



**Comprehensive Annual Financial Report**

The City of Oklahoma City, Oklahoma | for the Fiscal Year ended June 30, 2016



Oklahoma City, Oklahoma

# *Comprehensive Annual Financial Report*

For the Fiscal Year Ended June 30, 2016



The City of  
**OKLAHOMA CITY**

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



**Introductory**





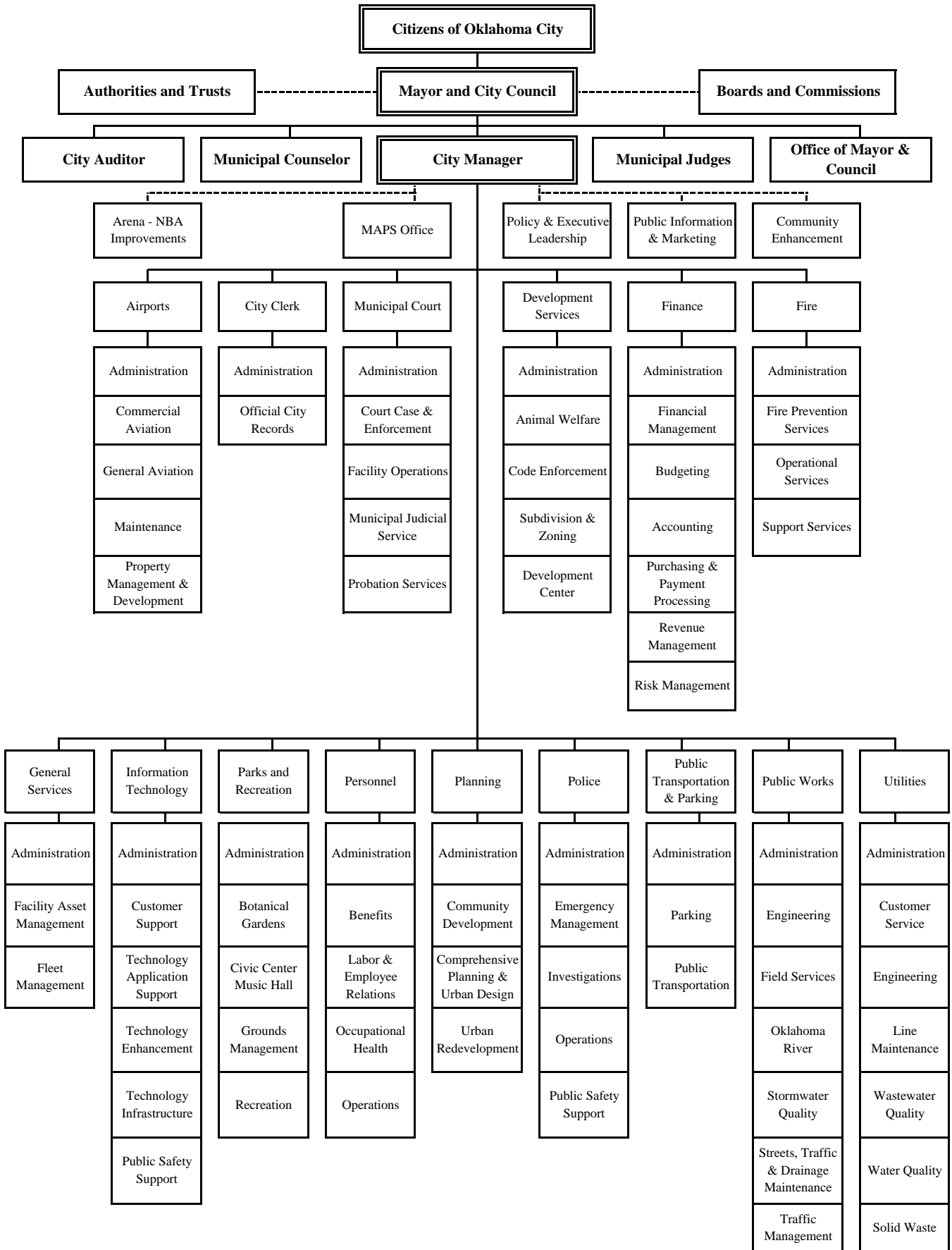
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# City of Oklahoma City Organization Chart





# The City of OKLAHOMA CITY

November 18, 2016

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

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

The CAFR was prepared using accounting principles generally accepted in the United States (U.S. GAAP). It is fairly stated in all material respects based on a comprehensive framework of internal controls discussed in more detail later in this letter. Responsibility for the accuracy of the data, and the completeness and fairness of the presentation, including all disclosures, rests with the City. City management's narrative on the financial activities of the City for the fiscal year ended June 30, 2016, is expanded in the Management's Discussion and Analysis (MD&A) section of this report, immediately following the Independent Auditor's Report on Financial Statements and Supplementary Information. This letter of transmittal is written to convey the CAFR to its intended users and provide information about the City that is useful in assessing the City's general economic condition and to recognize contributors to the CAFR. As such, it should be read from that perspective and in conjunction with all other sections of the CAFR.

## ***Financial Reporting Entity***

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

## **Independent Audit**

The City engaged AGH, L.C. to express opinions on the financial statements based on their audit. The goal of the independent audit is to provide reasonable assurance that the financial statements are free of material misstatement. The audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. The auditor's examination encompassed the basic financial statements, as well as combining and individual fund statements and schedules for the fiscal year ended June 30, 2016. The independent auditor's report is presented as the first component of the financial section of this report. AGH, L.C. also audited the City's federal financial assistance programs, complying with the provisions of the Single Audit Act. The City's Single Audit Report can be obtained from the City's Finance Department, Accounting Services Division, at 100 N. Walker Avenue, 3rd Floor, Oklahoma City, Oklahoma 73102.

## **Profile of Oklahoma City**

Oklahoma City was settled in a single day as a result of the "Land Run of 1889". Today, Oklahoma City is the state capital and Oklahoma's largest city with a population of approximately 641,010 citizens. Historically, the City has pursued a policy of annexation, and at 620.34 square miles, is one of the largest cities in land area in the United States. Oklahoma City encompasses portions of four counties and is centrally located in the state. It is a regional center for education, energy, agribusiness, transportation, financial services, health care, wholesale and retail trade, and manufacturing.

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

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

*Factors Affecting Financial Condition*

**Economic Outlook**

The current economic environment in Oklahoma City is positive; however, the economic outlook continues to be muted due to low oil and natural gas prices that are negatively impacting the many energy-related companies working in and around Oklahoma City. The cost of living rating is consistently below the national average and the City has a strong industry presence, low commuting times, convenient airline travel, high quality education, entertainment and sports opportunities, favorable weather, and is centrally located within the State of Oklahoma. According to the website Glassdoor Oklahoma City came in at No. 10 on their 2016 list of "Best Cities for Jobs" and No. 3 in their study for "Best Large Cities to Start a Business". The list for best cities for jobs was based on factors such as hiring opportunity, cost of living and job satisfaction while the list for best large cities to start a business was focused on metrics such as office-space affordability and educational attainment of the local labor force.

In a report prepared by Dr. Russel Evans, Executive Director of the Steven C. Agee Economic Research & Policy Institute of Oklahoma City University (Institute), dated February 2, 2016, Dr. Evans reported that the U.S. economy was performing below its long run average. As people and economic activity move southwest across the United States, the I-35 corridor running from southern Texas through Oklahoma City and onto Kansas City will continue to be one of the fastest growing megalopolises in the U.S. Oklahoma City is expected to continue to establish an economic identity singular to all other areas of the state, in spite of short run economic weakness, in part due to its geographic location along the I-35 corridor. The Institute described Oklahoma's economic future - and by extension, Oklahoma City's fiscal future, as heavily influenced by the future path in oil markets, suggesting that prices must move higher as current oil prices don't work for domestic producers or budgets of oil dependent governments. The baseline forecast was for Oklahoma City to experience fiscal weakness and contract in fiscal year 2016. Conditions are projected to stabilize in the fall of 2016 and then grow modestly into 2017 posting fiscal year sales tax growth of 1.37%. Nonfarm and private sector payrolls were stronger than expected with gains in manufacturing, retail, and other sectors outpacing losses in the mining sector. Nonfarm employment is expected to grow by 1.3% in 2017. Oklahoma City population is projected to grow at its long run average of 1.5% in 2017 and Oklahoma City per capita personal income is estimated to return to modest growth of 0.9% in 2017. Dr. Evans presented an update to the City Council on August 16, 2016, in which he stated the baseline expectations for sales tax growth seem reasonable given persistent uncertainties in both regional and national conditions.

Fiscal year 2016 sales tax revenue declined 1.9% and fits with the local economic contraction and muted economic outlook that has been heavily influenced by the the downturn in the oil and natural gas sector. Even though modest revenue growth is projected in fiscal year 2017, the decline in revenue in fiscal year 2016 was substantial and resulted in a General Fund budget that is 4.9% smaller than fiscal year 2016. The decline resulted in reductions in many departments and the number of authorized positions decreased by 44 from 4,743 to 4,699. In addition to the position reductions, the Police and Fire Departments froze 69 vacant positions (21 in Fire and 48 in Police) to reduce those department's budgets in fiscal year 2017. Frozen means the funding has been removed from the budget but the positions remain. As revenue increases, the funding for those positions may be restored.

Additionally, Chris Tatham, president of ETC Institute presented on August 30, 2016, the results of a Citizen Satisfaction Survey that was conducted in May and June of 2016. The report showed that among large U.S. cities, Oklahoma City's rating for the overall quality of city services and customer service are among the best. Overall, Oklahoma City residents have a very positive perception of the City with 79% of residents responding that Oklahoma City is an excellent or good place to live and 70% think the City is moving in the right direction. Mr. Tatham noted significant improvements in both code enforcement and parks and recreation. The top priority for residents continues to be the maintenance of city streets.

Since 2007, City Council has periodically adopted a set of priorities to guide the City in subsequent years. The City Council voted to update the priorities on November 4, 2014, and maintaining strong financial management was once again one of the top priorities. This focus on strong financial management is reflected in the top ratings of the City's general obligation bonds by both Moody's and Standard and Poor's.

*Long-term Financial Planning and Major Initiatives*

Financial planning for the City is a dynamic interactive effort of the community, small and large business and industry, social and cultural service organizations, and municipal government. These dynamics are best demonstrated by the willingness of the City citizens to tax themselves to support both City services and long-term capital investment. In December, 2009 the citizens voted to enact 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. 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 \$575.8 million for infrastructure improvement and \$75 million for economic development incentives.

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

In addition, the City coordinates 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 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 2015-2019 CIP, approved by Council on October 21, 2014, lists projects to be implemented or continued during the years of the CIP. The City's 2015 and 2016 expenditures and 2017 capital budget by function are summarized in the following table (dollars are in thousands).

	2015	2016	2017
	CIP Project	CIP Project	CIP
	<u>Expenditures</u>	<u>Expenditures</u>	<u>Budget (1)</u>
General government	\$40,595	\$55,760	\$30,418
Public safety	71,280	55,489	73,525
Public services (includes infrastructure)	318,913	472,975	417,813
Culture and recreation	226,507	330,255	358,860
Education	<u>6,392</u>	<u>1,392</u>	<u>4,963</u>
	<u>\$663,687</u>	<u>\$915,871</u>	<u>\$885,579</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. Since the cost of internal controls should not outweigh their benefits, the City’s internal controls are designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement.

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

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

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

Duties of the City Auditor and staff include: internal audits of City financial records, reports, and procedures; property and equipment inventories; accounting internal controls; concessionaires, agreements, and contracts relating to City revenues; 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, accounting and auditing. Full descriptions of these policies are available in the City's annual budget publication which can be obtained from the City's Finance Department, Office of Management and Budget, and from the City's website at [www.okc.gov](http://www.okc.gov). As part of the City's annual budget process, compliance with established policies is reviewed. A compliance report is provided annually to the City Council. The City's fiscal year 2016 annual budget was awarded the Government Finance Officers Association of the United States and Canada (GFOA) Distinguished Budget Presentation Award. This is the 29th year the City has submitted and been awarded this honor.

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

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

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

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

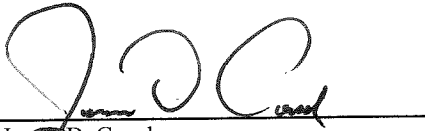
The GFOA awarded a Certificate of Achievement for Excellence in Financial Reporting to the City for its CAFR for the fiscal year ended June 30, 2015. This was the 33rd consecutive year that the City has achieved this prestigious award.

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

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

*Acknowledgements*

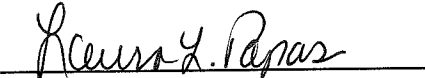
The dedicated work of the entire Finance Department, Accounting Services Division staff made possible the preparation of the City's CAFR. Other accountants and administrators at various sites throughout the City provided additional valuable help. The City also acknowledges our professional independent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



James D. Couch  
City Manager



Craig Freeman  
Finance Director



Laura L. Papas  
Controller

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**SELECTED CITY OFFICIALS**  
**MAYOR AND COUNCIL**

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
Mark K. Stonecipher	Ward 8

**CITY MANAGER AND**  
**DEPARTMENT HEADS**

James D. Couch	City Manager
Kenneth Jordan	Municipal Counselor
Jim Williamson	City Auditor
Dennis Clowers	Assistant City Manager
M.T. Berry	Assistant City Manager
Laura A. Johnson	Assistant City Manager
Craig A. Freeman	Finance Director
Eric J. Wenger	Public Works Director
Marsha Slaughter	Utilities Director
Paula J. Falkenstein	General Services Director
Mark Kranenburg	Airports Director
Jane Abraham	Acting Municipal Courts Director
Frances Kersey	City Clerk
Jason Ferbrache	Public Transportation and Parking Director
Douglas R. Kupper	Parks and Recreation Director
Bob Tener	Development Services
Dianna Berry	Personnel Director
G. Keith Bryant	Fire Chief
Kristy Yager	Public Information and Marketing Director
Aubrey Hammontree	Planning Director
Schad Meldrum	Information Technology Director
Dwight Lawson	Oklahoma City Zoo Director
William Citty	Police Chief

**SELECTED MANAGERS**

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



Government Finance Officers Association

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

Presented to

**The City of Oklahoma City  
Oklahoma**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**June 30, 2015**

Executive Director/CEO

# Financial





## INDEPENDENT AUDITOR'S REPORT

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, 2016, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as 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 (GASB), in the accompanying combining and individual fund statements and schedules as of and for the year ended June 30, 2016, 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 Oklahoma City Public Property Authority (OCPPA) General Purpose Fund. The financial statements of SMG comprise 49% and 0.37% of total assets and deferred outflows of resources and 78% and 8% of revenues of OCPPA General Purpose Fund 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, which are reported within the Authority's governmental activities and general purpose fund financial statements, is based solely on the report of the other auditors. In addition, we did not audit the financial statements of the Oklahoma City Industrial and Cultural Facilities Trust (OCICF) and the Oklahoma City Redevelopment Authority (OCRA), which are discretely presented component units comprising 0.26% and 1.43% respectively, of total assets and deferred outflows of resources and 0.03% and 1.03% respectively, of revenues of the City's aggregate discretely presented component units. 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 in OCICF and OCRA, 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 reported within the Authority's governmental activities and general purpose fund financial statements, were not audited in accordance with *Government Auditing Standards*.

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

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

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

### **Opinions**

In our opinion, based on our audit and the report of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund and the aggregate remaining fund information of the City as of June 30, 2016, and the respective changes in financial position and where applicable, cash flows thereof and the general fund budgetary comparisons for the year then ended in accordance with accounting principles generally accepted in the United States of America. In addition, in our opinion, based on our audit and the report of other auditors, 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 of June 30, 2016, and the respective changes in its financial position and where applicable, cash flows, and the nonmajor governmental funds budgetary comparisons, thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### **Emphasis of Matter**

As discussed in *Note IV.A* to the financial statements, in 2016, the City adopted GASB Statement No. 72, *Fair Value Measurement and Application*. Our opinions are not modified with respect to this matter.

### **Other Matters**

#### *Required Supplementary Information*

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

#### *Supplementary and Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's financial statements. The Capital Assets Schedule by Fund and Component Unit, Long-term Debt Supporting General Government Services Schedule of General Obligation Bonds Outstanding by Issue, Long-term Debt Supporting General Government Services Debt Service to Maturity

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

by Type of Debt, Schedule of Receivables and Payables Within the Reporting Entity, and the Schedule of Transfers Within the Reporting Entity by Fund, and the introductory and statistical sections as listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The Capital Assets Schedule by Fund and Component Unit, Long-term Debt Supporting General Government Services Schedule of General Obligation Bonds Outstanding by Issue, Long-term Debt Supporting General Government Services Debt Service to Maturity by Type of Debt, Schedule of Receivables and Payables Within the Reporting Entity, and the Schedule of Transfers Within the Reporting Entity by Fund are the responsibility of management and were derived from and related directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, such information is fairly stated, in all material respects, in relation to the financial statements as a whole.

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

#### **Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated November 18, 2016, 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.

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

November 18, 2016  
Wichita, KS

## 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, 2016. 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 and deferred outflows of resources exceeded its liabilities and deferred inflows of resources by \$2,101,355 (net position) for 2016. This compares to the previous year when assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$1,910,647.
- Total liabilities of the City increased by \$58,987 to \$1,604,183 during the fiscal year. General obligation bonds issued for capital improvements during the fiscal year were \$122,025. General obligation bonds repaid during the year were \$91,230.
- Total net position is comprised of the following:
  - (1) Net investment in capital assets of \$1,387,240 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 \$839,484 is restricted by constraints imposed from outside the City such as debt covenants, grantors, laws, or regulations.
  - (3) Unrestricted net deficit is \$125,369 compared to unrestricted of \$153,376 last year.
- The City's governmental funds reported total ending fund balance of \$1,095,086 this year. This compares to the prior year ending fund balance of \$1,057,330 showing an increase of \$37,756 during the current year. Unassigned fund balance is \$102,554 for fiscal year 2016.
- At the end of the current fiscal year, unassigned fund balance for the General Fund was \$109,582 or 25.5% of total General Fund expenditures including transfers and 26.8% of total General Fund revenues including transfers.

### *Overview of the Financial Statements*

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

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

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



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

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

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

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

### **Fund Financial Statements**

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

### Governmental funds

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

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

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

#### Proprietary funds

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

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

#### Fiduciary funds

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

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

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

#### **Other Information**

In addition to the basic financial statements and accompanying notes, this report also presents required supplementary information concerning the City's 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, 2016 is \$2,101,355. This is a \$179,100 increase compared to June 30, 2015 net position, as restated, of \$1,922,255. Net position increased \$142,176 for governmental activities and \$36,924 for business-type activities. The City's overall financial position improved during fiscal year 2016. Reclassifications have been made to 2015 functional amounts in program expenses in governmental activities to conform with current year presentation. The 2015 financial statements were not restated for the prior period adjustment in governmental activities.

	Summary of Net Position						Amount of Change	% Change
	Governmental Activities		Business-type Activities		Totals			
	2016	2015	2016	2015	2016	2015		
<b>Assets</b>								
Current assets	\$1,268,475	\$1,248,146	\$80,520	\$54,449	\$1,348,995	\$1,302,595	\$46,400	3.6%
Capital assets, net	1,799,140	1,667,573	487,970	467,522	2,287,110	2,135,095	152,015	7.1
Other non-current assets	59,722	72,115	26,752	33,135	86,474	105,250	(18,776)	(17.8)
<b>Total assets</b>	<b>3,127,337</b>	<b>2,987,834</b>	<b>595,242</b>	<b>555,106</b>	<b>3,722,579</b>	<b>3,542,940</b>	<b>179,639</b>	5.1
<b>Deferred outflows of resources</b>	<b>58,588</b>	<b>38,809</b>	<b>3,172</b>	<b>3,590</b>	<b>61,760</b>	<b>42,399</b>	<b>19,361</b>	45.7
<b>Liabilities</b>								
Current liabilities	178,227	178,234	24,648	28,567	202,875	206,801	(3,926)	(1.9)
Non-current liabilities	1,260,614	1,215,248	140,694	123,147	1,401,308	1,338,395	62,913	4.7
<b>Total liabilities</b>	<b>1,438,841</b>	<b>1,393,482</b>	<b>165,342</b>	<b>151,714</b>	<b>1,604,183</b>	<b>1,545,196</b>	<b>58,987</b>	3.8
<b>Deferred inflows of resources</b>	<b>70,539</b>	<b>110,400</b>	<b>8,262</b>	<b>19,096</b>	<b>78,801</b>	<b>129,496</b>	<b>(50,695)</b>	(39.1)
<b>Net position</b>								
Net investment								
in capital assets	985,962	887,305	401,278	379,694	1,387,240	1,266,999	120,241	9.5
Restricted	835,474	792,278	4,010	4,746	839,484	797,024	42,460	5.3
Unrestricted (deficit)	(144,891)	(156,822)	19,522	3,446	(125,369)	(153,376)	28,007	18.3
<b>Total net position</b>	<b>\$1,676,545</b>	<b>\$1,522,761</b>	<b>\$424,810</b>	<b>\$387,886</b>	<b>\$2,101,355</b>	<b>\$1,910,647</b>	<b>\$190,708</b>	10.0

Total assets increased 5.1% or \$179,639 during the year. Current assets in governmental activities increased \$20,329 and increased \$26,071 in business-type activities primarily for increased cash and investments of \$23,766 and \$22,861 related to net proceeds from the issuance of general obligation bonds and Series 2016 Fairgrounds Hotel Tax Revenue Refunding Bonds, respectively. In addition, business-type activities intergovernmental receivable increased \$5,572 for amounts due to OCEAT from the Federal Emergency Management Agency (FEMA) for reimbursement of storm debris removal costs. Capital assets increased \$152,015 including capital construction, capitalized pollution remediation costs, and purchases of \$274,194, offset by depreciation of \$120,769 and retirements of \$1,410. Other non-current assets decreased \$18,776 primarily related to decreases in the actuarially calculated net pension asset of \$17,921 and \$6,428 in governmental and business-type activities, respectively. Deferred outflows of resources decreased \$19,361 related mainly to actuarially calculated pension deferred outflows of resources.

Total liabilities increased 3.8% or \$58,987 during the year. Current liabilities in governmental activities remained constant decreasing \$7. Current liabilities decreased \$3,919 in business-type activities primarily related to decreased OCEAT solid waste unearned revenues of \$7,769 for a change from advance billing to billing in arrears, offset by increased accounts payable and accrued expenses of \$3,156 related to timing of vendor payments. Non-current liabilities increased \$45,366 in governmental activities primarily for and changes in bonds payable of \$32,915 and increased actuarially determined net pension liability of \$6,401 and actuarially determined net other post-employment obligation of \$11,820, offset by decreased non-current unearned revenues in governmental activities of \$11,660 primarily related to a prior period adjustment which recognized revenues related to federally funded revolving loans. Non-current liabilities increased \$17,547 in business-type activities related primarily to changes in bonds payable of \$13,031 and an increase in the actuarially determined net opeb obligation of \$4,276. Deferred inflows of resources decreased \$50,695 mainly related to actuarially determined pension deferred inflows.

Summary of Changes in Net Position

	Governmental Activities		Business-type Activities		Totals		Amount of Change	% Change
	2016	2015	2016	2015	2016	2015		
<b>Revenues</b>								
Program revenues								
Charges for services	\$82,622	\$87,953	\$90,048	\$86,141	\$172,670	\$174,094	(\$1,424)	(0.8%)
Operating grants and contributions	83,086	69,445	103,672	93,417	186,758	162,862	23,896	14.7
Capital grants and contributions	42,829	26,805	35,905	16,312	78,734	43,117	35,617	82.6
General revenues								
Sales taxes	412,578	423,031	-	-	412,578	423,031	(10,453)	(2.5)
Use taxes	41,914	48,570	-	-	41,914	48,570	(6,656)	(13.7)
Property taxes	83,898	79,750	-	-	83,898	79,750	4,148	5.2
Franchise taxes (fees)	41,419	45,054	-	-	41,419	45,054	(3,635)	(8.1)
Other taxes	25,031	25,309	-	-	25,031	25,309	(278)	(1.1)
Other	18,139	11,241	570	347	18,709	11,588	7,121	61.5
<b>Total revenues</b>	<b>831,516</b>	<b>817,158</b>	<b>230,195</b>	<b>196,217</b>	<b>1,061,711</b>	<b>1,013,375</b>	<b>48,336</b>	4.8
<b>Expenses</b>								
General government	36,846	44,029	-	-	36,846	44,029	(7,183)	(16.3)
Public safety	335,228	322,583	-	-	335,228	322,583	12,645	3.9
Public services	177,854	189,421	-	-	177,854	189,421	(11,567)	(6.1)
Culture and recreation	89,891	88,414	-	-	89,891	88,414	1,477	1.7
Education	546	1,162	-	-	546	1,162	(616)	(53.0)
Economic development	3,736	2,863	-	-	3,736	2,863	873	30.5
Interest on long-term debt	23,481	26,470	-	-	23,481	26,470	(2,989)	(11.3)
Airports	-	-	16,078	15,809	16,078	15,809	269	1.7
Water and wastewater utilities	-	-	87,146	87,249	87,146	87,249	(103)	(0.1)
Solid waste management	-	-	48,676	43,231	48,676	43,231	5,445	12.6
Stormwater drainage	-	-	16,893	16,982	16,893	16,982	(89)	(0.5)
Golf courses	-	-	10,406	10,112	10,406	10,112	294	2.9
Fairgrounds	-	-	11,665	12,712	11,665	12,712	(1,047)	(8.2)
Ground transportation and parking	-	-	2,805	2,305	2,805	2,305	500	21.7
Zoo operations	-	-	21,360	21,900	21,360	21,900	(540)	(2.5)
<b>Total expenses</b>	<b>667,582</b>	<b>674,942</b>	<b>215,029</b>	<b>210,300</b>	<b>882,611</b>	<b>885,242</b>	<b>(2,631)</b>	(0.3)
<b>Increase in net position before transfers</b>	<b>163,934</b>	<b>142,216</b>	<b>15,166</b>	<b>(14,083)</b>	<b>179,100</b>	<b>128,133</b>	<b>50,967</b>	39.8
<b>Transfers</b>	<b>(21,758)</b>	<b>(20,799)</b>	<b>21,758</b>	<b>20,799</b>	<b>-</b>	<b>-</b>	<b>-</b>	0.0
<b>Change in net position</b>	<b>142,176</b>	<b>121,417</b>	<b>36,924</b>	<b>6,716</b>	<b>179,100</b>	<b>128,133</b>	<b>50,967</b>	39.8
Beginning net position								
As originally reported	1,522,761	1,761,506	387,886	375,876	1,910,647	2,137,382	(226,735)	(10.6)
Change in accounting principle	-	(360,162)	-	5,294	-	(354,868)	354,868	100.0
Prior period adjustment	11,608	-	-	-	11,608	-	11,608	100.0
Beginning net position, as restated	1,534,369	1,401,344	387,886	381,170	1,922,255	1,782,514	139,741	7.8
<b>Ending net position</b>	<b>\$1,676,545</b>	<b>\$1,522,761</b>	<b>\$424,810</b>	<b>\$387,886</b>	<b>\$2,101,355</b>	<b>\$1,910,647</b>	<b>\$190,708</b>	10.0

Total revenues increased by \$48,336 or 4.8% in 2016. Charges for services in governmental activities decreased \$5,331 related to \$2,848 decrease in court cases filed and deposed and decreases in building permits of \$1,527 and engineering fees of \$1,229 related to the downturn in the economy. Charges for services in business-type activities increased by \$3,907 related primarily to increased solid waste residential charges of \$2,389 related to a 3.5% rate increase and a 1.73% increase in the number of customers served. Operating grants and contributions increased \$13,641 in governmental activities related to increased pension payments made by the State of Oklahoma on-behalf of the City of \$4,329 and increased grant revenues of \$5,412 primarily related to additional Community Development Block Grant and FEMA disaster recovery revenues and increased \$10,255 in business-type activities for FEMA reimbursements of storm debris removal costs of \$6,102 and payments from component units to fund increased operating costs of \$3,685. Capital grants and contributions increased \$35,617 related primarily to increased capital donations from developers of \$18,970 and \$19,593 in governmental and business-type activities, respectively. General revenues decreased \$9,753 related primarily to decreased sales tax revenues of \$10,453 related to the downturn in the economy in Oklahoma.

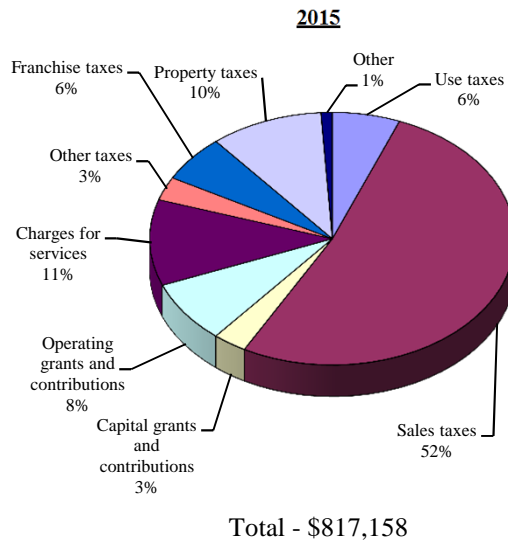
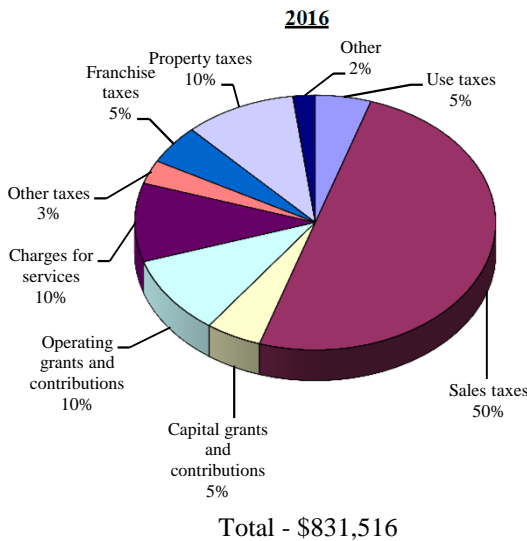
Overall expenses decreased \$2,631 or 0.3% in 2016. Program expenses reported in governmental activities decreased \$7,360. Changes in expenses in governmental activities were primarily related to decreased actuarially determined pension expense in all functions except police where the actuarially determined pension expense increased, offsetting the overall decrease in expenses. In business-type activities, solid waste management increased \$5,445 related primarily to FEMA reimbursements of storm debris removal costs, offset by decreased depreciation and loss on disposal of assets in fairgrounds activities of \$1,047 related to prior year biennial inventory adjustments not made in the current year.

In 2016 a prior year restatement is reported in governmental activities for the recognition of previously reported unearned revenues related to revolving loans in the Grants Management Fund. In 2015 a prior year restatement is reported for the effect of the implementation of GASB statement number 68 of (\$360,162) and \$5,294 for governmental and business-type activities, respectively.

Graphic presentations of the Summary of Changes in Net Position follows to assist in the analysis of the City's activities for fiscal years 2016 and 2015.

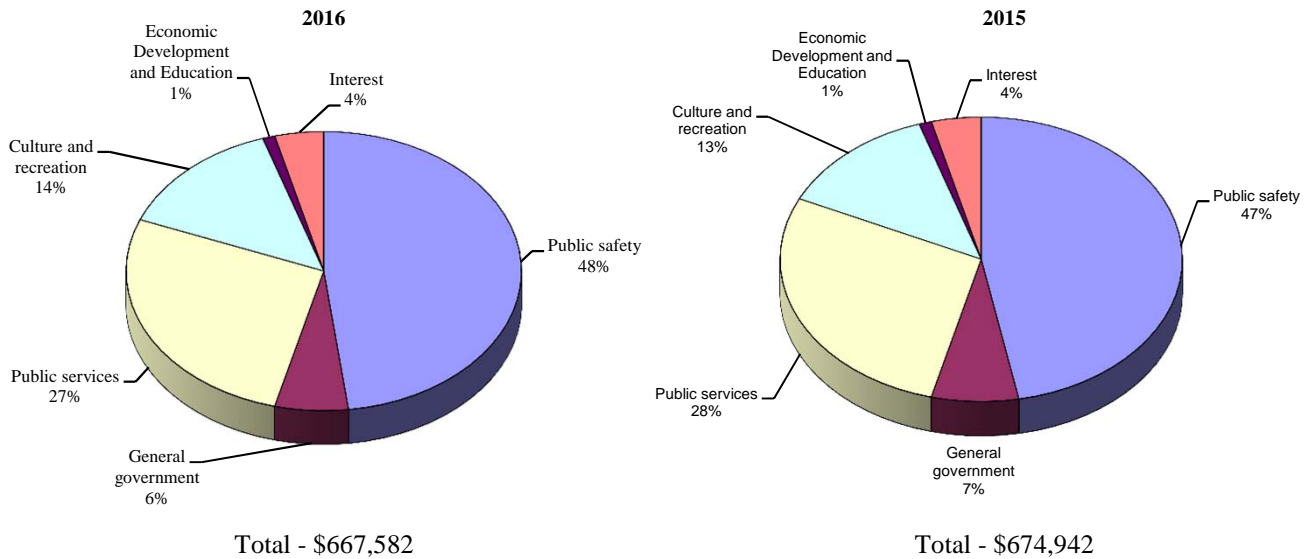
**Governmental Activities**

**REVENUES**



Overall revenues from governmental activities increased \$14,358. Charges for services decreased 6.1%. Operating grants and contributions increased 19.6% and capital grants and contributions increased 59.8%. Sales taxes provided 50% and 52% of the City's total governmental revenues in fiscal years 2016 and 2015, respectively. Sales tax revenues decreased \$10,453, use taxes decreased \$6,656 and franchise taxes decreased \$3,635 particularly as a result economic downturn. Property tax levy collections for fiscal years 2016 and 2015 were \$83,898 and \$79,750, respectively.

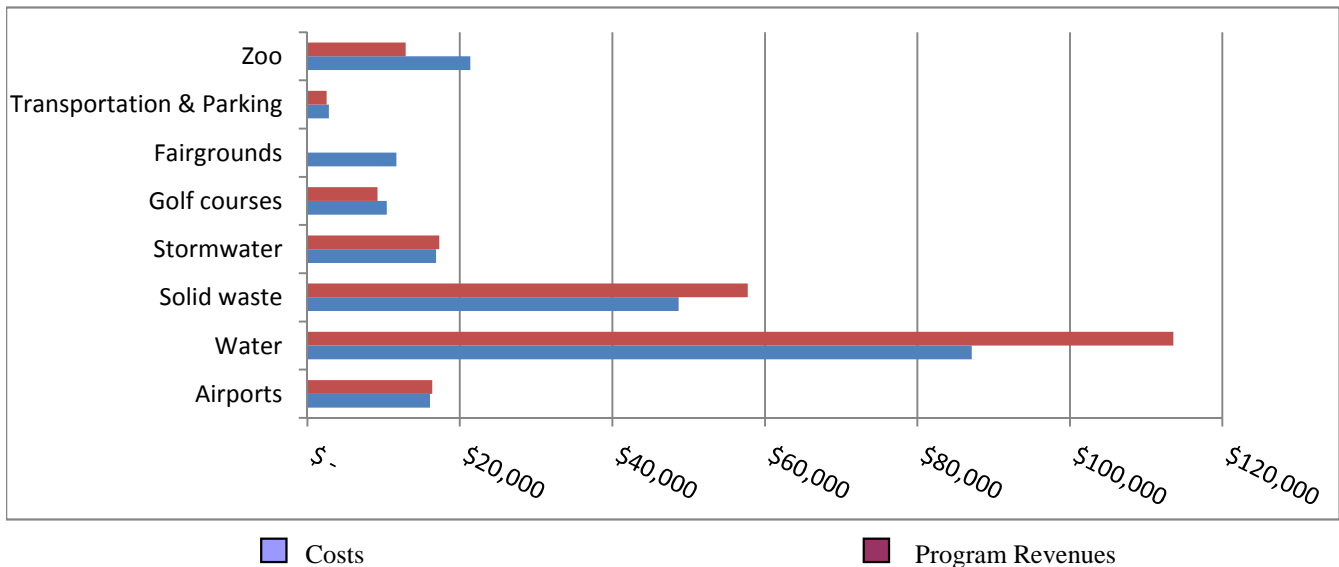
**FUNCTIONAL EXPENSES**



The graph shows the total governmental activities expenses of \$667,582 for 2016. Public safety, with \$168,154 in cost for police and \$139,416 in cost for fire, was the largest operating service cost, at 48.0% of total cost of services in 2016. These costs, as well as all governmental activities expenses, were primarily funded by taxes. Public safety expenses used \$259,913 in taxes and other general revenues. Other governmental activities with significant tax-based funding include public services of \$78,930 and culture and recreation activities of \$65,345.

**Business-Type Activities**

**REVENUES VS. COSTS**



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

Charges for services for business-type activities increased \$3,907. Operating grants and contributions increased \$10,255 and capital grants increased \$19,593. Business-type activities' expenses increased \$4,729. Except for increased costs for storm debris removal in the solid waste activity, there were only slight changes in most activities expenses due to normal operating conditions.

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

#### **Governmental Funds**

Governmental funds are reported in the fund statements with a short-term, inflow and outflow of spendable resources focus. This information is useful in assessing resources available at the end of the year in comparison with upcoming financing requirements. Governmental funds reported ending fund balances of \$1,095,086. Of this year-end total, \$102,554 is unassigned indicating availability for continuing City service requirements. The total ending fund balances of governmental funds show an increase of \$26,148 over the prior year.

#### Major Governmental Funds

The General Fund is the City's primary operating fund and the largest source of day-to-day service delivery. The fund balance of the General Fund decreased by \$20,716 during fiscal year 2016. Key factors in the decrease were the declines in tax revenues and franchise fees of \$16,937 and decreased permit and fines revenues of \$4,422 related to the downturn in the economy in Oklahoma. See General Fund Budgetary Highlights for more information.

The Debt Service Fund has a fund balance of \$97,804 which was a net increase of \$6,404. The change in fund balance reflects the City's continuing commitment to time the issuance of debt with debt retirements to support the objective of maintaining level City property taxes. A key factor in achieving this objective is the counties' annual reassessment of City property values, which has been steadily rising over recent years. This favorable trend in property assessments has allowed the City to maintain an active general obligation bond program without substantially increasing property tax rates.

In fiscal year 2016 the Grants Management Fund reported a \$7,406 increase in fund balance. The change in the Grants Management Fund's fund balance is primarily a result of the issuance of \$6,171 in Federally funded notes receivable.

In fiscal year 2016 the MAPS3 Sales Tax Fund reported a \$20,397 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 revenue collections exceed project spending.

The General Obligation Bond Fund has a fund balance of \$221,209, a net increase of \$14,992. Fund balance increased as a result of expenditures for capital outlay in excess of proceeds from bond issuance during the year.

The Oklahoma City Public Property Authority (OCPPA) General Purpose Fund accounts for the general government activities of OCPPA. In fiscal year 2016 the OCPPA General Purpose Fund reported a \$800 decrease in fund balance.

### **Proprietary Funds**

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

#### Major Proprietary Funds

The Water and Wastewater Fund provides the daily operations of the City's water and wastewater utilities. Net position for the Water and Wastewater Fund increased by \$25,724 for an ending net position of \$280,472. Major revenues include payments from OCWUT to fund operating costs and donated assets from developers. Expenses include personnel, maintenance and supplies, and depreciation. Contributions from developers increased \$19,593 during the year.

OCEAT shares the financing and operations of the City's solid waste disposal program. The OCEAT's net position increased \$8,403 during the current year. Operating revenues increased 4.9% and operating expenses increased 17.7% primarily related to scheduled increases in rates for amounts charged and amounts paid to contractors, respectively.

OCZT provides the financing and daily operations for the zoo. OCZT receives sales tax funding from the City Zoo Fund to fund debt service, capital projects, and operating costs. During the year the OCZT increased its net position \$4,917 to \$84,962. During 2016 operating revenues increased 5% even though there was a 1% decrease in attendance. Operating expenses decreased 2.4% from tightening of spending due to anticipated decrease in sales tax revenues. Sales tax payments from the City decreased 2.4% due to adverse economic conditions. Investment income increased 7.9% due to an increased cash balance during the year.

The OCPPA Fairgrounds Fund provides financing for the Oklahoma City Fairgrounds through transfer of hotel/motel tax restricted for fairgrounds debt service and capital projects. During the year the OCPPA Fairgrounds Fund net position decreased to a deficit of \$12,424 as expenses exceeded revenues and transfers by \$3,677. Periodically, the City transfers accumulated hotel/motel tax to fund capital projects not funded through revenue bonds.

The OCPPA Golf Courses Fund accounts for the finances of five municipal golf courses. The current year net deficit increased \$77 resulting in a net deficit of \$1,920. Operating revenues increased due to an increase in golf rounds played. Expenses decreased \$323 primarily due to decrease in non-capital furniture and equipment rentals at Lincoln Park Golf Course required in 2015 during final construction of the clubhouse.

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

The original adopted General Fund budget for fiscal year June 30, 2016, was \$426,504. This was an increase of \$9,891 over the previous year budget. An increase in forecasted sales tax revenue was the primary driver in the higher budget in 2016. With the additional revenue, the City was able to add 20 uniformed police positions and six civilian positions in the Police Department. In addition, 21 positions were added in the Fire Department to provide staffing for a new Fire station scheduled to be constructed in southeast Oklahoma City.

The General Fund adopted budget was amended once during the 2016 fiscal year. The amendment increased the use of prior years' fund balance by \$9,065. The final amended General Fund budget was \$435,569. The amendments were for valid prior year encumbrances rolled over to the current fiscal year of \$1,065 and \$8,000 to fund additional street improvements. The General Fund budget complied with financial policies approved by the City Council and maintained core City services.

During 2016 it became apparent that revenue would fall short of projections. To manage the challenge of revenue shortfalls, the hiring and filling of open positions was limited, contingency spending was significantly reduced, and transfers to the Capital Improvement Fund to fund capital projects were reduced.



*Capital Assets*

The City's investment in capital assets, net of accumulated depreciation, for governmental and business-type activities as of June 30, 2016, was \$1,799,140 and \$487,970, respectively. The total increase in net capital assets was 7.9% for governmental activities and the total increase for business-type activities was 4.4%. The overall increase was 7.1% for the City as a whole.

	<b>Capital Assets, Net of Accumulated Depreciation</b>						Amount of Change	%
	Governmental Activities		Business-type Activities		Totals			
	<u>2016</u>	<u>2015</u>	<u>2016</u>	<u>2015</u>	<u>2016</u>	<u>2015</u>		
<b>Non-Depreciable Assets</b>								
Land and water storage rights	\$139,730	\$117,936	\$30,664	\$30,664	\$170,394	\$148,600	\$21,794	14.7%
Construction in progress	<u>274,673</u>	<u>265,255</u>	<u>2,061</u>	<u>9,141</u>	<u>276,734</u>	<u>274,396</u>	<u>2,338</u>	0.9
<b>Total non-depreciable assets</b>	<b><u>414,403</u></b>	<b><u>383,191</u></b>	<b><u>32,725</u></b>	<b><u>39,805</u></b>	<b><u>447,128</u></b>	<b><u>422,996</u></b>	<b><u>24,132</u></b>	5.7
<b>Depreciable Assets</b>								
Buildings	351,068	323,138	104,460	99,222	455,528	422,360	33,168	7.9
Infrastructure and improvements other than buildings	962,013	892,973	328,829	311,631	1,290,842	1,204,604	86,238	7.2
Furniture, machinery, and equipment	<u>71,656</u>	<u>68,271</u>	<u>21,956</u>	<u>16,864</u>	<u>93,612</u>	<u>85,135</u>	<u>8,477</u>	10.0
<b>Total depreciable assets</b>	<b><u>1,384,737</u></b>	<b><u>1,284,382</u></b>	<b><u>455,245</u></b>	<b><u>427,717</u></b>	<b><u>1,839,982</u></b>	<b><u>1,712,099</u></b>	<b><u>127,883</u></b>	7.5
<b>Total</b>	<b><u>\$1,799,140</u></b>	<b><u>\$1,667,573</u></b>	<b><u>\$487,970</u></b>	<b><u>\$467,522</u></b>	<b><u>\$2,287,110</u></b>	<b><u>\$2,135,095</u></b>	<b><u>\$152,015</u></b>	7.1

General obligation, revenue bonds, and general City capital improvement funds provided the major funding for the construction and acquisition of capital assets during the year. Construction projects in governmental activities during the current year included the Fairgrounds Expo Center, Oklahoma River Whitewater Facility, street improvements, Municipal Courts Complex Renovation, and the New Downtown City Park. The increase of land capital assets includes the acquisition of the new Convention Center Site. The increase of capital assets under construction includes the Municipal Courts Complex, Riversport Rapids, State Fairgrounds Expo Center, and the New Downtown Park. Construction in business-type activities included the Oklahoma River Maintenance Facility, Fairgrounds complex enhancements, and improvements at the zoo. Capital assets for business-type activities increased from assets donated from developers. See Note II. A. 6. for additional information about capital assets.

*Debt Administration*

**Other Long-term Debt**

The City issued \$6,171 and retired \$350 of notes payable and added lease obligations of \$961 and retired \$741. Estimated claims payable decreased a net amount of \$9,044. 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 \$834,955. Of this amount, \$738,110 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 \$96,845 is supported by pledged revenues generated primarily by business-type activities of the City (revenue bonds). During the current year, the City issued \$122,025 in general obligation bonds under the voter authorization discussed earlier in this report. Revenue bonds in the amount of \$58,305 were issued. See Note III. A. 7. for additional information about bonds payable.

**Bond Ratings**

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

**Long-term Debt**

	Governmental Activities		Business-type Activities		Totals		Amount of Change	Total % Change
	<u>2016</u>	<u>2015</u>	<u>2016</u>	<u>2015</u>	<u>2016</u>	<u>2015</u>		
Other long-term debt	\$57,902	\$61,006	\$419	\$318	\$58,321	\$61,324	(\$3,003)	(4.9%)
General obligation bonds	738,110	707,315	-	-	738,110	707,315	30,795	4.4
Revenue bonds	-	-	<u>96,845</u>	<u>89,510</u>	<u>96,845</u>	<u>89,510</u>	<u>7,335</u>	8.2
	<b><u>\$796,012</u></b>	<b><u>\$768,321</u></b>	<b><u>\$97,264</u></b>	<b><u>\$89,828</u></b>	<b><u>\$893,276</u></b>	<b><u>\$858,149</u></b>	<b><u>\$35,127</u></b>	4.1

Changes in long-term debt are related to issuances and payments of current principal requirements. Issuances included the Series 2016 Non-Taxable General Obligation Bonds that will be used to fund infrastructure improvements, Series 2016 Limited Tax General Obligation Bonds that will be used to economic and community development and the Series 2016 Non-Taxable General Obligation Refunding Bonds which were used to defease the Series 2007 General Obligation Bonds in governmental activities and the Series 2015 Hotel Tax Revenue Refunding Bonds which were used to defease the Series 2005 Hotel Tax Refunding Bonds, to call the Series 2012 Hotel Tax Revenue Bonds, and fund future infrastructure improvements at the Fairgrounds. See Note III. A. 9. for additional information about changes in long-term debt.

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

**Economic Environment**

Tax revenues declined due to muted national economy growth and the downturn in the oil and natural gas industry.

**Fees and Rates**

In September 2014 the City approved a 3 year water and wastewater rate plan that provided an overall average annual revenue adjustment of 8.3%.

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

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

OVERVIEW OF COMPONENT UNITS

<b><u>BLENDDED COMPONENT UNITS</u></b>	<b><u>DATE ESTABLISHED</u></b>	<b><u>ACTIVITY</u></b>
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
<b><u>DISCRETELY PRESENTED COMPONENT UNITS</u></b>	<b><u>DATE ESTABLISHED</u></b>	<b><u>ACTIVITY</u></b>
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
<b><u>FIDUCIARY COMPONENT UNITS</u></b>	<b><u>DATE ESTABLISHED</u></b>	<b><u>ACTIVITY</u></b>
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

CITY OF OKLAHOMA CITY, OKLAHOMA

June 30, 2016

(dollars are in thousands)

	Primary Government			Component Units
	Governmental Activities	Business-type Activities	Total	
<b>ASSETS</b>				
<b>CURRENT ASSETS</b>				
Cash-----	\$131,479	\$33,934	\$165,413	\$82,405
Investments-----	982,139	70,549	1,052,688	341,376
Sales and use taxes receivable-----	59,974	-	59,974	-
Property taxes receivable-----	4,381	-	4,381	5,817
Accounts receivable, net-----	17,128	4,856	21,984	29,300
Interest, dividends, and royalties receivable-----	3,155	207	3,362	633
Internal balances-----	44,095	(44,095)	-	-
Receivable from component units-----	2,842	3	2,845	-
Receivable from primary government-----	-	-	-	4,873
Intergovernmental receivables-----	12,247	5,647	17,894	9,190
Notes and economic incentives receivable-----	1,378	-	1,378	2,015
Inventories and prepaids-----	9,657	9,419	19,076	1,495
<b>Total current assets-----</b>	<b>1,268,475</b>	<b>80,520</b>	<b>1,348,995</b>	<b>477,104</b>
<b>NON-CURRENT ASSETS</b>				
Investments-----	-	2,499	2,499	78,673
Prepaids, non-current-----	397	341	738	124
Notes and economic incentives receivable-----	14,937	-	14,937	29,026
Receivable from primary government-----	-	-	-	6,000
Receivable from component units-----	4,255	4,504	8,759	-
Equity interest in joint venture-----	12,744	-	12,744	-
Net pension asset-----	27,389	19,408	46,797	-
Other-----	-	-	-	83,730
Capital assets:				
Land, art, water storage rights, and construction in progress-----	414,403	32,725	447,128	370,083
Other capital assets, net of accumulated depreciation-----	1,384,737	455,245	1,839,982	1,398,182
<b>Capital assets, net-----</b>	<b>1,799,140</b>	<b>487,970</b>	<b>2,287,110</b>	<b>1,768,265</b>
<b>Total non-current assets-----</b>	<b>1,858,862</b>	<b>514,722</b>	<b>2,373,584</b>	<b>1,965,818</b>
<b>Total assets-----</b>	<b>3,127,337</b>	<b>595,242</b>	<b>3,722,579</b>	<b>2,442,922</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
	<b>58,588</b>	<b>3,172</b>	<b>61,760</b>	<b>10,018</b>
<b>LIABILITIES</b>				
<b>CURRENT LIABILITIES</b>				
Accounts payable and accrued expenses-----	44,908	11,044	55,952	50,714
Wages and benefits payable-----	13,016	3,364	16,380	756
Payable to component units-----	4,449	424	4,873	-
Payable to primary government-----	-	-	-	2,845
Interest payable-----	94	1	95	780
Compensated absences-----	23,848	3,982	27,830	228
Tax anticipation debt-----	-	-	-	18,445
Notes, lease obligations, and estimated claims payable-----	16,513	26	16,539	26,005
Commercial Paper-----	-	-	-	50,500
Unearned revenue-----	9,078	502	9,580	1,558
Bond interest payable-----	9,605	1,100	10,705	23,355
Bonds payable-----	55,855	4,205	60,060	26,485
Intergovernmental payable-----	861	-	861	26
<b>Total current liabilities-----</b>	<b>178,227</b>	<b>24,648</b>	<b>202,875</b>	<b>201,697</b>
<b>NON-CURRENT LIABILITIES</b>				
Compensated absences-----	52,908	6,632	59,540	278
Payable to primary government-----	-	-	-	8,759
Payable to component units-----	6,000	-	6,000	-
Intergovernmental payable-----	-	-	-	15,053
Tax anticipation debt-----	-	-	-	15,910
Notes, lease obligations, and estimated claims payable-----	41,389	393	41,782	56,678
Unearned revenue-----	863	2,209	3,072	991
Bonds payable, net-----	730,931	99,027	829,958	672,782
Net pension liability-----	305,297	-	305,297	5,466
Net other post-employment benefit obligation-----	123,226	32,433	155,659	393
<b>Total non-current liabilities-----</b>	<b>1,260,614</b>	<b>140,694</b>	<b>1,401,308</b>	<b>776,310</b>
<b>Total liabilities-----</b>	<b>1,438,841</b>	<b>165,342</b>	<b>1,604,183</b>	<b>978,007</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
	<b>70,539</b>	<b>8,262</b>	<b>78,801</b>	<b>632</b>
<b>NET POSITION</b>				
Net investment in capital assets-----	985,962	401,278	1,387,240	1,051,286
Restricted for:				
Capital projects-----	694,741	1	694,742	11,773
Debt service-----	91,874	4,009	95,883	57,551
Public safety-----	17,921	-	17,921	-
Public services-----	20,096	-	20,096	29,107
Culture and recreation-----	10,842	-	10,842	-
Education-----	-	-	-	27,091
Maintenance-----	-	-	-	38,003
Unrestricted-----	(144,891)	19,522	(125,369)	259,490
<b>Total net position-----</b>	<b>\$1,676,545</b>	<b>\$424,810</b>	<b>\$2,101,355</b>	<b>\$1,474,301</b>

See accompanying notes to financial statements.



**STATEMENT OF ACTIVITIES**  
**For the Year Ended June 30, 2016**  
**(dollars are in thousands)**

**CITY OF OKLAHOMA CITY, OKLAHOMA**

	Program Revenues					Net (Expense) Revenue and Changes in Net Position			Component Units
	Expenses	Indirect Expenses Allocation	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government			
						Governmental Activities	Business Type Activities	Total	
<b>Primary government</b>									
<i>Governmental activities</i>									
General government-----	\$47,886	(\$11,040)	\$2,527	\$6,357	\$96	(\$27,866)	\$ -	(\$27,866)	\$ -
Public safety:									
Police-----	168,154	-	2,673	10,647	14	(154,820)	-	(154,820)	-
Fire-----	139,416	-	14	27,184	14	(112,204)	-	(112,204)	-
Other-----	27,658	-	33,493	1,192	84	7,111	-	7,111	-
Public services-----	177,835	19	23,088	33,561	42,275	(78,930)	-	(78,930)	-
Culture and recreation-----	88,765	1,126	20,693	3,507	346	(65,345)	-	(65,345)	-
Education-----	382	164	74	4	-	(468)	-	(468)	-
Economic development-----	3,736	-	60	634	-	(3,042)	-	(3,042)	-
Interest on long-term debt-----	23,481	-	-	-	-	(23,481)	-	(23,481)	-
Total governmental activities----	677,313	(9,731)	82,622	83,086	42,829	(459,045)	-	(459,045)	-
<i>Business-type activities</i>									
Airports-----	12,679	3,399	137	16,228	-	-	287	287	-
Water and wastewater utilities-----	82,915	4,231	27	77,631	35,905	-	26,417	26,417	-
Solid waste management-----	48,137	539	51,663	6,102	-	-	9,089	9,089	-
Stormwater drainage-----	16,227	666	17,296	-	-	-	403	403	-
Golf courses-----	10,341	65	9,203	1	-	-	(1,202)	(1,202)	-
Fairgrounds-----	11,665	-	-	24	-	-	(11,641)	(11,641)	-
Transportation and parking-----	1,974	831	175	2,336	-	-	(294)	(294)	-
Zoo operations-----	21,360	-	11,547	1,350	-	-	(8,463)	(8,463)	-
Total business-type activities----	205,298	9,731	90,048	103,672	35,905	-	14,596	14,596	-
<b>Total primary government-----</b>	<b>\$882,611</b>	<b>\$ -</b>	<b>\$172,670</b>	<b>\$186,758</b>	<b>\$78,734</b>	<b>(459,045)</b>	<b>14,596</b>	<b>(444,449)</b>	<b>-</b>
<b>Component units</b>									
Airports-----	\$57,934	\$ -	\$53,125	\$12,204	\$15,121	-	-	-	22,516
Water and wastewater utilities-----	169,890	-	233,321	5,409	-	-	-	-	68,840
Riverfront development-----	280	-	1	35	-	-	-	-	(244)
Foreign trade zone operations-----	16	-	16	-	-	-	-	-	-
Transportation and parking-----	35,896	-	12,057	28,585	1,450	-	-	-	6,196
Education-----	68,192	-	-	20	51	-	-	-	(68,121)
Economic development-----	29,904	-	592	22,743	19	-	-	-	(6,550)
<b>Total component units-----</b>	<b>\$362,112</b>	<b>\$ -</b>	<b>\$299,112</b>	<b>\$68,996</b>	<b>\$16,641</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>22,637</b>
<b>GENERAL REVENUES</b>									
Taxes:									
Sales taxes:									
General-----						212,368	-	212,368	-
Police-----						39,938	-	39,938	-
Fire-----						39,938	-	39,938	-
Culture and recreation-----						119,700	-	119,700	-
Tax incremental financing-----						634	-	634	-
Total sales tax-----						412,578	-	412,578	-
Use taxes-----						41,914	-	41,914	-
Hotel/Motel taxes-----						14,615	-	14,615	-
Property taxes-----						83,898	-	83,898	20,145
Franchise taxes-----						41,419	-	41,419	-
Emergency telephone taxes-----						4,517	-	4,517	-
Other taxes-----						5,899	-	5,899	-
Total taxes-----						604,840	-	604,840	20,145
Oil and gas royalties-----						336	-	336	28
Unrestricted investment income-----						4,381	570	4,951	3,616
Miscellaneous-----						13,422	-	13,422	1,598
<b>Total general revenues-----</b>						<b>622,979</b>	<b>570</b>	<b>623,549</b>	<b>25,387</b>
Transfers-----						(21,758)	21,758	-	-
<b>Total general revenues and transfers-----</b>						<b>601,221</b>	<b>22,328</b>	<b>623,549</b>	<b>25,387</b>
<b>Changes in net position-----</b>						<b>142,176</b>	<b>36,924</b>	<b>179,100</b>	<b>48,024</b>
<b>NET POSITION BEGINNING</b>									
As previously reported-----						1,522,761	387,886	1,910,647	1,426,277
Prior period adjustment-----						11,608	-	11,608	-
As restated-----						1,534,369	387,886	1,922,255	1,426,277
<b>Net position ending-----</b>						<b>\$1,676,545</b>	<b>\$424,810</b>	<b>\$2,101,355</b>	<b>\$1,474,301</b>

See accompanying notes to financial statements.

**BALANCE SHEET**  
**GOVERNMENTAL FUNDS**  
**June 30, 2016**  
(dollars are in thousands)

**CITY OF OKLAHOMA CITY, OKLAHOMA**

	<u>General</u>	<u>Debt</u> <u>Service</u>	<u>Grants</u> <u>Management</u>	<u>MAPS3</u> <u>Sales Tax</u>	<u>General</u> <u>Obligation</u> <u>Bonds</u>	<u>OCPPA</u> <u>General</u> <u>Purpose</u>	<u>Other</u> <u>Governmental</u> <u>Funds</u>	<u>Total</u> <u>Governmental</u> <u>Funds</u>
<b>ASSETS</b>								
Pooled cash-----	\$3,583	\$4,799	\$165	\$20,771	\$ -	\$3,957	\$11,172	\$44,447
Non-pooled cash-----	-	-	-	-	64,349	10,521	984	75,854
Investments-----	70,202	97,313	8,817	420,796	171,710	7,384	167,441	943,663
Sales and use taxes receivable-----	31,713	-	-	13,883	-	-	14,378	59,974
Property taxes receivable-----	-	4,380	-	-	-	1	-	4,381
Accounts receivable-----	7,418	-	76	-	-	1,473	5,544	14,511
Interest, dividends, and royalties receivable-----	199	335	61	1,449	415	7	567	3,033
Due from other funds-----	17,006	-	1,194	278	-	171	8,471	27,120
Receivable from component units-----	2,653	-	13	-	-	-	155	2,821
Intergovernmental receivables-----	1,253	-	6,846	-	2,500	163	1,404	12,166
Notes receivable, current-----	7	-	1,371	-	-	-	-	1,378
Inventories-----	6,867	-	-	-	-	161	-	7,028
Prepays-----	55	-	-	-	-	39	577	671
Notes receivable, non-current-----	11	-	14,926	-	-	-	-	14,937
Prepays, non-current-----	1	-	-	-	-	-	265	266
Advance to other funds-----	1,420	-	-	-	-	-	5,208	6,628
Receivable from component units, non-current-----	-	-	4,255	-	-	-	-	4,255
<b>Total assets-----</b>	<b>\$142,388</b>	<b>\$106,827</b>	<b>\$37,724</b>	<b>\$457,177</b>	<b>\$238,974</b>	<b>\$23,877</b>	<b>\$216,166</b>	<b>\$1,223,133</b>
<b>LIABILITIES, DEFERRED</b>								
<b>INFLOWS OF RESOURCES AND</b>								
<b>FUND BALANCES</b>								
<b>LIABILITIES</b>								
Accounts payable and accrued expenses---	\$4,153	\$2	\$4,234	\$10,938	\$12,075	\$4,203	\$6,887	\$42,492
Wages and benefits payable-----	10,317	-	83	-	-	-	2,011	12,411
Due to other funds-----	8,393	5,348	7,841	532	2,345	252	9,189	33,900
Payable to component units, current-----	117	-	-	-	-	-	4,332	4,449
Unearned revenue-----	76	-	949	-	-	5,406	2,647	9,078
Intergovernmental payable, current-----	-	-	-	-	861	-	-	861
Payable to component units, non-current-----	-	-	-	-	-	-	6,000	6,000
Advance from other funds-----	-	-	-	-	2,292	4,336	-	6,628
Unearned revenue, non-current-----	-	-	-	-	-	863	-	863
Total liabilities-----	23,056	5,350	13,107	11,470	17,573	15,060	31,066	116,682
<b>DEFERRED INFLOWS</b>								
<b>OF RESOURCES-----</b>	<b>224</b>	<b>3,673</b>	<b>2,908</b>	<b>474</b>	<b>192</b>	<b>435</b>	<b>3,459</b>	<b>11,365</b>
<b>FUND BALANCES</b>								
Non-spendable-----	8,126	-	19,181	-	2,500	363	3,001	33,171
Restricted-----	904	97,804	2,528	445,233	218,709	5,364	64,828	835,370
Committed-----	-	-	-	-	-	677	55,889	56,566
Assigned-----	496	-	-	-	-	1,978	64,951	67,425
Unassigned-----	109,582	-	-	-	-	-	(7,028)	102,554
Total fund balances-----	119,108	97,804	21,709	445,233	221,209	8,382	181,641	1,095,086
<b>Total liabilities, deferred</b>								
<b>outflows of resources and</b>								
<b>fund balances-----</b>	<b>\$142,388</b>	<b>\$106,827</b>	<b>\$37,724</b>	<b>\$457,177</b>	<b>\$238,974</b>	<b>\$23,877</b>	<b>\$216,166</b>	<b>\$1,223,133</b>

See accompanying notes to financial statements.

**RECONCILIATION OF THE BALANCE  
SHEET OF GOVERNMENTAL FUNDS  
TO THE STATEMENT OF NET POSITION  
June 30, 2016  
(dollars are in thousands)**

**CITY OF OKLAHOMA CITY, OKLAHOMA**

Total fund balance -- total governmental funds \$1,095,086

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	\$414,403	
Capital assets	2,522,390	
Less: Accumulated depreciation	<u>(1,137,653)</u>	1,799,140
Less: Internal service fund net capital assets included in net assets above		(1,620)

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. 12,744

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)		11,365
---	--	--------

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

Net pension assets	\$27,389	
Net pension assets - internal service funds	<u>(3,300)</u>	24,089

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	\$9,627	
Business-type activities internal liabilities to governmental fund activities	<u>44,400</u>	54,027

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

	Government Wide		<i>Deferred Outflows (Inflows)</i>	<i>Internal Service Funds</i>	
	<i>Current</i>	<i>Non-Current</i>			
Notes, lease obligations, estimated claims payable	(\$16,513)	(\$41,389)	\$ -	\$45,614	
Bonds payable, net	(55,855)	(730,931)	-	-	
Deferred amounts on refunding	-	-	5,218	-	
Compensated absences	(23,848)	(52,908)	-	2,104	
Interest payable	(94)	-	-	76	
Bonds interest payable	(9,605)	-	-	-	
Net pension liability	-	(305,297)	-	-	
Pension deferred outflows	-	-	53,370	(522)	
Pension deferred inflows	-	-	(70,539)	1,370	
Net other post-employment benefit obligation	-	(123,226)	-	4,689	(1,318,286)

**Net position of governmental activities \$1,676,545**

**STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
For the Year Ended June 30, 2016  
(dollars are in thousands)**

**CITY OF OKLAHOMA CITY, OKLAHOMA**

	General	Debt Service	Grants Management	MAPS3 Sales Tax	General Obligation Bonds	OCPPA General Purpose	Other Governmental Funds	Total Governmental Funds
<b>REVENUES</b>								
Sales taxes-----	\$212,368	\$ -	\$ -	\$106,388	\$ -	\$ -	\$93,823	\$412,579
Use taxes-----	31,107	-	-	-	-	-	10,807	41,914
Hotel/Motel taxes-----	-	-	-	-	-	-	14,587	14,587
Property taxes-----	-	83,345	-	-	-	56	-	83,401
Emergency telephone taxes-----	-	-	-	-	-	-	4,518	4,518
Other taxes-----	5,899	-	-	-	-	-	-	5,899
Franchise taxes-----	41,425	-	-	-	-	-	-	41,425
Licenses and permits-----	13,715	-	-	-	-	272	9,456	23,443
Oil and gas royalties-----	110	-	-	-	-	-	227	337
Fines and forfeitures-----	23,175	-	-	-	-	-	1,337	24,512
Investment income-----	2,211	1,284	88	3,160	1,668	67	1,751	10,229
Charges for services-----	22,329	-	-	-	-	16,468	2,431	41,228
Rental income-----	65	-	-	38	-	2,360	28	2,491
Payments from component units-----	6,484	-	-	-	-	-	2,575	9,059
Intergovernmental programs-----	43,246	-	27,791	-	1,015	-	2,438	74,490
Grant capital-----	-	-	-	-	-	-	1,208	1,208
Other-----	3,624	325	-	-	1	1,358	4,083	9,391
<b>Total revenues-----</b>	<b>405,758</b>	<b>84,954</b>	<b>27,879</b>	<b>109,586</b>	<b>2,684</b>	<b>20,581</b>	<b>149,269</b>	<b>800,711</b>
<b>EXPENDITURES</b>								
<b>CURRENT</b>								
General government-----	55,492	-	-	-	-	4	2,431	57,927
Public safety:								
Police-----	134,307	-	-	-	-	-	41,237	175,544
Fire-----	108,656	-	-	-	-	-	37,710	146,366
Other-----	11,726	-	-	-	-	-	15,770	27,496
Public services-----	62,016	-	19,914	-	24,740	30	15,114	121,814
Culture and recreation-----	26,069	-	-	88	-	22,569	11,512	60,238
Education-----	-	-	-	-	-	-	699	699
Economic development-----	38	-	-	-	-	-	1,286	1,324
Capital outlay-----	801	-	9,399	90,057	52,106	1,550	29,803	183,716
<b>DEBT SERVICE</b>								
Principal-----	67	53,340	232	-	-	122	-	53,761
Interest-----	35	28,060	-	-	-	152	-	28,247
Bond issuance costs-----	-	619	-	-	272	-	-	891
Other debt service-----	4	-	-	-	-	-	-	4
<b>Total expenditures-----</b>	<b>399,211</b>	<b>82,019</b>	<b>29,545</b>	<b>90,145</b>	<b>77,118</b>	<b>24,427</b>	<b>155,562</b>	<b>858,027</b>
<b>Excess (deficiency) of revenues over (under) expenditures-----</b>	<b>6,547</b>	<b>2,935</b>	<b>(1,666)</b>	<b>19,441</b>	<b>(74,434)</b>	<b>(3,846)</b>	<b>(6,293)</b>	<b>(57,316)</b>
<b>OTHER FINANCING</b>								
<b>SOURCES (USES)</b>								
Transfers from other funds-----	2,516	-	4,664	1,658	89,703	5,071	31,382	134,994
Transfers to other funds-----	(30,385)	(91,918)	(1,765)	(702)	(277)	(2,025)	(27,123)	(154,195)
Capital financing-----	463	-	-	-	-	-	-	463
Sale of assets-----	143	-	2	-	-	-	499	644
Premium on bonds-----	-	12,622	-	-	-	-	-	12,622
Long-term debt issued-----	-	122,025	6,171	-	-	-	-	128,196
Payment to bond escrow agent-----	-	(39,260)	-	-	-	-	-	(39,260)
<b>Net other financing sources (uses)--</b>	<b>(27,263)</b>	<b>3,469</b>	<b>9,072</b>	<b>956</b>	<b>89,426</b>	<b>3,046</b>	<b>4,758</b>	<b>83,464</b>
<b>Net change in fund balances-----</b>	<b>(20,716)</b>	<b>6,404</b>	<b>7,406</b>	<b>20,397</b>	<b>14,992</b>	<b>(800)</b>	<b>(1,535)</b>	<b>26,148</b>
<b>FUND BALANCES</b>								
Fund balances, beginning:								
As previously reported-----	139,824	91,400	2,695	424,836	206,217	9,182	183,176	1,057,330
Prior period adjustment-----	-	-	11,608	-	-	-	-	11,608
Fund balances, beginning, as restated-----	139,824	91,400	14,303	424,836	206,217	9,182	183,176	1,068,938
<b>Fund balances, ending-----</b>	<b>\$119,108</b>	<b>\$97,804</b>	<b>\$21,709</b>	<b>\$445,233</b>	<b>\$221,209</b>	<b>\$8,382</b>	<b>\$181,641</b>	<b>\$1,095,086</b>

See accompanying notes to financial statements.

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES**  
**CITY OF OKLAHOMA CITY, OKLAHOMA**  
**For the Year Ended June 30, 2016**  
**(dollars are in thousands)**

Net change in fund balances – total governmental funds \$26,148

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	\$183,716	
Capital assets transfers	3,240	
Depreciation expense	<u>(92,986)</u>	93,970

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	(\$644)	
Loss on disposal of assets - government-wide	<u>(42)</u>	(686)

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. 38,011

Capitalized pollution remediation 1,347

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	\$11,365	(\$11,636)	
EMSA joint venture equity interest	<u>12,744</u>	<u>(11,581)</u>	892

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	(\$128,196)		
Premium on bonds	(12,622)		
Capital financing	(463)		
Other debt issued	(167)		
Debt principal	53,690		
Payment to bond escrow agent	39,260		
Interest on debt - governmental funds	28,247		
Capital lease principal payments	71		
Internal service funds debt activity			
Interest on long-term debt		136	
Capital lease principal payments		(23)	
Debt activity recognized in the statement of activities			
Pollution remediation identified/adjusted in current year		35	
Disposal of capital lease		(309)	
Bond defeasance		1,281	
Amortization of deferred amount on refunding		(64)	
Interest on long-term debt		<u>(23,481)</u>	(42,605)

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	(\$76,756)	\$75,363	
Compensated absences - internal service funds	2,104	(2,145)	
Pension asset, liability, deferred inflows and outflows	(295,077)	330,461	
Pension asset, liability, deferred inflows and outflows - internal service funds	(2,452)	1,670	
Other post-employment benefit liability	(123,226)	111,406	
Other post-employment benefit liability - internal service funds	<u>4,689</u>	<u>(4,127)</u>	21,910

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

Internal service fund changes in net position	\$4,336		
Business-type activities net activities due to governmental type activities	<u>(1,147)</u>	<u>3,189</u>	

**Change in net position of governmental activities** **\$142,176**  
 See accompanying notes to financial statements.

**STATEMENT OF REVENUES, EXPENDITURES,  
ENCUMBRANCES, AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**

**CITY OF OKLAHOMA CITY, OKLAHOMA**

**For the Year Ended June 30, 2016**

**(dollars are in thousands)**

	General Fund						Total Actual	Variance
	Original Budget	Revisions	Revised Budget	Expenditures	Encumbrances			
<b>REVENUES</b>								
<u>TAXES</u>								
Sales taxes-----	\$223,989	\$ -	\$223,989			\$214,748	(\$9,241)	
Use taxes-----	38,372	-	38,372			30,015	(8,357)	
Commercial vehicle taxes-----	4,761	-	4,761			4,491	(270)	
Motor fuel taxes-----	1,136	-	1,136			1,169	33	
Excise taxes-----	4,927	-	4,927			5,001	74	
Alcoholic beverage taxes-----	950	-	950			923	(27)	
Utility taxes-----	4,875	-	4,875			5,264	389	
<u>LICENSES, PERMITS AND FEES</u>								
Licenses-----	1,649	-	1,649			1,679	30	
Permits-----	13,014	-	13,014			11,086	(1,928)	
Franchise fees-----	39,903	-	39,903			35,696	(4,207)	
Other police fees-----	568	-	568			488	(80)	
Other fees-----	668	-	668			692	24	
Fines and forfeitures-----	27,281	-	27,281			23,504	(3,777)	
Investment income-----	652	-	652			561	(91)	
Charges for services-----	9,445	-	9,445			6,688	(2,757)	
Administrative charges-----	18,240	-	18,240			18,047	(193)	
<u>OTHER REVENUE</u>								
Rental income-----	1,875	-	1,875			2,133	258	
Other revenue-----	28,193	-	28,193			31,259	3,066	
<b>Total revenues -----</b>	<b>420,498</b>	<b>-</b>	<b>420,498</b>			<b>393,444</b>	<b>(27,054)</b>	
 <u>EXPENDITURES</u>								
<u>GENERAL GOVERNMENT</u>								
Juvenile justice - Municipal Counselor:								
Personal services-----	174	-	174	\$141	\$ -	141	33	
Supplies-----	5	-	5	-	-	-	5	
Mayor and Council:								
Personal services-----	815	37	852	846	-	846	6	
Other services and charges-----	144	-	144	96	-	96	48	
Supplies-----	10	-	10	4	-	4	6	
City manager:								
Personal services-----	2,765	60	2,825	2,817	-	2,817	8	
Other services and charges-----	377	107	484	396	29	425	59	
Supplies-----	26	5	31	17	-	17	14	
Municipal counselor:								
Personal services-----	6,222	239	6,461	6,335	-	6,335	126	
Other services and charges-----	513	65	578	527	6	533	45	
Supplies-----	145	-	145	123	-	123	22	
Personnel:								
Personal services-----	2,565	54	2,619	2,536	-	2,536	83	
Other services and charges-----	401	-	401	381	1	382	19	
Supplies-----	16	-	16	15	-	15	1	
City clerk:								
Personal services-----	805	-	805	738	-	738	67	
Other services and charges-----	220	-	220	212	-	212	8	
Supplies-----	5	-	5	5	-	5	-	

**STATEMENT OF REVENUES, EXPENDITURES,  
ENCUMBRANCES, AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**

**CITY OF OKLAHOMA CITY, OKLAHOMA**

**For the Year Ended June 30, 2016**

**(dollars are in thousands)**

	General Fund						
	Original Budget	Revisions	Revised Budget	Expenditures	Encumbrances	Total Actual	Variance
Finance:							
Personal services-----	6,867	38	6,905	6,802	-	6,802	103
Other services and charges-----	2,049	193	2,242	2,168	3	2,171	71
Supplies-----	109	(33)	76	56	-	56	20
City auditor:							
Personal services-----	1,114	12	1,126	1,114	-	1,114	12
Other services and charges-----	67	(5)	62	55	-	55	7
Supplies-----	10	(4)	6	2	-	2	4
Capital outlay-----	-	9	9	9	-	9	-
General services:							
Personal services-----	3,287	9	3,296	3,270	-	3,270	26
Other services and charges-----	1,582	42	1,624	1,583	6	1,589	35
Supplies-----	137	299	436	341	2	343	93
Non-departmental:							
Personal services-----	25,706	(2,938)	22,768	21,669	-	21,669	1,099
Other services and charges-----	15,001	(3,291)	11,710	6,851	38	6,889	4,821
Supplies-----	8	240	248	3	-	3	245
Debt service-----	10	-	10	4	-	4	6
<b><u>PUBLIC SAFETY</u></b>							
Juvenile justice - Court administration:							
Personal services-----	689	12	701	664	-	664	37
Other services and charges-----	167	-	167	90	-	90	77
Supplies-----	12	-	12	5	-	5	7
Municipal courts:							
Personal services-----	5,137	-	5,137	4,476	-	4,476	661
Other services and charges-----	2,936	3	2,939	2,865	-	2,865	74
Supplies-----	230	(1)	229	131	12	143	86
Police:							
Personal services-----	112,848	1,907	114,755	114,263	-	114,263	492
Other services and charges-----	18,370	666	19,036	18,254	116	18,370	666
Supplies-----	899	(20)	879	753	35	788	91
Fire:							
Personal services-----	87,408	78	87,486	86,584	-	86,584	902
Other services and charges-----	6,072	141	6,213	6,024	28	6,052	161
Supplies-----	1,362	(166)	1,196	1,083	26	1,109	87
<b><u>PUBLIC SERVICES</u></b>							
Development services:							
Personal services-----	15,058	163	15,221	14,931	-	14,931	290
Other services and charges-----	2,773	(4)	2,769	2,638	-	2,638	131
Supplies-----	810	(41)	769	694	-	694	75
Capital outlay-----	11	(11)	-	-	-	-	-
Planning:							
Personal services-----	2,751	72	2,823	2,718	-	2,718	105
Other services and charges-----	1,139	40	1,179	1,148	27	1,175	4
Supplies-----	14	1	15	14	-	14	1
Public works:							
Personal services-----	22,011	(34)	21,977	20,297	-	20,297	1,680
Other services and charges-----	6,082	238	6,320	5,934	59	5,993	327
Supplies-----	2,750	(107)	2,643	2,052	56	2,108	535

(continued)

**STATEMENT OF REVENUES, EXPENDITURES,  
ENCUMBRANCES, AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**

**CITY OF OKLAHOMA CITY, OKLAHOMA**

**For the Year Ended June 30, 2016**

**(dollars are in thousands)**

	General Fund						
	Original Budget	Revisions	Revised Budget	Expenditures	Encumbrances	Total Actual	Variance
<b><u>CULTURE AND RECREATION</u></b>							
Parks:							
Personal services-----	15,549	(335)	15,214	14,130	-	14,130	1,084
Other services and charges-----	6,360	130	6,490	6,013	39	6,052	438
Supplies-----	2,090	(170)	1,920	1,823	13	1,836	84
Capital outlay-----	-	288	288	287	-	287	1
<b>Total expenditures and encumbrances---</b>	<b>384,683</b>	<b>(2,012)</b>	<b>382,671</b>	<b>366,987</b>	<b>496</b>	<b>367,483</b>	<b>15,188</b>
<b><u>PRIOR YEAR ENCUMBRANCES</u></b>							
Related to prior year budgets (1)-----	-	-	-	(1,065)	-	(1,065)	1,065
Related to current year budgets-----	-	-	-	-	(496)	(496)	496
<b>Net expenditures and encumbrances-----</b>	<b>384,683</b>	<b>(2,012)</b>	<b>382,671</b>	<b>\$365,922</b>	<b>\$ -</b>	<b>365,922</b>	<b>16,749</b>
<b>Excess of revenues over expenditures-----</b>	<b>35,815</b>	<b>2,012</b>	<b>37,827</b>			<b>27,522</b>	<b>(10,305)</b>
<b><u>OTHER FINANCING SOURCES (USES)</u></b>							
<b><u>TRANSFERS FROM OTHER FUNDS</u></b>							
OCMFA General Purpose Fund-----	572	-	572			728	156
OCPPA General Purpose Fund-----	2,295	-	2,295			3,026	731
Capital Improvement Fund-----	-	-	-			5,500	5,500
Total transfers from other funds-----	<b>2,867</b>	<b>-</b>	<b>2,867</b>			<b>9,254</b>	<b>6,387</b>
<b><u>TRANSFERS FROM COMPONENT UNITS</u></b>							
OCEDT-----	379	-	379			393	14
<b><u>TRANSFERS TO OTHER FUNDS</u></b>							
General government:							
Capital Improvement Fund-----	(5,676)	(9,179)	(14,855)			(13,010)	1,845
OCMFA General Purpose Fund-----	(250)	-	(250)			(250)	-
OCMFA Services Fund-----	(332)	(50)	(382)			(151)	231
OCPPA General Purpose Fund-----	(7,841)	(619)	(8,460)			(8,384)	76
Grants Management Fund-----	(465)	(383)	(848)			(465)	383
City/Schools Use Tax-----	-	(152)	(152)			(152)	-
Public safety:							
Emergency Management Fund-----	(3,245)	-	(3,245)			(2,988)	257
Public services:							
Parking Fund-----	(315)	-	(315)			(294)	21
General Obligation Bonds-----	-	(203)	(203)			(203)	-
Culture and recreation:							
OCPPA Golf Course Fund-----	(850)	(263)	(1,113)			(1,113)	-
Total transfers to other funds-----	<b>(18,974)</b>	<b>(10,849)</b>	<b>(29,823)</b>			<b>(27,010)</b>	<b>2,813</b>
<b><u>TRANSFERS TO COMPONENT UNITS</u></b>							
General government:							
OCEDT-----	(2,236)	-	(2,236)			(2,236)	-
OCWUT-----	-	(8)	(8)			(8)	-
Public services:							
COTPA-----	(18,625)	(220)	(18,845)			(17,333)	1,512
Culture and recreation:							
OCEDT-----	(1,986)	-	(1,986)			(1,986)	-
<b><u>OTHER FINANCING SOURCES</u></b>							
Sale of assets-----	10	-	10			135	125
Total other financing sources (uses)-----	<b>(38,565)</b>	<b>(11,077)</b>	<b>(49,642)</b>			<b>(38,791)</b>	<b>10,851</b>
<b>Excess (deficiency) of revenues and other sources over expenditures and other uses----</b>	<b>(2,750)</b>	<b>(9,065)</b>	<b>(11,815)</b>			<b>(11,269)</b>	<b>546</b>



**STATEMENT OF REVENUES, EXPENDITURES,  
ENCUMBRANCES, AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
For the Year Ended June 30, 2016  
(dollars are in thousands)**

**CITY OF OKLAHOMA CITY, OKLAHOMA**

	General Fund				Total Actual	Variance
	Original Budget	Revisions	Revised Budget	Expenditures		
<b><u>FUND BALANCE (NON-GAAP BUDGETARY BASIS)</u></b>						
<b><u>BEGINNING FUND BALANCE</u></b>						
Appropriated for current year budget-----	2,750	8,000	10,750		10,750	-
Reappropriated for prior year encumbrances-----	-	1,065	1,065		1,065	-
Not appropriated-----	-	-	-		63,668	63,668
Beginning fund balance-----	<u>2,750</u>	<u>9,065</u>	<u>11,815</u>		<u>75,483</u>	<u>63,668</u>
<b><u>ENDING FUND BALANCE</u></b>						
Before encumbrances-----	-	-	-		64,214	64,214
Less: current year encumbrances-----	-	-	-		(496)	(496)
Ending fund balance-----	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>		<u>63,718</u>	<u>\$63,718</u>
<b><u>RECONCILIATION OF FUND BALANCE NON-GAAP BUDGETARY BASIS TO GENERALLY ACCEPTED ACCOUNTING PRINCIPLES</u></b>						
Current year encumbrances included in expenditures-----					496	
Inventories-----					6,867	
Revenue and transfer accruals-----					46,760	
Expenditure and transfer accruals-----					1,267	
Fund balance, ending-----					<u>\$119,108</u>	

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

**STATEMENT OF FUND NET POSITION  
PROPRIETARY FUNDS**

**CITY OF OKLAHOMA CITY, OKLAHOMA**

**June 30, 2016**

**(dollars are in thousands)**

	Water and Wastewater			OCPPA		Other	Total	Internal
	Fund	OCEAT	OCZT	Fairgrounds	Golf Courses	Enterprise Funds	Enterprise Funds	Service Funds
<b>ASSETS</b>								
<b>CURRENT ASSETS</b>								
Pooled cash-----	\$447	\$ -	\$ -	\$231	\$357	\$882	\$1,917	\$11,178
Non-pooled cash-----	-	7,563	23,319	-	1,136	-	32,018	-
Investments-----	8,805	20,019	-	22,288	1,532	17,905	70,549	38,476
Accounts receivable, net-----	-	3,015	246	-	-	1,595	4,856	2,617
Interest, dividends, and royalties receivable-----	30	110	-	5	1	61	207	122
Due from other funds-----	-	344	1,737	1,000	-	239	3,320	6,081
Receivable from component units-----	-	-	-	-	-	3	3	21
Intergovernmental receivables-----	-	5,647	-	-	-	-	5,647	81
Inventories-----	6,419	571	903	-	319	1,095	9,307	351
Prepays-----	42	4	33	19	14	-	112	1,608
Total current assets-----	<u>15,743</u>	<u>37,273</u>	<u>26,238</u>	<u>23,543</u>	<u>3,359</u>	<u>21,780</u>	<u>127,936</u>	<u>60,535</u>
<b>NON-CURRENT ASSETS</b>								
Investments-----	-	-	1,213	830	456	-	2,499	-
Prepays, non-current-----	-	9	-	331	1	-	341	131
Advance to other funds-----	-	-	-	-	-	1,831	1,831	13,972
Receivable from component units-----	3,803	-	-	-	-	701	4,504	-
Net pension asset-----	10,196	-	1,959	-	829	6,424	19,408	3,300
Capital assets:								
Land, art, water storage rights and construction in progress-----	9,378	-	1,806	2,086	-	19,455	32,725	928
Other capital assets, net of accumulated depreciation--	271,094	17,034	64,579	49,308	12,203	41,027	455,245	692
Capital assets, net-----	<u>280,472</u>	<u>17,034</u>	<u>66,385</u>	<u>51,394</u>	<u>12,203</u>	<u>60,482</u>	<u>487,970</u>	<u>1,620</u>
Total non-current assets-----	<u>294,471</u>	<u>17,043</u>	<u>69,557</u>	<u>52,555</u>	<u>13,489</u>	<u>69,438</u>	<u>516,553</u>	<u>19,023</u>
Total assets-----	<u><b>310,214</b></u>	<u><b>54,316</b></u>	<u><b>95,795</b></u>	<u><b>76,098</b></u>	<u><b>16,848</b></u>	<u><b>91,218</b></u>	<u><b>644,489</b></u>	<u><b>79,558</b></u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>								
	<u><b>1,613</b></u>	<u><b>-</b></u>	<u><b>412</b></u>	<u><b>-</b></u>	<u><b>132</b></u>	<u><b>1,015</b></u>	<u><b>3,172</b></u>	<u><b>522</b></u>
<b>LIABILITIES</b>								
<b>CURRENT LIABILITIES</b>								
Accounts payable and accrued expenses-----	2,496	6,232	694	754	257	611	11,044	2,417
Wages and benefits payable-----	1,762	-	309	-	209	1,084	3,364	605
Due to other funds-----	956	635	-	84	195	333	2,203	418
Payable to component units-----	420	-	-	-	-	4	424	-
Interest payable-----	-	-	-	-	-	1	1	76
Compensated absences-----	2,201	-	207	-	72	1,502	3,982	763
Lease obligations and estimated claims payable-----	-	-	-	-	-	26	26	14,636
Unearned revenue-----	-	-	502	-	-	-	502	-
Bond interest payable-----	-	39	6	950	105	-	1,100	-
Bonds payable-----	-	160	630	2,620	795	-	4,205	-
Total current liabilities-----	<u>7,835</u>	<u>7,066</u>	<u>2,348</u>	<u>4,408</u>	<u>1,633</u>	<u>3,561</u>	<u>26,851</u>	<u>18,915</u>
<b>NON-CURRENT LIABILITIES</b>								
Compensated absences-----	3,589	-	-	-	116	2,927	6,632	1,341
Lease obligations and estimated claims payable-----	-	-	-	-	-	393	393	30,978
Advance from other funds-----	-	1,831	-	-	812	-	2,643	13,160
Unearned revenue-----	-	-	2,209	-	-	-	2,209	-
Bonds payable, net-----	-	1,736	1,349	83,915	12,027	-	99,027	-
Net other post-employment benefit obligation-----	15,695	-	4,525	-	3,967	8,246	32,433	4,689
Total non-current liabilities-----	<u>19,284</u>	<u>3,567</u>	<u>8,083</u>	<u>83,915</u>	<u>16,922</u>	<u>11,566</u>	<u>143,337</u>	<u>50,168</u>
Total liabilities-----	<u><b>27,119</b></u>	<u><b>10,633</b></u>	<u><b>10,431</b></u>	<u><b>88,323</b></u>	<u><b>18,555</b></u>	<u><b>15,127</b></u>	<u><b>170,188</b></u>	<u><b>69,083</b></u>
<b>DEFERRED INFLOWS OF RESOURCES</b>								
	<u><b>4,236</b></u>	<u><b>-</b></u>	<u><b>814</b></u>	<u><b>199</b></u>	<u><b>345</b></u>	<u><b>2,669</b></u>	<u><b>8,263</b></u>	<u><b>1,370</b></u>
<b>NET POSITION</b>								
Net investment in capital assets-----	280,472	11,529	64,936	(15,773)	274	59,840	401,278	1,557
Restricted for:								
Capital projects-----	-	-	-	-	1	-	1	-
Debt service-----	-	160	457	2,795	597	-	4,009	-
Unrestricted-----	-	31,994	19,569	554	(2,792)	14,597	63,922	8,070
Total net position-----	<u><b>\$280,472</b></u>	<u><b>\$43,683</b></u>	<u><b>\$84,962</b></u>	<u><b>(\$12,424)</b></u>	<u><b>(\$1,920)</b></u>	<u><b>\$74,437</b></u>	<u><b>\$510,932</b></u>	<u><b>\$9,627</b></u>

Adjustment to reflect consolidation of applicable internal service fund activities to business-type activities----- (44,400)

**Net position business-type activities-----** **\$424,810**

See accompanying notes to financial statements.

**STATEMENT OF REVENUES, EXPENSES,  
AND CHANGES IN FUND NET POSITION  
PROPRIETARY FUNDS  
For the Year Ended June 30, 2016  
(dollars are in thousands)**

**CITY OF OKLAHOMA CITY, OKLAHOMA**

	Water and Wastewater		OCPPA		OCPPA Golf	Other Enterprise	Total Enterprise	Internal Service
	Fund	OCEAT	OCZT	Fairgrounds	Courses	Funds	Funds	Funds
<b><u>OPERATING REVENUES</u></b>								
<b><u>CHARGES FOR SERVICES</u></b>								
Drainage charges-----	\$ -	\$ -	\$ -	\$ -	\$ -	\$17,069	\$17,069	\$ -
Sanitation charges-----	-	50,926	-	-	-	-	50,926	-
Green fees-----	-	-	-	-	5,047	-	5,047	-
Concessions-----	-	-	3,025	-	1,559	-	4,584	-
Internal service charges-----	-	-	-	-	-	-	-	98,973
Other charges-----	-	-	7,108	-	27	59	7,194	139
Total charges for services-----	-	50,926	10,133	-	6,633	17,128	84,820	99,112
Lease and rental income-----	-	-	1,413	-	2,460	-	3,873	-
Forfeitures-----	-	-	-	-	-	-	-	8
Payments from component units-----	-	-	-	-	-	174	174	28
Other-----	-	36	-	-	29	165	230	83
<b>Total operating revenues-----</b>	<b>-</b>	<b>50,962</b>	<b>11,546</b>	<b>-</b>	<b>9,122</b>	<b>17,467</b>	<b>89,097</b>	<b>99,231</b>
<b><u>OPERATING EXPENSES</u></b>								
Personal services-----	47,368	8,295	11,475	-	4,893	20,612	92,643	14,348
Maintenance, operations, and contractual services-----	18,329	34,663	3,636	2,255	2,355	10,028	71,266	71,707
Materials and supplies-----	12,076	2,555	3,267	29	1,797	1,202	20,926	4,432
Depreciation-----	10,181	2,615	2,853	6,284	922	4,102	26,957	826
<b>Total operating expenses-----</b>	<b>87,954</b>	<b>48,128</b>	<b>21,231</b>	<b>8,568</b>	<b>9,967</b>	<b>35,944</b>	<b>211,792</b>	<b>91,313</b>
<b>Operating income (loss)-----</b>	<b>(87,954)</b>	<b>2,834</b>	<b>(9,685)</b>	<b>(8,568)</b>	<b>(845)</b>	<b>(18,477)</b>	<b>(122,695)</b>	<b>7,918</b>
<b><u>NON-OPERATING REVENUES (EXPENSES)</u></b>								
Non-capital contributions-----	-	-	1,350	-	-	-	1,350	-
Grant operating-----	-	6,102	-	-	-	-	6,102	-
Investment income-----	115	257	67	28	4	124	595	413
Bond issue costs-----	-	-	-	(476)	-	-	(476)	-
Bond insurance-----	-	(2)	-	(300)	-	-	(302)	-
Interest on torts, bonds, notes, commercial paper, and lease obligations-----	-	(77)	(130)	(947)	(445)	(15)	(1,614)	(136)
Amortization-----	-	-	-	(1,374)	3	-	(1,371)	-
Payments from component units-----	77,631	-	-	-	-	18,564	96,195	-
Other revenues (expenses)-----	27	152	1	-	82	68	330	(1,302)
<b>Net non-operating revenues (expenses)-----</b>	<b>77,773</b>	<b>6,432</b>	<b>1,288</b>	<b>(3,069)</b>	<b>(356)</b>	<b>18,741</b>	<b>100,809</b>	<b>(1,025)</b>
<b>Income (loss) before contributions and transfers---</b>	<b>(10,181)</b>	<b>9,266</b>	<b>(8,397)</b>	<b>(11,637)</b>	<b>(1,201)</b>	<b>264</b>	<b>(21,886)</b>	<b>6,893</b>
<b><u>CONTRIBUTIONS AND TRANSFERS</u></b>								
Capital contributions from developers-----	35,905	-	-	-	-	-	35,905	-
Transfers from other funds-----	-	-	13,314	7,960	1,124	294	22,692	2,879
Transfers to other funds-----	-	(863)	-	-	-	(71)	(934)	(5,436)
<b>Total contributions and transfers-----</b>	<b>35,905</b>	<b>(863)</b>	<b>13,314</b>	<b>7,960</b>	<b>1,124</b>	<b>223</b>	<b>57,663</b>	<b>(2,557)</b>
<b>Changes in net assets-----</b>	<b>25,724</b>	<b>8,403</b>	<b>4,917</b>	<b>(3,677)</b>	<b>(77)</b>	<b>487</b>	<b>35,777</b>	<b>4,336</b>
<b><u>NET POSITION</u></b>								
Total net position, beginning-----	254,748	35,280	80,045	(8,747)	(1,843)	73,950		5,291
<b>Total net position, ending-----</b>	<b>\$280,472</b>	<b>\$43,683</b>	<b>\$84,962</b>	<b>(\$12,424)</b>	<b>(\$1,920)</b>	<b>\$74,437</b>		<b>\$9,627</b>
Adjustment to reflect the consolidation of applicable internal service fund activities to business-type activities-----							1,147	
<b>Changes in net assets of business-type activities-----</b>							<b>\$36,924</b>	

See accompanying notes to financial statements.

**STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS  
For the Year Ended June 30, 2016  
(dollars are in thousands)**

**CITY OF OKLAHOMA CITY, OKLAHOMA**

	Water and Wastewater		OCPPA		OCPPA Golf	Other Enterprise	Total Enterprise	Internal Service
	Fund	OCEAT	OCZT	Fairgrounds	Courses	Funds	Funds	Funds
<b><u>CASH FLOWS FROM OPERATING ACTIVITIES</u></b>								
Cash received from customers-----	\$ -	\$44,225	\$11,716	\$ -	\$9,155	\$17,364	\$82,460	\$98,792
Cash payments to suppliers for goods and services-----	(18,278)	(33,341)	(7,366)	(2,058)	(4,027)	(8,598)	(73,668)	(79,425)
Cash payments to employees and professional contractors for services-----	(47,377)	-	(10,832)	-	(4,501)	(28,941)	(91,651)	(14,495)
Cash payments for internal services-----	(9,840)	-	-	-	(186)	(3,155)	(13,181)	(1,910)
Operating payments from component units-----	77,230	-	-	-	-	15,828	93,058	-
Operating payments to component units-----	-	(2,555)	-	-	-	(855)	(3,410)	-
Cost reimbursements from (to) other funds-----	-	(9,802)	-	-	-	12,222	2,420	(112)
Other cash receipts-----	48	-	-	-	-	-	48	1,461
<b>Net cash provided (used) by operating activities-----</b>	<b>1,783</b>	<b>(1,473)</b>	<b>(6,482)</b>	<b>(2,058)</b>	<b>441</b>	<b>3,865</b>	<b>(3,924)</b>	<b>4,311</b>
<b><u>CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES</u></b>								
Cash received from operating grants and donations-----	-	554	572	-	-	-	1,126	74
Transfers received from other funds-----	-	-	13,441	24,784	1,115	358	39,698	657
Transfers received paid to other funds-----	-	(1,147)	-	(16,224)	-	(4)	(17,375)	(5,270)
<b>Net cash provided (used) by non-capital financing activities-----</b>	<b>-</b>	<b>(593)</b>	<b>14,013</b>	<b>8,560</b>	<b>1,115</b>	<b>354</b>	<b>23,449</b>	<b>(4,539)</b>
<b><u>CASH FLOWS FROM CAPITAL AND CAPITAL RELATED FINANCING ACTIVITIES</u></b>								
Proceeds from issuance of long-term debt-----	-	-	-	20,212	-	-	20,212	-
Payments for acquisition and construction of capital assets-----	-	(3,120)	(2,426)	(419)	(756)	(496)	(7,217)	(21)
Principal paid on long-term debt-----	-	(390)	(605)	(5,340)	(985)	(733)	(8,053)	(6)
Interest paid on long-term debt-----	-	(85)	(104)	(2,936)	(450)	(26)	(3,601)	(1)
Payments to defease bonds-----	-	-	-	-	-	(10)	(10)	-
Proceeds from sale of assets-----	-	48	32	-	5	140	225	-
Capital grants and contributions received-----	-	-	778	-	-	-	778	-
<b>Net cash provided (used) by capital and related financing activities-----</b>	<b>-</b>	<b>(3,547)</b>	<b>(2,325)</b>	<b>11,517</b>	<b>(2,186)</b>	<b>(1,125)</b>	<b>2,334</b>	<b>(28)</b>
<b><u>CASH FLOWS FROM INVESTING ACTIVITIES</u></b>								
Payments for purchase of investments-----	-	(53,884)	14,547	(179,256)	(1,215)	-	(219,808)	-
Proceeds from sale of investments-----	-	59,141	(14,419)	160,928	1,798	-	207,448	-
Changes in pooled investments-----	(1,647)	-	-	218	81	(2,732)	(4,080)	1,134
Investment income received-----	104	599	67	25	5	114	914	417
Purchased interest-----	(2)	4	-	-	-	(3)	(1)	19
<b>Net cash provided (used) by investing activities-----</b>	<b>(1,545)</b>	<b>5,860</b>	<b>195</b>	<b>(18,085)</b>	<b>669</b>	<b>(2,621)</b>	<b>(15,527)</b>	<b>1,570</b>
<b>Net increase (decrease) in cash-----</b>	<b>238</b>	<b>247</b>	<b>5,401</b>	<b>(66)</b>	<b>39</b>	<b>473</b>	<b>6,332</b>	<b>1,314</b>
Cash, beginning-----	209	7,316	17,918	297	1,454	409	27,603	9,864
<b>Cash, ending-----</b>	<b>\$447</b>	<b>\$7,563</b>	<b>\$23,319</b>	<b>\$231</b>	<b>\$1,493</b>	<b>\$882</b>	<b>\$33,935</b>	<b>\$11,178</b>

**STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS  
For the Year Ended June 30, 2016  
(dollars are in thousands)**

**CITY OF OKLAHOMA CITY, OKLAHOMA**

	Water and Wastewater Fund	OCEAT	OCZT	OCPPA Fairgrounds	OCPPA Golf Courses	Other Enterprise Funds	Total Enterprise Funds	Internal Service Funds
<b><u>RECONCILIATION OF OPERATING INCOME</u></b>								
<b><u>(LOSS) TO NET CASH PROVIDED (USED) BY</u></b>								
<b><u>OPERATING ACTIVITIES</u></b>								
Operating income (loss)-----	(\$87,954)	\$2,834	(\$9,685)	(\$8,568)	(\$845)	(\$18,477)	(\$122,695)	\$7,918
<b><u>ADJUSTMENTS TO RECONCILE</u></b>								
<b><u>OPERATING INCOME (LOSS) TO NET CASH</u></b>								
<b><u>PROVIDED (USED) BY OPERATING ACTIVITIES</u></b>								
Depreciation-----	10,181	2,615	2,853	6,284	922	4,102	26,957	826
Other revenue (expense)-----	74,032	60	(3)	(332)	73	2,336	76,166	(1,575)
Changes in assets and liabilities:								
(Increase) decrease in accounts receivable-----	1	290	169	-	1	66	527	2,894
(Increase) decrease in due from other funds-----	-	73	-	-	4	114	191	9,167
(Increase) decrease in receivable from component units-----	3,266	-	-	-	-	16,185	19,451	(7)
(Increase) decrease in inventories-----	670	74	108	-	(7)	(26)	819	(201)
(Increase) decrease in prepaid assets-----	(13)	1	10	100	(1)	1	98	(191)
(Increase) decrease in intergovernmental receivable-----	-	-	-	-	-	-	-	24
(Increase) decrease in net pension asset-----	3,431	-	-	-	178	888	4,497	932
(Increase) decrease in deferred outflows-----	209	-	44	-	3	84	340	43
Increase (decrease) in accounts payable and accrued expenses-----	1,187	(558)	(619)	398	(142)	(250)	16	(33)
Increase (decrease) in wages and benefits payable-----	342	-	15	-	35	215	607	134
Increase (decrease) in due to other funds-----	413	907	-	60	101	(1)	1,480	(4,489)
Increase (decrease) in payable to component unit-----	9	-	-	-	-	(298)	(289)	(543)
Increase (decrease) in compensated absences-----	128	-	(28)	-	10	309	419	(51)
Increase (decrease) in long-term debt-----	-	-	79	-	-	-	79	(7,954)
Increase (decrease) in notes, lease and estimated claims payable-----	-	-	-	-	-	-	-	(1,388)
Increase (decrease) in net pension liability-----	-	-	(454)	-	509	-	55	562
Increase (decrease) in net other post-employment benefit obligation-----	1,717	-	1,067	-	-	984	3,768	-
Increase (decrease) in unearned revenue-----	-	(7,769)	(38)	-	-	-	(7,807)	-
Increase (decrease) in deferred inflows-----	(5,836)	-	-	-	(400)	(2,367)	(8,603)	(1,757)
Total adjustments-----	89,737	(4,307)	3,203	6,510	1,286	22,342	118,771	(3,607)
<b>Net cash provided (used) by operating activities-----</b>	<b>\$1,783</b>	<b>(\$1,473)</b>	<b>(\$6,482)</b>	<b>(\$2,058)</b>	<b>\$441</b>	<b>\$3,865</b>	<b>(\$3,924)</b>	<b>\$4,311</b>
<b><u>NON-CASH INVESTING, CAPITAL, AND FINANCING</u></b>								
<b><u>ACTIVITIES</u></b>								
Net increase (decrease) in fair value of investments-----	\$ -	\$54	\$ -	\$ -	\$ -	\$ -	\$54	\$ -
Donated assets-----	35,905	-	-	-	-	-	35,905	-
Issuance of capital leases-----	-	-	-	-	-	-	-	(58)
<b>Total non-cash investing, capital, and financing activities-----</b>	<b>\$35,905</b>	<b>\$54</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$35,959</b>	<b>(\$58)</b>

See accompanying notes to financial statements.

## STATEMENT OF FIDUCIARY NET POSITION

CITY OF OKLAHOMA CITY, OKLAHOMA

June 30, 2016

(dollars are in thousands)

	Pension and Other Post-employment Benefit Trust Funds	Agency Fund
<b>ASSETS</b>		
Pooled cash-----	\$ -	\$82
Non-pooled cash-----	1,157	386
Total cash-----	<u>1,157</u>	<u>468</u>
<b>RECEIVABLES</b>		
Interest and dividends-----	650	5
Employer-----	38	-
Plan members-----	390	-
Other receivables-----	-	244
Total receivables-----	<u>1,078</u>	<u>249</u>
<b>INVESTMENTS, AT FAIR VALUE</b>		
Pooled investments-----	-	1,595
Domestic common stock-----	228,864	-
Passive domestic stock funds-----	79,206	-
Preferred stock-----	6,070	-
Government securities/fixed income-----	54,008	-
Passive bond fund-----	82,391	-
International stock-----	159,707	-
Passive international bond funds-----	3,549	-
Treasury money market fund-----	12,802	-
Commodities-----	25,069	-
Real estate-----	51,612	-
Oklahoma City judgments-----	2,274	-
Total investments-----	<u>705,552</u>	<u>1,595</u>
Net pension asset-----	61	-
<b>Total assets-----</b>	<b><u>707,848</u></b>	<b><u>2,312</u></b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>		
	<b><u>10</u></b>	<b><u>-</u></b>
<b>LIABILITIES</b>		
Accounts payable and accrued expenses-----	1,655	172
Due to broker-----	2,229	-
Wages and benefits payable-----	9	-
Due to depositors-----	-	2,140
Compensated absences, current-----	20	-
Estimated claims payable-----	874	-
Compensated absences, non-current-----	66	-
Net other post-employment benefits obligation-----	53	-
<b>Total liabilities-----</b>	<b><u>4,906</u></b>	<b><u>2,312</u></b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>		
	<b><u>25</u></b>	<b><u>-</u></b>
<b>NET POSITION</b>		
Restricted for:		
Pension benefits-----	660,690	-
Other post-employment benefits-----	42,237	-
<b>Net position held in trust-----</b>	<b><u>\$702,927</u></b>	<b><u>\$ -</u></b>

See accompanying notes to financial statements.

**STATEMENT OF CHANGES IN FIDUCIARY NET POSITION**  
**For the Year Ended June 30, 2016**  
(dollars are in thousands)

**CITY OF OKLAHOMA CITY, OKLAHOMA**

	<b>Pension and Other Post- employment Benefit Trust Funds</b>
<b><u>ADDITIONS</u></b>	
<b><u>CONTRIBUTIONS</u></b>	
Employer-----	\$26,180
Plan members-----	20,276
<b>Total contributions-----</b>	<b>46,456</b>
<b><u>INVESTMENT INCOME</u></b>	
Net depreciation in fair value of investments-----	(15,136)
Interest-----	5,262
Dividends-----	6,323
	(3,551)
Less: investment expense-----	(1,775)
<b>Net investment loss-----</b>	<b>(5,326)</b>
Other-----	68
<b>Total additions-----</b>	<b>41,198</b>
<b><u>DEDUCTIONS</u></b>	
Benefits paid-----	57,064
Refunds of contributions-----	1,323
Administrative expenses-----	555
<b>Total deductions-----</b>	<b>58,942</b>
<b>Change in net position-----</b>	<b>(17,744)</b>
<b><u>NET POSITION RESTRICTED FOR PENSION BENEFITS AND OTHER POST-EMPLOYMENT BENEFITS</u></b>	
Beginning of year-----	720,671
<b>End of year-----</b>	<b>\$702,927</b>

See accompanying notes to financial statements.

**COMBINING STATEMENT OF NET POSITION  
COMPONENT UNITS  
June 30, 2016  
(dollars are in thousands)**

**CITY OF OKLAHOMA CITY, OKLAHOMA**

	OCAT	OCRRA	OCICF	OCWUT	Port Authority	COTPA	OCMAPS	OCRA	OCEDT	Total
<b>ASSETS</b>										
<b>CURRENT ASSETS</b>										
Pooled cash-----	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$12	\$12
Non-pooled cash-----	604	-	134	56,022	46	4,995	10,293	9,242	1,057	82,393
Investments-----	129,614	222	899	118,766	-	25,494	60	3,948	62,373	341,376
Property taxes receivable-----	-	-	-	-	-	-	-	5	5,812	5,817
Accounts receivable, net-----	2,688	7	19	26,337	-	222	-	24	3	29,300
Interest, dividends, and royalties receivable-----	92	-	21	464	-	2	-	41	13	633
Receivable from primary government-----	52	-	-	491	-	50	-	-	4,280	4,873
Intergovernmental receivables-----	4,020	-	-	1,036	-	971	1,422	680	1,061	9,190
Notes and economic incentives receivable-----	-	-	-	-	-	-	-	219	1,796	2,015
Inventories and prepaids-----	39	-	-	404	1	1,051	-	-	-	1,495
<b>Total current assets-----</b>	<b>137,109</b>	<b>229</b>	<b>1,073</b>	<b>203,520</b>	<b>47</b>	<b>32,785</b>	<b>11,775</b>	<b>14,159</b>	<b>76,407</b>	<b>477,104</b>
<b>NON-CURRENT ASSETS</b>										
Investments-----	23,116	-	-	39,629	-	1,483	-	4,670	9,775	78,673
Prepaids, non-current-----	55	-	-	59	-	10	-	-	-	124
Notes and economic incentives receivable-----	-	-	4,255	-	-	-	-	9,816	14,955	29,026
Receivable from primary government-----	-	-	-	-	-	-	-	-	6,000	6,000
Other-----	1,370	-	-	54,900	-	69	27,091	300	-	83,730
Capital assets:										
Land and construction in progress-----	53,376	32	953	288,121	-	6,682	5,013	507	15,399	370,083
Other capital assets, net of accumulated depreciation-----	405,149	2,637	-	885,701	-	70,450	-	5,543	28,702	1,398,182
Capital assets, net-----	458,525	2,669	953	1,173,822	-	77,132	5,013	6,050	44,101	1,768,265
<b>Total non-current assets-----</b>	<b>483,066</b>	<b>2,669</b>	<b>5,208</b>	<b>1,268,410</b>	<b>-</b>	<b>78,694</b>	<b>32,104</b>	<b>20,836</b>	<b>74,831</b>	<b>1,965,818</b>
<b>Total assets-----</b>	<b>620,175</b>	<b>2,898</b>	<b>6,281</b>	<b>1,471,930</b>	<b>47</b>	<b>111,479</b>	<b>43,879</b>	<b>34,995</b>	<b>151,238</b>	<b>2,442,922</b>
<b>DEFERRED OUTFLOWS OF RESOURCES-</b>										
	<b>536</b>	<b>-</b>	<b>-</b>	<b>8,180</b>	<b>-</b>	<b>1,302</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>10,018</b>
<b>LIABILITIES</b>										
<b>CURRENT LIABILITIES</b>										
Accounts payable and accrued expenses-----	7,328	9	5	28,362	1	2,423	435	5,432	6,719	50,714
Wages and benefits payable-----	-	-	-	10	-	746	-	-	-	756
Payable to primary government-----	9	35	123	1,532	-	370	72	-	704	2,845
Interest payable-----	-	-	-	780	-	-	-	-	-	780
Compensated absences-----	-	-	-	17	-	211	-	-	-	228
Tax anticipation debt-----	-	-	-	-	-	-	-	-	18,445	18,445
Notes and estimated claims payable-----	75	-	-	25,138	-	-	-	792	-	26,005
Commercial paper-----	-	-	-	50,500	-	-	-	-	-	50,500
Unearned revenue-----	1,249	2	-	112	8	165	-	22	-	1,558
Bond interest payable-----	2,455	-	-	18,978	-	431	-	-	1,491	23,355
Bonds payable-----	7,745	-	-	12,790	-	615	-	-	5,335	26,485
Intergovernmental payable-----	-	-	-	26	-	-	-	-	-	26
<b>Total current liabilities-----</b>	<b>18,861</b>	<b>46</b>	<b>128</b>	<b>138,245</b>	<b>9</b>	<b>4,961</b>	<b>507</b>	<b>6,246</b>	<b>32,694</b>	<b>201,697</b>
<b>NON-CURRENT LIABILITIES</b>										
Compensated absences-----	-	-	-	45	-	233	-	-	-	278
Payable to primary government-----	98	-	4,255	3,803	-	603	-	-	-	8,759
Intergovernmental payable-----	-	-	-	15,053	-	-	-	-	-	15,053
Tax anticipation debt-----	-	-	-	-	-	-	-	-	15,910	15,910
Notes and estimated claims payable-----	-	-	-	52,466	-	-	-	4,212	-	56,678
Unearned revenue-----	286	-	-	5	-	700	-	-	-	991
Bonds payable, net-----	85,084	-	-	446,203	-	20,195	-	-	121,300	672,782
Net pension liability-----	-	-	-	-	-	5,466	-	-	-	5,466
Net other post-employment benefit obligation-----	-	-	-	-	-	393	-	-	-	393
<b>Total non-current liabilities-----</b>	<b>85,468</b>	<b>-</b>	<b>4,255</b>	<b>517,575</b>	<b>-</b>	<b>27,590</b>	<b>-</b>	<b>4,212</b>	<b>137,210</b>	<b>776,310</b>
<b>Total liabilities-----</b>	<b>104,329</b>	<b>46</b>	<b>4,383</b>	<b>655,820</b>	<b>9</b>	<b>32,551</b>	<b>507</b>	<b>10,458</b>	<b>169,904</b>	<b>978,007</b>
<b>DEFERRED INFLOWS OF RESOURCES-</b>										
	<b>7</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>625</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>632</b>
<b>NET POSITION</b>										
Net investment in capital assets-----	364,194	2,669	(3,302)	592,543	-	56,086	4,530	2,627	31,939	1,051,286
Restricted for:										
Capital projects-----	22	-	-	-	-	-	11,751	-	-	11,773
Debt service-----	20,782	-	-	24,659	-	2,098	-	1,074	8,938	57,551
Public services-----	-	-	-	-	-	-	-	-	29,107	29,107
Education-----	-	-	-	-	-	-	27,091	-	-	27,091
Maintenance-----	38,003	-	-	-	-	-	-	-	-	38,003
Unrestricted-----	93,374	183	5,200	207,088	38	21,421	-	20,836	(88,650)	259,490
<b>Total net position-----</b>	<b>\$516,375</b>	<b>\$2,852</b>	<b>\$1,898</b>	<b>\$824,290</b>	<b>\$38</b>	<b>\$79,605</b>	<b>\$43,372</b>	<b>\$24,537</b>	<b>(\$18,666)</b>	<b>\$1,474,301</b>

See accompanying notes to financial statements.



**COMBINING STATEMENT OF ACTIVITIES  
COMPONENT UNITS  
For the Year Ended June 30, 2016  
(dollars are in thousands)**

**CITY OF OKLAHOMA CITY, OKLAHOMA**

	Port									
	OCAT	OCRRA	OCICF	OCWUT	Authority	COTPA	OCMAPS	OCRA	OCEDT	Total
<b>PROGRAM EXPENSES</b>										
Airports-----	\$57,934	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$57,934
Water utilities-----	-	-	-	169,890	-	-	-	-	-	169,890
Riverfront development-----	-	280	-	-	-	-	-	-	-	280
Foreign trade zone operations-----	-	-	-	-	16	-	-	-	-	16
Transportation and parking-----	-	-	-	-	-	35,896	-	-	-	35,896
Education-----	-	-	-	-	-	-	68,192	-	-	68,192
Economic development-----	-	-	100	-	-	-	-	8,392	21,412	29,904
<b>Total expenses-----</b>	<b>57,934</b>	<b>280</b>	<b>100</b>	<b>169,890</b>	<b>16</b>	<b>35,896</b>	<b>68,192</b>	<b>8,392</b>	<b>21,412</b>	<b>362,112</b>
<b>PROGRAM REVENUES</b>										
<b>CHARGES FOR SERVICES</b>										
Airports-----	53,125	-	-	-	-	-	-	-	-	53,125
Water utilities-----	-	-	-	233,321	-	-	-	-	-	233,321
Riverfront development-----	-	1	-	-	-	-	-	-	-	1
Foreign trade zone operations-----	-	-	-	-	16	-	-	-	-	16
Transportation and parking-----	-	-	-	-	-	12,057	-	-	-	12,057
Economic development-----	-	-	78	-	-	-	-	488	26	592
<b>Total charges for services-----</b>	<b>53,125</b>	<b>1</b>	<b>78</b>	<b>233,321</b>	<b>16</b>	<b>12,057</b>	<b>-</b>	<b>488</b>	<b>26</b>	<b>299,112</b>
<b>OPERATING GRANTS AND CONTRIBUTIONS</b>										
Airports-----	12,204	-	-	-	-	-	-	-	-	12,204
Water utilities-----	-	-	-	5,409	-	-	-	-	-	5,409
Riverfront development-----	-	35	-	-	-	-	-	-	-	35
Transportation and parking-----	-	-	-	-	-	28,585	-	-	-	28,585
Education-----	-	-	-	-	-	-	20	-	-	20
Economic development-----	-	-	38	-	-	-	-	576	22,129	22,743
<b>Total operating grants and contributions-----</b>	<b>12,204</b>	<b>35</b>	<b>38</b>	<b>5,409</b>	<b>-</b>	<b>28,585</b>	<b>20</b>	<b>576</b>	<b>22,129</b>	<b>68,996</b>
<b>CAPITAL GRANTS AND CONTRIBUTIONS</b>										
Airports-----	15,121	-	-	-	-	-	-	-	-	15,121
Transportation and parking-----	-	-	-	-	-	1,450	-	-	-	1,450
Education-----	-	-	-	-	-	-	51	-	-	51
Economic development-----	-	-	-	-	-	-	-	-	19	19
<b>Total capital grants and contributions-----</b>	<b>15,121</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,450</b>	<b>51</b>	<b>-</b>	<b>19</b>	<b>16,641</b>
<b>Total program revenues-----</b>	<b>80,450</b>	<b>36</b>	<b>116</b>	<b>238,730</b>	<b>16</b>	<b>42,092</b>	<b>71</b>	<b>1,064</b>	<b>22,174</b>	<b>384,749</b>
<b>Net program revenues (expenses)-----</b>	<b>22,516</b>	<b>(244)</b>	<b>16</b>	<b>68,840</b>	<b>-</b>	<b>6,196</b>	<b>(68,121)</b>	<b>(7,328)</b>	<b>762</b>	<b>22,637</b>
Property taxes-----	-	-	-	-	-	-	-	3,140	17,005	20,145
Oil and gas royalties-----	-	28	-	-	-	-	-	-	-	28
Unrestricted investment income-----	798	-	21	2,730	-	64	-	-	3	3,616
Miscellaneous-----	-	8	-	-	-	-	123	-	1,467	1,598
<b>Total general revenues-----</b>	<b>798</b>	<b>36</b>	<b>21</b>	<b>2,730</b>	<b>-</b>	<b>64</b>	<b>123</b>	<b>3,140</b>	<b>18,475</b>	<b>25,387</b>
<b>Changes in net position-----</b>	<b>23,314</b>	<b>(208)</b>	<b>37</b>	<b>71,570</b>	<b>-</b>	<b>6,260</b>	<b>(67,998)</b>	<b>(4,188)</b>	<b>19,237</b>	<b>48,024</b>
<b>NET POSITION BEGINNING</b>										
Net assets-beginning-----	493,061	3,060	1,861	752,720	38	73,345	111,370	28,725	(37,903)	1,426,277
<b>Net position-ending-----</b>	<b>\$516,375</b>	<b>\$2,852</b>	<b>\$1,898</b>	<b>\$824,290</b>	<b>\$38</b>	<b>\$79,605</b>	<b>\$43,372</b>	<b>\$24,537</b>	<b>(\$18,666)</b>	<b>\$1,474,301</b>

See accompanying notes to financial statements.

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## Notes to Financial Statements





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## I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

### I. A. INTRODUCTION

The accounting and reporting framework and the more significant accounting principles and practices of Oklahoma City (City) are discussed in subsequent sections of this note. The remainder of the notes is organized to provide explanations, including required disclosures, of the City's financial activities for the fiscal year ended June 30, 2016.

### 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.

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

Established to account for the general government activities of OCPPA. Specific revenues include box office and event ticket sales, lease revenues, and tax increment ad valorem income which are designated to finance activities such as general government, public services, parks, and public events including economic development projects.

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

###### Water and Wastewater Fund

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

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

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

###### Oklahoma City Zoological Trust (OCZT)

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

OCPPA Fairgrounds

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

OCPPA Golf Courses

Accounts for the operations of five municipal golf courses.

Internal Service Funds

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 OPEB contributions. The City's pension trust funds are limited to non-uniformed City employees and employees of the Central Oklahoma Transportation and Parking Authority (COTPA). The City's OPEB trust funds are limited to health insurance benefits for participating Oklahoma City Employee Retirement System (OCERS) retirees.

Agency Fund

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

**Component Units**

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

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

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

**Blended Component Units Reported with Primary Government**

Oklahoma City Municipal Facilities Authority (OCMFA)

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



OCPPA

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

OCEAT

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

OCZT

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

**Discretely Presented Component Units**

Oklahoma City Airport Trust (OCAT)

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

Oklahoma City Riverfront Redevelopment Authority (OCRRA)

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

Oklahoma City Industrial and Cultural Facilities Trust (OCICF)

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

Oklahoma City Water Utilities Trust (OCWUT)

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

Oklahoma City Water Utilities Trust

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

MCA

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

Port Authority

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

COTPA

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

Oklahoma City Metropolitan Area Public Schools Trust (OCMAPS)

Established to administer a dedicated City sales tax levied to provide funding for improvements to public schools attended by City-resident students. The seven Trustees are appointed by the City Council with three Trustees nominated by the Oklahoma City Independent School District Board of Education. City employees manage trust assets. OCMAPS is a component unit of the City because the City appoints the voting majority of the OCMAPS Board of Trustees and relies on the dedicated City sales tax as its major revenue source. 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 and OCRA. The eleven member board includes the City Manager and a City Council representative. AEDOC can be contacted at 105 N. Hudson Avenue, Suite 101, Oklahoma City, OK 73102.

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

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

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

*Government-wide Financial Statements*

The government-wide financial statements include the statement of net position and the statement of activities. These statements report financial information for the City as a whole excluding fiduciary activities such as employee pension plans. The primary government and component units are presented separately within the financial statements with the focus on the primary government. Individual funds are not displayed 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. 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 reports 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 includes sales and use taxes, hotel/motel taxes, property taxes, franchise taxes (fees), intergovernmental revenues, and investment income. In general, other revenues are recognized when cash is received.

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

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

### ***Budget Approval***

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

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

#### ***Implementation of New Accounting Standard***

Effective July 1, 2015, the City implemented GASB statement number 72, Fair Value Measurement and Application. This statement is designed to enhance comparability of financial statements among governments by requiring consistent definitions of fair value and accepted valuation techniques in the measurement of fair value. It also provides additional disclosure to provide information about the impact of fair value measurements on financial position.

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, OCWUT, and OCRA separately adopted investment policies. MCA, Port Authority (no investments), and OCICF (no investments) have no adopted deposit and investment policy other than investment restrictions specified in applicable bond indentures and state law.

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

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

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

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

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

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

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

Level 3 - Significant unobservable prices or inputs.

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

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

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

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

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

**Other Significant Receivables**

Significant receivables include sales and use tax receivable 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.

	<b>Primary Government</b>	
	<u>Method</u>	<u>Description</u>
<i>Governmental Activities</i>		
General Fund		
General activities	First-in, First Out	Maintenance parts, salt, chemicals, gift shop, ammunition, concession items, ticket stock, and animal supplies
Fire activities	Weighted Average	Maintenance parts
Culture and recreation activities	Weighted Average	Maintenance parts and chemicals
OCPPA General Purpose		
Culture and recreation activities	Weighted Average	Food and beverage items and other supplies
Internal Service Funds		
Fleet	First-in, First Out	Fuel sites and tanks
Print shop	First-in, First Out	Card stock, paper, color paper, envelopes, and machine parts
Information Technology	First-in, First Out	Installation and repair parts
<i>Business-Type Activities</i>		
Airports		
Field maintenance	Weighted Average	Maintenance parts
Fuel farm and runway maintenance	First-in, First Out	Fuel storage and runway paint
OCEAT	Weighted Average	Operational and service supplies
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, and repair parts
Line maintenance warehouse	Weighted Average	Materials and hand tools
	<b>Component Unit</b>	
	<u>Method</u>	<u>Description</u>
COTPA - Transportation	Weighted Average	Fuel, vehicle parts and supplies



*Prepays*

Prepays are payments to vendors that benefit future reporting periods and are reported on the consumption basis. Non-current prepays benefit periods beyond the following 12 month period. Payments to vendors that are less than \$500 are considered *di minimus* and are reported with expenses/expenditures in the year of payment.

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

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

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

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

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

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

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

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

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

The City's property, plant, equipment, and infrastructure with useful lives of more than one year are stated at historical cost and reported in the government-wide financial statements. Proprietary and component unit capital assets are also reported in their respective fund and combining component units' financial statements. Donated 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, with the exception of golf carts which are capitalized since they have a useful life of ten years. Assets purchased or constructed with grants are an exception. These assets are capitalized at cost of \$5 thousand or more.

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

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

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

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

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

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

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

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

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

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

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

**I. D. 12. FUND EQUITY**

***Fund Balance***

**Non-Spendable Fund Balance**

Fund balance reported as non-spendable includes amounts that cannot be spent because it is not in spendable form or is not expected to be converted to cash including inventories, prepaid expenses, and 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.

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

*Pension Plans*

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

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

*Post-Employment Plans*

The City provides two single-employer, defined benefit OPEB plans, City OPEB administered through OCPEBT and COTPA OPEB administered through COTPA.

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

**II. A. ASSETS**

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

*Pooled and Non-pooled Cash*

	<b>Primary Government</b>			<b>Component Units</b>
	<i>Governmental Activities</i>	<i>Business-type Activities</i>	Total	
Pooled cash	\$55,625	\$1,916	\$57,541	\$12
Non-pooled cash	<u>75,854</u>	<u>32,018</u>	<u>107,872</u>	<u>82,393</u>
	<b><u>\$131,479</u></b>	<b><u>\$33,934</u></b>	<b><u>\$165,413</u></b>	<b><u>\$82,405</u></b>

*Deposits*

Custodial credit risk for deposits is the risk that in the event of a bank failure, the City's deposits may not be returned or the City will not be able to recover collateral securities in the possession of an outside party. Investment Policies require deposits to be 110% secured by collateral valued at market under the City's Investment Policy and market or par, whichever is lower under the OCAT and OCWUT Investment Policies, less the amount covered by 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 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 based on evaluation by the City Treasurer of the institutions' financial strength in accordance with the investment policy. Many bond indentures require deposits to be maintained by trustee banks specified in the indentures.

**NOTES TO FINANCIAL STATEMENTS**  
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**CITY OF OKLAHOMA CITY, OKLAHOMA**

Custodial credit risk for deposits is not formally addressed by bond indentures or pension trust policy. Indentures require that restricted deposits be maintained by the trustee bank specified in the indenture. Pension trust investment policies restrict uninvested cash to minimal balances generally covered by the Federal deposit insurance. The OCPEBT investment policy does not formally address custodial credit risk for deposits, however, true cash deposits are minimal and are required to be collateralized at 110% for any deposits in excess of Federal deposit insurance. Deposits of the City's reporting entity are insured or collateralized with securities held by the City, its agent, or by the pledging financial institution's trust department or agent in the name of the City or applicable public trust. However, a balance of \$10.521 million is held by OCPA that is not collateralized and exceeds the Federal deposit insurance.

**Investments**

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

	<b>Primary Government</b>							
	Cost	Fair Value/ Carrying Amount	Level 1 Inputs	Level 2 Inputs	Level 3 Inputs	Measured at NAV (1)	Average Credit Quality/ Ratings (2)	Weighted Average/ Effective Duration (months) (3)
<b>POOLED</b>								
<b>INVESTMENTS (4)</b>								
Money market (5)(6)	\$11,301	\$11,301	\$ -	\$ -	\$ -	\$ -	AAA/Aaa	1.47
U.S. Treasury notes	199,865	200,004	-	200,004	-	-	AA/Aaa	16.67
Fannie Mae	285,182	283,697	-	283,697	-	-	AA/Aaa	17.23
Federal obligations	330,652	329,897	-	-	-	-	AA/Aaa	14.89
Commercial paper	<u>11,950</u>	<u>11,991</u>	-	<u>11,991</u>	-	-	A1/P1	1.07
Total pooled investments	<u>838,950</u>	<u>836,890</u>	-	<u>495,692</u>	-	-		
Less agency fund (4)(5)	<u>(1,595)</u>	<u>(1,595)</u>	-	-	-	-		
<b>NON-POOLED</b>								
<b>INVESTMENTS</b>								
U.S. Treasury notes	20,003	20,100	-	20,100	-	-	AAA/Aaa	18.17
U.S. Treasury strips	-	-	-	-	-	-	N/A	N/A
U.S. Treasury bills	-	-	-	-	-	-	N/A	N/A
Federal obligations	125,812	125,619	-	125,619	-	-	AA/Aaa	15.54
Fannie Mae	35,086	35,222	-	35,222	-	-	AA/Aaa	19.97
Money market (5)(6)	38,940	38,940	-	-	-	-	AAA/Aaa	1.09
Domestic common stock	4	4	4	-	-	-	N/A	N/A
Certificates of deposit (5)	<u>7</u>	<u>7</u>	-	-	-	-	N/A	18.03
Total non-pooled investments	<u>219,852</u>	<u>219,892</u>	<u>4</u>	<u>180,941</u>	-	-		
<b>Total primary government investments</b>	<b><u>\$1,057,207</u></b>	<b><u>\$1,055,187</u></b>	<b><u>\$4</u></b>	<b><u>\$676,633</u></b>	<b><u>\$-</u></b>	<b><u>\$-</u></b>		

(continued)

NOTES TO FINANCIAL STATEMENTS  
June 30, 2016

CITY OF OKLAHOMA CITY, OKLAHOMA

Investments (continued)

Pension Trust Funds								
	Cost	Fair Value/ Carrying Amount	Level 1 Inputs	Level 2 Inputs	Level 3 Inputs	Measured at NAV (1)	Average Credit Quality/ Ratings (2)	Weighted Average/ Effective Duration (months) (3)
<u>COMMON STOCK</u>								
Domestic	\$124,484	\$157,949	\$157,949	\$ -	\$ -	\$ -	N/A	N/A
International	9,216	10,192	10,192	-	-	-	N/A	N/A
<u>GOVERNMENT</u>								
<u>SECURITIES</u>								
U.S. Treasury strips	367	404	-	404	-	-	*	1.99
U.S. Treasury bonds	10,964	11,754	-	11,754	-	-	*	14.73
U.S. Treasury TIPS	2,888	3,070	-	3,070	-	-	*	13.34
Federal agency notes	11,393	11,435	-	11,435	-	-	*	2.52
Ginnie Mae	2,164	2,192	-	2,192	-	-	*	1.45
Small Business								
Administration Loans	112	115	-	115	-	-	*	6.33
<u>CORPORATE</u>								
<u>OBLIGATIONS</u>								
Domestic	13,524	14,498	-	14,498	-	-	*	8.64
International	3,510	3,574	-	3,574	-	-	*	6.83
<u>MUTUAL FUNDS/</u>								
<u>COMMINGLED FUNDS</u>								
Equity	95,264	105,661	51,243	-	-	54,418	*	N/A
Equity-Passive Funds	29,699	68,071	-	-	-	68,071	*	N/A
Bond	49,862	54,049	2,834	-	-	51,215	*	6.57
Passive Bond	17,263	21,282	-	-	-	21,282	*	5.48
Real estate								
investment trusts	45,972	56,769	224	-	-	56,545	*	N/A
Other	115,065	119,227	415	-	-	118,812	*	N/A
<u>OTHER</u>								
<u>INVESTMENTS</u>								
Asset backed obligations	10,939	10,540	-	10,540	-	-	*	3.21
Money market (5)(6)	7,298	7,298	-	-	-	-	*	N/A
Foreign government								
obligations	1,394	1,556	-	1,556	-	-	*	11.40
Oklahoma City								
judgments (5)	2,274	2,274	-	-	-	-	*	4.00
<b>Total pension trust fund investments</b>	<b><u>\$553,652</u></b>	<b><u>\$661,910</u></b>	<b><u>\$222,857</u></b>	<b><u>\$59,138</u></b>	<b><u>\$-</u></b>	<b><u>\$370,343</u></b>		

OPEB Trust Funds								
	Cost	Fair Value/ Carrying Amount	Level 1 Inputs	Level 2 Inputs	Level 3 Inputs	Measured at NAV (1)	Average Credit Quality/ Ratings (2)	Weighted Average/ Effective Duration (months) (3)
Passive stock funds	\$25,989	\$24,087	\$24,087	\$ -	\$ -	\$ -	N/A	N/A
International stock	4,028	3,442	3,442	-	-	-	N/A	N/A
Passive bond funds	10,999	10,609	10,609	-	-	-	Not Rated	65.94
Money market (5)(6)	5,504	5,504	-	-	-	-	AAA/Aaa	1.50
<b>Total OPEB trust fund investments</b>	<b><u>\$46,520</u></b>	<b><u>\$43,642</u></b>	<b><u>\$38,138</u></b>	<b><u>\$-</u></b>	<b><u>\$-</u></b>	<b><u>\$-</u></b>		

(continued)

*Investments (continued)*

	Component Units							Average Credit Quality/ Ratings (2)	Weighted Average/ Effective Duration (months) (3)
	Cost	Fair Value/ Carrying Amount	Level 1 Inputs	Level 2 Inputs	Level 3 Inputs	Measured at NAV (1)			
<b>POOLED</b>									
<b>INVESTMENTS</b>									
Money market (5)(6)	<u>\$44,032</u>	<u>\$44,032</u>	\$ -	\$ -	\$ -	\$ -	AAA/Aaa	1.47	
Total pooled investments	<u>44,032</u>	<u>44,032</u>	-	-	-	-			
<b>NON-POOLED</b>									
<b>INVESTMENTS</b>									
U.S. Treasury notes	24,758	25,400	-	25,400	-	-	AAA/Aaa	41.67	
U.S. Treasury bills	23,415	23,448	-	23,448	-	-	N/A	7.20	
Federal obligations	54,709	54,915	-	54,915	-	-	AA/Aaa	27.18	
Fannie Mae	32,030	32,412	-	32,412	-	-	AA/Aaa	25.70	
Money market (5)(6)	120,173	120,173	-	-	-	-	AAA/Aaa	1.02	
U.S. Treasury Strips	102,167	102,505	-	102,505	-	-	N/A	26.87	
U.S. Treasury Strips	1,834	1,893	-	1,893	-	-	N/A	6.13	
Guaranteed investment contract (4)	6,653	6,653	-	-	-	-	AA/Aaa	79.23	
Certificate of deposit (4)	<u>8,618</u>	<u>8,618</u>	-	-	-	-	N/A	11.03	
Total non-pooled investments	<u>374,357</u>	<u>376,017</u>	-	<u>240,573</u>	-	-			
<b>Total component unit investments</b>	<b><u>\$418,389</u></b>	<b><u>\$420,049</u></b>	<b>\$ -</b>	<b><u>\$240,573</u></b>	<b>\$ -</b>	<b>\$ -</b>			

- (1) The net asset value (NAV) is used as a practical expedient to estimate fair value. NAV is explained further in the paragraphs below.
- (2) Ratings are provided where applicable to indicate associated credit risk. See pension trust fund credit risk for minimum quality credit ratings indicated with an \*.
- (3) Interest rate risk is estimated using weighted average months to maturity for all investments except for pension trust fund investments which use effective duration in months for all investments except passive bond mutual funds, money market funds, and Oklahoma City judgments.
- (4) City pooled investments include \$1,595 reported in the City's Agency Fund.
- (5) Valued at cost.
- (6) Consists solely of U.S. Treasury securities.

**Fair Value Measurement**

The following is a description of the valuation methodologies used for assets measured at fair value in the tables above. There have been no changes in the methodologies used at June 30, 2016, from the prior year.

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

Money market funds, judgments, and certificates of deposit fair value approximates cost and therefore do not report a fair value measurement. The City's guaranteed investment contract securities are valued at cost. They are considered nonparticipating contracts with redemption terms that do not consider market rates and therefore do not report a fair value measurement.

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



**NOTES TO FINANCIAL STATEMENTS**  
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**CITY OF OKLAHOMA CITY, OKLAHOMA**

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

Domestic common stock is valued using prices quoted in active markets for those securities and are classified as Level 1.

Corporate obligations consist of domestic and international corporate bonds and are valued using pricing models maximizing the use of observable inputs for similar securities which includes basing value on yields currently available on comparable securities of issuers with similar credit ratings. Corporate bonds are valued at level 2.

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

The City's Pension Trust Fund invests in comingled funds and limited partnerships which are valued at net asset value (NAV). The NAV, as provided by the trustee, is used as a practical expedient to estimate fair value. The NAV is based on the fair value of the underlying investments held by the fund and other various methods are used to value these securities. The investment objectives are described in the tables and paragraphs in greater detail below.

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

**Investments measured at the NAV**

The following table summarize investments measured at fair value based on net asset value (NAVs) per share as of June 30, 2016.

	<u>Fair Value</u>	<u>Unfunded Commitments</u>	<u>Redemption Frequency (if currently eligible)</u>	<u>Redemption Notice Period</u>
<b><u>COMMINGLED FUNDS</u></b>				
U.S. Large Cap Core	\$68,072	\$ -	Daily	T/D-2
Long/Short Equity	62,116	-	Quarterly	91 days
Emerging Markets Equity	19,663	-	Daily	T/D-2
Emerging Markets Small Cap Equity	7,921	-	Daily	N/A
Emerging Markets Local Debt	1,204	-	Daily	N/A
Floating Rate High Income	1,124	-	Daily	N/A
Non-Dollar Hedged	1,220	-	Daily	N/A
Opportunistic US\$				
High Yield Securities	3,317	-	Daily	N/A
Core Fixed Income	21,282	-	Daily	T/D-2
Absolute Return	31,627	-	Quarterly	90 days
Global Opportunistic Fixed Income	44,348	-	Daily	10 days
Core Real Estate	51,388	-	Quarterly	90 days
Commodities	25,069	-	Daily	N/A
<b><u>LIMITED PARTNERSHIPS</u></b>				
<b><u>- PRIVATE EQUITY</u></b>				
Warburg Pincus	8,021	10,275	Not Eligible	Not Eligible
Siguler Guff	1,991	150	Not Eligible	Not Eligible
Mesirow	16,823	-	Not Eligible	Not Eligible
<b><u>LIMITED PARTNERSHIPS</u></b>				
<b><u>- REAL ESTATE</u></b>				
TA Realty	<u>5,157</u>	<u>-</u>	Not Eligible	Not Eligible
	<b><u>\$370,343</u></b>	<b><u>\$10,425</u></b>		

Commingled Funds

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

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

K2 Overseas Fund (Long/Short Equity):

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

SSgA Emerging Markets Index Fund (Emerging Markets Equity):

The investment objective of the fund is to approximate as closely as practicable, before expenses, the performance of the MSCI Emerging Markets Index over the long term.

Vontobel (Emerging Markets Equity):

The investment objective of the fund is capital appreciation through investing in a diversified portfolio consisting primarily of equity securities. Equity securities consist of common stocks and securities convertible into common stocks, such as warrants, rights, convertible bonds, debentures or convertible preferred stock. Under normal market conditions, the fund will invest at least 75% of its assets in equity securities issued by companies that are in developing countries or emerging markets. Redemptions are allowed, subject to certain exceptions, after 15 days prior written notice to the investment manager to redeem all or any part of the capital account. Redemptions are made as of the close of business on the last business day of each calendar month. The fund was incepted on February 26, 2007. OCERS redeemed its entire investment in the fund on April 1, 2016.

Wasatch Emerging Markets Small Cap (Emerging Markets Small Cap Equity):

The fund was designed to invest in foreign equity securities, American depositary receipts, or global depositary receipts of small companies in emerging foreign markets. There are no restrictions.

Western Asset Management (Emerging Markets Local Debt):

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

**Western Asset Management (Floating Rate High Income):**

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

**Western Asset Management (Non-Dollar Hedged):**

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

**Western Asset Management (Opportunistic US\$ High Yield Securities):**

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

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

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

**PAAMCO (Absolute Return):**

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

**Brandywine (Global Opportunistic Fixed Income):**

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

Prime Property Fund (Core Real Estate):

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

Gresham TAP Fund (Commodities):

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

Limited Partnerships - Private Equity

Warburg Pincus:

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

Siguler Guff:

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

Mesirow:

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

Limited Partnerships - Real Estate

TA Realty:

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

**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2016**

**CITY OF OKLAHOMA CITY, OKLAHOMA**

**Pension Trust Fund Credit Risk**

Ratings represent the pension funds exposure to credit risk including obligations of the U.S. government and those explicitly guaranteed by the U.S. government as of June 30, 2016.

	<u>AAA</u>	<u>AA</u>	<u>A</u>	<u>BBB</u>	<u>BB</u>	<u>B</u>	<u>CCC</u>	<u>CC</u>	<u>D</u>	<u>Not Rated</u>	<u>Not Available</u>
<u>GOVERNMENT SECURITIES</u>											
U.S. Treasury strips	0%	100%	0%	0%	0%	0%	0%	0%	0%	0%	0%
U.S. Treasury bonds	0	100	0	0	0	0	0	0	0	0	0
U.S. Treasury TIPS	3	97	0	0	0	0	0	0	0	0	0
Federal agency notes (1)	0	99	0	0	0	0	0	0	0	1	0
Ginnie Mae	0	100	0	0	0	0	0	0	0	0	0
Small Business Administration Loans	0	100	0	0	0	0	0	0	0	0	0
<u>CORPORATE OBLIGATIONS</u>											
Domestic	0	9	31	55	4	0	0	0	0	0	1
International	0	7	44	23	20	5	0	0	0	0	1
<u>MUTUAL FUNDS</u>											
Bond-Active	0	29	61	2	6	2	0	0	0	0	0
<u>OTHER INVESTMENTS</u>											
Asset backed obligations	51	0	16	17	1	0	6	3	1	1	4
Foreign government obligations	0	0	0	66	34	0	0	0	0	0	0

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

Federal Home Loan Mortgage Corporation	\$2,717,196
Fannie Mae	8,073,248
Ginnie Mae	2,534,994
Resolution Funding Corporation	181,847
Small Business Administration Guaranteed Development	112,350
Tennessee Valley Authority Global	49,441

**Foreign Investments (1)**

	<u>OCERS</u>		<u>OCERS</u>	<u>COTPA Pension</u>
Mexican Peso	\$223,447	<b>International mutual funds and similar securities</b>	<b><u>\$154,681</u></b>	<b><u>\$1,584</u></b>
Thai Baht	149,675			
Malaysian Ringgit	232,299			
Polish Zloty	254,422			
Russian Ruble	186,498			
Indonesian Rupiah	235,646			
Brazilian Real	305,948			
Turkish Lira	201,896			
South African Rand	177,712			
Romanian Leu	71,731			
Hungarian Forint	131,500			
Canadian Dollar	42,776			
Chinese Yuan	700			
Colombian Peso	195,416			
Other (2)	<u>1,139,391</u>			
<b>International securities</b>	<b><u>\$3,549,057</u></b>			

(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.

(2) Includes no individual currency amounts greater than \$100 thousand.

**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		Maturity Limitations	
Percentage of Total Invested Principal		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.

OCAT Investment Policy

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

OCWUT Investment Policy

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

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

The OCWUT Investment Policy provides that to the extent practicable, investments are matched with anticipated cash flows. Investments are diversified to minimize the risk of loss resulting from 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 subject to bond indenture restrictions.

OCRA Investment Policy

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

Public Trust Bond Indenture Restrictions

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

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



**Restricted Deposits and Investments**

	<b>Primary Government</b>				
	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	\$ -	\$236,059	\$ -	\$ -	\$236,059
Grants Management	8,982	-	-	-	8,982
Debt Service	102,112	-	-	-	102,112
OCPPA General Purpose Fund	-	-	-	6,761	6,761
Special Purpose Fund	<u>-</u>	<u>-</u>	<u>-</u>	<u>11,389</u>	<u>11,389</u>
Total governmental activities	<u>111,094</u>	<u>236,059</u>	<u>-</u>	<u>18,150</u>	<u>365,303</u>
<i>Business-Type Activities</i>					
OCEAT	199	-	-	-	199
OCZT	576	-	637	143	1,356
OCPPA Fairgrounds Fund	2,915	18,982	830	-	22,727
OCPPA Golf Courses Fund	<u>702</u>	<u>242</u>	<u>456</u>	<u>-</u>	<u>1,400</u>
Total business-type activities	<u>4,392</u>	<u>19,224</u>	<u>1,923</u>	<u>143</u>	<u>25,682</u>
<b>Total primary government</b>	<b><u>\$115,486</u></b>	<b><u>\$255,283</u></b>	<b><u>\$1,923</u></b>	<b><u>\$18,293</u></b>	<b><u>\$390,985</u></b>

**Component Units**

	Bond Principal and Interest	Construction	Bond Reserve	Other	
	<u>Accounts</u>	<u>Accounts</u>	<u>Accounts</u>		
	OCAT	\$1,984	\$2,819	\$ -	
OCWUT	27,157	299	32,540	-	59,996
COTPA	1,046	-	1,483	-	2,529
OCRA	-	-	-	4,670	4,670
OCEDT	<u>2,239</u>	<u>13,742</u>	<u>9,775</u>	<u>-</u>	<u>25,756</u>
<b>Total component units</b>	<b><u>\$32,426</u></b>	<b><u>\$16,860</u></b>	<b><u>\$43,798</u></b>	<b><u>\$4,670</u></b>	<b><u>\$97,754</u></b>

**Pension Trust Policies**

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

Asset Allocation Guidelines

	OCERS				COTPA Retirement			
	<u>Minimum</u>	<u>Target</u>	<u>Maximum</u>	<u>Actual</u>	<u>Minimum</u>	<u>Target</u>	<u>Maximum</u>	<u>Actual</u>
<b><u>EQUITIES</u></b>								
Domestic	50.0 %	50.0 %	50.0 %	53.6 %	35.0 %	40.0 %	65.0 %	45.9 %
International	5.0	10.0	15.0	7.9	5.0	10.0	15.0	13.8
Alternatives	N/A	N/A	N/A	N/A	0.0	20.0	25.0	10.0
Fixed income (1)	20.0	25.0	30.0	25.9	20.0	25.0	40.0	30.3
Real assets	10.0	15.0	20.0	12.6	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 \$439 thousand in common stock or stock funds. Of this amount \$180 thousand 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 the active fixed income managers to maintain portfolio duration at a minimum of 50% and a maximum of 150% of the Barclay's Capital Aggregate Bond Index (LAGG=100).

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

#### Portfolio Parameters

##### Large Cap Domestic Portfolio:

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

##### Small Cap Portfolio:

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

##### International Portfolio:

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

##### Core Fixed Income Portfolio:

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

**Core Plus Fixed Income Portfolio:**

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

**Low Volatility Hedge Fund of Funds:**

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

**Real Estate Manager:**

The manager may invest in real estate and related securities permitted under Oklahoma Law including improved or unimproved real property, mortgages, or collective investment funds (Real Estate Investment Trusts or Real Estate Funds, notes secured by real property, mortgage-backed bonds and pass through securities backed by mortgages). Investments in real estate properties will be broadly diversified by geography, 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 2016, OCERS had no securities lending amounts invested.

**Derivatives:**

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

**Judgments:**

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

**Other Post-Employment Trust Policies**

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

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

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

Asset Allocation Guidelines

	<u>Minimum</u>	<u>Target</u>	<u>Maximum</u>	<u>Actual (1)</u>
Domestic equities	30%	60%	65%	63.2%
International equities	5	10	15	9.0
Fixed income	24	30	65	27.8
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, 2016 and 2015, the amount of funds temporarily invested by the OCPEBT Trust Treasurer in money market funds was \$5,504 and \$5,040, 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 rating agencies to qualify for purchase.

**Cash Equivalents:**

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

**Domestic Index and Mutual Funds:**

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

**International Index and Mutual Funds:**

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

**Judgments:**

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

**Compliance with State Requirements**

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

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

*Governmental Taxes and Accounts Receivable*

**Sales and Use Taxes Receivable**

Governmental activities report sales and use taxes receivable of \$59.974 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, 2016, receivables of \$4.380 million represent delinquent and escrowed paid-under-protest taxes. Approximately \$109 thousand of the receivable is comprised of payments to the counties made under protest. If paid under protest and delinquent taxes are not paid within 60 days of year-end, they are recorded as unavailable revenue in governmental funds.

Governmental fund property taxes receivable related to TIF at June 30, 2016, is \$1 thousand reported in the OCPPA General Purpose Fund.

NOTES TO FINANCIAL STATEMENTS  
June 30, 2016

CITY OF OKLAHOMA CITY, OKLAHOMA

**Accounts Receivable**

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

	Hotel/ Motel Taxes Receivable	Emergency Telephone Taxes Receivable	Franchise Fees Receivable	Nuisance Abatement Receivable	Insurance Receivable	Utility Receivable	Courts Receivable	Other Receivables	Total Accounts Receivable
Governmental Funds									
General fund	\$ -	\$ -	\$4,650	\$53	\$ -	\$17	\$1,755	\$943	\$7,418
Grants management fund	-	-	-	76	-	-	-	-	76
OCPA general purpose	-	-	-	-	-	-	-	1,473	1,473
Other governmental funds	<u>1,400</u>	<u>629</u>	<u>-</u>	<u>2,187</u>	<u>-</u>	<u>342</u>	<u>154</u>	<u>832</u>	<u>5,544</u>
Total governmental funds	1,400	629	4,650	2,316	-	359	1,909	3,248	14,511
Internal service funds	-	-	-	-	<u>2,601</u>	-	-	<u>16</u>	<u>2,617</u>
<b>Total governmental activities</b>	<b><u>\$1,400</u></b>	<b><u>\$629</u></b>	<b><u>\$4,650</u></b>	<b><u>\$2,316</u></b>	<b><u>\$2,601</u></b>	<b><u>\$359</u></b>	<b><u>\$1,909</u></b>	<b><u>\$3,264</u></b>	<b><u>\$17,128</u></b>

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

	Nuisance abatement			Utility		
	Receivable	Allowance for Uncollectible	Net Receivable	Receivable	Allowance for Uncollectible	Net Receivable
General Fund	\$63	(\$10)	\$53	\$103	(\$86)	\$17
Grants Management Fund	127	(51)	76	-	-	-
Other Governmental Funds	<u>3,807</u>	<u>(1,620)</u>	<u>2,187</u>	<u>511</u>	<u>(169)</u>	<u>342</u>
	<b><u>\$3,997</u></b>	<b><u>(\$1,681)</u></b>	<b><u>\$2,316</u></b>	<b><u>\$614</u></b>	<b><u>(\$255)</u></b>	<b><u>\$359</u></b>

**Proprietary Accounts Receivable**

	Major Enterprise Funds			Other Enterprise Funds	Total
	OCEAT	OCZT			
Accounts receivable	\$8,531	\$255		\$2,973	\$11,759
Less: allowance for uncollectible accounts	<u>(5,516)</u>	<u>(9)</u>		<u>(1,378)</u>	<u>(6,903)</u>
<b>Net accounts receivable</b>	<b><u>\$3,015</u></b>	<b><u>\$246</u></b>		<b><u>\$1,595</u></b>	<b><u>\$4,856</u></b>

**Component Unit Property Taxes and Accounts Receivable**

**Property Taxes Receivable**

Component unit property taxes receivable related to TIF at June 30, 2016, is \$5 thousand reported in OCRA and \$5.812 million reported in OCEDT.

NOTES TO FINANCIAL STATEMENTS  
June 30, 2016

CITY OF OKLAHOMA CITY, OKLAHOMA

**Accounts Receivable**

Customer Accounts Receivable

	<u>OCAT</u>	<u>OCRRA</u>	<u>OCICF</u>	<u>OCWUT</u>	<u>COTPA</u>	<u>OCRA</u>	<u>OCEDT</u>	<u>Total</u>
Accounts receivable	\$2,605	\$ -	\$ -	\$27,137	\$314	\$ -	\$ -	\$30,056
Less: allowance for uncollectible accounts	<u>-</u>	<u>-</u>	<u>-</u>	<u>(823)</u>	<u>(128)</u>	<u>-</u>	<u>-</u>	<u>(951)</u>
<b>Net accounts receivable</b>	<b><u>\$2,605</u></b>	<b><u>\$ -</u></b>	<b><u>\$ -</u></b>	<b><u>\$26,314</u></b>	<b><u>\$186</u></b>	<b><u>\$ -</u></b>	<b><u>\$ -</u></b>	<b><u>\$29,105</u></b>

Other Accounts Receivable

	<u>OCAT</u>	<u>OCRRA</u>	<u>OCICF</u>	<u>OCWUT</u>	<u>COTPA</u>	<u>OCRA</u>	<u>OCEDT</u>	<u>Total</u>
Oil and gas royalties	\$83	\$7	\$ -	\$7	\$ -	\$ -	\$ -	\$97
Other	<u>-</u>	<u>-</u>	<u>19</u>	<u>16</u>	<u>36</u>	<u>24</u>	<u>3</u>	<u>98</u>
<b>Net accounts receivable</b>	<b><u>\$83</u></b>	<b><u>\$7</u></b>	<b><u>\$19</u></b>	<b><u>\$23</u></b>	<b><u>\$36</u></b>	<b><u>\$24</u></b>	<b><u>\$3</u></b>	<b><u>\$195</u></b>

*Fiduciary Receivables*

**Pension and OPEB Receivables**

	<u>Contributions Receivable</u>		
	<u>Plan</u>		
	<u>Employer</u>	<u>Members</u>	<u>Total</u>
COTPA Retirement	\$27	\$21	\$48
OCPEBT	<u>11</u>	<u>369</u>	<u>380</u>
	<b><u>\$38</u></b>	<b><u>\$390</u></b>	<b><u>\$428</u></b>

**Agency Fund Receivables**

The Agency Fund reports \$243 thousand in amounts receivable from property owners for special improvement district assessments and \$1 thousand in amounts receivable from other City funds.

*Intergovernmental Receivables and Advance Funding*

**Intergovernmental Receivables**

*Governmental Activities*

Governmental Funds

General Fund	Commercial vehicle, excise, motor fuel and alcoholic beverage taxes receivable	\$1,253
Grants Management Fund	Grant revenues receivable	6,846
Special Purpose Fund	State matching emergency management funds receivable	298
Capital Improvement Fund	ODOT	95
Tax Incremental Financing Fund	State matching TIF revenues receivable	634

Internal Service Funds

OCMFA Services Fund	State matching emergency management funds receivable	72
Fleet Services Fund	CNG tax refund	<u>9</u>
Total governmental activities		<u>9,207</u>

*Business-Type Activities*

OCEAT	State matching emergency management funds receivable	5,605
	CNG tax refund	<u>42</u>

Total business-type activities		<u>5,647</u>
<b>Total primary government</b>		<b><u>\$14,854</u></b>

(continued)

**Intergovernmental Receivables (continued)**

*Component Units*

OCAT	Grant revenues receivable	\$4,020
OCWUT	State matching emergency management and Federal Bureau of Reclamation funds receivable	1,036
COTPA	Grant revenues receivable	971
OCRA	Grant revenues receivable	<u>680</u>
<b>Total component units</b>		<b><u>\$6,707</u></b>

**Advance Funding**

ODOT Advance Funding

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

General Obligation Bond Fund	\$2,500
Capital Improvement Fund	<u>377</u>
	<b><u>\$2,877</u></b>

OCPPA General Purpose Fund Advance Funding

OCPPA advances funds to allow the management company to operate for the City's business improvement districts (BID) until payment is received from the business owners for services and improvements. As of June 30, 2016, \$163 thousand was unexpended.

OCMAPS Suburban Schools Advance Funding

OCMAPS provides advance funding to suburban school districts for on-going projects. As of June 30, 2016, \$1.422 million has been paid but not expended by suburban school districts.

OCEDT Oklahoma County Advance Funding

On January 18, 2013, OCEDT approved the Board of County Commissioners of Oklahoma County Annex Building renovation for \$4 million to be funded from TIF district #8 funds. On December 9, 2013, OCEDT approved a \$2 million advance distribution. As of June 30, 2016, \$1.061 million is unexpended.

**Notes and Economic Incentives Receivable**

**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 note receivable from OCURA was fully repaid in May 2016.

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, 2016, is \$18 thousand.



Grants Management Fund

Notes Receivable reported in the grants management fund include loans of \$16.297 million made to businesses and individuals for economic development, housing assistance, and revitalization of downtown Oklahoma City. These notes are repaid by the recipient business or future grant monies.

OCICF

In July 2015 OCICF sold the Journal Record Building for approximately \$4.4 million through multiple transactions. As part of the sale, OCICF established a note receivable of \$4.255 million from the buyer, which bears interest at rates established in the note agreement and matures in 2045. Future principal payments from the note receivable will be used to pay the principal due on the payable to the City. Interest earned from the note receivable will remain with OCICF and is required to be used for future economic development. The balance at June 30, 2016, is \$4.255 million.

OCRA

Skirvin Hotel:

OCRA loaned \$10.654 million for renovation costs for the Skirvin Hotel. The note bears interest at 3% payable semi-annually in June 1 and December 1. Principal of \$200 thousand is due annually on December 1. At June 30, 2016, \$10.035 million is outstanding.

Oklahoma Health Center Project:

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

OCEDT

Steelyard Residential and Commercial Building Project:

During fiscal year 2015 the Trust provided \$1 million to Bricktown Apartments, LLC in the form of a low-interest, non-forgivable loan to rehabilitate infrastructure that is necessary for the development of the residential and commercial project to make possible investment, development and economic growth in the area, thereby reversing economic stagnation and decline. Interest on the note will accrue at 2.5% and the length of the note will not exceed 10 years. The balance of the funding plan, including capitalized interest, is \$1.031 million at June 30, 2016.

Midtown HC:

In 2013 a loan agreement for \$1 million was established between OCEDT and Bricktown Midtown HC, LLC to construct a multi-story parking garage on property located at 123 N.W. 10th Street, Oklahoma City. The project advances the goals and objectives of the Downtown/MAPS Project Plan by developing and redeveloping vacant and unproductive property in the Midtown area. Repayment of the loan began in June 2015. The balance, including capitalized interest, is \$963 thousand at June 30, 2016.

21c Museum Hotel Redevelopment Project:

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

Century Center Mixed Use Redevelopment Project:

During fiscal year 2016 OCEDT provided \$800,000 to 100 Main, LLC in the form of a low-interest, non-forgivable loan for renovation of commercial, restaurant, retail and office space to make possible investment, development and economic growth in the area, thereby reversing economic stagnation and decline. The balance is \$771 thousand at June 30, 2016.

**Economic Incentives Receivable**

OCEDT

Midtown HC #2 Mixed Use Project Receivable:

During fiscal year 2015 OCEDT paid \$1.100 million as assistance in development financing to Midtown HC, LLC, the developer of the mixed use project, in anticipation of generating increased property tax value in TIF district #2. Midtown HC, LLC agrees to make a minimum annual payment of \$201 thousand. The minimum payments, less the base tax of \$13 thousand, will continue until the total of \$1.482 million, including finance charges, is reached or TIF district #2 expires or terminates. As of June 30, 2016, \$1.294 million is receivable from the developer.

4th Street Residential Project Receivable:

During fiscal year 2015 OCEDT paid \$1 million as assistance in development financing to 4th Street Properties, LLC, the developer of the residential project, in anticipation of generating increased property tax value in TIF district #2. 4th Street Properties, LLC agrees to make a minimum annual payment of \$191 thousand. The minimum payments, less the base tax of \$15 thousand, will continue until the total of \$1.365 million, including finance charges, is reached or TIF district #2 expires or terminates. The balance is \$1.014 million at June 30, 2016.

Carnegie Centre Mixed Use Project Receivable:

During fiscal year 2015 the OCEDT paid \$370 thousand as assistance in development financing to Carnegie Centre, LLC, the developer of the mixed use project, in anticipation of generating increased property tax value in TIF district #2. Carnegie Centre, LLC agrees to make a minimum annual payment of \$85 thousand. The minimum payments, less the base tax of \$11 thousand, will continue until the total of \$465 thousand, including finance charges, is reached or TIF district #2 expires or terminates. The balance is \$317 thousand at June 30, 2016.

City Center Residential Project Receivable:

During fiscal year 2015 the OCEDT paid \$1.250 million as assistance in development financing to City Center Development, LLC, the developer of the residential project, in anticipation of generating increased property tax value in TIF district #2. City Center Development, LLC agrees to make a minimum annual payment of \$229 thousand. The minimum payments, less the base tax of \$23 thousand, will continue until the total of \$1.481 million, including finance charges, is reached or TIF district #2 expires or terminates. The balance is \$995 thousand at June 30, 2016.

10th Street Parking Garage and Mixed Use Project Receivable:

During fiscal year 2015 the OCEDT paid \$2 million as assistance in development financing to 10th & Broadway Parking, LLC, the developer of the parking garage and mixed use project, in anticipation of generating increased property tax value in TIF district #2. 10th & Broadway Parking, LLC agrees to make a minimum annual payment of \$260 thousand. The minimum payments, less the base tax amount of \$22 thousand, will continue until the total of \$2.612 million, including finance charges, is reached or TIF district #2 expires or terminates. The balance is \$2.374 million at June 30, 2016.

Mideke Commercial Office Building Redevelopment Project:

During fiscal year 2016 the OCEDT paid \$1 million as assistance in development financing to Mideke Partners, LLC, the developer of the Mideke Commercial Office Building Project, in anticipation of generating increased property tax value in TIF district #2. Mideke Partners, LLC agrees to make a minimum annual payment of \$191 thousand. The minimum payments, less the base tax amount \$38 thousand, will continue until the total of \$1.572 million, including finance charges, is reached or TIF district #2 expires or terminates. The balance is \$1.572 million at June 30, 2016.

**Edge Apartments Residential Redevelopment Project:**

During fiscal year 2016 OCEDT provided \$1.5 million as assistance in development financing to Midtown Edge Holdings, LLC, the developer of the apartment and mixed use commercial complex and parking garage, in anticipation of generating increased property tax value in TIF district #2. Midtown Edge Holdings, LLC agreed to make minimum annual payments of \$363 thousand. The minimum payments will continue until the total of \$1.555 million, including finance charges, is reached or TIF district #2 expires or terminates. The balance is \$1.555 million at June 30, 2016.

**Century Center Mixed Use Redevelopment Project:**

During Fiscal Year 2016 OCEDT provided \$1.25 million as assistance in development financing to 100 Main, LLC, the developer of the parking garage and mixed use project, in anticipation of generating increased property tax value in TIF district #2. 100 Main, LLC agrees to make a minimum annual payment of \$24 thousand. The minimum payments, less the base tax amount of \$24 thousand, will continue until the total of \$1.566 million, including finance charges, is reached or TIF district #2 expires or terminates. The balance is \$1.565 million at June 30, 2016.

**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 \$1.370 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, 2016, OCWUT reported \$52.850 million receivable from MCA Participants.

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

An agreement between OCWUT and Gaillardia Golf Course, LLC (Gaillardia) to construct, operate and maintain a recycled water system to irrigate the Gaillardia Golf Course was entered into in 1996. Prior to completing the construction, the agreement was amended to a recycled water sales contract and the related asset, valued at \$618 thousand, was donated to the City and OCWUT. A new agreement was entered into in 2008 between Gaillardia and OCWUT to recover the additional costs to OCWUT for constructing ultraviolet and chlorination treatment facilities needed to comply with changes in the environmental regulations. On April 16, 2013, a new agreement between OCWUT and Gaillardia was made for the sale and purchase of recycled water and settled all prior claims for an amount of \$277 thousand. The agreement was made effective January 1, 2013, for financial purposes, and effectively terminated all prior agreements and obligations. At June 30, 2016, the remaining balance receivable from Gaillardia was \$277 thousand.

***Advanced Funded Costs***

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

On May 8, 2014, OCWUT contracted with MWH America's, Inc. to provide consulting services for the municipalization of Tinker Air Force Base's water and wastewater utilities. The consulting services were ongoing at June 30, 2016; however, no formal agreement with Tinker Air Force Base was in effect. OCWUT does not anticipate any fund usage in the next 12 months. The balance at June 30, 2016, is \$1.773 million.

*Security Deposit, Escrow Accounts, and Debt Reserve*

**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 \$4 thousand in non-current escrow minimum funding requirement for Section 125 Flexible Compensation Program for all full-time eligible COTPA employees.

**OCRA**

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

*Assets Held for Donation*

**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 assets in the amount of \$27.091 million and recognized as a donation when the transfer is made to the Oklahoma City Independent School District.

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

Net pension assets are reported when the plan's net assets exceed the employers total pension liability, or the employers proportionate share of the plan's net assets exceed the employers proportionate share of the total pension liability for cost sharing, multiple employer plans. The City's net pension asset and the total pension liability used to calculate the net pension asset was determined by the actuarial valuation as of December 31, 2014, which was rolled forward to June 30, 2015. Related to OCERS, the net pension asset is \$46.858 million at June 30, 2016. The other three defined benefit plans the City participates in reported net pension liabilities.

<b>Primary Government</b>		<b>Fiduciary Funds</b>
<i>Governmental Activities</i>	<i>Business type Activities</i>	
<u>OCERS</u>	<u>OCERS</u>	<u>OCERS</u>
<b>\$27,389</b>	<b>\$19,408</b>	<b>\$61</b>

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

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

NOTES TO FINANCIAL STATEMENTS  
June 30, 2016

CITY OF OKLAHOMA CITY, OKLAHOMA

	Capital Interests		Total Net Position			
	Tulsa Area	Oklahoma City Area	Net Position	Liabilities		
July 1, 2015, capital	\$11,400	\$11,581	Assets	\$36,623	Short-term	\$10,956
Changes in net position	(239)	1,163	Liabilities	12,718	Long-term	1,762
June 30, 2016, capital	<u>\$11,161</u>	<u>\$12,744</u>	Net position	<u>\$23,905</u>		<u>\$12,718</u>

II. A. 6. 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>								
<b>CAPITAL ASSETS</b>								
Balance, June 30, 2015	\$117,936	\$265,255	\$383,191	\$501,484	\$1,591,471	\$239,316	\$2,332,271	\$2,715,462
Increases (1)	21,168	147,392	168,560	304	38,202	19,307	57,813	226,373
Decreases	(98)	(140)	(238)	(36)	(614)	(4,154)	(4,804)	(5,042)
Transfers	724	(137,834)	(137,110)	40,890	94,260	1,960	137,110	-
Balance, June 30, 2016	<u>139,730</u>	<u>274,673</u>	<u>414,403</u>	<u>542,642</u>	<u>1,723,319</u>	<u>256,429</u>	<u>2,522,390</u>	<u>2,936,793</u>
<b>ACCUMULATED DEPRECIATION</b>								
Balance, June 30, 2015				178,346	698,498	171,045	1,047,889	1,047,889
Increases				13,241	62,666	17,905	93,812	93,812
Decreases				(13)	-	(4,035)	(4,048)	(4,048)
Transfers				-	142	(142)	-	-
Balance, June 30, 2016				<u>191,574</u>	<u>761,306</u>	<u>184,773</u>	<u>1,137,653</u>	<u>1,137,653</u>
Total governmental activities	<u>139,730</u>	<u>274,673</u>	<u>414,403</u>	<u>351,068</u>	<u>962,013</u>	<u>71,656</u>	<u>1,384,737</u>	<u>1,799,140</u>
<i>Business-Type Activities</i>								
<b>CAPITAL ASSETS</b>								
Balance, June 30, 2015	\$30,664	\$9,141	\$39,805	\$172,211	\$794,274	\$76,652	\$1,043,137	\$1,082,942
Increases	-	1,984	1,984	72	36,409	9,356	45,837	47,821
Decreases	-	-	-	(118)	(3)	(1,497)	(1,618)	(1,618)
Transfers	-	(9,064)	(9,064)	8,577	152	335	9,064	-
Balance, June 30, 2016	<u>30,664</u>	<u>2,061</u>	<u>32,725</u>	<u>180,742</u>	<u>830,832</u>	<u>84,846</u>	<u>1,096,420</u>	<u>1,129,145</u>
<b>ACCUMULATED DEPRECIATION</b>								
Balance, June 30, 2015				72,989	482,643	59,788	615,420	615,420
Increases				3,293	19,363	4,301	26,957	26,957
Decreases				-	(3)	(1,199)	(1,202)	(1,202)
Balance, June 30, 2016				<u>76,282</u>	<u>502,003</u>	<u>62,890</u>	<u>641,175</u>	<u>641,175</u>
Total business-type activities	<u>30,664</u>	<u>2,061</u>	<u>32,725</u>	<u>104,460</u>	<u>328,829</u>	<u>21,956</u>	<u>455,245</u>	<u>487,970</u>
<b>Total</b>	<u>\$170,394</u>	<u>\$276,734</u>	<u>\$447,128</u>	<u>\$455,528</u>	<u>\$1,290,842</u>	<u>\$93,612</u>	<u>\$1,839,982</u>	<u>\$2,287,110</u>

(continued)

*Changes in Capital Assets (continued)*

	Component Units							
	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
<b>CAPITAL ASSETS</b>								
Balance, June 30, 2015	\$192,961	\$195,165	\$388,126	\$663,959	\$1,471,086	\$144,802	\$2,279,847	\$2,667,973
Increases	1,537	176,091	177,628	20,575	45,900	27,653	94,128	271,756
Decreases	(48,101)	(88,840)	(136,941)	(562)	(3,733)	(3,345)	(7,640)	(144,581)
Transfers	(84)	(58,646)	(58,730)	2,302	55,568	860	58,730	-
Balance, June 30 2016	<u>146,313</u>	<u>223,770</u>	<u>370,083</u>	<u>686,274</u>	<u>1,568,821</u>	<u>169,970</u>	<u>2,425,065</u>	<u>2,795,148</u>
<b>ACCUMULATED DEPRECIATION</b>								
Balance, June 30, 2015				324,281	546,758	94,374	965,413	965,413
Increases				15,128	42,471	10,893	68,492	68,492
Decreases				(561)	(3,432)	(3,029)	(7,022)	(7,022)
Balance, June 30, 2016				<u>338,848</u>	<u>585,797</u>	<u>102,238</u>	<u>1,026,883</u>	<u>1,026,883</u>
<b>Total</b>	<b><u>\$146,313</u></b>	<b><u>\$223,770</u></b>	<b><u>\$370,083</u></b>	<b><u>\$347,426</u></b>	<b><u>\$983,024</u></b>	<b><u>\$67,732</u></b>	<b><u>\$1,398,182</u></b>	<b><u>\$1,768,265</u></b>

(1) Capitalized pollution remediation was \$1,347.

Decreases in construction in progress represent completed OCMAPS projects which are expected be donated to the Oklahoma City Public Schools and are reported with other non-current assets.

Approximately \$238.599 million (cost of \$510.986 million and accumulated depreciation of \$272.387 million) of airport property is leased or held for lease to others as of June 30, 2016.

**Depreciation Expense**

Primary Government				Component Units	
Governmental Activities		Business-Type Activities			
General government	\$2,694	Airport	\$485	Airports	\$22,814
Public safety: Police	1,839	Water and wastewater	10,181	Riverfront redevelopment	79
Fire	2,852	Solid waste management	2,615	Water utilities	39,642
Other	1,147	Stormwater drainage	3,617	Parking	1,499
Public services	53,326	Golf courses	922	Transit	2,737
Economic Development	2,412	Zoo	2,853	Economic development	<u>1,721</u>
Culture and recreation	<u>28,716</u>	Fairgrounds	<u>6,284</u>		
Subtotal	92,986				
Allocated internal service fund depreciation	<u>826</u>				
<b>Total governmental activities</b>	<b><u>\$93,812</u></b>	<b>Total business-type activities</b>	<b><u>\$26,957</u></b>	<b>Total component unit activities</b>	<b><u>\$68,492</u></b>

*Transfer of Capital Assets*

	<u>Transfer From</u>			<u>Transfer To</u>		
	<u>Capital Assets</u>	<u>Accumulated Depreciation</u>	<u>Capital Assets, Net</u>	<u>Capital Assets</u>	<u>Accumulated Depreciation</u>	<u>Capital Assets, Net</u>
<b>Primary Government</b>						
<i>Governmental Activities</i>						
Governmental Activities	\$ -	\$ -	\$ -	\$3,240	\$ -	\$3,240
<b>Component Units</b>						
OCAT	3,240	-	3,240	-	-	-

*Capitalized Interest*

	<u>Total Interest Costs Incurred</u>	<u>Interest Revenue Used to Offset</u>	<u>Capitalized Interest</u>
<b>Primary Government</b>			
<i>Business-type Activities</i>			
OCPPA Fairgrounds Fund	\$4,098	\$ -	\$1
<b>Component Units</b>			
OCAT	4,786	-	2,700
OCWUT	<u>28,389</u>	<u>-</u>	<u>4,583</u>
	<u>\$37,273</u>	<u>\$-</u>	<u>\$7,284</u>

**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>Debt Issue</u>	<u>Debt Issue Refunded</u>	<u>Deferred Amount</u>	<u>Accumulated Amortization</u>	<u>Net Amount</u>
<b>Primary Government</b>					
<i>Governmental Activities</i>					
General obligation bonds	Series 2012 Refunding	Series 2002, 2002 Refunding, 2003, 2004, and 2005	\$6,442	\$2,697	\$3,745
General obligation bonds	Series 2015 Refunding	Series 2005 Refunding and 2006	969	117	852
General obligation bonds	Series 2016 Refunding	Series 2007	<u>640</u>	<u>19</u>	<u>621</u>
			8,051	2,833	5,218
<i>Business-Type Activities</i>					
OCZT	2005 Refunding	Series 1999	475	373	102
OCPPA Golf Courses	Series 2010 Refunding	Series 1998	<u>2</u>	<u>1</u>	<u>1</u>
			<u>477</u>	<u>374</u>	<u>103</u>
			<u>\$8,528</u>	<u>\$3,207</u>	<u>\$5,321</u>
<b>Component Unit</b>					
OCAT	Junior Lien Series 29B	Junior Lien Series	\$7,475	\$6,939	\$536
OCWUT	Series 2009 A&B Refunding	Series 1999 A&B	120	120	-
OCWUT	Series 2013 Refunding	Series 2004 and 2008	<u>9,241</u>	<u>1,061</u>	<u>8,180</u>
			<u>\$16,836</u>	<u>\$8,120</u>	<u>\$8,716</u>

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

Differences are deferred when the pension system's actuarial estimate of the plan's experience costs for a given period differ from the actual experience costs. Deferred outflows that result from plan experience differences are divided by the beginning expected remaining service life of its members and amortized over that period, with the current year amount included in the determination of pension expense. Current year employee contributions are deferred and included in the following year net pension liability calculation.

	Primary Government				Business-Type Activity	Component Unit	Fiduciary Funds
	Governmental Activities						
	OCERS	Police Pension	Fire Pension	Total			
Current year contributions - Employer	\$4,330	\$10,870	\$10,879	\$26,079	\$3,069	\$954	\$10
Differences between expected and actual pension plan experience	-	<u>21,283</u>	<u>6,008</u>	<u>27,291</u>	-	<u>348</u>	-
	<u>\$4,330</u>	<u>\$32,153</u>	<u>\$16,887</u>	<u>\$53,370</u>	<u>\$3,069</u>	<u>\$1,302</u>	<u>\$10</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		
<b>CURRENT</b>					
Grant revenues		\$949	\$ -	\$949	\$ -
Event sales		4,934	-	4,934	-
Charges for services		229	455	684	169
Advance construction costs		2,641	-	2,641	-
Naming rights		197	-	197	-
Rent		128	47	175	1,367
Other advance revenues		-	-	-	<u>22</u>
		<u>\$9,078</u>	<u>\$502</u>	<u>\$9,580</u>	<u>\$1,558</u>
<b>NON-CURRENT</b>					
Charges for services		\$863	\$ -	\$863	\$ -
Rent		-	<u>2,209</u>	<u>2,209</u>	<u>991</u>
		<u>\$863</u>	<u>\$2,209</u>	<u>\$3,072</u>	<u>\$991</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 \$53 thousand are reported with component units.



*Payable to ODOT*

Periodically, the City enters into agreements with ODOT for cost sharing on projects funded with Federal grants awarded to ODOT. These agreements require the City to fund the match requirement of the grant in advance of any construction. The amount payable as of June 30, 2016, is \$887 thousand which is reported in the General Obligation Bond Fund and OCWUT for \$861 thousand and \$26 thousand, respectively.

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

During fiscal year 2010 OCWUT entered into an agreement with the OWRB to repay the Federal government for certain costs related to construction of Sardis Lake in Southeastern Oklahoma. The initial cost to OCWUT was \$27.814 million for the settlement of the OWRB's debt to the Federal government. This was paid in 2010. An additional amount of \$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 2015 to 2016 by accruals of \$40.109 million and usages of \$38.474 million.

	General Fund	Grants Management Fund	Other Governmental Funds	Total
Compensated absences	<u>\$62,959</u>	<u>\$199</u>	<u>\$11,494</u>	<u>\$74,652</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. As of June 30, 2016, \$17.345 million has been drawn to fund projects. Of the amount due, \$15.910 million is reported with non-current liabilities.

On April 16, 2014, OCEDT issued Private Placement Tax Anticipation Note 2014 from JP Morgan Chase Bank, N.A. in the amount of \$10 million, or such lesser amount as may be advanced by the Bank with a due date of June 30, 2014. On June 17, 2014 the note was extended to June 30, 2015. On March 15, 2015, the note was extended to June 30, 2016, and the maximum principal amount was changed from \$10 million to \$18 million. On March 30, 2015, OCEDT made a draw on the line of credit in the amount of \$6.580 million to pay for completed projects. The Trust made additional draws on February 5, 2016 in the amount of \$3.000 million and on March 23, 2016, in the amount of \$3.500 million to pay for completed projects and TIF allocations.

***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; and an increase in the interest rate to LIBOR plus 115 basis points.

In April 2012, the City Council approved a joint resolution with the OCEDT authorizing the assignment of TIF district #4 & #5 LOC, from OCPPA to OCEDT. 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. On June 17, 2014, OCEDT approved the extension of the note until June 30, 2015, and reduced the maximum principal amount of the note to \$8 million. On June 29, 2015, OCEDT authorized the extension of the maturity date to June 30, 2016, and a decrease in the LOC to \$6 million. On June 24, 2016, OCEDT authorized the extension of the maturity date to June 30, 2017, and reduced the maximum principal amount to \$4.5 million. As of June 30, 2016, \$3.617 million is outstanding against this line of credit. This indebtedness is reported in OCEDT.

***Changes in Tax Anticipation Debt***

	Component Unit			Effective Interest	
	Balance July 1, 2015	Issued/ Transferred	Retired	Balance June 30, 2016	Rate, June 30, 2016
<b>OCEDT</b>					
2008 TIF district #2 and #3	\$18,680	\$ -	\$1,335	\$17,345	6.99%
2014 TIF district #2 and #3	6,580	6,500	-	13,080	1.04
TIF district #4 and #5	4,810	-	1,193	3,617	1.30
TIF interest payable	<u>336</u>	<u>1,232</u>	<u>1,255</u>	<u>313</u>	
	<b><u>\$30,406</u></b>	<b><u>\$7,732</u></b>	<b><u>\$3,783</u></b>	<b><u>\$34,355</u></b>	

*Tax Anticipation Debt Payment Requirements to Maturity*

	Component Unit					
	TIF district #2 and #3		OCEDT TIF district #4 and #5		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
2017	\$14,515	\$1,172	\$3,617	\$4	\$18,132	\$1,176
2018	1,535	1,059	-	-	1,535	1,059
2019	1,650	947	-	-	1,650	947
2020	1,770	829	-	-	1,770	829
2021	1,895	699	-	-	1,895	699
2022-2025	<u>9,060</u>	<u>1,322</u>	<u>-</u>	<u>-</u>	<u>9,060</u>	<u>1,322</u>
	<b><u>\$30,425</u></b>	<b><u>\$6,028</u></b>	<b><u>\$3,617</u></b>	<b><u>\$4</u></b>	<b><u>\$34,042</u></b>	<b><u>\$6,032</u></b>

*Pledged Revenues*

**OCEDT TIF Revenues**

The OCEDT issued tax anticipation notes to support its economic development activities. The OCEDT TIF Fund reports revenue-supported debt. In 2016, OCEDT recognized \$10.929 million in property taxes and \$1.267 million in payments from the City for sales tax restricted to repay tax anticipation debt.

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

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

*Commercial Paper*

On January 17, 2006, OCWUT established a commercial paper program authorizing the issuance of up to \$75 million of tax-exempt commercial paper notes with letter of credit security. On May 17, 2016 OCWUT approved a resolution authorizing an increase in the commercial paper program to an amount not to exceed \$200 million in principal of tax-exempt commercial paper notes at any one time. The commercial paper program provides interim financing for OCWUT's ongoing capital program. Maturity of commercial paper ranges from 1 to 270 days, depending on market conditions at the time of issue. It is the general practice of OCWUT to extinguish commercial paper through issuance of bonded debt.

	Balance July 1, 2015	Issued	Retired	Balance June 30, 2016	Effective Interest Rate
<u>COMMERCIAL PAPER</u>					
OCWUT	<b><u>\$16,000</u></b>	<b><u>\$34,500</u></b>	<b><u>\$-</u></b>	<b><u>\$50,500</u></b>	0.46%

**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, 2016, are \$2.948 million and \$4 thousand in accrued interest. This loan activity is reported in the government-wide financial statements.

The City facilitated a Section 108 loan, administered by the U.S. Department of Housing and Urban Development (HUD), for the 21c Museum Hotel. This loan is secured by HUD guarantees of future Federal grant allocations for repayment through the Community Development Block Grant (CDBG) program. This loan bears interest of 0.8519% and matures on August 1, 2034. Outstanding loans at June 30, 2016, are \$6.171 million and \$9 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, 2016, the balance due is \$168 thousand and \$5 thousand in accrued interest.

**OCWUT OWRB Notes Payable Revolving Loans**

On November 13, 2009, OCWUT finalized two revolving loans for a maximum of \$7.634 million for water line improvements and \$9.469 million in wastewater improvements. Upon completion of the construction projects, each loan has a provision for a minimum 20% match, \$2 million maximum from the American Recovery and Reinvestment Act of 2009. The match was in the form of principal forgiveness in each loan. As of June 30, 2016, \$9.675 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, 2016, \$43.557 million is outstanding. The effective interest rates of the two loans are 3.27% and 3.74% payable on March 15 and September 15 for the term of the loan. Principal payments began on September 15, 2013, and will continue semiannually for the term of the loans. The loans expire on March 15, 2043.

On June 30, 2015, OCWUT finalized a revolving loan for a maximum of \$800 thousand for wastewater improvements. As of June 30, 2016, \$611 thousand is outstanding. The effective interest rate of the loan is 2.71% payable on March 15 and September 15 for the term of the loan. Principal payments began on September 15th, 2015, and will continue semiannually for the term of the loan. The loan expires on September 15, 2046. On June 30, 2015, OCWUT approved a revolving loan for a maximum of \$36 million for water line improvements. As of June 30, 2016, \$23.761 million is outstanding. The interim effective interest rate of the loan is 2.93%. Principal payments will commence on the earlier of March 15 or September 15 following the completion of the construction projects and will continue semiannually for the term of the loan.

On April 19, 2016, OCWUT approved a revolving loan for a maximum of \$64.750 million for station and facility improvements and \$800 thousand for water line improvements. As of June 30, 2016, there have been no draws on the loan leaving no outstanding balance. The effective interest rate of the loan is 2.55% payable on March 15 and September 15 for the term of the loan.

**OCRA Bio-Pharmaceutical Manufacturing Facility**

On August 31, 2007, OCRA issued a Bio-Pharmaceutical Manufacturing Facility note payable. The amount refinanced was \$6.528 million including \$28 thousand advanced closing costs. The note bears interest at the lesser of prime minus 1% or LIBOR plus 1%. The initial rate, determined using LIBOR plus 1% was 6.32%. The rate changes annually on July 1. The note matures July 1, 2022, and requires interest only to be paid monthly until August 1, 2010, at which time interest and principal payments commenced. As of June 30, 2016, the balance due is \$3.424 million. The interest rate at June 30, 2016, is 1.47%.

**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, 2016, the balance of the note is \$1.580 million. The interest rate at June 30, 2016, is 1.47%.

***Capital Leases***

The City has outstanding capital lease agreements of \$946 thousand. These capital leases were used to finance the acquisition of copiers and office and printing equipment at a cost of \$149 thousand and ground equipment at a cost of \$1.664 million.

***Estimated Claims Payable***

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

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

Significant losses are covered by commercial insurance for all major programs except one employee health care alternative, which is covered by stop-loss commercial insurance, and workers' compensation, for which the City Risk Management Fund, OCMFA Services Fund, and 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, 2016, is \$49.037 million, including \$874 thousand reported with fiduciary funds.

**Health Insurance Claims Liabilities**

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

**Worker's Compensation Claims Liabilities**

Worker's compensation claims incurred but not yet paid are calculated by a third-party using the inverse power curve and lognormal probability distribution methods. The City records worker's compensation claims payable at the discounted amount. The undiscounted carrying value at June 30, 2016, is \$42.074 million. Claims are discounted at 1.8%. A copy of the third-party report can be obtained from Risk Management, 420 W. Main, Suite 630, Oklahoma City, OK 73102.

**Risk Liabilities**

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

**Tort Claims Liabilities**

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

**Other Liabilities**

Planned Unit Development

Landfill Owner, Waste Connections, established a trust fund with the City to ensure completion of construction of Phase One and Phase Two Planned Unit Development improvements and maintenance of improvements during the 30 year post closure period. As improvements and maintenance are completed, the landfill owner can withdraw funds from the trust and withdraw the remaining balance upon the conclusion of the 30 year maintenance period. A liability has been recorded in the Special Purpose Fund in the amount of \$1.110 million which includes \$123 thousand of interest earnings.

**Pollution Remediation Obligations**

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

Downtown Park

During the cleanup of land purchased for the new Downtown Park, several sources of pollution were discovered. Costs incurred through June 30, 2016 total \$64 thousand and the estimated cost of remaining obligations is \$1.347 million. These costs are required to prepare the property for use and were known or suspected at the time of purchase. The costs are included in the cost of the land. The Federal Environmental Protection Agency has awarded the City \$600 thousand in grant funds which will be used to mitigate the costs of the remediation. At June 30, 2016, no grant revenues have been recorded for this grant.

Intermodal Transportation Hub

The Intermodal Transportation Hub is polluted with barrels of oil and other suspect materials, including hydraulic elevator drums. Lead-based paint is also present on all handrails at this site. Remediation estimates totaled \$40k, of which \$30k had been paid as of June 30, 2016. The estimated obligation on this project as of June 30, 2016, is \$10 thousand.

Police Draper Ranger Station

During 2014 a work order request was sent into General Services for a severe condensation problem on the inside of the windows at the Police Draper Station. After testing, it was determined that there was mold and asbestos pollution. The building was closed by the Police Department and has not been used. On June 7, 2016, a Joint Resolution was signed to repurpose the building as determined by OCWUT. The department engineers have estimated that it will cost \$70 thousand to remediate the pollution as necessary in order to utilize the building for temporary office space.

Residential Structures

Eight residential structures located at SW Hudson and 27th Street were determined to contain asbestos within the drywall texture, drywall joint compound, panels and piping. Abatement of the asbestos was required to demolish the houses. Costs incurred during 2016 were \$24 thousand and there is no estimated obligation at June 30, 2016.

Police Facilities

During 2016 remediation was necessary for moldy sheetrock in the bathrooms of the detox center due to frequent cleaning. The sheetrock was torn out and replaced with cement board and tile at a cost of \$3 thousand. In the police training center the air ducts were cleaned due to pollutants at a cost of \$450. There is no remaining obligation for either site at June 30, 2016.

City Libraries

The Capitol Hill Library was determined to contain asbestos and lead based paint in the walls. Abatement work was performed in 2016 at a cost of \$65 thousand. The Belle Isle Library contained mold in the first floor conference room that was abated in 2016 at a cost of \$34 thousand. As of June 30, 2016, there is no estimated remaining obligation.

City Hall Offices

During the remodel of the City Hall office in 2016 asbestos was discovered on two floors. The abatement was completed at a cost of \$5 thousand and there is no remaining obligation at June 30, 2016.

Animal Shelter

During 2016 faucet leaks in the cattery custodial closet and at the animal receiving workstation caused water damage that resulted in mold growth at a cost of \$6 thousand and \$1 thousand respectively. There is no estimated remaining obligation for either location at June 30, 2016.

Various Firestations, Administrative Building and Maintenance Shop

During 2016 fire stations 1, 9, 17,18, 20, 27, and 28, had remediation work performed primarily due to mold in the HVAC ductwork, bathrooms and kitchens. Remediation work for the majority of the fire stations was completed in 2016 at a cost of \$12 thousand. The administrative office and fire station 1 required remediation work for mold resulting from water intrusion. The work was completed for \$14 thousand. The Fire Maintenance Building had abatement work performed for bird feces and nesting materials in the soffits which cost \$1 thousand. There is no estimated remaining obligation at June 30, 2016.

Martin Nature Park Blue Barn

During 2016 animal feces and mold in the blue barn required remediation and abatement work which cost \$2 thousand. There is no remaining obligation at June 30, 2016.

Old Jail Building

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

James Stewart Golf Pro Shop

Water intrusion into the golf pro shop caused mold and mildew that required remediation work. This work cost \$1 thousand. All work is complete and there is no remaining obligation at June 30, 2016.

Gulfstream Maintenance Facility

The Wiley Post Airport Gulfstream Maintenance Facility is polluted with chemical compounds caused by certain aviation manufacturing activities. The liability is based on contracts in place for estimated site assessment and site characterization costs provided by the vendor. The remaining obligation will be paid by OCAT. As of June 30, 2016, the remaining estimated obligation is \$75 thousand.

**Pollution Remediation Obligations**

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

	Estimate Method and <u>Assumption</u>	Total Estimated <u>Obligation</u>	Estimated <u>Recoveries</u>	Pollution Remediation <u>Obligation</u>
<b>Primary Government</b>				
<i>Governmental Activities</i>				
Downtown Park	Engineer report	\$1,346	\$ -	\$1,346
Intermodal Transportation Hub	Vendor Estimate	10	-	10
Police Draper Station	Engineer report	<u>70</u>	<u>-</u>	<u>70</u>
<b>Total primary government</b>		<b><u>\$1,426</u></b>	<b><u>\$ -</u></b>	<b><u>\$1,426</u></b>
<b>Component Unit</b>				
OCAT Fund				
Gulfstream Maintenance Facility	Vendor estimate	<b><u>\$75</u></b>	<b><u>\$ -</u></b>	<b><u>\$75</u></b>

**Estimated Claims Aggregate Liabilities**

	<u>Primary Government</u>						Component	Fiduciary
	<i>Governmental Activities</i>						Unit	Fund
	Health <u>Care</u>	Workers' <u>Compensation</u>	<u>Risk</u>	<u>Tort</u>	<u>Pollution</u>	<u>Other</u>	OCAT Pollution <u>Remediation</u>	OCPEBT Health <u>Care</u>
Liability balance, July 1, 2014	\$1,320	\$39,456	\$7,237	\$5,586	\$3,234	\$ -	\$15	\$969
Claims and changes in estimates	17,286	9,163	3,186	3,669	(1,773)	1,021	16	16,955
Claims payments	<u>(17,017)</u>	<u>(8,221)</u>	<u>(4,357)</u>	<u>(2,580)</u>	-	<u>(78)</u>	-	<u>(16,962)</u>
Liability balance, July 1, 2015	1,589	40,398	6,066	6,675	1,461	943	31	962
Claims and changes in estimates	17,393	5,620	(1,128)	2,116	230	167	44	19,549
Claims payments	<u>(17,610)</u>	<u>(7,735)</u>	<u>(4,494)</u>	<u>(3,338)</u>	<u>(265)</u>	-	-	<u>(19,637)</u>
<b>Liability balance, June 30, 2016</b>	<b><u>\$1,372</u></b>	<b><u>\$38,283</u></b>	<b><u>\$444</u></b>	<b><u>\$5,453</u></b>	<b><u>\$1,426</u></b>	<b><u>\$1,110</u></b>	<b><u>\$75</u></b>	<b><u>\$874</u></b>
<b>Assets available to pay claims</b>	<b><u>\$7,100</u></b>	<b><u>\$30,601</u></b>	<b><u>\$5,115</u></b>	<b><u>\$5,701</u></b>	<b><u>\$118,204</u></b>	<b><u>\$1,110</u></b>	<b><u>\$93,556</u></b>	<b><u>\$43,108</u></b>



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

	Primary Government							
	Governmental Activities							
	Notes Payable (1)		Capital Leases (2)				Estimated Claims Payable (3)	
	Governmental Funds (4)		Governmental Funds		Internal Service Funds		Governmental Funds	Internal Service Funds
Principal	Interest	Principal	Interest	Principal	Interest	Principal	Principal	
2017	\$394	\$87	\$56	\$11	\$30	\$1	\$1,427	\$14,606
2018	225	74	41	9	19	-	1,109	30,946
2019	548	70	368	3	13	-	-	-
2020	629	65	-	-	-	-	-	-
2021	636	60	-	-	-	-	-	-
2022-2026	3,456	210	-	-	-	-	-	-
2027-2031	1,967	100	-	-	-	-	-	-
2032-2036	<u>1,432</u>	<u>18</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<b><u>\$9,287</u></b>	<b><u>\$684</u></b>	<b><u>\$465</u></b>	<b><u>\$23</u></b>	<b><u>\$62</u></b>	<b><u>\$1</u></b>	<b><u>\$2,536</u></b>	<b><u>\$45,552</u></b>
Range of interest rates	0.85%-6.47%		2.99% - 7.99%		7.42% - 7.56%			
Cost of assets			<b><u>\$981</u></b>		<b><u>\$127</u></b>			
Accumulated depreciation			<b><u>\$246</u></b>		<b><u>\$25</u></b>			

	Primary Government				Component Unit				OPEB Trust	
	Business-Type Activities				Estimated Claims Payable				Funds	
	Capital Leases (2)		Proprietary Funds		OCAT	Notes Payable		Notes Payable (1)		Payable (3)
	Principal	Interest	Principal	Principal	Interest	OCRA		OCPEBT		
2017	\$26	\$9	\$75	\$25,138	\$2,039	\$792	\$67	\$874		
2018	27	9	-	1,427	1,847	804	56	-		
2019	366	3	-	1,477	1,797	815	44	-		
2020	-	-	-	1,524	1,750	827	32	-		
2021	-	-	-	1,582	1,692	840	20	-		
2022-2026	-	-	-	8,774	7,593	926	8	-		
2027-2031	-	-	-	10,423	5,944	-	-	-		
2032-2036	-	-	-	10,202	4,121	-	-	-		
2037-2041	-	-	-	12,058	2,119	-	-	-		
2042-2046	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,999</u>	<u>233</u>	<u>-</u>	<u>-</u>	<u>-</u>		
	<b><u>\$419</u></b>	<b><u>\$21</u></b>	<b><u>\$75</u></b>	<b><u>\$77,604</u></b>	<b><u>\$29,135</u></b>	<b><u>\$5,004</u></b>	<b><u>\$227</u></b>	<b><u>\$874</u></b>		
Range of interest rates	2.99%		2.71% - 3.74%		1.47%					
Cost of assets	<b><u>\$832</u></b>									
Accumulated depreciation	<b><u>\$158</u></b>									

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

III. A. 7. BONDS PAYABLE

*Unamortized Bond Discount/Premium*

	Primary Government			Component Units
	<i>Governmental Activities</i>	<i>Business-type Activities</i>	Total	
Bonds payable	\$738,110	\$96,845	\$834,955	\$662,720
Unamortized bond discount/premium	<u>48,676</u>	<u>6,387</u>	<u>55,063</u>	<u>36,547</u>
<b>Bonds payable, net</b>	<b><u>\$786,786</u></b>	<b><u>\$103,232</u></b>	<b><u>\$890,018</u></b>	<b><u>\$699,267</u></b>

*General Obligation Bonds*

**Bond Indentures and Covenants**

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

**Issuances**

2016 Non-Taxable General Obligation Refunding Bonds

On March 1, 2016, the City issued \$32.525 million in City general obligations bonds with an average interest rate of 4.91%. Total proceeds included \$7.063 million in premium. Issuance costs were \$147 thousand. Net proceeds of \$39.441 million will be used to defease \$37.890 million in principal and interest for Series 2007 General Obligation Bonds. The bonds mature on March 1, 2027.

2016 Limited Tax General Obligation Bonds

On March 1, 2016, the City issued \$12.000 million in City general obligations bonds with an average interest rate of 2.99%. Issuance costs were \$139 thousand. Net proceeds of \$11.861 million will be used for economic and community development purposes. Premium on the bonds of \$182 thousand was deposited into the Debt Service Fund and will reduce the ad valorem tax levy requirements in the year of issuance. The bonds mature on March 1, 2036.

2016 Non-Taxable General Obligation Bonds

On March 1, 2016, the City issued \$77.500 million in City general obligations bonds with an average interest rate of 3.22%. Issuance costs were \$135 thousand. Net proceeds of \$77.365 million will be used for economic and community development purposes. Premium on the bonds of \$5.377 million was deposited into the Debt Service Fund and will reduce the ad valorem tax levy requirements in the year of issuance. The bonds mature on March 1, 2036.

**General Obligation Bonds Authorized But Unissued**

	<b>2007</b>
	<b>Authorization</b>
Streets	\$128,980
Bridges	5,905
Traffic control	5,575
Drainage control	5,010
Parks & recreational facilities	31,325
Police facilities	495
Libraries	4,120
City maintenance facilities	<u>3,250</u>
<b>Total</b>	<b><u>\$184,660</u></b>

**Revenue Bonds**

**Bond Indentures and Covenants**

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

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

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

**Issuances**

OCPPA Series 2015 Hotel Tax Revenue Refunding Bonds

On July 30, 2015, OCPPA issued \$58.305 million refunding revenue bonds. Total proceeds included \$7.372 million in premium. Issuance costs were \$243 thousand. Net proceeds of \$20.007 million will be used to fund infrastructure improvements. The Series 2015 Hotel Tax Revenue Refunding Bonds defeased \$43.860 million of Series 2005 Hotel Tax Revenue Refunding Bonds. In addition, \$1.800 million in Series 2012 Hotel Tax Revenue Refunding Bonds were called from the proceeds.

*Tax Apportionment Bonds*

**Bond Indentures and Covenants**

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

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

**Bonded Debt Service Requirements To Maturity**

	<b>Primary Government</b>									
	<i>Governmental Activities</i>					<i>Business-Type Activities</i>				
	General Obligation Bonds		Revenue Bonds							
			OCEAT		OCZT		Fairgrounds		Golf Courses	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2017	\$55,855	\$28,735	\$160	\$74	\$630	\$76	\$2,620	\$3,761	\$795	\$407
2018	57,215	26,785	165	68	650	52	2,725	3,655	825	383
2019	56,840	24,786	170	61	680	27	2,860	3,519	845	357
2020	53,655	22,554	175	54	-	-	3,005	3,376	870	330
2021	49,490	20,426	185	47	-	-	3,155	3,225	900	303
2022-2026	228,175	71,450	1,040	113	-	-	18,325	13,576	4,175	1,083
2027-2031	163,870	29,747	-	-	-	-	23,425	8,470	1,600	668
2032-2036	73,010	5,790	-	-	-	-	19,060	2,843	1,905	355
2037-2041	-	-	-	-	-	-	5,025	517	875	34
<b>Totals</b>	<b><u>\$738,110</u></b>	<b><u>\$230,273</u></b>	<b><u>\$1,895</u></b>	<b><u>\$417</u></b>	<b><u>\$1,960</u></b>	<b><u>\$155</u></b>	<b><u>\$80,200</u></b>	<b><u>\$42,942</u></b>	<b><u>\$12,790</u></b>	<b><u>\$3,920</u></b>

	<b>Component Unit</b>							
	Revenue Bonds						Tax Apportionment Bonds	
	OCAT		OCWUT		COTPA		OCEDT	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2017	\$7,745	\$4,733	\$12,790	\$28,630	\$615	\$858	\$5,335	\$4,473
2018	7,420	4,387	18,370	18,766	625	849	5,420	4,399
2019	8,115	4,029	18,735	17,909	635	837	5,515	4,311
2020	8,505	3,640	18,650	17,006	650	823	5,635	4,201
2021	8,910	3,229	18,760	16,119	665	806	5,770	4,076
2022-2026	18,640	12,306	85,820	66,534	3,630	3,697	31,615	17,756
2027-2031	7,115	9,670	73,685	48,055	4,410	2,881	38,040	11,606
2032-2036	7,435	7,602	83,645	30,529	5,550	1,710	27,245	2,745
2037-2041	10,315	4,620	70,695	13,658	4,030	307	-	-
2042-2046	8,040	852	23,945	2,723	-	-	-	-
<b>Totals</b>	<b><u>\$92,240</u></b>	<b><u>\$55,068</u></b>	<b><u>\$425,095</u></b>	<b><u>\$259,929</u></b>	<b><u>\$20,810</u></b>	<b><u>\$12,768</u></b>	<b><u>\$124,575</u></b>	<b><u>\$53,567</u></b>



**Current Year Defeasance**

Series 2007 General Obligation Bonds

On March 1, 2016, the City issued \$32.525 million in general obligation bonds, with an average interest rate (coupon) of 4.91% to advance refund \$37.890 million of outstanding general obligation bonds combined purpose of 2007. Total proceeds include \$7.063 million in premium. Issuance costs were \$147 thousand. Net proceeds of \$39.441 million were used to defease \$37.890 million in principal for Series 2007 General Obligation Bonds. Subsequent debt service payments on the refunded bond issues will be paid from an irrevocable trust. As a result, series 2007, in the amount 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. The City advance refunded these bonds to benefit from the recent declines in interest rates and achieved an economic gain of approximately \$5.009 million.

OCPPA Series 2005 Hotel-Tax Refunding Revenue Bonds

On July 30, 2015, OCPPA issued \$58.305 million in revenue bonds, with an average interest rate (coupon) of 4.99% to advance refund \$43.860 million of OCPPA Series 2005 Hotel Tax Revenue Bonds. Total proceeds include \$7.372 million in premium. As a result, Series 2005 Hotel Tax Revenue Refunding Bonds, in the amount disclosed, is considered to be defeased as of the issuance date and the liability for the bonds removed from the financial statements in the period of the defeasance. OCPPA advance refunded these bonds for the recent decline in interest rates and achieved an economic gain of approximately \$6.287 million.

**Outstanding Defeased Bonds**

		<b>Primary Government</b>			
		<u>Purpose</u>	<u>Bond Series</u>	<u>Defeased Balance</u>	<u>Outstanding Balance</u>
<i>Governmental Activities</i>					
General obligation bonds	Combined Purpose	2005 Refunding	\$29,075	\$29,075	
General obligation bonds	Combined Purpose	2006	42,110	42,110	
General obligation bonds	Combined Purpose	2007	<u>37,890</u>	<u>37,890</u>	
			<b><u>\$109,075</u></b>	<b><u>\$109,075</u></b>	
		<b>Component Unit</b>			
OCPPA	Fairgrounds improvements	Series 2005	\$43,860	\$41,890	
OCWUT	Water and wastewater utilities system	1977 Series F	6,565	775	
OCWUT	Water and wastewater utilities system	1978 Series G	1,890	165	
COTPA Parking	Parking	Series 2006	<u>6,895</u>	<u>895</u>	
			<b><u>\$59,210</u></b>	<b><u>\$43,725</u></b>	

**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. OCEDT TIF district #8 is a segment of OCEDT. TIF district #8 is located in downtown Oklahoma City.

Condensed Statement of Net Position

	<u>Primary Government</u>	<u>Component Units</u>			Activity With Revenue Supported Debt
	<u>Business-Type Activities</u>	<u>Segment Information</u>			
	OCPGA Golf Courses (1)	Oklahoma City Water Utilities Trust	MCA	COTPA Parking	
<b>ASSETS</b>					
Current assets	\$3,283	\$199,683	\$3,837	\$12,643	\$32,784
Non-current assets	<u>13,091</u>	<u>1,186,893</u>	<u>134,706</u>	<u>48,306</u>	<u>46,091</u>
<b>Total assets</b>	<b><u>16,374</u></b>	<b><u>1,386,576</u></b>	<b><u>138,543</u></b>	<b><u>60,949</u></b>	<b><u>78,875</u></b>
<b>DEFERRED OUTFLOWS</b>					
	<b><u>121</u></b>	<b><u>8,180</u></b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>-</u></b>
<b>LIABILITIES</b>					
Current liabilities	1,577	132,481	5,757	1,783	10,690
Non-current liabilities	<u>16,483</u>	<u>485,026</u>	<u>85,739</u>	<u>20,270</u>	<u>121,300</u>
<b>Total liabilities</b>	<b><u>18,060</u></b>	<b><u>617,507</u></b>	<b><u>91,496</u></b>	<b><u>22,053</u></b>	<b><u>131,990</u></b>
<b>DEFERRED INFLOWS</b>					
	<b><u>316</u></b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>-</u></b>
<b>NET POSITION</b>					
Net investment in capital assets	(56)	552,813	39,734	26,103	19,356
Restricted	598	16,328	8,331	2,098	12,015
Unrestricted	<u>(2,423)</u>	<u>208,108</u>	<u>(1,018)</u>	<u>10,695</u>	<u>(84,486)</u>
<b>Total net position</b>	<b><u>(\$1,881)</u></b>	<b><u>\$777,249</u></b>	<b><u>\$47,047</u></b>	<b><u>\$38,896</u></b>	<b><u>(\$53,115)</u></b>

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

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

	<u>Primary Government</u>	<u>Component Units</u>			Activity With Revenue Supported Debt
	<u>Business-Type Activities</u>	<u>Segment Information</u>			
	OCPGA Golf Courses (1)	Oklahoma City Water Utilities Trust	MCA	COTPA Parking	
<b>OPERATING INCOME</b>					
Operating revenues	\$8,803	\$230,466	\$2,503	\$8,501	\$12,650
Depreciation expense	(844)	(38,922)	(720)	(1,499)	(1,126)
Other operating expenses	<u>(8,168)</u>	<u>(113,384)</u>	<u>(574)</u>	<u>(3,448)</u>	<u>(7,227)</u>
<b>Operating income (loss)</b>	<b><u>(209)</u></b>	<b><u>78,160</u></b>	<b><u>1,209</u></b>	<b><u>3,554</u></b>	<b><u>4,297</u></b>
<b>NON-OPERATING REVENUES</b>					
<b>(EXPENSES)</b>					
Interest expense	(445)	(13,520)	(2,423)	(862)	-
Other	21	7,884	260	2,366	19
Transfers	<u>766</u>	<u>(4,890)</u>	<u>4,890</u>	<u>(30)</u>	<u>-</u>
<b>Changes in net position</b>	<b><u>133</u></b>	<b><u>67,634</u></b>	<b><u>3,936</u></b>	<b><u>5,028</u></b>	<b><u>4,316</u></b>
Beginning net position	<u>(2,014)</u>	<u>709,609</u>	<u>43,111</u>	<u>33,868</u>	<u>(57,438)</u>
<b>Ending net position</b>	<b><u>(\$1,881)</u></b>	<b><u>\$777,243</u></b>	<b><u>\$47,047</u></b>	<b><u>\$38,896</u></b>	<b><u>(\$53,122)</u></b>

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

Condensed Statement of Cash Flows (2)

	<u>Primary Government</u>		<u>Component Unit</u>	
	<u>Business-Type Activities</u>			
			<u>Segment Information</u>	
	OCPPA Golf Courses (1)	Oklahoma City Water Utilities Trust	MCA	COTPA Parking
<b><u>NET CASH PROVIDED (USED) BY</u></b>				
Operating activities	\$786	\$119,831	(\$235)	\$5,545
Non-capital financing activities	758	(7,005)	7,207	-
Capital and related financing activities	(2,171)	(86,497)	(7,617)	(3,705)
Investing activities	<u>669</u>	<u>2,962</u>	<u>1,717</u>	<u>(2,706)</u>
<b>Net increase (decrease) in cash</b>	<b>42</b>	<b>29,291</b>	<b>1,072</b>	<b>(866)</b>
Beginning cash	<u>1,403</u>	<u>25,423</u>	<u>236</u>	<u>3,335</u>
<b>Ending cash</b>	<b><u>\$1,445</u></b>	<b><u>\$54,714</u></b>	<b><u>\$1,308</u></b>	<b><u>\$2,469</u></b>

- (1) Does not include James E. Stewart Golf Course because those revenues are not pledged.  
(2) OCEDT TIF district #8 is a governmental fund and does not present a statement of cash flows.

III. A. 8. NET PENSION LIABILITIES

A net pension liability is reported when a plan’s total pension liability exceeds the plan’s net position, or the employer’s proportionate share of the plan’s net total pension liability exceeds the plan’s proportionate share of net assets for cost sharing, multiple employer plans. The Police Pension reported a net pension liability of \$4.077 million, of which the City’s proportionate share was \$1.187 million. The Police Pension net pension liability was measured as of June 30, 2015, and the total pension liability was determined by an actuarial valuation as of that date. The Firefighters Pension reported a net pension liability of \$1.061 billion, of which the City’s proportionate share was \$304.110 million at June 30, 2016. The Firefighters Pension net pension liability was measured as of June 30, 2015, and the total pension liability was determined by an actuarial valuation as of that date. COTPR reported a net pension liability of \$5.466 million. The COTPR net pension liability was measured as of June 30, 2015, and the total pension liability was determined by an actuarial valuation as of July 1, 2014, which was rolled forward to June 30, 2015. The other defined benefit plan the City participates in reported a net pension asset.

<u>Primary Government</u>		<u>Component Unit</u>
<u>Governmental Activities</u>		
Police	Fire	COTPA
<u>Pension</u>	<u>Pension</u>	<u>Retirement</u>
<b><u>\$1.187</u></b>	<b><u>\$304.110</u></b>	<b><u>\$5.466</u></b>



III. A. 9. CHANGES IN LONG-TERM LIABILITIES

	Primary Government					
	Balance July 1, 2015	Issued	Retired	Balance June 30, 2016	Due Within One Year	Due After One Year
<i>Governmental Activities</i>						
<u>COMPENSATED ABSENCES</u>						
Governmental funds	\$73,218	\$32,364	\$30,930	\$74,652	\$23,085	\$51,567
Internal service funds	2,145	1,098	1,139	2,104	763	1,341
	<u>75,363</u>	<u>33,462</u>	<u>32,069</u>	<u>76,756</u>	<u>23,848</u>	<u>52,908</u>
<u>NOTES, LEASE OBLIGATIONS, AND ESTIMATED CLAIMS PAYABLE</u>						
Governmental funds:						
Notes payable	3,466	6,171	350	9,287	394	8,893
Lease obligations payable	382	463	380	465	56	409
Estimated claims payable	2,404	397	265	2,536	1,427	1,109
Internal service funds:						
Lease obligations payable	26	59	23	62	30	32
Estimated claims payable	<u>54,728</u>	<u>24,001</u>	<u>33,177</u>	<u>45,552</u>	<u>14,606</u>	<u>30,946</u>
	<u>61,006</u>	<u>31,091</u>	<u>34,195</u>	<u>57,902</u>	<u>16,513</u>	<u>41,389</u>
<u>BONDS PAYABLE (1)</u>						
Governmental funds-general obligation bonds	<u>707,315</u>	<u>122,025</u>	<u>91,230</u>	<u>738,110</u>	<u>55,855</u>	<u>682,255</u>
<u>NET OPEB OBLIGATION</u>						
Governmental funds	107,279	23,978	12,720	118,537	-	118,537
Internal service funds	<u>4,127</u>	<u>1,091</u>	<u>529</u>	<u>4,689</u>	<u>-</u>	<u>4,689</u>
	<u>111,406</u>	<u>25,069</u>	<u>13,249</u>	<u>123,226</u>	<u>-</u>	<u>123,226</u>
<u>NET PENSION LIABILITY</u>						
Governmental funds	<u>298,897</u>	<u>42,711</u>	<u>36,311</u>	<u>305,297</u>	<u>-</u>	<u>305,297</u>
<i>Business-Type Activities</i>						
<u>COMPENSATED ABSENCES</u>						
Water and Wastewater Fund	5,661	3,604	3,475	5,790	2,201	3,589
OCZT	235	207	235	207	207	-
OCPPA Golf Courses	178	114	104	188	72	116
Other enterprise funds	<u>4,119</u>	<u>2,435</u>	<u>2,125</u>	<u>4,429</u>	<u>1,502</u>	<u>2,927</u>
	<u>10,193</u>	<u>6,360</u>	<u>5,939</u>	<u>10,614</u>	<u>3,982</u>	<u>6,632</u>
<u>NOTES AND LEASE OBLIGATIONS</u>						
Lease obligations payable-						
Stormwater Drainage Fund	<u>318</u>	<u>439</u>	<u>338</u>	<u>419</u>	<u>26</u>	<u>393</u>
<u>BONDS PAYABLE (1)</u>						
OCEAT	2,285	-	390	1,895	160	1,735
OCZT	2,565	-	605	1,960	630	1,330
OCPPA Fairgrounds Fund	71,095	58,305	49,200	80,200	2,620	77,580
OCPPA Golf Courses	<u>13,565</u>	<u>-</u>	<u>775</u>	<u>12,790</u>	<u>795</u>	<u>11,995</u>
	<u>89,510</u>	<u>58,305</u>	<u>50,970</u>	<u>96,845</u>	<u>4,205</u>	<u>92,640</u>
<u>NET OPEB OBLIGATION</u>						
Water and Wastewater Fund	13,978	4,622	2,905	15,695	-	15,695
OCZT	3,459	1,067	-	4,526	-	4,526
OCPPA Golf Courses	3,458	509	-	3,967	-	3,967
Other enterprise funds	<u>7,262</u>	<u>2,621</u>	<u>1,638</u>	<u>8,245</u>	<u>-</u>	<u>8,245</u>
	<u>28,157</u>	<u>8,819</u>	<u>4,543</u>	<u>32,433</u>	<u>-</u>	<u>32,433</u>
<b>Total primary government (2) (3)</b>	<b><u>\$1,382,165</u></b>	<b><u>\$328,281</u></b>	<b><u>\$268,844</u></b>	<b><u>\$1,441,602</u></b>	<b><u>\$104,429</u></b>	<b><u>\$1,337,173</u></b>

(continued)

III. A. 9. CHANGES IN LONG-TERM LIABILITIES (continued)

	Component Units					
	Balance July 1, 2015	Issued	Retired	Balance June 30, 2016	Due Within One Year	Due After One Year
<u>COMPENSATED ABSENCES</u>						
OCWUT	\$58	\$19	\$15	\$62	\$17	\$45
COTPA	<u>631</u>	<u>245</u>	<u>432</u>	<u>444</u>	<u>211</u>	<u>233</u>
	<u>689</u>	<u>264</u>	<u>447</u>	<u>506</u>	<u>228</u>	<u>278</u>
<u>INTERGOVERNMENTAL PAYABLE (4)</u>						
OCWUT	<u>63,255</u>	<u>12</u>	<u>48,214</u>	<u>15,053</u>	<u>-</u>	<u>15,053</u>
<u>NOTES, LEASE OBLIGATIONS, AND ESTIMATED CLAIMS PAYABLE</u>						
Estimated claims payable-OCAT	31	75	31	75	75	-
Notes payable-OCWUT	54,547	24,370	1,313	77,604	25,138	52,466
Notes payable-OCRA	<u>5,792</u>	<u>-</u>	<u>788</u>	<u>5,004</u>	<u>792</u>	<u>4,212</u>
	<u>60,370</u>	<u>24,445</u>	<u>2,132</u>	<u>82,683</u>	<u>26,005</u>	<u>56,678</u>
<u>BOND INTEREST PAYABLE, NON-CURRENT (5)</u>						
Revenue bond interest payable						
non-current-OCWUT	<u>8,415</u>	<u>-</u>	<u>8,415</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>BONDS PAYABLE (1)</u>						
OCAT	99,650	-	7,410	92,240	7,745	84,495
OCWUT	437,430	-	12,335	425,095	12,790	412,305
COTPA	21,420	-	610	20,810	615	20,195
OCEDT	<u>129,850</u>	<u>-</u>	<u>5,275</u>	<u>124,575</u>	<u>5,335</u>	<u>119,240</u>
	<u>688,350</u>	<u>-</u>	<u>25,630</u>	<u>662,720</u>	<u>26,485</u>	<u>636,235</u>
<u>NET OPEB OBLIGATION</u>						
COTPA	<u>308</u>	<u>121</u>	<u>36</u>	<u>393</u>	<u>-</u>	<u>393</u>
<u>NET PENSION LIABILITY</u>						
COTPA	<u>5,137</u>	<u>1,469</u>	<u>1,140</u>	<u>5,466</u>	<u>-</u>	<u>5,466</u>
<b>Total component units</b>	<b><u>\$826,524</u></b>	<b><u>\$26,311</u></b>	<b><u>\$86,014</u></b>	<b><u>\$766,821</u></b>	<b><u>\$52,718</u></b>	<b><u>\$714,103</u></b>

- (1) Bonds payable does not include unamortized bond discount/premium or deferred amounts on refunding.  
(2) Fiduciary fund liabilities are detailed below:

	Balance July 1, 2015	Issued	Retired	Balance June 30, 2016	Due Within One Year	Due After One Year
<b>Pension Trust Fund</b>						
Compensated absences - OCERS	\$82	\$23	\$19	\$86	\$20	\$66
Net OPEB obligation - OCERS	<u>48</u>	<u>14</u>	<u>9</u>	<u>53</u>	<u>-</u>	<u>53</u>
	<u>\$130</u>	<u>\$37</u>	<u>\$28</u>	<u>\$139</u>	<u>\$20</u>	<u>\$119</u>
<b>OPEB Trust Fund</b>						
Estimated claims payable - OCPEBT	<u>\$962</u>	<u>\$19,549</u>	<u>(\$19,637)</u>	<u>\$40,148</u>	<u>\$874</u>	<u>\$39,274</u>

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

**III. A. 10. GUARANTEED DEBT**

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

	<u>Amount Guaranteed (1)</u>	<u>Amount Outstanding (2)</u>
<i>Governmental Activities</i>		
OCPPA General Purpose Fund capital financing note	\$180	\$169
<i>Business-Type Activities</i>		
OCPPA Golf Courses bonded debt	1,202	12,790
<i>Component Units</i>		
COTPA Parking bonded debt	1,473	20,810
OCEDT tax anticipation debt	19,308	34,355
OCEDT tax apportionment bonded debt	<u>9,808</u>	<u>124,575</u>
	<b><u>\$31,971</u></b>	<b><u>\$192,699</u></b>

- (1) The amount guaranteed is only the amount of debt service due on or before June 30, 2016, and covered under the guarantee effective July 1, 2015. It is anticipated that the guarantees will be renewed annually.  
(2) The amount outstanding does not include interest.

**III. B. DEFERRED INFLOWS OF RESOURCES**

**III. B. 1. UNAVAILABLE REVENUE**

Unavailable revenues are reported in governmental funds and represent revenue received more than 60 days following year-end (unavailable to pay liabilities of the current period). Unavailable revenue received after 60 days is fully recognized as revenue in the government-wide statements. At June 30, 2016, revenues earned but unavailable by governmental funds are \$11.365 million.

	General Fund	Debt Service	Grants Management	MAPS3 Sales Tax	General Obligation Bonds	OCPPA General Purpose Fund	Other Governmental Funds
Investment income	\$78	\$109	\$9	\$474	\$192	\$7	\$196
Grants and donations	-	-	2,899	-	-	-	388
Property taxes	-	3,564	-	-	-	1	-
Other taxes	-	-	-	-	-	-	666
Franchise fees	81	-	-	-	-	-	-
Special assessments	-	-	-	-	-	-	248
Oil and gas revenues	-	-	-	-	-	-	9
Rent	-	-	-	-	-	184	-
Nuisance abatement revenues	-	-	-	-	-	-	1,921
Other revenues	<u>65</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>243</u>	<u>31</u>
	<b><u>\$224</u></b>	<b><u>\$3,673</u></b>	<b><u>\$2,908</u></b>	<b><u>\$474</u></b>	<b><u>\$192</u></b>	<b><u>\$435</u></b>	<b><u>\$3,459</u></b>

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

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

	<u>Debt Issue</u>	<u>Debt Issue Refunded</u>	<u>Deferred Amount</u>	<u>Accumulated Amortization</u>	<u>Net Amount</u>
<b>Primary Government</b>					
<i>Business-Type Activities</i>					
OCPPA Fairgrounds	Series 2016 Refunding	Series 2005 Hotel Tax	<u>\$213</u>	<u>\$15</u>	<u>\$198</u>
<b>Component Unit</b>					
OCAT	Junior Lien Series 30	Junior Lien Series 22B and 27B	<u>\$189</u>	<u>\$182</u>	<u>\$7</u>

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

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

	<u>Primary Government</u>				<u>Business-Type Activity</u>	<u>Component Unit</u>	<u>Fiduciary Funds</u>		
	<u>Governmental Activities</u>			<u>OCERS</u>				<u>COTPA Retirement</u>	<u>OCERS</u>
	<u>OCERS</u>	<u>Police Pension</u>	<u>Fire Pension</u>						
Differences between expected and actual pension plan experience	\$4,231	\$6,567	\$ -	\$10,798	\$2,998	\$ -	\$9		
Differences between projected and actual investment earnings on plan investments	7,148	25,852	22,669	55,669	5,066	130	16		
Change in assumptions	-	-	-	-	-	495	-		
Changes in proportion and differences between employer contributions and proportion share of contributions	-	31	4,041	4,072	-	-	-		
	<u>\$11,379</u>	<u>\$32,450</u>	<u>\$26,710</u>	<u>\$70,539</u>	<u>\$8,064</u>	<u>\$625</u>	<u>\$25</u>		

IV. NET POSITION AND FUND BALANCE

IV. A. PRIOR PERIOD ADJUSTMENT

*Grants Management Fund*

Prior to fiscal year 2016 the City had recorded a liability in the form of unearned revenue for the revolving loan funds in the City Grant Management Fund in error. In addition, the loan fund for the Economic Development Administration (EDA) should not have been recorded as a notes payable and receivable, but rather the revenue and expense should have been recorded when the money was received and loaned out to the recipients.

	Governmental Funds	Governmental Activities
<b><u>Restatement of beginning fund balance/net position</u></b>		
Other receivables	(\$720)	(\$720)
Notes receivable	(23)	(23)
Accounts payable	76	76
Unearned revenue	11,594	11,594
Intergovernmental payable	<u>681</u>	<u>681</u>
	<b><u>\$11,608</u></b>	<b><u>\$11,608</u></b>
<b><u>Effect on previously reported changes in fund balance/net position</u></b>		
Intergovernmental programs/operating grants and contributions	(\$12,275)	(\$12,275)
Public services expenditures/expenses	<u>667</u>	<u>667</u>
	<b><u>(\$11,608)</u></b>	<b><u>(\$11,608)</u></b>

IV. B. FUND BALANCE

	General Fund	Debt Service Fund	Grants Management Fund	MAPS3 Sales Tax Fund	General Obligation Bonds Fund	OCPPA General Purpose Fund	Other Governmental Funds	Total
<b><u>NON-SPENDABLE</u></b>								
Inventory	\$6,867	\$ -	\$ -	\$ -	\$ -	\$161	\$ -	\$7,028
Prepays	56	-	-	-	-	39	842	937
Intergovernmental advances	-	-	-	-	2,500	163	377	3,040
Non-current receivables	11	-	14,926	-	-	-	-	14,937
Non-current receivable from component units	-	-	4,255	-	-	-	-	4,255
Advances to other funds								
non-current portion	<u>1,192</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,782</u>	<u>2,974</u>
Total non-spendable	<u>8,126</u>	<u>-</u>	<u>19,181</u>	<u>-</u>	<u>2,500</u>	<u>363</u>	<u>3,001</u>	<u>33,171</u>

(continued)

IV. B. FUND BALANCE (continued)

	General Fund	Debt Service Fund	Grants Management Fund	MAPS3 Sales Tax Fund	General Obligation Bonds Fund	OCPPA General Purpose Fund	Other Governmental Funds	Total
<b>RESTRICTED</b>								
Public safety								
Police	-	-	-	-	-	-	22,107	22,107
Fire	-	-	-	-	-	-	17,974	17,974
Other	904	-	-	-	-	-	7,254	8,158
Total public safety	904	-	-	-	-	-	47,335	48,239
Public services								
Grant projects	-	-	2,528	-	-	-	3	2,531
Economic development	-	-	-	-	-	3	2	5
Other	-	-	-	-	-	2,151	1,429	3,580
Total public services	-	-	2,528	-	-	2,154	1,434	6,116
Culture and recreation								
Parks	-	-	-	-	-	-	267	267
Other	-	-	-	-	-	2,470	8,057	10,527
Total culture and recreation	-	-	-	-	-	2,470	8,324	10,794
Capital projects								
Bond projects	-	-	-	-	218,709	-	583	219,292
Sales tax projects	-	-	-	445,233	-	436	1,330	446,999
Other capital projects	-	-	-	-	-	304	5,822	6,126
Total capital projects	-	-	-	445,233	218,709	740	7,735	672,417
Debt service	-	97,804	-	-	-	-	-	97,804
Total restricted	904	97,804	2,528	445,233	218,709	5,364	64,828	835,370
<b>COMMITTED</b>								
Public safety-other	-	-	-	-	-	-	5,894	5,894
Public services-other	-	-	-	-	-	-	1,141	1,141
Total general government	-	-	-	-	-	-	7,035	7,035
Culture and recreation								
MAPS support	-	-	-	-	-	677	48,373	49,050
Total culture and recreation	-	-	-	-	-	677	48,373	49,050
Capital projects								
Other capital projects	-	-	-	-	-	-	481	481
Total committed	-	-	-	-	-	677	55,889	56,566

(continued)

NOTES TO FINANCIAL STATEMENTS  
June 30, 2016

CITY OF OKLAHOMA CITY, OKLAHOMA

IV. B. FUND BALANCE (continued)

	General Fund	Debt Service Fund	Grants Management Fund	MAPS3 Sales Tax Fund	General Obligation Bonds Fund	OCPPA General Purpose Fund	Other Governmental Funds	Total
<u>ASSIGNED</u>								
General government	-	-	-	-	-	134	1,812	1,946
Public services								
Economic development	-	-	-	-	-	-	8	8
OCMFA general purposes	-	-	-	-	-	-	2,235	2,235
Other	-	-	-	-	-	-	119	119
Total public services	-	-	-	-	-	-	2,362	2,362
Culture and recreation								
Oklahoma River improvements	-	-	-	-	-	347	-	347
Parks	-	-	-	-	-	1,493	16	1,509
Other	-	-	-	-	-	5,206	22	5,228
Total culture and recreation	-	-	-	-	-	7,046	38	7,084
Capital projects								
Sales/use tax projects	-	-	-	-	-	437	563	1,000
Bond capital projects	-	-	-	-	-	-	8,109	8,109
Parks	-	-	-	-	-	-	4,345	4,345
Other capital projects	-	-	-	-	-	-	48,212	48,212
Total capital projects	-	-	-	-	-	437	61,229	61,666
Encumbrances	496	-	-	-	-	17	199	712
Allocation to unassigned	-	-	-	-	-	(5,656)	(689)	(6,345)
Total assigned	496	-	-	-	-	1,978	64,951	67,425
<u>UNASSIGNED</u>	109,582	-	-	-	-	-	(7,028)	102,554
Total fund balance	<u>\$119,108</u>	<u>\$97,804</u>	<u>\$21,709</u>	<u>\$445,233</u>	<u>\$221,209</u>	<u>\$8,382</u>	<u>\$181,641</u>	<u>\$1,095,086</u>
<u>ENCUMBRANCES</u>	<u>\$496</u>	<u>\$-</u>	<u>\$12,231</u>	<u>\$116,375</u>	<u>\$81,222</u>	<u>\$802</u>	<u>\$16,230</u>	<u>\$227,356</u>

IV. C. NET POSITION

	Governmental Activities	Primary Government Business-Type Activities	Total	Component Units
<u>NET INVESTMENT IN</u>				
<u>CAPITAL ASSETS</u>				
Capital assets, net	\$1,799,140	\$487,970	\$2,287,110	\$1,768,265
Related Debt				
Tax anticipation debt (1)	-	-	-	(4,458)
Capital related notes and leases payable	(696)	(419)	(1,115)	(77,604)
Commercial paper	-	-	-	(50,500)
Bonds payable, net (2)	(786,786)	(103,232)	(890,018)	(581,169)
Deferred amount on refunding, net	5,218	(95)	5,123	8,709
Capital related intergovernmental payable	-	-	-	(15,000)
Payable to Grants Management Fund	-	-	-	(4,255)
Payable to OCEDT	(6,000)	-	(6,000)	-
Retainages and capital accounts payable	(24,914)	(3,806)	(28,720)	(25,663)

(continued)

IV. C. NET POSITION (continued)

	<u>Primary Government</u>		<u>Total</u>	<u>Component Units</u>
	<u>Governmental Activities</u>	<u>Business-Type Activities</u>		
Unspent proceeds				
Deposits restricted for bond reserve	-	456	456	27,474
Deposits restricted for capital projects	-	19,223	19,223	299
Issuance costs paid from bond proceeds	-	1,181	1,181	5,188
Total net investment in capital assets	<u>\$985,962</u>	<u>\$401,278</u>	<u>\$1,387,240</u>	<u>\$1,051,286</u>
<b><u>RESTRICTED</u></b>				
Capital Projects				
Bond projects	\$230,528	\$1	\$230,529	\$11,773
Sales tax projects	458,295	-	458,295	-
Other capital projects	5,918	-	5,918	-
Total capital projects	<u>694,741</u>	<u>1</u>	<u>694,742</u>	<u>11,773</u>
Debt service	91,874	4,009	95,883	57,551
Public safety				
Police	5,797	-	5,797	-
Fire	3,936	-	3,936	-
Other	8,188	-	8,188	-
Total public safety	<u>17,921</u>	<u>-</u>	<u>17,921</u>	<u>-</u>
Public services				
Grant projects	16,093	-	16,093	-
Economic development	5	-	5	29,107
Other	3,998	-	3,998	-
Total public services	<u>20,096</u>	<u>-</u>	<u>20,096</u>	<u>29,107</u>
Culture and recreation				
Zoo Operations	-	-	-	-
Oklahoma River improvements	-	-	-	-
Parks	267	-	267	-
Other	10,575	-	10,575	-
Total culture and recreation	<u>10,842</u>	<u>-</u>	<u>10,842</u>	<u>-</u>
Education				
OCMAPS assets held for donation	-	-	-	27,091
Maintenance	-	-	-	38,003
Total restricted	<u>\$835,474</u>	<u>\$4,010</u>	<u>\$839,484</u>	<u>\$163,525</u>
<b><u>UNRESTRICTED</u></b>				
Total net position	<u>(\$144,891)</u>	<u>\$19,522</u>	<u>(\$125,369)</u>	<u>\$259,490</u>

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

IV. D. DEFICIT FUND NET POSITION AND FUND BALANCE

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



*Deficit Fund Net Position*

**OCPPA Fairgrounds**

Deficit net position of \$12.424 million is the result of depreciation of capital assets as construction projects are completed.

**OCPPA Golf Courses**

Deficit net position of \$1.920 million is the result of significant debt financing of capital assets with tight operating budgets.

**Risk Management Fund**

Deficit net position of \$1.950 million is the result of the increased estimated claims related to workers compensation.

*Deficit Fund Balance*

**Tax Incremental Financing Fund**

Deficit fund balance of \$632 thousand is the result of the accrual of sales tax match from the state as unavailable revenue.

**V. REVENUES AND EXPENSES/EXPENDITURES**

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

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

*BID*

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

*Special Improvement District (SID)*

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

*Water and Wastewater Utilities Special Assessments*

Special assessments are levied against a 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 2016, OCWUT collected \$7 thousand.

*OCRA Economic Development Special Assessment*

The University of Oklahoma, a component unit of the State of Oklahoma, has agreed to pay a minimum annual amount of ad valorem property taxes to OCRA. In 2016, OCRA recognized \$1.097 million in excess property taxes from the University of Oklahoma.

In October, 2011, a Supplemental Redevelopment Agreement was entered into by and among The Oklahoma City Urban Renewal Authority, The Presbyterian Health Foundation (PHF) and The Toby Keith Foundation (TKF) for the development of OK Kids Korral. PHF later reassigned this supplemental redevelopment agreement and the ground lease for the OK Kids Korral to the University of Oklahoma. As part of these agreements, TKF is subject to payments in lieu of ad valorem taxes to OCRA. In 2016 OCRA recognized \$115 thousand of property tax revenue from TKF.

***OCEDT Economic Development Special Assessment***

OCEDT is a third party beneficiary of an agreement between OCURA and Devon Energy Corporation (Devon) in which Devon has agreed to pay a minimum annual amount of ad valorem property taxes of \$11.300 million to cover OCEDT's debt service for the tax anticipation bonds. The payment is made on December 31 of each year to December 31, 2034. In 2016, OCEDT recognized \$4.298 million in excess property taxes from Devon. Additionally, OCEDT provides economic incentives to developers. The developers agree to pay an annual minimum property tax in excess of assessed amounts which is used to recover the amount originally provided. OCEDT received \$942 thousand in special assessments for finance charges related to economic incentives receivables.

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

***Cancelable and Short-Term Leases***

	Primary Government			Component Units
	Governmental Activities	Business-Type Activities	Total	
<u>CURRENT</u>				
Land and property rentals	\$21	\$ -	\$21	\$386
Communication tower rentals	15	-	15	137
Parking rentals	123	-	123	1
Golf cart rentals	-	2,460	2,460	-
Facility venue rentals	1,034	-	1,034	-
Other rentals	-	-	-	1
	<u>\$1,193</u>	<u>\$2,460</u>	<u>\$3,653</u>	<u>\$525</u>

***Non-cancelable Leases***

**OCPPA General Purpose Fund**

OCPPA leases digital antenna system sectors in the Cox Convention Center and the Chesapeake Energy Arena to various mobile data coverage providers. The providers pay an annual license fee per each sector leased inside of the building to enhance the data coverage for the facility. The leases are paid annually under an initial five year agreement with an additional renewal agreement of five years available at the commencement of the first agreement. Rental income in 2016 related to these leases was \$610 thousand.

In July 2009 OCPPA and the Professional Basketball Club, LLC entered into a fifteen year lease agreement for the use of a National Basketball Association practice facility. There are five renewal terms of three years each. The annual rental income is \$100,000 which is subject to adjustment beginning with the commencement of the sixth operating year. Adjustments are based upon increases in the consumer price index capped at 3% annually.

In October 1997 OCPPA and the OKC Athletic Club Limited Partnership entered into a ten-year sublease agreement for certain real property consisting of a baseball park and related parking facilities. The lease was extended to 2022. This sublease agreement was assigned to the OKC Athletic Club, LLC, in June 2010. On September 24, 2014, The OKC TransitionCO acquired the rights and responsibilities of the sublease from the Oklahoma City Athletic Club and changed the name of the organization to the Oklahoma City Dodgers baseball team. Annual rent is equal to the greater of 7% of paid admissions for all events or \$150,000.

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

**OCZT**

OCZT has various agreements whereby land is leased by the OCZT from the City, the Oklahoma Zoological Society, Inc. (Society), and the City of Nichols Hills. The Nichols Hills lease is a 25-year renewable operating lease at an expense of \$21 thousand per year. This leased property is subleased under an operating lease to Global Gaming RP, LLC through December 31, 2023, with four renewal options for 10 years each through calendar year 2063. The trust received an advance rental of \$4 million and incurred initial cost of \$557 thousand. The net amount less income earned to date is recorded as unearned lease revenue and is being amortized to income over the term of the lease period, including the renewal options. In addition, OCZT is entitled to receive one-half of 1% of Global Gaming RP, LLC's total annual handle that exceeds \$187 million and 1% of the gaming revenues in excess of \$60 million. Contingent rental revenue earned during 2016 was \$347 thousand.

On February 5, 2013, OCZT entered into a sublease agreement with 3Horse Productions, LLC (3Horse) in which 3Horse will lease and operate the Zoo Amphitheater through November 27, 2017, with a five-year optional extension. The contract stipulated that 3Horse invest \$100 thousand in improvements to the Zoo Amphitheatre before April 1, 2013. In addition, 3Horse will pay \$258 thousand in rent, adjusted by the greater of \$3 thousand or the Consumer Price Index rate annually, and \$1 per ticket sold for concerts held at the amphitheater. On January 15, 2015, the sublease agreement was amended to reduce the amount due under the original sublease agreement by \$120 thousand for 2015 only to allow 3Horse to invest in additional capital improvements to the Zoo Amphitheater. These improvements were completed by May 1, 2015.

**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.

**OCWUT**

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

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

OCWUT leases wet and dry boat stalls at various locations with lease terms ranging from April 1st to March 31st. Rental income in 2016 related to these leases was \$153 thousand.

OCWUT allows the City of Oklahoma City to utilize an area of Southeast Park otherwise known as Kitchen Lake Park for recreational and park purposes for the benefit of its citizens for an annual lease payment of \$2,736. The current lease term continues until October 31, 2052.

**COTPA**

The COTPA Parking Fund leases retail space at the Santa Fe and Arts District parking garages to various establishments. Most of these leases are at least two years with multi-year renewal options. At June 30, 2016, 16,738 square feet of garage retail space was leased. In addition, the COTPA Transportation Fund leased out approximately 4,000 square feet of retail space at the Santa Fe Depot.

**OCRA**

OCRA has a ground lease with Skirvin Partners, LLC for land beneath the Skirvin Hotel. It is a 99-year lease agreement which will end on December 29, 2104. Payments under the lease are 1% of the property value increased annually by 8.5% of the current year net operating income (rent capitalization value). Skirvin Partners, LLC, has the option to purchase the land at the end of the lease.

In May 2016, The City Council approved the use of \$7.400 million of the Skirvin funds to be transferred to the Urban Renewal Authority to support the proposed convention center hotel project. OCRA transferred \$2.000 million during the year ended June 30, 2016. The remaining \$5.400 million will be transferred during the fiscal year ending June 30, 2017 and is included as a payable due to the Urban Renewal Authority.

OCRA has an undivided interest of 1.89% ownership in the former Presbyterian Health Foundation Research Park Mobile Incubator (PHF Research Park) buildings. The ownership interest provides for OCRA to receive rental of \$1 per year, plus net cash flow derived from the subleases. During the year ended June 30, 2015, there was no tenant.

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

	Primary Government		Component Units				Total
	Governmental Activities	Business-Type Activities	OCAT (1)	OCWUT	COTPA	OCRA (1)(2)	
	OCPPA	OCZT					
2017	\$807	\$1,106	\$28,256	\$157	\$168	\$505	\$30,999
2018	711	971	24,166	4	94	505	26,451
2019	685	835	10,753	4	69	505	12,851
2020	170	835	10,489	4	32	505	12,035
2021	100	835	9,491	4	72	505	11,007
2022 - 2026	200	4,175	35,443	21	110	2,525	42,474
2027 - 2031	-	4,175	2,592	23	-	2,525	9,315
2032 - 2036	-	4,175	1,490	21	-	2,525	8,211
2037 - 2041	-	4,175	338	-	-	2,525	7,038
2042 - 2046	-	4,175	144	-	-	2,525	6,844
2047 - 2051	-	4,175	157	-	-	2,525	6,857
2052 - 2056	-	4,175	38	-	-	2,525	6,738
2057 - 2061	-	4,175	-	-	-	2,525	6,700
2062 - 2066	-	2,505	-	-	-	2,525	5,030
2067 - 2071	-	-	-	-	-	2,525	2,525
2072 - 2076	-	-	-	-	-	2,525	2,525
2077 - 2081	-	-	-	-	-	2,525	2,525
2082 - 2086	-	-	-	-	-	2,525	2,525
2087 - 2091	-	-	-	-	-	2,525	2,525
2092 - 2096	-	-	-	-	-	2,525	2,525
2097 - 2101	-	-	-	-	-	2,525	2,525
2102 - 2106	-	-	-	-	-	1,768	1,768
	<u>\$2,673</u>	<u>\$40,487</u>	<u>\$123,357</u>	<u>\$238</u>	<u>\$545</u>	<u>\$44,693</u>	<u>\$211,993</u>
Rental income	<u>\$1,279</u>	<u>\$1,413</u>	<u>\$7,832</u>	<u>\$154</u>	<u>\$250</u>	<u>\$505</u>	<u>\$11,433</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 Skirvin Hotel lease includes a factor of the rent capitalization value that changes annually and lease revenues for the PHF Research Park will vary due to changes in sublease revenues. Future minimum rentals for these leases are based on rates in effect at fiscal year-end.

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

The State of Oklahoma contributed estimated payments on behalf of City employees to the Police Pension of \$10.506 million and the Firefighters Pension of \$27.080 million. The City recognized prior year on behalf amounts in expenditures in the General Fund of \$10.338 million for police pension and \$26.139 million for firefighters pension. State contributions are funded by allocations of the state's insurance premium tax. The City is not legally responsible for these contributions.

**V. B. EXPENSES/EXPENDITURES 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 2016 rentals approximated \$2.760 million for government and \$3.171 million for component unit activities.

**Future Minimum Lease Payments for Operating Leases**

	<b>Primary Government</b>			<b>Component Units</b>
	<i>Governmental Activities</i>	<i>Business-Type Activities</i>	<b>Total</b>	
2017	\$253	\$146	\$399	\$13
2018	167	134	301	13
2019	58	134	192	14
2020	30	129	159	14
2021	19	129	148	14
2022-2026	104	649	753	58
2027-2031	117	649	766	-
2032-2036	131	649	780	-
2037-2041	144	649	793	-
2042-2046	157	649	806	-
2047-2051	171	649	820	-
2052-2056	99	649	748	-
2057-2061	-	482	482	-
2062-2064	-	289	289	-
	<b><u>\$1,450</u></b>	<b><u>\$5,986</u></b>	<b><u>\$7,436</u></b>	<b><u>\$126</u></b>
Approximate 2016 rentals	<b><u>\$780</u></b>	<b><u>\$1,980</u></b>	<b><u>\$2,760</u></b>	<b><u>\$3,171</u></b>

**V. B. 2. PENSION EXPENSE**

<b>Primary Government</b>				<b>Business-Type Activity</b>	<b>Component Unit</b>	<b>Fiduciary Funds</b>
<i>Governmental Activities</i>						
<i>Police</i>	<i>Fire</i>					
<i>OCERS Pension</i>	<i>Pension</i>	<i>Total</i>		<i>OCERS</i>	<i>COTPA Retirement</i>	<i>OCERS</i>
<b><u>(\$1,848)</u></b>	<b><u>\$4,447</u></b>	<b><u>\$25,832</u></b>	<b><u>\$28,431</u></b>	<b><u>(\$1,309)</u></b>	<b><u>\$347</u></b>	<b><u>(\$4)</u></b>

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

	<u>OCERS</u>	<u>COTPA Retirement</u>	<u>Police Pension</u>	<u>Firefighters Pension</u>
2017	\$6,996	\$111	\$4,860	(\$7,853)
2018	6,996	111	4,860	(7,853)
2019	6,996	111	4,860	(7,853)
2020	(3,393)	(83)	(3,913)	3,781
2021	1,274	28	501	(705)
Thereafter	<u>597</u>	<u>-</u>	<u>-</u>	<u>(219)</u>
	<b><u>\$19,466</u></b>	<b><u>\$278</u></b>	<b><u>\$11,168</u></b>	<b><u>(\$20,702)</u></b>

**VI. TRANSACTIONS WITHIN THE ENTITY**

**VI. A. INTERFUND BALANCES**

*Within the Primary Government*

	<b>Primary Government</b>									
	<i>Governmental Activities</i>									
	Major Governmental									
	General	Debt Service	Grants	MAPS3 Sales Tax	General Obligation Bonds	OCPPA General Purpose	Other Governmental Funds	Total Governmental Funds	Internal Service Funds	Total Governmental Activities
<b><u>DUE FROM</u></b>										
<b><u>OTHER FUNDS</u></b>										
<b>Primary Government</b>										
<i>Governmental Activities</i>										
General Fund	\$ -	\$ -	\$7,531	\$529	\$2,010	\$251	\$5,464	\$15,785	\$153	\$15,938
Grants Management	-	-	-	-	59	-	398	457	234	691
MAPS3 Sales Tax	-	-	278	-	-	-	-	278	-	278
OCPPA General Purpose	-	-	-	-	-	-	171	171	-	171
Other governmental funds	<u>7,985</u>	<u>-</u>	<u>15</u>	<u>-</u>	<u>195</u>	<u>-</u>	<u>255</u>	<u>8,450</u>	<u>-</u>	<u>8,450</u>
Total governmental funds	7,985	-	7,824	529	2,264	251	6,288	25,141	387	25,528
Internal service funds	<u>408</u>	<u>5,348</u>	<u>2</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>148</u>	<u>5,906</u>	<u>31</u>	<u>5,937</u>
Total	<u>8,393</u>	<u>5,348</u>	<u>7,826</u>	<u>529</u>	<u>2,264</u>	<u>251</u>	<u>6,436</u>	<u>31,047</u>	<u>418</u>	<u>31,465</u>
<i>Business Type Activities</i>										
OCZT	-	-	-	-	-	-	1,737	1,737	-	1,737
OCPPA Fairgrounds	-	-	-	-	-	-	1,000	1,000	-	1,000
Other enterprise funds	<u>-</u>	<u>-</u>	<u>15</u>	<u>3</u>	<u>81</u>	<u>1</u>	<u>16</u>	<u>116</u>	<u>-</u>	<u>116</u>
Total business-type activities	<u>-</u>	<u>-</u>	<u>15</u>	<u>3</u>	<u>81</u>	<u>1</u>	<u>2,753</u>	<u>2,853</u>	<u>-</u>	<u>2,853</u>
<b>Total due from other funds</b>	<b><u>8,393</u></b>	<b><u>5,348</u></b>	<b><u>7,841</u></b>	<b><u>532</u></b>	<b><u>2,345</u></b>	<b><u>252</u></b>	<b><u>9,189</u></b>	<b><u>33,900</u></b>	<b><u>418</u></b>	<b><u>34,318</u></b>

(continued)

NOTES TO FINANCIAL STATEMENTS  
June 30, 2016

CITY OF OKLAHOMA CITY, OKLAHOMA

Within the Primary Government (continued)

	Primary Government									
	Governmental Activities									
	Major Governmental									
	General	Debt Service	Grants	MAPS3 Sales Tax	General Obligation Bonds	OCPPA General Purpose	Other Governmental Funds	Total Governmental Funds	Internal Service Funds	Total Governmental Activities
<b>ADVANCE TO</b>										
<b>OTHER FUNDS (1)</b>										
<b>Primary Government</b>										
<i>Governmental Activities</i>										
General Fund	-	-	-	-	-	1,420	-	1,420	-	1,420
Other governmental funds	-	-	-	-	2,292	2,916	-	5,208	-	5,208
Internal service funds	-	-	-	-	-	-	-	-	13,160	13,160
<b>Total advance to other funds</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,292</u>	<u>4,336</u>	<u>-</u>	<u>6,628</u>	<u>13,160</u>	<u>19,788</u>
	<u>\$8,393</u>	<u>\$5,348</u>	<u>\$7,841</u>	<u>\$532</u>	<u>\$4,637</u>	<u>\$4,588</u>	<u>\$9,189</u>	<u>\$40,528</u>	<u>\$13,578</u>	<u>\$54,106</u>

	Business-type Activities								
	Major Enterprise Funds								
	Water and Wastewater	OCEAT	OCPPA Fairgrounds	OCPPA Golf Courses	Other Enterprise Funds	Business Type Activities	Total	Internal Activities	Total Primary Government
<b>DUE FROM</b>									
<b>OTHER FUNDS</b>									
<b>Primary Government</b>									
<i>Governmental Activities</i>									
General Fund	\$455	\$158	\$82	\$172	\$201	\$1,068	\$17,006	(\$8,393)	\$8,613
Debt Service	-	-	-	-	-	-	-	(5,348)	(5,348)
Grants Management	-	419	-	-	84	503	1,194	(7,841)	(6,647)
MAPS3 Sales Tax	-	-	-	-	-	-	278	(532)	(254)
General Obligation Bonds	-	-	-	-	-	-	-	(2,345)	(2,345)
OCPPA General Purpose	-	-	-	-	-	-	171	(252)	(81)
Other governmental funds	21	-	-	-	-	21	8,471	(9,189)	(718)
Total governmental funds	476	577	82	172	285	1,592	27,120	(33,900)	(6,780)
Internal service funds	47	26	-	23	48	144	6,081	394	6,475
Internal activity allocation	-	-	-	-	-	-	-	44,400	44,400
	<u>523</u>	<u>603</u>	<u>82</u>	<u>195</u>	<u>333</u>	<u>1,736</u>	<u>33,201</u>	<u>10,894</u>	<u>44,095</u>
<i>Business Type Activities</i>									
Water and Wastewater Fund	-	-	-	-	-	-	-	(956)	(956)
OCEAT	344	-	-	-	-	344	344	(635)	(291)
OCZT	-	-	-	-	-	-	1,737	-	1,737
OCPPA Fairgrounds	-	-	-	-	-	-	1,000	(84)	916
OCPPA Golf Courses	-	-	-	-	-	-	-	(195)	(195)
Other enterprise funds	89	32	2	-	-	123	239	(333)	(94)
Internal activity allocation	-	-	-	-	-	-	-	(44,400)	(44,400)
	<u>433</u>	<u>32</u>	<u>2</u>	<u>-</u>	<u>-</u>	<u>467</u>	<u>3,320</u>	<u>(46,603)</u>	<u>(43,283)</u>
<b>Total due from other funds</b>	<u>956</u>	<u>635</u>	<u>84</u>	<u>195</u>	<u>333</u>	<u>2,203</u>	<u>36,521</u>	<u>(35,709)</u>	<u>812</u>

(continued)

Within the Primary Government (continued)

	Primary Government								Total Primary Government
	Business-type Activities								
	Major Enterprise Funds				Other Enterprise Funds	Business Type Activities	Total	Internal Activities	
	Water and Wastewater	OCEAT	OCPPA Fairgrounds	OCPPA Golf Courses					
<b>ADVANCE TO</b>									
<b>OTHER FUNDS (1)</b>									
<b>Primary Government</b>									
<i>Governmental Activities</i>									
General Fund	-	-	-	-	-	-	1,420	(1,420)	-
OCPPA General Purpose	-	-	-	-	-	-	-	-	-
Other governmental funds	-	-	-	-	-	-	5,208	(5,208)	-
Total governmental funds	-	-	-	-	-	-	6,628	(6,628)	-
Internal service funds	-	-	-	812	-	812	13,972	(13,972)	-
	-	-	-	812	-	812	20,600	(20,600)	-
<i>Business Type Activities</i>									
Water and Wastewater Fund	-	-	-	-	-	-	-	-	-
OCEAT	-	-	-	-	-	-	-	(1,831)	(1,831)
OCZT	-	-	-	-	-	-	-	(812)	(812)
Other enterprise funds	-	1,831	-	-	-	1,831	1,831	-	1,831
	-	1,831	-	-	-	1,831	1,831	(2,643)	(812)
<b>Total advance</b>									
<b>to other funds</b>	-	1,831	-	812	-	2,643	22,431	(23,243)	(812)
	<u>\$956</u>	<u>\$2,466</u>	<u>\$84</u>	<u>\$1,007</u>	<u>\$333</u>	<u>\$4,846</u>	<u>\$58,952</u>	<u>(\$58,952)</u>	<u>\$ -</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**

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

On February 25, 2013, \$900 thousand was transferred from the General Fund and \$710 thousand was transferred from the MAPS Operations Fund to finance digital antenna system (DAS) improvements. The loan is non-interest bearing and will be repaid over seven years. The loans will be repaid with DAS revenues. The balance in the General Fund and the MAPS Operations Fund are \$500 thousand and \$310 thousand, respectively.

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

On October 14, 2008, a loan for \$1.032 million from the City and Schools Use Tax Fund to OCPPA General Purpose Fund was approved. The loan was repaid by the General Fund and OCPPA General Purpose Fund over a seven year period at an interest rate of 2%. The OCPPA General Purpose Fund will now repay the General Fund over the next fourteen years with an interest rate of 0.25%. The amount due to the General Fund is \$920 thousand in principal and \$19 thousand in accrued interest.



Advance From the City and Schools Use Tax Fund, MAPS Operations Fund, and Police and Fire Equipment Use Tax Fund to the 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 paid the balance to the City and Schools Use Tax Fund in 2016.

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

On February 16, 2010, the OCPPA received \$3.200 million from the City and School Use Tax Fund. The funds are to be used for the Cox Center facility renovations and upgrade. The loan is to be repaid from revenues generated and collected by SMG under the Extended Use License Agreement with Prodigal Hockey, LLC and from other Cox Center events. The OCPPA will replenish the City and Schools Use Tax Fund with an interest rate of 4.19% over a 10-year period. The balance of the advance at June 30, 2016, is \$2.011 million which includes the loan balance of \$1.988 million and accrued interest of \$23 thousand.

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

The OCMFA General Purpose Fund pays for initial architectural and engineering fees for the City and related trust construction projects before the funding is finalized. This process allows for more timely initiation of capital projects due to the length of time involved in finalizing debt and contracts for construction by the City and related trusts. When the funding is finalized and construction begins, the City or related trust reimburses the OCMFA General Purpose Fund for the cost of the prefunded fees. Any amounts outstanding are reported as an advance to the City. At June 30, 2016, OCMFA reported an advance to the General Obligation Bond Fund of \$2.292 million, of which the entire balance is expected to be repaid in 2017.

Advance From OCZT to City Zoo Fund

The City Zoo Fund collects sales tax designated to supplement zoo operating costs. Generally, City Zoo Fund sales tax collections are paid to the OCZT. However in prior years, the OCZT chose to leave an amount in the City Zoo Fund. The OCZT requested and recieved the residual balance in 2016.

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

On January 13, 2015, a loan for \$1.089 million from the OCMFA Services Fund workers compensation reserves to the OCPPA Golf Courses Fund was approved for the purchase of new golf carts. The loan was made to 2 golf courses as follows:

Lake Hefner	\$463
Lincoln Park Golf Course	626

The loan will be repaid over six years at an annual rate of 2.26% beginning March 1, 2015, with the final payment made on February 1, 2020. The principal due at June 30, 2015, is \$810 thousand of which \$216 thousand is reported as a current receivable including accrued interest of \$2 thousand.

Annual Debt Service Requirements to Maturity for Advances Between City Funds

Fiscal Year	General Fund & MAPS Operation Fund		General Fund & City and Schools Use Tax Fund		City/Schools Use Tax Fund		
	OCPPA General Purpose Fund		OCPPA General Purpose Fund		OCPPA General Purpose Fund		
	Principal	Principal	Interest	Total	Principal	Interest	Total
2017	\$375	\$53	\$2	\$55	\$317	\$83	\$83
2018	285	54	2	56	330	70	70
2019	150	56	2	58	344	56	56
2020	-	57	2	59	358	42	42
2021	-	58	2	60	639	38	38
2022-2026	-	312	7	319	-	-	-
2027-2031	-	330	2	332	-	-	-
	<b>\$810</b>	<b>\$920</b>	<b>\$19</b>	<b>\$939</b>	<b>\$1,988</b>	<b>\$289</b>	<b>\$289</b>

	OCMFA General Purpose Fund	OCMFA Services Fund		
	City General Obligation Bond Fund	Principal	Interest	Total
2017	\$2,292	\$214	\$16	\$230
2018	-	219	11	230
2019	-	224	6	230
2020	-	153	1	154
	<b>\$2,292</b>	<b>\$810</b>	<b>\$34</b>	<b>\$844</b>

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.

Costs Expended Fund	Costs Reimbursed Fund	Advance Balance
Solid Waste Management Fund	OCEAT	\$1,831
Information Technology Fund	OCMFA Services	1,619
Risk Management Fund	OCMFA Services	2,204
Special Districts	OCPPA General Purpose	594

**Between Fiduciary Funds and Other Funds**

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

NOTES TO FINANCIAL STATEMENTS  
June 30, 2016

CITY OF OKLAHOMA CITY, OKLAHOMA

	Primary Government									Total Primary Government	Component Units
	Governmental Activities					Business-Type Activities			Total		
	Major Governmental			Other	Internal	Major Enterprise		Other			
	General	Grants Management	MAPS3 Sales Tax	Governmental Funds	Service Funds	Water Utilities	OCPPA Golf Courses	Enterprise Funds			
<b>RECEIVABLE TO</b>											
<b><u>FIDUCIARY FUNDS</u></b>											
<i>Pension Trust Funds</i>											
COTPA Retirement	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$47
<b>PAYABLE FROM</b>											
<b><u>FIDUCIARY FUNDS</u></b>											
<i>Pension Trust Funds</i>											
OCERS	\$11	\$-	\$-	\$-	\$16	\$-	\$-	\$-	\$-	\$27	\$-
<i>Agency Fund</i>	\$152	\$-	\$-	\$-	\$-	\$5	\$-	\$8	\$-	\$165	\$-

*Between Component Units and the Primary Government*

*Payable to Primary Government*

	Component Units							Total
	OCAT	OCRRA	OCICF	OCWUT	COTPA	OCMAPS	OCEDT	
<b>Primary Government</b>								
<b><u>CURRENT</u></b>								
<i>Governmental Activities</i>								
General Fund	\$9	\$35	\$123	\$1,526	\$184	\$72	\$704	\$2,653
Grants Management	-	-	-	-	13	-	-	13
Other governmental funds	-	-	-	-	155	-	-	155
Internal service funds	-	-	-	3	18	-	-	21
Total governmental activities	9	35	123	1,529	370	72	704	2,842
<i>Business Type Activities</i>								
Other enterprise funds	-	-	-	3	-	-	-	3
Total business-type activities	-	-	-	3	-	-	-	3
<b>Total current</b>	<b>9</b>	<b>35</b>	<b>123</b>	<b>1,532</b>	<b>370</b>	<b>72</b>	<b>704</b>	<b>2,845</b>
<b><u>NON-CURRENT</u></b>								
<i>Governmental Activities</i>								
General Fund	-	-	-	-	-	-	-	-
Grants Management	-	-	4,255	-	-	-	-	4,255
Total governmental activities	-	-	4,255	-	-	-	-	4,255
<i>Business Type Activities</i>								
Water and Wastewater	-	-	-	3,803	-	-	-	3,803
Other enterprise funds	98	-	-	-	603	-	-	701
Total business-type activities	98	-	-	3,803	603	-	-	4,504
<b>Total non-current</b>	<b>98</b>	<b>-</b>	<b>4,255</b>	<b>3,803</b>	<b>603</b>	<b>-</b>	<b>-</b>	<b>8,759</b>
<b>Total</b>	<b>\$107</b>	<b>\$35</b>	<b>\$4,378</b>	<b>\$5,335</b>	<b>\$973</b>	<b>\$72</b>	<b>\$704</b>	<b>\$8,759</b>

*Receivable from Primary Government*

	Component Units						Total
	OCAT	OCWUT	COTPA	OCRRA	OCMAPS	OCEDT	
<b>Primary Government</b>							
<b><u>CURRENT</u></b>							
<i>Governmental Activities</i>							
General Fund	\$ -	\$67	\$50	\$ -	\$ -	\$ -	\$117
Other governmental funds	<u>52</u>	-	-	-	-	<u>4,280</u>	<u>4,332</u>
Total governmental activities	<u>52</u>	<u>67</u>	<u>50</u>	-	-	<u>4,280</u>	<u>4,449</u>
<i>Business Type Activities</i>							
Water and Wastewater	-	420	-	-	-	-	420
Other enterprise funds	-	<u>4</u>	-	-	-	-	<u>4</u>
Total business-type activities	-	<u>424</u>	-	-	-	-	<u>424</u>
<b>Total current</b>	<b><u>52</u></b>	<b><u>491</u></b>	<b><u>50</u></b>	<b>-</b>	<b>-</b>	<b><u>4,280</u></b>	<b><u>4,873</u></b>
<b><u>NON-CURRENT</u></b>							
<i>Governmental Activities</i>							
Other governmental funds	-	-	-	-	-	<u>6,000</u>	<u>6,000</u>
<b>Total</b>	<b><u>\$52</u></b>	<b><u>\$491</u></b>	<b><u>\$50</u></b>	<b><u>\$-</u></b>	<b><u>\$-</u></b>	<b><u>\$10,280</u></b>	<b><u>\$10,873</u></b>

**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.

Costs Expended Fund	Costs Reimbursed Fund	Balance
Airports Fund	OCAT	\$98
Water Utilities Fund	OCWUT	3,803
Transportation Fund	COTPA Transportation	528
Parking Fund	COTPA Parking	75

**Payable from OCICF to City General Fund**

During the sales negotiations of the Journal Record Building, the OCICF received a contribution of \$400 thousand from the City of Oklahoma City to continue operations. As of June 30, 2016, \$123 thousand remained to be spent and is recorded as a current payable to the City.

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

On March 17, 1998, the City entered into an agreement with OCICF to undertake the acquisition and improvement of the Journal Record Building. OCICF manages the operations of the building. The required funding for this project was provided by the City through a HUD Community Development Block Grant. This funding was made in the form of a nonrecourse loan to OCICF and in the form of a grant, which does not require repayment. The proceeds from the loan are designated to provide for the ongoing operation, maintenance and leasing of the Journal Record Building and ancillary facilities. In 2015 the OCICF received a contribution of \$400 thousand from the City to continue operations during negotiations to sell the Journal Record Building. All principal and interest amounts owed under the agreement and its amendments were deferred until after December 31, 2014. A new amendment was signed July 9, 2015, the day of the sale. As a result, the note payable was written down to the amount of principal required to be paid to the City of \$4.255 million. The loan has a balance as of June 30, 2016, of \$4,255 million and is interest free and matures in 2045.

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

On September 10, 2013, OCEDT entered into an agreement to transfer proceeds up to \$8 million from the General Obligation Limited Tax (GOLT) bond funds to finance the construction of the Phase 2 capital improvements to the Amateur Softball Association Hall of Fame Complex, subject to a commitment by the City to replenish the GOLT proceeds from net revenues received from certain naming rights, sponsorship revenues and from philanthropic donations received by the City over the next ten years. The balance payable to OCEDT as of June 30, 2015, is \$6.000 million.

**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 street improvements, a 911 subsidy, and OCPPA Golf Courses Fund water 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 OCPPA 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.

NOTES TO FINANCIAL STATEMENTS  
June 30, 2016

CITY OF OKLAHOMA CITY, OKLAHOMA

	Governmental Activities								Total Governmental Activities
	Major Governmental								
	General	Grants	MAPS3 Sales Tax	General Obligation Bonds	OCPPA General Purpose	Other Governmental Funds	Total Governmental Funds	Internal Service Funds	
<b>TRANSFERS TO OTHER FUNDS</b>									
<i>Governmental Activities</i>									
General Fund	\$ -	\$ -	\$ -	\$203	\$4,695	\$23,929	\$28,827	\$151	\$28,978
Debt Service	-	-	-	89,500	-	-	89,500	2,418	91,918
Grants Management	1,652	-	-	-	-	1	1,653	112	1,765
MAPS3 Sales Tax	-	702	-	-	-	-	702	-	702
General Obligation Bonds	-	168	-	-	-	109	277	-	277
OCPPA General Purpose	-	-	-	-	-	2,025	2,025	-	2,025
Other governmental funds	<u>2</u>	<u>3,722</u>	<u>1,658</u>	<u>-</u>	<u>300</u>	<u>156</u>	<u>5,838</u>	<u>-</u>	<u>5,838</u>
Total governmental funds	1,654	4,592	1,658	89,703	4,995	26,220	128,822	2,681	131,503
Government wide transfers	-	-	-	-	-	-	-	-	-
Internal service funds	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>76</u>	<u>5,162</u>	<u>5,238</u>	<u>198</u>	<u>5,436</u>
Total governmental activities	<u>1,654</u>	<u>4,592</u>	<u>1,658</u>	<u>89,703</u>	<u>5,071</u>	<u>31,382</u>	<u>134,060</u>	<u>2,879</u>	<u>136,939</u>
<i>Business Type Activities</i>									
OCEAT	862	1	-	-	-	-	863	-	863
Other enterprise funds	<u>-</u>	<u>71</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>71</u>	<u>-</u>	<u>71</u>
Total business-type activities	862	72	-	-	-	-	934	-	934
	<b><u>\$2,516</u></b>	<b><u>\$4,664</u></b>	<b><u>\$1,658</u></b>	<b><u>\$89,703</u></b>	<b><u>\$5,071</u></b>	<b><u>\$31,382</u></b>	<b><u>\$134,994</u></b>	<b><u>\$2,879</u></b>	<b><u>\$137,873</u></b>

	Business-type Activities							Total
	Major Enterprise							
	OCEAT	OCZT	OCPPA Fairgrounds	OCPPA Golf Courses	Other Enterprise Funds	Total Enterprise Funds		
<b>TRANSFERS TO OTHER FUNDS</b>								
<i>Governmental Activities</i>								
General Fund	\$ -	\$ -	\$ -	\$1,113	\$294	\$1,407	\$30,385	
Debt Service	-	-	-	-	-	-	91,918	
Grants Management	-	-	-	-	-	-	1,765	
MAPS3 Sales Tax	-	-	-	-	-	-	702	
General Obligation Bonds	-	-	-	-	-	-	277	
OCPPA General Purpose	-	-	-	-	-	-	2,025	
Other governmental funds	<u>-</u>	<u>13,314</u>	<u>7,960</u>	<u>11</u>	<u>-</u>	<u>21,285</u>	<u>27,123</u>	
Total governmental funds	-	13,314	7,960	1,124	294	22,692	154,195	
Internal service funds	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,436</u>	
Total governmental activities	<u>-</u>	<u>13,314</u>	<u>7,960</u>	<u>1,124</u>	<u>294</u>	<u>22,692</u>	<u>159,631</u>	
<i>Business Type Activities</i>								
OCEAT	-	-	-	-	-	-	863	
Other enterprise funds	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>71</u>	
Total business-type activities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>934</u>	
	<b><u>\$ -</u></b>	<b><u>\$13,314</u></b>	<b><u>\$7,960</u></b>	<b><u>\$1,124</u></b>	<b><u>\$294</u></b>	<b><u>\$22,692</u></b>	<b><u>\$160,565</u></b>	

*Payments Between Component Units and the Primary Government*

Payments to the General Fund include payments from OCRRA 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. 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. OCAT reimbursed the City Airport Fund for operating costs.

	Component Units							Total
	OCAT	OCRRA	OCWUT	COTPA	OCMAPS	OCEDT	OKRA	
<b><u>PAYMENTS TO</u></b>								
<b><u>PRIMARY GOVERNMENT</u></b>								
<i>Governmental Activities</i>								
General	\$ -	\$35	\$6,008	\$ -	\$ -	\$441	\$ -	\$6,484
Grants Management	-	-	-	-	-	-	-	-
OCPPA General Purpose	-	-	-	-	-	-	-	-
Other governmental funds	<u>3,240</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>74</u>	<u>2,501</u>	<u>-</u>	<u>5,815</u>
Total governmental funds	3,240	35	6,008	-	74	2,942	-	12,299
Internal service funds	-	-	-	<u>28</u>	-	-	-	<u>28</u>
Total governmental activities	<u>3,240</u>	<u>35</u>	<u>6,008</u>	<u>28</u>	<u>74</u>	<u>2,942</u>	<u>-</u>	<u>12,327</u>
<i>Business-Type Activities</i>								
Water and Wastewater Fund	-	-	77,631	-	-	-	-	77,631
Other enterprise funds	<u>16,227</u>	<u>-</u>	<u>-</u>	<u>2,511</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>18,738</u>
Total business-type activities	<u>16,227</u>	<u>-</u>	<u>77,631</u>	<u>2,511</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>96,369</u>
	<b><u>\$19,467</u></b>	<b><u>\$35</u></b>	<b><u>\$83,639</u></b>	<b><u>\$2,539</u></b>	<b><u>\$74</u></b>	<b><u>\$2,942</u></b>	<b><u>\$-</u></b>	<b><u>\$108,696</u></b>

Payments to COTPA and OCEDT from the General Fund include operating and TIF sales tax subsidies, respectively. 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. OCEDT made a payment to COTPA for development financing for the Century Center.

	Primary Government				Component Units	
	<i>Governmental Activities</i>		<i>Business-type Activities</i>		OCRRA	OCEDT
	Grants	Other Governmental	OCEAT	Other Enterprise		
General	Management	Funds	Funds			
<b><u>PAYMENTS TO</u></b>						
<b><u>COMPONENT UNITS</u></b>						
OCRRA	\$35	\$ -	\$ -	\$ -	\$ -	\$ -
OCWUT	2	-	202	2,555	855	-
COTPA	17,297	-	226	-	-	1,112
OCEDT	3,518	-	1,267	-	-	-
OCICF	<u>38</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<b><u>\$20,890</u></b>	<b><u>\$-</u></b>	<b><u>\$1,695</u></b>	<b><u>\$2,555</u></b>	<b><u>\$855</u></b>	<b><u>\$1,112</u></b>

## VI. C. OTHER TRANSACTIONS WITHIN THE ENTITY

### *Purchased Judgments*

As of June 30, 2016, the OCERS' investments include purchased judgments against the City in the amount of \$2.274 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 2016 other City funds reimbursed the General Fund \$18.881 million for these services.

For fiscal year ending June 30, 2016, OCEDT reported payments to the City to reimburse for the cost of providing administrative and operational services of \$393 thousand.

For 2016 OCERS reported \$92 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 2016 the Medical Services Fund, Stormwater Drainage Fund and OCEAT Fund reimbursed OCWUT \$202 thousand, \$855 thousand, and \$1.827 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 2016 the OCERS reported income for these services of \$8 thousand.

## VII. PENSION AND POST-EMPLOYMENT PLANS

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

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

##### *Plan Descriptions*

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

##### **Primary Government**

OCERS provides retirement benefits for substantially all full-time, non-uniformed employees of the reporting entity except for certain COTPA and MCA employees. Unless otherwise indicated, OCERS information is provided as of the latest actuarial valuation, December 31, 2014, rolled forward to June 30, 2015. Actuarial valuations are performed annually.



**Component Unit**

COTPA Retirement provides retirement benefits for all COTPA employees, primarily bus drivers and related operations employees. Unless otherwise indicated, COTPA Retirement information in this note is provided as of the latest actuarial valuation, July 1, 2014, rolled forward to June 30, 2015. Actuarial valuations are performed annually.

**Reporting**

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

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

	<u>OCERS</u>	<u>COTPA Retirement</u>
Year established and governing authority	1958; City Council Ordinance	1970; COTPA Trustee's Resolution
Determination of contribution requirements	Actuarially determined	Contracted pursuant to union negotiations
Contribution rates:		
Employer	6.44% of covered payroll	\$55.04 per week
Plan members	6.00% of covered payroll	\$44.13 per week
Funding of administrative costs	Investment earnings	Investment earnings
Period required to vest	5 years	10 years
Post-retirement benefit increases	Cost of living adjustments are compounded annually; increases must be approved by the OCERS Board	Increases must be approved by the COTPA Board
Eligibility for distribution	30 years credited service regardless of age, or age 60 with 20 years (Pre 3/67 hires), or 25 years of credited service regardless of age, or age 65 with 5 years (Post 3/67 hires), or age 55 with 5 years on a reduced basis, or 5 years of service, with benefits.	25 years credited service regardless of age, or age 65 with 10 years, or age 62 with 10 years on a reduced basis.

**Funding Policy**

OCERS

Contribution requirements are actuarially determined and established by City Council ordinance. Beginning July 1, 2014, the employer contribution rate changed from 7.44% of covered payroll to 6.44% of covered payroll. Beginning July 1, 2015, the employer contribution rate changed from 6.44% of covered payroll to 5.88% of covered payroll. The employee contributes 6.00% of covered payroll. Administrative costs are funded with investment earnings.

COTPA Retirement

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

**Benefit Provisions**

OCERS

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

COTPA Retirement

Employees of COTPA are required to participate in the Plan after completion of six months of employment. COTPA employees who 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	833	63	896
Fully-vested active members	1,667	110	1,777
Retirees and beneficiaries currently receiving benefits	1,380	62	1,442
Terminated plan members entitled to but not yet receiving benefits	<u>82</u>	<u>14</u>	<u>96</u>
	<b><u>3,962</u></b>	<b><u>249</u></b>	<b><u>4,211</u></b>

*Actuarial Assumptions*

	OCERS	COTPA Retirement
Valuation date	12/31/14	7/1/14
Provisions for:		
Disability benefits	Yes	Yes
Death benefits	Yes	Yes
Actuarial cost method	Individual entry age	Individual entry age normal
Amortization method	Level % of payroll	Level dollar
Amortization period	28 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	3.75% to 7.25%	None
Post-retirement increases (maximum)	2.0%	None
Inflation	3.0%	2.3%
Source of mortality assumptions	RP 2000 mortality table projected to 2010	1983 group annuity mortality tables, scale 355 withdrawal rates
Experience study	Actuarial assumptions were based upon results of an experience study covering the period January 1, 2008, through December 31, 2012.	An experience study will be conducted in advance of the next fiscal year end.

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, 2014, OCERS actuarial valuation, the inflation rate decreased from 3.8% to 3.0%.

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, TREND INFORMATION, AND RESERVES**

*Annual Pension Cost and Trend Information*

Fiscal Year	OCERS			COTPA Retirement		
	Actuarially Determined Contribution	Employer Contribution	Percentage Contributed	Actuarially Determined Contribution	Employer Contribution	Percentage Contributed
2016	\$8,231	\$8,207	99.7%	\$317	\$518	163.4%
2015	8,872	8,872	100.0	333	506	152.0

*Reserves*

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

*Concentrations*

OCERS

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

COTPA Retirement

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

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

	<u>OCERS</u>	<u>COTPA Retirement</u>
Total pension liability	(\$623,306)	(\$16,988)
Fiduciary net position	<u>670,164</u>	<u>11,522</u>
Net pension asset (liability)	<u>\$46,858</u>	<u>(\$5,466)</u>
 Plan fiduciary net position as a percentage of the total pension liability	 <b>107.52%</b>	 <b>100.00%</b>

	Total Pension Liability		Plan Fiduciary Net Position		Net Pension Asset (Liability)	
	<u>OCERS</u>	<u>COTPA</u>	<u>OCERS</u>	<u>COTPA</u>	<u>OCERS</u>	<u>COTPA</u>
Beginning balance	\$597,046	\$16,448	\$658,458	\$11,311	\$61,412	(\$5,137)
Service cost	15,803	537	-	-	(15,803)	(537)
Interest	44,281	885	-	-	(44,281)	(885)
Changes of benefits terms	-	126	-	-	-	(126)
Differences between expected and actual experience	(4,745)	419	-	-	4,745	(419)
Changes of assumptions	-	(596)	-	-	-	596
Contributions - employer	-	-	8,207	518	8,207	518
Contributions - employee	-	-	7,668	413	7,668	413
Net investment income	-	-	25,207	225	25,207	225
Benefit payments and refunds	(29,079)	(831)	(29,079)	(831)	-	-
Administrative expense	-	-	(445)	(114)	(445)	(114)
Other changes	-	-	148	-	148	-
	<u>\$623,306</u>	<u>\$16,988</u>	<u>\$670,164</u>	<u>\$11,522</u>	<u>\$46,858</u>	<u>(\$5,466)</u>

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

***Rate of Return***

The annual money-weighted rate of return on pension plan investments, net of pension plan investment expense was 4.10% for OCERS and 1.99% for COTPA. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested. The annual money-weighted rate of return on pension plan investments for June 30, 2014, was 17.10% for both OCERS and COTPA.

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

**OCERS**

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation. See **Note II. A. 1. DEPOSITS AND INVESTMENTS, Investments, Pension Trust Policies, Asset Allocation Guidelines** for target allocation of investments.

**COTPA Retirement**

The long-term expected rate of return on pension plan investments was determined using a geometric basis and a time horizon of 20 years. The capital market expectations are initially developed by combining historical risk, return, and correlation data with state-of-the-art techniques and tools that mitigate the limitations of traditional optimization methods. The asset allocation committee at Bank of Oklahoma Financial then employs a qualitative overlay to determine the long-term expected returns. See **Note II. A. 1. DEPOSITS AND INVESTMENTS, Investments, Pension Trust Policies, Asset Allocation Guidelines** for target allocation of investments.

<b>OCERS</b>	<b>Long-term Expected Rate of Return</b>	<b>COTPA Retirement</b>	<b>Long-term Expected Real Rate of Return (1)</b>
Core Bonds	2.80%	Cash	0.24%
Core Plus	3.07	U.S. core fixed income	0.77
Global Bonds	2.63	U.S. high yield fixed income	3.72
Absolute Return	4.37	Developed international fixed	2.85
U.S. Large Cap Equity	7.80	Emerging markets fixed income	4.91
U.S. Small Cap Equity	9.09	U.S. Large cap	7.05
International Developed Equity	8.79	U.S. Mid Cap	8.06
Emerging Market Equity	10.14	U.S. Small Cap	8.46
Long/Short Equity	7.64	Developed international	8.81
Private Equity	10.43	Emerging Markets	11.11
Core Real Estate	5.51	Diversified alternatives	2.34
Opportunistic Real Estate	8.80	Hedged equities	4.11
Commodities	3.91	Low correlation alternatives	1.56
		Real estate investment trusts	7.21
		Infrastructure	5.29
		Commodities	4.61
		Private equity	11.01

(1) The long-term expected inflation rate is assumed to be 2.25%.

**Discount Rate**

OCERS

A single discount rate of 7.5% was used to measure the total pension liability. This single discount rate was based on the expected rate of return on pension plan investments of 7.5%. The projections of cash flows used to determine this single discount rate assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between the actuarially determined contributions rates and the member rate. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

COTPA Retirement

The discount rate used to measure the total pension liability was 5.69%. The projection of cash flows used to determine the discount rate assumes that the Plan and members contributions will be made at the current contribution rates specified in the union contract (\$55.04 per employee per week for employer and \$44.13 per employee per week for the participants). Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members through the year 2038 (or 25 years out). At that point in time, the plan's fiduciary net position will be insufficient to satisfy projected future benefits payments. Therefore, the long-term expected rate of return on pension plan investments (7.0%) was applied to years 1 through 25 (2013 - 2038) of projected benefit payments and a bond rate of 3.73% was applied to projected benefit payments after 2038 to determine the total pension liability.

Bond Rate

The bond rate of 3.73% is from Moody's Bond Index Yield on June 30, 2015. It reflects 20-year, tax exempt general obligation municipal bonds with an average rating of AA.

***Sensitivity of Net Pension Liability to Changes in the Discount Rate***

	<u>OCERS</u>			<u>COTPA Retirement</u>		
	<u>Rate</u>	<u>Total Pension Liability</u>	<u>Net Pension Asset(Liability)</u>	<u>Rate</u>	<u>Total Pension Asset</u>	<u>Net Pension Asset(Liability)</u>
1% decrease	6.50%	\$700,497	(\$30,333)	4.69%	\$15,179	(\$7,276)
Current single discount rate	7.50%	623,306	46,858	5.69%	16,989	(5,466)
1% increase	8.50%	558,242	111,922	6.69%	18,524	(3,931)

**VII. B. DEFINED BENEFIT COST-SHARING, MULTIPLE-EMPLOYER PENSION PLANS**

**VII. B. 1. PLAN DESCRIPTIONS, CONTRIBUTION INFORMATION, AND FUNDING POLICIES**

***Plan Descriptions***

Oklahoma City participates in two statewide, cost-sharing, multiple-employer defined benefit plans on behalf of police officers and firefighters.

Under Title 36-312.1 of the State of Oklahoma Statutes, 14% and 34% of taxes collected for insurance premium taxes is allocated and distributed to the Oklahoma Police Pension and Retirement System and the Oklahoma Firefighters Pension and Retirement System, respectively. This provides ear-marked state taxes to help with the financing burden for the police and fire plans. The expected employer contributions expected to be funded by the State are not considered in the calculations of the net pension asset/liability and related deferred inflows, deferred outflows and pension expense.

**Reporting**

The required supplementary information schedules of funding progress immediately following the notes to the financial statements presents certain ten-year trend information for as many years for which information measured in conformity with the requirements of GASB 68 is available. Detailed information about the Oklahoma Police and Firefighter Plans' fiduciary net position is available in the separately issued Oklahoma Police Pension report and the Oklahoma Firefighters Pension report. Copies of these reports may be obtained from the respective state retirement systems; Oklahoma Police Pension and Retirement System 1001 N.W. 63rd Street, Suite 305, Oklahoma City, OK 73116-7335, and the Oklahoma Firefighters Pension and Retirement System at 4545 N. Lincoln Blvd. Suite 265, Oklahoma City, OK 73105.

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

	Police Pension	Firefighters Pension
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	9% of covered payroll
City's contribution rate	13% of covered payroll	14% of covered payroll
Period required to vest	10 years	10 years
Benefits and eligibility for distribution (full-time)	20 years credited service, 2 1/2% of final average salary multiplied by the years of credited service with a maximum of 30 years considered; if vested, at or after age 50, or after 10 but before 20 years of credited service, with reduced benefits	20 years 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 additional option to participate in deferred option plan for a maximum of 5 years

These two plans are administered by agencies of the State of Oklahoma and funded by contributions from participants, employers, insurance premium taxes, and state appropriations, as necessary.

*Actuarial Assumptions*

	Police Pension	Firefighters Pension
Valuation date	7/1/15	7/1/15
Provisions for:		
Disability benefits	Yes	Yes
Death benefits	Yes	Yes
Actuarial cost method	Entry Age	Entry age
Amortization method	Level dollar, Closed	Level dollar, Closed
Amortization period	5 years	30 years
Actuarial asset valuation method	5-year smoothed	An expected actuarial value is determined equal to the prior year's actuarial value of assets plus cash flow (excluding realized and unrealized gains and losses) for the year ended on the valuation date and assuming a 7.5% interest return. Twenty percent (20%) of any (gain) loss is amortized over 5 years. The result is constrained to a value of 80% to 120% of the fair value at the valuation.
Investment rate of return	7.5%	7.5%
Projected salary increases	4.50% to 17% average, including inflation	3.5% to 9.0%
Cost of living increases (maximum)	Up to 1/2 of the increase of any adjustment to the base salary of a regular police officer, based on an increase in base salary.	Half of the dollar amount of a 3% assumed increase in base pay for firefighters with 20 years of service as of May 26, 1983. No COLA is assumed for members not eligible for this increase.
Inflation	3.0%	3.0%
Source of mortality assumptions	RP-2000 Blue Collar Healthy Combined table with fully generational improvement using scale AA.	RP-2000 Blue Collar Healthy Combined table with fully generational improvement using scale AA.
Experience study	Actuarial assumptions were based upon results of an experience study covering the period July 1, 2007 through June 30, 2012.	Actuarial assumptions were based upon results of an experience study covering the period July 1, 2007 through June 30, 2012.

**VII. B. 2. TREND INFORMATION**

	Police Pension					Firefighters Pension				
	Actuarially Determined Contribution	City Proportionate Share	City Contribution	% Contributed	State Contribution	Actuarially Determined Contribution	City Proportionate Share	City Contribution	% Contributed	State Contribution
2016	\$63,908	\$18,616	\$37,261	200.16%	\$35,490	\$142,495	\$40,825	\$38,876	95.23%	\$91,236
2015	90,283	26,327	35,547	135.02	31,329	162,103	47,123	36,104	76.62	79,545



Under Title 36-312.1 of the State of Oklahoma Statutes, 14% and 34% of taxes collected for insurance premium taxes is allocated and distributed to the Oklahoma Police Pension and Retirement System and the Oklahoma Firefighters Pension and Retirement System, respectively. This provides ear-marked state taxes to help with the financing burden for the police and fire plans. The expected employer contributions expected to be funded by the State are not considered in the calculations of the net pension asset/liability and related deferred inflows, deferred outflows and pension expense.

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 Firefighters Pension and Retirement System at 4545 N. Lincoln Blvd. Suite 265, Oklahoma City, OK 73105.

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

*Proportionate Share*

Police Pension

The Police Pension's net pension liability was allocated proportionately to the City of Oklahoma City based on the ratio of the City's actual contributions to the Police pension, relative to the total contributions of the Police pension for the fiscal year ended June 30, 2015. The City's portion for 2015 was 29.13% compared to 29.16% for 2014.

Firefighters Pension

The Firefighters Pension's net pension liability was allocated proportionately to the City of Oklahoma City based on the ratio of the City's actual contributions, relative to the total contributions for the fiscal year ended June 30, 2015. The City's portion for 2015 was 28.65% compared to 29.07% for 2014.

*Net Pension Asset (Liability)*

	Police Pension		Firefighters Pension	
	Total	Proportionate Share	Total	Proportionate Share
Total pension liability	(\$2,269,073)	(\$660,980)	(\$3,344,974)	(\$958,352)
Fiduciary net position	<u>2,264,996</u>	<u>659,793</u>	<u>2,283,566</u>	<u>654,242</u>
Net pension asset (liability)	<u><b>(\$4,077)</b></u>	<u><b>(\$1,187)</b></u>	<u><b>(\$1,061,408)</b></u>	<u><b>(\$304,110)</b></u>
Plan fiduciary net position as a percentage of the total pension liability	<b>99.82%</b>	<b>99.82%</b>	<b>68.27%</b>	<b>68.27%</b>

**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2016**

**CITY OF OKLAHOMA CITY, OKLAHOMA**

	Total Pension Liability (Proportionate Share)		Plan Fiduciary Net Position (Proportionate Share)		Net Pension Asset (Liability) (Proportionate Share)	
	<u>POLICE</u>	<u>FIRE</u>	<u>POLICE</u>	<u>FIRE</u>	<u>POLICE</u>	<u>FIRE</u>
	Beginning balance (1)	\$642,257	\$924,092	\$652,065	\$629,470	\$9,808
Service cost	15,902	17,548	-	-	(15,902)	(17,548)
Interest	47,814	68,661	-	-	(47,814)	(68,661)
Differences between expected and actual experience	(3,718)	351	-	-	3,718	(351)
Contributions - employer	-	-	10,854	11,138	10,854	11,138
Contributions - employee	-	-	6,661	6,965	6,661	6,965
Contributions - State of Oklahoma	-	-	10,338	26,139	10,338	26,139
Net investment income	-	-	21,718	33,411	21,718	33,411
Benefit payments, including refund	(41,275)	(52,300)	(41,275)	(52,300)	-	-
Administrative expense	-	-	(568)	(581)	(568)	(581)
	<b><u>\$660,980</u></b>	<b><u>\$958,352</u></b>	<b><u>\$659,793</u></b>	<b><u>\$654,242</u></b>	<b><u>(\$1,187)</u></b>	<b><u>(\$304,110)</u></b>

(1) Represents the beginning balance based on current year proportionate shares therefore, amounts will not equal amounts reported in required supplementary information for the prior year.

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

***Rate of Return***

**Police Pension**

The annual money-weighted rate of return on pension plan investments, net of pension plan investment expense was 3.36%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

**Firefighters Pension**

The annual money-weighted rate of return on pension plan investments, net of pension plan investment expense was 5.78%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

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

**Police Pension**

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation.

Firefighters Pension

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation.

Police Pension		Firefighters Pension	
	Long-term Expected Rate of Return		Long-term Expected Rate of Return
Fixed income	2.24%	Fixed income	5.13%
Domestic equity	4.87	Domestic equity	8.02
International equity	7.68	International equity	9.94
Real estate	5.47	Real estate	7.47
Private equity	5.80	Other assets	6.25
Commodities	2.96		
	<u>Target Allocation</u>		<u>Target Allocation</u>
US Large Cap Equity	15.00%	Equity	62.00%
Long/Short Equity	15.00	Fixed Income	20.00
Private Equity	10.00	Real Estate	18.00
US Small/Mid Cap Equity	5.00		
Emerging Markets Equity	5.00		
Int'l Developed Markets Equity	10.00		
Absolute Return	10.00		
Global Fixed Income	15.00		
Commodities	5.00		
Core Real Estate	5.00		
Opportunistic Real Estate	5.00		

**Discount Rate**

Police Pension

The discount rate used to measure the total pension liability was 7.50%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rate and that contributions from employers will be made at contractually required rates, determined by State statutes. Projected cash flows also assume the State of Oklahoma will continue contributing 14% of the insurance premium, as established by statute. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Firefighters Pension

The discount rate used to measure the total pension liability was 7.50%. The projection of cash flows used to determine the discount rate assumed that the Fund's contributions will continue to follow the current funding policy. Total covered employee payroll is assumed to grow at 4% per year. The total statewide insurance premium tax is assumed to grow at 3% per year. In addition, the allocation of the tax to the System is assumed to be 36% for the entire projection period. The Normal Cost Rate for future members is assumed to be 21.52% for all years. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members for all future years and hence, the blended GASB discount rate is equal to the long-term rate of return. Therefore, the long-term expected rate of return on pension plan investments of 7.50% was applied to all periods of projected benefit payments to determine the total pension liability. The long-term expected rate of return remained at 7.50% to reflect the expected asset allocation.

*Sensitivity of Net Pension Liability to Changes in the Discount Rate*

The following table presents the City's proportionate allocation of the total pension liability of the Police Pension and Firefighters Pension would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate and the resulting net pension asset (liability):

	Police Pension			Firefighters Pension		
	<u>Rate</u>	<u>Total Pension Liability</u>	<u>Net Pension Asset(Liability)</u>	<u>Rate</u>	<u>Total Pension Liability</u>	<u>Net Pension Asset(Liability)</u>
1% decrease	6.50%	\$731,162	(\$71,362)	6.50%	\$1,049,131	(\$394,855)
Current single discount rate	7.50%	660,980	(1,187)	7.50%	958,352	(304,110)
1% increase	8.50%	601,814	57,974	8.50%	882,278	(228,002)

**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, 2016, actual contributions by the City and plan participants were \$769 thousand and \$592 thousand, respectively.

These two plans include 97 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 43 participants. For fiscal year 2016, actual contributions by plan participants were \$50 thousand with a \$18 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, 2016, 4 employees were participating in the Plan. For fiscal year ending June 30, 2016, contributions made by MCA and participants were \$9 thousand and \$12 thousand, respectively. The annual financial report that includes financial statements and required supplementary information for the plan may be obtained from Nationwide Retirement Solutions, P.O. Box 182787, Columbus, Ohio 43218-2797.

#### **VII. D. DEFINED BENEFIT SINGLE EMPLOYER OPEB PLANS**

##### **VII. D. 1. PLAN DESCRIPTIONS, CONTRIBUTION INFORMATION, AND FUNDING POLICIES**

###### *Plan Descriptions*

The City provides post-employment benefits to employees in two single-employer, defined benefit OPEB plans. 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 age 65 and older and all MCA retirees are also not covered under the Plan.

Effective July 1, 2015, COTPA eligible retirees, and their eligible dependents under 65 years of age are covered under the City's health and welfare plans. City OPEB costs and obligations include these retirees. COTPA retirees over 65 years of age remain covered under COPTA OPEB.

###### **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 that is available for post 64 aged participants. The benefits, coverage levels, employee contributions and employer contributions are governed by COTPA and can be amended by COTPA through its personnel manual and union contracts.

*Funding Policies, Contribution Methods, and Benefit Provisions*

	City OPEB (All other retirees & COTPA retirees)	COTPA OPEB
Year established and governing authority	2008; City Council Ordinance	2009; COTPA Board Resolution
Determination of contribution requirements	City Policy	COTPA Policy
Contribution rates:		
Employer	56% of premium/Subsidy based on years of service	Subsidy based on years of service
Plan members	44% of premium/Remainder of unsubsidized premium costs	Remainder of unsubsidized premium costs
Funding of administrative costs	Investment earnings	Investment earnings
Period required to vest	5 years/10 years	10 years
Eligibility for distribution	<p>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 on or after age 55 with 5 years of service or at any age with 20 years of service. Firefighters with 20 years of service retiring before January 1, 2003, are eligible for membership. Participation may only be elected at the time of retirement.</p> <p>COTPA general employees under the age of 65 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.</p>	<p>COTPA general employees over the age of 65 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.</p>

**Funding Policies**

City OPEB

Beginning January 1, 2016, the employer contribution rate changed from 58% of premium to 56% of premium for retirees other than COTPA retirees under 65. For COTPA retirees under 65, 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 OPEB

For COTPA retirees over age 65, 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. Additional benefits for dental, life and vision are available with no subsidy from the City. Coverage for dependents can continue upon the death of the retiree. Spouses and eligible dependents of employees who die in active service while eligible for benefits can receive coverage. COTPA provides post-retirement healthcare benefits to its retirees. The Plan covers all current retirees who elected post-retirement medical coverage and future general employees. COTPA provides medical benefits through a fully insured health plan. Benefits include general inpatient and outpatient medical services and prescription drug coverage.

COTPA OPEB

For retirees over age 65, COTPA provides supplemental Medicare coverage through a fully insured health plan. Benefits include general inpatient and outpatient medical services and prescription drug coverage.

**Membership**

	<u>City OPEB (1)</u>	<u>COTPA OPEB</u>
Active members	3,563	178
Retirees and beneficiaries currently receiving benefits	<u>2,169</u>	<u>6</u>
	<u>5,732</u>	<u>184</u>

(1) City OPEB members include 178 COTPA active members and 3 retirees and beneficiaries currently receiving benefits.

**Annual Required Contributions - Actuarial Assumptions**

Provisions for:	<u>City OPEB</u>	<u>COTPA OPEB</u>
Disability benefits	Yes	No
Death benefits	Yes	No
Valuation date	7/1/2015	7/1/2015
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%	4.5%
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%	3.0%
Projected salary increase	3.0%	None
Health care trend rate	4.5% (4.5% for Medicare age)	N/A
Mortality table	RP 2000 combined mortality table projected to 2010 using scale AA	RP-2000 Fully Generational Combined Male and Female Mortality Table with projection scale AA

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, 2015, actuarial valuation, adjustments have been made to the AAL and normal cost for actual premium increases from 2014 to 2015, which increased the City's liabilities on a net basis as the reduction in pre-Medicare liabilities, is more than offset by the increase in Medicare liabilities.

**COTPA OPEB Actuarial Changes**

In the July 1, 2015, actuarial valuation, the discount rate for investments was increased to 4.5% from 4.0%. The inflation rate was changed to 3.0% from 2.5% in 2014. Additionally the mortality table was changed from the 1983 group annuity mortality table for males for 2014 to the RP-2000 fully generational combined male and female mortality table with projection scale AA for 2015.

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

*Annual OPEB Costs and Net OPEB Obligation*

	<u>City OPEB (1)</u>	<u>COTPA OPEB</u>
Annual required contribution	\$33,371	\$89
Interest on net OPEB obligation	6,855	14
Adjustment to annual required contribution	<u>(6,293)</u>	<u>(14)</u>
Annual OPEB cost	33,933	89
Contributions made	<u>(17,811)</u>	<u>(25)</u>
Increase in net OPEB obligation	16,122	64
Net OPEB obligation, beginning of year	<u>139,611</u>	<u>308</u>
<b>Net OPEB obligation, end of year</b>	<b><u>\$155,733</u></b>	<b><u>\$372</u></b>

(1) Includes net OPEB obligation reported in OCERS of \$53 thousand.

**Governmental Funds Net OPEB Obligation**

	General	Other Governmental	Total
	<u>Fund</u>	<u>Funds</u>	<u>Total</u>
Net OPEB Obligation	<u>\$93,475</u>	<u>\$25,062</u>	<u>\$118,537</u>

**Trend Information**

Fiscal Year <u>Ended</u>	<u>City OPEB</u>			
	Annual OPEB <u>Cost</u>	Employer <u>Contributions</u>	Percentage of Annual OPEB <u>Cost Contributed</u>	Net OPEB <u>Obligation</u>
2016	\$33,933	\$17,811	52.5%	\$155,733
2015	36,412	18,816	51.7	139,611
2014	34,407	19,619	57.0	122,015

*(continued)*



*Trend Information (continued)*

Fiscal Year Ended	COTPA OPEB			
	Annual OPEB Cost	Employer Contributions	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
2016	\$89	\$25	28.1%	\$372
2015	80	21	26.3	308
2014	74	39	52.7	250

**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**

	<u>City OPEB</u>	<u>COTPA OPEB</u>
Actuarial value of plan assets (AVA)	\$39,337	\$ -
Actuarial accrued liability (AAL)	440,232	899
Unfunded actuarial accrued liability (UAAL)	400,895	899
Funded ratio (AVA/AAL)	9%	0%
Covered payroll (active plan members)	219,484	9,275
UAAL as a percentage of covered payroll	182.7%	9.7%

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. OCPEBT financial statements may be obtained from Finance Department, Accounting Services Division, 100 N. Walker, Suite 300, Oklahoma City, OK 73102.

**VII. E. TERMINATION BENEFITS**

At June 30, 2016, the City's reporting entity had 3 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, 2016, include \$125.967 million for OCEAT solid waste management service contracts funded by charges to users; \$60.390 million for OCWUT wastewater treatment services funded by charges to users; \$4.662 million for operation of a City employee health clinic to be funded by OCMFA and OPEBT; \$1.100 million for natural gas purchases and supply management services to be funded by the OCPPA internal service fund; and \$24 thousand for service contracts related to Oklahoma River projects funded with OCRRA general revenues.

*Construction Commitments*

<b>Primary Government</b>	
<i>Governmental Activities</i>	
General government	\$883
Public safety:	
Police	490
Fire	4,660
Other	6,635
Public services	53,178
Culture and recreation	<u>56,248</u>
Total governmental activities	122,094
<i>Business-Type Activities</i>	
Fairgrounds	<u>1,780</u>
<b>Total primary government</b>	<b><u>\$123,874</u></b>
<b>Component Units</b>	
Airports	\$33,978
Education	811
Economic development	5,944
Water utilities	44,771
Transportation and parking	<u>752</u>
<b>Total component units</b>	<b><u>\$52,278</u></b>

Construction projects included in governmental activities are substantially funded with general obligation bond proceeds. Business-type activities, OCAT, OCWUT, and COTPA include construction funded with the proceeds of revenue bonds and user charges. Zoo improvements are substantially funded with the proceeds of revenue bonds and a continuing, dedicated sales tax. COTPA construction is also funded with federal grants and subsidies. Public school improvements are funded with a temporary dedicated sales tax. Economic development is funded by general obligation limited tax, tax apportionment revenue, as well as tax incremental financing.

**IX. CONTINGENCIES**

*Litigation*

The City is a party to various legal proceedings which normally occur in governmental operations. These legal proceedings are not likely to have a material adverse impact on the affected funds of the City. The City currently has approximately \$5.453 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, 2016, is approximately \$425 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, 2016, the City collected approximately \$151 thousand on behalf of the City-County Board. Of this amount, \$77 thousand is still payable at June 30, 2016.

*Civic Center Foundation*

CCF is a non-profit organization whose purpose is to enhance and support the Oklahoma City Civic Center. CCF entered into an amended and restated Civic Center Improvement and Support Agreement with OCPPA with a term of July 1, 2015 through June 30, 2040 for CCF to engage in fundraising activities and assist the City and OCPPA in planning and funding improvements and in facilitating activities and utilization of the Civic Center for the benefit of the public. At June 30, 2016, CCF had net assets of \$1.329 million. No distributions were received and all earnings were reinvested.

**XI. ENDOWMENTS**

*North Canadian/Oklahoma River Corridor Foundation Endowment Fund (ORFE)*

On December 13, 2004, OCRRA entered into an agreement with the Oklahoma City Community Foundation (OCCF) to establish the ORFE. The purpose of the ORFE is to support the public uses of the OCRRA leasehold. The ORFE was established with the net proceeds of the Downtown Oklahoma City, Inc. 2004 Holiday Boat Parade; however the ORFE may receive future donations and investment earnings. Distributions are recommended by an advisory committee composed of three members: the Chairman of OCRRA, or a designee; and two members separately appointed by the Foundation Trustees and the Mayor of Oklahoma City, respectively. All distributions from the Foundation are subject to the final approval of the Foundation Trustees.

As of June 30, 2016, the market value of the ORFE investment was \$803 thousand. The balance available to OCRRA at June 30, 2016, was \$5 thousand. To date no distributions have been approved and all earnings have been reinvested. Available amounts are not reflected in the City's financial statements.

*Oklahoma City Fire Department Project Life Activity Fund and Endowment Fund*

On July 1, 2014, the Oklahoma City Fire Department entered into an agreement with the OCCF to establish the OKC Fire Department Project Life Activity Fund (Fire Activity Fund) and the OKC Fire Department Project Life Endowment Fund (Fire Endowment Fund). The Fire Activity Fund receives annual earnings from the Fire Endowment Fund and other contributions which may be earmarked for the specific purposes such as purchase of smoke alarms and other equipment, support of fund-raising activities for the benefit of Project Life programs and programs that are beneficial to the quality of life for the citizens of Oklahoma City. The Fire Endowment Fund was initially established with the net proceeds of Project Life fundraisers and may receive the net proceeds from the International Association of Firefighters, Local 157 and other event sponsors for events held to promote the City of Oklahoma City Fire Department Project Life.

Distributions are approved by majority vote of an advisory committee composed of three members: the Chief of the Oklahoma City Fire Department, or a designee; and two members separately appointed by the Foundation Trustees and the Mayor of Oklahoma City, respectively. Any spendable amount not distributed will remain and be designated as spendable unless designated as permanent endowment at which time it is no longer available for distribution. As of June 30, 2016, the balance of the Fire Endowment Fund was \$23 thousand and the spendable balance of the Fire Activity Fund was \$1 thousand. Available amounts are not reflected in the City's financial statements.

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

OCMGF was established in 1981 to support the Myriad Botanical Gardens (Gardens), located in downtown Oklahoma City, by providing capital and operating funding, increasing public awareness and promoting the highest horticultural, educational and administrative standards. In July 2011, OCMGF assumed management and operations of the Gardens for the benefit of the City. At June 30, 2016, OCMGF had net assets of \$2.630 million.

OCMFG is the grantee recipient of distributions from two permanent endowments located at OCCF. Distributions are approved by the Executive Director with the authorization of the Myriad Board of Directors (Board). Estimated disbursements are included in the annual operating budget that is approved by the Board each year. At June 30, 2016, the spendable amounts from these endowments totaled \$6 thousand, however, no distributions were received and all earnings were reinvested. Available amounts are not reflected in the City's financial statements.

***The Oklahoma Zoological Society Zoo Friends (Zoo Friends)***

Zoo Friends was established in 1954 to support and promote the Oklahoma City Zoo (Zoo) and its four purposes of education, conservation, zoological research and recreation. Zoo Friends works in partnership with the Zoo in raising funds for special programs, exhibits, animal welfare, conservation initiatives locally and worldwide and research projects. A volunteer board of directors serves as the governing body for Zoo Friends. Zoo Friends has two permanent endowments for which the earnings are sent each year to the Zoo in the form of support. Distributions are approved by the Oklahoma Zoological Society (OZS) Board of Directors in accordance with approved policy.

One endowment, which is held at the OCCF, distributed earnings of \$43 thousand in 2016 to the Zoo as support for Zoo Fund for Kids and had a permanent endowment balance of \$413 thousand at June 30, 2016. A second endowment, held at the Communities Foundation of Oklahoma, distributed one thousand in earnings to the Zoo as support for animal enrichment and had a permanent endowment balance at June 30, 2016, of \$29 thousand. Available amounts are not reflected in the City's financial statements.

**XII. SUBSEQUENT EVENTS**

***Settlement Agreement***

On August 16, 2016, OCWUT, along with the OWRB, the State of Oklahoma and the City reached a settlement with the Choctaw and Chickasaw Nations related to water rights to Sardis Lake. The agreement set minimum lake levels which limited the amount of water OCWUT can draw from the lake. In addition, OCWUT agreed to provide an additional \$2.5 million for improvements at Lake Atoka and Sardis Lake.

## Required Supplementary Information





## ***Required Supplementary Information***

*Provides information mandated by the Governmental Accounting Standards Board designed to provide operational, economic, or historical context for the financial statements or the notes to the financial statements.*

### **Pension Plans**

- \* ***Defined Benefit Single Employer Plans*** – Reports information regarding the Oklahoma City Employee Retirement System (OCERS) and the Central Oklahoma Transportation and Parking Authority Retirement System (COTPR)
- \* ***Defined Benefit Cost Sharing Plans*** – Reports information regarding the Oklahoma Police Pension and Retirement System (Police Pension) and the Oklahoma Firefighters Pension and Retirement System (Firefighters Pension).

### **Other Post-Employment Benefit Plans**

*Reports information regarding the Oklahoma City Post-Employment Benefits Trust (OCPEBT) and the Central Oklahoma Transportation and Parking Authority Other Post-Employment Benefit Plan (COTPA OPEB)*

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

**CITY OF OKLAHOMA CITY, OKLAHOMA**

**I. SCHEDULE OF NET PENSION LIABILITY (ASSET)**

**I. A. SCHEDULE OF NET PENSION LIABILITY (ASSET) FOR SINGLE EMPLOYER PLANS (1)**

	2016		2015	
	OCERS	COTPR	OCERS	COTPR
<b>Total pension liability</b>				
Service cost	\$15,803	\$537	\$14,860	\$510
Interest	44,281	885	42,403	853
Changes of benefit terms	-	126	-	-
Differences between expected and actual experience	(4,745)	419	(4,485)	-
Changes of assumptions	-	(596)	-	-
Benefit payments, including refunds	(29,079)	(831)	(27,348)	(767)
Net change in total pension liability	26,260	540	25,430	596
Total pension liability, beginning	597,046	16,448	571,616	15,852
<b>Total pension liability, ending</b>	<b><u>\$623,306</u></b>	<b><u>\$16,988</u></b>	<b><u>\$597,046</u></b>	<b><u>\$16,448</u></b>
<b>Total fiduciary net position</b>				
Contributions - employer	\$8,207	\$518	\$8,872	\$506
Contributions - employee	7,668	413	7,422	429
Net investment income	25,207	225	94,658	1,644
Benefit payments, including refunds	(29,079)	(831)	(27,348)	(767)
Administrative expenses	(445)	(114)	(462)	(63)
Other	<u>148</u>	<u>-</u>	<u>95</u>	<u>(1)</u>
Net change in fiduciary net position	11,706	211	83,237	1,748
Total fiduciary net position, beginning	658,458	11,311	575,222	9,563
<b>Total fiduciary net position, ending</b>	<b><u>\$670,164</u></b>	<b><u>\$11,522</u></b>	<b><u>\$658,459</u></b>	<b><u>\$11,311</u></b>
Total net pension liability (asset)	(\$46,858)	\$5,466	(\$61,412)	\$5,137
Covered - employee payroll	127,806	9,557	124,957	9,458
Net pension liability as a percentage of covered - employee payroll	-36.66%	57.19%	-49.15%	54.31%
Plan fiduciary net position as a percentage of total pension liability	107.52%	67.82%	110.29%	68.77%
Valuation date	12/31/14	7/1/14	12/31/13	7/1/13
Actuarial cost method	Individual entry age	Individual entry age normal	Individual entry age	Individual entry age normal
Amortization method	Level % of payroll	Level dollar	Level % of payroll	Level dollar
Amortization period	28 years, closed	30 years, open	28 years, closed	30 years, open
Actuarial asset valuation method	4-year smoothed market	5-year smoothed market	4-year smoothed market	5-year smoothed market
Investment rate of return	7.50%	5.69%	7.50%	5.34%
Cost of living benefit increases (maximum)	2%	N/A	2%	N/A
Inflation	3.00%	2.3%	3.80%	2.5%
Projected salary increases	3.75% to 7.25%	N/A	3.75% to 7.25%	N/A
Mortality table	RP 2000 mortality table projected to 2010	1983 group annuity mortality tables, scale 355 withdrawal rates	RP 2000 mortality table projected to 2010	1983 group annuity mortality tables, scale 355 withdrawal rates
Experience study	Actuarial assumptions were based upon results of an experience study covering the period January 1, 2008, through December 31, 2012.	An experience study will be conducted in advance of the next fiscal year end.	Actuarial assumptions were based upon results of an experience study covering the period January 1, 2008, through December 31, 2012.	An experience study will be performed in advance of 2016 fiscal year end.

(1) This schedule is presented to illustrate the requirement to show information for 10 years. However, results for measurement years before June 30, 2014, are not available. This information will be developed prospectively beginning in 2014 until eventually 10 years of information is available.



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

**CITY OF OKLAHOMA CITY, OKLAHOMA**

**I. B. SCHEDULE OF PROPORTIONATE SHARES OF NET PENSION LIABILITY (ASSET) FOR COST SHARING PLANS (1)(2)**

	<b>2016</b>		<b>2015</b>	
	<u>Police Pension</u>	<u>Firefighters Pension</u>	<u>Police Pension</u>	<u>Firefighters Pension</u>
Proportionate Share	29.13%	28.65%	29.16%	29.07%
Proportionate share of the net pension liability (asset)	\$1,187	\$304,110	(\$9,818)	\$298,941
Proportionate share of the net pension liability (asset) of the State and other municipalities	<u>2,890</u>	<u>757,298</u>	<u>(23,851)</u>	<u>729,407</u>
<b>Total net pension liability (asset)</b>	<b><u>\$4,077</u></b>	<b><u>\$1,061,408</u></b>	<b><u>(\$33,669)</u></b>	<b><u>\$1,028,348</u></b>
Covered - employee payroll	\$86,023	\$77,509	\$84,419	\$78,946
Net pension liability as a percentage of covered - employee payroll	1.38%	25.00%	15.00%	26.00%
Plan fiduciary net position as a percentage of total pension liability	99.82%	68.27%	101.53%	68.12%

- (1) Amounts presented above represent the City's proportionate share presented in Note VII. B. DEFINED BENEFIT COST-SHARING, MULTIPLE-EMPLOYER PENSION PLANS  
(2) This schedule is presented to illustrate the requirement to show information for 10 years. However, results for measurement years before June 30, 2014, are not available. This information will be developed prospectively beginning in 2014 until eventually 10 years of information is available.

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

**CITY OF OKLAHOMA CITY, OKLAHOMA**

**II. SCHEDULE OF EMPLOYER CONTRIBUTIONS**

**II. A. SCHEDULE OF EMPLOYER CONTRIBUTIONS FOR SINGLE EMPLOYER PLANS**

**OCERS (1)**

<u>June 30,</u>	Actuarially Determined Contribution (ADC)	Contributions in Relation to ADC (2)	Contributions Deficiency (Excess)	Covered Payroll	Actual Contribution As a Percentage of Covered Payroll
2016 (3)	\$7,409	\$7,409	\$ -	\$126,036	6%
2015	8,231	8,207	24	127,806	6
2014	8,872	8,872	-	124,957	7
2013	11,320	11,320	-	114,933	10
2012	9,615	9,615	-	109,293	9
2011	7,133	7,133	-	102,915	7
2010	5,586	5,586	-	110,408	5
2009	5,464	5,464	-	105,566	5
2008	7,212	7,212	-	99,574	7
2007	8,479	8,479	-	95,504	9

(1) The amounts reported represent amounts paid and covered payroll for the fiscal year indicated.

(2) Contributions are deferred in the fiscal year reported and recognized in the financial statements in the subsequent year.

(3) The actuarially determined contribution for 2016 is estimated and may change upon receipt of the actuarial report.

**COTPR (1)**

<u>June 30,</u>	Actuarially Determined Contribution (ADC)	Contributions in Relation to ADC (2)	Contributions Deficiency (Excess)	Covered Payroll	Actual Contribution As a Percentage of Covered Payroll
2016	\$298	\$954	(\$656)	\$9,947	10%
2015	317	518	(201)	9,557	5
2014	333	506	(173)	9,458	5
2013	359	504	(145)	9,458	5
2012	380	499	(119)	6,930	7
2011	414	466	(52)	7,595	6
2010	419	471	(52)	7,150	7
2009	416	416	-	7,464	6
2008	327	327	-	6,700	5
2007	341	341	-	7,900	4

(1) The amounts reported represent amounts paid and covered payroll for the fiscal year indicated.

(2) Contributions are deferred in the fiscal year reported and recognized in the financial statements in the subsequent year.

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

**CITY OF OKLAHOMA CITY, OKLAHOMA**

**II. B. SCHEDULE OF EMPLOYER CONTRIBUTIONS FOR COST SHARING PLANS**

*Police Pension (1)*

<u>June 30,</u>	Contractually Required Contribution <u>(CRC) (2)</u>	Contributions in Relation to <u>CRC (3)</u>	Contributions Deficiency <u>(Excess)</u>	Covered <u>Payroll</u>	Actual Contribution As a Percentage of <u>Covered Payroll</u>
2016 (4)	\$10,870	\$10,870	\$ -	\$83,532	13%
2015	8,278	10,854	(2,576)	86,023	13
2014	17,191	10,366	6,825	84,419	12
2013	10,024	10,024	-	77,108	13
2012	9,689	9,689	-	74,531	13
2011	9,481	9,481	-	72,931	13
2010	9,319	9,319	-	71,685	13
2009	9,391	9,391	-	72,238	13
2008	9,441	9,441	-	72,623	13
2007	8,924	8,924	-	68,646	13

- (1) The amounts reported represent amounts paid and covered payroll for the fiscal year indicated.
- (2) Contractually required contribution amounts presented do not include amounts provided by the State of Oklahoma.
- (3) Contributions are deferred in the fiscal year reported and recognized in the financial statements in the subsequent year.
- (4) The contractually required contribution for 2016 is estimated and may change upon receipt of the actuarial report.

*Firefighters Pension (1)*

<u>June 30,</u>	Contractually Required Contribution <u>(CRC) (2)</u>	Contributions in Relation to <u>CRC (3)</u>	Contributions Deficiency <u>(Excess)</u>	Covered <u>Payroll</u>	Actual Contribution As a Percentage of <u>Covered Payroll</u>
2016 (4)	\$10,879	\$10,879	\$ -	\$77,705	14%
2015	14,686	11,138	3,548	77,509	14
2014	24,000	10,495	13,505	78,946	13
2013	10,024	10,024	-	77,108	13
2012	9,689	9,689	-	74,531	13
2011	9,481	9,481	-	72,931	13
2010	9,319	9,319	-	71,685	13
2009	9,391	9,391	-	72,238	13
2008	9,441	9,441	-	72,623	13
2007	8,924	8,924	-	68,646	13

- (1) The amounts reported represent amounts paid and covered payroll for the fiscal year indicated.
- (2) Contractually required contribution amounts presented do not include amounts provided by the State of Oklahoma.
- (3) Contributions are deferred in the fiscal year reported and recognized in the financial statements in the subsequent year.
- (4) The contractually required contribution for 2016 is estimated and may change upon receipt of the actuarial report.

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

**CITY OF OKLAHOMA CITY, OKLAHOMA**

**IV. 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>
7/1/15	\$39,337	\$440,232	\$400,895	9%	\$219,484	183%
7/1/14	34,028	474,681	440,653	7	213,091	207
7/1/13	26,316	451,029	424,713	6	203,860	208

*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>
7/1/15	\$ -	\$899	\$899	0%	\$9,275	10%
7/1/14	-	745	745	0	9,004	8
7/1/11	-	750	750	0	7,659	10

**V. SCHEDULE OF EMPLOYER CONTRIBUTIONS**

*City of Oklahoma City Post-employment Benefits Trust*

<u>Fiscal Year</u>	Employer <u>Contributions</u>	Annual Required <u>Contribution</u>	Percentage <u>Contributed</u>
2016	\$17,811	\$33,371	53%
2015	18,816	35,920	52
2014	19,619	33,976	58

*COTPA Other Post-employment Benefits*

<u>Fiscal Year</u>	Employer <u>Contributions</u>	Annual Required <u>Contribution</u>	Percentage <u>Contributed</u>
2016	\$25	\$89	28%
2015	21	86	24
2014	39	79	49

**VI. 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.
- \* ***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.

## Capital Projects Funds

- \* **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, 2016**  
(dollars are in thousands)

	Special Revenue Funds									
	Court				OCMFA					
	Emergency Management	Administration and Training	Police	Fire	Asset Forfeiture	Zoo	General Purpose	MAPS Operations	Special Purpose	Special Districts
<b>ASSETS</b>										
Pooled cash-----	\$36	\$50	\$854	\$645	\$102	\$-	\$3,895	\$406	\$248	\$60
Non-pooled cash-----	-	-	-	-	4	-	32	-	-	-
Investments-----	748	1,012	17,362	13,082	2,057	-	11,717	8,233	11,141	2,677
Sales and use taxes receivable-----	-	-	5,210	5,210	-	1,737	-	-	-	-
Accounts receivable-----	629	154	-	-	-	-	2,240	-	462	306
Interest, dividends, and royalties receivable-----	3	3	60	45	7	-	37	28	38	9
Due from other funds-----	-	18	44	-	-	-	277	-	-	-
Receivable from component units-----	-	-	-	-	-	-	-	-	-	-
Intergovernmental receivable-----	-	-	-	-	-	-	-	-	298	-
Prepays-----	-	-	20	60	118	-	352	-	-	-
Prepays, non-current-----	-	-	-	140	-	-	92	-	-	-
Advance to other funds-----	-	-	-	-	-	-	2,292	310	-	595
<b>Total assets-----</b>	<b>\$1,416</b>	<b>\$1,237</b>	<b>\$23,550</b>	<b>\$19,182</b>	<b>\$2,288</b>	<b>\$1,737</b>	<b>\$20,934</b>	<b>\$8,977</b>	<b>\$12,187</b>	<b>\$3,647</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>										
<b>LIABILITIES</b>										
Accounts payable and accrued expenses-----	\$-	\$145	\$98	\$154	\$71	\$-	\$239	\$54	\$662	\$1
Wages and benefits payable-----	220	-	1,010	699	4	-	-	15	-	-
Due to other funds-----	2	3	1,415	163	70	1,737	521	13	1,791	2,119
Payable to component units, current-----	-	-	-	-	-	-	-	-	51	-
Unearned revenue-----	-	-	-	4	-	-	2	-	2,641	-
Payable to component units, non-current-----	-	-	-	-	-	-	-	-	6,000	-
<b>Total liabilities-----</b>	<b>222</b>	<b>148</b>	<b>2,523</b>	<b>1,020</b>	<b>145</b>	<b>1,737</b>	<b>762</b>	<b>82</b>	<b>11,145</b>	<b>2,120</b>
<b>DEFERRED INFLOWS OF RESOURCES-----</b>	<b>1</b>	<b>1</b>	<b>20</b>	<b>15</b>	<b>2</b>	<b>-</b>	<b>1,951</b>	<b>9</b>	<b>401</b>	<b>251</b>
<b>FUND BALANCE</b>										
Non-spendable-----	-	-	20	200	118	-	444	110	-	-
Restricted-----	-	1,088	20,987	17,947	2,023	-	1,393	-	5,414	1,276
Committed-----	1,193	-	-	-	-	-	205	8,776	1,623	-
Assigned-----	-	-	-	-	-	-	16,179	-	-	-
Unassigned-----	-	-	-	-	-	-	-	-	(6,396)	-
<b>Total fund balances-----</b>	<b>1,193</b>	<b>1,088</b>	<b>21,007</b>	<b>18,147</b>	<b>2,141</b>	<b>-</b>	<b>18,221</b>	<b>8,886</b>	<b>641</b>	<b>1,276</b>
<b>Total liabilities, deferred inflows of resources and fund balances-----</b>	<b>\$1,416</b>	<b>\$1,237</b>	<b>\$23,550</b>	<b>\$19,182</b>	<b>\$2,288</b>	<b>\$1,737</b>	<b>\$20,934</b>	<b>\$8,977</b>	<b>\$12,187</b>	<b>\$3,647</b>

**CITY OF OKLAHOMA CITY, OKLAHOMA**

Special Revenue Funds			Capital Projects Funds									Total
Tax			Capital	Street	Metropolitan	Police/Fire	City and	City and	Sports	Sports	MAPS3	Non-Major
Incremental	Medical	Hotel/	Improvement	and	Projects	Equipment	Schools	Schools	Facilities	Facilities	Use Tax	Governmental
Financing	Services	Motel Tax		Alley	Tax	Sales Tax	Sales Tax	Use Tax	Sales Tax	Use Tax	Use Tax	Funds
\$7	\$215	\$372	\$1,998	\$17	\$-	\$233	\$18	\$167	\$18	\$27	\$1,804	\$11,172
948	-	-	-	-	-	-	-	-	-	-	-	984
146	4,361	7,609	40,464	347	566	4,718	372	3,387	358	539	36,545	167,441
634	-	-	-	-	-	-	-	-	-	-	1,587	14,378
-	342	1,400	-	-	1	-	5	1	4	-	-	5,544
-	15	26	139	-	-	16	1	12	-	2	126	567
-	21	-	7,985	-	-	126	-	-	-	-	-	8,471
-	-	-	155	-	-	-	-	-	-	-	-	155
634	-	-	472	-	-	-	-	-	-	-	-	1,404
-	-	-	16	-	-	9	-	2	-	-	-	577
-	-	-	31	-	-	-	-	2	-	-	-	265
-	-	-	-	-	-	-	-	2,011	-	-	-	5,208
<b>\$2,369</b>	<b>\$4,954</b>	<b>\$9,407</b>	<b>\$51,260</b>	<b>\$364</b>	<b>\$567</b>	<b>\$5,102</b>	<b>\$396</b>	<b>\$5,582</b>	<b>\$380</b>	<b>\$568</b>	<b>\$40,062</b>	<b>\$216,166</b>
\$-	\$410	\$309	\$4,258	\$-	\$-	\$122	\$-	\$-	\$-	\$-	\$364	\$6,887
-	-	-	-	-	-	-	13	-	-	-	50	2,011
-	14	1,000	312	-	-	16	1	-	-	3	9	9,189
2,367	-	-	1,914	-	-	-	-	-	-	-	-	4,332
-	-	-	-	-	-	-	-	-	-	-	-	2,647
-	-	-	-	-	-	-	-	-	-	-	-	6,000
2,367	424	1,309	6,484	-	-	138	14	-	-	3	423	31,066
634	36	41	46	-	-	5	-	4	-	1	41	3,459
-	-	-	425	-	-	9	-	1,675	-	-	-	3,001
-	-	8,057	-	364	567	4,950	382	-	380	-	-	64,828
-	4,494	-	-	-	-	-	-	-	-	-	39,598	55,889
-	-	-	44,305	-	-	-	-	3,903	-	564	-	64,951
(632)	-	-	-	-	-	-	-	-	-	-	-	(7,028)
(632)	4,494	8,057	44,730	364	567	4,959	382	5,578	380	564	39,598	181,641
<b>\$2,369</b>	<b>\$4,954</b>	<b>\$9,407</b>	<b>\$51,260</b>	<b>\$364</b>	<b>\$567</b>	<b>\$5,102</b>	<b>\$396</b>	<b>\$5,582</b>	<b>\$380</b>	<b>\$568</b>	<b>\$40,062</b>	<b>\$216,166</b>

**COMBINING STATEMENT OF REVENUES,  
EXPENDITURES, AND CHANGES IN FUND BALANCES  
NON-MAJOR GOVERNMENTAL FUNDS**

**For the Year Ended June 30, 2016**

**(dollars are in thousands)**

	Special Revenue Funds									
	Court				Asset		OCMFA			
	Emergency Management	Administration and Training	Police	Fire	Forfeiture	Zoo	General Purpose	MAPS Operations	Special Purpose	Special Districts
<b>REVENUES</b>										
Sales taxes-----	\$ -	\$ -	\$39,938	\$39,938	\$ -	\$13,313	\$ -	\$ -	\$ -	\$ -
Use taxes-----	-	-	-	-	-	-	-	-	-	-
Hotel/Motel taxes-----	-	-	-	-	-	-	-	-	-	-
Emergency telephone taxes-----	4,518	-	-	-	-	-	-	-	-	-
Licenses and permits-----	329	1,900	-	-	-	-	118	-	274	-
Oil and gas royalties-----	-	-	-	-	-	-	227	-	-	-
Fines and forfeitures-----	-	1	-	-	-	-	1,336	-	-	-
Investment income-----	8	8	140	95	17	1	320	63	169	10
Charges for services-----	-	-	-	-	-	-	-	-	-	2,431
Rental income-----	-	-	-	12	-	-	5	-	11	-
Payments from component units--	-	-	-	-	-	-	-	-	-	-
Intergovernmental programs-----	-	-	-	-	1,116	-	-	-	347	-
Capital revenue	-	-	-	-	-	-	-	-	1,185	-
Other-----	-	-	-	-	263	-	11	-	2,460	-
<b>Total revenues-----</b>	<b>4,855</b>	<b>1,909</b>	<b>40,078</b>	<b>40,045</b>	<b>1,396</b>	<b>13,314</b>	<b>2,017</b>	<b>63</b>	<b>4,446</b>	<b>2,441</b>
General government-----	-	-	-	-	-	-	2,426	-	5	-
Police-----	-	-	41,201	-	-	-	-	-	36	-
Fire-----	-	-	-	37,710	-	-	-	-	-	-
Other-----	7,883	1,831	-	-	1,003	-	847	-	-	-
Public services-----	-	-	-	-	-	-	2,087	-	862	2,805
Culture and recreation-----	-	-	-	-	-	-	-	603	164	-
Education-----	-	-	-	-	-	-	-	-	-	-
Economic development-----	-	-	-	-	-	-	-	-	6	-
Capital outlay-----	-	8	1,191	359	206	-	127	173	4,352	-
<b>Total expenditures-----</b>	<b>7,883</b>	<b>1,839</b>	<b>42,392</b>	<b>38,069</b>	<b>1,209</b>	<b>-</b>	<b>5,487</b>	<b>776</b>	<b>5,425</b>	<b>2,805</b>
<b>Excess (deficiency) of revenues over (under) expenditures-----</b>	<b>(3,028)</b>	<b>70</b>	<b>(2,314)</b>	<b>1,976</b>	<b>187</b>	<b>13,314</b>	<b>(3,470)</b>	<b>(713)</b>	<b>(979)</b>	<b>(364)</b>
<b>OTHER FINANCING SOURCES (USES)</b>										
Transfers from other funds-----	2,988	-	-	1	-	-	4,195	710	5,071	343
Transfers to other funds-----	-	-	-	-	(100)	(13,314)	(354)	-	(5,312)	(2)
Sale of assets-----	-	-	15	15	16	-	1	-	15	-
<b>Net other financing sources (uses)-----</b>	<b>2,988</b>	<b>-</b>	<b>15</b>	<b>16</b>	<b>(84)</b>	<b>(13,314)</b>	<b>3,842</b>	<b>710</b>	<b>(226)</b>	<b>341</b>
<b>Net change in fund balances-----</b>	<b>(40)</b>	<b>70</b>	<b>(2,299)</b>	<b>1,992</b>	<b>103</b>	<b>-</b>	<b>372</b>	<b>(3)</b>	<b>(1,205)</b>	<b>(23)</b>
<b>FUND BALANCES</b>										
Fund balances, beginning-----	1,233	1,018	23,306	16,155	2,038	-	17,849	8,889	1,846	1,299
<b>Fund balances, ending-----</b>	<b>\$1,193</b>	<b>\$1,088</b>	<b>\$21,007</b>	<b>\$18,147</b>	<b>\$2,141</b>	<b>\$ -</b>	<b>\$18,221</b>	<b>\$8,886</b>	<b>\$641</b>	<b>\$1,276</b>

CITY OF OKLAHOMA CITY, OKLAHOMA

Special Revenue Funds			Capital Projects Funds									Total
Incremental	Medical	Hotel/	Capital	Street	Metropolitan	Police/Fire	City and	City and	Sports	Sports	MAPS3	Non-Major
Financing	Services	Motel Tax	Improvement	and	Projects	Equipment	Schools	Schools	Facilities	Facilities	Use Tax	Governmental
				Alley	Tax	Sales Tax	Sales Tax	Use Tax	Sales Tax	Use Tax	Use Tax	Funds
\$634	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$93,823
-	-	-	-	-	-	-	-	-	-	-	10,807	10,807
-	-	14,587	-	-	-	-	-	-	-	-	-	14,587
-	-	-	-	-	-	-	-	-	-	-	-	4,518
-	6,835	-	-	-	-	-	-	-	-	-	-	9,456
-	-	-	-	-	-	-	-	-	-	-	-	227
-	-	-	-	-	-	-	-	-	-	-	-	1,337
-	26	52	370	3	1	43	5	109	2	4	305	1,751
-	-	-	-	-	-	-	-	-	-	-	-	2,431
-	-	-	-	-	-	-	-	-	-	-	-	28
12	-	-	2,489	-	-	-	74	-	-	-	-	2,575
656	-	-	197	122	-	-	-	-	-	-	-	2,438
-	-	-	23	-	-	-	-	-	-	-	-	1,208
-	-	-	1,021	-	7	5	223	28	50	15	-	4,083
<b>1,302</b>	<b>6,861</b>	<b>14,639</b>	<b>4,100</b>	<b>125</b>	<b>8</b>	<b>48</b>	<b>302</b>	<b>137</b>	<b>52</b>	<b>19</b>	<b>11,112</b>	<b>149,269</b>
-	-	-	-	-	-	-	-	-	-	-	-	2,431
-	-	-	-	-	-	-	-	-	-	-	-	41,237
-	-	-	-	-	-	-	-	-	-	-	-	37,710
-	4,037	-	-	-	-	169	-	-	-	-	-	15,770
-	-	-	8,983	30	-	-	-	347	-	-	-	15,114
-	-	6,662	-	-	-	-	-	-	-	3	4,080	11,512
-	-	-	-	-	-	-	699	-	-	-	-	699
1,280	-	-	-	-	-	-	-	-	-	-	-	1,286
-	1,155	-	10,954	51	-	1,716	-	18	-	-	9,493	29,803
<b>1,280</b>	<b>5,192</b>	<b>6,662</b>	<b>19,937</b>	<b>81</b>	<b>-</b>	<b>1,885</b>	<b>699</b>	<b>365</b>	<b>-</b>	<b>3</b>	<b>13,573</b>	<b>155,562</b>
<b>22</b>	<b>1,669</b>	<b>7,977</b>	<b>(15,837)</b>	<b>44</b>	<b>8</b>	<b>(1,837)</b>	<b>(397)</b>	<b>(228)</b>	<b>52</b>	<b>16</b>	<b>(2,461)</b>	<b>(6,293)</b>
-	-	-	18,074	-	-	-	-	-	-	-	-	31,382
-	-	(7,960)	(81)	-	-	-	-	-	-	-	-	(27,123)
-	10	-	230	3	-	75	-	119	-	-	-	499
<b>-</b>	<b>10</b>	<b>(7,960)</b>	<b>18,223</b>	<b>3</b>	<b>-</b>	<b>75</b>	<b>-</b>	<b>119</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4,758</b>
<b>22</b>	<b>1,679</b>	<b>17</b>	<b>2,386</b>	<b>47</b>	<b>8</b>	<b>(1,762)</b>	<b>(397)</b>	<b>(109)</b>	<b>52</b>	<b>16</b>	<b>(2,461)</b>	<b>(1,535)</b>
(654)	2,815	8,040	42,344	317	559	6,721	779	5,687	328	548	42,059	183,176
<b>(\$632)</b>	<b>\$4,494</b>	<b>\$8,057</b>	<b>\$44,730</b>	<b>\$364</b>	<b>\$567</b>	<b>\$4,959</b>	<b>\$382</b>	<b>\$5,578</b>	<b>\$380</b>	<b>\$564</b>	<b>\$39,598</b>	<b>\$181,641</b>

**SCHEDULE OF REVENUES, EXPENDITURES,  
ENCUMBRANCES, AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
For the Year Ended June 30, 2016  
(dollars are in thousands)**

**CITY OF OKLAHOMA CITY, OKLAHOMA**

	<b>Debt Service Fund</b>					
	<b>Original</b>		<b>Revised</b>		<b>Total</b>	
	<b>Budget</b>	<b>Revisions</b>	<b>Budget</b>	<b>Expenditures</b>	<b>Actual</b>	<b>Variance</b>
<b>REVENUES</b>						
Property taxes-----	\$81,967	\$2,440	\$84,407		\$83,820	(\$587)
Investment income-----	300	300	600		1,287	687
<b>OTHER REVENUE</b>						
Other revenue-----	5,000	1,000	6,000		325	(5,675)
<b>Total revenues -----</b>	<b>87,267</b>	<b>3,740</b>	<b>91,007</b>		<b>85,432</b>	<b>(5,575)</b>
<b>EXPENDITURES</b>						
Redemption of debt-----	106,893	5,234	112,127	\$56,689	56,689	55,438
Interest-----	-	-	-	28,226	28,226	(28,226)
Bond issue cost-----	-	-	-	274	274	(274)
<b>Total expenditures-----</b>	<b>106,893</b>	<b>5,234</b>	<b>112,127</b>	<b>\$85,189</b>	<b>85,189</b>	<b>26,938</b>
<b>Excess (deficiency) of revenues over (under) expenditures-----</b>	<b>(19,626)</b>	<b>(1,494)</b>	<b>(21,120)</b>		<b>243</b>	<b>21,363</b>
<b>OTHER FINANCING SOURCES</b>						
Premium on sale of bonds-----	-	-	-		5,558	5,558
Proceeds from sale of bonds-----	-	-	-		17	17
Total other financing sources-----	-	-	-		5,575	5,575
<b>Excess (deficiency) of revenues and other sources over expenditures and other uses-----</b>	<b>(19,626)</b>	<b>(1,494)</b>	<b>(21,120)</b>		<b>5,818</b>	<b>26,938</b>
<b>FUND BALANCE (NON-GAAP BUDGETARY BASIS)</b>						
<b>BEGINNING FUND BALANCE</b>						
Appropriated for current year budget-----	19,626	1,494	21,120		21,120	-
Not appropriated-----	-	-	-		75,509	75,509
Beginning fund balance-----	19,626	1,494	21,120		96,629	75,509
<b>ENDING FUND BALANCE</b>						
Before encumbrances-----	-	-	-		102,447	102,447
<b>Ending fund balance-----</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>		<b>102,447</b>	<b>\$102,447</b>
<b>RECONCILIATION OF FUND BALANCE NON-GAAP BUDGETARY BASIS TO GENERALLY ACCEPTED ACCOUNTING PRINCIPLES</b>						
Revenue and transfer accruals-----					707	
Expenditure and transfer accruals-----					(5,350)	
<b>Fund balance, ending-----</b>					<b>\$97,804</b>	



**SCHEDULE OF REVENUES, EXPENDITURES,  
ENCUMBRANCES, AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
For the Year Ended June 30, 2016  
(dollars are in thousands)**

**CITY OF OKLAHOMA CITY, OKLAHOMA**

	Emergency Management Fund				Total Actual	Variance
	Original Budget	Revisions	Revised Budget	Expenditures		
<b>REVENUES</b>						
<b>TAXES</b>						
Emergency telephone taxes-----	\$4,591	\$ -	\$4,591		\$4,299	(\$292)
<b>LICENSES, PERMITS AND FEES</b>						
Other fees-----	240	-	240		329	89
Investment income-----	6	-	6		7	1
<b>Total revenues -----</b>	<b>4,837</b>	<b>-</b>	<b>4,837</b>		<b>4,635</b>	<b>(202)</b>
<b>EXPENDITURES</b>						
<b>PUBLIC SAFETY</b>						
Police:						
Personal services-----	6,096	-	6,096	\$5,792	5,792	304
Other services and charges-----	2,362	-	2,362	2,087	2,087	275
Supplies-----	7	-	7	4	4	3
<b>Total expenditures-----</b>	<b>8,465</b>	<b>-</b>	<b>8,465</b>	<b>\$7,883</b>	<b>7,883</b>	<b>582</b>
<b>Excess (deficiency) of revenues over (under) expenditures-----</b>	<b>(3,628)</b>	<b>-</b>	<b>(3,628)</b>		<b>(3,248)</b>	<b>380</b>
<b>OTHER FINANCING SOURCES (USES)</b>						
<b>TRANSFERS FROM OTHER FUNDS</b>						
General Fund-----	3,245	-	3,245		2,988	(257)
<b>Excess (deficiency) of revenues and other sources over expenditures-----</b>	<b>(383)</b>	<b>-</b>	<b>(383)</b>		<b>(260)</b>	<b>123</b>
<b>FUND BALANCE (NON-GAAP BUDGETARY BASIS)</b>						
<b>BEGINNING FUND BALANCE</b>						
Appropriated for current year budget-----	383	-	383		383	-
Not appropriated-----	-	-	-		442	442
Beginning fund balance-----	383	-	383		825	442
<b>ENDING FUND BALANCE</b>						
<b>Ending fund balance-----</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>		<b>565</b>	<b>\$565</b>
<b>RECONCILIATION OF FUND BALANCE NON-GAAP BUDGETARY BASIS TO GENERALLY ACCEPTED ACCOUNTING PRINCIPLES</b>						
Revenue and transfer accruals-----					628	
<b>Fund balance, ending-----</b>					<b>\$1,193</b>	

**SCHEDULE OF REVENUES, EXPENDITURES,  
ENCUMBRANCES, AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**

**CITY OF OKLAHOMA CITY, OKLAHOMA**

**For the Year Ended June 30, 2016**

**(dollars are in thousands)**

	<b>Court Administration and Training Fund</b>						<b>Total Actual</b>	<b>Variance</b>
	<b>Original Budget</b>	<b>Revisions</b>	<b>Revised Budget</b>	<b>Expenditures</b>	<b>Encumbrances</b>			
<b>REVENUES</b>								
<b>LICENSES, PERMITS AND FEES</b>								
CLEET fees (1)-----	\$765	\$ -	\$765			\$697	(\$68)	
AFIS fees (2)-----	538	-	538			490	(48)	
Training fees-----	201	-	201			184	(17)	
Forensic fees-----	519	-	519			473	(46)	
Other police fees-----	57	-	57			51	(6)	
Other fees-----	24	-	24			25	1	
Investment income-----	8	-	8			8	-	
<b>Total revenues</b> -----	<b>2,112</b>	<b>-</b>	<b>2,112</b>			<b>1,928</b>	<b>(184)</b>	
<b>EXPENDITURES</b>								
<b>GENERAL GOVERNMENT</b>								
Municipal counselor:								
Other services and charges-----	8	3	11	\$7	\$ -	7	4	
Supplies-----	2	2	4	-	-	-	4	
<b>PUBLIC SAFETY</b>								
Municipal courts:								
Other services and charges-----	1,890	-	1,890	1,734	-	1,734	156	
Supplies-----	28	-	28	-	-	-	28	
Police:								
Other services and charges-----	167	18	185	131	1	132	53	
Supplies-----	119	37	156	58	3	61	95	
<b>Total expenditures</b> -----	<b>2,214</b>	<b>60</b>	<b>2,274</b>	<b>1,930</b>	<b>4</b>	<b>1,934</b>	<b>340</b>	
<b>PRIOR YEAR ENCUMBRANCES</b>								
Related to prior year budgets (3)-----	-	-	-	(55)	-	(55)	55	
Related to current year budgets-----	-	-	-	-	(4)	(4)	4	
<b>Net expenditures and encumbrances</b> -----	<b>2,214</b>	<b>60</b>	<b>2,274</b>	<b>\$1,875</b>	<b>\$ -</b>	<b>1,875</b>	<b>399</b>	
<b>Excess (deficiency) of revenues over (under) expenditures</b> -----	<b>(102)</b>	<b>(60)</b>	<b>(162)</b>			<b>53</b>	<b>215</b>	
<b>FUND BALANCE (NON-GAAP BUDGETARY BASIS)</b>								
<b>BEGINNING FUND BALANCE</b>								
Appropriated for current year budget-----	102	5	107			107	-	
Reappropriated for prior year encumbrances-----	-	55	55			55	-	
Not appropriated-----	-	-	-			778	778	
Beginning fund balance-----	102	60	162			940	778	
<b>ENDING FUND BALANCE</b>								
Before encumbrances-----	-	-	-			993	993	
Less: current year encumbrances-----	-	-	-			(4)	(4)	
<b>Ending fund balance</b> -----	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>			<b>989</b>	<b>\$989</b>	

**RECONCILIATION OF FUND BALANCE NON-GAAP BUDGETARY BASIS TO  
GENERALLY ACCEPTED ACCOUNTING PRINCIPLES**

Current year encumbrances included in expenditures-----	4
Revenue and transfer accruals-----	163
Expenditure and transfer accruals-----	(68)
<b>Fund balance, ending</b> -----	<b>\$1,088</b>

- (1) "CLEET" is the acronym for Council on Law Enforcement, Education, and Training.
- (2) "AFIS" is the acronym for Automated Fingerprint Identification System
- (3) Expenditures paid against prior year encumbrances are reported with current year expenditures in the schedule shown. Prior year encumbrances reduce beginning budgetary fund balance. Therefore, prior year encumbrances are subtracted from current year expenditures to appropriately report the amount of beginning fund balance.

**SCHEDULE OF REVENUES, EXPENDITURES,  
ENCUMBRANCES, AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
For the Year Ended June 30, 2016  
(dollars are in thousands)**

**CITY OF OKLAHOMA CITY, OKLAHOMA**

	<b>Police Fund</b>						
	<b>Original Budget</b>	<b>Revisions</b>	<b>Revised Budget</b>	<b>Expenditures</b>	<b>Encumbrances</b>	<b>Total Actual</b>	<b>Variance</b>
<b>REVENUES</b>							
<b>TAXES</b>							
Sales taxes-----	\$41,998	\$ -	\$41,998			\$40,235	(\$1,763)
Investment income-----	73	-	73			30	(43)
<b>OTHER REVENUE</b>							
Other revenue-----	189	-	189			388	199
<b>Total revenues -----</b>	<b>42,260</b>	<b>-</b>	<b>42,260</b>			<b>40,653</b>	<b>(1,607)</b>
<b>EXPENDITURES</b>							
<b>PUBLIC SAFETY</b>							
Police:							
Personal services-----	34,628	560	35,188	\$35,164	\$ -	35,164	24
Other services and charges-----	5,582	(527)	5,055	2,555	32	2,587	2,468
Supplies-----	2,171	81	2,252	1,513	386	1,899	353
<b>Total expenditures-----</b>	<b>42,381</b>	<b>114</b>	<b>42,495</b>	<b>39,232</b>	<b>418</b>	<b>39,650</b>	<b>2,845</b>
<b>PRIOR YEAR ENCUMBRANCES</b>							
Related to prior year budgets (1)-----	-	-	-	(114)	-	(114)	114
Related to current year budgets-----	-	-	-	-	(418)	(418)	418
<b>Net expenditures and encumbrances-----</b>	<b>42,381</b>	<b>114</b>	<b>42,495</b>	<b>\$39,118</b>	<b>\$ -</b>	<b>39,118</b>	<b>3,377</b>
<b>Excess (deficiency) of revenues over (under) expenditures-----</b>	<b>(121)</b>	<b>(114)</b>	<b>(235)</b>			<b>1,535</b>	<b>1,770</b>
<b>OTHER FINANCING SOURCES (USES)</b>							
<b>TRANSFERS TO OTHER FUNDS</b>							
Public safety:							
Police Fund (project length activity) (2)----	(406)	-	(406)			(406)	-
<b>Excess (deficiency) of revenues over expenditures and other uses-----</b>	<b>(527)</b>	<b>(114)</b>	<b>(641)</b>			<b>1,129</b>	<b>1,770</b>
<b>FUND BALANCE (NON-GAAP BUDGETARY BASIS)</b>							
<b>BEGINNING FUND BALANCE</b>							
Appropriated for current year budget-----	527	-	527			527	-
Reappropriated for prior year encumbrances----	-	114	114			114	-
Not appropriated-----	-	-	-			10,073	10,073
Beginning fund balance-----	527	114	641			10,714	10,073
<b>ENDING FUND BALANCE</b>							
Before encumbrances-----	-	-	-			11,843	11,843
Less: current year encumbrances-----	-	-	-			(418)	(418)
<b>Ending fund balance-----</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>			<b>11,425</b>	<b>\$11,425</b>
<b>RECONCILIATION OF FUND BALANCE NON-GAAP BUDGETARY BASIS TO GENERALLY ACCEPTED ACCOUNTING PRINCIPLES</b>							
Current year encumbrances included in expenditures-----						418	
Revenue and transfer accruals-----						5,621	
Expenditure and transfer accruals-----						(397)	
Project length budgeted activity-----						3,940	
<b>Fund balance, ending-----</b>						<b>\$21,007</b>	

- (1) Expenditures paid against prior year encumbrances are reported with current year expenditures in the schedule shown. Prior year encumbrances reduce beginning budgetary fund balance. Therefore, prior year encumbrances are subtracted from current year expenditures to appropriately report the amount of beginning fund balance.
- (2) 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, 2016  
(dollars are in thousands)**

**CITY OF OKLAHOMA CITY, OKLAHOMA**

	<b>Fire Fund</b>						
	<u>Original</u>		<u>Revised</u>			<u>Total</u>	
	<u>Budget</u>	<u>Revisions</u>	<u>Budget</u>	<u>Expenditures</u>	<u>Encumbrances</u>	<u>Actual</u>	<u>Variance</u>
<b><u>REVENUES</u></b>							
<b><u>TAXES</u></b>							
Sales taxes-----	\$41,998	\$ -	\$41,998			\$40,265	(\$1,733)
Investment income-----	69	-	69			97	28
<b><u>OTHER REVENUE</u></b>							
Rental income-----	12	-	12			12	-
Other revenue-----	2	-	2			41	39
<b>Total revenues -----</b>	<b>42,081</b>	<b>-</b>	<b>42,081</b>			<b>40,415</b>	<b>(1,666)</b>
<b><u>EXPENDITURES</u></b>							
<b><u>PUBLIC SAFETY</u></b>							
Fire:							
Personal services-----	35,178	-	35,178	\$33,949	\$ -	33,949	1,229
Other services and charges-----	4,312	(285)	4,027	1,504	73	1,577	2,450
Supplies-----	1,800	638	2,438	2,234	106	2,340	98
Capital outlay-----	3,345	341	3,686	414	-	414	3,272
<b>Total expenditures-----</b>	<b>44,635</b>	<b>694</b>	<b>45,329</b>	<b>38,101</b>	<b>179</b>	<b>38,280</b>	<b>7,049</b>
<b><u>PRIOR YEAR ENCUMBRANCES</u></b>							
Related to prior year budgets (1)-----	-	-	-	(694)	-	(694)	694
Related to current year budgets-----	-	-	-	-	(179)	(179)	179
<b>Net expenditures and encumbrances-----</b>	<b>44,635</b>	<b>694</b>	<b>45,329</b>	<b>\$37,407</b>	<b>\$ -</b>	<b>37,407</b>	<b>7,922</b>
<b>Excess (deficiency) of revenues over (under) expenditures-----</b>	<b>(2,554)</b>	<b>(694)</b>	<b>(3,248)</b>			<b>3,008</b>	<b>6,256</b>
<b><u>OTHER FINANCING SOURCES (USES)</u></b>							
<b><u>OTHER FINANCING SOURCES</u></b>							
Sales of assets-----	-	-	-			15	15
<b>Excess (deficiency) of revenues and other sources over expenditures and other uses-----</b>	<b>(2,554)</b>	<b>(694)</b>	<b>(3,248)</b>			<b>3,023</b>	<b>6,271</b>
<b><u>FUND BALANCE (NON-GAAP BUDGETARY BASIS)</u></b>							
<b><u>BEGINNING FUND BALANCE</u></b>							
Appropriated for current year budget-----	2,554	-	2,554			2,554	-
Reappropriated for prior year encumbrances-----	-	694	694			694	-
Not appropriated-----	-	-	-			6,572	6,572
<b>Beginning fund balance-----</b>	<b>2,554</b>	<b>694</b>	<b>3,248</b>			<b>9,820</b>	<b>6,572</b>
<b><u>ENDING FUND BALANCE</u></b>							
Before encumbrances-----	-	-	-			12,843	12,843
Less: current year encumbrances-----	-	-	-			(179)	(179)
<b>Ending fund balance-----</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>			<b>12,664</b>	<b>\$12,664</b>
<b><u>RECONCILIATION OF FUND BALANCE NON-GAAP BUDGETARY BASIS TO GENERALLY ACCEPTED ACCOUNTING PRINCIPLES</u></b>							
Current year encumbrances included in expenditures-----						179	
Revenue and transfer accruals-----						5,189	
Expenditure and transfer accruals-----						115	
<b>Fund balance, ending-----</b>						<b>\$18,147</b>	

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

**SCHEDULE OF REVENUES, EXPENDITURES,  
ENCUMBRANCES, AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
For the Year Ended June 30, 2016  
(dollars are in thousands)**

**CITY OF OKLAHOMA CITY, OKLAHOMA**

	<b>Asset Forfeiture Fund</b>						
	<b>Original Budget</b>	<b>Revisions</b>	<b>Revised Budget</b>	<b>Expenditures</b>	<b>Encumbrances</b>	<b>Total Actual</b>	<b>Variance</b>
<b>REVENUES</b>							
Investment income-----	\$26	\$ -	\$26			\$17	(\$9)
Charges for services-----	1,123	-	1,123			1,116	(7)
<b>OTHER REVENUE</b>							
Other revenue-----	-	-	-			17	17
<b>Total revenues -----</b>	<b>1,149</b>	<b>-</b>	<b>1,149</b>			<b>1,150</b>	<b>1</b>
<b>EXPENDITURES</b>							
<b>PUBLIC SAFETY</b>							
Police:							
Personal services-----	\$130	102	232	\$205	\$ -	205	27
Other services and charges-----	809	(16)	793	347	18	365	428
Supplies-----	1,406	68	1,474	323	150	473	1,001
Capital outlay-----	200	-	200	97	-	97	103
<b>Total expenditures-----</b>	<b>2,545</b>	<b>154</b>	<b>2,699</b>	<b>972</b>	<b>168</b>	<b>1,140</b>	<b>1,559</b>
<b>PRIOR YEAR ENCUMBRANCES</b>							
Related to prior year budgets (1)-----	-	-	-	(154)	-	(154)	154
Related to current year budgets-----	-	-	-	-	(168)	(168)	168
<b>Net expenditures and encumbrances-----</b>	<b>2,545</b>	<b>154</b>	<b>2,699</b>	<b>\$818</b>	<b>\$ -</b>	<b>818</b>	<b>1,881</b>
<b>Excess (deficiency) of revenues over (under) expenditures-----</b>	<b>(1,396)</b>	<b>(154)</b>	<b>(1,550)</b>			<b>332</b>	<b>1,882</b>
<b>OTHER FINANCING SOURCES (USES)</b>							
<b>TRANSFERS TO OTHER FUNDS</b>							
Public services:							
OCMFA General Purpose Fund-----	(75)	-	(75)			(75)	-
Special Purpose Fund-----	(25)	-	(25)			(25)	-
<b>OTHER FINANCING SOURCES</b>							
Sales of assets-----	-	-	-			16	16
<b>Excess (deficiency) of revenues over expenditures and other uses-----</b>	<b>(1,496)</b>	<b>(154)</b>	<b>(1,650)</b>			<b>248</b>	<b>1,898</b>
<b>FUND BALANCE (NON-GAAP BUDGETARY BASIS)</b>							
<b>BEGINNING FUND BALANCE</b>							
Appropriated for current year budget-----	1,496	-	1,496			1,496	-
Reappropriated for prior year encumbrances-----	-	154	154			154	-
Not appropriated-----	-	-	-			126	126
Beginning fund balance-----	1,496	154	1,650			1,776	126
<b>ENDING FUND BALANCE</b>							
Before encumbrances-----	-	-	-			2,024	2,024
Less: current year encumbrances-----	-	-	-			(168)	(168)
<b>Ending fund balance-----</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>			<b>1,856</b>	<b>\$1,856</b>
<b>RECONCILIATION OF FUND BALANCE NON-GAAP BUDGETARY BASIS TO GENERALLY ACCEPTED ACCOUNTING PRINCIPLES</b>							
Current year encumbrances included in expenditures-----						168	
Revenue and transfer accruals-----						(2)	
Expenditure and transfer accruals-----						119	
<b>Fund balance, ending-----</b>						<b>\$2,141</b>	

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

**SCHEDULE OF REVENUES, EXPENDITURES  
ENCUMBRANCES, AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
For the Year Ended June 30, 2016  
(dollars are in thousands)**

**CITY OF OKLAHOMA CITY, OKLAHOMA**

	<b>Zoo Fund</b>				
	<b>Original Budget</b>	<b>Revisions</b>	<b>Revised Budget</b>	<b>Total Actual</b>	<b>Variance</b>
<b><u>REVENUES</u></b>					
<b><u>TAXES</u></b>					
Sales taxes-----	\$13,999	\$ -	\$13,999	\$13,422	(\$577)
<b>Total revenues</b> -----	<b>13,999</b>	<b>-</b>	<b>13,999</b>	<b>13,422</b>	<b>(577)</b>
<b>Excess of revenues over expenditures</b> -----	<b>13,999</b>	<b>-</b>	<b>13,999</b>	<b>13,422</b>	<b>(577)</b>
<b><u>OTHER FINANCING SOURCES (USES)</u></b>					
<b><u>TRANSFERS TO OTHER FUNDS</u></b>					
Culture and recreation:					
OCZT-----	(14,279)	-	(14,279)	(13,441)	838
<b>Excess (deficiency) of revenues over expenditures and other uses</b> -----	<b>(280)</b>	<b>-</b>	<b>(280)</b>	<b>(19)</b>	<b>261</b>
<b><u>FUND BALANCE (NON-GAAP BUDGETARY BASIS)</u></b>					
<b><u>BEGINNING FUND BALANCE</u></b>					
Appropriated for current year budget-----	280	-	280	280	-
Not appropriated-----	-	-	-	(261)	(261)
Beginning fund balance-----	280	-	280	19	(261)
<b>ENDING FUND BALANCE</b>					
<b>Ending fund balance</b> -----	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>-</b>	<b>\$ -</b>
<b><u>RECONCILIATION OF FUND BALANCE NON-GAAP BUDGETARY BASIS TO GENERALLY ACCEPTED ACCOUNTING PRINCIPLES</u></b>					
Revenue and transfer accruals-----				1,737	
Expenditure and transfer accruals-----				(1,737)	
<b>Fund balance, ending</b> -----				<b>\$ -</b>	

**SCHEDULE OF REVENUES, EXPENDITURES  
ENCUMBRANCES, AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
For the Year Ended June 30, 2016  
(dollars are in thousands)**

**CITY OF OKLAHOMA CITY, OKLAHOMA**

	MAPS Operations Fund				Total Actual	Variance
	Original Budget	Revisions	Revised Budget	Expenditures		
<b>REVENUES</b>						
Investment income-----	\$46	\$ -	\$46		\$35	(\$11)
<b>Total revenues</b> -----	<b>46</b>	<b>-</b>	<b>46</b>		<b>35</b>	<b>(11)</b>
<b>EXPENDITURES</b>						
<b>CULTURE AND RECREATION</b>						
Parks:						
Personal services-----	546	-	546	\$422	422	124
Capital outlay-----	300	159	459	173	173	286
<b>Total expenditures</b> -----	<b>846</b>	<b>159</b>	<b>1,005</b>	<b>595</b>	<b>595</b>	<b>410</b>
<b>PRIOR YEAR ENCUMBRANCES</b>						
Related to prior year budgets (1)-----	-	-	-	(159)	(159)	159
<b>Net expenditures and encumbrances</b> -----	<b>846</b>	<b>159</b>	<b>1,005</b>	<b>\$436</b>	<b>436</b>	<b>569</b>
<b>Deficiency of revenues under expenditures</b> -----	<b>(800)</b>	<b>(159)</b>	<b>(959)</b>		<b>(401)</b>	<b>558</b>
<b>OTHER FINANCING SOURCES (USES)</b>						
<b>TRANSFERS FROM OTHER FUNDS</b>						
MAPS Operations Fund (project length activity) (2)----	(671)	-	(671)		(671)	-
OCPA General Purpose Fund-----	-	-	-		400	400
<b>Excess (deficiency) of revenues and other sources over expenditures and other uses</b> -----	<b>(1,471)</b>	<b>(159)</b>	<b>(1,630)</b>		<b>(672)</b>	<b>958</b>
<b>FUND BALANCE (NON-GAAP BUDGETARY BASIS)</b>						
<b>BEGINNING FUND BALANCE</b>						
Appropriated for current year budget-----	1,471	-	1,471		1,471	-
Reappropriated for prior year encumbrances-----	-	159	159		159	-
Not appropriated-----	-	-	-		3,682	3,682
<b>Beginning fund balance</b> -----	<b>1,471</b>	<b>159</b>	<b>1,630</b>		<b>5,312</b>	<b>3,682</b>
<b>ENDING FUND BALANCE</b>						
Before encumbrances-----	-	-	-		4,640	4,640
<b>Ending fund balance</b> -----	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>		<b>4,640</b>	<b>\$4,640</b>
<b>RECONCILIATION OF FUND BALANCE NON-GAAP BUDGETARY BASIS TO GENERALLY ACCEPTED ACCOUNTING PRINCIPLES</b>						
Revenue and transfer accruals-----					306	
Project length budgeted activity-----					3,940	
<b>Fund balance, ending</b> -----					<b>\$8,886</b>	

- (1) Expenditures paid against prior year encumbrances are reported with current year expenditures in the schedule shown. Prior year encumbrances reduce beginning budgetary fund balance. Therefore, prior year encumbrances are subtracted from current year expenditures to appropriately report the amount of beginning fund balance.
- (2) 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, 2016  
(dollars are in thousands)**

**CITY OF OKLAHOMA CITY, OKLAHOMA**

	Special Purpose Fund						Total Actual	Variance
	Original Budget	Revisions	Revised Budget	Expenditures	Encumbrances			
<b>REVENUES</b>								
<b>LICENSES, PERMITS AND FEES</b>								
Other fees-----	\$65	\$ -	\$65			\$174	\$109	
Investment income-----	-	-	-			1	\$1	
<b>OTHER REVENUE</b>								
Other revenue-----	208	-	208			-	(208)	
<b>Total revenues</b> -----	<b>273</b>	<b>-</b>	<b>273</b>			<b>175</b>	<b>(98)</b>	
<b>EXPENDITURES</b>								
<b>PUBLIC SERVICES</b>								
Development services:								
Personal services-----	16	-	16	9	-	9	7	
Other services and charges-----	216	-	216	123	3	126	90	
Supplies-----	3	-	3	-	-	-	3	
Planning:								
Other services and charges-----	130	-	130	55	-	55	75	
<b>CULTURE AND RECREATION</b>								
<b>Total expenditures</b> -----	<b>365</b>	<b>-</b>	<b>365</b>	<b>187</b>	<b>3</b>	<b>190</b>	<b>175</b>	
<b>PRIOR YEAR ENCUMBRANCES</b>								
Related to current year budgets-----	-	-	-	-	(3)	(3)	3	
<b>Net expenditures and encumbrances</b> -----	<b>365</b>	<b>-</b>	<b>365</b>	<b>\$187</b>	<b>\$ -</b>	<b>187</b>	<b>178</b>	
<b>Excess (deficiency) of revenues over (under) expenditures</b> -----	<b>(92)</b>	<b>-</b>	<b>(92)</b>			<b>(12)</b>	<b>80</b>	
<b>OTHER FINANCING SOURCES (USES)</b>								
<b>TRANSFERS TO OTHER FUNDS</b>								
General government:								
General Fund-----	-	-	-			(2)	(2)	
<b>Excess (deficiency) of revenues over expenditures and other uses</b> -----	<b>(92)</b>	<b>-</b>	<b>(92)</b>			<b>(14)</b>	<b>78</b>	
<b>FUND BALANCE (NON-GAAP BUDGETARY BASIS)</b>								
<b>BEGINNING FUND BALANCE</b>								
Appropriated for current year budget-----	85	-	85			85	-	
Reappropriated for prior year encumbrances-----	7	-	7			7	-	
Not appropriated-----	-	-	-			(8)	(8)	
Beginning fund balance-----	92	-	92			84	(8)	
<b>ENDING FUND BALANCE</b>								
Before encumbrances-----	-	-	-			70	70	
Less: current year encumbrances-----	-	-	-			(3)	(3)	
<b>Ending fund balance</b> -----	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>			<b>67</b>	<b>\$67</b>	
<b>RECONCILIATION OF FUND BALANCE NON-GAAP BUDGETARY BASIS TO GENERALLY ACCEPTED ACCOUNTING PRINCIPLES</b>								
Current year encumbrances included in expenditures-----						3		
Project length budgeted activity-----						571		
<b>Fund balance, ending</b> -----						<b>\$641</b>		



**SCHEDULE OF REVENUES, EXPENDITURES  
ENCUMBRANCES, AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
For the Year Ended June 30, 2016  
(dollars are in thousands)**

**CITY OF OKLAHOMA CITY, OKLAHOMA**

	Special Districts Fund				Total Actual	Variance
	Original Budget	Revisions	Revised Budget	Expenditures		
<b>REVENUES</b>						
Investment income-----	\$26	\$ -	\$26		\$8	(\$18)
Charges for services-----	2,281	201	2,482		2,679	197
<b>OTHER REVENUE</b>						
Other revenue-----	248	1	249		-	(249)
<b>Total revenues -----</b>	<b>2,555</b>	<b>202</b>	<b>2,757</b>		<b>2,687</b>	<b>(70)</b>
<b>EXPENDITURES</b>						
<b>GENERAL GOVERNMENT</b>						
Non-departmental:						
Other services and charges-----	28	13	41	\$20	20	21
<b>CULTURE AND RECREATION</b>						
<b>Total expenditures and encumbrances-----</b>	<b>28</b>	<b>13</b>	<b>41</b>	<b>\$20</b>	<b>20</b>	<b>21</b>
<b>Excess of revenues over expenditures-----</b>	<b>2,527</b>	<b>189</b>	<b>2,716</b>		<b>2,667</b>	<b>(49)</b>
<b>OTHER FINANCING SOURCES (USES)</b>						
<b>TRANSFERS FROM OTHER FUNDS</b>						
General Fund-----	-	-	-		(2)	(2)
<b>TRANSFERS TO OTHER FUNDS</b>						
Public services:						
OCPPA General Purpose Fund-----	(2,527)	(189)	(2,716)		(2,585)	131
<b>Excess (deficiency) of revenues over expenditures and other uses-----</b>	<b>-</b>	<b>-</b>	<b>-</b>		<b>80</b>	<b>80</b>
<b>FUND BALANCE (NON-GAAP BUDGETARY BASIS)</b>						
<b>BEGINNING FUND BALANCE</b>						
Not appropriated-----	-	-	-		790	790
Beginning fund balance-----	-	-	-		790	790
<b>ENDING FUND BALANCE</b>						
Before encumbrances-----	-	-	-		870	870
<b>Ending fund balance-----</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>		<b>870</b>	<b>\$870</b>
<b>RECONCILIATION OF FUND BALANCE NON-GAAP BUDGETARY BASIS TO GENERALLY ACCEPTED ACCOUNTING PRINCIPLES</b>						
Revenue and transfer accruals-----					1,921	
Expenditure and transfer accruals-----					(1,515)	
<b>Fund balance, ending-----</b>					<b>\$1,276</b>	

**SCHEDULE OF REVENUES, EXPENDITURES  
ENCUMBRANCES, AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
For the Year Ended June 30, 2016  
(dollars are in thousands)**

**CITY OF OKLAHOMA CITY, OKLAHOMA**

	<b>Medical Services Fund</b>						
	<b>Original Budget</b>	<b>Revisions</b>	<b>Revised Budget</b>	<b>Expenditures</b>	<b>Encumbrances</b>	<b>Total Actual</b>	<b>Variance</b>
<b>REVENUES</b>							
Investment income-----	\$13	\$ -	\$13			\$28	\$15
Charges for services-----	6,840	-	6,840			6,843	3
Other revenue-----	-	-	-			10	10
<b>Total revenues -----</b>	<b>6,853</b>	<b>-</b>	<b>6,853</b>			<b>6,881</b>	<b>28</b>
<b>EXPENDITURES</b>							
<b>GENERAL GOVERNMENT</b>							
Non-departmental:							
Other services and charges-----	6,853	(2,732)	4,121	\$3,664	\$410	4,074	47
Capital outlay-----	-	2,732	2,732	1,113	-	1,113	1,619
<b>CULTURE AND RECREATION</b>							
<b>Total expenditures-----</b>	<b>6,853</b>	<b>-</b>	<b>6,853</b>	<b>4,777</b>	<b>410</b>	<b>5,187</b>	<b>1,666</b>
<b>PRIOR YEAR ENCUMBRANCES</b>							
Related to current year budgets-----	-	-	-	-	(410)	(410)	410
<b>Net expenditures and encumbrances-----</b>	<b>6,853</b>	<b>-</b>	<b>6,853</b>	<b>\$4,777</b>	<b>\$-</b>	<b>4,777</b>	<b>2,076</b>
<b>Excess of revenues over expenditures----</b>	<b>-</b>	<b>-</b>	<b>-</b>			<b>2,104</b>	<b>2,104</b>
<b>FUND BALANCE (NON-GAAP BUDGETARY BASIS)</b>							
<b>BEGINNING FUND BALANCE</b>							
Not appropriated-----	-	-	-			2,478	2,478
Beginning fund balance-----	-	-	-			2,478	2,478
<b>ENDING FUND BALANCE</b>							
Before encumbrances-----	-	-	-			4,582	4,582
Less: current year encumbrances-----	-	-	-			(410)	(410)
<b>Ending fund balance-----</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>			<b>4,172</b>	<b>\$4,172</b>
<b>RECONCILIATION OF FUND BALANCE NON-GAAP BUDGETARY BASIS TO GENERALLY ACCEPTED ACCOUNTING PRINCIPLES</b>							
Current year encumbrances included in expenditures-----						410	
Revenue and transfer accruals-----						327	
Expenditure and transfer accruals-----						(415)	
<b>Fund balance, ending-----</b>						<b>\$4,494</b>	

**SCHEDULE OF REVENUES, EXPENDITURES  
ENCUMBRANCES, AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
For the Year Ended June 30, 2016  
(dollars are in thousands)**

**CITY OF OKLAHOMA CITY, OKLAHOMA**

	<b>Hotel/Motel Tax Fund</b>				<b>Total Actual</b>	<b>Variance</b>
	<b>Original Budget</b>	<b>Revisions</b>	<b>Revised Budget</b>	<b>Expenditures</b>		
<b><u>REVENUES</u></b>						
<b><u>TAXES</u></b>						
Sales taxes-----	\$14,178	\$ -	\$14,178		\$14,617	\$439
Investment income-----	60	-	60		51	(9)
<b>Total revenues -----</b>	<b>14,238</b>	<b>-</b>	<b>14,238</b>		<b>14,668</b>	<b>430</b>
<b><u>EXPENDITURES</u></b>						
<b><u>GENERAL GOVERNMENT</u></b>						
Non-departmental:						
Other services and charges-----	6,680	86	6,766	\$6,662	6,662	104
<b>Total expenditures-----</b>	<b>6,680</b>	<b>86</b>	<b>6,766</b>	<b>\$6,662</b>	<b>6,662</b>	<b>104</b>
<b>Excess (deficiency) of revenues over (under) expenditures-----</b>	<b>7,558</b>	<b>(86)</b>	<b>7,472</b>		<b>8,006</b>	<b>534</b>
<b><u>OTHER FINANCING SOURCES (USES)</u></b>						
<b><u>TRANSFERS FROM OTHER FUNDS</u></b>						
OCPA Fairgrounds Fund-----	6,053	946	6,999		6,357	(642)
<b><u>TRANSFERS TO OTHER FUNDS</u></b>						
Culture and recreation:						
OCPA Fairgrounds Fund-----	(13,664)	(860)	(14,524)		(14,318)	206
Total culture and recreation-----	(13,664)	(860)	(14,524)		(14,318)	206
Total other financing sources (uses)-----	(7,611)	86	(7,525)		(7,961)	(436)
<b>Excess (deficiency) of revenues over expenditures and other uses-----</b>	<b>(53)</b>	<b>-</b>	<b>(53)</b>		<b>45</b>	<b>98</b>
<b><u>FUND BALANCE (NON-GAAP BUDGETARY BASIS)</u></b>						
<b><u>BEGINNING FUND BALANCE</u></b>						
Appropriated for current year budget-----	53	-	53		53	-
Not appropriated-----	-	-	-		6,601	6,601
Beginning fund balance-----	53	-	53		6,654	6,601
Before encumbrances-----	-	-	-		6,699	6,699
<b>Ending fund balance-----</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>		<b>6,699</b>	<b>\$6,699</b>
<b><u>RECONCILIATION OF FUND BALANCE NON-GAAP BUDGETARY BASIS TO GENERALLY ACCEPTED ACCOUNTING PRINCIPLES</u></b>						
Revenue and transfer accruals-----					1,358	
<b>Fund balance, ending-----</b>					<b>\$8,057</b>	

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## Non-Major Enterprise Funds





## ***Non-Major Enterprise Funds***

*Enterprise funds are used to account for operations that are financed and operated in a manner similar to private business enterprises.*

- \* ***Airports Fund*** – *Accounts for airport related operating activity including Will Rogers World Airport, Wiley Post Airport, and Clarence E. Page Airport.*
- \* ***Solid Waste Management Fund*** – *Accounts for activity related to solid waste management and disposal.*
- \* ***Stormwater Drainage Fund*** – *Accounts for the stormwater drainage utility established to address Federal mandates governing National Pollution Discharge Elimination System programs. The purpose of the utility is to provide for the development and operation of a stormwater drainage system.*
- \* ***Transportation Fund*** – *Accounts for operating activities relating to the City's ground transportation system other than bus drivers and mechanics.*
- \* ***Parking Fund*** – *Accounts for operating activities relating to the City's parking system.*

**COMBINING STATEMENT OF FUND NET POSITION  
NON-MAJOR ENTERPRISE FUNDS**

**CITY OF OKLAHOMA CITY, OKLAHOMA**

**June 30, 2016**

**(dollars are in thousands)**

	<u>Airports</u>	<u>Solid Waste Management</u>	<u>Stormwater Drainage</u>	<u>Transportation</u>	<u>Parking</u>	<u>Total Non-Major Enterprise Funds</u>
<b>ASSETS</b>						
<b>CURRENT ASSETS</b>						
Pooled cash-----	\$94	\$75	\$701	\$8	\$4	\$882
Investments-----	1,915	1,515	14,251	155	69	17,905
Accounts receivable, net-----	8	-	1,587	-	-	1,595
Interest, dividends, and royalties receivable-----	7	5	48	1	-	61
Due from other funds-----	-	15	224	-	-	239
Receivable from component units-----	-	-	3	-	-	3
Inventories-----	1,034	-	55	-	6	1,095
<b>Total current assets-----</b>	<b>3,058</b>	<b>1,610</b>	<b>16,869</b>	<b>164</b>	<b>79</b>	<b>21,780</b>
<b>NON-CURRENT ASSETS</b>						
Advance from other funds-----	-	1,831	-	-	-	1,831
Receivable from component units-----	98	-	-	528	75	701
Net pension asset-----	2,277	1,790	1,856	412	89	6,424
Capital assets:						
Land, art, and construction in progress-----	16,115	-	3,340	-	-	19,455
Other capital assets, net of accumulated depreciation-----	2,140	-	38,887	-	-	41,027
Capital assets, net-----	18,255	-	42,227	-	-	60,482
<b>Total non-current assets-----</b>	<b>20,630</b>	<b>3,621</b>	<b>44,083</b>	<b>940</b>	<b>164</b>	<b>69,438</b>
<b>Total assets-----</b>	<b>23,688</b>	<b>5,231</b>	<b>60,952</b>	<b>1,104</b>	<b>243</b>	<b>91,218</b>
<b>DEFERRED OUTFLOWS OF RESOURCES-----</b>	<b>360</b>	<b>283</b>	<b>293</b>	<b>65</b>	<b>14</b>	<b>1,015</b>
<b>LIABILITIES</b>						
<b>CURRENT LIABILITIES</b>						
Accounts payable and accrued expenses-----	-	60	537	-	14	611
Wages and benefits payable-----	392	298	303	79	12	1,084
Due to other funds-----	20	98	168	-	47	333
Payable to component units-----	-	-	4	-	-	4
Interest payable-----	-	-	1	-	-	1
Compensated absences-----	563	443	388	95	13	1,502
Lease obligations payable-----	-	-	26	-	-	26
<b>Total current liabilities-----</b>	<b>975</b>	<b>899</b>	<b>1,427</b>	<b>174</b>	<b>86</b>	<b>3,561</b>
<b>NON-CURRENT LIABILITIES</b>						
Compensated absences-----	1,058	913	662	263	31	2,927
Notes, lease obligations, and estimated claims payable-----	-	-	393	-	-	393
Net other post-employment benefit obligation-----	2,815	2,958	1,809	561	103	8,246
<b>Total non-current liabilities-----</b>	<b>3,873</b>	<b>3,871</b>	<b>2,864</b>	<b>824</b>	<b>134</b>	<b>11,566</b>
<b>Total liabilities-----</b>	<b>4,848</b>	<b>4,770</b>	<b>4,291</b>	<b>998</b>	<b>220</b>	<b>15,127</b>
<b>DEFERRED INFLOWS OF RESOURCES-----</b>	<b>946</b>	<b>744</b>	<b>771</b>	<b>171</b>	<b>37</b>	<b>2,669</b>
<b>NET POSITION (DEFICIT)</b>						
Net investment in capital assets-----	18,254	-	41,586	-	-	59,840
Unrestricted-----	-	-	14,597	-	-	14,597
<b>Total net position (deficit)-----</b>	<b>\$18,254</b>	<b>\$ -</b>	<b>\$56,183</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$74,437</b>



**COMBINING STATEMENT OF REVENUES,  
EXPENSES, AND CHANGES IN FUND NET POSITION  
NON-MAJOR ENTERPRISE FUNDS  
For the Year Ended June 30, 2016  
(dollars are in thousands)**

**CITY OF OKLAHOMA CITY, OKLAHOMA**

	<u>Airports</u>	<u>Solid Waste Management</u>	<u>Stormwater Drainage</u>	<u>Transportation</u>	<u>Parking</u>	<u>Total Non-Major Enterprise Funds</u>
<b><u>OPERATING REVENUES</u></b>						
<b><u>CHARGES FOR SERVICES</u></b>						
Drainage charges-----	\$ -	\$ -	\$17,069	\$ -	\$ -	\$17,069
Other charges-----	-	-	59	-	-	59
Total charges for services-----	-	-	17,128	-	-	17,128
Payments from component units-----	-	-	-	151	23	174
Other-----	-	-	165	-	-	165
<b>Total operating revenues-----</b>	<b>-</b>	<b>-</b>	<b>17,293</b>	<b>151</b>	<b>23</b>	<b>17,467</b>
<b><u>OPERATING EXPENSES</u></b>						
Personal services-----	10,263	-	8,048	1,976	325	20,612
Maintenance, operations, and contractual services-----	5,058	-	4,494	374	102	10,028
Materials and supplies-----	428	-	743	-	31	1,202
Depreciation-----	485	-	3,617	-	-	4,102
<b>Total operating expenses-----</b>	<b>16,234</b>	<b>-</b>	<b>16,902</b>	<b>2,350</b>	<b>458</b>	<b>35,944</b>
<b>Operating income (loss)-----</b>	<b>(16,234)</b>	<b>-</b>	<b>391</b>	<b>(2,199)</b>	<b>(435)</b>	<b>(18,477)</b>
<b><u>NON-OPERATING REVENUE (EXPENSES)</u></b>						
Investment income-----	21	-	99	2	2	124
Interest on torts, bonds, notes, commercial paper, and lease obligations-----	-	-	(15)	-	-	(15)
Payments from component units-----	16,228	-	-	2,197	139	18,564
Other revenue-----	137	-	(69)	-	-	68
<b>Net non-operating revenue-----</b>	<b>16,386</b>	<b>-</b>	<b>15</b>	<b>2,199</b>	<b>141</b>	<b>18,741</b>
<b>Income (loss) before transfers-----</b>	<b>152</b>	<b>-</b>	<b>406</b>	<b>-</b>	<b>(294)</b>	<b>264</b>
<b><u>TRANSFERS</u></b>						
Transfers from other funds-----	-	-	-	-	294	294
Transfers to other funds-----	-	-	(71)	-	-	(71)
<b>Total transfers-----</b>	<b>-</b>	<b>-</b>	<b>(71)</b>	<b>-</b>	<b>294</b>	<b>223</b>
<b>Changes in net position (deficit)-----</b>	<b>152</b>	<b>-</b>	<b>335</b>	<b>-</b>	<b>-</b>	<b>487</b>
<b><u>NET POSITION (DEFICIT)</u></b>						
Total net assets, beginning-----	18,102	-	55,848	-	-	73,950
<b>Total net position (deficit), ending-----</b>	<b>\$18,254</b>	<b>\$ -</b>	<b>\$56,183</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$74,437</b>

**COMBINING STATEMENT OF CASH FLOWS**  
**NON-MAJOR ENTERPRISE FUNDS**  
**For the Year Ended June 30, 2016**  
**(dollars are in thousands)**

**CITY OF OKLAHOMA CITY, OKLAHOMA**

	<u>Airports</u>	<u>Solid Waste Management</u>	<u>Stormwater Drainage</u>	<u>Transportation</u>	<u>Parking</u>	<u>Non-Major Enterprise Funds</u>
<b><u>CASH FLOWS FROM OPERATING ACTIVITIES</u></b>						
Cash received from customers-----	\$ -	\$ -	\$17,364	\$ -	\$ -	\$17,364
Cash payments to suppliers for goods and services-----	(5,629)	(444)	(2,094)	(327)	(104)	(8,598)
Cash payments to employees and professional contractors for services-----	(10,228)	(8,334)	(8,223)	(1,840)	(316)	(28,941)
Cash payments for internal services-----	-	(1,164)	(1,975)	-	(16)	(3,155)
Operating payments from component units-----	15,828	-	-	-	-	15,828
Operating payments to component units-----	-	-	(855)	-	-	(855)
Cost reimbursements from (to) other funds-----	-	9,830	-	2,292	100	12,222
<b>Net cash provided (used) by operating activities-----</b>	<b>(29)</b>	<b>(112)</b>	<b>4,217</b>	<b>125</b>	<b>(336)</b>	<b>3,865</b>
<b><u>CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES</u></b>						
Transfers received from other funds-----	-	17	-	-	341	358
Transfers paid to other funds-----	-	-	(4)	-	-	(4)
<b>Net cash provided (used) by non-capital financing activities-----</b>	<b>-</b>	<b>17</b>	<b>(4)</b>	<b>-</b>	<b>341</b>	<b>354</b>
<b><u>CASH FLOWS FROM CAPITAL AND CAPITAL RELATED FINANCING ACTIVITIES</u></b>						
Payments for acquisition and construction of capital assets-----	(496)	-	-	-	-	(496)
Principal paid on long-term debt-----	-	-	(733)	-	-	(733)
Interest paid on long-term debt-----	-	-	(26)	-	-	(26)
Payments to defease bonds-----	-	-	(10)	-	-	(10)
Proceeds from sale of assets-----	137	-	3	-	-	140
<b>Net cash used by capital and related financing activities-----</b>	<b>(359)</b>	<b>-</b>	<b>(766)</b>	<b>-</b>	<b>-</b>	<b>(1,125)</b>
<b><u>CASH FLOWS FROM INVESTING ACTIVITIES</u></b>						
Changes in pooled investments-----	399	114	(3,122)	(119)	(4)	(2,732)
Investment income received-----	20	12	80	1	1	114
Purchased interest-----	-	-	(3)	-	-	(3)
<b>Net cash provided (used) by investing activities-----</b>	<b>419</b>	<b>126</b>	<b>(3,045)</b>	<b>(118)</b>	<b>(3)</b>	<b>(2,621)</b>
<b>Net increase (decrease) in cash-----</b>	<b>31</b>	<b>31</b>	<b>402</b>	<b>7</b>	<b>2</b>	<b>473</b>
Cash, beginning-----	63	44	299	1	2	409
<b>Cash, ending-----</b>	<b>\$94</b>	<b>\$75</b>	<b>\$701</b>	<b>\$8</b>	<b>\$4</b>	<b>\$882</b>
<b><u>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</u></b>						
Operating income (loss)-----	(\$16,234)	\$ -	\$391	(\$2,199)	(\$435)	(\$18,477)
<b><u>ADJUSTMENTS TO RECONCILE OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</u></b>						
Depreciation-----	485	-	3,617	-	-	4,102
Other revenue (expense)-----	-	-	-	2,197	139	2,336
Changes in assets and liabilities:						
(Increase) decrease in accounts receivable-----	(7)	-	73	-	-	66
(Increase) decrease in due from other funds-----	25	(15)	104	-	-	114
(Increase) decrease in receivable from component units-----	16,130	-	(1)	95	(39)	16,185
(Increase) decrease in inventories-----	(20)	-	(7)	-	1	(26)
(Increase) decrease in prepaid assets-----	-	-	1	-	-	1
(Increase) decrease in net pension asset-----	(499)	495	773	91	28	888
(Increase) decrease in deferred outflows-----	-	22	58	2	2	84
Increase (decrease) in accounts payable and accrued expenses-----	(167)	33	(125)	1	8	(250)
Increase (decrease) in wages and benefits payable-----	86	49	57	23	-	215
Increase (decrease) in due to other funds-----	20	(92)	71	-	-	(1)
Increase (decrease) in payable to component unit-----	(302)	-	4	-	-	(298)
Increase (decrease) in compensated absences-----	130	62	69	51	(3)	309
Increase (decrease) in net other post-employment benefit obligation-----	324	279	304	65	12	984
Increase (decrease) in deferred inflows-----	-	(945)	(1,172)	(201)	(49)	(2,367)
Total adjustments-----	16,205	(112)	3,826	2,324	99	22,342
<b>Net cash provided (used) by operating activities-----</b>	<b>(29)</b>	<b>(112)</b>	<b>\$4,217</b>	<b>\$125</b>	<b>(\$336)</b>	<b>\$3,865</b>

## Internal Service Funds





## ***Internal Service Funds***

*Internal service funds are used to account for the financing of goods or services provided by one department to other departments within the City on a cost reimbursement basis.*

- \* ***Fleet Services Fund*** – *Established to account for the operations of the City's motor pool.*
- \* ***Risk Management Fund*** – *Established to administer the City's various insurance programs.*
- \* ***Information Technology Fund*** – *Established to account for the operation of the City's computer and telecommunication systems.*
- \* ***Print Shop Fund*** – *Established to account for the operation of the City's mailing and printing services.*
- \* ***Oklahoma City Municipal Facilities Authority (OCMFA) Services Fund*** – *Established to account for OCMFA financial transactions relating primarily to risk management, information technology, various lease purchasing agreements, and other related activities that require commitment for more than one fiscal year.*
- \* ***Oklahoma City Public Property Authority (OCPPA) Services Fund*** - *Established to account for OCPPA financial transactions relating to centralized utility billings.*

**COMBINING STATEMENT OF  
FUND NET POSITION  
INTERNAL SERVICE FUNDS  
June 30, 2016  
(dollars are in thousands)**

**CITY OF OKLAHOMA CITY, OKLAHOMA**

	<b>Fleet Services</b>	<b>Risk Management</b>	<b>Information Technology</b>	<b>Print Shop</b>	<b>OCMFA Services</b>	<b>OCPPA Services</b>	<b>Total Internal Service Funds</b>
<b>ASSETS</b>							
<b>CURRENT ASSETS</b>							
Pooled cash-----	\$65	\$56	\$243	\$8	\$10,785	\$21	\$11,178
Investments-----	1,272	562	4,856	151	31,600	35	38,476
Accounts receivable, net-----	-	-	8	8	2,601	-	2,617
Interest, dividends, and royalties receivable-----	4	2	17	1	98	-	122
Due from other funds-----	492	5,362	-	79	56	92	6,081
Receivable from component units-----	7	-	-	5	7	2	21
Intergovernmental receivables-----	9	-	-	-	72	-	81
Inventories-----	24	-	312	15	-	-	351
Prepays-----	-	-	361	-	1,247	-	1,608
<b>Total current assets-----</b>	<b>1,873</b>	<b>5,982</b>	<b>5,797</b>	<b>267</b>	<b>46,466</b>	<b>150</b>	<b>60,535</b>
<b>NON-CURRENT ASSETS</b>							
Prepays, non-current-----	-	-	2	-	129	-	131
Advance to other funds-----	-	4,669	1,619	-	7,684	-	13,972
Net pension asset-----	619	253	2,348	80	-	-	3,300
Capital assets:							
Land and construction in progress-----	928	-	-	-	-	-	928
Other capital assets, net of accumulated depreciation-----	90	-	26	184	392	-	692
<b>Capital assets, net-----</b>	<b>1,018</b>	<b>-</b>	<b>26</b>	<b>184</b>	<b>392</b>	<b>-</b>	<b>1,620</b>
<b>Total non-current assets-----</b>	<b>1,637</b>	<b>4,922</b>	<b>3,995</b>	<b>264</b>	<b>8,205</b>	<b>-</b>	<b>19,023</b>
<b>Total assets-----</b>	<b>3,510</b>	<b>10,904</b>	<b>9,792</b>	<b>531</b>	<b>54,671</b>	<b>150</b>	<b>79,558</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>							
	<b>98</b>	<b>40</b>	<b>371</b>	<b>13</b>	<b>-</b>	<b>-</b>	<b>522</b>
<b>LIABILITIES</b>							
<b>CURRENT LIABILITIES</b>							
Accounts payable and accrued expenses-----	424	5	104	14	1,799	71	2,417
Wages and benefits payable-----	98	40	457	10	-	-	605
Due to other funds-----	22	1	42	-	353	-	418
Interest payable-----	-	76	-	-	-	-	76
Compensated absences-----	177	33	542	11	-	-	763
Notes, lease obligations, and estimated claims payable-----	-	2,448	11	19	12,158	-	14,636
<b>Total current liabilities-----</b>	<b>721</b>	<b>2,603</b>	<b>1,156</b>	<b>54</b>	<b>14,310</b>	<b>71</b>	<b>18,915</b>
<b>NON-CURRENT LIABILITIES</b>							
Compensated absences-----	371	28	934	8	-	-	1,341
Notes, lease obligations, and estimated claims payable-----	-	3,000	-	33	27,945	-	30,978
Advance from other funds-----	-	6,872	-	-	6,288	-	13,160
Net other post-employment benefit obligation-----	1,918	286	2,409	76	-	-	4,689
<b>Total non-current liabilities-----</b>	<b>2,289</b>	<b>10,186</b>	<b>3,343</b>	<b>117</b>	<b>34,233</b>	<b>-</b>	<b>50,168</b>
<b>Total liabilities-----</b>	<b>3,010</b>	<b>12,789</b>	<b>4,499</b>	<b>171</b>	<b>48,543</b>	<b>71</b>	<b>69,083</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>							
	<b>257</b>	<b>105</b>	<b>975</b>	<b>33</b>	<b>-</b>	<b>-</b>	<b>1,370</b>
<b>NET POSITION (DEFICITS)</b>							
Net investment in capital assets-----	1,018	-	15	132	392	-	1,557
Unrestricted-----	(677)	(1,950)	4,674	208	5,736	79	8,070
<b>Total net position (deficits)-----</b>	<b>\$341</b>	<b>(\$1,950)</b>	<b>\$4,689</b>	<b>\$340</b>	<b>\$6,128</b>	<b>\$79</b>	<b>\$9,627</b>

COMBINING STATEMENT OF REVENUES,  
EXPENSES, AND CHANGES IN FUND NET POSITION  
INTERNAL SERVICE FUNDS

CITY OF OKLAHOMA CITY, OKLAHOMA

For the Year Ended June 30, 2016

(dollars are in thousands)

	Fleet Services	Risk Management	Information Technology	Print Shop	OCMFA Services	OCPPA Services	Total Internal Service Funds
<b><u>OPERATING REVENUES</u></b>							
<b><u>CHARGES FOR SERVICES</u></b>							
Internal service charges-----	\$8,312	\$16,862	\$23,794	\$871	\$48,431	\$703	\$98,973
Other charges-----	-	-	139	-	-	-	139
Total charges for services-----	8,312	16,862	23,933	871	48,431	703	99,112
Forfeitures-----	-	-	-	-	8	-	8
Payments from component units-----	28	-	-	-	-	-	28
Other-----	63	20	-	-	-	-	83
<b>Total operating revenues-----</b>	<b>8,403</b>	<b>16,882</b>	<b>23,933</b>	<b>871</b>	<b>48,439</b>	<b>703</b>	<b>99,231</b>
<b><u>OPERATING EXPENSES</u></b>							
Personal services-----	2,772	1,089	10,225	262	-	-	14,348
Maintenance, operations, and contractual services---	1,202	11,077	7,848	464	50,440	676	71,707
Materials and supplies-----	4,060	13	287	69	3	-	4,432
Depreciation-----	13	4	14	38	757	-	826
<b>Total operating expenses-----</b>	<b>8,047</b>	<b>12,183</b>	<b>18,374</b>	<b>833</b>	<b>51,200</b>	<b>676</b>	<b>91,313</b>
<b>Operating income (loss)-----</b>	<b>356</b>	<b>4,699</b>	<b>5,559</b>	<b>38</b>	<b>(2,761)</b>	<b>27</b>	<b>7,918</b>
<b><u>NON-OPERATING REVENUE (EXPENSES)</u></b>							
Investment income-----	13	269	51	6	74	-	413
Interest on torts and lease obligations-----	-	(135)	(1)	-	-	-	(136)
Other revenue (expenses)-----	-	(1,437)	135	-	-	-	(1,302)
<b>Net non-operating revenue (expenses)-----</b>	<b>13</b>	<b>(1,303)</b>	<b>185</b>	<b>6</b>	<b>74</b>	<b>-</b>	<b>(1,025)</b>
<b>Income (loss) before transfers-----</b>	<b>369</b>	<b>3,396</b>	<b>5,744</b>	<b>44</b>	<b>(2,687)</b>	<b>27</b>	<b>6,893</b>
<b><u>TRANSFERS</u></b>							
Transfers from other funds-----	-	2,529	-	-	350	-	2,879
Transfers to other funds-----	-	-	(5,239)	-	(197)	-	(5,436)
<b>Total transfers-----</b>	<b>-</b>	<b>2,529</b>	<b>(5,239)</b>	<b>-</b>	<b>153</b>	<b>-</b>	<b>(2,557)</b>
<b>Changes in net position-----</b>	<b>369</b>	<b>5,925</b>	<b>505</b>	<b>44</b>	<b>(2,534)</b>	<b>27</b>	<b>4,336</b>
<b><u>NET POSITION (DEFICITS)</u></b>							
Total net position (deficits), beginning-----	(28)	(7,875)	4,184	296	8,662	52	5,291
<b>Total net position (deficits), ending-----</b>	<b>\$341</b>	<b>(\$1,950)</b>	<b>\$4,689</b>	<b>\$340</b>	<b>\$6,128</b>	<b>\$79</b>	<b>\$9,627</b>

**COMBINING STATEMENT OF CASH FLOWS**  
**INTERNAL SERVICE FUNDS**  
**For the Year Ended June 30, 2016**  
**(dollars are in thousands)**

**CITY OF OKLAHOMA CITY, OKLAHOMA**

	<b>Fleet Services</b>	<b>Risk Management</b>	<b>Information Technology</b>	<b>Print Shop</b>	<b>OCMFA Services</b>	<b>OCPPA Services</b>	<b>Total Internal Service Funds</b>
<b><u>CASH FLOWS FROM OPERATING ACTIVITIES</u></b>							
Cash received from customers-----	\$8,094	\$16,882	\$23,888	\$853	\$48,466	\$609	\$98,792
Cash payments to suppliers for goods and services-----	(5,055)	(39)	(3,241)	(535)	(69,860)	(695)	(79,425)
Cash payments to employees and professional contractors for services-----	(2,652)	(1,154)	(10,408)	(281)	-	-	(14,495)
Cash payments for internal services-----	(102)	(763)	(1,035)	-	(10)	-	(1,910)
Cost reimbursements from (to) other funds-----	-	(15,001)	(4,120)	-	19,009	-	(112)
Other cash receipts-----	-	-	-	-	1,461	-	1,461
<b>Net cash provided (used) by operating activities-----</b>	<b>285</b>	<b>(75)</b>	<b>5,084</b>	<b>37</b>	<b>(934)</b>	<b>(86)</b>	<b>4,311</b>
<b><u>CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES</u></b>							
Cash received from operating grants-----	-	-	-	-	74	-	74
Transfers received from other funds-----	-	112	-	-	545	-	657
Transfers paid to other funds-----	-	(1)	(5,152)	(30)	(87)	-	(5,270)
<b>Net cash provided (used) by non-capital financing activities-----</b>	<b>-</b>	<b>111</b>	<b>(5,152)</b>	<b>(30)</b>	<b>532</b>	<b>-</b>	<b>(4,539)</b>
<b><u>CASH FLOWS FROM CAPITAL AND CAPITAL RELATED FINANCING ACTIVITIES</u></b>							
Payments for acquisition and construction of capital assets-----	-	-	(16)	-	(5)	-	(21)
Principal paid on long-term debt-----	-	-	-	(6)	-	-	(6)
Interest paid on long-term debt-----	-	-	(1)	-	-	-	(1)
<b>Net cash used by capital and related financing activities-----</b>	<b>-</b>	<b>-</b>	<b>(17)</b>	<b>(6)</b>	<b>(5)</b>	<b>-</b>	<b>(28)</b>
<b><u>CASH FLOWS FROM INVESTING ACTIVITIES</u></b>							
Changes in pooled investments-----	(261)	(29)	157	2	1,205	60	1,134
Investment income received-----	12	9	34	1	360	1	417
Purchased interest-----	-	-	(1)	-	20	-	19
<b>Net cash provided (used) by investing activities-----</b>	<b>(249)</b>	<b>(20)</b>	<b>190</b>	<b>3</b>	<b>1,585</b>	<b>61</b>	<b>1,570</b>
<b>Net increase (decrease) in cash-----</b>	<b>36</b>	<b>16</b>	<b>105</b>	<b>4</b>	<b>1,178</b>	<b>(25)</b>	<b>1,314</b>
Cash, beginning-----	29	40	138	4	9,607	46	9,864
<b>Cash, ending-----</b>	<b>\$65</b>	<b>\$56</b>	<b>\$243</b>	<b>\$8</b>	<b>\$10,785</b>	<b>\$21</b>	<b>\$11,178</b>
<b><u>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</u></b>							
Operating income (loss)-----	\$356	\$4,699	\$5,559	\$38	(\$2,761)	\$27	\$7,918
<b><u>ADJUSTMENTS TO RECONCILE OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:</u></b>							
Depreciation-----	13	4	14	38	757	-	826
Other revenue (expense)-----	-	(1,437)	134	-	(272)	-	(1,575)
Changes in assets and liabilities:							
(Increase) decrease in accounts receivable-----	-	-	(2)	(2)	2,898	-	2,894
(Increase) decrease in due from other funds-----	(155)	3,520	(418)	(13)	6,325	(92)	9,167
(Increase) decrease in receivable from component units-----	2	-	-	(2)	(5)	(2)	(7)
(Increase) decrease in inventories-----	17	-	(222)	4	-	-	(201)
(Increase) decrease in prepaid assets-----	-	-	171	-	(362)	-	(191)
(Increase) decrease in intergovernmental receivable-----	24	-	-	-	-	-	24
(Increase) decrease in net pension asset-----	235	48	655	(6)	-	-	932
(Increase) decrease in deferred outflows-----	16	-	30	(3)	-	-	43
Increase (decrease) in accounts payable and accrued expenses-----	(114)	(5)	(35)	(6)	146	(19)	(33)
Increase (decrease) in wages and benefits payable-----	10	(1)	126	(1)	-	-	134
Increase (decrease) in due to other funds-----	22	(5,403)	55	-	837	-	(4,489)
Increase (decrease) in payable to component unit-----	-	-	-	-	(543)	-	(543)
Increase (decrease) in compensated absences-----	(25)	(25)	(1)	-	-	-	(51)
Increase (decrease) in long-term debt-----	-	-	-	-	(7,954)	-	(7,954)
Increase (decrease) in notes, lease and estimated claims payable-----	-	(1,388)	-	-	-	-	(1,388)
Increase (decrease) in net pension liability-----	258	30	263	11	-	-	562
Increase (decrease) in deferred inflows-----	(374)	(117)	(1,245)	(21)	-	-	(1,757)
Total adjustments-----	(71)	(4,774)	(475)	(1)	1,827	(113)	(3,607)
<b>Net cash provided (used) by operating activities-----</b>	<b>\$285</b>	<b>(\$75)</b>	<b>\$5,084</b>	<b>\$37</b>	<b>(\$934)</b>	<b>(\$86)</b>	<b>\$4,311</b>
<b><u>NON-CASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES</u></b>							
Issuance of capital leases-----	-	-	-	(58)	-	-	(58)
<b>Total non-cash investing, capital, and financing activities-----</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>(\$58)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>(\$58)</b>



## Fiduciary Funds





## ***Fiduciary Funds***

*Fiduciary funds are used to report assets held in a trustee or agency capacity for others and cannot be used to support the City's programs.*

### **Pension Trust Funds**

- \* ***Oklahoma City Employee Retirement System Fund (OCERS)*** – *Established to account for the receipt, investment, and distribution of retirement contributions from the City and its non-uniformed employees.*
- \* ***Central Oklahoma Transportation and Parking Employee Retirement Trust (COTPA Retirement)*** – *Established to provide retirement benefits to employees of the Central Oklahoma Transportation and Parking Authority (COTPA), a discretely reported component unit of the City.*

### **Other Post-Employment Benefit Trust Fund**

- \* ***Oklahoma City Post-Employment Benefits Trust (OCPEBT)*** – *Established to provide post-employment benefits to retirees of the City and their beneficiaries.*

### **Agency Fund**

- \* ***Agency Fund*** – *Accounts for various deposits, bail bonds, performance bonds, escrow monies, and special assessments for which the City has no responsibility but acts only as an agent for the participants.*

COMBINING STATEMENT OF  
 FIDUCIARY NET POSITION  
 PENSION AND OTHER POST-EMPLOYMENT  
 BENEFIT TRUST FUNDS

CITY OF OKLAHOMA CITY, OKLAHOMA

June 30, 2016

(dollars are in thousands)

	OCERS	COTPA Retirement	OCPEBT	Total Pension and Other Post-employment Benefit Trust Funds
<b>ASSETS</b>				
Non-pooled cash-----	\$907	\$ -	\$250	\$1,157
<b>RECEIVABLES</b>				
Interest and dividends-----	602	8	40	650
Employer-----	-	27	11	38
Plan members-----	-	21	369	390
Total receivables-----	602	56	420	1,078
<b>INVESTMENTS, AT FAIR VALUE</b>				
Domestic common stock-----	209,694	4,463	14,707	228,864
Passive domestic stock funds-----	68,071	1,755	9,380	79,206
Preferred stock-----	6,070	-	-	6,070
Government securities/fixed income-----	54,008	-	-	54,008
Passive bond fund-----	68,948	2,834	10,609	82,391
International stock-----	154,681	1,584	3,442	159,707
Passive international bond funds-----	3,549	-	-	3,549
Treasury money market fund-----	6,642	656	5,504	12,802
Commodities-----	25,069	-	-	25,069
Real estate-----	51,388	224	-	51,612
Oklahoma City judgments-----	2,274	-	-	2,274
Total investments-----	650,394	11,516	43,642	705,552
Net pension asset-----	61	-	-	61
<b>Total assets-----</b>	<b>651,964</b>	<b>11,572</b>	<b>44,312</b>	<b>707,848</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
	<b>10</b>	<b>-</b>	<b>-</b>	<b>10</b>
<b>LIABILITIES</b>				
Accounts payable and accrued expenses-----	451	-	1,204	1,655
Due to broker-----	2,229	-	-	2,229
Wages and benefits payable-----	9	-	-	9
Compensated absences, current-----	20	-	-	20
Estimated claims payable-----	-	-	874	874
Compensated absences, non-current-----	66	-	-	66
Net other post-employment benefits obligation-----	53	-	-	53
<b>Total liabilities-----</b>	<b>2,828</b>	<b>-</b>	<b>2,078</b>	<b>4,906</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
	<b>25</b>	<b>-</b>	<b>-</b>	<b>25</b>
<b>NET POSITION</b>				
Restricted for:				
Pension benefits-----	649,118	11,572	-	660,690
Other post-employment benefits-----	3	-	42,234	42,237
<b>Net position held in trust-----</b>	<b>\$649,121</b>	<b>\$11,572</b>	<b>\$42,234</b>	<b>\$702,927</b>

COMBINING STATEMENT OF CHANGES  
 IN FIDUCIARY NET POSITION  
 PENSION AND OTHER POST-EMPLOYMENT  
 BENEFIT TRUST FUNDS

CITY OF OKLAHOMA CITY, OKLAHOMA

June 30, 2016

(dollars are in thousands)

	OCERS	COTPA Retirement	OCPEBT	Total Pension and Post-employment Benefit Trust Funds
<b><u>ADDITIONS</u></b>				
Contributions:				
Employer-----	\$7,411	\$958	\$17,811	\$26,180
Plan members-----	7,562	405	12,309	20,276
Total contributions-----	14,973	1,363	30,120	46,456
Investment income:				
Net depreciation in fair value of investments-----	(13,655)	(385)	(1,096)	(15,136)
Interest-----	5,250	7	5	5,262
Dividends-----	5,258	188	877	6,323
	(3,147)	(190)	(214)	(3,551)
Less: investment expense-----	(1,694)	(35)	(46)	(1,775)
Net investment loss-----	(4,841)	(225)	(260)	(5,326)
Other-----	68	-	-	68
Total additions-----	10,200	1,138	29,860	41,198
<b><u>DEDUCTIONS</u></b>				
Benefits paid-----	29,712	851	26,501	57,064
Refunds of contributions-----	1,132	191	-	1,323
Administrative expenses-----	398	88	69	555
Total deductions-----	31,242	1,130	26,570	58,942
Change in net position-----	(21,042)	8	3,290	(17,744)
<b><u>NET POSITION RESTRICTED FOR</u></b>				
<b><u>PENSION BENEFITS AND</u></b>				
<b><u>OTHER POST-EMPLOYMENT BENEFITS</u></b>				
Beginning of year-----	670,163	11,564	38,944	720,671
End of year-----	\$649,121	\$11,572	\$42,234	\$702,927

STATEMENT OF CHANGES IN  
ASSETS AND LIABILITIES  
AGENCY FUND

CITY OF OKLAHOMA CITY, OKLAHOMA

June 30, 2016

(dollars are in thousands)

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
<b><u>ASSETS</u></b>				
Pooled cash-----	\$203	\$37,320	(\$37,441)	\$82
Non-pooled cash-----	468	3,422	(3,504)	386
Interest and dividends-----	3	28	(26)	5
Other receivables-----	288	29,755	(29,799)	244
Pooled investments-----	1,805	7,165	(7,375)	1,595
<b>Total assets-----</b>	<b>\$2,767</b>	<b>\$77,690</b>	<b>(\$78,145)</b>	<b>\$2,312</b>
<b><u>LIABILITIES</u></b>				
Accounts payable and accrued expenses-----	\$307	\$3,251	(\$3,386)	\$172
Due to depositors-----	2,460	52,388	(52,708)	2,140
<b>Total liabilities-----</b>	<b>\$2,767</b>	<b>\$55,639</b>	<b>(\$56,094)</b>	<b>\$2,312</b>

## Component Unit







## ***Component Unit***

*Additional financial statements are presented for all discrete component units of the City that do not report separately.*

**STATEMENT OF CASH FLOWS  
PORT AUTHORITY  
For the Year Ended June 30, 2016  
(dollars are in thousands)**

**CITY OF OKLAHOMA CITY, OKLAHOMA**

<b><u>CASH FLOWS FROM OPERATING ACTIVITIES</u></b>	
Cash received from customers-----	\$15
Cash payments to suppliers for goods and services-----	(14)
<b>Net cash provided by operating activities</b> -----	<b><u>1</u></b>
<b>Net increase in cash</b> -----	<b>1</b>
Cash, beginning-----	45
<b>Cash, ending</b> -----	<b><u>\$46</u></b>
<b><u>RECONCILIATION OF OPERATING INCOME TO NET</u></b>	
<b><u>CASH PROVIDED BY OPERATING ACTIVITIES</u></b>	
<b><u>ADJUSTMENTS TO RECONCILE OPERATING INCOME TO</u></b>	
<b><u>NET CASH PROVIDED BY OPERATING ACTIVITIES</u></b>	
Increase (decrease) in accounts payable and accrued expenses-----	\$1
Total adjustments-----	<u>1</u>
<b>Net cash provided by operating activities</b> -----	<b><u>\$1</u></b>

## Other Supplementary Information





**CAPITAL ASSETS**  
**SCHEDULE BY FUND AND COMPONENT UNIT**  
**June 30, 2016**  
(dollars are in thousands)

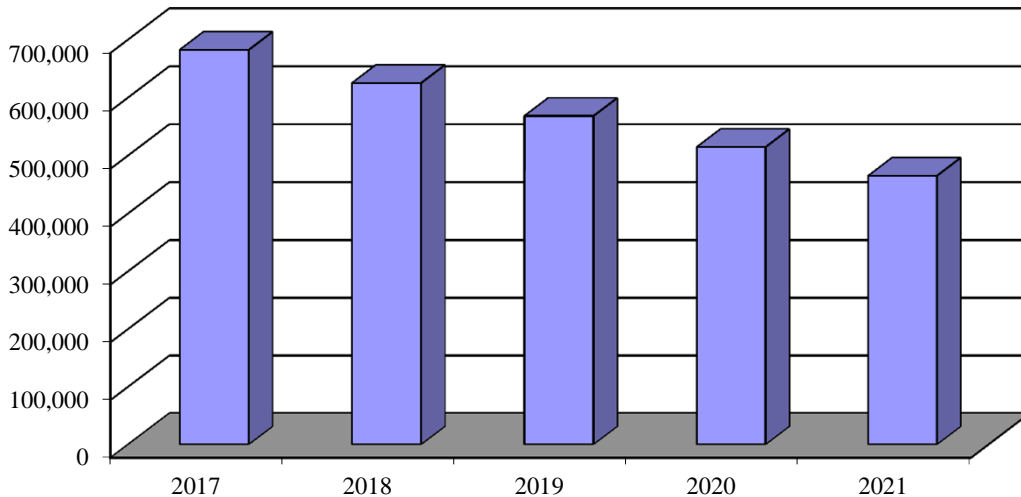
**CITY OF OKLAHOMA CITY, OKLAHOMA**

	NOT DEPRECIATED		DEPRECIATED				Accumulated Depreciation	Total
	Land, Art & Water Storage Rights	Construction In Progress	Buildings	Infrastructure & Improvements Other Than Buildings	Furniture, Machinery, and Equipment			
<b>Primary Government</b>								
<i>Governmental Activities</i>								
Non fund-related-----	\$138,802	\$274,673	\$541,701	\$1,723,244	\$232,250	(\$1,113,150)	\$1,797,520	
<u>Internal service funds</u>								
Fleet Services Fund-----	928	-	723	75	103	(811)	1,018	
Risk Management Fund-----	-	-	-	-	20	(20)	-	
Information Technology Fund----	-	-	-	-	279	(253)	26	
Print Shop Fund-----	-	-	-	-	351	(167)	184	
OCMFA Services Fund-----	-	-	218	-	23,426	(23,252)	392	
	<u>928</u>	<u>-</u>	<u>941</u>	<u>75</u>	<u>24,179</u>	<u>(24,503)</u>	<u>1,620</u>	
	<u>139,730</u>	<u>274,673</u>	<u>542,642</u>	<u>1,723,319</u>	<u>256,429</u>	<u>(1,137,653)</u>	<u>1,799,140</u>	
<i>Business-type Activities</i>								
<u>Major enterprise funds</u>								
Water Utilities Fund-----	9,378	-	43,540	602,591	31,827	(406,864)	280,472	
OCEAT-----	-	-	2,247	2,794	26,043	(14,050)	17,034	
OCZT-----	-	1,806	85,682	12,009	5,963	(39,075)	66,385	
OCPFA Fairgrounds-----	2,006	80	30,173	63,661	3,251	(47,777)	51,394	
OCPFA Golf Courses-----	-	-	9,007	20,931	5,430	(23,165)	12,203	
	<u>11,384</u>	<u>1,886</u>	<u>170,649</u>	<u>701,986</u>	<u>72,514</u>	<u>(530,931)</u>	<u>427,488</u>	
<u>Non-major enterprise funds</u>								
Airports Fund-----	16,115	-	8,637	30,441	6,233	(43,171)	18,255	
Solid Waste Management Fund---	-	-	-	2	-	(2)	-	
Stormwater Drainage Fund-----	3,165	175	1,456	98,403	6,099	(67,071)	42,227	
	<u>19,280</u>	<u>175</u>	<u>10,093</u>	<u>128,846</u>	<u>12,332</u>	<u>(110,244)</u>	<u>60,482</u>	
	<u>30,664</u>	<u>2,061</u>	<u>180,742</u>	<u>830,832</u>	<u>84,846</u>	<u>(641,175)</u>	<u>487,970</u>	
<b>Total primary government-</b>	<b><u>\$170,394</u></b>	<b><u>\$276,734</u></b>	<b><u>\$723,384</u></b>	<b><u>\$2,554,151</u></b>	<b><u>\$341,275</u></b>	<b><u>(\$1,778,828)</u></b>	<b><u>\$2,287,110</u></b>	
<b>Component Units</b>								
OCAT-----	\$14,916	\$38,460	\$514,575	\$308,106	\$40,859	(\$458,391)	\$458,525	
OCRRA-----	32	-	-	3,225	193	(781)	2,669	
OCICF-----	953	-	-	-	-	-	953	
OCWUT-----	119,665	168,456	88,995	1,215,129	97,382	(515,805)	1,173,822	
COTPA-----	5,850	832	71,128	13,852	31,536	(46,066)	77,132	
OCMAPS-----	12	5,001	-	-	-	-	5,013	
OCRA-----	507	-	8,615	-	-	(3,072)	6,050	
OCEDT-----	4,378	11,021	2,961	28,509	-	(2,768)	44,101	
<b>Total component units-----</b>	<b><u>\$146,313</u></b>	<b><u>\$223,770</u></b>	<b><u>\$686,274</u></b>	<b><u>\$1,568,821</u></b>	<b><u>\$169,970</u></b>	<b><u>(\$1,026,883)</u></b>	<b><u>\$1,768,265</u></b>	

**LONG-TERM DEBT SUPPORTING  
GENERAL GOVERNMENT SERVICES  
SCHEDULE OF GENERAL OBLIGATION  
BONDS OUTSTANDING BY ISSUE (1)  
June 30, 2016  
(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>
2007	Combined Purpose 2007 (2)	03/01/07	03/01/27	\$72,000	\$3,790
2008	Combined Purpose 2008	03/01/08	03/01/28	60,560	38,265
2008	Economic Development 2008	03/01/08	03/01/28	7,000	4,445
2009	Combined Purpose 2009	04/01/09	03/01/29	47,485	32,485
2010	Combined Purpose 2010	03/01/10	03/01/30	64,420	47,445
2010	Economic Development 2010	04/01/10	03/01/30	29,000	21,350
2011	Combined Purpose 2011	03/01/11	03/01/31	43,000	33,940
2012	Refunding 2012	01/11/12	03/01/25	80,110	45,080
2012	Combined Purpose 2012	04/01/12	03/01/32	50,000	44,440
2013	Combined Purpose 2013	03/01/13	03/01/33	90,000	80,520
2014	Combined Purpose 2014	03/01/14	03/01/34	92,185	87,330
2014	Economic Development 2014	03/01/14	03/01/34	15,000	14,210
2014	Economic Development 2014A	09/01/14	09/01/34	12,000	12,000
2015	Combined Purpose 2015	03/01/15	03/01/35	85,595	85,595
2015	Refunding 2015	03/05/15	03/01/26	65,190	65,190
2016	Combined Purpose 2016	03/01/16	03/01/36	77,500	77,500
2016	Economic Development 2016	03/01/16	03/01/36	12,000	12,000
2016	Refunding 2016	03/01/16	03/01/27	<u>32,525</u>	<u>32,525</u>
				<b><u>\$935,570</u></b>	<b><u>\$738,110</u></b>

- (1) The graph below illustrates general obligation bond principal outstanding for the current fiscal year and projected over the next five fiscal years assuming no new bonds are issued.
- (2) The 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, 2016  
(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	
2017	\$55,855	\$28,735	\$84,590	\$394	\$87	\$481	\$56	\$11	\$67	\$85,138
2018	57,215	26,785	84,000	225	74	299	41	9	50	84,349
2019	56,840	24,786	81,626	548	70	618	368	3	371	82,615
2020	53,655	22,554	76,209	629	65	694	-	-	-	76,903
2021	49,490	20,426	69,916	636	60	696	-	-	-	70,612
2022	49,335	18,345	67,680	642	54	696	-	-	-	68,376
2023	46,530	16,217	62,747	699	48	747	-	-	-	63,494
2024	45,150	14,173	59,323	706	42	748	-	-	-	60,071
2025	43,915	12,235	56,150	713	36	749	-	-	-	56,899
2026	43,245	10,480	53,725	696	30	726	-	-	-	54,451
2027	39,500	8,742	48,242	378	27	405	-	-	-	48,647
2028	36,370	7,229	43,599	386	23	409	-	-	-	44,008
2029	32,695	5,812	38,507	393	20	413	-	-	-	38,920
2030	30,055	4,542	34,597	401	17	418	-	-	-	35,015
2031	25,250	3,422	28,672	409	13	422	-	-	-	29,094
2032	22,980	2,516	25,496	417	10	427	-	-	-	25,923
2033	20,180	1,685	21,865	426	6	432	-	-	-	22,297
2034	15,430	990	16,420	434	2	436	-	-	-	16,856
2035	9,790	450	10,240	155	-	155	-	-	-	10,395
2036	<u>4,630</u>	<u>149</u>	<u>4,779</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,779</u>
	<b><u>\$738,110</u></b>	<b><u>\$230,273</u></b>	<b><u>\$968,383</u></b>	<b><u>\$9,287</u></b>	<b><u>\$684</u></b>	<b><u>\$9,971</u></b>	<b><u>\$465</u></b>	<b><u>\$23</u></b>	<b><u>\$488</u></b>	<b><u>\$978,842</u></b>

**SCHEDULE OF RECEIVABLES AND PAYABLES  
WITHIN THE REPORTING ENTITY  
BY FUND  
June 30, 2016  
(dollars are in thousands)**

	<u>Due to Other Funds</u>									
	<i>Governmental Activities</i>									
	Major Funds				Other Governmental Funds					
	General	Grants Management	MAPS3 Sales Tax	OCPPA General Purpose	Court Administration and Training	Police	OCMFA General Purpose	Medical Services	Capital Improvements Fund	Police/Fire Equipment Sales Tax
<b>DUE FROM</b>										
<i>Governmental Activities</i>										
<u>Major Governmental Funds</u>										
General	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$7,985	\$ -
Debt Service	-	-	-	-	-	-	-	-	-	-
Grants Management	7,531	-	278	-	-	15	-	-	-	-
MAPS3 Sales Tax	529	-	-	-	-	-	-	-	-	-
General Obligation Bonds	2,010	59	-	-	-	-	195	-	-	-
OCPPA General Purpose	251	-	-	-	-	-	-	-	-	-
<u>Other Governmental Funds</u>										
Emergency Management	2	-	-	-	-	-	-	-	-	-
Court Administration and Training	3	-	-	-	-	-	-	-	-	-
Police	1,270	-	-	-	-	-	-	-	-	-
Fire	151	12	-	-	-	-	-	-	-	-
Asset Forfeiture	41	-	-	-	-	29	-	-	-	-
Zoo	-	-	-	-	-	-	-	-	-	-
OCMFA General Purpose	349	32	-	-	-	-	-	-	-	126
MAPS Operations	13	-	-	-	-	-	-	-	-	-
MAPS3 Use Tax	5	-	-	-	-	-	-	-	-	-
Special Purpose	1,477	295	-	-	18	-	-	-	-	-
Special Districts	2,119	-	-	-	-	-	-	-	-	-
Medical Services	14	-	-	-	-	-	-	-	-	-
Hotel/Motel Tax	-	-	-	-	-	-	-	-	-	-
Capital Improvement	-	59	-	171	-	-	82	-	-	-
Police/Fire Equipment Sales Tax	16	-	-	-	-	-	-	-	-	-
City Schools Sales Tax	1	-	-	-	-	-	-	-	-	-
Sports Facility Use Tax	3	-	-	-	-	-	-	-	-	-
<u>Internal Service Funds</u>										
Fleet Services	-	-	-	-	-	-	-	-	-	-
Risk Management	1	-	-	-	-	-	-	-	-	-
Information Technology	33	-	-	-	-	-	-	-	-	-
OCMFA Services	119	234	-	-	-	-	-	-	-	-
	<b><u>\$15,938</u></b>	<b><u>\$691</u></b>	<b><u>\$278</u></b>	<b><u>\$171</u></b>	<b><u>\$18</u></b>	<b><u>\$44</u></b>	<b><u>\$277</u></b>	<b><u>\$-</u></b>	<b><u>\$7,985</u></b>	<b><u>\$126</u></b>
<u>Major Enterprise Funds</u>										
Water and Wastewater	\$455	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$21	\$ -	\$ -
OCEAT	158	419	-	-	-	-	-	-	-	-
OCPPA Fairgrounds	82	-	-	-	-	-	-	-	-	-
OCPPA Golf Courses	172	-	-	-	-	-	-	-	-	-
<u>Other Enterprise Funds</u>										
Airports	20	-	-	-	-	-	-	-	-	-
Solid Waste Management	98	-	-	-	-	-	-	-	-	-
Stormwater Drainage	36	84	-	-	-	-	-	-	-	-
Parking	47	-	-	-	-	-	-	-	-	-
	<b><u>\$1,068</u></b>	<b><u>\$503</u></b>	<b><u>\$-</u></b>	<b><u>\$-</u></b>	<b><u>\$-</u></b>	<b><u>\$-</u></b>	<b><u>\$-</u></b>	<b><u>\$21</u></b>	<b><u>\$-</u></b>	<b><u>\$-</u></b>



CITY OF OKLAHOMA CITY, OKLAHOMA

Governmental Activities					Due to Other Funds					Business-type Activities
Internal Service Funds					Major Funds			Other Enterprise Funds		
Fleet Services	Risk Management	Print Shop	OCMFA Services	OCPPA Services	OCEAT	OCZT	OCPPA Fairgrounds	Solid Waste Management	Stormwater Drainage	Total
\$295	\$ -	\$71	\$ -	\$42	\$ -	\$ -	\$ -	\$ -	\$ -	\$8,393
-	5,348	-	-	-	-	-	-	-	-	5,348
-	-	2	-	-	-	-	-	15	-	7,841
-	-	-	-	-	-	-	-	-	3	532
-	-	-	-	-	-	-	-	-	81	2,345
-	-	-	-	-	-	-	-	-	1	252
-	-	-	-	-	-	-	-	-	-	2
-	-	-	-	-	-	-	-	-	-	3
144	-	-	-	-	-	-	-	-	1	1,415
-	-	-	-	-	-	-	-	-	-	163
-	-	-	-	-	-	-	-	-	-	70
-	-	-	-	-	-	1,737	-	-	-	1,737
-	-	-	-	-	-	-	-	-	14	521
-	-	-	-	-	-	-	-	-	-	13
-	-	1	3	-	-	-	-	-	-	9
-	-	-	-	-	-	-	-	-	1	1,791
-	-	-	-	-	-	-	-	-	-	2,119
-	-	-	-	-	-	-	-	-	-	14
-	-	-	-	-	-	-	1,000	-	-	1,000
-	-	-	-	-	-	-	-	-	-	312
-	-	-	-	-	-	-	-	-	-	16
-	-	-	-	-	-	-	-	-	-	1
-	-	-	-	-	-	-	-	-	-	3
-	-	-	-	22	-	-	-	-	-	22
-	-	-	-	-	-	-	-	-	-	1
-	-	-	7	2	-	-	-	-	-	42
-	-	-	-	-	-	-	-	-	-	353
<b><u>\$439</u></b>	<b><u>\$5,348</u></b>	<b><u>\$74</u></b>	<b><u>\$10</u></b>	<b><u>\$66</u></b>	<b><u>\$-</u></b>	<b><u>\$1,737</u></b>	<b><u>\$1,000</u></b>	<b><u>\$15</u></b>	<b><u>\$101</u></b>	<b><u>\$34,318</u></b>
\$6	\$ -	\$5	\$36	\$ -	\$344	\$ -	\$ -	\$ -	\$89	\$956
-	-	-	-	26	-	-	-	-	32	635
-	-	-	-	-	-	-	-	-	2	84
-	14	-	9	-	-	-	-	-	-	195
-	-	-	-	-	-	-	-	-	-	20
-	-	-	-	-	-	-	-	-	-	98
47	-	-	1	-	-	-	-	-	-	168
-	-	-	-	-	-	-	-	-	-	47
<b><u>\$53</u></b>	<b><u>\$14</u></b>	<b><u>\$5</u></b>	<b><u>\$46</u></b>	<b><u>\$26</u></b>	<b><u>\$344</u></b>	<b><u>\$-</u></b>	<b><u>\$-</u></b>	<b><u>\$-</u></b>	<b><u>\$123</u></b>	<b><u>\$2,203</u></b>

**SCHEDULE OF TRANSFERS  
WITHIN THE REPORTING ENTITY  
BY FUND  
June 30, 2016  
(dollars are in thousands)**

	<u>Transfers From Other Funds</u>							
	<i>Governmental Activities</i>							
	Major Funds						Other Governmental Funds	
<u>General</u>	Debt <u>Service</u>	Grants <u>Management</u>	MAPS3 <u>Sales Tax</u>	General <u>Obligation Bonds</u>	OCPPA <u>General Purpose</u>	Asset <u>Forfeiture</u>	<u>Zoo</u>	
<b>TRANSFERS TO</b>								
<i>Governmental Activities</i>								
<u>Major Governmental Funds</u>								
General	\$ -	\$ -	\$1,652	\$ -	\$ -	\$ -	\$ -	\$ -
Grants Management	-	-	-	702	168	-	-	-
MAPS3 Sales Tax Fund	-	-	-	-	-	-	-	-
General Obligation Bonds	203	89,500	-	-	-	-	-	-
OCPPA General Purpose	4,695	-	-	-	-	-	-	-
<u>Other Governmental Funds</u>								
Emergency Management	2,988	-	-	-	-	-	-	-
Fire	-	-	1	-	-	-	-	-
OCMFA General Purpose	250	-	-	-	-	-	75	-
MAPS Operations	-	-	-	-	-	710	-	-
Special Purpose	4,937	-	-	-	109	-	25	-
Special Districts	-	-	-	-	-	343	-	-
Capital Improvement	15,754	-	-	-	-	972	-	-
<u>Internal Service Funds</u>								
Risk Management	-	2,418	-	-	-	-	-	-
OCMFA Services	151	-	112	-	-	-	-	-
	<b><u>\$28,978</u></b>	<b><u>\$91,918</u></b>	<b><u>\$1,765</u></b>	<b><u>\$702</u></b>	<b><u>\$277</u></b>	<b><u>\$2,025</u></b>	<b><u>\$100</u></b>	<b><u>\$-</u></b>
<u>Major Enterprise Funds</u>								
OCZT	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$13,314
OCPPA Fairgrounds	-	-	-	-	-	-	-	-
OCPPA Golf Courses	1,113	-	-	-	-	-	-	-
<u>Other Enterprise Funds</u>								
Parking	294	-	-	-	-	-	-	-
	<b><u>\$1,407</u></b>	<b><u>\$-</u></b>	<b><u>\$-</u></b>	<b><u>\$-</u></b>	<b><u>\$-</u></b>	<b><u>\$-</u></b>	<b><u>\$-</u></b>	<b><u>\$13,314</u></b>

CITY OF OKLAHOMA CITY, OKLAHOMA

<u>Transfers From Other Funds</u>									
<i>Governmental Activities</i>					<i>Business-type Activities</i>				
<u>Other Governmental Funds</u>					<u>Internal Service Funds</u>		<u>Major Enterprise Fund</u>	<u>Other Enterprise Funds</u>	
OCMFA General Purpose	Special Purpose	Special Districts	Hotel/Motel Tax	Capital Improvements Fund	Information Technology	OCMFA Services	OCEAT	Stormwater Drainage	Total
\$ -	\$ -	\$2	\$ -	\$ -	\$ -	\$ -	\$862	\$ -	\$2,516
-	3,652	-	-	70	-	-	1	71	4,664
-	1,658	-	-	-	-	-	-	-	1,658
-	-	-	-	-	-	-	-	-	89,703
300	-	-	-	-	76	-	-	-	5,071
-	-	-	-	-	-	-	-	-	2,988
-	-	-	-	-	-	-	-	-	1
-	-	-	-	-	3,784	86	-	-	4,195
-	-	-	-	-	-	-	-	-	710
-	-	-	-	-	-	-	-	-	5,071
-	-	-	-	-	-	-	-	-	343
54	2	-	-	-	1,292	-	-	-	18,074
-	-	-	-	-	-	111	-	-	2,529
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>87</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>350</u>
<b><u>\$354</u></b>	<b><u>\$5,312</u></b>	<b><u>\$2</u></b>	<b><u>\$-</u></b>	<b><u>\$70</u></b>	<b><u>\$5,239</u></b>	<b><u>\$197</u></b>	<b><u>\$863</u></b>	<b><u>\$71</u></b>	<b><u>\$137,873</u></b>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$13,314
-	-	-	7,960	-	-	-	-	-	7,960
-	-	-	-	11	-	-	-	-	1,124
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>294</u>
<b><u>\$-</u></b>	<b><u>\$-</u></b>	<b><u>\$-</u></b>	<b><u>\$7,960</u></b>	<b><u>\$11</u></b>	<b><u>\$-</u></b>	<b><u>\$-</u></b>	<b><u>\$-</u></b>	<b><u>\$-</u></b>	<b><u>\$22,692</u></b>

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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									
	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
<i>Governmental Activities:</i>										
Net investment in capital assets	\$985,962	\$887,305	\$864,518	\$888,639	\$917,055	\$1,004,827	\$1,020,619	\$774,069	\$685,791	\$632,004
Restricted for:										
Capital projects	694,741	661,245	609,920	487,134	363,150	159,669	103,661	222,521	269,293	240,197
Debt service	91,874	90,647	82,876	68,277	52,171	51,305	39,562	48,049	52,294	43,397
Public safety	17,921	22,432	20,206	22,682	18,850	17,246	17,221	-	-	-
Public services	20,096	6,829	16,144	8,859	6,849	6,698	5,638	9,249	-	-
Culture and recreation	10,842	11,125	11,630	11,284	12,519	10,240	56,152	23,921	12,215	12,613
Education	-	-	-	-	-	-	6,205	7,073	311	207
Unrestricted	<u>(144,891)</u>	<u>(156,822)</u>	<u>156,212</u>	<u>169,684</u>	<u>169,928</u>	<u>130,372</u>	<u>52,086</u>	<u>174,027</u>	<u>162,941</u>	<u>172,429</u>
	<b><u>1,676,545</u></b>	<b><u>1,522,761</u></b>	<b><u>1,761,506</u></b>	<b><u>1,656,559</u></b>	<b><u>1,540,522</u></b>	<b><u>1,380,357</u></b>	<b><u>1,301,144</u></b>	<b><u>1,258,909</u></b>	<b><u>1,182,845</u></b>	<b><u>1,100,847</u></b>
% change from prior year	10.10%	(13.55)%	6.34%	7.53%	11.60%	6.09%	3.35%	6.43%	7.45%	6.41%
<i>Business-type Activities: (3)</i>										
Net investment in capital assets	401,278	379,694	376,582	373,819	1,088,470	1,032,890	1,023,777	965,156	909,153	890,848
Restricted for:										
Capital projects	1	1	1	1	863	1,573	2,140	11,449	27,388	24,683
Debt service	4,009	4,664	4,467	4,156	54,363	51,358	39,287	35,595	36,046	40,496
Public services	-	-	-	16	-	-	162,286	98,856	77,274	63,609
Culture and recreation	-	81	256	232	-	-	-	-	229	-
Maintenance	-	-	-	-	19,840	17,421	17,482	19,348	19,964	16,914
Unrestricted	<u>19,522</u>	<u>3,446</u>	<u>(5,430)</u>	<u>(9,863)</u>	<u>186,221</u>	<u>176,014</u>	<u>(37,526)</u>	<u>(50,867)</u>	<u>(47,948)</u>	<u>(47,076)</u>
	<b><u>424,810</u></b>	<b><u>387,886</u></b>	<b><u>375,876</u></b>	<b><u>368,361</u></b>	<b><u>1,349,757</u></b>	<b><u>1,279,256</u></b>	<b><u>1,207,446</u></b>	<b><u>1,079,537</u></b>	<b><u>1,022,106</u></b>	<b><u>989,474</u></b>
% change from prior year	9.52%	3.20%	2.04%	(72.71)%	5.51%	5.95%	11.85%	5.62%	3.30%	5.03%
<b>Primary Government</b>										
Net investment in capital assets	1,387,240	1,266,999	1,241,100	1,262,458	2,005,525	2,037,717	2,044,396	1,739,225	1,594,944	1,522,852
Restricted for:										
Capital projects	694,742	661,246	609,921	487,135	364,013	161,242	105,801	233,970	296,681	264,880
Debt service	95,883	95,311	87,343	72,433	106,534	102,663	78,849	83,644	88,340	83,893
Public safety	17,921	22,432	20,206	22,682	18,850	17,246	17,221	-	-	-
Public services (4)	20,096	6,829	16,144	8,875	6,849	6,698	167,924	108,105	77,274	63,609
Culture and recreation	10,842	11,206	11,886	11,516	12,519	10,240	56,152	23,921	12,444	12,613
Education	-	-	-	-	-	-	6,205	7,073	311	207
Maintenance	-	-	-	-	19,840	17,421	17,482	19,348	19,964	16,914
Unrestricted	<u>(125,369)</u>	<u>(153,376)</u>	<u>150,782</u>	<u>159,821</u>	<u>356,149</u>	<u>306,386</u>	<u>14,560</u>	<u>123,160</u>	<u>114,993</u>	<u>125,353</u>
<b>Total primary government (5)</b>	<b><u>\$2,101,355</u></b>	<b><u>\$1,910,647</u></b>	<b><u>\$2,137,382</u></b>	<b><u>\$2,024,920</u></b>	<b><u>\$2,890,279</u></b>	<b><u>\$2,659,613</u></b>	<b><u>\$2,508,590</u></b>	<b><u>\$2,338,446</u></b>	<b><u>\$2,204,951</u></b>	<b><u>\$2,090,321</u></b>
% change from prior year	9.98%	(10.61)%	5.55%	(29.94)%	8.67%	6.02%	7.28%	6.05%	5.48%	5.75%

- (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									
	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
<b>PROGRAM EXPENSES (2)</b>										
<i>Governmental Activities</i>										
General government	\$36,846	\$41,599	\$40,258	\$26,863	\$31,257	\$29,501	\$44,301	\$42,737	\$27,544	\$45,049
Public safety:										
Police	168,154	161,809	173,665	177,062	158,950	143,367	160,889	171,042	156,015	140,947
Fire	139,416	144,589	153,724	153,482	137,017	124,945	132,709	127,573	135,838	127,187
Other	27,658	24,808	25,455	35,419	26,993	26,785	18,318	17,865	26,527	14,488
Public services	177,854	182,861	153,260	137,685	127,218	146,034	129,972	102,201	106,925	77,266
Culture and recreation	89,891	88,698	85,197	79,813	87,379	77,107	72,664	74,320	56,778	50,816
Education	546	1,245	1,543	2,059	1,571	1,327	1,224	41,322	89,826	85,369
Economic development	3,736	2,863	3,382	1,271	5,335	4,902	-	-	-	-
Interest on long-term debt	<u>23,481</u>	<u>26,470</u>	<u>22,608</u>	<u>22,389</u>	<u>20,824</u>	<u>25,882</u>	<u>22,617</u>	<u>24,124</u>	<u>21,413</u>	<u>20,279</u>
	<u>667,582</u>	<u>674,942</u>	<u>659,092</u>	<u>636,043</u>	<u>596,544</u>	<u>579,850</u>	<u>582,694</u>	<u>601,184</u>	<u>620,866</u>	<u>561,401</u>
<i>Business-type Activities (3)</i>										
Airports	16,078	15,809	16,503	16,204	52,824	54,103	53,011	52,570	54,500	54,158
Water and wastewater utilities	87,146	87,249	94,257	92,007	159,659	140,631	142,496	138,135	136,938	130,819
Solid waste management	48,676	43,231	40,705	39,147	37,150	35,213	34,467	33,613	32,993	32,373
Stormwater drainage	16,893	16,982	18,725	17,409	16,113	15,933	13,495	13,791	12,790	14,277
Golf courses	10,406	10,112	9,901	10,956	10,811	9,160	11,944	10,405	9,444	9,257
Fairgrounds	11,665	12,712	10,325	9,873	10,063	6,652	2,363	2,516	2,197	2,080
Ground transportation and parking	2,805	2,305	4,769	4,892	4,741	5,253	2,258	2,472	2,182	1,890
Zoo operations	<u>21,360</u>	<u>21,900</u>	<u>21,529</u>	<u>20,522</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>215,029</u>	<u>210,300</u>	<u>216,714</u>	<u>211,010</u>	<u>291,361</u>	<u>266,945</u>	<u>260,034</u>	<u>253,502</u>	<u>251,044</u>	<u>244,854</u>
<b>Total program expenses</b>	<b><u>882,611</u></b>	<b><u>885,242</u></b>	<b><u>875,806</u></b>	<b><u>847,053</u></b>	<b><u>887,905</u></b>	<b><u>846,795</u></b>	<b><u>842,728</u></b>	<b><u>854,686</u></b>	<b><u>871,910</u></b>	<b><u>806,255</u></b>
<b>PROGRAM REVENUES</b>										
<i>Governmental Activities</i>										
<b>CHARGES FOR SERVICES</b>										
General government	2,527	3,302	761	2,464	1,883	2,220	2,143	2,413	2,452	1,500
Public safety:										
Police	2,673	2,088	4,487	2,516	3,730	3,765	3,118	2,814	1,972	2,000
Fire	14	14	991	13	8	12	11	4	20	24
Other	33,493	36,341	34,006	34,429	30,530	30,572	28,573	21,588	21,526	21,156
Public services	23,088	24,552	22,282	21,774	18,429	17,552	19,054	19,131	20,315	18,686
Culture and recreation	20,693	21,619	22,933	20,413	18,519	18,127	15,801	15,640	16,494	7,756
Education	74	149	240	224	205	204	9	-	71	-
Economic development	<u>60</u>	<u>(112)</u>	<u>257</u>	<u>-</u>	<u>2</u>	<u>1</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total charges for services	<u>82,622</u>	<u>87,953</u>	<u>85,957</u>	<u>81,833</u>	<u>73,306</u>	<u>72,453</u>	<u>68,709</u>	<u>61,590</u>	<u>62,850</u>	<u>51,122</u>
Operating grants and contributions	83,086	69,445	64,019	65,711	65,844	73,965	57,725	73,350	74,426	57,342
Capital grants and contributions	<u>42,829</u>	<u>26,805</u>	<u>13,114</u>	<u>64,783</u>	<u>16,504</u>	<u>12,003</u>	<u>30,761</u>	<u>24,093</u>	<u>30,780</u>	<u>14,152</u>
	<u>208,537</u>	<u>184,203</u>	<u>163,090</u>	<u>212,327</u>	<u>155,654</u>	<u>158,421</u>	<u>157,195</u>	<u>159,033</u>	<u>168,056</u>	<u>122,616</u>
<i>Business-type Activities (3)</i>										
<b>CHARGES FOR SERVICES</b>										
Airports	137	38	67	6	60,136	60,647	56,105	54,089	57,978	55,107
Water and wastewater utilities	27	12	84,249	81,031	198,646	184,370	163,063	146,534	132,576	130,103
Solid waste management	51,663	49,090	46,398	43,622	41,418	39,933	38,459	37,067	32,143	31,789
Stormwater drainage	17,296	17,250	16,160	14,923	14,540	12,715	11,204	11,000	10,495	9,820
Golf courses	9,203	8,752	8,533	9,061	9,063	8,481	8,222	9,027	8,150	7,396
Fairgrounds	-	-	-	-	5	-	-	97	-	11
Ground transportation and parking	175	-	2,617	2,464	2,202	2,245	-	-	-	-
Zoo operations	<u>11,547</u>	<u>10,999</u>	<u>10,432</u>	<u>11,530</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total charges for services	<u>90,048</u>	<u>86,141</u>	<u>168,456</u>	<u>162,637</u>	<u>326,010</u>	<u>308,391</u>	<u>277,053</u>	<u>257,814</u>	<u>241,342</u>	<u>234,226</u>
Operating grants and contributions	103,672	93,417	19,592	17,990	11,172	11,237	10,855	13,871	24,988	21,526
Capital grants and contributions	<u>35,905</u>	<u>16,312</u>	<u>13,715</u>	<u>9,364</u>	<u>18,706</u>	<u>29,978</u>	<u>26,029</u>	<u>32,708</u>	<u>15,251</u>	<u>35,719</u>
	<u>229,625</u>	<u>195,870</u>	<u>201,763</u>	<u>189,991</u>	<u>355,888</u>	<u>349,606</u>	<u>313,937</u>	<u>304,393</u>	<u>281,581</u>	<u>291,471</u>
<b>Total program revenues</b>	<b><u>438,162</u></b>	<b><u>380,073</u></b>	<b><u>364,853</u></b>	<b><u>402,318</u></b>	<b><u>511,542</u></b>	<b><u>508,027</u></b>	<b><u>471,132</u></b>	<b><u>463,426</u></b>	<b><u>449,637</u></b>	<b><u>414,087</u></b>

**PRIMARY GOVERNMENT  
CHANGES IN NET POSITION (1)**  
Last Ten Fiscal Years  
(dollars are in thousands)

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

	Fiscal Year									
	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
<b>NET (EXPENSES) REVENUES (3)</b>										
<i>Governmental Activities</i>	(459,045)	(490,739)	(496,002)	(423,716)	(440,890)	(421,429)	(425,499)	(442,151)	(452,785)	(438,785)
<i>Business-type Activities (4)</i>	14,596	(14,430)	(14,951)	(21,019)	64,527	82,661	53,903	50,891	46,617	46,617
<b>Net expenses</b>	<b>(444,449)</b>	<b>(505,169)</b>	<b>(510,953)</b>	<b>(444,735)</b>	<b>(376,363)</b>	<b>(338,768)</b>	<b>(371,596)</b>	<b>(391,260)</b>	<b>(406,168)</b>	<b>(392,168)</b>
<b>GENERAL REVENUES,</b>										
<b>CONTRIBUTIONS</b>										
<b>AND TRANSFERS</b>										
<i>Governmental Activities</i>										
<b>TAXES:</b>										
Sales taxes:										
General	212,368	217,699	214,282	205,542	198,383	186,414	169,105	178,462	179,504	171,065
Police	39,938	40,944	40,185	38,761	37,707	35,367	31,919	33,462	33,657	32,074
Fire	39,938	40,944	40,185	38,761	37,707	35,367	31,919	33,462	33,657	32,074
Public services	634	669	685	655	3,343	2,210	1,132	674	-	-
Culture and recreation	119,700	122,775	120,443	116,604	112,729	105,055	90,566	52,155	11,219	10,692
Education	-	-	-	-	-	-	-	48,065	89,678	85,288
Total sales taxes	412,578	423,031	415,780	400,323	389,869	364,413	324,641	346,280	347,715	331,193
Use taxes	41,914	48,570	49,923	45,406	52,470	44,735	37,976	38,221	36,610	34,239
Hotel/Motel taxes	14,615	14,722	13,885	13,321	12,177	10,858	10,319	10,653	10,830	9,704
Property taxes	83,898	79,750	79,153	76,756	73,778	76,581	60,935	62,093	61,372	52,812
Franchise taxes (fees)	41,419	45,054	43,641	42,109	42,410	39,912	40,216	39,902	31,707	31,358
Emergency telephone taxes	4,517	4,659	4,749	4,779	4,598	4,546	4,777	4,678	4,376	-
Other taxes	5,899	5,928	5,761	6,028	6,401	6,076	5,329	5,518	5,742	9,614
Total taxes	604,840	621,714	612,892	588,722	581,703	547,121	484,193	507,345	498,352	468,920
Oil and gas royalties	336	564	1,290	892	1,074	1,066	1,178	823	1,014	782
Unrestricted investment income	4,381	2,465	1,307	412	2,182	2,669	5,409	17,503	27,174	24,836
Miscellaneous	13,422	8,212	8,134	7,754	7,953	5,319	7,221	1,515	4,820	11,342
Transfers	(21,758)	(20,799)	(22,192)	(20,674)	(453)	(6,832)	(1,066)	(6,540)	(2,095)	(741)
Special item	-	-	-	-	7,497	-	-	-	-	-
	601,221	612,156	601,431	577,106	599,956	549,343	496,935	520,646	529,265	505,139
<i>Business-type Activities (4)</i>										
Unrestricted investment income	570	347	274	153	1,180	1,371	-	-	-	-
Transfers	21,758	20,799	22,192	20,674	453	6,832	1,066	6,540	2,095	741
Special item	-	-	-	-	(2,872)	-	-	-	-	-
	22,328	21,146	22,466	20,827	(1,239)	8,203	1,066	6,540	2,095	741
<b>Total general revenues, contributions, transfers, and special items</b>	<b>623,549</b>	<b>633,302</b>	<b>623,897</b>	<b>597,933</b>	<b>598,717</b>	<b>557,546</b>	<b>498,001</b>	<b>527,186</b>	<b>531,360</b>	<b>505,880</b>
<b>CHANGES IN NET POSITION</b>										
<i>Governmental Activities</i>	142,176	121,417	105,429	153,390	159,066	127,914	71,436	78,495	76,455	66,354
<i>Business-type Activities (4)</i>	36,924	6,716	7,515	(192)	63,288	90,864	54,969	57,431	32,632	47,358
<b>Total primary government</b>	<b>\$179,100</b>	<b>\$128,133</b>	<b>\$112,944</b>	<b>\$153,198</b>	<b>\$222,354</b>	<b>\$218,778</b>	<b>\$126,405</b>	<b>\$135,926</b>	<b>\$109,087</b>	<b>\$113,712</b>

(1) This schedule reports using the accrual basis of accounting.

(2) Expenses include allocated indirect expenses.

(3) Net (expenses) revenues is the difference between expenses and program revenues. It indicates the degree to which a function or program is supported with its own fees and program-specific grants versus its reliance upon funding from taxes and other general revenues. A number in parentheses indicates that expenses were greater than program revenues and therefore general revenues were needed to finance that function or program. Numbers without parentheses indicate that program revenues were more than sufficient to cover expenses.

(4) In 2013 the City implemented Governmental Accounting Standards Board statement number 61 which resulted in adding and removing certain business activities related to reclassification of certain trusts and authorities.

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**GOVERNMENTAL FUNDS  
FUND BALANCES (1)  
Last Ten Fiscal Years  
(dollars are in thousands)**

**CITY OF OKLAHOMA CITY, OKLAHOMA  
TABLE 3**

	Fiscal Year									
	2016	2015	2014 (2)	2013	2012	2011	2010	2009	2008	2007
<b>GENERAL FUND</b>										
Non-spendable	\$8,126	\$7,462	\$8,180	\$8,984	\$10,376	\$8,714	\$ -	\$ -	\$ -	\$ -
Restricted	904	760	664	465	275	183	-	-	-	-
Assigned	496	1,065	1,564	2,321	1,687	1,239	-	-	-	-
Unassigned	109,582	130,537	120,480	125,836	103,749	89,177	-	-	-	-
<b>RESERVED FOR</b>										
Encumbrances	-	-	-	-	-	-	1,144	1,872	1,944	4,068
Restricted purposes	-	-	-	-	-	-	515	508	442	410
Non-current receivables and other assets	-	-	-	-	-	-	3,311	-	-	-
Unreserved:										
Designated	-	-	-	-	-	-	5,000	5,000	5,000	5,000
Undesignated	-	-	-	-	-	-	<u>53,730</u>	<u>74,112</u>	<u>83,179</u>	<u>79,347</u>
<b>Total General Fund</b>	<b><u>119,108</u></b>	<b><u>139,824</u></b>	<b><u>130,888</u></b>	<b><u>137,606</u></b>	<b><u>116,087</u></b>	<b><u>99,313</u></b>	<b><u>63,700</u></b>	<b><u>81,492</u></b>	<b><u>90,565</u></b>	<b><u>88,825</u></b>
% change from prior year	(14.8%)	6.8%	(4.9%)	18.5%	16.9%	55.9%	(21.8%)	(10.0%)	2.0%	1.5%
<b>OTHER GOVERNMENTAL FUNDS</b>										
Non-spendable	25,045	22,980	19,713	20,659	9,865	14,765	-	-	-	-
Restricted	834,466	788,672	732,549	617,104	462,583	407,211	-	-	-	-
Committed	56,566	56,954	54,600	49,709	42,897	19,381	-	-	-	-
Assigned	66,929	65,447	68,456	65,194	84,935	79,602	-	-	-	-
Unassigned	(7,028)	(16,547)	(14,841)	(31,513)	(4,537)	(6,487)	-	-	-	-
<b>RESERVED FOR</b>										
Encumbrances	-	-	-	-	-	-	87,632	84,906	99,990	84,560
Restricted purposes	-	-	-	-	-	-	3,105	11,369	11,480	11,786
Non-current receivables and other assets	-	-	-	-	-	-	24,934	8,492	8,935	4,781
<b>UNRESERVED, REPORTED IN</b>										
Debt Service Fund	-	-	-	-	-	-	47,823	46,850	48,205	36,425
Special revenue funds:										
Undesignated	-	-	-	-	-	-	171,880	151,985	93,157	89,945
Capital Projects Fund	-	-	-	-	-	-	<u>151,691</u>	<u>157,387</u>	<u>186,138</u>	<u>190,284</u>
<b>Total other governmental funds</b>	<b><u>975,978</u></b>	<b><u>917,506</u></b>	<b><u>860,477</u></b>	<b><u>721,153</u></b>	<b><u>595,743</u></b>	<b><u>514,472</u></b>	<b><u>487,065</u></b>	<b><u>460,989</u></b>	<b><u>447,905</u></b>	<b><u>417,781</u></b>
% change from prior year	6.4%	6.6%	19.3%	21.1%	15.8%	5.6%	5.7%	2.9%	7.2%	12.0%
<b>Total</b>	<b><u>\$1,095,086</u></b>	<b><u>\$1,057,330</u></b>	<b><u>\$991,365</u></b>	<b><u>\$858,759</u></b>	<b><u>\$711,830</u></b>	<b><u>\$613,785</u></b>	<b><u>\$550,765</u></b>	<b><u>\$542,481</u></b>	<b><u>\$538,470</u></b>	<b><u>\$506,606</u></b>
% change from prior year	3.6%	6.7%	15.4%	20.6%	16.0%	11.4%	1.5%	0.7%	6.3%	10.0%

(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									
	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
<b>REVENUE</b>										
Taxes (2)	\$604,323	\$621,429	\$612,540	\$589,227	\$583,252	\$544,492	\$486,023	\$506,571	\$501,233	\$468,497
Licenses and permits	23,443	24,899	23,578	23,068	21,894	21,718	18,033	12,427	12,905	11,926
Oil and gas royalties	337	584	1,259	893	1,073	1,066	1,178	823	1,014	782
Fines and forfeitures	24,512	27,080	27,872	27,901	24,035	23,617	21,316	20,127	20,150	19,645
Investment income	10,229	6,130	5,093	1,930	4,994	6,599	4,952	15,519	26,154	23,636
Charges for services	41,228	41,983	41,536	38,568	35,944	35,823	37,322	38,813	38,763	28,516
Rental income	2,491	2,107	2,541	1,668	1,273	1,025	1,286	1,986	3,401	2,997
Payments from component units	9,059	8,494	6,382	6,083	314	579	2,558	20,793	26	26
Intergovernmental programs	74,490	61,975	62,063	61,325	63,044	67,597	53,359	59,788	64,782	58,019
Other	<u>10,599</u>	<u>9,286</u>	<u>3,457</u>	<u>3,279</u>	<u>9,668</u>	<u>3,338</u>	<u>7,221</u>	<u>1,515</u>	<u>3,974</u>	<u>11,057</u>
<b>Total revenue</b>	<b><u>800,711</u></b>	<b><u>803,967</u></b>	<b><u>786,321</u></b>	<b><u>753,942</u></b>	<b><u>745,491</u></b>	<b><u>705,854</u></b>	<b><u>633,248</u></b>	<b><u>678,362</u></b>	<b><u>672,402</u></b>	<b><u>625,101</u></b>
% change from prior year	(0.4%)	2.2%	4.3%	1.1%	5.6%	11.5%	(6.7%)	0.9%	7.6%	6.3%
<b>EXPENDITURES</b>										
<b>CURRENT</b>										
General government	57,927	59,534	55,569	29,244	46,567	46,755	53,125	49,391	65,180	38,145
Public safety	349,406	335,108	329,657	330,932	295,757	273,504	291,388	293,857	304,332	270,313
Public services	121,814	137,845	107,823	109,789	91,134	88,076	102,257	77,072	146,166	131,049
Culture and recreation	60,238	59,765	56,900	55,088	63,772	66,493	56,898	56,107	55,451	56,413
Education	699	1,312	1,504	1,991	1,519	1,242	1,245	41,331	89,766	85,365
Economic development	<u>1,324</u>	<u>451</u>	<u>970</u>	<u>1,049</u>	<u>7,198</u>	<u>4,861</u>	-	-	-	-
Total current	591,408	594,015	552,423	528,093	505,947	480,931	504,913	517,758	660,895	581,285
Capital outlay (3)	183,716	153,522	126,053	83,642	123,236	132,207	136,879	138,795	-	-
<b>DEBT SERVICE</b>										
Principal	53,761	48,770	43,363	44,510	46,700	44,071	38,933	38,780	35,641	32,039
Interest	28,247	28,130	25,580	24,598	22,851	25,542	23,630	24,391	21,402	19,429
Other	<u>895</u>	<u>1,770</u>	<u>531</u>	<u>1,025</u>	<u>14,146</u>	<u>464</u>	<u>860</u>	<u>414</u>	<u>359</u>	<u>361</u>
Total debt service	<u>82,903</u>	<u>78,670</u>	<u>69,474</u>	<u>70,133</u>	<u>83,697</u>	<u>70,077</u>	<u>63,423</u>	<u>63,585</u>	<u>57,402</u>	<u>51,829</u>
<b>Total expenditures</b>	<b><u>858,027</u></b>	<b><u>826,207</u></b>	<b><u>747,950</u></b>	<b><u>681,868</u></b>	<b><u>712,880</u></b>	<b><u>683,215</u></b>	<b><u>705,215</u></b>	<b><u>720,138</u></b>	<b><u>718,297</u></b>	<b><u>633,114</u></b>
% change from prior year	3.9%	10.5%	9.7%	(4.4%)	4.3%	(3.1%)	(2.1%)	0.3%	13.5%	1.8%
<b>Excess (deficiency) of revenues over expenditures</b>	<b><u>(57,316)</u></b>	<b><u>(22,240)</u></b>	<b><u>38,371</u></b>	<b><u>72,074</u></b>	<b><u>32,611</u></b>	<b><u>22,639</u></b>	<b><u>(71,967)</u></b>	<b><u>(41,776)</u></b>	<b><u>(45,895)</u></b>	<b><u>(8,013)</u></b>

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

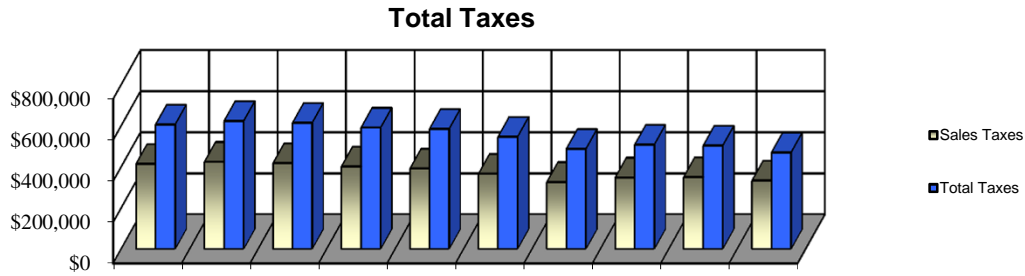
**CITY OF OKLAHOMA CITY, OKLAHOMA  
TABLE 4  
page 2 of 2**

	Fiscal Year									
	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
<b>OTHER FINANCING</b>										
<b>SOURCES (USES)</b>										
Transfers from other funds	134,994	127,907	158,033	114,411	97,883	84,744	148,665	54,526	29,734	38,237
Transfers to other funds	(154,195)	(148,182)	(179,806)	(137,560)	(99,011)	(90,765)	(154,706)	(61,780)	(29,750)	(60,639)
Capital financing	463	23	34	844	405	-	-	111	320	75
Sale of assets	644	3,100	607	574	458	576	731	1,298	1,718	1,077
Premium on bonds	12,622	15,610	7,870	6,484	19,407	2,826	3,167	1,127	2,013	2,300
Long-term debt issued	128,196	162,785	107,185	90,000	130,110	43,000	93,969	49,345	68,980	72,855
Grant capital	-	-	-	1	-	-	101	-	-	-
Payment to refunded bonds escrow agent	(39,260)	(73,038)	-	-	(91,315)	-	-	-	-	-
<b>Net other financing sources</b>	<b>83,464</b>	<b>88,205</b>	<b>93,923</b>	<b>74,754</b>	<b>57,937</b>	<b>40,381</b>	<b>91,927</b>	<b>44,627</b>	<b>73,015</b>	<b>53,905</b>
<b>Special item</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>7,497</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net change in fund balances (4)</b>	<b>\$26,148</b>	<b>\$65,965</b>	<b>\$132,294</b>	<b>\$146,828</b>	<b>\$98,045</b>	<b>\$63,020</b>	<b>\$19,960</b>	<b>\$2,851</b>	<b>\$27,120</b>	<b>\$45,892</b>
Capital outlay (3)	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$103,535	\$96,628
Debt service as a percentage of non-capital expenditures	12.2%	11.4%	11.1%	11.6%	11.8%	12.6%	11.0%	10.9%	9.3%	9.6%

- (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, 2016**  
(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)
2016	\$412,579	\$83,401	\$41,914	\$41,425	\$14,587
2015	423,035	79,371	48,570	45,051	14,727
2014	415,780	78,773	49,922	43,765	13,876
2013	400,322	77,260	45,406	42,110	13,324
2012	389,869	75,141	52,469	42,433	12,342
2011	364,416	72,406	44,734	41,506	10,809
2010	324,641	64,343	37,976	38,720	10,237
2009	346,280	61,727	38,221	39,574	10,615
2008	347,714	64,257	36,610	31,704	10,830
2007	331,193	52,389	34,239	31,358	9,704
% change over 10 years	24.6%	59.2%	22.4%	32.1%	50.3%

Fiscal Year	Emergency Telephone Tax (7)	Tobacco Excise Tax (5)	State Alcoholic Beverage Taxes (5)	Total
2016	\$4,518	\$4,956	\$943	\$604,323
2015	4,667	4,993	1,015	621,429
2014	4,744	4,851	829	612,540
2013	4,777	5,146	882	589,227
2012	4,597	5,567	834	583,252
2011	4,545	5,298	778	544,492
2010	4,777	4,583	746	486,023
2009	4,678	4,730	746	506,571
2008	4,376	4,893	849	501,233
2007	4,193	4,767	654	468,497
% change over 10 years	7.8%	100.0%	44.2%	29.0%

- (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 Hotel/Motel Tax Fund.
- (7) The emergency telephone tax is designated to fund "911" emergency services and is reported in the Emergency Management Fund.



**SALES TAX RATES OF DIRECT AND OVERLAPPING GOVERNMENTS (1)**

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

June 30, 2016

(dollars are in thousands)

OKLAHOMA CITY	Fiscal Year									
	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
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 (2)	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	1.000	1.000
MAPS3 (2)	1.000	1.000	1.000	1.000	1.000	1.000	1.000	0.000	0.000	0.000
Sports facility (2)	<u>0.000</u>	<u>0.000</u>	<u>0.000</u>	<u>0.000</u>	<u>0.000</u>	<u>0.000</u>	<u>0.000</u>	<u>1.000</u>	<u>0.000</u>	<u>0.000</u>
<b>Oklahoma City (3)</b>	<b><u>3.875</u></b>	<b><u>3.875</u></b>	<b><u>3.875</u></b>	<b><u>3.875</u></b>	<b><u>3.875</u></b>	<b><u>3.875</u></b>	<b><u>3.875</u></b>	<b><u>3.875</u></b>	<b><u>3.875</u></b>	<b><u>3.875</u></b>
State of Oklahoma (4)	<u>4.500</u>	<u>4.500</u>	<u>4.500</u>	<u>4.500</u>	<u>4.500</u>	<u>4.500</u>	<u>4.500</u>	<u>4.500</u>	<u>4.500</u>	<u>4.500</u>
<b>Total</b>	<b><u>8.375%</u></b>	<b><u>8.375%</u></b>	<b><u>8.375%</u></b>	<b><u>8.375%</u></b>	<b><u>8.375%</u></b>	<b><u>8.375%</u></b>	<b><u>8.375%</u></b>	<b><u>8.375%</u></b>	<b><u>8.375%</u></b>	<b><u>8.375%</u></b>

- (1) Certain counties in which Oklahoma City is located also levy an additional sales tax. These counties also with their rates are as follows: Cleveland 0.25%, Canadian 0.35% Pottawatomie 1.0%
- (2) Temporary sales taxes (see notes to table 5).
- (3) The source for the Oklahoma City sales tax rates is the City of Oklahoma City Annual Budget. Oklahoma City sales tax increases must be approved by voters.
- (4) The source for other sales tax rates is the State of Oklahoma Tax Commission.

**TAXABLE SALES BY CATEGORY (1)**

**TABLE 7**

Last Ten Fiscal Years

(dollars are in thousands)

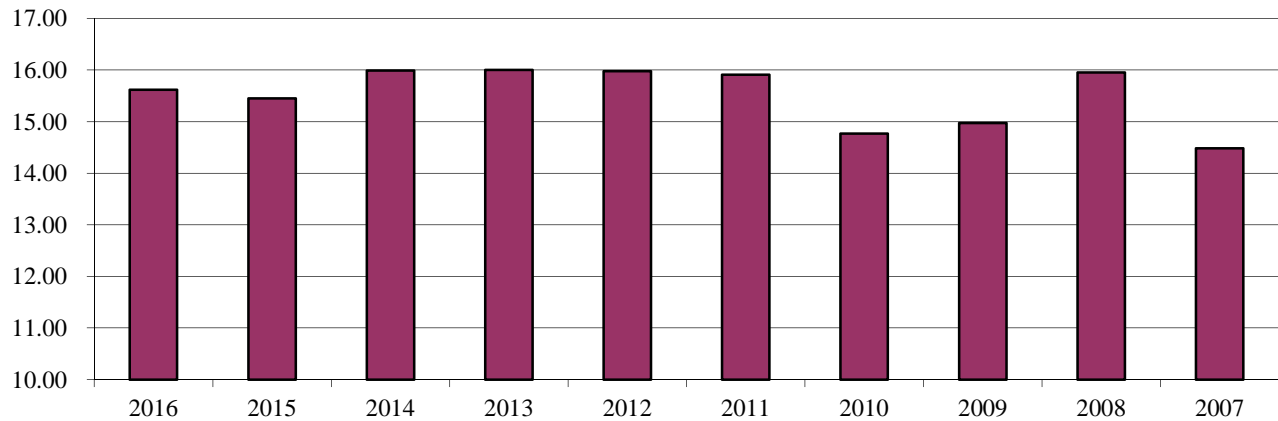
	Fiscal Year										
	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007	
<b>Retail:</b>											
General merchandise	\$50,646	12.12%	\$50,424	\$50,733	\$51,565	\$49,806	\$48,655	\$47,995	\$50,261	\$50,409	\$49,909
Building materials and lawn & garden	31,674	7.58	30,306	33,017	28,034	24,146	28,431	21,592	23,987	23,490	22,853
Food stores	27,829	6.66	27,563	26,031	26,043	24,437	22,320	19,203	18,792	17,483	16,568
Apparel & accessories	22,924	5.48	23,811	22,470	18,629	17,002	14,159	13,166	13,338	13,629	13,429
Auto parts & supplies	11,611	2.78	11,559	11,283	12,397	11,374	10,236	9,091	10,180	10,530	10,401
Electronics & appliances (2)	17,522	4.19	19,227	18,776	-	-	-	-	-	-	-
Furniture & home (2)	9,696	2.32	10,166	11,630	26,662	25,827	25,637	22,524	24,792	25,535	24,899
Miscellaneous retail (2)	11,440	2.74	14,166	13,863	39,069	36,606	33,259	31,218	32,630	32,319	32,765
Sporting goods & hobby stores (2)	10,116	2.42	9,687	9,527	-	-	-	-	-	-	-
Pharmacies & health stores (2)	10,125	2.42	9,554	8,375	-	-	-	-	-	-	-
Convenient stores (2)	6,653	1.59	6,694	4,537	-	-	-	-	-	-	-
Direct sales (2)	1,495	0.36	1,481	1,347	-	-	-	-	-	-	-
<b>Accommodations &amp; Food:</b>											
Hotels & motels	10,427	2.49	9,774	10,040	9,680	8,893	8,571	7,611	8,263	8,016	7,015
Eating & drinking establishments	57,844	13.84	55,637	51,740	50,586	46,829	43,743	39,831	40,868	39,721	37,171
Services	46,640	11.16	47,584	45,393	47,684	47,949	47,840	44,243	45,982	45,918	43,633
Wholesale trade	39,722	9.50	42,668	41,488	41,529	42,819	37,560	27,970	36,835	36,303	33,295
Public utilities	26,843	6.42	29,486	28,741	28,008	28,579	26,478	27,173	27,040	24,571	25,802
Manufacturing	18,118	4.33	19,645	18,362	18,283	16,406	13,814	11,792	14,078	13,871	11,854
All other categories	<u>6,694</u>	<u>1.60</u>	<u>8,514</u>	<u>8,252</u>	<u>6,691</u>	<u>7,417</u>	<u>6,630</u>	<u>3,811</u>	<u>5,622</u>	<u>6,176</u>	<u>5,051</u>
	<b><u>\$418,019</u></b>	<b><u>100.00%</u></b>	<b><u>\$427,946</u></b>	<b><u>\$415,605</u></b>	<b><u>\$404,860</u></b>	<b><u>\$388,090</u></b>	<b><u>\$367,333</u></b>	<b><u>\$327,220</u></b>	<b><u>\$352,668</u></b>	<b><u>\$347,971</u></b>	<b><u>\$334,645</u></b>

- (1) The source for taxable sales by category is the Oklahoma Tax Commission. The City is prohibited by law from reporting individual sales taxpayers.
- (2) In 2014 the table was reformatted to conform to the current data format. Prior to 2014 electronics and appliances were reported with furniture and home and miscellaneous retail included sporting goods & hobby stores, pharmacies & health stores, convenience stores, and direct sales.

**TAXABLE ASSESSED VALUE AND ESTIMATED FAIR  
MARKET (ACTUAL) VALUE OF PROPERTY (1)**  
June 30, 2016  
(dollars are in thousands)

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

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



Fiscal Year	Real Property	Personal Property	Public Service Property	Less Tax Exempt Property	Net Taxable Assessed Value	Estimated Fair Market Value of City Taxable Property (2)	City Property Tax Rate (3)
2016	\$4,394,480	\$890,614	\$250,917	\$130,752	\$5,405,259	\$46,336,461	15.62
2015	4,160,012	854,381	248,606	128,028	5,134,971	43,956,071	15.45
2014	3,954,590	824,248	265,482	125,794	4,918,526	41,963,614	15.99
2013	3,789,765	779,897	335,269	124,599	4,780,332	40,458,929	16.00
2012	3,682,904	741,028	354,531	123,272	4,655,191	39,301,143	15.98
2011	3,571,276	728,731	337,232	120,792	4,516,447	38,143,749	15.91
2010	3,435,800	742,922	344,152	115,543	4,407,331	37,093,359	14.77
2009	3,264,719	667,971	332,611	113,845	4,151,456	34,957,908	14.97
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

(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
2016	11.0%	13.75%	22.85%
2015	11.0	13.75	22.85
2014	11.0	13.75	22.85
2013	11.0	13.75	22.85
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

(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>
2016	15.62	22.81	55.15	15.18
2015	15.45	22.81	54.94	15.18
2014	15.99	22.81	50.73	15.18
2013	16.00	22.81	51.34	15.18
2012	15.98	22.81	46.95	15.18
2011	15.91	22.81	47.69	15.18
2010	14.77	22.81	52.75	15.18
2009	14.97	22.81	50.14	15.18
2008	15.95	20.81	49.83	15.18
2007	14.48	20.81	50.77	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>
2016	15.62	16.11	41.28	68.26	70.60	58.20	71.20
2015	15.45	16.11	41.28	68.77	67.04	59.27	71.34
2014	15.99	16.11	41.28	66.30	74.08	56.11	70.79
2013	16.00	16.11	41.28	65.25	76.15	55.67	70.16
2012	15.98	16.11	43.51	65.07	73.71	55.64	71.34
2011	15.91	16.11	43.37	65.20	72.18	61.50	71.38
2010	14.77	16.11	43.64	66.47	73.01	61.33	68.79
2009	14.97	16.11	44.38	66.96	73.54	62.10	68.52
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

- (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
2016	15.62	23.07	65.10	55.15	71.03	64.54	68.26
2015	15.45	23.07	65.00	54.94	70.32	66.71	68.77
2014	15.99	23.07	65.29	50.73	64.96	69.39	66.30
2013	16.00	23.07	63.86	51.34	66.55	66.23	65.25
2012	15.98	23.07	55.44	46.95	64.64	64.66	65.07
2011	15.91	23.07	64.15	47.69	65.60	66.24	65.20
2010	14.77	23.07	65.65	52.75	65.83	67.86	66.47
2009	14.97	23.07	54.33	50.14	65.05	67.11	66.96
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

Fiscal Year	Norman Schools	Robin Hill Schools	Rose State College	Moore-Norman Vo-Tech	Gordon Cooper Vo-Tech
2016	67.78	67.57	19.88	15.38	15.18
2015	66.75	69.11	20.33	15.38	15.18
2014	66.41	67.04	17.02	15.38	15.18
2013	67.05	70.12	17.10	14.38	15.18
2012	67.02	70.15	17.18	14.38	15.18
2011	66.15	52.78	17.32	14.38	15.18
2010	66.41	59.16	17.40	14.38	15.18
2009	65.42	61.72	17.30	14.38	15.18
2008	67.08	61.36	17.67	14.38	15.18
2007	62.80	65.43	18.29	14.38	15.18

(1) The source for property tax rates of all Oklahoma jurisdictions is the Oklahoma State Board of Equalization (see notes to Table 8).

(2) Total tax rate for a location may be determined by adding the tax rate for the appropriate school district to the rate for Oklahoma City and the County.

**OKLAHOMA COUNTY**

Fiscal Year	Oklahoma City	Oklahoma County	Oklahoma City Schools	Choctaw Schools	Crooked Oak Schools	Crutchfield Schools	Deer Creek Schools	Edmond Schools	Harrah Schools
2016	15.62	23.72	59.71	76.17	71.34	58.90	75.95	66.30	62.88
2015	15.45	23.58	59.36	76.18	75.87	59.02	77.31	66.30	62.76
2014	15.99	23.87	60.39	76.19	62.61	59.95	75.84	66.25	51.04
2013	16.0	23.97	59.29	72.49	64.28	63.87	78.68	66.47	63.60
2012	15.98	24.06	62.09	70.22	65.84	62.01	78.09	66.28	61.01
2011	15.91	24.27	58.70	69.41	65.10	64.02	74.52	66.96	59.99
2010	14.77	25.05	58.43	68.50	67.40	46.96	77.67	66.66	61.11
2009	14.97	23.18	52.48	66.66	57.90	48.14	76.08	66.23	57.60
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

**Midwest**

Fiscal Year	Jones Schools	Luther Schools	McLoud Schools	City Schools	Millwood Schools	Moore Schools	Mustang Schools	Oakdale Schools	Piedmont Schools
2016	70.79	56.23	55.15	71.03	68.50	64.54	68.26	60.94	70.60
2015	72.56	56.48	54.94	70.32	54.70	66.71	68.77	62.78	67.04
2014	67.69	55.44	50.73	64.96	55.19	69.39	66.30	67.41	74.08
2013	67.98	53.49	51.34	66.55	55.41	66.23	65.25	65.24	76.15
2012	63.42	53.51	46.95	64.64	56.98	64.66	65.07	66.41	73.71
2011	65.26	55.45	47.69	65.60	56.80	66.24	65.20	68.42	72.18
2010	60.50	55.46	52.75	65.83	58.81	67.86	66.47	67.22	73.01
2009	64.30	56.19	50.14	65.05	59.55	67.11	66.96	59.52	73.54
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

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
2016	66.42	63.99	5.08	19.88	16.09	15.69	15.45	15.38	15.18
2015	62.12	63.56	5.08	20.33	16.11	15.69	15.45	15.38	15.18
2014	62.99	64.17	5.08	17.02	16.15	15.69	15.45	15.38	15.18
2013	61.64	60.07	5.08	17.10	16.15	15.69	15.0	14.38	15.18
2012	62.43	62.28	5.08	17.18	16.16	15.69	15.45	14.38	15.18
2011	61.20	61.57	5.08	17.32	16.20	15.69	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

- (1) The source for property tax rates of all Oklahoma jurisdictions is the Oklahoma State Board of Equalization (see notes to Table 8).
- (2) Total tax rate for a location may be determined by adding the tax rate for the appropriate school district to the rate for Oklahoma City and Oklahoma County.

**PRINCIPAL PROPERTY TAXPAYERS**  
**June 30, 2016**  
(dollars are in thousands)

**CITY OF OKLAHOMA CITY, OKLAHOMA**  
**TABLE 10**

Fiscal Year					
2016			2007		
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
		Value			Value
OG&E	\$189,165	3.50%	OG&E	\$117,690	3.18%
Devon Headquarters LLC	76,813	1.42	Southwestern Bell	105,482	2.85
Hobby Lobby Stores Inc.	40,656	0.75	Redbud Energy	58,715	1.59
Oklahoma Natural Gas Co.	29,065	0.54	Oklahoma Natural Gas Co.	30,895	0.83
Southwestern Bell	22,917	0.42	Cox Oklahoma Telecom LLC	26,275	0.71
Chesapeake Land Company LLC	21,437	0.40	AT&T Mobility LLC	25,880	0.70
Quad Graphics Inc.	17,715	0.33	General Motors	13,642	0.37
Cox Com Inc.	13,972	0.26	Cox Communications, Inc.	12,261	0.33
Penn Square LLC	12,547	0.23	Sprint Spectrum L.P.	11,932	0.32
OU Medical Center	11,975	0.22	Chesapeake Land Co. LLC	10,856	0.29
	<u><u>\$436,262</u></u>	<u><u>8.07%</u></u>		<u><u>\$413,628</u></u>	<u><u>11.17%</u></u>
Total Assessed Valuation	<u><u>\$5,536,011</u></u>		Total Assessed Valuation	<u><u>\$3,812,124</u></u>	
Taxable Assessed Value	<u><u>\$5,405,259</u></u>		Taxable Assessed Value	<u><u>\$3,702,174</u></u>	

(1) The source for property value information is the Oklahoma County Assessor's Office. Total Assessed Value represents amounts assessed in August 2015 for amounts recognized in fiscal year 2016.

**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
2016	\$84,091	\$80,824	96.1%	\$ -	\$80,824	96.1%
2015	79,322	76,168	96.0	2,059	78,227	98.6
2014	78,664	75,333	95.8	1,955	77,288	98.3
2013	76,478	73,322	95.9	3,146	76,468	100.0
2012	74,379	70,893	95.3	2,417	73,310	98.6
2011	71,850	68,114	94.8	2,577	70,691	98.4
2010	65,113	61,804	94.9	2,351	64,155	98.5
2009	62,150	59,411	95.6	2,559	61,970	99.7
2008	62,229	59,557	95.7	3,143	62,700	100.8
2007	53,602	49,611	92.6	3,616	53,227	99.3

(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, 2016  
(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	
2016	\$786,786	\$465	\$9,287	\$ -	\$62	\$796,600
2015	750,825	382	3,466	-	26	754,699
2014	698,352	429	4,458	-	65	703,304
2013	631,037	506	4,790	-	70	636,403
2012	575,407	299	5,077	-	39	580,822
2011	577,557	8	7,256	-	50	584,871
2010	572,054	111	12,256	-	13	584,434
2009	513,964	287	11,487	-	20	525,758
2008	503,950	332	44,580	1,000	29	549,891
2007	469,193	163	14,504	1,950	90	485,900

<i>Business-Type Activities (1)</i>						
Fiscal Year	Revenue Bonds	Lease Obligations	Total Business-type Activities	Total Primary Government (2)	Percent of Personal Income (3)	Per Capita
2016	\$96,845	\$419	\$97,264	\$893,864	1.44%	\$1,394
2015	89,510	318	89,828	844,527	1.45	1,343
2014	94,085	347	94,432	797,736	1.42	1,306
2013	98,480	374	98,854	735,257	1.38	1,236
2012	554,032	1,066	555,098	1,135,920	2.36	1,935
2011	577,475	1,999	579,474	1,164,345	2.53	2,007
2010	543,114	3,598	546,712	1,131,146	2.28	2,020
2009	507,000	4,729	511,729	1,037,487	2.29	1,893
2008	485,981	5,822	491,803	1,041,694	2.36	1,880
2007	493,962	508	494,470	980,370	2.46	1,792

- (1) Beginning in 2013, revenue bonds do not include outstanding bonds for OCAT, 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, 2016**

(dollars are in thousands)

<u>Fiscal Year</u>	<u>General Obligation Bonded Debt (1)</u>	<u>Net Bonded Debt (2)</u>	<u>Net Assessed Valuation</u>	<u>Ratio of Net Bonded Debt to Net Assessed Valuation</u>
2016	\$786,786	\$682,255	\$5,405,259	12.6
2015	750,825	653,975	5,134,971	12.7
2014	698,352	615,715	4,918,526	12.5
2013	631,037	556,390	4,780,332	11.6
2012	575,407	509,460	4,655,191	10.9
2011	577,557	521,260	4,516,447	11.5
2010	572,054	522,670	4,407,331	11.9
2009	513,964	468,320	4,151,456	11.3
2008	503,950	458,295	3,900,991	11.7
2007	469,193	427,455	3,702,174	11.5

<u>Fiscal Year</u>	<u>Estimated Fair Market Value of City Taxable Property (3)</u>	<u>Ratio of Net Bonded Debt to Estimated Fair Market Value of City Taxable Property</u>	<u>Estimated Population (in thousands) (4)</u>	<u>Per Capita Bonded Debt</u>	<u>Per Capita Net Bonded Debt</u>
2016	\$46,336,461	1.7	641	\$1,227	\$1,064
2015	43,956,071	1.7	629	1,194	1,040
2014	41,963,614	1.7	611	1,143	1,008
2013	40,458,929	1.6	595	1,061	935
2012	39,301,143	1.5	587	980	868
2011	38,143,749	1.5	580	996	899
2010	37,093,359	1.5	560	1,022	933
2009	34,957,908	1.5	548	938	855
2008	32,655,141	1.5	554	910	827
2007	30,609,446	1.5	547	858	781

(1) General obligation bonded debt is reported net of unamortized discounts (premiums) and deferred amount on refunding. Deferred amount on refunding was reclassified to deferred outflows (inflows) in 2013 due to change in accounting principle.

<u>Fiscal Year</u>	<u>Gross General Obligation Debt</u>	<u>Unamortized Discount (Premium)</u>	<u>Deferred Amount on Refunding</u>	<u>General Obligation Debt</u>	<u>Ratio of Gross Bonded Debt to Net Asset Valuation</u>
2016	\$738,110	\$48,676	\$ -	\$786,786	13.7
2015	707,314	43,511	-	750,825	13.8
2014	663,575	34,777	-	698,352	13.5
2013	599,460	31,577	-	631,037	12.5
2012	553,445	29,499	(7,537)	575,407	11.9
2011	565,669	14,777	(2,889)	577,557	12.5
2010	561,740	13,985	(3,671)	572,054	12.7
2009	505,780	12,717	(4,533)	513,964	12.2
2008	496,015	13,399	(5,464)	503,950	12.7
2007	462,505	13,144	(6,456)	469,193	12.5

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

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

(4) Population estimates are obtained from the Oklahoma Employment Security Commission, Oklahoma Department of Commerce, and the U.S. Census Bureau.



**DIRECT AND OVERLAPPING DEBT (1)**  
**June 30, 2016**  
(dollars are in thousands)

**CITY OF OKLAHOMA CITY, OKLAHOMA**  
**TABLE 14**

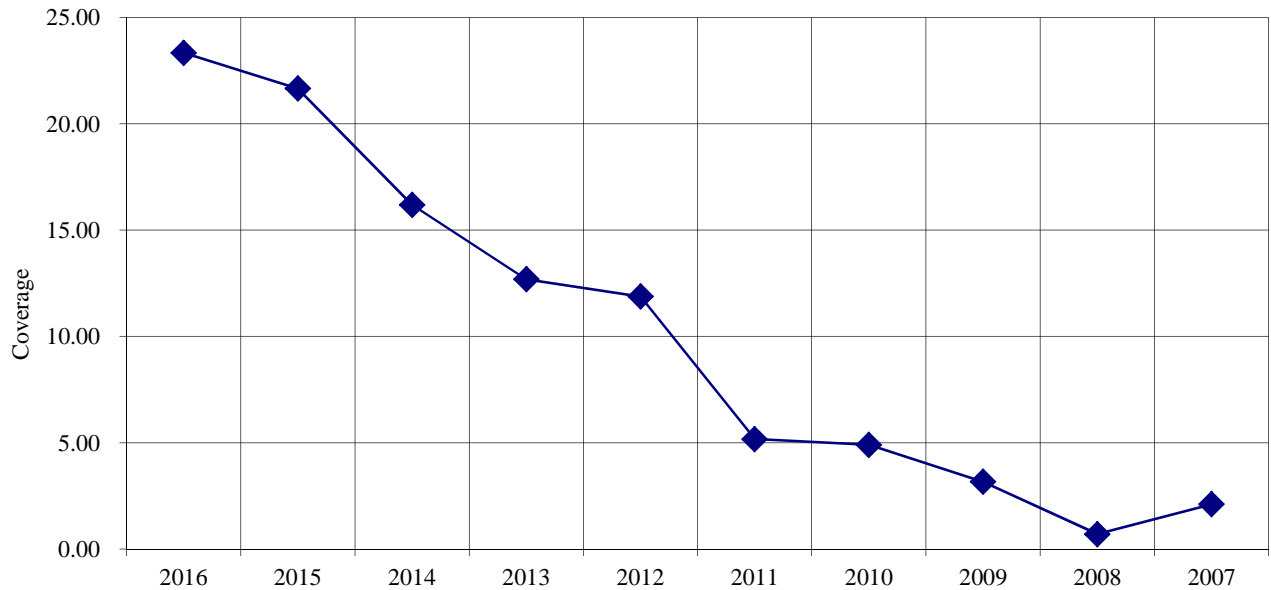
	Net Governmental Activities Debt Outstanding (2)(3)	Percentage Applicable to Oklahoma City (4)	Amount Applicable to Oklahoma City
Banner Schools	\$ -	12.37%	\$ -
Canadian County	-	40.45	-
Choctaw Schools	18,846	13.88	2,616
Cleveland County	-	25.57	-
Crooked Oak Schools	2,650	100.00	2,650
Crutcho Schools	1,060	4.19	44
Deer Creek Schools	18,400	74.73	13,750
Eastern Oklahoma County Vo-Tech	152	15.33	23
Edmond Schools	105,205	42.02	44,207
Francis Tuttle Vo-tech	-	61.46	-
Harrah Schools	3,300	58.39	1,927
Jones Schools	1,043	35.24	368
Little Axe Schools	500	20.51	103
Luther Schools	1,780	5.70	101
McLoud Schools	1,125	75.55	850
Midwest City Schools	31,470	40.60	12,777
Millwood Schools	3,365	89.12	2,999
Moore Schools	64,375	58.83	37,872
Mustang Schools	36,341	87.41	31,766
Norman Schools	50,210	0.00	-
Oakdale Schools	4,400	99.68	4,386
Oklahoma City Schools	153,586	86.42	132,729
Oklahoma County	48,111	67.54	32,494
Piedmont Schools	10,261	46.76	4,798
Putnam City Schools	53,415	85.97	45,921
Robin Hill Schools	370	18.96	70
Rose State College	21,980	32.05	7,045
Union City Schools	510	2.23	11
Western Heights Schools	17,910	99.94	17,899
Yukon Schools	<u>23,541</u>	<u>37.43</u>	<u>8,811</u>
	673,906		406,217
<b>Oklahoma City</b>	<b><u>796,600</u></b>	100.00%	<b><u>796,600</u></b>
<b>Total direct and overlapping debt</b>	<b><u>\$1,470,506</u></b>		<b><u>\$1,202,817</u></b>

- (1) Other overlapping jurisdictions identified in Table 9 have no net debt for the period shown.
- (2) Net debt outstanding is the total outstanding debt less the reserves restricted for the repayment of principal in the Debt Service Fund. The outstanding debt balance and debt service fund restricted reserves used in this table are for the 2015-2016 tax year levy. Therefore, the net debt outstanding for the City of Oklahoma City (City) does not agree with the June 30, 2016, financial statements. Restricted reserves are created and accumulated through the property tax levy (per applicable Oklahoma Statutes) to insure that funds are on hand when debt service payments are due.
- (3) The source for bonded debt outstanding for jurisdictions other than Oklahoma City is the Oklahoma State Board of Equalization.
- (4) The percent applicable to Oklahoma City is determined by the School district's proportionate share of the total City assessed valuation as provided by the Oklahoma State Board of Equalization.

**PLEDGED-REVENUE BOND COVERAGE**  
**June 30, 2016**  
(dollars are in thousands)

**CITY OF OKLAHOMA CITY, OKLAHOMA**  
**TABLE 15**  
**page 1 of 9**

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



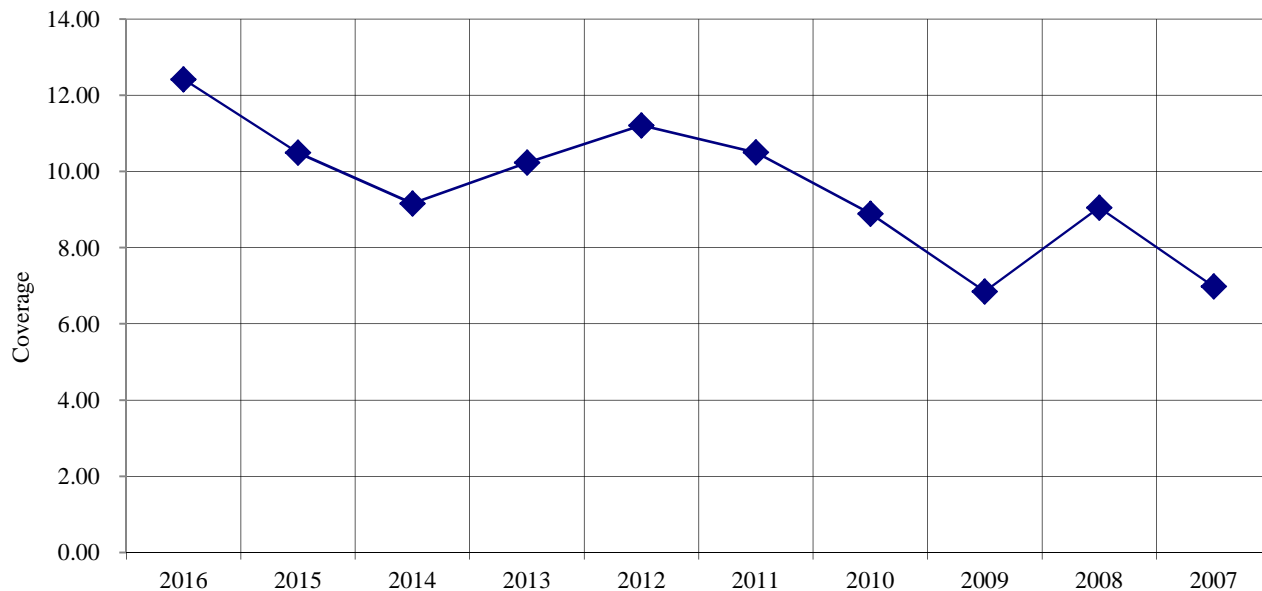
Fiscal Year	Gross Revenue (2)	Direct Expenses (3)	Net Revenue Available for Debt Service	Debt Service Requirements			Coverage (4)
				Principal	Interest	Total	
2016	\$57,471	\$46,380	\$11,091	\$390	\$85	\$475	23.34
2015	48,818	38,551	10,267	375	99	474	21.66
2014	46,197	38,551	7,646	360	112	472	16.19
2013	43,439	37,422	6,017	350	124	474	12.69
2012	41,282	35,613	5,669	340	137	477	11.88
2011	39,948	33,761	6,187	1,035	161	1,196	5.17
2010	38,272	32,383	5,889	1,005	196	1,201	4.90
2009	37,126	33,335	3,791	970	229	1,199	3.16
2008	32,529	31,682	847	940	259	1,199	0.70
2007	32,468	30,279	2,189	750	284	1,034	2.11

- (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.

**PLEGGED-REVENUE BOND COVERAGE**  
**June 30, 2016**  
(dollars are in thousands)

**CITY OF OKLAHOMA CITY, OKLAHOMA**  
**TABLE 15**  
**page 2 of 9**

**OKLAHOMA CITY ZOOLOGICAL TRUST - ZOO BONDS (1)**



Fiscal Year	Gross Revenue (2)	Direct Expenses (3)	Net Revenue Available for Debt Service	Debt Service Requirements			Coverage (4)
				Principal	Interest	Total	
2016	\$26,279	\$18,377	\$7,902	\$630	\$6	\$636	12.42
2015	25,542	19,106	6,436	605	8	613	10.49
2014	24,884	18,403	6,481	680	27	707	9.16
2013	24,562	17,325	7,237	680	27	707	10.23
2012	24,135	16,204	7,931	680	27	707	11.21
2011	22,301	14,875	7,426	680	27	707	10.50
2010	19,813	13,527	6,286	680	27	707	8.89
2009	20,054	15,208	4,846	680	27	707	6.85
2008	19,808	13,404	6,404	680	27	707	9.05
2007	18,356	13,420	4,936	680	27	707	6.98

- (1) The City of Oklahoma City (City) has no obligation for repayment of revenue bond debt. Repayment of debt is the responsibility of the Oklahoma City Zoo Trust. The sales tax payments from the City are designated for the Zoo and pledged for repayment.
- (2) Gross revenues include operating revenues, donations, investment income, and payments from the City. Gross revenues for 2009 have been restated for a prior error in presentation.
- (3) Direct expenses include operating expenses less depreciation.
- (4) Bond covenants requires maximum debt service paid in any year for covenants coverage compliance. The bond covenants coverage ratio is 1.25.

**PLEGGED-REVENUE BOND COVERAGE**

**CITY OF OKLAHOMA CITY, OKLAHOMA**

**June 30, 2016**

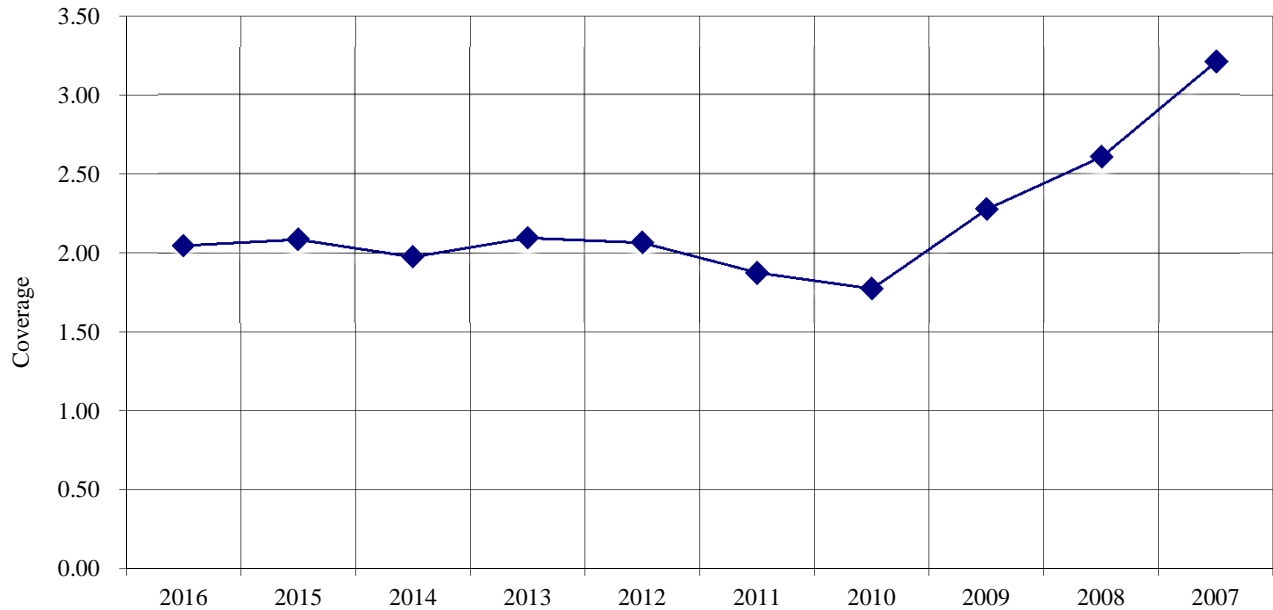
**TABLE 15**

(dollars are in thousands)

**page 3 of 9**

**OKLAHOMA CITY PUBLIC PROPERTY AUTHORITY - FAIRGROUNDS 2005, 2007A, 2011, 2012, AND 2015 BOND ISSUE**

(1)



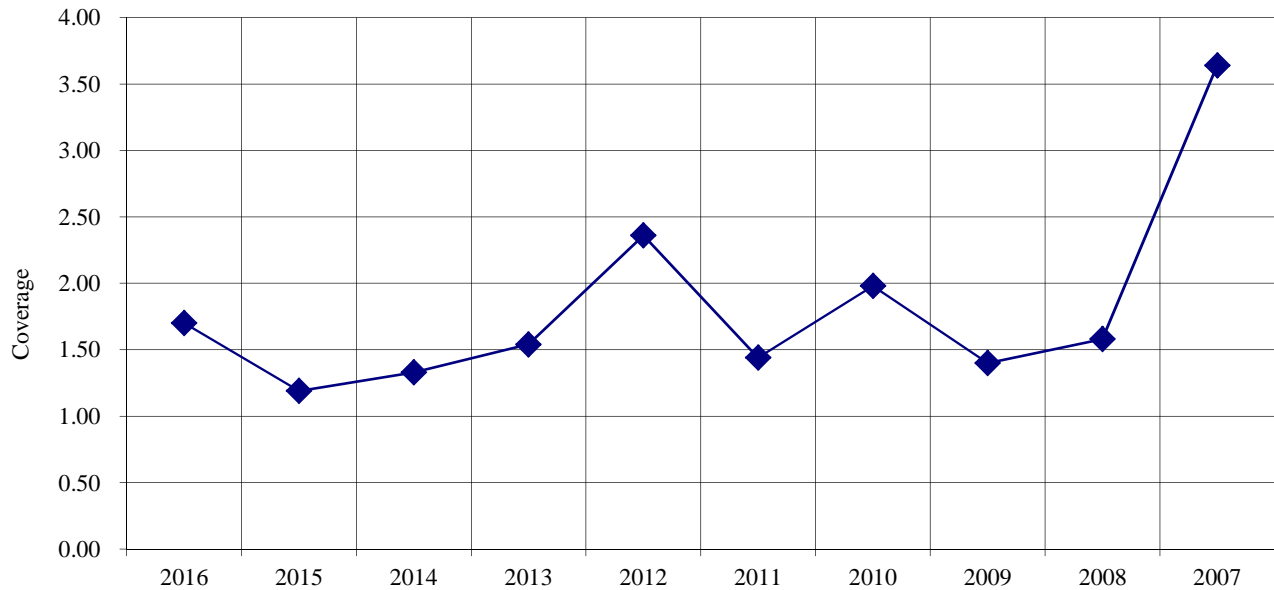
Fiscal Year	Gross Revenue (2)	Direct Expenses (3)	Net Revenue Available for Debt Service (4)	Debt Service Requirements			Coverage (4)
				Principal	Interest	Total	
2016	\$13,261	\$ -	\$13,261	\$3,540	\$2,928	\$6,468	2.05
2015	13,388	-	13,388	2,870	3,512	6,382	2.09
2014	12,615	-	12,615	2,755	3,603	6,358	1.98
2013	12,113	-	12,113	2,045	3,697	5,742	2.10
2012	11,220	-	11,220	1,835	3,574	5,409	2.07
2011	9,826	-	9,826	1,745	3,476	5,221	1.88
2010	9,306	-	9,306	1,665	3,544	5,209	1.78
2009	9,650	-	9,650	630	3,590	4,220	2.28
2008	9,845	-	9,845	465	3,306	3,771	2.61
2007	8,822	-	8,822	-	2,745	2,745	3.21

- (1) The City has no obligation for repayment of revenue bond debt. Repayment of debt is the responsibility of the Oklahoma City Public Property Authority Fairgrounds. Transfers of hotel/motel tax revenues are pledged for repayment.
- (2) Gross revenues are 10/11ths of recognized hotel/motel taxes.
- (3) There are no direct expenses related to the gross revenues reported.
- (4) The bond covenants do not specify a coverage requirement.

**PLEGGED-REVENUE BOND COVERAGE**  
**June 30, 2016**  
(dollars are in thousands)

**CITY OF OKLAHOMA CITY, OKLAHOMA**  
**TABLE 15**  
**page 4 of 9**

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



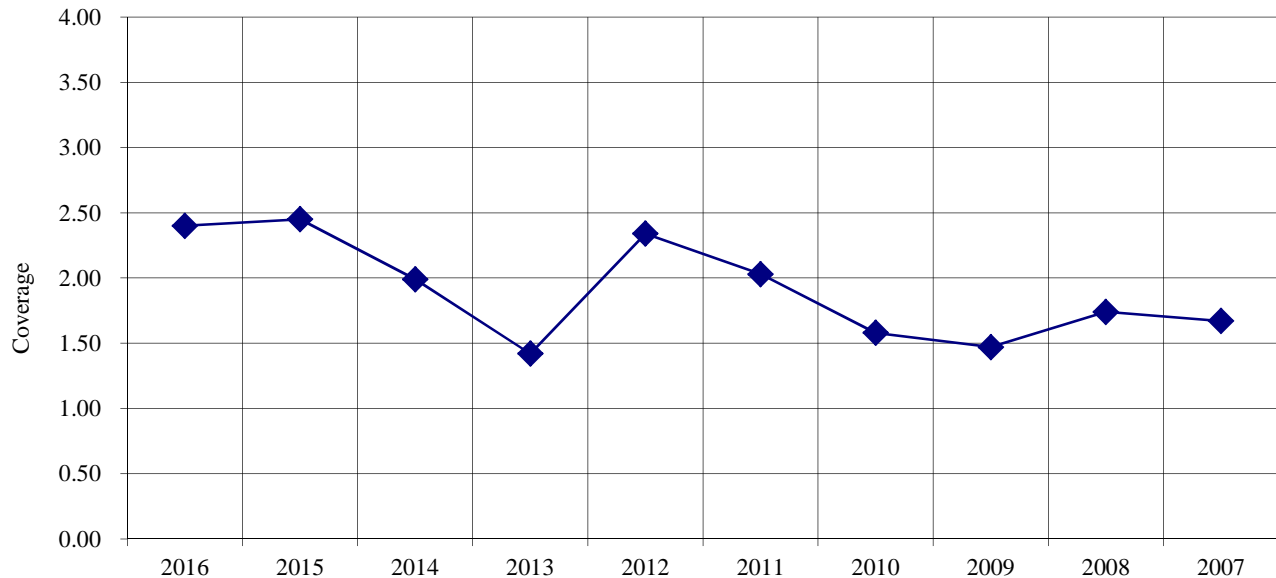
Fiscal Year	Gross Revenue (2)	Direct Expenses (3)	Net Revenue Available for Debt Service	Debt Service Coverage Requirements (4)			Coverage (5)
				Principal	Interest	Total	
2016	\$9,597	\$7,539	\$2,058	\$825	\$383	\$1,208	1.70
2015	8,885	7,438	1,447	825	383	1,208	1.19
2014	8,975	7,366	1,609	825	383	1,208	1.33
2013	9,802	7,930	1,872	825	383	1,208	1.54
2012	9,716	7,936	1,780	525	228	753	2.36
2011	9,021	7,650	1,371	310	638	948	1.44
2010	8,994	7,108	1,886	310	638	948	1.98
2009	9,331	8,001	1,330	310	638	948	1.40
2008	7,835	6,333	1,502	310	638	948	1.58
2007	9,329	5,876	3,453	310	638	948	3.64

- (1) Repayment of debt is the responsibility of the Oklahoma City Public Property Authority Golf Courses. The bonds are secured principally by revenues earned by the Golf Courses and by revenues pledged by the City under an agreement of support. The agreement provides for financial support from legally available funds of the City, as required.
- (2) Gross Revenues include operating revenues, investment income, other revenue, and transfers from other funds. Jimmy Stewart revenues are excluded.
- (3) Direct expenses include operating expenses less depreciation for all golf courses excluding Jimmy Stewart. Beginning fiscal 2012 direct expenses exclude OPEB expenses as the Golf Courses do not fund this cost. Beginning in 2010 direct expenses did not include chargebacks. Chargebacks are paid to the general fund and include administrative charges, risk management, and salaries.
- (4) Principal and interest is the maximum debt service paid in any year for bond covenant coverage calculations. The final term bond principal payment is not considered in determining the maximum debt service paid. Therefore, principal and interest will not correlate to annual bond payment amounts.
- (5) The bond covenants coverage ratio is 1.10.

**PLEDGED-REVENUE BOND COVERAGE**  
**June 30, 2016**  
(dollars are in thousands)

**CITY OF OKLAHOMA CITY, OKLAHOMA**  
**TABLE 15**  
**page 5 of 9**

**OKLAHOMA CITY AIRPORT TRUST - AIRPORT BONDS (1)**



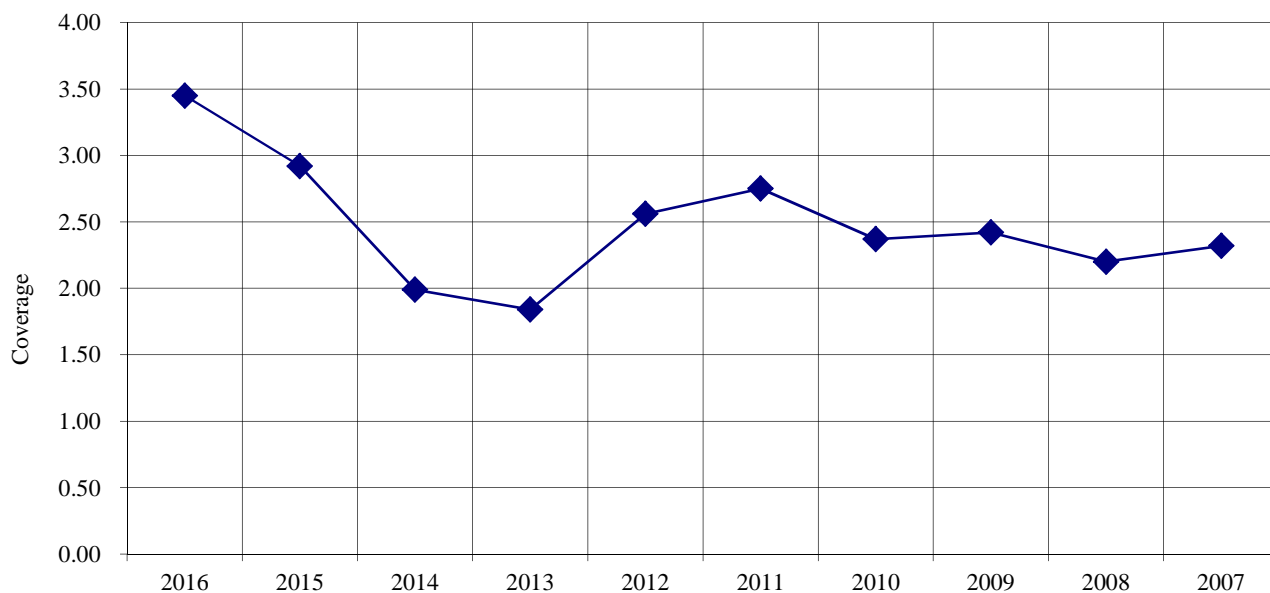
Fiscal Year	Gross Revenue (2)	Direct Expenses (3)	Net Revenue Available for Debt Service	Debt Service Requirements			Coverage (5)				
							Senior Lien (6)		Junior Lien		
							Gross	Net	Gross	Net	Combined (7)
2016	\$58,945	\$28,924	\$30,021	\$7,745	\$4,733	\$12,478	N/A	N/A	5.18	2.87	2.40
2015(8)	57,803	27,193	30,610	7,410	5,078	12,488	N/A	N/A	5.02	2.88	2.45
2014	66,878	27,560	39,318	13,370	6,291	19,661	N/A	N/A	6.86	4.04	1.99
2013	62,714	26,733	35,981	19,215	6,087	25,302	11.47	6.08	5.47	2.94	1.42
2012	56,073	24,463	31,610	11,025	2,463	13,488	10.16	5.24	5.05	2.63	2.34
2011	57,370	23,090	34,280	11,370	5,510	16,880	9.41	5.19	4.52	2.51	2.03
2010	51,488	22,729	28,759	12,025	6,174	18,199	7.43	3.85	3.80	1.89	1.58
2009	51,584	22,718	28,866	12,700	6,879	19,579	7.26	3.64	3.42	1.70	1.47
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	1.67

- (1) The City of Oklahoma City has no obligation for repayment of revenue bond debt. The debt will be paid from revenues earned by the Oklahoma City Airport Trust and accumulated reserves required for certain senior lien debt.
- (2) Facility charge revenue is included in gross revenue, excluded to calculate senior lien coverage, then added back to calculate junior lien coverage.
- (3) Direct expenses include operating expenses and transfers to other funds less depreciation.
- (4) Interest requirements exclude interest paid from bond proceeds.
- (5) Senior lien and junior lien coverage ratios reflect the net coverage on junior lien debt after calculating debt service coverage on senior lien debt. Therefore, these coverage ratios will not calculate from the table. Gross coverage is calculated before operating expense. Combined coverage calculates by dividing net revenue available for debt service by total debt service requirements.
- (6) Senior lien debt was fully repaid in 2013.
- (7) Combined bond coverage includes principal and interest requirements for all bonded debt.
- (8) The 2015 debt service interest amount has been corrected. This resulted in changes to the Junior lien gross, net coverage, and combined coverage.

**PLEGGED-REVENUE BOND COVERAGE**  
**June 30, 2016**  
(dollars are in thousands)

**CITY OF OKLAHOMA CITY, OKLAHOMA**  
**TABLE 15**  
**page 6 of 9**

**OKLAHOMA CITY WATER UTILITIES TRUST - WATER BONDS (1)**



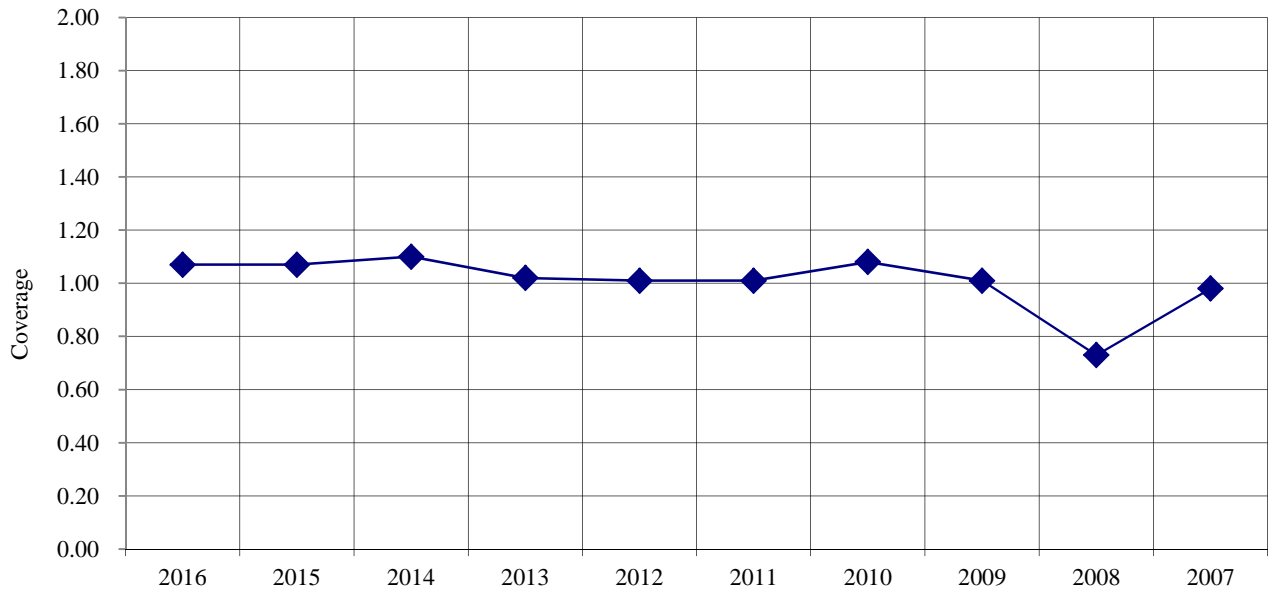
Fiscal Year	Gross Revenue (2)	Direct Expenses (3)	Net Revenue Available for Debt Service	Debt Service Requirements (4)			Coverage (5)
				Principal	Interest	Total	
2016	\$238,348	\$118,270	\$120,078	\$8,370	\$26,402	\$34,772	3.45
2015	216,524	114,775	101,749	8,370	26,402	34,772	2.92
2014	199,328	123,478	75,850	14,910	23,189	38,099	1.99
2013	192,715	122,240	70,475	14,910	23,188	38,098	1.84
2012	197,476	113,464	84,012	10,434	22,367	32,801	2.56
2011	190,075	99,749	90,326	10,434	22,367	32,801	2.75
2010	165,699	98,531	67,168	9,144	19,181	28,325	2.37
2009	152,868	91,675	61,193	9,385	15,890	25,275	2.42
2008	137,738	89,417	48,321	8,390	13,496	21,886	2.20
2007	135,200	84,300	50,900	8,390	13,496	21,886	2.32

- (1) The City of Oklahoma City has no obligation for repayment of revenue bond debt. The debt will be paid from revenues earned by Oklahoma City Water Utilities Trust.
- (2) Gross revenues include operating revenues, investment income, other revenue, and transfers from other funds.
- (3) Direct expenses include operating expenses and transfers out less depreciation and amortization.
- (4) Principal and interest is the maximum debt service paid in any year for bond covenant coverage calculations. Therefore, principal and interest will not correlate to annual bond payment amounts. Final year debt service reduced by reserves held to pay debt services in that year.
- (5) The bond covenants coverage ratio is 1.20.

**PLEDGED-REVENUE BOND COVERAGE**  
**June 30, 2016**  
(dollars are in thousands)

**CITY OF OKLAHOMA CITY, OKLAHOMA**  
**TABLE 15**  
**page 7 of 9**

**McGEE CREEK AUTHORITY - WATER BONDS (1)**



Fiscal Year	Gross Revenue (2)	Direct Expenses (3)	Net Revenue Available for Debt Service	Debt Service Requirements			Coverage (4)
				Principal	Interest	Total	
2016	\$7,940	\$833	\$7,107	\$4,170	\$2,478	\$6,648	1.07
2015	8,056	919	7,137	3,935	2,714	6,649	1.07
2014	7,962	673	7,289	3,715	2,937	6,652	1.10
2013	7,463	669	6,794	3,505	3,147	6,652	1.02
2012	7,384	644	6,740	3,305	3,345	6,650	1.01
2011	7,146	422	6,724	3,120	3,532	6,652	1.01
2010	7,545	393	7,152	2,940	3,709	6,649	1.08
2009	7,154	406	6,748	2,775	3,875	6,650	1.01
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

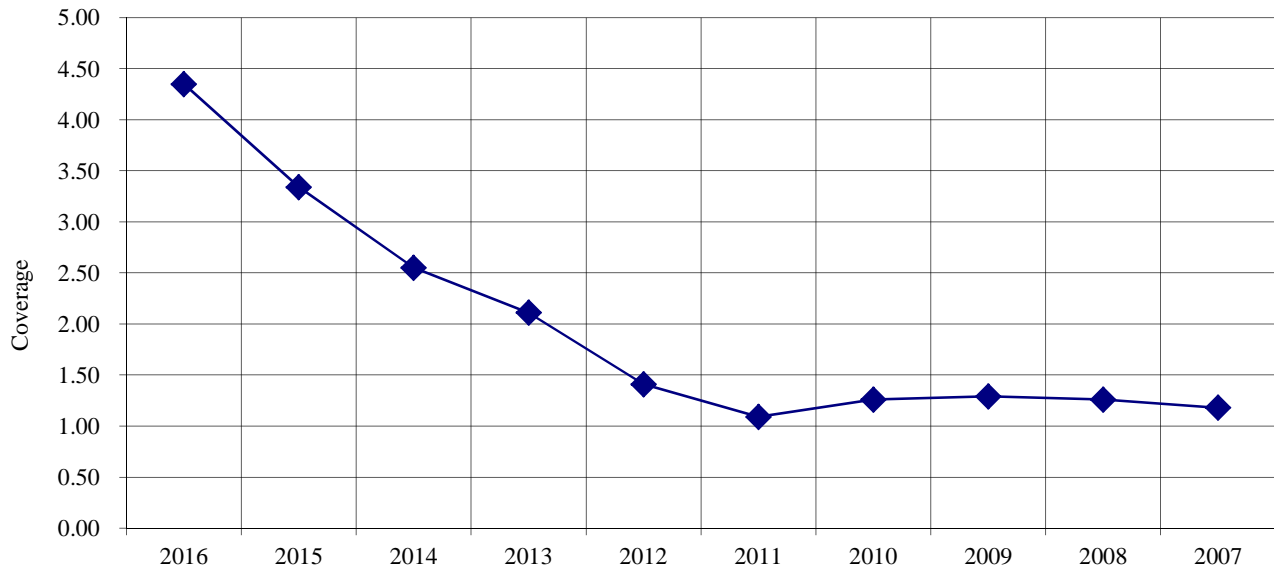
- (1) The City of Oklahoma City has no obligation for repayment of revenue bond debt. The debt is secured by an agreement of support between the Oklahoma City Water Utilities Trust and the McGee Creek Authority granting a security interest in Oklahoma City Water Utilities Trust gross revenues.
- (2) Gross revenues include operating revenues, investment income, other revenue, transfers from other funds, and excludes amounts receivable from Participants.
- (3) Direct expenses include operating expenses less depreciation and amortization.
- (4) The bond covenants coverage ratio is 1.00. Cash balances accumulated from transfers in prior fiscal years are used to meet July 1 interest payments. Taking into consideration these balances held in the principal and interest accounts, sufficient funds were available to meet debt service requirements.



**PLEGGED-REVENUE BOND COVERAGE**  
**June 30, 2016**  
(dollars are in thousands)

**CITY OF OKLAHOMA CITY, OKLAHOMA**  
**TABLE 15**  
**page 8 of 9**

**CENTRAL OKLAHOMA TRANSPORTATION AND PARKING AUTHORITY - PARKING BONDS (1)**



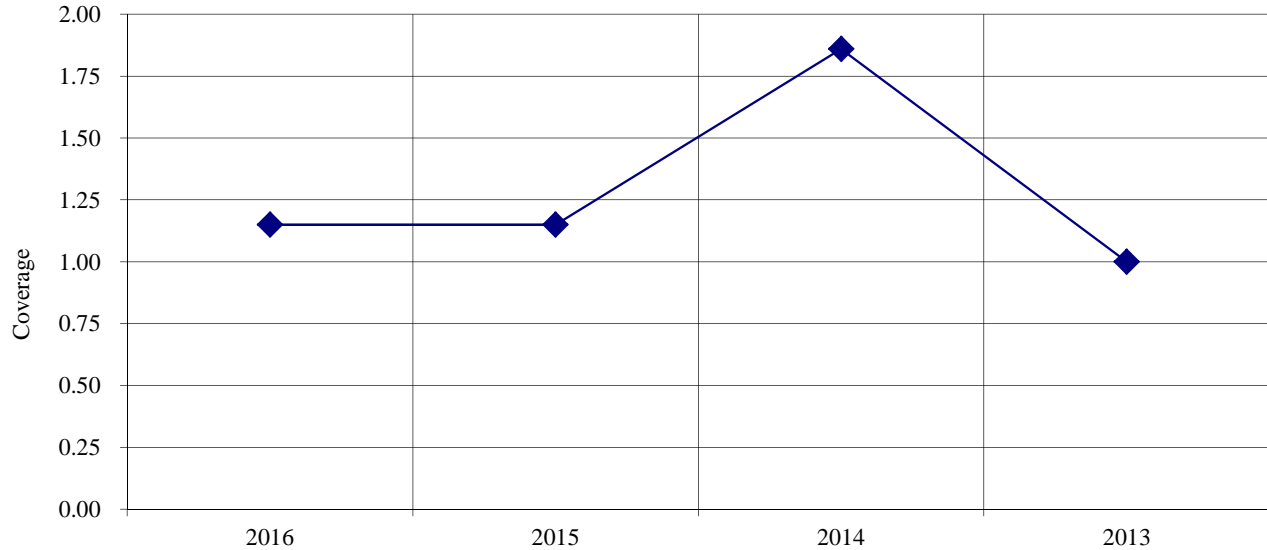
Fiscal Year	Gross Revenue (2)	Direct Expenses (3)	Net Revenue Available for Debt Service	Debt Service Requirements (4)			Coverage (5)
				Principal	Interest	Total	
2016	\$9,889	\$3,478	\$6,411	\$610	\$864	\$1,474	4.35
2015	9,674	4,748	4,926	610	864	1,474	3.34
2014	7,127	3,362	3,765	610	864	1,474	2.55
2013	6,219	3,112	3,107	610	864	1,474	2.11
2012	6,155	3,014	3,141	1,635	593	2,228	1.41
2011	7,143	2,954	4,189	2,421	1,417	3,838	1.09
2010	9,119	3,274	5,845	2,390	2,249	4,639	1.26
2009	9,107	3,172	5,935	2,260	2,350	4,610	1.29
2008	8,906	2,796	6,110	2,725	2,135	4,860	1.26
2007	8,542	3,106	5,436	1,870	2,748	4,618	1.18

- (1) Repayment of debt is the responsibility of the Central Oklahoma Transportation and Parking Authority (COTPA). The parking bonds are secured principally by net revenues of the parking system and revenues pledged by the City under an agreement of support. The agreement provides for financial support of COTPA's parking system from legally available funds of the City, as required.
- (2) Gross Revenues include operating revenues, investment income, other revenue, and payments and transfers from other funds. Gross Revenues in 2016 include a non recurring transfer of \$1.11 million.
- (3) Direct expenses include operating expenses less depreciation and transfers to Parking Enterprise.
- (4) In 2013 the bond indenture was amended. Principal and interest is the maximum 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 is reduced by reserves held to pay debt services in that year.
- (5) The bond covenants coverage ratio is 1.25.

**PLEDGED-REVENUE BOND COVERAGE**  
**June 30, 2016**  
(dollars are in thousands)

**CITY OF OKLAHOMA CITY, OKLAHOMA**  
**TABLE 15**  
**page 9 of 9**

**OKLAHOMA CITY ECONOMIC DEVELOPMENT TRUST - TAX APPORTIONMENT BONDS (1)**

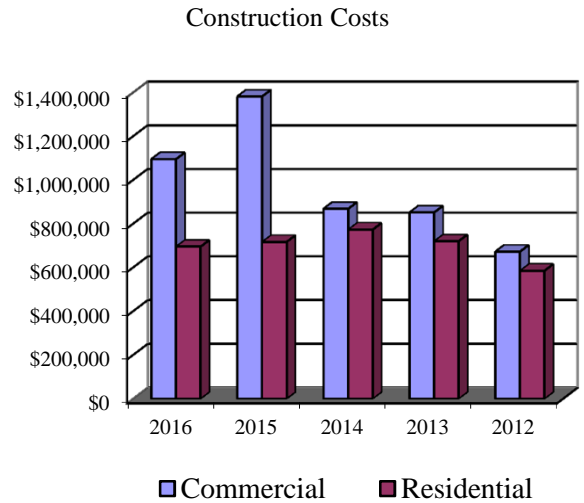
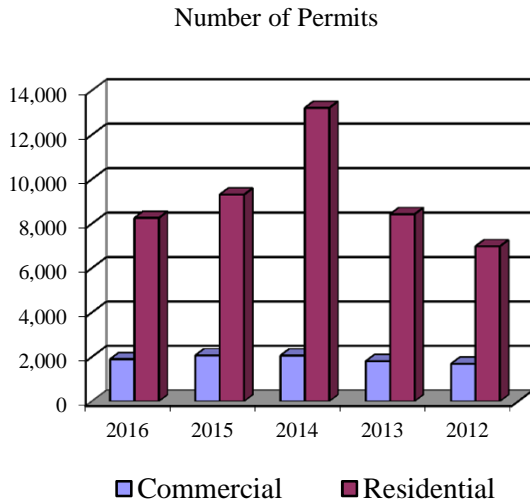


Fiscal Year	Gross Revenue (2)	Direct Expenses (3)	Net Revenue Available for Debt Service	Debt Service Requirements			Coverage (4)
				Principal	Interest	Total	
2016	\$11,316	\$ -	\$11,316	\$5,275	\$4,524	\$9,799	1.15
2015	11,305	-	11,305	5,230	4,558	9,788	1.15
2014	17,128	-	17,128	5,205	3,994	9,199	1.86
2013	7,958	-	7,958	-	-	-	1.00

- (1) Repayment of debt is the responsibility of the Oklahoma City Economic Development Trust. The tax apportionment bonds are secured principally by revenues pledged by the City under an agreement of support. The agreement provides for financial support from legally available funds of the City, as required.
- (2) The bond indenture requires the payment of principal and interest from Incremental Revenues. Increment Revenues are revenues derived from the ad valorem taxes apportioned within Oklahoma City Increment District #8.
- (3) Direct expenses are excluded as they do not affect funds available for debt service.
- (4) The bond covenants do not specify a coverage requirement.
- (5) Gross revenues and debt service requirements for 2015 have been restated for a prior error in presentation.
- (5) Debt service requirements for 2014 have been restated for a prior error in presentation. This resulted in a change to the bond coverage for 2014.

**CONSTRUCTION PERMITS (1)**  
**June 30, 2016**  
(dollars are in thousands)

**CITY OF OKLAHOMA CITY, OKLAHOMA**  
**TABLE 16**



Fiscal Year	Commercial Construction	
	Number of Permits	Construction Cost
2016	1,895	\$1,095,538
2015	2,065	1,382,474
2014	2,062	868,878
2013	1,803	851,718
2012	1,685	673,075
2011	1,700	860,646
2010	1,475	947,880
2009	1,537	795,767
2008	1,797	763,026
2007	1,851	710,175

Fiscal Year	Residential Construction (2)	
	Number of Permits	Construction Cost
2016	8,255	\$695,723
2015	9,303	717,511
2014	13,212	773,993
2013	8,423	720,670
2012	6,978	585,898
2011	4,672	524,798
2010	4,377	486,076
2009	3,695	456,753
2008	4,560	610,712
2007	5,423	651,628

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

(2) Amounts reported prior to 2016 for residential construction have been adjusted due to prior year numbers being reported incorrectly.

**DEMOGRAPHIC STATISTICS**  
**June 30, 2016**  
(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>
2016	641	\$62,113,957	\$46	33.8	85.0%	46	3.8
2015	629	58,435,470	44	34.6	84.8	46	3.7
2014	611	56,197,416	43	34.6	85.0	41	4.9
2013	595	53,223,054	40	34.9	84.8	43	5.2
2012	587	48,194,761	25	34.1	84.4	44	5.4
2011	580	46,093,925	39	34.0	85.4	42	5.9
2010	560	49,679,545	40	34.9	84.8	41	6.2
2009	548	45,206,671	40	34.9	83.9	42	4.8
2008	554	44,190,609	39	35.2	83.6	36	4.0
2007	547	39,777,063	37	35.1	84.1	37	4.6

- (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, 2016

Current Year and Nine Years Ago

Employer	2016			2007		
	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment
Local Governments (2)	54,400	1	8.72%	42,100	1	7.45%
State Government (2)	45,700	2	7.32	38,000	2	6.72
Federal Government (2)	27,700	3	4.44	27,000	3	4.78
Tinker Air Force Base (2)	24,000	4	3.85	24,000	4	4.25
University of Oklahoma - Norman	12,700	5	2.03			
FAA Mike Monroney Aeronautical Center	7,000	6	1.12	5,600	7	0.99
INTEGRIS Health (3)	6,000	7	0.96	6,200	5	1.10
Oklahoma City Public Schools				5,900	6	1.04
Hobby Lobby Stores Inc.	5,100	8	0.82	2,522	14	0.45
University of Oklahoma Health Sciences	5,000	9	0.80	4,200	9	0.74
City of Oklahoma City	4,700	10	0.75	4,320	8	0.76
Mercy Hospital	4,500	11	0.72	2,426	16	0.43
OGE Energy Corp	3,400	12	0.54	2,973	12	0.53
OU Medical Center	3,200	13	0.51			
SSM Health Care of Oklahoma, Inc.	3,000	14	0.48			
University of Central Oklahoma	3,000	15	0.48			
Norman Regional Hospital	2,950	16	0.47			
The Boeing Company	2,600	17	0.42			
Putnam City Schools				2,600	13	0.46
Chesapeake Energy Corp	2,500	18	0.40	1,718	20	0.30
Devon Energy Corp	2,500	19	0.40			
Sonic Corp	2,460	20	0.39			
Dobson Communications				2,445	15	0.43
AT&T	2,400	21	0.38	3,193	11	0.56
Oklahoma City Community College	2,100	22	0.34			
LSB Industries, Inc.	1,950	23	0.31			
Dell	1,800	24	0.29	2,195	18	0.39
UPS	1,800	25	0.29			
Hertz Corporation	1,700	26	0.27	3,400	10	0.60
American Fidelity	1,650	27	0.26			
Great Plains Coca-Cola Bottling Company	1,300	28	0.21			
Cox Communications	1,400	29	0.22	2,000	19	0.35
Farmers Insurance Group	1,300	30	0.21			
Midfirst Bank	1,150	31	0.18			
	<b>240,960</b>		<b>38.58%</b>	<b>182,792</b>		<b>32.33%</b>

(1) Information was provided by the Greater OKC Chamber and the Bureau of Labor Statistics.

(2) Local, State and Federal Government, as well as Tinker Air Force Base include both civilian and non-civilian employees.

(3) INTEGRIS Health includes INTEGRIS Southwest Medical Center and INTEGRIS Baptist Medical Center.

**EMPLOYEES BY FUNCTION**  
**June 30, 2016**  
**Last Ten Fiscal Years**

**CITY OF OKLAHOMA CITY, OKLAHOMA**  
**TABLE 19**

	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
<b><u>PRIMARY GOVERNMENT</u></b>										
<i>Governmental Activities</i>										
<u>Governmental funds</u>										
General government	246	253	248	237	219	215	223	240	245	225
Public safety:										
Police	1,525	1,474	1,479	1,364	1,426	1,386	1,420	1,419	1,328	1,382
Fire	970	982	975	971	971	975	959	990	973	946
Other	80	76	76	71	76	76	67	78	83	83
Public services	545	590	571	562	519	524	521	572	574	579
Culture and recreation	511	524	554	525	667	677	658	695	608	605
Education	<u>15</u>	<u>14</u>	<u>14</u>	<u>14</u>	<u>14</u>	<u>14</u>	<u>9</u>	<u>8</u>	<u>7</u>	<u>7</u>
Total governmental funds	<u>3,892</u>	<u>3,913</u>	<u>3,917</u>	<u>3,744</u>	<u>3,892</u>	<u>3,867</u>	<u>3,857</u>	<u>4,002</u>	<u>3,818</u>	<u>3,827</u>
<u>Internal service funds</u>										
Fleet services	36	36	37	36	35	34	33	36	37	33
Risk management	11	12	10	10	11	11	11	11	9	9
Print shop	4	4	4	4	4	4	4	5	5	4
Information technology	<u>95</u>	<u>95</u>	<u>95</u>	<u>92</u>	<u>83</u>	<u>83</u>	<u>85</u>	<u>96</u>	<u>94</u>	<u>93</u>
Total internal service funds	<u>146</u>	<u>147</u>	<u>146</u>	<u>142</u>	<u>133</u>	<u>132</u>	<u>133</u>	<u>148</u>	<u>145</u>	<u>139</u>
	<u>4,038</u>	<u>4,060</u>	<u>4,063</u>	<u>3,886</u>	<u>4,025</u>	<u>3,999</u>	<u>3,990</u>	<u>4,150</u>	<u>3,963</u>	<u>3,966</u>
<i>Business-type Activities</i>										
Airports	117	113	112	110	100	102	99	100	99	98
Water utilities	627	625	615	610	585	591	574	593	577	579
Solid waste management	110	111	106	107	109	117	107	113	107	113
Stormwater drainage	72	68	65	65	63	76	62	71	77	91
Golf courses	241	230	230	237	239	233	228	188	244	243
Transportation and parking	<u>27</u>	<u>24</u>	<u>22</u>	<u>26</u>	<u>23</u>	<u>24</u>	<u>24</u>	<u>24</u>	<u>24</u>	<u>21</u>
	<u>1,194</u>	<u>1,171</u>	<u>1,150</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>
<b>Total primary government</b>	<b><u>5,232</u></b>	<b><u>5,231</u></b>	<b><u>5,213</u></b>	<b><u>5,041</u></b>	<b><u>5,144</u></b>	<b><u>5,142</u></b>	<b><u>5,084</u></b>	<b><u>5,239</u></b>	<b><u>5,091</u></b>	<b><u>5,111</u></b>
<b><u>FIDUCIARY FUNDS</u></b>										
OCERS	<u>2</u>	<u>2</u>	<u>2</u>	<u>2</u>	<u>2</u>	<u>2</u>	<u>2</u>	<u>2</u>	<u>2</u>	<u>2</u>
<b>Total</b>	<b><u>5,234</u></b>	<b><u>5,233</u></b>	<b><u>5,215</u></b>	<b><u>5,043</u></b>	<b><u>5,146</u></b>	<b><u>5,144</u></b>	<b><u>5,086</u></b>	<b><u>5,241</u></b>	<b><u>5,093</u></b>	<b><u>5,113</u></b>

(1) Employees by function are full-time equivalents who received pay as of June 30, 2016.

**OPERATING INDICATORS BY FUNCTION (1)**  
**June 30, 2016**

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

	Fiscal Year									
	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
<b><u>GENERAL</u></b>										
<b><u>GOVERNMENT</u></b>										
Occupation and Business										
business licenses										
issued (2)	26,304	25,606	26,540	26,159	26,879	13,653	28,196	36,914	34,504	34,598
Investment Portfolio Return										
(TRR-Market Value Method) (3)	1.06%	0.58%	0.51%	0.26%	1.04%	1.07%	2.11%	3.19%	4.41%	4.73%
Benchmark index (Merrill Lynch)										
0-3 Year U.S. Treasury Index (5)	1.01%	0.65%	0.58%	0.29%	0.21%	0.19%	0.32%	0.56%	2.36%	4.91%
<b><u>PUBLIC SAFETY</u></b>										
<b><u>POLICE</u></b>										
Physical arrests	28,630	29,006	23,715	26,043	23,157	24,000	25,279	27,659	21,906	20,304
Parking violations	42,176	52,559	50,336	32,176	42,523	42,048	48,540	47,005	55,545	61,608
Traffic violations	144,282	149,998	114,377	133,809	132,862	104,993	101,094	83,911	81,946	83,993
<b><u>FIRE</u></b>										
Fire responses	73,699	72,672	67,710	71,746	88,055	86,350	80,858	75,750	74,833	67,920
Fire responses in less than										
than five minutes	57.66%	57.52%	59.87%	55.26%	61.22%	53.41%	56.95%	67.04%	52.34%	70.57%
Fire inspections	11,859	11,714	13,435	15,342	8,769	7,499	7,859	7,995	3,912	3,071
<b><u>OTHER</u></b>										
Court cases heard	150,931	139,900	137,168	127,886	114,028	120,339	123,103	122,981	111,929	142,111
Warrants cleared										
and served										
(monthly average)	5,576	5,085	4,473	3,904	3,686	3,922	3,580	3,805	4,323	4,018
<b><u>PUBLIC SERVICES</u></b>										
Houses removed/secured	776	842	413	400	458	578	453	410	399	422
Zoning inspections	60,911	53,213	60,859	57,183	53,615	51,336	49,782	26,524	27,488	28,746
Street panels										
repaired (sq yd)	11,717	15,922	13,439	18,653	17,123	12,563	13,109	19,919	20,274	30,264
<b><u>CULTURE AND RECREATION</u></b>										
<b><u>RECREATION</u></b>										
Youth enrolled in athletic										
leagues (5)	4,343	266	1,402	1,698	1,808	1,120	1,382	1,455	1,554	1,268
Public education workshops (6)	2,025	2,107	2,528	-	-	-	40	47	56	67
<b><u>AIRPORTS</u></b>										
Average number										
of daily flights	65	65	68	72	71	71	68	75	85	79
Annual number of										
passengers boarding	1,867,286	1,886,219	1,847,283	1,845,055	1,824,313	1,748,379	1,694,060	1,730,874	1,913,747	1,799,119
<b><u>WATER UTILITIES</u></b>										
Sewer lines construction										
or repair (lnr feet) (7)	74,357	99,869	94,409	98,522	120,645	106,790	4,810	4,379	9,612	8,580
Water line										
construction or										
repair (lnr feet)	47,395	65,486	84,663	134,456	96,725	118,840	103,560	144,784	121,057	130,308
Water consumption										
(1,000,000 gal)	29,469	27,766	29,048	31,065	33,795	31,336	29,914	29,658	29,238	30,591
Wastewater										
consumption										
(1,000,000 gal)	22,739	21,500	21,360	21,462	21,184	26,474	20,940	19,112	19,214	18,769

**OPERATING INDICATORS BY FUNCTION (1) (2)**  
**June 30, 2016**

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

	Fiscal Year									
	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
<b><u>SOLID WASTE</u></b>										
<b><u>MANAGEMENT (8)</u></b>										
Street sweeping										
(lane miles )	21,741	21,909	21,760	21,878	19,390	18,558	18,434	18,979	19,009	18,988
Refuse collected										
(tons/day)	1,445	1,389	1,390	1,349	1,029	1,058	1,085	1,104	1,164	1,048
Recyclables collected in tons per										
in tons per day	41	40	44	42	33	35	39	40	36	33
<b><u>STORMWATER</u></b>										
<b><u>DRAINAGE</u></b>										
Construction erosion										
inspections	8,156	7,976	5,597	5,856	5,581	9,445	7,345	9,600	8,184	12,798
Stormwater discharge										
permits issued	655	750	676	829	748	773	1,054	1,330	848	964
<b><u>GOLF COURSES</u></b>										
Rounds of golf	250,299	244,639	236,662	255,495	276,472	268,524	267,489	277,827	299,104	290,739
<b><u>FAIRGROUNDS (9)</u></b>										
Events	180	186	203	190	185	191	191	211	204	198
Event days	2,463	2,559	2,713	2,375	2,327	2,213	2,131	2,491	2,576	2,115
<b><u>GROUND</u></b>										
<b><u>TRANSPORTATION</u></b>										
Daily motor bus										
passengers (avg) (10)	11,418	11,064	11,474	10,109	9,928	9,657	9,729	9,493	8,881	9,893
<b><u>PARKING (11)</u></b>										
Average monthly										
occupancy rate (%)	106.80%	110.30%	118.25%	111.72%	94.90%	89.00%	91.00%	88.45%	85.20%	79.65%

- (1) Sources include the City of Oklahoma City (City) Annual Budget, Supplemental Disclosure-Outstanding Bonded Debt, and City Departments.
- (2) Prior years included residential sales and vehicle for hire vehicles. New management guidelines in fiscal year 2011 exclude residential sales and vehicle for hire vehicles from the total number of business and occupational licenses.
- (3) In fiscal year 2013 the Treasury Department changed the method of reporting from the Total Rate of Return - Book Value Method to the Total Rate of Return Market Value Method.
- (4) In fiscal year 2013 the Treasury Department changed the portfolio's benchmark from the Constant Maturity Treasury (CMT) to the Merrill Lynch 0-3 Year U.S. Treasury benchmark.
- (5) The reporting for youth enrolled in athletic leagues rose significantly in 2016 due to increased staffing for the program.
- (6) The Myriad Gardens underwent construction during fiscal years 2011 through 2013, public education workshops began again in fiscal year 2014.
- (7) The reporting for sewer lines construction or repair (lnr feet) changed in 2011 to include construction whereas previous years include only repairs.
- (8) The source of this information is the Solid Waste Management Division of the Water/Wastewater Utilities Department of the City. Solid waste collection is provided by both the City and privately contracted crews. Refuse and recyclables collected are based on 252 working days.
- (9) The management of the fairgrounds is privately contracted.
- (10) Daily average for weekday service, Monday through Friday.
- (11) The Broadway-Kerr garage was sold on January 11th, 2012. Since that sale, occupancy is over 100%.



**CAPITAL ASSET AND INFRASTRUCTURE (1) (2)**  
**June 30, 2016**  
**Last Ten Fiscal Years**

**CITY OF OKLAHOMA CITY, OKLAHOMA**  
**TABLE 21**

	Fiscal Year									
	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
<b><u>POLICE</u></b>										
Stations	1	1	1	1	1	1	1	1	1	1
Sub-Stations	5	5	5	5	5	5	5	5	5	5
Patrol Units	593	589	530	546	548	577	581	580	576	573
<b><u>FIRE</u></b>										
Stations	36	36	35	35	35	35	35	35	35	35
Fire emergency apparatus (2)	139	138	96	87	84	85	84	81	79	79
<b><u>SOLID WASTE MANAGEMENT</u></b>										
Collection vehicles (3)	125	125	125	131	117	113	108	114	114	114
<b><u>STREETS AND HIGHWAYS</u></b>										
Streets (miles)	8,322	8,229	8,177	8,151	7,862	7,800	7,775	7,772	7,603	7,546
New traffic signals installed	8	7	7	7	10	6	11	20	12	20
<b><u>PARKS AND RECREATION</u></b>										
Parks Acres	4,590	4,590	4,590	4,590	4,590	4,590	4,590	4,230	4,545	4,377
Lake acres - land & water recreation (4)	14,312	14,312	14,312	14,229	14,229	14,229	14,229	14,229	N/A	N/A
Oklahoma River & Bricktown	507	507	507	507	507	507	507	507	N/A	N/A
Playgrounds	110	110	109	111	109	109	108	104	109	96
Baseball/softball/practice fields	89	89	88	80	84	84	92	92	135	135
Soccer/football fields (5)	60	59	42	-	-	-	-	-	-	-
Community/special activity centers	31	31	31	30	30	30	26	26	26	26
<b><u>WATER</u></b>										
Water main miles	3,774	3,703	3,649	3,583	3,518	3,269	3,225	3,189	3,307	3,216
Fire hydrants	23,498	22,743	22,547	22,473	21,527	21,527	21,147	20,441	19,713	19,194
Storage capacity (1000 gal) (6)	61,870	75,000	75,000	70,000	70,000	70,000	70,000	70,000	70,000	70,000
<b><u>WASTEWATER</u></b>										
Sanitary sewer miles	2,871	2,839	2,806	2,784	2,755	2,711	2,689	2,636	2,585	2,600
Treatment capacity (1000 gal/day)	111,000	111,000	111,000	111,000	111,000	106,000	106,000	106,000	106,000	106,000
<b><u>STORMWATER DRAINAGE</u></b>										
Storm sewer miles	863.14	843.10	830.42	821.22	811.70	806.80	793.00	779.20	775.20	764.40
<b><u>TRANSIT</u></b>										
Buses	61	59	59	58	58	58	58	58	57	60
Trolleys (7)	-	-	-	-	10	10	12	12	13	11
Van lifts	24	21	22	22	20	23	23	18	16	21

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

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

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

(4) Data for lake acres is not available prior to 2009.

(5) In 2014 it was determined that previously reported amounts were incorrect. Historical data will be presented going forward from 2014.

(6) During fiscal year 2016 several assets were removed due to failing conditions or projected inactivity.

(7) Trolley service was discontinued in 2012.

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