



FINANCIAL SUMMARIES

Consolidated Overview

Revenues

Expenditures

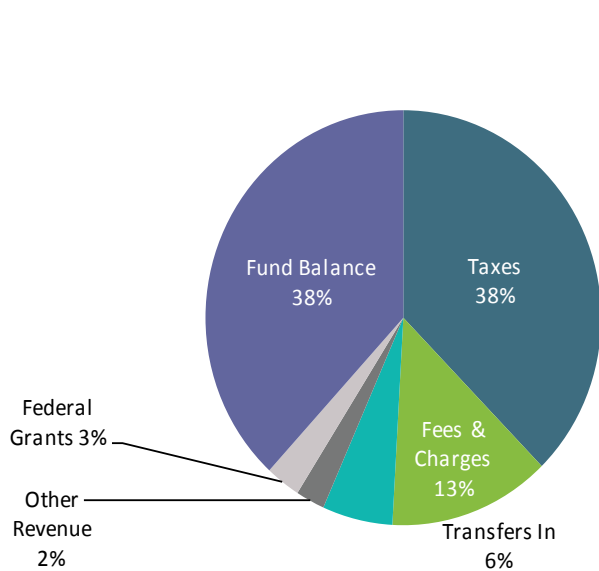
Long Range Financial Summary

CONSOLIDATED BUDGET OVERVIEW

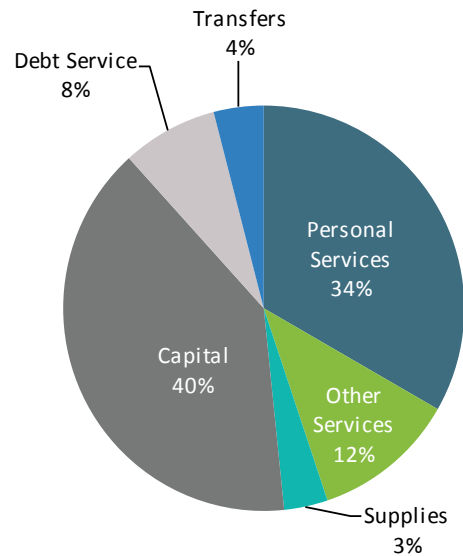
CONSOLIDATED OVERVIEW REVENUE AND EXPENDITURE SUMMARY FOR ALL FUNDS

	Actual FY16	Adopted FY17	Adopted FY18
Revenue Overview			
Taxes	\$566,125,909	\$571,255,160	\$518,936,851
Fees & Charges	171,354,590	176,033,704	181,954,982
Transfers In	60,352,444	75,330,383	79,083,924
Other Revenue	32,576,645	34,809,707	32,601,089
Federal Grants	41,888,674	45,658,879	39,289,655
Fund Balance	2,572,222	357,679,737	525,519,817
Total Revenue	\$874,870,485	\$1,260,767,570	\$1,377,386,318
Expenditure Overview			
Personal Services	\$450,359,689	\$452,652,463	\$458,535,401
Other Services	104,349,116	170,693,092	159,232,150
Supplies	36,586,194	52,454,134	48,531,256
Capital	138,386,866	412,143,418	549,561,864
Debt Service	85,191,354	112,108,651	106,086,208
Transfers	62,098,622	60,715,812	55,439,439
Total Expenditures	\$876,971,841	\$1,260,767,570	\$1,377,386,318

FY18 REVENUES



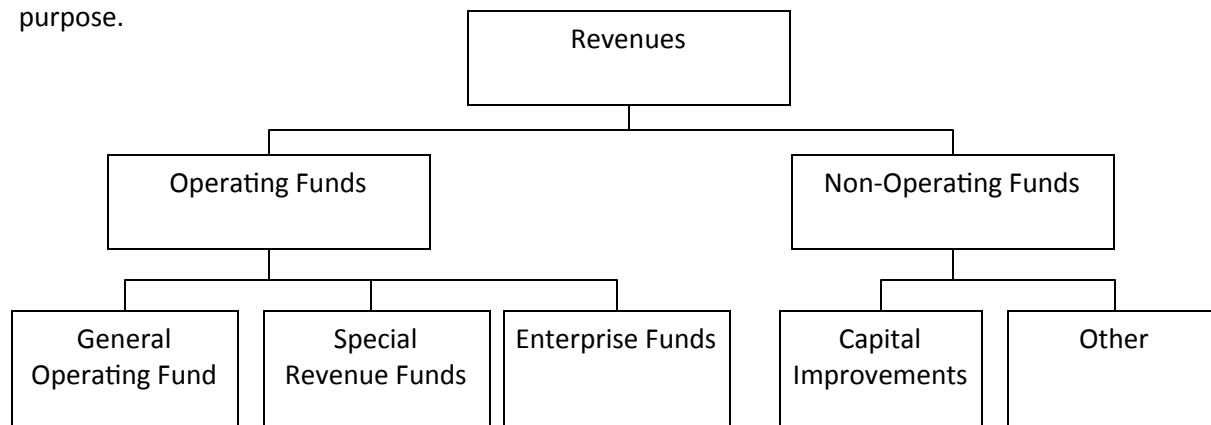
FY18 EXPENDITURES



REVENUE SUMMARY

WHEN REVENUE IS DEDICATED TO A PARTICULAR PURPOSE, THE CITY HAS GENERALLY CHOSEN TO ESTABLISH A SEPARATE FUND TO ENSURE THAT ALL OF THE DEDICATED REVENUE IS SPENT FOR ITS INTENDED PURPOSE.

The City derives revenue from a myriad of sources. Some revenues are dedicated to specific purposes, such as the MAPS 3 Sales Tax or the tariff on phone service dedicated to the E-911 service. Other revenues are not dedicated to a particular program or service and are deposited in the City's General Fund. A fund is an accounting method for segregating revenues and expenditures for a specific purpose.



- | | | | | |
|--|--|---|---|--|
| <ul style="list-style-type: none"> • General Fund • Internal Service Funds | <ul style="list-style-type: none"> • Court Administration and Training Fund • Emergency Management Fund • Fire Sales Tax Fund • Hotel/Motel Tax Fund* • MAPS Operations Fund* • MAPS 3 Use Tax Fund* • Medical Service (Ambulance) Program Fund • OCMAPS Sales Tax Fund • Police Sales Tax Fund* • Police/Fire Capital Equipment Use Tax Fund • Zoo Sales Tax | <ul style="list-style-type: none"> • Airports Fund • Solid Waste Management Fund • Stormwater Drainage Utility Fund* • Public Transportation and Parking Cash Fund • Water/Wastewater Fund | <ul style="list-style-type: none"> • Capital Improvement Projects Fund • City and Schools Capital Use Tax Fund • Hotel/Motel Tax Fund* • Impact Fees Fund • MAPS Operations Fund* • MAPS Sales Tax Fund • MAPS 3 Sales Tax Fund • MAPS 3 Use Tax Fund • OKC Tax Increment Financing Fund • Police Sales Tax Fund* • Police/Fire Capital Equipment Sales Tax Fund • Sports Facilities Sales Tax Fund • Sports Facilities Use Tax Fund • Stormwater Drainage Utility Fund* • Street and Alley Fund | <ul style="list-style-type: none"> • Asset Forfeiture Fund • Debt Service Fund • Grants Management Fund • OKC Improvement and Special Assessment District Fund • Special Purpose Fund |
|--|--|---|---|--|

* These funds have both an operating and non-operating component

OPERATING FUNDS

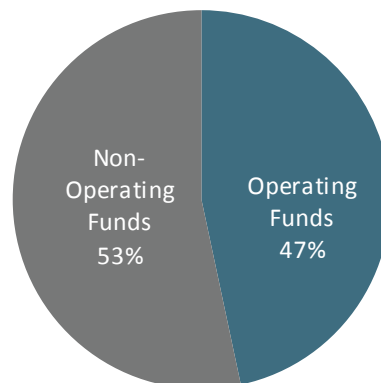
Before beginning the discussion of revenues, it should be noted that all projected growth rates for FY18 were based on estimated year end totals for FY17.

The City classifies its funds as either operating or non-operating. The distinction is that some funds, and, in some cases, portions of funds, directly support operations and other funds provide for capital improvements or are so limited in their purpose that they do not support daily operations. This allows decision-makers to segregate operating costs from the total cost for the organization so that significant changes in capital funding are not misinterpreted as a significant change in operational costs.

An example of this is dedicated sales taxes. In recent years, the citizens of Oklahoma City have approved several limited-term dedicated sales taxes to fund capital improvements. When the MAPS 3 Sales Tax began on April 1, 2010, there was a significant increase in the revenue of those funds which are being used for capital improvements. Because of this distinction, the portion of the Sales Tax used for capital improvements was classified as non-operating and the small portion used to fund the MAPS 3 Project Office was classified as operating.

The Operating Funds category includes three major types of funds: General Operating Funds, Special Revenue Funds and Enterprise Funds, all of which will be discussed further; however, the bulk of the discussion focuses on the General Fund, the City’s largest fund.

Total City Revenues

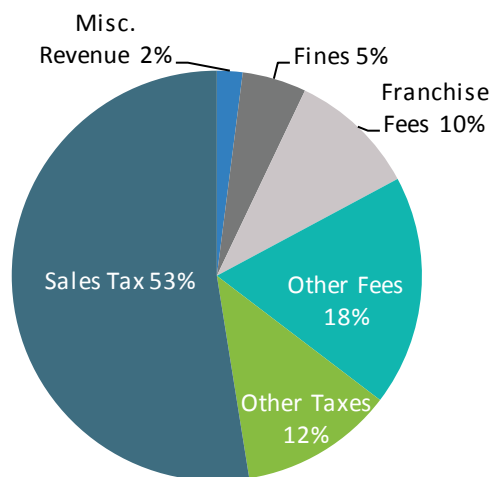


GENERAL FUND

The General Fund has hundreds of individual revenue sources ranging from daily fishing permits to building permits to sales tax. This section examines each of the major categories of revenue in the General Fund and highlights some of the most significant revenue sources.

As the chart shows, the largest single source of revenue is Sales Tax. As such, the most time and effort is dedicated to forecasting this revenue source.

General Fund Revenue by Source



GENERAL FUND - TAXES

The largest category of revenue in the General Fund, at 65%, is taxes. Within the taxes category, all revenue sources are authorized by the State and collected by the Oklahoma Tax Commission.

Sales Tax

Sales Tax is the largest single revenue source for the General Fund and the City. Sales tax is applied to most retail transactions, as provided by State law, and is collected by local vendors who then remit the revenue to the Oklahoma Tax Commission. The City maintains agreements with the Oklahoma Tax Commission for administration and enforcement services associated with sales and use taxes. The City levies a total of 3.875% in sales tax. Combined with the State levy of 4.5%, the total state and municipal sales tax rate charged within corporate Oklahoma City limits is 8.375%. The City’s 3.875% sales tax levy is divided between various funds as authorized by voters as shown in the table below. This section will focus on the 2% authorized for general operations while the dedicated sales taxes that account for the remaining 1.875% will be discussed in the Other Funds section of this chapter.

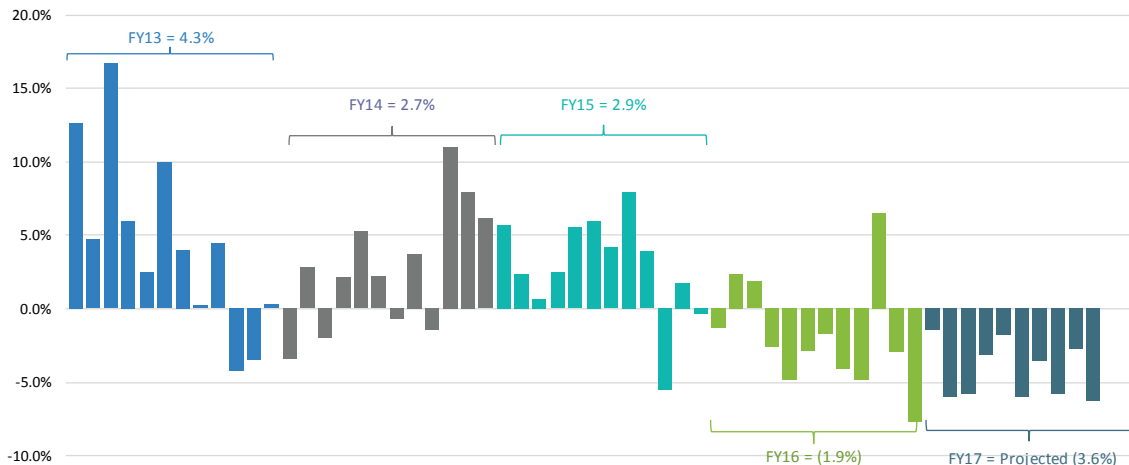
<u>Sales Tax Levy</u>	<u>Fund</u>	<u>Description</u>
2.0%	General Fund	Sales Tax is the largest revenue source for the General Fund and the City.
1.0%	MAPS 3 Sales Tax Fund	Temporary Sales Tax in effect through December 31, 2017 and is slated to fund capital improvements designed to boost economic development and improve the quality of life in Oklahoma City.
0.75%	Public Safety Sales Tax Fund	Tax is split evenly between Police and Fire and is a permanent dedicated sales tax.
0.125%	Zoo Sales Tax Fund	A permanent dedicated sales tax that can only be used for capital improvements and operations at the Zoo.
3.875%	Total	



Projecting sales tax has always proved challenging since it is complicated by many local and national factors. As reflected in the chart on the following page, the City has seen declining sales tax growth over the last five years and expects two consecutive years of declines in FY16 and FY17. The last time Oklahoma City experienced two years in a row of sales tax declines was 30 years ago in FY86 and FY87.

Again this year, the City contracted with Oklahoma City University (OCU) to provide input into the projection of Sales Tax for FY18 in addition to analysis of trends and general economic conditions. Dr. Russell Evans, Director and Research Economist at the Steven C. Agee Economic Research and Policy Institute at OCU, presented the economic outlook to the City Council at the February 7, 2017 workshop. The outlook was for the local economy to transition from a prolonged period of weakness to full health, coinciding with the turn into FY18. Unemployment is expected to remain relatively low at 4% in FY18 with gains in food services and accommodations and average monthly payrolls are expected to grow 3.8% by the end of FY18. The City used this guidance to develop its baseline projection of 2.5% growth in Sales Tax in FY18.

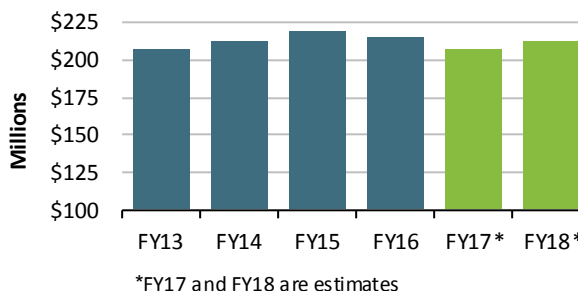
Oklahoma City Sales Tax Growth By Month July 2012 - June 2017



Several factors contributed to the sporadic growth and declines during the last half of FY13 and most of FY14. In 2013, the state’s mining sector contracted with industry restructuring, sequestered federal dollars/furloughs, and flat earnings in the private sector all contributed to a decline in consumer confidence in the local economy. In FY15, slight growth returned across all sales tax categories with low unemployment and savings at the fuel pump from declines in the price of oil. However, at the end of FY15, most of FY16 , and all of FY17 the local economy was once again heavily influenced by the energy sector contraction as rig counts declined and service providers to the energy sector experienced lower sales. Sales Tax in Oklahoma City usually moves in the same direction as the change in active drilling rigs, although not to the same degree. Although the energy sector and rig counts began to improve beginning in May 2016 it was followed an additional layer of economic weakness in the local economy as described by Dr. Evans in his Economic Outlook, “The national inventory cycle following directly the regional commodity cycle created a recession-like environment for local sales tax collections.” Looking forward, unemployment is expected to remain low, around 4% and transition from a prolonged period of weakness to full health in FY18. Oklahoma City is expected to continued to benefit from favorable geography from the I-35 Corridor Megalopolis that continues to pull population and economic activity.

In FY18, Sales Tax is projected to total \$212 million, or 53% of the General Fund budget. As reflected in the chart at the top of this page, FY13 had growth of 4.3% followed by a slower growth of 2.7% in FY14 and 2.9% in FY15. In FY16 Sales Tax declined 1.9%, followed by a consecutive year of decline in FY17 that is projected to be (3.6%). In FY18, Sales Tax is expected to post modest growth of 2.5%.

General Fund Sales Tax History



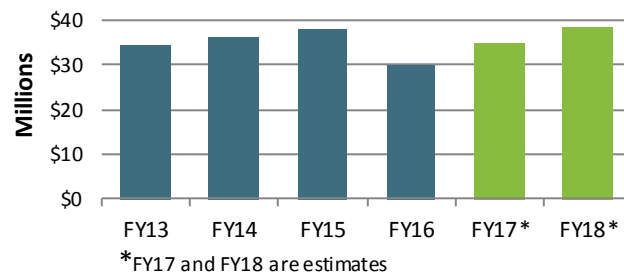
Since FY14, Sales Tax has not been to the level the City would have expected, based on historical average growth of 4.0%. In Fact, FY17 is only the fourth time in the last 25-years that sales tax has declined from previous year collections. FY03, FY10, and FY16 were the other years that posted declines. It should be noted the Sales Tax projection does not include any potential changes in state law. If the State Legislature enacts a significant change in Sales Tax, a budget amendment may become necessary during the fiscal year to reflect the changes.

GENERAL FUND - OTHER TAXES

Use Tax

Use tax is levied on goods that are bought in other states and then imported to Oklahoma for use. This tax is applied in lieu of sales tax because the goods were originally bought outside the state. It is assumed that the purchaser either did not pay sales tax in the state in which the goods were purchased or received a rebate after paying the Use Tax. The Use Tax rate is 3.875% of the purchase price, with 2.875% going to the General Fund and 1.0% going to the City Capital Projects Use Tax Fund, more commonly known as the MAPS 3 Use Tax Fund. The MAPS 3 Use Tax will expire December 31, 2017 with the last remittance in February 2018.

General Fund Use Tax History



Use Tax is much more volatile than Sales Tax as shown in the chart above. The FY16 total is a decline of 21% due to a refund issued to a taxpayer who remitted taxes to Oklahoma City in error for several years. Growth of 16% is projected in FY17 which would put collections close to the three year average of \$34 million. In FY18, growth of 11% is projected and includes 2% growth on base collections and 9% growth from new remittances that are the result of an agreement between the State of Oklahoma and Amazon, the nations largest e-commerce retailer, to begin collecting tax on purchases March 1, 2017. Overall, Use Tax collections are projected to be \$38.5 million and make up 10% of the General Fund Revenue budget in FY18.

Excise Tax

In FY05, State law changed the taxation of tobacco products and exempted them from sales tax, but implemented an excise tax designed to make it more expensive to purchase tobacco products on a per unit basis. Municipalities receive a portion of the excise tax from the state. In FY18, the excise tax on tobacco products is expected to make up 1.2% of the General Fund revenue budget and generate \$4.7 million which is flat compared to the projected FY17 year-end estimate.

Commercial Vehicle Tax and Motor Fuels Tax

Commercial Vehicle Tax and Motor Fuels Tax are expected to generate \$5.5 million in FY18 or 1.4% of the General Fund budget. These taxes are restricted for street maintenance and will fund 47% of the \$11.7 budget for street repair and maintenance in FY18.

Alcoholic Beverage Tax

This is a smaller source of tax revenue and is a wholesale tax on higher alcohol beer, wine, and liquor at a rate of 1/2 cent to two cents per ounce with 1/3 apportioned to counties, cities and towns based on a population formula. The tax is projected to generate \$1.0 million in FY18 representing growth of 1.5% over projected FY17 collections.

GENERAL FUND - FRANCHISE FEES

Franchise and Utility Fees are charged to public utilities for the use of public rights of way for their infrastructure. This category is the second largest within the General Fund accounting for 10% of the General Fund Budget in FY18.

Oklahoma Gas and Electric (OG&E) Franchise Revenue

The largest single source of franchise revenue is a 3% franchise fee on gross receipts of OG&E, the primary electric utility in Oklahoma City. Revenue projections for FY18 are \$20.1 million, which represents a 1% increase over expected revenue in FY17. Electric franchise revenue is significantly influenced by the weather and the cost of fuel. While much of OG&E's power is generated from coal which enjoys much more stable prices, natural gas is also a significant fuel source used for electricity production.

Oklahoma Natural Gas (ONG) Franchise Revenue

ONG is the natural gas utility in Oklahoma City and also pays a 3% franchise fee on gross revenues. ONG also collects franchise revenue for the City from customers who buy their natural gas from other suppliers and who use ONG only to transport the natural gas. This assessment is made on the estimated cost of the gas transported by ONG and was the result of the change in the franchise agreement between ONG and the City approved by voters on October 11, 2005. The total ONG franchise revenue is projected to be \$5.0 million, a 1% increase from FY17 year end projections due to the price of natural gas increasing.

Cox Communications Franchise Revenue

Cox Communications is the cable television provider in Oklahoma City and pays a 5% franchise fee on all cable television-related revenues to the City. Cox Communications also offers phone service and pays a 2% fee on those services, as do all other telephone companies. In FY17, franchise revenue from Cox Communications is expected to total \$6.3 million which represents a 5% decline from FY17 estimated collections. The projection is based on declines in remittances and the national trend of cable subscribers cancelling pay TV services and opting for online video services, as well as, as more subscribers relinquishing their traditional land lines for cell phones.

City Water/Wastewater and Solid Waste Fee in lieu of franchise fee

Utilities providing water, wastewater, and solid waste services are operated by trusts that are separate legal entities from the City. These enterprises pay a 2% fee to the City for use of the public right of ways. Revenue from all three utilities is expected to total \$5.8 million in FY18 which represents growth of 17% that is attributed to rate increases, enhanced service levels, and an increase in the number of customers served.

Other Utility Fees

There are smaller electricity companies or cooperatives, telephone and cable television providers and a steam and chilled water utility that all serve portions of Oklahoma City and pay utility fees. The revenue from all of these companies is expected to total \$3.8 million in FY18.

GENERAL FUND - OTHER

This includes the smaller categories of revenue of Licenses; Permits and Fees; Administrative Charges; Service Charges; and Fines

Licenses, Permits, and Fees

This revenue comes from a variety of sources such as business licenses, fishing permits, building permits, and fees for becoming a pre-qualified contractor. Modest growth of 2.3% is projected in FY18 and is spread across most sources. Overall, the category is expected to total \$12.9 million in revenue.

Administrative Charges

Administrative Charges are assessed to other City funds and entities for the administrative services provided by the General Fund, such as accounting, personnel, payroll, audit, and other functions provided by General Fund departments. The payments made by entities such as the Airports, Water/Wastewater Utilities, the Golf System, and the Zoo are expected to total \$23.1 million or growth of 3% due in large part to the Oklahoma City Water Utilities Trust contracting with the Parks and Recreation department for increased mowing, liter, and landscape services on trust owned property.

Service Charges

Service Charges are based on the specific services provided and are generally paid on a per use basis. Significant revenue sources in the category include: Payments from the Fire and Police Sales Tax Funds budgeted at \$21.0 million to compensate the General Fund for higher salaries paid to uniformed Police and Fire employees (wage adjustment) since the approval of the ¾ cent Sales Tax for Public Safety; Payments from General Obligation Bonds budgeted at \$5.6 million for engineering and project management services provided on construction projects; and Parks charges for things such as admission to family aquatic centers, rentals of various Parks facilities and charges for participation in recreational leagues budgeted at \$1.2 million. Overall, Service Charges are expected to generate \$36.9 million in FY18, which is a 1.8% increase from FY17 year end estimates.

Fines

Primarily consisting of Court Costs and Traffic Fines, this revenue category makes up 5.4% of the General Fund budget in FY18 at \$22.0 million, a decline of 0.24% from FY17 year end estimates.

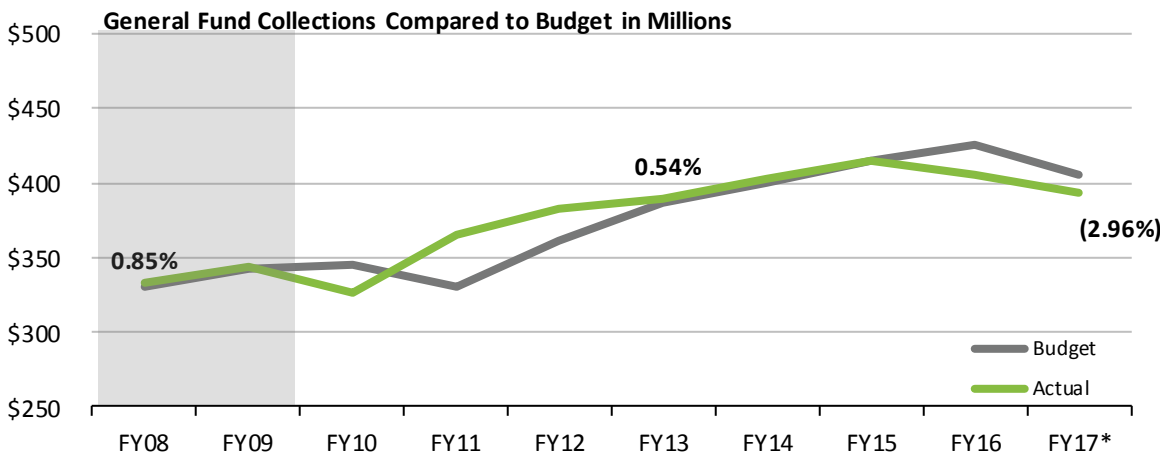
GENERAL FUND - MISCELLANEOUS REVENUE

Miscellaneous revenue includes the smaller categories of Transfers, Other Sources, and Fund Balance. Transfers from other City Funds represent 0.2% of the General Fund budget or less than \$1.0 million. Other revenue sources include interest, leases, oil and gas royalties, sale of city property and other miscellaneous revenue sources. In total, the Other Category (including interest) represents 1.0% of the FY18 General Fund budget or \$3.9 million.

Fund Balance is budgeted at \$2.0 million in the FY18 General Fund budget, a 27% decline from the FY17 budget of \$2.750 million. Budgeted fund balance represents only a portion of the projected carryover left at the end of FY17. The City's financial policies set a range of 8-15% of the General Fund budget should be set aside as unbudgeted Fund Balance. The unbudgeted Fund Balance will be available to help with cash flow during the year and to help make up for a shortfall if revenues do not reach the levels projected. According to the City's financial policies, budgeted fund balance is to be used only for capital and one-time expenses. For FY18, the \$2.0 million is budgeted to partially support the \$4.25 million transfer to the Capital Improvements Projects Fund.

GENERAL FUND HISTORICAL REVENUE SHORTFALL OR SURPLUS

The chart below illustrates the differences between revenue estimates and revenues actually received in the General Fund during each fiscal year. Significant continued variances in actual collections from estimated amounts, whether it be shortfall or surplus, can be reason for concern. Either scenario could indicate a changing economy or inaccurate forecasting techniques. Additionally, credit rating organizations such as Standard and Poor’s and Moody’s use this indicator to review the quality of financial management in a local government since variances between budget and actual results are considered indicative of management’s financial planning capabilities. In FY10 actual revenue was 6% less than projected due to the recession. In FY11 and FY12, Oklahoma rebounded stronger than expected with variances of 10% and 6%. In FY13, FY14, and FY15 revenue was within 1.0% of projections. In FY16, the contraction in the energy sector contributed to revenue collections missing projection by almost 5% and a prolonged weakened local economy that reflected inventory adjustments accounted for a projected shortfall of 3% in FY17. The average variance over the past 10 years was 3.25% which is outside the City’s stated goal of having revenues within 2% of projections. The City continues to work with Dr. Evans and Oklahoma City University to refine forecast estimates.



*FY17 Estimate / Shading indicates recession

Internal Service Funds

Information Technology, Risk Management, the Print Shop, and Fleet Services each provide service to most City departments and generate revenue by charging departments for those services. The majority of the charges assessed to departments are set at the beginning of each year based on past usage. The two exceptions are for fuel and postage, which are charged to departments based on current usage and current prices.

Special Revenue Funds have a revenue source or sources that are dedicated to a specific purpose. There are several funds that are supported by dedicated sales taxes. The **Zoo, Police, and Fire Sales Tax Funds** are all supported by dedicated portions of the City’s sales tax collections. In each of these funds, the forecast for sales tax revenue growth is 2.5%. This is same rate of growth as projected for the General Fund. These funds also receive interest and other miscellaneous revenues related to their operation, although those other sources make up less than 2% of the revenue total. In the Police Sales Tax Fund, a portion of these funds support operations and a portion supports non-operating capital activities.

The **MAPS 3 Use Tax Fund** receives a 1% Use Tax adopted after the MAPS 3 Sales Tax was approved. While the MAPS 3 Sales Tax Fund (discussed in the Non-Operating Funds section) is dedicated to the MAPS 3 capital projects, \$4.7 million of the MAPS 3 Use Tax will support administration and oversight of the MAPS 3 projects and is budgeted in the operating fund. The remainder is budgeted for public safety capital funding, which is included in the non-operating section. The forecast is for the same underlying rate of Use Tax growth as the General Fund but the Use Tax will expire December 31, 2017.

The **Court Administration and Training Fund** collects the various State-mandated fees assessed on court citations and charges and then pays those to the State on a monthly basis. In addition, the Court Administration and Training Fund is allowed to retain some of the revenue; however it can only be used for training activities that support certain court, legal, or police activities. Revenue in this fund is based on the number of specific citations and cases that go through the City's court system each year. As such, the revenue growth in the Court Administration and Training Fund is based on the trends associated with the specific types of charges or citations to which they are linked.

The **Emergency Management Fund** supports the E-911 system for Oklahoma City. The Fund is supported by tariffs on both cell phone and traditional telephone lines that are assessed on each user. While traditional landline tariff revenue has been declining in recent years, the approval of cell phone tariff revenue by the voters in FY06 was a major addition to the Emergency Management Fund along with a \$0.25 per line increase that went into effect January 1, 2017 of which the City keeps \$0.20 and the State \$0.5 for oversight functions. Even with the addition of cell phone tariff revenue, the General Fund is still expected to support E-911 operations through a transfer of \$2.8 million in FY18.

The **Hotel/Motel Tax Fund** is supported by a 5.5% hotel occupancy tax. This Fund is also divided between operating activities dedicated to the promotion of special events, convention and tourism development, and non-operating activities dedicated to the capital development at the State Fairgrounds. Overall revenue from the Hotel/Motel Tax is projected to increase 2.5% from estimated FY17 collections. The projection for Hotel/Motel Tax was developed in consultation with some of the major hoteliers in Oklahoma City and officials with the Convention and Visitor's Bureau.

The **Medical Service Program Fund** was created in FY10. This fund handles revenue and expenses associated with the Medical Service Program adopted by the City Council on December 8, 2008, which makes it possible for households to pay \$3.65 per month on their City utility bill in exchange for EMSACare benefits from the Emergency Medical Services Authority (EMSA). The primary benefit of EMSACare is that it covers all out-of-pocket expenses for any emergency ambulance transport. EMSA still collects from insurance or other responsible parties, but does not charge EMSACare participants for copays, deductibles or other out-of-pocket expenses. The program experiences little change in membership from year to year and is expected to generate \$6.7 million in program fees in FY18.

The **Metropolitan Area Projects (MAPS) Operations Fund** was originally funded by a City Council dedicated Use Tax during the same period of the MAPS Sales Tax. The Fund was established to provide for the maintenance, capital replacement, and operations of the MAPS projects. The MAPS Operations Fund also has a non-operating component that funds capital replacement at the MAPS projects. The FY18 budget is \$0.7 million with fund balance as the primary source of revenue.

The **Oklahoma City Metropolitan Area Public Schools (OCMAPS) Sales Tax Fund** was originally funded by a 1% Sales Tax dedicated to supporting capital projects at public schools that serve kids in Oklahoma City. The Sales Tax expired on December 31, 2008. While the tax was in effect, a reserve was established to continue to fund project management and oversight of remaining projects and funding. The fund will be exhausted at the end of FY17 and closed out.

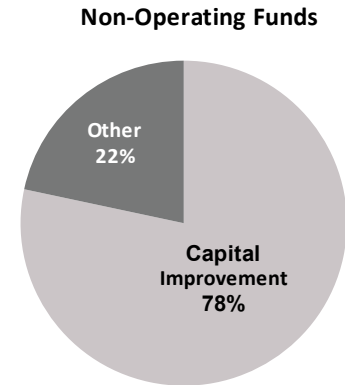
Enterprise Funds

Enterprise Funds are supported by the revenue generated by operations in their specific areas. Enterprise Funds have been established for operations at the **Airports, Solid Waste Management, Stormwater Drainage, Public Transportation and Parking, and Water and Wastewater Utilities**. With the exception of the Stormwater Drainage Utility, all of these funds have a public trust that oversees operations and receives all revenues. Revenues in each of the enterprises may be growing at a different rate than growth reflected in the City funds and each trust's revenue budget is individually based on customer rates and expected usage. The trusts generally make capital investments directly and the transfer to City funds support operations.

The one Enterprise Fund that is not supported by a trust is the **Stormwater Drainage Utility**. All revenue for Stormwater Drainage activities comes from a fee on all water utility bills based on the size of the water line. Revenues are expected to remain flat in FY17. The Stormwater Drainage Utility Fund is the only Enterprise Fund to also have a capital component in the non-operating funds section.

NON-OPERATING FUNDS

As mentioned earlier, the City classifies its funds as either operating or non-operating. The distinction is that some funds, and, in some cases, portions of funds, directly support operations and other funds provide for capital improvements or are so limited in their purpose that they do not support daily operations. This ensures significant changes in capital funding or other non-operating activities are not misinterpreted as a significant change in operational costs. In FY18, the budget for Non-Operating Funds is \$734.8 million and is comprised of Capital Improvements and other Non-Operating Funds.



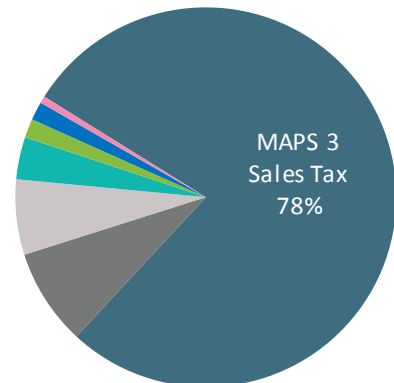
Capital Improvements

The majority of non-operating funds are for capital improvements and have a FY18 budget of \$581.5 million. Many of the funds receive most of their revenue from other funds, such as the **Capital Improvement Projects (CIP) Fund**, the **Oklahoma City Tax Increment Financing (TIF) Fund** and the **Storm Water Drainage Fund**. As such, the revenue projections for these funds are based on the level of transfer budgeted in the originating fund.

There are three Non-Operating Funds that are largely for capital improvement and are supported directly by taxes that will be in effect during FY18: the **MAPS 3 Sales Tax Fund**, the **MAPS 3 Use Tax Fund** and the **Hotel/Motel Tax Fund**.

Non-Operating Funds - Capital Improvement

- Capital Improvement, 8%
- MAPS 3 Use Tax, 6%
- Other, 4%
- Impact Fees, 2%
- Hotel/Motel Tax, 2%
- Police Sales Tax, 1%



The **MAPS 3 Sales Tax Fund** is the largest non-operating fund and was created after voters passed the MAPS 3 initiative on December 8, 2009. The one percent sales tax went into effect on April 1, 2010 and will last through December 31, 2017. The tax will fund eight distinct capital projects. The forecast for MAPS 3 Sales Tax growth is the same as the other sales tax supported funds at 2.5% and total sales tax collections are expected to total \$66.5 million for the partial year of collection. An additional \$383.8 million in fund balance was budgeted as several of the capital projects are in design or have begun construction.

The **MAPS 3 Use Tax Fund** budget for FY18 includes a transfer of Use Tax revenue for \$12.1 million and \$25.0 million in other revenue sources such as fund balance and interest. The fund is used for public safety fleet replacement and is being used to help fund the new Municipal Courts building.

The **Hotel/Motel Tax Fund** supports three distinct purposes: convention and tourism development, promotions for specific events, and capital improvements at the Fairgrounds. It is this last capital portion of the Hotel/Motel Tax that is classified as Non-Operating. The ballot approved by voters dedicated 6/11ths of the Hotel/Motel Tax for improvements at the Fairgrounds. Revenue in FY18 for the Non-Operating portion of the Hotel/Motel Tax matches the projection for the Operating portion, growth of 2.5% from projected FY17 Hotel/Motel Tax revenues. When other revenue and fund balance are included, the FY18 non-operating budget totals \$9.1 million.

Several Funds have Fund Balance as their primary source of revenue and the projects they support are winding down or do not currently require major capital investment. They are the **City and Schools Capital Use Tax**, **MAPS Sales Tax Fund**, the **Oklahoma City Sports Facilities Improvement Sales Tax**, the **Oklahoma City Sports Facilities Improvement Use Tax**, the **Police Sales Tax Capital Fund**, the **Police and Fire Capital Equipment Sales Tax Fund**, **Street and Alley Fund**, and the **MAPS Operations Fund**. The revenue budgets for FY18 for each of these funds are based primarily on the level of projected Fund Balance remaining at the end of FY17.

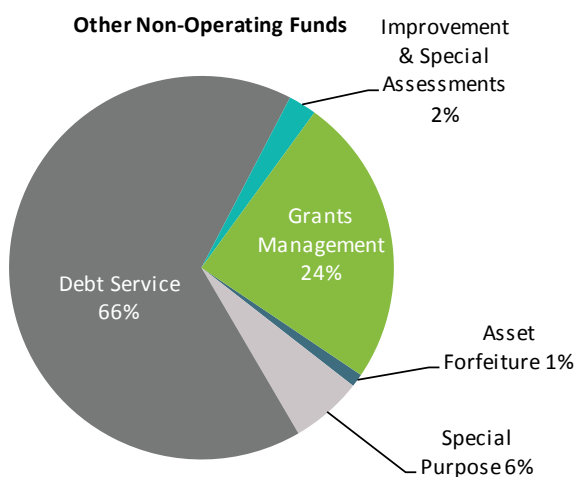
Other Non-Operating Funds

The Other Non-Operating Funds are budgeted at \$160.7 million in FY18. Most of these funds are so limited in their purpose that they do not support daily operations and typically have a stream of revenue from an outside source or another fund in addition to a significant Fund Balance. In these cases, the Non-Operating Fund is serving to accumulate revenue for a specific purpose. Funds that fall into this category include the **Asset Forfeiture Fund** and the **Special Purpose Fund**.

The **Debt Service Fund** is the largest fund in the Other Non-Operating category and is supported directly by property taxes that will be in effect during FY18. The tax rate or mill levy is based on assessed property values, projected debt service requirements and anticipated judgments. By State law, municipalities may only use property tax for General Obligation bond debt service and judgments. Property taxes cannot be used for operations. There is no legal limit on the level of debt service since voters must approve all debt. The City Council has adopted an informal policy that the City will attempt to keep the mill levy for property tax at 16 mills. Although the mill levy has varied over the years based on the timing of new bond issues and growth in assessed values, the City has not exceeded the 16 mill rate since the policy originated. The Debt Service Fund is projected to collect \$85.4 million in property taxes in FY18.

Although not technically supported by a tax, the **Oklahoma City Improvement and Special District Fund** operates much like a tax. This fund is comprised of five Business Improvement Districts (BID) (Downtown, Stockyards, Western Avenue, Capitol Hill, and Adventure District) and one Special Improvement District (SID) for improvements on the underground concourse. Each of these districts has petitioned the City to enact assessments on property owners in the districts to support improvements and services above what is provided by the City. The City collects the assessments and contracts with an outside entity to provide the services or improvements. As such, the City acts as a conduit for these funds and they are characterized as Non-Operating Funds. The anticipated revenue

is based on the assessments which are reviewed each year and amended based on needs.



Grant Funds are included in the budget book to provide a more accurate picture of the City’s financial situation and to comply with the requirements of the Municipal Budget Act. The amounts shown as revenue in these funds are estimates of grant awards based on the best judgment of the departments that utilize grants funding. Grant Funds are classified as non-operating funds because the activities supported by grants would typically not be provided without the grant funding.

REVENUE DETAIL TABLE

	Actual FY16	Adopted FY17	Adopted FY18
General Operating Funds			
General Fund			
Taxes			
Sales Tax	\$214,747,978	\$208,960,268	\$212,186,963
Use Tax	30,015,007	37,900,276	38,484,526
Other Taxes	5,000,725	5,334,647	4,728,036
Commercial Vehicle Tax	4,490,573	4,593,618	4,324,158
Motor Fuels Tax	1,168,596	1,142,469	1,174,371
Alcoholic Beverage Tax	922,795	1,053,214	972,625
Total Taxes	\$256,345,673	\$258,984,492	\$261,870,679
Franchise/Utility Fees			
Oklahoma Natural Gas	\$4,502,741	\$4,447,126	\$5,013,738
Oklahoma Gas & Electric	19,936,184	20,729,685	20,143,218
Caddo Electric Coop.	150,624	171,090	175,527
Oklahoma Electric Coop.	1,227,168	1,225,995	1,220,871
Tri-Gen	407,307	427,607	383,936
AT&T	395,931	346,134	329,034
AT&T Video	1,934,709	2,226,134	1,544,088
Cox Cable	6,682,952	6,814,568	6,031,939
Cox Fibernet	320,621	315,431	294,000
Other Telephone	138,075	128,286	132,311
Utility Fees - Water	2,525,172	2,400,000	2,807,948
Utility Fees - Wastewater	1,795,750	1,700,191	1,904,006
Utility Fee - Solid Waste	943,551	1,000,000	1,065,561
Total Franchise/Utility Fees	\$40,960,785	\$41,932,247	\$41,046,177
Licenses, Permits, and Fees			
Abandoned Building Registration	\$4,210	\$10,000	\$10,043
Fire Prevention Permits	262,336	290,341	189,692
Alarm Permits	684,666	744,887	637,324
Police Alarm Fees	554,267	591,683	483,362
Oil & Gas Well Inspections	260,678	152,522	240,906
General Licenses	802,554	844,158	638,447
Building Permits	5,303,798	5,436,780	4,807,402
Electrical Wiring Permits	1,509,236	1,646,190	1,456,486
Plumbing Permits	1,561,558	1,597,679	1,540,596
Boiler & Elevator Permits	226,470	268,347	250,208
Offsite Wagering Fee	55,430	60,521	43,187
Pre-Qualification Application Fee	61,130	56,987	57,136
Refrig. & Forced Air Permits	988,475	1,106,714	987,771
Sidewalk & Paving Fees	450,631	540,538	454,585
Work Zone Permits	33,934	31,475	35,800
Other Fees	110,656	48,223	46,875
Hunting and Fishing Permits	193,977	174,013	169,253
Mixed Bev./Bottle Club License	577,875	608,149	633,854

	Actual FY16	Adopted FY17	Adopted FY18
Vending Stamps	165,909	162,679	159,067
Bike Share Program	35,996	33,229	0
Garage Sale Permits	135,281	134,255	128,744
Total Licenses, Permits, & Fees	\$13,979,066	\$14,539,370	\$12,970,738
Administrative Charges			
Airport Administrative Payments	\$889,564	\$872,587	\$819,234
Airport Police Payments	3,036,441	3,081,534	3,223,334
Water/Wastewater Admin Payments	6,711,539	6,736,194	6,281,826
Drainage Utility Administrative Payment	1,115,348	1,090,416	1,092,807
Solid Waste Mgmt. Admin Payments	921,931	913,617	858,536
Convention & Tourism Admin Payments	279,471	318,111	348,816
Zoo Administrative Payments	220,000	242,000	266,200
Golf Administrative Payments	64,613	78,023	79,095
Other Administrative Payments	69,256	745,530	118,116
MAPS3 Administrative Payments	854,375	1,028,713	1,082,364
Risk Management Administrative Payments	816,475	849,563	843,963
Public Transportation Administrative Pmts.	782,439	962,828	919,994
Parking Administrative Payments	173,217	366,183	156,341
IT Administrative Payments	1,485,158	1,621,993	1,417,445
Print Shop Administrative Payments	112,848	112,945	113,764
Fleet Services Admin Payments	69,607	78,911	54,845
Banking Fee Payments	444,853	644,026	693,865
Nuisance Abatement Payments	728,069	0	739,483
Civic Center Payments	2,805,863	2,912,404	2,791,766
Mowing, Liter, and Landscaping Adm Payments	0	0	1,281,072
Total Administrative Charges	\$21,581,067	\$22,655,578	\$23,182,866
Other Service Charges			
Bond Fund Engineering, Legal, Other Services	\$3,883,954	\$5,242,855	\$5,565,094
Econ Dev,TIF Engineering, Legal, Other Svcs	412,931	409,230	447,023
Animal Shelter Fees	302,842	345,123	270,958
Engineering Fees	2,124,455	2,418,456	2,102,243
Planning Fees	753,500	797,665	769,503
Fire Service Recovery	42,000	28,000	28,000
Fire Wage Adjustment Reimbursement	12,067,656	11,963,872	11,725,894
Police Wage Adjustment Reimbursement	9,265,643	9,185,958	9,003,236
Police Fees	2,173,842	2,195,481	2,309,521
Parking Meters	1,244,891	1,398,819	1,748,545
Reimbursement - Grants	56,886	466,839	178,741
Refunds and Reimbursements - Operating	1,376,586	1,036,924	1,337,337
Mowing Services - OCRRA	0	35,393	0
Damage to City Property	207,793	216,279	149,270
Recreation Fees	1,295,129	1,390,313	1,202,983
Total Other Service Charges	\$35,208,108	\$37,131,207	\$36,838,348

REVENUES

	Actual FY16	Adopted FY17	Adopted FY18
Fines			
Traffic Fines	\$8,369,739	\$8,118,554	\$7,831,827
Parking Fines	2,169,131	2,108,131	1,658,395
Court Fees	10,036,019	9,765,845	9,803,510
Court of Record, Jury Division	1,817,583	1,911,653	1,672,918
Criminal Court	299,939	269,457	423,232
Jail Cost Recovery Program	324,058	339,051	153,150
Other Fines	259,741	270,191	182,599
Juvenile Fines	228,249	215,620	191,038
Total Fines	\$23,504,459	\$22,998,502	\$21,916,669
Other Revenue			
Leases	\$2,133,465	\$2,050,000	\$2,585,953
Sale of City Property	95,724	100,000	100,000
Check Service Charge	1,640	1,296	516
Royalties	72,062	62,147	84,871
Miscellaneous	2,326,954	565,370	559,358
Wrecker Service Payments	51,175	50,240	51,700
Operating Interest	558,180	955,000	566,439
Total Other Revenue	\$5,239,199	\$3,784,053	\$3,948,837
Transfers			
Transfers from OCPPA - DAS	\$175,000	\$175,000	\$175,000
Transfers - Miscellaneous	5,546,990	0	506,406
Total Transfers	\$5,721,990	\$175,000	\$681,406
Fund Balance	\$0	\$3,245,055	\$2,000,000
Total General Fund	\$402,540,348	\$405,445,504	\$404,455,720
Internal Service Funds			
Interest	\$82,287	\$32,000	\$30,000
Information Technology	23,785,899	23,569,899	24,672,490
Risk Management	16,861,938	15,140,712	15,092,326
Print Shop	870,964	933,287	913,412
Fleet Services	8,340,281	9,597,764	9,463,511
Licenses, Permits and Fees	15	0	0
Other	216,040	0	209,055
Services	559	0	0
Fund Balance	0	1,676,969	1,580,150
Total Internal Service Funds	\$50,157,981	\$50,950,631	\$51,960,944
Total General Operating Funds	\$452,698,329	\$456,396,135	\$456,416,664

	Actual FY16	Adopted FY17	Adopted FY18
Special Revenue Funds			
Court Administration & Training Fund			
Fees	\$1,919,317	\$1,835,151	\$1,892,360
Fines	540	572	174
Interest	7,729	10,170	10,961
Fund Balance	0	499,572	196,352
Total Court Administration & Training Fund	\$1,927,586	\$2,345,465	\$2,099,847
Emergency Management Fund			
Tariffs	\$4,627,603	\$4,907,458	\$5,492,034
Interest	7,320	9,999	16,183
Transfers	2,987,502	3,997,544	2,834,556
Fund Balance	0	462,815	356,862
Total Emergency Management Fund	\$7,622,425	\$9,377,816	\$8,699,635
Fire Sales Tax Fund			
Sales Tax	\$40,265,246	\$40,913,832	\$39,785,056
Interest	97,090	121,899	149,878
Other	27,408	13,458	23,177
Service Charges	40,098	0	0
Fund Balance	0	3,859,207	4,426,160
Total Fire Sales Tax Fund	\$40,429,841	\$44,908,396	\$44,384,271
Hotel/Motel Tax Fund**			
Hotel/Motel Tax	\$6,644,288	\$6,492,820	\$6,418,505
Interest	25,241	36,582	47,507
Other	0	0	31,711
Transfers	5,327,061	5,194,256	5,112,305
Fund Balance	0	351,275	250,291
Total Hotel/Motel Tax Fund	\$11,996,590	\$12,074,933	\$11,860,319
MAPS Operations Fund**			
Use Tax	\$0	\$0	\$0
Interest	34,737	70,723	50,673
Other	361	0	0
Transfers	(270,786)	(690,910)	(711,637)
Fund Balance	0	1,372,055	1,422,677
Total MAPS Operations Fund	(\$235,688)	\$751,868	\$761,713

REVENUES

	Actual FY16	Adopted FY17	Adopted FY18
MAPS 3 Use Tax Fund**			
Use Tax	\$10,371,624	\$13,182,705	\$8,366,205
Interest	96,966	150,344	129,448
Service Charges	0	541,821	563,494
Transfers	(12,225,196)	(12,153,347)	(12,153,347)
Fund Balance	0	2,321,655	7,848,605
Total MAPS 3 Use Tax Fund	(\$1,756,606)	\$4,043,178	\$4,754,405
Medical Service Program Fund			
Medical Service Program Fee	\$6,842,667	\$6,810,896	\$6,702,681
Interest	27,629	33,027	56,567
Other	10,000	0	0
Fund Balance	0	410,077	293,019
Total Medical Service Program Fund	\$6,880,296	\$7,254,000	\$7,052,267
OCMAPS Sales Tax Fund			
City/Schools Sales Tax	\$0	\$0	\$0
Interest	3,982	6,358	0
Other	40,452	0	0
Service Charges	0	87,780	0
Transfers	0	100,000	0
Fund Balance	0	245,095	0
Total OCMAPS Sales Tax Fund	\$44,434	\$439,233	\$0
Police Sales Tax Fund**			
Sales Tax	\$40,265,246	\$40,913,832	\$39,785,056
Interest	98,290	136,417	134,315
Service Charges	144,886	124,498	168,236
Transfers	0	0	0
Fund Balance	0	991,131	1,483,244
Total Police Sales Tax Fund	\$40,508,421	\$42,165,878	\$41,570,851
Zoo Sales Tax Fund			
Sales Tax	\$13,421,749	\$13,910,703	\$13,261,685
Interest	1,910	0	0
Fund Balance	0	278,214	265,234
Total Zoo Sales Tax Fund	\$13,423,658	\$14,188,917	\$13,526,919
Total Special Revenue Funds	\$120,840,957	\$137,549,684	\$134,710,227

	Actual FY16	Adopted FY17	Adopted FY18
Enterprise Funds			
Airports Cash Fund			
Transfer from Airport Trust (OCAT)	\$15,819,581	\$17,574,222	\$17,736,524
Interest	20,668	28,270	27,658
Other	150,155	0	49,424
Fund Balance	0	0	0
Total Airports Cash Fund	\$15,990,404	\$17,602,492	\$17,813,606
Solid Waste Management Cash Fund			
Interest	\$13,051	\$17,522	\$18,447
Transfers	9,802,000	10,813,227	10,295,276
Fund Balance	0	1,000,000	1,000,000
Total Solid Waste Management Cash Fund	\$9,815,051	\$11,830,749	\$11,313,723
Storm Water Drainage Utility Fund**			
Fees	\$17,141,178	\$17,667,703	\$17,351,753
Interest	80,763	108,790	118,151
Other	110,409	0	0
Permits	117,240	106,312	106,003
Reimbursements	255,766	255,766	255,766
Service Charges	207,785	53,192	201,779
Transfers	(2,454,414)	(1,202,180)	(4,000,000)
Fund Balance	0	245,296	3,588,246
Total Storm Water Drainage Utility Fund	\$15,458,727	\$17,234,879	\$17,621,698
Transportation and Parking Enterprise Fund			
Interest	\$3,411	\$4,714	\$4,697
Service Charges	149,279	580,721	742,844
Transfers	2,432,997	3,513,644	3,355,284
Fund Balance	0	0	0
Total Transportation and Parking Cash Fund	\$2,585,687	\$4,099,079	\$4,102,825
Water/Wastewater Cash Fund			
Interest	\$108,279	\$142,693	\$136,741
Transfers	77,230,000	88,001,990	92,055,505
Fund Balance	0	1,408,789	800,000
Total Water/Wastewater Cash Fund	\$77,338,279	\$89,553,472	\$92,992,246
Total Enterprise Funds	\$121,188,148	\$140,320,671	\$143,844,098
Subtotal Operating Funds	\$694,727,433	\$734,266,490	\$734,970,989
Less Operating Interfund Transfers (1)	(98,866,715)	(94,588,057)	(92,406,425)
Total Operating Funds	\$595,860,718	\$639,678,433	\$642,564,564

REVENUES

	Actual FY16	Adopted FY17	Adopted FY18
Non-Operating Funds			
Non-Operating Capital Improvements			
Capital Improvement Projects Fund			
Interest	\$355,824	\$450,000	\$158,444
Other	230,475	0	0
Reimbursements	250,000	0	0
Service Charges	1,560,100	0	0
Transfers	12,079,409	6,965,000	7,225,000
Fund Balance	0	51,939,673	40,392,438
Total Capital Improvement Projects Fund	\$14,475,808	\$59,354,673	\$47,775,882
City and Schools Capital Projects Use Tax Fund			
Use Tax	\$0	\$0	\$0
Interest	21,169	20,046	16,525
Other	664,202	171,975	84,456
Transfers	880,432	0	0
Fund Balance	0	2,952,487	3,180,760
Total City and Schools Cap. Projects Use Tax	\$1,565,804	\$3,144,508	\$3,281,741
Hotel/Motel Tax Fund**			
Hotel/Motel Tax	\$7,973,146	\$7,791,383	\$7,702,206
Interest	25,566	38,215	49,131
Transfers	1,030,409	1,351,752	1,220,338
Fund Balance	0	1,156,203	141,132
Total Hotel/Motel Tax Fund	\$9,029,121	\$10,337,553	\$9,112,807
Impact Fees Fund			
Impact Fees	\$0	\$0	\$8,700,000
Interest	0	0	17,000
Fund Balance	0	0	663,579
Total Impact Fees Fund	\$0	\$0	\$9,380,579
MAPS Operations Fund**			
Use Tax	\$0	\$0	\$0
Interest	27,431	15,000	15,000
Transfers	670,786	690,910	711,637
Fund Balance	0	3,944,801	2,134,810
Total MAPS Operations Fund	\$698,217	\$4,650,711	\$2,861,447
MAPS Sales Tax Fund			
Sales Tax	\$0	\$0	\$0
Interest	556	237	880
Other	8,336	0	0
Fund Balance	0	563,609	524,973
Total MAPS Sales Tax Fund	\$8,892	\$563,846	\$525,853

	Actual FY16	Adopted FY17	Adopted FY18
MAPS 3 Sales Tax Fund			
Sales Tax	\$107,260,805	\$109,103,551	\$66,494,132
Interest	3,160,646	2,717,475	3,263,660
Service Charges	8,045	0	0
Transfers	1,658,352	0	0
Fund Balance	0	193,823,999	383,757,327
Total MAPS 3 Sales Tax Fund	\$112,087,848	\$305,645,025	\$453,515,119
MAPS 3 Use Tax Fund**			
Use Tax	\$0	\$0	\$0
Interest	202,602	286,299	178,307
Transfers	12,225,196	12,153,347	12,153,347
Fund Balance	0	30,089,163	24,948,628
Total MAPS 3 Sales Tax Fund	\$12,427,798	\$42,528,809	\$37,280,282
Oklahoma City Sports Facilities Sales Tax Fund			
Sales Tax	\$0	\$0	\$0
Interest	2,523	1,948	749
Other	49,265	0	0
Fund Balance	0	360,684	62,571
Total OKC Sports Facilities Sales Tax Fund	\$51,788	\$362,632	\$63,320
Oklahoma City Sports Facilities Use Tax Fund			
Use Tax	\$0	\$0	\$0
Interest	4,042	4,543	996
Other	10,799	0	0
Fund Balance	0	565,132	196,010
Total OKC Sports Facilities Use Tax Fund	\$14,841	\$569,675	\$197,006
Oklahoma City Tax Increment Financing Fund			
Tax Increment Financing Match	\$0	\$850,000	\$850,000
Interest	592	0	0
Fund Balance	0	0	0
Total Oklahoma City TIF Fund	\$592	\$850,000	\$850,000
Police Sales Tax Fund**			
Sales Tax	\$0	\$0	\$0
Interest	37,537	60,822	31,752
Other	15,224	0	0
Transfers	405,759	0	0
Fund Balance	0	7,536,847	3,452,700
Total Police Special Tax	\$458,520	\$7,597,669	\$3,484,452

REVENUES

	Actual FY16	Adopted FY17	Adopted FY18
Police/Fire Capital Equipment Sales Tax Fund			
Police and Fire Equipment Sales Tax	\$0	\$0	\$0
Interest	40,802	58,320	18,739
Other	81,143	0	0
Fund Balance	0	5,108,278	4,153,378
Total Police/Fire Equipment Sales Tax Fund	\$121,945	\$5,166,598	\$4,172,117
Storm Water Drainage Fund**			
Fees	\$0	\$0	\$0
Interest	15,849	19,512	40,528
Transfers	2,454,414	1,202,180	4,000,000
Fund Balance	0	4,115,540	4,613,600
Total Storm Water Drainage Fund	\$2,470,263	\$5,337,232	\$8,654,128
Street & Alley Capital			
Interest	\$2,655	\$300	\$0
Other	3,010	0	0
Fund Balance	0	392,629	306,955
Total Street & Alley Capital	\$5,665	\$392,929	\$306,955
Total Capital Improvements	\$153,417,102	\$446,501,860	\$581,461,688
Other Non-Operating Funds			
Asset Forfeiture			
Asset Seizure Revenues	\$1,112,344	\$1,168,780	\$1,215,651
Other	19,172	0	3,213
Service Charges	16,612	16,612	0
Interest	17,003	24,731	10,060
Fund Balance	0	1,348,645	554,335
Total Asset Forfeiture	\$1,165,131	\$2,558,768	\$1,783,259
Debt Service Fund			
Ad Valorem (Property)	\$83,819,985	\$84,091,291	\$85,446,354
Interest	1,286,492	600,000	600,000
Other	5,883,096	6,000,000	6,000,000
Fund Balance	0	21,407,360	14,029,854
Total Debt Service Fund	\$90,989,574	\$112,098,651	\$106,076,208
Grants Management Fund			
Grant Awards	\$41,888,674	\$45,658,879	\$39,289,655
Total Grants Management Fund	\$41,888,674	\$45,658,879	\$39,289,655

	Actual FY16	Adopted FY17	Adopted FY18
OKC Improvement & Special Assessment Dist.			
Assessments	\$2,671,804	\$3,715,900	\$3,762,846
Interest	8,208	8,050	37,538
Service Charges	6,877	13,190	8,450
Transfers	(1,505)	0	0
Fund Balance	0	0	0
Total OKC Improvement Districts Fund	\$2,685,384	\$3,737,140	\$3,808,834
Special Purpose Fund			
Donations	(\$1,442,273)	\$4,363,594	\$1,556,000
Fees	274,170	227,117	215,000
Interest	165,850	68,097	103,925
Other	1,282,050	9,600	10,000
Service Charges	37,921	17,000	2,173
Tranfers	26,536	1,000,000	1,000,000
Fund Balance	0	9,914,031	6,817,612
Total Special Purpose Funds	\$344,254	\$15,599,439	\$9,704,710
Total Other Non-Operating Funds	\$137,073,016	\$179,652,877	\$160,662,666
Total Non-Operating Funds	\$290,490,118	\$626,154,737	\$742,124,354
Subtotal All Funds	\$886,350,836	\$1,265,833,170	\$1,384,688,918
Less Interfund Transfers (2)	(11,480,352)	(5,065,600)	(7,302,600)
Total All Funds	\$874,870,485	\$1,260,767,570	\$1,377,386,318

*Includes tranfers between the operating and non-operating portions of a fund.

** Fund contains both Operating and Non-Operating activities

(1) Transfers between Operating Funds

Gen Fund Transfer to Emerg Mgmt	\$2,987,502	\$3,997,544	\$2,683,067
Gen Fund to Transit Fund via COTPA	2,190,047	3,286,211	3,119,900
Gen Fund to City and Schools Use Tax Fund	152,275	0	0
Various Funds to Internal Service Fund	49,859,081	49,241,662	50,141,739
Fire Sales Tax to General Fund	12,067,656	11,963,874	11,725,894
Police Sales Tax to General Fund	9,265,643	9,185,958	9,003,237
Grants to Gen Fund	56,886	466,839	178,741
Gen Fund to Parking Cash Fund	294,001	330,256	502,479
Special Purpose to MAPS 3 Fund	1,658,352	0	0
Various Non-Operating Pmts to Gen Fund	5,501,690	0	150,000
Various Funds Admin Pmts to Gen Fund	14,833,581	16,115,713	14,901,368
Total	\$98,866,715	\$94,588,057	\$92,406,425

REVENUES

	Actual FY16	Adopted FY17	Adopted FY18
<i>(2) Transfers to Non-Operating Funds</i>			
Various to CIP Fund	\$14,303,419	\$5,065,600	\$7,215,600
Gen Fund to GO Bonds	203,260	0	0
Various Funds to Special Purpose	(36,402)	0	87,000
Various Funds to Grant Fund	<u>(2,989,926)</u>	<u>0</u>	<u>0</u>
Total	\$11,480,352	\$5,065,600	\$7,302,600

EXPENDITURE SUMMARY

THE OKLAHOMA MUNICIPAL BUDGET ACT GUIDES MUNICIPALITIES IN THE PREPARATION OF THEIR BUDGETS AND MANDATES CERTAIN REQUIREMENTS IN PRESENTING THE BUDGET.

The City of Oklahoma City diligently follows these requirements. Some of the requirements seem commonplace because we have been following these guidelines for years. For example, the budget contains actual revenues and expenses for the prior fiscal year, the revenue and expenditure budget for the current year, and estimated revenue and expenditures for the coming year. Another requirement is that all expenditures be “departmentalized” within each fund.

The budget is also divided between Operating and Non-Operating expenditures. This division helps take out the significant fluctuations in capital and non-operating expenses that occur as a result of projects such as the MAPS 3 and MAPS for Kids programs. Most of the discussions about the budget focus on the operating portion of the budget because it allows for better year-to-year comparisons. The Operating Budget totals \$642,564,564

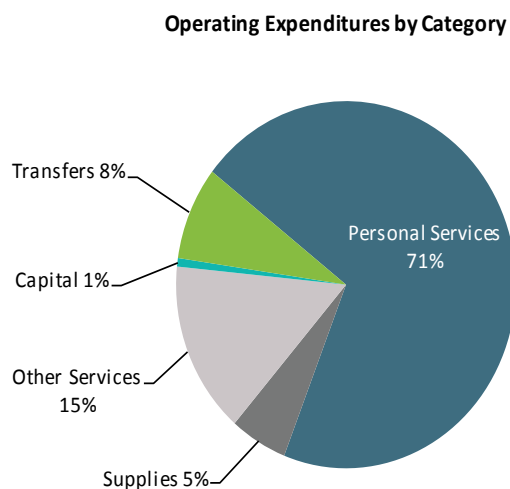
EXPENDITURE CATEGORIES

One requirement of the Municipal Budget Act that drives the organization of the budget is that expenditures be classified into the following categories: Personal Services, Supplies, Other Services, Capital, Debt Service, and Transfers.

As shown in the chart below, Personal Services is the largest portion of the City’s operating expenditures accounting for 71% of the total operating budget. Expenses like salaries, taxes, retirement benefits, and insurance make up the majority of operating costs because City services are labor-intensive and closely tied to the employees who carry out the various functions of the City.

The second largest area of operating expenditures is Other Services at 15% of the operating budget. These expenses include contracts for service, utilities and chargebacks for internal services (Information Technology, Fleet Services, Print Shop, and Risk Management). Other Services is also the category where contingency is budgeted in each fund, as well as payments from City funds to City trusts such as the General Fund payment to the Central Oklahoma Transportation and Parking Authority. Supplies, at 5% of the operating budget, make up a relatively small percentage of the total and include items as varied as paper and pencils to asphalt and ammunition.

Capital outlay makes up an even



smaller percentage of the Operating Budget at less than 1% of the total. Most of the capital expenses of the City are reflected in the Non-Operating portion of the budget. For purposes of the graph, debt service expenses related to G.O. bond issuance costs are included in the capital category. Within the Operating Expenditure Budget, the only debt service expenses are the fees paid related to the issuance of General Obligation bonds. The Transfers category makes up 8% of the budget and includes transfers from operating funds to non-operating funds and City Trusts. One significant transfer is from the General Fund to the Capital Improvement Fund. Although the Municipal Budget Act classifies this expenditure as a transfer, the end result is capital investment.

EXPENDITURES BY FUNCTION

Another way of looking at the City’s budget is to consider the service or function being provided. There are four broad areas of service provided by the City. The first are the General Government functions. These include the City Manager’s Office, the Office of Mayor and Council, the Municipal Counselor’s Office, the City Auditor’s Office, the City Clerk’s Office, Finance, Personnel, and General Services and make up approximately 12% of the City’s operating expenditures.

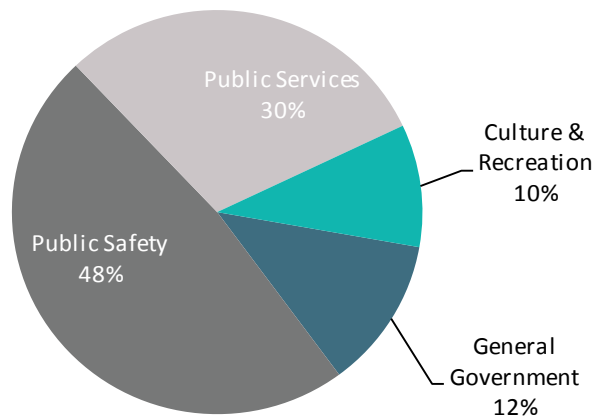
The next function of city government is Public Safety which includes Police, Fire, Animal Welfare and Municipal Courts. This function comprises 48% of the operating expenditure budget.

Public Services include Airports, Public Works, Development Services, Planning, Public Transportation and Parking and Utilities. These departments total 30% of the operating expenditure budget.

The Culture and Recreation function includes Parks and Recreation, the Zoo Sales Tax Fund, OCMAPS, MAPS 3 and the Hotel/Motel Tax Special Revenue Fund and makes up 10% of the operating expenditure budget.

The General Fund contains the Non-Departmental function, which organizes various citywide expenses and certain transfers that do not fit with another City department. These expenses were included in each of the four categories where the expense could easily be categorized. For example, the funding for audits of the City’s finances was classified as a General Government expense, while the subsidy for the Chesapeake Energy Arena and Cox Center operations was classified as a Cultural expense. The expenses in Non-Departmental that could not be directly attributed to a single category, such as the retiree health insurance

Operating Expenditures by Function



subsidy, were allocated to each category proportionally so the full Operating Budget of \$642,291,335 is allocated to specific functions.

BUDGETED POSITIONS

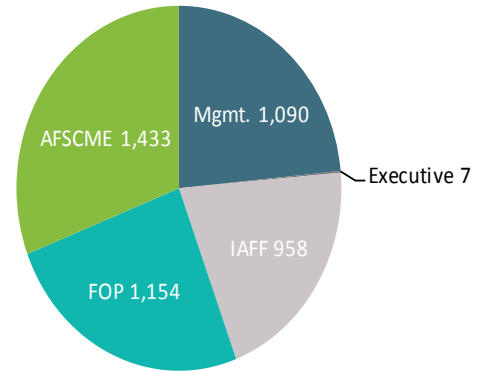
The FY18 Proposed Budget contains authorization for 4,644 positions throughout the City. This is a decrease of 16 positions from the FY17 amended budget. The table on the following page shows the changes on a department-by-department basis.

The City’s workforce is comprised of five basic groups. The American Federation of State, County, and Municipal Employees (AFSCME) represent the general pay plan or non-management employees of the City. This is the largest group at 1,435 positions. The Fraternal Order of Police (FOP) represents all sworn positions within the Police Department. The proposed budget includes 1,145 FOP positions.

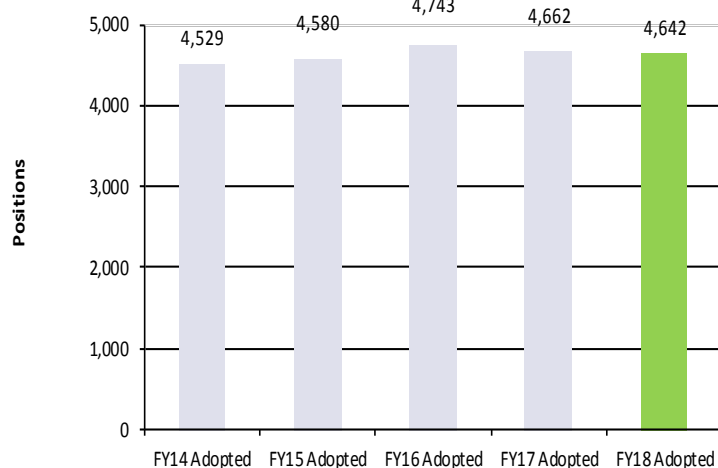
The International Association of Firefighters (IAFF) represents all of the uniformed positions within the Fire Department. The proposed budget contains 958 uniformed Fire positions. Management includes employees on the Management, Auditors, and Legal pay plans. Each pay plan includes administrative support, professional, and managerial positions. In addition, those employees who report directly to the City Manager are included as Management. This group totals 1,101 positions in the proposed budget.

The executive category includes only positions that report directly to City Council: the City Manager, City Attorney, City Auditor and four Municipal Judges.

Positions by Category



Budgeted Positions History



BUDGETED POSITIONS BY DEPARTMENT

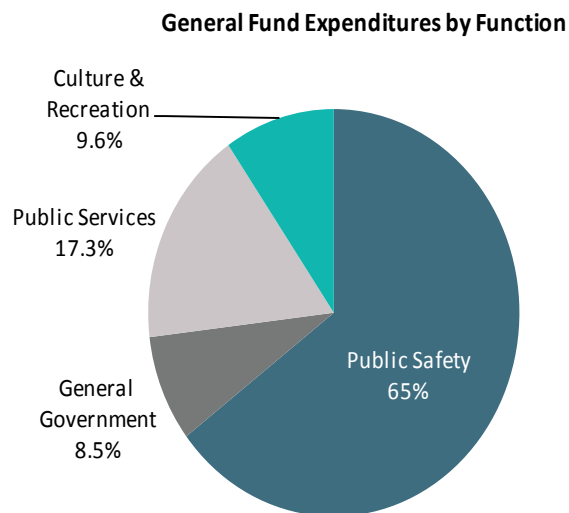
Department	FY16 Adopted	FY17 Adopted	FY18 Adopted	Change	%
Airports	120.00	120.00	120.00	0.00	0.0%
City Auditor	9.00	8.00	7.00	(1.00)	-12.5%
City Clerk	9.00	8.00	8.00	0.00	0.0%
City Manager	43.00	48.00	49.00	1.00	2.1%
Development Services	201.00	189.00	182.00	(7.00)	-3.7%
Finance	90.00	85.00	82.00	(3.00)	-3.5%
Fire	1008.00	997.00	990.00	(7.00)	-0.7%
Fire Grants	0.00	0.00	0.00	0.00	N/A
General Services	78.00	70.00	68.00	(2.00)	-2.9%
Information Technology	103.00	100.00	107.00	7.00	7.0%
Mayor and Council	6.00	6.00	6.00	0.00	0.0%
Municipal Counselor	58.00	55.00	54.00	(1.00)	-1.8%
Municipal Court	81.00	79.00	64.00	(15.00)	-19.0%
Parks and Recreation	199.00	185.00	187.00	2.00	1.1%
Personnel	26.00	24.00	25.00	1.00	4.2%
Planning	29.5	27.38	26.83	(0.55)	-2.0%
Planning Grants	20.5	19.62	20.17	0.55	2.8%
Police	1,453.14	1,446.00	1,440.00	(6.00)	-0.4%
Police Grants	1.86	1.00	1.00	0.00	0.0%
Public Transportation and Parking	29.00	34.00	32.00	(2.00)	-5.9%
Public Works	406.00	386.00	386.00	0.00	0.0%
Utilities	772.00	774.00	787.00	13.00	1.7%
Total	4,743.00	4,662.00	4,642.00	-20.00	-0.4%

THE GENERAL FUND

The General Fund is the largest fund within the City budget and makes up \$404,455,720 of the City's total operating budget. The General Fund serves as the mechanism from which many of the core services of the City are primarily funded. The General Fund also has the most flexibility on how funds can be spent. The special revenue and enterprise funds, also mostly operating funds, have specific purposes required for the expenditure of those funds. Within the General Fund, however, there is more latitude to direct the spending priorities of the City. Using the same functions that were defined before, the focus on Public Safety is even more pronounced in the General Fund as approximately 65% of the total budget is expended in this area.

Public Services is the second largest area of spending at 17%. However, its share of the General Fund is significantly smaller than in the operating budget because a large portion of Public Service funding comes from Enterprise Funds (such as Airports and Utilities).

General Government makes up 8% of the General Fund because general government functions, such as Finance and Personnel, do not have a funding source outside the General Fund.



Culture and Recreation at 10% is a smaller portion of the General Fund than of the operating budget, as a whole, because major revenue sources for Culture and Recreation, such as MAPS 3, the Zoo Sales Tax and the Hotel/Motel Tax, are outside the General Fund.

A comparison of the General Fund Budget at the department level provides a useful comparison of how priorities are allocated and how the costs for providing services are changing relative to the other departments. The next page provides a breakdown of the General Fund budget by department.

EXPENDITURES

	Actual FY16	Adopted FY17	Adopted FY18	Percentage Change
General Fund Expenses				
City Auditor	\$1,179,609	\$1,135,429	\$1,072,445	-5.55%
City Clerk	955,414	980,034	907,490	-7.40%
City Manager	3,230,243	3,150,801	3,052,176	-3.13%
Development Services	18,343,546	17,968,455	17,398,920	-3.17%
Finance	9,041,144	8,341,985	8,180,916	-1.93%
Fire	93,704,323	91,895,099	92,566,147	0.73%
General Services	5,193,353	4,764,078	4,699,919	-1.35%
Mayor & Council	945,733	1,003,024	1,011,730	0.87%
Municipal Counselor	7,131,015	6,751,103	6,689,735	-0.91%
Municipal Court	8,224,196	9,057,261	8,357,171	-7.73%
Non-Departmental Operating	52,181,444	49,648,747	47,828,032	-3.67%
Parks & Recreation	25,149,788	25,750,949	26,532,554	3.04%
Personnel	2,933,056	2,850,719	2,939,202	3.10%
Planning	3,881,810	3,838,430	3,734,774	-2.70%
Police	136,650,274	132,410,697	132,989,468	0.44%
Public Transportation and Parking	17,626,898	16,254,912	16,741,446	2.99%
Public Works	29,186,091	29,643,781	29,753,595	0.37%
Total Expenses	\$415,557,937	\$405,445,504	\$404,455,720	-0.24%

EXPENDITURE SUMMARY TABLE

	Actual FY16	Adopted FY17	Adopted FY18
Operating Funds			
General Operating Funds			
General Fund	\$415,557,937	\$405,445,504	\$404,455,720
Internal Service Fund	49,675,251	50,950,631	51,960,944
Total General Operating Funds	\$465,233,187	\$456,396,135	\$456,416,664
Special Revenue Funds			
Court Admin. and Training Fund	\$1,925,021	\$2,345,465	\$2,099,847
Emergency Management Fund	7,882,969	9,377,816	8,699,635
Fire Sales Tax Fund	38,100,871	44,908,396	44,384,271
Hotel/Motel Tax Fund*	11,836,593	12,074,933	11,860,319
MAPS Operations Fund*	595,112	751,868	761,713
MAPS 3 Use Tax Fund*	2,396,004	4,043,178	4,754,405
Medical Service Program Fund	4,777,137	7,254,000	7,052,267
OCMAPS Sales Tax Fund*	444,346	439,233	0
Police Sales Tax Fund*	39,231,535	42,165,878	41,570,851
Zoo Sales Tax Fund	13,440,670	14,188,917	13,526,919
Total Special Revenue Funds	\$120,630,256	\$137,549,684	\$134,710,227
Enterprise Funds			
Airports Fund	\$16,320,606	\$17,602,492	\$17,813,606
Solid Waste Management Fund	10,208,412	11,830,749	11,313,723
Stormwater Drainage Utility Fund*	13,966,322	17,234,879	17,621,698
Public Trans. and Parking Fund	2,640,858	4,099,079	4,102,825
Water/Wastewater Fund	77,278,717	89,553,472	92,992,246
Total Enterprise Funds	\$120,414,914	\$140,320,671	\$143,844,098
Subtotal Operating Funds	\$706,278,357	\$734,266,490	\$734,970,989
Less Interfund Transfers (1)	(98,866,715)	(94,588,057)	(92,406,425)
Total Operating Funds	\$607,411,642	\$639,678,433	\$642,564,564

EXPENDITURES

	Actual FY16	Adopted FY17	Adopted FY18
Non-Operating Funds			
Capital Improvements			
Capital Improvement Projects Fund	\$26,456,425	\$59,354,673	\$47,775,882
City and Sch Cap Proj Use Tax Fund	363,622	3,144,508	3,281,741
Hotel/Motel Tax Fund*	9,143,030	10,337,553	9,112,807
Impact Fees Fund	0	0	9,380,579
MAPS Operations Fund*	175,173	4,650,711	2,861,447
MAPS Sales Tax Fund*	0	563,846	525,853
MAPS 3 Sales Tax Fund	91,239,824	305,645,025	453,515,119
MAPS 3 Use Tax Fund*	10,930,791	42,528,809	37,280,282
OKC Sports Facilities Sales Tax Fund	0	362,632	63,320
OKC Sports Facilities Use Tax Fund	(2,020)	569,675	197,006
OKC Tax Increment Financing Fund	(947,964)	850,000	850,000
Police Sales Tax Fund*	3,306,374	7,597,669	3,484,452
Police/Fire Cap Equip Sales Tax Fund	1,999,531	5,166,598	4,172,117
Stormwater Drainage Utility Fund*	682,641	5,337,232	8,654,128
Street and Alley Fund	4,073	392,929	306,955
Total Capital Improvements	\$143,351,499	\$446,501,860	\$581,461,688
Other			
Asset Forfeiture Fund	1,071,378	2,558,768	1,783,259
Debt Service Fund	85,187,094	112,098,651	106,076,208
Grants Management Fund	40,593,657	45,658,879	39,289,655
OKC Improv. and Special Assess Dist.	2,605,024	3,737,140	3,808,834
Special Purpose Fund	8,231,898	15,599,439	9,704,710
Total Other	\$137,689,051	\$179,652,877	\$160,662,666
Total Non-Operating Funds	\$281,040,551	\$626,154,737	\$742,124,354
Subtotal All Funds	\$888,452,193	\$1,265,833,170	\$1,384,688,918
Less Interfund Transfers (2)	(11,480,352)	(5,065,600)	(7,302,600)
Total All Funds	\$876,971,841	\$1,260,767,570	\$1,377,386,318

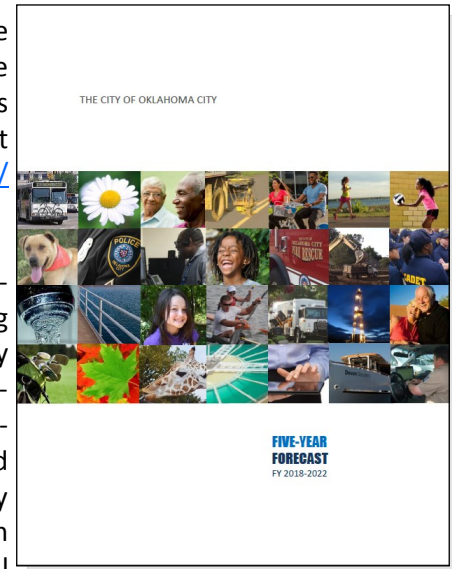
* Indicates the Fund has both an Operating and Non-Operating component

	Actual FY16	Adopted FY17	Adopted FY18
(1) Transfers between Operating Funds			
Gen Fund Transfer to Emerg Mgmt	\$2,987,502	\$3,997,544	\$2,683,067
Gen Fund to Transit Fund via COTPA	2,190,047	3,286,211	3,119,900
Gen Fund to City & Schools Use Tax Fund	152,275	0	0
Various Funds to Internal Service Fund	49,859,081	49,241,662	50,141,739
Fire Sales Tax to General Fund	12,067,656	11,963,874	11,725,894
Grants Funds to General Fund	56,886	466,839	178,741
General Fund to Parking Cash Fund	294,001	330,256	502,479
Various Funds Pmts to Gen Fund	5,501,690	0	150,000
Special Purpose to MAPS 3 Fund	1,658,352	0	0
Police Sales Tax to General Fund	9,265,643	9,185,958	9,003,237
Various Funds Admin Pmts to Gen Fund	14,833,581	16,115,713	14,901,368
Total	\$98,866,715	\$94,588,057	\$92,406,425
(2) Transfers to Non-Operating Funds			
Various to CIP Fund	\$14,303,419	\$5,065,600	\$7,215,600
Grant Fund to Various Funds	0	0	0
General Fund to GO Bonds Fund	203,260	0	0
Various Funds to Special Purpose	(36,402)	0	87,000
Various Funds to Grant Funds	(2,989,926)	0	0
Total	\$11,480,352	\$5,065,600	\$7,302,600

LONG RANGE FINANCIAL SUMMARY

The Five-Year Financial Forecast is presented each February to the City Council and Mayor through a Council Workshop, to which the public and local media are invited. Although only a summary is provided here which focuses on the General Fund, the full forecast is available on the City's website at <https://www.okc.gov/departments/finance/financial-and-budget-reports>

The purpose of the forecast is to evaluate the City's financial condition as it relates to meeting the community's needs for ongoing core and ancillary programs and services. Armed with factually accurate, timely, and objective information about the City's financial condition, elected officials can help ensure the stability of Oklahoma City's general and other municipal funds. With continued financial viability, the City can anticipate and meet community needs and enable additional economic diversification and growth for many years to come. With this in mind, the Five-Year Financial Forecast serves three purposes.



1. **Compliance.** Providing the forecast helps the City comply with city financial policies and practices designed to ensure the responsible utilization of public resources.
2. **Strategy.** The forecast provides the Mayor and City Council with information to formulate long-term strategies to ensure city services are available at a level appropriate to the actual needs of the community. Annual budgeting alone can fail to serve the long-term public interest if short-term priorities reduce resources that may be required to meet imminent needs that fall beyond the one-year budget scope.
3. **Accountability.** The forecast serves as a resource for the general citizenry and the business community by providing a snapshot of the city's current and projected financial well-being. It provides citizens and business leaders with an overview of the city's ability to meet community needs over time. This document also demonstrates the city's financial planning process and strengthens local government's accountability to the community.

By identifying long-term issues and assessing resources, the Five-Year Financial Forecast provides the Mayor and City Council with the necessary information to create continuity between annual budget cycles and long term needs of the City. The forecast is a valuable tool for identifying potential problems and for policy makers to incrementally address such problems in a manner that provides seamless continuation of core services.

The Five-Year Financial Forecast is not intended to serve as a comprehensive source for all City-related financial activity, such as programs funded through City trusts and authorities. This forecast does, however, include an assessment of unfunded capital and likely programmatic issues that may impact those entities. The City has made great strides in developing and executing a number of significant plans that are laying the groundwork for an exciting future.

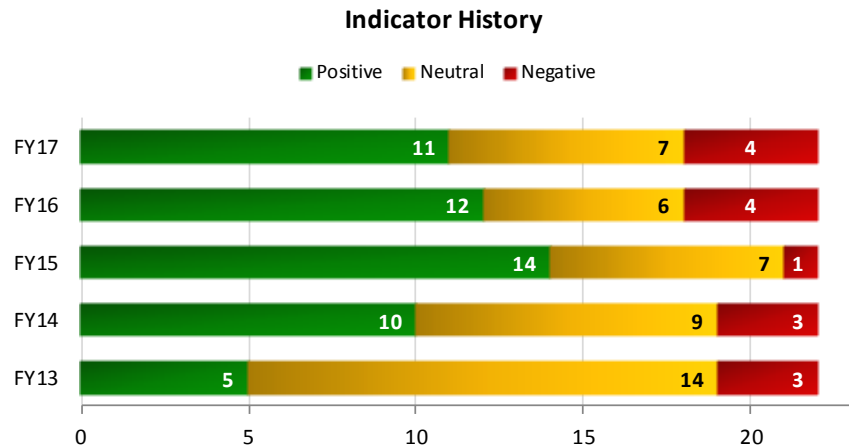
LONG RANGE FINANCIAL SUMMARY

Economic Outlook

Dr. Russell Evans, Executive Director of the Steven C. Agee Economic Research and Policy Institute at Oklahoma City University (OCU), developed the Economic Outlook. The City has contracted with OCU to provide this outlook in order to provide the most rigorous forecast available. The information from the economic outlook informed the estimation of Sales Tax revenues in the preliminary budget for FY18. The key point from Dr. Evan’s Economic Outlook for FY18 was that the Oklahoma City economy should begin FY18 transitioning from a prolonged period of weakness to full health.

Financial Trend Monitoring

The Financial Trend Monitoring System (FTMS) is designed to give City leaders and citizens a simple method for evaluating the City’s financial condition on a year-to-year basis. Adapted from *Evaluating Financial Condition: A Handbook for Local Government*, published by the International City/County Managers Association, this method identifies the trends in various financial and environmental areas and rates them as positive, neutral or negative. A final “score” can then be developed showing how many of the trends fall in each category. This system provides the City with a more comprehensive evaluation of financial condition rather than focusing on individual indicators, such as fund balance. The FTMS includes 22 indicators. As shown in the graph, the results of the analysis for FY17 were 11 indicators trending positive, 7 indicators trending neutral and 4 indicators trending negative. The City remained in a favorable financial position. Those indicators rating negative in FY17 were Average Weekly Earnings, Active Drilling Rigs, Private Development Plans, and Revenue Accuracy all of which were influenced by the downtown in the energy sector and the underlying weakness in the local economy.



Forecast Issues

Forecast issues provides an overview of the major issues facing City departments. The goal is to provide an “early warning system” to the City Manager and City Council of significant issues that are beyond the scope of the annual budget process so that strategies and priorities can be set over the long-term. A total of 54 issues were identified in the forecast; the eight most significant issues identified included:

- Facility Capital Maintenance Costs
- Funding Street Improvements
- Impact of Budget Reductions on Operations
- Long-Term Water Capital
- MAPS 3 Operating Costs
- Public Safety Communications System
- Public Safety Service Level Improvements
- Public Transportation System Improvements

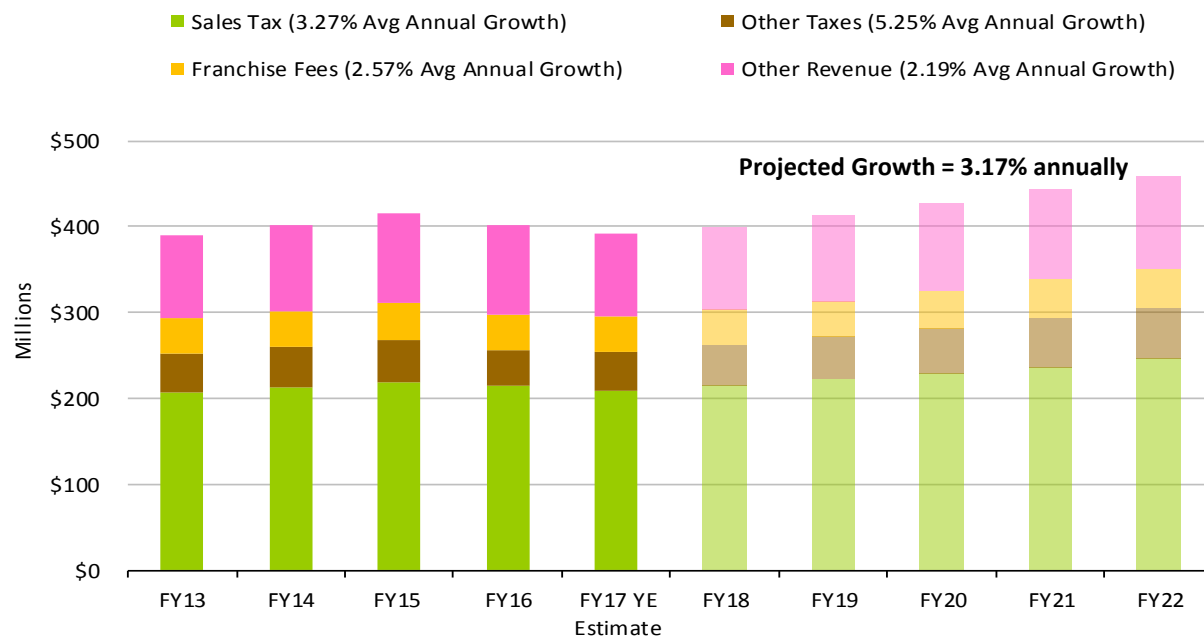
LONG RANGE FINANCIAL SUMMARY

The Forecast also included a summary of 15 successful outcomes designed to close the communication loop on issues that had dropped out of the forecast because the needs were met, the issue was re-structured so that it had become manageable through existing resources, priorities changed or the issue was resolved through other means such as legislative or regulatory changes. Examples of successful outcomes included: implementing body worn cameras for Police; implementing bus services until midnight on select routes; implementing a new Court Records Management System; opening an employee medical clinic; implementing development impact fees; and settling a water rights agreement that was signed by President Obama that secured water rights to meet raw water supply growth needs for approximately 60 years.

General Fund Revenues, Trends and Forecasts

There are literally hundreds of individual revenue sources that contribute to the General Fund so they are combined into similar categories. When all of the categories are combined, the General Fund is expected to grow at about 3.17% per year over the next five years or to \$461.5 million in FY22. With the current revenue mix, sales tax accounts for more than half of General Fund revenue, continued stability of the General Fund is contingent upon growth in tax revenues, sales tax, in particular.

Overall General Fund Revenue

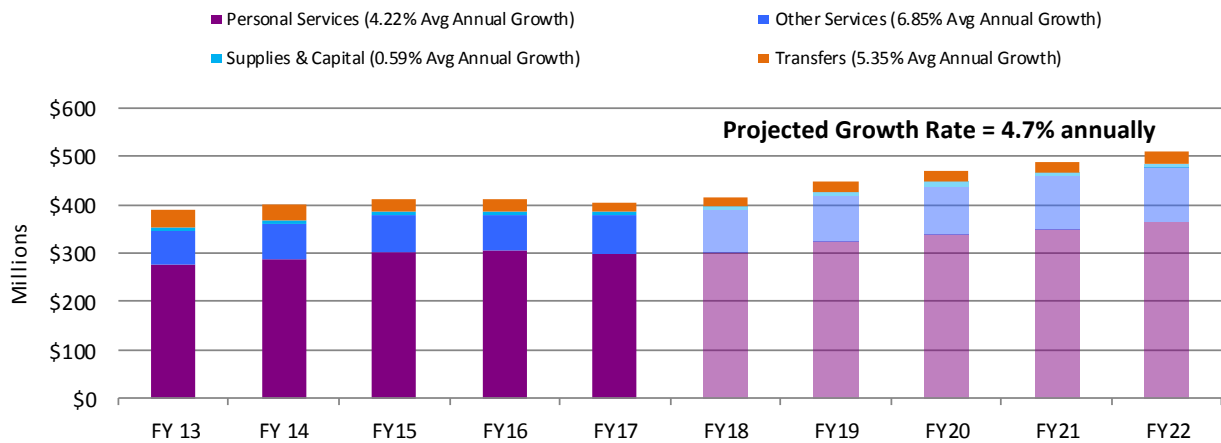


LONG RANGE FINANCIAL SUMMARY

General Fund Expenditures

City expenditures encompass a variety of goods and services and it is anticipated that general operating costs will continue to grow at a rate higher than inflation due primarily to salary and benefit growth. In addition, several enhancements to current services or new services were included in the five-year forecast that contributed to projected annual growth of 4.7% or \$508 million in FY22. Enhancements included staffing for a new fire station, increased police staffing, replacement of the radio system, operating cost for the new downtown park, operation of a new streetcar, and bus replacement.

Overall General Fund Expenditures



General Fund Revenue/Expenditure Gap

Historically, the City’s financial forecasts have projected a revenue/expenditure gap. A financial gap appears when projected General Fund expenses exceed anticipated revenue collections. This gap poses a real, but manageable, threat to the City’s continued financial stability. The national recession had a significant impact on revenues in FY10. The City experienced significant growth in Sales Tax in FY11 and FY12 which put the City back on a much more positive track. However, growth slowed in FY14 and FY15 and declined in FY16 and FY17. Moderate growth is anticipated in FY18. Current operating and capital issues facing the City will require careful planning to ensure a sound financial future.

Through FY22, revenues are expected to average 3.17% growth annually. Expenditures, on the other hand, are expected to grow at an average rate of 4.7% annually. The projected gap, if no adjustments to revenue or expenses are made, grows to \$51.5 million in FY22. The difference between the two growth rates is reason for concern, although the gap is closed each year so that the City has a balanced budget as mandated by State law.

For FY18, there was a gap and most General Fund departments were asked to submit cuts. In future years, it appears departments will continue to need to make reductions annually to keep the budget balanced. Future funding gaps can be avoided through continued expenditure control, re-prioritizing City services, addition of new revenue sources and the judicious use of fund balance.

Expenditure control is the area where the City has the most flexibility and the most power to close the gap. Since Personal Services are the majority of City costs, controlling the growth in this area will be a major key to maintaining financial balance. The most effective means to achieve a balance between controlling personnel costs while maintaining competitive salary and benefit packages for employees in the future will be to limit salary and benefit growth to within the approximate growth rates of City revenues. The City continues to work to find ways to maintain personal service cost growth within the revenues available and the demand for increased services. Improved efficiency in operations is also an avenue for controlling expenditure growth. Tight budgets have necessitated that departments continually look for ways to do more with less, thereby driving many efficiency gains, but have also resulted in some reductions in service levels.

Another option is for City leaders to continue reprioritizing City services. Over time, City needs and priorities change. Programs and services may be added or reduced based on community needs. The City must continue to assess the need for specific services, evaluate operational efficiencies and consider the potential benefits and consequences of discontinuing some programs.

FY17 Five-Year Projection for General Fund Revenues and Expenditures

