

OUR FUTURE IS BRIGHT



Comprehensive Annual Financial Report

the City of Oklahoma City, Oklahoma | for the Fiscal Year ended June 30, 2013

Oklahoma City, Oklahoma

Comprehensive Annual Financial Report

For the Fiscal Year Ended June 30, 2013



The City of
OKLAHOMA CITY

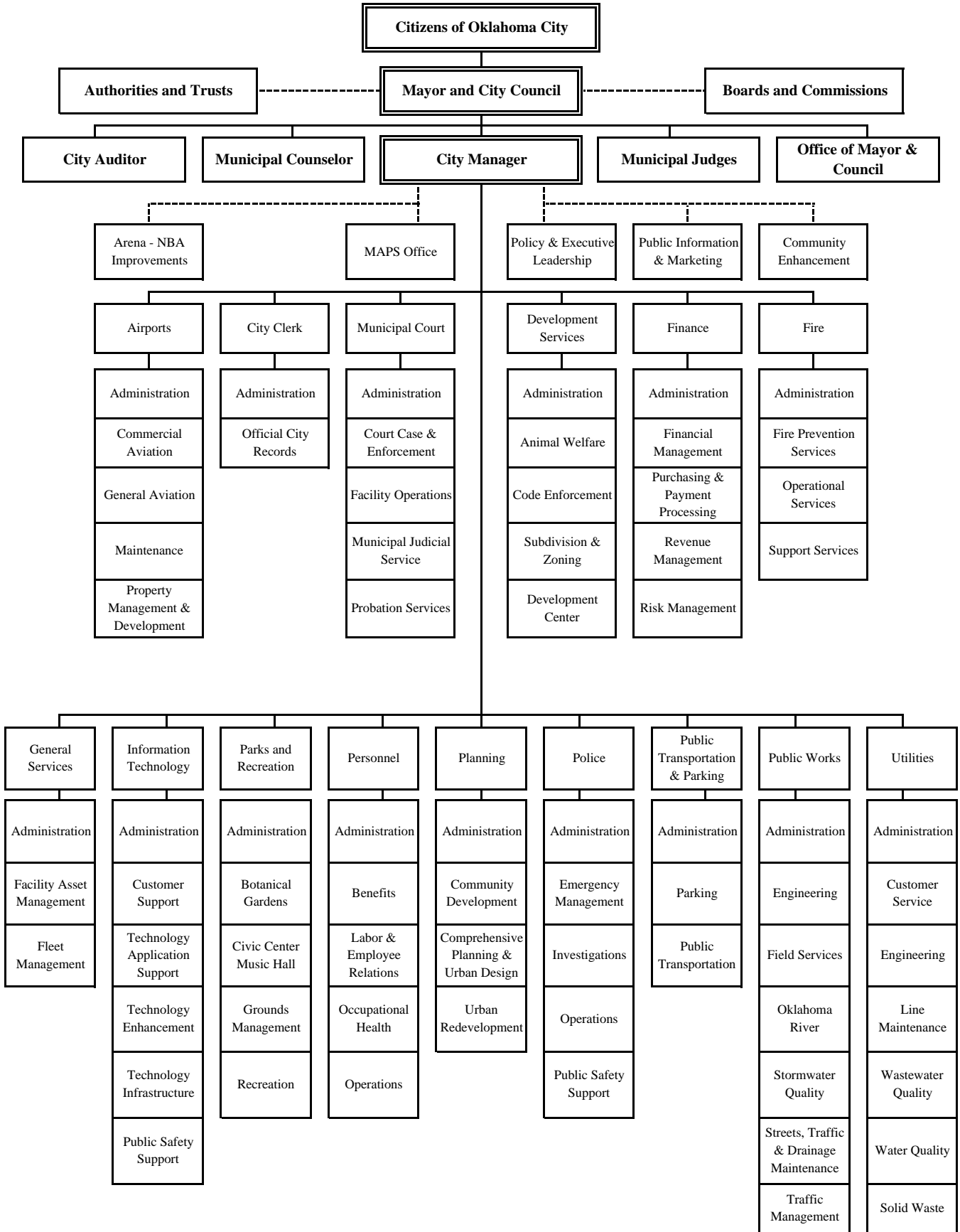
Prepared by the Department of Finance, Accounting Services Division
Glen D. Earley, Controller

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City of Oklahoma City Organization Chart



Introductory





The City of Oklahoma City

December 9, 2013

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

The City of Oklahoma City (City) fiscal year 2013 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 presented 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, 2013, 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 useful in assessing the City's general economic condition and 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 BKD LLP 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 and combining and individual fund statements and schedules for the fiscal year ended June 30, 2013. The independent auditor's report is presented as the first component of the financial section of this report. BKD LLP 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, Suite 300, 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 595 thousand residents. Historically, the City has pursued a policy of annexation, and at 621 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 residents 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

The current economic environment and the economic outlook for Oklahoma City remain very positive. Because of a cost of living rating consistently below the national average; a strong industry presence; low commuting times; convenient airline travel; quality education, entertainment and sports opportunities; favorable weather; and a central location, Oklahoma City continues to receive numerous top accolades for metropolitan cities in the United States including Forbes February 25, 2013 ranking of Oklahoma City as one of the best cities for good jobs. These factors promise an immediate and sustainable economic growth outlook for the next several years.

In a report prepared by The Steven C. Agee Economic Research & Policy Institute of Oklahoma City University (Institute), dated January 31, 2013 and entitled "City of Oklahoma City Economic Outlook", the Institute reported that calendar year 2013, while remaining in a general recovery mode, will be another year of underperformance nationally, citing unresolved Federal issues. On the other hand the Institute cites historical patterns of economic activity in Oklahoma as reasons Oklahoma City has and will not closely follow the national trend. As a result they report that Oklahoma City should continue to enjoy broad growth as long as the national economy is in a general recovery mode. The Institute reported that recent employment and earnings growth should result in positive sales tax momentum with a general projection of 4.4 percent annual growth in sales tax revenues for calendar years 2013 and 2014 with a range from 2.6 percent to 7.4 percent depending on the national economy. Personal income is expected to grow 4.3 percent and 3.7 percent for calendar years 2013 and 2014, respectively. Without any significant changes in the national economy, overall job growth is expected to be around 2.5 percent for calendar years 2013 and 2014 and possibly in excess of 4 percent in some job sectors.

Fiscal year 2013, in terms of sales tax revenue growth, substantiates this positive outlook, with an increase for the year of over 5 percent. Expenditures for the year, predicated on this growth, allowed for increases in several programs. Budgeted expenditures for fiscal year 2014 also were based on the positive projected economic growth.

Any economic outlook is predicated on sustainable factors. The City Council has a continuing priority to its citizens to fulfill the promises made to them with regard to completing the projects established in voter initiatives to invest in the City. In addition, the City Council is focused on pursuing a financial model that provides adequate resources to meet the expectations for services as Oklahoma City grows and maintaining strong financial management that is evidenced by the highest possible rating 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.

General obligation bonds are funded through property taxes. In December 2007, the citizens voted to approve \$760.5 million in general obligation bond propositions for improvement to the City's infrastructure and \$75 million for economic development incentives. Of this bond authorization, the City has issued \$439.9 million for infrastructure improvement and \$39.0 million for economic development incentives.

In December, 2009 the citizens voted to extend a one cent sales tax for capital improvements for a better quality of life in Oklahoma City. The tax is designated for construction and renovation of multiple capital projects throughout the City and will be collected until December 2017. It is expected to generate \$777 million for these projects.

Leading for Results is the City’s strategic planning and performance measurement 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 public improvements of all City related entities 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 fully 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 2013-2017 CIP, approved by Council in October, 2012, lists projects to be implemented or continued during the years of the CIP. The City's 2012 and 2013 expenditures and 2014 capital budget by function are summarized in the following table (dollars are in thousands).

	2012 CIP Project <u>Expenditures</u>	2013 CIP Project <u>Expenditures</u>	2014 CIP <u>Budget (1)</u>
General government	\$5,399	\$8,903	\$18,120
Public safety	13,663	6,874	70,945
Public services (includes infrastructure)	175,834	182,349	310,373
Culture and recreation	110,627	72,275	208,984
Education	<u>79,673</u>	<u>80,646</u>	<u>72,724</u>
	<u>\$385,196</u>	<u>\$351,047</u>	<u>\$681,146</u>

(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. Because 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. By City Council resolution, public trusts of which the City is the beneficiary are encouraged to use the independent auditors selected competitively by the City. The City and its public trusts fully comply with audit requirements.

June 30, 2013

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; performance auditing; 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. Financial policies include budgeting and financial planning, capital planning, revenue, investment, debt management, procurement, and 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. 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 2012 annual budget was awarded the Government Finance Officers Association of the United States and Canada (GFOA) Distinguished Budget Presentation Award. This is the 22nd consecutive 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, 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, 2012. This was the 30th 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.

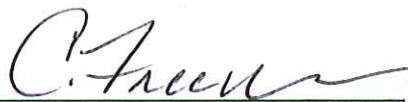
A Certificate of Achievement is valid for a period of one year only. We believe our current report continues to meet the Certificate of Achievement program's requirements, and we are submitting it to the GFOA to determine its eligibility for another certificate.

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, BKD LLP. In addition, 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



Glen D. Earley, CPA
Controller

**SELECTED CITY OFFICIALS
MAYOR AND COUNCIL**

Mick Cornett	Mayor
James Greiner	Ward 1
Ed Shadid	Ward 2
Larry McAtee	Ward 3
Pete White	Ward 4
David Greenwell	Ward 5
Margaret S. "Meg" Salyer	Ward 6
John A. Pettis Jr.	Ward 7
Patrick J. Ryan	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 Freeman	Finance Director
Eric J. Wenger	Public Works Director
Marsha Slaughter	Utilities Director
Paula J. Falkenstein	General Services Director
Mark Kranenburg	Airports Director
Stacey Davis	Municipal Courts Director
Frances Kersey	City Clerk
Richard Cain	Public Transportation and Parking Director
Wendel Whisenhunt	Parks and Recreation Director
Bob Tener	Development Services
Dianna Berry	Personnel Director
G. Keith Bryant	Fire Chief
Kristy Yager	Public Information and Marketing Director
Russell Claus	Planning Director
Schad Meldrum	Information Technology Director
Dwight Scott	Oklahoma City Zoo Director
William Citty	Police Chief

SELECTED MANAGERS

Steve Hill	Assistant to the Mayor
Matt Weller	Assistant City Auditor
Larry Ogle	Parks Assistant Director
Paul Bronson	Public Works Assistant Director
Doug Dowler	Budget Director
Glen D. Earley	Controller
Amy Simpson	Purchasing Agent
Robert Ponkilla	City Treasurer
Brent Bryant	Economic Development Program Manager
Kim Sotomayor	Airports Business Manager
Renee Sachau	Police Business Manager
Clint Regier	Fire Business Manager
Bret Weingart	Utilities Assistant 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, 2012

Executive Director/CEO

Financial



Independent Auditor's Report on Financial Statements and Supplementary Information

The Honorable Mayor and City Council
The City of Oklahoma City, Oklahoma
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 (the City), as of and for the year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise the City's basic financial statements listed in the table of contents. We also have audited the financial statements of each of the City's nonmajor governmental, nonmajor enterprise, internal service and fiduciary funds and the discretely presented component units presented as supplementary information, as defined by the Governmental Accounting Standards Board, in the accompanying combining and individual fund statements and schedules as of and for the year ended June 30, 2013, 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 Combined Operations of the Cox Convention Center and the Chesapeake Energy Arena, as managed by SMG, an agent operating these facilities, which is presented within the Oklahoma City Public Property Authority (OCPPA) General Purpose Fund. The financial statements of SMG comprise 56%, 1% and 0% of the total assets and 76%, 5% and 7% operating revenues of OCPPA General Purpose Fund, operating revenues of the aggregate remaining fund information and program revenues of the governmental activities, respectively. Those statements were audited by other auditors, whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for The Combined Operations of the Cox Convention Center and the Chesapeake Energy Arena, as managed by SMG, is based solely on the report 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. The financial statements of The Combined Operations of The Cox Convention Center and The Chesapeake Energy Arena as Managed by SMG, which are included in the OCPPA General Purpose Fund, were not audited in accordance with *Government Auditing Standards*.

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 City'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 City'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.

Opinion

In our opinion, 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, 2013, and the respective changes in financial position and cash flows, where applicable thereof, for the year then ended in accordance with accounting principles generally accepted in the United States of America. In addition, in our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of each nonmajor governmental, nonmajor enterprise, internal service and fiduciary funds and the discretely presented component units of the City as listed in the table of contents, as of June 30, 2013, and the respective changes in financial position and cash flows, where applicable thereof, and budgetary comparisons for the nonmajor governmental funds for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in *Note IV* to the financial statements, in 2013 the City changed its method of accounting for component units and bond issuance cost with the adoption of Governmental Accounting Standards Board Statements No. 61 and No. 65. Our opinions are not modified with respect to this matter.

As discussed in *Note IV* to the financial statements, the 2012 financial statements have been restated to correct a misstatement. Our previously issued report on those financial statements dated December 18, 2012, is no longer to be relied upon because the previously issued statements were materially misstated.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary and pension 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; however, we noted the 2012 balances presented in the management's discussion and analysis do not reflect all the prior period adjustments disclosed in *Note IV*.

Supplementary 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 accompanying supplementary information as listed in the table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic 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, the information is fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Information

Our audit was conducted for the purpose of forming opinions on the basic financial statements as a whole. The introductory and statistical sections listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information has 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 it.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 9, 2013, 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 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 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.

BKD, LLP

Oklahoma City, Oklahoma
December 9, 2013

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, 2013. The City's financial performance is discussed and analyzed within the context of the accompanying financial statements and disclosure 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 exceeded its liabilities by \$2,024,920 (net position) for 2013. This compares to the previous year when assets exceeded liabilities by \$1,911,261.
- Total liabilities of the City increased by \$88,216 to \$1,080,318 during the fiscal year. General obligation bonds issued for capital improvements during the fiscal year were \$90,000. General obligation bonds repaid during the year were \$43,985. Revenue bonds issued to support specific public services of the City were \$10,565. Revenue bonds repaid during the year were \$3,430.
- Total net position is comprised of the following:
 - (1) Net investment in capital assets, of \$1,262,458 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 \$602,641 is restricted by constraints imposed from outside the City such as debt covenants, grantors, laws, or regulations.
 - (3) Unrestricted net position is \$159,821 compared to unrestricted net position of \$158,813 last year.
- The City's governmental funds reported total ending fund balance of \$858,759 this year. This compares to the prior year ending fund balance of \$711,830 showing an increase of \$146,929 during the current year. Unassigned fund balance is \$94,323 for fiscal year 2013.
- At the end of the current fiscal year, unassigned fund balance for the General Fund was \$125,836 or 34.0% of total General Fund expenditures including transfers and 32.2% 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 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 and liabilities, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City as a whole is improving or deteriorating and identify financial strengths and weaknesses and assess 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 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. They 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. These are 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 customers external to the City organization 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 report 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 certain required supplementary information concerning the City's progress in funding its obligation to provide pension benefits and OPEB 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, 2013 is \$2,024,920. This is a \$113,659 increase over June 30, 2012 net position, as restated, of \$1,911,261. Net position increased \$116,037 for governmental activities and decreased \$2,378 for business-type activities. The City's overall financial position improved during fiscal year 2013. The 2012 balances presented in this discussion and analysis have been adjusted to reflect the implementation of Governmental Accounting Standards Board (GASB) statement number 61 that resulted in reclassification of several component units. The 2012 balances have not been restated for the effects of GASB statement number 65 that changed financial reporting for certain deferred inflows and outflows and the prior period adjustment. See Note IV. A. for more information.

	Governmental		Business-type		Totals		Amount of Change	% Change
	Activities		Activities					
	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u> <u>(Restated)</u>	<u>2013</u>	<u>2012</u> <u>(Restated)</u>		
Assets								
Current assets	\$1,018,879	\$849,690	\$49,983	\$37,820	\$1,068,862	\$887,510	\$181,352	20.4%
Capital assets, net	1,533,018	1,502,740	463,247	487,182	1,996,265	1,989,922	6,343	0.3
Other non-current assets	<u>25,209</u>	<u>20,794</u>	<u>8,100</u>	<u>5,137</u>	<u>33,309</u>	<u>25,931</u>	<u>7,378</u>	28.5
Total assets	<u>2,577,106</u>	<u>2,373,224</u>	<u>521,330</u>	<u>530,139</u>	<u>3,098,436</u>	<u>2,903,363</u>	<u>195,073</u>	6.7
Deferred outflows of resources	<u>6,596</u>	<u>-</u>	<u>206</u>	<u>-</u>	<u>6,802</u>	<u>-</u>	<u>6,802</u>	100.0
Liabilities								
Current liabilities	151,361	138,613	29,034	30,032	180,395	168,645	11,750	7.0
Non-current liabilities	<u>775,782</u>	<u>694,089</u>	<u>124,141</u>	<u>129,368</u>	<u>899,923</u>	<u>823,457</u>	<u>76,466</u>	9.3
Total liabilities	<u>927,143</u>	<u>832,702</u>	<u>153,175</u>	<u>159,400</u>	<u>1,080,318</u>	<u>992,102</u>	<u>88,216</u>	8.9
Net position								
Net investment								
in capital assets	888,639	917,055	373,819	378,341	1,262,458	1,295,396	(32,938)	(2.5)
Restricted	598,236	453,539	4,405	3,513	602,641	457,052	145,589	31.9
Unrestricted (deficit)	<u>169,684</u>	<u>169,928</u>	<u>(9,863)</u>	<u>(11,115)</u>	<u>159,821</u>	<u>158,813</u>	<u>1,008</u>	0.6
Total net position	<u>\$1,656,559</u>	<u>\$1,540,522</u>	<u>\$368,361</u>	<u>\$370,739</u>	<u>\$2,024,920</u>	<u>\$1,911,261</u>	<u>\$113,659</u>	5.9

Total assets increased 6.7% or \$195,073 during the year. Of this change, increases in current assets accounted for \$181,352, primarily resulting from the issuance of bonded debt and collections of MAPS 3 sales tax where funds are only beginning to be expended. Liabilities increased by 8.9% or \$88,216 and contained no significant unusual transactions. Bonded debt increased by \$53,150 as a result of additional debt issuances, offset by annual payments. Other debt increased \$4,680 mainly due to increases in estimated claims payable. There were increases in the other post-employment benefit liability of \$13,351 and other liabilities increased \$4,188.

	Summary of Changes in Net Position							
	Governmental Activities		Business-type Activities		Totals		Amount of Change	% Change
	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u> <u>(Restated)</u>	<u>2013</u>	<u>2012</u> <u>(Restated)</u>		
Revenues								
Program revenues								
Charges for services	\$81,833	\$73,306	\$162,637	\$155,403	\$244,470	\$228,709	\$15,761	6.9%
Operating grants and contributions	65,711	65,844	17,990	18,226	83,701	84,070	(369)	(0.4)
Capital grants and contributions	64,783	16,504	9,364	10,710	74,147	27,214	46,933	172.5
General revenues								
Sales taxes	400,323	389,869	-	-	400,323	389,869	10,454	2.7
Use taxes	45,406	52,470	-	-	45,406	52,470	(7,064)	(13.5)
Property taxes	76,756	73,778	-	-	76,756	73,778	2,978	4.0
Franchise taxes (fees)	42,109	42,410	-	-	42,109	42,410	(301)	(0.7)
Other taxes	24,128	23,176	-	-	24,128	23,176	952	4.1
Other	<u>9,058</u>	<u>11,209</u>	<u>153</u>	<u>1,180</u>	<u>9,211</u>	<u>12,389</u>	<u>(3,178)</u>	<u>(25.7)</u>
Total revenues	<u>810,107</u>	<u>748,566</u>	<u>190,144</u>	<u>185,519</u>	<u>1,000,251</u>	<u>934,085</u>	<u>66,166</u>	7.1
Expenses								
General government	26,863	31,257	-	-	26,863	31,257	(4,394)	(14.1)
Public safety	365,963	322,960	-	-	365,963	322,960	43,003	13.3
Public services	137,685	127,218	-	-	137,685	127,218	10,467	8.2
Culture and recreation	79,813	87,379	-	-	79,813	87,379	(7,566)	(8.7)
Education	2,059	1,571	-	-	2,059	1,571	488	31.1
Economic development	1,271	5,335	-	-	1,271	5,335	(4,064)	(76.2)
Interest on long-term debt	22,389	20,824	-	-	22,389	20,824	1,565	7.5
Airports	-	-	16,204	15,160	16,204	15,160	1,044	6.9
Water and wastewater utilities	-	-	92,007	93,938	92,007	93,938	(1,931)	(2.1)
Solid waste management	-	-	39,147	37,150	39,147	37,150	1,997	5.4
Stormwater drainage	-	-	17,409	16,113	17,409	16,113	1,296	8.0
Golf courses	-	-	10,956	10,811	10,956	10,811	145	1.3
Fairgrounds	-	-	9,873	10,063	9,873	10,063	(190)	(1.9)
Ground transportation and parking	-	-	4,892	4,741	4,892	4,741	151	3.2
Zoo operations	<u>-</u>	<u>-</u>	<u>20,522</u>	<u>19,412</u>	<u>20,522</u>	<u>19,412</u>	<u>1,110</u>	<u>5.7</u>
Total expenses	<u>636,043</u>	<u>596,544</u>	<u>211,010</u>	<u>207,388</u>	<u>847,053</u>	<u>803,932</u>	<u>43,121</u>	5.4
Increase in net position								
before transfers	174,064	152,022	(20,866)	(21,869)	153,198	130,153	23,045	17.7
Special item	-	7,497	-	(545)	-	6,952	(6,952)	(100.0)
Transfers	(20,674)	(453)	20,674	21,037	-	20,584	(20,584)	(100.0)
Change in net position	<u>153,390</u>	<u>159,066</u>	<u>(192)</u>	<u>(1,377)</u>	<u>153,198</u>	<u>157,689</u>	<u>(4,491)</u>	<u>(2.8)</u>
Beginning net position								
As originally reported	1,540,522	1,380,357	1,349,757	364,624	2,890,279	1,744,981	1,145,298	65.6
Change in accounting principle	(2,743)	-	(979,608)	-	(982,351)	-	(982,351)	100.0
Prior period adjustment	<u>(34,610)</u>	<u>1,099</u>	<u>(1,596)</u>	<u>7,492</u>	<u>(36,206)</u>	<u>8,591</u>	<u>(44,797)</u>	<u>(521.4)</u>
Beginning net position, as restated	<u>1,503,169</u>	<u>1,381,456</u>	<u>368,553</u>	<u>372,116</u>	<u>1,871,722</u>	<u>1,753,572</u>	<u>118,150</u>	<u>6.7</u>
Ending net position	<u>\$1,656,559</u>	<u>\$1,540,522</u>	<u>\$368,361</u>	<u>\$370,739</u>	<u>\$2,024,920</u>	<u>\$1,911,261</u>	<u>\$113,659</u>	5.9

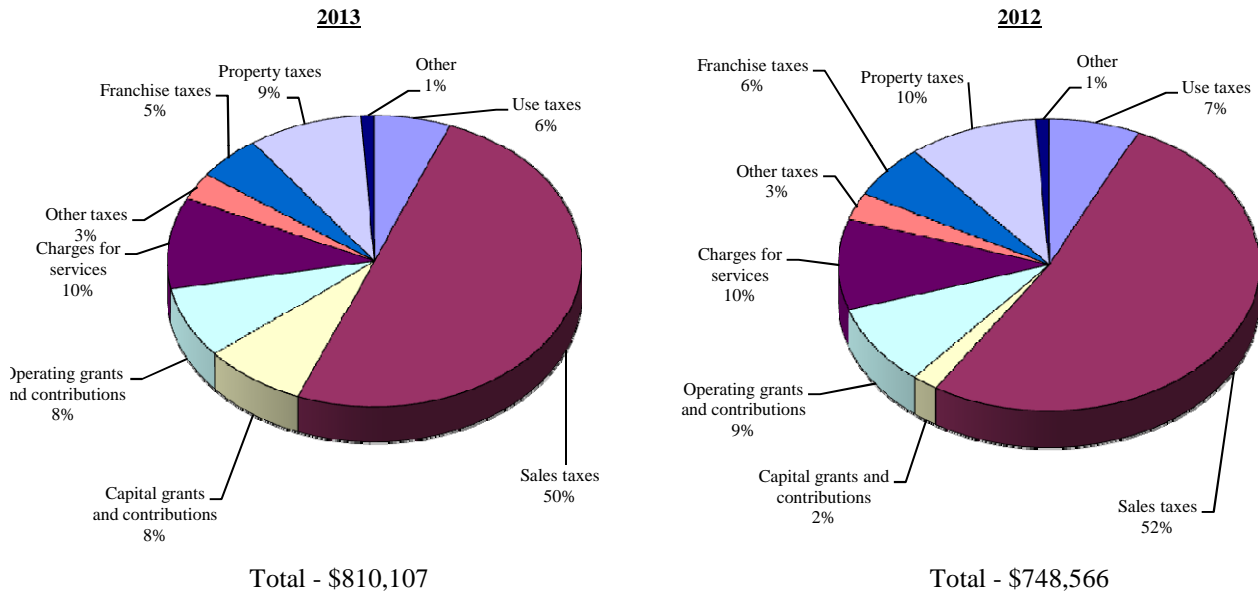
Operating grants and contributions remained consistent and decreased 0.4% in governmental and business-type activities. Capital grants and contributions increased 172.5% as a result of a \$50,108 transfer of capital assets from the Oklahoma City Economic Development Trust (OCEDT). There was a normal increase in governmental activity general revenues totaling \$4,868. This includes sales tax revenues increases of 2.7% and other tax revenues decreases of 1.8%, caused by a decrease in use and franchise taxes. Charges for services increased 6.9%. Revenue fluctuations are explained further under Governmental Activities and Business-type Activities below.

Operating expenses overall rose 5.4% in fiscal year 2013. Governmental activities expenses increased 6.6% and business-type activities rose by 1.7%. Governmental activities' public safety and public services expenses increased primarily from enhanced programs and recording disposition of capital assets resulting from a biennial inventory. Business-type activities' expenses remained reflected fairly consistent increases. Expense fluctuations are explained under Governmental Activities and Business-type Activities below. Also see the discussion of Major Governmental Funds and General Fund Budgetary Highlights.

Graphic presentations of the Summary of Changes in Net Position follows to assist in the analysis of the City's activities for fiscal years 2013 and 2012.

Governmental Activities

REVENUES



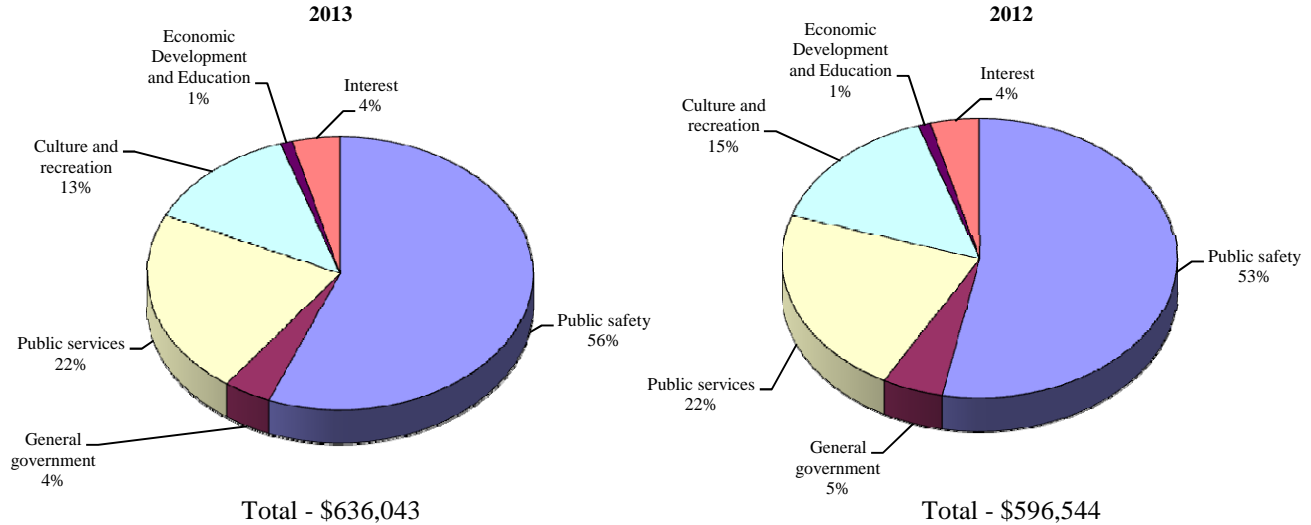
Overall revenues from governmental activities increased. Sales taxes provided 50% and 52% of the City's total governmental revenues in fiscal years 2013 and 2012, respectively. Sales tax revenues increased \$10,454 particularly as a result of strong retail and wholesale operations. These two categories comprised 72.7% of the total sales taxes. Use taxes showed a decrease of \$7,064, as a result of significant revenues of one enterprise in the previous year that has reduced out of state sales in the current year. Property tax levy collections for fiscal years 2013 and 2012 were \$76,478 and \$74,379, respectively. Franchise taxes showed a slight decrease of \$301 which is attributed to weather conditions causing increased utility usage in the prior year.

Decreases in operating grants and contributions during the current year of \$133 were the result of an increase in entitlement funding of \$1,914, an increase in FEMA awards of \$6,554 due to several storms, a \$3,058 increase in contributions from the State of Oklahoma on behalf of City police and fire employees, offset by decreases in other grants of \$7,407, a on-time donation matching funds of \$2,418 in the prior year and a reduction of investment income of \$2,070. See Note VII. B. 4. for additional information regarding on behalf payments.

Charges for services increased \$15,761 and remained 10% of the total governmental revenues.

Capital grants and contributions increased by \$46,933 due mainly to a \$50,108 transfer of capital assets from OCEDT to the City.

FUNCTIONAL EXPENSES

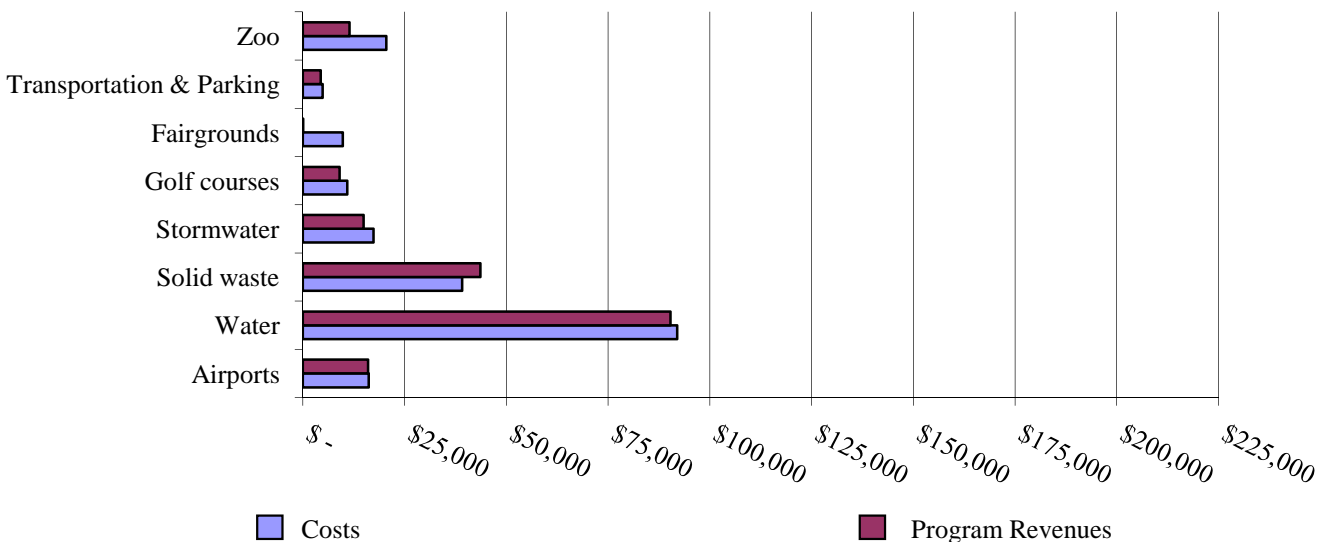


The graph shows the total governmental activities cost of \$636,043 for 2013. Public safety, with \$177,062 in cost for police and \$153,482 in cost for fire, was the largest operating service cost, at 56.0% of total cost of services in 2013. These costs, as well as all governmental activities expenses, were primarily funded by taxes. Public safety expenses used \$299,350 in taxes and other general revenues. Other governmental activities with significant tax-based funding include public services and culture and recreation activities.

General government expenses decreased \$4,394 and public safety expenses increased \$43,003. Public services expenses increased \$10,467 and culture and recreation decreased \$7,566. Increases reflect recovery of revenues and the emphasis placed in these functions by the allocation of new funds available. Decreases in the cultural and recreation activity is due to a significant reduction in general fund athletics department expenses. Refer to the discussion of major Governmental Funds later in the financial analysis of City funds for more information.

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 required subsidization by the City. Zoo debt is funded by dedicated sales taxes.

Charges for services for business-type activities increased \$7,234, generally as a result of revenue increases in all programs. Operating grants and contributions decreased \$236 resulting from decreases in available grant funding. Capital grants decreased \$1,346 as a result of a slight decrease in water and wastewater donations from developers.

Business-type activities' expenses decreased \$3,622. There were only slight changes in most activities expenses due to normal operating conditions. Water and wastewater expenses decreased \$1,931 and fairgrounds increased 17.1% both as a result of changes in depreciation. All other activities increased less than 10% as business operations were normal.

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 \$858,759. Of this year-end total, \$94,323 is unassigned indicating availability for continuing City service requirements.

The total ending fund balances of governmental funds show an increase of \$146,828 over the prior year. This increase is primarily the result of the events and programs described within the analysis of the City's governmental activities.

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 \$21,519 during fiscal year 2013. A key factor contributing to this increase is a continued increase in sales tax revenues. Expenditures increased as the City enjoyed increased departmental budgets including funding for 143 new positions and additional capital, transit, Other Post-Employment Benefits (OPEB) funding, as well as increased funding for the operations of the Myriad Botanical Gardens, the Chesapeake Energy Arena, and the Cox Convention Center. See General Fund Budgetary Highlights for more information.

The Debt Service and General Obligation Bonds Funds have fund balances of \$67,876 and \$177,331, respectively. This fiscal year included a net increase of \$11,142 in the Debt Service Fund and a net increase of \$48,734 in the General Obligation Bonds Fund. The change in Debt Service net position reflects reduction of reserves related to a major debt restructuring and 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. General Obligation Bonds net position decreased as a result of expenditures for capital outlay in excess of receipts of proceeds from a new bond issue. See the discussion of long-term debt.

In fiscal year 2013, the Grants Management Fund reported a \$4,598 decrease in fund balance. The Grants Management Fund's fund balance is a factor of changes in notes and debt as opposed to revenues and expenses since revenues are reported to the extent expended. Both revenues and expenditures decreased significantly this year due to cuts in Federal funding.

In fiscal year 2013, the MAPS3 Sales Tax Fund reported a \$86,450 increase 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 increased significantly as tax revenues have exceeded expectations and the funded projects are only beginning to be implemented.

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 provides the daily operations of OCWUT, a discreet component unit. Net position for the Water and Wastewater Fund decreased by \$1,534 for an ending net position of \$244,246. Major revenues include payments from OCWUT to fund costs and donated assets from developers. Expenses include personnel, maintenance and supplies, and depreciation. Expenses decreased \$1,931 during the year.

OCEAT shares the financing and operations of the City's solid waste disposal program. The OCEAT's net position increased \$3,755 during the current year, the same as last year. Both revenues and expenses increased slightly over last year.

OCZT provides the financing and daily operations for the zoo. OCZT receives sales tax funding from the City Zoo Fund to fund debt service. During the year the OCZT increased its net position \$3,970 to \$72,511.

The OCPPA Fairgrounds Fund provides financing for the Oklahoma City Fairgrounds through transfer of hotel/motel tax restricted for fairgrounds debt service. During the year, the OCPPA Fairgrounds Fund net position decreased to a deficit of \$2,110 as expenses exceeded revenues by \$2,342.

The OCPPA Golf Courses Fund accounts for the finances of five municipal golf courses. The current year change in net position was a deficit of \$588, resulting in a deficit net position of \$1,124. The total operating revenues decreased \$102 during the year to \$8,915 primarily related to unfavorable overall weather conditions. During the same period expenses were offset by increased personnel costs related to pay increases.

General Fund Budgetary Highlights

The original adopted General Fund budget for fiscal year June 30, 2013 was \$387,307. This was an increase of \$1,202 over the previous year budget. The General Fund adopted budget was amended three times during the June 30, 2013 fiscal year. The first amendment of approximately \$154 provided funding to improve bus service. The second amendment provided funding from fund balance for valid prior year encumbrances rolled over to the current fiscal year in the amount of \$1,501 and for a transfer of \$8 million to the Capital Improvements Fund to fund additional street resurfacing. The third amendment provided funding for police and fire positions resulting from the increased sales tax revenues.

The three budget amendments increased the budget by \$18,472 for a final amended General Fund budget of \$405,779. 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, 2013, was \$1,533,018 and \$463,247, respectively. The total increase in this net investment was 2.0% for governmental activities and the total decrease for business-type activities was 0.9%. The overall increase was 1.3% for the City as a whole.

	Capital Assets, Net of Accumulated Depreciation						Amount of Change	%
	Governmental Activities		Business-type Activities		Totals			
	2013	2012	2013	2012 (Restated)	2013	2012 (Restated)		
Non-Depreciable Assets								
Land and water storage rights	\$101,956	\$95,013	\$30,664	\$30,664	\$132,620	\$125,677	\$6,943	5.5%
Construction in progress	111,812	190,439	15,206	11,543	127,018	201,982	(74,964)	(37.1)
Total non-depreciable assets	213,768	285,452	45,870	42,207	259,638	327,659	(68,021)	(20.8)
Depreciable Assets								
Buildings	338,962	323,405	95,612	98,760	434,574	422,165	12,409	2.9
Infrastructure and improvements other than buildings	904,452	810,964	305,433	313,361	1,209,885	1,124,325	85,560	7.6
Furniture, machinery, and equipment	75,836	82,919	16,332	12,958	92,168	95,877	(3,709)	(3.9)
Total depreciable assets	1,319,250	1,217,288	417,377	425,079	1,736,627	1,642,367	94,260	5.7
Total	\$1,533,018	\$1,502,740	\$463,247	\$467,286	\$1,996,265	\$1,970,026	\$26,239	1.3

General obligation, revenue bonds, and the City's capital improvement program funded with general funds of the City provided the major funding for the construction and acquisition of capital assets with \$114,623 invested during the year. Decreases in capital assets are primarily the result of depreciation. In addition, \$50,108 of capital assets, net of accumulated depreciation, was donated to the City from OCEDT since these assets would not be used to further economic development in the City. See Note II. A. 5. for additional information about capital assets.

Debt Administration

Other Long-term Debt

The City retired \$287 of notes payable and added lease obligations of \$1,362 and retired \$1,816. Estimated claims payable increased \$5,424. 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 \$697,940. Of this amount, \$599,460 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 \$98,480 is supported by pledged revenues generated primarily by business-type activities of the City (revenue bonds). During the current year, the City issued \$90,000 in general obligation bonds under the voter authorization discussed earlier in this report. Revenue bonds in the amount of \$10,565 were issued including \$7,565 issued by OCPPA Golf Courses and \$3,000 issued by OCPPA Fairgrounds. 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. On May 6, 2013, Standard and Poor's Rating Services raised its credit rating on OCEAT's debt to 'AAA' from 'AA+'.

Long-term Debt

	Governmental Activities		Business-type Activities		Totals		Amount of Change	Total % Change
	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>		
Other long-term debt	\$57,871	\$52,496	\$374	\$1,066	\$58,245	\$53,562	\$4,683	8.7%
General obligation bonds	599,460	553,445	-	-	599,460	553,445	46,015	8.3
Revenue bonds	-	-	98,480	91,345	98,480	91,345	7,135	7.8
	<u>\$657,331</u>	<u>\$605,941</u>	<u>\$98,854</u>	<u>\$92,411</u>	<u>\$756,185</u>	<u>\$698,352</u>	<u>\$57,833</u>	8.3

Changes in long-term debt are related to issuances and payments of current principal requirements. Issuances included the Series 2013 Non-Taxable General Obligation Bonds that will be used to fund infrastructure improvements; the Series 2012 OCPPA Golf Revenue Bonds to be used for golf course improvements including a new clubhouse at the Lincoln Golf Course; and the Series 2013 OCPPA Hotel Tax Revenue Bonds to be used to fund improvements to an outdoor practice area at the fairgrounds. See Note III. A. 8. for additional information about changes in long-term debt.

Economic Environment and Fees and Rates

Economic Environment

The national economic recession resulted in economic concerns and issues for the City. However, beginning in May, 2010 tax revenues began to show improvement and have surpassed expectations during 2011 and 2012 and were slightly under expectations for 2013 but increased over 2012.

Fees and Rates

The City increased water and wastewater base charge utility rates and a volume rate change of 4% effective in October, 2012. Effective April, 2013, the golf courses increase regular green fees \$1.50, golf cart rental fees \$1.00, and other fees relatively.

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 North Walker, Suite 300, Oklahoma City, Oklahoma 73102.

OVERVIEW OF COMPONENT UNITS

<u>BLENDED 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 Metropolitan Area Public Schools Trust (OCMAPS)	August 14, 2001	Renovation and construction of public schools
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, 2013
(dollars are in thousands)

CITY OF OKLAHOMA CITY, OKLAHOMA

	Primary Government			Component Units
	Governmental Activities	Business-type Activities	Total	
ASSETS				
CURRENT ASSETS				
Pooled cash-----	\$36,839	\$2,768	\$39,607	\$ -
Non-pooled cash-----	93,751	19,414	113,165	94,923
Investments-----	738,530	52,116	790,646	338,103
Sales and use taxes receivable-----	61,020	-	61,020	-
Property taxes receivable-----	4,164	-	4,164	138
Accounts receivable, net-----	15,924	5,587	21,511	27,348
Interest, dividends, and royalties receivable-----	3,099	146	3,245	734
Internal balances-----	42,195	(42,195)	-	-
Receivable from component units-----	1,302	225	1,527	-
Receivable from primary government-----	-	-	-	4,457
Intergovernmental receivables-----	11,279	8	11,287	8,544
Notes receivable-----	1,125	-	1,125	93
Inventories and prepaids-----	9,651	11,914	21,565	1,264
Total current assets-----	<u>1,018,879</u>	<u>49,983</u>	<u>1,068,862</u>	<u>475,604</u>
NON-CURRENT ASSETS				
Investments-----	-	2,269	2,269	70,334
Prepays, non-current-----	1,207	535	1,742	198
Notes receivable-----	10,823	-	10,823	10,654
Receivable from component units-----	4,924	5,296	10,220	-
Other-----	-	-	-	195,303
Equity interest in joint venture-----	8,255	-	8,255	-
Capital assets:				
Land, art, water storage rights, and construction in progress-----	213,768	45,870	259,638	509,054
Other capital assets, net of accumulated depreciation-----	1,319,250	417,377	1,736,627	1,157,022
Capital assets, net-----	<u>1,533,018</u>	<u>463,247</u>	<u>1,996,265</u>	<u>1,666,076</u>
Total non-current assets-----	<u>1,558,227</u>	<u>471,347</u>	<u>2,029,574</u>	<u>1,942,565</u>
Total assets-----	<u>2,577,106</u>	<u>521,330</u>	<u>3,098,436</u>	<u>2,418,169</u>
DEFERRED OUTFLOWS OF RESOURCES				
	<u>6,596</u>	<u>206</u>	<u>6,802</u>	<u>10,186</u>
LIABILITIES				
CURRENT LIABILITIES				
Accounts payable-----	33,778	9,053	42,831	54,797
Wages and benefits payable-----	10,711	3,074	13,785	556
Payable to component units-----	3,859	598	4,457	-
Payable to primary government-----	-	-	-	1,527
Interest payable-----	157	1	158	588
Compensated absences-----	22,381	3,657	26,038	178
Tax anticipation debt-----	-	-	-	9,302
Notes, lease obligations, and estimated claims payable-----	22,125	27	22,152	3,660
Commercial Paper-----	-	-	-	15,500
Unearned revenue-----	5,932	7,120	13,052	890
Bond interest payable-----	8,602	1,109	9,711	19,555
Bonds payable-----	43,070	4,395	47,465	30,154
Intergovernmental payable-----	746	-	746	-
Total current liabilities-----	<u>151,361</u>	<u>29,034</u>	<u>180,395</u>	<u>136,707</u>
NON-CURRENT LIABILITIES				
Compensated absences-----	51,583	6,440	58,023	316
Payable to primary government-----	-	-	-	10,220
Intergovernmental payable-----	-	-	-	59,575
Tax anticipation debt-----	-	-	-	21,425
Notes, lease obligations, and estimated claims payable-----	35,746	347	36,093	72,622
Unearned revenue-----	12,532	2,633	15,165	2,926
Bond interest payable-----	-	-	-	22,922
Bonds payable, net-----	587,967	95,484	683,451	652,161
Net other post-employment benefit obligation-----	87,954	19,236	107,190	215
Total non-current liabilities-----	<u>775,782</u>	<u>124,141</u>	<u>899,923</u>	<u>842,382</u>
Total liabilities-----	<u>927,143</u>	<u>153,175</u>	<u>1,080,318</u>	<u>979,089</u>
DEFERRED INFLOWS OF RESOURCES				
	<u>-</u>	<u>-</u>	<u>-</u>	<u>86</u>
NET POSITION				
Net investment in capital assets-----	888,639	373,819	1,262,458	968,601
Restricted for:				
Capital projects-----	487,134	1	487,135	73,342
Debt service-----	68,277	4,156	72,433	54,457
Public safety-----	22,682	-	22,682	-
Public services-----	8,859	16	8,875	26,999
Culture and recreation-----	11,284	232	11,516	-
Education-----	-	-	-	141,289
Maintenance-----	-	-	-	22,939
Unrestricted-----	169,684	(9,863)	159,821	161,553
Total net position-----	<u>\$1,656,559</u>	<u>\$368,361</u>	<u>\$2,024,920</u>	<u>\$1,449,180</u>

See accompanying notes to financial statements.

STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2012
(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	
Primary government									
<i>Governmental activities</i>									
General government-----	\$36,960	(\$10,097)	\$2,464	\$5,424	\$3,989	(\$14,986)	\$ -	(\$14,986)	\$ -
Public safety:									
Police-----	177,062	-	2,516	8,166	14	(166,366)	-	(166,366)	-
Fire-----	153,482	-	13	19,878	14	(133,577)	-	(133,577)	-
Other-----	35,244	175	34,429	1,583	-	593	-	593	-
Public services-----	137,674	11	21,774	29,642	10,657	(75,612)	-	(75,612)	-
Culture and recreation-----	79,078	735	20,413	611	-	(58,789)	-	(58,789)	-
Education-----	1,749	310	224	14	-	(1,821)	-	(1,821)	-
Economic development-----	1,271	-	-	393	50,109	49,231	-	49,231	-
Interest on long-term debt-----	22,389	-	-	-	-	(22,389)	-	(22,389)	-
Total governmental activities----	644,909	(8,866)	81,833	65,711	64,783	(423,716)	-	(423,716)	-
<i>Business-type activities</i>									
Airports-----	13,019	3,185	6	16,032	-	-	(166)	(166)	-
Water and wastewater utilities-----	90,690	1,317	81,031	-	9,364	-	(1,612)	(1,612)	-
Solid waste management-----	36,937	2,210	43,622	-	-	-	4,475	4,475	-
Stormwater drainage-----	16,100	1,309	14,923	-	-	-	(2,486)	(2,486)	-
Golf courses-----	10,867	89	9,061	1	-	-	(1,894)	(1,894)	-
Fairgrounds-----	9,873	-	-	4	-	-	(9,869)	(9,869)	-
Transportation and parking-----	4,136	756	2,464	1,953	-	-	(475)	(475)	-
Zoo operations-----	20,522	-	11,530	-	-	-	(8,992)	(8,992)	-
Total business-type activities----	202,144	8,866	162,637	17,990	9,364	-	(21,019)	(21,019)	-
Total primary government-----	\$847,053	\$ -	\$244,470	\$83,701	\$74,147	(423,716)	(21,019)	(444,735)	-
Component units									
Airports-----	\$52,206	\$ -	\$60,960	\$12,596	\$9,410	\$ -	\$ -	\$ -	\$30,760
Water and wastewater utilities-----	173,145	-	191,326	3,786	-	-	-	-	21,967
Riverfront development-----	376	-	1	-	-	-	-	-	(375)
Foreign trade zone operations-----	12	-	16	-	-	-	-	-	4
Transportation and parking-----	31,265	-	9,484	30,000	1,495	-	-	-	9,714
Education-----	4,459	-	-	290	-	-	-	-	(4,169)
Economic development-----	75,288	-	1,432	3,839	-	-	-	-	(70,017)
Total component units-----	\$336,751	\$ -	\$263,219	\$50,511	\$10,905	-	-	-	(12,116)
GENERAL REVENUES									
Taxes:									
Sales taxes:									
General-----						205,542	-	205,542	-
Police-----						38,761	-	38,761	-
Fire-----						38,761	-	38,761	-
Culture and recreation-----						116,604	-	116,604	-
Tax incremental financing-----						655	-	655	-
Total sales tax-----						400,323	-	400,323	-
Use taxes-----						45,406	-	45,406	-
Hotel/Motel taxes-----						13,321	-	13,321	-
Property taxes-----						76,756	-	76,756	9,889
Franchise taxes-----						42,109	-	42,109	-
Emergency telephone taxes-----						4,779	-	4,779	-
Other taxes-----						6,028	-	6,028	-
Total taxes-----						588,722	-	588,722	9,889
Oil and gas royalties-----						892	-	892	75
Unrestricted investment income-----						412	153	565	1,302
Miscellaneous-----						7,754	-	7,754	107
Total general revenues-----						597,780	153	597,933	11,373
Special item-----						-	-	-	1,144
Transfers-----						(20,674)	20,674	-	-
Total general revenues, special item, and transfers-----						577,106	20,827	597,933	12,517
Changes in net position-----						153,390	(192)	153,198	401
NET POSITION BEGINNING									
As previously reported-----						1,540,522	1,349,757	2,890,279	464,932
Change in accounting principle-----						(2,743)	(979,608)	(982,351)	983,847
Prior period adjustment-----						(34,610)	(1,596)	(36,206)	-
As restated-----						1,503,169	368,553	1,871,722	1,448,779
Net position ending-----						\$1,656,559	\$368,361	\$2,024,920	\$1,449,180

See accompanying notes to financial statements.

**BALANCE SHEET
GOVERNMENTAL FUNDS
June 30, 2013
(dollars are in thousands)**

CITY OF OKLAHOMA CITY, OKLAHOMA

	<u>General</u>	<u>Debt Service</u>	<u>Grants Management</u>	<u>MAPS3 Sales Tax</u>	<u>General Obligation Bonds</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
<u>ASSETS</u>							
Pooled cash-----	\$3,508	\$2,836	\$396	\$11,624	\$ -	\$13,544	\$31,908
Non-pooled cash-----	-	-	-	-	84,093	9,658	93,751
Investments-----	84,786	69,791	5,364	267,788	105,995	167,630	701,354
Sales and use taxes receivable-----	32,244	-	-	14,145	-	14,631	61,020
Property taxes receivable-----	-	4,163	-	-	-	1	4,164
Accounts receivable-----	7,475	-	431	-	-	4,008	11,914
Interest, dividends, and royalties receivable-----	321	264	53	1,017	584	653	2,892
Due from other funds-----	15,077	16	832	342	1,238	10,130	27,635
Receivable from component units-----	1,213	-	63	-	-	4	1,280
Intergovernmental receivables-----	1,245	-	7,604	-	-	2,398	11,247
Notes receivable, current-----	376	-	749	-	-	-	1,125
Inventories-----	7,350	-	-	-	-	166	7,516
Prepays-----	9	17	7	-	-	653	686
Notes receivable, non-current-----	669	-	10,154	-	-	-	10,823
Prepays, non-current-----	-	64	-	-	-	1,131	1,195
Advance to other funds-----	956	-	-	-	-	5,082	6,038
Receivable from component units, non-current-----	-	-	4,924	-	-	-	4,924
Total assets-----	\$155,229	\$77,151	\$30,577	\$294,916	\$191,910	\$229,689	\$979,472
<u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</u>							
<u>LIABILITIES</u>							
Accounts payable-----	\$5,129	\$8	\$4,998	\$2,801	\$7,453	\$9,831	\$30,220
Wages and benefits payable-----	8,550	-	68	-	-	1,629	10,247
Due to other funds-----	1,307	6,862	5,209	1	6,949	14,685	35,013
Payable to component units, current-----	1,027	-	264	-	-	2,566	3,857
Unearned revenue-----	-	-	1,287	-	-	4,645	5,932
Intergovernmental payable, current-----	-	-	746	-	-	-	746
Advance from other funds-----	1,282	-	-	-	-	9,516	10,798
Unearned revenue, non-current-----	-	-	12,532	-	-	-	12,532
Total liabilities-----	17,295	6,870	25,104	2,802	14,402	42,872	109,345
<u>DEFERRED INFLOWS OF RESOURCES</u>							
FUND BALANCES	328	2,405	5,657	378	177	2,423	11,368
<u>FUND BALANCES</u>							
Non-spendable-----	8,984	81	15,085	-	-	5,493	29,643
Restricted-----	465	67,797	371	291,736	191,723	65,477	617,569
Committed-----	-	-	-	-	-	49,709	49,709
Assigned-----	2,321	-	-	-	-	65,194	67,515
Unassigned-----	125,836	(2)	(15,640)	-	(14,392)	(1,479)	94,323
Total fund balances-----	137,606	67,876	(184)	291,736	177,331	184,394	858,759
Total liabilities, deferred outflows of resources and fund balances-----	\$155,229	\$77,151	\$30,577	\$294,916	\$191,910	\$229,689	\$979,472

See accompanying notes to financial statements.

**RECONCILIATION OF THE BALANCE
SHEET OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
June 30, 2013
(dollars are in thousands)**

CITY OF OKLAHOMA CITY, OKLAHOMA

Total fund balance -- total governmental funds \$858,759

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

Land and construction in progress	\$213,768	
Capital assets	2,229,869	
Less: Accumulated depreciation	<u>(910,619)</u>	1,533,018
Less: Internal service fund net capital assets included in net assets above		(5,662)

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. 8,255

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) 11,368

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	(\$415)	
Business-type activities internal liabilities to governmental fund activities	<u>46,542</u>	46,127

Long-term liabilities are not due and payable in the current period and are not reported in the funds.

	Government Wide		<i>Deferred Outflows</i>	<i>Internal Service Funds</i>	
	<i>Current</i>	<i>Non-Current</i>			
Notes, lease obligations, estimated claims payable	(\$22,125)	(\$35,746)	\$ -	\$52,545	
Bonds payable, net	(43,070)	(587,967)	-	-	
Deferred amounts on refunding	-	-	6,596	-	
Compensated absences	(22,381)	(51,583)	-	2,055	
Intergovernmental payable	(746)	-	746	-	
Interest payable	(157)	-	-	134	
Bonds interest payable	(8,602)	-	-	-	
Net other post-employment benefit obligation	-	(87,954)	-	2,949	(795,306)

Net position of governmental activities \$1,656,559

**STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
For the Year Ended June 30, 2013
(dollars are in thousands)**

CITY OF OKLAHOMA CITY, OKLAHOMA

	<u>General</u>	<u>Debt Service</u>	<u>Grants Management</u>	<u>MAPS3 Sales Tax</u>	<u>General Obligation Bonds</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
REVENUES							
Sales taxes-----	\$205,542	\$ -	\$ -	\$103,683	\$ -	\$91,097	\$400,322
Use taxes-----	33,748	-	-	-	-	11,658	45,406
Hotel/Motel taxes-----	-	-	-	-	-	13,324	13,324
Property taxes-----	-	77,227	-	-	-	33	77,260
Emergency telephone taxes-----	-	-	-	-	-	4,777	4,777
Other taxes-----	6,028	-	-	-	-	-	6,028
Franchise taxes-----	42,110	-	-	-	-	-	42,110
Licenses and permits-----	13,687	-	-	-	-	9,381	23,068
Oil and gas royalties-----	136	-	-	-	-	757	893
Fines and forfeitures-----	26,642	-	-	-	-	1,259	27,901
Investment income-----	216	631	60	388	(18)	653	1,930
Charges for services-----	18,978	-	-	-	-	19,590	38,568
Rental income-----	36	-	-	11	-	1,621	1,668
Payments from component units-----	5,796	-	63	-	-	224	6,083
Intergovernmental programs-----	33,274	-	23,526	-	-	4,525	61,325
Grant capital-----	-	-	1	-	-	-	1
Other-----	1,228	26	(1)	-	102	1,924	3,279
Total revenues-----	387,421	77,884	23,649	104,082	84	160,823	753,943
EXPENDITURES							
CURRENT							
General government-----	27,613	-	-	-	-	1,631	29,244
Public safety:							
Police-----	123,910	-	-	-	-	37,406	161,316
Fire-----	106,245	-	-	-	-	35,436	141,681
Other-----	10,397	-	-	-	-	17,538	27,935
Public services-----	60,368	-	27,902	-	5,849	15,670	109,789
Culture and recreation-----	22,576	-	-	209	-	32,303	55,088
Education-----	-	-	-	-	-	1,991	1,991
Economic development-----	-	-	-	-	-	1,049	1,049
Capital outlay-----	1,306	-	2,599	17,419	35,332	26,986	83,642
DEBT SERVICE							
Principal-----	382	43,985	7	-	-	136	44,510
Interest-----	57	24,363	1	-	-	177	24,598
Bond issuance costs-----	-	1,021	-	-	-	-	1,021
Other debt service-----	4	-	-	-	-	-	4
Total expenditures-----	352,858	69,369	30,509	17,628	41,181	170,323	681,868
Excess (deficiency) of revenues over (under) expenditures-----	34,563	8,515	(6,860)	86,454	(41,097)	(9,500)	72,075
OTHER FINANCING							
SOURCES (USES)							
Transfers from other funds-----	2,985	-	2,282	-	90,000	19,144	114,411
Transfers to other funds-----	(16,885)	(93,958)	(32)	(4)	(170)	(26,511)	(137,560)
Capital financing-----	835	-	9	-	-	-	844
Sale of assets-----	21	-	3	-	1	549	574
Premium on bonds-----	-	6,484	-	-	-	-	6,484
Long-term debt issued-----	-	90,000	-	-	-	-	90,000
Net other financing sources (uses)-----	(13,044)	2,526	2,262	(4)	89,831	(6,818)	74,753
Net change in fund balances-----	21,519	11,041	(4,598)	86,450	48,734	(16,318)	146,828
FUND BALANCES							
Fund balances, beginning:							
As previously reported-----	116,087	56,734	4,414	205,286	128,597	200,712	711,830
Change in accounting principle-----	-	101	-	-	-	-	101
Fund balances, beginning, as restated-----	116,087	56,835	4,414	205,286	128,597	200,712	711,931
Fund balances, ending-----	\$137,606	\$67,876	(\$184)	\$291,736	\$177,331	\$184,394	\$858,759

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
CITY OF OKLAHOMA CITY, OKLAHOMA
For the Year Ended June 30, 2013
(dollars are in thousands)

Net change in fund balances – total governmental funds		\$146,828
--	--	-----------

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	\$83,642	
Capital assets transfers	50,108	
Depreciation expense	<u>(76,833)</u>	56,917

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	(\$574)	
Loss on disposal of assets - government-wide	<u>(4,246)</u>	(4,820)

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. 14,673

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	\$11,368	(\$9,510)	
EMSA joint venture equity interest	<u>8,255</u>	<u>(7,966)</u>	2,147

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		(\$90,000)	
Premium on bonds		(6,484)	
Capital financing		(844)	
Debt principal		44,510	
Interest on debt - governmental funds		24,598	
Capital lease principal payments		636	
Internal service funds debt activity			
Interest on long-term debt		149	
Capital lease principal payments		94	
Debt activity recognized in the statement of activities			
Interest on long-term debt		<u>(22,389)</u>	(49,730)

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	(\$73,964)	\$70,311	
Compensated absences - internal service funds	2,055	(2,003)	
Other post-employment benefit liability	(87,954)	76,473	
Other post-employment benefit liability - internal service funds	2,949	(2,599)	
Expenses not available for fund reporting (arbitrage payable)	<u>1,018</u>	<u>(1,018)</u>	(14,732)

Internal service funds are used by management to charge the costs of internal activities.

Internal service fund changes in net position		\$1,512	
Business-type activities net activities due to governmental type activities		<u>595</u>	<u>2,107</u>

Change in net position of governmental activities **\$153,390**

**SCHEDULE OF REVENUES, EXPENDITURES,
ENCUMBRANCES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
For the Year Ended June 30, 2013
(dollars are in thousands)**

CITY OF OKLAHOMA CITY, OKLAHOMA

	General Fund						
	Original Budget	Revisions	Revised Budget	Expenditures	Encumbrances	Total Actual	Variance
REVENUES							
<u>TAXES</u>							
Sales taxes-----	\$203,132	\$1,345	\$204,477			\$207,083	\$2,606
Use taxes-----	35,444	-	35,444			34,352	(1,092)
Commercial vehicle taxes-----	3,621	-	3,621			4,186	565
Motor fuel taxes-----	1,025	-	1,025			1,091	66
Excise taxes-----	5,338	-	5,338			5,224	(114)
Alcoholic beverage taxes-----	837	-	837			885	48
Utility taxes-----	4,399	-	4,399			4,454	55
<u>LICENSES, PERMITS AND FEES</u>							
Licenses-----	1,659	-	1,659			1,582	(77)
Permits-----	10,074	-	10,074			11,018	944
Franchise fees-----	37,055	-	37,055			36,388	(667)
Fines and forfeitures-----	23,528	-	23,528			24,454	926
Investment income-----	750	-	750			31	(719)
Charges for services-----	23,327	-	23,327			24,786	1,459
<u>OTHER REVENUE</u>							
Rental income-----	1,933	-	1,933			1,851	(82)
Other revenue-----	29,394	-	29,394			28,957	(437)
Total revenues -----	381,516	1,345	382,861			386,342	3,481
EXPENDITURES							
<u>GENERAL GOVERNMENT</u>							
Juvenile justice - Municipal Counselor:							
Personal services-----	175	17	192	\$188	\$ -	188	4
Supplies-----	5	-	5	5	-	5	-
Mayor and Council:							
Personal services-----	752	59	811	801	-	801	10
Other services and charges-----	136	(3)	133	92	-	92	41
Supplies-----	10	3	13	12	-	12	1
City manager:							
Personal services-----	2,757	70	2,827	2,775	-	2,775	52
Other services and charges-----	388	116	504	415	28	443	61
Supplies-----	61	-	61	18	-	18	43
Municipal counselor:							
Personal services-----	5,535	285	5,820	5,750	-	5,750	70
Other services and charges-----	401	21	422	414	-	414	8
Supplies-----	78	26	104	89	-	89	15
Personnel:							
Personal services-----	2,269	106	2,375	2,354	-	2,354	21
Other services and charges-----	364	27	391	330	8	338	53
Supplies-----	20	-	20	15	-	15	5
City clerk:							
Personal services-----	684	-	684	681	-	681	3
Other services and charges-----	181	12	193	185	-	185	8
Supplies-----	9	2	11	10	-	10	1

**SCHEDULE OF REVENUES, EXPENDITURES,
ENCUMBRANCES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
For the Year Ended June 30, 2013
(dollars are in thousands)**

CITY OF OKLAHOMA CITY, OKLAHOMA

	General Fund						
	Original Budget	Revisions	Revised Budget	Expenditures	Encumbrances	Total Actual	Variance
Finance:							
Personal services-----	6,017	108	6,125	6,034	-	6,034	91
Other services and charges-----	2,015	(117)	1,898	1,773	80	1,853	45
Supplies-----	130	12	142	109	-	109	33
City auditor:							
Personal services-----	1,031	-	1,031	1,011	-	1,011	20
Other services and charges-----	68	-	68	60	-	60	8
Supplies-----	10	8	18	12	-	12	6
General services:							
Personal services-----	2,907	25	2,932	2,902	-	2,902	30
Other services and charges-----	1,623	29	1,652	1,561	4	1,565	87
Supplies-----	150	322	472	351	16	367	105
Non-departmental:							
Personal services-----	29,937	(6,537)	23,400	22,282	-	22,282	1,118
Other services and charges-----	18,898	(5,257)	13,641	9,611	376	9,987	3,654
Supplies-----	8	246	254	11	-	11	243
Debt service-----	10	-	10	3	-	3	7
<u>PUBLIC SAFETY</u>							
Juvenile justice - Court administration:							
Personal services-----	626	-	626	601	-	601	25
Other services and charges-----	167	-	167	104	1	105	62
Supplies-----	12	-	12	4	-	4	8
Municipal courts:							
Personal services-----	4,887	(8)	4,879	4,637	-	4,637	242
Other services and charges-----	2,087	13	2,100	1,882	34	1,916	184
Supplies-----	230	1	231	86	42	128	103
Police:							
Personal services-----	94,988	4,847	99,835	99,348	-	99,348	487
Other services and charges-----	16,355	79	16,434	16,088	69	16,157	277
Supplies-----	702	348	1,050	885	87	972	78
Fire:							
Personal services-----	78,084	455	78,539	78,488	-	78,488	51
Other services and charges-----	6,381	68	6,449	6,368	50	6,418	31
Supplies-----	1,688	(40)	1,648	1,553	19	1,572	76
<u>PUBLIC SERVICES</u>							
Development services:							
Personal services-----	13,412	(60)	13,352	13,260	-	13,260	92
Other services and charges-----	1,945	83	2,028	1,907	31	1,938	90
Supplies-----	706	3	709	640	11	651	58
Capital outlay-----	72	-	72	-	-	-	72
Planning:							
Personal services-----	2,355	(250)	2,105	2,025	-	2,025	80
Other services and charges-----	972	670	1,642	1,120	451	1,571	71
Supplies-----	39	-	39	27	-	27	12
Public works:							
Personal services-----	20,574	85	20,659	20,448	-	20,448	211
Other services and charges-----	5,056	354	5,410	5,208	40	5,248	162
Supplies-----	2,851	429	3,280	2,358	731	3,089	191
Capital outlay-----	459	(22)	437	423	-	423	14

(continued)

**SCHEDULE OF REVENUES, EXPENDITURES,
ENCUMBRANCES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
For the Year Ended June 30, 2013
(dollars are in thousands)**

CITY OF OKLAHOMA CITY, OKLAHOMA

	General Fund						
	Original Budget	Revisions	Revised Budget	Expenditures	Encumbrances	Total Actual	Variance
<u>CULTURE AND RECREATION</u>							
Parks:							
Personal services-----	14,860	(152)	14,708	14,053	-	14,053	655
Other services and charges-----	6,436	1,108	7,544	6,533	105	6,638	906
Supplies-----	1,838	105	1,943	1,699	96	1,795	148
Capital outlay-----	-	70	70	28	42	70	-
Total expenditures and encumbrances-----	354,411	(2,234)	352,177	339,627	2,321	341,948	10,229
<u>PRIOR YEAR ENCUMBRANCES</u>							
Related to prior year budgets (1)-----	-	-	-	(1,689)	-	(1,689)	1,689
Related to current year budgets-----	-	-	-	-	(2,321)	(2,321)	2,321
Net expenditures and encumbrances-----	354,411	(2,234)	352,177	\$337,938	\$ -	337,938	14,239
Excess of revenues over expenditures-----	27,105	3,579	30,684			48,404	(10,758)
<u>OTHER FINANCING SOURCES (USES)</u>							
<u>TRANSFERS FROM OTHER FUNDS</u>							
OCMFA General Purpose Fund-----	713	-	713			610	(103)
OCPPA General Purpose Fund-----	1,988	-	1,988			2,116	128
Grants Management Fund-----	-	-	-			1	1
Special Purpose Fund-----	39	-	39			-	(39)
Total transfers from other funds-----	2,740	-	2,740			2,727	(13)
<u>TRANSFERS TO OTHER FUNDS</u>							
General government:							
Capital Improvement Fund-----	(8,563)	(7,590)	(16,153)			(8,822)	7,331
OCPPA Golf Courses Fund-----	-	(988)	(988)			(988)	-
OCPPA General Purpose Fund-----	-	(1,118)	(1,118)			(1,118)	-
OCMFA General Purpose Fund-----	-	(682)	(682)			(682)	-
OCMFA Services Fund-----	-	(212)	(212)			(212)	-
City and Schools Use Tax Fund-----	-	(1,912)	(1,912)			(1,912)	-
Public safety:							
Capital Improvement Fund-----	(1,337)	-	(1,337)			(1,337)	-
Emergency Management Fund-----	(3,531)	-	(3,531)			(3,531)	-
OCMFA General Purpose Fund-----	(200)	-	(200)			(200)	-
Public services:							
Capital Improvement Fund-----	-	(12,922)	(12,922)			(12,922)	-
Grants Management Fund-----	(15)	-	(15)			(14)	1
Parking Fund-----	(263)	-	(263)			(263)	-
Culture and recreation:							
OCPPA Golf Courses Fund-----	-	(292)	(292)			(292)	-
Special Purpose Fund-----	(4)	-	(4)			(4)	-
OCPPA General Purpose Fund-----	(5,518)	-	(5,518)			(5,518)	-
Total economic development-----	-	-	-			-	-
Total transfers to other funds-----	(19,431)	(25,716)	(45,147)			(37,815)	7,332
<u>TRANSFERS TO COMPONENT UNITS</u>							
Public services:							
COTPA-----	(13,464)	(196)	(13,660)			(13,633)	27
<u>OTHER FINANCING SOURCES</u>							
Sale of assets-----	50	-	50			10	(40)
Total other financing sources (uses)-----	(30,105)	(25,912)	(56,017)			(48,711)	7,306
Excess (deficiency) of revenues and other sources over expenditures and other uses----	(3,000)	(22,333)	(25,333)			(307)	(3,452)

**SCHEDULE OF REVENUES, EXPENDITURES,
ENCUMBRANCES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
For the Year Ended June 30, 2013
(dollars are in thousands)**

CITY OF OKLAHOMA CITY, OKLAHOMA

	General Fund						Total Actual	Variance
	Original Budget	Revisions	Revised Budget	Expenditures	Encumbrances			
<u>FUND BALANCE (NON-GAAP BUDGETARY BASIS)</u>								
<u>BEGINNING FUND BALANCE</u>								
Appropriated for current year budget-----	3,000	20,644	23,644				23,644	-
Reappropriated for prior year encumbrances----	-	1,689	1,689				1,689	-
Not appropriated-----	-	-	-				44,042	44,042
Beginning fund balance-----	<u>3,000</u>	<u>22,333</u>	<u>25,333</u>				<u>69,375</u>	<u>44,042</u>
<u>ENDING FUND BALANCE</u>								
Before encumbrances-----	-	-	-				69,068	69,068
Less: current year encumbrances-----	-	-	-				(2,321)	(2,321)
Ending fund balance-----	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>				<u>66,747</u>	<u>\$66,747</u>
<u>RECONCILIATION OF FUND BALANCE NON-GAAP BUDGETARY BASIS TO GENERALLY ACCEPTED ACCOUNTING PRINCIPLES</u>								
Current year encumbrances included in expenditures-----							2,321	
Inventories-----							7,350	
Revenue and transfer accruals-----							53,209	
Expenditure and transfer accruals-----							7,979	
Fund balance, ending-----							<u>\$137,606</u>	

See accompanying notes to the financial statements

**STATEMENT OF FUND NET POSITION
 PROPRIETARY FUNDS
 June 30, 2013
 (dollars are in thousands)**

CITY OF OKLAHOMA CITY, OKLAHOMA

	Water and Wastewater			OCPPA	OCPPA	Other	Total	Internal
	Fund	OCEAT	OCZT	Fairgrounds	Golf Courses	Enterprise Funds	Enterprise Funds	Service Funds
ASSETS								
CURRENT ASSETS								
Pooled cash-----	\$323	\$ -	\$ -	\$1,241	\$732	\$472	\$2,768	\$4,931
Non-pooled cash-----	-	4,760	13,290	-	1,364	-	19,414	-
Investments-----	7,773	18,619	-	6,031	8,089	11,604	52,116	37,176
Accounts receivable, net-----	1	3,398	539	-	1	1,648	5,587	4,010
Interest, dividends, and royalties receivable-----	29	73	-	-	-	44	146	207
Due from other funds-----	32	259	-	-	-	123	414	7,727
Receivable from component units-----	199	-	-	-	-	26	225	22
Intergovernmental receivables-----	-	8	-	-	-	-	8	31
Inventories-----	9,117	587	679	-	383	1,030	11,796	210
Prepays-----	56	4	12	46	-	-	118	1,239
Total current assets-----	17,530	27,708	14,520	7,318	10,569	14,947	92,592	55,553
Investments-----	-	-	736	1,077	456	-	2,269	-
Prepays, non-current-----	26	17	-	492	-	-	535	12
Advance to other funds-----	-	-	4,760	-	-	1,723	6,483	24,399
Receivable from component units-----	3,238	-	-	-	-	2,058	5,296	-
Capital assets:								
Land, art, water storage rights and construction in progress-----	9,378	166	1,188	15,472	213	19,453	45,870	949
Other capital assets, net of accumulated depreciation--	234,921	12,239	60,518	53,717	6,366	49,616	417,377	4,713
Capital assets, net-----	244,299	12,405	61,706	69,189	6,579	69,069	463,247	5,662
Total non-current assets-----	247,563	12,422	67,202	70,758	7,035	72,850	477,830	30,073
Total assets-----	265,093	40,130	81,722	78,076	17,604	87,797	570,422	85,626
DEFERRED OUTFLOWS OF RESOURCES-----	-	-	204	-	2	-	206	-
LIABILITIES								
CURRENT LIABILITIES								
Accounts payable-----	2,342	3,122	1,063	1,187	455	884	9,053	3,555
Wages and benefits payable-----	1,493	-	411	-	184	986	3,074	464
Due to other funds-----	371	129	-	42	74	101	717	46
Payable to component units-----	597	-	-	-	-	1	598	4
Interest payable-----	-	-	-	-	-	1	1	134
Compensated absences-----	2,049	-	170	-	67	1,371	3,657	744
Notes, lease obligations, and estimated claims payable----	-	-	-	-	-	27	27	21,692
Commercial paper-----	-	-	-	-	-	-	-	-
Unearned revenue-----	-	7,027	93	-	-	-	7,120	-
Bond interest payable-----	-	59	13	917	120	-	1,109	-
Bonds payable-----	-	360	545	2,755	735	-	4,395	-
Total current liabilities-----	6,852	10,697	2,295	4,901	1,635	3,371	29,751	26,639
NON-CURRENT LIABILITIES								
Compensated absences-----	3,700	-	-	-	145	2,595	6,440	1,311
Lease obligations payable-----	-	-	-	-	-	347	347	30,853
Advance from other funds-----	-	1,724	-	-	110	-	1,834	24,289
Unearned revenue-----	-	-	2,633	-	-	-	2,633	-
Bonds payable, net-----	-	2,661	3,178	75,285	14,360	-	95,484	-
Net other post-employment benefit obligation-----	10,295	-	1,309	-	2,480	5,152	19,236	2,949
Total non-current liabilities-----	13,995	4,385	7,120	75,285	17,095	8,094	125,974	59,402
Total liabilities-----	20,847	15,082	9,415	80,186	18,730	11,465	155,725	86,041
NET POSITION								
Net investment in capital assets-----	244,300	9,232	58,377	(5,982)	(823)	68,715	373,819	5,623
Restricted for:								
Capital projects-----	-	-	-	-	1	-	1	-
Debt service-----	-	360	99	3,145	552	-	4,156	-
Public services-----	-	-	-	-	8	8	16	-
Culture and recreation-----	-	-	232	-	-	-	232	-
Unrestricted-----	(54)	15,456	13,803	727	(862)	7,609	36,679	(6,038)
Total net position-----	\$244,246	\$25,048	\$72,511	(\$2,110)	(\$1,124)	\$76,332		(\$415)
Adjustment to reflect consolidation of applicable internal service fund activities to business-type activities-----							(46,542)	
Net position business-type activities-----							\$368,361	

See accompanying notes to financial statements.

**STATEMENT OF REVENUES, EXPENSES,
AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
For the Year Ended June 30, 2013
(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
<u>OPERATING REVENUES</u>								
<u>CHARGES FOR SERVICES</u>								
Drainage charges-----	\$ -	\$ -	\$ -	\$ -	\$ -	\$14,657	\$14,657	\$ -
Sanitation charges-----	-	43,400	-	-	-	-	43,400	-
Green fees-----	-	-	-	-	5,023	-	5,023	-
Concessions-----	-	5	2,495	-	1,491	-	3,991	-
Internal service charges-----	-	-	-	-	-	-	-	84,687
Other charges-----	19	-	5,511	-	4	39	5,573	80
Total charges for services-----	19	43,405	8,006	-	6,518	14,696	72,644	84,767
Lease and rental income-----	-	-	974	-	2,397	-	3,371	-
Forfeitures-----	-	-	-	-	-	-	-	47
Payments from component units-----	81,012	-	-	-	-	2,465	83,477	31
Other-----	-	-	-	-	-	117	117	138
Total operating revenues-----	81,031	43,405	8,980	-	8,915	17,278	159,609	84,983
<u>OPERATING EXPENSES</u>								
Personal services-----	45,281	7,941	9,719	-	5,086	19,508	87,535	13,497
Maintenance, operations, and contractual services----	23,938	25,626	3,794	104	2,486	13,439	69,387	68,835
Materials and supplies-----	11,884	2,999	3,812	18	1,762	1,172	21,647	6,994
Depreciation-----	10,837	2,379	2,995	6,178	1,258	3,817	27,464	2,032
Total operating expenses-----	91,940	38,945	20,320	6,300	10,592	37,936	206,033	91,358
Operating income (loss)-----	(10,909)	4,460	(11,340)	(6,300)	(1,677)	(20,658)	(46,424)	(6,375)
<u>NON-OPERATING REVENUES (EXPENSES)</u>								
Investment income-----	43	34	38	8	5	27	155	132
Bond issue costs-----	-	-	-	(28)	(138)	-	(166)	-
Bond insurance-----	-	(4)	-	(48)	-	-	(52)	-
Interest on torts, bonds, notes, commercial paper, and lease obligations-----	-	(126)	(202)	(3,390)	(261)	(11)	(3,990)	(149)
Amortization-----	-	-	-	-	3	(3)	-	-
Payments from component units-----	-	-	-	-	-	17,986	17,986	-
Other revenues (expenses)-----	(32)	217	2,549	(106)	200	28	2,856	5,429
Net non-operating revenues (expenses)-----	11	121	2,385	(3,564)	(191)	18,027	16,789	5,412
Income (loss) before contributions and transfers---	(10,898)	4,581	(8,955)	(9,864)	(1,868)	(2,631)	(29,635)	(963)
<u>CONTRIBUTIONS AND TRANSFERS</u>								
Capital contributions from developers-----	9,364	-	-	-	-	-	9,364	-
Transfers from other funds-----	-	-	12,925	7,522	1,280	263	21,990	4,263
Transfers to other funds-----	-	(826)	-	-	-	(490)	(1,316)	(1,788)
Total contributions and transfers-----	9,364	(826)	12,925	7,522	1,280	(227)	30,038	2,475
Changes in net assets-----	(1,534)	3,755	3,970	(2,342)	(588)	(2,858)	403	1,512
<u>NET POSITION</u>								
Net assets, beginning:								
As previously reported-----	245,780	21,344	-	2,260	(483)	79,190		(1,927)
Change in accounting principle-----	-	(51)	68,541	(432)	(53)	-		-
Prior period adjustment-----	-	-	-	(1,596)	-	-		-
Net assets, beginning, as restated-----	245,780	21,293	68,541	232	(536)	79,190		(1,927)
Total net position, ending-----	\$244,246	\$25,048	\$72,511	(\$2,110)	(\$1,124)	\$76,332		(\$415)
Adjustment to reflect the consolidation of applicable internal service fund activities to business-type activities-----							(595)	
Changes in net assets of business-type activities-----							(\$192)	

See accompanying notes to financial statements.

**STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
For the Year Ended June 30, 2013
(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
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>								
Cash received from customers-----	\$67	\$43,525	\$8,943	\$ -	\$8,961	\$15,208	\$76,704	\$85,304
Cash payments to suppliers for goods and services-----	(39,065)	(24,467)	(7,445)	(263)	(4,061)	(16,193)	(91,494)	(74,807)
Cash payments to employees and professional contractors for services-----	(44,093)	-	(9,334)	-	(4,609)	(26,591)	(84,627)	(13,037)
Operating payments from (to) component units-----	82,323	(1,720)	-	-	-	3,649	84,252	-
Cost reimbursements from (to) other funds-----	-	(10,620)	-	-	-	10,620	-	-
Other cash receipts-----	-	102	-	-	2	116	220	5,558
Net cash provided (used) by operating activities-----	(768)	6,820	(7,836)	(263)	293	(13,191)	(14,945)	3,018
<u>CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES</u>								
Interest paid on torts-----	-	-	-	-	-	-	-	(55)
Transfers received from other funds-----	-	-	11,896	7,604	1,749	262	21,511	4,051
Transfers received paid to other funds-----	123	(826)	-	-	(803)	(490)	(1,996)	(1,973)
Non-capital payments from component units-----	-	-	-	-	-	15,447	15,447	-
Other non-capital financing cash receipts-----	-	-	2,618	-	-	6	2,624	-
Net cash provided (used) by non-capital financing activities-----	123	(826)	14,514	7,604	946	15,225	37,586	2,023
<u>CASH FLOWS FROM CAPITAL AND CAPITAL RELATED FINANCING ACTIVITIES</u>								
Proceeds from issuance of long-term debt-----	-	-	-	2,924	7,414	-	10,338	-
Payments for acquisition and construction of capital assets-----	(24)	(6,017)	(2,436)	(4,615)	(411)	(1,124)	(14,627)	(253)
Principal paid on long-term debt-----	-	(1,163)	(530)	(1,927)	(505)	(26)	(4,151)	(96)
Interest paid on long-term debt-----	-	(134)	(178)	(3,714)	(192)	(10)	(4,228)	(15)
Proceeds from sale of assets-----	-	115	-	-	189	16	320	-
Net cash used by capital and related financing activities-----	(24)	(7,199)	(3,144)	(7,332)	6,495	(1,144)	(12,348)	(364)
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>								
Payments for purchase of investments-----	(1,683)	(55,072)	(12,282)	(40,034)	(9,546)	217	(118,400)	-
Proceeds from sale of investments-----	-	53,508	12,751	40,267	1,847	-	108,373	-
Changes in pooled investments-----	-	-	-	585	389	(1,185)	(211)	(6,896)
Investment income received-----	38	174	39	10	14	70	345	280
Purchased interest-----	4	(34)	-	-	-	7	(23)	4
Net cash provided (used) by investing activities-----	(1,641)	(1,424)	508	828	(7,296)	(891)	(9,916)	(6,612)
Net increase (decrease) in cash-----	(2,310)	(2,629)	4,042	837	438	(1)	377	(1,935)
Cash, beginning-----	2,633	7,389	9,248	404	1,658	473	21,805	6,866
Cash, ending-----	\$323	\$4,760	\$13,290	\$1,241	\$2,096	\$472	\$22,182	\$4,931

**STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
For the Year Ended June 30, 2013
(dollars are in thousands)**

CITY OF OKLAHOMA CITY, OKLAHOMA

	Water and Wastewater		OCPPA	Stormwater	Other Enterprise	Total Enterprise	Internal Service	
	<u>Fund</u>	<u>OCEAT</u>	<u>OCZT</u>	<u>Fairgrounds</u>	<u>Drainage</u>	<u>Funds</u>	<u>Funds</u>	<u>Funds</u>
<u>RECONCILIATION OF OPERATING INCOME</u>								
<u>(LOSS) TO NET CASH PROVIDED (USED) BY</u>								
<u>OPERATING ACTIVITIES</u>								
Operating income (loss)-----	(\$10,909)	\$4,460	(\$11,340)	(\$6,300)	(\$1,677)	(\$20,658)	(\$46,424)	(\$6,375)
<u>ADJUSTMENTS TO RECONCILE</u>								
<u>OPERATING INCOME (LOSS) TO NET CASH</u>								
<u>PROVIDED (USED) BY OPERATING ACTIVITIES</u>								
Depreciation-----	10,837	2,379	2,995	6,178	1,258	3,817	27,464	2,032
Other revenue (expense)-----	-	104	156	-	200	2,065	2,525	5,430
Changes in assets and liabilities:								
(Increase) decrease in accounts receivable-----	-	53	(178)	-	(1)	429	303	(3,991)
(Increase) decrease in due from other funds-----	-	(246)	-	-	-	234	(12)	4,494
(Increase) decrease in receivable from component units-----	748	-	-	-	-	21	769	(15)
(Increase) decrease in inventories-----	(719)	(87)	34	-	(40)	(22)	(834)	(149)
(Increase) decrease in prepaid assets-----	(65)	18	17	(46)	-	1	(75)	(106)
(Increase) decrease in intergovernmental receivable-----	-	(8)	-	-	-	-	(8)	(31)
Increase (decrease) in accounts payable-----	(2,446)	67	(83)	(95)	23	62	(2,472)	1,113
Increase (decrease) in wages and benefits payable-----	238	-	112	-	15	205	570	69
Increase (decrease) in due to other funds-----	-	(249)	-	-	(8)	(10)	(267)	(5,250)
Increase (decrease) in payable to component unit-----	597	-	-	-	-	1	598	4
Increase (decrease) in compensated absences-----	125	-	(2)	-	10	402	535	51
Increase (decrease) in long-term debt-----	-	-	44	-	-	-	44	3,962
Increase (decrease) in notes, lease and estimated claims payable-----	-	-	-	-	-	-	-	1,430
Increase (decrease) in net other post-employment benefit obligation-----	826	-	269	-	513	262	1,870	350
Increase (decrease) in unearned revenue-----	-	329	140	-	-	-	469	-
Total adjustments-----	10,141	2,360	3,504	6,037	1,970	7,467	31,479	9,393
Net cash provided (used) by operating activities-----	(\$768)	\$6,820	(\$7,836)	(\$263)	\$293	(\$13,191)	(\$14,945)	\$3,018
<u>NON-CASH INVESTING, CAPITAL, AND FINANCING</u>								
<u>ACTIVITIES</u>								
Net increase (decrease) in fair value of investments-----	\$ -	(\$35)	\$ -	(\$3)	(\$2)	(\$31)	(\$71)	(\$109)
Donated assets-----	9,364	-	-	-	-	-	9,364	-
Issuance of capital leases-----	-	-	-	-	-	394	394	108
Other-----	(32)	-	259	-	-	-	227	-
Total non-cash investing, capital, and financing activities-----	\$9,332	(\$35)	\$259	(\$3)	(\$2)	\$363	\$9,914	(\$1)

See accompanying notes to financial statements.

STATEMENT OF FIDUCIARY NET POSITION
June 30, 2013
(dollars are in thousands)

CITY OF OKLAHOMA CITY, OKLAHOMA

	Pension and Other Post-employment Benefit Trust Funds	Agency Fund
<u>ASSETS</u>		
Pooled cash-----	\$ -	\$154
Non-pooled cash-----	2,659	559
Total cash-----	<u>2,659</u>	<u>713</u>
<u>RECEIVABLES</u>		
Interest and dividends-----	666	8
Employer-----	1,446	-
Plan members-----	736	-
Other receivables-----	135	295
Total receivables-----	<u>2,983</u>	<u>303</u>
<u>INVESTMENTS, AT FAIR VALUE</u>		
Pooled investments-----	-	2,018
Domestic common stock-----	197,278	-
Passive domestic stock funds-----	73,012	-
Preferred stock-----	3,294	-
Government securities/fixed income-----	57,504	-
Passive bond fund-----	81,360	-
International stock-----	147,157	-
Passive international bond funds-----	5,516	-
Treasury money market fund-----	13,356	-
Real estate-----	35,149	-
Oklahoma City judgments-----	3,723	-
Total investments-----	<u>617,349</u>	<u>2,018</u>
Invested securities lending collateral-----	3,438	-
Total assets-----	<u>626,429</u>	<u>3,034</u>
<u>LIABILITIES</u>		
Accounts payable-----	2,420	812
Due to broker-----	8,566	-
Wages and benefits payable-----	8	-
Due to depositors-----	-	2,222
Securities lending collateral-----	3,438	-
Compensated absences, current-----	18	-
Estimated claims payable-----	779	-
Compensated absences, non-current-----	49	-
Net other post-employment benefits obligation-----	37	-
Total liabilities-----	<u>15,315</u>	<u>3,034</u>
<u>NET POSITION HELD IN TRUST</u>		
Pension benefits-----	584,798	-
Other post-employment benefits-----	26,316	-
Net position held in trust-----	<u>\$611,114</u>	<u>\$ -</u>

See accompanying notes to financial statements.

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
For the Year Ended June 30, 2013
(dollars are in thousands)

CITY OF OKLAHOMA CITY, OKLAHOMA

	Pension and Other Post-employment Benefit Trust Funds
<u>ADDITIONS</u>	
<u>CONTRIBUTIONS</u>	
Employer-----	\$31,731
Plan members-----	17,620
Total contributions-----	<u>49,351</u>
<u>INVESTMENT INCOME</u>	
Net appreciation in fair value of investments-----	58,328
Interest-----	5,395
Dividends-----	4,165
	<u>67,888</u>
Less: investment expense-----	(1,683)
Net investment income-----	<u>66,205</u>
<u>FROM SECURITIES LENDING ACTIVITIES</u>	
Securities lending income-----	63
Securities lending expenses:	
Borrower rebates-----	(2)
Management fees-----	(20)
Net income from securities lending activities-----	<u>41</u>
Other-----	148
Total additions-----	<u>115,745</u>
<u>DEDUCTIONS</u>	
Benefits paid-----	49,754
Refunds of contributions-----	970
Administrative expenses-----	586
Total deductions-----	<u>51,310</u>
Change in net position-----	64,435
<u>NET POSITION HELD IN TRUST FOR PENSION BENEFITS AND OTHER POST-EMPLOYMENT BENEFITS</u>	
Beginning of year-----	546,679
End of year-----	<u>\$611,114</u>

See accompanying notes to financial statements.

**COMBINING STATEMENT OF NET POSITION
COMPONENT UNITS
June 30, 2013
(dollars are in thousands)**

CITY OF OKLAHOMA CITY, OKLAHOMA

	OCAT	OCRRA	OCICF	OCWUT	Port Authority	COTPA	OCMAPS	OCRA	OCEDT	Total
ASSETS										
CURRENT ASSETS										
Non-pooled cash-----	\$1,745	\$ -	\$876	\$20,345	\$21	\$13,016	\$52,723	\$5,190	\$1,007	\$94,923
Investments-----	109,052	429	-	99,341	-	29,234	10,892	4,168	84,987	338,103
Property taxes receivable-----	-	-	-	-	-	-	-	-	138	138
Accounts receivable, net-----	5,546	25	15	21,087	-	266	-	409	-	27,348
Interest, dividends, and royalties receivable-----	290	-	-	342	-	-	16	27	59	734
Receivable from primary government-----	387	-	-	887	-	1,008	100	-	2,075	4,457
Intergovernmental receivables-----	1,378	-	-	90	-	3,262	3,808	6	-	8,544
Notes receivable-----	-	-	-	-	-	-	-	-	93	93
Inventories-----	-	-	-	-	-	787	-	-	-	787
Prepays-----	48	17	-	395	1	16	-	-	-	477
Total current assets-----	118,446	471	891	142,487	22	47,589	67,539	9,800	88,359	475,604
NON-CURRENT ASSETS										
Investments-----	21,432	-	-	33,726	-	1,481	-	3,920	9,775	70,334
Prepays, non-current-----	104	-	-	94	-	-	-	-	-	198
Notes receivable-----	-	-	-	-	-	-	-	10,654	-	10,654
Other-----	6,233	-	-	46,927	-	588	141,255	300	-	195,303
Capital assets:										
Land and construction in progress-----	32,259	32	953	330,275	-	15,326	102,972	507	26,730	509,054
Other capital assets, net of accumulated depreciation-----	363,506	2,875	9,980	724,555	-	34,834	-	18,771	2,501	1,157,022
Capital assets, net-----	395,765	2,907	10,933	1,054,830	-	50,160	102,972	19,278	29,231	1,666,076
Total non-current assets-----	423,534	2,907	10,933	1,135,577	-	52,229	244,227	34,152	39,006	1,942,565
Total assets-----	541,980	3,378	11,824	1,278,064	22	99,818	311,766	43,952	127,365	2,418,169
DEFERRED OUTFLOWS OF RESOURCES-										
	975	-	-	9,211	-	-	-	-	-	10,186
LIABILITIES										
CURRENT LIABILITIES										
Accounts payable-----	3,983	6	44	27,706	-	8,054	9,339	59	5,606	54,797
Wages and benefits payable-----	-	-	-	7	-	549	-	-	-	556
Payable to primary government-----	-	37	-	1,238	-	159	85	-	8	1,527
Interest payable-----	-	-	-	588	-	-	-	-	-	588
Compensated absences-----	-	-	-	7	-	171	-	-	-	178
Tax anticipation debt-----	-	-	-	-	-	-	-	-	9,302	9,302
Notes and estimated claims payable-----	106	-	-	1,505	-	-	-	2,049	-	3,660
Commercial paper-----	-	-	-	15,500	-	-	-	-	-	15,500
Unearned revenue-----	656	-	-	74	-	160	-	-	-	890
Bond interest payable-----	2,202	-	-	16,330	-	-	-	-	1,023	19,555
Bonds payable-----	13,370	-	-	11,579	-	-	-	-	5,205	30,154
Total current liabilities-----	20,317	43	44	74,534	-	9,093	9,424	2,108	21,144	136,707
NON-CURRENT LIABILITIES										
Compensated absences-----	-	-	-	33	-	283	-	-	-	316
Payable to primary government-----	1,307	-	4,924	3,238	-	751	-	-	-	10,220
Intergovernmental payable-----	-	-	-	59,575	-	-	-	-	-	59,575
Tax anticipation debt-----	-	-	-	-	-	-	-	-	21,425	21,425
Notes and estimated claims payable payable-----	-	-	-	55,055	-	-	-	17,567	-	72,622
Unearned revenue-----	1,574	-	-	-	-	1,102	-	250	-	2,926
Bond interest payable-----	-	-	-	22,922	-	-	-	-	-	22,922
Bonds payable, net-----	82,415	-	-	410,241	-	22,000	-	-	137,505	652,161
Net other post-employment benefit obligation-----	-	-	-	-	-	215	-	-	-	215
Total non-current liabilities-----	85,296	-	4,924	551,064	-	24,351	-	17,817	158,930	842,382
Total liabilities-----	105,613	43	4,968	625,598	-	33,444	9,424	19,925	180,074	979,089
DEFERRED INFLOWS OF RESOURCES-										
	86	-	-	-	-	-	-	-	-	86
Net investment in capital assets-----	299,980	2,907	6,009	517,123	-	44,322	93,653	1,979	2,628	968,601
Restricted for:										
Capital projects-----	864	-	-	-	-	-	67,398	5,080	-	73,342
Debt service-----	26,493	-	-	22,488	-	1,481	-	2,290	1,705	54,457
Public services-----	-	-	-	-	-	-	-	-	26,999	26,999
Education-----	-	-	-	-	-	-	141,289	-	-	141,289
Maintenance-----	22,939	-	-	-	-	-	-	-	-	22,939
Unrestricted-----	86,980	428	847	122,066	22	20,571	2	14,678	(84,041)	161,553
Total net position-----	\$437,256	\$3,335	\$6,856	\$661,677	\$22	\$66,374	\$302,342	\$24,027	(\$52,709)	\$1,449,180

See accompanying notes to financial statements.

**COMBINING STATEMENT OF ACTIVITIES
COMPONENT UNITS
For the Year Ended June 30, 2013
(dollars are in thousands)**

CITY OF OKLAHOMA CITY, OKLAHOMA

	Port									
	OCAT	OCRRA	OCICE	OCWUT	Authority	COTPA	OCMAPS	OCRA	OCEDT	Total
PROGRAM EXPENSES										
Airports-----	\$52,206	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$52,206
Water utilities-----	-	-	-	173,145	-	-	-	-	-	173,145
Riverfront development-----	-	376	-	-	-	-	-	-	-	376
Foreign trade zone operations-----	-	-	-	-	12	-	-	-	-	12
Transportation and parking-----	-	-	-	-	-	31,265	-	-	-	31,265
Education-----	-	-	-	-	-	-	4,459	-	-	4,459
Economic development-----	-	-	742	-	-	-	-	1,459	73,087	75,288
Total expenses-----	52,206	376	742	173,145	12	31,265	4,459	1,459	73,087	336,751
PROGRAM REVENUES										
CHARGES FOR SERVICES										
Airports-----	60,960	-	-	-	-	-	-	-	-	60,960
Water utilities-----	-	-	-	191,326	-	-	-	-	-	191,326
Riverfront development-----	-	1	-	-	-	-	-	-	-	1
Foreign trade zone operations-----	-	-	-	-	16	-	-	-	-	16
Transportation and parking-----	-	-	-	-	-	9,484	-	-	-	9,484
Economic development-----	-	-	178	-	-	-	-	1,240	14	1,432
Total charges for services-----	60,960	1	178	191,326	16	9,484	-	1,240	14	263,219
OPERATING GRANTS AND CONTRIBUTIONS										
Airports-----	12,596	-	-	-	-	-	-	-	-	12,596
Water utilities-----	-	-	-	3,786	-	-	-	-	-	3,786
Transportation and parking-----	-	-	-	-	-	30,000	-	-	-	30,000
Education-----	-	-	-	-	-	-	290	-	-	290
Economic development-----	-	-	-	-	-	-	-	-	3,839	3,839
Total operating grants and contributions-----	12,596	-	-	3,786	-	30,000	290	-	3,839	50,511
CAPITAL GRANTS AND CONTRIBUTIONS										
Airports-----	9,410	-	-	-	-	-	-	-	-	9,410
Transportation and parking-----	-	-	-	-	-	1,495	-	-	-	1,495
Total capital grants and contributions-----	9,410	-	-	-	-	1,495	-	-	-	10,905
Total program revenues-----	82,966	1	178	195,112	16	40,979	290	1,240	3,853	324,635
Net program revenues (expenses)-----	30,760	(375)	(564)	21,967	4	9,714	(4,169)	(219)	(69,234)	(12,116)
Property taxes-----	-	-	-	-	-	-	-	2,821	7,068	9,889
Oil and gas royalties-----	-	70	5	-	-	-	-	-	-	75
Unrestricted investment income-----	110	-	1	797	-	9	-	382	3	1,302
Miscellaneous-----	-	105	-	-	-	-	-	-	2	107
Total general revenues-----	110	175	6	797	-	9	-	3,203	7,073	11,373
Special item-----	-	-	-	36	-	1,108	-	-	-	1,144
Changes in net position-----	30,870	(200)	(558)	22,800	4	10,831	(4,169)	2,984	(62,161)	401
NET POSITION BEGINNING										
Net position-beginning, as previously reported--	-	3,535	-	-	18	55,543	306,511	21,043	9,692	396,342
Change in accounting principle-----	406,386	-	7,414	638,877	-	-	-	-	(240)	1,052,437
Net position-beginning, as restated-----	406,386	3,535	7,414	638,877	18	55,543	306,511	21,043	9,452	1,448,779
Net position-ending-----	\$437,256	\$3,335	\$6,856	\$661,677	\$22	\$66,374	\$302,342	\$24,027	(\$52,709)	\$1,449,180

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 is organized to provide explanations, including required disclosures, of the City's financial activities for the fiscal year ended June 30, 2013.

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 American Recovery and Reinvestment Act Grants and 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.

General Obligation Bonds Fund

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

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.

Oklahoma City Public Property Authority (OCPPA) Fairgrounds (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

Account 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 other post-employment benefits (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 the 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, OCMFA Utilities 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 the 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.

Oklahoma City Zoological Trust (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 two City Council members serve with four 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. OCMAP's net position represents unspent receipts from the City for sales tax collections.

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 the encouragement of 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 the 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 or department heads 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 appointed by the COTPA Administrator, and two retirement plan participants appointed 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 through 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 governing body of Atoka. 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 2300 North Lincoln, Oklahoma City, Oklahoma 73105.

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 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 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 services 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 May 1, 2011 through June 30, 2016. The Alliance also manages the operations of OCICF. 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.

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 but 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 to these program uses. 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 generally 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 susceptible to accrual include: 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 Funds.

In addition, the City Council approves budgets for other operations, 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 the 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 the operating funds 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

Implementation of New Accounting Standard

Effective July 1, 2012, the City implemented Governmental Accounting Standards Board (GASB) statement number 63, Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position. This statement defines deferred outflows and deferred inflows of resources and where they are to be reported in the financial statements and redefine and provide new calculations for the classifications of net position.

I. D. 1. CASH AND INVESTMENTS

The City Council updated and adopted formal deposit and investment policies in July 2012 (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, OCRRA, and OCMAPS 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 and OCWUT separately adopted investment policies. MCA, Port Authority (no investments), OCICF (no investments) and OCRA 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 and investments 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. Managed funds related to the retirement systems not listed on an established market are reported at estimated fair value as determined by the respective investment managers based on quoted sales prices of the underlying securities. Cash deposits are reported at carrying amount which reasonably estimates fair value.

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 and 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 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.

Primary Government		
	<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
OCPPA General Purpose		
Culture and recreation activities	Average Cost or Market	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

Primary Government		
	<u>Method</u>	<u>Description</u>
<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
OCZT	First-in, First Out	Gift shop, concession food, 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, repair
Line maintenance warehouse	Weighted Average	Materials and hand tools

Component Unit		
	<u>Method</u>	<u>Description</u>
COTPA - Transportation	Weighted Average	Vehicle parts and supplies

Prepaids

Prepaids are payments to vendors that benefit future reporting periods and are also reported on the consumption basis. Non-current prepaids benefit periods beyond the following 12 month period.

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 assets are stated at fair value on the date donated. The City generally capitalizes assets with cost of \$7.5 thousand or more as purchase and construction outlays occur. 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 public 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 non-current receivables and advances.

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 include unspent debt proceeds legally restricted for capital outlays. Restricted net position also include 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.

II. ASSETS AND DEFERRED OUTFLOWS OF RESOURCES

II. A. ASSETS

II. A. 1. DEPOSITS AND INVESTMENTS

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 Trust, OCAT, and OCWUT Investment Policies, less the amount covered by the 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 each of the performance evaluations conducted pursuant to the Federal Community Reinvestment Act, 12 United States Code, Section 2901. This is determined by a rating 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. 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. Except for the OCRA, 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. OCAT had \$466 thousand in uninsured and uncollateralized deposits. As of June 30, 2013, OCRA had no uninsured or uncollateralized deposits.

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				
	Fair Value/ <u>Carrying Amount</u>	<u>Cost</u>	Minimum Credit Quality/ <u>Ratings (1)</u>	Weighted Average Months to <u>Maturity (2)</u>
<u>POOLED INVESTMENTS (3)</u>				
Money market funds (4)	\$19,092	\$19,092	AAA/Aaa	1.73
U.S. Treasury notes	225,455	228,957	N/A	19.46
Fannie Mae	205,035	206,181	AA+/Aaa	18.72
Federal obligations	181,490	184,247	AA+/Aaa	14.19
Commercial Paper	22,481	22,475	A1+/P1	2.83
Certificates of deposit	<u>250</u>	<u>250</u>	N/A	1.70
Total pooled investments	<u>653,803</u>	<u>661,202</u>		
Less Agency Fund (3)	<u>(2,018)</u>	<u>(2,018)</u>		
<u>NON-POOLED INVESTMENTS</u>				
U.S. Treasury notes	21,312	21,636	AAA/Aaa	17.58
Federal obligations	22,469	22,517	AA/Aaa	20.52
Fannie Mae	66,538	67,251	AA+/Aaa	20.87
Money market funds (4)	30,804	30,804	A+/A3	1.70
Certificates of deposit	<u>7</u>	<u>7</u>	N/A	456.33
Total non-pooled investments	<u>141,130</u>	<u>142,215</u>		
Total primary government investments	<u>\$792,915</u>	<u>\$801,399</u>		

Pension and OPEB Trust Funds			
	Fair Value/ <u>Carrying Amount</u>	<u>Cost</u>	Effective Duration <u>(months) (2)</u>
<u>COMMON STOCK</u>			
Domestic	\$131,690	\$104,991	N/A
International	8,134	6,829	N/A
<u>GOVERNMENT SECURITIES</u>			
U.S. Treasury strips	886	751	5.26
U.S. Treasury bonds	9,222	9,463	15.07
U.S. Treasury TIPS	1,208	1,269	18.95
Federal agency notes	20,195	24,182	24.31
Ginnie Mae notes	3,714	3,614	26.84
<u>CORPORATE OBLIGATIONS</u>			
Domestic	13,528	13,169	11.28
International	4,588	4,960	6.53
<u>MUTUAL FUNDS</u>			
Equity	183,141	132,266	N/A
Bond	72,670	70,500	5.46
Bond	2,294	2,258	66.84
Other	114,798	105,310	N/A

(continued)

Investments (continued)

	Pension and OPEB Trust Funds		
	Fair Value/ <u>Carrying Amount</u>	<u>Cost</u>	Effective Duration <u>(months) (2)</u>
<u>OTHER INVESTMENTS</u>			
Asset backed obligations	8,592	9,377	21.42
REITs	3,294	2,650	N/A
Money market fund (4)	8,608	8,608	1.77
Foreign government obligations	243	238	15.89
Securities lending short-term collateral investments	3,438	3,438	0.03
Oklahoma City judgments	<u>3,723</u>	<u>3,723</u>	0.34
Total pension trust fund investments (5)	<u>\$593,966</u>	<u>\$507,596</u>	
Passive stock funds	\$13,368	\$12,301	N/A
International stock	2,149	2,059	N/A
Passive bond funds	6,556	6,453	Not Rated
Money market funds (4)	<u>4,748</u>	<u>4,748</u>	AAA/Aaa
Total OPEB trust fund investments	<u>\$26,821</u>	<u>\$25,561</u>	76.56 1.77

	Component Units			
	Fair Value/ <u>Carrying Amount</u>	<u>Cost</u>	Minimum Credit Quality/ <u>Ratings (1)</u>	Weighted Average Months to <u>Maturity (2)</u>
<u>POOLED INVESTMENTS</u>				
Federal obligations	\$17,154	\$17,237	AA/Aaa	13.18
Money market funds (4)	19,911	19,911	AAA/Aaa	1.73
U.S. Treasury notes	<u>6,091</u>	<u>6,170</u>	N/A	9.63
Total pooled investments	<u>43,156</u>	<u>43,318</u>		
<u>NON-POOLED INVESTMENTS</u>				
U.S. Treasury notes	4,639	4,674	N/A	8.77
U.S. Treasury bills	9,316	9,305	N/A	1.11
Federal obligations	64,578	65,740	AA/Aaa	9.99
Fannie Mae	13,105	13,303	AA/Aaa	4.85
Money market funds (4)	176,665	176,665	A+/A3	1.55
U.S. Treasury Strips	74,563	74,478	N/A	17.23
Guaranteed investment contract	14,327	14,327	A-/A2	69.00
Certificate of deposit	<u>8,088</u>	<u>8,088</u>	N/A	9.34
Total non-pooled investments	<u>365,281</u>	<u>366,580</u>		
Total component unit investments	<u>\$408,437</u>	<u>\$409,898</u>		

- (1) Ratings are provided where applicable to indicate associated credit risk.
- (2) Interest rate risk is estimated using either duration or weighted average months to maturity depending on the respective policy.
- (3) City Pooled investments include \$2,018 reported in the City's Agency Fund.
- (4) Consists solely of U.S. Treasury securities
- (5) Pension trust fund securities lending investments are included in the schedule.

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, 2013.

	<u>AAA</u>	<u>AA</u>	<u>A</u>	<u>BBB</u>	<u>BB</u>	<u>B</u>	<u>CCC</u>	<u>D</u>	Not <u>Rated</u>	<u>N/A</u>
<u>GOVERNMENT SECURITIES</u>										
U.S. Treasury strips	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%
U.S. Treasury bonds	0	0	0	0	0	0	0	0	0	100
U.S. Treasury TIPS	0	0	0	0	0	0	0	0	0	100
Federal obligations	0	0	0	0	0	0	0	0	0	100
Ginnie Mae notes	0	0	0	0	0	0	0	0	0	100
<u>CORPORATE OBLIGATIONS</u>										
Domestic	0	11	48	37	4	0	0	0	0	0
International	5	16	43	33	3	0	0	0	0	0
<u>MUTUAL FUNDS</u>										
Bond	0	0	0	0	0	0	0	0	100	0
<u>OTHER INVESTMENTS</u>										
Asset backed obligations	35	2	1	0	0	0	0	0	58	4
REITs	0	0	1	0	0	24	0	0	75	0
Money market fund	100	0	0	0	0	0	0	0	0	0
Foreign government obligations	0	0	14	86	0	0	0	0	0	0
Securities lending short-term collateral investments	0	0	0	100	0	0	0	0	0	0

Foreign Investments (1)

OCERS

Mexican Peso	\$718,952	International mutual funds and similar securities	<u>\$144.047</u>
Thai Baht	296,965		
Malaysian Ringgit	354,260		
Polish Zloty	338,916		
Russian Ruble	528,745		
Indonesian Rupiah	292,505		
Brazilian Real	455,300		
Turkish Lira	490,421		
South African Rand	332,430		
Australian Dollar	104,311		
Hungarian Forint	175,085		
Canadian Dollar	66,015		
Chinese Yuan	58,960		
Euro	102,789		
Other	<u>1,200,235</u>		
International securities	<u>\$5,515,889</u>		

- (1) Foreign currency risk is the risk that changes in exchange rates will adversely affect the fair value of an investment. Investment in foreign bonds and equities is shown by monetary unit to indicate possible foreign currency risk.

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 over-concentration 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 Percentage of Total Invested Principal		Maturity Limitations Percentage of Total Invested Principal	
	<u>Maximum % (2)</u>		<u>Maximum % (4)</u>
Repurchase agreements	100.0%	0-1 year	100%
U.S. Treasury securities (3)	100.0	1-3 years	90
Certificates of deposit	50.0	3-5 years	90
Money market funds	100.0		
Savings accounts	100.0		
U.S. noncallable agency securities	100.0		
U.S. callable agency securities	20.0		
Prime commercial paper	7.5		
City judgments	5.0		

- (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.

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 the Government National Mortgage Association, Federal National Mortgage Association, or Federal Home Loan Mortgage Corporation, 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, the Trusts 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 over-concentration 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 restricted by bond indenture restrictions.

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 general obligations of the United States with maturities not to exceed a term of five years or the intended date of use of said funds.

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

	Primary Government				
	Bond Principal and Interest	Project and Construction	Bond Reserve	Other	Total
	<u>Accounts</u>	<u>Accounts</u>	<u>Accounts</u>		
<i>Governmental Activities</i>					
General Obligation Bonds Fund	\$ -	\$190,088	\$ -	\$ -	\$190,088
Grants Management	6,192	-	-	-	6,192
Debt Service	72,627	-	-	-	72,627
OCPPA General Purpose Fund	-	-	-	423	423
Special Purpose Fund	<u>-</u>	<u>-</u>	<u>-</u>	<u>6,628</u>	<u>6,628</u>
Total governmental activities	<u>78,819</u>	<u>190,088</u>	<u>-</u>	<u>7,051</u>	<u>275,958</u>
<i>Business-Type Activities</i>					
OCEAT	419	-	-	-	419
OCZT	406	-	637	-	1,043
OCPPA Fairgrounds Fund	2,986	2,442	-	-	5,428
OCPPA Golf Courses Fund	<u>671</u>	<u>7,035</u>	<u>456</u>	<u>-</u>	<u>8,162</u>
Total business-type activities	<u>4,482</u>	<u>9,477</u>	<u>1,093</u>	<u>-</u>	<u>15,052</u>
Total primary government	<u>\$83,301</u>	<u>\$199,565</u>	<u>\$1,093</u>	<u>\$7,051</u>	<u>\$291,010</u>

	Component Units				
	Bond Principal and Interest	Construction	Bond Reserve	Other	
	<u>Accounts</u>	<u>Accounts</u>	<u>Accounts</u>		
OCAT	\$ -	\$21,432	\$ -	\$23,490	\$44,922
OCWUT	26,955	504	33,609	-	61,068
COTPA	-	21,809	-	5,304	27,113
OCEDT	<u>1,704</u>	<u>37,088</u>	<u>9,991</u>	<u>-</u>	<u>48,783</u>
Total component units	<u>\$28,659</u>	<u>\$80,833</u>	<u>\$43,600</u>	<u>\$28,794</u>	<u>\$181,886</u>

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. 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

	<u>OCERS</u>				<u>COTPA Retirement</u>			
	<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%	55.3%	35.0%	45.0%	65.0%	49.3%
International	5.0	10.0	15.0	8.1	5.0	10.0	15.0	10.0
Alternatives	N/A	N/A	N/A	N/A	0.0	20.0	25.0	15.8
Fixed income (1)	20.0	25.0	30.0	30.3	20.0	25.0	40.0	24.9
Real estate	10.0	15.0	20.0	6.3	N/A	N/A	N/A	N/A

(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 \$398 thousand in common stock or stock funds. Of this amount \$170 million is held by the investment counterparty, not in the name of the pension fund or the City. The OCERS participates in securities lending. See subsequent securities lending disclosure for policy discussion. Securities lending short-term collateral of \$3.438 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 rated at least A. Commercial paper must be rated A1, P1. Repurchase agreements must be collateralized by U.S. Government/agency assets. Cash may not exceed 5% of the equities portfolio. The fixed income portfolio may be invested 100% in cash equivalents or fixed income securities maturing in 30 years or less.

Interest rate risk is addressed by the policy requiring that the active fixed income manager's 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.

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, collective investment fund. (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, by 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 2013, substantially all collateral consisted of cash. The OCERS' securities custodial bank is the agent in lending the plan's securities for cash collateral of 100% - 102%. At year-end, the OCERS has no credit risk exposure to borrowers because the amounts the OCERS owes the borrowers exceed the amounts the borrowers owe the OCERS. The contract with the lending agent requires them to indemnify the OCERS if the borrowers fail to return the securities (and if the collateral is inadequate to replace the securities lent) or fail to pay the OCERS for income distributions by the securities' issuers while the securities are on loan. Custodial credit risk for securities lending transactions is included in the previous discussion of Pension Trust Policies.

Securities lending transactions can be terminated on demand by either the OCERS or the borrower, although the average term of the loans is one day. The term to maturity of the securities lent is matched with the term to maturity of the investment of the cash collateral by investing in overnight repurchase agreements and master notes with overnight put provisions. The contract with the agent requires that the difference between the average weighted maturity of loan transactions and the average weighted maturity of permitted investments shall not exceed three days. Such matching existed at year-end. Net income produced from securities lending activities for fiscal year 2013 was \$41 thousand. The market value of securities on loan as of June 30, 2013, was \$3.334 million, comprised of: \$1.501 million of corporate obligations, \$598 thousand of common stock, and \$1.235 million of U.S. government securities.

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.

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%	60%	65%	60.6%
International equities	5	10	15	9.7
Fixed income	30	30	65	29.7
Cash	0	0	100	0.0

- (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, 2013 and 2012, the amount of funds temporarily invested by the OCPEBT Trust Treasurer in money market funds was \$4,748 and \$6,223, respectively.

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 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 Trust. 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 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 and Uncollectible Amounts

Sales and Use Taxes Receivable

Governmental activities report sales and use taxes receivable of \$61.020 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, 2013, receivables of \$4.139 million represent delinquent and escrowed paid-under-protest taxes. Approximately \$25 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. Property taxes receivable related to TIF at June 30, 2013 is \$138 thousand reported in OCEDT.

Accounts Receivable

Governmental funds report taxes receivable other than sales and property taxes as part of accounts receivable. Accounts receivable are net of allowance for uncollectible amounts which are immaterial in amount.

NOTES TO FINANCIAL STATEMENTS
June 30, 2013

CITY OF OKLAHOMA CITY, OKLAHOMA

	Hotel/ Motel Taxes <u>Receivable</u>	Emergency Telephone Taxes <u>Receivable</u>	Franchise Fees <u>Receivable</u>	Other <u>Receivables</u>	Total Accounts <u>Receivable</u>
Governmental Funds					
General Fund	\$ -	\$ -	\$4,531	\$2,944	\$7,475
Other governmental funds	<u>1,517</u>	<u>405</u>	<u>-</u>	<u>2,517</u>	<u>4,439</u>
Total governmental funds	1,517	405	4,531	5,461	11,914
Internal Service Funds	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,010</u>	<u>4,010</u>
Total governmental activities	<u>\$1,517</u>	<u>\$405</u>	<u>\$4,531</u>	<u>\$9,471</u>	<u>\$15,924</u>

Proprietary Accounts Receivable and Uncollectible Amounts

	Major Enterprise Funds					Total
	Water and Wastewater <u>Fund</u>	<u>OCEAT</u>	<u>OCZT</u>	OCPPA Golf <u>Courses</u>	Other Enterprise <u>Funds</u>	Major Enterprise <u>Funds</u>
Accounts receivable	\$1	\$7,507	\$539	\$1	\$2,649	\$10,697
Less: allowance for uncollectible accounts	<u>-</u>	<u>(4,109)</u>	<u>-</u>	<u>-</u>	<u>(1,001)</u>	<u>(5,110)</u>
Net accounts receivable	<u>\$1</u>	<u>\$3,398</u>	<u>\$539</u>	<u>\$1</u>	<u>\$1,648</u>	<u>\$5,587</u>

Component Unit Accounts Receivable

	<u>OCAT</u>	<u>OCRRA</u>	<u>OCICF</u>	<u>OCWUT</u>	<u>COTPA</u>	<u>OCRA</u>	Total Component <u>Units</u>
Accounts receivable	\$5,546	\$25	\$15	\$22,755	\$298	\$409	\$29,048
Less: allowance for uncollectible accounts	<u>-</u>	<u>-</u>	<u>-</u>	<u>(1,668)</u>	<u>(32)</u>	<u>-</u>	<u>(1,700)</u>
Net accounts receivable	<u>\$5,546</u>	<u>\$25</u>	<u>\$15</u>	<u>\$21,087</u>	<u>\$266</u>	<u>\$409</u>	<u>\$27,348</u>

Agency Fund Receivables

The Agency Fund reports \$116 thousand in amounts receivable from property owners for property tax liens and \$179 thousand in amounts receivable from other City funds.

Intergovernmental Receivables

A total of \$19.831 million in intergovernmental receivables is due from the Federal, state or local government at year end. Governmental funds report \$11.279 million. Proprietary funds report \$8 thousand. Component units report \$8.544 million.

Governmental Activities

Governmental Funds

General Fund	Commercial vehicle, excise, motor fuel and alcoholic beverage taxes receivable	\$1,245
Grants Management Fund	Grant revenues receivable	7,604
Special Purpose Fund	State matching emergency management funds receivable	976
Tax Incremental Financing Fund	State matching TIF revenues receivable	1,423
<u>Internal Service Funds</u>		
OCMFA Services Fund	State matching emergency management funds receivable	<u>31</u>
Total governmental activities		<u>11,279</u>
<i>Business-Type Activities</i>		
OCEAT	State matching emergency management funds receivable	<u>8</u>
Total primary government		<u>\$11,287</u>

Component Units

OCAT	Grant revenues receivable	\$1,378
OCWUT	State matching emergency management and Federal Bureau of Reclamation funds receivable	90
COTPA	Grant revenues receivable	3,262
OCMAPS	Suburban schools receivable	3,808
OCRA	State matching TIF revenues receivable	<u>6</u>
Total component units		<u>\$8,544</u>

Notes Receivable

General Fund

OCURA Bass Pro Leasehold Improvements

In 2002, the City Council adopted a funding plan for leasehold improvements to the Bass Pro Shop. The OCURA holds the lease with the Bass Pro Shop. Under the funding plan three City funds, MAPS Operations Fund, City and Schools Use Tax Fund, and Public Safety Capital Use Tax Fund, loaned OCURA \$17 million for leasehold improvements of the building. Each of the three funds recorded an advance from the General Fund. The General Fund repays these funds as monies are collected from OCURA. The balance of the note receivable from OCURA based on the funding plan is \$1.010 million at June 30, 2013.

ETI, Inc.

A note receivable for \$60 thousand from ETI, Inc was established in 2009 for repayment of disallowed costs associated with the City's Workforce Investment Act grants. The note is being paid at \$500 per month over a ten year period. The unpaid balance at June 30, 2013 is \$35 thousand.

Grants Management Fund

Notes Receivable reported in the grants management fund include loans of \$10.903 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

On October 15, 2002, OCICF completed the sale of approximately 6% of the Journal Record Building to the Oklahoma City National Memorial Trust (Memorial Trust) for a purchase price of \$72 thousand. Under the purchase agreement, the Memorial Trust signed a promissory note in the amount of \$72 thousand, with an interest rate of 5% annually, payable to the Trust in equal monthly installments of less than one thousand dollars over a ten-year period. At June 30, 2013, the note receivable is fully repaid.

OCRA

OCRA has a note receivable from Skirvin Partners, LLC at June 30, 2013 for \$10.654 million. The note bears interest at 3% payable semi-annually in June 1 and December 1. Principal of \$200,000 is due annually on December 1. Interest receivable of \$27 thousand is due at June 30, 2013.

OCEDT

During 2011, OCEDT loaned the OCMGF \$4.190 million to enable the OCMGF to acquire property in the vicinity of the Myriad Botanical Gardens for the purposes of providing for relocation of displaced Myriad Botanical Gardens facilities and to ensure that the property is used and developed in a manner compatible with the purpose of the Myriad Botanical Gardens. The land was appraised at \$4.225 million. On August 9, 2011, OCEDT approved a real estate transfer agreement between OCEDT and the OCMGF naming OCEDT as owners of the property purchased by the OCMGF. The transfer releases the OCMGF of the liability to OCEDT for the principal amount of the loan but requires OCMGF to pay any unpaid accrued interest, which was \$189 thousand at the date of the transfer and is \$93 thousand at June 30, 2013.

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 \$6.233 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, 2013, OCWUT reported \$46.927 million receivable from MCA Participants.

Component Unit Other Assets

COTPA

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

COTPA has \$5 thousand in non-current escrow minimum funding requirement for Section 125 Flexible Compensation Program for all full-time eligible COTPA employees.

COTPA has a net pension asset in the amount of \$518 thousand. This asset is to be used for future pension obligations.

OCMAPS

Public schools completed by OCMAPS and awaiting transfer to the Oklahoma City Independent School District by approval of the OCMAPS Board are reclassified to other non-current asset in the amount of \$141.255 million and recognized as a donation when the transfer is made to the Oklahoma City Independent School District.

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. 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 Net Position			
	Tulsa Area	Oklahoma City Area	Net Position		Liabilities	
July 1, 2012, capital	\$13,244	\$7,966	Assets	\$31,448	Short-term	\$12,284
Changes in net position	(2,708)	289	Liabilities	12,657	Long-term	373
June 30, 2013, capital	\$10,536	\$8,255	Net position	\$18,791		\$12,657

II. A. 5. CAPITAL ASSETS

Changes in Capital Assets

	Primary Government							
	Capital Assets, not depreciated			Capital Assets, depreciated				
	Land, Art, and Water Storage Rights	Construction In Progress	Total Capital Assets	Buildings	Infrastructure and Improvements Other Than Buildings	Furniture, Machinery, and Equipment	Total Capital Assets, Depreciable	Total Capital Assets, Net
<i>Governmental Activities</i>								
CAPITAL ASSETS								
Balance, June 30, 2012								
As previously reported	\$95,013	\$190,439	\$285,452	\$478,148	\$1,363,572	\$234,873	\$2,076,593	\$2,362,045
Prior period adjustment	-	(20,406)	(20,406)	(632)	(15,661)	(1,908)	(18,201)	(38,607)
As restated	95,013	170,033	265,046	477,516	1,347,911	232,965	2,058,392	2,323,438
Increases	7,084	64,168	71,252	33,764	161,223	17,266	212,253	283,505
Decreases	(141)	(122,389)	(122,530)	(14,861)	(9,507)	(16,408)	(40,776)	(163,306)
Balance, June 30, 2013	<u>101,956</u>	<u>111,812</u>	<u>213,768</u>	<u>496,419</u>	<u>1,499,627</u>	<u>233,823</u>	<u>2,229,869</u>	<u>2,443,637</u>
ACCUMULATED DEPRECIATION								
Balance, June 30, 2012								
As previously reported				154,743	552,608	151,954	859,305	859,305
Prior period adjustment				(63)	(3,721)	(213)	(3,997)	(3,997)
As restated				154,680	548,887	151,741	855,308	855,308
Increases				13,818	47,059	21,814	82,691	82,691
Decreases				(11,041)	(771)	(15,568)	(27,380)	(27,380)
Balance, June 30, 2013				<u>157,457</u>	<u>595,175</u>	<u>157,987</u>	<u>910,619</u>	<u>910,619</u>
Total governmental activities	<u>101,956</u>	<u>111,812</u>	<u>213,768</u>	<u>338,962</u>	<u>904,452</u>	<u>75,836</u>	<u>1,319,250</u>	<u>1,533,018</u>

(continued)

NOTES TO FINANCIAL STATEMENTS
June 30, 2013

CITY OF OKLAHOMA CITY, OKLAHOMA

Changes in Capital Assets (continued)

	Primary Government							
	Capital Assets, not depreciated			Capital Assets, depreciated				
	Land, Art, and		Total	Infrastructure and		Furniture, Machinery, and	Total	Total
	Water	Construction		Improvements	Other Than			
Storage	In Progress	Capital	Buildings	Buildings	Equipment	Assets,	Assets,	
Rights		Assets				Depreciable	Net	
<i>Business-Type Activities</i>								
<u>CAPITAL ASSETS</u>								
Balance, June 30, 2012								
As previously reported	205,794	259,760	465,554	632,077	1,837,257	161,150	2,630,484	3,096,038
Prior period adjustment	-	-	-	(635)	(1,197)	-	(1,832)	(1,832)
Change in								
accounting principle	(175,130)	(248,217)	(423,347)	(468,831)	(1,096,234)	(83,999)	(1,649,064)	(2,072,411)
As restated	30,664	11,543	42,207	162,611	739,826	77,151	979,588	1,021,795
Increases	-	4,692	4,692	1,229	11,208	7,927	20,364	25,056
Decreases	-	(1,029)	(1,029)	(1,366)	(1,142)	(6,193)	(8,701)	(9,730)
Balance, June 30, 2013	30,664	15,206	45,870	162,474	749,892	78,885	991,251	1,037,121
<u>ACCUMULATED DEPRECIATION</u>								
Balance, June 30, 2012								
As previously reported				313,414	864,650	131,366	1,309,430	1,309,430
Prior period adjustment				(47)	(189)	-	(236)	(236)
Change in								
accounting principle				(249,516)	(437,996)	(67,173)	(754,685)	(754,685)
As restated				63,851	426,465	64,193	554,509	554,509
Increases				3,972	19,364	4,121	27,457	27,457
Decreases				(961)	(1,370)	(5,761)	(8,092)	(8,092)
Balance, June 30, 2013				66,862	444,459	62,553	573,874	573,874
Total business-type activities	30,664	15,206	45,870	95,612	305,433	16,332	417,377	463,247
Total	30,664	15,206	45,870	434,574	1,209,885	92,168	1,736,627	1,996,265

	Component Unit							
	Capital Assets, not depreciated			Capital Assets, depreciated				
	Land, Art, and		Total	Infrastructure and		Furniture, Machinery, and	Total	Total
	Water	Construction		Improvements	Other Than			
Storage	In Progress	Capital	Buildings	Buildings	Equipment	Assets,	Assets,	
Rights		Assets				Depreciable	Net	
<u>CAPITAL ASSETS</u>								
Balance, June 30, 2012								
As previously reported	\$8,962	\$225,260	\$234,222	\$132,706	\$70,231	\$33,312	\$236,249	\$470,471
Change in								
accounting principle	176,083	248,217	424,300	480,353	1,096,234	83,999	1,660,586	2,084,886
As restated	185,045	473,477	658,522	613,059	1,166,465	117,311	1,896,835	2,555,357
Increases	2,917	189,528	192,445	48,416	130,945	31,132	210,493	402,938
Decreases	(94)	(341,819)	(341,913)	(27,849)	(49,544)	(8,961)	(86,354)	(428,267)
Balance, June 30 2013	187,868	321,186	509,054	633,626	1,247,866	139,482	2,020,974	2,530,028

(continued)

NOTES TO FINANCIAL STATEMENTS
June 30, 2013

CITY OF OKLAHOMA CITY, OKLAHOMA

Changes in Capital Assets (continued)

ACCUMULATED DEPRECIATION	Component Unit					
	Balance, June 30, 2012					
As previously reported	40,199	15,335	23,322	78,856	78,856	
Change in accounting principle	<u>250,821</u>	<u>437,996</u>	<u>67,173</u>	<u>755,990</u>	<u>755,990</u>	
As restated	291,020	453,331	90,495	834,846	834,846	
Increases	14,338	39,117	9,200	62,655	62,655	
Decreases	<u>(7,637)</u>	<u>(17,413)</u>	<u>(8,499)</u>	<u>(33,549)</u>	<u>(33,549)</u>	
Balance, June 30, 2013	<u>297,721</u>	<u>475,035</u>	<u>91,196</u>	<u>863,952</u>	<u>863,952</u>	
Total	<u>\$187,868</u>	<u>\$321,186</u>	<u>\$509,054</u>	<u>\$335,905</u>	<u>\$772,831</u>	<u>\$48,286</u>
				<u>\$1,157,022</u>	<u>\$1,666,076</u>	

Approximately \$240.437 million (cost of \$505.018 million and accumulated depreciation of \$264.581 million) of airport property is leased or held for lease to others as of June 30, 2013.

Depreciation Expense

Primary Government				Component Units	
Governmental Activities		Business-Type Activities			
General government	\$19,154	Airport	\$491	Airports	\$19,988
Public safety: Police	1,784	Water and wastewater	10,844	Riverfront redevelopment	84
Fire	3,227	Solid waste management	2,379	Cultural and industrial	237
Other	6,870	Stormwater drainage	3,320	Water utilities	35,320
Public services	27,797	Golf courses	1,258	Parking	647
Economic Development	227	Zoo	2,995	Transit	2,279
Culture and recreation	<u>17,774</u>	Fairgrounds	6,171	Economic development	<u>3,800</u>
Subtotal	76,833	Transportation and Parking	<u>6</u>		
Allocated internal service fund depreciation	<u>2,032</u>				
Total governmental activities	<u>\$78,865</u>	Total business-type activities	<u>\$27,464</u>	Total component unit activities	<u>\$62,355</u>

Transfer of Capital Assets

	Capital Assets	Accumulated Depreciation	Capital Assets, Net
<i>Governmental Activities</i>			
Governmental Activities	\$53,934	(\$3,826)	\$50,108
<i>Component Units</i>			
OCWUT	507	(300)	207
COTPA	(507)	300	(207)
OCEDT	(53,934)	3,826	(50,108)

Capitalized Interest

	<u>Total Interest Costs Incurred</u>	<u>Capitalized Interest</u>
OCAT	\$5,651	\$736
OCWUT	18,628	3,939
OCPPA Fairgrounds Fund	3,689	323
OCPPA Golf Fund	<u>462</u>	<u>211</u>
	<u>\$28,430</u>	<u>\$5,209</u>

Impairment of Capital Assets

On May 31, 2013, the City was impacted by severe storms. These storms resulted in damage to City owned property at 100 N. Walker. The loss due to impairment of the capital assets was \$801 thousand.

II. B. DEFERRED OUTFLOWS OF RESOURCES

II. B. 1. DEFERRED AMOUNT ON REFUNDING

Deferred charges on refunding of bonds results 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.

	<u>Primary Government</u>	
	<u>Bond Issue</u>	
<i>Governmental Activities</i>		
General obligation bonds	2005 Refunding	\$1,060
General obligation bonds	2012 Refunding	<u>5,536</u>
		6,596
<i>Business-type Activities</i>		
OCZT	Series 2005 Refunding	204
OCPPA Golf Courses Fund	Series 2010 Refunding	<u>2</u>
		<u>206</u>
		<u>\$6,802</u>
	<u>Component Units</u>	
	<u>Bond Issue</u>	
Airports	Junior Lien Series 29B	\$975
OCWUT	Series 2009 A & B Refunding	53
OCWUT	Series 2013 Refunding	<u>9,158</u>
		<u>\$10,186</u>

III. LIABILITIES AND DEFERRED INFLOWS OF RESOURCES

III. A. LIABILITIES

III. A. 1. UNEARNED REVENUES

	Primary Government			Component Units
	Governmental Activities	Business-Type Activities	Total	
<u>CURRENT</u>				
Grant revenues	\$1,287	\$ -	\$1,287	\$ -
Event sales	4,641	-	4,641	-
Charges for services	-	7,027	7,027	499
Advance construction costs	-	-	-	251
Naming rights	-	-	-	133
Rent	4	93	97	7
	<u>\$5,932</u>	<u>\$7,120</u>	<u>\$13,052</u>	<u>\$890</u>
<u>NON-CURRENT</u>				
Grant revenues	\$12,532	\$ -	\$12,532	\$ -
Charges for services	-	-	-	1,824
Naming rights	-	-	-	1,102
Lease	-	2,633	2,633	-
	<u>\$12,532</u>	<u>\$2,633</u>	<u>\$15,165</u>	<u>\$2,926</u>

III. A. 2. INTERGOVERNMENTAL PAYABLES

Arbitrage Compliance

Proceeds from tax-exempt bonds issued after September 1, 1986, are subject to the 1986 Tax Reform Act. The City invests, records, and reports these proceeds in the manner set forth by the U.S. Treasury and Internal Revenue Service to maintain the tax-exempt status of the bonds. Arbitrage liabilities of \$9 thousand are reported with component units.

Payable to the Economic Development Administration (EDA)

In 2001, the City was awarded a loan from the EDA in the amount of \$500 thousand to fund a revolving loan fund for at-risk small businesses. At June 30, 2013, the amount due is \$668 thousand. The City has made application with EDA to repay EDA's portion of the cash and transfer the outstanding note receivable to the sub-recipient currently managing the loan. It is expected the City's obligation will be fulfilled in 2014 when EDA approves the application.

Payable to the Oklahoma County Sheriff's Office (OCSO)

In May, 2013, severe weather resulted in the declaration of a disaster. The OCSO assisted in the disaster recovery. The payable to the OCSO at June 30, 2013 for reimbursement of overtime expenses expected to be recovered by a Federal Emergency Management Agency grant award is \$78 thousand.

Payable to the Oklahoma Water Resources Board (OWRB)

During fiscal year 2010, OCWUT entered into an agreement with the Oklahoma Water Resources Board (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. In addition, OCWUT has agreed to pay for additional costs of \$39.542 million for future costs due and payable to the Federal government. This amount incurs interest at a rate of 4.012% which is added to the payable annually. The payable at June 30, 2013 is \$44.566 million which is reported with non-current liabilities. In addition, an amount of \$15.000 million is payable to reimburse the OWRB for certain costs 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.

III. A. 3. COMPENSATED ABSENCES

Compensated absences balances changed from 2012 to 2013 by accruals of \$39.501 million and usages of \$35.690 million.

	General Fund	Grants Management Fund	Other Governmental Funds	Total
Compensated absences	<u>\$60,106</u>	<u>\$177</u>	<u>\$11,626</u>	<u>\$71,909</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 until the permanent TIF financing was finalized. The extended due date of the line of credit was December 31, 2008.

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.

On February 4, 2010, OCEDT issued a \$5 million Private Placement Tax Anticipation Note (2010 TAN) from JP Morgan Chase Bank, N.A. with a fixed interest rate of 4.20% for a 5 year term. The proceeds from the 2010 TAN are to fund redevelopment and improvements within the districts. As of June 30, 2013, \$23.835 million has been drawn to fund TIF #2 and #3 projects. Of the amount due, \$21.425 million is reported with non-current liabilities.

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 with full repayment due on or before December 15, 2006. 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.

In March 2005, OCPPA increased the line of credit by an additional \$4 million to \$16 million to fund a site improvement contract for dynamic compaction. On November 14, 2006, OCPPA authorized the extension of the terms of the note that increased the amount to \$16 million and extended the maturity date to December 1, 2007. On November 20, 2007, OCPPA authorized an extension of the maturity date to December 1, 2008. On November 18, 2008, OCPPA authorized an extension of the LOC maturity date to June 30, 2009; a decrease in the LOC to \$13 million; and an increase in interest rate to LIBOR plus 90 basis points. On June 23, 2009 OCPPA authorized an extension of the maturity date to June 30, 2010. On July 6, 2010, OCPPA approved a resolution extending the maturity date to June 30, 2011 and changed the interest rate to LIBOR plus 105 basis points. On June 21, 2011, OCPPA extended the maturity date to June 30, 2012 and decreased the maximum amount of the LOC to \$11 million.

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. In addition, the resolution authorized the transfer of any TIF District #4 and #5 assets be transferred to OCEDT along with any outstanding obligations. The resolution further authorized the payment of necessary expenses related to the assignment including bond counsel fees and the bank's legal fees. On June 26, 2012, OCEDT authorized an extension of the maturity date to June 30, 2013; a decrease in the LOC to \$10 million; and changed the interest rate to LIBOR plus 105 basis points. On June 25, 2013, OCEDT authorized an extension of the maturity date to June 30, 2014; a decrease in the LOC to \$9 million; and changed the interest rate to LIBOR plus 85 basis points. As of June 30, 2013, \$6.500 million is outstanding against this line of credit. This indebtedness is reported in the OCEDT Fund.

OCEDT TIF District #8

On December 16, 2008, the City Council established TIF District #8. The new TIF district includes a budget of \$115 million for public improvements. On September 23, 2009, the City Council authorized the incurrance of indebtedness of OCEDT. The Private Placement Tax Anticipation Note Series 2009 was financed from Devon Corporation in the amount of \$95 million at a fixed interest rate of 5% per annum for October 1, 2009 through September 30, 2015. From October 1, 2015, to maturity date, June 30, 2034, the interest rate will be variable. No principal payments are required prior to October 1, 2014. Interest is payable on each April 1 and October 1. Per the loan agreement, on any interest payment date prior to October 1, 2014, OCEDT has elected to defer payment of accrued interest. All deferred interest is added to the principal balance of the loan.

On April 17, 2013, OCEDT issued Tax Apportionment Bonds, Series 2013A, in the amount of \$116.445 million. A portion of these proceeds was designated to pay in full the Private Placement Tax Anticipation Note Series 2009. On April 17, 2013, a total payment was made to the Devon Corporation in the amount of \$92.918 million. This included the principal and capitalized interest in the amount of \$92.702 million and a 17 day interest amount of \$216 thousand. As of June 30, 2013, there is no amount outstanding for TIF District #8 tax anticipation debt.

Changes in Tax Anticipation Debt

	Component Unit			Effective Interest	
	Balance July 1, 2012	Issued/ Transferred	Retired	Balance June 30, 2013	Rate, June 30, 2013
OCEDT					
TIF District #2 and #3	\$21,593	\$ -	\$1,085	\$20,508	6.99
TIF District #2 and #3	4,327	-	1,000	3,327	4.20
TIF District #4 and #5	7,000	-	500	6,500	1.19
TIF District #8	82,301	10,401	92,702	-	5.00
TIF interest payable	1,445	5,944	6,997	392	
	<u>\$116,666</u>	<u>\$16,345</u>	<u>\$102,284</u>	<u>\$30,727</u>	

Tax Anticipation Debt Payment Requirements to Maturity

	Component Unit					
	OCEDT					
	OCEDT - Line of Credit		OCPPA-TIF #4 & #5		Total	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2014	\$2,410	\$1,523	\$6,500	\$77	\$8,910	\$77
2015	2,745	1,381	-	-	2,745	-
2016	1,335	1,261	-	-	1,335	-
2017	1,435	1,161	-	-	1,435	-
2018	1,535	1,059	-	-	1,535	-
2019-2023	9,530	3,452	-	-	9,530	-
2024-2028	<u>4,845</u>	<u>345</u>	<u>-</u>	<u>-</u>	<u>4,845</u>	<u>-</u>
	<u>\$23,835</u>	<u>\$10,182</u>	<u>\$6,500</u>	<u>\$77</u>	<u>\$30,335</u>	<u>\$77</u>

Pledged Revenues

OCPPA TIF Revenues

In 2013, OCPPA recognized \$33 thousand in property tax collections designated to repay TIF issued to support economic development activities.

OCEDT TIF Revenues

The OCEDT issued tax anticipation notes to support its economic development activities. The OCEDT TIF Fund reports revenue-supported debt. In 2013, OCEDT recognized \$7.068 million in property taxes and \$621 thousand in payments from the City for sales tax restricted to repay tax anticipation debt.

III. A. 5. COMMERCIAL PAPER

Commercial Paper

On January 17, 2006, OCWUT established a commercial paper program authorizing the issuance of up to \$75 million of tax-exempt commercial paper notes with letter of credit security. On November 2, 2010, OCWUT approved a resolution authorizing an increase in the commercial paper program to an amount not to exceed \$150 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. Bond proceeds of \$68.500 million were used to permanently retire commercial paper on March 14, 2013.

	Balance <u>July 1, 2012</u>	<u>Issued</u>	<u>Retired</u>	Balance <u>June 30, 2013</u>	Effective <u>Interest Rate</u>
<u>COMMERCIAL PAPER</u>					
OCWUT	<u>\$45,000</u>	<u>\$348,375</u>	<u>\$377,875</u>	<u>\$15,500</u>	0.17%

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 the Gold Dome, Climate Craft, Dell Incorporated 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. The Gold Dome and Dell Incorporated loans were paid off early in November of 2010. The Climate Craft loan was paid off in January 2012. 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, 2013, are \$3.475 million and \$3 thousand in accrued interest. This loan activity is reported in the government-wide financial statements.

OCPPA General Purpose Fund Capital Financing Note

On April 25, 2006, OCPPA approved issuance of a capital financing note for the downtown underground improvement project relating to the funding of infrastructure improvements within the underground special improvement and assessment district. The downtown underground consists of a system of pedestrian tunnels used for below surface access to retail shops, restaurants, and other commercial outlets in the tunnels, as well as, surface venue access through underground pedestrian routes protected from the weather and traffic. On May 11, 2006, the Authority issued the note to Bank of America Leasing and Capital LLC for \$2 million at an annual fixed rate of 6.364% with principal and interest payable August 1 for ten years, beginning August 1, 2007. At June 30, 2013 the balance due is \$616 thousand and \$18 thousand in accrued interest.

OCPPA General Purpose Fund Non-Interest Bearing Note Payable

The OCPPA received a non-interest bearing loan of up to \$780 thousand from the Oklahoma Department of Commerce for the remediation of hazardous waste materials in the Skirvin Hotel. Repayment of the loan is deferred for five years. Annual payments of \$5 thousand commenced February 1, 2010. A loan origination fee of \$15.6 thousand will apply if the loan is not repaid in full prior to February 2015. As of June 30, 2013, the OCPPA has cumulatively drawn \$699 thousand against the total.

OCWUT 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, 2013, \$10.775 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, 2013, \$45.785 million has been received. The interim 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 will commence on the earlier of March 15 or September 15 following the completion of the construction projects or September 15, 2013 and will continue semiannually for the term of the loans. The loans expire on March 15, 2043. At June 30, 2013 construction projects are not complete.

OCRA Bio-Pharmaceutical Manufacturing Facility Note Payable

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, 2013, the balance due is \$5.02 million. The interest rate at June 30, 2013 is 1.46%.

OCRA Presbyterian Health Foundation Notes Payable

OCRA issued a \$10.600 million parity tax apportionment revenue note on August 31, 2007. The note matures on July 1, 2022, and interest on the note is calculated as either 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 on August 1, 2010, both interest and principal are due on the note. Payments are to be made on the 1st day of each month. As of June 30, 2013, the balance of the note is \$8.186 million. The interest rate at June 30, 2013 is 1.46%.

OCRA Presbyterian Health Foundation Notes Payable

On August 31, 2007, OCRA issued a \$5.300 million parity parking revenue note. 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 on August 1, 2010, both interest and principal are due on the note. Payments are to be made on the 1st day of each month. The note is collateralized from operations of the Presbyterian Health Foundation Parking Garage. As of June 30, 2013, the balance of the note is \$4.093 million. The interest rate at June 30, 2013 is 1.46%.

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, 2013, the balance of the note is \$2.317 million. The interest rate at June 30, 2013 is 1.46%.

Capital Leases

The City has outstanding capital lease agreements of \$950 thousand. These capital leases were used to finance the acquisition of copiers and office and printing equipment at a cost of \$709 thousand and ground equipment at a cost of \$788 thousand.

Estimated Claims Payable

The City's risk management activities reported with governmental activities are recorded in the Risk Management, the OCMFA Services internal service funds 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 OPEBT 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, 2013 is \$53.391 million.

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, 2013 is \$44.75 million. Claims are discounted at 2.5%. A copy of the third party report can be obtained from Risk Management, 420 W. Main, Suite 110, 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 and transferred to the Risk Management Fund.

Pollution Remediation Claims Liabilities

Katy Trail

Fuel odors were encountered by a construction crew during excavation on the Katy Trail adjoining the Oklahoma City Public Schools, School Bus Service Center. \$3,296 was spent in 2013 to remediate the problem. The project was completed and as of June 30, 2013 there are no more estimated costs.

Street Improvements

During subsurface geotechnical investigations, gasoline odors were encountered in the City right-of-way along North May Avenue. The City hired a consultant to perform a follow-up limited subsurface investigation. A monitoring well was installed for further investigation. There were no expenditures during the year, and the estimated future obligations at June 30, 2013 is estimated to be \$7 thousand.

Police Property Management Unit

In the process of remodeling, asbestos and lead was discovered in the south side of the police property management building. Abatement measures were taken to remove all potentially hazardous materials. The estimate of obligated costs as of June 30, 2013 is \$23 thousand.

Double Eagle Superfund Site

The site became polluted when waste oil was improperly disposed of at the site. The City, and others, were asked by Union Pacific Railroad to contribute to the cost of clean-up of the site because records were produced that showed the City paid a waste hauler for disposal of its waste oil which was taken to the site. An initial payment has been made, but the issue of future payments continues to be the subject of litigation between the United States and the Railroad. The City's proposed settlement amount came as a result of direct negotiation between a group of potentially responsible parties identified by the Railroad and the Federal government. Because of the ongoing litigation, additional obligations are possible. The City believes it has met its obligation for site remediation. Potential future obligations are not estimable at year end.

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 and the liability is reported with Component Units. As of June 30, 2013 the remaining estimated obligation is \$106 thousand.

Union Station

During project work at Union Station, asbestos was discovered in the tunnel area and attic space. The asbestos containing material consisted of sprayed on surfacing material that was located on the ceiling and walls in the building and in the attic. During 2013, \$98,490 was spent on this project. As of June 30, 2013 there are no more estimated obligations for this project.

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.

	Primary Government			
	Estimate Method and <u>Assumption</u>	Total Estimated <u>Obligation</u>	Estimated <u>Recoveries</u>	Pollution Remediation <u>Obligation</u>
Primary Government				
<i>Governmental Activities</i>				
Street Improvements	Vendor estimate	\$8	\$ -	\$8
Police Property Management Building	Vendor estimate	<u>23</u>	<u>-</u>	<u>23</u>
Total primary government		<u>\$31</u>	<u>\$-</u>	<u>\$31</u>
Component Unit				
OCAT Fund				
Gulfstream Maintenance Facility	Vendor estimate	<u>\$106</u>	<u>\$-</u>	<u>\$106</u>

Estimated Claims Aggregate Liabilities

	Primary Government					Component Unit		Fiduciary Fund
	<i>Governmental Activities</i>					OCAT	COTPA	OCPEBT
	Health Care	Workers' Compensation	Risk	Tort	Pollution Remediation	Pollution Remediation	Pollution Remediation	Health Care
Liability balance, July 1, 2011	\$1,025	\$37,927	\$4,149	\$5,395	\$ -	\$66	\$ -	\$932
Claims and changes in estimates	15,658	13,120	(1,626)	2,299	9	139	60	17,556
Claims payments	<u>(15,419)</u>	<u>(11,082)</u>	<u>(1,972)</u>	<u>(2,393)</u>	<u>(8)</u>	<u>(120)</u>	-	<u>(17,678)</u>
Liability balance, July 1, 2012	1,264	39,965	551	5,301	1	85	60	810
Claims and changes in estimates	16,093	7,103	4,685	3,730	33	184	42	16,131
Claims payments	<u>(15,947)</u>	<u>(7,463)</u>	<u>(509)</u>	<u>(2,298)</u>	<u>(3)</u>	<u>(163)</u>	<u>(102)</u>	<u>(16,162)</u>
Liability balance, June 30, 2013	<u>\$1,410</u>	<u>\$39,605</u>	<u>\$4,727</u>	<u>\$6,733</u>	<u>\$31</u>	<u>\$106</u>	<u>\$-</u>	<u>\$779</u>
Assets available to pay claims	<u>\$9,126</u>	<u>\$19,804</u>	<u>\$7,849</u>	<u>\$6,851</u>	<u>\$128,157</u>	<u>\$87,086</u>	<u>\$20,571</u>	<u>\$27,095</u>

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

	Primary Government							
	<i>Governmental Activities</i>							
	Notes Payable (1)		Capital Leases (2)				Estimated Claims Payable (3)	
	Governmental Funds (4)		Governmental Funds		Internal Service Funds		Governmental Funds	Internal Service Funds
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Principal</u>
2014	\$295	\$55	\$107	\$17	\$39	\$4	\$30	\$21,653
2015	992	45	55	13	27	1	-	30,822
2016	384	35	336	4	4	-	-	-
2017	394	23	8	-	-	-	-	-
2018	225	45	-	-	-	-	-	-
2019-2023	1,475	38	-	-	-	-	-	-
2024-2028	<u>1,025</u>	<u>5</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>\$4,790</u>	<u>\$246</u>	<u>\$506</u>	<u>\$34</u>	<u>\$70</u>	<u>\$5</u>	<u>\$30</u>	<u>\$52,475</u>
Range of interest rates	0% - 6.46%		2.99% - 7.99%		6.56% - 7.97%			
Cost of assets			<u>\$893</u>		<u>\$186</u>			
Accumulated depreciation			<u>\$580</u>		<u>\$146</u>			

(continued)

Notes, Lease Obligations, and Estimated Claims Payment Requirements to Maturity (continued)

	<u>Primary Government</u>		<u>Component Unit</u>					<u>OPEB Trust</u>
	<i>Business-Type Activities</i>							<u>Funds</u>
	<u>Capital Leases (2)</u>		<u>Notes Payable</u>		<u>Estimated</u>	<u>Notes Payable (1)</u>		<u>Estimated</u>
	<u>Proprietary Funds</u>		<u>OCWUT</u>		<u>Claims Payable</u>	<u>OCRA</u>		<u>Claims</u>
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>	<u>OCAT</u>	<u>Principal</u>	<u>Interest</u>	<u>Payable (3)</u>
					<u>Principal</u>			<u>OCPEBT</u>
								<u>Principal</u>
2014	\$28	\$11	\$1,505	\$1,968	\$106	\$2,049	\$241	\$779
2015	28	10	1,557	1,916	-	2,077	212	-
2016	318	3	1,609	1,864	-	2,103	185	-
2017	-	-	1,666	1,808	-	2,130	158	-
2018	-	-	9,225	8,073	-	2,157	131	-
2019-2023	-	-	10,924	6,443	-	9,100	337	-
2024-2028	-	-	12,526	4,432	-	-	-	-
2029-2033	-	-	8,094	2,521	-	-	-	-
2034-2038	-	-	7,904	1,095	-	-	-	-
2039-2043	-	-	1,550	44	-	-	-	-
	<u>\$374</u>	<u>\$24</u>	<u>\$56,560</u>	<u>\$30,164</u>	<u>\$106</u>	<u>\$19,616</u>	<u>\$1,264</u>	<u>\$779</u>

Range of interest rates 3.60% 2.36% - 3.24% 1.25%

Cost of assets \$418

Accumulated depreciation \$30

- (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

	<u>Primary Government</u>			<u>Component</u>
	<u>Governmental</u>	<u>Business-type</u>	<u>Total</u>	
	<u>Activities</u>	<u>Activities</u>		
Bonds payable	\$599,460	\$98,480	\$697,940	\$649,993
Unamortized bond discount/premium	31,577	1,400	32,977	32,322
Bonds payable, net	<u>\$631,037</u>	<u>\$99,880</u>	<u>\$730,917</u>	<u>\$682,315</u>

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

2013 Non-Taxable General Obligation Bonds

On March 1, 2013, the City issued \$90 million in City General Obligations Bonds with an average interest rate of 3.34%. Total proceeds included \$6.484 million in premium. Issuance costs were \$1.001 million. Net proceeds of \$90 million will be used to fund infrastructure improvements. The bonds mature on March 1, 2032.

General Obligation Bonds Authorized But Unissued

	2007
	<u>Authorization</u>
Streets	\$295,535
Bridges	11,635
Traffic control	11,275
Drainage control	19,060
Parks & recreational facilities	52,610
Fire facilities	8,585
Police facilities	18,660
Libraries	7,580
City maintenance facilities	15,000
Economic & community development	<u>39,000</u>
Total	<u>\$478,940</u>

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. 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.

Issuances

OCPPA Hotel Tax Revenue Bonds, Series 2012

On November 29, 2012, OCPPA issued \$3 million OCPPA Hotel Tax Revenue Bonds, Series 2011. The proceeds of \$3 million from the bonds, less \$30 thousand in issuance costs, will be used to finance improvements to the outdoor practice arena on the west side of the Fairgrounds.

OCPPA Golf Revenue Bonds, Series 2012

On July 11, 2012, OCPPA issued \$7.565 million OCPPA Golf Revenue Bonds, Series 2012. The proceeds of \$7.608 million from the bonds, less \$153 thousand in issuance costs, will be used to fund improvements to the City golf courses, including construction and improvements involved with the new Lincoln Golf Course Clubhouse.

Water and Sewer System Revenue Refunding Bonds, Series 2013

On March 14, 2013, OCWUT issued \$167.760 million Water and Sewer System Revenue Refunding Bonds, Series 2013. The Series 2013 bonds defeased OCWUT Water and Sewer Revenue Bonds Series 2004 and Series 2008 with face amounts of \$70 million and \$49.605 million and outstanding balances of \$66.780 million and \$47.020 million, respectively.

COTPA Parking Revenue Bonds, Series 2013

On June 20, 2013, COTPA issued \$22 million COTPA Parking Revenue Bonds, Series 2013. The proceeds of \$22 million from the bonds, less \$109 thousand in issuance costs, will be used to finance construction of a new parking garage in downtown Oklahoma City, known as the Arts District Garage.

Oklahoma City Economic Development Trust Revenue Bonds, Series 2013A

On April 1, 2013, OCEDT issued \$116.445 million Oklahoma City Economic Development Trust Revenue Bonds, Series 2013A. The proceeds of \$116.445 million from the bonds, less \$882 thousand in issuance costs, will be used to finance construction projects in the Myriad Botanical Gardens, the Bicentennial park, and various streetscape project in the City. The funds will also be used with future economic development projects, to the extent available.

Oklahoma City Economic Development Trust Revenue Bonds, Series 2013B

On April 1, 2013, OCEDT issued \$23.840 million Oklahoma City Economic Development Trust Revenue Bonds, Series 2013B. The proceeds of \$26.295 million from the bonds, less \$379 thousand in issuance costs, will be used to finance construction of various other infrastructure and public improvements in downtown Oklahoma City unrelated to the Devon Development in accordance with the Project Plan and the Urban Renewal Plan.

Conduit Debt

OCAT

The OCAT issued four special limited obligations to construct the Federal Aviation Administration (FAA) Registry building and the Federal Bureau of Prisons Transfer Center. These facilities are located on City-owned property leased to OCAT and reported as OCAT assets. The bonds and interest are limited obligations of OCAT payable only from lease rental income from the U.S. government. The bonds do not constitute a pledge of the faith and credit of OCAT or the City and are not reported as liabilities. The aggregate principal amount payable at June 30, 2013 is \$21.230 million.

OCICF

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, 2013 is \$40.788 million.

Bonded Debt Service Requirements To Maturity

	Primary Government									
	<i>Governmental Activities</i>		<i>Business-Type Activities</i>							
	General Obligation Bonds		Revenue Bonds							
	<u>Principal</u>	<u>Interest</u>	<u>OCEAT</u>		<u>OCZT</u>		<u>Fairgrounds</u>		<u>Golf Courses</u>	
		<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>	
2014	\$43,070	\$25,575	\$360	\$112	\$545	\$155	\$2,755	\$3,624	\$735	\$470
2015	47,860	23,734	375	99	575	128	2,870	3,512	755	451
2016	47,695	21,579	390	85	605	99	2,830	3,396	775	429
2017	45,310	19,449	160	74	630	76	2,935	3,278	795	407
2018	42,750	17,460	165	68	650	52	3,055	3,154	825	383
2019-2023	181,680	60,867	920	234	680	27	14,330	13,675	4,495	1,510
2024-2028	137,435	26,713	650	42	-	-	18,440	8,683	2,905	863
2029-2033	53,660	4,852	-	-	-	-	23,115	4,719	1,710	552
2034-2038	-	-	-	-	-	-	6,390	470	2,060	205
Totals	<u>\$599,460</u>	<u>\$200,229</u>	<u>\$3,020</u>	<u>\$714</u>	<u>\$3,685</u>	<u>\$537</u>	<u>\$76,720</u>	<u>\$44,511</u>	<u>\$15,055</u>	<u>\$5,270</u>

	Component Unit							
	Revenue Bonds							
	<u>OCAT</u>		<u>OCWUT</u>		<u>COTPA</u>		<u>OCEDT</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2014	\$13,370	\$4,974	\$11,579	\$25,143	\$ -	\$462	\$5,205	\$3,994
2015	20,950	3,680	11,994	26,263	580	869	5,230	4,558
2016	6,745	2,686	12,335	25,883	610	864	5,275	4,524
2017	7,075	2,353	19,330	25,416	615	858	5,335	4,473
2018	6,735	2,021	19,575	15,687	625	849	5,420	4,399
2019-2023	33,320	4,725	88,215	64,455	3,330	4,020	28,965	20,264
2024-2028	6,160	529	66,590	43,828	3,900	3,414	33,860	15,616
2029-2033	-	-	69,630	29,400	4,825	2,455	41,460	8,338
2034-2038	-	-	63,830	14,976	6,105	1,137	9,535	477
2039-2043	-	-	30,275	2,341	1,410	35	-	-
Totals	<u>\$94,355</u>	<u>\$ -</u>	<u>\$393,353</u>	<u>\$273,392</u>	<u>\$22,000</u>	<u>\$14,963</u>	<u>\$140,285</u>	<u>\$66,643</u>

Outstanding Bonds, Maturity Dates, and Interest Rates

	Primary Government			
	<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	\$806,900	2021 - 2032	2 - 5.63	\$599,460
<i>Business-Type Activities</i>				
Revenue bonds - major enterprise funds				
OCEAT	8,410	2026	3 - 4.25	3,020
OCZT	5,660	2019	3.125 - 5	3,685
OCPPA Fairgrounds Fund	82,105	2030 - 2036	2 - 5.5	76,720
OCPPA Golf Courses Fund	8,465	2024	3.15	15,055
	Component Units			
	<u>Amount of Original Issue</u>	<u>Range of Final Maturity Dates</u>	<u>Range of Effective Interest Rates</u>	<u>Outstanding Balance</u>
Revenue bonds				
OCAT	\$238,640	2013 - 2027	1.6 - 9.8	\$94,355
OCWUT	606,550	2017 - 2043	0.6 - 7.85	393,353
COTPA	22,000	2039	0.86 - 4.97	22,000
OCEDT	140,285	2032 - 2034	0.4 - 5	140,285

Bond Interest Payable

The Series 1986C OCWUT Water Revenue Bonds accumulated deferred interest until 2005 when the bonds began to mature. The non-current interest payable at June 30, 2013 is \$22.922 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.

Current Year Defeasance

Water and Sewer System Revenue Refunding Bonds, Series 2004 and Series 2008

On March 14, 2013, OCWUT issued \$167.760 million in revenue bonds, with an average interest rate (coupon) of 4.21% to advance refund \$66.780 million of outstanding 2004 Water and Sewer Revenue Refunding Bonds, \$47.020 million of outstanding 2008 Water and Sewer Revenue Bonds, and \$68.500 million of commercial paper. Total proceeds include \$24.700 million in premium. Subsequent debt service payments on the refunded bond issues will be paid from an irrevocable trust. As a result, refunded series' of the 2004 Water and Sewer Revenue Refunding Bonds and 2008 Water and Sewer Revenue Bonds, in the amounts disclosed, are considered to be defeased as of the issuance date and the liability for those bonds removed from the financial statements in the period of the defeasance. OCWUT advance refunded these bonds to benefit from the recent declines in interest rates and achieved an economic gain of approximately \$8.458 million.

Outstanding Defeased Bonds

		Primary Government		
	<u>Purpose</u>	<u>Bond Series</u>	<u>Defeased Balance</u>	<u>Outstanding Balance</u>
<i>Governmental Activities</i>				
General obligation bonds (1)	Combined Purpose	2003	\$13,880	\$ -
General obligation bonds	Combined Purpose	2004	10,550	10,550
General obligation bonds	Combined Purpose	2005	<u>24,725</u>	<u>24,725</u>
			<u>\$49,155</u>	<u>\$35,275</u>
		Component Unit		
	<u>Purpose</u>	<u>Bond Series</u>	<u>Defeased Balance</u>	<u>Outstanding Balance</u>
OCAT	Airport facilities	Junior Lien Series 22B	\$625	\$155
OCAT	Airport facilities	Junior Lien Series 27B	29,040	24,070
OCWUT	Water and wastewater utilities system	1977 Series F	6,480	1,800
OCWUT	Water and wastewater utilities system	1977 Series G	1,865	555
OCWUT	Water and wastewater utilities system	2004	66,780	66,780
OCWUT	Water and wastewater utilities system	2008	47,020	47,020
COTPA Parking	Parking	Series 2003	23,635	21,070
COTPA Parking	Parking	Series 2006	6,895	4,035
COTPA Parking (2)	Parking	Series 2006A	<u>9,060</u>	-
			<u>\$191,400</u>	<u>\$165,485</u>

(1) The general obligation bonds, Series 2003 were called on March 1, 2013.

(2) Final payment on COTPA Parking Series 2006A Bonds of \$385 thousand was made July 1, 2012.

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 Fairground Funds. OCAT financial information for revenue bonds within the combining component unit's financial statements is also included 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.

Condensed Statement of Net Position

	<u>Primary Government</u>	<u>Component Unit</u>		
	<u>Business-Type Activities</u>	Oklahoma City		
	OCPPA Golf	Water Utilities	MCA	COTPA
	<u>Courses (1)</u>	<u>Trust</u>		<u>Parking</u>
<u>ASSETS</u>				
Current assets	\$10,558	\$138,169	\$4,318	\$33,793
Non-current assets	<u>6,448</u>	<u>1,054,173</u>	<u>128,837</u>	<u>20,093</u>
Total assets	<u>17,006</u>	<u>1,192,342</u>	<u>133,155</u>	<u>53,886</u>
<u>DEFERRED OUTFLOWS</u>				
	<u>-</u>	<u>9,211</u>	<u>-</u>	<u>-</u>
<u>LIABILITIES</u>				
Current liabilities	1,612	69,315	5,215	4,325
Non-current liabilities	<u>16,885</u>	<u>506,280</u>	<u>92,218</u>	<u>22,112</u>
Total liabilities	<u>18,497</u>	<u>575,595</u>	<u>97,433</u>	<u>26,437</u>
<u>NET POSITION</u>				
Net investment in				
capital assets	(1,409)	488,366	28,757	14,847
Restricted	553	14,534	7,954	1,481
Unrestricted	<u>(635)</u>	<u>123,056</u>	<u>(989)</u>	<u>11,122</u>
Total net position	<u>(\$1,491)</u>	<u>\$625,956</u>	<u>\$35,722</u>	<u>\$27,450</u>

(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

	<u>Primary Government</u>	<u>Component Unit</u>		
	<u>Business-Type Activities</u>	Oklahoma City		
	OCPPA Golf	Water Utilities	MCA	COTPA
	<u>Courses (1)</u>	<u>Trust</u>		<u>Parking</u>
<u>OPERATING INCOME</u>				
Operating revenues	\$8,678	\$188,573	\$2,518	\$6,081
Depreciation expense	(1,166)	(34,684)	(636)	(647)
Other operating expenses	<u>(8,725)</u>	<u>(117,873)</u>	<u>(668)</u>	<u>(3,100)</u>
Operating income (loss)	<u>(1,213)</u>	<u>36,016</u>	<u>1,214</u>	<u>2,334</u>
<u>NON-OPERATING REVENUES</u>				
<u>(EXPENSES)</u>				
Interest expense	(261)	(12,821)	(3,146)	-
Other	6	954	547	(138)
Transfers	981	(4,367)	4,367	(25)
Special Item	<u>-</u>	<u>36</u>	<u>-</u>	<u>1,108</u>
Changes in net position	<u>(487)</u>	<u>19,818</u>	<u>2,982</u>	<u>3,279</u>
Beginning net position	(951)	608,004	32,777	24,170
Change in accounting principle	<u>(53)</u>	<u>(1,864)</u>	<u>(37)</u>	<u>-</u>
Ending net position	<u>(\$1,491)</u>	<u>\$625,958</u>	<u>\$35,722</u>	<u>\$27,449</u>

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

Condensed Statement of Cash Flows

	<u>Primary Government</u>	<u>Component Unit</u>		
	<i>Business-Type Activities</i>	Oklahoma City		
	OCPPA Golf	Water Utilities	MCA	COTPA
	<u>Courses (1)</u>	<u>Trust</u>		<u>Parking</u>
<u>NET CASH PROVIDED (USED) BY</u>				
Operating activities	\$576	\$69,670	\$6,163	\$3,079
Non-capital financing activities	(313)	(266,728)	(438)	220
Capital and related financing activities	6,495	(82,128)	(6,955)	22,207
Investing activities	<u>(7,297)</u>	<u>37,438</u>	<u>(1,652)</u>	<u>(20,687)</u>
Net increase (decrease) in cash	-	-	-	-
Beginning cash	<u>1,654</u>	<u>30,880</u>	<u>2,451</u>	<u>751</u>
Ending cash	<u>\$1,654</u>	<u>\$30,880</u>	<u>\$2,451</u>	<u>\$751</u>

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

III. A. 8. CHANGES IN LONG-TERM LIABILITIES

	<u>Primary Government</u>					
	Balance			Balance	Due Within	Due After
	<u>July 1, 2012 (1)</u>	<u>Issued</u>	<u>Retired</u>	<u>June 30, 2013</u>	<u>One Year</u>	<u>One Year</u>
<i>Governmental Activities</i>						
<u>COMPENSATED ABSENCES</u>						
Governmental funds	\$68,308	\$32,487	\$28,886	\$71,909	\$21,637	\$50,272
Internal service funds	<u>2,003</u>	<u>1,186</u>	<u>1,134</u>	<u>2,055</u>	<u>744</u>	<u>1,311</u>
	<u>70,311</u>	<u>33,673</u>	<u>30,020</u>	<u>73,964</u>	<u>22,381</u>	<u>51,583</u>
<u>INTERGOVERNMENTAL PAYABLE (2)</u>						
Governmental funds-grants	-	<u>746</u>	-	<u>746</u>	<u>746</u>	-
<u>NOTES, LEASE OBLIGATIONS, AND ESTIMATED CLAIMS PAYABLE</u>						
Governmental funds:						
Notes payable	5,077	-	287	4,790	295	4,495
Lease obligations payable	299	843	636	506	108	398
Estimated claims payable	-	33	3	30	30	-
Internal service funds:						
Lease obligations payable	39	125	94	70	39	31
Estimated claims payable	<u>47,081</u>	<u>31,611</u>	<u>26,217</u>	<u>52,475</u>	<u>21,653</u>	<u>30,822</u>
	<u>52,496</u>	<u>32,612</u>	<u>27,237</u>	<u>57,871</u>	<u>22,125</u>	<u>35,746</u>
<u>BONDS PAYABLE (3)</u>						
Governmental funds-general obligation bonds	<u>553,445</u>	<u>90,000</u>	<u>43,985</u>	<u>599,460</u>	<u>43,070</u>	<u>556,390</u>
<u>NET OPEB OBLIGATION</u>						
Governmental funds	73,874	25,970	14,839	85,005	-	85,005
Internal service funds	<u>2,599</u>	<u>853</u>	<u>503</u>	<u>2,949</u>	-	<u>2,949</u>
	<u>76,473</u>	<u>26,823</u>	<u>15,342</u>	<u>87,954</u>	-	<u>87,954</u>

(continued)

III. A. 8. CHANGES IN LONG-TERM LIABILITIES (continued)

	Primary Government					
	Balance July 1, 2012 (1)	Issued	Retired	Balance June 30, 2013	Due Within One Year	Due After One Year
<i>Business-Type Activities</i>						
<u>COMPENSATED ABSENCES</u>						
Water and Wastewater Fund	5,624	3,306	3,181	5,749	2,049	3,700
OCZT	171	-	1	170	170	-
OCPPA Golf Courses	202	114	104	212	67	145
Other enterprise funds	<u>3,566</u>	<u>2,384</u>	<u>1,984</u>	<u>3,966</u>	<u>1,371</u>	<u>2,595</u>
	<u>9,563</u>	<u>5,804</u>	<u>5,270</u>	<u>10,097</u>	<u>3,657</u>	<u>6,440</u>
<u>NOTES AND LEASE OBLIGATIONS</u>						
Lease obligations payable-OCEAT	813	-	813	-	-	-
Lease obligations payable- Stormwater Drainage Fund	<u>253</u>	<u>394</u>	<u>273</u>	<u>374</u>	<u>27</u>	<u>347</u>
	<u>1,066</u>	<u>394</u>	<u>1,086</u>	<u>374</u>	<u>27</u>	<u>347</u>
<u>BONDS PAYABLE (REVENUE BONDS) (3)</u>						
OCEAT	3,370	-	350	3,020	360	2,660
OCZT	4,215	-	530	3,685	545	3,140
OCPPA Fairgrounds Fund	75,765	3,000	2,045	76,720	2,755	73,965
Other enterprise funds	<u>7,995</u>	<u>7,565</u>	<u>505</u>	<u>15,055</u>	<u>735</u>	<u>14,320</u>
	<u>91,345</u>	<u>10,565</u>	<u>3,430</u>	<u>98,480</u>	<u>4,395</u>	<u>94,085</u>
<u>NET OPEB OBLIGATION</u>						
Water and Wastewater Fund	9,470	3,750	2,925	10,295	-	10,295
OCZT	1,040	269	-	1,309	-	1,309
OCPPA Golf Courses	1,968	512	-	2,480	-	2,480
Other enterprise funds	<u>4,889</u>	<u>1,892</u>	<u>1,629</u>	<u>5,152</u>	<u>-</u>	<u>5,152</u>
	<u>17,367</u>	<u>6,423</u>	<u>4,554</u>	<u>19,236</u>	<u>-</u>	<u>19,236</u>
Total primary government (4) (5)	<u>\$872,066</u>	<u>\$206,294</u>	<u>\$130,924</u>	<u>\$947,436</u>	<u>\$95,655</u>	<u>\$851,781</u>
<u>Component Units</u>						
	Balance July 1, 2012	Issued	Retired	Balance June 30, 2013	Due Within One Year	Due After One Year
<u>COMPENSATED ABSENCES</u>						
OCWUT	\$67	\$13	\$40	\$40	\$7	\$33
COTPA	<u>519</u>	<u>277</u>	<u>342</u>	<u>454</u>	<u>171</u>	<u>283</u>
	<u>586</u>	<u>290</u>	<u>382</u>	<u>494</u>	<u>178</u>	<u>316</u>
<u>INTERGOVERNMENTAL PAYABLE</u>						
OCWUT	<u>57,947</u>	<u>1,728</u>	<u>100</u>	<u>59,575</u>	<u>-</u>	<u>59,575</u>
<u>NOTES, LEASE OBLIGATIONS, AND ESTIMATED CLAIMS PAYABLE</u>						
Estimated claims payable-OCAT	85	184	163	106	106	-
Notes payable-OCWUT	47,343	9,563	346	56,560	1,505	55,055
Notes payable-OCRA	<u>21,623</u>	<u>-</u>	<u>2,007</u>	<u>19,616</u>	<u>2,049</u>	<u>17,567</u>
	<u>69,051</u>	<u>9,747</u>	<u>2,516</u>	<u>76,282</u>	<u>3,660</u>	<u>72,622</u>

(continued)

III. A. 8. CHANGES IN LONG-TERM LIABILITIES (continued)

	Component Units					
	Balance July 1, 2012	Issued	Retired	Balance June 30, 2013	Due Within One Year	Due After One Year
BOND INTEREST PAYABLE, NON-CURRENT (6)						
Revenue bond interest payable						
non-current-OCWUT	29,111	-	6,189	22,922	-	22,922
BONDS PAYABLE (REVENUE BONDS) (3)						
OCAT	113,570	-	19,215	94,355	13,370	80,985
OCWUT	353,332	167,760	127,739	393,353	11,579	381,774
COTPA	-	22,000	-	22,000	-	22,000
OCEDT	-	140,285	-	140,285	5,205	135,080
	466,902	330,045	146,954	649,993	30,154	619,839
NET OPEB OBLIGATION						
COTPA	178	72	35	215	-	215
Total component units	623,775	341,882	154,006	809,481	33,992	775,489

(1) Beginning balances as of July 1, 2012 have been restated for the effect of the implementation of GASB Statement 61.

	Business-type Activities	Component Units
Compensated absences		
MCA	(\$67)	\$ -
OCWUT	-	67
OCZT	171	(171)
Intergovernmental payables		
MCA	(100)	-
OCWUT	(57,847)	57,947
Estimated claims payable - OCAT	(85)	85
Notes payable - OCWUT	(47,343)	47,343
Bond interest payable -OCWUT	(29,111)	29,111
Bonds payable		
OCAT	(113,570)	113,570
MCA	(52,450)	-
OCWUT	(300,882)	353,332
OCZT	4,215	(4,215)
Net OPEB obligation - OCZT	1,040	(1,040)
	(\$596,029)	\$596,029

- (2) Intergovernmental payable does not include amounts payable within one year.
(3) Bonds payable does not include unamortized bond discount/premium or deferred amounts on refunding.
(3) Bond interest payable does not include amounts payable within one year.
(4) Fiduciary fund liabilities are detailed below:

	Balance July 1, 2012	Issued	Retired	Balance June 30, 2013	Due Within One Year	Due After One Year
Pension Trust Fund						
Compensated absences - OCERS	\$61	\$24	\$18	\$67	\$18	\$49
Net OPEB obligation - OCERS	34	13	10	37	-	37
	95	37	28	104	18	86
OPEB Trust Fund						
Estimated claims payable - OCPEBT	810	16,131	16,162	779	779	\$ -

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

III. B. DEFERRED INFLOWS OF RESOURCES

Unavailable Revenues

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, 2013, revenues earned but unavailable by governmental funds are \$11.368 million.

	General <u>Fund</u>	Debt <u>Service</u>	Grants <u>Management</u>	MAPS3 <u>Sales Tax</u>	General <u>Obligation Bonds</u>	Other <u>Governmental Funds</u>
Investment income	\$119	\$98	\$7	\$378	\$177	\$222
Grant revenues	-	-	5,650	-	-	-
Property taxes	-	2,307	-	-	-	-
Other taxes	-	-	-	-	-	1,440
Franchise fees	209	-	-	-	-	-
State emergency management match	-	-	-	-	-	686
Interest income	-	-	-	-	-	75
	<u>\$328</u>	<u>\$2,405</u>	<u>\$5,657</u>	<u>\$378</u>	<u>\$177</u>	<u>\$2,423</u>

IV. NET POSITION AND FUND BALANCE

IV. A. PRIOR YEAR RESTATEMENTS

Prior Period Adjustment

In 2013, the City conducted a biennial inventory of capital assets. During the inventory and through subsequent research, several assets were identified that had been capitalized in error and did not meet the definition for capitalization by the City. A prior period adjustment has been recorded to remove the assets, net of related accumulated depreciation. The effect of the prior period adjustment resulted in a restatement of beginning of year net position in governmental and business-type activities and the OCPPA Fairgrounds Fund.

	<u>Governmental Activities</u>	<u>Business-Type Activities OCPPA Fairgrounds Fund</u>
Restatement of beginning net position		
Capital assets	\$38,607	\$1,832
Accumulated depreciation	(3,997)	(236)
	<u>\$34,610</u>	<u>\$1,596</u>
Effect on 2012 previously reported changes in net position	<u>\$1,142</u>	<u>\$129</u>

Change in Accounting Principles

Implementation of new accounting standard GASB Statement 61

Effective July 1, 2012, the City implemented GASB statement number 61, The Financial Reporting Entity: Omnibus. This statement modifies existing requirements for the assessment of potential component units in determining what should be included in the City's reporting entity as well as, display and disclosure requirements. The implementation of this statement resulted in the reclassification of several of the City's existing component units and the inclusion of OCICF which was previously not reported as a component unit of the City. This resulted in a restatement of previously reported net position.

	Net Position	
	Primary Government	
	<i>Business-Type Activities</i>	Component Unit
OCAT	(\$406,835)	\$406,835
OCWUT	(608,004)	640,778
MCA (1)	(32,774)	-
OCICF (2)	-	7,414
OCZT	68,590	(68,590)
	<u>(\$979,023)</u>	<u>\$986,437</u>

- (1) MCA is a blended component unit of OCWUT. OCWUT and MCA were previously reported as blended component units of the City. Under GASB Statement 61, OCWUT has been reclassified as a discrete component unit and MCA is blended into OCWUT.
- (2) OCICF has previously been disclosed as a related party and not part of the City's reporting entity.

Implementation of new accounting standard GASB Statement 65

Effective July 1, 2012, the City implemented Governmental Accounting Standards Board (GASB) statement number 65, Items Previously Reported as Assets and Liabilities. This statement redefines certain financial elements previously reported as assets and liabilities as deferred outflows and deferred inflows of resources. In addition, the statement changes the method of reporting debt issuance costs. Prior to implementation of GASB statement number 65, the City reported debt issuance costs, including costs related to bond insurance, as deferred debt expense which was capitalized and amortized over the life of the debt. Deferred debt expense was reported as a non-current asset on the statement of net position. In GASB statement number 65, bond issuance costs, excluding bond insurance costs which should be treated as a prepaid asset, are to be recognized in the period of the debt issue. This resulted in a restatement of previously reported net position.

	Deferred Debt Expense		
	<u>(As previously reported)</u>	<u>Bond Insurance</u>	
Primary government			
<i>Governmental Activities</i>	\$2,841	(\$98)	\$2,743
<i>Business-type Activities</i>			
OCEAT	75	(6)	69
OCZT	69	(34)	35
OCPPA Fairgrounds	1,019	(586)	433
OCPPA Golf Courses	53	-	53
Total primary government	<u>\$4,057</u>	<u>(\$724)</u>	<u>\$3,333</u>
Component Units			
OCAT	\$588	(\$139)	\$449
OCEDT	240	-	240
OCWUT	2,048	(147)	1,901
Total primary government	<u>\$2,876</u>	<u>(\$286)</u>	<u>\$2,590</u>

IV. B. FUND BALANCE

	General Fund	Debt Service Fund	Grants Management Fund	MAPS3 Sales Tax Fund	General Obligation Bonds Fund	Other Governmental Funds	Total
<u>NON-SPENDABLE</u>							
Inventory	\$7,350	\$ -	\$ -	\$ -	\$ -	\$166	\$7,516
Prepays	9	81	7	-	-	1,784	1,881
Non-current receivables	669	-	15,078	-	-	-	15,747
Advances to other funds							
Advances to other funds	956	-	-	-	-	5,082	6,038
Current portion	-	-	-	-	-	(1,539)	(1,539)
Total non-spendable	<u>8,984</u>	<u>81</u>	<u>15,085</u>	<u>-</u>	<u>-</u>	<u>5,493</u>	<u>29,643</u>
<u>RESTRICTED</u>							
Public safety							
Police	-	-	-	-	-	18,726	18,726
Fire	-	-	-	-	-	13,723	13,723
Other	<u>465</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>11,884</u>	<u>12,349</u>
Total public safety	<u>465</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>44,333</u>	<u>44,798</u>
Public services							
Grant projects	-	-	371	-	-	-	371
Economic development	-	-	-	-	-	4	4
Other	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,261</u>	<u>1,261</u>
Total public services	<u>-</u>	<u>-</u>	<u>371</u>	<u>-</u>	<u>-</u>	<u>1,265</u>	<u>1,636</u>
Culture and recreation							
Oklahoma River improvements	-	-	-	-	-	111	111
Parks	-	-	-	-	-	363	363
Other	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>10,798</u>	<u>10,798</u>
Total culture and recreation	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>11,272</u>	<u>11,272</u>
Capital projects							
Bond projects	-	-	-	-	191,723	-	191,723
Sales tax projects	-	-	-	291,736	-	4,676	296,412
Other capital projects	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,931</u>	<u>3,931</u>
Total capital projects	<u>-</u>	<u>-</u>	<u>-</u>	<u>291,736</u>	<u>191,723</u>	<u>8,607</u>	<u>492,066</u>
Debt service	<u>-</u>	<u>67,797</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>67,797</u>
Total restricted	<u>465</u>	<u>67,797</u>	<u>371</u>	<u>291,736</u>	<u>191,723</u>	<u>65,477</u>	<u>617,569</u>
<u>COMMITTED</u>							
General government	-	-	-	-	-	45,753	45,753
Public safety-other	-	-	-	-	-	2,706	2,706
Public services-other	-	-	-	-	-	960	960
Capital projects							
Other capital projects	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>290</u>	<u>290</u>
Total committed	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>49,709</u>	<u>49,709</u>

(continued)

IV. B. FUND BALANCE (continued)

	General Fund	Debt Service Fund	Grants Management Fund	MAPS3 Sales Tax Fund	General Obligation Bonds Fund	Other Governmental Funds	Total
ASSIGNED							
General government							
Encumbrances	2,321	-	-	-	-	473	2,794
Other	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,810</u>	<u>1,810</u>
Total general government	<u>2,321</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,283</u>	<u>4,604</u>
Public services							
Economic development	-	-	-	-	-	7	7
OCMFA general purposes	-	-	-	-	-	4,282	4,282
Other	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>125</u>	<u>125</u>
Total public services	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,414</u>	<u>4,414</u>
Culture and recreation							
Oklahoma River improvements	-	-	-	-	-	626	626
Parks	-	-	-	-	-	387	387
Other	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,623</u>	<u>3,623</u>
Total culture and recreation	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,636</u>	<u>4,636</u>
Capital projects							
Sales/use tax projects	-	-	-	-	-	2,165	2,165
Bond capital projects	-	-	-	-	-	7,595	7,595
Parks	-	-	-	-	-	3,860	3,860
Other capital projects	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>40,241</u>	<u>40,241</u>
Total capital projects	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>53,861</u>	<u>53,861</u>
Total assigned	<u>2,321</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>65,194</u>	<u>67,515</u>
UNASSIGNED	<u>125,836</u>	<u>(2)</u>	<u>(15,640)</u>	<u>-</u>	<u>(14,392)</u>	<u>(1,479)</u>	<u>94,323</u>
Total fund balance	<u>\$137,606</u>	<u>\$67,876</u>	<u>(\$184)</u>	<u>\$291,736</u>	<u>\$177,331</u>	<u>\$184,394</u>	<u>\$858,759</u>
ENCUMBRANCES	<u>\$2,321</u>	<u>\$-</u>	<u>\$-</u>	<u>\$-</u>	<u>\$-</u>	<u>\$681</u>	<u>\$3,002</u>

IV. C. DEFICIT FUND NET POSITION AND FUND BALANCE

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

Grants Management Fund

Deficit fund balance of \$184 thousand is a factor of changes and debt as opposed to revenues and expenses since revenues are reported to the extent expended.

Zoo Fund

Deficit fund balance of \$4 thousand is the result of receivables not collected within 60 days. This results in a deficit fund balance due to all net revenues being transferred to OCZT.

Tax Incremental Financing Fund

Deficit fund balance of \$1.418 million is the result of the accrual of sales tax match from the state as unavailable revenue.

OCPPA Fairgrounds

Deficit net position of \$2.110 million is the result of depreciation of capital assets as construction projects are completed.

OCPPA Golf Courses

Deficit net position of \$1.124 million is the result of significant debt financing of capital assets with tight operating budgets.

Risk Management Fund

Deficit net position of \$16.394 million is the result of the increased estimated claims related to workers compensation.

V. REVENUES AND EXPENSES/EXPENDITURES

V. A. REVENUES AND INFLOWS OF RESOURCES

V. A. 1. SPECIAL ASSESSMENTS

Business Improvement Districts (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 four BIDs: Downtown, Stockyards, Western Avenue and Capitol Hill.

Special Improvement Districts (SID)

The City has a special assessment to provide funding for major capital renovations to the property owners in the SID. The City has one SID, the underground tunnel system (Underground). The SID was created to provide funding for capital improvements and enhancements to the existing Underground, formerly known as the Concourse. The City does not provide any funding beyond the assessment collections.

Water and Wastewater Utilities Special Assessments

Special assessments are levied against a water or wastewater group of homes to pay for construction or extension of 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 2013, OCWUT collected \$12 thousand.

V. A. 2. LEASE REVENUES

Cancelable and Short-Term Leases

The City reported lease revenue from short-term and cancelable leasing arrangements including \$36 thousand in operating leases in the General Fund, communication tower rentals of \$12 thousand in the Fire Fund and \$69 thousand in OCWUT. OCWUT also has several land and boat slip leases which generated \$469 thousand. The OCPPA General Purpose Fund reported \$1.49 million from the Cox Center and Civic Center Facilities venue rentals. OCEDT reported \$14 thousand related to property rental. MAPS3 fund reported \$11 thousand related to building rental that was part of the Oklahoma City Urban Renewal Authority for the Core to Shore Urban Renewal Area relocation and replacement assistance.

Non-cancelable Leases

Special Purpose Fund

The Special Purpose Fund leases property consisting of a residence and a vacant fire station with terms that expire on December 31, 2013 and May 1, 2015, respectively.

OCICF

OCICF has entered into a lease agreement with the Oklahoma City National Memorial Institute for the Prevention of Terrorism for approximately 18% of the Journal Record Building. The lease term commenced on January 1, 2004 and expires December 31, 2013, with equal monthly installments of \$9 thousand.

OCMFA General Purpose Fund

The OCMFA General Purpose Fund leases the Old Central Fire Station to the Arts Council of Oklahoma City. The term is 15 years and expires December 31, 2022. The annual rent is adjusted based on the most recent change in the consumer Price Index for all Urban Consumers, as reported by the U.S. Department of Labor Bureau of Labor Statistics.

OCZT

The OCZT sub-leases approximately 370 acres of land owned by the City which OCZT leases to Oklahoma Racing Associates (lessee) for the operation of a race track. Minimum lease payments to be received by the OCZT under this lease agreement approximate \$75 thousand annually and aggregate to \$1.840 million for calendar years 2011 to 2013. In addition to the fixed lease payments described, the lessee agrees to pay the OCZT one-half of one percent of the total amount wagered at the leased property in excess of \$329 million for all races conducted on the leased property during racing season and one percent of the gross gaming revenues in excess of \$60 thousand each year. No contingent rental revenue was earned during fiscal year 2013.

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.

COTPA

The COTPA Parking Fund leases retail space in certain parking garages to various establishments. Most of these leases are of a short term nature, and several are for one year with up to three one year renewal options. At June 30, 2013, 29,409 square feet of garage retail space was leased and approximately 5,000 square feet of unimproved space was available to lease. In addition, the COTPA Transportation Fund leased out 7,000 square feet of office space. These leases are non-cancelable operating leases.

OCRA

OCRA leases a parking garage to Presbyterian Health Foundation. The term is 30 years and expires on June 30, 2034. The lease revenue is essentially the annual principal and interest on a promissory note issued for the acquisition of the parking garage. After repayment of the indebtedness, the monthly rent will continue at the most recent monthly rate until termination of the lease.

In addition, 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). Skirvin Partners, LLC, has the option to purchase the land at the end of the lease.

Future Minimum Rentals on Non-Cancelable Leases

	Primary Government		Component Units					
	Governmental Activities	Business-Type Activities						
	Special Purpose	General Purpose Fund	OCZT	OCAT (1)	OCICF	COTPA	OCRA (1)(2)	
	OCMFA							
2014	\$4	\$4	\$75	\$32,950	\$54	\$103	\$620	\$33,810
2015	1	4	-	21,016	-	76	620	21,717
2016	-	4	-	18,267	-	67	620	18,958
2017	-	4	-	17,913	-	5	620	18,542
2018	-	4	-	17,623	-	-	620	18,247
2019 - 2023	-	19	-	17,683	-	-	3,100	20,802
2024 - 2028	-	-	-	5,369	-	-	3,100	8,469
2029 - 2033	-	-	-	1,348	-	-	3,100	4,448
2034 - 2039	-	-	-	486	-	-	3,100	3,586
2039 - 2043	-	-	-	136	-	-	-	136
2044 - 2048	-	-	-	149	-	-	-	149
2049 - 2053	-	-	-	134	-	-	-	134
	<u>\$5</u>	<u>\$39</u>	<u>\$75</u>	<u>\$133,074</u>	<u>\$54</u>	<u>\$251</u>	<u>\$15,500</u>	<u>\$148,998</u>
Rental income	<u>\$4</u>	<u>\$5</u>	<u>\$22,397</u>	<u>\$26,104</u>	<u>\$108</u>	<u>\$88</u>	<u>\$88</u>	<u>\$48,686</u>

- (1) 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 and OCRA have 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.
- (2) Lease amounts are recalculated annually based on formulas defined in the lease agreements. The Presbyterian Health Foundation lease payment may change with fluctuations of the variable interest rate on the underlying debt and because rent, in the Skirvin Hotel lease, is a factor of the rent capitalization value that changes annually. Future minimum rentals for these leases are based on rates in effect at fiscal year-end.

V. B. EXPENSES/EXPENDITURES AND OUTFLOWS OF RESOURCES

V. B. 1. OPERATING LEASES

The reporting entity entered into a number of operating leases which contain cancellation provisions and are subject to annual appropriations. For fiscal year 2013, rentals approximated \$867 thousand for government and \$2.100 million for component unit activities.

Future Minimum Lease Payments for Operating Leases

	Primary Government			Component Units
	<i>Governmental Activities</i>	<i>Business-Type Activities</i>	Total	
2014	\$194	\$126	\$320	\$12
2015	170	1	171	12
2016	127	-	127	12
2017	101	-	101	13
2018	46	-	46	13
2019-2023	96	-	96	73
2024-2028	109	-	109	27
2029-2033	123	-	123	-
2034-2038	136	-	136	-
2039-2043	149	-	149	-
2044-2048	163	-	163	-
2049-2052	<u>139</u>	<u>-</u>	<u>139</u>	<u>-</u>
	<u>\$1,553</u>	<u>\$127</u>	<u>\$1,680</u>	<u>\$162</u>
Approximate 2013 rentals	<u>\$777</u>	<u>\$90</u>	<u>\$867</u>	<u>\$2,064</u>

V. C. SPECIAL ITEM

Gain on Defeasance of Water and Wastewater Revenue Bonds

On March 14, 2013, OCWUT issued \$167.760 million in revenue bonds to advance refund \$66.780 million, of outstanding 2004 Series bonds, \$47.020 million of outstanding 2008 Series bonds, and \$68.500 million of outstanding commercial paper debt. As a result, OCWUT realized a non-cash gain on defeasance in the amount of \$1.144 million.

Real Estate exchange between OCWUT and COTPA

	OCWUT	COTPA
Cash payments	(224)	\$224
Cancellation of advance from OCWUT to COTPA	(1,091)	1,091
Net book value of real estate	<u>207</u>	<u>(207)</u>
Gain (loss) on exchange of property	<u>(\$1,108)</u>	<u>\$1,108</u>

On August 2, 2012, OCWUT acquired real estate from COTPA through an exchange of cash and the cancellation of amounts receivable from COTPA. Approximately 22,036 square feet of office space located on the ground floor of 501 W. Sheridan, Oklahoma City, Oklahoma, was previously leased to OCWUT to provide utility billing and support services. The exchange included cancelling the \$1.091 million remaining outstanding debt associated with a repayment agreement dated June 28, 1988, and a single cash receipt of \$224 thousand. The net book value of the office space was \$207 thousand as of the date of exchange resulting in a special item gain/loss on sale of \$1,108 million.

VI. TRANSACTIONS WITHIN THE ENTITY

VI. A. INTERFUND BALANCES

Within the Primary Government

	Primary Government								
	Governmental Activities								
	Major Governmental			MAPS3 Sales Tax	General Obligation Bonds	Other Governmental Funds	Total Governmental Funds	Internal Service Funds	Total Governmental Activities
	General	Debt Service	Grants						
<u>DUE FROM</u>									
<u>OTHER FUNDS</u>									
Primary Government									
<i>Governmental Activities</i>									
General	\$ -	\$ -	\$3,532	\$ -	\$636	\$10,546	\$14,714	\$ -	\$14,714
Debt Service	16	-	-	-	-	-	16	-	16
Grants Management	-	-	-	-	-	811	811	-	811
MAPS3 Sales Tax	342	-	-	-	-	-	342	-	342
General Obligation Bonds	-	-	1,238	-	-	-	1,238	-	1,238
Other governmental funds	<u>544</u>	<u>-</u>	<u>130</u>	<u>-</u>	<u>6,295</u>	<u>3,123</u>	<u>10,092</u>	<u>20</u>	<u>10,112</u>
Total governmental funds	902	-	4,900	-	6,931	14,480	27,213	20	27,233
Internal service funds	405	<u>6,862</u>	190	<u>-</u>	<u>-</u>	200	7,657	13	7,670
Total	<u>1,307</u>	<u>6,862</u>	<u>5,090</u>	<u>-</u>	<u>6,931</u>	<u>14,680</u>	<u>34,870</u>	<u>33</u>	<u>34,903</u>
<i>Business Type Activities</i>									
Water and Wastewater Fund	-	-	20	-	-	-	20	12	32
OCEAT	-	-	55	-	-	2	57	-	57
Other enterprise funds	<u>-</u>	<u>-</u>	<u>44</u>	<u>1</u>	<u>18</u>	<u>3</u>	<u>66</u>	<u>1</u>	<u>67</u>
Total business-type activities	<u>-</u>	<u>-</u>	<u>119</u>	<u>1</u>	<u>18</u>	<u>5</u>	<u>143</u>	<u>13</u>	<u>156</u>
Total due from other funds	<u>1,307</u>	<u>6,862</u>	<u>5,209</u>	<u>1</u>	<u>6,949</u>	<u>14,685</u>	<u>35,013</u>	<u>46</u>	<u>35,059</u>
<u>ADVANCE TO</u>									
<u>OTHER FUNDS (1)</u>									
Primary Government									
<i>Governmental Activities</i>									
General	-	-	-	-	-	956	956	-	956
Other governmental funds	1,282	-	-	-	-	3,800	5,082	-	5,082
Internal service funds	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>24,289</u>	<u>24,289</u>
Total	<u>1,282</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,756</u>	<u>6,038</u>	<u>24,289</u>	<u>30,327</u>
<i>Business Type Activities</i>									
OCZT	-	-	-	-	-	4,760	4,760	-	4,760
Total advance to other funds	<u>1,282</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>9,516</u>	<u>10,798</u>	<u>24,289</u>	<u>35,087</u>
	<u>\$2,589</u>	<u>\$6,862</u>	<u>\$5,209</u>	<u>\$1</u>	<u>\$6,949</u>	<u>\$24,201</u>	<u>\$45,811</u>	<u>\$24,335</u>	<u>\$70,146</u>

(continued)

Within the Primary Government

	Primary Government									
	<i>Business-type Activities</i>									
	Major Enterprise Funds									
	Water and Wastewater	OCEAT	OCZT	OCPPA Fairgrounds	OCPPA Golf Courses	Other Enterprise Funds	Business Type Activities	Total	Internal Activities	Total Primary Government
<u>DUE FROM</u>										
<u>OTHER FUNDS</u>										
Primary Government										
<i>Governmental Activities</i>										
General	\$89	\$129	\$ -	\$41	\$74	\$30	\$363	\$15,077	(\$1,307)	\$13,770
Debt Service	-	-	-	-	-	-	-	16	(6,862)	(6,846)
Grants Management	-	-	-	-	-	21	21	832	(5,209)	(4,377)
MAPS3 Sales Tax	-	-	-	-	-	-	-	342	(1)	341
General Obligation Bonds	-	-	-	-	-	-	-	1,238	(6,949)	(5,711)
Other governmental funds	<u>18</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>18</u>	<u>10,130</u>	<u>(19,445)</u>	<u>(9,315)</u>
Total governmental funds	107	129	-	41	74	51	402	27,635	(39,773)	(12,138)
Internal service funds	7	-	-	-	-	50	57	7,727	64	7,791
Internal activity allocation	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>46,542</u>	<u>46,542</u>
Total	<u>114</u>	<u>129</u>	<u>-</u>	<u>41</u>	<u>74</u>	<u>101</u>	<u>459</u>	<u>35,362</u>	<u>6,833</u>	<u>\$42,195</u>
<i>Business Type Activities</i>										
Water and Wastewater Fund	-	-	-	-	-	-	-	32	(371)	(339)
OCEAT	202	-	-	-	-	-	202	259	(129)	130
OCPPA Fairgrounds	-	-	-	-	-	-	-	-	(42)	(42)
OCPPA Golf Courses	-	-	-	-	-	-	-	-	(74)	(74)
Other enterprise funds	55	-	-	1	-	-	56	123	(101)	22
Internal activity allocation	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(46,542)</u>	<u>(46,542)</u>
Total business-type activities	<u>257</u>	<u>-</u>	<u>-</u>	<u>1</u>	<u>-</u>	<u>-</u>	<u>258</u>	<u>414</u>	<u>(47,259)</u>	<u>(46,845)</u>
Total due from other funds	<u>371</u>	<u>129</u>	<u>-</u>	<u>42</u>	<u>74</u>	<u>101</u>	<u>717</u>	<u>35,776</u>		
<u>ADVANCE TO</u>										
<u>OTHER FUNDS (1)</u>										
Primary Government										
<i>Governmental Activities</i>										
General	-	-	-	-	-	-	-	956	(956)	-
Other governmental funds	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,082</u>	<u>(5,082)</u>	<u>-</u>
Total governmental funds	-	-	-	-	-	-	-	6,038	(6,038)	-
Internal service funds	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>110</u>	<u>-</u>	<u>110</u>	<u>24,399</u>	<u>(24,399)</u>	<u>-</u>
Total governmental activities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>110</u>	<u>-</u>	<u>110</u>	<u>30,437</u>	<u>(30,437)</u>	<u>-</u>
<i>Business Type Activities</i>										
OCEAT	-	-	-	-	-	-	-	-	(1,724)	(1,724)
OCZT	-	-	-	-	-	-	-	4,760	(110)	4,650
Other enterprise funds	<u>-</u>	<u>1,724</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,724</u>	<u>1,724</u>	<u>-</u>	<u>1,724</u>
Total business-type activities	<u>-</u>	<u>1,724</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,724</u>	<u>6,484</u>	<u>(1,834)</u>	<u>4,650</u>
Total advance to other funds	<u>-</u>	<u>1,724</u>	<u>-</u>	<u>-</u>	<u>110</u>	<u>-</u>	<u>1,834</u>	<u>36,921</u>	<u>(32,271)</u>	<u>4,650</u>
	<u>\$371</u>	<u>\$1,853</u>	<u>\$ -</u>	<u>\$42</u>	<u>\$184</u>	<u>\$101</u>	<u>\$2,551</u>	<u>\$72,697</u>	<u>(\$79,530)</u>	<u>(\$42,195)</u>

(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

Advances From OCMFA Services Fund to OCPPA Golf Courses Fund

On February 26, 2008 a loan for \$1.270 million from the worker’s compensation reserves to OCPPA Golf Courses Fund was approved for the purchase of new golf carts. The loan will be repaid over six years at an annual rate of 3.67% beginning April 1, 2008 with the final payment due March 1, 2014. The balance of this loan at June 30, 2013 is \$109 thousand and less than one thousand accrued interest.

Advance From City and Schools Use Tax Fund and General Fund to 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 is to be repaid by the General Fund and OCPPA General Purpose Fund over a seven year period at an interest rate of 2%. The balance of the loan at June 30, 2013 is \$444 thousand. The General Fund owes \$363 thousand in principal while OCPPA owes \$81 thousand. It is anticipated that the OCPPA General Purpose Fund will repay the General Fund after it satisfies the City and Schools Use Tax Fund. The amount due to the General Fund is \$877 thousand in principal and \$79 thousand in accrued interest.

Annual Debt Service Requirements to Maturity for Advances Between City Funds

Fiscal Year	From OCPPA General Purpose Fund			From OCPPA General Purpose Fund				Total
	City/Schools Use Tax Fund			General Fund		City/Schools Use Tax Fund		
	Principal	Interest	Total	Principal	Interest	Principal	Interest	
2014	\$141	\$9	\$150	\$ -	\$ -	\$27	\$ -	\$27
2015	144	6	150	-	-	34	-	34
2016	78	3	81	-	-	20	-	20
2017	-	-	-	<u>877</u>	<u>79</u>	-	-	<u>956</u>
	<u>\$363</u>	<u>\$18</u>	<u>\$381</u>	<u>\$877</u>	<u>\$79</u>	<u>\$81</u>	<u>\$-</u>	<u>\$1,037</u>

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

On February 16, 2010 the OCPPA received \$3.2 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% over a 10-year period. The balance of the advance at June 30, 2013 is \$3.070 million which includes the loan balance of \$3.030 million and accrued interest of \$40 thousand.

Fiscal Year	OCPPA General Purpose Fund To City/Schools Use Tax Fund	
	Principal	Interest
2014	\$273	\$167
2015	284	116
2016	296	104
2017	309	91
2018	322	78
2019-2023	<u>1,546</u>	<u>177</u>
	<u>\$3,030</u>	<u>\$733</u>

NOTES TO FINANCIAL STATEMENTS
June 30, 2013

CITY OF OKLAHOMA CITY, OKLAHOMA

Advance From City and Schools Use Tax Fund, MAPS Operations Fund and Police and Fire Use Tax Fund to General Fund

In 2002, the City Council adopted a funding plan for the Bass Pro Shops project. The plan recommended that building construction be funded through an appropriation to the OCURA. The funds were paid out of the Police and Fire Equipment Use Tax Fund, the MAPS Operations Fund and the City and Schools Use Tax Fund. The General Fund would then reimburse the funds over the next 15 years at an interest rate of 5.17%. The General Fund paid the balance of the advance from the Police and Fire Equipment Use Tax Fund in 2006. The General Fund paid the balance of the advance from the MAPS Operations Fund in 2011. The General Fund has an outstanding balance to the City and Schools Use Tax Fund of \$762 thousand in principal plus \$157 thousand in interest.

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, the OCZT has chosen to leave an amount in the City Zoo Fund. The amount payable to OCZT at June 30, 2013 is \$4.760 million. The City does not expect to pay this amount in the next fiscal year.

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 Fund</u>	<u>Advance Balance</u>
Solid Waste Management Fund	OCEAT	\$1,724
Information Technology Fund	OCMFA Services	1,521
Risk Management Fund	OCMFA Services	22,769
Special Districts	OCPPA General Purpose	649

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).

	<u>Primary Government</u>									Component Units	
	<u>Governmental Activities</u>				<u>Business-Type Activities</u>						Total Primary Government
	Major Governmental			Other Governmental Funds	Internal Service Funds	Major Enterprise		Other Enterprise Funds			
	<u>General</u>	<u>Management</u>	<u>Sales Tax</u>			<u>Water</u>	<u>OCPPA Golf Courses</u>				
RECEIVABLE TO											
<u>FIDUCIARY FUNDS</u>											
<i>Pension Trust Funds</i>											
OCERS	\$229	\$4	\$4	\$23	\$35	\$116	\$15	\$74	\$500	\$49	
COTPA Retirement	-	-	-	-	-	-	-	-	-	40	
Total Pension											
Trust Funds	<u>\$229</u>	<u>\$4</u>	<u>\$4</u>	<u>\$23</u>	<u>\$35</u>	<u>\$116</u>	<u>\$15</u>	<u>\$74</u>	<u>\$500</u>	<u>\$89</u>	
PAYABLE FROM											
<u>FIDUCIARY FUNDS</u>											
<i>Agency Funds</i>	<u>\$71</u>	<u>\$-</u>	<u>\$-</u>	<u>\$-</u>	<u>\$-</u>	<u>\$-</u>	<u>\$-</u>	<u>\$-</u>	<u>\$71</u>	<u>\$-</u>	

Between Component Units and the Primary Government

Payable to Primary Government

	Component Units							Total
	OCAT	OCRRA	OCICF	OCWUT	COTPA	OCMAPS	OCEDT	
Primary Government								
<u>CURRENT</u>								
<i>Governmental Activities</i>								
General Fund	\$ -	\$37	\$ -	\$969	\$114	\$85	\$8	\$1,213
Grants management	-	-	-	63	-	-	-	63
Other governmental funds	-	-	-	-	4	-	-	4
Internal service funds	-	-	-	6	16	-	-	22
Total governmental activities	-	37	-	1,038	134	85	8	1,302
<i>Business Type Activities</i>								
Water and Wastewater	-	-	-	199	-	-	-	199
Other enterprise funds	-	-	-	1	25	-	-	26
Total business-type activities	-	-	-	200	25	-	-	225
Total current	-	37	-	1,238	159	85	8	1,527
<u>NON-CURRENT</u>								
<i>Governmental Activities</i>								
Grants Management	-	-	4,924	-	-	-	-	4,924
<i>Business Type Activities</i>								
Water and Wastewater	-	-	-	3,238	-	-	-	3,238
Other enterprise funds	1,307	-	-	-	751	-	-	2,058
Total business-type activities	1,307	-	-	3,238	751	-	-	5,296
Total non-current	1,307	\$ -	4,924	3,238	751	\$ -	\$ -	10,220

Receivable from Primary Government

	Component Units					Total
	OCAT	OCWUT	COTPA	OCMAPS	OCEDT	
Primary Government						
<u>CURRENT</u>						
<i>Governmental Activities</i>						
General Fund	\$ -	\$15	\$1,004	\$ -	\$8	\$1,027
Grants management	-	264	-	-	-	264
Other governmental funds	387	11	-	100	2,067	2,565
Internal service funds	-	-	4	-	-	4
Total governmental activities	387	290	1,008	100	2,075	3,860
<i>Business Type Activities</i>						
Water and Wastewater	-	597	-	-	-	597
Total current	387	887	1,008	100	2,075	4,457

Current Receivable/Payables

Outstanding balances in which a component unit is a party are captioned as receivables/payables for both the non-current and 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, 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.

<u>Costs Expended Fund</u>	<u>Costs Reimbursed Fund</u>	<u>Balance at 06/30/2013</u>
Airports Fund	OCAT	\$1,307
Water Utilities Fund	OCWUT	3,238
Transportation Fund	COTPA Transportation (1)	665
Parking Fund	COTPA Parking	112

(1) The COTPA Transportation balance includes \$26 thousand reported with current liabilities

Long-term Payable from OCICF to Grants Management

On October 7, 1997, the City Council provided for a loan/grant agreement for the OCICF trust to acquire and restore the Journal Record Building. On August 14, 2012, there was an eleventh amendment to the loan agreement in the amount of \$600 thousand for continued operation, maintenance and leasing of the building bringing the total loan balance to \$4.924 million. Principal and interest payments due under the loan/grant agreement will not be payable before December 31, 2014 per a twelfth amendment that was signed October 8, 2013.

VI. B. INTERFUND TRANSFERS AND PAYMENTS

Transfers Within the Primary Government

Transfers within the Primary Government represent operating subsidies and transfers for capital projects. Significant transfers include transfers from the General fund to fund a new Courts Facility, a 911 subsidy, an OCPA Golf Courses Fund water subsidy, and a Cox Convention Center operating subsidy. The Zoo Fund transfers sales taxes restricted for zoo operations to OCZT for operations. The Hotel/Motel Tax Fund transfers sales tax restricted for fairgrounds debt to the OCPA Fairgrounds. In addition, some transfers represent movement of funds required for proper fund accounting such as the transfer between the Debt Service Fund and the General Obligation Bond Fund. Bond receipts are recorded in the Debt Service Fund and transferred to the General Obligation Bond Fund for expenditure.

		<u>Governmental Activities</u>					
		<u>Major Governmental</u>					
		<u>General</u>	<u>Other</u>	<u>Total</u>	<u>Internal</u>		<u>Total</u>
		<u>Obligation</u>	<u>Governmental</u>	<u>Governmental</u>	<u>Service</u>		<u>Governmental</u>
		<u>Bonds</u>	<u>Funds</u>	<u>Funds</u>	<u>Funds</u>		<u>Activities</u>
<u>TRANSFERS TO</u>	<u>General</u>	<u>Grants</u>					
<u>OTHER FUNDS</u>							
<i>Governmental Activities</i>							
General	\$ -	\$1,111	\$ -	\$14,019	\$15,130	\$212	\$15,342
Debt Service	-	-	90,000	-	90,000	3,958	93,958
Grants Management	-	-	-	32	32	-	32
MAPS3 Sales Tax	-	4	-	-	4	-	4
General Obligation Bonds	-	170	-	-	170	-	170
Other governmental funds	<u>2,167</u>	<u>926</u>	<u>-</u>	<u>2,941</u>	<u>6,034</u>	<u>30</u>	<u>6,064</u>
Total governmental funds	2,167	2,211	90,000	16,992	111,370	4,200	115,570
Internal service funds	<u>-</u>	<u>63</u>	<u>-</u>	<u>1,662</u>	<u>1,725</u>	<u>63</u>	<u>1,788</u>
Total governmental activities	<u>2,167</u>	<u>2,274</u>	<u>90,000</u>	<u>18,654</u>	<u>113,095</u>	<u>4,263</u>	<u>117,358</u>

(continued)

Transfers Within the Primary Government (continued)

	<i>Governmental Activities</i>						Total Governmental Activities
	Major Governmental						
	General	Grants	General	Other	Total	Internal	
			Obligation	Governmental	Governmental	Service	
		Bonds	Funds	Funds	Funds		
<u>TRANSFERS TO OTHER FUNDS</u>							
<i>Business Type Activities</i>							
OCEAT	818	8	-	-	826	-	826
Other enterprise funds	-	-	-	490	490	-	490
Total business-type activities	818	8	-	490	1,316	-	1,316
	<u>\$2,985</u>	<u>\$2,282</u>	<u>\$90,000</u>	<u>\$19,144</u>	<u>\$114,411</u>	<u>\$4,263</u>	<u>\$118,674</u>

	<i>Business-type Activities</i>						Total
	Major Enterprise						
	OCZT	OCPPA	OCCPA	Other	Total		
		Fairgrounds	Golf	Enterprise	Enterprise		
		Courses	Funds	Funds			
<u>TRANSFERS TO OTHER FUNDS</u>							
<i>Governmental Activities</i>							
General	\$ -	\$ -	\$1,280	\$263	\$1,543	\$16,885	
Debt Service	-	-	-	-	-	93,958	
Grants Management	-	-	-	-	-	32	
MAPS3 Sales Tax	-	-	-	-	-	4	
General Obligation Bonds	-	-	-	-	-	170	
Other governmental funds	12,925	7,522	-	-	20,447	26,511	
Total governmental funds	12,925	7,522	1,280	263	21,990	137,560	
Internal service funds	-	-	-	-	-	1,788	
Total governmental activities	12,925	7,522	1,280	263	21,990	139,348	
<i>Business Type Activities</i>							
OCEAT	-	-	-	-	-	826	
Other enterprise funds	-	-	-	-	-	490	
Total business-type activities	-	-	-	-	-	1,316	
	<u>\$12,925</u>	<u>\$7,522</u>	<u>\$1,280</u>	<u>\$263</u>	<u>\$21,990</u>	<u>\$140,664</u>	

Payments Between Component Units and the Primary Government

Payments to the General Fund include payments from OCCRA for mowing services; payments from OCWUT for payments in lieu of franchise fees, a utility lease agreement, and administrative costs; and payments from OCEDT for trust administration, TIF sales tax and subsidies and a transfer of assets. OCMAPS paid the City Schools Sales Tax Fund for administrative costs. COTPA made payments to the City Fleet Services Fund for fuel costs and to City Parking and Transportation Funds for administrative costs. OCWUT reimbursed the City Water and Wastewater Fund for operating costs.

	Component Units						Total
	OCAT	OCRRA	OCWUT	COTPA	OCMAPS	OCEDT	
PAYMENTS TO							
<i>Governmental Activities</i>							
General	\$ -	\$35	\$5,380	\$ -	\$ -	\$50,489	\$55,904
Grants Management	-	-	63	-	-	-	63
Other governmental funds	-	-	-	-	224	-	224
Total governmental funds	-	35	5,443	-	224	50,489	56,191
Internal service funds	-	-	-	31	-	-	31
Total governmental activities	-	35	5,443	31	224	50,489	56,222
<i>Business-Type Activities</i>							
Water and Wastewater Fund	-	-	81,012	-	-	-	81,012
Other enterprise funds	16,034	-	-	4,417	-	-	20,451
Total business-type activities	16,034	-	81,012	4,417	-	-	101,463
	\$16,034	\$35	\$86,455	\$4,448	\$224	\$50,489	\$157,685

Payments to COTPA and OCEDT from the General Fund include operating and TIF sales tax subsidies, respectively. A payment was made from MAPS3 Sales Tax Fund to COTPA for a utility and bridge conflicts study. Payments from other governmental funds to the various trusts represent payments for services. Payments from OCEAT and Stormwater Drainage to OCWUT are for billing services. OCRRA made a payment for the annual marketing campaign to COTPA.

	Primary Government						Component Units	
	<i>Governmental Activities</i>			<i>Business-type Activities</i>			OCRRA	OCEDT
	General	MAPS3 Sales Tax	Other Governmental Funds	OCEAT	Stormwater Drainage	Other Enterprise Funds		
PAYMENTS TO								
Component Units								
OCWUT	\$ -	\$ -	\$175	\$1,720	\$768	\$ -	\$ -	\$ -
COTPA	13,633	208	76	-	-	12	50	45
OCMAP	-	-	100	-	-	-	-	-
OCEDT	2,696	-	1,555	-	-	-	-	-
	\$16,329	\$208	\$1,906	\$1,720	\$768	\$12	\$50	\$45

VI. C. OTHER TRANSACTIONS WITHIN THE ENTITY

Purchased Judgments

As of June 30, 2013, the OCERS' investments include purchased judgments against the City in the amounts of \$3.723 million. The judgments earn a 5.25% 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.

Cost Reimbursements

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 2013, other City funds reimbursed the General Fund \$11.624 million for these services.

For fiscal year ending June 30, 2013 the OCEDT reported payments to the City to reimburse for the cost of providing administrative and operational services of \$381 thousand.

For 2013, OCERS reported \$89 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 2013, the Medical Services Fund, Stormwater Drainage Fund and OCEAT Fund reimbursed OCWUT \$175 thousand, \$768 thousand, and \$1.720 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 2013, OCERS reported income for these services of \$34 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

Oklahoma City Employee Retirement System (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, 2012.

Component Unit

COTPA Employee Retirement Trust (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, 2013.

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 (1)	9.49% of covered payroll	\$55.04 per week
Plan members	6.0% 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 10 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 service, with benefits to begin at age 65 (60 with 10 years if Pre 3/67 hire)	25 years credited service regardless of age, or age 65 with 10 years, or age 62 with 10 years on a reduced basis.

(1) Beginning July 1, 2012, the employer contribution rate changed from 8.56% to 9.49%.

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 retire at or after the age of 65 with 10 years of credited service or upon 25 years of full time employment are entitled to receive monthly pension benefits equal to the sum of \$54 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

	<u>OCERS</u>	<u>COTPA Retirement</u>	<u>Totals</u>
Non-vested active members	762	60	822
Fully-vested active members	1,697	107	1,804
Retirees and beneficiaries currently receiving benefits	1,324	56	1,380
Terminated plan members entitled to but not yet receiving benefits	<u>83</u>	<u>4</u>	<u>87</u>
	<u>3,866</u>	<u>227</u>	<u>4,093</u>

Annual Required Contributions - Actuarial Assumptions

	<u>OCERS</u>	<u>COTPA Retirement</u>
Provisions for:		
Disability benefits	Yes	Yes
Death benefits	Yes	Yes
Valuation date	12/31/12	7/1/13
Actuarial cost method	Individual entry age	Individual entry age normal
Amortization method	Level percentage of payroll	Level dollar
Amortization period	29 years, closed	30 years, open
Actuarial asset valuation method	4-year smoothed market	5-year smoothed market
Actuarial assumptions		
Investment rate of return	7.5%	7.0%
Projected salary increases	4.0% to 7.8%	None
Cost of living increases (maximum)	2.0%	None
Inflation	4.0%	2.5%
Other	1994 group annuity table set forward 1 year for women and 3 years for men	1983 group annuity mortality tables, scale 355 withdrawal rates

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, 2012 OCERS actuarial valuation, the amortization period changed from 30 years, closed to 29 years, closed. The cost of living maximum increase changed from 4% to 2%.

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 are made about the future.

VII. A. 2. ANNUAL PENSION COST, NET PENSION OBLIGATION, TREND INFORMATION, AND RESERVES

The OCERS issues a separate, stand-alone report which can be obtained from the City's Accounting Services Division. Annual reporting for COTPA Retirement is presented in the City's CAFR and the COTPA annual report. COTPA Retirement does not issue a stand alone report.

Net Pension Obligation (Asset)

	<u>COTPA Retirement</u>		
	<u>2013</u>	<u>2012</u>	<u>2011</u>
Annual required contribution	\$359	\$380	\$414
Interest on net pension obligation	(26)	(18)	(14)
Adjustment to annual required contribution	<u>28</u>	<u>20</u>	<u>14</u>
Annual pension cost	361	382	414
Contributions made	<u>(504)</u>	<u>(499)</u>	<u>(466)</u>
Increase in net pension obligation (asset)	(143)	(117)	(52)
Net pension obligation (asset), beginning of year	<u>(375)</u>	<u>(258)</u>	<u>(205)</u>
Net pension obligation (asset), end of year	<u>(\$518)</u>	<u>(\$375)</u>	<u>(\$257)</u>

COTPA reports net pension assets related to COTPA Retirement as prepaid. COTPA will use the net pension asset to reduce future contributions.

Annual Pension Cost and Trend Information

	<u>OCERS</u>			<u>COTPA Retirement</u>		
	Annual Pension Cost	Percentage Contributed	Net Pension Obligation	Annual Pension Cost	Percentage Contributed	Net Pension Obligation (Asset)
2013	\$11,320	100%	\$ -	\$361	141%	(\$518)
2012	9,615	100	-	382	131	(375)
2011	7,133	100	-	414	113	(258)

Reserves

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

VII. A. 3. FUNDING STATUS AND FUNDING PROGRESS

	<u>OCERS</u>	<u>COTPA Retirement</u>
	Actuarial value of plan assets (AVIIIA)	\$547,686
Actuarial accrued liability (AAL)	553,588	13,431
Unfunded actuarial accrued liability (UAAL)	5,902	4,131
Funded ratio (AVIIIA/AAL)	99%	69%
Covered payroll (active plan members)	114,933	9,458
UAAL as a percentage of covered payroll	5.1%	43.7%

The required supplementary information schedules of funding progress immediately following the notes to the financial statements presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

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.

Funding Policies, Contribution Methods and Benefit Provisions

	Oklahoma Police Pension and Retirement System	Oklahoma Firefighter Pension and Retirement System
Eligibility to participate	All full-time officers employed by a participating municipality; not less than 21 years of age or more than 45 years of age when hired	All full-time or voluntary firefighters of a participating municipality hired before age 45
Authority establishing contribution obligations and benefit provisions	State Statute	State Statute
Plan members' contribution rate	8% of covered payroll	8% of covered payroll
City's contribution rate	13% of covered payroll	13% 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 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
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 continued service for 30 or more 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.

VII. B. 2. TREND INFORMATION

Trend information is presented as of June 30, 2012, the most recent actuarial valuation date. Contributions are required by Oklahoma State Statute.

Fiscal Year	Oklahoma Police <u>Pension and Retirement System</u>		Oklahoma Firefighter <u>Pension and Retirement System</u>	
	Required Contribution	Percentage Contributed	Required Contribution	Percentage Contributed
2013	\$10,024	100%	\$9,689	100%
2012	9,419	100	9,481	100
2011	9,192	100	9,319	100

Trend information showing the progress of the systems in accumulating sufficient assets to pay benefits when due is presented in the annual financial reports of the respective plans. 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 Firefighter Pension and Retirement System at 4545 N. Lincoln Blvd. Ste. 265, Oklahoma City, OK 73105.

VII. B. 3. FUNDING STATUS AND FUNDING PROGRESS

	Oklahoma Police Pension and <u>Retirement System</u>	Oklahoma Firefighter's Pension and <u>Retirement System</u>
Actuarial value of plan assets (AVIIIA)	\$1,834,170	\$1,759,146
Actuarial accrued liability (AAL)	2,034,485	2,886,448
Unfunded actuarial accrued liability (UAAL)	200,315	1,127,302
Funded ratio (AVIIIA/AAL)	90%	61%
Covered payroll (active plan members)	266,038	256,250
UAAL as a percentage of covered payroll	75.3%	439.9%

VII. B. 4. STATE ON BEHALF PAYMENTS

For fiscal year 2013, the State of Oklahoma contributed estimated payments on behalf of City employees to the Oklahoma Police Pension and Retirement System of \$8.13 million and the Oklahoma Firefighters Pension and Retirement System of \$19.85 million. These payments are recognized as revenues and expenditures in the financial statements. State contributions are funded by allocations of the state's insurance premium tax. The City is not legally responsible for these contributions.

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, 2013 actual contributions by the City and plan participants were \$765 thousand and \$583 thousand, respectively.

These two plans include 100 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 38 participants. For fiscal year 2013, actual contributions by plan participants were \$44 thousand with a \$21 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, 2013, 5 employees were participating in the Plan. For fiscal year ending June 30, 2013 contributions made by MCA and participants were \$9 thousand and \$26 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

COTPA OPEB

COTPA provides post-employment benefit options for health care and life insurance to eligible retirees and terminated employees. The benefits are provided in accordance with collective bargaining agreements and the Consolidated Omnibus Budget Reconciliation Act of 1985 (COBRA). The criteria to determine eligibility include: years of service, employee age, and whether the employee has vested in the respective retirement plan.

Plan Descriptions

The City provides post-employment benefits to employees in two single-employer, defined benefit OPEB plans. Assets are held separately and may be used only for payment of benefits to members of the Plans.

City OPEB

The City provides post-employment healthcare benefits for retired employees and their dependents through the City of Oklahoma City Post-retirement Medical Plan (the City OPEB Plan), 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. Retirees of COTPA and MCA are also not covered under the Plan.

COTPA OPEB

COTPA provides post-employment healthcare benefits for retired employees and their dependents through the COTPA Post-retirement Medical Plan (the Plan), a single-employer defined benefit healthcare plan. 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.

Funding Policies, Contribution Methods and Benefit Provisions

	<u>City OPEB</u>	<u>COTPA OPEB</u>
Year established and governing authority	2008; City Council Ordinance	2009; COTPA Board Resolution
Determination of contribution requirements	City Policy	COTPA Policy
Contribution rates:		
Employer	62% of premium	Subsidy based on years of service
Plan members	38% of premium	Remainder of unsubsidized premium costs
Funding of administrative costs	Investment earnings	Investment earnings
Period required to vest	5 years	10 years
Eligibility for distribution	General employees are eligible for membership in the Plan if they retire from the City on or after age 55 with 5 years of service or at any age with 25 years of service. Police officers are eligible for benefits under the Plan if they retire from the City with 20 years of service. Firefighters retiring before January 1, 2003 are eligible for membership. Participation may only be elected at the time of retirement.	General employees are eligible for membership in the Plan if they retire from COTPA on or after age 62 with 10 years of service or at any age with 25 years of service.

Funding Policies

City OPEB

Beginning January 1, 2013, the employer contribution rate changed from 64% of premium to 62% of premium.

COTPA OPEB

For the 2013 fiscal year, 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. COTPA contributions to the Plan were equal to the benefit payments. COTPA does not plan to fund the Plan for more than the expected benefit payments requirements in the near future.

Benefits Provided

City OPEB

The City provides medical benefits either through a fully insured health plan or through a self-insured Group Indemnity Plan. Benefits include general inpatient and outpatient medical services and prescription drug coverage. Coverage for dependents can continue upon the death of the retiree. Spouses of employees who die in active service while eligible for benefits can receive coverage.

COTPA OPEB

COTPA provides post-retirement healthcare benefits to its retirees. The Plan covers all current retirees who elected post-retirement medical coverage and future retired general employees. The Authority provides medical benefits through a fully insured health plan. Benefits include general inpatient and outpatient medical services and prescription drug coverage.

Membership

	<u>City OPEB</u>	<u>COTPA OPEB</u>
Active members	3,353	174
Retirees and beneficiaries currently receiving benefits	<u>2,161</u>	<u>13</u>
	<u>5,514</u>	<u>187</u>

Annual Required Contributions - Actuarial Assumptions

Provisions for:	City OPEB	COTPA OPEB
Disability benefits	Yes	No
Death benefits	Yes	No
Valuation date	7/1/2012	7/1/2012
Actuarial cost method	Projected unit credit with linear proration to decrement	Entry age normal
Amortization method	Level percentage of payroll	Level percentage of payroll
Amortization period	30 years, open	30 years, closed
Actuarial asset valuation method	4-year smoothed market	N/A
Actuarial assumptions:		
Investment rate of return	4.9%	4.0%
Blended discount rate method	The discount rate is based on the expected long-term return on the investments that are used to finance the benefit programs	N/A
Inflation rate	3.0%	2.5%
Projected salary increase	3.0%	None
Health care trend rate	4.5% (4.5% for Medicare age)	9.0%
Mortality table	RP 2000 combined mortality table projected to 2010 using scale AA	1983 group annuity mortality table for males

Projections of benefits for financial reporting purposes are based on the substantive plan (the Plan as understood by the employee 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 the employer and Plan members to that point. Actuarial calculations reflect a long-term perspective. The actuarial methods and assumptions used include 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 the calculations.

City OPEB Actuarial Changes

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

In the July 1, 2012 actuarial valuation, the projected unit credit actuarial cost method was used to develop the AAL and market value of assets was used to develop the AVIIIA. The discount rate is currently 4.91%.

VII. D. 2. ANNUAL OPEB COST, NET OPEB OBLIGATION, TREND INFORMATION, AND RESERVES

Annual OPEB Costs and Net OPEB Obligation

	City OPEB (1)	COTPA OPEB
Annual required contribution	\$32,881	\$76
Interest on net OPEB obligation	4,609	7
Adjustment to annual required contribution	<u>(4,232)</u>	<u>(11)</u>
Annual OPEB cost	33,258	72
Contributions made	<u>(19,905)</u>	<u>(35)</u>
Increase in net OPEB obligation	13,353	37
Net OPEB obligation, beginning of year	<u>93,874</u>	<u>178</u>
Net OPEB obligation, end of year	<u>\$107,227</u>	<u>\$215</u>

(1) Includes net OPEB obligation reported in OCERS of \$37 thousand.

Governmental Funds Net OPEB Obligation

	General Fund	Other Governmental Funds	Total
Net Other Post Employment Benefit Obligation	<u>\$70,072</u>	<u>\$14,933</u>	<u>\$85,005</u>

Trend Information

City OPEB				
Fiscal Year Ended	Annual OPEB Cost	Employer Contributions	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
2013	\$33,258	\$19,905	59.9%	\$107,227
2012	36,494	20,065	55.0	93,874
2011	39,787	18,747	47.1	77,446

COTPA OPEB				
Fiscal Year Ended	Annual OPEB Cost	Employer Contributions	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
2013	\$72	\$35	48.6%	\$215
2012	71	30	42.3	178
2011	70	26	37.1	137

Reserves

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

VII. D. 3. FUNDING STATUS AND FUNDING PROGRESS

	City OPEB	COTPA OPEB
Actuarial value of plan assets (AVIIIA)	\$19,199	\$ -
Actuarial accrued liability (AAL)	433,863	750
Unfunded actuarial accrued liability (UAAL)	414,664	750
Funded ratio (AVIIIA/AAL)	4%	0%
Covered payroll (active plan members)	197,923	7,659
UAAL as a percentage of covered payroll	209.5%	9.8%

The required supplementary information schedules of funding progress immediately following the notes to the financial statements presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits. OCPEBT financial statements may be obtained from Finance Department, Accounting Services Division, 100 N. Walker, Suite 300, Oklahoma City, OK 73102. COTPA OPEB is presented as a part of COTPA financial statements and does not issue a stand-alone report.

VII. E. TERMINATION BENEFITS

At June 30, 2013, the City’s reporting entity had 14 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, 2013 include \$82.521 million for OCEAT solid waste management service contracts funded by charges to users; \$36.440 million for OCWUT wastewater treatment services funded by charges to users; and \$80 thousand for service contracts related to Oklahoma River projects funded with OCRRA general revenues.

Construction Commitments

Primary Government	
<i>Governmental Activities</i>	
City-wide park improvements	\$42
Infrastructure	59,148
Economic development projects	19,555
<i>Business-Type Activities</i>	
Zoo improvements	8,465
Stormwater drainage improvements	28
Fairgrounds improvements	<u>753</u>
Total primary government	<u>\$87,991</u>
Component Units	
Airport renovations	\$28,350
Water and wastewater utilities system improvements	24,056
Transportation and parking system improvements	19,691
Public school improvements	28,143
Economic development	<u>4,342</u>
Total component units	<u>\$104,582</u>

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. In addition, the City currently has approximately \$6.733 million accrued in the Risk Management 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, 2013, is approximately \$685 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, 2013, the City collected approximately \$157 thousand on behalf of the City-County Board. Of this amount, \$65 thousand is still payable at June 30, 2013.

**Required
Supplementary
Information**



**REQUIRED SUPPLEMENTARY INFORMATION
DEFINED BENEFIT PENSION
(dollars are in thousands)**

CITY OF OKLAHOMA CITY, OKLAHOMA

I. SCHEDULE OF FUNDING PROGRESS

Oklahoma City Employees Retirement Trust

Actuarial Valuation <u>Date</u>	Actuarial Value of <u>Assets (a)</u>	Actuarial Liability (AAL) <u>(b)</u>	Unfunded AAL (UAAL) <u>(b-a)</u>	Funded <u>Ratio (a/b)</u>	Covered <u>Payroll (c)</u>	UAAL as a Percentage of Covered Payroll <u>((b-a)/c)</u>
12/31/12	\$547,686	\$553,588	\$5,902	99%	\$114,933	5%
12/31/11	514,499	593,922	79,423	87	109,293	73
12/31/10	524,731	566,834	42,103	93	102,915	41
12/31/09	529,137	556,427	27,290	95	110,408	25
12/31/08	528,664	519,234	(9,430)	102	105,566	(9)
12/31/07	529,876	488,827	(41,049)	108	99,574	(41)

COTPA Employee Retirement Trust

Actuarial Valuation <u>Date</u>	Actuarial Value of <u>Assets (a)</u>	Actuarial Liability (AAL) <u>(b)</u>	Unfunded AAL (UAAL) <u>(b-a)</u>	Funded <u>Ratio (a/b)</u>	Covered <u>Payroll (c)</u>	Percentage of Covered Payroll <u>((b-a)/c)</u>
7/1/13	\$9,300	\$13,431	\$4,131	69%	\$9,458	44%
7/1/12	8,507	12,367	3,860	69	6,930	56
7/1/11	7,793	11,932	4,139	65	7,595	54
7/1/10	7,089	11,687	4,598	61	7,150	64
7/1/09	6,589	11,369	4,780	58	7,464	64
7/1/08	6,158	10,728	4,570	57	6,700	68

II. SCHEDULE OF EMPLOYER CONTRIBUTIONS

Oklahoma City Employee Retirement System Trust

<u>Fiscal Year</u>	Annual Required <u>Contribution</u>	Percentage <u>Contributed</u>
2013	\$11,320	100%
2012	9,615	100
2011	7,133	100
2010	5,586	100
2009	5,464	100
2008	7,212	100

COTPA Employee Retirement Trust

<u>Fiscal Year</u>	Annual Required <u>Contribution</u>	Percentage <u>Contributed</u>
2013	\$359	141%
2012	380	131
2011	414	113
2010	419	112
2009	386	108
2008	241	136

III. NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

See Note VII. A. DEFINED BENEFIT SINGLE EMPLOYER PENSION PLANS for actuarial assumptions and other information used to determine the annual required contributions.

**REQUIRED SUPPLEMENTARY INFORMATION
OTHER POST-EMPLOYMENT BENEFITS
(dollars are in thousands)**

CITY OF OKLAHOMA CITY, OKLAHOMA

I. SCHEDULE OF FUNDING PROGRESS

City of Oklahoma City Post-Employment Benefits Trust

Actuarial Valuation <u>Date</u>	Actuarial Value of <u>Assets (a)</u>	Actuarial Accrued Liability (AAL) <u>(b)</u>	Unfunded AAL (UAAL) <u>(b-a)</u>	Funded <u>Ratio (a/b)</u>	Covered <u>Payroll (c)</u>	UAAL as a Percentage of Covered Payroll <u>((b-a)/c)</u>
7/1/12	\$19,199	\$433,863	\$414,664	4%	\$197,923	210%
7/1/11	15,018	483,932	468,914	3	180,552	260
7/1/10	11,566	517,682	506,116	2	175,293	289

COTPA Other Post-employment Benefits

Actuarial Valuation <u>Date</u>	Actuarial Value of <u>Assets (a)</u>	Actuarial Accrued Liability (AAL) <u>(b)</u>	Unfunded AAL (UAAL) <u>(b-a)</u>	Funded <u>Ratio (a/b)</u>	Covered <u>Payroll (c)</u>	UAAL as a Percentage of Covered Payroll <u>((b-a)/c)</u>
7/1/12	\$ -	\$750	\$750	0%	\$7,659	10%
7/1/11	-	750	750	0	7,659	10
7/1/10	-	630	630	0	7,464	8

II. SCHEDULE OF EMPLOYER CONTRIBUTIONS

City of Oklahoma City Post-employment Benefits Trust

<u>Fiscal Year</u>	<u>Employer Contributions</u>	<u>Annual Required Contribution</u>	<u>Percentage Contributed</u>
2013	\$19,905	\$32,881	61%
2012	20,065	36,182	55
2011	18,747	39,560	47

COTPA Other Post-employment Benefits

<u>Fiscal Year</u>	<u>Employer Contributions</u>	<u>Annual Required Contribution</u>	<u>Percentage Contributed</u>
2013	\$35	\$76	46%
2012	30	74	41
2011	26	71	37

III. NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

See Note VII. D. DEFINED BENEFIT SINGLE EMPLOYER OPEB PLANS for actuarial assumptions and other information used to determine the annual required contributions.

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.
- * ***Oklahoma City Public Property Authority (OCPPA) General Purpose Fund*** – Established for financial reporting purposes to include the general government activities of OCPPA.
- * ***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.

(continued)

Capital Projects Funds (*continued*)

- * ***Police/Fire Equipment Use Tax Fund*** – Established by City ordinance to account for limited purpose use tax designated for managing police and fire capital equipment projects, providing a reserve for additional costs associated with projects specified in the sales tax ordinance, and to provide funding for other public safety capital equipment projects. This fund is designated by ordinance as the Police and Fire Capital Equipment Use Tax Fund.
- * ***City and Schools Sales Tax Fund*** – Established as a special revenue fund 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.

**COMBINING BALANCE SHEET
NON-MAJOR GOVERNMENTAL FUNDS
June 30, 2013
(dollars are in thousands)**

	Special Revenue Funds										
	Court				Asset	OCMFA		OCPPA		Special	Special
	Emergency	Administration	Police	Fire		General	Zoo	General	General		
Management	and Training	Forfeiture			Purpose	Purpose	Operations	Purpose	Districts		
ASSETS											
Pooled cash-----	\$39	\$41	\$466	\$305	\$155	\$125	\$2,281	\$4,982	\$442	\$258	\$12
Non-pooled cash-----	-	-	-	-	5	-	29	9,624	-	-	-
Investments-----	928	1,004	11,031	7,394	3,876	2,845	15,159	2,962	10,562	6,370	299
Sales and use taxes receivable----	-	-	5,321	5,321	-	1,774	-	-	-	-	-
Property taxes receivable-----	-	-	-	-	-	-	-	1	-	-	-
Accounts receivable-----	405	179	-	-	-	-	24	1,120	-	1	262
Interest, dividends, and royalties receivable-----	4	4	42	28	15	11	90	-	40	24	1
Due from other funds-----	132	4	1,948	1,506	-	5	6,315	89	9	-	-
Receivable from component units-----	-	-	-	-	-	-	-	4	-	-	-
Intergovernmental receivable-----	-	-	-	-	-	-	-	-	-	976	-
Inventories-----	-	-	-	-	-	-	-	166	-	-	-
Prepays-----	1	-	-	21	218	-	299	86	-	-	-
Prepays, non-current-----	-	-	-	48	226	-	852	-	-	-	-
Advance to other funds-----	-	-	-	-	-	-	-	-	-	-	649
Total assets-----	\$1,509	\$1,232	\$18,808	\$14,623	\$4,495	\$4,760	\$25,049	\$19,034	\$11,053	\$7,629	\$1,223
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES											
LIABILITIES											
Accounts payable-----	\$2	\$308	\$152	\$163	\$102	\$-	\$933	\$3,212	\$55	\$857	\$5
Wages and benefits payable-----	191	-	751	599	10	-	-	-	26	-	-
Due to other funds-----	-	1	103	72	93	-	3,336	-	52	867	81
Payable to component units, current-----	-	-	-	-	-	-	-	-	-	388	-
Unearned revenue-----	-	-	-	4	-	-	-	4,641	-	-	-
Advance from other funds-----	-	-	-	-	-	4,760	-	4,756	-	-	-
Total liabilities-----	193	309	1,006	838	205	4,760	4,269	12,609	133	2,112	86
DEFERRED INFLOWS OF RESOURCES											
-----	5	1	16	10	5	4	16	76	15	694	-
FUND BALANCE											
Non-spendable-----	1	-	-	69	444	-	1,151	252	-	-	649
Restricted-----	-	922	17,786	13,706	3,841	-	1,219	2,114	-	2,709	545
Committed-----	1,310	-	-	-	-	-	185	228	10,905	1,250	-
Assigned-----	-	-	-	-	-	-	18,209	3,755	-	864	-
Unassigned-----	-	-	-	-	-	(4)	-	-	-	-	(57)
Total fund balances-----	1,311	922	17,786	13,775	4,285	(4)	20,764	6,349	10,905	4,823	1,137
Total liabilities, deferred inflows of resources and fund balances-----	\$1,509	\$1,232	\$18,808	\$14,623	\$4,495	\$4,760	\$25,049	\$19,034	\$11,053	\$7,629	\$1,223

CITY OF OKLAHOMA CITY, OKLAHOMA

Special Revenue Funds			Capital Projects Funds										Total
Tax				Street	Metropolitan	Police/Fire	Police/Fire	City and	City and	Sports	Sports	MAPS3	Non-Major
Incremental	Medical	Hotel/	Capital	and	Projects	Equipment	Equipment	Schools	Schools	Facilities	Facilities	Use Tax	Governmental
Financing	Services	Motel Tax	Improvement	Alley	Tax	Sales Tax	Use Tax	Sales Tax	Use Tax	Sales Tax	Use Tax	Use Tax	Funds
\$ -	\$29	\$286	\$1,563	\$59	\$ -	\$297	\$ -	\$127	\$520	\$32	\$99	\$1,426	\$13,544
-	-	-	-	-	-	-	-	-	-	-	-	-	9,658
-	711	7,059	36,211	1,485	513	7,388	1	3,170	12,995	1,094	2,516	32,057	167,630
647	-	-	-	-	-	-	-	-	-	-	-	1,568	14,631
-	-	-	-	-	-	-	-	-	-	-	-	-	1
-	456	1,517	-	-	3	1	-	21	-	18	1	-	4,008
-	2	26	137	6	-	28	-	12	49	3	9	122	653
-	18	1	-	44	-	-	-	-	1	-	-	58	10,130
-	-	-	-	-	-	-	-	-	-	-	-	-	4
1,422	-	-	-	-	-	-	-	-	-	-	-	-	2,398
-	-	-	-	-	-	-	-	-	-	-	-	-	166
-	-	-	26	-	-	2	-	-	-	-	-	-	653
-	-	-	-	-	-	-	-	-	4,433	-	-	-	5,082
-	-	-	2	-	-	3	-	-	-	-	-	-	1,131
\$2,069	\$1,216	\$8,889	\$37,939	\$1,594	\$516	\$7,719	\$1	\$3,330	\$17,998	\$1,147	\$2,625	\$35,231	\$229,689
\$ -	\$ -	\$ -	\$2,092	\$6	\$ -	\$11	\$ -	\$4	\$988	\$19	\$383	\$539	\$9,831
-	-	-	-	-	-	-	-	27	-	-	-	25	1,629
-	5	-	9,602	20	-	6	1	20	52	299	74	1	14,685
2,067	-	-	11	-	-	-	-	100	-	-	-	-	2,566
-	-	-	-	-	-	-	-	-	-	-	-	-	4,645
-	-	-	-	-	-	-	-	-	-	-	-	-	9,516
2,067	5	-	11,705	26	-	17	1	151	1,040	318	457	565	42,872
1,420	1	10	51	2	1	11	-	7	18	12	3	45	2,423
-	-	-	28	-	-	5	-	-	2,894	-	-	-	5,493
-	-	8,879	-	1,566	515	7,686	-	3,172	-	817	-	-	65,477
-	1,210	-	-	-	-	-	-	-	-	-	-	34,621	49,709
-	-	-	26,155	-	-	-	-	-	14,046	-	2,165	-	65,194
(1,418)	-	-	-	-	-	-	-	-	-	-	-	-	(1,479)
(1,418)	1,210	8,879	26,183	1,566	515	7,691	-	3,172	16,940	817	2,165	34,621	184,394
\$2,069	\$1,216	\$8,889	\$37,939	\$1,594	\$516	\$7,719	\$1	\$3,330	\$17,998	\$1,147	\$2,625	\$35,231	\$229,689

**COMBINING STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES
NON-MAJOR GOVERNMENTAL FUNDS
For the Year Ended June 30, 2013
(dollars are in thousands)**

	Special Revenue Funds										
	Court				Asset Forfeiture	Zoo	OCMFA	OCPPA	MAPS Operations	Special Purpose	Special Districts
	Emergency Management	Administration and Training	Police	Fire			General Purpose	General Purpose			
REVENUES											
Sales taxes-----	\$ -	\$ -	\$38,761	\$38,761	\$ -	\$12,920	\$ -	\$ -	\$ -	\$ -	\$ -
Use taxes-----	-	-	-	-	-	-	-	-	-	-	-
Hotel/Motel taxes-----	-	-	-	-	-	-	-	-	-	-	-
Property taxes-----	-	-	-	-	-	-	-	33	-	-	-
Emergency telephone taxes-----	4,777	-	-	-	-	-	-	-	-	-	-
Licenses and permits-----	81	2,141	-	-	-	-	166	-	-	88	-
Oil and gas royalties-----	-	-	-	-	-	-	757	-	-	-	-
Fines and forfeitures-----	-	-	-	-	-	-	1,259	-	-	-	-
Investment income-----	1	2	27	18	12	3	40	(12)	37	40	213
Charges for services-----	-	-	-	-	-	-	-	17,519	-	-	2,071
Rental income-----	-	-	-	12	-	-	4	1,600	-	5	-
Payments from component units--	-	-	-	-	-	-	-	-	-	-	-
Intergovernmental programs-----	-	-	-	-	1,716	-	-	-	-	1,814	-
Other-----	-	-	-	4	3	-	138	(1)	73	842	-
Total revenues-----	4,859	2,143	38,788	38,795	1,731	12,923	2,364	19,139	110	2,789	2,284
General government-----	-	-	-	-	-	-	1,496	126	-	9	-
Police-----	-	2,025	35,381	-	-	-	-	-	-	-	-
Fire-----	-	-	-	35,425	-	-	-	-	-	11	-
Other-----	8,049	-	-	-	1,660	-	840	-	-	-	-
Public services-----	-	-	-	-	-	-	1,095	-	-	263	2,069
Culture and recreation-----	-	-	-	-	-	-	448	23,338	1,033	573	-
Education-----	-	-	-	-	-	-	-	-	-	-	-
Economic development-----	-	-	-	-	-	-	-	-	-	-	-
Capital Outlay-----	-	-	23	679	567	-	-	697	426	1,485	-
DEBT SERVICE											
Principal-----	-	-	-	-	-	-	-	136	-	-	-
Interest-----	-	-	-	-	-	-	-	177	-	-	-
Total expenditures-----	8,049	2,025	35,404	36,104	2,227	-	3,879	24,474	1,459	2,341	2,069
Excess (deficiency) of revenues over (under) expenditures-----	(3,190)	118	3,384	2,691	(496)	12,923	(1,515)	(5,335)	(1,349)	448	215
OTHER FINANCING											
Transfers from other funds-----	3,531	-	-	-	-	-	2,441	5,497	-	-	50
Transfers to other funds-----	-	-	-	-	(200)	(12,925)	(55)	(1,374)	(1,121)	(2,459)	-
Sale of assets-----	-	-	-	51	16	-	-	-	-	242	-
Net other financing sources (uses)-----	3,531	-	-	51	(184)	(12,925)	2,386	4,123	(1,121)	(2,217)	50
Net change in fund balances-----	341	118	3,384	2,742	(680)	(2)	871	(1,212)	(2,470)	(1,769)	265
FUND BALANCES											
Fund balances, beginning-----	970	804	14,402	11,033	4,965	(2)	19,893	7,561	13,375	6,592	872
Fund balances, ending-----	\$1,311	\$922	\$17,786	\$13,775	\$4,285	(\$4)	\$20,764	\$6,349	\$10,905	\$4,823	\$1,137

CITY OF OKLAHOMA CITY, OKLAHOMA

Special Revenue Funds			Capital Projects Funds										Total
Incremental Financing	Medical Services	Hotel/Motel Tax	Capital Improvement	Street and Alley	Metropolitan Projects Tax	Police/Fire Equipment Sales Tax	Police/Fire Equipment Use Tax	City and Schools Sales Tax	City and Schools Use Tax	Sports Facilities Sales Tax	Sports Facilities Use Tax	MAPS3 Use Tax	Non-Major Governmental Funds
\$655	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$91,097
2	-	-	-	-	-	-	-	-	-	-	-	11,656	11,658
-	-	13,324	-	-	-	-	-	-	-	-	-	-	13,324
-	-	-	-	-	-	-	-	-	-	-	-	-	33
-	-	-	-	-	-	-	-	-	-	-	-	-	4,777
-	6,905	-	-	-	-	-	-	-	-	-	-	-	9,381
-	-	-	-	-	-	-	-	-	-	-	-	-	757
-	-	-	-	-	-	-	-	-	-	-	-	-	1,259
1	2	18	76	8	-	18	-	15	51	24	10	49	653
-	-	-	-	-	-	-	-	-	-	-	-	-	19,590
-	-	-	-	-	-	-	-	-	-	-	-	-	1,621
-	-	-	-	-	-	-	-	224	-	-	-	-	224
995	-	-	-	-	-	-	-	-	-	-	-	-	4,525
-	-	-	2	1	13	495	-	70	140	133	11	-	1,924
1,653	6,907	13,342	78	9	13	513	-	309	191	157	21	11,705	160,823
-	-	-	-	-	-	-	-	-	-	-	-	-	1,631
-	-	-	-	-	-	-	-	-	-	-	-	-	37,406
-	-	-	-	-	-	-	-	-	-	-	-	-	35,436
-	6,863	-	-	-	-	126	-	-	-	-	-	-	17,538
-	-	-	8,860	821	-	-	-	-	2,562	-	-	-	15,670
-	-	5,501	-	-	3	-	-	-	-	214	20	1,173	32,303
-	-	-	-	-	-	-	-	1,991	-	-	-	-	1,991
1,049	-	-	-	-	-	-	-	-	-	-	-	-	1,049
-	325	-	8,490	49	-	55	-	-	6,348	5,766	888	1,188	26,986
-	-	-	-	-	-	-	-	-	-	-	-	-	136
-	-	-	-	-	-	-	-	-	-	-	-	-	177
1,049	7,188	5,501	17,350	870	3	181	-	1,991	8,910	5,980	908	2,361	170,323
604	(281)	7,841	(17,272)	(861)	10	332	-	(1,682)	(8,719)	(5,823)	(887)	9,344	(9,500)
-	-	-	7,593	32	-	-	-	-	-	-	-	-	19,144
-	-	(7,522)	(84)	(191)	-	-	-	-	(580)	-	-	-	(26,511)
-	-	-	135	-	-	100	-	-	5	-	-	-	549
-	-	(7,522)	7,644	(159)	-	100	-	-	(575)	-	-	-	(6,818)
604	(281)	319	(9,628)	(1,020)	10	432	-	(1,682)	(9,294)	(5,823)	(887)	9,344	(16,318)
(2,022)	1,491	8,560	35,811	2,586	505	7,259	-	4,854	26,234	6,640	3,052	25,277	200,712
(\$1,418)	\$1,210	\$8,879	\$26,183	\$1,566	\$515	\$7,691	\$ -	\$3,172	\$16,940	\$817	\$2,165	\$34,621	\$184,394

**SCHEDULE OF REVENUES, EXPENDITURES,
ENCUMBRANCES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
For the Year Ended June 30, 2013
(dollars are in thousands)**

CITY OF OKLAHOMA CITY, OKLAHOMA

	Debt Service Fund				Total Actual	Variance
	Original Budget	Revisions	Revised Budget	Expenditures		
REVENUES						
Property taxes-----	\$77,379	\$ -	\$77,379		\$76,893	(\$486)
Investment income-----	500	-	500		478	(22)
OTHER REVENUE						
Other revenue-----	-	-	-		26	26
Total revenues -----	77,879	-	77,879		77,397	(482)
EXPENDITURES						
Redemption of debt-----	60,593	(577)	60,016	\$46,284	46,284	13,732
Interest-----	24,574	-	24,574	24,513	24,513	61
Bond issue cost-----	425	577	1,002	1,002	1,002	-
Total expenditures-----	85,592	-	85,592	71,799	71,799	13,793
Excess (deficiency) of revenues over (under) expenditures-----	(7,713)	-	(7,713)		5,598	(14,275)
OTHER FINANCING SOURCES						
Premium on sale of bonds-----	2,500	-	2,500		6,484	3,984
FUND BALANCE (NON-GAAP BUDGETARY BASIS)						
BEGINNING FUND BALANCE						
Appropriated for current year budget-----	5,213	-	5,213		5,213	-
Not appropriated-----	-	-	-		55,427	55,427
Beginning fund balance-----	5,213	-	5,213		60,640	55,427
ENDING FUND BALANCE						
Before encumbrances-----	-	-	-		72,722	72,722
Ending fund balance-----	\$ -	\$ -	\$ -		72,722	\$72,722
RECONCILIATION OF FUND BALANCE NON-GAAP BUDGETARY BASIS TO GENERALLY ACCEPTED ACCOUNTING PRINCIPLES						
Revenue and transfer accruals-----					1,937	
Expenditure and transfer accruals-----					(6,783)	
Fund balance, ending-----					\$67,876	

**SCHEDULE OF REVENUES, EXPENDITURES,
ENCUMBRANCES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
For the Year Ended June 30, 2013
(dollars are in thousands)**

CITY OF OKLAHOMA CITY, OKLAHOMA

	Emergency Management Fund				Total	
	Original Budget	Revisions	Revised Budget	Expenditures	Actual	Variance
REVENUES						
TAXES						
Emergency telephone taxes-----	\$4,306	\$ -	\$4,306		\$4,777	\$471
LICENSES, PERMITS AND FEES						
Licenses-----	41	-	41		80	39
Investment income-----	10	-	10		1	(9)
Total revenues -----	4,357	-	4,357		4,858	501
EXPENDITURES						
GENERAL GOVERNMENT						
Personnel:						
Personal services-----	5,759	-	5,759	5,642	5,642	117
Other services and charges-----	2,573	-	2,573	2,401	2,401	172
Supplies-----	7	-	7	5	5	2
Net expenditures and encumbrances -----	8,339	-	8,339	\$8,048	8,048	291
Excess (deficiency) of revenues over (under) expenditures -----	(3,982)	-	(3,982)		(3,190)	792
OTHER FINANCING SOURCES (USES)						
TRANSFERS FROM OTHER FUNDS						
General Fund-----	3,662	-	3,662		3,531	(131)
Excess (deficiency) of revenues and other sources over expenditures -----	(320)	-	(320)		341	661
FUND BALANCE (NON-GAAP BUDGETARY BASIS)						
BEGINNING FUND BALANCE						
Appropriated for current year budget-----	320	-	320		320	-
Not appropriated-----	-	-	-		248	248
Beginning fund balance-----	320	-	320		568	248
ENDING FUND BALANCE						
Ending fund balance-----	\$ -	\$ -	\$ -		909	\$909
RECONCILIATION OF FUND BALANCE NON-GAAP BUDGETARY BASIS TO GENERALLY ACCEPTED ACCOUNTING PRINCIPLES						
Revenue and transfer accruals-----					407	
Expenditure and transfer accruals-----					(5)	
Fund balance, ending -----					\$1,311	

**SCHEDULE OF REVENUES, EXPENDITURES,
ENCUMBRANCES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
For the Year Ended June 30, 2013
(dollars are in thousands)**

CITY OF OKLAHOMA CITY, OKLAHOMA

	Court Administration and Training Fund						
	Original Budget	Revisions	Revised Budget	Expenditures	Encumbrances	Total Actual	Variance
REVENUES							
LICENSES, PERMITS AND FEES							
CLEET fees (1)-----	\$681	\$ -	\$681			\$712	\$31
AFIS fees (2)-----	479	-	479			501	22
Training fees-----	200	-	200			188	(12)
Forensic fees-----	462	-	462			483	21
Other police fees-----	50	-	50			53	3
Other fees-----	22	-	22			23	1
Investment income-----	11	-	11			-	(11)
Other revenue-----	-	-	-			18	18
Total revenues -----	1,905	-	1,905			1,978	73
EXPENDITURES							
GENERAL GOVERNMENT							
Municipal counselor:							
Other services and charges-----	16	(7)	9	\$2	\$ -	2	7
Supplies-----	8	7	15	7	-	7	8
PUBLIC SAFETY							
Municipal courts:							
Other services and charges-----	1,890	-	1,890	1,715	-	1,715	175
Supplies-----	28	-	28	1	-	1	27
Police:							
Other services and charges-----	147	4	151	107	23	130	21
Supplies-----	202	-	202	51	63	114	88
Total expenditures and encumbrances -----	2,291	4	2,295	1,883	86	1,969	326
PRIOR YEAR ENCUMBRANCES							
Related to prior year budgets (3)-----	-	-	-	(55)	-	(55)	55
Related to current year budgets-----	-	-	-	-	(86)	(86)	86
Net expenditures and encumbrances -----	2,291	4	2,295	\$1,828	\$ -	1,828	467
Excess (deficiency) of revenues over (under) expenditures -----	(386)	(4)	(390)			150	(394)
FUND BALANCE (NON-GAAP BUDGETARY BASIS)							
BEGINNING FUND BALANCE							
Appropriated for current year budget-----	386	(51)	335			335	-
Reappropriated for prior year encumbrances-----	-	55	55			55	-
Not appropriated-----	-	-	-			485	485
Beginning fund balance-----	386	4	390			875	485
ENDING FUND BALANCE							
Before encumbrances-----	-	-	-			1,025	1,025
Less: current year encumbrances-----	-	-	-			(86)	(86)
Ending fund balance -----	\$ -	\$ -	\$ -			939	\$939
RECONCILIATION OF FUND BALANCE NON-GAAP BUDGETARY BASIS TO GENERALLY ACCEPTED ACCOUNTING PRINCIPLES							
Current year encumbrances included in expenditures-----						86	
Revenue and transfer accruals-----						180	
Expenditure and transfer accruals-----						(283)	
Fund balance, ending -----						\$922	

- (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, 2013
(dollars are in thousands)**

CITY OF OKLAHOMA CITY, OKLAHOMA

	Police Fund						Total Actual	Variance
	Original Budget	Revisions	Revised Budget	Expenditures	Encumbrances			
REVENUES								
TAXES								
Sales taxes-----	\$38,087	\$252	\$38,339			\$38,828	\$489	
Investment income-----	63	-	63			23	(40)	
Charges for services-----	463	-	463			395	(68)	
Other revenue-----	-	-	-			102	102	
Total revenues -----	38,613	252	38,865			39,348	483	
EXPENDITURES								
PUBLIC SAFETY								
Police:								
Personal services-----	32,789	-	32,789	\$32,336	\$ -	32,336	453	
Other services and charges-----	4,977	61	5,038	2,948	21	2,969	2,069	
Supplies-----	426	247	673	573	62	635	38	
CULTURE AND RECREATION								
Total expenditures and encumbrances-----	38,192	308	38,500	35,857	83	35,940	2,560	
PRIOR YEAR ENCUMBRANCES								
Related to prior year budgets (1)-----	-	-	-	(56)	-	(56)	56	
Related to current year budgets-----	-	-	-	-	(83)	(83)	83	
Net expenditures and encumbrances-----	38,192	308	38,500	\$35,801	\$ -	35,801	2,699	
Excess (deficiency) of revenues over (under) expenditures-----	421	(56)	365			3,547	(2,216)	
OTHER FINANCING SOURCES (USES)								
TRANSFERS TO OTHER FUNDS								
Culture and recreation:								
General Fund-----	(2,782)	-	(2,782)			(2,400)	382	
Excess (deficiency) of revenues over expenditures and other uses-----	(2,361)	(56)	(2,417)			1,147	(1,834)	
FUND BALANCE (NON-GAAP BUDGETARY BASIS)								
BEGINNING FUND BALANCE								
Appropriated for current year budget-----	2,361	-	2,361			2,361	-	
Reappropriated for prior year encumbrances---	-	56	56			56	-	
Not appropriated-----	-	-	-			4,593	4,593	
Beginning fund balance-----	2,361	56	2,417			7,010	4,593	
ENDING FUND BALANCE								
Before encumbrances-----	-	-	-			8,157	8,157	
Less: current year encumbrances-----	-	-	-			(83)	(83)	
Ending fund balance-----	\$ -	\$ -	\$ -			8,074	\$8,074	
RECONCILIATION OF FUND BALANCE NON-GAAP BUDGETARY BASIS TO GENERALLY ACCEPTED ACCOUNTING PRINCIPLES								
Current year encumbrances included in expenditures-----						83		
Revenue and transfer accruals-----						5,312		
Expenditure and transfer accruals-----						68		
Project length budgeted activity-----						4,249		
Fund balance, ending-----						\$17,786		

(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, 2013
(dollars are in thousands)**

CITY OF OKLAHOMA CITY, OKLAHOMA

	Fire Fund						
	Original Budget	Revisions	Revised Budget	Expenditures	Encumbrances	Total Actual	Variance
REVENUES							
TAXES							
Sales taxes-----	\$38,087	\$252	\$38,339			\$38,828	\$489
Investment income-----	38	-	38			8	(30)
Charges for services-----	-	-	-			3	3
OTHER REVENUE							
Rental income-----	12	-	12			12	-
Other revenue-----	-	-	-			4	4
Total revenues -----	38,137	252	38,389			38,855	466
EXPENDITURES							
PUBLIC SAFETY							
Fire:							
Personal services-----	33,356	-	33,356	\$32,607	\$ -	32,607	749
Other services and charges-----	2,041	(35)	2,006	1,226	7	1,233	773
Supplies-----	1,555	406	1,961	1,724	25	1,749	212
Capital outlay-----	2,120	(690)	1,430	678	747	1,425	5
CULTURE AND RECREATION							
Total expenditures and encumbrances-----	39,072	(319)	38,753	36,235	779	37,014	1,739
PRIOR YEAR ENCUMBRANCES							
Related to prior year budgets (1)-----	-	-	-	(29)	-	(29)	29
Related to current year budgets-----	-	-	-	-	(779)	(779)	779
Net expenditures and encumbrances-----	39,072	(319)	38,753	\$36,206	\$ -	36,206	2,547
Excess (deficiency) of revenues over (under) expenditures-----	(935)	571	(364)			2,649	(2,081)
OTHER FINANCING SOURCES (USES)							
TRANSFERS TO COMPONENT UNITS							
Public services:							
OCMFA General Purpose Fund -----	-	(1,500)	(1,500)			(1,500)	-
OTHER FINANCING SOURCES							
Sale of assets-----	-	-	-			51	51
Excess (deficiency) of revenues over expenditures and other uses-----	(935)	(929)	(1,864)			1,200	(2,030)
FUND BALANCE (NON-GAAP BUDGETARY BASIS)							
BEGINNING FUND BALANCE							
Appropriated for current year budget-----	935	900	1,835			1,835	-
Reappropriated for prior year encumbrances-----	-	29	29			29	-
Not appropriated-----	-	-	-			3,824	3,824
Beginning fund balance-----	935	929	1,864			5,688	3,824
ENDING FUND BALANCE							
Before encumbrances-----	-	-	-			6,888	6,888
Less: current year encumbrances-----	-	-	-			(779)	(779)
Ending fund balance-----	\$ -	\$ -	\$ -			6,109	\$6,109
RECONCILIATION OF FUND BALANCE NON-GAAP BUDGETARY BASIS TO GENERALLY ACCEPTED ACCOUNTING PRINCIPLES							
Current year encumbrances included in expenditures-----						779	
Revenue and transfer accruals-----						6,823	
Expenditure and transfer accruals-----						64	
Fund balance, ending-----						\$13,775	

(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.

STATEMENT OF REVENUES, EXPENDITURES,
ENCUMBRANCES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
For the Year Ended June 30, 2013
(dollars are in thousands)

CITY OF OKLAHOMA CITY, OKLAHOMA

	Asset Forfeiture Fund						
	Original Budget	Revisions	Revised Budget	Expenditures	Encumbrances	Total Actual	Variance
REVENUES							
Investment income-----	\$55	\$ -	\$55			(\$10)	(\$65)
Charges for services-----	1,310	-	1,310			1,716	406
Other revenue-----	-	-	-			3	3
Total revenues -----	1,365	-	1,365			1,709	344
EXPENDITURES							
PUBLIC SAFETY							
Police:							
Personal services-----	\$176	180	356	\$347	\$ -	347	9
Other services and charges-----	1,842	(362)	1,480	363	12	375	1,105
Supplies-----	2,772	(35)	2,737	779	143	922	1,815
Capital outlay-----	160	566	726	567	-	567	159
CULTURE AND RECREATION							
Total expenditures and encumbrances-----	4,950	349	5,299	2,056	155	2,211	3,088
PRIOR YEAR ENCUMBRANCES							
Related to prior year budgets (1)-----	-	-	-	(349)	-	(349)	349
Related to current year budgets-----	-	-	-	-	(155)	(155)	155
Net expenditures and encumbrances-----	4,950	349	5,299	\$1,707	\$ -	1,707	3,592
Excess (deficiency) of revenues over (under) expenditures-----	(3,585)	(349)	(3,934)			2	(3,248)
OTHER FINANCING SOURCES (USES)							
TRANSFERS TO OTHER FUNDS							
Public services:							
OCMFA General Purpose Fund -----	(200)	-	(200)			(200)	-
OTHER FINANCING SOURCES							
Sale of assets -----	10	-	10			16	6
Excess (deficiency) of revenues over expenditures and other uses-----	(3,775)	(349)	(4,124)			(182)	(3,242)
FUND BALANCE (NON-GAAP BUDGETARY BASIS)							
BEGINNING FUND BALANCE							
Appropriated for current year budget-----	3,775	-	3,775			3,775	-
Reappropriated for prior year encumbrances-----	-	349	349			349	-
Not appropriated-----	-	-	-			(114)	(114)
Beginning fund balance-----	3,775	349	4,124			4,010	(114)
ENDING FUND BALANCE							
Before encumbrances-----	-	-	-			3,828	3,828
Less: current year encumbrances-----	-	-	-			(155)	(155)
Ending fund balance-----	\$ -	\$ -	\$ -			3,673	\$3,673
RECONCILIATION OF FUND BALANCE NON-GAAP BUDGETARY BASIS TO GENERALLY ACCEPTED ACCOUNTING PRINCIPLES							
Current year encumbrances included in expenditures-----						155	
Revenue and transfer accruals-----						16	
Expenditure and transfer accruals-----						441	
Fund balance, ending-----						\$4,285	

(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, 2013
(dollars are in thousands)**

CITY OF OKLAHOMA CITY, OKLAHOMA

	Zoo Fund				
	Original Budget	Revisions	Revised Budget	Total Actual	Variance
<u>REVENUES</u>					
<u>TAXES</u>					
Sales taxes-----	\$12,696	\$431	\$13,127	\$12,943	(\$184)
Investment income-----	9	-	9	15	6
Total revenues -----	12,705	431	13,136	12,958	(178)
Excess of revenues over expenditures-----	12,705	431	13,136	12,958	(178)
<u>OTHER FINANCING SOURCES (USES)</u>					
<u>TRANSFERS TO OTHER FUNDS</u>					
Culture and recreation:					
Oklahoma City Zoological Trust-----	(12,705)	(2,366)	(15,071)	(14,887)	184
Excess (deficiency) of revenues over expenditures and other uses-----	-	(1,935)	(1,935)	(1,929)	6
<u>FUND BALANCE (NON-GAAP BUDGETARY BASIS)</u>					
<u>BEGINNING FUND BALANCE</u>					
Appropriated for current year budget-----	-	1,935	1,935	1,935	-
Beginning fund balance-----	-	1,935	1,935	1,935	-
<u>ENDING FUND BALANCE</u>					
Before encumbrances-----	-	-	-	6	6
Ending fund balance-----	\$ -	\$ -	\$ -	6	\$6
<u>RECONCILIATION OF FUND BALANCE NON-GAAP BUDGETARY BASIS TO GENERALLY ACCEPTED ACCOUNTING PRINCIPLES</u>					
Revenue and transfer accruals-----				1,760	
Expenditure and transfer accruals-----				(1,770)	
Fund balance, ending-----				(\$4)	

**SCHEDULE OF REVENUES, EXPENDITURES
ENCUMBRANCES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
For the Year Ended June 30, 2013
(dollars are in thousands)**

CITY OF OKLAHOMA CITY, OKLAHOMA

	MAPS Operations Fund						
	Original		Revised		Total		Variance
	Budget	Revisions	Budget	Expenditures	Encumbrances	Actual	
REVENUES							
Investment income-----	\$137	\$ -	\$137			\$50	(\$87)
OTHER REVENUE							
Other revenue-----	-	-	-			73	73
Total revenues -----	137	-	137			123	(14)
EXPENDITURES							
CULTURE AND RECREATION							
Parks:							
Personal services-----	719	-	719	\$714	\$ -	714	5
Other services and charges-----	406	2	408	120	48	168	240
Capital outlay-----	300	13	313	2	18	20	293
Total expenditures and encumbrances -----	1,425	15	1,440	836	66	902	538
PRIOR YEAR ENCUMBRANCES							
Related to prior year budgets (1)-----	-	-	-	(15)	-	(15)	15
Related to current year budgets-----	-	-	-	-	(66)	(66)	66
Net expenditures and encumbrances -----	1,425	15	1,440	\$821	\$ -	821	619
Deficiency of revenues under expenditures -----	(1,288)	(15)	(1,303)			(698)	(633)
OTHER FINANCING SOURCES (USES)							
TRANSFERS TO OTHER FUNDS							
Culture and recreation:							
MAPS Operations Fund (project-length budget) (2)--	(632)	-	(632)			(632)	-
Excess (deficiency) of revenues and other sources over expenditures and other uses -----	(1,920)	(15)	(1,935)			(1,330)	(633)
FUND BALANCE (NON-GAAP BUDGETARY BASIS)							
BEGINNING FUND BALANCE							
Appropriated for current year budget-----	1,920	-	1,920			1,920	-
Reappropriated for prior year encumbrances-----	-	15	15			15	-
Not appropriated-----	-	-	-			7,668	7,668
Beginning fund balance -----	1,920	15	1,935			9,603	7,668
ENDING FUND BALANCE							
Before encumbrances-----	-	-	-			8,273	8,273
Less: current year encumbrances-----	-	-	-			(66)	(66)
Ending fund balance -----	\$ -	\$ -	\$ -			8,207	\$8,207
RECONCILIATION OF FUND BALANCE NON-GAAP BUDGETARY BASIS TO GENERALLY ACCEPTED ACCOUNTING PRINCIPLES							
Current year encumbrances included in expenditures-----						66	
Revenue and transfer accruals-----						(19)	
Expenditure and transfer accruals-----						(1)	
Project length budgeted activity-----						2,652	
Fund balance, ending -----						\$10,905	

- (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) Transfers within the same legal fund do not require budgetary authority.

**SCHEDULE OF REVENUES, EXPENDITURES
ENCUMBRANCES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
For the Year Ended June 30, 2013
(dollars are in thousands)**

CITY OF OKLAHOMA CITY, OKLAHOMA

	Special Purpose Fund						Total Actual	Variance
	Original Budget	Revisions	Revised Budget	Expenditures	Encumbrances			
REVENUES								
<u>LICENSES, PERMITS AND FEES</u>								
Other fees-----	\$45	\$ -	\$45			\$41	(4)	
Investment income-----	1	-	1			1	\$ -	
<u>OTHER REVENUE</u>								
Rental income-----	33	-	33			5	(28)	
Other revenue-----	100	-	100			-	(100)	
Total revenues -----	179	-	179			47	(132)	
<u>GENERAL GOVERNMENT</u>								
Non-departmental:								
Supplies-----	101	-	101	-	-	-	101	
<u>PUBLIC SERVICES</u>								
Planning:								
Other services and charges-----	62	-	62	51	-	51	11	
<u>CULTURE AND RECREATION</u>								
Parks:								
Other services and charges-----	68	1	69	9	-	9	60	
Supplies-----	60	(1)	59	-	-	-	59	
Total expenditures and encumbrances -----	291	-	291	60	-	60	231	
Excess (deficiency) of revenues over (under) expenditures -----	(112)	-	(112)			(13)	(363)	
<u>FUND BALANCE (NON-GAAP BUDGETARY BASIS)</u>								
<u>BEGINNING FUND BALANCE</u>								
Reappropriated for prior year encumbrances----	112	-	112			112	-	
Not appropriated-----	-	-	-			51	51	
Beginning fund balance-----	112	-	112			163	51	
<u>ENDING FUND BALANCE</u>								
Before encumbrances-----	-	-	-			150	150	
Ending fund balance -----	\$ -	\$ -	\$ -			150	\$150	
<u>RECONCILIATION OF FUND BALANCE NON-GAAP BUDGETARY BASIS TO GENERALLY ACCEPTED ACCOUNTING PRINCIPLES</u>								
Revenue and transfer accruals-----						2		
Project length budgeted activity-----						4,671		
Fund balance, ending -----						\$4,823		

- (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
- (2) Transfers within the same legal fund do not require budgetary authority

**SCHEDULE OF REVENUES, EXPENDITURES
ENCUMBRANCES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
For the Year Ended June 30, 2013
(dollars are in thousands)**

CITY OF OKLAHOMA CITY, OKLAHOMA

	Special Districts Fund					
	Original Budget	Revisions	Revised Budget	Expenditures	Total Actual	Variance
REVENUES						
Investment income-----	\$7	\$ -	\$7		(\$27)	(\$34)
Charges for services-----	1,863	-	1,863		2,039	176
Total revenues -----	1,870	-	1,870		2,012	142
EXPENDITURES						
CULTURE AND RECREATION						
Non-departmental:						
Other services and charges-----	21	-	21	-	-	21
Total expenditures and encumbrances -----	21	-	21	\$ -	-	21
Excess of revenues over expenditures -----	1,849	-	1,849		2,012	121
OTHER FINANCING SOURCES (USES)						
TRANSFERS TO OTHER FUNDS						
Public services:						
OCPPA General Purpose Fund-----	(1,849)	-	(1,849)		(2,048)	(199)
Excess (deficiency) of revenues over expenditures and other uses -----	-	-	-		(36)	(78)
FUND BALANCE (NON-GAAP BUDGETARY BASIS)						
BEGINNING FUND BALANCE						
Not appropriated-----	-	-	-		494	494
Beginning fund balance-----	-	-	-		494	494
ENDING FUND BALANCE						
Before encumbrances-----	-	-	-		458	458
Ending fund balance -----	\$ -	\$ -	\$ -		458	\$458
RECONCILIATION OF FUND BALANCE NON-GAAP BUDGETARY BASIS TO GENERALLY ACCEPTED ACCOUNTING PRINCIPLES						
Revenue and transfer accruals-----					31	
Expenditure and transfer accruals-----					648	
Fund balance, ending -----					\$1,137	

(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, 2013
(dollars are in thousands)**

CITY OF OKLAHOMA CITY, OKLAHOMA

	Medical Services Fund					
	Original Budget	Revisions	Revised Budget	Expenditures	Total Actual	Variance
REVENUES						
Investment income-----	\$15	\$ -	\$15		(\$1)	(\$16)
Charges for services-----	6,763	-	6,763		6,909	146
Total revenues -----	6,778	-	6,778		6,908	130
EXPENDITURES						
CULTURE AND RECREATION						
Non-departmental:						
Other services and charges-----	7,572	(325)	7,247	\$6,863	6,863	384
Capital outlay-----	-	325	325	325	325	-
Total expenditures and encumbrances-----	7,572	-	7,572	\$7,188	7,188	384
Excess (deficiency) of revenues over (under) expenditures-----	(794)	-	(794)		(280)	(254)
FUND BALANCE (NON-GAAP BUDGETARY BASIS)						
BEGINNING FUND BALANCE						
Appropriated for current year budget-----	794	-	794		794	-
Not appropriated-----	-	-	-		219	219
Beginning fund balance-----	794	-	794		1,013	219
ENDING FUND BALANCE						
Before encumbrances-----	-	-	-		733	733
Ending fund balance-----	\$ -	\$ -	\$ -		733	\$733
RECONCILIATION OF FUND BALANCE NON-GAAP BUDGETARY BASIS TO GENERALLY ACCEPTED ACCOUNTING PRINCIPLES						
Revenue and transfer accruals-----					477	
Fund balance, ending-----					\$1,210	

**SCHEDULE OF REVENUES, EXPENDITURES
ENCUMBRANCES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
For the Year Ended June 30, 2013
(dollars are in thousands)**

CITY OF OKLAHOMA CITY, OKLAHOMA

	Hotel/Motel Tax Fund				Total Actual	Variance
	Original Budget	Revisions	Revised Budget	Expenditures		
REVENUES						
TAXES						
Hotel/Motel taxes-----	\$12,102	\$200	\$12,302		\$13,145	\$843
Investment income-----	66	-	66		1	(65)
Total revenues -----	12,168	200	12,368		13,146	778
EXPENDITURES						
CULTURE AND RECREATION						
Non-departmental:						
Other services and charges-----	5,665	150	5,815	5,501	-	5,501
Net expenditures and encumbrances-----	5,665	150	5,815	\$5,501	5,501	314
OTHER FINANCING SOURCES (USES)						
TRANSFERS FROM OTHER FUNDS						
OCPPA Fairgrounds Fund-----	5,325	-	5,325		5,228	(97)
TRANSFERS TO OTHER FUNDS						
Culture and recreation:						
OCPPA Fairgrounds Fund-----	(11,840)	(1,500)	(13,340)		(12,749)	591
Total other financing sources (uses)-----	(6,515)	(1,500)	(8,015)		(7,521)	494
Excess (deficiency) of revenues over expenditures and other uses-----	(12)	(1,450)	(1,462)		124	958
FUND BALANCE (NON-GAAP BUDGETARY BASIS)						
BEGINNING FUND BALANCE						
Appropriated for current year budget-----	12	1,450	1,462		1,462	-
Not appropriated-----	-	-	-		5,769	5,769
Beginning fund balance-----	12	1,450	1,462		7,231	5,769
Ending fund balance-----	\$ -	\$ -	\$ -		7,355	\$7,355
Revenue and transfer accruals-----					1,524	
Fund balance, ending-----					\$8,879	

(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) Transfers within the same legal fund do not require budgetary authority

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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
June 30, 2013
(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>
<u>ASSETS</u>						
<u>CURRENT ASSETS</u>						
Pooled cash-----	\$51	\$75	\$339	\$5	\$2	\$472
Investments-----	1,282	1,828	8,326	123	45	11,604
Accounts receivable, net-----	-	-	1,648	-	-	1,648
Interest, dividends, and royalties receivable-----	5	7	32	-	-	44
Due from other funds-----	-	44	78	-	1	123
Receivable from component units-----	-	-	1	25	-	26
Inventories-----	968	-	57	-	5	1,030
Total current assets-----	2,306	1,954	10,481	153	53	14,947
<u>NON-CURRENT ASSETS</u>						
Advance from other funds-----	-	1,723	-	-	-	1,723
Receivable from component units-----	1,307	-	-	639	112	2,058
Capital assets:						
Land, art, and construction in progress-----	16,115	-	3,338	-	-	19,453
Other capital assets, net of accumulated depreciation-----	1,928	-	47,678	-	10	49,616
Capital assets, net-----	18,043	-	51,016	-	10	69,069
Total non-current assets-----	19,350	1,723	51,016	639	122	72,850
Total assets-----	21,656	3,677	61,497	792	175	87,797
<u>LIABILITIES</u>						
<u>CURRENT LIABILITIES</u>						
Accounts payable-----	244	83	550	-	7	884
Wages and benefits payable-----	310	280	320	64	12	986
Due to other funds-----	2	27	72	-	-	101
Payable to component units-----	-	-	1	-	-	1
Interest payable-----	-	-	1	-	-	1
Compensated absences-----	455	397	405	89	25	1,371
Notes, lease obligations, and estimated claims payable-----	-	-	27	-	-	27
Total current liabilities-----	1,011	787	1,376	153	44	3,371
<u>NON-CURRENT LIABILITIES</u>						
Compensated absences-----	827	830	607	281	50	2,595
Notes, lease obligations, and estimated claims payable-----	-	-	347	-	-	347
Net other post-employment benefit obligation-----	1,775	2,060	888	358	71	5,152
Total non-current liabilities-----	2,602	2,890	1,842	639	121	8,094
Total liabilities-----	3,613	3,677	3,218	792	165	11,465
<u>NET POSITION (DEFICIT)</u>						
Net investment in capital assets-----	18,043	-	50,662	-	10	68,715
Public services-----	-	-	8	-	-	8
Unrestricted-----	-	-	7,609	-	-	7,609
Total net position (deficit)-----	\$18,043	\$ -	\$58,279	\$ -	\$10	\$76,332

**COMBINING STATEMENT OF REVENUES,
EXPENSES, AND CHANGES IN FUND NET POSITION
NON-MAJOR ENTERPRISE FUNDS
For the Year Ended June 30, 2013
(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>
<u>OPERATING REVENUES</u>						
<u>CHARGES FOR SERVICES</u>						
Drainage charges-----	\$ -	\$ -	\$14,657	\$ -	\$ -	\$14,657
Other charges-----	-	-	39	-	-	39
Total charges for services-----	-	-	14,696	-	-	14,696
Payments from component units-----	-	-	-	2,237	228	2,465
Other-----	-	-	117	-	-	117
Total operating revenues-----	-	-	14,813	2,237	228	17,278
<u>OPERATING EXPENSES</u>						
Personal services-----	9,182	-	8,188	1,771	367	19,508
Maintenance, operations, and contractual services-----	5,825	-	5,074	2,237	303	13,439
Materials and supplies-----	553	-	616	-	3	1,172
Depreciation-----	491	-	3,320	-	6	3,817
Total operating expenses-----	16,051	-	17,198	4,008	679	37,936
Operating loss-----	(16,051)	-	(2,385)	(1,771)	(451)	(20,658)
<u>NON-OPERATING REVENUE (EXPENSES)</u>						
Investment income-----	6	-	21	-	-	27
Interest on torts, bonds, notes, commercial paper, and lease obligations-----	-	-	(11)	-	-	(11)
Amortization-----	-	-	(3)	-	-	(3)
Payments from component units-----	16,034	-	-	1,771	181	17,986
Other revenue-----	-	-	28	-	-	28
Net non-operating revenue-----	16,040	-	35	1,771	181	18,027
Loss before transfers-----	(11)	-	(2,350)	-	(270)	(2,631)
<u>TRANSFERS</u>						
Transfers from other funds-----	-	-	-	-	263	263
Transfers to other funds-----	-	-	(490)	-	-	(490)
Total transfers-----	-	-	(490)	-	263	(227)
Changes in net position (deficit)-----	(11)	-	(2,840)	-	(7)	(2,858)
<u>NET POSITION (DEFICIT)</u>						
Total net assets, beginning-----	18,054	-	61,119	-	17	79,190
Total net position (deficit), ending-----	\$18,043	\$ -	\$58,279	\$ -	\$10	\$76,332

**COMBINING STATEMENT OF CASH FLOWS
NON-MAJOR ENTERPRISE FUNDS
For the Year Ended June 30, 2013
(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>
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>						
Cash received from customers-----	\$ -	\$ -	\$15,208	\$ -	\$ -	\$15,208
Cash payments to suppliers for goods and services-----	(6,405)	(2,434)	(4,822)	(2,217)	(315)	(16,193)
Cash payments to employees and professional contractors for services-----	(8,804)	(7,657)	(8,099)	(1,670)	(361)	(26,591)
Operating payments from (to) component units-----	-	-	(768)	4,008	409	3,649
Cost reimbursements from (to) other funds-----	-	10,620	-	-	-	10,620
Other cash receipts-----	-	-	116	-	-	116
Net cash provided (used) by operating activities-----	(15,209)	529	1,635	121	(267)	(13,191)
<u>CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES</u>						
Transfers received from other funds-----	-	-	-	-	262	262
Transfers paid to other funds-----	-	-	(490)	-	-	(490)
Payments from (to) component units for non-capital financing activities-----	15,447	-	-	-	-	15,447
Other non-capital financing cash receipts-----	6	-	-	-	-	6
Net cash provided (used) by non-capital financing activities-----	15,453	-	(490)	-	262	15,225
<u>CASH FLOWS FROM CAPITAL AND CAPITAL RELATED FINANCING ACTIVITIES</u>						
Payments for acquisition and construction of capital assets-----	(479)	-	(645)	-	-	(1,124)
Principal paid on long-term debt-----	-	-	(26)	-	-	(26)
Interest paid on long-term debt-----	-	-	(10)	-	-	(10)
Proceeds from sale of assets-----	(9)	-	25	-	-	16
Net cash used by capital and related financing activities-----	(488)	-	(656)	-	-	(1,144)
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>						
Payments for purchase of investments-----	217	-	-	-	-	217
Changes in pooled investments-----	6	(521)	(557)	(117)	4	(1,185)
Investment income received-----	10	8	50	1	1	70
Purchased interest-----	-	1	6	-	-	7
Net cash provided (used) by investing activities-----	233	(512)	(501)	(116)	5	(891)
Net increase (decrease) in cash-----	(11)	17	(12)	5	-	(1)
Cash, beginning-----	62	58	351	-	2	473
Cash, ending-----	\$51	\$75	\$339	\$5	\$2	\$472
<u>RECONCILIATION OF OPERATING LOSS TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</u>						
Operating loss-----	(\$16,051)	\$ -	(\$2,385)	(\$1,771)	(\$451)	(\$20,658)
<u>ADJUSTMENTS TO RECONCILE OPERATING LOSS TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</u>						
Depreciation-----	491	-	3,320	-	6	3,817
Other revenue (expense)-----	-	(3)	116	1,771	181	2,065
Changes in assets and liabilities:						
(Increase) decrease in accounts receivable-----	-	-	417	-	12	429
(Increase) decrease in due from other funds-----	2	235	(3)	-	-	234
(Increase) decrease in receivable from component units-----	-	-	(1)	22	-	21
(Increase) decrease in inventories-----	(22)	-	5	-	(5)	(22)
(Increase) decrease in prepaid assets-----	-	-	1	-	-	1
Increase (decrease) in accounts payable-----	(6)	(49)	132	-	(15)	62
Increase (decrease) in wages and benefits payable-----	59	57	81	11	(3)	205
Increase (decrease) in due to other funds-----	-	18	(27)	(1)	-	(10)
Increase (decrease) in payable to component unit-----	-	-	1	-	-	1
Increase (decrease) in compensated absences-----	182	91	68	59	2	402
Increase (decrease) in net other post-employment benefit obligation-----	136	180	(90)	30	6	262
Total adjustments-----	842	529	4,020	1,892	184	7,467
Net cash provided (used) by operating activities-----	(15,209)	529	1,635	121	(267)	(13,191)
<u>NON-CASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES</u>						
Net increase (decrease) in fair value of investments-----	\$ -	(\$5)	(\$26)	\$ -	\$ -	(\$31)
Issuance of capital leases-----	-	-	394	-	-	394
Total non-cash investing, capital, and financing activities-----	\$ -	(\$5)	\$368	\$ -	\$ -	\$363

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, 2013
(dollars are in thousands)**

CITY OF OKLAHOMA CITY, OKLAHOMA

	Fleet Services	Risk Management	Information Technology	Print Shop	OCMFA Services	OCPPA Services	Total Internal Service Funds
ASSETS							
CURRENT ASSETS							
Pooled cash-----	\$60	\$26	\$188	\$7	\$4,597	\$53	\$4,931
Investments-----	1,473	360	4,613	165	30,540	25	37,176
Accounts receivable, net-----	9	-	27	3	3,971	-	4,010
Interest, dividends, and royalties receivable-----	6	1	17	1	182	-	207
Due from other funds-----	442	6,869	5	145	206	60	7,727
Receivable from component units-----	14	-	-	2	5	1	22
Intergovernmental receivables-----	-	-	-	-	31	-	31
Inventories-----	57	-	142	11	-	-	210
Prepays-----	1	-	442	-	796	-	1,239
Total current assets-----	2,062	7,256	5,434	334	40,328	139	55,553
NON-CURRENT ASSETS							
Prepays, non-current-----	-	-	9	-	3	-	12
Advance to other funds-----	-	3,123	1,521	-	19,755	-	24,399
Capital assets:							
Land and construction in progress-----	949	-	-	-	-	-	949
Other capital assets, net of accumulated depreciation-----	114	12	123	119	4,345	-	4,713
Capital assets, net-----	1,063	12	123	119	4,345	-	5,662
Total non-current assets-----	1,063	3,135	1,653	119	24,103	-	30,073
Total assets-----	3,125	10,391	7,087	453	64,431	139	85,626
LIABILITIES							
CURRENT LIABILITIES							
Accounts payable-----	1,087	1	267	25	2,071	104	3,555
Wages and benefits payable-----	99	31	326	8	-	-	464
Due to other funds-----	10	-	4	-	32	-	46
Payable to component units-----	-	-	-	-	-	4	4
Interest payable-----	-	134	-	-	-	-	134
Compensated absences-----	197	35	505	7	-	-	744
Notes, lease obligations, and estimated claims payable-----	6	3,730	20	13	17,923	-	21,692
Total current liabilities-----	1,399	3,931	1,122	53	20,026	108	26,639
NON-CURRENT LIABILITIES							
Compensated absences-----	388	20	893	10	-	-	1,311
Notes, lease obligations, and estimated claims payable-----	5	3,000	11	14	27,823	-	30,853
Advance from other funds-----	-	19,645	-	-	4,644	-	24,289
Net other post-employment benefit obligation-----	1,111	189	1,571	78	-	-	2,949
Total non-current liabilities-----	1,504	22,854	2,475	102	32,467	-	59,402
Total liabilities-----	2,903	26,785	3,597	155	52,493	108	86,041
NET POSITION (DEFICITS)							
Net investment in capital assets-----	1,058	12	112	96	4,345	-	5,623
Unrestricted-----	(836)	(16,406)	3,378	202	7,593	31	(6,038)
Total net position (deficits)-----	\$222	(\$16,394)	\$3,490	\$298	\$11,938	\$31	(\$415)

COMBINING STATEMENT OF REVENUES,
EXPENSES, AND CHANGES IN FUND NET POSITION
INTERNAL SERVICE FUNDS
For the Year Ended June 30, 2013
(dollars are in thousands)

CITY OF OKLAHOMA CITY, OKLAHOMA

	<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>
<u>OPERATING REVENUES</u>							
<u>CHARGES FOR SERVICES</u>							
Internal service charges-----	\$9,274	\$15,139	\$20,163	\$792	\$38,505	\$814	\$84,687
Other charges-----	-	1	79	-	-	-	80
Total charges for services-----	9,274	15,140	20,242	792	38,505	814	84,767
Forfeitures-----	-	-	-	-	47	-	47
Payments from component units-----	31	-	-	-	-	-	31
Other-----	-	133	-	-	5	-	138
Total operating revenues-----	9,305	15,273	20,242	792	38,557	814	84,983
<u>OPERATING EXPENSES</u>							
Personal services-----	2,863	1,015	9,358	261	-	-	13,497
Maintenance, operations, and contractual services---	637	20,963	7,559	443	38,393	840	68,835
Materials and supplies-----	6,437	6	467	76	8	-	6,994
Depreciation-----	6	4	3	21	1,998	-	2,032
Total operating expenses-----	9,943	21,988	17,387	801	40,399	840	91,358
Operating income (loss)-----	(638)	(6,715)	2,855	(9)	(1,842)	(26)	(6,375)
<u>NON-OPERATING REVENUE (EXPENSES)</u>							
Investment income-----	5	80	16	1	30	-	132
Interest on torts and lease obligations-----	(1)	(134)	(11)	(3)	-	-	(149)
Other revenue (expenses)-----	41	5,335	54	(1)	-	-	5,429
Total non-operating revenue (expenses)-----	45	5,281	59	(3)	30	-	5,412
Income (loss) before transfers-----	(593)	(1,434)	2,914	(12)	(1,812)	(26)	(963)
<u>TRANSFERS</u>							
Transfers from other funds-----	-	3,958	-	-	305	-	4,263
Transfers to other funds-----	-	(63)	(1,662)	-	(63)	-	(1,788)
Total transfers-----	-	3,895	(1,662)	-	242	-	2,475
Changes in net position-----	(593)	2,461	1,252	(12)	(1,570)	(26)	1,512
<u>NET POSITION (DEFICITS)</u>							
Total net position (deficits), beginning-----	815	(18,855)	2,238	310	13,508	57	(1,927)
Total net position (deficits), ending-----	\$222	(\$16,394)	\$3,490	\$298	\$11,938	\$31	(\$415)

**COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
For the Year Ended June 30, 2013
(dollars are in thousands)**

CITY OF OKLAHOMA CITY, OKLAHOMA

	Fleet Services	Risk Management	Information Technology	Print Shop	OCMFA Services	OCPPA Services	Total Internal Service Funds
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>							
Cash received from customers-----	\$9,728	\$15,161	\$20,230	\$762	\$38,666	\$757	\$85,304
Cash payments to suppliers for goods and services-----	(6,968)	(2,846)	(5,869)	(513)	(57,826)	(785)	(74,807)
Cash payments to employees and professional contractors for services-----	(2,623)	(1,075)	(9,093)	(246)	-	-	(13,037)
Cost reimbursements from (to) other funds-----	-	(13,910)	(2,412)	-	16,322	-	-
Other cash receipts-----	33	(23)	53	-	5,495	-	5,558
Net cash provided (used) by operating activities-----	170	(2,693)	2,909	3	2,657	(28)	3,018
<u>CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES</u>							
Interest paid on torts-----	-	(55)	-	-	-	-	(55)
Transfers received from other funds-----	-	2,606	-	-	1,445	-	4,051
Transfers paid to other funds-----	-	(219)	(1,664)	(90)	-	-	(1,973)
Net cash provided (used) by non-capital financing activities-----	-	2,332	(1,664)	(90)	1,445	-	2,023
<u>CASH FLOWS FROM CAPITAL AND CAPITAL RELATED FINANCING ACTIVITIES</u>							
Payments for acquisition and construction of capital assets-----	(22)	-	-	(75)	(156)	-	(253)
Principal paid on long-term debt-----	(7)	-	(77)	(12)	-	-	(96)
Interest paid on long-term debt-----	(1)	-	(11)	(3)	-	-	(15)
Net cash used by capital and related financing activities-----	(30)	-	(88)	(90)	(156)	-	(364)
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>							
Changes in pooled investments-----	(147)	340	(1,139)	166	(6,170)	54	(6,896)
Investment income received-----	9	12	24	3	232	-	280
Purchased interest-----	1	1	2	-	-	-	4
Net cash provided (used) by investing activities-----	(137)	353	(1,113)	169	(5,938)	54	(6,612)
Net increase (decrease) in cash-----	3	(8)	44	(8)	(1,992)	26	(1,935)
Cash, beginning-----	57	34	144	15	6,589	27	6,866
Cash, ending-----	\$60	\$26	\$188	\$7	\$4,597	\$53	\$4,931
<u>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</u>							
Operating income (loss)-----	(\$638)	(\$6,715)	\$2,855	(\$9)	(\$1,842)	(\$26)	(\$6,375)
<u>ADJUSTMENTS TO RECONCILE OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</u>							
Depreciation-----	6	4	3	21	1,998	-	2,032
Other revenue (expense)-----	41	5,335	54	-	-	-	5,430
Changes in assets and liabilities:							
(Increase) decrease in accounts receivable-----	(9)	-	(11)	-	(3,971)	-	(3,991)
(Increase) decrease in due from other funds-----	420	805	(93)	(30)	3,452	(60)	4,494
(Increase) decrease in receivable from component units-----	(12)	-	-	-	(2)	(1)	(15)
(Increase) decrease in inventories-----	(12)	-	(142)	5	-	-	(149)
(Increase) decrease in prepaid assets-----	(1)	-	(66)	1	(40)	-	(106)
(Increase) decrease in intergovernmental receivable-----	-	-	-	-	(31)	-	(31)
Increase (decrease) in accounts payable-----	125	(7)	40	9	891	55	1,113
Increase (decrease) in wages and benefits payable-----	15	-	54	-	-	-	69
Increase (decrease) in due to other funds-----	10	(3,504)	4	-	(1,760)	-	(5,250)
Increase (decrease) in payable to component unit-----	-	-	-	-	-	4	4
Increase (decrease) in compensated absences-----	1	(60)	109	1	-	-	51
Increase (decrease) in long-term debt-----	-	-	-	-	3,962	-	3,962
Increase (decrease) in notes, lease and estimated claims payable-----	-	1,430	-	-	-	-	1,430
Increase (decrease) in net other post-employment benefit obligation-----	224	19	102	5	-	-	350
Total adjustments-----	808	4,022	54	12	4,499	(2)	9,393
Net cash provided (used) by operating activities-----	\$170	(\$2,693)	\$2,909	\$3	\$2,657	(\$28)	\$3,018
<u>NON-CASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES</u>							
Net increase (decrease) in fair value of investments-----	(\$4)	(\$1)	(\$13)	(\$1)	(\$90)	\$-	(\$109)
Issuance of capital leases-----	-	-	108	-	-	-	108
Total non-cash investing, capital, and financing activities-----	(\$4)	(\$1)	\$95	(\$1)	(\$90)	\$-	(\$1)

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
June 30, 2013
(dollars are in thousands)**

CITY OF OKLAHOMA CITY, OKLAHOMA

	OCERS	COTPA Retirement	OCPEBT	Total Pension and Other Post-employment Benefit Trust Funds
<u>ASSETS</u>				
Non-pooled cash-----	\$2,393	\$ -	\$266	\$2,659
<u>RECEIVABLES</u>				
Interest and dividends-----	606	7	53	666
Employer-----	336	21	1,089	1,446
Plan members-----	212	19	505	736
Other receivables-----	105	-	30	135
Total receivables-----	1,259	47	1,677	2,983
<u>INVESTMENTS, AT FAIR VALUE</u>				
Domestic common stock-----	178,607	5,303	13,368	197,278
Passive domestic stock funds-----	72,181	831	-	73,012
Preferred stock-----	3,294	-	-	3,294
Government securities/fixed income-----	57,344	160	-	57,504
Passive bond fund-----	72,670	2,134	6,556	81,360
International stock-----	144,047	961	2,149	147,157
Passive international bond funds-----	5,516	-	-	5,516
Treasury money market fund-----	8,522	86	4,748	13,356
Real estate-----	35,051	98	-	35,149
Oklahoma City judgments-----	3,723	-	-	3,723
Total investments-----	580,955	9,573	26,821	617,349
Invested securities lending collateral-----	3,438	-	-	3,438
Total assets-----	588,045	9,620	28,764	626,429
<u>LIABILITIES</u>				
Accounts payable-----	722	29	1,669	2,420
Due to broker-----	8,552	14	-	8,566
Wages and benefits payable-----	8	-	-	8
Securities lending collateral-----	3,438	-	-	3,438
Compensated absences, current-----	18	-	-	18
Estimated claims payable-----	-	-	779	779
Compensated absences, non-current-----	49	-	-	49
Net other post-employment benefits obligation-----	37	-	-	37
Total liabilities-----	12,824	43	2,448	15,315
<u>NET POSITION HELD IN TRUST</u>				
Pension benefits-----	575,221	9,577	-	584,798
Other post-employment benefits-----	-	-	26,316	26,316
Net position held in trust-----	\$575,221	\$9,577	\$26,316	\$611,114

**COMBINING STATEMENT OF CHANGES
IN FIDUCIARY NET POSITION
PENSION AND OTHER POST-EMPLOYMENT
BENEFIT TRUST FUNDS
June 30, 2013
(dollars are in thousands)**

CITY OF OKLAHOMA CITY, OKLAHOMA

	COTPA			Total Pension and Post-employment Benefit Trust Funds
	OCERS	Retirement	OCPEBT	
<u>ADDITIONS</u>				
Contributions:				
Employer-----	\$11,320	\$506	\$19,905	\$31,731
Plan members-----	7,164	402	10,054	17,620
Total contributions-----	<u>18,484</u>	<u>908</u>	<u>29,959</u>	<u>49,351</u>
Investment income:				
Net appreciation in fair value of investments-----	56,206	784	1,338	58,328
Interest-----	5,334	60	1	5,395
Dividends-----	3,732	126	307	4,165
	<u>65,272</u>	<u>970</u>	<u>1,646</u>	<u>67,888</u>
Less: investment expense-----	(1,619)	(38)	(26)	(1,683)
Net investment income-----	<u>63,653</u>	<u>932</u>	<u>1,620</u>	<u>66,205</u>
From securities lending activities:				
Securities lending income-----	63	-	-	63
Securities lending expenses:				
Borrower rebates-----	(2)	-	-	(2)
Management fees-----	(20)	-	-	(20)
Net income from securities lending activities-----	<u>41</u>	<u>-</u>	<u>-</u>	<u>41</u>
Other-----	148	-	-	148
Total additions-----	<u>82,326</u>	<u>1,840</u>	<u>31,579</u>	<u>115,745</u>
<u>DEDUCTIONS</u>				
Benefits paid-----	24,827	538	24,389	49,754
Refunds of contributions-----	903	67	-	970
Administrative expenses-----	469	44	73	586
Total deductions-----	<u>26,199</u>	<u>649</u>	<u>24,462</u>	<u>51,310</u>
Change in net position-----	<u>56,127</u>	<u>1,191</u>	<u>7,117</u>	<u>64,435</u>
<u>NET POSITION HELD IN TRUST FOR PENSION BENEFITS AND OTHER POST-EMPLOYMENT BENEFITS</u>				
Beginning of year-----	519,094	8,386	19,199	546,679
End of year-----	<u>\$575,221</u>	<u>\$9,577</u>	<u>\$26,316</u>	<u>\$611,114</u>

STATEMENT OF CHANGES IN
ASSETS AND LIABILITIES
AGENCY FUND
June 30, 2013
(dollars are in thousands)

CITY OF OKLAHOMA CITY, OKLAHOMA

	Beginning Balance	Additions	Deletions	Ending Balance
<u>ASSETS</u>				
Pooled cash-----	\$231	(\$25,330)	\$25,253	\$154
Non-pooled cash-----	331	(1,286)	1,514	559
Interest and dividends-----	13	(29)	24	8
Other receivables-----	134	(4,860)	5,021	295
Pooled investments-----	1,907	(2,385)	2,496	2,018
Total assets-----	\$2,616	(\$33,890)	\$34,308	\$3,034
<u>LIABILITIES</u>				
Accounts payable-----	\$201	(\$317)	\$928	\$812
Due to depositors-----	2,415	(22,447)	22,254	2,222
Total liabilities-----	\$2,616	(\$22,764)	\$23,182	\$3,034

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, 2013
(dollars are in thousands)

CITY OF OKLAHOMA CITY, OKLAHOMA

CASH FLOWS FROM OPERATING ACTIVITIES

Cash received from customers-----	\$22
Cash payments to suppliers for goods and services-----	(13)
Net cash provided by operating activities-----	<u>9</u>

Net increase in cash----- **9**

Cash, beginning-----	12
Cash, ending-----	<u><u>\$21</u></u>

RECONCILIATION OF OPERATING INCOME TO NET

CASH PROVIDED BY OPERATING ACTIVITIES

Operating income-----	<u>\$4</u>
-----------------------	------------

ADJUSTMENTS TO RECONCILE OPERATING INCOME TO
NET CASH PROVIDED BY OPERATING ACTIVITIES

(Increase) decrease in prepaid assets-----	<u>5</u>
Total adjustments-----	<u>5</u>
Net cash provided by operating activities-----	<u><u>\$9</u></u>

**Other
Supplementary
Information**



CAPITAL ASSETS
SCHEDULE BY FUND AND COMPONENT UNIT
June 30, 2013
(dollars are in thousands)

CITY OF OKLAHOMA CITY, OKLAHOMA

	<u>NOT DEPRECIATED</u>		<u>DEPRECIATED</u>				<u>Accumulated Depreciation</u>	<u>Total</u>
	<u>Land, Art & Water Storage Rights</u>	<u>Construction In Progress</u>	<u>Buildings</u>	<u>Infrastructure & Improvements Other Than Buildings</u>	<u>Furniture, Machinery, and Equipment</u>			
Primary Government								
<i>Governmental Activities</i>								
Non fund-related-----	\$101,032	\$111,789	\$495,383	\$1,499,552	\$208,466	(\$888,866)	\$1,527,356	
<u>Internal service funds</u>								
Fleet Services Fund-----	924	23	784	75	163	(906)	1,063	
Risk Management Fund-----	-	-	-	-	24	(12)	12	
Information Technology Fund-----	-	-	33	-	322	(232)	123	
Print Shop Fund-----	-	-	-	-	234	(115)	119	
OCMFA Services Fund-----	-	-	219	-	24,614	(20,488)	4,345	
OCPPA Services Fund-----	-	-	-	-	-	-	-	
	<u>924</u>	<u>23</u>	<u>1,036</u>	<u>75</u>	<u>25,357</u>	<u>(21,753)</u>	<u>5,662</u>	
	<u>101,956</u>	<u>111,812</u>	<u>496,419</u>	<u>1,499,627</u>	<u>233,823</u>	<u>(910,619)</u>	<u>1,533,018</u>	
<i>Business-type Activities</i>								
<u>Major enterprise funds</u>								
Water Utilities Fund-----	9,378	-	44,033	535,807	35,242	(380,161)	244,299	
OCEAT-----	-	165	2,247	1,652	19,381	(11,040)	12,405	
OCZT-----	-	1,188	77,178	10,486	5,807	(32,953)	61,706	
OCPPA Fairgrounds-----	2,005	13,467	27,056	52,181	2,785	(28,305)	69,189	
OCPPA Golf Courses-----	-	215	1,929	20,897	4,409	(20,871)	6,579	
	<u>11,383</u>	<u>15,035</u>	<u>152,443</u>	<u>621,023</u>	<u>67,624</u>	<u>(473,330)</u>	<u>394,178</u>	
<u>Non-major enterprise funds</u>								
Airports Fund-----	16,114	-	8,637	30,453	5,679	(42,840)	18,043	
Solid Waste Management Fund----	-	-	1	2	194	(197)	-	
Stormwater Drainage Fund-----	3,167	171	1,393	98,295	5,023	(57,033)	51,016	
Transportation Fund-----	-	-	-	-	-	-	-	
Parking Fund-----	-	-	-	119	365	(474)	10	
	<u>19,281</u>	<u>171</u>	<u>10,031</u>	<u>128,869</u>	<u>11,261</u>	<u>(100,544)</u>	<u>69,069</u>	
	<u>30,664</u>	<u>15,206</u>	<u>162,474</u>	<u>749,892</u>	<u>78,885</u>	<u>(573,874)</u>	<u>463,247</u>	
Total primary government--	<u>\$132,620</u>	<u>\$127,018</u>	<u>\$658,893</u>	<u>\$2,249,519</u>	<u>\$312,708</u>	<u>(\$1,484,493)</u>	<u>\$1,996,265</u>	
Component Units								
OCAT-----	\$14,466	\$17,793	\$484,126	\$263,752	\$18,315	(\$402,687)	\$395,765	
OCRRA-----	32	-	-	3,225	193	(543)	2,907	
OCICF-----	953	-	11,522	-	-	(1,542)	10,933	
OCWUT-----	162,630	167,645	89,389	957,126	94,807	(416,767)	1,054,830	
COTPA-----	4,872	10,454	37,502	7,617	26,167	(36,452)	50,160	
OCMAPS-----	206	102,766	-	-	-	-	102,972	
OCRA-----	507	-	8,615	15,905	-	(5,749)	19,278	
OCEDT-----	4,202	22,528	2,472	241	-	(212)	29,231	
Total component units-----	<u>\$187,868</u>	<u>\$321,186</u>	<u>\$633,626</u>	<u>\$1,247,866</u>	<u>\$139,482</u>	<u>(\$863,952)</u>	<u>\$1,666,076</u>	

**LONG-TERM DEBT SUPPORTING
GENERAL GOVERNMENT SERVICES
SCHEDULE OF GENERAL OBLIGATION
BONDS OUTSTANDING BY ISSUE (1)**

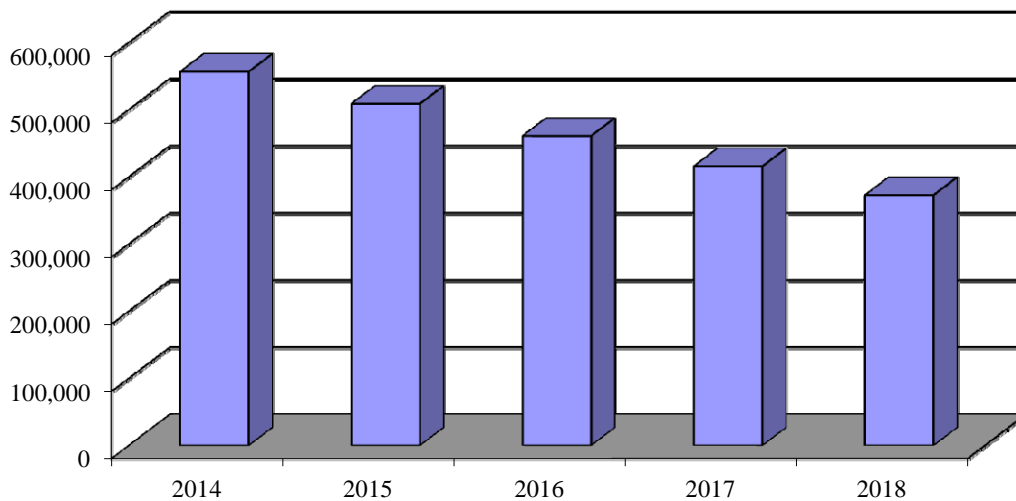
CITY OF OKLAHOMA CITY, OKLAHOMA

June 30, 2013

(dollars are in thousands)

<u>Fiscal Year</u>	<u>Issue</u>	<u>Issued</u>	<u>Maturity Date</u>	<u>Amount Issued</u>	<u>Amount Outstanding</u>
2003	Combined Purpose 2003 (2)	03/01/03	03/01/13	\$25,000	\$ -
2004	Combined Purpose 2004 (2)	03/01/04	03/01/14	20,000	1,050
2005	Combined Purpose 2005 (2)	05/01/05	03/01/15	47,000	4,950
2005	Refunding 2005 (3)	03/05/05	09/01/21	91,325	56,565
2006	Combined Purpose 2006	03/01/06	03/01/26	80,000	54,740
2007	Combined Purpose 2007	03/01/07	03/01/27	72,000	53,050
2008	Combined Purpose 2008	03/01/08	03/01/28	60,560	47,820
2008	Economic Development 2008	03/01/08	03/01/28	7,000	5,540
2009	Combined Purpose 2009	04/01/09	03/01/29	47,485	39,985
2010	Combined Purpose 2010	03/01/10	03/01/30	64,420	57,630
2010	Economic Development 2010	04/01/10	03/01/30	29,000	25,940
2011	Combined Purpose 2011	03/01/11	03/01/31	43,000	40,735
2012	Combined Purpose 2012	04/01/12	03/01/32	50,000	50,000
2012	Refunding 2012 (2)	01/11/12	03/01/25	80,110	71,455
2013	Combined Purpose 2013	03/01/13	03/01/33	<u>90,000</u>	<u>90,000</u>
				<u>\$806,900</u>	<u>\$599,460</u>

- (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 2012 Refunding issue refunded portions of the 2002, 2003, 2004, 2005, and 2002 refunding general obligation bonds. Maturity dates on remaining issues are changed to reflect provisions of the 2012 Refunding.
- (3) The 2005 Refunding issue refunded portions of the 1996, 1998, 1999, and 2001 general obligation bonds. Maturity dates on remaining issues are changed to reflect provisions of the 2005 Refunding.



**LONG-TERM DEBT SUPPORTING
GENERAL GOVERNMENT SERVICES
DEBT SERVICE TO MATURITY BY TYPE OF DEBT
June 30, 2013
(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	
2014	\$43,070	\$25,575	\$68,645	\$295	\$55	\$350	\$107	\$17	\$124	\$69,119
2015	47,860	23,734	71,594	992	45	1,037	55	13	68	72,699
2016	47,695	21,579	69,274	384	35	419	336	4	340	70,033
2017	45,310	19,449	64,759	394	23	417	8	-	8	65,184
2018	42,750	17,460	60,210	225	45	270	-	-	-	60,480
2019	35,625	14,277	49,902	225	10	235	-	-	-	50,137
2020	40,110	14,084	54,194	300	9	309	-	-	-	54,503
2021	37,340	12,391	49,731	300	8	308	-	-	-	50,039
2022	35,350	10,796	46,146	300	6	306	-	-	-	46,452
2023	33,255	9,318	42,573	350	5	355	-	-	-	42,928
2024	32,000	7,883	39,883	350	3	353	-	-	-	40,236
2025	30,610	6,509	37,119	350	2	352	-	-	-	37,471
2026	29,415	5,262	34,677	325	-	325	-	-	-	35,002
2027	24,540	4,049	28,589	-	-	-	-	-	-	28,589
2028	20,870	3,011	23,881	-	-	-	-	-	-	23,881
2029	17,195	2,075	19,270	-	-	-	-	-	-	19,270
2030	14,555	1,368	15,923	-	-	-	-	-	-	15,923
2031	9,750	817	10,567	-	-	-	-	-	-	10,567
2032	7,480	441	7,921	-	-	-	-	-	-	7,921
2033	4,680	151	4,831	-	-	-	-	-	-	4,831
	<u>\$599,460</u>	<u>\$200,229</u>	<u>\$799,689</u>	<u>\$4,790</u>	<u>\$246</u>	<u>\$5,036</u>	<u>\$506</u>	<u>\$34</u>	<u>\$540</u>	<u>\$805,265</u>

**SCHEDULE OF RECEIVABLES AND PAYABLES
WITHIN THE REPORTING ENTITY
BY FUND
June 30, 2013
(dollars are in thousands)**

Due to Other Funds
Governmental Activities

	Major Funds						Other Governmental Funds							
	General	Debt	Grants	MAPS3	General	Emergency	Court		Police	Fire	Zoo	OCMFA	OCPPA	MAPS
		Service	Management	Sales	Obligation		Administration	and Training				General	General	
				Tax	Bonds	Management					Purpose	Purpose		
DUE FROM														
<i>Governmental Activities</i>														
<u>Major Governmental Funds</u>														
General	\$ -	\$16	\$ -	\$342	\$ -	\$132	\$2	\$300	\$ -	\$5	\$ -	\$37	\$9	
Debt Service	-	-	-	-	-	-	-	-	-	-	-	-	-	
Grants Management	3,532	-	-	-	1,238	-	-	123	6	-	-	-	-	
MAPS3 Sales Tax	-	-	-	-	-	-	-	-	-	-	-	-	-	
General Obligation Bonds	636	-	-	-	-	-	-	-	-	-	6,295	-	-	
<u>Other Governmental Funds</u>														
Court Administration and Train	-	-	-	-	-	-	-	-	-	-	-	-	-	
Police	-	-	-	-	-	-	-	-	-	-	-	-	-	
Fire	71	-	-	-	-	-	-	-	-	-	-	-	-	
Asset Forfeiture	68	-	-	-	-	-	-	25	-	-	-	-	-	
OCMFA General Purpose	333	-	-	-	-	-	-	1,500	1,500	-	-	-	-	
MAPS Operations	-	-	-	-	-	-	-	-	-	-	-	52	-	
MAPS3 Use Tax	-	-	-	-	-	-	-	-	-	-	-	-	-	
Special Purpose	56	-	811	-	-	-	-	-	-	-	-	-	-	
Special Districts	81	-	-	-	-	-	-	-	-	-	-	-	-	
Medical Services	5	-	-	-	-	-	-	-	-	-	-	-	-	
Capital Improvement	9,464	-	-	-	-	-	-	-	-	-	-	-	-	
Street and Alley	20	-	-	-	-	-	-	-	-	-	-	-	-	
Police/Fire Equipment Sales Tax	4	-	-	-	-	-	2	-	-	-	-	-	-	
Police/Fire Equipment Use Tax	1	-	-	-	-	-	-	-	-	-	-	-	-	
City Schools Sales Tax	18	-	-	-	-	-	-	-	-	-	-	-	-	
City Schools Use Tax	52	-	-	-	-	-	-	-	-	-	-	-	-	
Sports Facility Sales Tax	299	-	-	-	-	-	-	-	-	-	-	-	-	
Sports Facility Use Tax	74	-	-	-	-	-	-	-	-	-	-	-	-	
<u>Internal Service Funds</u>														
Fleet Services	-	-	-	-	-	-	-	-	-	-	-	-	-	
Information Technology	-	-	-	-	-	-	-	-	-	-	-	-	-	
OCMFA Services	-	-	-	-	-	-	-	-	-	-	20	-	-	
	<u>\$14,714</u>	<u>\$16</u>	<u>\$811</u>	<u>\$342</u>	<u>\$1,238</u>	<u>\$132</u>	<u>\$4</u>	<u>\$1,948</u>	<u>\$1,506</u>	<u>\$5</u>	<u>\$6,315</u>	<u>\$89</u>	<u>\$9</u>	
<u>Major Enterprise Funds</u>														
Water and Wastewater	\$89	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
OCEAT	129	-	-	-	-	-	-	-	-	-	-	-	-	
OCPPA Fairgrounds	41	-	-	-	-	-	-	-	-	-	-	-	-	
OCPPA Golf Courses	74	-	-	-	-	-	-	-	-	-	-	-	-	
<u>Other Enterprise Funds</u>														
Airports	-	-	-	-	-	-	-	-	-	-	-	-	-	
Solid Waste Management	24	-	-	-	-	-	-	-	-	-	-	-	-	
Stormwater Drainage	6	-	21	-	-	-	-	-	-	-	-	-	-	
	<u>\$363</u>	<u>\$ -</u>	<u>\$21</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	

Due to Other Funds																	
Governmental Activities										Business-type Activities							
Other Governmental Funds					Internal Service Funds						Major Funds		Other Enterprise Funds				
Medical Services	Hotel/ Motel Tax	Street and Alley	City Schools Use Tax	MAPS3 Tax	Fleet Services	Risk Management	Information Technology	Print Shop	OCMFA Services	OCPPA Services	Water and Wastewater	OCEAT	Solid Waste Management	Stormwater Drainage	Parking	Total	
\$ -	\$1	\$ -	\$ -	\$58	\$288	\$7	\$1	\$49	\$11	\$49	\$ -	\$ -	\$ -	\$ -	\$ -	\$1,307	
-	-	-	-	-	-	6,862	-	-	-	-	-	-	-	-	-	6,862	
-	-	-	1	-	-	-	2	-	188	-	20	55	44	-	-	5,209	
-	-	-	-	-	-	-	-	-	-	-	-	-	-	1	-	1	
-	-	-	-	-	-	-	-	-	-	-	-	-	-	18	-	6,949	
-	-	-	-	-	-	-	-	-	1	-	-	-	-	-	-	1	
-	-	-	-	-	103	-	-	-	-	-	-	-	-	-	-	103	
-	-	-	-	-	-	-	-	-	1	-	-	-	-	-	-	72	
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	93	
-	-	-	-	-	-	-	-	-	-	-	-	-	-	3	-	3,336	
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	52	
-	-	-	-	-	-	-	-	1	-	-	-	-	-	-	-	1	
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	867	
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	81	
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	5	
-	-	44	-	-	-	-	2	90	-	-	-	2	-	-	-	9,602	
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	20	
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	6	
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1	
-	-	-	-	-	-	-	-	1	1	-	-	-	-	-	-	20	
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	52	
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	299	
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	74	
-	-	-	-	-	-	-	-	-	-	9	-	-	-	-	1	10	
-	-	-	-	-	-	-	-	-	4	-	-	-	-	-	-	4	
-	-	-	-	-	-	-	-	-	-	-	12	-	-	-	-	32	
\$-	\$1	\$44	\$1	\$58	\$391	\$6,869	\$5	\$141	\$206	\$58	\$32	\$57	\$44	\$22	\$1	\$35,059	
\$18	\$ -	\$ -	\$ -	\$ -	\$3	\$ -	\$ -	\$4	\$ -	\$ -	\$ -	\$202	\$ -	\$55	\$ -	\$371	
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	129	
-	-	-	-	-	-	-	-	-	-	-	-	-	-	1	-	42	
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	74	
-	-	-	-	-	-	-	-	-	-	2	-	-	-	-	-	2	
-	-	-	-	-	3	-	-	-	-	-	-	-	-	-	-	27	
-	-	-	-	-	45	-	-	-	-	-	-	-	-	-	-	72	
\$18	\$-	\$-	\$-	\$-	\$51	\$-	\$-	\$4	\$-	\$2	\$-	\$202	\$-	\$56	\$-	\$717	

**SCHEDULE OF TRANSFERS
 WITHIN THE REPORTING ENTITY
 BY FUND
 June 30, 2012
 (dollars are in thousands)**

	<u>Transfers From Other Funds</u>								
	<i>Governmental Activities</i>								
	Major Funds					Other Governmental Funds			
	Debt	Grants	MAPS3	General		Asset		OCMFA	OCPPA
	Service	Management	Sales	Obligation		Forfeiture	Zoo	General	General
	General	Management	Tax	Bonds		Forfeiture	Zoo	Purpose	Purpose
TRANSFERS TO									
<i>Governmental Activities</i>									
<u>Major Governmental Funds</u>									
General	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Grants Management	1,111	-	-	4	170	-	-	-	-
General Obligation Bonds	-	90,000	-	-	-	-	-	-	-
<u>Other Governmental Funds</u>									
Emergency Management	3,531	-	-	-	-	-	-	-	-
OCMFA General Purpose	720	-	-	-	-	200	-	-	-
OCPPA General Purpose	4,520	-	-	-	-	-	-	-	-
Special Districts	-	-	-	-	-	-	-	-	50
Capital Improvement	5,248	-	-	-	-	-	-	55	1,324
Street and Alley	-	-	32	-	-	-	-	-	-
<u>Internal Service Funds</u>									
Risk Management	-	3,958	-	-	-	-	-	-	-
OCMFA Services	<u>212</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>15,342</u>	<u>93,958</u>	<u>32</u>	<u>4</u>	<u>170</u>	<u>200</u>	<u>-</u>	<u>55</u>	<u>1,374</u>
	<u>\$15,342</u>	<u>\$93,958</u>	<u>\$32</u>	<u>\$4</u>	<u>\$170</u>	<u>\$200</u>	<u>\$-</u>	<u>\$55</u>	<u>\$1,374</u>
<u>Major Enterprise Funds</u>									
OCZT	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$12,925	\$ -	\$ -
OCPPA Fairgrounds	-	-	-	-	-	-	-	-	-
OCPPA Golf Courses	1,280	-	-	-	-	-	-	-	-
<u>Other Enterprise Funds</u>									
Parking	<u>263</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>\$1,543</u>	<u>\$-</u>	<u>\$-</u>	<u>\$-</u>	<u>\$-</u>	<u>\$-</u>	<u>\$12,925</u>	<u>\$-</u>	<u>\$-</u>

<u>Transfers From Other Funds</u>											
<i>Governmental Activities</i>						<i>ISS-type Act</i>					
Other Governmental Funds						Internal Service Funds			Enterprise		
MAPS Operations	Special Purpose	Hotel/ Motel Tax	Capital Improvements Fund	Street and Alley	City Schools Use Tax	Risk Management	Information Technology	OCMFA Services	OCEAT	Stormwater Drainage	Total
\$ -	\$1,587	\$ -	\$ -	\$ -	\$580	\$ -	\$ -	\$ -	\$818	\$ -	\$2,985
-	872	-	54	-	-	-	-	63	8	-	2,282
-	-	-	-	-	-	-	-	-	-	-	90,000
-	-	-	-	-	-	-	-	-	-	-	3,531
-	-	-	-	-	-	-	1,521	-	-	-	2,441
411	-	-	-	-	-	-	76	-	-	490	5,497
-	-	-	-	-	-	-	-	-	-	-	50
710	-	-	-	191	-	-	65	-	-	-	7,593
-	-	-	-	-	-	-	-	-	-	-	32
-	-	-	-	-	-	-	-	-	-	-	3,958
-	-	-	30	-	-	63	-	-	-	-	305
<u>1,121</u>	<u>2,459</u>	<u>-</u>	<u>84</u>	<u>191</u>	<u>580</u>	<u>63</u>	<u>1,662</u>	<u>63</u>	<u>826</u>	<u>490</u>	<u>118,674</u>
<u>\$1,121</u>	<u>\$2,459</u>	<u>\$-</u>	<u>\$84</u>	<u>\$191</u>	<u>\$580</u>	<u>\$63</u>	<u>\$1,662</u>	<u>\$63</u>	<u>\$826</u>	<u>\$490</u>	<u>\$118,674</u>
\$ -	\$ -	\$ -	\$ -	-	-	\$ -	\$ -	-	\$ -	\$ -	\$12,925
-	-	7,522	-	-	-	-	-	-	-	-	7,522
-	-	-	-	-	-	-	-	-	-	-	1,280
-	-	-	-	-	-	-	-	-	-	-	263
<u>\$-</u>	<u>\$-</u>	<u>\$7,522</u>	<u>\$-</u>	<u>\$-</u>	<u>\$-</u>	<u>\$-</u>	<u>\$-</u>	<u>\$-</u>	<u>\$-</u>	<u>\$-</u>	<u>\$21,990</u>

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Statistical



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									
	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
<i>Governmental Activities:</i>										
Net investment in capital assets	\$888,639	\$917,055	\$1,004,827	\$1,020,619	\$774,069	\$685,791	\$632,004	\$613,911	\$586,785	\$526,438
Restricted for:										
Capital projects	487,134	363,150	159,669	103,661	222,521	269,293	240,197	207,276	180,188	167,379
Debt service	68,277	52,171	51,305	39,562	48,049	52,294	43,397	42,996	43,709	37,531
Public safety	22,682	18,850	17,246	17,221	-	-	-	1,548	26,881	42,363
Public services	8,859	6,849	6,698	5,638	9,249	-	-	-	-	4,774
Culture and recreation	11,284	12,519	10,240	56,152	23,921	12,215	12,613	13,279	7,016	6,123
Education	-	-	-	6,205	7,073	311	207	274	970	273
Unrestricted	<u>169,684</u>	<u>169,928</u>	<u>130,372</u>	<u>52,086</u>	<u>174,027</u>	<u>162,941</u>	<u>172,429</u>	<u>155,209</u>	<u>126,613</u>	<u>104,253</u>
	<u>1,656,559</u>	<u>1,540,522</u>	<u>1,380,357</u>	<u>1,301,144</u>	<u>1,258,909</u>	<u>1,182,845</u>	<u>1,100,847</u>	<u>1,034,493</u>	<u>972,162</u>	<u>889,134</u>
% change from prior year	27.32%	11.60%	9.65%	3.35%	6.43%	7.45%	6.41%	6.41%	9.34%	5.51%
<i>Business-type Activities: (3)</i>										
Net investment in capital assets	373,819	1,088,470	1,032,890	1,023,777	965,156	909,153	890,848	792,391	737,647	702,549
Restricted for:										
Capital projects	1	863	1,573	2,140	11,449	27,388	24,683	48,703	1,078	2,231
Debt service	4,156	54,363	51,358	39,287	35,595	36,046	40,496	38,024	41,086	35,569
Public services	16	-	-	162,286	98,856	77,274	63,609	108,744	106,554	101,300
Culture and recreation	232	-	-	-	-	229	-	-	1,870	724
Maintenance	-	19,840	17,421	17,482	19,348	19,964	16,914	13,535	16,801	17,451
Unrestricted	<u>(9,863)</u>	<u>186,221</u>	<u>176,014</u>	<u>(37,526)</u>	<u>(50,867)</u>	<u>(47,948)</u>	<u>(47,076)</u>	<u>(59,281)</u>	<u>(9,678)</u>	<u>109</u>
	<u>368,361</u>	<u>1,349,757</u>	<u>1,279,256</u>	<u>1,207,446</u>	<u>1,079,537</u>	<u>1,022,106</u>	<u>989,474</u>	<u>942,116</u>	<u>895,358</u>	<u>859,933</u>
% change from prior year	(69.49)%	5.51%	18.50%	11.85%	5.62%	3.30%	5.03%	5.22%	4.12%	0.96%
Primary Government										
Net investment in capital assets	1,262,458	2,005,525	2,037,717	2,044,396	1,739,225	1,594,944	1,522,852	1,406,302	1,324,432	1,228,987
Restricted for:										
Capital projects	487,135	364,013	161,242	105,801	233,970	296,681	264,880	255,979	181,266	169,610
Debt service	72,433	106,534	102,663	78,849	83,644	88,340	83,893	81,020	84,795	73,100
Public safety	22,682	18,850	17,246	17,221	-	-	-	1,548	26,881	42,363
Public services (4)	8,875	6,849	6,698	167,924	108,105	77,274	63,609	108,744	106,554	106,074
Culture and recreation	11,516	12,519	10,240	56,152	23,921	12,444	12,613	13,279	8,886	6,847
Education	-	-	-	6,205	7,073	311	207	274	970	273
Maintenance	-	19,840	17,421	17,482	19,348	19,964	16,914	13,535	16,801	17,451
Unrestricted	<u>159,821</u>	<u>356,149</u>	<u>306,386</u>	<u>14,560</u>	<u>123,160</u>	<u>114,993</u>	<u>125,353</u>	<u>95,928</u>	<u>116,935</u>	<u>104,362</u>
Total primary government (5)	<u>\$2,024,920</u>	<u>\$2,890,279</u>	<u>\$2,659,613</u>	<u>\$2,508,590</u>	<u>\$2,338,446</u>	<u>\$2,204,951</u>	<u>\$2,090,321</u>	<u>\$1,976,609</u>	<u>\$1,867,520</u>	<u>\$1,749,067</u>
% change from prior year	(19.28)%	8.67%	13.73%	7.28%	6.05%	5.48%	5.75%	5.84%	6.77%	3.22%

- (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									
	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
PROGRAM EXPENSES (2)										
<i>Governmental Activities</i>										
General government	\$26,863	\$31,257	\$29,501	\$44,301	\$42,737	\$27,544	\$45,049	\$20,084	\$14,098	\$21,615
Public safety:										
Police	177,062	158,950	143,367	160,889	171,042	156,015	140,947	131,985	123,014	114,959
Fire	153,482	137,017	124,945	132,709	127,573	135,838	127,187	119,742	111,056	102,814
Other	35,419	26,993	26,785	18,318	17,865	26,527	14,488	21,866	26,898	39,085
Public services	137,685	127,218	146,034	129,972	102,201	106,925	77,266	94,323	77,897	53,060
Culture and recreation	79,813	87,379	77,107	72,664	74,320	56,778	50,816	51,051	38,734	38,703
Education	2,059	1,571	1,327	1,224	41,322	89,826	85,369	82,288	75,953	83,989
Economic development	1,271	5,335	4,902	-	-	-	-	-	-	-
Interest on long-term debt	<u>22,389</u>	<u>20,824</u>	<u>25,882</u>	<u>22,617</u>	<u>24,124</u>	<u>21,413</u>	<u>20,279</u>	<u>16,949</u>	<u>15,673</u>	<u>17,457</u>
	<u>636,043</u>	<u>596,544</u>	<u>579,850</u>	<u>582,694</u>	<u>601,184</u>	<u>620,866</u>	<u>561,401</u>	<u>538,288</u>	<u>483,323</u>	<u>471,682</u>
<i>Business-type Activities (3)</i>										
Airports	16,204	52,824	54,103	53,011	52,570	54,500	54,158	52,718	50,215	45,656
Water and wastewater utilities	92,007	159,659	140,631	142,496	138,135	136,938	130,819	127,702	119,455	129,589
Solid waste management	39,147	37,150	35,213	34,467	33,613	32,993	32,373	30,416	27,760	28,143
Stormwater drainage	17,409	16,113	15,933	13,495	13,791	12,790	14,277	10,850	9,780	10,214
Golf courses	10,956	10,811	9,160	11,944	10,405	9,444	9,257	8,745	8,786	9,192
Fairgrounds	9,873	10,063	6,652	2,363	2,516	2,197	2,080	2,503	617	44
Ground transportation and parking	4,892	4,741	5,253	2,258	2,472	2,182	1,890	1,740	1,719	3,122
Zoo operations	<u>20,522</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>211,010</u>	<u>291,361</u>	<u>266,945</u>	<u>260,034</u>	<u>253,502</u>	<u>251,044</u>	<u>244,854</u>	<u>234,674</u>	<u>218,332</u>	<u>225,960</u>
Total program expenses	<u>847,053</u>	<u>887,905</u>	<u>846,795</u>	<u>842,728</u>	<u>854,686</u>	<u>871,910</u>	<u>806,255</u>	<u>772,962</u>	<u>701,655</u>	<u>697,642</u>
PROGRAM REVENUES										
<i>Governmental Activities</i>										
CHARGES FOR SERVICES										
General government	2,464	1,883	2,220	2,143	2,413	2,452	1,500	1,312	1,062	1,210
Public safety:										
Police	2,516	3,730	3,765	3,118	2,814	1,972	2,000	2,474	2,290	2,133
Fire	13	8	12	11	4	20	24	13	15	13
Other	34,429	30,530	30,572	28,573	21,588	21,526	21,156	21,645	21,745	20,818
Public services	21,774	18,429	17,552	19,054	19,131	20,315	18,686	18,346	16,449	15,271
Culture and recreation	20,413	18,519	18,127	15,801	15,640	16,494	7,756	7,909	5,351	4,707
Education	224	205	204	9	-	71	-	-	-	-
Economic development	-	2	1	-	-	-	-	-	-	-
Operating grants and contributions	65,711	65,844	73,965	57,725	73,350	74,426	57,342	64,487	63,895	56,345
Capital grants and contributions	<u>64,783</u>	<u>16,504</u>	<u>12,003</u>	<u>30,761</u>	<u>24,093</u>	<u>30,780</u>	<u>14,152</u>	<u>21,459</u>	<u>38,664</u>	<u>23,967</u>
	<u>212,327</u>	<u>155,654</u>	<u>158,421</u>	<u>157,195</u>	<u>159,033</u>	<u>168,056</u>	<u>122,616</u>	<u>137,645</u>	<u>149,471</u>	<u>124,464</u>
<i>Business-type Activities (3)</i>										
CHARGES FOR SERVICES										
Airports	6	60,136	60,647	56,105	54,089	57,978	55,107	49,885	48,858	47,144
Water and wastewater utilities	81,031	198,646	184,370	163,063	146,534	132,576	130,103	129,545	115,412	116,010
Solid waste management	43,622	41,418	39,933	38,459	37,067	32,143	31,789	30,950	28,768	27,916
Stormwater drainage	14,923	14,540	12,715	11,204	11,000	10,495	9,820	8,856	8,065	7,159
Golf courses	9,061	9,063	8,481	8,222	9,027	8,150	7,396	7,570	7,442	7,446
Fairgrounds	-	5	-	-	97	-	11	10	10	10
Ground transportation and parking	2,464	2,202	2,245	-	-	-	-	1,681	-	-
Zoo operations	<u>11,530</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total charges for services	<u>162,637</u>	<u>326,010</u>	<u>308,391</u>	<u>277,053</u>	<u>257,814</u>	<u>241,342</u>	<u>234,226</u>	<u>228,497</u>	<u>208,555</u>	<u>205,685</u>
Operating grants and contributions	17,990	11,172	11,237	10,855	13,871	24,988	21,526	19,681	16,648	9,176
Capital grants and contributions	<u>9,364</u>	<u>18,706</u>	<u>29,978</u>	<u>26,029</u>	<u>32,708</u>	<u>15,251</u>	<u>35,719</u>	<u>34,406</u>	<u>31,401</u>	<u>20,786</u>
	<u>189,991</u>	<u>355,888</u>	<u>349,606</u>	<u>313,937</u>	<u>304,393</u>	<u>281,581</u>	<u>291,471</u>	<u>282,584</u>	<u>256,604</u>	<u>235,647</u>
Total program revenues	<u>402,318</u>	<u>511,542</u>	<u>508,027</u>	<u>471,132</u>	<u>463,426</u>	<u>449,637</u>	<u>414,087</u>	<u>420,229</u>	<u>406,075</u>	<u>360,111</u>

**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									
	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
NET (EXPENSES) REVENUES (3)										
<i>Governmental Activities</i>	(423,716)	(440,890)	(421,429)	(425,499)	(442,151)	(452,785)	(438,785)	(400,643)	(333,852)	(347,218)
<i>Business-type Activities (3)</i>	(21,019)	64,527	82,661	53,903	50,891	46,617	46,617	47,910	38,272	9,687
Net expenses	(444,735)	(376,363)	(338,768)	(371,596)	(391,260)	(406,168)	(392,168)	(352,733)	(295,580)	(337,531)
GENERAL REVENUES,										
CONTRIBUTIONS										
AND TRANSFERS										
<i>Governmental Activities</i>										
TAXES:										
Sales taxes:										
General	205,542	198,383	186,414	169,105	178,462	179,504	171,065	164,579	151,717	146,302
Police	38,761	37,710	35,367	31,919	33,462	33,657	32,074	30,859	28,447	27,432
Fire	38,761	37,707	35,367	31,919	33,462	33,657	32,074	30,859	28,447	27,432
Public services	655	3,343	2,210	1,132	674	-	-	-	-	130
Culture and recreation	116,604	112,726	105,055	90,566	52,155	11,219	10,692	10,286	9,482	9,144
Education	-	-	-	-	48,065	89,678	85,288	82,240	75,936	72,930
Total sales taxes	400,323	389,869	364,413	324,641	346,280	347,715	331,193	318,823	294,029	283,370
Use taxes	45,406	52,470	44,735	37,976	38,221	36,610	34,239	30,916	27,488	22,327
Hotel/Motel taxes	13,321	12,177	10,858	10,319	10,653	10,830	9,704	8,623	5,391	2,600
Property taxes	76,756	73,778	76,581	60,935	62,093	61,372	52,812	43,231	45,464	47,051
Franchise taxes (fees)	42,109	42,410	39,912	40,216	39,902	31,707	31,358	30,677	25,903	26,039
Emergency telephone taxes	4,779	4,598	4,546	4,777	4,678	4,376	-	-	-	2,389
Other taxes	6,028	6,401	6,076	5,329	5,518	5,742	9,614	8,248	4,447	1,573
Total taxes	588,722	581,703	547,121	484,193	507,345	498,352	468,920	440,518	402,722	385,349
Oil and gas royalties	892	1,074	1,066	1,178	823	1,014	782	826	733	492
Unrestricted investment income	412	2,182	2,669	5,409	17,503	27,174	24,836	15,373	8,176	2,328
Payments from component units	-	-	-	-	-	-	-	-	-	114
Miscellaneous	7,754	7,953	5,319	7,221	1,515	4,820	11,342	5,105	2,402	2,011
Transfers	(20,674)	(453)	(6,832)	(1,066)	(6,540)	(2,095)	(741)	1,152	2,847	3,330
	577,106	599,956	549,343	496,935	520,646	529,265	505,139	462,974	416,880	393,624
<i>Business-type Activities (3)</i>										
Unrestricted investment income	153	1,180	1,371	-	-	-	-	-	-	-
Payments from component units	-	-	-	-	-	-	-	-	-	1,821
Transfers	20,674	453	6,832	1,066	6,540	2,095	741	(1,152)	(2,847)	(3,330)
	20,827	(1,239)	8,203	1,066	6,540	2,095	741	(1,152)	(2,847)	(1,509)
Total general revenues, contributions, transfers, and special items	597,933	598,717	557,546	498,001	527,186	531,360	505,880	461,822	414,033	392,115
CHANGES IN NET POSITION										
<i>Governmental Activities</i>	153,390	159,066	127,914	71,436	78,495	76,455	66,354	62,331	83,028	46,406
<i>Business-type Activities (3)</i>	(192)	63,288	90,864	54,969	57,431	32,632	47,358	46,758	35,425	8,178
Total primary government	\$153,198	\$222,354	\$218,778	\$126,405	\$135,926	\$109,087	\$113,712	\$109,089	\$118,453	\$54,584

- (1) This schedule reports using the accrual basis of accounting.
- (2) Expenses include allocated indirect expenses.
- (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 (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.

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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									
	2013	2012	2011 (2)	2010	2009	2008	2007	2006	2005	2004
<u>GENERAL FUND</u>										
Non-spendable	\$8,984	\$10,376	\$8,714	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted	465	275	183	-	-	-	-	-	-	-
Assigned	2,321	1,687	1,239	-	-	-	-	-	-	-
Unassigned	125,836	103,749	89,177	-	-	-	-	-	-	-
<u>RESERVED FOR</u>										
Encumbrances	-	-	-	1,144	1,872	1,944	4,068	1,988	2,750	1,790
Restricted purposes	-	-	-	515	508	442	410	291	197	555
Non-current receivables and other assets	-	-	-	3,311	-	-	-	-	-	-
Unreserved:										
Designated	-	-	-	5,000	5,000	5,000	5,000	5,000	5,000	4,000
Undesignated	-	-	-	<u>53,730</u>	<u>74,112</u>	<u>83,179</u>	<u>79,347</u>	<u>80,265</u>	<u>64,800</u>	<u>50,437</u>
Total General Fund	<u>137,606</u>	<u>116,087</u>	<u>63,700</u>	<u>81,492</u>	<u>90,565</u>	<u>88,825</u>	<u>87,544</u>	<u>72,747</u>	<u>56,782</u>	<u>58,629</u>
% change from prior year	18.5%	55.9%	(21.8%)	(10.0%)	2.0%	1.5%	20.3%	28.1%	(3.2%)	(12.8%)
<u>OTHER GOVERNMENTAL FUNDS</u>										
Non-spendable	20,659	9,865	14,765	-	-	-	-	-	-	-
Restricted	617,104	462,583	407,211	-	-	-	-	-	-	-
Committed	49,709	42,897	19,381	-	-	-	-	-	-	-
Assigned	65,194	84,935	79,602	-	-	-	-	-	-	-
Unassigned	(31,513)	(4,537)	(6,487)	-	-	-	-	-	-	-
<u>RESERVED FOR</u>										
Encumbrances	-	-	-	87,632	84,906	99,990	84,560	63,686	51,368	34,036
Restricted purposes	-	-	-	3,105	11,369	11,480	11,786	12,660	-	-
Non-current receivables and other assets	-	-	-	24,934	8,492	8,935	4,781	5,095	-	-
<u>UNRESERVED, REPORTED IN</u>										
Debt Service Fund	-	-	-	47,823	46,850	48,205	36,425	36,448	38,577	33,077
Special revenue funds:										
Designated	-	-	-	-	-	-	-	-	400	-
Undesignated	-	-	-	171,880	151,985	93,157	89,945	77,570	81,282	116,009
Capital Projects Fund	-	-	-	<u>151,691</u>	<u>157,387</u>	<u>186,138</u>	<u>190,284</u>	<u>177,711</u>	<u>166,826</u>	<u>145,144</u>
Total other governmental funds	<u>721,153</u>	<u>595,743</u>	<u>487,065</u>	<u>460,989</u>	<u>447,905</u>	<u>417,781</u>	<u>373,170</u>	<u>338,453</u>	<u>328,266</u>	<u>359,836</u>
% change from prior year	21.1%	5.6%	5.7%	2.9%	7.2%	12.0%	10.3%	3.1%	(8.8%)	(1.7%)
Total	<u>\$858,759</u>	<u>\$711,830</u>	<u>\$550,765</u>	<u>\$542,481</u>	<u>\$538,470</u>	<u>\$506,606</u>	<u>\$460,714</u>	<u>\$411,200</u>	<u>\$385,048</u>	<u>\$418,465</u>
% change from prior year	20.6%	11.4%	1.5%	0.7%	6.3%	10.0%	12.0%	6.8%	(8.0%)	(3.4%)

(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									
	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
REVENUE										
Taxes (2)	\$589,227	\$583,252	\$544,492	\$486,023	\$506,571	\$501,233	\$468,497	\$439,102	\$403,038	\$386,200
Licenses and permits	23,068	21,894	21,718	18,033	12,427	12,905	11,926	12,680	11,653	10,846
Oil and gas royalties	893	1,073	1,066	1,178	823	1,014	782	826	733	492
Fines and forfeitures	27,901	24,035	23,617	21,316	20,127	20,150	19,645	20,215	20,219	19,302
Investment income	1,930	4,994	6,599	4,952	15,519	26,154	23,636	14,362	7,657	2,180
Charges for services	38,568	35,944	35,823	37,322	38,813	38,763	28,516	26,234	23,582	22,329
Rental income	1,668	1,273	1,025	1,286	1,986	3,401	2,997	3,303	2,402	1,467
Payments from component units	6,083	314	579	2,558	20,793	26	26	-	-	114
Intergovernmental programs	61,325	63,044	67,597	53,359	59,788	64,782	58,019	64,629	64,937	55,909
Other	<u>3,279</u>	<u>9,668</u>	<u>3,338</u>	<u>7,221</u>	<u>1,515</u>	<u>3,974</u>	<u>11,057</u>	<u>6,470</u>	<u>2,452</u>	<u>1,794</u>
Total revenue	<u>753,942</u>	<u>745,491</u>	<u>705,854</u>	<u>633,248</u>	<u>678,362</u>	<u>672,402</u>	<u>625,101</u>	<u>587,821</u>	<u>536,673</u>	<u>500,633</u>
% change from prior year	1.1%	5.6%	11.5%	(6.7%)	0.9%	7.6%	6.3%	9.5%	7.2%	(92.2%)
EXPENDITURES										
CURRENT										
General government	29,244	46,567	46,755	53,125	49,391	65,180	38,145	41,934	37,753	44,336
Public safety	330,932	295,757	273,504	291,388	293,857	304,332	270,313	273,632	254,365	257,944
Public services	109,789	91,134	88,076	102,257	77,072	146,166	131,049	127,493	100,956	67,851
Culture and recreation	55,088	63,772	66,493	56,898	56,107	55,451	56,413	51,579	42,402	45,588
Education	1,991	1,519	1,242	1,245	41,331	89,766	85,365	82,270	75,964	83,932
Economic development	<u>1,049</u>	<u>7,198</u>	<u>4,861</u>	-	-	-	-	-	-	-
Total current	528,093	505,947	480,931	504,913	517,758	660,895	581,285	576,908	511,440	499,651
Capital outlay (3)	83,642	123,236	132,207	136,879	138,795	-	-	-	-	-
DEBT SERVICE										
Principal	44,510	46,700	44,071	38,933	38,780	35,641	32,039	28,345	25,965	26,025
Interest	24,598	22,851	25,542	23,630	24,391	21,402	19,429	16,192	16,042	16,774
Other	<u>1,025</u>	<u>14,146</u>	<u>464</u>	<u>860</u>	<u>414</u>	<u>359</u>	<u>361</u>	<u>558</u>	<u>892</u>	<u>187</u>
Total debt service	<u>70,133</u>	<u>83,697</u>	<u>70,077</u>	<u>63,423</u>	<u>63,585</u>	<u>57,402</u>	<u>51,829</u>	<u>45,095</u>	<u>42,899</u>	<u>42,986</u>
Total expenditures	<u>681,868</u>	<u>683,215</u>	<u>705,215</u>	<u>720,138</u>	<u>718,297</u>	<u>633,114</u>	<u>622,003</u>	<u>554,339</u>	<u>542,637</u>	<u>513,493</u>
Excess (deficiency) of revenues over expenditures	<u>72,074</u>	<u>22,639</u>	<u>(71,967)</u>	<u>(41,776)</u>	<u>(45,895)</u>	<u>(8,013)</u>	<u>(34,182)</u>	<u>(17,666)</u>	<u>(42,004)</u>	<u>(27,692)</u>

**GOVERNMENT FUNDS
CHANGES IN FUND BALANCES (1)
Last Ten Fiscal Years
(dollars are in thousands)**

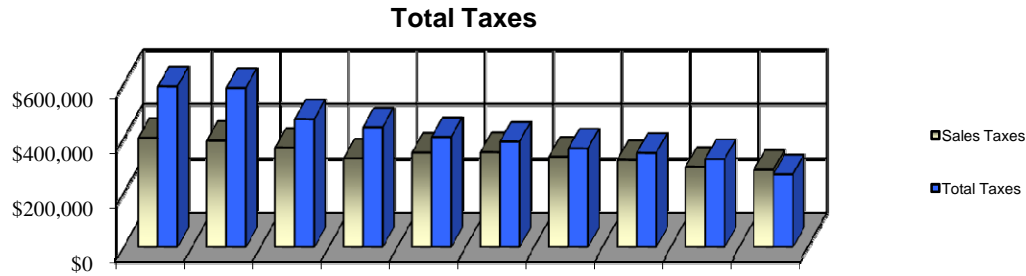
**CITY OF OKLAHOMA CITY, OKLAHOMA
TABLE 4
page 2 of 2**

	Fiscal Year									
	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
OTHER FINANCING										
SOURCES (USES)										
Transfers from other funds	114,411	97,883	84,744	148,665	54,526	29,734	38,237	59,490	39,589	30,748
Transfers to other funds	(137,560)	(99,011)	(90,765)	(154,706)	(61,780)	(29,750)	(60,639)	(76,293)	(49,946)	(44,960)
Capital financing	844	405	-	-	111	320	75	2,482	236	20
Sale of assets	574	458	576	731	1,298	1,718	1,077	3,225	1,473	2,615
Insurance recoveries	-	-	-	-	-	-	-	11	-	-
Premium on bonds	6,484	19,407	2,826	3,167	1,127	2,013	2,300	2,121	9,400	164
Long-term debt issued	90,000	130,110	43,000	93,969	49,345	68,980	72,855	92,660	47,000	20,000
Proceeds of refunding bonds	-	-	-	-	-	-	-	-	91,325	-
Grant capital	1	-	-	101	-	-	-	-	91,325	-
Payment to refunded bonds										
Escrow agent	--	(91,315)	--	--	--	--	--	--	(95,259)	--
Net other financing										
sources	<u>74,754</u>	<u>57,937</u>	<u>40,381</u>	<u>91,927</u>	<u>44,627</u>	<u>73,015</u>	<u>53,905</u>	<u>83,696</u>	<u>135,143</u>	<u>8,587</u>
Net change in fund balances (4)	<u>\$146,828</u>	<u>\$120,213</u>	<u>\$41,020</u>	<u>\$5,037</u>	<u>\$4,692</u>	<u>\$112,303</u>	<u>\$57,003</u>	<u>\$117,178</u>	<u>\$129,179</u>	<u>(\$4,273)</u>
Capital outlay (3)	<u>\$-</u>	<u>\$-</u>	<u>\$-</u>	<u>\$-</u>	<u>\$-</u>	<u>\$103,535</u>	<u>\$96,628</u>	<u>\$110,496</u>	<u>\$94,087</u>	<u>\$75,741</u>
Debt service as a percentage of										
non-capital expenditures	11.6%	12.4%	12.1%	10.7%	10.9%	10.8%	9.8%	10.0%	9.4%	9.8%

- (1) This schedule reports using the modified accrual basis of accounting.
- (2) See Table 5 for additional detail for taxes.
- (3) Beginning in 2009, the City of Oklahoma City opted to report capital outlay separately from current expenditures.
- (4) See Table 3 for ending fund balances for reported years.

TAX REVENUES BY SOURCE (1)
June 30, 2013
(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)
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
2008	347,714	64,257	36,610	31,704	10,830
2007	331,193	52,389	34,239	31,358	9,704
2006	318,823	41,815	30,916	30,677	8,623
2005	294,029	45,780	27,488	25,903	5,391
2004	283,370	47,902	22,327	27,062	2,600
% change over 10 years	41.3%	61.3%	103.4%	55.6%	412.5%

Fiscal Year	Emergency Telephone Tax (7)	Tobacco Excise Tax (5)(8)	State Alcoholic Beverage Taxes (5)	Other Taxes (5)(9)	Total
2013	\$4,777	\$5,146	\$882	\$ -	\$589,227
2012	4,597	5,567	834	-	583,252
2011	4,545	5,298	778	-	468,497
2010	4,777	4,583	746	-	439,102
2009	4,678	4,730	746	-	403,038
2008	4,376	4,893	849	-	386,200
2007	4,193	4,767	654	-	361,355
2006	2,894	4,721	612	21	345,157
2005	2,243	1,581	599	24	322,405
2004	2,389	-	529	21	267,120
% change over 10 years	100.0%	100.0%	66.7%	(100.0%)	120.6%

- (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 expires on December 31, 2017.
- (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 General Fund to fiscal year 2004. In fiscal year 2005, (effective January 1, 2005), the hotel/motel tax was increased from 2% to 5.5% and separately reported in the Hotel/Motel Tax Fund, thereafter.
- (7) The emergency telephone tax is designated to fund "911" emergency services and is reported in the Emergency Management Fund.
- (8) In fiscal year 2005, state law changed the taxation of tobacco products and exempted them from sales tax, but implemented a new Excise Tax.
- (9) As of November 21, 2005, Remington Park became an operating registered racino and no longer charges admission and therefore has no reported admission taxes.

SALES TAX RATES OF DIRECT AND OVERLAPPING GOVERNMENTS

**CITY OF OKLAHOMA CITY, OKLAHOMA
TABLE 6**

June 30, 2013

(dollars are in thousands)

OKLAHOMA CITY	Fiscal Year									
	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
General fund	2.000%	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 (1)	0.000	0.000	0.000	0.000	0.000	1.000	1.000	1.000	1.000	1.000
MAPS3 (1)	1.000	1.000	1.000	1.000	0.000	0.000	0.000	0.000	0.000	0.000
Sports facility (1)	<u>0.000</u>	<u>0.000</u>	<u>0.000</u>	<u>0.000</u>	<u>1.000</u>	<u>0.000</u>	<u>0.000</u>	<u>0.000</u>	<u>0.000</u>	<u>0.000</u>
Oklahoma City (2)	<u>3.875</u>	<u>3.875</u>	<u>3.875</u>	<u>3.875</u>	<u>3.875</u>	<u>3.875</u>	<u>3.875</u>	<u>3.875</u>	<u>3.875</u>	<u>3.875</u>
State of Oklahoma (3)	<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>
Total	<u>8.375%</u>	<u>8.375%</u>	<u>8.375%</u>	<u>8.375%</u>	<u>8.375%</u>	<u>8.375%</u>	<u>8.375%</u>	<u>8.375%</u>	<u>8.375%</u>	<u>8.375%</u>

(1) Temporary sales taxes (see notes to table 5).

(2) 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.

(3) The source for other sales tax rates is the State of Oklahoma Tax Commission.

(4) 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%

TAXABLE SALES BY CATEGORY (1)

TABLE 7

Last Ten Fiscal Years

(dollars are in thousands)

	Fiscal Year										
	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004	
Manufacturing	\$18,283	4.52%	\$16,406	\$13,814	\$11,792	\$14,078	\$13,871	\$11,854	\$11,585	\$9,408	\$8,338
Telecommunications & other	16,439	4.06	16,905	17,109	17,691	17,658	17,002	16,475	16,079	16,646	16,765
Public utilities	28,008	6.92	28,579	26,478	27,173	27,040	24,571	25,802	25,112	20,914	21,487
Wholesale trade	41,529	10.26	42,819	37,560	27,970	36,835	36,303	33,295	29,739	26,127	23,681
Retail:											
Building materials	28,034	6.92	24,146	28,431	21,592	23,987	23,490	22,853	23,433	22,353	20,268
General merchandise	51,565	12.74	49,806	48,655	47,995	50,261	50,409	49,909	49,565	47,789	47,220
Food	26,043	6.43	24,437	22,320	19,203	18,792	17,483	16,568	15,804	16,937	18,124
Automotive	12,397	3.06	11,374	10,236	9,091	10,180	10,530	10,401	9,619	9,239	9,102
Apparel	18,629	4.60	17,002	14,159	13,166	13,338	13,629	13,429	12,374	11,885	11,307
Furniture & accessories	26,662	6.59	25,827	25,637	22,524	24,792	25,535	24,899	22,510	21,340	22,397
Restaurants	50,586	12.49	46,829	43,743	39,831	40,868	39,721	37,171	35,722	32,660	30,234
Miscellaneous	39,069	9.65	36,606	33,259	31,218	32,630	32,319	32,765	27,147	27,299	25,493
Services:											
Hotels	9,680	2.39	8,893	8,571	7,611	8,263	8,016	7,015	6,135	5,959	5,664
Business	12,907	3.19	13,480	13,780	11,192	11,646	13,275	12,909	11,858	11,106	11,067
Other	18,338	4.53	17,564	16,951	15,360	16,678	15,641	14,249	13,115	12,586	12,121
All other categories	<u>6,691</u>	<u>1.65</u>	<u>7,417</u>	<u>6,630</u>	<u>3,811</u>	<u>5,622</u>	<u>6,176</u>	<u>5,051</u>	<u>6,370</u>	<u>3,748</u>	<u>2,932</u>
	<u>\$404,860</u>	<u>100.00%</u>	<u>\$388,090</u>	<u>\$367,333</u>	<u>\$327,220</u>	<u>\$352,668</u>	<u>\$347,971</u>	<u>\$334,645</u>	<u>\$316,167</u>	<u>\$295,996</u>	<u>\$286,200</u>

(1) The source for taxable sales by category is the Oklahoma Tax Commission. The City is prohibited by law from reporting individual sales taxpayers.

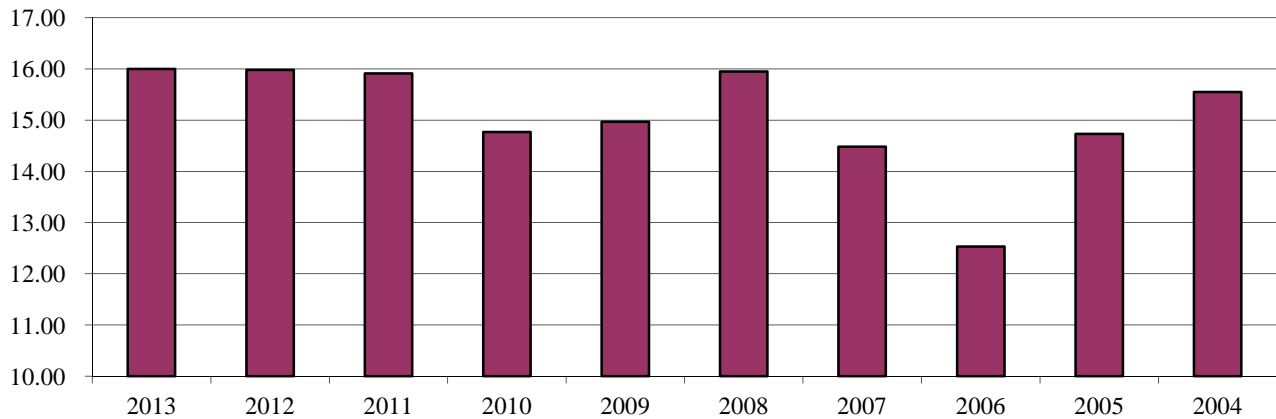
TAXABLE ASSESSED VALUE AND ESTIMATED FAIR MARKET (ACTUAL) VALUE OF PROPERTY (1)

**CITY OF OKLAHOMA CITY, OKLAHOMA
TABLE 8**

June 30, 2013

(dollars are in thousands)

Oklahoma City Tax Rates Per \$1,000 of Net Valuation



Fiscal Year	Real Property	Personal Property	Public Service Property	Less Tax Exempt Property	Total Taxable Assessed Value	Estimated Fair Market Value of	City Property Tax Rate (3)
						City Taxable Property (2)	
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
2008	3,028,840	631,729	352,063	111,641	3,900,991	32,655,141	15.95
2007	2,785,193	619,684	407,247	109,950	3,702,174	30,609,446	14.48
2006	2,531,790	594,479	433,662	98,730	3,461,201	28,340,075	12.53
2005	2,336,794	579,680	329,367	97,797	3,148,044	25,936,521	14.73
2004	2,168,907	567,997	323,231	97,851	2,962,284	24,299,481	15.55

(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 is shown below:

Fiscal Year	Real Estate	Personal Property	Public Service Property
	2013	11.0%	13.75%
2012	11.0	13.75	22.85
2011	11.0	13.75	22.85
2010	11.0	13.75	22.85
2009	11.0	13.75	22.85
2008	11.0	13.75	22.85
2007	11.0	13.75	22.85
2006	11.0	13.75	22.85
2005	11.0	14.00	22.85
2004	11.0	14.00	22.85

(3) The City property tax rate is per \$1,000 of assessed value. Voter approval is required to increase property tax rates. 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>
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
2008	15.95	20.81	49.83	15.18
2007	14.48	20.81	50.77	15.18
2006	12.53	20.81	51.71	15.18
2005	14.73	20.81	53.15	15.18
2004	15.55	20.81	53.77	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>
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
2008	15.95	16.11	44.57	66.80	74.51	55.34	68.40
2007	14.48	16.11	41.28	67.34	69.75	64.02	67.65
2006	12.53	16.11	41.28	58.58	61.29	54.93	66.96
2005	14.73	16.11	41.28	64.40	63.01	64.88	66.59
2004	15.55	16.11	41.28	65.64	64.68	59.98	64.85

- (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
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
2008	15.95	21.07	57.31	49.83	64.31	68.19	66.80
2007	14.48	21.07	60.15	50.77	62.79	60.52	67.34
2006	12.53	21.07	60.18	51.71	59.96	60.83	58.58
2005	14.73	21.07	62.96	53.15	61.11	57.72	64.40
2004	15.55	21.08	62.90	53.77	61.83	58.06	65.64

Fiscal Year	Norman Schools	Robin Hill Schools	Rose State College	Moore-Norman Vo-Tech	Gordon Cooper Vo-Tech
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
2008	67.08	61.36	17.67	14.38	15.18
2007	62.80	65.43	18.29	14.38	15.18
2006	62.03	65.53	16.35	14.38	15.18
2005	65.55	60.55	16.50	14.38	15.18
2004	67.30	62.75	16.62	14.38	15.18

(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.

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
2013	16.00	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
2008	15.95	22.29	56.73	63.11	64.17	48.14	73.05	66.35	58.56
2007	14.48	22.81	57.07	62.60	65.37	47.56	74.19	65.86	56.07
2006	12.53	22.99	58.02	62.33	66.73	48.60	75.92	65.95	57.08
2005	14.73	22.99	57.84	61.33	66.85	46.68	74.75	66.51	58.36
2004	15.55	22.35	54.44	63.85	66.41	49.47	76.37	66.23	59.74

Midwest

Fiscal Year	Jones Schools	Luther Schools	McLoud Schools	Midwest City Schools	Millwood Schools	Moore Schools	Mustang Schools	Oakdale Schools	Piedmont Schools
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
2008	52.11	57.55	49.83	64.31	55.18	68.19	66.80	61.52	74.51
2007	58.15	44.08	50.77	62.79	57.54	60.52	67.34	59.96	69.75
2006	59.90	44.58	51.71	59.96	56.79	60.83	58.58	60.07	61.29
2005	55.40	46.70	53.15	61.11	55.59	57.72	64.40	62.93	63.01
2004	58.20	46.28	53.77	61.83	63.82	58.06	65.64	67.20	64.68

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
2013	61.64	60.07	5.08	17.10	16.15	15.69	15.00	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	15.69	15.45	14.38	15.18
2010	61.52	63.53	5.08	17.40	16.09	15.46	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
2008	56.90	60.48	5.08	17.67	16.30	15.69	15.45	14.38	15.18
2007	55.96	59.52	5.08	18.29	16.41	15.69	15.45	14.38	15.18
2006	55.14	59.98	5.08	16.35	16.43	15.69	15.45	14.38	15.18
2005	55.71	60.12	5.08	16.50	16.53	15.69	15.45	14.38	15.18
2004	56.09	58.01	5.08	16.62	16.50	14.96	15.45	14.38	15.18

(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 Oklahoma County.

PRINCIPAL PROPERTY TAXPAYERS
June 30, 2013
(dollars are in thousands)

CITY OF OKLAHOMA CITY, OKLAHOMA
TABLE 10

Fiscal Year					
2013			2004		
Principal Taxpayers	Taxable Assessed Value (1)	Percentage of Total City Taxable Assessed Property Value	Principal Taxpayers	Taxable Assessed Value (1)	Percentage of Total City Taxable Assessed Property Value
OG&E	\$182,115	3.81%	Southwestern Bell Telephone Company	\$110,666	3.74%
AT&T Mobility	67,486	1.41	OG&E	100,498	3.39
Oklahoma Natural Gas Co.	38,967	0.82	General Motors Corporation	63,179	2.13
Southwestern Bell	38,801	0.81	Cox Communications	44,401	1.50
Chesapeake Land Company LLC.	27,237	0.57	Oklahoma Natural Gas Co.	28,143	0.95
Hobby Lobby Stores Inc.	24,261	0.51	Cox Oklahoma Telecom, LLC.	18,947	0.64
Cox Oklahoma Telecom LLC.	22,315	0.47	AT&T	16,050	0.54
Cox Com Inc.	17,281	0.36	Midwest Cellular Telephone	15,439	0.52
Quad Graphics Inc.	15,517	0.32	Hertz	14,426	0.49
OU Medical Center	13,897	0.29	Southwestern Bell Wireless	13,346	0.45
	<u>\$447,877</u>	<u>9.37%</u>		<u>\$425,095</u>	<u>14.35%</u>
Total Assessed Valuation	<u>\$4,904,931</u>		Total Assessed Valuation	<u>\$3,060,135</u>	
Taxable Assessed Value	<u>\$4,780,332</u>		Taxable Assessed Value	<u>\$2,962,284</u>	

(1) The source for property value information is the Oklahoma County Assessor's Office. Total Assessed Value represents amounts assessed in August 2012 and 2002 for amounts recognized in fiscal year 2013 and 2003.

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
2013	\$76,478	\$73,322	95.9%	\$ -	\$73,322	95.9%
2012	74,379	70,893	95.3	2,634	73,527	98.9
2011	71,850	68,114	94.8	2,335	70,449	98.1
2010	65,113	61,804	94.9	2,556	64,360	98.8
2009	62,150	59,411	95.6	2,321	61,732	99.3
2008	62,229	59,557	95.7	2,529	62,086	99.8
2007	53,602	49,611	92.6	3,140	52,751	98.4
2006	43,366	39,296	90.6	3,545	42,841	98.8
2005	46,360	43,396	93.6	1,863	45,259	97.6
2004	46,058	42,509	92.3	1,265	43,774	95.0

(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, 2013
(dollars are in thousands)**

**CITY OF OKLAHOMA CITY, OKLAHOMA
TABLE 12**

<i>Governmental Activities</i>							
Fiscal Year	Governmental Funds			Internal Service Funds		Total Governmental Activities	
	General Obligation Bonds	Lease Obligations	Notes Payable	Revenue Bonds	Lease Obligations		
2013	\$599,460	\$506	\$4,790	\$ -	\$70	\$604,826	
2012	553,445	299	5,077	-	39	558,860	
2011	565,670	8	7,256	-	50	572,984	
2010	561,740	111	12,256	-	13	574,120	
2009	505,780	287	11,487	-	20	517,574	
2008	495,015	332	44,580	1,000	29	540,956	
2007	460,555	163	14,504	1,950	90	477,262	
2006	418,865	248	15,378	2,850	147	437,488	
2005	367,210	411	236	3,705	137	371,699	
2004	344,755	92	-	4,520	20	349,387	

<i>Business-Type Activities</i>							
Fiscal Year	Revenue Bonds (1)	Lease Obligations	Notes Payable OCPPA Golf Courses	Business-type Activities	Total Primary Government (2)	Percent of Personal Income (3)	Per Capita
2013	\$98,480	\$374	\$ -	\$98,854	\$703,680	1.4%	\$1,183
2012	554,032	1,066	-	555,098	1,113,958	2.5	1,898
2011	577,475	1,999	-	579,474	1,152,458	2.3	1,987
2010	543,114	3,598	-	546,712	1,120,832	2.3	2,001
2009	507,000	4,729	-	511,729	1,029,303	2.1	1,878
2008	485,981	5,822	-	491,803	1,032,759	2.2	1,864
2007	493,962	508	-	494,470	971,732	2.2	1,776
2006	502,413	525	-	502,938	940,426	2.3	1,738
2005	521,806	1,656	-	523,462	895,161	2.3	1,683
2004	493,530	2,274	68	495,872	845,259	2.3	1,610

- (1) Beginning in 2013, revenue bonds do not include outstanding bonds for OCWUT 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**

**CITY OF OKLAHOMA CITY, OKLAHOMA
TABLE 13**

June 30, 2013

(dollars are in thousands)

<u>Fiscal Year</u>	<u>General Obligation Bonded Debt</u>	<u>Net Bonded Debt (1)</u>	<u>Net Assessed Valuation</u>	<u>Ratio of Net Bonded Debt to Net Assessed Valuation</u>
2013	\$599,460	\$556,390	\$4,780,332	11.6
2012	553,445	509,460	4,655,191	10.9
2011	565,670	521,260	4,516,447	11.5
2010	561,740	522,670	4,407,331	11.9
2009	505,780	468,320	4,151,456	11.3
2008	495,015	458,295	3,900,991	11.7
2007	460,555	427,455	3,702,174	11.5
2006	418,865	388,555	3,461,201	11.2
2005	367,210	338,865	3,148,044	10.8
2004	344,755	318,790	2,962,284	10.8

<u>Fiscal Year</u>	<u>Estimated Fair Market Value of City Taxable Property (2)</u>	<u>Ratio of Net Bonded Debt to Estimated Fair Market Value of City Taxable Property</u>	<u>Estimated Population (in thousands) (3)</u>	<u>Per Capita Bonded Debt</u>	<u>Per Capita Net Bonded Debt</u>
2013	\$40,458,929	1.5	595	\$1,007	\$935
2012	39,301,143	1.4	587	943	868
2011	38,143,749	1.5	580	975	899
2010	37,093,359	1.5	560	1,003	933
2009	34,957,908	1.4	548	923	855
2008	32,655,141	1.5	554	894	827
2007	30,609,446	1.5	547	842	781
2006	28,340,075	1.5	541	774	718
2005	25,936,521	1.4	532	690	637
2004	24,299,481	1.4	525	657	607

(1) See Tables 4 and 12 for information regarding changes in City debt levels and notes to Table 14 for discussion of restricted reserves.

(2) The source of this information is the Oklahoma County Assessor's Office.

(3) 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, 2013
(dollars are in thousands)

CITY OF OKLAHOMA CITY, OKLAHOMA
TABLE 14

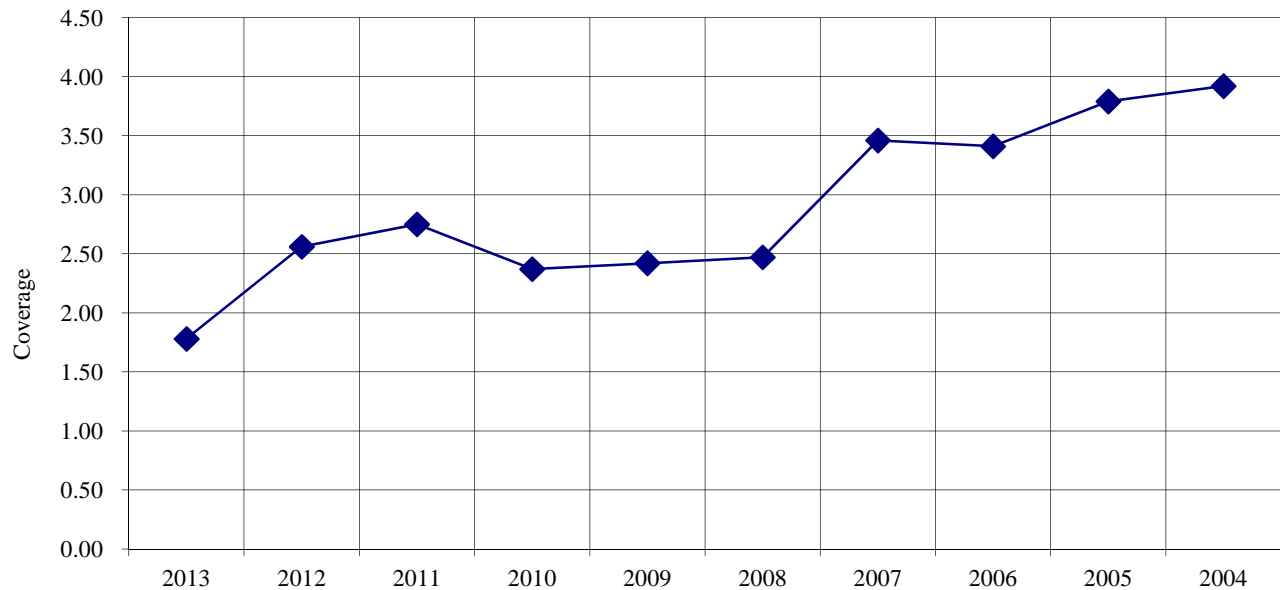
	Net Governmental Activities Debt Outstanding (2)(3)	Percentage Applicable to Oklahoma City (4)	Amount Applicable to Oklahoma City
Banner Schools	\$ -	17.33%	\$ -
Canadian County	-	40.45	-
Choctaw Schools	17,815	11.91	2,122
Cleveland County	-	25.11	-
Crooked Oak Schools	1,170	100.00	1,170
Crutcho Schools	915	5.50	50
Deer Creek Schools	10,800	62.89	6,792
Eastern Oklahoma County Vo-Tech	608	12.73	77
Edmond Schools	84,965	39.89	33,893
Francis Tuttle Vo-tech	-	58.81	-
Harrah Schools	2,803	4.72	132
Jones Schools	1,720	34.10	587
Little Axe Schools	910	19.20	175
Luther Schools	1,000	4.29	43
McLoud Schools	1,796	33.69	605
Midwest City Schools	25,770	38.35	9,883
Millwood Schools	565	89.50	506
Moore Schools	68,370	54.57	37,310
Mustang Schools	27,922	78.26	21,852
Norman Schools	46,630	0.00	-
Oakdale Schools	5,045	99.62	5,026
Oklahoma City Schools	110,284	86.87	95,804
Oklahoma County	59,708	67.27	40,166
Piedmont Schools	5,725	36.20	2,072
Putnam City Schools	48,170	85.15	41,017
Robin Hill Schools	175	18.57	32
Rose State College	6,800	31.82	2,164
Union City Schools	201	1.89	4
Western Heights Schools	12,731	99.94	12,723
Yukon Schools	<u>20,250</u>	<u>34.28</u>	<u>6,942</u>
	562,848		321,147
Oklahoma City	<u>604,826</u>	100.00%	<u>604,826</u>
Total direct and overlapping debt	<u>\$1,167,674</u>		<u>\$925,973</u>

- (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 2012-2013 tax year levy. Therefore, the net debt outstanding for the City of Oklahoma City (City) does not agree with the June 30, 2013, 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.

PLEGGED-REVENUE BOND COVERAGE
June 30, 2013
(dollars are in thousands)

CITY OF OKLAHOMA CITY, OKLAHOMA
TABLE 15
page 1 of 7

OKLAHOMA CITY WATER UTILITIES TRUST - WATER BONDS (1)



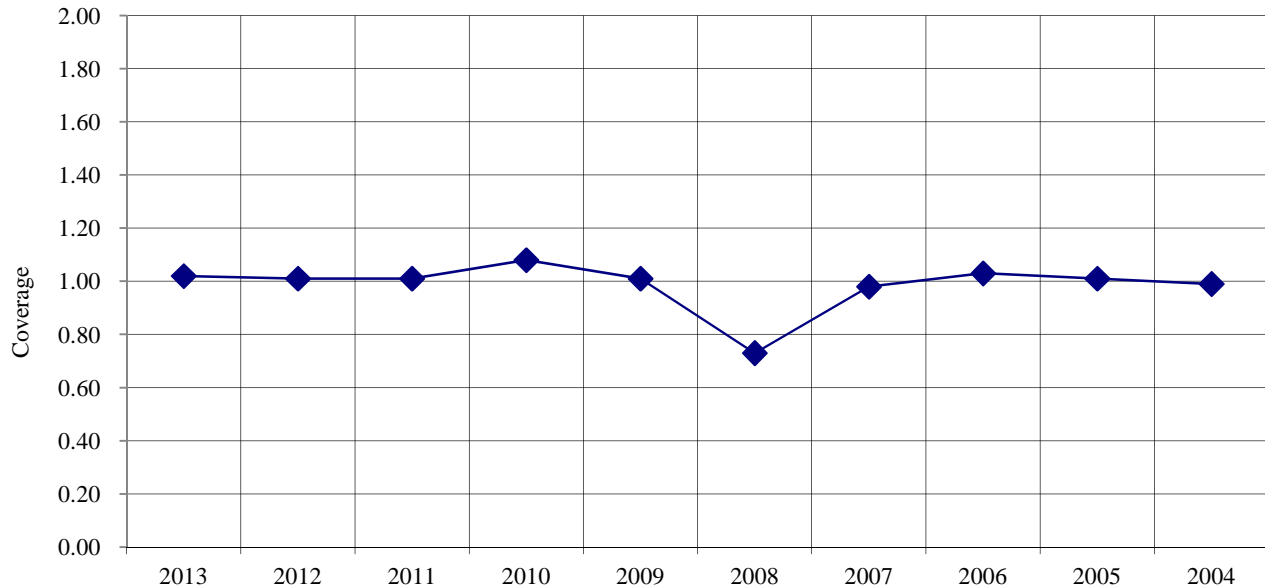
Fiscal Year	Gross Revenue (2)	Direct Expenses (3)	Net Revenue Available for Debt Service	Debt Service Requirements (4)			Coverage (5)
				Principal	Interest	Total	
2013	\$190,946	\$122,972	\$67,974	\$14,910	\$23,188	\$38,098	1.78
2012	197,481	113,466	84,015	10,434	22,367	32,801	2.56
2011	190,075	99,749	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
2008	136,197	82,151	54,046	8,390	13,496	21,886	2.47
2007	152,866	77,075	75,791	8,390	13,496	21,886	3.46
2006	152,865	78,196	74,669	8,390	13,496	21,886	3.41
2005	152,864	69,833	83,031	8,390	13,496	21,886	3.79
2004	152,863	67,063	85,800	8,390	13,496	21,886	3.92

- (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
- (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.
- (5) The bond covenants coverage ratio is 1.20.

PLEDGED-REVENUE BOND COVERAGE
June 30, 2013
(dollars are in thousands)

CITY OF OKLAHOMA CITY, OKLAHOMA
TABLE 15
page 2 of 7

McGEE CREEK AUTHORITY - WATER BONDS (1)



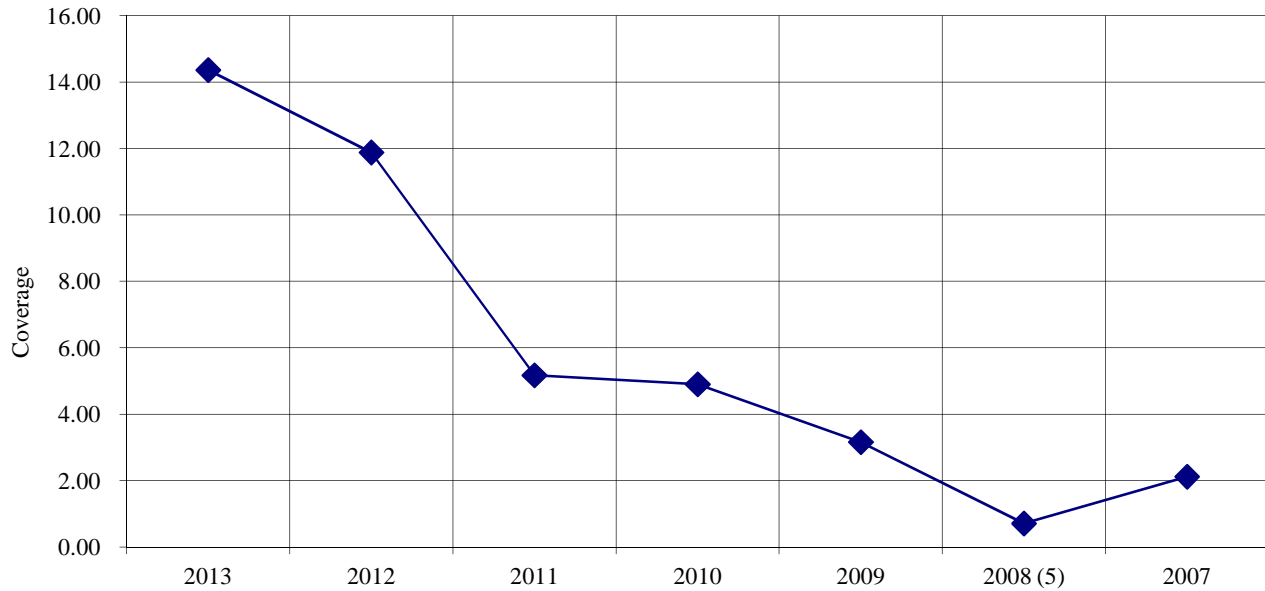
Fiscal Year	Gross Revenue (2)(3)	Direct Expenses (4)	Net Revenue Available for Debt Service	Debt Service Requirements			Coverage (5)
				Principal	Interest	Total	
2013	\$7,463	\$669	\$6,794	\$3,505	\$3,147	\$6,652	1.02
2012	7,384	644	6,740	3,305	3,345	6,650	1.01
2011	7,146	422	6,724	3,120	3,532	6,652	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
2008	5,025	197	4,828	2,615	4,032	6,647	0.73
2007	7,152	617	6,535	2,470	4,181	6,651	0.98
2006	7,151	324	6,827	2,330	4,318	6,648	1.03
2005	7,150	461	6,689	2,205	4,446	6,651	1.01
2004	7,149	596	6,553	2,085	4,565	6,650	0.99

- (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) Operating transfers include from Oklahoma City Water Utilities Trust for payment of debt service and McGee Creek Authority operating expenses.
- (3) Gross Revenues include operating revenues, investment income, other revenue, transfers from other funds, and excludes amounts receivable from Participants.
- (4) Direct expenses include operating expenses less depreciation and amortization.
- (5) 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.

PLEDGED-REVENUE BOND COVERAGE
June 30, 2013
(dollars are in thousands)

CITY OF OKLAHOMA CITY, OKLAHOMA
TABLE 15
page 3 of 7

OKLAHOMA CITY ENVIRONMENTAL ASSISTANCE TRUST - SOLID WASTE MANAGEMENT BONDS (1)



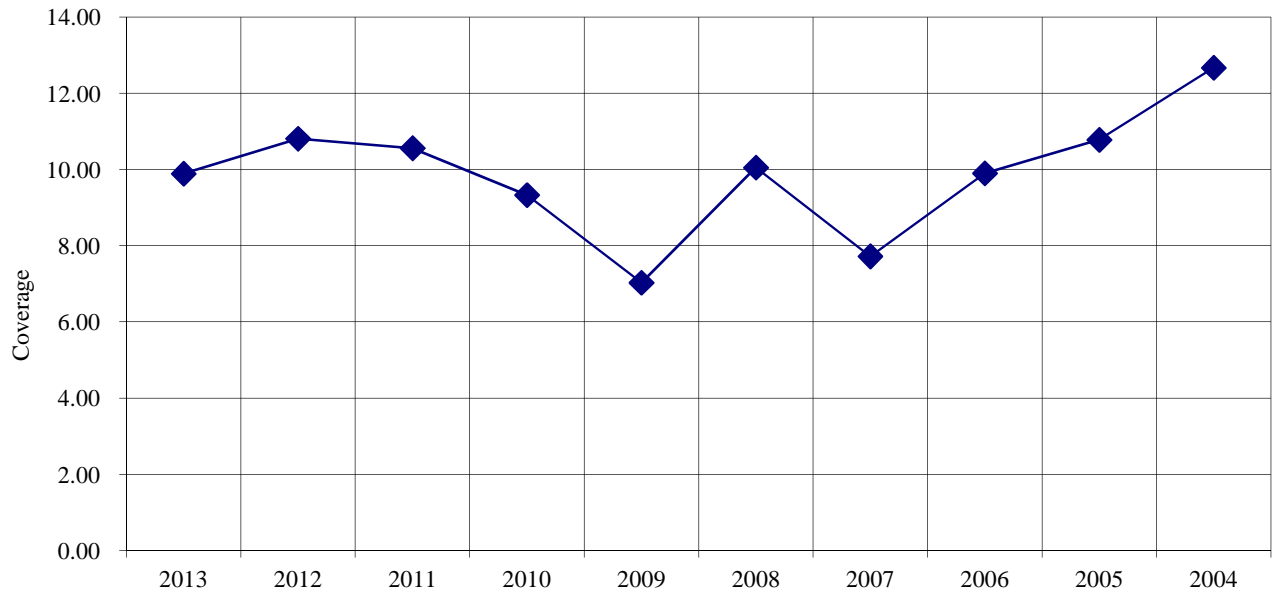
Fiscal Year	Gross Revenue (2)	Direct Expenses (3)	Net Revenue Available for Debt Service	Debt Service Requirements			Coverage (4)
				Principal	Interest	Total	
2013	\$43,439	\$37,422	\$6,017	\$360	\$59	\$419	14.36
2012	41,282	35,613	5,669	340	137	477	11.88
2011	39,948	33,761	6,187	1,035	161	1,196	5.17
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
2008 (5)	32,529	31,682	847	940	259	1,199	0.71
2007	32,468	30,279	2,189	750	284	1,034	2.12
2006	31,541	28,009	3,532	-	93	93	N/A

- (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.
- (5) Gross revenues for 2008 have been restated for a prior error in presentation.

PLEDGED-REVENUE BOND COVERAGE
June 30, 2013
(dollars are in thousands)

CITY OF OKLAHOMA CITY, OKLAHOMA
TABLE 15
page 4 of 7

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	
2013	\$24,562	\$17,325	\$7,237	\$530	\$202	\$732	9.89
2012	24,135	16,204	7,931	500	234	734	10.81
2011	22,301	14,875	7,426	495	208	703	10.56
2010	19,813	13,527	6,286	450	224	674	9.33
2009	20,054	15,208	4,846	446	243	689	7.03
2008	19,808	13,404	6,404	375	262	637	10.05
2007	18,356	13,420	4,936	360	279	639	7.72
2006	19,806	13,698	6,108	340	277	617	9.90
2005	19,805	12,347	7,458	325	367	692	10.78
2004	19,804	10,897	8,907	315	388	703	12.67

(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.

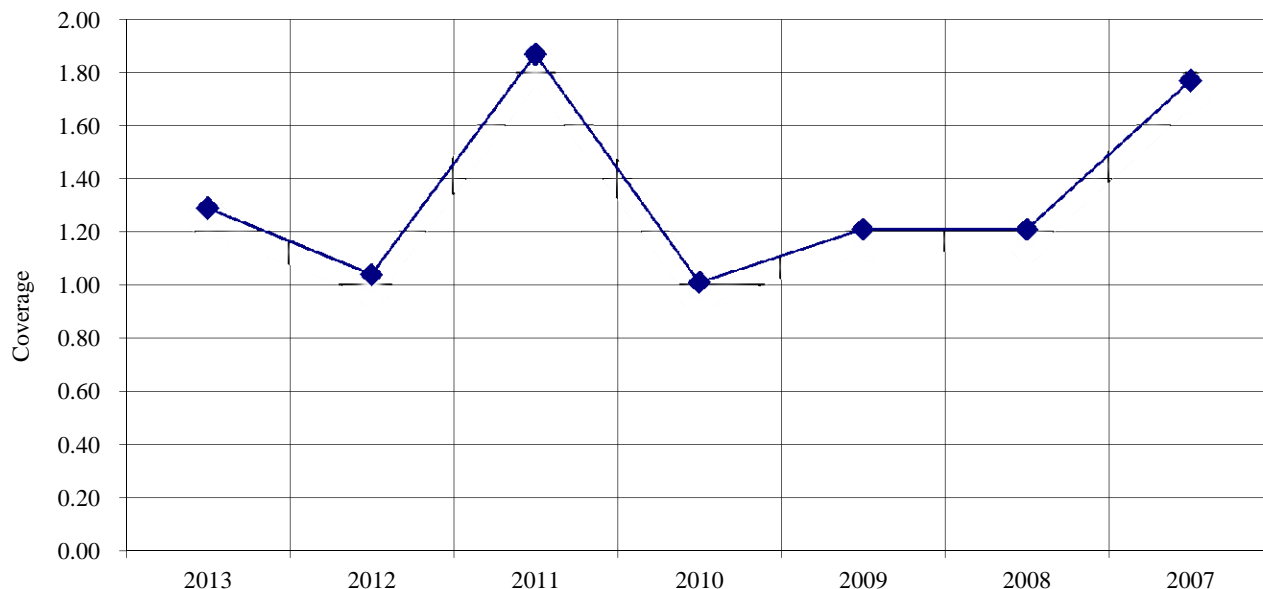
(3) Direct expenses include operating expenses less depreciation.

(4) Bond covenants requires maximum debt service paid in any year for covenants coverage compliance. The bond covenants coverage ratio is 1.00.

PLEDGED-REVENUE BOND COVERAGE
June 30, 2013
(dollars are in thousands)

CITY OF OKLAHOMA CITY, OKLAHOMA
TABLE 15
page 5 of 7

OKLAHOMA CITY PUBLIC PROPERTY AUTHORITY - FAIRGROUNDS 2005 AND 2007A BOND ISSUE (1)



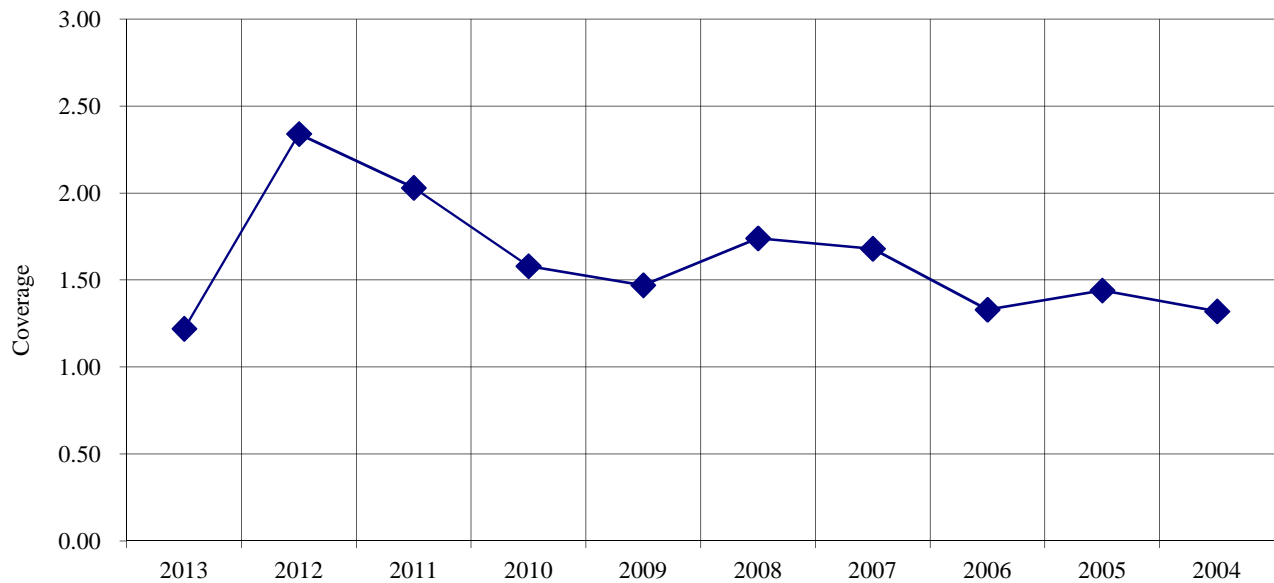
Fiscal Year	Gross Revenue (2)	Direct Expenses (3)	Net Revenue Available for Debt Service	Debt Service Requirements			Coverage (4)
				Principal	Interest	Total	
2013	\$7,530	\$123	\$7,407	\$2,045	\$3,697	\$5,742	1.29
2012	6,194	570	5,624	1,835	3,574	5,409	1.04
2011	9,787	7	9,780	1,745	3,476	5,221	1.87
2010	5,254	5	5,249	1,665	3,544	5,209	1.01
2009	5,203	78	5,125	630	3,590	4,220	1.21
2008	4,661	110	4,551	465	3,306	3,771	1.21
2007	4,951	97	4,854	-	2,745	2,745	1.77
2006	5,403	131	5,272	-	2,745	2,745	N/A
2005	1,105	32	1,073	-	-	-	N/A

- (1) Bonds were issued in fiscal years 2005 and 2008. 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 include operating revenues, transfers from other funds, and investment income.
- (3) Direct operating expenses include operating expenses less depreciation and transfers to other funds. Costs paid from bond proceeds are not included with direct operating expenses.
- (4) The bond covenants do not specify a coverage requirement.

PLEDGED-REVENUE BOND COVERAGE
June 30, 2013
(dollars are in thousands)

CITY OF OKLAHOMA CITY, OKLAHOMA
TABLE 15
page 6 of 7

OKLAHOMA CITY AIRPORT TRUST - AIRPORT BONDS (1)



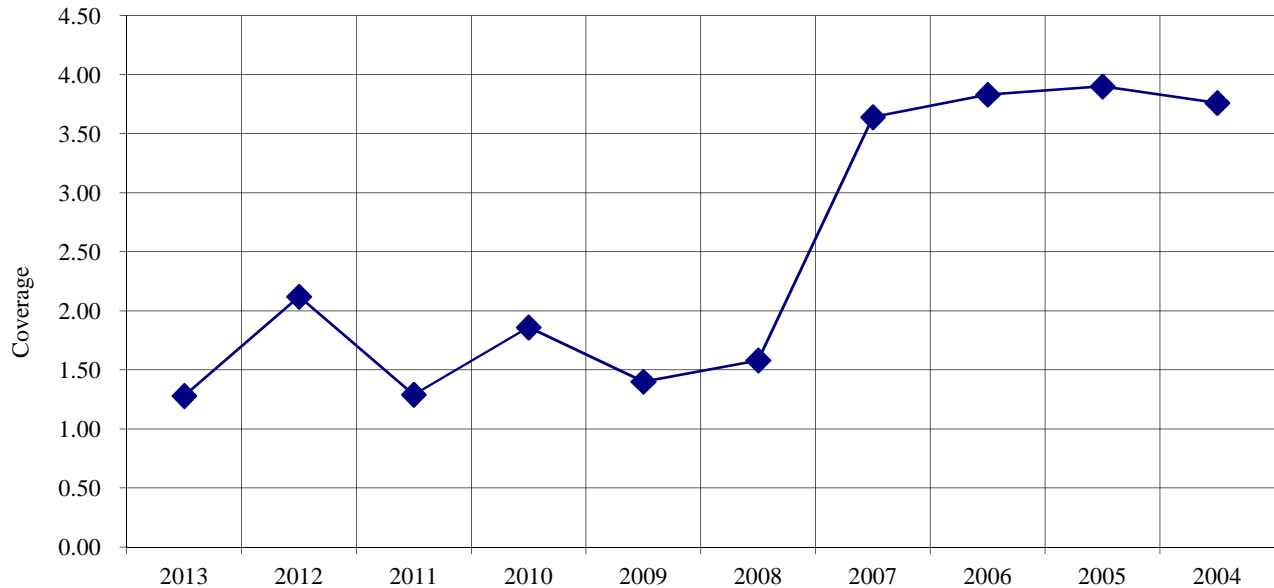
Fiscal Year	Gross Revenue (2)	Direct Expenses (3)	Net Revenue Available for Debt Service	Debt Service Requirements			Coverage (5)				
				Principal	Interest (4)	Total	Senior Lien		Junior Lien		Combined
							Gross	Net	Gross	Net	
2013	\$55,011	\$24,840	\$30,171	\$19,215	\$5,448	\$24,663	11.09	6.08	5.29	2.94	1.22
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
2008	56,788	20,997	35,791	13,240	7,285	20,525	8.07	4.86	3.56	2.11	1.74
2007	54,168	20,358	33,810	12,420	7,708	20,128	7.65	4.55	3.47	2.03	1.68
2006	50,845	19,383	31,462	15,180	8,516	23,696	5.49	3.23	2.76	1.54	1.33
2005	48,094	17,462	30,632	13,675	7,613	21,288	4.92	2.99	3.13	1.78	1.44
2004	44,869	17,022	27,847	12,810	8,338	21,148	4.56	2.68	2.91	1.58	1.32

- (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.

PLEGGED-REVENUE BOND COVERAGE
June 30, 2013
(dollars are in thousands)

CITY OF OKLAHOMA CITY, OKLAHOMA
TABLE 15
page 7 of 7

OKLAHOMA CITY PUBLIC PROPERTY AUTHORITY - GOLF COURSE BONDS (1)

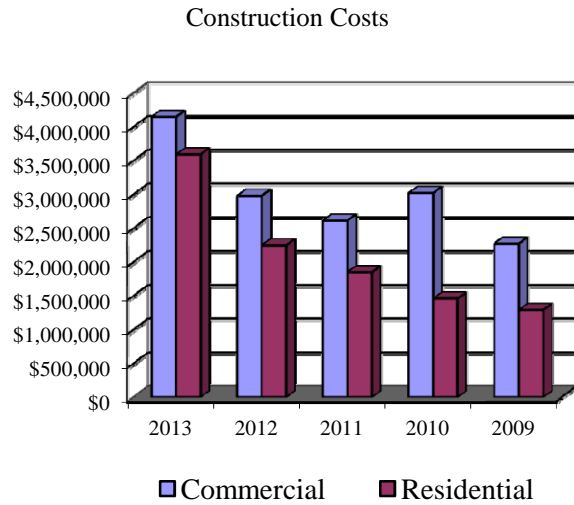
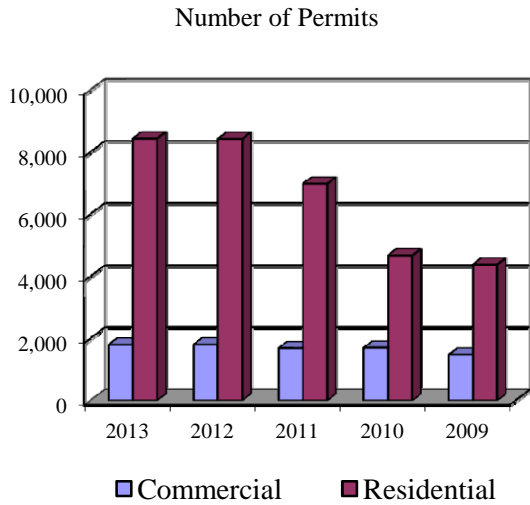


Fiscal Year	Gross Revenue (2)	Direct Expenses (3)	Net Revenue Available for Debt Service	Debt Service Coverage Requirements (4)			Coverage (5)
				Principal	Interest	Total	
2013	\$9,802	\$8,252	\$1,550	\$800	\$408	\$1,208	1.28
2012	9,716	8,122	1,594	525	228	753	2.12
2011 (6)	9,021	7,801	1,220	310	638	948	1.29
2010	8,994	7,226	1,768	310	638	948	1.86
2009	9,331	8,001	1,330	310	638	948	1.40
2008	7,835	6,333	1,502	310	638	948	1.58
2007	9,329	5,876	3,453	310	638	948	3.64
2006	9,328	5,701	3,627	310	638	948	3.83
2005	9,327	5,629	3,698	310	638	948	3.90
2004	9,326	5,765	3,561	310	638	948	3.76

- (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 Public Property Authority Golf Courses.
- (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.
- (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.
- (6) 2011 has been restated.

CONSTRUCTION PERMITS (1)
June 30, 2013
(dollars are in thousands)

CITY OF OKLAHOMA CITY, OKLAHOMA
TABLE 16



Fiscal Year	Commercial Construction	
	Number of Permits	Construction Cost
2013	1,796	\$4,148,963
2012	1,803	2,980,294
2011	1,685	2,613,372
2010	1,700	3,021,660
2009	1,475	2,274,399
2008	1,798	1,972,096
2007	1,854	3,471,090
2006	1,850	532,307
2005	1,817	1,050,568
2004	1,906	1,215,649

Fiscal Year	Residential Construction	
	Number of Permits	Construction Cost
2013	8,436	\$3,593,153
2012	8,426	2,249,310
2011	6,978	1,850,529
2010	4,672	1,461,177
2009	4,377	1,290,601
2008	4,562	1,496,917
2007	5,559	1,047,628
2006	7,301	839,103
2005	7,242	692,535
2004	7,014	613,353

(1) The source of this information is the City of Oklahoma City Public Works Department Annual Building Permit Report.

DEMOGRAPHIC STATISTICS
June 30, 2013
(dollars are in thousands)

CITY OF OKLAHOMA CITY, OKLAHOMA
TABLE 17

<u>Fiscal Year</u>	<u>Estimated Population (in thousands) (1)(2)</u>	<u>Personal Income (1)</u>	<u>Per Capita Personal Income (1)</u>	<u>Median Age (1)</u>	<u>Education Level in Years of Schooling (3)</u>	<u>Oklahoma City Public School District Enrollment (in thousands) (4)</u>	<u>Unemployment Rate (5)</u>
2013	595	\$51,124	\$40	34.9	84.8%	43	5.2
2012	587	43,819	25	34.1	84.4	44	5.4
2011	580	49,227	39	34.0	85.4	42	5.9
2010	560	49,546	40	34.9	84.8	41	6.2
2009	548	48,595	40	34.9	83.9	42	4.8
2008	554	46,429	39	35.2	83.6	36	4.0
2007	547	44,599	37	35.1	84.1	37	4.6
2006	541	41,278	35	35.5	85.4	35	4.1
2005	532	39,646	32	30.5	83.5	37	4.4
2004	525	37,323	31	34.6	83.4	38	4.5

- (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.

MAJOR EMPLOYERS - PRIVATE AND PUBLIC (1)

June 30, 2013

Current Year and Nine Years Ago

Employer	2013			2004		
	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment
Local Governments (2)	52,085	1	8.69%	44,100	1	8.16%
State Government (2)	42,877	2	7.15	37,987	2	7.03
Federal Government (2)	28,200	3	4.71	25,900	3	4.79
Tinker Air Force Base (2)	27,000	4	4.50	24,000	4	4.44
FAA Mike Monroney Aeronautical Center	11,900	5	1.99	7,902	5	1.46
OU - Norman Campus	7,500	6	1.25	4,400	9	0.81
INTEGRIS Health (3)	6,000	7	1.00	5,436	6	1.01
Oklahoma City Public Schools	-		0.00	5,300	7	0.98
City of Oklahoma City	4,500	8	0.75	4,535	8	0.84
OU - Health Science Center	4,200	9	0.70	4,390	10	0.81
Chesapeake Energy	4,000	10	0.67	-		0.00
Hobby Lobby Stores Inc.	4,000	11	0.67	-		0.00
General Motors Corporation	-		0.00	3,500	13	0.65
OG&E Energy Corp.	3,450	12	0.58	-		0.00
Mercy Health Center	3,450	13	0.58	-		0.00
Devon Energy	3,100	14	0.52	-		0.00
AT&T	3,000	15	0.50	-		0.00
SSM Healthcare of Oklahoma	2,900	16	0.48	3,123	14	0.58
Norman Regional Hospital	2,800	17	0.47	-		0.00
OU - Medical Center	2,600	18	0.43	3,773	11	0.68
Sonic Corp.	2,000	19	0.33	-		0.00
LSB Industries Inc.	1,850	20	0.31	-		0.00
Dell	1,700	21	0.28	-		0.00
Hertz Corporation	1,650	22	0.28	3,675	12	0.68
UPS	1,550	23	0.26	-		0.00
Farmers Insurance Group	1,500	24	0.25	-		0.00
Great Plains Coca-Cola Bottling Co.	1,500	25	0.25	-		0.00
Cox Communications	1,400	26	0.23	-		0.00
Deaconess Hospital	1,300	27	0.22	-		0.00
The Boeing Company	1,250	28	0.21	-		0.00
Johnson Controls	1,200	29	0.20	-		0.00
Midfirst Bank	1,150	30	0.19	-		0.00
Rose State College	1,100	31	0.18	-		0.00
	232,712		38.65%	178,021		32.92%

(1) Information was provided by the Greater OKC Chamber and the Center for Applied Economic Research - Oklahoma State University (government employers).

(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
June 30, 2013
Last Ten Fiscal Years

CITY OF OKLAHOMA CITY, OKLAHOMA
TABLE 19

	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>
<u>PRIMARY GOVERNMENT</u>										
<i>Governmental Activities</i>										
<u>Governmental funds</u>										
General government	237	219	215	223	240	245	225	275	237	225
Public safety:										
Police	1,364	1,426	1,386	1,420	1,419	1,328	1,382	1,405	1,367	1,361
Fire	971	971	975	959	990	973	946	961	947	945
Other	71	76	76	67	78	83	83	81	88	97
Public services	562	519	524	521	572	574	579	592	530	511
Culture and recreation	525	667	677	658	695	608	605	637	644	661
Education	<u>14</u>	<u>14</u>	<u>14</u>	<u>9</u>	<u>8</u>	<u>7</u>	<u>7</u>	<u>7</u>	<u>7</u>	<u>8</u>
Total governmental funds	<u>3,744</u>	<u>3,892</u>	<u>3,867</u>	<u>3,857</u>	<u>4,002</u>	<u>3,818</u>	<u>3,827</u>	<u>3,958</u>	<u>3,820</u>	<u>3,808</u>
<u>Internal service funds</u>										
Fleet services	36	35	34	33	36	37	33	33	36	32
Risk management	10	11	11	11	11	9	9	9	8	9
Print shop	4	4	4	4	5	5	4	4	5	5
Information technology	<u>92</u>	<u>83</u>	<u>83</u>	<u>85</u>	<u>96</u>	<u>94</u>	<u>93</u>	<u>82</u>	<u>82</u>	<u>84</u>
Total internal service funds	<u>142</u>	<u>133</u>	<u>132</u>	<u>133</u>	<u>148</u>	<u>145</u>	<u>139</u>	<u>128</u>	<u>131</u>	<u>130</u>
	<u>3,886</u>	<u>4,025</u>	<u>3,999</u>	<u>3,990</u>	<u>4,150</u>	<u>3,963</u>	<u>3,966</u>	<u>4,086</u>	<u>3,951</u>	<u>3,938</u>
<i>Business-type Activities</i>										
Airports	110	100	102	99	100	99	98	93	92	89
Water utilities	610	585	591	574	593	577	579	469	579	557
Solid waste management	107	109	117	107	113	107	113	112	112	108
Stormwater drainage	65	63	76	62	71	77	91	110	83	87
Golf courses	237	239	233	228	188	244	243	266	246	251
Transportation and parking	<u>26</u>	<u>23</u>	<u>24</u>	<u>24</u>	<u>24</u>	<u>24</u>	<u>21</u>	21	21	<u>20</u>
	<u>1,155</u>	<u>1,119</u>	<u>1,143</u>	<u>1,094</u>	<u>1,089</u>	<u>1,128</u>	<u>1,145</u>	<u>1,071</u>	<u>1,133</u>	<u>1,112</u>
Total primary government	<u>5,041</u>	<u>5,144</u>	<u>5,142</u>	<u>5,084</u>	<u>5,239</u>	<u>5,091</u>	<u>5,111</u>	<u>5,157</u>	<u>5,084</u>	<u>5,050</u>
<u>FIDUCIARY FUNDS</u>										
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>
Total	<u>5,043</u>	<u>5,146</u>	<u>5,144</u>	<u>5,086</u>	<u>5,241</u>	<u>5,093</u>	<u>5,113</u>	<u>5,159</u>	<u>5,086</u>	<u>5,052</u>

(1) Employees by function are full-time equivalents reported as of June 30.

OPERATING INDICATORS BY FUNCTION (1) (2)
June 30, 2013

CITY OF OKLAHOMA CITY, OKLAHOMA
TABLE 20
page 1 of 2

	Fiscal Year									
	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
<u>GENERAL</u>										
<u>GOVERNMENT</u>										
Occupation and Business										
business licenses										
issued (3)	26,159	26,879	13,653	28,196	36,914	34,504	34,598	31,000	30,917	31,576
Investment Portfolio Return										
(TRR-Market Value Method) (4)	0.26%	1.04%	1.07%	2.11%	3.19%	4.41%	4.73%	3.66%	2.15%	1.97%
Benchmark index (Merrill Lynch										
0-3 Year U.S. Treasury Index (5)	0.29%	0.21%	0.19%	0.32%	0.56%	2.36%	4.91%	5.21%	3.45%	2.14%
<u>PUBLIC SAFETY</u>										
<u>POLICE</u>										
Physical arrests	26,043	23,157	24,000	25,279	27,659	21,906	20,304	20,483	19,974	21,100
Parking violations	32,176	42,523	42,048	48,540	47,005	55,545	61,608	60,719	61,990	84,786
Traffic violations	133,809	132,862	104,993	101,094	83,911	81,946	83,993	93,477	110,841	119,612
<u>FIRE</u>										
Fire responses	71,746	88,055	86,350	80,858	75,750	74,833	67,920	65,062	59,785	53,424
Fire responses in less than										
than five minutes (6)	55.26%	61.22%	53.41%	56.95%	67.04%	52.34%	70.57%	65.20%	71.00%	70.00%
Fire inspections	15,342	8,769	7,499	7,859	7,995	3,912	3,071	3,916	2,892	2,958
<u>OTHER</u>										
Court cases heard	127,886	114,028	120,339	123,103	122,981	111,929	142,111	135,000	127,321	133,709
Warrants cleared										
and served										
(monthly average)	3,904	3,686	3,922	3,580	3,805	4,323	4,018	2,553	2,320	2,592
<u>PUBLIC SERVICES</u>										
Houses removed/secured	400	458	578	453	410	399	422	529	400	335
Zoning inspections	57,183	53,615	51,336	49,782	26,524	27,488	28,746	38,246	23,000	19,415
Street panels										
repaired (sq ft)	18,653	17,123	12,563	13,109	19,919	20,274	30,264	22,135	22,114	20,088
<u>CULTURE AND</u>										
<u>RECREATION</u>										
Youth enrolled in athletic										
leagues	1,698	1,808	1,120	1,382	1,455	1,554	1,268	1,265	1,425	1,302
Public education workshops (7)	-	-	-	40	47	56	67	70	70	57
<u>AIRPORTS</u>										
Average number										
of daily flights	72	71	71	68	75	85	79	79	86	88
Monthly passengers										
boarding (avg)	156,069	155,357	150,727	150,487	156,901	164,477	155,314	152,589	152,200	144,850
<u>WATER UTILITIES</u>										
Sewer lines construction										
or repair (lnr feet) (8)	98,522	120,645	106,790	4,810	4,379	9,612	8,580	8,600	8,804	9,856
Water line										
construction or										
repair (lnr feet)	134,456	96,725	118,840	103,560	144,784	121,057	130,308	75,344	80,991	137,625
Water consumption										
(1,000,000 gal)	31,065	33,795	31,336	29,914	29,658	29,238	30,591	31,000	27,400	28,537
Wastewater										
consumption										
(1,000,000 gal)	21,462	21,184	26,474	20,940	19,112	19,214	18,769	19,090	18,583	19,094

OPERATING INDICATORS BY FUNCTION (1) (2)
June 30, 2013

CITY OF OKLAHOMA CITY, OKLAHOMA
TABLE 20
page 2 of 2

	Fiscal Year									
	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
<u>SOLID WASTE</u>										
<u>MANAGEMENT (9)</u>										
Street sweeping										
(lane miles)	21,878	19,390	18,558	18,434	18,979	19,009	18,988	19,021	18,884	22,389
Refuse collected										
(tons/day)	1,349	1,029	1,058	1,085	1,104	1,164	1,048	1,173	1,176	1,098
Recyclables collected in tons per										
in tons per day	42	33	35	39	40	36	33	33	34	35
<u>STORMWATER</u>										
<u>DRAINAGE</u>										
Construction erosion										
inspections	5,856	5,581	9,445	7,345	9,600	8,184	12,798	10,980	7,589	8,014
Stormwater										
discharge										
permits issued	829	748	773	1,054	1,330	848	964	752	672	1,378
<u>GOLF COURSES</u>										
Rounds of golf	255,495	276,472	268,524	267,489	277,827	299,104	290,739	304,806	307,783	318,725
<u>FAIRGROUNDS (10)</u>										
Events	190	185	191	191	211	204	198	200	202	193
Event days	2,375	2,327	2,213	2,131	2,491	2,576	2,115	2,299	1,964	1,939
<u>GROUND</u>										
<u>TRANSPORTATION</u>										
Daily motor bus										
passengers (avg) (11)	10,109	9,928	9,657	9,729	9,493	8,881	9,893	9,291	8,310	8,320
<u>PARKING (12)</u>										
Average monthly										
occupancy rate (%)	111.72%	94.90%	89.00%	91.00%	88.45%	85.20%	79.65%	80.90%	83.60%	85.82%

- (1) Sources include the City of Oklahoma City (City) Annual Budget, Supplemental Disclosure-Outstanding Bonded Debt, and City Departments.
- (2) Ten years of data was not available for all operating indicators, but will be accumulated as it becomes available. Indicated with *.
- (3) 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.
- (4) 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.
- (5) In fiscal year 2013 the Treasury Department changed the method of reporting from the Constant Maturity Treasury (CMT) method to the Merrill Lynch 0-3 Year U.S. Treasury Benchmark.
- (6) In 2008 there was a significant drop off in the percentage of fire responses in less than five minutes. This was due to the implementation of a new computer aided dispatch (CAD) system, which feeds data into the fire records management system. Data was compromised for a number of months and this negatively affected the response time figures. July figures, gathered after the CAD system was fully operational, show a return to the target figure of 70%.
- (7) The Myriad Gardens facility was closed due to Project 180 renovations in fiscal year 2011, upon reopening the Myriad Garden Foundation began hosting the public information workshops. This measure will no longer be reported by City Parks and Recreation.
- (8) The reporting for sewer lines construction or repair (Inr feet) changed in 2011 to include construction whereas previous years include only repairs.
- (9) 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.
- (10) The management of the fairgrounds is privately contracted.
- (11) Daily average for weekday service, Monday through Friday.
- (12) 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, 2013
Last Ten Fiscal Years

CITY OF OKLAHOMA CITY, OKLAHOMA
TABLE 21

	Fiscal Year									
	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
<u>POLICE</u>										
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	546	548	577	581	580	576	573	585	574	573
<u>FIRE</u>										
Stations	35	35	35	35	35	35	35	35	35	35
Fire emergency apparatus (3)	87	84	85	84	81	79	79	*	*	*
<u>SOLID WASTE MANAGEMENT</u>										
Collection vehicles (4)	131	117	113	108	114	114	114	67	67	101
<u>STREETS AND HIGHWAYS</u>										
Streets (miles) (5)	8,151	7,862	7,800	7,775	7,772	7,603	7,546	12,680	12,385	12,697
New traffic signals installed	7	10	6	11	20	12	20	4	7	5
<u>PARKS AND RECREATION</u>										
Parks Acres	4,590	4,590	4,590	4,590	4,230	4,545	4,377	4,291	4,291	4,291
Lake acres - land & water recreation	14,229	14,229	14,229	14,229	14,229	*	*	*	*	*
Oklahoma River & Bricktown	507	507	507	507	507	*	*	*	*	*
Playgrounds	111	109	109	108	104	109	96	95	95	95
Baseball/softball /practice fields	80	84	84	92	92	135	135	135	135	135
Soccer/football fields	87	81	81	74	74	71	71	66	62	62
Community/special activity centers	30	30	30	26	26	26	26	26	26	26
<u>WATER</u>										
Water main miles	3,583	3,518	3,269	3,225	3,189	3,307	3,216	2,992	2,860	2,622
Fire hydrants (6)	22,473	21,527	21,527	21,147	20,441	19,713	19,194	18,373	17,506	17,242
Storage capacity (1000 gal)	70,000	70,000	70,000	70,000	70,000	70,000	70,000	70,000	70,000	70,000
<u>WASTEWATER</u>										
Sanitary sewer miles (7)	2,784	2,755	2,711	2,689	2,636	2,585	2,600	2,430	2,410	2,374
Treatment capacity (1000 gal/day)	111,000	111,000	106,000	106,000	106,000	106,000	106,000	106,000	106,000	106,000
<u>STORMWATER DRAINAGE</u>										
Storm sewer miles	821.22	811.70	806.80	793.00	779.20	775.20	764.40	765.50	751.80	742.77
<u>TRANSIT</u>										
Buses	58	58	58	58	58	57	60	65	65	70
Trolleys (8)	-	10	10	12	12	13	11	14	14	15
Van lifts	22	20	23	23	18	16	21	21	21	21

(1) Information is provided by City of Oklahoma City departments.

(2) Ten years of data were not available for all capital assets and infrastructure, but will be accumulated as it becomes available. Indicated with *.

(3) Fire emergency apparatus includes emergency vehicles that respond to emergency calls for service only.

(4) Collection vehicles changed in 2006 to include small side loaders, large side loaders, rear loaders, cherry pickers, and brush trucks.

(5) The methodology for street miles changed in 2010 from a factor used to estimate the number of lanes to actual number of lanes used in the overall estimate of street miles. Fiscal years 2007-2009 have been restated for comparison purposes.

(6) Hydrants were under-reported from 2006-2004 due to lack of information.

(7) Sanitary sewers were not correctly reported prior to 2008.

(8) Trolley service was discontinued in 2012.

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