b>\$876,773</b>	<b>\$1,250</b>	<b>\$175,435</b>	<b>\$97,795</b>	<b>\$955,663</b>	<b>\$129,574</b>	<b>\$826,089</b>

- (1) Bonds payable does not include deferred amounts on refunding.
- (2) Retired amounts for net pension liability may include amounts reported in prior years as net pension assets.
- (3) Fiduciary fund liabilities are detailed below:

	Component Units						
	Balance July 1, 2017	Change in Accounting Principle	Issued	Retired	Balance June 30, 2018	Due Within One Year	Due After One Year
<b>Pension Trust Fund</b>							
Compensated absences - OCERS	\$89	\$ -	\$24	\$18	\$95	\$20	\$75
Net pension liability - OCERS	2	-	19	21	-	-	-
Net OPEB liability - OCERS	59	218	31	47	261	-	261
	<b>\$150</b>	<b>\$218</b>	<b>\$74</b>	<b>\$86</b>	<b>\$356</b>	<b>\$20</b>	<b>\$336</b>
<b>OPEB Trust Fund</b>							
Estimated claims payable - OCPEBT	\$743	\$ -	\$16,497	\$15,720	\$1,520	\$1,520	\$ -

- (4) Long-term payable to/from the primary government/component units are not included.
- (5) Intergovernmental payable does not include amounts payable within one year.

III. A. 11. GUARANTEED DEBT

A guarantee of debt represents a promise to meet any debt service requirements that falls short without the expectation or requirement of benefit to the City. The City has executed agreements of support which guarantee the City will fund the debt service or reserve account for the debt of OCPPA, COTPA and OCEDT. Under Oklahoma law, the City may only be obligated to transfer up to the end of its fiscal year (June 30) and has no legal obligation or promise to transfer beyond its fiscal year. The debt instruments recognize the limitations set by state law and the City's moral obligation to renew the guarantees. Although the guarantees must be approved each year by City Council, the guarantees are required to be intact as part of the debt instruments. The City has not and does not expect to act on any of these guarantees.

	<u>Amount Guaranteed (1)</u>	<u>Amount Outstanding (2)</u>
<i>Business-Type Activities</i>		
OCPPA Golf Courses bonded debt	\$1,202	\$11,170
<i>Component Units</i>		
COTPA Parking bonded debt	1,472	19,570
OCEDT tax anticipation debt	524	524
OCEDT tax apportionment bonded debt	<u>17,632</u>	<u>181,175</u>
	<b><u>\$20,830</u></b>	<b><u>\$212,439</u></b>

- (1) The amount guaranteed is only the amount of debt service due on or before June 30, 2019, and covered under the guarantee effective July 1, 2018. It is anticipated that the guarantees will be renewed annually.
- (2) The amount outstanding does not include interest.

### III. B. DEFERRED INFLOWS OF RESOURCES

#### III. B. 1. UNAVAILABLE REVENUE

Unavailable revenues are reported in governmental funds and represent revenue received more than 60 days following year-end (unavailable to pay liabilities of the current period). Unavailable revenue received after 60 days is fully recognized as revenue in the government-wide statements. At June 30, 2018, revenues earned but unavailable by governmental funds are \$9.146 million.

	General <u>Fund</u>	Debt <u>Service</u>	Grants <u>Management</u>	MAPS3 <u>Sales Tax</u>	Better Streets/ Safer City <u>Sales Tax Fund</u>	General Obligation <u>Bonds</u>	OCPPA General <u>Purpose Fund</u>	Other Governmental <u>Funds</u>
Investment income	\$144	\$166	\$6	\$608	\$58	\$294	\$10	\$249
Grants and donations	-	-	913	-	-	-	-	28
Property taxes	-	3,274	-	-	-	-	3	-
Other taxes	-	-	-	-	-	-	-	901
Franchise fees	539	-	-	-	-	-	-	-
Special assessments	-	-	-	-	-	-	-	302
Oil and gas revenues	-	-	-	-	-	-	-	17
Nuisance abatement revenues	-	-	-	-	-	-	-	1,142
Other revenues	<u>74</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>389</u>	<u>29</u>
	<b><u>\$757</u></b>	<b><u>\$3,440</u></b>	<b><u>\$919</u></b>	<b><u>\$608</u></b>	<b><u>\$58</u></b>	<b><u>\$294</u></b>	<b><u>\$402</u></b>	<b><u>\$2,668</u></b>

**III. B. 2. DEFERRED AMOUNT ON REFUNDING**

Deferred amounts on refundings of bonds results from a difference in the carrying value of refunded debt to its reacquisition price. Deferred amounts on refunding are amortized over the shorter of the life of the refunded or refunding debt.

	<u>Debt Issue</u>	<u>Debt Issue Refunded</u>	<u>Deferred Amount</u>	<u>Accumulated Amortization</u>	<u>Net Amount</u>
<b>Primary Government</b>					
<i>Business-Type Activities</i>					
OCPPA Fairgrounds	Series 2015 Refunding	Series 2015 Hotel Tax			
<b>Component Unit</b>			<b><u>\$184</u></b>	<b><u>\$15</u></b>	<b><u>\$169</u></b>
OCAT	Junior Lien Series 27B	Junior Lien Series 29B	<b><u>\$62</u></b>	<b><u>\$31</u></b>	<b><u>\$31</u></b>

**III. B. 3. PENSION AND OPEB DEFERRED INFLOWS**

Differences are deferred when the actuarial estimate of the plan's experience costs for a given period differ from the actual experience costs. Deferred inflows that result from plan experience differences and change in assumptions are divided by the beginning expected remaining service life of its members and amortized over that period, with the current year amount included in the determination of pension or OPEB expense. Differences are also calculated and recorded as deferred inflows when actual investment earnings exceed estimated investment earnings. This amount is amortized over a fixed 5 year period for each unique fiscal year.

*Pension Deferred Inflows*

	<u>Primary Government</u>				<u>Business-Type Activity</u>	<u>Component Unit</u>	<u>Fiduciary Funds</u>
	<u>Governmental Activities</u>			<u>Total</u>			
	<u>OCERS</u>	<u>Police Pension</u>	<u>Fire Pension</u>				
Differences between expected and actual pension plan experience	\$9,033	\$13,252	\$ -	\$22,285	\$7,362	\$167	\$23
Differences between projected and actual investment earnings on plan investments	-	-	9,370	9,370	-	-	-
Change in assumptions	-	-	-	-	-	1,370	-
Changes in proportion and differences between employer contributions and proportion share of contributions	-	230	18,141	18,371	-	-	-
	<b><u>\$9,033</u></b>	<b><u>\$13,482</u></b>	<b><u>\$27,511</u></b>	<b><u>\$50,026</u></b>	<b><u>\$7,362</u></b>	<b><u>\$1,537</u></b>	<b><u>\$23</u></b>

(continued)

**III. B. 3. PENSION AND OPEB DEFERRED INFLOWS (continued)**

*OPEB Deferred Inflows*

	Primary Government		Component	Fiduciary
	Governmental	Business-Type	Unit	Funds
	Activities	Activity	COTPA	OCERS
			COTPA	City
		City OPEB	OPEB	OPEB
Differences between projected and actual investment earnings on plan investments	\$1,107	\$410	\$10	\$1
Change in assumption	<u>31,895</u>	<u>11,823</u>	<u>125</u>	<u>22</u>
	<b><u>\$33,002</u></b>	<b><u>\$12,233</u></b>	<b><u>\$135</u></b>	<b><u>\$23</u></b>

**III. B. 4. OTHER DEFERRED INFLOWS**

At June 30, 2018, OCEDT reported deferred inflows related to the American Indian Culture Center in the amount of \$10.500 million for nonexchange resources received before timing requirements were met.

**III. B. 5. SERVICE CONCESSION ARRANGEMENT**

OCZT reported \$6.365 million in deferred inflows related to a service concession arrangement.

**IV. NET POSITION AND FUND BALANCE**

**IV. A. CHANGE IN ACCOUNTING PRINCIPLE/PRIOR PERIOD ADJUSTMENT**

*Change in Accounting Principle*

Effective July 1, 2017, the City changed its method of accounting with the implementation of GASB statement 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions. As a result the City recognized an increase in the net OPEB liability, an increase in deferred outflows of resources and a decrease in net position related to the change in accounting for post-employment benefits. Additionally, the City recognized an increase in receivables and increase to net position due to the chargebacks from the City to OCAT, OCWUT, COTPA, and OCEAT related to other post-employment benefits other than pensions in 2018.

	Primary Government		Component Unit	Fiduciary Funds	Total
	Governmental Activities	Business-Type Activities			
<b><u>Restatement of beginning fund</u></b>					
Increase in OPEB Liability	(\$267,067)	(\$112,614)	(\$1,250)	(\$218)	(\$381,149)
Increase in deferred outflows of resources	14,674	1,135	375	8	16,192
Increase in receivables	-	80,867	-	-	80,867
Increase in payables	-	(10,117)	(70,750)	-	(80,867)
Change in accounting principle	<u>(\$252,393)</u>	<u>(\$40,729)</u>	<u>(\$71,625)</u>	<u>(\$210)</u>	<u>(\$364,957)</u>

NOTES TO FINANCIAL STATEMENTS  
June 30, 2018

CITY OF OKLAHOMA CITY, OKLAHOMA

IV. B. FUND BALANCE

	General Fund	Debt Service Fund	Grants Management Fund	MAPS3 Sales Tax Fund	Better Streets/ Safer City Sales Tax Fund	General Obligation Bonds Fund	OCPPA General Purpose Fund	Other Governmental Funds	Total
<u>NON-SPENDABLE</u>									
Inventory	\$6,621	\$ -	\$ -	\$155	\$ -	\$ -	\$229	\$ -	\$7,005
Prepays	155	-	10	-	-	-	264	797	1,226
Intergovernmental advances	30	-	-	49	-	3,465	163	734	4,441
Advances to other funds									
non-current portion	<u>758</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>758</u>
Total non-spendable	<u>7,564</u>	<u>-</u>	<u>10</u>	<u>204</u>	<u>-</u>	<u>3,465</u>	<u>656</u>	<u>1,531</u>	<u>13,430</u>
<u>RESTRICTED</u>									
Public safety									
Police	-	-	-	-	-	-	-	21,285	21,285
Fire	-	-	-	-	-	-	-	20,511	20,511
Other	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>6,842</u>	<u>6,842</u>
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>48,638</u>	<u>48,638</u>
Public services									
Grant projects	-	-	24,773	-	-	-	-	1	24,774
Economic development	-	-	-	-	-	-	3	-	3
Other	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>5</u>	<u>1,260</u>	<u>1,265</u>
	<u>-</u>	<u>-</u>	<u>24,773</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>8</u>	<u>1,261</u>	<u>26,042</u>
Culture and recreation									
Parks	-	-	-	-	-	-	-	425	425
Other	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,589</u>	<u>8,017</u>	<u>9,606</u>
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,589</u>	<u>8,442</u>	<u>10,031</u>
Capital projects									
Bond projects	-	-	-	-	-	284,806	-	492	285,298
Sales tax projects	-	-	-	381,297	52,895	-	625	7,072	441,889
Other capital projects	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>982</u>	<u>3,516</u>	<u>4,498</u>
	<u>-</u>	<u>-</u>	<u>-</u>	<u>381,297</u>	<u>52,895</u>	<u>284,806</u>	<u>1,607</u>	<u>11,080</u>	<u>731,685</u>
Debt service									
Total restricted	<u>-</u>	<u>112,776</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>112,776</u>
	<u>-</u>	<u>112,776</u>	<u>24,773</u>	<u>381,297</u>	<u>52,895</u>	<u>284,806</u>	<u>3,204</u>	<u>69,421</u>	<u>929,172</u>

(continued)

NOTES TO FINANCIAL STATEMENTS  
June 30, 2018

CITY OF OKLAHOMA CITY, OKLAHOMA

IV. B. FUND BALANCE (continued)

	General Fund	Debt Service Fund	Grants Management Fund	MAPS3 Sales Tax Fund	Better Streets/ Safer City Sales Tax Fund	General Obligation Bonds Fund	OCPPA General Purpose Fund	Other Governmental Funds	Total
<b>COMMITTED</b>									
Public safety-other	-	-	-	-	-	-	-	7,710	7,710
Public services-other	-	-	-	-	-	-	-	7,971	7,971
	-	-	-	-	-	-	-	15,681	15,681
Culture and recreation									
MAPS support	-	-	-	-	-	-	557	34,305	34,862
Other	-	-	-	-	-	-	-	2,172	2,172
	-	-	-	-	-	-	557	36,477	44,854
Capital projects									
Use tax projects	-	-	-	-	-	-	-	7,820	7,820
Other capital projects	-	-	-	-	-	-	-	575	575
	-	-	-	-	-	-	-	8,395	575
Total committed	-	-	-	-	-	-	557	60,553	61,110
<b>ASSIGNED</b>									
General government	-	-	-	-	-	-	125	-	125
Public safety-other	854	-	-	-	-	-	-	-	854
	854	-	-	-	-	-	125	-	979
Public services									
OCMFA general purposes	-	-	-	-	-	-	-	1,693	1,693
	-	-	-	-	-	-	-	1,693	1,693
Culture and recreation									
Oklahoma River improvements	-	-	-	-	-	-	1,239	-	1,239
Parks	-	-	-	-	-	-	852	-	852
Other	-	-	-	-	-	-	4,676	-	4,676
	-	-	-	-	-	-	6,767	-	6,767
Capital projects									
Sales/use tax projects	-	-	-	-	-	-	34	172	206
Bond capital projects	-	-	-	-	-	-	-	8,161	8,161
Parks	-	-	-	-	-	-	-	4,374	4,374
Other capital projects	-	-	-	-	-	-	-	41,215	41,215
	-	-	-	-	-	-	34	53,922	53,956
Encumbrances	918	-	-	-	-	-	-	-	918
Allocation to unassigned	-	-	-	-	-	-	(4,022)	-	(4,022)
Total assigned	1,772	-	-	-	-	-	2,904	55,615	60,291
<b>UNASSIGNED</b>	132,690	-	-	-	-	-	-	(4,241)	128,449
Total fund balance	<b>\$142,026</b>	<b>\$112,776</b>	<b>\$24,783</b>	<b>\$381,501</b>	<b>\$52,895</b>	<b>\$288,271</b>	<b>\$7,321</b>	<b>\$182,879</b>	<b>\$1,192,452</b>
<b>ENCUMBRANCES</b>	<b>\$918</b>	<b>\$-</b>	<b>\$6,490</b>	<b>\$13,292</b>	<b>\$72,388</b>	<b>\$72,388</b>	<b>\$2,999</b>	<b>\$13,887</b>	<b>\$182,362</b>

IV. C. NET POSITION

	Primary Government			Component Units
	Governmental Activities	Business-Type Activities	Total	
<u>NET INVESTMENT IN</u>				
<u>CAPITAL ASSETS</u>				
Capital assets, net	\$2,096,462	\$524,794	\$2,621,256	\$1,878,035
Related Debt				
Tax anticipation debt (1)	-	-	-	(84)
Capital related notes and leases payable	(9,874)	(194)	(10,068)	(173,076)
Commercial paper	-	-	-	(12,500)
Bonds payable, net (2)	(886,069)	(106,932)	(993,001)	(636,557)
Deferred amount on refunding, net	4,241	(113)	4,128	11,385
Capital related intergovernmental payable	-	-	-	(12,500)
Payable to OCEDT	(2,250)	-	(2,250)	-
Retainages and capital accounts payable	(42,883)	(699)	(43,582)	(28,210)
Unspent proceeds				
Deposits restricted for bond reserve	-	2,334	2,334	32,223
Deposits restricted for capital projects	308,176	9,212	317,388	379
Issuance costs paid from bond proceeds	-	1,238	1,238	5,140
Total net investment in capital assets	<b><u>\$1,467,803</u></b>	<b><u>\$429,640</u></b>	<b><u>\$1,897,443</u></b>	<b><u>\$1,064,235</u></b>
<u>RESTRICTED</u>				
Capital projects				
Bond projects	\$121,513	\$25	\$121,538	\$633
Sales tax projects	470,617	-	470,617	-
Other capital projects	<u>2,761</u>	<u>-</u>	<u>2,761</u>	<u>-</u>
Total capital projects	<u>594,891</u>	<u>25</u>	<u>594,916</u>	<u>633</u>
Debt service	<u>97,399</u>	<u>4,562</u>	<u>101,961</u>	<u>74,547</u>
Public safety				
Police	1,812	-	1,812	-
Fire	27	-	27	-
Other	<u>6,915</u>	<u>-</u>	<u>6,915</u>	<u>-</u>
Total public safety	<u>8,754</u>	<u>-</u>	<u>8,754</u>	<u>-</u>
Public services				
Grant projects	14,488	-	14,488	-
Economic development	3	-	3	25,227
Other	<u>1,565</u>	<u>-</u>	<u>1,565</u>	<u>-</u>
Total public services	<u>16,056</u>	<u>-</u>	<u>16,056</u>	<u>25,227</u>
Culture and recreation				
Parks	426	-	426	-
Other	<u>9,916</u>	<u>-</u>	<u>9,916</u>	<u>-</u>
Total culture and recreation	<u>10,342</u>	<u>-</u>	<u>10,342</u>	<u>-</u>
Education				
Maintenance	-	-	-	42,129
Total restricted	<b><u>\$727,442</u></b>	<b><u>\$4,587</u></b>	<b><u>\$732,029</u></b>	<b><u>\$142,536</u></b>

(continued)

**IV. C. NET POSITION (continued)**

	Primary Government			Component <u>Units</u>
	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>	
<u>UNRESTRICTED</u>				
Total net position	<b><u>(\$488,093)</u></b>	<b><u>(\$12,673)</u></b>	<b><u>(\$500,766)</u></b>	<b><u>\$314,835</u></b>

- (1) Tax anticipation debt is issued for economic development. Only the portion of this debt that was used to purchase capital assets is considered capital related.
- (2) Bonds payable issued for economic development only includes the portion that was used to purchase capital assets.

**IV. D. DEFICIT FUND NET POSITION AND FUND BALANCE**

Deficits resulting from accrual reporting do not constitute violations of Oklahoma State Statutes.

***Deficit Fund Net Position***

**OCPPA Fairgrounds**

Deficit net position of \$19.942 million is the result of depreciation of capital assets as construction projects are completed.

**OCPPA Golf Courses**

Deficit net position of \$5.573 million is the result of significant debt financing of capital assets with tight operating budgets.

**Information Technology Fund**

Deficit net position of \$2.574 million is the result of the increased estimated claims related to workers compensation.

**OCEDT**

Deficit net position of \$40.001 million is the result of tax anticipation and bonded debt which is used to fund economic development including the construction or purchase of capital assets.

***Deficit Fund Balance***

**Tax Incremental Financing Fund**

Deficit fund balance of \$971 thousand is the result of the accrual of sales tax match from the state as unavailable revenue.



**V. REVENUES AND EXPENSES/EXPENDITURES**

**V. A. REVENUES AND INFLOWS OF RESOURCES**

**V. A. 1. SPECIAL ASSESSMENTS**

***Business Improvement District (BID)***

The City has a special assessment for services or improvements to participating property owners of the designated BIDs. Such services include marketing, general administrative, landscaping, street sweeping, and canal and concourse maintenance services. The assessment fee allows property owners in the BID to identify and prioritize services. The City currently has five BIDs: Downtown, Stockyards, Western Avenue, Adventure, and Capitol Hill.

***Special Improvement District (SID)***

The City has created special assessments to provide funding for major capital renovations to the property owners in a SID. The City has several SIDs created to provide funding for street improvements, other capital improvements, and enhancements throughout the City. The City does not provide any funding beyond the assessment collections.

***Water and Wastewater Utilities Special Assessments***

Special assessments are levied against a group of homes to pay for construction or extension of water and wastewater service by OCWUT. OCWUT charges each homeowner for the individual share of the construction cost, amortized over a 10-year period. Amounts receivable are reported with the accounts receivable. In fiscal year 2018, OCWUT collected \$468 thousand.

***OCRA Economic Development Special Assessment***

The University of Oklahoma, a component unit of the State of Oklahoma, has agreed to pay a minimum annual amount of ad valorem property taxes to OCRA. In 2018, OCRA recognized \$1.086 million in excess property taxes from the University of Oklahoma.

In October, 2011, a supplemental redevelopment agreement was entered into by and among the OCURA, the Presbyterian Health Foundation (PHF) and the Toby Keith Foundation (TKF) for the development of OK Kids Korral. PHF later reassigned this supplemental redevelopment agreement and the ground lease for the OK Kids Korral to the University of Oklahoma. As part of these agreements, TKF is subject to payments in lieu of ad valorem taxes to OCRA. In 2018, OCRA recognized \$185 thousand of property tax revenue from TKF.

*OCEDT Economic Development Special Assessment*

OCEDT is a third party beneficiary of an agreement between OCURA and Devon Energy Corporation (Devon) in which Devon has agreed to pay a minimum annual amount of ad valorem property taxes of \$11.300 million to cover OCEDT's debt service for the tax anticipation bonds. The payment will be made on December 31 of each year until December 31, 2034. In 2018, OCEDT recognized \$5.249 million in excess property taxes from Devon. Additionally, OCEDT provides economic incentives to developers. OCEDT received \$2.518 million in special assessments for finance charges related to economic incentives receivables and amounts received in excess of assessed property taxes.

**V. A. 2. LEASE REVENUES**

*Cancelable and Short-Term Leases*

	Primary Government		Total	Component Units
	<i>Governmental Activities</i>	<i>Business-Type Activities</i>		
<b>CURRENT</b>				
Land and property rentals	\$14	\$ -	\$14	\$317
Communication tower rentals	13	-	13	92
Parking rentals	53	-	53	62
Golf cart rentals	-	2,401	2,401	-
Facility venue rentals	<u>28</u>	<u>-</u>	<u>28</u>	<u>-</u>
	<b><u>\$108</u></b>	<b><u>\$2,401</u></b>	<b><u>\$2,509</u></b>	<b><u>\$471</u></b>

*Non-cancelable Leases*

**General Fund**

In 2002, the City loaned OCURA \$17 million to fund leasehold improvements at the Bass Pro Shop. The OCURA held the lease with the Bass Pro Shop. The City leases the building and land to OCURA. Lease revenues were used to pay the loan. The loan was paid off in 2016. Lease revenue was \$528 thousand in 2018.

A water infrastructure lease agreement dated August 1, 1960, amended July 1, 1986, and a separate wastewater infrastructure lease agreement July 1, 1986, between OCWUT and the City provide that all City-owned water and wastewater system assets (as of the date of the lease, as well as property acquired thereafter) would be leased to OCWUT. The lease also provides that all revenue generated by these assets will accrue to the OCWUT. Pursuant to a lease extension dated May 20, 2003, the water and wastewater infrastructure lease term continues until September 30, 2050, or until all indebtedness authorized by the general bond indenture has been paid or provision has been made for it to be paid, whichever is later. In connection with the lease extension, OCWUT is required to transfer an annual lease payment of one percent of gross revenue receipts from residential and commercial utilities sales. Lease revenue of \$2.246 million was recognized in 2018.

**OCPPA General Purpose Fund**

OCPPA leases digital antenna system sectors in the Cox Convention Center and the Chesapeake Energy Arena to various mobile data coverage providers. The providers pay an annual license fee per each sector leased inside of the building to enhance the data coverage for the facility. The leases are paid annually under an initial five year agreement with an additional renewal agreement of five years available at the commencement of the first agreement. Rental income in 2018 related to these leases was \$644 thousand.

In July 2009, OCPPA and the Professional Basketball Club, LLC entered into a fifteen year lease agreement for the use of a National Basketball Association practice facility. There are five renewal terms of three years each. The annual rental income is \$100 thousand which is subject to adjustment beginning with the commencement of the sixth operating year. Adjustments are based upon increases in the consumer price index capped at 3% annually.

In October 1997, OCPPA and the OKC Athletic Club Limited Partnership entered into a ten-year sublease agreement for certain real property consisting of a baseball park and related parking facilities. The lease was extended to 2022. This sublease agreement was assigned to the OKC Athletic Club, LLC, in June 2010. On September 24, 2014, The OKC TransitionCO acquired the rights and responsibilities of the sublease from the Oklahoma City Athletic Club and changed the name of the organization to the Oklahoma City Dodgers baseball team. Annual rent is equal to the greater of 7% of paid admissions for all events or \$150 thousand. In 2018, rental income of \$39 thousand was recorded for this lease.

Atrium TRS II, LP (Atrium) and OCPPA entered into a third amended and restated Catering and Event Services Agreement with an effective date of April 1, 2012, and an end date of April 2020, with a five year option thereafter. For the exclusive right to provide catering and event services in the Cox Convention Center, Atrium shall pay to OCPPA annual lease revenue based upon 10% for the first \$2 million of all revenue generated in the convention facilities, 12% for revenues generated between \$2 million and \$3 million, and 14% of revenues generated greater than \$3 million. Rental income related to this lease of \$105 thousand was recorded in 2018.

**OCZT**

OCZT has various agreements whereby land is leased by the OCZT from the City, the Oklahoma Zoological Society, Inc. (Society), and the City of Nichols Hills. The Nichols Hills lease is a 25-year renewable operating lease at an expense of \$21 thousand per year. This leased property is subleased under an operating lease to Global Gaming RP, LLC through December 31, 2023, with four renewal options for 10 years each through calendar year 2063. OCZT received an advance rental payment of \$4 million and incurred initial costs of \$557 thousand. The net amount less income earned to date is recorded as unearned lease revenue and is being amortized to income over the term of the lease period, including the renewal options. In addition, OCZT is entitled to receive one-half of 1% of Global Gaming RP, LLC's total annual handle that exceeds \$187 million and 1% of the gaming revenues in excess of \$60 million. Contingent rental revenue earned during 2018 was \$450 thousand.

On February 5, 2013, OCZT entered into a sublease agreement with 3Horse Productions, LLC (3Horse) in which 3Horse will lease and operate the Zoo Amphitheater through November 27, 2017, with a five-year optional extension. The contract stipulated that 3Horse invest \$100 thousand in improvements to the Zoo Amphitheatre before April 1, 2013. In addition, 3Horse will pay \$258 thousand in rent, adjusted by the greater of \$3 thousand or the Consumer Price Index rate annually, and \$1 per ticket sold for concerts held at the amphitheater.

**OCAT**

The OCAT Fund leases its property to commercial airlines, car rental companies, concessionaires, several fixed base operators who service the airline industry, and the Federal Aviation Administration. These leases are non-cancelable operating leases.

**OCICF**

In July 2015, OCICF entered into a lease agreement with JRB Parking, LLC. for the right to lease the Journal Record Building parking lot with an option to purchase. The term of the lease is ninety-nine (99) years with annual payments due to OCICF in the amount of \$61 thousand.

**OCWUT**

OCWUT leases wet and dry boat stalls at various locations with annual lease terms ranging from April 1st to March 31st. Rental income related to these leases in was \$213 thousand.

OCWUT leases certain land at Lake Hefner to the Oklahoma City Boat Club for its headquarters, docks, wet stalls, etc. The current lease term began September 1, 2009 and is for 25 years. In consideration, the Boat Club paid OCWUT \$750 annually for the first 5 years. The annual payment is increased by \$250 every 5 years thereafter through the end of the lease term.

OCWUT has a surface use lease with Sunoco Pipeline LP to use the Deer Creek Wastewater Treatment Plant property to operate and maintain a crude oil pipeline compressor station with related facilities. The lease is in effect until 2019 with annual payments of \$2 thousand.

OCWUT leases a section of land at Lake Stanley Draper to the Cleveland County Public Facilities Authority. The lease is in effect until 2034 with annual payments of \$250.

OCWUT allows the City to utilize an area of Southeast Park otherwise known as Kitchen Lake Park for recreational and park purposes for the benefit of its citizens for an annual lease payment of \$3 thousand. The current lease term continues until October 31, 2052.

**COTPA**

COTPA leases retail space at the Santa Fe and Arts District parking garages to various establishments. Most of these leases are at least two years with multi-year renewal options. At June 30, 2018, 17,611 square feet of garage retail space was leased. In addition, COTPA leased out approximately 4,000 square feet of retail space at the Santa Fe Depot. COTPA reported \$283 thousand in lease revenues in 2018.

**OCRA**

OCRA has a ground lease with Skirvin Partners, LLC for land beneath the Skirvin Hotel. It is a 99-year lease agreement which will end on December 29, 2104. Payments under the lease are 1% of the property value increased annually by 8.5% of the current year net operating income (rent capitalization value) and are contingent upon all fees, expenses and obligations paid first from disburseable cash flow as defined in the lease agreement. At June 30, 2018, rental income recognized under the lease agreement was \$207 thousand. Skirvin Partners, LLC. has the option to purchase the land at the end of the lease.

OCRA has an undivided interest of 1.89% ownership in the former Presbyterian Health Foundation Research Park Mobile Incubator (PHF Research Park) buildings. The ownership interest provides for OCRA to receive rental of \$1 per year, plus net cash flow derived from the subleases. During the year ended June 30, 2018, there was no tenant.

**Future Minimum Rentals on Non-Cancelable Leases**

	Primary Government			Component Units					Total
	Governmental Activities		Business-Type Activities	OCAT (2)	OCICF	OCWUT	COTPA		
	General	OCPPA Purpose	OCZT						
	Fund (1)	General	OCZT	OCAT (2)	OCICF	OCWUT	COTPA	Total	
2019	\$2,774	\$1,023	\$1,110	\$31,269	\$61	\$169	\$253	\$36,659	
2020	2,774	548	1,113	26,156	61	5	218	30,875	
2021	2,774	494	1,116	25,139	61	5	222	29,811	
2022	2,774	253	1,119	23,365	61	5	205	27,782	
2023	2,510	100	835	22,870	61	5	143	26,524	
Thereafter	61,195	-	34,235	41,049	5,451	102	337	142,369	
	<b><u>\$74,801</u></b>	<b><u>\$2,418</u></b>	<b><u>\$39,528</u></b>	<b><u>\$169,848</u></b>	<b><u>\$5,756</u></b>	<b><u>\$291</u></b>	<b><u>\$1,378</u></b>	<b><u>\$294,020</u></b>	
Rental income	<b><u>\$2,774</u></b>	<b><u>\$888</u></b>	<b><u>\$1,647</u></b>	<b><u>\$14,349</u></b>	<b><u>\$61</u></b>	<b><u>\$220</u></b>	<b><u>\$283</u></b>	<b><u>\$20,222</u></b>	

- (1) Lease amounts are recalculated annually based on formulas defined in the lease agreements. The General Fund water and wastewater infrastructure lease amount is based on a percentage of revenues and changes annually. Future minimum rentals for these leases are based on rates in effect at fiscal year-end.
- (2) Several of the leases include rental amounts that are redetermined annually based on formulas prescribed in the individual lease agreements. The minimum future rentals for these leases were determined using the rates in effect at fiscal year-end. OCAT has several leases that have variable rental charges due to increases in the percentage of prior year revenue. The future minimum rentals on these leases will be recalculated as of each fiscal year-end.

**V. A. 3. STATE ON BEHALF PAYMENTS**

The State of Oklahoma contributed estimated payments on behalf of City employees to the Police Pension of \$9.770 million and the Firefighters Pension of \$23.563 million. State contributions are funded by allocations of the state's insurance premium tax. The City is not legally responsible for these contributions.

V. B. EXPENSES/EXPENDITURES

V. B. 1. OPERATING LEASES

The City entered into a number of operating leases which contain cancellation provisions and are subject to annual appropriations. For fiscal year June 30, 2018, rentals approximated \$1.081 million for government and \$2.476 million for component unit activities.

Future Minimum Lease Payments for Operating Leases

	Primary Government			Component Units
	Governmental Activities	Business-Type Activities	Total	
2019	\$224	\$112	\$336	\$67
2020	88	96	184	68
2021	22	96	118	68
2022	22	96	118	55
2023	22	96	118	16
2024-2028	109	482	591	27
2029-2033	123	481	604	-
2034-2038	136	482	618	-
2039-2043	149	481	630	-
2044-2048	163	482	645	-
2049-2053	140	481	621	-
2054-2058	-	482	482	-
2059-2063	-	482	482	-
2063-2068	-	96	96	-
	<b>\$1,198</b>	<b>\$4,445</b>	<b>\$5,643</b>	<b>\$301</b>
Approximate 2018 rentals	<b>\$803</b>	<b>\$278</b>	<b>\$1,081</b>	<b>\$2,476</b>

V. B. 2. PENSION EXPENSE

Primary Government				Business-Type Activity	Component Unit	Fiduciary Funds
Governmental Activities			Total			
OCERS	Police Pension	Fire Pension	Total	OCERS	COTPA Retirement	OCERS
<b>\$3,883</b>	<b>\$13,278</b>	<b>\$32,832</b>	<b>\$49,993</b>	<b>\$3,164</b>	<b>\$237</b>	<b>\$10</b>

*Deferred Outflows and Deferred Inflows of Resources to be Recognized in Future Pension Expense*

Deferred outflows of resources of \$30.910 million related to pension resulting from the City's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability for the year ended June 30, 2019.

	<u>OCERS</u>	<u>COTPA Retirement</u>	<u>Police Pension</u>	<u>Firefighters Pension</u>
2019 (1)	(\$2,361)	(\$281)	(\$583)	(\$1,568)
2020	8,028	(87)	8,000	8,836
2021	3,361	(198)	3,681	5,553
2022	(6,861)	(371)	(6,614)	(2,721)
2023	(1,161)	(150)	(1,502)	5,866
Thereafter	<u>(416)</u>	<u>1</u>	<u>-</u>	<u>1,441</u>
	<b><u>\$590</u></b>	<b><u>(\$1,086)</u></b>	<b><u>\$2,982</u></b>	<b><u>\$17,407</u></b>

(1) Amounts do not include deferred employer contributions made in 2018.

**V. B. 3. OPEB EXPENSE**

<u>Primary Government</u>		<u>Component Unit</u>	<u>Fiduciary Funds</u>
<i>Governmental Activities</i>	<i>Business-Type Activity</i>	<u>COTPA</u>	<u>OCERS</u>
		<u>COTPA OPEB</u>	<u>City OPEB</u>
	<u>City OPEB</u>		
	<b><u>\$17,905</u></b>	<b><u>\$148</u></b>	<b><u>\$2</u></b>
	<b><u>\$6,637</u></b>		

*Deferred Outflows and Deferred Inflows of Resources to be Recognized in Future OPEB Expense*

Deferred outflows of resources of \$14.562 million and \$130 thousand related to OPEB resulting from the City's and COTPA's contributions subsequent to the measurement date, respectively, will be recognized as a reduction of the net OPEB liability for the year ended June 30, 2019.

	<u>City OPEB</u>	<u>COTPA OPEB</u>
2019 (1)	(\$3,997)	\$25
2020	(3,997)	24
2021	(3,997)	24
2022	(3,997)	24
2023	(3,618)	26
Thereafter	<u>(21,709)</u>	<u>155</u>
	<b><u>(\$41,315)</u></b>	<b><u>\$278</u></b>

(1) Amounts do not include deferred employer contributions made in 2018.

V. C. SPECIAL ITEM

*Merger of Oklahoma City Metropolitan Area Public School Trust (OCMAPS) with City and Schools Sales Tax Fund*

As of July 1, 2017, the OCMAPS was merged with the City's City and School Sales Tax Fund. The purposes set forth for OCMAPS in Article III of the Trust Indenture have been fully executed. All approved projects, except those projects recently assigned to and accepted by the City for completion, were declared substantially complete. This resulted in a special item in the City's City and School Sales Tax Fund and Governmental Activities of \$8.741 million and \$31.836 million, respectively. Below is the detail of the OCMAPS full accrual balance sheet as of July 1, 2017.

	<u>OCMAPS</u>
<b><u>ASSETS</u></b>	
Current assets	\$8,707
Capital assets	1,541
Other assets	<u>21,802</u>
<b>Total assets</b>	<b><u>\$32,050</u></b>
<b><u>LIABILITIES</u></b>	
Current liabilities	<u>214</u>
<b>Total liabilities</b>	<b><u>214</u></b>
<b><u>NET POSITION</u></b>	
Net investment in capital assets	1,328
Restricted	<u>30,508</u>
<b>Total net position</b>	<b><u>\$31,836</u></b>



VI. TRANSACTIONS WITHIN THE ENTITY

VI. A. INTERFUND BALANCES

*Within the Primary Government*

	Primary Government										
	Governmental Activities										
	Major Governmental										
	General	Debt Service	Grants	MAPS3 Sales Tax	Better Streets/ Safer City Sales Tax	General Obligation Bonds	OCPPA General Purpose	Other Governmental Funds	Total Governmental Funds	Internal Service Funds	Total Governmental Activities
<b>DUE FROM</b>											
<b>Primary Government</b>											
<i>Governmental Activities</i>											
General Fund	\$ -	\$ -	\$1,857	\$159	\$9	\$862	\$567	\$4,031	\$7,485	\$52	\$7,537
Grants Management	-	-	-	640	-	-	-	158	798	63	861
General Obligation Bonds	-	-	-	-	-	-	-	364	364	-	364
OCPPA General Purpose	-	-	-	-	-	-	-	177	177	-	177
Other governmental funds	7,576	-	-	-	-	539	59	60	8,234	-	8,234
Total governmental funds	7,576	-	1,857	799	9	1,401	626	4,790	17,058	115	17,173
Internal service funds	82	-	9	-	-	-	676	226	993	-	993
Total	7,658	-	1,866	799	9	1,401	1,302	5,016	18,051	115	18,166
<i>Business Type Activities</i>											
OCEAT	-	-	-	-	-	-	-	11	11	-	11
OCZT	-	-	-	-	-	-	-	1,951	1,951	-	1,951
OCPPA Fairgrounds	755	-	-	-	-	-	-	-	755	-	755
Other enterprise funds	-	-	-	-	-	41	4	8	53	-	53
Total	755	-	-	-	-	41	4	1,970	2,770	-	2,770
<b>Total due from other funds</b>	<b>8,413</b>	<b>-</b>	<b>1,866</b>	<b>799</b>	<b>9</b>	<b>1,442</b>	<b>1,306</b>	<b>6,986</b>	<b>20,821</b>	<b>115</b>	<b>20,936</b>
<b>ADVANCE TO (1)</b>											
<b>Primary Government</b>											
<i>Governmental Activities</i>											
General Fund	-	-	-	-	-	-	964	34	998	22	1,020
Other governmental funds	-	-	-	-	-	908	2,427	91	3,426	1,366	4,792
Total governmental funds	-	-	-	-	-	908	3,391	125	4,424	1,388	5,812
Internal service funds	-	-	-	-	-	-	3,118	3,037	6,155	15,067	21,222
Total	-	-	-	-	-	908	6,509	3,162	10,579	16,455	27,034
<i>Business Type Activities</i>											
OCZT	-	-	-	-	-	-	-	-	-	363	363
Other enterprise funds	-	-	-	-	-	-	-	-	-	452	452
Total	-	-	-	-	-	-	-	-	-	815	815
<b>Total advance to other funds</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>908</b>	<b>6,509</b>	<b>3,162</b>	<b>10,579</b>	<b>17,270</b>	<b>27,849</b>
	<b>\$8,413</b>	<b>\$-</b>	<b>\$1,866</b>	<b>\$799</b>	<b>\$9</b>	<b>\$2,350</b>	<b>\$7,815</b>	<b>\$10,148</b>	<b>\$31,400</b>	<b>\$17,385</b>	<b>\$48,785</b>

(continued)

NOTES TO FINANCIAL STATEMENTS  
June 30, 2018

CITY OF OKLAHOMA CITY, OKLAHOMA

Within the Primary Government (continued)

	Primary Government								
	Business-type Activities								
	Major Enterprise Funds						Total	Internal Activities	Total Primary Government
Water and Wastewater	OCEAT	OCPPA Fairgrounds	OCPPA Golf Courses	Other Enterprise Funds	Business Type Activities				
<b>DUE FROM</b>									
<b>Primary Government</b>									
<i>Governmental Activities</i>									
General Fund	\$2,448	\$263	\$ -	\$44	\$150	\$2,905	\$10,442	(\$8,413)	\$2,029
Grants Management	-	-	-	-	-	-	861	(1,866)	(1,005)
MAPS3 Sales Tax	-	-	-	-	-	-	-	(799)	(799)
Better Streets/Safer City Sales Tax	-	-	-	-	-	-	-	(9)	(9)
General Obligation Bonds	-	-	-	-	-	-	364	(1,442)	(1,078)
OCPPA General Purpose	-	-	-	-	-	-	177	(1,306)	(1,129)
Other governmental funds	<u>70</u>	<u>-</u>	<u>755</u>	<u>-</u>	<u>-</u>	<u>825</u>	<u>9,059</u>	<u>(6,986)</u>	<u>2,073</u>
Total governmental funds	2,518	263	755	44	150	3,730	20,903	(20,821)	82
Internal service funds	18	-	-	-	29	47	1,040	(378)	662
Internal activity allocation	-	-	-	-	-	-	-	43,086	43,086
Total	<u>2,536</u>	<u>263</u>	<u>755</u>	<u>44</u>	<u>179</u>	<u>3,777</u>	<u>21,943</u>	<u>21,887</u>	<u>43,830</u>
<i>Business Type Activities</i>									
Water and Wastewater Fund	-	-	-	-	-	-	-	(3,100)	(3,100)
OCEAT	375	-	-	-	14	389	400	(262)	138
OCZT	-	-	-	-	-	-	1,951	-	1,951
OCPPA Fairgrounds	-	-	-	-	-	-	755	(755)	-
OCPPA Golf Courses	-	-	-	-	-	-	-	(44)	(44)
Other enterprise funds	<u>189</u>	<u>(1)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>188</u>	<u>241</u>	<u>(193)</u>	<u>48</u>
Total business type activities	564	(1)	-	-	14	577	3,347	(4,354)	(1,007)
Internal activity allocation	-	-	-	-	-	-	-	(43,086)	(43,086)
Total	<u>564</u>	<u>(1)</u>	<u>-</u>	<u>-</u>	<u>14</u>	<u>577</u>	<u>3,347</u>	<u>(47,440)</u>	<u>(44,093)</u>
<b>Total due from other funds</b>	<b><u>3,100</u></b>	<b><u>262</u></b>	<b><u>755</u></b>	<b><u>44</u></b>	<b><u>193</u></b>	<b><u>4,354</u></b>	<b><u>25,290</u></b>	<b><u>(25,553)</u></b>	<b><u>(263)</u></b>
<b>ADVANCE TO (1)</b>									
<b>Primary Government</b>									
<i>Governmental Activities</i>									
General Fund	-	-	-	-	-	-	1,020	(1,020)	-
Other governmental funds	-	-	-	-	-	-	4,792	(4,792)	-
Total governmental funds	-	-	-	-	-	-	5,812	(5,812)	-
Internal service funds	-	-	-	552	-	552	21,774	(22,326)	(552)
Total	-	-	-	552	-	552	27,586	(28,138)	(552)
<i>Business Type Activities</i>									
OCZT	-	-	-	-	-	-	363	-	363
Other enterprise funds	-	<u>12,212</u>	-	-	-	<u>12,212</u>	<u>12,664</u>	<u>(12,212)</u>	<u>452</u>
Total	-	<u>12,212</u>	-	-	-	<u>12,212</u>	<u>13,027</u>	<u>(12,212)</u>	<u>815</u>
<b>Total advance to other funds</b>	<b>-</b>	<b><u>12,212</u></b>	<b>-</b>	<b>552</b>	<b>-</b>	<b><u>12,764</u></b>	<b><u>40,613</u></b>	<b><u>(40,350)</u></b>	<b>263</b>
	<b><u>\$3,100</u></b>	<b><u>\$12,474</u></b>	<b><u>\$755</u></b>	<b><u>\$596</u></b>	<b><u>\$193</u></b>	<b><u>\$17,118</u></b>	<b><u>\$65,903</u></b>	<b><u>(\$65,903)</u></b>	<b><u>\$-</u></b>

(1) These balances are not expected to be repaid within one year.

**Due To/From Other Funds**

Amounts due to and from other funds represent operating transactions between funds. Significant amounts due from other funds are for funding of grant match, administrative chargebacks, operating subsidies, transfers of tax revenues, and support for capital projects.

**Advances**

Advance From the General Fund and Maps Operations Fund to the OCPPA General Purpose Fund

On February 25, 2013, \$900 thousand was transferred from the General Fund and \$710 thousand was transferred from the MAPS Operations Fund to finance digital antenna system (DAS) improvements. The loan is non-interest bearing and will be repaid over seven years. The loans will be repaid with DAS revenues. The balance in the General Fund and the MAPS Operations Fund are \$150 thousand and \$185 thousand, respectively.

Advance From the General Fund and the City and Schools Use Tax Fund to the OCPPA General Purpose Fund

On October 14, 2008, a loan for \$1.032 million from the City and Schools Use Tax Fund to OCPPA General Purpose Fund was approved. The loan was repaid by the General Fund and OCPPA General Purpose Fund over a seven year period at an interest rate of 2%. The OCPPA General Purpose Fund will now repay the General Fund over the next fourteen years with an interest rate of 0.25%. The amount due to the General Fund is \$814 thousand in principal and \$15 thousand in accrued interest.

Advance From City and Schools Use Tax Fund to OCPPA General Purpose Fund

On February 16, 2010, the OCPPA received \$3.200 million from the City and School Use Tax Fund. The funds are to be used for the Cox Center facility renovations and upgrade. The loan is to be repaid from revenues generated and collected by SMG under the Extended Use License Agreement with Prodigal Hockey, LLC and from other Cox Center events. The OCPPA will replenish the City and Schools Use Tax Fund with an interest rate of 4.19% by 2036. The balance of the advance at June 30, 2018, is \$2.050 million which includes the loan balance of \$2.016 million and accrued interest of \$34 thousand.

Advance From the OCMFA General Purpose Fund to the City General Obligation Bond Fund

The OCMFA General Purpose Fund pays for initial architectural and engineering fees for the City and related trust construction projects before the funding is finalized. This process allows for more timely initiation of capital projects due to the length of time involved in finalizing debt and contracts for construction by the City and related trusts. When the funding is finalized and construction begins, the City or related trust reimburses the OCMFA General Purpose Fund for the cost of the prefunded fees. Any amounts outstanding are reported as an advance to the City. At June 30, 2018, OCMFA reported an advance to the General Obligation Bond Fund of \$908 thousand, of which the entire balance is budgeted to be repaid in 2019.

Advance From the OCMFA Services Fund to the OCPPA General Purpose Fund

On August 1, 2017, a loan of \$3.760 million from the Authority's worker's compensation reverses to the OCPPA General Purpose fund to be used to replace the Civic Center sound system was approved. The loan will be repaid with six annual payments at an interest rate of 2.64% beginning June 1, 2018 with final payment to be made on June 1, 2023. The principal due at June 30, 2018 is \$3.112 million of which \$594 thousand is reported as a current receivable including accrued interest of \$6 thousand.

**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2018**

**CITY OF OKLAHOMA CITY, OKLAHOMA**

Advance From OCZT to City Zoo Fund

The City Zoo Fund collects sales tax designated to supplement zoo operating costs. Generally, City Zoo Fund sales tax collections are paid to the OCZT. However in prior years, the OCZT chose to leave an amount in the City Zoo Fund. The OCZT requested and received the residual balance in 2017.

Advances From the OCMFA Services Fund to the OCPPA Golf Courses Fund

On January 13, 2015, a loan for \$1.089 million from the OCMFA Services Fund workers' compensation reserves to the OCPPA Golf Courses Fund was approved for the purchase of new golf carts. The loan was made to two golf courses as follows:

Lake Hefner	\$463
Lincoln Park Golf Course	626

The loan will be repaid over five years at an annual rate of 2.26% beginning March 1, 2015, with the final payment made on February 1, 2020. The principal due at June 30, 2018, is \$377 thousand of which \$225 thousand is reported as a current receivable including accrued interest of \$1 thousand.

On March 13, 2018, loan for \$180 thousand from the OCMFA Service Fund workers' compensation reserves to the OCPPA Trooper Golf Course to purchase refurbished golf carts. The loan will be repaid over five years at an annual rate of 2.33% beginning May 1, 2018, with the final payment made on April 1, 2023. At June 30, 2018, the principal due is \$174 thousand, of which \$34 thousand is reported as a current receivable including accrued interest of less than a thousand dollars.

Annual Debt Service Requirements to Maturity for Advances Between City Funds

Fiscal Year	General Fund & MAPS Operation Fund		General Fund & City and Schools Use Tax Fund		City/Schools Use Tax Fund		
	OCPPA General Purpose Fund		OCPPA General Purpose Fund		OCPPA General Purpose Fund		
	Principal	Principal	Interest	Total	Principal	Interest	Total
2019	\$335	\$56	\$2	\$58	\$78	\$84	\$162
2020	-	57	2	59	81	81	162
2021	-	58	2	60	84	78	162
2022	-	59	2	61	88	74	162
2023	-	61	1	62	91	71	162
2024-2028	-	323	5	328	518	292	810
2029-2033	-	200	1	201	636	174	810
2034-2037	-	-	-	-	440	37	477
	<u>\$335</u>	<u>\$814</u>	<u>\$15</u>	<u>\$829</u>	<u>\$2,016</u>	<u>\$891</u>	<u>\$2,907</u>

NOTES TO FINANCIAL STATEMENTS  
June 30, 2018

CITY OF OKLAHOMA CITY, OKLAHOMA

	OCMFA General Purpose Fund	OCMFA Services Fund			OCMFA Services Fund		
	City General Obligation Bond Fund	OCPPA General Purpose Fund			OCPPA Golf Course Fund		
	<u>Principal</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2019	\$908	\$594	\$82	\$676	\$259	\$10	\$269
2020	-	609	67	676	188	4	192
2021	-	626	50	676	36	2	38
2022	-	642	34	676	37	1	38
2023	-	641	17	658	31	-	31
	<b><u>\$908</u></b>	<b><u>\$3,112</u></b>	<b><u>\$250</u></b>	<b><u>\$3,362</u></b>	<b><u>\$551</u></b>	<b><u>\$17</u></b>	<b><u>\$568</u></b>

Advances to OCMFA Services Fund for Radio System Prefunding

On March 14, 2017 an agreement was entered into for the purchase of a new P25 Phase II 800MHz Trunked Simulcast Radio System and Microwave Network. The costs associated with the new system are to be allocated to radio system users as they occur. However, in order to facilitate the initial purchase, the Police, Fire, Airports, and Zoo Funds prefunded \$2.7 million. These prefunded amounts are to be charged over the 15 year period of the agreement. The remaining balance of the advance at June 30, 2018 is \$2.181 million.

Cost Reimbursement Advances

City employees perform administrative and management services for various Trusts and Authorities. Reimbursements for the costs of these services are included in the Trust/Authority expenses. The advance represents the unfunded liabilities of the City Funds.

<u>Costs Expended Fund</u>	<u>Costs Reimbursed From Fund</u>	<u>Advance Balance (1)</u>
Solid Waste Management Fund	OCEAT	\$12,212
OCMFA Services Fund	Information Technology Fund	688
OCMFA Services Fund	Risk Management Fund	(11,274)
OCMFA Services Fund	General Fund	(22)
OCMFA General Purpose Fund	Information Technology	(3,037)
OCMFA General Purpose Fund	Asset Forfeiture Fund	(92)
OCMFA General Purpose Fund	General Fund	(34)
OCPPA General Purpose Fund	Special Districts Fund	(192)

(1) Credit balances represent cost reimbursements made in advance of expenditures.

**Between Fiduciary Funds and Other Funds**

Balances in which fiduciary funds are a party are treated as external receivables and payables substantially reported as wages and benefits payable (retirement benefits) and accounts payable (Agency Fund).

NOTES TO FINANCIAL STATEMENTS  
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CITY OF OKLAHOMA CITY, OKLAHOMA

	<u>Primary Government</u>		
	<u>Governmental Activities</u>	Total Primary Government	Component Units
	<u>General</u>	<u>Government</u>	<u>Units</u>
<b>RECEIVABLE TO</b>			
<b><u>FIDUCIARY FUNDS</u></b>			
<i>Pension Trust Funds</i>			
COTPA Retirement	\$215	\$215	\$ -
<b>Total Pension Trust Funds</b>	<b><u>\$215</u></b>	<b><u>\$215</u></b>	<b><u>\$ -</u></b>
<i>Agency Funds</i>	<b><u>\$3</u></b>	<b><u>\$3</u></b>	<b><u>\$ -</u></b>
<b>PAYABLE FROM</b>			
<b><u>FIDUCIARY FUNDS</u></b>			
<i>Pension Trust Funds</i>			
OCERS	\$42	\$42	\$ -
<b>Total Pension Trust Funds</b>	<b><u>\$42</u></b>	<b><u>\$42</u></b>	<b><u>\$ -</u></b>
<i>Agency Fund</i>	<b><u>\$149</u></b>	<b><u>\$149</u></b>	<b><u>\$13</u></b>

*Between Component Units and the Primary Government*

*Payable to Primary Government*

	<u>Component Units</u>						<u>Total</u>
	<u>OCAT</u>	<u>OCRA</u>	<u>OCICF</u>	<u>OCWUT</u>	<u>COTPA</u>	<u>OCEDT</u>	
<b>Primary Government</b>							
<b><u>CURRENT</u></b>							
<i>Governmental Activities</i>							
General Fund	\$10	\$34	\$ -	\$2,171	\$138	\$565	\$2,918
OCPPA General Purpose	-	-	-	-	53	-	53
Internal service funds	<u>1</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>38</u>	<u>-</u>	<u>39</u>
<b>Total governmental activities</b>	<b><u>11</u></b>	<b><u>34</u></b>	<b><u>-</u></b>	<b><u>2,171</u></b>	<b><u>229</u></b>	<b><u>565</u></b>	<b><u>3,010</u></b>
<i>Business Type Activities</i>							
OCEAT	-	-	-	8	-	-	8
Other enterprise funds	<u>-</u>	<u>-</u>	<u>-</u>	<u>3</u>	<u>403</u>	<u>1</u>	<u>407</u>
<b>Total business-type activities</b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>11</u></b>	<b><u>403</u></b>	<b><u>1</u></b>	<b><u>415</u></b>
<b>Total current</b>	<b><u>11</u></b>	<b><u>34</u></b>	<b><u>-</u></b>	<b><u>2,182</u></b>	<b><u>632</u></b>	<b><u>566</u></b>	<b><u>3,425</u></b>
<b><u>NON-CURRENT</u></b>							
<i>Governmental Activities</i>							
Other governmental funds	<u>-</u>	<u>-</u>	<u>4,255</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,255</u>
<b>Total governmental activities</b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>4,255</u></b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>4,255</u></b>
<i>Business Type Activities</i>							
Water and Wastewater	-	-	-	63,724	-	-	63,724
Other enterprise funds	<u>12,275</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,071</u>	<u>-</u>	<u>15,346</u>
<b>Total business-type activities</b>	<b><u>12,275</u></b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>63,724</u></b>	<b><u>3,071</u></b>	<b><u>-</u></b>	<b><u>79,070</u></b>
<b>Total non-current</b>	<b><u>12,275</u></b>	<b><u>-</u></b>	<b><u>4,255</u></b>	<b><u>63,724</u></b>	<b><u>3,071</u></b>	<b><u>-</u></b>	<b><u>83,325</u></b>
<b>Total</b>	<b><u>\$12,286</u></b>	<b><u>\$34</u></b>	<b><u>\$4,255</u></b>	<b><u>\$65,906</u></b>	<b><u>\$3,703</u></b>	<b><u>\$566</u></b>	<b><u>\$86,750</u></b>

*Receivable from Primary Government*

	Component Units					Total
	OCAT	OCWUT	COTPA	OCRRA	OCEDT	
<b>Primary Government</b>						
<b><u>CURRENT</u></b>						
<i>Governmental Activities</i>						
General Fund	\$ -	\$118	\$220	\$26	\$221	\$585
OCPPA General Purpose	-	-	-	-	150	150
Other governmental funds	-	34	-	-	2,465	2,499
Internal service funds	<u>253</u>	<u>-</u>	<u>23</u>	<u>-</u>	<u>-</u>	<u>276</u>
Total governmental activities	<u>253</u>	<u>152</u>	<u>243</u>	<u>26</u>	<u>2,836</u>	<u>3,510</u>
<i>Business Type Activities</i>						
Water and Wastewater	-	537	-	-	-	537
Other enterprise funds	<u>-</u>	<u>70</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>70</u>
Total business-type activities	<u>-</u>	<u>607</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>607</u>
<b>Total current</b>	<b><u>253</u></b>	<b><u>759</u></b>	<b><u>243</u></b>	<b><u>26</u></b>	<b><u>2,836</u></b>	<b><u>4,117</u></b>
<b><u>NON-CURRENT</u></b>						
<i>Governmental Activities</i>						
Other governmental funds	-	-	-	-	1,450	1,450
Internal service funds	<u>-</u>	<u>-</u>	<u>277</u>	<u>-</u>	<u>-</u>	<u>277</u>
Total governmental activities	<u>-</u>	<u>-</u>	<u>277</u>	<u>-</u>	<u>1,450</u>	<u>1,727</u>
<b>Total non-current</b>	<u>-</u>	<u>-</u>	<u>277</u>	<u>-</u>	<u>1,450</u>	<u>1,727</u>
<b>Total</b>	<b><u>\$253</u></b>	<b><u>\$759</u></b>	<b><u>\$520</u></b>	<b><u>\$26</u></b>	<b><u>\$4,286</u></b>	<b><u>\$5,844</u></b>

**Current Receivables/Payables**

Outstanding balances in which a component unit is a party are captioned as receivables/payables for both the current and non-current portions between a component unit and the primary government. Current receivable/payables include the unpaid balances among entities for mowing services, fuel costs, operating costs, in lieu of franchise fees, lease agreements, grant matching funds, software licensing, streetcar operations planning, boat repair, economic development construction projects, administrative costs, and subsidies.

**Cost Reimbursement Payable**

City employees perform administrative and management services for OCAT, OCWUT, and COTPA. Reimbursements for the costs of these services are included with payments to the primary government. The payable to primary government represents the unfunded liabilities of the City Funds.

Costs Expended Fund	Costs Reimbursed Fund	Balance
Airports Fund	OCAT	\$12,275
Water Utilities Fund	OCWUT	63,724
Transportation Fund	COTPA Transportation	3,071
Parking Fund	COTPA Parking	403

**Long-term Payable from OCICF to Grants Management**

On March 17, 1998, the City entered into an agreement with OCICF to undertake the acquisition and improvement of the Journal Record Building. OCICF manages the operations of the building. The required funding for this project was provided by the City through a HUD Community Development Block Grant. This funding was made in the form of a nonrecourse loan to OCICF and in the form of a grant, which does not require repayment. The proceeds from the loan are designated to provide for the ongoing operation, maintenance and leasing of the Journal Record Building and ancillary facilities. A new amendment was signed July 9, 2015, the day of the sale of the Journal Record Building and the note payable was written down to the amount of principal required to be paid to the City of \$4.255 million. The loan has a balance as of June 30, 2018, of \$4.255 million, is interest free, and matures in 2045.

**Long-term Payable to OCEDT from the Special Purpose Fund**

On September 10, 2013, OCEDT entered into an agreement to transfer proceeds up to \$8 million from the General Obligation Limited Tax (GOLT) bond funds to finance the construction of the Phase 2 capital improvements to the Amateur Softball Association Hall of Fame Complex, subject to a commitment by the City to replenish the GOLT proceeds from net revenues received from certain naming rights, sponsorship revenues and from philanthropic donations received by the City over the next ten years. The balance payable to OCEDT as of June 30, 2018, is \$2.100 million of which \$650 thousand is reported as a current payable.

**Receivable from/Payable to Component Units**

OCEDT has reported a payable to OCRA for \$10 thousand for grant matching funds.

**VI. B. INTERFUND TRANSFERS AND PAYMENTS**

**Transfers Within the Primary Government**

Transfers within the Primary Government primarily represent operating subsidies and transfers for capital projects. The Zoo Fund transfers sales tax collections to OCZT for debt service. The Hotel/Motel Tax Fund transfers tax collections to the OCPPA Fairgrounds for debt service. Upon issuance, bond receipts are recorded in the Debt Service Fund and transferred to the General Obligation Bond Fund for expenditure.

	<i>Governmental Activities</i>							
	Major Governmental						Total	
	General	Grants	General Obligation Bonds	OCPPA General Purpose	Other Governmental Funds	Total Governmental Funds		Internal Service Funds
<b>TRANSFERS TO</b>								
<i>Governmental Activities</i>								
General Fund	\$ -	\$403	\$ -	\$6,727	\$16,531	\$23,661	\$ -	\$23,661
Debt Service	-	-	123,740	-	-	123,740	-	123,740
MAPS3 Sales Tax	-	1,295	-	-	-	1,295	-	1,295
General Obligation Bonds	-	-	-	-	5	5	-	5
OCPPA General Purpose	-	-	-	-	118	118	13	131
Other governmental funds	500	1,478	-	-	173	2,151	-	2,151
Total governmental funds	500	3,176	123,740	6,727	16,827	150,970	13	150,983
Internal service funds	-	1	-	-	1,044	1,045	843	1,888
Total governmental activities	500	3,177	123,740	6,727	17,871	152,015	856	152,871

(continued)



*Transfers Within the Primary Government (continued)*

	<i>Governmental Activities</i>							<i>Total Governmental Activities</i>
	<i>Major Governmental</i>						<i>Internal Service Funds</i>	
	<i>General</i>	<i>Grants</i>	<i>General Obligation Bonds</i>	<i>OCPPA General Purpose</i>	<i>Other Governmental Funds</i>	<i>Total Governmental Funds</i>		
<i>Business Type Activities</i>								
OCEAT	1,053	-	-	-	-	1,053	-	1,053
Other enterprise funds	-	152	-	1,500	-	1,652	-	1,652
Total business-type activities	1,053	152	-	1,500	-	2,705	-	2,705
	<b><u>\$1,553</u></b>	<b><u>\$3,329</u></b>	<b><u>\$123,740</u></b>	<b><u>\$8,227</u></b>	<b><u>\$17,871</u></b>	<b><u>\$154,720</u></b>	<b><u>\$856</u></b>	<b><u>\$155,576</u></b>

	<i>Business-type Activities</i>					<i>Total</i>	
	<i>Major Enterprise</i>				<i>Total Enterprise Funds</i>		
	<i>OCZT</i>	<i>OCPPA Fairgrounds</i>	<i>OCPPA Golf Courses</i>	<i>Other Enterprise Funds</i>			
<b><u>TRANSFERS TO</u></b>							
<i>Governmental Activities</i>							
General Fund		\$ -	\$ -	\$1,222	\$405	\$1,627	\$25,288
Debt Service		-	-	-	-	-	123,740
MAPS3 Sales Tax		-	-	-	-	-	1,295
General Obligation Bonds		-	-	-	-	-	5
OCPPA General Purpose		-	-	-	-	-	131
Other governmental funds	13,899	8,339	-	-	22,238	24,389	
Total governmental funds	13,899	8,339	1,222	405	23,865	174,848	
Government wide transfers	-	-	-	-	-	-	-
Internal service funds	-	-	-	-	-	-	1,888
Total governmental activities	13,899	8,339	1,222	405	23,865	176,736	
<i>Business Type Activities</i>							
OCEAT	-	-	-	-	-	-	1,053
Other enterprise funds	-	-	-	-	-	-	1,652
Total business-type activities	-	-	-	-	-	-	2,705
	<b><u>\$13,899</u></b>	<b><u>\$8,339</u></b>	<b><u>\$1,222</u></b>	<b><u>\$405</u></b>	<b><u>\$23,865</u></b>		<b><u>\$179,441</u></b>

*Payments Between Component Units and the Primary Government*

**Payments to the Primary Government**

Payments to the City include payments to the General Fund from OCWUT for payments in lieu of franchise fees, payments to the Grants Management Fund from OCWUT for grant match, and payments to the City Water and Wastewater Fund and the Airport Fund from OCWUT and OCAT, respectively, to fund capital related costs. In addition, OCEDT transferred capital assets to the City.

	<u>Component Units</u>			<u>Total</u>
	<u>OCAT</u>	<u>OCWUT</u>	<u>OCEDT</u>	
<b><u>PAYMENTS TO</u></b>				
<b><u>PRIMARY GOVERNMENT</u></b>				
<i>Governmental Activities</i>				
General	\$ -	\$4,491	\$ -	\$4,491
Grants Management	-	2,946	-	2,946
Other governmental funds	<u>-</u>	<u>-</u>	<u>1,303</u>	<u>1,303</u>
Total governmental activities	<u>-</u>	<u>7,437</u>	<u>1,303</u>	<u>8,740</u>
<i>Business-Type Activities</i>				
Water and Wastewater Fund	-	17	-	17
Other enterprise funds	<u>355</u>	<u>-</u>	<u>-</u>	<u>355</u>
Total business-type activities	<u>355</u>	<u>17</u>	<u>-</u>	<u>372</u>
	<b><u>\$355</u></b>	<b><u>\$7,454</u></b>	<b><u>\$1,303</u></b>	<b><u>\$9,112</u></b>

**Payments to Component Units**

Payments to COTPA from the General Fund are for operating subsidies. Payments to OCEDT include payments from the General Fund for administrative subsidies and payments from the Tax Incremental Financing Fund for TIF sales tax collections restricted for debt service.

	<u>Primary Government</u>				<u>Component Units</u>	
	<i>Governmental Activities</i>					
		<u>OCPPA</u>	<u>Other</u>	<u>Total</u>		
	<u>General</u>	<u>General Purpose</u>	<u>Governmental</u>	<u>Governmental</u>	<u>OCRRA</u>	<u>Total</u>
<b><u>PAYMENTS TO</u></b>						
<b><u>COMPONENT UNITS</u></b>						
COTPA	\$16,744	\$ -	\$ -	\$16,744	\$25	\$25
OCEDT	<u>1,611</u>	<u>150</u>	<u>1,827</u>	<u>3,588</u>	<u>-</u>	<u>-</u>
	<b><u>\$18,355</u></b>	<b><u>\$150</u></b>	<b><u>\$1,827</u></b>	<b><u>\$20,332</u></b>	<b><u>\$25</u></b>	<b><u>\$25</u></b>

	<u>Primary Government</u>			<u>Component Units</u>		
	<i>Business-type Activities</i>					
	<u>Other</u>	<u>Total</u>	<u>Total</u>			<u>Total</u>
	<u>Enterprise</u>	<u>Business-</u>	<u>Primary</u>	<u>OCRRA</u>	<u>OCEDT</u>	<u>Component</u>
	<u>Funds</u>	<u>Type Activities</u>	<u>Government</u>			<u>Units</u>
<b><u>PAYMENTS TO</u></b>						
<b><u>COMPONENT UNITS</u></b>						
COTPA	\$405	\$405	\$17,149	\$ -	\$ -	\$ -
OCEDT	<u>-</u>	<u>-</u>	<u>3,588</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<b><u>\$405</u></b>	<b><u>\$405</u></b>	<b><u>\$20,737</u></b>	<b><u>\$-</u></b>	<b><u>\$-</u></b>	<b><u>\$-</u></b>

**VI. C. OTHER TRANSACTIONS WITHIN THE ENTITY**

***Purchased Judgments***

As of June 30, 2018, the OCERS' investments include purchased judgments against the City in the amount of \$4.262 million. The judgments earn a 6.50% interest rate. State Statutes permit the OCERS to purchase judgments rendered against the City throughout the year. In November of each year, the City (through the property tax levy process) pays the OCERS for the principal amount and earned interest for each purchased judgment.

*Charges for Services*

**Administrative Chargebacks**

Administrative costs are paid from the General Fund. Other funds reimburse the General Fund for these expenses. All other centralized functions are reported in internal service funds. The revenues and expenses related to administrative charges are allocated with the indirect expense allocation. In 2018 other City funds reimbursed the General Fund \$7.332 million for these services.

For fiscal year ending June 30, 2018, OCEDT reported payments to the City to reimburse for the cost of providing administrative and operational services of \$447 thousand.

For 2018 OCERS reported \$96 thousand and OCPEBT reported less than one thousand for City financial and administrative services.

**Utility Billing and Collection**

OCWUT manages billings and collections for City utilities. During 2018 the Stormwater Drainage Fund and OCEAT Fund reimbursed OCWUT \$943 thousand, and \$1.927 million, respectively, for this service.

**Pension Administration**

The General Fund reimburses the OCERS for the cost of providing administrative services for the City's deferred compensation and defined contribution plans. However, responsibilities are contractually limited and the OCERS does not hold or administer these plan assets in a trustee capacity. During 2018 the OCERS reported income for these services of \$3 thousand.

**VII. PENSION AND POST-EMPLOYMENT PLANS**

**VII. A. DEFINED BENEFIT SINGLE EMPLOYER PENSION PLANS**

**VII. A. 1. PLAN DESCRIPTIONS, CONTRIBUTION INFORMATION, FUNDING POLICIES, AND BENEFIT PROVISIONS**

*Plan Descriptions*

The City reporting entity participates in two single-employer, defined benefit, public employee retirement systems. Assets are held separately and may be used only for the payment of benefits to the members of the respective plans. Actuarial valuations are performed annually.

**Primary Government**

OCERS provides retirement benefits for substantially all full-time, non-uniformed employees of the reporting entity except for certain COTPA and MCA employees. Unless otherwise indicated, OCERS information is provided as of the latest actuarial valuation, December 31, 2016, rolled forward to June 30, 2017. Actuarial valuations are performed annually.

**Component Unit**

COTPA Retirement provides retirement benefits for all COTPA employees, primarily bus drivers and related operations employees. Unless otherwise indicated, COTPA Retirement information in this note is provided as of the latest actuarial valuation, July 1, 2016, rolled forward to June 30, 2017. Actuarial valuations are performed annually.

**Reporting**

The required supplementary information schedules of employer contributions and schedules of net pension liability (asset) for single employer plans immediately following the notes to the financial statements presents certain ten-year trend information for as many years for which information measured in conformity with the requirements of GASB 68 is available. Detailed information about the OCERS and COTPA Retirement Plans' fiduciary net position is available in the separately issued OCERS report and COTPA annual report. A copy of the actuarial report referred to in this note may be obtained from the City Finance Department, Account Services Division, 100 N. Walker, Suite 300, Oklahoma City, OK 73102.

***Funding Policies, Contribution Methods, and Benefit Provisions***

	<u>OCERS</u>	<u>COTPA Retirement</u>
Year established and governing authority	1958; City Council Ordinance	1970; COTPA Trustee's Resolution
Determination of contribution requirements	Actuarially determined	Contracted pursuant to union negotiations
Contribution rates:		
Employer	5.33% of covered payroll	\$55.04 per week
Plan members	6.00% of covered payroll	\$44.13 per week
Funding of administrative costs	Investment Earnings	Investment Earnings
Period required to vest	5 years	10 years
Post-retirement benefit increases	Cost of living adjustments are compounded annually; increases must be approved by the OCERS Board	Increases must be approved by the COTPA Board
Eligibility for distribution	30 years credited service regardless of age, or age 60 with 20 years (Pre 3/67 hires), or 25 years of credited service regardless of age, or age 65 with 5 years (Post 3/67 hires), or age 55 with 5 years on a reduced basis, or 5 years of service, with benefits.	Earlier of age 65 with 10 years or age 60 with 30 years of service; age 62 with 10 years on a reduced basis

**Funding Policy**

OCERS

Contribution requirements are actuarially determined and established by City Council ordinance. Beginning July 1, 2017, the employer contribution rate changed from 5.33% to 5.28% of covered payroll. Beginning July 1, 2016, the employer contribution rate changed from 5.88% to 5.33% of covered payroll. The employee contributes 6.00% of covered payroll. Administrative costs are funded with investment earnings.

COTPA Retirement

Contribution requirements are negotiated and established pursuant to union contract. The employer contributes \$55.04 per week and the employee contributes \$44.13 per week of covered payroll. Administrative costs are funded with investment earnings.

**Benefit Provisions**

OCERS

Benefit provisions include both duty and non-duty disability retirement and death benefits. Average Final Compensation (AFC) determines the retirement benefit and is calculated as the highest 36 months of earned employee compensation (excluding compensation for unused vacation and sick leave and amounts elected to be deferred under Section 125 of the Internal Revenue Code) during the last 60 months of service. Generally, the normal retirement benefit is 2% of AFC for each full year of service, plus 1/12 of 2% for each whole month of a partial year of service to a maximum of 100% of AFC. There are modifications to the normal retirement benefit for early and deferred retirement, duty and non-duty disability, and death benefits.

COTPA Retirement

Employees of COTPA are required to participate in the Plan after completion of six months of employment. COTPA employees who reach the earlier of age 65 with 10 years of credited service or age 60 with 30 years of service are entitled to receive monthly pension benefits equal to the sum of \$57 dollars per month for each year of service from their date of hire, plus variable cost of living increases based on their date of retirement. An early retirement option with reduced benefits is available at age 62 with 10 years of credited service.

**Post-Retirement Adjustments**

OCERS pension benefits may be adjusted annually for changes in the Consumer Price Index. The maximum adjustment is 2% compounded annually. COTPA Retirement does not specify annual increases. All pension benefit adjustments must be approved by the Board of Trustees of the respective plan.

**Membership (1)**

	<u>OCERS</u>	<u>COTPA Retirement</u>	<u>Totals</u>
Active members	2,506	184	2,690
Retirees and beneficiaries currently receiving benefits	1,491	80	1,571
Terminated plan members entitled to but not yet receiving benefits	<u>108</u>	<u>5</u>	<u>113</u>
	<b><u>4,105</u></b>	<b><u>269</u></b>	<b><u>4,374</u></b>

(1) The number of members are reported as of the actuarial statement valuation dates of December 31, 2016 for OCERS and July 01, 2016 for COTPA Retirement.

**Actuarial Assumptions**

	<u>OCERS</u>	<u>COTPA Retirement</u>
Valuation date	12/31/16	7/1/16
Provisions for:		
Disability benefits	Yes	Yes
Death benefits	Yes	Yes
Actuarial cost method	Individual entry age normal	Individual entry age normal
Amortization method	Level % of payroll	Level % of payroll
Amortization period	27 years, closed	30 years, closed
Actuarial asset valuation method	4-year smoothed market	5-year smoothed market
Actuarial assumptions		
Investment rate of return	7.4%	7.0%
Projected salary increases	3.75% to 7.25%	None
Post-retirement increases (maximum)	2.0%	None
Price Inflation	2.5%	1.5%
Source of mortality assumptions	RP 2000 mortality table projected to 2010	SOA RP 2000 combined mortality table projected to 2010
Experience study	Actuarial assumptions were based upon results of an experience study covering the period January 1, 2008, through December 31, 2012.	An experience study was issued November 16, 2015, covering the past five years of plan experience.

Projections of benefits for financial reporting purposes are based on the substantive plan (the Plan as understood by OCERS and Plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between OCERS and Plan members to that point. Actuarial calculations reflect a long-term perspective. The actuarial methods and assumptions use techniques that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of calculations.

For the December 31, 2016, OCERS actuarial valuation, the inflation rate dropped from 2.75% to 2.5%.

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future and that actuarially determined amounts are subject to continual revision as results are compared to past expectations and new estimates about the future.

**VII. A. 2. ANNUAL PENSION COST AND RESERVES**

*Reserves*

There are no assets legally reserved for purposes other than the payment of plan member benefits for either plan.

*Concentrations*

OCERS

The plans held no individual investments (other than U.S. government and U.S. government guaranteed obligations) whose market value exceeds 5% or more of net position available for benefits. There are no long-term contracts for contributions.

COTPA Retirement

The pension plan does not hold any individual securities, but invests in mutual funds. The Plan holds investments exceeding 5% of the total plan market value in the American Beacon Large Cap Value Fund, Fidelity Contrafund, JP Morgan Large Cap Growth, Vanguard 500 Index Fund, and PIMCO Total Return Fund. The Plan held no individual investments (other than U.S. government and U.S. government guaranteed obligations) whose market value exceeds 5% or more of net assets available for benefits. There are no long-term contracts for contributions.

**VII. A. 3. NET PENSION ASSET (LIABILITY)**

	<u>OCERS</u>	<u>COTPA Retirement</u>
Total pension liability	\$677,114	\$16,514
Fiduciary net position	<u>702,133</u>	<u>12,432</u>
Net pension asset (liability)	<u>\$25,019</u>	<u>(\$4,082)</u>
 Plan fiduciary net position as a percentage of the total pension liability	   <b>103.69%</b>	   <b>75.28%</b>

	Total Pension Liability		Plan Fiduciary Net Position		Net Pension Asset (Liability)	
	<u>OCERS</u>	<u>COTPA</u>	<u>OCERS</u>	<u>COTPA</u>	<u>OCERS</u>	<u>COTPA</u>
Beginning balance	\$650,296	\$16,123	\$649,123	\$11,523	(\$1,173)	(\$4,600)
Service cost	16,631	480	-	-	(16,631)	(480)
Interest	47,499	1,120	-	-	(47,499)	(1,120)
Differences between expected and actual experience	(3,867)	18	-	-	3,867	(18)
Contributions - employer	-	-	6,871	545	6,871	545
Contributions - employee	-	-	7,732	415	7,732	415
Net investment income	-	-	72,214	1,299	72,214	1,299
Benefit payments and refunds	(33,445)	(1,227)	(33,445)	(1,227)	-	-
Administrative expense	-	-	(459)	(123)	(459)	(123)
Other changes	-	-	97	-	97	-
Net changes	<u>26,818</u>	<u>391</u>	<u>53,010</u>	<u>909</u>	<u>26,192</u>	<u>518</u>
<b>Ending balance</b>	<b><u>\$677,114</u></b>	<b><u>\$16,514</u></b>	<b><u>\$702,133</u></b>	<b><u>\$12,432</u></b>	<b><u>\$25,019</u></b>	<b><u>(\$4,082)</u></b>

**VII. A. 4. RATE OF RETURN AND DISCOUNT RATE**

***Rate of Return***

The annual money-weighted rate of return on pension plan investments, net of pension plan investment expense was 11.48% for OCERS and 11.47% for COTPA. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

***Long-term Expected Rate of Return and Target Allocations***

**OCERS**

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These real rates of return are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation. See Note II. A. 1. DEPOSITS AND INVESTMENTS, Investments, Pension Trust Policies, Asset Allocation Guidelines for target allocation of investments.

**COTPA Retirement**

The long-term expected rate of return on pension plan investments was determined using a geometric basis and a time horizon of 20 years. The capital market expectations are initially developed by combining historical risk, return, and correlation data with state-of-the-art techniques and tools that mitigate the limitations of traditional optimization methods. The asset allocation committee at Bank of Oklahoma Financial then employs a qualitative overlay to determine the long-term expected returns. See Note II. A. 1. DEPOSITS AND INVESTMENTS, Investments, Pension Trust Policies, Asset Allocation Guidelines for target allocation of investments.



<u>OCERS</u>		<u>COTPA Retirement</u>	
	Long-term Expected Rate of Return		Long-term Expected Real Rate of Return (1)
Core Bonds	2.77%	Cash	1.51%
Core Plus	3.04	U.S. core fixed income	1.97
Global Bonds	2.55	U.S. high yield fixed income	4.19
Absolute Return	4.20	Developed international fixed	1.87
U.S. Large Cap Equity	7.48	Emerging markets fixed income	7.21
U.S. Small Cap Equity	8.71	U.S. Large cap	8.82
International Developed Equity	8.45	U.S. Mid Cap	3.07
Emerging Market Equity	9.72	U.S. Small Cap	6.42
Long/Short Equity	7.23		
Private Equity	10.20		
Core Real Estate	5.88		
Opportunistic Real Estate	9.02		
Commodities	2.10		

(1) The long-term expected inflation rate is assumed to be 1.5%.

***Discount Rate***

OCERS

A single discount rate of 7.4% was used to measure the total pension liability. This single discount rate was based on the expected rate of return on pension plan investments of 7.4%. The projections of cash flows used to determine this single discount rate assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between the actuarially determined contributions rates and the member rate. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

COTPA Retirement

The discount rate used to measure the total pension liability was 7%. The projection of cash flows used to determine the discount rate assumes that the Plan and members contributions will be made at the current contribution rates specified in the union contract (\$55.04 per employee per week for employer and \$44.13 per employee per week for the participants). Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members; therefore, the plan no longer experiences a cross-over and no benefit payments are required to be discounted at the 20-year municipal bond rate.

***Sensitivity of Net Pension Liability to Changes in the Discount Rate***

	<u>OCERS</u>			<u>COTPA Retirement</u>		
	<u>Rate</u>	<u>Total Pension Liability</u>	<u>Net Pension Asset(Liability)</u>	<u>Rate</u>	<u>Total Pension Liability</u>	<u>Net Pension Asset(Liability)</u>
1% decrease	6.40%	\$759,407	\$57,274	6.00%	\$18,275	(\$5,843)
Current single discount rate	7.40	677,114	25,019	7.00	16,514	(4,082)
1% increase	8.40	607,668	(94,465)	8.00	15,016	(2,584)

**VII. B. DEFINED BENEFIT COST-SHARING, MULTIPLE-EMPLOYER PENSION PLANS**

**VII. B. 1. PLAN DESCRIPTIONS, CONTRIBUTION INFORMATION, AND FUNDING POLICIES**

*Plan Descriptions*

Oklahoma City participates in two statewide, cost-sharing, multiple-employer defined benefit plans on behalf of police officers and firefighters.

Under Title 36-312.1 of the State of Oklahoma Statutes, 14% and 36% of taxes collected for insurance premium taxes is allocated and distributed to the Oklahoma Police Pension and Retirement System and the Oklahoma Firefighters Pension and Retirement System, respectively. This provides ear-marked state taxes to help with the financing burden for the police and fire plans. The expected employer contributions expected to be funded by the State are not considered in the calculations of the net pension asset/liability and related deferred inflows, deferred outflows and pension expense.

**Reporting**

The required supplementary information schedules of employer contributions and the schedule of net OPEB liability (asset) and related ratios immediately following the notes to the financial statements presents certain ten-year trend information for as many years for which information measured in conformity with the requirements of GASB 68 is available. Detailed information about the Oklahoma Police and Firefighter Plans' fiduciary net position is available in the separately issued Oklahoma Police Pension report and the Oklahoma Firefighters Pension report. Copies of these reports may be obtained from the respective state retirement systems; Oklahoma Police Pension and Retirement System 1001 N.W. 63rd Street, Suite 305, Oklahoma City, OK 73116-7335, and the Oklahoma Firefighters Pension and Retirement System at 6601 Boradway Extension, Suite 100, Oklahoma City, OK 73116.

*Funding Policies, Contribution Methods, and Benefit Provisions*

	Police Pension	Firefighters Pension
Eligibility to participate	All full-time officers employed by a participating municipality, working more than 25 hours per week or any person undergoing police training to become an officer with ages not less than 21 years of age or more than 45 years of age when accepting membership	All full-time or voluntary firefighters of a participating municipality
Authority establishing contribution obligations and benefit provisions	State Statute	State Statute
Plan members' contribution rate	8% of covered payroll	9% of covered payroll
City's contribution rate	13% of covered payroll	14% of covered payroll
Period required to vest	10 years	10 years
Benefits and eligibility for distribution (full-time)	20 years credited service, 2 1/2% of final average salary multiplied by the years of credited service with a maximum of 30 years considered; if vested, at or after age 50, or after 10 but before 20 years of credited service with reduced benefits	20 years of credited service for those hired prior to 11/1/13 and 20 years of credited service and age 50 for those hired after 11/1/13
Benefits and eligibility for distribution (volunteer)	N/A	20 years credited service equal to \$7.53 per month per year of service, with a maximum of 30 years considered
Deferred retirement option	Yes, 20 years credited service with additional option to participate in deferred option plan for a maximum of 5 years	Yes, 20 years credited service with additional option to participate in deferred option plan for a maximum of 5 years

These two plans are administered by agencies of the State of Oklahoma and funded by contributions from participants, employers, insurance premium taxes, and state appropriations, as necessary.

*Actuarial Assumptions*

	Police Pension	Firefighters Pension
Valuation date	7/1/17	7/1/17
Provisions for:		
Disability benefits	Yes	Yes
Death benefits	Yes	Yes
Actuarial cost method	Entry age	Entry age
Amortization method	Level dollar, Open	yr moving average of expected market value
Amortization period	5 years	30 years, 27 years remaining
Actuarial asset valuation method	5-year smoothed	5 yr moving average of expected market
Investment rate of return	7.5%	7.5%
Projected salary increases	4.50% to 17% average, including inflation	3.5% to 9.0% average, including inflation
Cost of living increases (maximum)	1/3 to 1/2 of the increase or decrease of any adjustment to the base salary of a regular police officer, based on an increase in base salary.	Firefighters with 20 yrs of service as of May 26, 1983, are entitled to post retirement benefits equal to 1/2 the increase or decrease for top step firefighters. Pensions are not adjusted below the level at which the firefighter retired.
Inflation	3.0%	3.0%
Source of mortality assumptions	RP-2000 Blue Collar Healthy Combined table (fully generational improvement using scale AA)	RP-2000 Blue Collar combined healthy, adjusted for generational improvement using scale AA.
Experience study	Actuarial assumptions were based upon results of an experience study covering the period July 1, 2007 through June 30, 2012.	Actuarial assumptions were based on the results of an experience study for the period July 1, 2007 through June 30, 2012.

**VII. B. 2. NET PENSION ASSET (LIABILITY)**

*Proportionate Share*

Police Pension

The Police Pension's net pension liability was allocated proportionately to the City of Oklahoma City based on the ratio of the City's actual contributions to the Police pension, relative to the total contributions of the Police pension for the fiscal year ended June 30, 2017. The City's portion for 2017 was 28.50% compared to 28.35% for 2016.

Firefighters Pension

The Firefighters Pension's net pension liability was allocated proportionately to the City of Oklahoma City based on the ratio of the City's actual contributions, relative to the total contributions for the fiscal year ended June 30, 2017. The City's portion for 2017 was 26.74% compared to 27.32% for 2016.

### VII. B. 3. RATE OF RETURN AND DISCOUNT RATE

#### *Rate of Return*

##### Police Pension

The annual money-weighted rate of return on pension plan investments, net of pension plan investment expense was 11.11%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

##### Firefighters Pension

The annual money-weighted rate of return on pension plan investments, net of pension plan investment expense was 14.36%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

#### *Long-term Expected Rate of Return and Target Allocations*

##### Police Pension

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation.

##### Firefighters Pension

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation.

Police Pension		Firefighters Pension	
	Long-term Expected Rate of Return		Long-term Expected Rate of Return
Fixed income	4.51%	Fixed income	4.38%
Domestic equity	6.62	Domestic equity	7.72
International equity	9.70	International equity	9.70
Real estate	6.96	Real estate	6.96
Private equity	9.89	Other assets	5.75
Commodities	5.18		
	Target Allocation		Target Allocation
US Large Cap Equity	15.00%	Equity	62.00%
Long/Short Equity	15.00	Fixed Income	20.00
Private Equity	10.00	Real Estate	18.00
US Small/Mid Cap Equity	5.00		
Emerging Markets Equity	5.00		
Int'l Developed Markets Equity	10.00		
Low Volatility	10.00		
Global Fixed Income	15.00		
Core Real Estate	15.00		

**Discount Rate**

Police Pension

The discount rate used to measure the total pension liability was 7.50%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rate and that contributions from employers will be made at contractually required rates, determined by State statutes. Projected cash flows also assume the State of Oklahoma will continue contributing 14% of the insurance premium, as established by statute. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Firefighters Pension

The discount rate used to measure the total pension liability was 7.50%. The projection of cash flows used to determine the discount rate assumed that the Fund's contributions will continue to follow the current funding policy. Total covered employee payroll is assumed to grow at 4% per year. The total statewide insurance premium tax is assumed to grow at 3% per year. In addition, the allocation of the tax to the System is assumed to be 36% for the entire projection period. The Normal Cost Rate for future members is assumed to be 36% for all years. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members for all future years and hence, the blended GASB discount rate is equal to the long-term rate of return. Therefore, the long-term expected rate of return on pension plan investments of 7.50% was applied to all periods of projected benefit payments to determine the total pension liability. The long-term expected rate of return remained at 7.50% to reflect the expected asset allocation.

***Sensitivity of Net Pension Liability to Changes in the Discount Rate***

The following table presents the City's proportionate allocation of the total pension liability of the Police Pension and Firefighters Pension would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate and the resulting net pension asset (liability):

	Police Pension			Firefighters Pension		
	Rate	Total Pension Liability	Net Pension Asset(Liability)	Rate	Total Pension Liability	Net Pension Asset(Liability)
1% decrease	6.50%	(\$756,722)	(\$74,086)	6.50%	(\$1,112,021)	(\$441,114)
Current single discount rate	7.50	684,875	(2,192)	7.50	1,007,163	(336,254)
1% increase	8.50	(624,102)	58,533	8.50	(918,292)	(247,385)

**VII. C. DEFINED CONTRIBUTION SINGLE EMPLOYER PENSION PLANS**

The City and its component units participate in three defined contribution plans administered by the International City Manager's Association Retirement Corporation (ICMA Retirement). For two of the plans, plan provisions and contribution requirements are established or amended by City Council resolution. Participants of the first plan are comprised of eligible employees hired before September 1, 2001. The City and participants are required to contribute 8.35% and 6% of annual covered payroll, respectively. Participants of the second plan are comprised of eligible employees hired after September 1, 2001. The City and participants are required to contribute 7% and 6% of annual covered payroll, respectively. For the fiscal year ended June 30, 2018, actual contributions by the City and plan participants were \$710 thousand and \$553 thousand, respectively.

These two plans include 91 participants comprised of City Council appointees and management personnel. Participants of the first plan vest at service inception and are entitled to 100% of vested contributions. Participants of the second plan vest after 5 years of service. The plans are money purchase plans qualified under section 401 of the Internal Revenue Code.

The third plan was established July 1, 2001, by COTPA for eligible administrative employees of COTPA (not represented by a union). Plan provisions and contribution requirements are established or amended by COTPA resolution. It is in addition to COTPA Retirement and provides that the employee may voluntarily contribute to the COTPA ICMA plan and COTPA will match employee contributions up to one thousand annually. The COTPA ICMA plan includes 56 participants. For fiscal year 2018, actual contributions by plan participants were \$73 thousand with a \$15 thousand match from COTPA.

In addition, MCA employees participate in a deferred compensation, defined contribution plan administered by Nationwide Retirement Systems established through the U.S. Conference of Mayors and approved by MCA. Participants are comprised of all eligible employees. MCA and participants contribute 8% and 6%, respectively, to the Plan. Plan provisions and contribution requirements are established and amended by the MCA Board of Trustees. All full-time employees are eligible. At June 30, 2018, 4 employees were participating in the Plan. For fiscal year ending June 30, 2018, contributions made by MCA and participants were \$13 thousand and \$10 thousand, respectively. The annual financial report that includes financial statements and required supplementary information for the plan may be obtained from Nationwide Retirement Solutions, P.O. Box 182787, Columbus, Ohio 43218-2797.

## **VII. D. DEFINED BENEFIT SINGLE EMPLOYER OPEB PLANS**

### **VII. D. 1. PLAN DESCRIPTIONS, CONTRIBUTION INFORMATION, AND FUNDING POLICIES**

#### *Plan Descriptions*

The City provides post-employment benefits to employees in two single-employer, defined benefit OPEB plans through OCPEBT. Assets are held separately and may be used only for payment of benefits to members of the Plans.

#### **Primary Government**

The City provides post-employment healthcare benefits for retired employees and their dependents through the City of Oklahoma City Post-retirement Medical Plan (City OPEB), a single-employer defined benefit healthcare plan. The benefits, coverage levels, employee contributions and employer contributions are governed by the City and can be amended by the City through its personnel manual and union contracts. The City OPEB Plan issues a separate report that can be obtained from Human Resources at 420 W. Main, Suite 110, Oklahoma City, OK 73102. The City OPEB Plan covers all current retirees who elected post-retirement medical coverage through the City and future retired general employees. All firefighters retiring after December 31, 2002, are covered under a separate plan established specifically to provide medical benefits to City firefighters and are not considered for this disclosure. Unless otherwise indicated, OPEB information in this note is provided as of the latest actuarial valuation, June 30, 2017, rolled forward to June 30, 2018. Actuarial valuations are performed annually.

#### **Component Unit**

COTPA provides post-employment healthcare benefits for retired employees and their dependents through the COTPA Post-retirement Medical Plan (COTPA OPEB), a single-employer defined benefit healthcare plan that is available for post 64 aged participants. The benefits, coverage levels, employee contributions and employer contributions are governed by COTPA and can be amended by COTPA through its personnel manual and union contracts. Unless otherwise indicated, COTPA OPEB information in this note is provided as of the latest actuarial valuation, June 30, 2017, rolled forward to June 30, 2018. Actuarial valuations are performed annually.

**Reporting**

The required supplementary information schedules of city contributions and the schedule of changes in net OPEB liability (asset) related ratios immediately following the notes to the financial statements presents certain ten-year trend information for as many years for which information measured in conformity with the requirements of GASB 75 is available. Detailed information about the OPEBT's fiduciary net position is available in the separately issued OPEBT annual report. A copy of the actuarial report referred to in this note may be obtained from the City Finance Department, Account Services Division, 100 N. Walker, Suite 300, Oklahoma City, OK 73102.

***Funding Policies, Contribution Methods and Benefit Provisions***

	OPEB	COTPA OPEB
Year established and governing authority	2008; City Council Ordinance	2009; Board Resolution
Determination of contribution requirements	City Policy	Policy
Contribution rates:		
Employer	54%	Subsidy based on years of service
Plan members	46%	Remainder of unsubsidized premium costs
Funding of administrative costs	Investment earnings	Investment earnings
Period required to vest	5 years	10 years
Post-retirement benefit increases	3.50%	N/A

Beginning January 1, 2017, the employer contribution rate changed from 56% of premium to 54% of premium for retirees other than COTPA retirees. For COTPA retirees, COTPA contributed a subsidy towards medical coverage of retirees based on years of service. The retirees were responsible for paying the remaining balance of the premium.

***Benefit Provisions***

The City offers post-retirement healthcare benefits to eligible retirees of the City or approved public trust and their eligible survivors and dependents either through a fully insured health plan or through the City's Self-Funded Group Plan. Post-retirement healthcare benefits include general inpatient and outpatient medical services and prescription drug coverage (collectively "Plan Benefits"). Additional benefits for dental, life, and vision are available to eligible retirees with no premium sharing contributed by the City. The City is not legally obligated to subsidize Plan Benefits for any retiree. However, subject to meeting one of the criteria by the resolution Plan Benefits are only available to certain public trust and City general or special pay-plan retirees and retired police officers provided the retiree was hired before January 1, 2017, and those retired firefighters who retired on or before December 31, 2002, provided the retiree continuously maintains or has maintained coverage from the time of retirement. Employees hired on or after January 1, 2017 are not eligible for subsidized retiree Plan Benefits. To be eligible for subsidized Plan Benefits, if the City Council in its sole discretion determines to subsidize premium costs of the Plan Benefits, the retiree must meet the qualifications of the resolution that was approved on November 8, 2016.



**Post-Retirement Benefit Adjustments**

Post-retirement benefits for retirees are not subject to any changes in the Consumer Price Index.

**Membership (1)**

Active members	3,691
Retirees and beneficiaries currently receiving benefits	2,173
COTPA retirees currently receiving benefits	13
	<u>5,877</u>

(1) The number of members are reported as of the actuarial statement valuation date of June 30, 2017.

**Actuarial Assumptions**

Valuation date	6/30/17
Actuarial cost method	Entry Age Normal
Amortization method	Level Percent of Payroll
Amortization period	30 years, closed
Actuarial asset valuation method	4-year smoothed market

Actuarial Assumptions

City Investment rate of return	7.50%
COTPA Investment rate of return	7.50%
Inflation	3.75%
Projected salary increases	3.50%
Health care trend rate	
Initial	8.5% (6.00% for Medicare Age)
Ultimate	4.50%
Mortality table	RP 2000 combined mortality table fully generational using scale AA

Projections of benefits for financial reporting purposes are based on the substantive plan (the Plan as understood by the Trust and Plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of benefit cost sharing between the Trust and Plan members to that point. Actuarial calculations reflect a long-term perspective. The actuarial methods and assumptions are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of those calculations.

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future and those actuarially determined amounts are subject to continual revision as results are compared to past expectations and new estimates are made about the future.

**VII. D. 2. NET OPEB LIABILITY**

Total OPEB liability	(\$572,550)
Fiduciary net position	<u>49,131</u>
Net OPEB asset (liability)	<u><b>(\$523,419)</b></u>
 Plan fiduciary net position as a percentage of the total OPEB liability	   <b>-8.58%</b>

	Total OPEB Liability		Plan Fiduciary Net Position		Net OPEB Asset (Liability)	
	<u>OPEB</u>	<u>COTPA</u>	<u>OPEB</u>	<u>COTPA</u>	<u>OPEB</u>	<u>COTPA</u>
Beginning balance	\$596,737	\$1,442	\$42,233	\$ -	(\$554,504)	(\$1,442)
Service cost	24,738	92	-	-	(24,738)	(92)
Interest	18,750	45	-	-	(18,750)	(45)
Changes of benefits terms	(11,789)	-	-	-	11,789	-
Differences between expected and actual experience	4,302	450	-	-	(4,302)	(450)
Changes of assumptions	(47,714)	(137)	-	-	47,714	137
Contributions - employer	-	-	15,817	374	15,817	374
Net investment income	-	-	5,117	25	5,117	25
Benefit payments and refunds	(14,335)	(31)	(14,335)	(31)	-	-
Administrative expense	-	-	(69)	-	(69)	-
Net changes	<u>(26,048)</u>	<u>419</u>	<u>6,530</u>	<u>368</u>	<u>32,578</u>	<u>(51)</u>
<b>Ending balance</b>	<b><u>\$570,689</u></b>	<b><u>\$1,861</u></b>	<b><u>\$48,763</u></b>	<b><u>\$368</u></b>	<b><u>(\$521,926)</u></b>	<b><u>(\$1,493)</u></b>

**VII. D. 3. RATE OF RETURN AND DISCOUNT RATE**

***Rate of Return***

For the year ended June 30, 2018, the annual money-weighted rate of return on OPEB plan investments, net of OPEB plan investment expense was 0.95%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

**Long-term Expected Rate of Return**

The long-term expected rate of return on OPEB plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of OPEB plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the OPEB plan's target asset allocation. See Note II. A. DEPOSITS AND INVESTMENTS, *Investments*, Asset Allocation Guidelines for target allocation of investments.

Long-term Expected Rate of Return

Domestic Equity	7.50%
Domestic Bonds	2.50
International Equity	8.50
International Bonds	3.50
Real Estate	4.50

**Discount Rate**

The discount rate used to measure the total OPEB liability was 3.75%. Assets were projected using expected benefit payments and expected asset returns. Expected benefit payments by year were discounted using the expected asset return assumption for years in which the assets were sufficient to pay all benefit payments. Any remaining benefit payments after the net position is exhausted are discounted at the 20-year municipal bond rate. Therefore, the long-term expected rate of return on OPEB investments (7.50%) was applied to years 2019 through 2027 of projected benefit payments and the 20-year municipal bond rate based on a range of indices from 3.13%-3.56% was applied to projected benefit payments after 2027 to determine the total OPEB liability. The discount rate increased from 3.18% on June 30, 2016 to 3.75% on June 30, 2017.

**Sensitivity of Net OPEB Liability to Changes in the Discount Rate**

	Rate	City OPEB		COTPA OPEB		Total	
		Total OPEB Liability	Net OPEB Liability	Total OPEB Liability	Net OPEB Liability	Total OPEB Liability	Net OPEB Liability
1% decrease	2.75%	(\$670,288)	(\$621,525)	(\$2,104)	(\$1,736)	(\$672,392)	(\$623,261)
Current single discount rate	3.75	(570,689)	(521,926)	(1,861)	(1,493)	(572,550)	(523,419)
1% increase	4.75	(491,811)	(443,048)	(1,657)	(1,289)	(493,468)	(444,337)

**Sensitivity of Net OPEB Liability to Changes in the Healthcare Cost Trends**

	Rate	City OPEB		COTPA OPEB		Total	
		Total OPEB Liability	Net OPEB Liability	Total OPEB Liability	Net OPEB Liability	Total OPEB Liability	Net OPEB Liability
1% decrease	7.50%	(\$483,710)	(\$434,947)	(\$1,853)	(\$1,485)	(\$485,563)	(\$436,432)
Current single discount rate	8.50	(570,689)	(521,926)	(1,861)	(1,493)	(572,550)	(523,419)
1% increase	9.50	(682,977)	(634,214)	(1,870)	(1,502)	(684,847)	(635,716)

**VII. E. TERMINATION BENEFITS**

At June 30, 2018, the City’s reporting entity had 7 terminated employees participating in COBRA health and/or dental care in various options available from the City. These employees are a combination of job terminations, dependent loss of status and divorce. COBRA participants pay 102% of employee premium cost for continuing coverage. COBRA continuation coverage benefits are available for eligible employees for up to 18 months. Employees on military leave are eligible up to 24 months. Dependents of employees who lose coverage due to a qualifying event are eligible for up to 36 months. Benefits provided are not material to the financial statements.

**VIII. COMMITMENTS**

*Service Contract Commitments*

Significant service contract commitments at June 30, 2018, include \$155.529 million for OCEAT solid waste management service contracts funded by charges to users; \$40.530 million for OCWUT wastewater treatment services funded by charges to users; \$1.998 million for operation of a City employee health clinic to be funded by OCMFA and OCPEBT; \$900 thousand for natural gas purchases and supply management services to be funded by the OCPPA internal service fund; and \$16.588 million for service contracts related to the streetcar project funded with COTPA general revenues.

An agreement has been entered into between OCPPA, the National Collegiate Athletic Association (NCAA), and the City, whereby OCPPA has committed to fund various improvements to the Softball Hall of Fame Complex in return for the NCAA’s commitment to hold, sponsor, and play the NCAA Division I Women’s Collegiate Softball World Series in Oklahoma City through 2035. The funding commitment and NCAA commitment is based upon the completion of various phases of the anticipated overall project. The aggregate funding commitment from OCPPA is approximately \$33.5 million dollars. Of this amount, \$24.5 million is expected to be funded by City general obligation bond proceeds, \$6 million is expected to be funded with donations and sponsorships and \$3 million is expected to be funded by naming rights. OCPPA has assigned the obligations to be funded by City general obligation bond proceeds, donations, and sponsorships to the City.

As of June 30, 2018 and 2017, the remaining commitment under the agreement is approximately \$23.015 million including \$20.101 million assigned to the City and \$14.531 million including \$11.615 million assigned to the City, respectively.

*Construction Commitments*

<b>Primary Government</b>	
<i>Governmental Activities</i>	
General government	\$26
Public safety:	
Police	169
Fire	2,560
Other	511
Public services	28,229
Culture and recreation	245,551
Education	979
Total governmental activities	<u>278,025</u>
<i>Business-Type Activities</i>	
Fairgrounds	1,096
Stormwater drainage	<u>1,307</u>
Total business-type activities	<u>2,403</u>
<b>Total primary government</b>	<b><u>\$280,428</u></b>

<b>Component Units</b>	
Airports	\$15,628
Economic development	490
Water utilities	45,035
Transportation and parking	<u>667</u>
<b>Total component units</b>	<b><u>\$61,820</u></b>

Construction projects included in governmental activities are substantially funded with general obligation bond proceeds. Business-type activities, OCAT, OCWUT, and COTPA include construction funded with the proceeds of revenue bonds and user charges. Zoo improvements are substantially funded with the proceeds of revenue bonds and a continuing, dedicated sales tax. COTPA construction is also funded with federal grants and subsidies. Public school improvements are funded with a temporary dedicated sales tax. Economic development is funded by general obligation limited tax, tax apportionment revenue, as well as tax incremental financing.

## IX. CONTINGENCIES

### *Litigation*

The City is a party to various legal proceedings which normally occur in governmental operations. These legal proceedings are not likely to have a material adverse impact on the affected funds of the City. The City currently has approximately \$8.852 million accrued in the Debt Service Fund for pending or threatened litigation for which an unfavorable outcome is considered probable. The amount of possible tort and other claims liability at June 30, 2018, is approximately \$815 thousand, which is not accrued.

### *Federal and State Grants*

In the normal course of operations the City receives grant funds from various Federal and state agencies. The grant programs are subject to audit by agents of the granting authorities the purpose of which is to ensure compliance with conditions predicated to the granting of funds. Any liability for reimbursement that may arise as the result of these audits is not believed to be material.

## X. RELATED PARTY TRANSACTIONS

### *City-County Board of Health-Jointly Governed Organization*

The City and the Board of County Commissioners of Oklahoma County participate in the City-County Board of Health (City-County Board) to preserve and promote public health. Five members of the City-County Board are appointed by the City Council, and four members are appointed by the Oklahoma County Commissioners with removal only for cause. The primary source of funding for the City-County Board is an ad valorem tax levy by the County. The City has an agreement with the City-County Board to perform certain inspections, issue special event licenses and collect related fees, and receive a percentage of license fees for inspections. During the fiscal year ending June 30, 2018, the City collected approximately \$156 thousand on behalf of the City-County Board. Of this amount, \$49 thousand is still payable at June 30, 2018.

### *Civic Center Foundation*

CCF is a non-profit organization whose purpose is to enhance and support the Oklahoma City Civic Center. CCF entered into an amended and restated Civic Center Improvement and Support Agreement with OCPPA with a term of July 1, 2015 through June 30, 2040 for CCF to engage in fundraising activities and assist the City and OCPPA in planning and funding improvements and in facilitating activities and utilization of the Civic Center for the benefit of the public. At June 30, 2018, CCF had net assets of \$2.646 million. These amounts are not reflected on the City's financial statements.

## XI. TAX ABATEMENTS

The City has designated OCEDT to manage economic development including incentives. OCEDT provides economic development incentives in the form of development financing or performance based incentives that reduce ad valorem increment allocated to the City under an approved economic development project plan adopted pursuant to the Local Development Act, Title 62 of the Oklahoma Statutes, Sections 850, et seq, or sales tax revenues for the City. It is noted that these incentives do not meet the criteria of tax abatement as defined in the Oklahoma Local Development Act.

### *Assistance in Development Financing*

Pursuant to the Local Development Act, Section 850, the City has adopted and approved the Downtown/MAPS Economic Development Project Plan (Economic Development Project Plan) and has established ad valorem tax TIF districts #2, #8, #10 and #13. The Downtown/MAPS Project Area has been declared to be an area where investment, development and economic growth is difficult. To advance the goals and objectives of the Economic Development Project Plan through the development and redevelopment of vacant and unproductive property in the Downtown area, the City and OCEDT provide assistance in development financing to multiple developers thereby creating opportunities for further development and by expanding the tax base in the area. Development financing is provided after a review committee considers any proposed development and budgetary allocation in light of the project objectives, feasibility, priorities and funding availability and submits its recommendation to the City Council prior to implementation of the project and execution of an economic development agreement.

The assistance in development financing is funded by the tax incremental funding which is anticipated to be generated from the project's increased property tax value in the TIF district. Prior to receiving payment, developers are typically required to provide verification of the amount of investment in the property, acknowledgement of the assistance in development financing provided by the City and OCEDT in the form of a plaque or monument attached to the property, and documentation that a certain percentage of any rentable area is occupied. If the agreement provides for a lump-sum payment, the developer is required to pay a minimum amount of annual ad valorem taxes or a payment in lieu of taxes, if the taxable market value of the project does not meet the amount specified in the agreement, until the ad valorem taxes received by the City less the baseline amount has reached the amount of the incentive paid plus any associated financing charges. If the agreement provides for an installment payment, payment will be made for a specific number of years and amount after proof of the prior year's property tax payment has been verified. Developers are required to pay back the total incentive received if they sell, transfer or otherwise dispose of the property usually within three to five years after the date of completion of the project.

In addition to the assistance in development financing incentives, the City or OCEDT have committed to making several non-forgivable low-interest loans and the City has agreed to provide public infrastructure improvements in the development areas.

On February 24, 2016, City Council adopted ordinance 25,325 which amended and restated the Downtown/MAPS Economic Development Project Plan and created TIF district #10. As of June 30, 2018, the City and OCEDT have entered into a memorandum of agreement for the redevelopment and rehabilitation of a national historic building in downtown Oklahoma City. Upon completion of the first phase of the redevelopment which is for a parking garage and retail and commercial space, a loan may be provided by OCEDT to the developer to pay off a private loan that was secured for the construction of the garage component of the project. The potential OCEDT loan will be paid off from the ad valorem tax increment generated by the garage and any required minimum payments required in lieu of ad valorem taxes.

*Performance-Based Incentives*

On October 14, 2008, the City Council adopted a joint resolution with OCEDT to approve the City's Retail Incentives Policy to be utilized for the development of new sales taxes in the City and to support under-served areas. Prospective retail developers and retailers complete an application, pay a non-refundable application fee, and make a formal request to OCEDT. Applications are evaluated by the Retail Advisory Panel based upon the impact on the City's tax base, the quality of life for citizens, attraction for other types of development, as well as the costs of the incentive and impact on City services and infrastructure. A recommendation is made to the City Manager regarding the eligibility of the project and the amount and type of incentive. Upon approval by the City Manager, an economic development agreement is developed and forwarded for approval by OCEDT and then to the City Council. The agreements are typically structured to require a specific level of investment by the developer and provide an annual incentive for a specified number of years based upon the amount of sales taxes generated with attainment of specific sales levels sometimes being required. The City has committed to making public infrastructure improvements for one of the retail developments.

Pursuant to the Local Development Act, Section 850, the City has adopted and approved the Northeast Renaissance Redevelopment Project Plan and has established ad valorem TIF district #9. The Northeast Renaissance Project Area has been declared to be an area where investment, development and economic growth is difficult. To advance the goals and objectives of the Northeast Renaissance Plan through the development and redevelopment of vacant and unproductive property in the project area, the City and OCEDT have approved an annual installment incentive based upon the sales taxes generated and the increase in ad valorem taxes generated from the development. Development financing is provided after a review committee reviews any proposed development and budgetary allocation in light of the project objectives, feasibility, priorities, and funding availability. The developer is required to provide verification of a specific level of investment, acknowledgement of the assistance in development financing provided by the City and OCEDT in the form of a plaque or monument attached to the property, and documentation that a certain percentage of any rentable area is occupied.

*Reduction in Reported Tax Revenues*

Economic Development Project Plan property tax collections in OCEDT are reported as a reduction in economic incentive receivables. Sales tax collections are used to fund Retail Incentive Policy payments and no revenue or expense is recognized for the collection or payment. When these projects are completed and economic incentive receivables have been repaid, the taxes will be reported with governmental general revenues in the statement of activities.

<u>Economic Development Program</u>	<u>Tax Type</u>	<u>Reduction in Tax Revenues</u>
Economic Development Project Plan	Property taxes	\$3,280
Retail Incentive Policy	Sales taxes	<u>780</u>
		<u>\$4,060</u>

**XII. ENDOWMENTS**

***North Canadian/Oklahoma River Corridor Foundation Endowment Fund (ORFE)***

On December 13, 2004, OCRRA entered into an agreement with the Oklahoma City Community Foundation (OCCF) to establish the ORFE. The purpose of the ORFE is to support the public uses of the OCRRA leasehold. The ORFE was established with the net proceeds of the Downtown Oklahoma City, Inc. 2004 Holiday Boat Parade; however the ORFE may receive future donations and investment earnings. Distributions are recommended by an advisory committee composed of three members: the Chairman of OCRRA, or a designee; and two members separately appointed by the Foundation Trustees and the Mayor of Oklahoma City, respectively. All distributions from the Foundation are subject to the final approval of the Foundation Trustees.

As of June 30, 2018, the market value of the ORFE investment was \$736 thousand. There was no spendable balance available to OCRRA at June 30, 2018. \$30 thousand was distributed in FY 2018. Available amounts are not reflected in the City's financial statements.

***Oklahoma City Fire Department Project Life Activity Fund and Endowment Fund***

On July 1, 2014, the Oklahoma City Fire Department entered into an agreement with the OCCF to establish the OKC Fire Department Project Life Activity Fund (Fire Activity Fund) and the OKC Fire Department Project Life Endowment Fund (Fire Endowment Fund). The Fire Activity Fund receives annual earnings from the Fire Endowment Fund and other contributions which may be earmarked for the specific purposes such as the purchase of smoke alarms and other equipment, support of fund-raising activities for the benefit of Project Life programs and programs that are beneficial to the quality of life for the citizens of Oklahoma City. The Fire Endowment Fund was initially established with the net proceeds of Project Life fundraisers and may receive the net proceeds from the International Association of Firefighters, Local 157 and other event sponsors for events held to promote the City of Oklahoma City Fire Department Project Life.

Distributions are approved by majority vote of an advisory committee composed of three members: the Chief of the Oklahoma City Fire Department, or a designee; and two members separately appointed by the Foundation Trustees and the Mayor of Oklahoma City, respectively. Any spendable amount not distributed will remain and be designated as spendable unless designated as permanent endowment at which time it is no longer available for distribution. As of June 30, 2018, the balance of the Fire Endowment Fund was \$26 thousand and there was no spendable balance available. Available amounts are not reflected in the City's financial statements.



***Oklahoma City Myriad Gardens Foundation (OCMGF)***

OCMGF was established in 1981 to support the Myriad Botanical Gardens (Gardens), located in downtown Oklahoma City, by providing capital and operating funding, increasing public awareness and promoting the highest horticultural, educational and administrative standards. In July 2011, OCMGF assumed management and operations of the Gardens for the benefit of the City. At June 30, 2018, OCMGF had net assets of \$4.151 million.

OCMGF is the grantee recipient of distributions from three permanent endowments located at OCCF. Distributions are approved by the Executive Director with the authorization of the Myriad Board of Directors. Estimated disbursements are included in the annual operating budget that is approved by the Myriad Board of Directors each year. At June 30, 2018, distributions in the amount of \$29.4 thousand were received from multiple endowments held at the OCCF. Available amounts are not reflected in the City's financial statements.

***The Oklahoma Zoological Society Zoo Friends (Zoo Friends)***

Zoo Friends was established in 1954 to support and promote the Oklahoma City Zoo (Zoo) and its four purposes of education, conservation, zoological research and recreation. Zoo Friends works in partnership with the Zoo in raising funds for special programs, exhibits, animal welfare, conservation initiatives locally and worldwide and research projects. A volunteer board of directors serves as the governing body for Zoo Friends. Zoo Friends has two permanent endowments for which the earnings are sent each year to the Zoo in the form of support. Distributions are approved by the Oklahoma Zoological Society (OZS) Board of Directors in accordance with approved policy.

One endowment, which is held at the OCCF, distributed earnings of \$45 thousand in 2018 to the Zoo as support for Zoo Fund for Kids and had a permanent endowment balance of \$406 thousand at June 30, 2018. A second endowment, held at the Communities Foundation of Oklahoma, had no distribution of earnings to the Zoo in 2018, but had a permanent endowment balance at June 30, 2018, of \$64 thousand. Available amounts are not reflected in the City's financial statements.

**XIII. SUBSEQUENT EVENTS**

***OCEDT Annual Appropriation Bonds, Series 2018 - Bond Issuance***

On September 25, 2018, OCEDT issued Appropriation Bonds, Series 2018 in the amount of \$86.060 million. OCEDT issued the 2018 bonds in order to provide financing for projects related to the Omni Convention Center Hotel and improvements. The bonds are secured by an annual appropriation of the City. In addition, the City will provide an agreement of support to further enhance the marketability of the bonds and thus lowering the interest rate.

***Sale of the Santa Fe Plaza Parking Garage***

In July 2018, COTPA and City Council approved a memorandum of agreement to set forth terms and conditions for Continental Resources, Inc. and BancFirst Corporation to purchase the Santa Fe Plaza Parking Garage, located at 101 North E.K. Gaylord Boulevard for \$22.500 million. The real estate purchase agreement was approved by COTPA and City Council in August 2018 and staff was authorized to take action to remove the property from the COTPA Trust Estate and the lien of the 2013 General Bond Indenture.

***OCAT Tax Exempt Bonds, Series 33***

Oklahoma City Airport Trust has issued bonds subsequent to June 30, 2018. Oklahoma City Airport Trust issued Junior Lien Bonds Thirty-Three Series for a par amount of \$93.550 million with a \$7.958 million premium on November 6, 2018. The Junior Lien Tax-Exempt Bonds, Thirty Third Series (AMT) were issued as fully registered bonds in \$5 thousand denominations. Interest on the Thirty Third Series Bonds is payable semi-annually on January 1 and July 1 of each year commencing July 1, 2019. The proceeds received from the sale of the Thirty Third Series Bonds will be used to fund the 2018 Project as described as follows. The 2018 Project adds 133,022 square feet of new terminal space and renovates 43,473 square feet of existing terminal space at OKC. The main components of the 2018 Project provide for the construction of a four-gate concourse with increased hold room seating and new passenger boarding bridges to increase the total departure gate count to 21, a mezzanine level circulation deck area, a centralized passenger security screening checkpoint, a large separate hold room area for international or diverted flights, administrative office space, additional concession space (food and retail), technology improvements, and an area for a future customs inspections facility. Public artwork will be procured and integrated into the building construction. The 2018 Project will also renovate existing space to expand greeter lobbies and public circulation areas and include new furniture and fixtures for the new and remodeled areas. The 2018 Project is estimated to cost approximately \$92.1 million and is anticipated to be funded with a portion of the proceeds of the Thirty Third Series Bonds and Trust Revenues, including PFCs.

***OCPPA Hotel Tax Revenue Refunding Bonds, Series 2018***

On October 4, 2018, the Oklahoma City Public Property Authority (OCPPA) Issued Hotel Tax Refunding Bonds, Series 2018 (the Bonds) in the amount of \$14.400 million to refund the Series 2007A Bonds. In conjunction with the the Bonds issue, the City of Oklahoma City and the OCPPA ratified the terms of the Lease Agreement dated November 1, 1961 to cover the term of the the Bonds.

*Required Supplementary Information*





## ***Required Supplementary Information***

*Provides information mandated by the Governmental Accounting Standards Board designed to provide operational, economic, or historical context for the financial statements or the notes to the financial statements.*

### **Pension Plans**

- \* ***Defined Benefit Single Employer Plans*** – Reports information regarding the Oklahoma City Employee Retirement System (OCERS) and the Central Oklahoma Transportation and Parking Authority Retirement System (COTPR)
- \* ***Defined Benefit Cost Sharing Plans*** – Reports information regarding the Oklahoma Police Pension and Retirement System (Police Pension) and the Oklahoma Firefighters Pension and Retirement System (Firefighters Pension).

### **Other Post-Employment Benefit Plans**

*Reports information regarding the Oklahoma City Post-Employment Benefits Trust (OCPEBT) and the Central Oklahoma Transportation and Parking Authority Other Post-Employment Benefit Plan (COTPA OPEB).*

**REQUIRED SUPPLEMENTARY INFORMATION**  
**DEFINED BENEFIT PENSION**  
**(dollars are in thousands)**

**CITY OF OKLAHOMA CITY, OKLAHOMA**

**I. SCHEDULE OF NET PENSION LIABILITY (ASSET)**

**I. A. SCHEDULE OF NET PENSION LIABILITY (ASSET) FOR SINGLE EMPLOYER PLANS (1)**

	2018		2017		2016		2015	
	OCERS	COTPR	OCERS	COTPR	OCERS	COTPR	OCERS	COTPR
<b>Total pension liability</b>								
Service cost	\$16,631	\$480	\$16,478	\$516	\$15,803	\$537	\$14,860	\$510
Interest	47,499	1,120	46,209	967	44,281	885	42,403	853
Changes of benefit terms	-	-	-	469	-	126	-	-
Differences between expected and actual experience	(3,867)	18	(12,125)	(240)	(4,745)	419	(4,485)	-
Changes of assumptions	-	-	7,272	(1,547)	-	(596)	-	-
Benefit payments, including refunds	(33,445)	(1,227)	(30,844)	(1,031)	(29,080)	(831)	(27,348)	(767)
Net change in total pension liability	26,818	391	26,990	(866)	26,259	540	25,430	596
Total pension liability, beginning	<u>650,296</u>	<u>16,123</u>	<u>623,306</u>	<u>16,989</u>	<u>597,046</u>	<u>16,448</u>	<u>571,616</u>	<u>15,852</u>
<b>Total pension liability, ending</b>	<b><u>\$677,114</u></b>	<b><u>\$16,514</u></b>	<b><u>\$650,296</u></b>	<b><u>\$16,123</u></b>	<b><u>\$623,305</u></b>	<b><u>\$16,988</u></b>	<b><u>\$597,046</u></b>	<b><u>\$16,448</u></b>
<b>Total fiduciary net position</b>								
Contributions - employer	\$6,871	\$545	\$7,411	\$954	\$8,207	\$518	\$8,872	\$506
Contributions - employee	7,732	415	7,562	401	7,668	413	7,422	429
Net investment income	72,214	1,299	(4,840)	(189)	25,207	225	94,658	1,644
Benefit payments, including refunds	(33,445)	(1,227)	(30,844)	(1,031)	(29,080)	(831)	(27,348)	(767)
Administrative expenses	(459)	(123)	(398)	(135)	(445)	(114)	(462)	(63)
Other	<u>97</u>	<u>-</u>	<u>68</u>	<u>-</u>	<u>148</u>	<u>-</u>	<u>95</u>	<u>(1)</u>
Net change in fiduciary net position	53,010	909	(21,041)	-	11,705	211	83,237	1,748
Total fiduciary net position, beginning	<u>649,123</u>	<u>11,523</u>	<u>670,164</u>	<u>11,523</u>	<u>658,459</u>	<u>11,311</u>	<u>575,222</u>	<u>9,563</u>
<b>Total fiduciary net position, ending</b>	<b><u>\$702,133</u></b>	<b><u>\$12,432</u></b>	<b><u>\$649,123</u></b>	<b><u>\$11,523</u></b>	<b><u>\$670,164</u></b>	<b><u>\$11,522</u></b>	<b><u>\$658,459</u></b>	<b><u>\$11,311</u></b>
Total net pension liability (asset)	(25,019)	4,082	1,172	4,600	(46,859)	5,466	(61,413)	5,137
Covered payroll	114,233	9,810	126,036	9,947	127,806	9,557	124,957	9,458
Net pension liability as a percentage of covered payroll	-21.90%	41.61%	0.93%	46.25%	-36.66%	57.19%	-49.15%	54.31%
Plan fiduciary net position as a percentage of total pension liability	103.69%	75.28%	99.82%	71.47%	107.52%	67.82%	110.29%	68.77%
<b>Actuarial assumptions:</b>								
Valuation date	12/31/16	7/1/16	12/31/15	7/1/15	12/31/14	7/1/14	12/31/13	7/1/13
Actuarial cost method	Individual entry age normal	Individual entry age normal	Individual entry age normal	Individual entry age normal	Individual entry age normal	Individual entry age normal	Individual entry age normal	Individual entry age normal
Amortization method	Level % of payroll	Level % of payroll	Level % of payroll	Level % of payroll	Level % of payroll	Level dollar	Level % of payroll	Level dollar
Amortization period	27 years, closed	30 years, closed	27 years, closed	30 years, open	28 years, closed	30 years, open	28 years, closed	30 years, open
Actuarial asset valuation method	4-year smoothed market	5-year smoothed market	4-year smoothed market	5-year smoothed market	4-year smoothed market	5-year smoothed market	4-year smoothed market	5-year smoothed market
Investment rate of return	7.40%	7.00%	7.50%	7.00%	7.50%	5.69%	7.50%	5.34%
Cost of living benefit increases (maximum)	2%	N/A	2%	N/A	2%	N/A	2%	N/A
Inflation	2.50%	1.50%	2.75%	2.50%	3.00%	2.25%	3.80%	2.50%
Projected salary increases	3.75% to 7.25%	N/A	3.75% to 7.25%	N/A	3.75% to 7.25%	N/A	3.75% to 7.25%	N/A
Mortality table	RP 2000 mortality table projected to 2010	SOA RP 2000 combined mortality table projected to 2010	RP 2000 mortality table projected to 2010	SOA RP 2000 combined mortality table projected to 2010	RP 2000 mortality table projected to 2010	1983 group annuity mortality tables, scale 355 withdrawal rates	RP 2000 mortality table projected to 2010	1983 group annuity mortality tables, scale 355 withdrawal rates
Experience study	Actuarial assumptions were based upon results of an experience study covering the period January 1, 2008, through December 31, 2012.	An experience study was issued November 16, 2015, covering the past five years of plan experience.	Actuarial assumptions were based upon results of an experience study covering the period January 1, 2008, through December 31, 2012.	An experience study was issued November 16, 2015, covering the past five years of plan experience.	Actuarial assumptions were based upon results of an experience study covering the period January 1, 2008, through December 31, 2012.	An experience study will be conducted in advance of the next fiscal year end.	Actuarial assumptions were based upon results of an experience study covering the period January 1, 2008, through December 31, 2012.	An experience study will be performed in advance of 2016 fiscal year end.

(1) This schedule is presented to illustrate the requirement to show information for 10 years. However, results for valuation dates before before June 30, 2014, are not available. This information will be developed prospectively until eventually 10 years of information is available.

**REQUIRED SUPPLEMENTARY INFORMATION**  
**DEFINED BENEFIT PENSION**  
**(dollars are in thousands)**

**CITY OF OKLAHOMA CITY, OKLAHOMA**

**I. B. SCHEDULE OF PROPORTIONATE SHARES OF NET PENSION LIABILITY (ASSET) FOR COST SHARING PLANS (1)(2)**

	2018		2017		2016		2015	
	Police Pension	Firefighters Pension	Police Pension	Firefighters Pension	Police Pension	Firefighters Pension	Police Pension	Firefighters Pension
Valuation Date	7/1/2017	7/1/2017	7/1/2016	7/1/2016	7/1/2015	7/1/2015	7/1/2014	7/1/2014
Proportionate Share	28.50%	26.74%	28.35%	27.32%	29.13%	28.65%	29.16%	29.07%
Proportionate share of the net pension liability (asset)	\$2,192	\$336,254	\$43,420	\$333,820	\$1,188	\$304,093	(\$9,818)	\$298,941
Proportionate share of the net pension liability (asset) of the State and other municipalities	<u>5,500</u>	<u>921,470</u>	<u>109,724</u>	<u>887,895</u>	<u>2,889</u>	<u>757,315</u>	<u>(23,851)</u>	<u>729,407</u>
<b>Total net pension liability (asset)</b>	<b><u>\$7,692</u></b>	<b><u>\$1,257,724</u></b>	<b><u>\$153,144</u></b>	<b><u>\$1,221,715</u></b>	<b><u>\$4,077</u></b>	<b><u>\$1,061,408</u></b>	<b><u>(\$33,669)</u></b>	<b><u>\$1,028,348</u></b>
Covered payroll	\$84,854	\$75,986	\$83,615	\$77,707	\$63,677	\$79,557	\$79,738	\$80,731
Net pension liability as a percentage of covered payroll	2.58%	442.52%	51.93%	429.59%	1.87%	382.23%	-12.31%	370.29%
Plan fiduciary net position as a percentage of total pension liability	99.68%	66.61%	93.50%	64.87%	99.82%	68.27%	101.53%	68.12%

- (1) Amounts presented above represent the City's proportionate share presented in Note VII. B. DEFINED BENEFIT COST-SHARING, MULTIPLE-EMPLOYER PENSION PLANS.  
(2) This schedule is presented to illustrate the requirement to show information for 10 years. However, results for valuation dates before June 30, 2014, are not available. This information will be developed prospectively until eventually 10 years of information is available.

**REQUIRED SUPPLEMENTARY INFORMATION**  
**DEFINED BENEFIT PENSION**  
(dollars are in thousands)

**CITY OF OKLAHOMA CITY, OKLAHOMA**

**II. SCHEDULE OF EMPLOYER CONTRIBUTIONS**

**II. A. SCHEDULE OF EMPLOYER CONTRIBUTIONS FOR SINGLE EMPLOYER PLANS**

***OCERS (1)***

<u>June 30,</u>	Actuarially Determined Contribution (ADC)	Contributions in Relation to ADC (2)	Contributions Deficiency (Excess)	Covered Payroll	Actual Contribution As a Percentage of Covered Payroll
2018 (3)	\$7,057	\$7,057	\$ -	\$117,617	6%
2017	6,089	6,871	(782)	114,233	6
2016	7,411	7,411	-	126,036	6
2015	8,231	8,207	24	127,806	6
2014	8,934	8,872	62	124,957	7
2013	11,320	11,320	-	114,933	10
2012	9,615	9,615	-	109,293	9
2011	7,133	7,133	-	102,915	7
2010	5,586	5,586	-	110,408	5
2009	5,464	5,464	-	105,566	5

(1) The amounts reported represent amounts paid and covered payroll for the fiscal year indicated.

(2) Contributions are deferred in the fiscal year reported and recognized in the financial statements in the subsequent year.

(3) The actuarially determined contribution for 2018 is estimated and may change upon receipt of the actuarial report.

***COTPR (1)***

<u>June 30,</u>	Actuarially Determined Contribution (ADC)	Contributions in Relation to ADC (2)	Contributions Deficiency (Excess)	Covered Payroll	Actual Contribution As a Percentage of Covered Payroll
2018	\$374	\$546	(\$172)	\$11,130	5%
2017	380	545	(165)	9,810	6
2016	298	954	(656)	9,947	10
2015	317	518	(201)	9,557	5
2014	333	506	(173)	9,458	5
2013	359	504	(145)	9,458	5
2012	380	499	(119)	6,930	7
2011	414	466	(52)	7,595	6
2010	419	471	(52)	7,150	7
2009	416	416	-	7,464	6

(1) The amounts reported represent amounts paid and covered payroll for the fiscal year indicated.

(2) Contributions are deferred in the fiscal year reported and recognized in the financial statements in the subsequent year.

(3) The actuarially determined contribution for 2018 is estimated and may change upon receipt of the actuarial report.



**REQUIRED SUPPLEMENTARY INFORMATION**  
**DEFINED BENEFIT PENSION**  
(dollars are in thousands)

**CITY OF OKLAHOMA CITY, OKLAHOMA**

**II. B. SCHEDULE OF EMPLOYER CONTRIBUTIONS FOR COST SHARING PLANS**

*Police Pension (1)*

<u>June 30,</u>	Contractually Required Contribution <u>(CRC) (2)</u>	Contributions in Relation to <u>CRC (3)</u>	Contributions Deficiency <u>(Excess)</u>	Covered <u>Payroll</u>	Actual Contribution As a Percentage of <u>Covered Payroll</u>
2018 (4)	\$11,695	\$11,695	\$ -	\$89,962	13%
2017	11,031	11,031	-	84,854	13
2016	10,870	10,870	-	83,615	13
2015	8,278	8,278	-	63,677	13
2014	10,366	10,366	-	79,738	13
2013	10,024	10,024	-	77,108	13
2012	9,419	9,419	-	74,531	13
2011	9,192	9,192	-	72,931	13
2010	9,494	9,494	-	71,685	13
2009	9,308	9,308	-	72,238	13

- (1) The amounts reported represent amounts paid and covered payroll for the fiscal year indicated.
- (2) Contractually required contribution amounts presented do not include amounts provided by the State of Oklahoma.
- (3) Contributions are deferred in the fiscal year reported and recognized in the financial statements in the subsequent year.
- (4) The contractually required contribution for 2018 is estimated and may change upon receipt of the actuarial report.

*Firefighters Pension (1)*

<u>June 30,</u>	Contractually Required Contribution <u>(CRC) (2)</u>	Contributions in Relation to <u>CRC (3)</u>	Contributions Deficiency <u>(Excess)</u>	Covered <u>Payroll</u>	Actual Contribution As a Percentage of <u>Covered Payroll</u>
2018 (4)	\$11,612	\$11,612	\$ -	\$82,943	14%
2017	10,638	10,638	-	75,986	14
2016	10,879	10,879	-	77,707	14
2015	11,138	11,138	-	79,557	14
2014	10,495	10,495	-	80,731	13
2013	9,689	9,689	-	74,531	13
2012	9,481	9,481	-	72,931	13
2011	9,319	9,319	-	71,685	13
2010	9,351	9,351	-	71,931	13
2009	9,441	9,441	-	72,623	13

- (1) The amounts reported represent amounts paid and covered payroll for the fiscal year indicated.
- (2) Contractually required contribution amounts presented do not include amounts provided by the State of Oklahoma.
- (3) Contributions are deferred in the fiscal year reported and recognized in the financial statements in the subsequent year.
- (4) The contractually required contribution for 2018 is estimated and may change upon receipt of the actuarial report.

**REQUIRED SUPPLEMENTARY INFORMATION  
OTHER POST-EMPLOYMENT BENEFITS  
(dollars are in thousands)**

**CITY OF OKLAHOMA CITY, OKLAHOMA**

**I. SCHEDULE OF CHANGES IN THE NET OPEB LIABILITY (ASSET) AND RELATED RATIOS (1)**

	<u><b>2018</b></u>
<u>Total OPEB Liability</u>	
Service cost	\$24,830
Interest	18,795
Changes of benefit terms	(11,789)
Differences between expected and actual experience of the total OPEB liability	4,752
Assumption changes	(47,851)
Benefits payments, including refunds	<u>(14,366)</u>
<b>Net change in total OPEB liability</b>	<b>(25,629)</b>
OPEB liability, beginning	<u>598,179</u>
<b>OPEB liability, ending</b>	<b><u>572,550</u></b>
<u>Plan Fiduciary Net Position</u>	
Contributions - employer	16,191
Net investment income	5,142
Benefits payments, including refunds	(14,366)
Administrative expense	(69)
<b>Net change in fiduciary net position</b>	<b>6,898</b>
Plan fiduciary net position, beginning	<u>42,233</u>
<b>Plan fiduciary net position, ending</b>	<b><u>49,131</u></b>
<b>Net OPEB liability, ending</b>	<b><u>\$523,419</u></b>
Covered - employee payroll	\$234,308
Net OPEB liability (asset) as a percentage of covered - employee payroll	2.23%
Plan fiduciary net position as a percentage of total OPEB liability	8.58%
<u>Actuarial assumptions</u>	
Valuation date	6/30/17
Actuarial cost method	Entry Age Normal
Amortization method	Level Percent of Payroll
Amortization period	30 years, closed
Actuarial asset valuation method	4-year smoothed market
Investment rate of return	7.5%
Health care trend rate	
Initial	8.5% (6.00% for Medicare Age)
Ultimate	4.50%
Inflation	3.75%
Projected salary increases	3.50%
Mortality table	RP 2000 combined mortality table fully generational using scale AA
Experience study	N/A

(1) This schedule is presented to illustrate the requirement to show information for 10 years. However, results for measurement years before June 30, 2017 are not available. This information will be developed prospectively beginning in 2017 until eventually 10 years of information is available.

**REQUIRED SUPPLEMENTARY INFORMATION  
OTHER POST-EMPLOYMENT BENEFITS  
(dollars are in thousands)**

**CITY OF OKLAHOMA CITY, OKLAHOMA**

**II. SCHEDULE OF EMPLOYER CONTRIBUTIONS**

***OPEBT (1)***

Fiscal Year Ending <u>June 30.</u>	Actuarially Determined Contribution (ADC)	Contributions in relation to ADC (2)	Contributions Deficiency (Excess)	Covered Employee Payroll	Actual Contribution As a Percentage of Covered Employee
2018	\$25,164	\$14,563	\$10,601	\$222,978	6.53%
2017	34,083	15,817	18,266	224,808	7.04
2016	33,371	17,811	15,560	219,484	8.11
2015	35,920	18,816	17,104	213,091	8.83
2014	33,976	19,619	14,357	203,860	9.62
2013	32,881	19,905	12,976	197,923	10.06
2012	36,182	20,065	16,117	180,552	11.11
2011	39,560	18,747	20,813	175,293	10.69
2010	35,614	19,425	16,189	176,564	11.00
2009	47,826	18,688	29,138	171,421	10.90

(1) The amounts reported represent amounts paid and covered payroll for the fiscal year indicated.

(2) Contributions are deferred in the fiscal year reported and recognized in the financial statements in the subsequent year.

***COTPA OPEB (1) (2)***

Fiscal Year Ending <u>June 30.</u>	Actuarially Determined Contribution (ADC)	Contributions in relation to ADC (2)	Contributions Deficiency (Excess)	Covered Employee Payroll	Actual Contribution As a Percentage of Covered Employee
2018	\$112	\$130	(\$18)	9,014	1.44%
2017	\$169	\$374	(\$205)	9,500	3.94
2016	89	25	64	9,275	0.27
2015	86	21	65	9,004	0.23
2014	79	39	40	9,458	0.41
2013	76	35	41	9,458	0.37
2012	74	30	44	6,930	0.43
2011	71	26	45	7,595	0.34
2010	69	23	46	7,150	0.32
2009	66	18	48	7,464	0.24

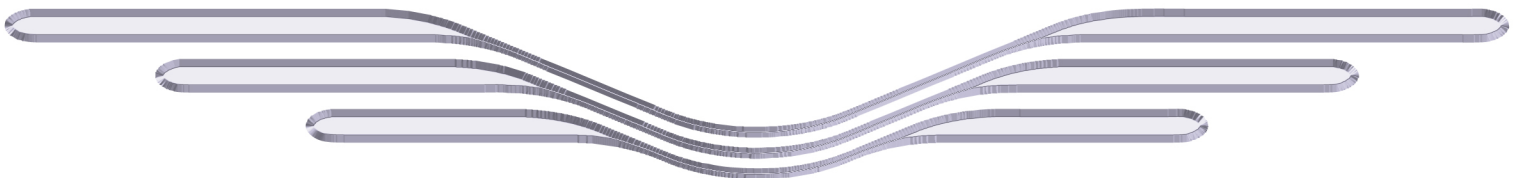
(1) The amounts reported represent amounts paid and covered payroll for the fiscal year indicated.

(2) Effective July 1, 2017, COTPA designated OCPEBT as the administrator of the other post-employment plans for COTPA.

(3) Contributions are deferred in the fiscal year reported and recognized in the financial statements in the subsequent year.

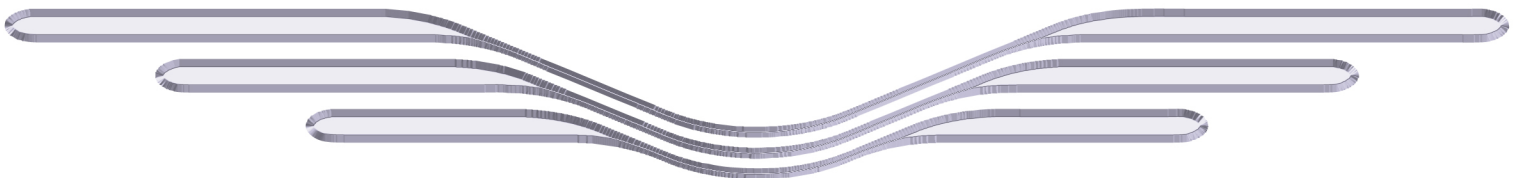
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*Combining & Individual Fund  
Statements & Schedules*





# *Non-Major Governmental Funds*







## ***Non-Major Governmental Funds***

### **Special Revenue Funds**

*Special revenue funds are used by the City to account for revenues derived from specific taxes, licenses, penalties, intergovernmental grants, and other restricted revenues which are designated to finance particular functions or activities of the City.*

- \* ***Emergency Management Fund*** – Established by City ordinance to account for revenues and expenditures related to the operation of the primary emergency response service.
- \* ***Court Administration and Training Fund*** – Established by State Statute and City ordinance to receive revenues from prescribed penalty assessments to be used for law enforcement, court, and prosecution training.
- \* ***Police Fund*** – Established by City ordinance to account for limited purpose sales tax designated for police services. This fund is designated by ordinance as the "Police Services, Facilities, or Equipment Tax Fund."
- \* ***Fire Fund*** – Established by City ordinance to account for limited purpose sales tax designated for fire protection services. This fund is designated by ordinance as the "Fire-fighting and Fire-Rescue Services, Facilities, or Equipment Tax Fund."
- \* ***Asset Forfeiture Fund*** – Established to account for the acceptance of Federal forfeited property from illegal drug activity. Subsequent to the establishment of the fund, state asset forfeiture activities were also included.
- \* ***Zoo Fund*** – Established by City ordinance to account for limited purpose sales tax designated for the Oklahoma City Zoo.
- \* ***Oklahoma City Municipal Facilities Authority (OCMFA) General Purpose Fund*** – Established for financial reporting purposes to include the general government activities of OCMFA.
- \* ***MAPS Operations Fund*** – Established by City ordinance to account for limited purpose use tax designated for operations and capital replacement of sports and cultural facilities. This fund is designated by ordinance as the Metropolitan Area Projects Operation, Maintenance, and Capital Replacement Fund.

*(continued)*

## Special Revenue Funds *(continued)*

- \* **Special Purpose Fund** – *Accounts for contributions to the City designated for specific purposes such as certain parks facilities.*
- \* **Special Districts Fund** – *Established as the Oklahoma City Improvement and Special Services Assessment Districts Fund to account for improvements or combination of improvements that confer special benefit upon property within a designated district. Assessments are calculated annually to cover services as detailed in respective contracts between the City and the districts.*
- \* **Tax Incremental Financing Fund** – *Established to hold sales tax collected for tax incremental financing districts of the City restricted for repayment of tax anticipation debt.*
- \* **Medical Services Fund** – *Established by City ordinance to account for the City's Total Care membership program for Emergency Medical Services. The program is funded through monthly assessments to eligible participating citizens.*
- \* **Hotel/Motel Tax Fund** – *Established by City ordinance to account for a limited purpose hotel/motel occupancy tax designated for economic development.*

## Capital Projects Funds

*Capital projects funds are used for all major capital improvements, except those reported in proprietary funds. These general government improvements are principally financed by the City's general obligation bond issues, Federal grants, General Fund transfers, and other designated resources.*

- \* **Capital Improvement Fund** – *Established by State Statute and City ordinance to be used for various capital improvement programs. The fund's major financial resource is transfers from the General Fund.*
- \* **Street and Alley Fund** – *Established by City ordinance to receive revenues to be used for street improvements.*
- \* **Metropolitan Projects Tax Fund** - *Established by City ordinance to account for a limited purpose sales tax designated for construction and renovation of sports and cultural facilities in downtown Oklahoma City.*
- \* **Police/Fire Equipment Sales Tax Fund** – *Established by City ordinance to account for limited purpose sales tax designated for police and fire capital equipment projects. This fund is designated by ordinance as the Police and Fire Capital Equipment Sales Tax Fund.*
- \* **Impact Fees Fund** – *Established by City ordinance to account for development impact fees. These impact fees are one-time charges on new development that are assessed and spent for the purpose of constructing infrastructure that serves the new expanded development.*

## Capital Projects Funds (*continued*)

- \* **City and Schools Sales Tax Fund** – Established by City ordinance to account for a limited purpose, limited term sales tax designated for certain public school capital projects.
- \* **City and Schools Use Tax Fund** – Established by City ordinance as the City and Schools Capital Projects Use Tax Fund to account for the use tax levied as a companion tax to the public schools sales tax as permitted by State Statute. This tax is designated for City or public school purposes.
- \* **Sports Facilities Sales Tax Fund** – Established by City ordinance to account for the limited term sales tax levied to provide or improve City sports facilities and fund a basketball training facility.
- \* **Sports Facilities Use Tax Fund** – Established by City ordinance as the Oklahoma City Sports Facilities and Capital Improvements Projects Use Tax Fund to account for the use tax levied as a companion tax to the sports facilities sales tax. This tax is designated for funding the basketball training facility or City capital improvement projects.
- \* **MAPS3 Use Tax Fund** – Established by City ordinance to account for limited purpose use tax designated for the cost of management and oversight of the construction projects funded by the MAPS3 Sales Tax Fund and the enhancement of public safety by providing funding for Police and Fire positions.
- \* **Better Streets/Safer City Use Tax Fund** – Established by City ordinance to account for limited purpose use tax designated for funding City and public safety capital improvement projects and capital costs.

**COMBINING BALANCE SHEET**  
**NON-MAJOR GOVERNMENTAL FUNDS**  
**June 30, 2018**  
**(dollars are in thousands)**

	Special Revenue Funds										
	Court Administration				Asset Forfeiture	Zoo	OCMFA			Tax	
	Emergency Management	and Training	Police	Fire			General Purpose	MAPS Operations	Special Purpose	Special Districts	Incremental Financing
<b>ASSETS</b>											
Pooled cash-----	\$3	\$2	\$39	\$36	\$8	\$ -	\$586	\$13	\$ -	\$ -	\$ -
Non-pooled cash-----	-	-	-	-	15	-	30	-	-	-	-
Investments-----	997	706	17,328	15,191	3,100	-	17,074	5,218	8,201	1,323	149
Sales and use taxes receivable-----	-	-	5,853	5,853	-	1,951	-	-	-	-	654
Accounts receivable-----	929	15	-	-	-	-	1,550	-	-	408	-
Interest, dividends, and royalties receivable-----	4	3	73	64	13	-	52	22	34	6	1
Due from other funds-----	-	-	-	-	3	-	560	-	-	-	-
Intergovernmental receivable-----	-	-	-	-	-	-	-	-	167	-	824
Prepays-----	-	-	65	77	47	-	102	-	-	-	-
Prepays, non-current-----	-	-	-	146	-	-	203	-	-	-	-
Advance to other funds-----	-	-	-	1,286	92	-	908	185	-	192	-
<b>Total assets-----</b>	<b>\$1,933</b>	<b>\$726</b>	<b>\$23,358</b>	<b>\$22,653</b>	<b>\$3,278</b>	<b>\$1,951</b>	<b>\$21,065</b>	<b>\$5,438</b>	<b>\$8,402</b>	<b>\$1,929</b>	<b>\$1,628</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>											
<b>LIABILITIES</b>											
Accounts payable and accrued expenditures-----	\$ -	\$200	\$276	\$775	\$97	\$ -	\$292	\$3	\$31	\$316	\$ -
Wages and benefits payable-----	288	-	1,128	769	1	-	-	11	-	-	-
Due to other funds-----	-	430	710	376	3	1,951	273	-	2,726	175	-
Payable to component units, current-----	-	-	-	-	-	-	-	-	650	-	1,774
Unearned revenue-----	-	-	-	4	-	-	2	-	2,028	-	-
Payable to component units, non-current-----	-	-	-	-	-	-	-	-	1,450	-	-
Advance from other funds-----	-	-	-	-	-	-	3,162	-	-	-	-
<b>Total liabilities-----</b>	<b>288</b>	<b>630</b>	<b>2,114</b>	<b>1,924</b>	<b>101</b>	<b>1,951</b>	<b>3,729</b>	<b>14</b>	<b>6,885</b>	<b>491</b>	<b>1,774</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>											
<b>OF RESOURCES-----</b>	<b>12</b>	<b>1</b>	<b>26</b>	<b>23</b>	<b>5</b>	<b>-</b>	<b>1,183</b>	<b>8</b>	<b>40</b>	<b>304</b>	<b>825</b>
<b>FUND BALANCE</b>											
Non-spendable-----	-	-	65	223	47	-	305	-	9	-	-
Restricted-----	-	95	21,153	20,483	3,125	-	1,616	-	3,010	1,134	-
Committed-----	1,633	-	-	-	-	-	-	5,416	1,728	-	-
Assigned-----	-	-	-	-	-	-	14,232	-	-	-	-
Unassigned-----	-	-	-	-	-	-	-	-	(3,270)	-	(971)
<b>Total fund balances-----</b>	<b>1,633</b>	<b>95</b>	<b>21,218</b>	<b>20,706</b>	<b>3,172</b>	<b>-</b>	<b>16,153</b>	<b>5,416</b>	<b>1,477</b>	<b>1,134</b>	<b>(971)</b>
<b>Total liabilities, deferred inflows of resources and fund balances-----</b>	<b>\$1,933</b>	<b>\$726</b>	<b>\$23,358</b>	<b>\$22,653</b>	<b>\$3,278</b>	<b>\$1,951</b>	<b>\$21,065</b>	<b>\$5,438</b>	<b>\$8,402</b>	<b>\$1,929</b>	<b>\$1,628</b>

CITY OF OKLAHOMA CITY, OKLAHOMA

Special Revenue Funds		Capital Projects Funds											Total Non-Major Governmental Funds
Medical Services	Hotel/Motel Tax	Capital Improvement	Street and Alley	Metropolitan Projects Tax	Police/Fire Equipment Sales Tax	Impact Fees	City and Schools Sales Tax	City and Schools Use Tax	Sports Facilities Sales Tax	Sports Facilities Use Tax	MAPS3 Use Tax	Better Streets/Safer City Use Tax	
\$16	\$7	\$84	\$ -	\$ -	\$8	\$17	\$17	\$7	\$ -	\$ -	\$72	\$9	\$924
-	-	-	-	-	-	-	-	-	-	-	-	-	45
5,855	5,951	30,726	172	241	3,459	8,950	6,747	3,022	65	171	29,063	5,491	169,200
-	-	-	-	-	-	-	-	-	-	-	-	2,305	16,616
366	1,612	-	-	1	-	-	1	-	-	-	-	-	4,882
25	25	129	1	-	14	36	28	13	-	1	123	23	690
70	755	7,609	-	-	-	-	3	-	-	-	59	-	9,059
-	-	396	-	-	-	-	329	-	-	-	-	-	1,716
-	-	67	-	-	16	-	-	-	-	-	-	-	374
-	-	74	-	-	-	-	-	-	-	-	-	-	423
-	-	-	-	-	79	-	-	2,050	-	-	-	-	4,792
<b>\$6,332</b>	<b>\$8,350</b>	<b>\$39,085</b>	<b>\$173</b>	<b>\$242</b>	<b>\$3,576</b>	<b>\$9,003</b>	<b>\$7,125</b>	<b>\$5,092</b>	<b>\$65</b>	<b>\$172</b>	<b>\$29,317</b>	<b>\$7,828</b>	<b>\$208,721</b>
\$169	\$258	\$1,856	\$7	\$ -	\$3	\$ -	\$23	\$1	\$ -	\$ -	\$247	\$ -	\$4,554
-	-	-	-	-	-	-	-	-	-	-	99	-	2,296
16	-	287	-	-	1	2	-	-	-	-	36	-	6,986
34	-	41	-	-	-	-	-	-	-	-	-	-	2,499
-	-	193	-	-	-	-	-	-	-	-	-	-	2,227
-	-	-	-	-	-	-	-	-	-	-	-	-	1,450
-	-	-	-	-	-	-	-	-	-	-	-	-	3,162
219	258	2,377	7	-	4	2	23	1	-	-	382	-	23,174
37	74	46	-	-	5	13	10	5	-	-	43	8	2,668
-	-	537	-	-	16	-	329	-	-	-	-	-	1,531
-	8,018	-	166	242	3,551	-	6,763	-	65	-	-	-	69,421
6,076	-	-	-	-	-	8,988	-	-	-	-	28,892	7,820	60,553
-	-	36,125	-	-	-	-	-	5,086	-	172	-	-	55,615
-	-	-	-	-	-	-	-	-	-	-	-	-	(4,241)
6,076	8,018	36,662	166	242	3,567	8,988	7,092	5,086	65	172	28,892	7,820	182,879
<b>\$6,332</b>	<b>\$8,350</b>	<b>\$39,085</b>	<b>\$173</b>	<b>\$242</b>	<b>\$3,576</b>	<b>\$9,003</b>	<b>\$7,125</b>	<b>\$5,092</b>	<b>\$65</b>	<b>\$172</b>	<b>\$29,317</b>	<b>\$7,828</b>	<b>\$208,721</b>

**COMBINING STATEMENT OF REVENUES,  
EXPENDITURES, AND CHANGES IN FUND BALANCES  
NON-MAJOR GOVERNMENTAL FUNDS  
For the Year Ended June 30, 2018  
(dollars are in thousands)**

	Special Revenue Funds										
	Emergency Management	Court Administration and Training	Police	Fire	Asset Forfeiture	Zoo	OCMFA General Purpose	MAPS Operations	Special Purpose	Special Districts	Tax Incremental Financing
<b>REVENUES</b>											
Sales taxes-----	\$ -	\$ -	\$41,695	\$41,695	\$ -	\$13,898	\$ -	\$ -	\$ -	\$ -	\$829
Use taxes-----	-	-	-	-	-	-	-	-	-	-	-
Hotel/Motel taxes-----	-	-	-	-	-	-	-	-	-	-	-
Emergency telephone taxes-----	5,871	-	-	-	-	-	-	-	-	-	-
Licenses and permits-----	-	2,173	-	-	-	-	97	-	237	-	-
Oil and gas royalties-----	-	-	-	-	-	-	263	-	-	-	-
Fines and forfeitures-----	-	4	-	-	-	-	1,310	-	-	-	-
Investment income-----	14	7	95	81	17	1	95	31	124	10	(1)
Charges for services-----	-	-	-	-	-	-	-	-	-	2,957	-
Rental income-----	-	-	-	13	3	-	5	-	5	-	-
Payments from component units--	-	-	-	-	-	-	-	-	-	-	-
Intergovernmental programs-----	-	-	1,856	4,477	2,153	-	-	-	132	-	430
Capital grants-----	-	-	-	-	-	-	-	-	530	-	-
Other-----	-	-	1	-	-	-	116	-	1,991	-	-
<b>Total revenues-----</b>	<b>5,885</b>	<b>2,184</b>	<b>43,647</b>	<b>46,266</b>	<b>2,173</b>	<b>13,899</b>	<b>1,886</b>	<b>31</b>	<b>3,019</b>	<b>2,967</b>	<b>1,258</b>
General government-----	-	-	-	-	-	-	146	-	30	-	-
Police-----	-	-	42,762	-	-	-	-	-	21	-	-
Fire-----	-	-	-	43,743	-	-	-	-	3	-	-
Other-----	8,672	2,810	-	-	1,338	-	-	-	-	-	-
Public services-----	-	-	-	-	-	-	1,531	-	24	2,674	-
Culture and recreation-----	-	-	-	-	-	-	-	644	73	-	-
Education-----	-	-	-	-	-	-	-	-	-	-	-
Economic development-----	-	-	-	-	-	-	-	-	-	-	1,807
Capital outlay-----	-	-	4	1,360	135	-	315	-	850	-	-
<b>Total expenditures-----</b>	<b>8,672</b>	<b>2,810</b>	<b>42,766</b>	<b>45,103</b>	<b>1,473</b>	<b>-</b>	<b>1,992</b>	<b>644</b>	<b>1,001</b>	<b>2,674</b>	<b>1,807</b>
<b>Excess (deficiency) of revenues over (under) expenditures-----</b>	<b>(2,787)</b>	<b>(626)</b>	<b>881</b>	<b>1,163</b>	<b>700</b>	<b>13,899</b>	<b>(106)</b>	<b>(613)</b>	<b>2,018</b>	<b>293</b>	<b>(549)</b>
<b>OTHER FINANCING SOURCES (USES)</b>											
Transfers from other funds-----	2,800	-	-	-	69	-	495	-	18	6	-
Transfers to other funds-----	-	(427)	-	-	-	(13,899)	(246)	-	(1,449)	-	-
Sale of assets-----	-	-	-	1	4	-	-	-	336	-	-
<b>Net other financing sources (uses)-----</b>	<b>2,800</b>	<b>(427)</b>	<b>-</b>	<b>1</b>	<b>73</b>	<b>(13,899)</b>	<b>249</b>	<b>-</b>	<b>(1,095)</b>	<b>6</b>	<b>-</b>
Special item-----	-	-	-	-	-	-	-	-	-	-	-
<b>Net change in fund balances-----</b>	<b>13</b>	<b>(1,053)</b>	<b>881</b>	<b>1,164</b>	<b>773</b>	<b>-</b>	<b>143</b>	<b>(613)</b>	<b>923</b>	<b>299</b>	<b>(549)</b>
<b>FUND BALANCES</b>											
Fund balances, beginning-----	1,620	1,148	20,337	19,542	2,399	-	16,010	6,029	554	835	(422)
<b>Fund balances, ending-----</b>	<b>\$1,633</b>	<b>\$95</b>	<b>\$21,218</b>	<b>\$20,706</b>	<b>\$3,172</b>	<b>\$-</b>	<b>\$16,153</b>	<b>\$5,416</b>	<b>\$1,477</b>	<b>\$1,134</b>	<b>(\$971)</b>

CITY OF OKLAHOMA CITY, OKLAHOMA

Special Revenue Funds		Capital Projects Funds											Total
Medical Services	Hotel/Motel Tax	Capital Improvement	Street and Alley	Metropolitan Projects Tax	Police/Fire Equipment Sales Tax	Impact Fees	City and Schools Sales Tax	City and Schools Use Tax	Sports Facilities Sales Tax	Sports Facilities Use Tax	MAPS3 Use Tax	Better Streets/ Safer City Use Tax	Non-Major Governmental Funds
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$98,117
-	-	-	-	-	-	-	-	-	-	-	7,624	7,839	15,463
-	15,341	-	-	-	-	-	-	-	-	-	-	-	15,341
-	-	-	-	-	-	-	-	-	-	-	-	-	5,871
6,888	-	-	-	-	-	7,154	-	-	-	-	-	-	16,549
-	-	-	-	-	-	-	-	-	-	-	-	-	263
-	-	-	-	-	-	-	-	-	-	-	-	-	1,314
42	37	223	2	3	22	4	28	100	-	1	186	(19)	1,103
-	-	-	-	-	-	-	-	-	-	-	-	-	2,957
-	-	-	-	-	-	-	-	-	-	-	-	-	26
-	-	1,303	-	-	-	-	-	-	-	-	-	-	1,303
-	-	-	-	-	-	-	-	-	-	-	-	-	9,048
-	-	-	-	-	-	-	-	-	-	-	-	-	530
-	-	15	13	4	1	-	5	-	2	-	4	-	2,152
<b>6,930</b>	<b>15,378</b>	<b>1,541</b>	<b>15</b>	<b>7</b>	<b>23</b>	<b>7,158</b>	<b>33</b>	<b>100</b>	<b>2</b>	<b>1</b>	<b>7,814</b>	<b>7,820</b>	<b>170,037</b>
-	-	-	-	-	-	-	-	-	-	-	-	-	176
-	-	-	-	-	-	-	-	-	-	-	-	-	42,783
-	-	-	-	-	-	-	-	-	-	-	-	-	43,746
4,071	-	-	-	-	313	-	-	248	-	-	-	-	17,452
-	-	8,752	72	-	-	2	-	-	-	-	-	-	13,055
-	6,764	-	-	16	-	-	-	-	-	-	5,196	-	12,693
-	-	-	-	-	-	-	42	-	-	-	-	-	42
-	-	-	-	-	-	-	-	-	-	-	-	-	1,807
2,769	-	6,741	144	3	429	-	1,385	-	-	-	6,477	-	20,612
<b>6,840</b>	<b>6,764</b>	<b>15,493</b>	<b>216</b>	<b>19</b>	<b>742</b>	<b>2</b>	<b>1,427</b>	<b>248</b>	<b>-</b>	<b>-</b>	<b>11,673</b>	<b>-</b>	<b>152,366</b>
<b>90</b>	<b>8,614</b>	<b>(13,952)</b>	<b>(201)</b>	<b>(12)</b>	<b>(719)</b>	<b>7,156</b>	<b>(1,394)</b>	<b>(148)</b>	<b>2</b>	<b>1</b>	<b>(3,859)</b>	<b>7,820</b>	<b>17,671</b>
-	-	14,483	-	-	-	-	-	-	-	-	-	-	17,871
-	(8,339)	-	-	-	-	-	-	-	-	-	(29)	-	(24,389)
-	-	830	64	-	85	-	-	256	-	-	6	-	1,582
-	<b>(8,339)</b>	<b>15,313</b>	<b>64</b>	<b>-</b>	<b>85</b>	<b>-</b>	<b>-</b>	<b>256</b>	<b>-</b>	<b>-</b>	<b>(23)</b>	<b>-</b>	<b>(4,936)</b>
-	-	-	-	-	-	-	8,471	-	-	-	-	-	8,471
<b>90</b>	<b>275</b>	<b>1,361</b>	<b>(137)</b>	<b>(12)</b>	<b>(634)</b>	<b>7,156</b>	<b>7,077</b>	<b>108</b>	<b>2</b>	<b>1</b>	<b>(3,882)</b>	<b>7,820</b>	<b>21,206</b>
5,986	7,743	35,301	303	254	4,201	1,832	15	4,978	63	171	32,774	-	161,673
<b>\$6,076</b>	<b>\$8,018</b>	<b>\$36,662</b>	<b>\$166</b>	<b>\$242</b>	<b>\$3,567</b>	<b>\$8,988</b>	<b>\$7,092</b>	<b>\$5,086</b>	<b>\$65</b>	<b>\$172</b>	<b>\$28,892</b>	<b>\$7,820</b>	<b>\$182,879</b>

**SCHEDULE OF REVENUES, EXPENDITURES,  
ENCUMBRANCES, AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
For the Year Ended June 30, 2018  
(dollars are in thousands)**

**CITY OF OKLAHOMA CITY, OKLAHOMA**

	<b>Debt Service Fund</b>					
	<b>Original Budget</b>	<b>Revisions</b>	<b>Revised Budget</b>	<b>Expenditures</b>	<b>Total Actual</b>	<b>Variance</b>
<b>REVENUES</b>						
Property taxes-----	\$85,446	\$ -	\$85,446		\$88,722	\$3,276
Investment income-----	600	-	600		2,251	1,651
<b>OTHER REVENUE</b>						
Other revenue-----	6,000	-	6,000		439	(5,561)
<b>Total revenues</b> -----	<b>92,046</b>	<b>-</b>	<b>92,046</b>		<b>91,412</b>	<b>(634)</b>
<b>EXPENDITURES</b>						
Redemption of debt-----	78,442	(2,639)	75,803	\$61,473	61,473	14,330
Interest-----	26,634	3,239	29,873	29,819	29,819	54
Bond issue cost-----	1,000	(600)	400	372	372	28
<b>Total expenditures</b> -----	<b>106,076</b>	<b>-</b>	<b>106,076</b>	<b>\$91,664</b>	<b>91,664</b>	<b>14,412</b>
<b>Excess (deficiency) of revenues over (under) expenditures</b> -----	<b>(14,030)</b>	<b>-</b>	<b>(14,030)</b>		<b>(252)</b>	<b>13,778</b>
<b>OTHER FINANCING SOURCES</b>						
Premium on sale of bonds-----	-	-	-		6,855	6,855
Total other financing sources-----	-	-	-		6,855	6,855
<b>Excess (deficiency) of revenues and other sources over expenditures and other uses</b> -----	<b>(14,030)</b>	<b>-</b>	<b>(14,030)</b>		<b>6,603</b>	<b>20,633</b>
<b>FUND BALANCE (NON-GAAP BUDGETARY BASIS)</b>						
<b>BEGINNING FUND BALANCE</b>						
Appropriated for current year budget-----	14,030	-	14,030		14,030	-
Not appropriated-----	-	-	-		92,006	92,006
Beginning fund balance-----	14,030	-	14,030		106,036	92,006
<b>ENDING FUND BALANCE</b>						
Before encumbrances-----	-	-	-		112,639	112,639
<b>Ending fund balance</b> -----	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>		<b>112,639</b>	<b>\$112,639</b>
<b>RECONCILIATION OF FUND BALANCE NON-GAAP BUDGETARY BASIS TO GENERALLY ACCEPTED ACCOUNTING PRINCIPLES</b>						
Revenue and transfer accruals-----					137	
<b>Fund balance, ending</b> -----					<b>\$112,776</b>	



**STATEMENT OF REVENUES, EXPENDITURES,  
ENCUMBRANCES, AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
For the Year Ended June 30, 2018  
(dollars are in thousands)**

**CITY OF OKLAHOMA CITY, OKLAHOMA**

	Emergency Management Fund				Total Actual	Variance
	Original Budget	Revisions	Revised Budget	Expenditures		
<b>REVENUES</b>						
<b>TAXES</b>						
Emergency telephone taxes-----	\$5,492	\$ -	\$5,492		\$5,858	\$366
Investment income-----	16	-	16		22	6
<b>Total revenues</b> -----	<b>5,508</b>	<b>-</b>	<b>5,508</b>		<b>5,880</b>	<b>372</b>
<b>EXPENDITURES</b>						
<b>PUBLIC SAFETY</b>						
Police:						
Personal services-----	6,155	250	6,405	\$6,407	6,407	(2)
Other services and charges-----	2,538	(250)	2,288	2,262	2,262	26
Supplies-----	7	-	7	3	3	4
<b>Total expenditures</b> -----	<b>8,700</b>	<b>-</b>	<b>8,700</b>	<b>\$8,672</b>	<b>8,672</b>	<b>28</b>
<b>Excess (deficiency) of revenues over (under) expenditures</b> -----	<b>(3,192)</b>	<b>-</b>	<b>(3,192)</b>		<b>(2,792)</b>	<b>400</b>
<b>OTHER FINANCING SOURCES (USES)</b>						
<b>TRANSFERS FROM OTHER FUNDS</b>						
General Fund-----	2,835	-	2,835		2,800	(35)
<b>Excess (deficiency) of revenues and other sources over expenditures</b> -----	<b>(357)</b>	<b>-</b>	<b>(357)</b>		<b>8</b>	<b>365</b>
<b>FUND BALANCE (NON-GAAP BUDGETARY BASIS)</b>						
<b>BEGINNING FUND BALANCE</b>						
Appropriated for current year budget-----	357	-	357		357	-
Not appropriated-----	-	-	-		359	359
Beginning fund balance-----	357	-	357		716	359
<b>ENDING FUND BALANCE</b>						
<b>Ending fund balance</b> -----	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>		<b>724</b>	<b>\$724</b>
<b>RECONCILIATION OF FUND BALANCE NON-GAAP BUDGETARY BASIS TO GENERALLY ACCEPTED ACCOUNTING PRINCIPLES</b>						
Revenue and transfer accruals-----					909	
<b>Fund balance, ending</b> -----					<b>\$1,633</b>	

**SCHEDULE OF REVENUES, EXPENDITURES,  
ENCUMBRANCES, AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
For the Year Ended June 30, 2018  
(dollars are in thousands)**

**CITY OF OKLAHOMA CITY, OKLAHOMA**

	<b>Court Administration and Training Fund</b>						
	<b>Original Budget</b>	<b>Revisions</b>	<b>Revised Budget</b>	<b>Expenditures</b>	<b>Encumbrances</b>	<b>Total Actual</b>	<b>Variance</b>
<b>REVENUES</b>							
<b>LICENSES, PERMITS AND FEES</b>							
CLEET fees (1)-----	\$688	\$650	\$1,338			\$743	(\$595)
AFIS fees (2)-----	484	-	484			702	218
Training fees-----	188	-	188			180	(8)
Forensic fees-----	467	-	467			673	206
Other police fees-----	51	-	51			7	(44)
Other fees-----	15	-	15			21	6
Investment income-----	11	-	11			13	2
<b>Total revenues</b> -----	<b>1,904</b>	<b>650</b>	<b>2,554</b>			<b>2,339</b>	<b>(215)</b>
<b>EXPENDITURES</b>							
<b>GENERAL GOVERNMENT</b>							
Municipal counselor:							
Other services and charges-----	20	-	20	\$11	\$-	11	9
<b>PUBLIC SAFETY</b>							
Municipal courts:							
Other services and charges-----	1,803	587	2,390	2,333	6	2,339	51
Supplies-----	28	471	499	411	-	411	88
Police:							
Other services and charges-----	167	29	196	172	-	172	24
Supplies-----	82	(17)	65	53	-	53	12
<b>Total expenditures</b> -----	<b>2,100</b>	<b>1,070</b>	<b>3,170</b>	<b>2,980</b>	<b>6</b>	<b>2,986</b>	<b>184</b>
<b>PRIOR YEAR ENCUMBRANCES</b>							
Related to prior year budgets (3)-----	-	-	-	(170)	-	(170)	170
Related to current year budgets-----	-	-	-	-	(6)	(6)	6
<b>Net expenditures and encumbrances</b> -----	<b>2,100</b>	<b>1,070</b>	<b>3,170</b>	<b>\$2,810</b>	<b>\$-</b>	<b>2,810</b>	<b>360</b>
<b>Deficiency of revenues under expenditures</b> -----	<b>(196)</b>	<b>(420)</b>	<b>(616)</b>			<b>(471)</b>	<b>145</b>
<b>OTHER FINANCING SOURCES (USES)</b>							
<b>TRANSFERS FROM OTHER FUNDS</b>							
Transfer to General Fund-----	-	(610)	(610)			(427)	183
<b>Excess (deficiency) of revenues and other sour expenditures and other uses</b> -----	<b>(196)</b>	<b>(1,030)</b>	<b>(1,226)</b>			<b>(898)</b>	<b>328</b>
<b>FUND BALANCE (NON-GAAP BUDGETARY BASIS)</b>							
<b>BEGINNING FUND BALANCE</b>							
Appropriated for current year budget-----	196	860	1,056			1,056	-
Reappropriated for prior year encumbrances-----	-	170	170			170	-
Not appropriated-----	-	-	-			(241)	(241)
Beginning fund balance-----	196	1,030	1,226			985	(241)
<b>ENDING FUND BALANCE</b>							
Before encumbrances-----	-	-	-			87	87
Less: current year encumbrances-----	-	-	-			(6)	(6)
<b>Ending fund balance</b> -----	<b>\$-</b>	<b>\$-</b>	<b>\$-</b>			<b>81</b>	<b>\$81</b>
<b>RECONCILIATION OF FUND BALANCE NON-GAAP BUDGETARY BASIS TO GENERALLY ACCEPTED ACCOUNTING PRINCIPLES</b>							
Current year encumbrances included in expenditures-----						6	
Revenue and transfer accruals-----						8	
<b>Fund balance, ending</b> -----						<b>\$95</b>	

- (1) "CLEET" is the acronym for Council on Law Enforcement, Education, and Training.
- (2) "AFIS" is the acronym for Automated Fingerprint Identification System.
- (3) Expenditures paid against prior year encumbrances are reported with current year expenditures in the schedule shown. Prior year encumbrances reduce beginning budgetary fund balance. Therefore, prior year encumbrances are subtracted from current year expenditures to appropriately report the amount of beginning fund balance.

**SCHEDULE OF REVENUES, EXPENDITURES,  
ENCUMBRANCES, AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
For the Year Ended June 30, 2018  
(dollars are in thousands)**

**CITY OF OKLAHOMA CITY, OKLAHOMA**

	<b>Police Fund</b>						
	<b>Original Budget</b>	<b>Revisions</b>	<b>Revised Budget</b>	<b>Expenditures</b>	<b>Encumbrances</b>	<b>Total Actual</b>	<b>Variance</b>
<b>REVENUES</b>							
<b>TAXES</b>							
Sales taxes-----	\$39,786	\$ -	\$39,786			\$41,270	\$1,484
Investment income-----	134	-	134			224	90
<b>OTHER REVENUE</b>							
Other revenue-----	168	-	168			67	(101)
<b>Total revenues -----</b>	<b>40,088</b>	<b>-</b>	<b>40,088</b>			<b>41,561</b>	<b>1,473</b>
<b>EXPENDITURES</b>							
<b>PUBLIC SAFETY</b>							
Police:							
Personal services-----	35,374	910	36,284	\$35,375	\$ -	35,375	909
Other services and charges-----	4,116	(838)	3,278	2,509	57	2,566	712
Supplies-----	2,081	72	2,153	1,682	340	2,022	131
<b>Total expenditures-----</b>	<b>41,571</b>	<b>144</b>	<b>41,715</b>	<b>39,566</b>	<b>397</b>	<b>39,963</b>	<b>1,752</b>
<b>PRIOR YEAR ENCUMBRANCES</b>							
Related to prior year budgets (1)-----	-	-	-	(144)	-	(144)	144
Related to current year budgets-----	-	-	-	-	(397)	(397)	397
<b>Net expenditures and encumbrances-----</b>	<b>41,571</b>	<b>144</b>	<b>41,715</b>	<b>\$39,422</b>	<b>\$ -</b>	<b>39,422</b>	<b>2,293</b>
<b>Excess (deficiency) of revenues over (under) expenditures-----</b>	<b>(1,483)</b>	<b>(144)</b>	<b>(1,627)</b>			<b>2,139</b>	<b>3,766</b>
<b>FUND BALANCE (NON-GAAP BUDGETARY BASIS)</b>							
<b>BEGINNING FUND BALANCE</b>							
Appropriated for current year budget-----	1,483	-	1,483			1,483	-
Reappropriated for prior year encumbrances----	-	144	144			144	-
Not appropriated-----	-	-	-			10,006	10,006
Beginning fund balance-----	1,483	144	1,627			11,633	10,006
<b>ENDING FUND BALANCE</b>							
Before encumbrances-----	-	-	-			13,772	13,772
Less: current year encumbrances-----	-	-	-			(397)	(397)
<b>Ending fund balance-----</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>			<b>13,375</b>	<b>\$13,375</b>
<b>RECONCILIATION OF FUND BALANCE NON-GAAP BUDGETARY BASIS TO GENERALLY ACCEPTED ACCOUNTING PRINCIPLES</b>							
Current year encumbrances included in expenditures-----						397	
Revenue and transfer accruals-----						5,711	
Expenditure and transfer accruals-----						40	
Project length budgeted activity-----						1,695	
<b>Fund balance, ending-----</b>						<b>\$21,218</b>	

(1) "CLEET" is the acronym for Council on Law Enforcement, Education, and Training.

**SCHEDULE OF REVENUES, EXPENDITURES,  
ENCUMBRANCES, AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
For the Year Ended June 30, 2018  
(dollars are in thousands)**

**CITY OF OKLAHOMA CITY, OKLAHOMA**

	<b>Fire Fund</b>						
	<u>Original Budget</u>	<u>Revisions</u>	<u>Revised Budget</u>	<u>Expenditures</u>	<u>Encumbrances</u>	<u>Total Actual</u>	<u>Variance</u>
<b>REVENUES</b>							
<b>TAXES</b>							
Sales taxes-----	\$39,785	\$ -	\$39,785			\$41,301	\$1,516
Investment income-----	150	-	150			204	54
<b>OTHER REVENUE</b>							
Rental income-----	13	-	13			13	-
Other revenue-----	10	-	10			21	11
<b>Total revenues</b> -----	<b>39,958</b>	<b>-</b>	<b>39,958</b>			<b>41,539</b>	<b>1,581</b>
<b>EXPENDITURES</b>							
<b>PUBLIC SAFETY</b>							
Fire:							
Personal services-----	35,351	-	35,351	\$35,042	\$ -	35,042	309
Other services and charges-----	4,113	(222)	3,891	1,973	31	2,004	1,887
Supplies-----	1,800	1,103	2,903	2,301	94	2,395	508
Capital outlay-----	3,120	350	3,470	1,360	15	1,375	2,095
<b>Total expenditures</b> -----	<b>44,384</b>	<b>1,231</b>	<b>45,615</b>	<b>40,676</b>	<b>140</b>	<b>40,816</b>	<b>4,799</b>
<b>PRIOR YEAR ENCUMBRANCES</b>							
Related to prior year budgets (1)-----	-	-	-	(1,231)	-	(1,231)	1,231
Related to current year budgets-----	-	-	-	-	(140)	(140)	140
<b>Net expenditures and encumbrances</b> -----	<b>44,384</b>	<b>1,231</b>	<b>45,615</b>	<b>\$39,445</b>	<b>\$ -</b>	<b>39,445</b>	<b>6,170</b>
<b>Excess (deficiency) of revenues over (under) expenditures</b> -----	<b>(4,426)</b>	<b>(1,231)</b>	<b>(5,657)</b>			<b>2,094</b>	<b>7,751</b>
<b>OTHER FINANCING SOURCES (USES)</b>							
<b>OTHER FINANCING SOURCES</b>							
Sales of assets-----	-	-	-			1	1
<b>Excess (deficiency) of revenues and other sources over expenditures and other uses</b> -----	<b>(4,426)</b>	<b>(1,231)</b>	<b>(5,657)</b>			<b>2,095</b>	<b>7,752</b>
<b>FUND BALANCE (NON-GAAP BUDGETARY BASIS)</b>							
<b>BEGINNING FUND BALANCE</b>							
Appropriated for current year budget-----	4,426	-	4,426			4,426	-
Reappropriated for prior year encumbrances-----	-	1,231	1,231			1,231	-
Not appropriated-----	-	-	-			5,732	5,732
<b>Beginning fund balance</b> -----	<b>4,426</b>	<b>1,231</b>	<b>5,657</b>			<b>11,389</b>	<b>5,732</b>
<b>ENDING FUND BALANCE</b>							
Before encumbrances-----	-	-	-			13,484	13,484
Less: current year encumbrances-----	-	-	-			(140)	(140)
<b>Ending fund balance</b> -----	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>			<b>13,344</b>	<b>\$13,344</b>
<b>RECONCILIATION OF FUND BALANCE NON-GAAP BUDGETARY BASIS TO GENERALLY ACCEPTED ACCOUNTING PRINCIPLES</b>							
Current year encumbrances included in expenditures-----						140	
Revenue and transfer accruals-----						5,713	
Expenditure and transfer accruals-----						1,509	
<b>Fund balance, ending</b> -----						<b>\$20,706</b>	

- (3) Expenditures paid against prior year encumbrances are reported with current year expenditures in the schedule shown. Prior year encumbrances reduce beginning budgetary fund balance. Therefore, prior year encumbrances are subtracted from current year expenditures to appropriately report the amount of beginning fund balance.

**SCHEDULE OF REVENUES, EXPENDITURES,  
ENCUMBRANCES, AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
For the Year Ended June 30, 2018  
(dollars are in thousands)**

**CITY OF OKLAHOMA CITY, OKLAHOMA**

	<b>Asset Forfeiture Fund</b>						
	<b>Original Budget</b>	<b>Revisions</b>	<b>Revised Budget</b>	<b>Expenditures</b>	<b>Encumbrances</b>	<b>Total Actual</b>	<b>Variance</b>
<b>REVENUES</b>							
Fines and forfeitures-----	\$1,216	\$ -	\$1,216			\$2,166	\$950
Investment income-----	10	-	10			42	32
<b>OTHER REVENUE</b>							
Rental income-----	3	-	3			6	3
<b>Total revenues</b> -----	<b>1,229</b>	<b>-</b>	<b>1,229</b>			<b>2,214</b>	<b>985</b>
<b>EXPENDITURES</b>							
<b>PUBLIC SAFETY</b>							
Police:							
Personal services-----	\$81	(16)	65	\$26	\$ -	26	39
Other services and charges-----	619	52	671	484	24	508	163
Supplies-----	813	146	959	783	93	876	83
Capital outlay-----	200	(123)	77	77	-	77	-
<b>Total expenditures</b> -----	<b>1,713</b>	<b>59</b>	<b>1,772</b>	<b>1,370</b>	<b>117</b>	<b>1,487</b>	<b>285</b>
<b>PRIOR YEAR ENCUMBRANCES</b>							
Related to prior year budgets (1)-----	-	-	-	(59)	-	(59)	59
Related to current year budgets-----	-	-	-	-	(117)	(117)	117
<b>Net expenditures and encumbrances</b> -----	<b>1,713</b>	<b>59</b>	<b>1,772</b>	<b>\$1,311</b>	<b>\$ -</b>	<b>1,311</b>	<b>461</b>
<b>Excess (deficiency) of revenues over (under) expenditures</b> -----	<b>(484)</b>	<b>(59)</b>	<b>(543)</b>			<b>903</b>	<b>1,446</b>
<b>OTHER FINANCING SOURCES (USES)</b>							
<b>TRANSFERS TO OTHER FUNDS</b>							
Public services:							
OCMFA General Purpose Fund-----	(70)	-	(70)			(70)	-
<b>OTHER FINANCING SOURCES</b>							
Sale of assets-----	-	-	-			4	4
<b>Excess (deficiency) of revenues over expenditures and other uses</b> -----	<b>(554)</b>	<b>(59)</b>	<b>(613)</b>			<b>837</b>	<b>1,450</b>
<b>FUND BALANCE (NON-GAAP BUDGETARY BASIS)</b>							
<b>BEGINNING FUND BALANCE</b>							
Appropriated for current year budget-----	554	-	554			554	-
Reappropriated for prior year encumbrances-----	-	59	59			59	-
Not appropriated-----	-	-	-			1,609	1,609
Beginning fund balance-----	554	59	613			2,222	1,609
<b>ENDING FUND BALANCE</b>							
Before encumbrances-----	-	-	-			3,059	3,059
Less: current year encumbrances-----	-	-	-			(117)	(117)
<b>Ending fund balance</b> -----	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>			<b>2,942</b>	<b>\$2,942</b>
<b>RECONCILIATION OF FUND BALANCE NON-GAAP BUDGETARY BASIS TO GENERALLY ACCEPTED ACCOUNTING PRINCIPLES</b>							
Current year encumbrances included in expenditures-----						117	
Revenue and transfer accruals-----						(27)	
Expenditure and transfer accruals-----						140	
<b>Fund balance, ending</b> -----						<b>\$3,172</b>	

(1) Expenditures paid against prior year encumbrances are reported with current year expenditures in the schedule shown. Prior year encumbrances reduce beginning budgetary fund balance. Therefore, prior year encumbrances are subtracted from current year expenditures to appropriately report the amount of beginning fund balance.

**SCHEDULE OF REVENUES, EXPENDITURES  
ENCUMBRANCES, AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
For the Year Ended June 30, 2018  
(dollars are in thousands)**

**CITY OF OKLAHOMA CITY, OKLAHOMA**

	<b>Zoo Fund</b>				
	<b>Original Budget</b>	<b>Revisions</b>	<b>Revised Budget</b>	<b>Total Actual</b>	<b>Variance</b>
<b><u>REVENUES</u></b>					
<b><u>TAXES</u></b>					
Sales taxes-----	\$13,262	\$484	\$13,746	\$13,767	\$21
Investment income-----	-	-	-	1	1
<b>Total revenues</b> -----	<b>13,262</b>	<b>484</b>	<b>13,746</b>	<b>13,768</b>	<b>22</b>
<b>Excess of revenues over expenditures</b> -----	<b>13,262</b>	<b>484</b>	<b>13,746</b>	<b>13,768</b>	<b>22</b>
<b><u>OTHER FINANCING SOURCES (USES)</u></b>					
<b><u>TRANSFERS TO OTHER FUNDS</u></b>					
Culture and recreation:					
OKZT-----	(13,527)	(484)	(14,011)	(13,768)	243
<b>Excess (deficiency) of revenues over expenditures and other uses</b> -----	<b>(265)</b>	<b>-</b>	<b>(265)</b>	<b>-</b>	<b>265</b>
<b><u>FUND BALANCE (NON-GAAP BUDGETARY BASIS)</u></b>					
<b><u>BEGINNING FUND BALANCE</u></b>					
Appropriated for current year budget-----	265	-	265	265	-
Not appropriated-----	-	-	-	(265)	(265)
Beginning fund balance-----	265	-	265	-	(265)
<b><u>ENDING FUND BALANCE</u></b>					
<b>Ending fund balance</b> -----	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>-</b>	<b>\$ -</b>
<b><u>RECONCILIATION OF FUND BALANCE NON-GAAP BUDGETARY BASIS TO GENERALLY ACCEPTED ACCOUNTING PRINCIPLES</u></b>					
Revenue and transfer accruals-----				1,951	
Expenditure and transfer accruals-----				(1,951)	
<b>Fund balance, ending</b> -----				<b>\$ -</b>	

**SCHEDULE OF REVENUES, EXPENDITURES  
ENCUMBRANCES, AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
For the Year Ended June 30, 2018  
(dollars are in thousands)**

**CITY OF OKLAHOMA CITY, OKLAHOMA**

	MAPS Operations Fund				Total Actual	Variance
	Original Budget	Revisions	Revised Budget	Expenditures		
<b>REVENUES</b>						
Investment income-----	\$51	\$ -	\$51		\$40	(\$11)
<b>Total revenues</b> -----	<b>51</b>	<b>-</b>	<b>51</b>		<b>40</b>	<b>(11)</b>
<b>EXPENDITURES</b>						
<b>CULTURE AND RECREATION</b>						
Parks:						
Personal services-----	462	-	462	\$316	316	146
Other services and charges-----	-	32	32	19	19	13
Supplies-----	-	24	24	19	19	5
Capital outlay-----	300	(56)	244	-	-	244
<b>Total expenditures</b> -----	<b>762</b>	<b>-</b>	<b>762</b>	<b>\$354</b>	<b>354</b>	<b>408</b>
Excess (deficiency) of revenues over (under) expenditures-----	(711)	-	(711)		(314)	397
<b>OTHER FINANCING SOURCES (USES)</b>						
<b>TRANSFERS FROM OTHER FUNDS</b>						
TSF FM Maps use tax-----	(712)	-	(712)		(712)	-
TSF FM OCPPA-DAS-----	-	-	-		125	125
Excess (deficiency) of revenues and other sources over expenditures and other uses-----	(1,423)	-	(1,423)		(901)	522
<b>FUND BALANCE (NON-GAAP BUDGETARY BASIS)</b>						
<b>BEGINNING FUND BALANCE</b>						
Appropriated for current year budget-----	1,423	-	1,423		1,423	-
Not appropriated-----	-	-	-		2,181	2,181
Beginning fund balance-----	1,423	-	1,423		3,604	2,181
<b>ENDING FUND BALANCE</b>						
Before encumbrances-----	-	-	-		2,703	2,703
<b>Ending fund balance</b> -----	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>		<b>2,703</b>	<b>\$2,703</b>
<b>RECONCILIATION OF FUND BALANCE NON-GAAP BUDGETARY BASIS TO GENERALLY ACCEPTED ACCOUNTING PRINCIPLES</b>						
Revenue and transfer accruals-----					163	
Project length budgeted activity-----					2,550	
<b>Fund balance, ending</b> -----					<b>\$5,416</b>	

**SCHEDULE OF REVENUES, EXPENDITURES  
ENCUMBRANCES, AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
For the Year Ended June 30, 2018  
(dollars are in thousands)**

**CITY OF OKLAHOMA CITY, OKLAHOMA**

	<b>Special Purpose Fund</b>				<b>Total Actual</b>	<b>Variance</b>
	<b>Original Budget</b>	<b>Revisions</b>	<b>Revised Budget</b>	<b>Expenditures</b>		
<b>REVENUES</b>						
<b>LICENSES, PERMITS AND FEES</b>						
Other fees-----	\$215	\$ -	\$215		\$170	(\$45)
Investment income-----	-	-	-		1	1
<b>Total revenues</b> -----	<b>215</b>	<b>-</b>	<b>215</b>		<b>171</b>	<b>(44)</b>
<b>EXPENDITURES</b>						
<b>PUBLIC SERVICES</b>						
Development services:						
Personal services-----	14	-	14	2	2	12
Other services and charges-----	169	-	169	138	138	31
Planning:						
Other services and charges-----	104	-	104	62	62	42
<b>Total expenditures</b> -----	<b>287</b>	<b>-</b>	<b>287</b>	<b>202</b>	<b>202</b>	<b>85</b>
<b>Excess (deficiency) of revenues over (under) expenditures</b> -----	<b>(72)</b>	<b>-</b>	<b>(72)</b>		<b>(31)</b>	<b>41</b>
<b>FUND BALANCE (NON-GAAP BUDGETARY BASIS)</b>						
<b>BEGINNING FUND BALANCE</b>						
Appropriated for current year budget-----	72	-	72		72	-
Not appropriated-----	-	-	-		1	1
Beginning fund balance (2) -----	72	-	72		73	1
<b>ENDING FUND BALANCE</b>						
Before encumbrances-----	-	-	-		42	42
<b>Ending fund balance</b> -----	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>		<b>42</b>	<b>\$42</b>
<b>RECONCILIATION OF FUND BALANCE NON-GAAP BUDGETARY BASIS TO GENERALLY ACCEPTED ACCOUNTING PRINCIPLES</b>						
Project length budgeted activity-----					1,435	
<b>Fund balance, ending</b> -----					<b>\$1,477</b>	

- (1) Expenditures paid against prior year encumbrances are reported with current year expenditures in the schedule shown. Prior year encumbrances reduce beginning budgetary fund balance. Therefore, prior year encumbrances are subtracted from current year expenditures to appropriately report the amount of beginning fund balance.
- (2) Beginning fund balance as adjusted from \$66 to \$73.



**SCHEDULE OF REVENUES, EXPENDITURES  
ENCUMBRANCES, AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
For the Year Ended June 30, 2018  
(dollars are in thousands)**

**CITY OF OKLAHOMA CITY, OKLAHOMA**

	Special Districts Fund					
	Original Budget	Revisions	Revised Budget	Expenditures	Total Actual	Variance
<b>REVENUES</b>						
Investment income-----	\$38	\$ -	\$38		\$19	(\$19)
Charges for services-----	3,665	-	3,665		2,970	(695)
Other revenue-----	106	-	106		-	(106)
<b>Total revenues -----</b>	<b>3,809</b>	<b>-</b>	<b>3,809</b>		<b>2,989</b>	<b>(820)</b>
<b>EXPENDITURES</b>						
<b>PUBLIC SERVICES</b>						
Non-departmental:						
Other services and charges-----	3,246	-	3,246	2,066	2,066	1,180
<b>Total expenditures and encumbrances-----</b>	<b>3,246</b>	<b>-</b>	<b>3,246</b>	<b>\$2,066</b>	<b>2,066</b>	<b>1,180</b>
<b>Excess of revenues over expenditures-----</b>	<b>563</b>	<b>-</b>	<b>563</b>		<b>923</b>	<b>360</b>
<b>OTHER FINANCING SOURCES (USES)</b>						
<b>TRANSFERS FROM OTHER FUNDS</b>						
OCPPA General Purpose Fund-----	-	-	-		116	116
<b>TRANSFERS TO OTHER FUNDS</b>						
Public services:						
OCPPA General Purpose Fund-----	(563)	-	(563)		-	563
<b>Excess (deficiency) of revenues over expenditures and other uses-----</b>	<b>-</b>	<b>-</b>	<b>-</b>		<b>1,039</b>	<b>1,039</b>
<b>FUND BALANCE (NON-GAAP BUDGETARY BASIS)</b>						
<b>BEGINNING FUND BALANCE</b>						
Not appropriated-----	-	-	-		345	345
Beginning fund balance-----	-	-	-		345	345
<b>ENDING FUND BALANCE</b>						
Before encumbrances-----	-	-	-		1,384	1,384
<b>Ending fund balance-----</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>		<b>1,384</b>	<b>\$1,384</b>
<b>RECONCILIATION OF FUND BALANCE NON-GAAP BUDGETARY BASIS TO GENERALLY ACCEPTED ACCOUNTING PRINCIPLES</b>						
Revenue and transfer accruals-----					(267)	
Expenditure and transfer accruals-----					17	
<b>Fund balance, ending-----</b>					<b>\$1,134</b>	

**SCHEDULE OF REVENUES, EXPENDITURES  
ENCUMBRANCES, AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
For the Year Ended June 30, 2018  
(dollars are in thousands)**

**CITY OF OKLAHOMA CITY, OKLAHOMA**

	<b>Medical Services Fund</b>					
	<b>Original Budget</b>	<b>Revisions</b>	<b>Revised Budget</b>	<b>Expenditures</b>	<b>Total Actual</b>	<b>Variance</b>
<b><u>REVENUES</u></b>						
<b><u>LICENSES, PERMITS AND FEES</u></b>						
Other fees-----	\$6,703	\$ -	\$6,703		\$6,873	\$170
Investment income-----	56	-	56		91	35
<b>Total revenues -----</b>	<b>6,759</b>	<b>-</b>	<b>6,759</b>		<b>6,964</b>	<b>205</b>
<b><u>EXPENDITURES</u></b>						
<b><u>GENERAL GOVERNMENT</u></b>						
Non-departmental:						
Other services and charges-----	7,052	(2,769)	4,283	\$4,072	4,072	211
Capital outlay-----	-	2,769	2,769	2,769	2,769	-
<b>Total expenditures-----</b>	<b>7,052</b>	<b>-</b>	<b>7,052</b>	<b>6,841</b>	<b>6,841</b>	<b>211</b>
<b>Excess (deficiency) of revenues over (under) expenditures-----</b>	<b>(293)</b>	<b>-</b>	<b>(293)</b>		<b>123</b>	<b>416</b>
<b><u>FUND BALANCE (NON-GAAP BUDGETARY BASIS)</u></b>						
<b><u>BEGINNING FUND BALANCE</u></b>						
Appropriated for current year budget-----	293	-	293		293	-
Not appropriated-----	-	-	-		5,363	5,363
Beginning fund balance-----	293	-	293		5,656	5,363
<b><u>ENDING FUND BALANCE</u></b>						
Before encumbrances-----	-	-	-		5,779	5,779
<b>Ending fund balance-----</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>		<b>5,779</b>	<b>\$5,779</b>
<b><u>RECONCILIATION OF FUND BALANCE NON-GAAP BUDGETARY BASIS TO GENERALLY ACCEPTED ACCOUNTING PRINCIPLES</u></b>						
Revenue and transfer accruals-----					301	
Expenditure and transfer accruals-----					(4)	
<b>Fund balance, ending-----</b>					<b>\$6,076</b>	

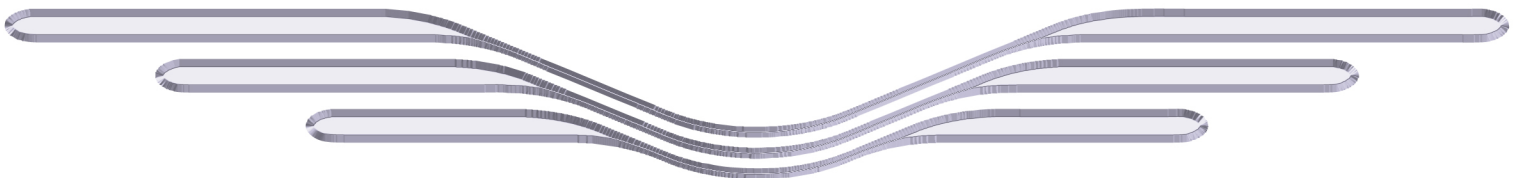
**SCHEDULE OF REVENUES, EXPENDITURES  
ENCUMBRANCES, AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
For the Year Ended June 30, 2018  
(dollars are in thousands)**

**CITY OF OKLAHOMA CITY, OKLAHOMA**

	<b>Hotel/Motel Tax Fund</b>					
	<b>Original Budget</b>	<b>Revisions</b>	<b>Revised Budget</b>	<b>Expenditures</b>	<b>Total Actual</b>	<b>Variance</b>
<b>REVENUES</b>						
<b>TAXES</b>						
Hotel/Motel taxes-----	\$14,120	\$ -	\$14,120		\$15,204	\$1,084
Investment income-----	97	-	97		91	(6)
<b>OTHER REVENUE</b>						
Other revenue-----	32	-	32		-	(32)
<b>Total revenues -----</b>	<b>14,249</b>	<b>-</b>	<b>14,249</b>		<b>15,295</b>	<b>1,046</b>
<b>EXPENDITURES</b>						
<b>GENERAL GOVERNMENT</b>						
Non-departmental:						
Other services and charges-----	6,916	133	7,049	\$6,764	6,764	285
<b>Total expenditures-----</b>	<b>6,916</b>	<b>133</b>	<b>7,049</b>	<b>\$6,764</b>	<b>6,764</b>	<b>285</b>
<b>Excess (deficiency) of revenues over (under) expenditures-----</b>	<b>7,333</b>	<b>(133)</b>	<b>7,200</b>		<b>8,531</b>	<b>1,331</b>
<b>OTHER FINANCING SOURCES (USES)</b>						
<b>TRANSFERS FROM OTHER FUNDS</b>						
OCPPA Fairgrounds Fund-----	6,332	1,970	8,302		7,357	(945)
<b>TRANSFERS TO OTHER FUNDS</b>						
General government:						
OCPPA Fairgrounds Fund-----	(14,057)	(1,837)	(15,894)		(15,696)	198
Total other financing sources (uses)-----	(7,725)	133	(7,592)		(8,339)	(747)
<b>Excess (deficiency) of revenues over expenditures and other uses-----</b>	<b>(392)</b>	<b>-</b>	<b>(392)</b>		<b>192</b>	<b>584</b>
<b>FUND BALANCE (NON-GAAP BUDGETARY BASIS)</b>						
<b>BEGINNING FUND BALANCE</b>						
Appropriated for current year budget-----	392	-	392		392	-
Not appropriated-----	-	-	-		5,962	5,962
Beginning fund balance-----	392	-	392		6,354	5,962
Before encumbrances-----	-	-	-		6,546	6,546
<b>Ending fund balance-----</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>		<b>6,546</b>	<b>\$6,546</b>
<b>RECONCILIATION OF FUND BALANCE NON-GAAP BUDGETARY BASIS TO GENERALLY ACCEPTED ACCOUNTING PRINCIPLES</b>						
Revenue and transfer accruals-----					1,472	
<b>Fund balance, ending-----</b>					<b>\$8,018</b>	

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# *Non-Major Enterprise Funds*





## ***Non-Major Enterprise Funds***

*Enterprise funds are used to account for operations that are financed and operated in a manner similar to private business enterprises.*

- \* ***Airports Fund*** – *Accounts for airport related operating activity including Will Rogers World Airport, Wiley Post Airport, and Clarence E. Page Airport.*
- \* ***Solid Waste Management Fund*** – *Accounts for activity related to solid waste management and disposal.*
- \* ***Stormwater Drainage Fund*** – *Accounts for the stormwater drainage utility established to address Federal mandates governing National Pollution Discharge Elimination System programs. The purpose of the utility is to provide for the development and operation of a stormwater drainage system.*
- \* ***Transportation Fund*** – *Accounts for operating activities relating to the City's ground transportation system other than bus drivers and mechanics.*
- \* ***Parking Fund*** – *Accounts for operating activities relating to the City's parking system.*

**COMBINING STATEMENT OF FUND NET POSITION  
NON-MAJOR ENTERPRISE FUNDS**

**CITY OF OKLAHOMA CITY, OKLAHOMA**

**June 30, 2018**

**(dollars are in thousands)**

	<u>Airports</u>	<u>Solid Waste Management</u>	<u>Stormwater Drainage</u>	<u>Transportation</u>	<u>Parking</u>	<u>Total Non-Major Enterprise Funds</u>
<b>ASSETS</b>						
<b>CURRENT ASSETS</b>						
Pooled cash-----	\$1	\$3	\$43	\$3	\$1	\$51
Investments-----	468	1,874	18,170	216	260	20,988
Accounts receivable, net-----	-	-	1,767	-	-	1,767
Interest, dividends, and royalties receivable-----	3	8	76	1	1	89
Due from other funds-----	-	-	241	-	-	241
Receivable from component units-----	-	-	6	-	401	407
Inventories-----	958	-	38	-	7	1,003
Prepays-----	-	-	6	-	-	6
<b>Total current assets-----</b>	<b>1,430</b>	<b>1,885</b>	<b>20,347</b>	<b>220</b>	<b>670</b>	<b>24,552</b>
<b>NON-CURRENT ASSETS</b>						
Prepays, non-current-----	-	-	2	-	-	2
Advance from other funds-----	452	12,212	-	-	-	12,664
Receivable from component units-----	12,275	-	-	3,071	-	15,346
Net pension asset-----	1,316	991	1,084	275	62	3,728
Capital assets:						
Land, art, and construction in progress-----	16,115	-	3,579	-	-	19,694
Other capital assets, net of accumulated depreciation-----	1,725	-	33,987	-	-	35,712
<b>Capital assets, net-----</b>	<b>17,840</b>	<b>-</b>	<b>37,566</b>	<b>-</b>	<b>-</b>	<b>55,406</b>
<b>Total non-current assets-----</b>	<b>31,883</b>	<b>13,203</b>	<b>38,652</b>	<b>3,346</b>	<b>62</b>	<b>87,146</b>
<b>Total assets-----</b>	<b>33,313</b>	<b>15,088</b>	<b>58,999</b>	<b>3,566</b>	<b>732</b>	<b>111,698</b>
<b>DEFERRED OUTFLOWS OF RESOURCES-----</b>	<b>1,728</b>	<b>1,414</b>	<b>1,460</b>	<b>368</b>	<b>81</b>	<b>5,051</b>
<b>LIABILITIES</b>						
<b>CURRENT LIABILITIES</b>						
Accounts payable and accrued expenses-----	8	44	215	-	35	302
Wages and benefits payable-----	459	336	410	112	20	1,337
Due to other funds-----	35	25	72	-	61	193
Payable to component units-----	-	-	70	-	-	70
Compensated absences-----	570	418	424	150	13	1,575
<b>Total current liabilities-----</b>	<b>1,072</b>	<b>823</b>	<b>1,191</b>	<b>262</b>	<b>129</b>	<b>3,477</b>
<b>NON-CURRENT LIABILITIES</b>						
Compensated absences-----	1,029	906	700	315	19	2,969
Net other post-employment benefit liability-----	13,100	12,996	11,796	2,923	574	41,389
<b>Total non-current liabilities-----</b>	<b>14,129</b>	<b>13,902</b>	<b>12,496</b>	<b>3,238</b>	<b>593</b>	<b>44,358</b>
<b>Total liabilities-----</b>	<b>15,201</b>	<b>14,725</b>	<b>13,687</b>	<b>3,500</b>	<b>722</b>	<b>47,835</b>
<b>DEFERRED INFLOWS OF RESOURCES-----</b>	<b>2,000</b>	<b>1,777</b>	<b>1,734</b>	<b>434</b>	<b>91</b>	<b>6,036</b>
<b>NET POSITION (DEFICIT)</b>						
Net investment in capital assets-----	17,840	-	37,566	-	-	55,406
Unrestricted-----	-	-	7,472	-	-	7,472
<b>Total net position (deficit)-----</b>	<b>\$17,840</b>	<b>\$ -</b>	<b>\$45,038</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$62,878</b>



**COMBINING STATEMENT OF REVENUES,  
EXPENSES, AND CHANGES IN FUND NET POSITION  
NON-MAJOR ENTERPRISE FUNDS  
For the Year Ended June 30, 2018  
(dollars are in thousands)**

**CITY OF OKLAHOMA CITY, OKLAHOMA**

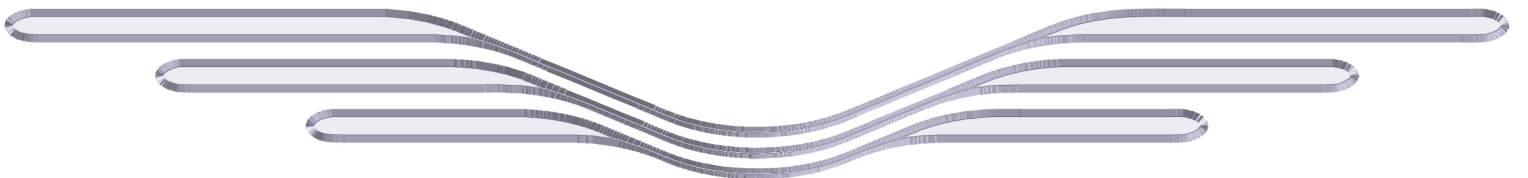
	<u>Airports</u>	<u>Solid Waste Management</u>	<u>Stormwater Drainage</u>	<u>Transportation</u>	<u>Parking</u>	<u>Total Non-Major Enterprise Funds</u>
<b><u>OPERATING REVENUES</u></b>						
<b><u>CHARGES FOR SERVICES</u></b>						
Drainage charges-----	\$ -	\$ -	\$17,752	\$ -	\$ -	\$17,752
Other charges-----	-	-	38	-	-	38
Total charges for services-----	-	-	17,790	-	-	17,790
Other-----	-	-	122	-	-	122
<b>Total operating revenues-----</b>	<b>-</b>	<b>-</b>	<b>17,912</b>	<b>-</b>	<b>-</b>	<b>17,912</b>
<b><u>OPERATING EXPENSES</u></b>						
Personal services-----	-	-	9,269	-	-	9,269
Maintenance, operations, and contractual services-----	-	-	3,690	405	-	4,095
Materials and supplies-----	-	-	815	-	-	815
Depreciation-----	457	-	3,515	-	-	3,972
<b>Total operating expenses-----</b>	<b>457</b>	<b>-</b>	<b>17,289</b>	<b>405</b>	<b>-</b>	<b>18,151</b>
<b>Operating income (loss)-----</b>	<b>(457)</b>	<b>-</b>	<b>623</b>	<b>(405)</b>	<b>-</b>	<b>(239)</b>
<b><u>NON-OPERATING REVENUE</u></b>						
Investment income-----	-	-	103	-	-	103
Payments from component units-----	355	-	-	-	-	355
Other revenue-----	6	-	108	-	-	114
<b>Net non-operating revenue-----</b>	<b>361</b>	<b>-</b>	<b>211</b>	<b>-</b>	<b>-</b>	<b>572</b>
<b>Income (loss) before transfers-----</b>	<b>(96)</b>	<b>-</b>	<b>834</b>	<b>(405)</b>	<b>-</b>	<b>333</b>
<b><u>TRANSFERS</u></b>						
Transfers from other funds-----	-	-	-	405	-	405
Transfers to other funds-----	-	-	(1,652)	-	-	(1,652)
<b>Total transfers-----</b>	<b>-</b>	<b>-</b>	<b>(1,652)</b>	<b>405</b>	<b>-</b>	<b>(1,247)</b>
<b>Changes in net position (deficit)-----</b>	<b>(96)</b>	<b>-</b>	<b>(818)</b>	<b>-</b>	<b>-</b>	<b>(914)</b>
<b><u>NET POSITION (DEFICIT)</u></b>						
Net position (deficit), beginning:						
As previously reported-----	17,936	-	55,760	-	-	73,696
Change in accounting principle-----	-	-	(9,904)	-	-	(9,904)
Net position (deficit), beginning, as restated-----	17,936	-	45,856	-	-	63,792
<b>Total net position (deficit), ending-----</b>	<b>\$17,840</b>	<b>\$ -</b>	<b>\$45,038</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$62,878</b>

**COMBINING STATEMENT OF CASH FLOWS  
NON-MAJOR ENTERPRISE FUNDS  
For the Year Ended June 30, 2018  
(dollars are in thousands)**

**CITY OF OKLAHOMA CITY, OKLAHOMA**

	<u>Airports</u>	<u>Solid Waste Management</u>	<u>Stormwater Drainage</u>	<u>Transportation</u>	<u>Parking</u>	<u>Non-Major Enterprise Funds</u>
<b><u>CASH FLOWS FROM OPERATING ACTIVITIES</u></b>						
Cash received from customers-----	\$ -	\$ -	\$17,761	\$ -	\$ -	\$17,761
Cash payments to suppliers for goods and services-----	(5,519)	(369)	(1,971)	(405)	(244)	(8,508)
Cash payments to employees and professional contractors for services-----	(10,799)	(8,266)	(8,744)	(2,381)	(468)	(30,658)
Cash payments for internal services-----	-	(1,075)	(2,950)	25	(52)	(4,052)
Operating payments to component units-----	15,851	-	-	-	-	15,851
Cost reimbursements from (to) other funds-----	-	9,700	-	2,350	484	12,534
<b>Net cash provided (used) by operating activities</b> -----	<b>(467)</b>	<b>(10)</b>	<b>4,096</b>	<b>(411)</b>	<b>(280)</b>	<b>2,928</b>
<b><u>CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES</u></b>						
Transfers received from other funds-----	-	(2)	(172)	405	503	734
Transfers paid to other funds-----	-	-	(1,652)	-	-	(1,652)
<b>Net cash provided (used) by non-capital financing activities</b> -----	<b>-</b>	<b>(2)</b>	<b>(1,824)</b>	<b>405</b>	<b>503</b>	<b>(918)</b>
<b><u>CASH FLOWS FROM CAPITAL AND CAPITAL RELATED FINANCING ACTIVITIES</u></b>						
Payments for acquisition and construction of capital assets-----	(368)	-	(805)	-	-	(1,173)
Proceeds from sale of assets-----	15	-	116	-	-	131
<b>Net cash used by capital and related financing activities</b> -----	<b>(353)</b>	<b>-</b>	<b>(689)</b>	<b>-</b>	<b>-</b>	<b>(1,042)</b>
<b><u>CASH FLOWS FROM INVESTING ACTIVITIES</u></b>						
Changes in pooled investments-----	765	(54)	(2,125)	-	(224)	(1,638)
Investment income received-----	17	12	79	-	1	109
Purchased interest-----	-	-	(4)	-	-	(4)
<b>Net cash provided (used) by investing activities</b> -----	<b>782</b>	<b>(42)</b>	<b>(2,050)</b>	<b>-</b>	<b>(223)</b>	<b>(1,533)</b>
<b>Net increase (decrease) in cash</b> -----	<b>(38)</b>	<b>(54)</b>	<b>(467)</b>	<b>(6)</b>	<b>-</b>	<b>(565)</b>
Cash, beginning-----	39	57	510	9	1	616
<b>Cash, ending</b> -----	<b>\$1</b>	<b>\$3</b>	<b>\$43</b>	<b>\$3</b>	<b>\$1</b>	<b>\$51</b>
<b><u>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</u></b>						
Operating income (loss)-----	(\$457)	\$ -	\$623	(\$405)	\$ -	(\$239)
<b><u>ADJUSTMENTS TO RECONCILE OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</u></b>						
Depreciation-----	457	-	3,515	-	-	3,972
Other revenue (expense)-----	-	-	-	-	(441)	(441)
Changes in assets and liabilities:						
(Increase) decrease in accounts receivable-----	-	-	(139)	-	-	(139)
(Increase) decrease in due from other funds-----	35	-	(54)	-	20	1
(Increase) decrease in receivable from component units-----	(709)	-	(3)	(154)	131	(735)
(Increase) decrease in inventories-----	(40)	-	(1)	-	-	(41)
(Increase) decrease in prepaid assets-----	-	-	2	-	-	2
(Increase) decrease in net pension asset-----	(1,316)	(991)	(1,084)	(275)	(62)	(3,728)
(Increase) decrease in deferred outflows-----	1,303	962	1,066	272	63	3,666
Increase (decrease) in accounts payable and accrued expenses-----	-	25	(429)	-	26	(378)
Increase (decrease) in wages and benefits payable-----	44	12	58	15	1	130
Increase (decrease) in due to other funds-----	15	(272)	180	-	(12)	(89)
Increase (decrease) in payable to component unit-----	-	-	70	-	-	70
Increase (decrease) in compensated absences-----	(65)	(23)	49	76	(17)	20
Increase (decrease) in net other pension liability-----	(62)	(46)	(51)	(13)	(3)	(175)
Increase (decrease) in net other post-employment benefit liability-----	(818)	(811)	(736)	(182)	(36)	(2,583)
Increase (decrease) in deferred inflows-----	1,146	1,134	1,030	255	50	3,615
Total adjustments-----	(10)	(10)	3,473	(6)	(280)	3,167
<b>Net cash provided (used) by operating activities</b> -----	<b>(\$467)</b>	<b>(\$10)</b>	<b>\$4,096</b>	<b>(\$411)</b>	<b>(\$280)</b>	<b>\$2,928</b>

# *Internal Service Funds*





## ***Internal Service Funds***

*Internal service funds are used to account for the financing of goods or services provided by one department to other departments within the City on a cost reimbursement basis.*

- \* ***Fleet Services Fund*** – *Established to account for the operations of the City's motor pool.*
- \* ***Risk Management Fund*** – *Established to administer the City's various insurance programs.*
- \* ***Information Technology Fund*** – *Established to account for the operation of the City's computer and telecommunication systems.*
- \* ***Print Shop Fund*** – *Established to account for the operation of the City's mailing and printing services.*
- \* ***Oklahoma City Municipal Facilities Authority (OCMFA) Services Fund*** – *Established to account for OCMFA financial transactions relating primarily to risk management, information technology, various lease purchasing agreements, and other related activities that require commitment for more than one fiscal year.*
- \* ***Oklahoma City Public Property Authority (OCPPA) Services Fund*** - *Established to account for OCPPA financial transactions relating to centralized utility billings.*

**COMBINING STATEMENT OF  
FUND NET POSITION  
INTERNAL SERVICE FUNDS  
June 30, 2018  
(dollars are in thousands)**

**CITY OF OKLAHOMA CITY, OKLAHOMA**

	<b>Fleet Services</b>	<b>Risk Management</b>	<b>Information Technology</b>	<b>Print Shop</b>	<b>OCMFA Services</b>	<b>OCPPA Services</b>	<b>Total Internal Service Funds</b>
<b>ASSETS</b>							
<b>CURRENT ASSETS</b>							
Pooled cash-----	\$8	\$38	\$16	\$1	\$1,172	\$ -	\$1,235
Non-pooled cash-----	-	-	-	-	6,704	-	6,704
Investments-----	2,996	589	5,125	236	43,988	97	53,031
Interest, dividends, and royalties receivable-----	13	3	22	1	134	-	173
Due from other funds-----	247	-	9	108	676	-	1,040
Receivable from component units-----	31	-	-	2	6	-	39
Intergovernmental receivables-----	-	-	-	-	63	-	63
Inventories-----	27	-	1,065	28	-	-	1,120
Prepays-----	-	-	342	-	985	-	1,327
<b>Total current assets-----</b>	<b>3,322</b>	<b>630</b>	<b>6,579</b>	<b>376</b>	<b>53,728</b>	<b>97</b>	<b>64,732</b>
<b>NON-CURRENT ASSETS</b>							
Prepays, non-current-----	-	-	13	-	-	-	13
Advance to other funds-----	-	11,274	4,589	-	5,911	-	21,774
Net pension asset-----	293	68	1,231	30	-	-	1,622
Capital assets:							
Land and construction in progress-----	928	-	-	-	-	-	928
Other capital assets, net of accumulated depreciation-----	68	-	12	88	8,506	-	8,674
<b>Capital assets, net-----</b>	<b>996</b>	<b>-</b>	<b>12</b>	<b>88</b>	<b>8,506</b>	<b>-</b>	<b>9,602</b>
<b>Total non-current assets-----</b>	<b>1,289</b>	<b>11,342</b>	<b>5,845</b>	<b>118</b>	<b>14,417</b>	<b>-</b>	<b>33,011</b>
<b>Total assets-----</b>	<b>4,611</b>	<b>11,972</b>	<b>12,424</b>	<b>494</b>	<b>68,145</b>	<b>97</b>	<b>97,743</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>							
	<b>394</b>	<b>98</b>	<b>1,556</b>	<b>42</b>	<b>-</b>	<b>-</b>	<b>2,090</b>
<b>LIABILITIES</b>							
<b>CURRENT LIABILITIES</b>							
Accounts payable and accrued expenses-----	428	5	74	31	3,365	65	3,968
Wages and benefits payable-----	93	40	493	12	-	-	638
Due to other funds-----	-	7	27	-	81	-	115
Payable to component units-----	-	-	-	-	276	-	276
Interest payable-----	-	-	-	-	63	-	63
Compensated absences-----	144	34	601	8	-	-	787
Notes, lease obligations, and estimated claims payable-----	-	-	-	-	10,492	-	10,492
<b>Total current liabilities-----</b>	<b>665</b>	<b>86</b>	<b>1,195</b>	<b>51</b>	<b>14,277</b>	<b>65</b>	<b>16,339</b>
<b>NON-CURRENT LIABILITIES</b>							
Compensated absences-----	331	39	909	17	-	-	1,296
Payable to component units-----	-	-	-	-	277	-	277
Notes, lease obligations, and estimated claims payable-----	-	-	-	-	31,445	-	31,445
Advance from other funds-----	-	-	2,240	-	15,030	-	17,270
Net other post-employment benefit liability-----	3,184	939	10,491	365	-	-	14,979
<b>Total non-current liabilities-----</b>	<b>3,515</b>	<b>978</b>	<b>13,640</b>	<b>382</b>	<b>46,752</b>	<b>-</b>	<b>65,267</b>
<b>Total liabilities-----</b>	<b>4,180</b>	<b>1,064</b>	<b>14,835</b>	<b>433</b>	<b>61,029</b>	<b>65</b>	<b>81,606</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>							
	<b>467</b>	<b>127</b>	<b>1,719</b>	<b>49</b>	<b>-</b>	<b>-</b>	<b>2,362</b>
<b>NET POSITION (DEFICITS)</b>							
Net investment in capital assets-----	996	-	12	88	2,784	-	3,880
Unrestricted-----	(638)	10,879	(2,586)	(34)	4,332	32	11,985
<b>Total net position (deficits)-----</b>	<b>\$358</b>	<b>\$10,879</b>	<b>(\$2,574)</b>	<b>\$54</b>	<b>\$7,116</b>	<b>\$32</b>	<b>\$15,865</b>

COMBINING STATEMENT OF REVENUES,  
EXPENSES, AND CHANGES IN FUND NET POSITION  
INTERNAL SERVICE FUNDS

CITY OF OKLAHOMA CITY, OKLAHOMA

For the Year Ended June 30, 2018

(dollars are in thousands)

	<u>Fleet Services</u>	<u>Risk Management</u>	<u>Information Technology</u>	<u>Print Shop</u>	<u>OCMFA Services</u>	<u>OCPPA Services</u>	<u>Total Internal Service Funds</u>
<b><u>OPERATING REVENUES</u></b>							
<b><u>CHARGES FOR SERVICES</u></b>							
Internal service charges-----	\$8,309	\$15,092	\$24,840	\$793	\$54,952	\$750	\$104,736
Other charges-----	-	6	220	-	-	-	226
Total charges for services-----	<b>8,309</b>	<b>15,098</b>	<b>25,060</b>	<b>793</b>	<b>54,952</b>	<b>750</b>	<b>104,962</b>
Forfeitures-----	-	-	-	-	1	-	1
Other-----	100	-	-	-	8	-	108
Total operating revenues-----	<b>8,409</b>	<b>15,098</b>	<b>25,060</b>	<b>793</b>	<b>54,961</b>	<b>750</b>	<b>105,071</b>
<b><u>OPERATING EXPENSES</u></b>							
Personal services-----	2,275	910	11,430	275	-	-	14,890
Maintenance, operations, and contractual services---	1,088	6,749	11,297	408	55,085	775	75,402
Materials and supplies-----	4,116	19	614	75	3	-	4,827
Depreciation-----	10	-	3	25	567	-	605
Total operating expenses-----	<b>7,489</b>	<b>7,678</b>	<b>23,344</b>	<b>783</b>	<b>55,655</b>	<b>775</b>	<b>95,724</b>
Operating income (loss)-----	<b>920</b>	<b>7,420</b>	<b>1,716</b>	<b>10</b>	<b>(694)</b>	<b>(25)</b>	<b>9,347</b>
<b><u>NON-OPERATING REVENUE (EXPENSES)</u></b>							
Investment income-----	15	257	46	1	19	1	339
Interest on torts and lease obligations-----	-	-	(262)	-	-	-	(262)
Other revenue (expenses)-----	1	1	115	(10)	-	-	107
Net non-operating revenue (expenses)-----	<b>16</b>	<b>258</b>	<b>(101)</b>	<b>(9)</b>	<b>19</b>	<b>1</b>	<b>184</b>
Income (loss) before transfers-----	<b>936</b>	<b>7,678</b>	<b>1,615</b>	<b>1</b>	<b>(675)</b>	<b>(24)</b>	<b>9,531</b>
<b><u>TRANSFERS</u></b>							
Transfers from other funds-----	-	-	13	-	843	-	856
Transfers to other funds-----	-	(152)	(1,679)	(56)	(1)	-	(1,888)
Total transfers-----	<b>-</b>	<b>(152)</b>	<b>(1,666)</b>	<b>(56)</b>	<b>842</b>	<b>-</b>	<b>(1,032)</b>
Changes in net position-----	<b>936</b>	<b>7,526</b>	<b>(51)</b>	<b>(55)</b>	<b>167</b>	<b>(24)</b>	<b>8,499</b>
<b><u>NET POSITION (DEFICITS)</u></b>							
Net assets, beginning:							
As previously reported-----	545	4,007	5,602	405	6,949	56	17,564
Change in accounting principle-----	(1,123)	(654)	(8,125)	(296)	-	-	(10,198)
Net position, beginning, as restated-----	(578)	3,353	(2,523)	109	6,949	56	7,366
Total net position (deficits), ending-----	<b>\$358</b>	<b>\$10,879</b>	<b>(\$2,574)</b>	<b>\$54</b>	<b>\$7,116</b>	<b>\$32</b>	<b>\$15,865</b>

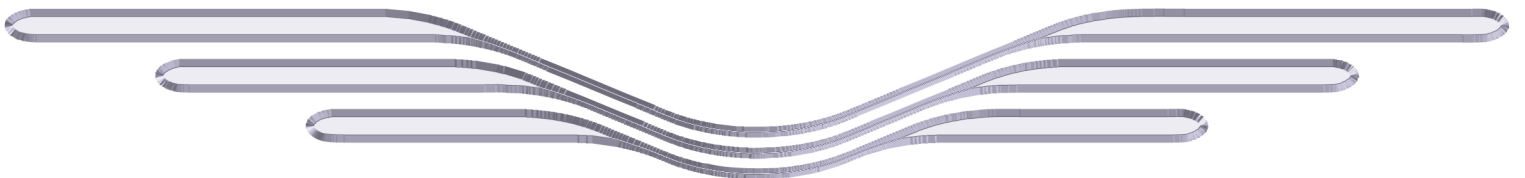
**COMBINING STATEMENT OF CASH FLOWS**  
**INTERNAL SERVICE FUNDS**  
**For the Year Ended June 30, 2018**  
**(dollars are in thousands)**

**CITY OF OKLAHOMA CITY, OKLAHOMA**

	<b>Fleet Services</b>	<b>Risk Management</b>	<b>Information Technology</b>	<b>Print Shop</b>	<b>OCMFA Services</b>	<b>OCPPA Services</b>	<b>Total Internal Service Funds</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>							
Cash received from customers-----	\$8,259	\$15,098	\$25,092	\$725	\$54,970	\$750	\$104,894
Cash payments to suppliers for goods and services-----	(5,002)	(97)	(4,518)	(383)	(68,548)	(792)	(79,340)
Cash payments to employees and professional contractors for services-----	(2,258)	(881)	(11,028)	(226)	-	-	(14,393)
Cash payments for internal services-----	(145)	(802)	(1,044)	(101)	(17)	-	(2,109)
Cost reimbursements from (to) other funds-----	-	(16,829)	(7,532)	-	21,673	-	(2,688)
Other cash receipts-----	-	(5)	-	-	6	-	1
<b>Net cash provided (used) by operating activities-----</b>	<b>854</b>	<b>(3,516)</b>	<b>970</b>	<b>15</b>	<b>8,084</b>	<b>(42)</b>	<b>6,365</b>
<b>CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES</b>							
Interest paid on torts-----	-	-	-	(55)	-	-	(55)
Transfers received from other funds-----	-	(152)	(926)	-	-	-	(1,078)
Transfers paid to other funds-----	-	-	-	-	(3,750)	-	(3,750)
Other non-capital financing cash receipts-----	-	-	-	-	12	-	12
<b>Net cash used by non-capital financing activities-----</b>	<b>-</b>	<b>(152)</b>	<b>(926)</b>	<b>(55)</b>	<b>(3,738)</b>	<b>-</b>	<b>(4,871)</b>
<b>CASH FLOWS FROM CAPITAL AND CAPITAL RELATED FINANCING ACTIVITIES</b>							
Payments for acquisition and construction of capital assets-----	-	-	-	(33)	(4,019)	-	(4,052)
Principal paid on long-term debt-----	-	-	-	-	(668)	-	(668)
Interest paid on long-term debt-----	-	-	262	-	(198)	-	64
Proceeds from sale of assets-----	1	-	(262)	(11)	-	-	(272)
<b>Net cash provided (used) by capital and related financing activities-----</b>	<b>1</b>	<b>-</b>	<b>-</b>	<b>(44)</b>	<b>(4,885)</b>	<b>-</b>	<b>(4,928)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>							
Proceeds from sale of investments-----	-	-	-	74	-	-	74
Changes in pooled investments-----	(922)	3,558	(207)	-	(16,028)	3	(13,596)
Investment income received-----	9	16	20	1	597	1	644
Purchased interest-----	(1)	-	(1)	-	(9)	-	(11)
<b>Net cash provided (used) by investing activities-----</b>	<b>(914)</b>	<b>3,574</b>	<b>(188)</b>	<b>75</b>	<b>(15,440)</b>	<b>4</b>	<b>(12,889)</b>
<b>Net decrease in cash-----</b>	<b>(59)</b>	<b>(94)</b>	<b>(144)</b>	<b>(9)</b>	<b>(15,979)</b>	<b>(38)</b>	<b>(16,323)</b>
Cash, beginning-----	67	132	160	10	23,855	38	24,262
<b>Cash, ending-----</b>	<b>\$8</b>	<b>\$38</b>	<b>\$16</b>	<b>\$1</b>	<b>\$7,876</b>	<b>\$-</b>	<b>\$7,939</b>
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>							
Operating income (loss)-----	\$920	\$7,420	\$1,716	\$10	(\$694)	(\$25)	\$9,347
<b>ADJUSTMENTS TO RECONCILE OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>							
Depreciation-----	10	-	3	25	567	-	605
Other revenue (expense)-----	-	1	99	-	(9)	-	91
Changes in assets and liabilities:							
(Increase) decrease in accounts receivable-----	-	-	30	1	4	-	35
(Increase) decrease in due from other funds-----	(102)	(7,615)	(2)	(71)	3,396	-	(4,394)
(Increase) decrease in receivable from component units-----	(23)	-	1	1	56	-	35
(Increase) decrease in inventories-----	(1)	-	(430)	(4)	-	-	(435)
(Increase) decrease in prepaid assets-----	-	-	133	2	378	-	513
(Increase) decrease in net pension asset-----	(293)	(68)	(1,231)	(30)	-	-	(1,622)
(Increase) decrease in deferred outflows-----	288	65	1,227	29	-	-	1,609
Increase (decrease) in accounts payable and accrued expenses-----	33	(5)	(53)	23	(294)	(17)	(313)
Increase (decrease) in wages and benefits payable-----	3	7	87	3	-	-	100
Increase (decrease) in due to other funds-----	-	(3,347)	(930)	-	8,286	-	4,009
Increase (decrease) in payable to component unit-----	-	-	-	-	176	-	176
Increase (decrease) in compensated absences-----	(47)	5	116	18	-	-	92
Increase (decrease) in long-term debt-----	-	-	-	-	(3,944)	-	(3,944)
Increase (decrease) in notes, lease and estimated claims payable-----	-	-	-	-	162	-	162
Increase (decrease) in net pension liability-----	(14)	(3)	(58)	(1)	-	-	(76)
Increase (decrease) in net other post-employment benefit liability-----	(198)	(58)	(656)	(23)	-	-	(935)
Increase (decrease) in deferred inflows-----	278	82	918	32	-	-	1,310
Total adjustments-----	(66)	(10,936)	(746)	5	8,778	(17)	(2,982)
<b>Net cash provided (used) by operating activities-----</b>	<b>\$854</b>	<b>(\$3,516)</b>	<b>\$970</b>	<b>\$15</b>	<b>\$8,084</b>	<b>(\$42)</b>	<b>\$6,365</b>
<b>NON-CASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES</b>							
Net increase (decrease) in fair value of investments-----	\$-	\$-	\$-	\$-	(\$353)	\$-	(\$353)
<b>Total non-cash investing, capital, and financing activities-----</b>	<b>\$-</b>	<b>\$-</b>	<b>\$-</b>	<b>\$-</b>	<b>(\$353)</b>	<b>\$-</b>	<b>(\$353)</b>



# *Fiduciary Funds*





## ***Fiduciary Funds***

*Fiduciary funds are used to report assets held in a trustee or agency capacity for others and cannot be used to support the City's programs.*

### **Pension Trust Funds**

- \* ***Oklahoma City Employee Retirement System Fund (OCERS)*** – *Established to account for the receipt, investment, and distribution of retirement contributions from the City and its non-uniformed employees.*
- \* ***Central Oklahoma Transportation and Parking Employee Retirement Trust (COTPA Retirement)*** – *Established to provide retirement benefits to employees of the Central Oklahoma Transportation and Parking Authority (COTPA), a discretely reported component unit of the City.*

### **Other Post-Employment Benefit Trust Fund**

- \* ***Oklahoma City Post-Employment Benefits Trust (OCPEBT)*** – *Established to provide post-employment benefits to retirees of the City and their beneficiaries.*

### **Agency Fund**

- \* ***Agency Fund*** – *Accounts for various deposits, bail bonds, performance bonds, escrow monies, and special assessments for which the City has no responsibility but acts only as an agent for the participants.*

COMBINING STATEMENT OF  
 FIDUCIARY NET POSITION  
 PENSION AND OTHER POST-EMPLOYMENT  
 BENEFIT TRUST FUNDS

CITY OF OKLAHOMA CITY, OKLAHOMA

June 30, 2018

(dollars are in thousands)

	OCERS	COTPA Retirement	OCPEBT	Total Pension and Other Post-employment Benefit Trust Funds
<b>ASSETS</b>				
Non-pooled cash-----	\$6,359	\$ -	\$ -	\$6,359
<b>RECEIVABLES</b>				
Interest and dividends-----	1,223	10	55	1,288
Employer-----	296	11	2	309
Plan members-----	336	9	457	802
Other receivables-----	-	-	215	215
Total receivables-----	1,855	30	729	2,614
<b>INVESTMENTS, AT FAIR VALUE</b>				
Domestic common stock-----	324,501	5,346	10,755	340,602
Passive domestic stock funds-----	-	1,890	22,683	24,573
Government securities/fixed income-----	53,880	-	-	53,880
Passive bond fund-----	75,910	2,869	14,181	92,960
International stock-----	181,576	2,104	5,006	188,686
Treasury money market fund-----	10,701	638	7,018	18,357
Commodities-----	26,638	-	-	26,638
Real estate-----	65,244	229	-	65,473
Oklahoma City judgments-----	4,262	-	-	4,262
Total investments-----	742,712	13,076	59,643	815,431
Net pension asset-----	35	-	-	35
<b>Total assets-----</b>	<b>750,961</b>	<b>13,106</b>	<b>60,372</b>	<b>824,439</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
	43	-	-	43
<b>LIABILITIES</b>				
Accounts payable and accrued expenses-----	881	-	733	1,614
Due to broker-----	10,128	-	-	10,128
Wages and benefits payable-----	10	-	-	10
Compensated absences, current-----	20	-	-	20
Estimated claims payable-----	-	-	1,520	1,520
Compensated absences, non-current-----	75	-	-	75
Net other post-employment benefits liability-----	261	-	-	261
<b>Total liabilities-----</b>	<b>11,375</b>	<b>-</b>	<b>2,253</b>	<b>13,628</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
	46	-	-	46
<b>NET POSITION</b>				
Restricted for:				
Pension benefits-----	739,583	13,106	-	752,689
Other post-employment benefits-----	-	-	58,119	58,119
<b>Net position held in trust-----</b>	<b>\$739,583</b>	<b>\$13,106</b>	<b>\$58,119</b>	<b>\$810,808</b>

**COMBINING STATEMENT OF CHANGES  
IN FIDUCIARY NET POSITION  
PENSION AND OTHER POST-EMPLOYMENT  
BENEFIT TRUST FUNDS**

**CITY OF OKLAHOMA CITY, OKLAHOMA**

**For the Year Ended June 30, 2018**

**(dollars are in thousands)**

	<b>OCERS</b>	<b>COTPA Retirement</b>	<b>OCPEBT</b>	<b>Total Pension and Post-employment Benefit Trust Funds</b>
<b><u>ADDITIONS</u></b>				
Contributions:				
Employer-----	\$7,057	\$546	\$14,693	\$22,296
Plan members-----	8,018	441	12,952	21,411
<b>Total contributions-----</b>	<b>15,075</b>	<b>987</b>	<b>27,645</b>	<b>43,707</b>
Investment income:				
Net appreciation in fair value of investments-----	51,058	724	4,382	56,164
Interest-----	1,129	2	78	1,209
Dividends-----	9,103	228	949	10,280
	61,290	954	5,409	67,653
Less: investment expense-----	(2,757)	(52)	(77)	(2,886)
<b>Net investment income-----</b>	<b>58,533</b>	<b>902</b>	<b>5,332</b>	<b>64,767</b>
Other-----	100	-	-	100
<b>Total additions-----</b>	<b>73,708</b>	<b>1,889</b>	<b>32,977</b>	<b>108,574</b>
<b><u>DEDUCTIONS</u></b>				
Benefits paid-----	34,063	982	23,943	58,988
Refunds of contributions-----	1,475	243	-	1,718
Administrative expenses-----	504	46	47	597
<b>Total deductions-----</b>	<b>36,042</b>	<b>1,271</b>	<b>23,990</b>	<b>61,303</b>
<b>Change in net position-----</b>	<b>37,666</b>	<b>618</b>	<b>8,987</b>	<b>47,271</b>
<b><u>NET POSITION RESTRICTED FOR PENSION BENEFITS AND OTHER POST-EMPLOYMENT BENEFITS</u></b>				
Net position, beginning:				
As previously reported-----	702,127	12,488	49,132	763,747
Change in accounting principle-----	(210)	-	-	(210)
<b>Net position, beginning, as restated-----</b>	<b>701,917</b>	<b>12,488</b>	<b>49,132</b>	<b>763,537</b>
<b>End of year-----</b>	<b>\$739,583</b>	<b>\$13,106</b>	<b>\$58,119</b>	<b>\$810,808</b>

STATEMENT OF CHANGES IN  
ASSETS AND LIABILITIES  
AGENCY FUND

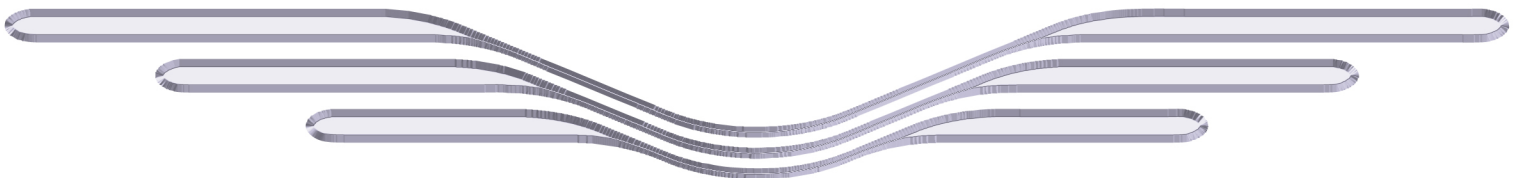
CITY OF OKLAHOMA CITY, OKLAHOMA

June 30, 2018

(dollars are in thousands)

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
<b>ASSETS</b>				
Pooled cash-----	\$51	\$36,844	(\$36,891)	\$4
Non-pooled cash-----	510	1,759	(1,631)	638
Interest and dividends receivable-----	5	21	(19)	7
Other receivables-----	280	11,032	(10,797)	515
Pooled investments-----	1,522	5,545	(5,234)	1,833
<b>Total assets-----</b>	<b>\$2,368</b>	<b>\$55,201</b>	<b>(\$54,572)</b>	<b>\$2,997</b>
<b>LIABILITIES</b>				
Accounts payable and accrued expenses-----	\$164	\$2,895	(\$2,893)	\$166
Due to depositors-----	2,204	9,046	(8,419)	2,831
<b>Total liabilities-----</b>	<b>\$2,368</b>	<b>\$11,941</b>	<b>(\$11,312)</b>	<b>\$2,997</b>

*Component Unit*







## ***Component Unit***

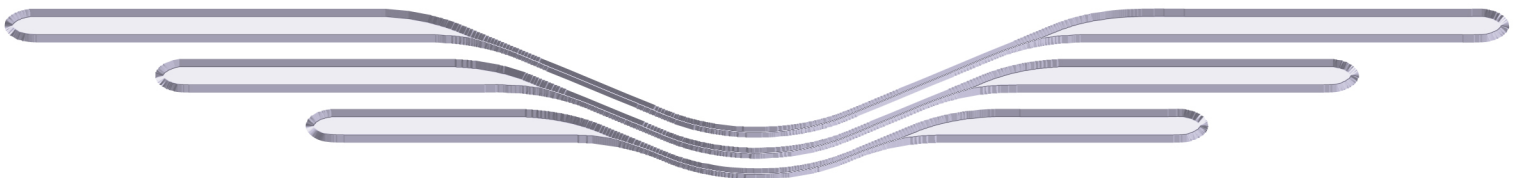
*Additional financial statements are presented for all discrete component units of the City that do not report separately.*

**STATEMENT OF CASH FLOWS**  
**PORT AUTHORITY**  
**For the Year Ended June 30, 2018**  
**(dollars are in thousands)**

**CITY OF OKLAHOMA CITY, OKLAHOMA**

<b><u>CASH FLOWS FROM OPERATING ACTIVITIES</u></b>	
Cash received from customers-----	\$12
Cash payments to suppliers for goods and services-----	(23)
<b>Net cash used by operating activities</b> -----	<b>(11)</b>
<b>Net decrease in cash</b> -----	<b>(11)</b>
Cash, beginning-----	40
<b>Cash, ending</b> -----	<b>\$29</b>
<b><u>RECONCILIATION OF OPERATING LOSS TO NET</u></b>	
<b><u>CASH USED BY OPERATING ACTIVITIES</u></b>	
Operating loss-----	(\$12)
<b><u>ADJUSTMENTS TO RECONCILE OPERATING LOSS TO</u></b>	
<b><u>NET CASH USED BY OPERATING ACTIVITIES</u></b>	
(Increase) decrease in prepaid assets-----	1
Total adjustments-----	1
<b>Net cash used by operating activities</b> -----	<b>(11)</b>

*Other Supplementary Information*





**CAPITAL ASSETS**  
**SCHEDULE BY FUND AND COMPONENT UNIT**  
**June 30, 2018**  
(dollars are in thousands)

**CITY OF OKLAHOMA CITY, OKLAHOMA**

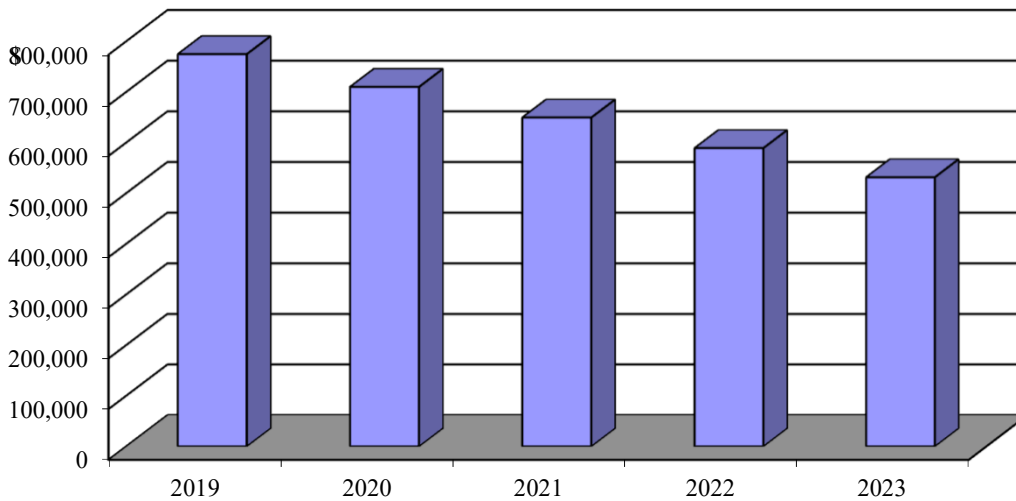
	NOT DEPRECIATED		DEPRECIATED				Total
	Land, Art & Water Storage Rights	Construction In Progress	Buildings	Infrastructure & Improvements Other Than Buildings	Furniture, Machinery, and Equipment	Accumulated Depreciation	
<b>Primary Government</b>							
<i>Governmental Activities</i>							
Non fund-related-----	\$176,812	\$426,459	\$582,542	\$1,951,740	\$252,815	(\$1,303,508)	\$2,086,860
<u>Internal service funds</u>							
Fleet Services Fund-----	928	-	722	75	35	(764)	996
Risk Management Fund-----	-	-	-	-	20	(20)	-
Information Technology Fund----	-	-	-	-	271	(259)	12
Print Shop Fund-----	-	-	-	-	196	(108)	88
OCMFA Services Fund-----	-	-	219	-	32,281	(23,994)	8,506
	<u>928</u>	<u>-</u>	<u>941</u>	<u>75</u>	<u>32,803</u>	<u>(25,145)</u>	<u>9,602</u>
	<u>177,740</u>	<u>426,459</u>	<u>583,483</u>	<u>1,951,815</u>	<u>285,618</u>	<u>(1,328,653)</u>	<u>2,096,462</u>
<i>Business-type Activities</i>							
<u>Major enterprise funds</u>							
Water Utilities Fund-----	9,378	-	43,540	637,514	31,889	(427,475)	294,846
OCEAT-----	-	567	2,248	2,796	37,030	(17,429)	25,212
OCZT-----	-	21,472	85,679	21,552	7,229	(45,191)	90,741
OCPPA Fairgrounds-----	2,006	7,510	30,266	63,759	4,423	(60,179)	47,785
OCPPA Golf Courses-----	-	-	9,012	20,931	5,026	(24,165)	10,804
	<u>11,384</u>	<u>29,549</u>	<u>170,745</u>	<u>746,552</u>	<u>85,597</u>	<u>(574,439)</u>	<u>469,388</u>
<u>Non-major enterprise funds</u>							
Airports Fund-----	16,115	-	8,637	30,441	6,366	(43,719)	17,840
Stormwater Drainage Fund-----	3,165	414	3,093	98,404	5,114	(72,624)	37,566
	<u>19,280</u>	<u>414</u>	<u>11,730</u>	<u>128,845</u>	<u>11,480</u>	<u>(116,343)</u>	<u>55,406</u>
	<u>30,664</u>	<u>29,963</u>	<u>182,475</u>	<u>875,397</u>	<u>97,077</u>	<u>(690,782)</u>	<u>524,794</u>
<b>Total primary government-</b>	<b><u>\$208,404</u></b>	<b><u>\$456,422</u></b>	<b><u>\$765,958</u></b>	<b><u>\$2,827,212</u></b>	<b><u>\$382,695</u></b>	<b><u>(\$2,019,435)</u></b>	<b><u>\$2,621,256</u></b>
<b>Component Units</b>							
OCAT-----	\$14,917	\$28,077	\$540,551	\$335,014	\$40,729	(\$508,087)	\$451,201
OCRRA-----	32	-	-	3,225	193	(964)	2,486
OCICF-----	953	-	-	-	-	-	953
OCWUT-----	122,033	194,837	87,244	1,387,300	118,367	(596,735)	1,313,046
COTPA-----	5,850	3,264	70,857	14,590	35,676	(50,694)	79,543
OCRA-----	541	-	8,619	45	-	(3,810)	5,395
OCEDT-----	5,955	10,071	2,628	8,614	-	(1,857)	25,411
<b>Total component units-----</b>	<b><u>\$150,281</u></b>	<b><u>\$236,249</u></b>	<b><u>\$709,899</u></b>	<b><u>\$1,748,788</u></b>	<b><u>\$194,965</u></b>	<b><u>(\$1,162,147)</u></b>	<b><u>\$1,878,035</u></b>

**LONG-TERM DEBT SUPPORTING  
GENERAL GOVERNMENT SERVICES  
SCHEDULE OF GENERAL OBLIGATION  
BONDS OUTSTANDING BY ISSUE (1)  
June 30, 2018  
(dollars are in thousands)**

**CITY OF OKLAHOMA CITY, OKLAHOMA**

Fiscal <u>Year</u>	<u>Issue</u>	<u>Issued</u>	Maturity <u>Date</u>	Amount <u>Issued</u>	Amount <u>Outstanding</u>
2008	Combined Purpose 2008 (2)	03/01/08	03/01/28	\$60,560	\$ -
2008	Economic Development 2008	03/01/08	03/01/28	7,000	3,715
2009	Combined Purpose 2009	04/01/09	03/01/29	47,485	27,485
2010	Combined Purpose 2010	03/01/10	03/01/30	64,420	40,655
2010	Economic Development 2010	04/01/10	03/01/30	29,000	18,290
2011	Combined Purpose 2011	03/01/11	03/01/31	43,000	29,410
2012	Refunding 2012	01/11/12	03/01/25	80,110	28,310
2012	Combined Purpose 2012	04/01/12	03/01/32	50,000	38,880
2013	Combined Purpose 2013	03/01/13	03/01/33	90,000	71,040
2014	Combined Purpose 2014	03/01/14	03/01/34	92,185	77,620
2014	Economic Development 2014	03/01/14	03/01/34	15,000	12,630
2014	Economic Development 2014A	09/01/14	09/01/34	12,000	10,730
2015	Combined Purpose 2015	03/01/15	03/01/35	85,595	76,585
2015	Refunding 2015	03/05/15	03/01/26	65,190	43,790
2016	Combined Purpose 2016	03/01/16	03/01/36	77,500	73,420
2016	Economic Development 2016	03/01/16	03/01/36	12,000	11,365
2016	Refunding 2016	03/01/16	03/01/27	32,525	29,220
2017	Combined Purpose 2017	03/01/17	03/01/37	90,500	90,500
2017	Refunding 2017	03/01/17	03/01/28	28,645	28,645
2018	Combined Purpose 2018	05/10/18	03/01/38	82,750	82,750
2018	Combined Purpose 2018 Taxable	05/10/18	03/01/38	<u>40,990</u>	<u>40,990</u>
				<b><u>\$1,106,455</u></b>	<b><u>\$836,030</u></b>

- (1) The graph below illustrates general obligation bond principal outstanding for the current fiscal year and projected over the next five fiscal years assuming no new bonds are issued.
- (2) The 2017 Refunding issue refunded portions of the 2008 general obligation bonds. Maturity dates on remaining issues are changed to reflect provisions of the 2017 Refunding.



**LONG-TERM DEBT SUPPORTING  
GENERAL GOVERNMENT SERVICES  
DEBT SERVICE TO MATURITY BY TYPE OF DEBT  
June 30, 2018  
(dollars are in thousands)**

**CITY OF OKLAHOMA CITY, OKLAHOMA**

Fiscal Year	General Obligation Bonds			Notes Payable			Capital Lease			Total Debt Service
	Principal	Interest	Total	Principal	Interest	Total	Principal	Interest	Total	
2019	\$61,365	\$32,481	\$93,846	\$548	\$128	\$676	\$10	\$3	\$13	\$94,535
2020	64,660	30,145	94,805	629	119	748	9	2	11	95,564
2021	60,495	27,622	88,117	636	110	746	10	2	12	88,875
2022	60,350	25,222	85,572	642	101	743	11	1	12	86,327
2023	57,545	22,752	80,297	699	91	790	2	-	2	81,089
2024	56,070	20,318	76,388	706	81	787	-	-	-	77,175
2025	54,825	17,908	72,733	713	71	784	-	-	-	73,517
2026	54,145	15,681	69,826	696	61	757	-	-	-	70,583
2027	50,380	13,479	63,859	378	55	433	-	-	-	64,292
2028	47,230	11,461	58,691	386	49	435	-	-	-	59,126
2029	43,975	9,635	53,610	393	44	437	-	-	-	54,047
2030	41,335	7,978	49,313	401	38	439	-	-	-	49,752
2031	36,530	6,469	42,999	409	32	441	-	-	-	43,440
2032	34,260	5,173	39,433	417	26	443	-	-	-	39,876
2033	31,460	3,952	35,412	426	20	446	-	-	-	35,858
2034	26,710	2,859	29,569	434	14	448	-	-	-	30,017
2035	21,070	1,922	22,992	443	8	451	-	-	-	23,443
2036	15,910	1,216	17,126	444	2	446	-	-	-	17,572
2037	11,245	659	11,904	-	-	-	-	-	-	11,904
2038	<u>6,470</u>	<u>252</u>	<u>6,722</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>6,722</u>
	<b><u>\$836,030</u></b>	<b><u>\$257,184</u></b>	<b><u>\$1,093,214</u></b>	<b><u>\$9,400</u></b>	<b><u>\$1,050</u></b>	<b><u>\$10,450</u></b>	<b><u>\$42</u></b>	<b><u>\$8</u></b>	<b><u>\$50</u></b>	<b><u>\$1,103,714</u></b>

**SCHEDULE OF RECEIVABLES AND PAYABLES  
WITHIN THE REPORTING ENTITY  
BY FUND  
June 30, 2018  
(dollars are in thousands)**

<u>Due to Other Funds</u>											
<i>Governmental Activities</i>											
	Major Funds				Other Governmental Funds						
		General	OCPPA		OCMFA		Hotel/ Motel	Capital	City	MAPS3	
	<u>General</u>	<u>Grants Management</u>	<u>Obligation Bonds</u>	<u>General Purpose</u>	<u>Asset Forfeiture</u>	<u>General Purpose</u>	<u>Medical Services</u>	<u>Tax</u>	<u>Improvements Fund</u>	<u>Schools Sales Tax</u>	<u>Use Tax</u>
<b>DUE FROM</b>											
<i>Governmental Activities</i>											
<u>Major Governmental Funds</u>											
General	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$7,573	\$3	\$ -
Grants Management	1,857	-	-	-	-	-	-	-	-	-	-
MAPS3 Sales Tax	159	640	-	-	-	-	-	-	-	-	-
General Obligation Bonds	862	-	-	-	-	539	-	-	-	-	-
OCPPA General Purpose	567	-	-	-	-	-	-	-	-	-	59
Better Streets/Safer City	9	-	-	-	-	-	-	-	-	-	-
<u>Other Governmental Funds</u>											
Court Administration and Training	430	-	-	-	-	-	-	-	-	-	-
Police	570	-	-	-	3	-	-	-	-	-	-
Fire	340	-	-	-	-	-	-	36	-	-	-
Asset Forfeiture	3	-	-	-	-	-	-	-	-	-	-
Zoo	-	-	-	-	-	-	-	-	-	-	-
OCMFA General Purpose	267	-	-	-	-	-	-	-	-	-	-
Special Purpose	2,204	158	364	-	-	-	-	-	-	-	-
Special Districts	175	-	-	-	-	-	-	-	-	-	-
Medical Services	3	-	-	-	-	-	-	-	-	-	-
Capital Improvement	-	-	-	177	-	21	-	-	-	-	-
Police/Fire Equipment Sales Tax	1	-	-	-	-	-	-	-	-	-	-
Impact Fees	2	-	-	-	-	-	-	-	-	-	-
MAPS3 Use Tax	36	-	-	-	-	-	-	-	-	-	-
<u>Internal Service Funds</u>											
Risk Management	7	-	-	-	-	-	-	-	-	-	-
Information Technology	27	-	-	-	-	-	-	-	-	-	-
OCMFA Services	18	63	-	-	-	-	-	-	-	-	-
	<b><u>\$7,537</u></b>	<b><u>\$861</u></b>	<b><u>\$364</u></b>	<b><u>\$177</u></b>	<b><u>\$3</u></b>	<b><u>\$560</u></b>	<b><u>\$-</u></b>	<b><u>\$-</u></b>	<b><u>\$7,609</u></b>	<b><u>\$3</u></b>	<b><u>\$59</u></b>
<u>Major Enterprise Funds</u>											
Water and Wastewater	\$2,448	\$ -	\$ -	\$ -	\$ -	\$ -	\$70	\$ -	\$ -	\$ -	\$ -
OCEAT	263	-	-	-	-	-	-	-	-	-	-
OCPPA Fairgrounds	-	-	-	-	-	-	755	-	-	-	-
OCPPA Golf Courses	44	-	-	-	-	-	-	-	-	-	-
<u>Other Enterprise Funds</u>											
Airports	35	-	-	-	-	-	-	-	-	-	-
Solid Waste Management	24	-	-	-	-	-	-	-	-	-	-
Stormwater Drainage	30	-	-	-	-	-	-	-	-	-	-
Parking	61	-	-	-	-	-	-	-	-	-	-
	<b><u>\$2,905</u></b>	<b><u>\$-</u></b>	<b><u>\$-</u></b>	<b><u>\$-</u></b>	<b><u>\$-</u></b>	<b><u>\$-</u></b>	<b><u>\$70</u></b>	<b><u>\$755</u></b>	<b><u>\$-</u></b>	<b><u>\$-</u></b>	<b><u>\$-</u></b>



CITY OF OKLAHOMA CITY, OKLAHOMA

<i>Governmental Activities</i>				<i>Due to Other Funds</i>					
				<i>Business-type Activities</i>					
<u>Internal Service Funds</u>				<u>Major Funds</u>			<u>Other Enterprise Funds</u>		
<u>Fleet Services</u>	<u>Information Technology</u>	<u>Print Shop</u>	<u>OCMFA Services</u>	<u>OCEAT</u>	<u>OCZT</u>	<u>OCPPA Fairgrounds</u>	<u>Stormwater Drainage</u>	<u>Total</u>	
\$64	\$ -	\$18	\$ -	\$ -	\$ -	\$755	\$ -	\$8,413	
-	9	-	-	-	-	-	-	1,866	
-	-	-	-	-	-	-	-	799	
-	-	-	-	-	-	-	41	1,442	
-	-	-	676	-	-	-	4	1,306	
-	-	-	-	-	-	-	-	9	
-	-	-	-	-	-	-	-	430	
137	-	-	-	-	-	-	-	710	
-	-	-	-	-	-	-	-	376	
-	-	-	-	-	-	-	-	3	
-	-	-	-	-	1,951	-	-	1,951	
-	-	-	-	-	-	-	6	273	
-	-	-	-	-	-	-	-	2,726	
-	-	-	-	-	-	-	-	175	
-	-	-	-	11	-	-	2	16	
-	-	89	-	-	-	-	-	287	
-	-	-	-	-	-	-	-	1	
-	-	-	-	-	-	-	-	2	
-	-	-	-	-	-	-	-	36	
-	-	-	-	-	-	-	-	7	
-	-	-	-	-	-	-	-	27	
-	-	-	-	-	-	-	-	81	
<b><u>\$201</u></b>	<b><u>\$9</u></b>	<b><u>\$107</u></b>	<b><u>\$676</u></b>	<b><u>\$11</u></b>	<b><u>\$1,951</u></b>	<b><u>\$755</u></b>	<b><u>\$53</u></b>	<b><u>\$20,936</u></b>	
\$17	\$ -	\$1	\$ -	\$375	\$ -	\$ -	\$189	\$3,100	
-	-	-	-	-	-	-	(1)	262	
-	-	-	-	-	-	-	-	755	
-	-	-	-	-	-	-	-	44	
-	-	-	-	-	-	-	-	35	
1	-	-	-	-	-	-	-	25	
28	-	-	-	14	-	-	-	72	
-	-	-	-	-	-	-	-	61	
<b><u>\$46</u></b>	<b><u>\$-</u></b>	<b><u>\$1</u></b>	<b><u>\$-</u></b>	<b><u>\$389</u></b>	<b><u>\$-</u></b>	<b><u>\$-</u></b>	<b><u>\$188</u></b>	<b><u>\$4,354</u></b>	

**SCHEDULE OF TRANSFERS  
 WITHIN THE REPORTING ENTITY  
 BY FUND  
 June 30, 2018  
 (dollars are in thousands)**

	<u>Transfers From Other Funds</u>							
	<i>Governmental Activities</i>							
	Major Funds					Other Governmental Funds		
<u>General</u>	Debt <u>Service</u>	MAPS3 Sales <u>Tax</u>	General Obligation <u>Bonds</u>	OCPPA General <u>Purpose</u>	Court Administration and Training	Zoo	OCMFA General <u>Purpose</u>	
<u>TRANSFERS TO</u>								
<i>Governmental Activities</i>								
<u>Major Governmental Funds</u>								
General	\$ -	\$ -	\$ -	\$ -	\$ -	\$427	\$ -	\$73
Grants Management	403	-	1,295	-	-	-	-	-
General Obligation Bonds	-	123,740	-	-	-	-	-	-
OCPPA General Purpose	6,727	-	-	-	-	-	-	-
<u>Other Governmental Funds</u>								
Emergency Management	2,800	-	-	-	-	-	-	-
Asset Forfeiture	-	-	-	-	-	-	-	69
OCMFA General Purpose	157	-	-	-	-	-	-	-
Special Purpose	13	-	-	5	-	-	-	-
Special Districts	-	-	-	-	6	-	-	-
Capital Improvement	13,561	-	-	-	112	-	-	104
<u>Internal Service Funds</u>								
Information Technology	-	-	-	-	13	-	-	-
OCMFA Services	-	-	-	-	-	-	-	-
	<u>\$23,661</u>	<u>\$123,740</u>	<u>\$1,295</u>	<u>\$5</u>	<u>\$131</u>	<u>\$427</u>	<u>\$-</u>	<u>\$246</u>
<u>Major Enterprise Funds</u>								
OCZT	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$13,899	\$ -
OCPPA Fairgrounds	-	-	-	-	-	-	-	-
OCPPA Golf Courses	1,222	-	-	-	-	-	-	-
<u>Other Enterprise Funds</u>								
Transportation	<u>405</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>\$1,627</u>	<u>\$-</u>	<u>\$-</u>	<u>\$-</u>	<u>\$-</u>	<u>\$-</u>	<u>\$13,899</u>	<u>\$-</u>

CITY OF OKLAHOMA CITY, OKLAHOMA

<u>Transfers From Other Funds</u>									
<i>Governmental Activities</i>							<i>Business-type Activities</i>		
Other Governmental Funds			Internal Service Funds				Major Enterprise Funds	Other Enterprise Funds	
MAPS3 Use Tax	Special Purpose	Hotel/ Motel Tax	Risk Management	Information Technology	Print Shop	OCMFA Services	OCEAT	Stormwater Drainage	Total
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$1,053	\$ -	\$1,553
29	1,449	-	-	-	-	1	-	152	3,329
-	-	-	-	-	-	-	-	-	123,740
-	-	-	-	-	-	-	-	1,500	8,227
-	-	-	-	-	-	-	-	-	2,800
-	-	-	-	-	-	-	-	-	69
-	-	-	-	338	-	-	-	-	495
-	-	-	-	-	-	-	-	-	18
-	-	-	-	-	-	-	-	-	6
-	-	-	-	650	56	-	-	-	14,483
-	-	-	-	-	-	-	-	-	13
<u>-</u>	<u>-</u>	<u>-</u>	<u>152</u>	<u>691</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>843</u>
<b><u>\$29</u></b>	<b><u>\$1,449</u></b>	<b><u>\$-</u></b>	<b><u>\$152</u></b>	<b><u>\$1,679</u></b>	<b><u>\$56</u></b>	<b><u>\$1</u></b>	<b><u>\$1,053</u></b>	<b><u>\$1,652</u></b>	<b><u>\$155,576</u></b>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$13,899
-	-	8,339	-	-	-	-	-	-	8,339
-	-	-	-	-	-	-	-	-	1,222
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>405</u>
<b><u>\$-</u></b>	<b><u>\$-</u></b>	<b><u>\$8,339</u></b>	<b><u>\$-</u></b>	<b><u>\$-</u></b>	<b><u>\$-</u></b>	<b><u>\$-</u></b>	<b><u>\$-</u></b>	<b><u>\$-</u></b>	<b><u>\$23,865</u></b>

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## ***Statistical***

*This section of the City's CAFR presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information say about the City's overall financial health. This information has not been audited by the independent auditor.*

- \* **Financial Trends** – These schedules contain trend information to help the reader understand how the City's financial performance and well-being changed over time.*
- \* **Revenue Capacity** – These schedules contain information to help the reader assess the City's significant local revenue sources, the sales tax and the property tax, as well as other revenue sources.*
- \* **Debt Capacity** – These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.*
- \* **Economic and Demographic Information** – These schedules offer economic and demographic indicators to help the reader understand the environment within which the City's financial activities take place and to help make comparisons over time and with other governments.*
- \* **Operating Information** – These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.*

**Sources:** *Unless otherwise noted, the information in these schedules is derived from the City's comprehensive annual financial reports for the relevant year.*

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**PRIMARY GOVERNMENT  
NET POSITION BY COMPONENT (1) (2)**

**CITY OF OKLAHOMA CITY, OKLAHOMA  
TABLE 1**

**Last Ten Fiscal Years  
(dollars are in thousands)**

	Fiscal Year									
	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
<i>Governmental Activities:</i>										
Net investment in capital assets	\$1,467,803	\$1,391,501	\$985,962	\$887,305	\$864,518	\$888,639	\$917,055	\$1,004,827	\$1,020,619	\$774,069
Restricted for:										
Capital projects	594,891	466,553	694,741	661,245	609,920	487,134	363,150	159,669	103,661	222,521
Debt service	97,399	86,938	91,874	90,647	82,876	68,277	52,171	51,305	39,562	48,049
Public safety	8,754	11,128	17,921	22,432	20,206	22,682	18,850	17,246	17,221	-
Public services	16,056	18,464	20,096	6,829	16,144	8,859	6,849	6,698	5,638	9,249
Culture and recreation	10,342	9,724	10,842	11,125	11,630	11,284	12,519	10,240	56,152	23,921
Education	-	-	-	-	-	-	-	-	6,205	7,073
Unrestricted	<u>(488,093)</u>	<u>(163,313)</u>	<u>(144,891)</u>	<u>(156,822)</u>	<u>156,212</u>	<u>169,684</u>	<u>169,928</u>	<u>130,372</u>	<u>52,086</u>	<u>174,027</u>
	<b><u>1,707,152</u></b>	<b><u>1,820,995</u></b>	<b><u>1,676,545</u></b>	<b><u>1,522,761</u></b>	<b><u>1,761,506</u></b>	<b><u>1,656,559</u></b>	<b><u>1,540,522</u></b>	<b><u>1,380,357</u></b>	<b><u>1,301,144</u></b>	<b><u>1,258,909</u></b>
% change from prior year	(6.25)%	8.62%	10.10%	(13.55)%	6.34%	7.53%	11.60%	6.09%	3.35%	6.43%
<i>Business-type Activities: (3)</i>										
Net investment in capital assets	429,640	412,544	401,278	379,694	376,582	373,819	1,088,470	1,032,890	1,023,777	965,156
Restricted for:										
Capital projects	25	21	1	1	1	1	863	1,573	2,140	11,449
Debt service	4,562	3,644	4,009	4,664	4,467	4,156	54,363	51,358	39,287	35,595
Public services	-	-	-	-	-	16	-	-	162,286	98,856
Culture and recreation	-	-	-	81	256	232	-	-	-	-
Maintenance	-	-	-	-	-	-	19,840	17,421	17,482	19,348
Unrestricted	<u>(12,673)</u>	<u>31,519</u>	<u>19,522</u>	<u>3,446</u>	<u>(5,430)</u>	<u>(9,863)</u>	<u>186,221</u>	<u>176,014</u>	<u>(37,526)</u>	<u>(50,867)</u>
	<b><u>421,554</u></b>	<b><u>447,728</u></b>	<b><u>424,810</u></b>	<b><u>387,886</u></b>	<b><u>375,876</u></b>	<b><u>368,361</u></b>	<b><u>1,349,757</u></b>	<b><u>1,279,256</u></b>	<b><u>1,207,446</u></b>	<b><u>1,079,537</u></b>
% change from prior year	(5.85)%	5.39%	9.52%	3.20%	2.04%	(72.71)%	5.51%	5.95%	11.85%	5.62%
<b>Primary Government</b>										
Net investment in capital assets	1,897,443	1,804,045	1,387,240	1,266,999	1,241,100	1,262,458	2,005,525	2,037,717	2,044,396	1,739,225
Restricted for:										
Capital projects	594,916	466,574	694,742	661,246	609,920	487,135	364,013	161,242	105,801	233,970
Debt service	101,961	90,582	95,883	95,311	87,343	72,433	106,534	102,663	78,849	83,644
Public safety	8,754	11,128	17,921	22,432	20,206	22,682	18,850	17,246	17,221	-
Public services (4)	16,056	18,464	20,096	6,829	16,144	8,875	6,849	6,698	167,924	108,105
Culture and recreation	10,342	9,724	10,842	11,206	11,886	11,516	12,519	10,240	56,152	23,921
Education	-	-	-	-	-	-	-	-	6,205	7,073
Maintenance	-	-	-	-	-	-	19,840	17,421	17,482	19,348
Unrestricted	<u>(500,766)</u>	<u>(131,794)</u>	<u>(125,369)</u>	<u>(153,376)</u>	<u>150,782</u>	<u>159,821</u>	<u>356,149</u>	<u>306,386</u>	<u>14,560</u>	<u>123,160</u>
<b>Total primary government (5)</b>	<b><u>\$2,128,706</u></b>	<b><u>\$2,268,723</u></b>	<b><u>\$2,101,355</u></b>	<b><u>\$1,910,647</u></b>	<b><u>\$2,137,382</u></b>	<b><u>\$2,024,920</u></b>	<b><u>\$2,890,279</u></b>	<b><u>\$2,659,613</u></b>	<b><u>\$2,508,590</u></b>	<b><u>\$2,338,446</u></b>
% change from prior year	(6.17)%	7.96%	9.98%	(10.61)%	5.55%	(29.94)%	8.67%	6.02%	7.28%	6.05%

- (1) This schedule reports using the accrual basis of accounting.
- (2) Reporting standards require that net position be reported in three components in the financial statements: net investment in capital assets; restricted; and unrestricted. Net position is considered restricted when (1) an external party, such as the state or Federal government, places a restriction on how the resources may be used, or (2) enabling legislation is enacted by the City, as is the case with several special revenue funds restricted to the purposes of the fund. Public trust net position is restricted by applicable trust and bond indentures to the purposes of the trust, appropriately reported in separate funds at the fund reporting level. However, as with certain special revenue funds, the requirement for additional restriction arises in the government-wide statements where business-type activities are consolidated. Therefore, trust net position comprise the primary differences between the restricted net position reported in the proprietary statement of fund net position and the government-wide business-type activities restricted net position.
- (3) In 2013 the City implemented Governmental Accounting Standards Board statement number 61 which resulted in adding and removing certain business activities related to reclassification of certain trusts and authorities.
- (4) Net position of public trusts were reported as restricted for public services until 2011.
- (5) See Table 2 for changes in net position from year to year.

**PRIMARY GOVERNMENT  
CHANGES IN NET POSITION (1)  
Last Ten Fiscal Years  
(dollars are in thousands)**

**CITY OF OKLAHOMA CITY, OKLAHOMA**

**TABLE 2  
page 1 of 2**

	Fiscal Year									
	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
<b>PROGRAM EXPENSES (2)</b>										
<i>Governmental Activities</i>										
General government	\$58,532	\$64,330	\$36,846	\$41,599	\$40,258	\$26,863	\$31,257	\$29,501	\$44,301	\$42,737
Public safety:										
Police	167,839	174,615	168,154	161,809	173,665	177,062	158,950	143,367	160,889	171,042
Fire	147,406	129,630	139,416	144,589	153,724	153,482	137,017	124,945	132,709	127,573
Other	32,183	31,051	27,658	24,808	25,455	35,419	26,993	26,785	18,318	17,865
Public services	183,256	177,509	177,854	182,861	153,260	137,685	127,218	146,034	129,972	102,201
Culture and recreation	102,774	99,818	89,891	88,698	85,197	79,813	87,379	77,107	72,664	74,320
Education	21,854	412	546	1,245	1,543	2,059	1,571	1,327	1,224	41,322
Economic development	4,241	3,263	3,736	2,863	3,382	1,271	5,335	4,902	-	-
Interest on long-term debt	<u>23,944</u>	<u>23,606</u>	<u>23,481</u>	<u>26,470</u>	<u>22,608</u>	<u>22,389</u>	<u>20,824</u>	<u>25,882</u>	<u>22,617</u>	<u>24,124</u>
	<u>742,029</u>	<u>704,234</u>	<u>667,582</u>	<u>674,942</u>	<u>659,092</u>	<u>636,043</u>	<u>596,544</u>	<u>579,850</u>	<u>582,694</u>	<u>601,184</u>
<i>Business-type Activities (3)</i>										
Airports	-	98	-	15,809	16,503	16,204	52,824	54,103	53,011	52,570
Water and wastewater utilities	9,292	9,193	9,488	87,249	94,257	92,007	159,659	140,631	142,496	138,135
Solid waste management	49,888	46,192	48,676	43,231	40,705	39,147	37,150	35,213	34,467	33,613
Stormwater drainage	17,025	18,023	16,893	16,982	18,725	17,409	16,113	15,933	13,495	13,791
Golf courses	9,760	10,707	10,406	10,112	9,901	10,956	10,811	9,160	11,944	10,405
Fairgrounds	11,251	12,296	11,665	12,712	10,325	9,873	10,063	6,652	2,363	2,516
Ground transportation and parking	403	605	831	2,305	4,769	4,892	4,741	5,253	2,258	2,472
Zoo operations	<u>19,876</u>	<u>22,258</u>	<u>21,360</u>	<u>21,900</u>	<u>21,529</u>	<u>20,522</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>117,495</u>	<u>119,372</u>	<u>119,319</u>	<u>210,300</u>	<u>216,714</u>	<u>211,010</u>	<u>291,361</u>	<u>266,945</u>	<u>260,034</u>	<u>253,502</u>
<b>Total program expenses</b>	<b><u>859,524</u></b>	<b><u>823,606</u></b>	<b><u>786,901</u></b>	<b><u>885,242</u></b>	<b><u>875,806</u></b>	<b><u>847,053</u></b>	<b><u>887,905</u></b>	<b><u>846,795</u></b>	<b><u>842,728</u></b>	<b><u>854,686</u></b>
<b>PROGRAM REVENUES</b>										
<i>Governmental Activities</i>										
<b>CHARGES FOR SERVICES</b>										
General government	8,935	12,225	4,530	3,302	761	2,464	1,883	2,220	2,143	2,413
Public safety:										
Police	1,614	2,017	2,673	2,088	4,487	2,516	3,730	3,765	3,118	2,814
Fire	16	14	14	14	991	13	8	12	11	4
Other	30,473	32,430	33,493	36,341	34,006	34,429	30,530	30,572	28,573	21,588
Public services	26,072	22,077	23,088	24,552	22,282	21,774	18,429	17,552	19,054	19,131
Culture and recreation	29,652	24,769	20,693	21,619	22,933	20,413	18,519	18,127	15,801	15,640
Education	-	-	74	149	240	224	205	204	9	-
Economic development	<u>-</u>	<u>-</u>	<u>60</u>	<u>(112)</u>	<u>257</u>	<u>-</u>	<u>2</u>	<u>1</u>	<u>-</u>	<u>-</u>
Total charges for services	<u>96,762</u>	<u>93,532</u>	<u>84,625</u>	<u>87,953</u>	<u>85,957</u>	<u>81,833</u>	<u>73,306</u>	<u>72,453</u>	<u>68,709</u>	<u>61,590</u>
Operating grants and contributions	78,652	75,729	74,673	69,445	64,019	65,711	65,844	73,965	57,725	73,350
Capital grants and contributions	<u>18,130</u>	<u>96,778</u>	<u>55,248</u>	<u>26,805</u>	<u>13,114</u>	<u>64,783</u>	<u>16,504</u>	<u>12,003</u>	<u>30,761</u>	<u>24,093</u>
	<u>193,544</u>	<u>266,039</u>	<u>214,546</u>	<u>184,203</u>	<u>163,090</u>	<u>212,327</u>	<u>155,654</u>	<u>158,421</u>	<u>157,195</u>	<u>159,033</u>
<i>Business-type Activities (3)</i>										
<b>CHARGES FOR SERVICES</b>										
Airports	11	22	-	38	67	6	60,136	60,647	56,105	54,089
Water and wastewater utilities	-	-	-	12	84,249	81,031	198,646	184,370	163,063	146,534
Solid waste management	56,664	54,446	51,663	49,090	46,398	43,622	41,418	39,933	38,459	37,067
Stormwater drainage	18,029	17,617	17,296	17,250	16,160	14,923	14,540	12,715	11,204	11,000
Golf courses	8,971	9,047	9,203	8,752	8,533	9,061	9,063	8,481	8,222	9,027
Fairgrounds	-	5	-	-	-	-	5	-	-	97
Ground transportation and parking	-	-	-	-	2,617	2,464	2,202	2,245	-	-
Zoo operations	<u>9,924</u>	<u>11,166</u>	<u>11,547</u>	<u>10,999</u>	<u>10,432</u>	<u>11,530</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total charges for services	<u>93,599</u>	<u>92,303</u>	<u>89,709</u>	<u>86,141</u>	<u>168,456</u>	<u>162,637</u>	<u>326,010</u>	<u>308,391</u>	<u>277,053</u>	<u>257,814</u>
Operating grants and contributions	2,569	3,086	8,301	93,417	19,592	17,990	11,172	11,237	10,855	13,871
Capital grants and contributions	<u>14,360</u>	<u>20,712</u>	<u>35,905</u>	<u>16,312</u>	<u>13,715</u>	<u>9,364</u>	<u>18,706</u>	<u>29,978</u>	<u>26,029</u>	<u>32,708</u>
	<u>110,528</u>	<u>116,101</u>	<u>133,915</u>	<u>195,870</u>	<u>201,763</u>	<u>189,991</u>	<u>355,888</u>	<u>349,606</u>	<u>313,937</u>	<u>304,393</u>
<b>Total program revenues</b>	<b><u>304,072</u></b>	<b><u>382,140</u></b>	<b><u>348,461</u></b>	<b><u>380,073</u></b>	<b><u>364,853</u></b>	<b><u>402,318</u></b>	<b><u>511,542</u></b>	<b><u>508,027</u></b>	<b><u>471,132</u></b>	<b><u>463,426</u></b>



**PRIMARY GOVERNMENT  
CHANGES IN NET POSITION (1)**  
Last Ten Fiscal Years  
(dollars are in thousands)

**CITY OF OKLAHOMA CITY, OKLAHOMA**  
**TABLE 2**  
page 2 of 2

	Fiscal Year									
	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
<b><u>NET (EXPENSES) REVENUES (3)</u></b>										
<i>Governmental Activities</i>	(548,485)	(438,195)	(453,036)	(490,739)	(496,002)	(423,716)	(440,890)	(421,429)	(425,499)	(442,151)
<i>Business-type Activities (4)</i>	(6,967)	(3,271)	14,596	(14,430)	(14,951)	(21,019)	64,527	82,661	53,903	50,891
<b>Net expenses</b>	<b>(555,452)</b>	<b>(441,466)</b>	<b>(444,449)</b>	<b>(505,169)</b>	<b>(510,953)</b>	<b>(444,735)</b>	<b>(376,363)</b>	<b>(338,768)</b>	<b>(371,596)</b>	<b>(391,260)</b>
<b><u>GENERAL REVENUES, CONTRIBUTIONS AND TRANSFERS</u></b>										
<i>Governmental Activities</i>										
<b><u>TAXES:</u></b>										
Sales taxes:										
General	234,517	207,790	212,368	217,699	214,282	205,542	198,383	186,414	169,105	178,462
Police	41,695	39,266	39,938	40,944	40,185	38,761	37,707	35,367	31,919	33,462
Fire	41,695	39,266	39,938	40,944	40,185	38,761	37,707	35,367	31,919	33,462
Public services	55,553	425	634	669	685	655	3,343	2,210	1,132	674
Culture and recreation	70,344	117,771	119,700	122,775	120,443	116,604	112,729	105,055	90,566	52,155
Education	-	-	-	-	-	-	-	-	-	48,065
<b>Total sales taxes</b>	<b>443,804</b>	<b>404,518</b>	<b>412,578</b>	<b>423,031</b>	<b>415,780</b>	<b>400,323</b>	<b>389,869</b>	<b>364,413</b>	<b>324,641</b>	<b>346,280</b>
Use taxes	61,880	48,566	41,914	48,570	49,923	45,406	52,470	44,735	37,976	38,221
Hotel/Motel taxes	15,323	14,221	14,615	14,722	13,885	13,321	12,177	10,858	10,319	10,653
Property taxes	88,875	83,305	83,898	79,750	79,153	76,756	73,778	76,581	60,935	62,093
Franchise taxes (fees)	45,260	41,530	41,419	45,054	43,641	42,109	42,410	39,912	40,216	39,902
Emergency telephone taxes	5,882	5,334	4,517	4,659	4,749	4,779	4,598	4,546	4,777	4,678
Other taxes	6,861	5,898	5,899	5,928	5,761	6,028	6,401	6,076	5,329	5,518
<b>Total taxes</b>	<b>667,885</b>	<b>603,372</b>	<b>604,840</b>	<b>621,714</b>	<b>612,892</b>	<b>588,722</b>	<b>581,703</b>	<b>547,121</b>	<b>484,193</b>	<b>507,345</b>
Oil and gas royalties	380	339	336	564	1,290	892	1,074	1,066	1,178	823
Unrestricted investment income	4,257	(2,381)	4,381	2,465	1,307	412	2,182	2,669	5,409	17,503
Miscellaneous	2,698	2,912	7,413	8,212	8,134	7,754	7,953	5,319	7,221	1,515
Transfers	(21,160)	(21,597)	(21,758)	(20,799)	(22,192)	(20,674)	(453)	(6,832)	(1,066)	(6,540)
Special item	31,836	-	-	-	-	-	7,497	-	-	-
	<b>685,896</b>	<b>582,645</b>	<b>595,212</b>	<b>612,156</b>	<b>601,431</b>	<b>577,106</b>	<b>599,956</b>	<b>549,343</b>	<b>496,935</b>	<b>520,646</b>
<i>Business-type Activities (4)</i>										
Unrestricted investment income	362	384	570	347	274	153	1,180	1,371	-	-
Transfers	21,160	21,597	21,758	20,799	22,192	20,674	453	6,832	1,066	6,540
Special item	-	-	-	-	-	-	(2,872)	-	-	-
	<b>21,522</b>	<b>21,981</b>	<b>22,328</b>	<b>21,146</b>	<b>22,466</b>	<b>20,827</b>	<b>(1,239)</b>	<b>8,203</b>	<b>1,066</b>	<b>6,540</b>
<b>Total general revenues, contributions, transfers, and special items</b>	<b>707,418</b>	<b>604,626</b>	<b>617,540</b>	<b>633,302</b>	<b>623,897</b>	<b>597,933</b>	<b>598,717</b>	<b>557,546</b>	<b>498,001</b>	<b>527,186</b>
<b><u>CHANGES IN NET POSITION</u></b>										
<i>Governmental Activities</i>	137,411	144,450	142,176	121,417	105,429	153,390	159,066	127,914	71,436	78,495
<i>Business-type Activities (4)</i>	14,555	18,710	36,924	6,716	7,515	(192)	63,288	90,864	54,969	57,431
<b>Total primary government</b>	<b>\$151,966</b>	<b>\$163,160</b>	<b>\$179,100</b>	<b>\$128,133</b>	<b>\$112,944</b>	<b>\$153,198</b>	<b>\$222,354</b>	<b>\$218,778</b>	<b>\$126,405</b>	<b>\$135,926</b>

(1) This schedule reports using the accrual basis of accounting.

(2) Expenses include allocated indirect expenses.

(3) Net (expenses) revenues is the difference between expenses and program revenues. It indicates the degree to which a function or program is supported with its own fees and program-specific grants versus its reliance upon funding from taxes and other general revenues. A number in parentheses indicates that expenses were greater than program revenues and therefore general revenues were needed to finance that function or program. Numbers without parentheses indicate that program revenues were more than sufficient to cover expenses.

(4) In 2013 the City implemented Governmental Accounting Standards Board statement number 61 which resulted in adding and removing certain business activities related to reclassification of certain trusts and authorities.

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**GOVERNMENTAL FUNDS  
FUND BALANCES (1)  
Last Ten Fiscal Years  
(dollars are in thousands)**

**CITY OF OKLAHOMA CITY, OKLAHOMA  
TABLE 3**

	Fiscal Year									
	2018	2017	2016	2015	2014	2013	2012 (2)	2011	2010	2009
<b>GENERAL FUND</b>										
Non-spendable	\$7,564	\$7,371	\$8,126	\$7,462	\$8,180	\$8,984	\$10,376	\$8,714	\$ -	\$ -
Restricted	-	-	904	760	664	465	275	183	-	-
Assigned	1,772	1,445	496	1,065	1,564	2,321	1,687	1,239	-	-
Unassigned	132,690	106,088	109,582	130,537	120,480	125,836	103,749	89,177	-	-
<b>RESERVED FOR</b>										
Encumbrances	-	-	-	-	-	-	-	-	1,144	1,872
Restricted purposes	-	-	-	-	-	-	-	-	515	508
Non-current receivables and other assets	-	-	-	-	-	-	-	-	3,311	-
<b>UNRESERVED:</b>										
Designated	-	-	-	-	-	-	-	-	5,000	5,000
Undesignated	-	-	-	-	-	-	-	-	53,730	74,112
<b>Total General Fund</b>	<b>142,026</b>	<b>114,904</b>	<b>119,108</b>	<b>139,824</b>	<b>130,888</b>	<b>137,606</b>	<b>116,087</b>	<b>99,313</b>	<b>63,700</b>	<b>81,492</b>
% change from prior year	23.6%	(3.5%)	(14.8%)	6.8%	(4.9%)	18.5%	16.9%	55.9%	(21.8%)	(10.0%)
<b>OTHER GOVERNMENTAL FUNDS</b>										
Non-spendable	5,866	3,207	25,045	22,980	19,713	20,659	9,865	14,765	-	-
Restricted	929,172	854,478	834,466	788,672	732,549	617,104	462,583	407,211	-	-
Committed	61,110	50,445	56,566	56,954	54,600	49,709	42,897	19,381	-	-
Assigned	58,519	60,181	66,929	65,447	68,456	65,194	84,935	79,602	-	-
Unassigned	(4,241)	(4,347)	(7,028)	(16,547)	(14,841)	(31,513)	(4,537)	(6,487)	-	-
<b>RESERVED FOR</b>										
Encumbrances	-	-	-	-	-	-	-	-	87,632	84,906
Restricted purposes	-	-	-	-	-	-	-	-	3,105	11,369
Non-current receivables and other assets	-	-	-	-	-	-	-	-	24,934	8,492
<b>UNRESERVED, REPORTED IN</b>										
Debt Service Fund	-	-	-	-	-	-	-	-	47,823	46,850
<b>Special revenue funds:</b>										
Undesignated	-	-	-	-	-	-	-	-	171,880	151,985
Capital Projects Fund	-	-	-	-	-	-	-	-	151,691	157,387
<b>Total other governmental funds</b>	<b>1,050,426</b>	<b>963,964</b>	<b>975,978</b>	<b>917,506</b>	<b>860,477</b>	<b>721,153</b>	<b>595,743</b>	<b>514,472</b>	<b>487,065</b>	<b>460,989</b>
% change from prior year	9.0%	(1.2%)	6.4%	6.6%	19.3%	21.1%	15.8%	5.6%	5.7%	2.9%
<b>Total</b>	<b>1,192,452</b>	<b>1,078,868</b>	<b>1,095,086</b>	<b>1,057,330</b>	<b>991,365</b>	<b>858,759</b>	<b>711,830</b>	<b>613,785</b>	<b>550,765</b>	<b>542,481</b>
% change from prior year	10.5%	(1.5%)	3.6%	6.7%	15.4%	20.6%	16.0%	11.4%	1.5%	0.7%

(1) This schedule reports using the modified accrual basis of accounting.

(2) The City of Oklahoma City implemented GASB 54 in fiscal year 2011 which changed fund balance classifications.

**GOVERNMENTAL FUNDS  
CHANGES IN FUND BALANCES (1)  
Last Ten Fiscal Years  
(dollars are in thousands)**

**CITY OF OKLAHOMA CITY, OKLAHOMA  
TABLE 4  
page 1 of 2**

	Fiscal Year									
	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
<b>REVENUE</b>										
Taxes (2)	\$667,591	\$603,453	\$604,323	\$621,429	\$612,540	\$589,227	\$583,252	\$544,492	\$486,023	\$506,571
Licenses and permits	29,845	24,933	23,443	24,899	23,578	23,068	21,894	21,718	18,033	12,427
Oil and gas royalties	379	332	337	584	1,259	893	1,073	1,066	1,178	823
Fines and forfeitures	21,518	23,384	24,512	27,080	27,872	27,901	24,035	23,617	21,316	20,127
Investment income	9,189	3,930	10,229	6,130	5,093	1,930	4,994	6,599	4,952	15,519
Charges for services	48,913	47,924	41,228	41,983	41,536	38,568	35,944	35,823	37,322	38,813
Rental income	4,201	3,989	2,491	2,107	2,541	1,668	1,273	1,025	1,286	1,986
Payments from component units	8,740	9,077	9,059	8,494	6,382	6,083	314	579	2,558	20,793
Intergovernmental programs	66,989	81,444	74,490	61,975	62,063	61,325	63,044	67,597	53,359	59,788
Other	<u>8,393</u>	<u>7,596</u>	<u>10,599</u>	<u>9,286</u>	<u>3,457</u>	<u>3,279</u>	<u>9,668</u>	<u>3,338</u>	<u>7,221</u>	<u>1,515</u>
<b>Total revenue</b>	<b><u>865,758</u></b>	<b><u>806,062</u></b>	<b><u>800,711</u></b>	<b><u>803,967</u></b>	<b><u>786,321</u></b>	<b><u>753,942</u></b>	<b><u>745,491</u></b>	<b><u>705,854</u></b>	<b><u>633,248</u></b>	<b><u>678,362</u></b>
% change from prior year	7.4%	0.7%	(0.4%)	2.2%	4.3%	1.1%	5.6%	11.5%	(6.7%)	0.9%
<b>EXPENDITURES</b>										
<b>CURRENT</b>										
General government	53,197	55,929	57,927	59,534	55,569	29,244	46,567	46,755	53,125	49,391
Public safety	349,986	340,805	349,406	335,108	329,657	330,932	295,757	273,504	291,388	293,857
Public services	120,775	117,803	121,814	137,845	107,823	109,789	91,134	88,076	102,257	77,072
Culture and recreation	65,323	65,122	60,238	59,765	56,900	55,088	63,772	66,493	56,898	56,107
Education	43	388	699	1,312	1,504	1,991	1,519	1,242	1,245	41,331
Economic development	<u>1,829</u>	<u>850</u>	<u>1,324</u>	<u>451</u>	<u>970</u>	<u>1,049</u>	<u>7,198</u>	<u>4,861</u>	-	-
Total current	591,153	580,897	591,408	594,015	552,423	528,093	505,947	480,931	504,913	517,758
Capital outlay	190,273	240,784	183,716	153,522	126,053	83,642	123,236	132,207	136,879	138,795
<b>DEBT SERVICE</b>										
Principal	61,722	58,568	53,761	48,770	43,363	44,510	46,700	44,071	38,933	38,780
Interest	29,998	28,953	28,247	28,130	25,580	24,598	22,851	25,542	23,630	24,391
Other	<u>777</u>	<u>733</u>	<u>895</u>	<u>1,770</u>	<u>531</u>	<u>1,025</u>	<u>14,146</u>	<u>464</u>	<u>860</u>	<u>414</u>
Total debt service	<u>92,497</u>	<u>88,254</u>	<u>82,903</u>	<u>78,670</u>	<u>69,474</u>	<u>70,133</u>	<u>83,697</u>	<u>70,077</u>	<u>63,423</u>	<u>63,585</u>
<b>Total expenditures</b>	<b><u>873,923</u></b>	<b><u>909,935</u></b>	<b><u>858,027</u></b>	<b><u>826,207</u></b>	<b><u>747,950</u></b>	<b><u>681,868</u></b>	<b><u>712,880</u></b>	<b><u>683,215</u></b>	<b><u>705,215</u></b>	<b><u>720,138</u></b>
% change from prior year	(4.0%)	6.0%	3.9%	10.5%	9.7%	(4.4%)	4.3%	(3.1%)	(2.1%)	0.3%
<b>Excess (deficiency) of revenues over expenditures</b>	<b><u>(8,165)</u></b>	<b><u>(103,873)</u></b>	<b><u>(57,316)</u></b>	<b><u>(22,240)</u></b>	<b><u>38,371</u></b>	<b><u>72,074</u></b>	<b><u>32,611</u></b>	<b><u>22,639</u></b>	<b><u>(71,967)</u></b>	<b><u>(41,776)</u></b>

**GOVERNMENT FUNDS  
CHANGES IN FUND BALANCES (1)  
Last Ten Fiscal Years  
(dollars are in thousands)**

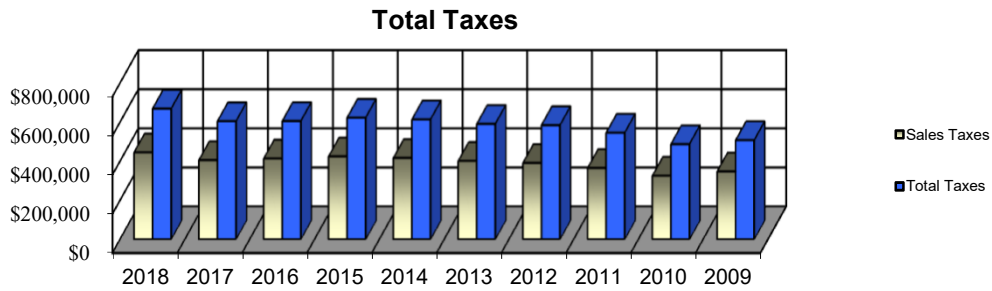
**CITY OF OKLAHOMA CITY, OKLAHOMA  
TABLE 4  
page 2 of 2**

	Fiscal Year									
	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
<b>OTHER FINANCING</b>										
<b>SOURCES (USES)</b>										
Transfers from other funds	154,720	116,091	134,994	127,907	158,033	114,411	97,883	84,744	148,665	54,526
Transfers to other funds	(174,848)	(139,012)	(154,195)	(148,182)	(179,806)	(137,560)	(99,011)	(90,765)	(154,706)	(61,780)
Capital financing	46	37	463	23	34	844	405	-	-	111
Sale of assets	1,626	3,686	644	3,100	607	574	458	576	731	1,298
Premium on bonds	6,855	10,284	12,622	15,610	7,870	6,484	19,407	2,826	3,167	1,127
Long-term debt issued	123,740	95,673	95,671	97,595	107,185	90,000	50,000	43,000	93,969	49,345
Refunding debt issued	-	28,645	32,525	65,190	-	-	80,110	-	-	-
Capital grants	-	-	-	-	-	1	-	-	101	-
Payment to refunded bonds escrow agent	-	(33,097)	(39,260)	(73,038)	-	-	(91,315)	-	-	-
<b>Net other financing sources</b>	<b>112,139</b>	<b>82,307</b>	<b>83,464</b>	<b>88,205</b>	<b>93,923</b>	<b>74,754</b>	<b>57,937</b>	<b>40,381</b>	<b>91,927</b>	<b>44,627</b>
<b>Special item</b>	<b>8,471</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>7,497</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net change in fund balances</b>	<b>\$112,445</b>	<b>(\$21,566)</b>	<b>\$26,148</b>	<b>\$65,965</b>	<b>\$132,294</b>	<b>\$146,828</b>	<b>\$98,045</b>	<b>\$63,020</b>	<b>\$19,960</b>	<b>\$2,851</b>
Debt service as a percentage of non-capital expenditures	13.4%	13.1%	12.2%	11.4%	11.1%	11.6%	11.8%	12.6%	11.0%	10.9%

- (1) This schedule reports using the modified accrual basis of accounting.  
(2) See Table 5 for additional detail for taxes.

**TAX REVENUES BY SOURCE (1)**  
**June 30, 2018**  
(dollars are in thousands)

**CITY OF OKLAHOMA CITY, OKLAHOMA**  
**TABLE 5**



Fiscal Year	Sales Taxes (2)	Property Taxes (3)	Use Taxes (4)	Franchise Taxes/Fees (5)	Hotel/Motel Taxes (6)
2018	\$443,804	\$89,039	\$61,880	\$44,795	\$15,341
2017	404,518	83,429	48,566	41,537	14,171
2016	412,579	83,401	41,914	41,425	14,587
2015	423,035	79,371	48,570	45,051	14,727
2014	415,780	78,773	49,922	43,765	13,876
2013	400,322	77,260	45,406	42,110	13,324
2012	389,869	75,141	52,469	42,433	12,342
2011	364,416	72,406	44,734	41,506	10,809
2010	324,641	64,343	37,976	38,720	10,237
2009	346,280	61,727	38,221	39,574	10,615
% change over 10 years	28.2%	44.2%	61.9%	13.2%	44.5%

Fiscal Year	Emergency Telephone Tax (7)	Tobacco Excise Tax (5)	State Alcoholic Beverage Taxes (5)	Occupational tax	Total
2018	\$5,871	\$5,209	\$992	\$660	\$667,591
2017	5,334	4,928	970	-	603,453
2016	4,518	4,956	943	-	604,323
2015	4,667	4,993	1,015	-	621,429
2014	4,744	4,851	829	-	612,540
2013	4,777	5,146	882	-	589,227
2012	4,597	5,567	834	-	583,252
2011	4,545	5,298	778	-	544,492
2010	4,777	4,583	746	-	486,023
2009	4,678	4,730	746	-	506,571
% change over 10 years	25.5%	10.1%	33.0%	100.0%	31.8%

- (1) This schedule reports using the modified accrual basis of accounting.
- (2) Sales taxes are reported in the General, Police, Fire, Zoo, Police/Fire Equipment Sales Tax, City and Schools Sales Tax, Sports Facility Sales Tax, MAPS3 Sales Tax and Tax Increment Financing Funds. City of Oklahoma City (City) voters approved a special purpose sales tax for the improvement of public school systems serving students residing within the corporate limits of the City effective January 1, 2002 through December 31, 2008. Effective January 1, 2009 and continuing to March 31, 2010, City voters approved a special purpose tax to fund capital improvements to the Oklahoma City Arena and NBA Practice Facility. Effective April 1, 2010, City voters approved a one-cent sales tax for the MAPS3 projects, which consists of eight public projects and expired on December 31, 2017. Effective January 1, 2018 and continuing to March 31, 2020, City voters approved a temporary one-cent sales tax to fund street resurfacing, street enhancements, sidewalks, trails and bike lanes.
- (3) These revenues are reported in the Debt Service Fund and the OCPPA General Purpose Fund. The City does not levy property taxes for operations. Property taxes are used to service general obligation debt.
- (4) General, Police/Fire Equipment Use Tax, City and Schools Use Tax, Sports Facility Use Tax, and MAPS3 Use Tax Funds report use tax. Use tax is collected with sales taxes. See Note (2).
- (5) These revenues are reported in the General Fund.
- (6) These revenues are reported in the Hotel/Motel Tax Fund.
- (7) The emergency telephone tax is designated to fund "911" emergency services and is reported in the Emergency Management Fund.
- (8) Prior to 2018, these amounts were reported with Licenses and Permits

**SALES TAX RATES OF DIRECT AND OVERLAPPING GOVERNMENTS (1)**

**CITY OF OKLAHOMA CITY, OKLAHOMA  
TABLE 6**

June 30, 2018

(dollars are in thousands)

OKLAHOMA CITY	Fiscal Year									
	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
General fund	2.300%	2.000%	2.000%	2.000%	2.000%	2.000%	2.000%	2.000%	2.000%	2.000%
Public safety-police	0.375	0.375	0.375	0.375	0.375	0.375	0.375	0.375	0.375	0.375
Public safety-fire	0.375	0.375	0.375	0.375	0.375	0.375	0.375	0.375	0.375	0.375
Oklahoma City zoo	0.125	0.125	0.125	0.125	0.125	0.125	0.125	0.125	0.125	0.125
MAPS for kids (2)	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
MAPS3 (2)	0.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	0.000	0.000
Better Streets/Safer City (2)	1.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Sports facility (2)	<u>0.000</u>	<u>0.000</u>	<u>0.000</u>	<u>0.000</u>	<u>0.000</u>	<u>0.000</u>	<u>0.000</u>	<u>0.000</u>	<u>1.000</u>	<u>1.000</u>
<b>Oklahoma City (3)</b>	<b><u>4.175</u></b>	<b><u>3.875</u></b>	<b><u>3.875</u></b>	<b><u>3.875</u></b>	<b><u>3.875</u></b>	<b><u>3.875</u></b>	<b><u>3.875</u></b>	<b><u>3.875</u></b>	<b><u>3.875</u></b>	<b><u>3.875</u></b>
State of Oklahoma (4)	<u>4.500</u>	<u>4.500</u>	<u>4.500</u>	<u>4.500</u>	<u>4.500</u>	<u>4.500</u>	<u>4.500</u>	<u>4.500</u>	<u>4.500</u>	<u>4.500</u>
<b>Total</b>	<b><u>8.675%</u></b>	<b><u>8.375%</u></b>	<b><u>8.375%</u></b>	<b><u>8.375%</u></b>	<b><u>8.375%</u></b>	<b><u>8.375%</u></b>	<b><u>8.375%</u></b>	<b><u>8.375%</u></b>	<b><u>8.375%</u></b>	<b><u>8.375%</u></b>

(1) Certain counties in which Oklahoma City is located also levy an additional sales tax. These counties also with their rates are as follows: Cleveland 0.25%, Canadian 0.35% Pottawatomie 1.0%

(2) Temporary sales taxes (see notes to Table 5).

(3) The source for the Oklahoma City sales tax rates is the City of Oklahoma City Annual Budget. Oklahoma City sales tax increases must be approved by voters.

(4) The source for other sales tax rates is the State of Oklahoma Tax Commission.

**TAXABLE SALES BY CATEGORY (1)**

**TABLE 7**

Last Ten Fiscal Years

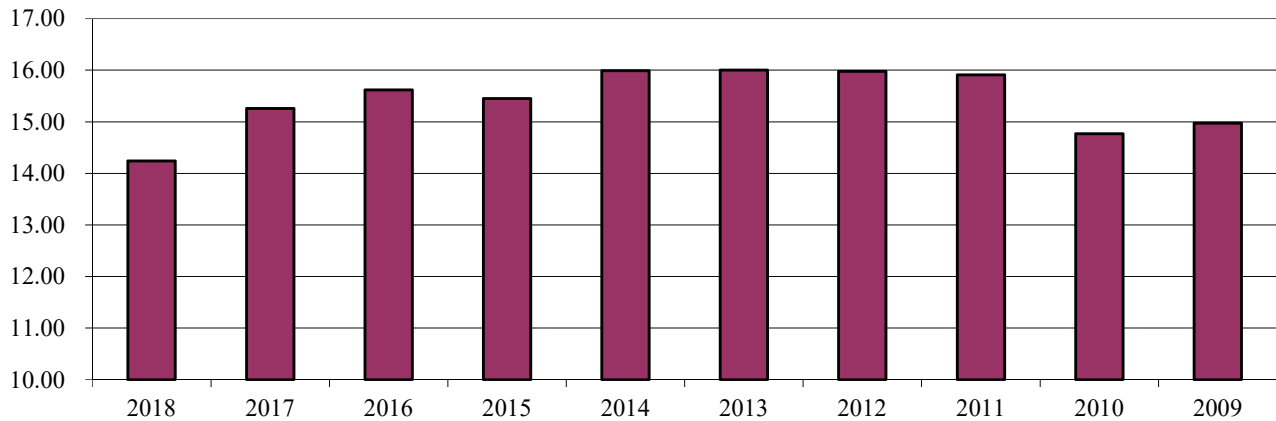
(dollars are in thousands)

	Fiscal Year										
	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009	
<b>Retail:</b>											
General merchandise	\$53,130	12.12%	\$50,132	\$50,646	\$50,424	\$50,733	\$51,565	\$49,806	\$48,655	\$47,995	\$50,261
Building materials and lawn & garden	31,880	7.27	29,953	31,674	30,306	33,017	28,034	24,146	28,431	21,592	23,987
Food stores	27,570	6.29	26,144	27,829	27,563	26,031	26,043	24,437	22,320	19,203	18,792
Apparel & accessories	22,930	5.23	22,172	22,924	23,811	22,470	18,629	17,002	14,159	13,166	13,338
Auto parts & supplies	12,530	2.86	11,518	11,611	11,559	11,283	12,397	11,374	10,236	9,091	10,180
Electronics & appliances (2)	17,700	4.04	16,710	17,522	19,227	18,776	-	-	-	-	-
Furniture & home (2)	9,660	2.20	9,202	9,696	10,166	11,630	26,662	25,827	25,637	22,524	24,792
Miscellaneous retail (2)	11,080	2.53	10,943	11,440	14,166	13,863	39,069	36,606	33,259	31,218	32,630
Sporting goods & hobby stores (2)	9,380	2.14	9,436	10,116	9,687	9,527	-	-	-	-	-
Pharmacies & health stores (2)	10,500	2.39	10,227	10,125	9,554	8,375	-	-	-	-	-
Convenient stores (2)	6,590	1.50	6,257	6,653	6,694	4,537	-	-	-	-	-
Direct sales (2)	1,850	0.42	1,638	1,495	1,481	1,347	-	-	-	-	-
<b>Accommodations &amp; Food:</b>											
Hotels & motels	12,230	2.79	10,268	10,427	9,774	10,040	9,680	8,893	8,571	7,611	8,263
Eating & drinking establishments	62,380	14.23	58,054	57,844	55,637	51,740	50,586	46,829	43,743	39,831	40,868
Services	47,690	10.88	44,607	46,640	47,584	45,393	47,684	47,949	47,840	44,243	45,982
Wholesale trade	43,270	9.87	37,077	39,722	42,668	41,488	41,529	42,819	37,560	27,970	36,835
Public utilities	31,180	7.11	27,881	26,843	29,486	28,741	28,008	28,579	26,478	27,173	27,040
Manufacturing	20,880	4.76	16,462	18,118	19,645	18,362	18,283	16,406	13,814	11,792	14,078
All other categories	<u>5,990</u>	<u>1.37</u>	<u>6,203</u>	<u>6,694</u>	<u>8,514</u>	<u>8,252</u>	<u>6,691</u>	<u>7,417</u>	<u>6,630</u>	<u>3,811</u>	<u>5,622</u>
	<b><u>\$438,420</u></b>	<b><u>100.00%</u></b>	<b><u>\$404,884</u></b>	<b><u>\$418,019</u></b>	<b><u>\$427,946</u></b>	<b><u>\$415,605</u></b>	<b><u>\$404,860</u></b>	<b><u>\$388,090</u></b>	<b><u>\$367,333</u></b>	<b><u>\$327,220</u></b>	<b><u>\$352,668</u></b>

(1) The source for taxable sales by category is the Oklahoma Tax Commission. The City is prohibited by law from reporting individual sales taxpayers.

(2) In 2014 the table was reformatted to conform to the current data format. Prior to 2014 electronics and appliances were reported with furniture and home and miscellaneous retail included sporting goods & hobby stores, pharmacies & health stores, convenience stores, and direct sales.

**Oklahoma City Tax Rates Per \$1,000 of Net Valuation**



Fiscal Year	Real Property	Personal Property	Public Service Property	Less Tax Exempt Property	Net Taxable Assessed Value	Estimated Fair Market Value of	
						City Taxable Property (2)	City Property Tax Rate (3)
2018	\$4,922,043	\$856,929	\$256,048	\$141,177	\$5,893,843	\$50,815,189	14.24
2017	4,673,556	883,077	259,438	136,827	5,679,244	\$48,800,765	14.81
2016	4,394,480	890,614	250,917	130,752	5,405,259	\$46,336,461	15.62
2015	4,160,012	854,381	248,606	128,028	5,134,971	\$43,956,071	15.45
2014	3,954,590	824,248	265,482	125,794	4,918,526	\$41,963,614	15.99
2013	3,789,765	779,897	335,269	124,599	4,780,332	\$40,458,929	16.00
2012	3,682,904	741,028	354,531	123,272	4,655,191	\$39,301,143	15.98
2011	3,571,276	728,731	337,232	120,792	4,516,447	\$38,143,749	15.91
2010	3,435,800	742,922	344,152	115,543	4,407,331	\$37,093,359	14.77
2009	3,264,719	667,971	332,611	113,845	4,151,456	\$34,957,908	14.97

- (1) Property taxes are collected for the City of Oklahoma City (City) by four counties: Pottawatomie, Canadian, Cleveland, and Oklahoma. The determination of the net assessed valuation is made annually by each County. The source of property value information and conversion factors were provided by the Oklahoma County Assessor's Office.
- (2) The relationship (%) of total taxable assessed value to estimated fair market value by county is shown below:

Fiscal Year	Real Estate				Personal Property				Public Service Property
	Oklahoma County	Canadian County	Cleveland County	Pottawatomie County	Oklahoma County	Canadian County	Cleveland County	Pottawatomie County	
2018	11.0%	12.0%	12.0%	12.0%	13.75%	12.0%	12.0%	14.0%	22.85%
2017	11.0	12.0	12.0	12.0	13.75	12.0	12.0	14.0	22.85
2016	11.0	12.0	12.0	12.0	13.75	12.0	12.0	14.0	22.85
2015	11.0	12.0	12.0	12.0	13.75	12.0	12.0	14.0	22.85
2014	11.0	12.0	12.0	12.0	13.75	12.0	12.0	14.0	22.85
2013	11.0	12.0	12.0	12.0	13.75	12.0	12.0	14.0	22.85
2012	11.0	12.0	12.0	12.0	13.75	12.0	12.0	14.0	22.85
2011	11.0	12.0	12.0	12.0	13.75	12.0	12.0	14.0	22.85
2010	11.0	12.0	12.0	12.0	13.75	12.0	12.0	14.0	22.85
2009	11.0	12.0	12.0	12.0	13.75	12.0	12.0	14.0	22.85

- (3) The City property tax rate is per \$1,000 of assessed value. Voter approval is required to issue bonds. City property tax is levied to service general obligation debt.



**POTTAWATOMIE COUNTY**

<u>Fiscal Year</u>	<u>Oklahoma City</u>	<u>Pottawatomie County</u>	<u>McLoud Schools</u>	<u>Gordon Cooper Vo-Tech</u>
2018	14.24	21.78	64.43	15.18
2017	14.81	22.81	53.74	15.18
2016	15.62	22.81	55.15	15.18
2015	15.45	22.81	54.94	15.18
2014	15.99	22.81	50.73	15.18
2013	16.00	22.81	51.34	15.18
2012	15.98	22.81	46.95	15.18
2011	15.91	22.81	47.69	15.18
2010	14.77	22.81	52.75	15.18
2009	14.97	22.81	50.14	15.18

**CANADIAN COUNTY**

<u>Fiscal Year</u>	<u>Oklahoma City</u>	<u>Canadian County</u>	<u>Banner Schools</u>	<u>Mustang Schools</u>	<u>Piedmont Schools</u>	<u>Union City Schools</u>	<u>Yukon Schools</u>
2018	14.24	16.11	46.10	68.44	75.97	65.01	71.43
2017	14.81	16.11	44.46	68.48	72.07	66.77	71.53
2016	15.62	16.11	41.28	68.26	70.60	58.20	71.20
2015	15.45	16.11	41.28	68.77	67.04	59.27	71.34
2014	15.99	16.11	41.28	66.30	74.08	56.11	70.79
2013	16.00	16.11	41.28	65.25	76.15	55.67	70.16
2012	15.98	16.11	43.51	65.07	73.71	55.64	71.34
2011	15.91	16.11	43.37	65.20	72.18	61.50	71.38
2010	14.77	16.11	43.64	66.47	73.01	61.33	68.79
2009	14.97	16.11	44.38	66.96	73.54	62.10	68.52

- (1) The source for property tax rates of all Oklahoma jurisdictions is the Oklahoma State Board of Equalization. Also, see Notes to Table 8.  
 (2) Total tax rate for a location may be determined by adding the tax rate for the appropriate school district to the rate for Oklahoma City and the County.

**CLEVELAND COUNTY**

Fiscal Year	Oklahoma City	Cleveland County	Little Axe Schools	McLoud Schools	Midwest City Schools	Moore Schools	Mustang Schools
2018	14.24	23.07	82.33	64.43	68.54	69.93	68.44
2017	14.81	23.07	67.03	53.74	70.64	71.58	68.48
2016	15.62	23.07	65.10	55.15	71.03	64.54	68.26
2015	15.45	23.07	65.00	54.94	70.32	66.71	68.77
2014	15.99	23.07	65.29	50.73	64.96	69.39	66.30
2013	16.00	23.07	63.86	51.34	66.55	66.23	65.25
2012	15.98	23.07	55.44	46.95	64.64	64.66	65.07
2011	15.91	23.07	64.15	47.69	65.60	66.24	65.20
2010	14.77	23.07	65.65	52.75	65.83	67.86	66.47
2009	14.97	23.07	54.33	50.14	65.05	67.11	66.96

Fiscal Year	Norman Schools	Robin Hill Schools	Rose State College	Moore-Norman Vo-Tech	Gordon Cooper Vo-Tech
2018	65.47	66.91	19.21	18.80	15.18
2017	64.46	68.81	19.65	18.92	15.18
2016	67.78	67.57	19.88	15.38	15.18
2015	66.75	69.11	20.33	15.38	15.18
2014	66.41	67.04	17.02	15.38	15.18
2013	67.05	70.12	17.10	14.38	15.18
2012	67.02	70.15	17.18	14.38	15.18
2011	66.15	52.78	17.32	14.38	15.18
2010	66.41	59.16	17.40	14.38	15.18
2009	65.42	61.72	17.30	14.38	15.18

(1) The source for property tax rates of all Oklahoma jurisdictions is the Oklahoma State Board of Equalization (see notes to Table 8).

(2) Total tax rate for a location may be determined by adding the tax rate for the appropriate school district to the rate for Oklahoma City and the County.

**OKLAHOMA COUNTY**

Fiscal Year	Oklahoma City	Oklahoma County	Oklahoma City Schools	Choctaw Schools	Crooked Oak Schools	Crutcho Schools	Deer Creek Schools	Edmond Schools	Harrah Schools
2018	14.24	23.28	59.36	76.16	69.29	71.38	79.51	67.09	62.51
2017	14.81	23.76	59.36	76.17	66.19	60.51	78.78	66.34	63.86
2016	15.62	23.72	59.71	76.17	71.34	58.90	75.95	66.30	62.88
2015	15.45	23.58	59.36	76.18	75.87	59.02	77.31	66.30	62.76
2014	15.99	23.87	60.39	76.19	62.61	59.95	75.84	66.25	51.04
2013	16.0	23.97	59.29	72.49	64.28	63.87	78.68	66.47	63.60
2012	15.98	24.06	62.09	70.22	65.84	62.01	78.09	66.28	61.01
2011	15.91	24.27	58.70	69.41	65.10	64.02	74.52	66.96	59.99
2010	14.77	25.05	58.43	68.50	67.40	46.96	77.67	66.66	61.11
2009	14.97	23.18	52.48	66.66	57.90	48.14	76.08	66.23	57.60

Midwest

Fiscal Year	Jones Schools	Luther Schools	McLoud Schools	City Schools	Millwood Schools	Moore Schools	Mustang Schools	Oakdale Schools	Piedmont Schools
2018	75.98	54.46	64.43	68.54	67.55	69.93	68.44	60.09	75.97
2017	75.99	54.81	53.74	70.64	68.64	71.58	68.48	62.10	72.07
2016	70.79	56.23	55.15	71.03	68.50	64.54	68.26	60.94	70.60
2015	72.56	56.48	54.94	70.32	54.70	66.71	68.77	62.78	67.04
2014	67.69	55.44	50.73	64.96	55.19	69.39	66.30	67.41	74.08
2013	67.98	53.49	51.34	66.55	55.41	66.23	65.25	65.24	76.15
2012	63.42	53.51	46.95	64.64	56.98	64.66	65.07	66.41	73.71
2011	65.26	55.45	47.69	65.60	56.80	66.24	65.20	68.42	72.18
2010	60.50	55.46	52.75	65.83	58.81	67.86	66.47	67.22	73.01
2009	64.30	56.19	50.14	65.05	59.55	67.11	66.96	59.52	73.54

Fiscal Year	Putnam City Schools	Western Heights Schools	Oklahoma City Community College	Rose State College	Eastern Oklahoma County Vo-Tech	Francis Tuttle Vo-Tech	Metro-Tech Vo-Tech	Moore-Norman Vo-Tech	Gordon Cooper Vo-Tech
2018	66.02	65.00	5.08	19.21	19.21	16.08	15.69	18.80	15.18
2017	65.72	63.77	5.08	19.65	16.06	15.69	15.45	18.92	15.18
2016	66.42	63.99	5.08	19.88	16.09	15.69	15.45	15.38	15.18
2015	62.12	63.56	5.08	20.33	16.11	15.69	15.45	15.38	15.18
2014	62.99	64.17	5.08	17.02	16.15	15.69	15.45	15.38	15.18
2013	61.64	60.07	5.08	17.10	16.15	15.69	15.0	14.38	15.18
2012	62.43	62.28	5.08	17.18	16.16	15.69	15.45	14.38	15.18
2011	61.20	61.57	5.08	17.32	16.20	15.46	15.45	14.38	15.18
2010	61.52	63.53	5.08	17.40	16.09	15.69	15.45	14.38	15.18
2009	60.72	57.92	5.08	17.30	16.24	15.69	15.45	14.38	15.18

- (1) The source for property tax rates of all Oklahoma jurisdictions is the Oklahoma State Board of Equalization (see notes to Table 8).
- (2) Total tax rate for a location may be determined by adding the tax rate for the appropriate school district to the rate for Oklahoma City and Oklahoma County.

**PRINCIPAL PROPERTY TAXPAYERS**  
**June 30, 2018**  
(dollars are in thousands)

**CITY OF OKLAHOMA CITY, OKLAHOMA**  
**TABLE 10**

Principal Taxpayers	Fiscal Year				
	2018		2009		
	Taxable Assessed Value (1)	Percentage of Total City Taxable Assessed Property Value	Taxable Assessed Value (1)	Percentage of Total City Taxable Assessed Property Value	
OG&E	\$183,275	3.11%	OG&E	\$120,565	2.99%
Devon Headquarters LLC	69,922	1.19	Southwestern Bell	86,308	2.14
Hobby Lobby Stores Inc.	41,207	0.70	Redbud Energy	44,309	1.10
Oklahoma Natural Gas Co	29,550	0.50	Oklahoma Natural Gas Co.	31,497	0.78
Chesapeake Land Company LLC	26,739	0.45	AT&T Mobility LLC	26,824	0.66
Southwestern Bell Telephone Co	20,914	0.35	Cox Communications, Inc.	24,025	0.60
Balon Corporation	16,444	0.28	Sprint Spectrum L.P.	13,420	0.33
Cox Com Inc.	13,696	0.23	Cox Communications, Inc.	12,908	0.32
OU Medical Center	13,587	0.23	OU Medical Center	11,987	0.30
Wal-Mart Store East Inc.	13,568	0.23	Chesapeake Land Co. LLC	11,861	0.29
	<b>\$428,902</b>	<b>7.27%</b>		<b>\$383,704</b>	<b>9.51%</b>
Total Assessed Valuation	<b>\$6,035,020</b>		Total Assessed Valuation	<b>\$4,151,456</b>	
Taxable Assessed Value	<b>\$5,893,843</b>		Taxable Assessed Value	<b>\$4,037,611</b>	

(1) The source for property value information is the Oklahoma County Assessor's Office. Total Assessed Value represents amounts assessed in August 2017 for amounts recognized in fiscal year 2018.

**PROPERTY TAX LEVIES AND COLLECTIONS**  
**Last Ten Fiscal Years**  
(dollars are in thousands)

**TABLE 11**

Fiscal Year	Tax Levied for the Fiscal Year (1)	Collection within the Fiscal Year of the Levy (2)		Collections in Subsequent Years (2)	Total Collections to Date	
		Amount	Percent of Levy		Amount	Percent of Levy
2018	\$89,948	\$85,697	95.3%	\$ -	\$85,697	95.3%
2017	84,091	80,475	95.7	1,956	82,431	98.0
2016	84,407	80,824	95.8	2,290	83,114	98.5
2015	79,322	76,168	96.0	2,510	78,678	99.2
2014	78,664	75,333	95.8	2,218	77,551	98.6
2013	76,478	73,322	95.9	3,237	76,559	100.1
2012	74,379	70,893	95.3	2,432	73,325	98.6
2011	71,850	68,114	94.8	2,592	70,706	98.4
2010	65,113	61,804	94.9	2,375	64,179	98.6
2009	62,150	59,411	95.6	2,562	61,973	99.7

(1) The source for this information is the Oklahoma City Statements of Debt Service Fund and Requirements from Ad Valorem Tax Levy for respective fiscal years.

(2) The sources for this information are the respective County property tax collections for Oklahoma City (see Table 9).

**PRIMARY GOVERNMENT  
PRINCIPAL PROPERTY TAXPAYERS  
RATIOS OF OUTSTANDING DEBT BY TYPE  
June 30, 2018  
(dollars are in thousands)**

**CITY OF OKLAHOMA CITY, OKLAHOMA  
TABLE 12**

Fiscal Year	<i>Governmental Activities</i>					
	Governmental Funds			Internal Service Funds		Total Governmental Activities
	General	Lease	Notes	Lease	Notes	
Obligation Bonds	Obligations	Payable	Obligations	Payable		
2018	\$886,069	\$42	\$9,400	\$ -	\$9,832	\$905,343
2017	820,338	36	9,625	32	10,500	840,531
2016	786,786	465	9,287	62	-	796,600
2015	750,825	382	3,466	26	-	754,699
2014	698,352	429	4,458	65	-	703,304
2013	631,037	506	4,790	70	-	636,403
2012	575,407	299	5,077	39	-	580,822
2011	577,557	8	7,256	50	-	584,871
2010	572,054	111	12,256	13	-	584,434
2009	513,964	287	11,487	20	-	525,758

Fiscal Year	<i>Business-Type Activities (1)</i>			Total Primary Government (2)	Percent of Personal Income (3)	Per Capita
	Revenue Bonds	Lease Obligations	Total Business-type Activities			
2018	\$106,932	\$194	\$107,126	\$1,012,469	1.53%	\$1,532
2017	112,029	207	112,236	952,767	1.53	1,459
2016	96,845	419	97,264	893,864	1.44	1,394
2015	89,510	318	89,828	844,527	1.45	1,343
2014	94,085	347	94,432	797,736	1.42	1,306
2013	98,480	374	98,854	735,257	1.38	1,236
2012	554,032	1,066	555,098	1,135,920	2.36	1,935
2011	577,475	1,999	579,474	1,164,345	2.53	2,007
2010	543,114	3,598	546,712	1,131,146	2.28	2,020
2009	507,000	4,729	511,729	1,037,487	2.29	1,893

- (1) Beginning in 2013, revenue bonds do not include outstanding bonds for OCAT, OCVUT and MCA which have been reclassified from business-type activities to component units.
- (2) Outstanding debt balances shown in the table include the current portion reported as current liabilities in the financial statements and exclude advances, compensated absences, net other post-employment benefit obligation, estimated claims payable, commercial paper, and estimated rebatable arbitrage. Therefore, the total primary government amount will not tie to the financial statements.
- (3) Personal income and population data are available on Table 17.

**RATIOS OF GENERAL BONDED DEBT TO TAXABLE  
ASSESSED AND ESTIMATED FAIR MARKET (ACTUAL)  
VALUES AND BONDED DEBT PER CAPITA  
June 30, 2018  
(dollars are in thousands)**

**CITY OF OKLAHOMA CITY, OKLAHOMA  
TABLE 13**

Fiscal Year	General Obligation Bonded Debt (1)	Net Bonded Debt (2)	Net Assessed Valuation	Ratio of Net Bonded Debt to Net Assessed Valuation
2018	\$886,069	\$824,704	\$5,893,843	14.0
2017	820,338	763,123	5,679,244	13.4
2016	786,786	682,255	5,405,259	12.6
2015	750,825	653,975	5,134,971	12.7
2014	698,352	615,715	4,918,526	12.5
2013	631,037	556,390	4,780,332	11.6
2012	575,407	509,460	4,655,191	10.9
2011	577,557	521,260	4,516,447	11.5
2010	572,054	522,670	4,407,331	11.9
2009	513,964	468,320	4,151,456	11.3

Fiscal Year	Estimated Fair Market Value of City Taxable Property (3)	Ratio of Net Bonded Debt to Estimated Fair Market Value of City Taxable Property	Estimated Population (in thousands) (4)	Per Capita Bonded Debt	Per Capita Net Bonded Debt
2018	\$50,815,189	1.6	661	\$1,340	\$1,248
2017	48,800,765	1.7	653	1,256	1,169
2016	46,336,461	1.7	641	1,227	1,064
2015	43,956,071	1.7	629	1,194	1,040
2014	41,963,614	1.7	611	1,143	1,008
2013	40,458,929	1.6	595	1,061	935
2012	39,301,143	1.5	587	980	868
2011	38,143,749	1.5	580	996	899
2010	37,093,359	1.5	560	1,022	933
2009	34,957,908	1.5	548	938	855

(1) General obligation bonded debt is reported net of unamortized discounts (premiums) and deferred amount on refunding. Deferred amount on refunding was reclassified to deferred outflows (inflows) in 2013 due to change in accounting principle.

Fiscal Year	Gross General Obligation Debt	Unamortized Discount (Premium)	Deferred Amount on Refunding	General Obligation Debt	Ratio of Gross Bonded Debt to Net Assessed Valuation
2018	\$836,030	\$50,039	\$ -	\$886,069	14.2
2017	769,505	50,833	-	820,338	13.5
2016	738,110	48,676	-	786,786	13.7
2015	707,314	43,511	-	750,825	13.8
2014	663,575	34,777	-	698,352	13.5
2013	599,460	31,577	-	631,037	12.5
2012	553,445	29,499	(7,537)	575,407	11.9
2011	565,669	14,777	(2,889)	577,557	12.5
2010	561,740	13,985	(3,671)	572,054	12.7
2009	505,780	12,717	(4,533)	513,964	12.2

(2) See Tables 4 and 12 for information regarding changes in City debt levels and notes to Table 14 for discussion of restricted reserves.

(3) The source of this information is the Oklahoma County Assessor's Office.

(4) Population estimates are obtained from the Oklahoma Employment Security Commission, Oklahoma Department of Commerce, and the U.S. Census Bureau.

**DIRECT AND OVERLAPPING DEBT (1)**  
**June 30, 2018**  
(dollars are in thousands)

**CITY OF OKLAHOMA CITY, OKLAHOMA**  
**TABLE 14**

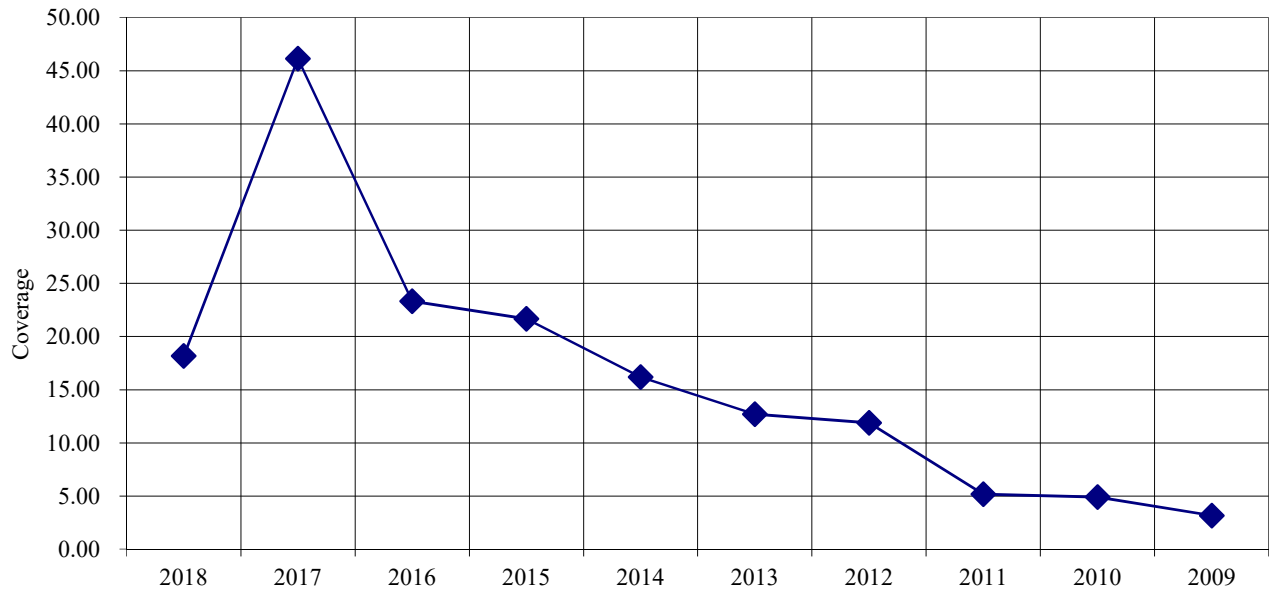
	Net Governmental Activities Debt Outstanding (2)(3)	Percentage Applicable to Oklahoma City (4)	Amount Applicable to Oklahoma City
Banner Schools	\$1,778	12.16%	\$21,620
Canadian County	-	42.71	-
Choctaw Schools	19,830	14.23	2,822
Cleveland County	-	25.68	-
Crooked Oak Schools	1,885	100.00	1,885
Crutcho Schools	1,015	4.88	50
Deer Creek Schools	17,690	69.82	12,351
Eastern Oklahoma County Vo-Tech	608	14.91	91
Edmond Schools	115,200	40.48	46,633
Francis Tuttle Vo-Tech	-	53.05	-
Harrah Schools	3,385	5.33	180
Jones Schools	1,265	36.51	462
Little Axe Schools	1,010	19.59	198
Luther Schools	1,380	5.14	71
McLoud Schools	1,932	69.71	1,347
Midwest City Schools	30,320	38.31	11,616
Millwood Schools	2,245	88.99	1,998
Moore Schools	64,370	54.24	34,914
Mustang Schools	41,216	85.92	35,413
Norman Schools	55,955	-	-
Oakdale Schools	5,340	99.78	5,328
Oklahoma City Schools	105,264	85.88	90,401
Oklahoma County	55,017	67.21	36,977
Piedmont Schools	13,242	35.35	4,681
Putnam City Schools	57,935	86.02	49,836
Robin Hill Schools	395	18.92	75
Rose State College	18,600	30.96	5,759
Union City Schools	390	2.20	9
Western Heights Schools	24,105	99.98	24,100
Yukon Schools	<u>25,679</u>	<u>39.33</u>	<u>10,100</u>
	667,051		398,917
<b>Oklahoma City</b>	<b><u>905,343</u></b>	100.00%	<b><u>905,343</u></b>
<b>Total direct and overlapping debt</b>	<b><u>\$1,572,394</u></b>		<b><u>\$1,304,260</u></b>

- (1) Other overlapping jurisdictions identified in Table 9 have no net debt for the period shown.
- (2) Net debt outstanding is the total outstanding debt less the reserves restricted for the repayment of principal in the Debt Service Fund. The outstanding debt balance and debt service fund restricted reserves used in this table are for the 2017-2018 tax year levy. Therefore, the net debt outstanding for the City of Oklahoma City (City) does not agree with the June 30, 2018, financial statements. Restricted reserves are created and accumulated through the property tax levy (per applicable Oklahoma Statutes) to insure that funds are on hand when debt service payments are due.
- (3) The source for bonded debt outstanding for jurisdictions other than Oklahoma City is the Oklahoma State Board of Equalization.
- (4) The percent applicable to Oklahoma City is determined by the School district's proportionate share of the total City assessed valuation as provided by the Oklahoma State Board of Equalization.

**PLEDGED-REVENUE BOND COVERAGE**  
**June 30, 2018**  
(dollars are in thousands)

**CITY OF OKLAHOMA CITY, OKLAHOMA**  
**TABLE 15**  
**page 1 of 9**

**OKLAHOMA CITY ENVIRONMENTAL ASSISTANCE TRUST - SOLID WASTE MANAGEMENT BONDS (1)**



Fiscal Year	Gross Revenue (2)	Direct Expenses (3)	Net Revenue Available for Debt Service	Debt Service Requirements			Coverage (4)
				Principal	Interest	Total	
2018	\$56,251	\$45,965	\$10,286	\$195	\$371	\$566	18.17
2017	54,388	43,588	10,800	160	74	234	46.15
2016	57,471	46,380	11,091	390	85	475	23.34
2015	48,818	38,551	10,267	375	99	474	21.66
2014	46,197	38,551	7,646	360	112	472	16.19
2013	43,439	37,422	6,017	350	124	474	12.69
2012	41,282	35,613	5,669	340	137	477	11.88
2011	39,948	33,761	6,187	1,035	161	1,196	5.17
2010	38,272	32,383	5,889	1,005	196	1,201	4.90
2009	37,126	33,335	3,791	970	229	1,199	3.16

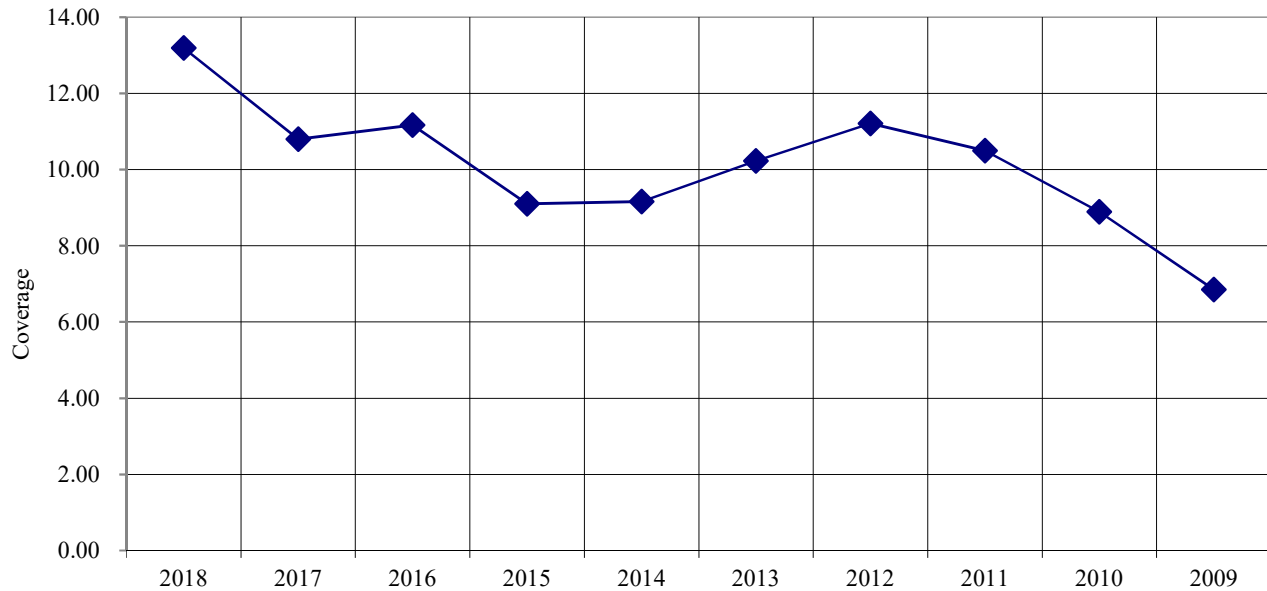
- (1) Bonds were issued in fiscal year 2006. The City of Oklahoma City has no obligation for repayment of revenue bond debt. Repayment of debt is the responsibility of the Oklahoma City Environmental Assistance Trust.
- (2) Gross revenues include operating revenues, transfers and investment income.
- (3) Direct operating expenses include operating expenses less depreciation, amortization, and transfers to other funds. Costs paid from bond proceeds are not included with direct operating expenses.
- (4) The bond covenant coverage ratio is 1.20.



**PLEDGED-REVENUE BOND COVERAGE**  
**June 30, 2018**  
(dollars are in thousands)

**CITY OF OKLAHOMA CITY, OKLAHOMA**  
**TABLE 15**  
**page 2 of 9**

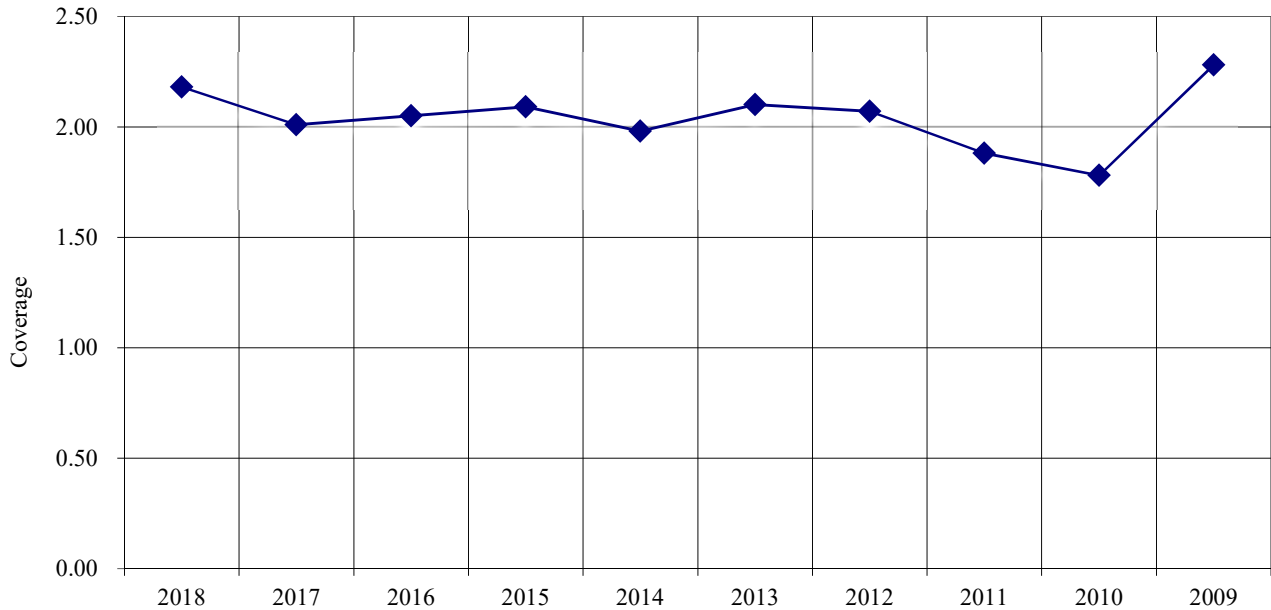
**OKLAHOMA CITY ZOOLOGICAL TRUST - ZOO BONDS (1)**



Fiscal Year	Gross Revenue (2)	Direct Expenses (3)	Net Revenue Available for Debt Service	Debt Service Requirements			Coverage (4)
				Principal	Interest	Total	
2018	\$25,882	\$16,555	\$9,327	\$680	\$27	\$707	13.19
2017	26,878	19,237	7,641	680	27	707	10.80
2016	26,279	18,377	7,902	680	27	707	11.17
2015	25,542	19,106	6,436	680	27	707	9.10
2014	24,884	18,403	6,481	680	27	707	9.16
2013	24,562	17,325	7,237	680	27	707	10.23
2012	24,135	16,204	7,931	680	27	707	11.21
2011	22,301	14,875	7,426	680	27	707	10.50
2010	19,813	13,527	6,286	680	27	707	8.89
2009	20,054	15,208	4,846	680	27	707	6.85

- (1) The City of Oklahoma City (City) has no obligation for repayment of revenue bond debt. Repayment of debt is the responsibility of the Oklahoma City Zoo Trust. The sales tax payments from the City are designated for the Zoo and pledged for repayment.
- (2) Gross revenues include operating revenues, donations, investment income, and payments from the City. Gross revenues for 2009 have been restated for a prior error in presentation.
- (3) Direct expenses include operating expenses less depreciation.
- (4) Bond covenants requires maximum debt service paid in any year for covenants coverage compliance. The bond covenants coverage ratio is 1.25.

**OKLAHOMA CITY PUBLIC PROPERTY AUTHORITY - FAIRGROUNDS BONDS (1)**



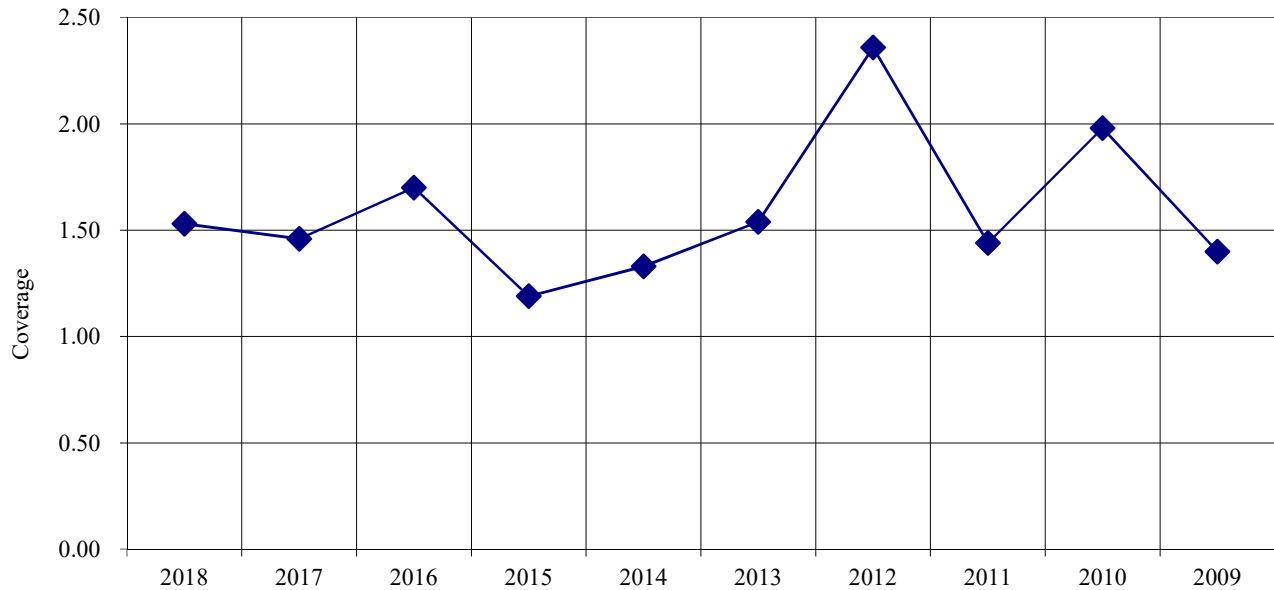
Fiscal Year	Gross Revenue (2)	Direct Expenses (3)	Net Revenue Available for Debt Service (4)	Debt Service Requirements			Coverage (4)
				Principal	Interest	Total	
2018	\$13,930	\$ -	\$13,930	\$2,725	\$3,655	\$6,380	2.18
2017	12,883	-	12,883	2,620	3,761	6,381	2.01
2016	13,261	-	13,261	3,540	2,928	6,468	2.05
2015	13,388	-	13,388	2,870	3,512	6,382	2.09
2014	12,615	-	12,615	2,755	3,603	6,358	1.98
2013	12,113	-	12,113	2,045	3,697	5,742	2.10
2012	11,220	-	11,220	1,835	3,574	5,409	2.07
2011	9,826	-	9,826	1,745	3,476	5,221	1.88
2010	9,306	-	9,306	1,665	3,544	5,209	1.78
2009	9,650	-	9,650	630	3,590	4,220	2.28

- (1) The City has no obligation for repayment of revenue bond debt. Repayment of debt is the responsibility of the Oklahoma City Public Property Authority Fairgrounds. Transfers of hotel/motel tax revenues are pledged for repayment.
- (2) Gross revenues are 10/11ths of recognized hotel/motel taxes.
- (3) There are no direct expenses related to the gross revenues reported.
- (4) The bond covenants do not specify a coverage requirement.

**PLEGGED-REVENUE BOND COVERAGE**  
**June 30, 2018**  
(dollars are in thousands)

**CITY OF OKLAHOMA CITY, OKLAHOMA**  
**TABLE 15**  
**page 4 of 9**

**OKLAHOMA CITY PUBLIC PROPERTY AUTHORITY - GOLF COURSE BONDS (1)**



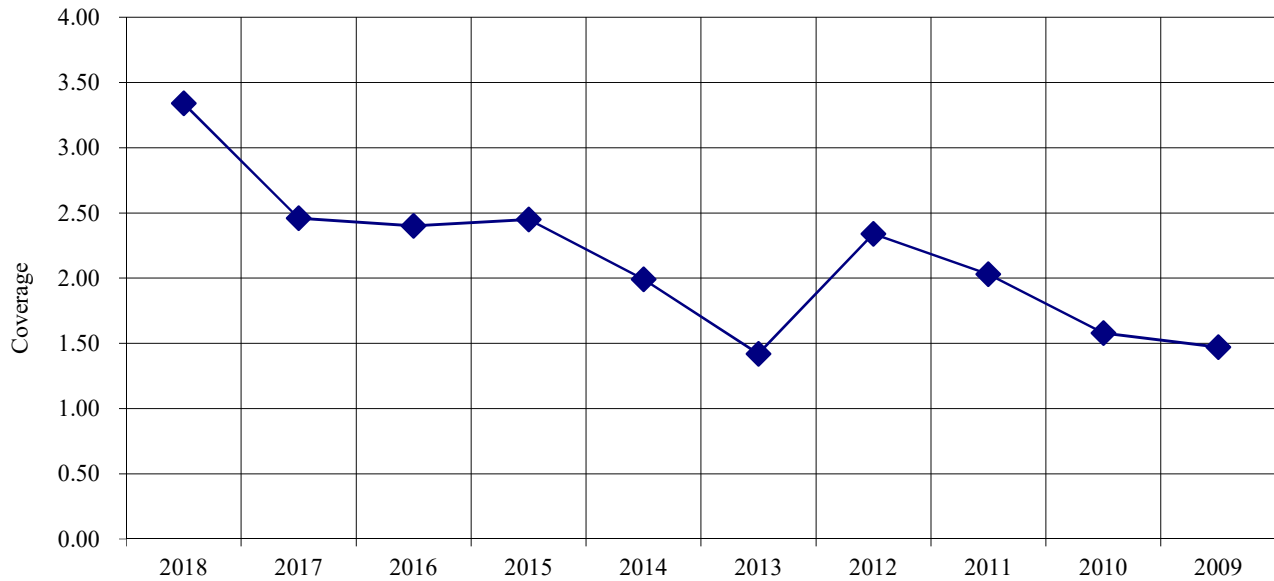
Fiscal Year	Gross Revenue (2)	Direct Expenses (3)	Net Revenue Available for Debt Service	Debt Service Coverage Requirements (4)			Coverage (5)
				Principal	Interest	Total	
2018	\$9,504	\$7,659	\$1,845	\$825	\$383	\$1,208	1.53
2017	9,634	7,869	1,765	825	383	1,208	1.46
2016	9,597	7,539	2,058	825	383	1,208	1.70
2015	8,885	7,438	1,447	825	383	1,208	1.19
2014	8,975	7,366	1,609	825	383	1,208	1.33
2013	9,802	7,930	1,872	825	383	1,208	1.54
2012	9,716	7,936	1,780	525	228	753	2.36
2011	9,021	7,650	1,371	310	638	948	1.44
2010	8,994	7,108	1,886	310	638	948	1.98
2009	9,331	8,001	1,330	310	638	948	1.40

- (1) Repayment of debt is the responsibility of the Oklahoma City Public Property Authority Golf Courses. The bonds are secured principally by revenues earned by the Golf Courses and by revenues pledged by the City under an agreement of support. The agreement provides for financial support from legally available funds of the City, as required.
- (2) Gross Revenues include operating revenues, investment income, other revenue, and transfers from other funds. Jimmy Stewart revenues are excluded.
- (3) Direct expenses include operating expenses less depreciation for all golf courses excluding Jimmy Stewart. Beginning fiscal 2012 direct expenses exclude OPEB expenses as the Golf Courses do not fund this cost. Beginning in 2010 direct expenses did not include chargebacks. Chargebacks are paid to the General Fund and include administrative charges, risk management, and salaries.
- (4) Principal and interest is the maximum debt service paid in any year for bond covenant coverage calculations. The final term bond principal payment is not considered in determining the maximum debt service paid. Therefore, principal and interest will not correlate to annual bond payment amounts.
- (5) The bond covenants coverage ratio is 1.10.

**PLEDGED-REVENUE BOND COVERAGE**  
**June 30, 2018**  
(dollars are in thousands)

**CITY OF OKLAHOMA CITY, OKLAHOMA**  
**TABLE 15**  
**page 5 of 9**

**OKLAHOMA CITY AIRPORT TRUST - AIRPORT BONDS (1)**



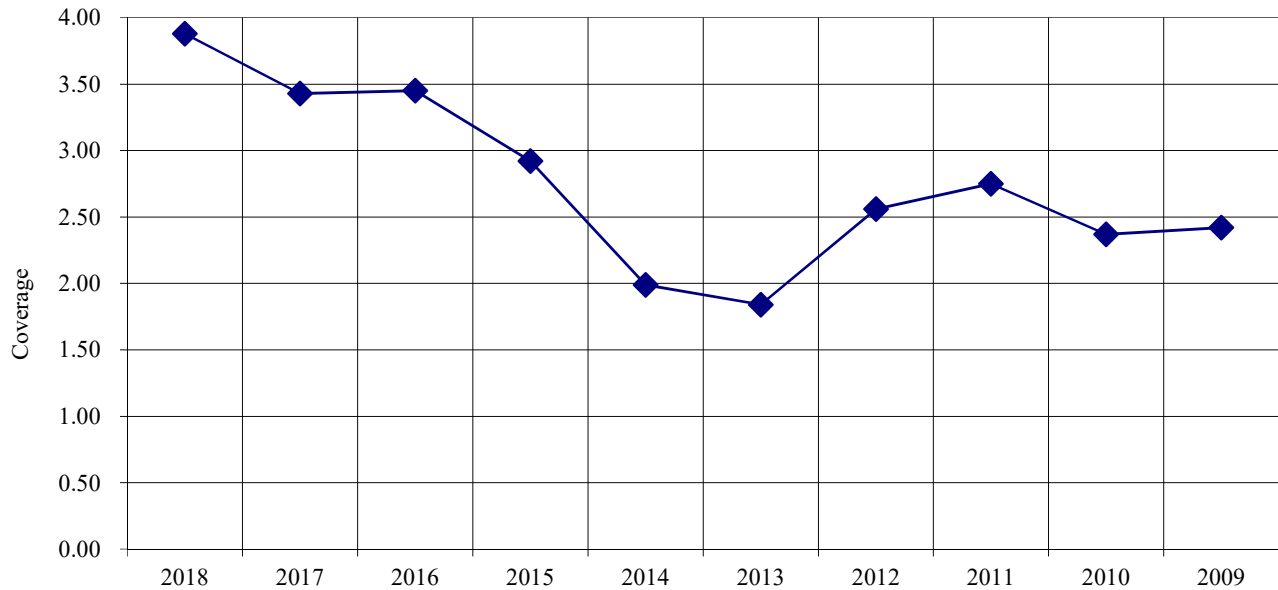
Fiscal Year	Gross Revenue (2)	Direct Expenses (3)	Net Revenue Available for Debt Service	Debt Service Requirements		Total	Coverage (5)				
				Principal	Interest (4)		Senior Lien (6)		Junior Lien		
							Gross	Net	Gross	Net	Combined (7)
2018	\$64,901	\$32,231	\$32,670	\$6,800	\$2,981	\$9,781	N/A	N/A	6.35	3.42	3.34
2017	59,894	30,808	29,086	7,420	4,387	11,807	N/A	N/A	5.26	2.79	2.46
2016	58,945	28,924	30,021	7,745	4,733	12,478	N/A	N/A	5.18	2.87	2.40
2015	57,803	27,193	30,610	7,410	5,078	12,488	N/A	N/A	5.02	2.88	2.45
2014	66,878	27,560	39,318	13,370	6,291	19,661	N/A	N/A	6.86	4.04	1.99
2013	62,714	26,733	35,981	19,215	6,087	25,302	11.47	6.08	5.47	2.94	1.42
2012	56,073	24,463	31,610	11,025	2,463	13,488	10.16	5.24	5.05	2.63	2.34
2011	57,370	23,090	34,280	11,370	5,510	16,880	9.41	5.19	4.52	2.51	2.03
2010	51,488	22,729	28,759	12,025	6,174	18,199	7.43	3.85	3.80	1.89	1.58
2009	51,584	22,718	28,866	12,700	6,879	19,579	7.26	3.64	3.42	1.70	1.47

- (1) The City of Oklahoma City has no obligation for repayment of revenue bond debt. The debt will be paid from revenues earned by the Oklahoma City Airport Trust and accumulated reserves required for certain senior lien debt.
- (2) Facility charge revenue is included in gross revenue, excluded to calculate senior lien coverage, then added back to calculate junior lien coverage.
- (3) Direct expenses include operating expenses and transfers to other funds less depreciation.
- (4) Interest requirements exclude interest paid from bond proceeds.
- (5) Senior lien and junior lien coverage ratios reflect the net coverage on junior lien debt after calculating debt service coverage on senior lien debt. Therefore, these coverage ratios will not calculate from the table. Gross coverage is calculated before operating expense. Combined coverage calculates by dividing net revenue available for debt service by total debt service requirements.
- (6) Senior lien debt was fully repaid in 2013.
- (7) Combined bond coverage includes principal and interest requirements for all bonded debt.

**PLEGGED-REVENUE BOND COVERAGE**  
**June 30, 2018**  
(dollars are in thousands)

**CITY OF OKLAHOMA CITY, OKLAHOMA**  
**TABLE 15**  
**page 6 of 9**

**OKLAHOMA CITY WATER UTILITIES TRUST - WATER BONDS (1)**



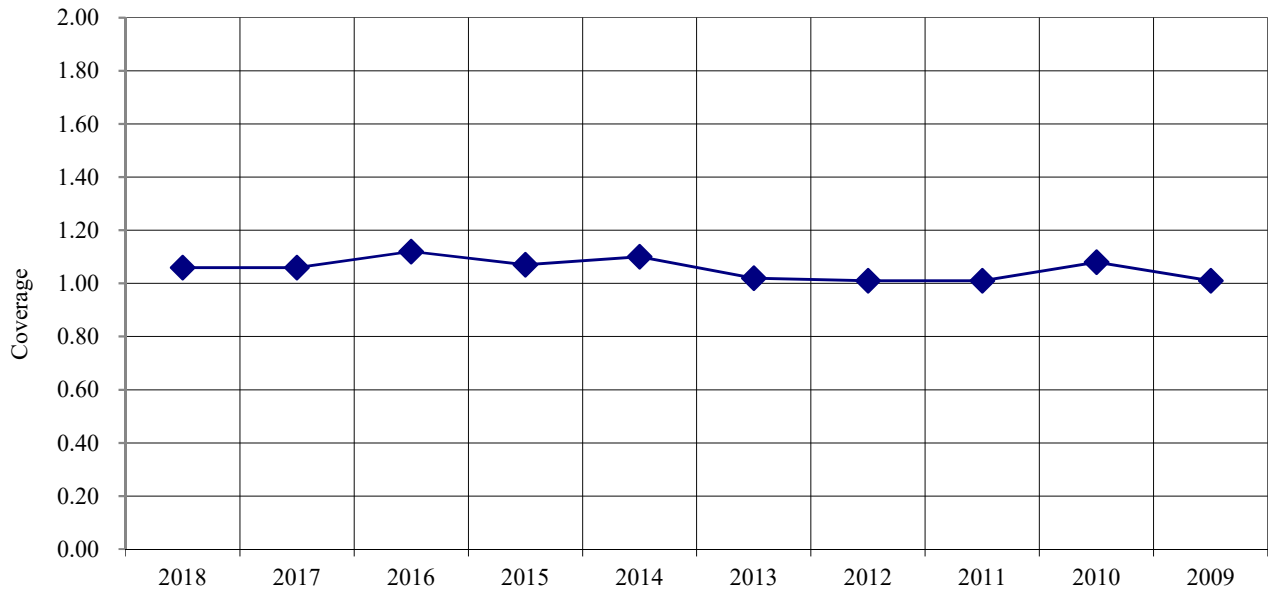
Fiscal Year	Gross Revenue (2)	Direct Expenses (3)	Net Revenue Available for Debt Service	Debt Service Requirements (4)			Coverage
				Principal	Interest	Total	
2018	\$264,068	\$131,012	\$133,056	\$20,010	\$14,267	\$34,277	3.88
2017	251,747	134,071	117,676	20,010	14,267	34,277	3.43
2016	238,348	118,270	120,078	8,370	26,402	34,772	3.45
2015	216,524	114,775	101,749	8,370	26,402	34,772	2.92
2014	199,328	123,478	75,850	14,910	23,189	38,099	1.99
2013	192,715	122,240	70,475	14,910	23,188	38,098	1.84
2012	197,476	113,464	84,012	10,434	22,367	32,801	2.56
2011	190,075	99,749	90,326	10,434	22,367	32,801	2.75
2010	165,699	98,531	67,168	9,144	19,181	28,325	2.37
2009	152,868	91,675	61,193	9,385	15,890	25,275	2.42

- (1) The City of Oklahoma City has no obligation for repayment of revenue bond debt. The debt will be paid from revenues earned by Oklahoma City Water Utilities Trust.
- (2) Gross revenues include operating revenues, investment income, other revenue, and transfers from other funds.
- (3) Direct expenses include operating expenses and transfers out less depreciation and amortization.
- (4) Principal and interest is the maximum debt service paid in any year for bond covenant coverage calculations. Therefore, principal and interest will not correlate to annual bond payment amounts. Final year debt service reduced by reserves held to pay debt services in that year.

**PLEDGED-REVENUE BOND COVERAGE**  
**June 30, 2018**  
(dollars are in thousands)

**CITY OF OKLAHOMA CITY, OKLAHOMA**  
**TABLE 15**  
page 7 of 9

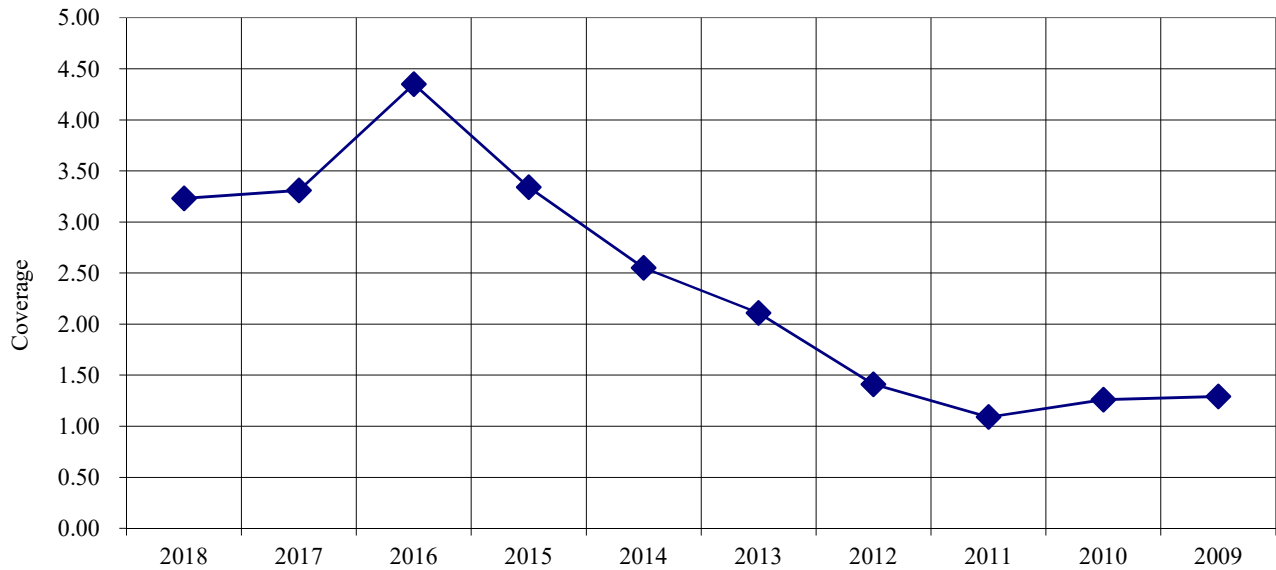
**McGEE CREEK AUTHORITY - WATER BONDS (1)**



Fiscal Year	Gross Revenue (2)	Direct Expenses (3)	Net Revenue Available for Debt Service	Debt Service Requirements			Coverage (4)
				Principal	Interest	Total	
2018	\$7,644	\$583	\$7,061	\$4,690	\$1,962	\$6,652	1.06
2017	7,781	735	7,046	4,420	2,228	6,648	1.06
2016	7,978	501	7,477	4,170	2,478	6,648	1.12
2015	8,056	919	7,137	3,935	2,714	6,649	1.07
2014	7,962	673	7,289	3,715	2,937	6,652	1.10
2013	7,463	669	6,794	3,505	3,147	6,652	1.02
2012	7,384	644	6,740	3,305	3,345	6,650	1.01
2011	7,146	422	6,724	3,120	3,532	6,652	1.01
2010	7,545	393	7,152	2,940	3,709	6,649	1.08
2009	7,154	406	6,748	2,775	3,875	6,650	1.01

- (1) The City of Oklahoma City has no obligation for repayment of revenue bond debt. The debt is secured by an agreement of support between the Oklahoma City Water Utilities Trust and the McGee Creek Authority granting a security interest in Oklahoma City Water Utilities Trust gross revenues.
- (2) Gross revenues include operating revenues, investment income, other revenue, transfers from other funds, and excludes amounts receivable from Participants.
- (3) Direct expenses include operating expenses less depreciation and amortization.
- (4) The bond covenants coverage ratio is 1.00. Cash balances accumulated from transfers in prior fiscal years are used to meet July 1 interest payments. Taking into consideration these balances held in the principal and interest accounts, sufficient funds were available to meet debt service requirements.

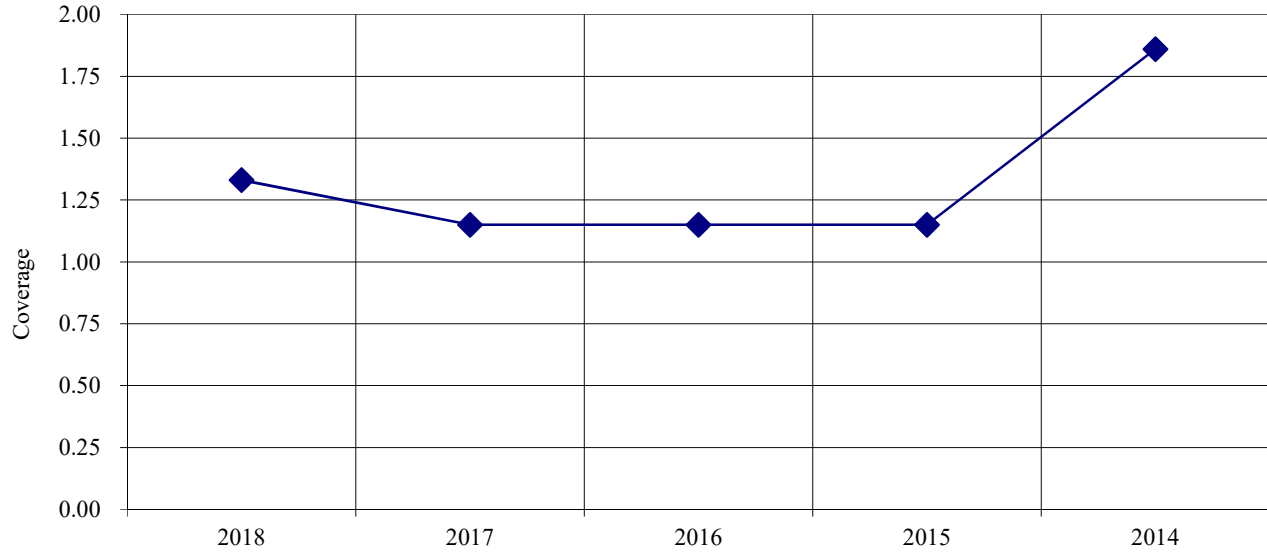
**CENTRAL OKLAHOMA TRANSPORTATION AND PARKING AUTHORITY - PARKING BONDS (1)**



Fiscal Year	Gross Revenue (2)	Direct Expenses (3)	Net Revenue Available for Debt Service	Debt Service Requirements (4)			Coverage (5)
				Principal	Interest	Total	
2018	\$9,023	\$4,260	\$4,763	\$650	\$823	\$1,473	3.23
2017	8,891	4,010	4,881	625	849	1,474	3.31
2016	9,889	3,478	6,411	610	864	1,474	4.35
2015	9,674	4,748	4,926	610	864	1,474	3.34
2014	7,127	3,362	3,765	610	864	1,474	2.55
2013	6,219	3,112	3,107	610	864	1,474	2.11
2012	6,155	3,014	3,141	1,635	593	2,228	1.41
2011	7,143	2,954	4,189	2,421	1,417	3,838	1.09
2010	9,119	3,274	5,845	2,390	2,249	4,639	1.26
2009	9,107	3,172	5,935	2,260	2,350	4,610	1.29

- (1) Repayment of debt is the responsibility of the Central Oklahoma Transportation and Parking Authority (COTPA). The parking bonds are secured principally by net revenues of the parking system and revenues pledged by the City under an agreement of support. The agreement provides for financial support of COTPA's parking system from legally available funds of the City, as required.
- (2) Gross Revenues include operating revenues, investment income, other revenue, and payments and transfers from other funds.
- (3) Direct expenses include operating expenses less depreciation and transfers to Parking Enterprise.
- (4) In 2013 the bond indenture was amended. Principal and interest is the maximum outstanding debt service paid in any year for bond covenance coverage calculations. Therefore, principal and interest will not correlate to annual bond payment amounts. Final year debt service is reduced by reserves held to pay debt services in that year.
- (5) The bond covenants coverage ratio is 1.25.

**OKLAHOMA CITY ECONOMIC DEVELOPMENT TRUST - TAX APPORTIONMENT BONDS (1)**



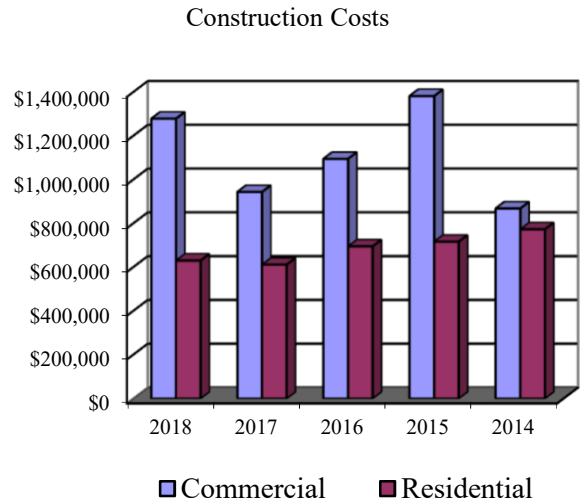
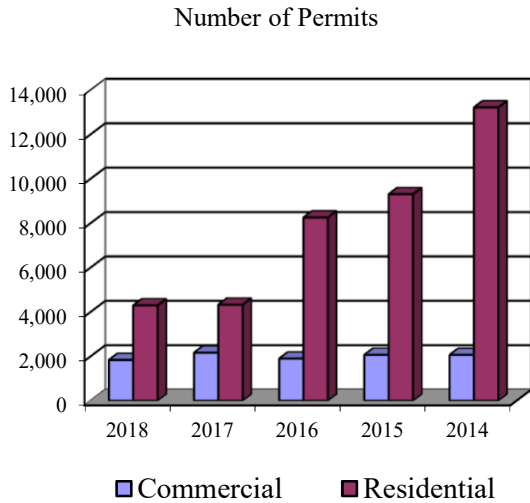
Fiscal Year	Gross Revenue (2)	Direct Expenses (3)	Net Revenue Available for Debt Service	Debt Service Requirements			Coverage (4)
				Principal	Interest	Total	
2018	\$23,500	\$ -	\$23,500	\$11,490	\$6,142	\$17,632	1.33
2017	11,316	-	11,316	5,335	4,473	9,808	1.15
2016	11,316	-	11,316	5,275	4,524	9,799	1.15
2015	11,305	-	11,305	5,230	4,558	9,788	1.15
2014	17,128	-	17,128	5,205	3,994	9,199	1.86
2013	7,958	-	7,958	-	-	-	1.00

- (1) Repayment of debt is the responsibility of the Oklahoma City Economic Development Trust. The tax apportionment bonds are secured principally by revenues pledged by the City under an agreement of support. The agreement provides for financial support from legally available funds of the City, as required.
- (2) The bond indenture requires the payment of principal and interest from Incremental Revenues. Increment Revenues are revenues derived from the ad valorem taxes apportioned within Oklahoma City Increment District #8.
- (3) Direct expenses are excluded as they do not affect funds available for debt service.
- (4) The bond covenants do not specify a coverage requirement.



**CONSTRUCTION PERMITS (1)**  
**June 30, 2018**  
(dollars are in thousands)

**CITY OF OKLAHOMA CITY, OKLAHOMA**  
**TABLE 16**



Fiscal Year	Commercial Construction	
	Number of Permits	Construction Cost
2018	1,835	\$1,279,166
2017	2,163	944,305
2016	1,895	1,095,538
2015	2,065	1,382,474
2014	2,062	868,878
2013	1,803	851,718
2012	1,685	673,075
2011	1,700	860,646
2010	1,475	947,880
2009	1,537	795,767

Fiscal Year	Residential Construction	
	Number of Permits	Construction Cost
2018	4,293	\$630,972
2017	4,325	612,210
2016	8,255	695,723
2015	9,303	717,511
2014	13,212	773,993
2013	8,423	720,670
2012	6,978	585,898
2011	4,672	524,798
2010	4,377	486,076
2009	3,695	456,753

(1) The source of this information is the City of Oklahoma City Public Works Department Annual Building Permit Report.

**DEMOGRAPHIC STATISTICS**  
**June 30, 2018**  
(dollars are in thousands)

**CITY OF OKLAHOMA CITY, OKLAHOMA**  
**TABLE 17**

Fiscal Year	Estimated Population (in thousands) (1)(2)	Personal Income (1)	Per Capita Personal Income (1)	Median Age (1)	Education Level in Years of Schooling (3)	Oklahoma City Public School District Enrollment (in thousands) (4)	Unemployment Rate (5)
2018	661	\$66,142,000	\$48	36.2	85.3%	39	3.9
2017	653	62,358,314	46	33.7	85.0	40	4.1
2016	641	62,113,957	46	33.8	85.0	46	3.8
2015	629	58,435,470	44	34.6	84.8	46	3.7
2014	611	56,197,416	43	34.6	85.0	41	4.9
2013	595	53,223,054	40	34.9	84.8	43	5.2
2012	587	48,194,761	25	34.1	84.4	44	5.4
2011	580	46,093,925	39	34.0	85.4	42	5.9
2010	560	49,679,545	40	34.9	84.8	41	6.2
2009	548	45,206,671	40	34.9	83.9	42	4.8

- (1) Population estimates, Personal Income, Per Capita Personal Income, and Median Age are obtained from the Oklahoma City Chamber of Commerce.
- (2) Estimated population is for the City of Oklahoma City (City) only, while personal income and per capita personal income apply to the metropolitan statistical area. These amounts will not compute from the table.
- (3) This column shows the percent of the City population 25 years and older who are high school graduates or higher which is obtained through the U.S. Census Bureau (American Community Survey).
- (4) The source of this information is the Oklahoma City Public Schools' Public Relations Office.
- (5) Unemployment information was obtained from the Bureau of Labor Statistics.

**CITY OF OKLAHOMA CITY, OKLAHOMA  
TABLE 18**

**MAJOR EMPLOYERS - PRIVATE AND PUBLIC (1)  
June 30, 2018  
For Years 2008 and 2018**

Employer	2018			2008		
	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment
Local Governments (2)	53,792	1	8.38%	50,695	1	8.72%
State Government (2)	46,750	2	7.28	41,388	2	7.12
Federal Government (2)	28,792	3	4.48	27,100	3	4.66
Tinker Air Force Base (2)	24,000	4	3.74	27,000	4	4.64
U.S. Postal Service				8,700	5	1.50
FAA Mike Monroney Aeronautical Center	7,000	5	1.09	5,600	8	0.96
INTEGRIS Health (3)	6,000	6	0.93	7,000	6	1.20
Oklahoma City Public Schools				5,900	7	1.01
Hobby Lobby Stores Inc.	5,100	7	0.79	2,522	17	0.43
University of Oklahoma Health Sciences	5,000	8	0.78	4,200	10	0.72
City of Oklahoma City	4,700	9	0.73	4,700	9	0.81
Mercy Hospital	4,500	10	0.70	2,750	15	0.47
OGE Energy Corp	3,400	11	0.53	3,123	12	0.54
OU Medical Center	3,300	12	0.51	3,250	11	0.56
SSM Health Care of Oklahoma, Inc.	3,000	13	0.47	1,500	25	0.26
AT&T	2,700	14	0.42	3,000	13	0.52
The Boeing Company	2,600	15	0.40			
Devon Energy Corp	2,500	16	0.39	1,700	24	0.29
Putnam City Schools				2,600	16	0.45
Sonic Corp	2,460	17	0.38			
Oklahoma City Community College	2,100	18	0.33			
Midfirst Bank	2,000	19	0.31			
Paycom	2,000	20	0.31			
Chesapeake Energy Corp	1,800	21	0.28	2,800	14	0.48
Dell	1,800	22	0.28	2,100	20	0.36
UPS	1,800	23	0.28	2,300	19	0.40
Hertz Corporation	1,700	24	0.26	2,300	18	0.40
BancFirst	1,700	25	0.26			
American Fidelity	1,650	26	0.26			
Enable Midstream	1,600	27	0.25			
Cox Communications	1,400	28	0.22	2,000	21	0.34
Great Plains Coca-Cola Bottling Company	1,300	29	0.20			
Farmers Insurance Group	1,300	30	0.20			
Bank of OK	1,100	31	0.17			
Dolese Bros Co	1,100	32	0.17			
Continental Resources	1,080	33	0.17			
Deaconess	1,000	34	0.16	1,900	22	0.33
Oklahoma County		35		1,800	23	0.31
	<b>232,024</b>		<b>36.11%</b>	<b>217,928</b>		<b>37.48%</b>

(1) Information was provided by the Greater OKC Chamber and the Bureau of Labor Statistics.

(2) Local, State and Federal Government, as well as Tinker Air Force Base include both civilian and non-civilian employees.

(3) INTEGRIS Health includes INTEGRIS Southwest Medical Center and INTEGRIS Baptist Medical Center.

**EMPLOYEES BY FUNCTION (1)**  
**June 30, 2018**  
**Last Ten Fiscal Years**

**CITY OF OKLAHOMA CITY, OKLAHOMA**  
**TABLE 19**

	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>	<b>2013</b>	<b>2012</b>	<b>2011</b>	<b>2010</b>	<b>2009</b>
<b><u>PRIMARY GOVERNMENT</u></b>										
<i>Governmental Activities</i>										
<u>Governmental funds</u>										
General government	210	203	246	253	248	237	219	215	223	240
Public safety:										
Police	1,470	1,409	1,525	1,474	1,479	1,364	1,426	1,386	1,420	1,419
Fire	987	954	970	982	975	971	971	975	959	990
Other	91	97	80	76	76	71	76	76	67	78
Public services	459	452	545	590	571	562	519	524	521	572
Culture and recreation	442	458	511	524	554	525	667	677	658	695
Education	—	8	15	14	14	14	14	14	9	8
Total governmental funds	<u>3,659</u>	<u>3,581</u>	<u>3,892</u>	<u>3,913</u>	<u>3,917</u>	<u>3,744</u>	<u>3,892</u>	<u>3,867</u>	<u>3,857</u>	<u>4,002</u>
<u>Internal service funds</u>										
Fleet services	25	27	36	36	37	36	35	34	33	36
Risk management	11	9	11	12	10	10	11	11	11	11
Print shop	5	5	4	4	4	4	4	4	4	5
Information technology	106	93	95	95	95	92	83	83	85	96
Total internal service funds	<u>147</u>	<u>134</u>	<u>146</u>	<u>147</u>	<u>146</u>	<u>142</u>	<u>133</u>	<u>132</u>	<u>133</u>	<u>148</u>
	<u>3,806</u>	<u>3,715</u>	<u>4,038</u>	<u>4,060</u>	<u>4,063</u>	<u>3,886</u>	<u>4,025</u>	<u>3,999</u>	<u>3,990</u>	<u>4,150</u>
<i>Business-type Activities</i>										
Airports	124	122	117	113	112	110	100	102	99	100
Water utilities	585	628	627	625	615	610	585	591	574	593
Solid waste management	105	115	110	111	106	107	109	117	107	113
Stormwater drainage	121	135	72	68	65	65	63	76	62	71
Golf courses	222	230	241	230	230	237	239	233	228	188
Transportation and parking	26	23	27	24	22	26	23	24	24	24
Zoo operations (2)	315	416	401	477	445	477	—	—	—	—
	<u>1,498</u>	<u>1,669</u>	<u>1,595</u>	<u>1,648</u>	<u>1,595</u>	<u>1,632</u>	<u>1,119</u>	<u>1,143</u>	<u>1,094</u>	<u>1,089</u>
<b>Total primary government</b>	<b><u>5,304</u></b>	<b><u>5,384</u></b>	<b><u>5,633</u></b>	<b><u>5,708</u></b>	<b><u>5,658</u></b>	<b><u>5,518</u></b>	<b><u>5,144</u></b>	<b><u>5,142</u></b>	<b><u>5,084</u></b>	<b><u>5,239</u></b>
<b><u>FIDUCIARY FUNDS</u></b>										
OCERS	<u>2</u>	<u>2</u>	<u>2</u>	<u>2</u>	<u>2</u>	<u>2</u>	<u>2</u>	<u>2</u>	<u>2</u>	<u>2</u>
<b>Total</b>	<b><u>5,306</u></b>	<b><u>5,386</u></b>	<b><u>5,635</u></b>	<b><u>5,710</u></b>	<b><u>5,660</u></b>	<b><u>5,520</u></b>	<b><u>5,146</u></b>	<b><u>5,144</u></b>	<b><u>5,086</u></b>	<b><u>5,241</u></b>

(1) Employees by function are full-time and part-time employees who received pay as of June 30.

(2) Prior to 2013, zoo employees were not part of the primary government.

**OPERATING INDICATORS BY FUNCTION (1)**  
**June 30, 2018**

**CITY OF OKLAHOMA CITY, OKLAHOMA**  
**TABLE 20**  
**page 1 of 2**

	Fiscal Year									
	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
<b><u>GENERAL</u></b>										
<b><u>GOVERNMENT</u></b>										
Occupation and Business										
business licenses										
issued (2)	23,751	25,041	26,304	25,606	26,540	26,159	26,879	13,653	28,196	36,914
Investment Portfolio Return										
(TRR-Market Value Method) (3)	0.71%	0.35%	1.06%	0.58%	0.51%	0.26%	1.04%	1.07%	2.11%	3.19%
Benchmark index (Merrill Lynch)										
0-3 Year U.S. Treasury Index (5)	0.47%	0.10%	1.01%	0.65%	0.58%	0.29%	0.21%	0.19%	0.32%	0.56%
<b><u>PUBLIC SAFETY</u></b>										
<b><u>POLICE</u></b>										
Physical arrests	19,115	23,175	28,630	29,006	23,715	26,043	23,157	24,000	25,279	27,659
Parking violations	30,588	42,334	42,176	52,559	50,336	32,176	42,523	42,048	48,540	47,005
Traffic violations	73,986	106,032	144,282	149,998	114,377	133,809	132,862	104,993	101,094	83,911
<b><u>FIRE</u></b>										
Fire responses	75,094	79,266	73,699	72,672	67,710	71,746	88,055	86,350	80,858	75,750
Fire responses in less than										
than five minutes	59.45%	56.30%	57.66%	57.52%	59.87%	55.26%	61.22%	53.41%	56.95%	67.04%
Fire inspections	10,980	10,744	11,859	11,714	13,435	15,342	8,769	7,499	7,859	7,995
<b><u>OTHER</u></b>										
Court cases heard	105,596	109,150	150,931	139,900	137,168	127,886	114,028	120,339	123,103	122,981
Warrants cleared										
and served										
(monthly average)	3,447	3,856	5,576	5,085	4,473	3,904	3,686	3,922	3,580	3,805
<b><u>PUBLIC SERVICES</u></b>										
Houses removed/secured	567	549	776	842	413	400	458	578	453	410
Zoning inspections	54,334	64,135	60,911	53,213	60,859	57,183	53,615	51,336	49,782	26,524
Street panels										
repaired (sq yd)	26,845	17,743	11,717	15,922	13,439	18,653	17,123	12,563	13,109	19,919
<b><u>CULTURE AND RECREATION</u></b>										
Youth enrolled in athletic										
leagues (5)	3,803	2,930	4,343	266	1,402	1,698	1,808	1,120	1,382	1,455
Public education workshops (6)	1,870	2,226	2,025	2,107	2,528	-	-	-	40	47
<b><u>AIRPORTS</u></b>										
Average number										
of daily flights	66	65	65	65	68	72	71	71	68	75
Annual number of										
passengers boarding	2,072,135	1,880,480	1,867,286	1,886,219	1,847,283	1,845,055	1,824,313	1,748,379	1,694,060	1,730,874
<b><u>WATER UTILITIES</u></b>										
Sewer lines construction										
or repair (lnr feet) (7)	7,486	25,828	74,357	99,869	94,409	98,522	120,645	106,790	4,810	4,379
Water line										
construction or										
repair (lnr feet)	54,729	62,382	47,395	65,486	84,663	134,456	96,725	118,840	103,560	144,784
Water consumption										
(1,000,000 gal)	30,912	30,669	29,469	27,766	29,048	31,065	33,795	31,336	29,914	29,658
Wastewater										
consumption										
(1,000,000 gal)	19,198	19,198	22,739	21,500	21,360	21,462	21,184	26,474	20,940	19,112

**OPERATING INDICATORS BY FUNCTION (1) (2)**  
**June 30, 2018**

**CITY OF OKLAHOMA CITY, OKLAHOMA**  
**TABLE 20**  
**page 2 of 2**

	Fiscal Year									
	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
<b><u>SOLID WASTE</u></b>										
<b><u>MANAGEMENT (8)</u></b>										
Street sweeping										
(lane miles)	21,431	21,660	21,741	21,909	21,760	21,878	19,390	18,558	18,434	18,979
Refuse collected										
(tons/day)	1,398	1,435	1,445	1,389	1,390	1,349	1,029	1,058	1,085	1,104
Recyclables collected in tons per										
in tons per day	38	40	41	40	44	42	33	35	39	40
<b><u>STORMWATER</u></b>										
<b><u>DRAINAGE</u></b>										
Construction erosion										
inspections	9,125	8,434	8,156	7,976	5,597	5,856	5,581	9,445	7,345	9,600
Stormwater discharge										
permits issued	732	714	655	750	676	829	748	773	1,054	1,330
<b><u>GOLF COURSES</u></b>										
Rounds of golf	241,236	245,905	250,299	244,639	236,662	255,495	276,472	268,524	267,489	277,827
<b><u>FAIRGROUNDS (9)</u></b>										
Events	151	136	180	186	203	190	185	191	191	211
Event days	2,144	2,665	2,463	2,559	2,713	2,375	2,327	2,213	2,131	2,491
<b><u>GROUND</u></b>										
<b><u>TRANSPORTATION</u></b>										
Daily motor bus										
passengers (avg) (10)	10,359	11,245	11,418	11,064	11,474	10,109	9,928	9,657	9,729	9,493
<b><u>PARKING (11)</u></b>										
Average monthly										
occupancy rate (%)	82.00%	93.76%	106.80%	110.30%	118.25%	111.72%	94.90%	89.00%	91.00%	88.45%

- (1) Sources include the City of Oklahoma City (City) Annual Budget, Supplemental Disclosure-Outstanding Bonded Debt, and City Departments.
- (2) Prior years included residential sales and vehicle for hire vehicles. New management guidelines in fiscal year 2011 exclude residential sales and vehicle for hire vehicles from the total number of business and occupational licenses.
- (3) In fiscal year 2013 the Treasury Department changed the method of reporting from the Total Rate of Return - Book Value Method to the Total Rate of Return Market Value Method.
- (4) In fiscal year 2013 the Treasury Department changed the portfolio's benchmark from the Constant Maturity Treasury (CMT) to the Merrill Lynch 0-3 Year U.S. Treasury benchmark.
- (5) The reporting for youth enrolled in athletic leagues rose significantly in 2016 due to increased staffing for the program.
- (6) The Myriad Gardens underwent construction during fiscal years 2011 through 2013, public education workshops began again in fiscal year 2014.
- (7) The reporting for sewer lines construction or repair (lnr feet) changed in 2011 to include construction whereas previous years include only repairs.
- (8) The source of this information is the Solid Waste Management Division of the Water/Wastewater Utilities Department of the City. Solid waste collection is provided by both the City and privately contracted crews. Refuse and recyclables collected are based on 252 working days.
- (9) The management of the fairgrounds is privately contracted.
- (10) Daily average for weekday service, Monday through Friday.
- (11) The Broadway-Kerr garage was sold on January 11th, 2012. Since that sale, occupancy is over 100%.

**CAPITAL ASSET AND INFRASTRUCTURE (1) (2)**  
**June 30, 2018**  
**Last Ten Fiscal Years**

**CITY OF OKLAHOMA CITY, OKLAHOMA**  
**TABLE 21**

	Fiscal Year									
	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
<b><u>POLICE</u></b>										
Stations	1	1	1	1	1	1	1	1	1	1
Sub-Stations	5	5	5	5	5	5	5	5	5	5
Patrol Units	648	647	593	589	530	546	548	577	581	580
<b><u>FIRE</u></b>										
Stations	36	36	36	36	35	35	35	35	35	35
Fire emergency apparatus (2)	144	156	139	138	96	87	84	85	84	81
<b><u>SOLID WASTE MANAGEMENT</u></b>										
Collection vehicles	115	114	125	125	125	131	117	113	108	114
<b><u>STREETS AND HIGHWAYS</u></b>										
Streets (miles)	8,394	8,388	8,322	8,229	8,177	8,151	7,862	7,800	7,775	7,772
New traffic signals installed	3	15	8	7	7	7	10	6	11	20
<b><u>PARKS AND RECREATION</u></b>										
Parks Acres	4,277	4,277	4,590	4,590	4,590	4,590	4,590	4,590	4,590	4,230
Lake acres - land & water recreation	14,725	14,725	14,312	14,312	14,312	14,229	14,229	14,229	14,229	14,229
Oklahoma River & Bricktown	507	507	507	507	507	507	507	507	507	507
Playgrounds	116	116	110	110	109	111	109	109	108	104
Baseball/softball/practice fields	106	106	89	89	88	80	84	84	92	92
Soccer/football fields (3)	61	61	60	59	42	-	-	-	-	-
Community/special activity centers	33	31	31	31	31	30	30	30	26	26
<b><u>WATER</u></b>										
Water main miles	3,900	3,850	3,774	3,703	3,649	3,583	3,518	3,269	3,225	3,189
Fire hydrants	24,258	24,054	23,498	22,743	22,547	22,473	21,527	21,527	21,147	20,441
Storage capacity (1000 gal) (4)	75,000	61,870	61,870	75,000	75,000	70,000	70,000	70,000	70,000	70,000
<b><u>WASTEWATER</u></b>										
Sanitary sewer miles	2,958	2,918	2,871	2,839	2,806	2,784	2,755	2,711	2,689	2,636
Treatment capacity (1000 gal/day)	111,000	111,000	111,000	111,000	111,000	111,000	111,000	106,000	106,000	106,000
<b><u>STORMWATER DRAINAGE</u></b>										
Storm sewer miles	881.49	875.49	863.14	843.10	830.42	821.22	811.70	806.80	793.00	779.20
<b><u>TRANSIT</u></b>										
Buses	59	59	61	59	59	58	58	58	58	58
Trolleys (5)	-	-	-	-	-	-	10	10	12	12
Van lifts	24	24	24	21	22	22	20	23	23	18

(1) Information is provided by City of Oklahoma City departments.

(2) Fire emergency apparatus includes emergency vehicles that respond to emergency calls for service only.

(3) In 2014 it was determined that previously reported amounts were incorrect. Historical data will be presented going forward from 2014.

(4) During fiscal year 2016 several assets were removed due to failing conditions or projected inactivity.

(5) Trolley service was discontinued in 2012.

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