

**Oklahoma County,
Oklahoma
Financial Statements And
Independent Auditor's
Report**



For The Year Ended June 30, 2006



**Office of the Oklahoma State Auditor and Inspector
Jeff A. McMahan, CFE**



**OKLAHOMA COUNTY, OKLAHOMA
COMPREHENSIVE ANNUAL FINANCIAL REPORT**

FOR FISCAL YEAR ENDED JUNE 30, 2006

**PREPARED BY THE FINANCE DIVISION
OF THE OKLAHOMA COUNTY CLERKS' OFFICE**

Carolynn Caudill, Oklahoma County Clerk

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I - Introductory Section



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For the fiscal year ended June 30, 2006**

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PROFILE OF OKLAHOMA COUNTY

Situated in the heart of downtown Oklahoma City, the Oklahoma County Courthouse is the hub of many diverse activities. Consisting of a Courthouse Building, a County Office Building, a County Jail, and a Juvenile Justice Center, the government of Oklahoma County employs more than 1,700 people and is a multi-million dollar operation.

Based on the U.S. Census Bureau, Oklahoma County has an estimated 2005 population of 684,543, making it the most populous county in the State of Oklahoma. The land area of Oklahoma County is 775 square miles. While Oklahoma is known for its oil and gas industry and its agricultural base, Oklahoma County has a diverse economy of manufacturing, aerospace, service, and industrial companies. Additionally, Oklahoma County is the home to Tinker Air Force Base, which is one of the largest depots for aircraft maintenance in the U.S. Department of Defense.

Oklahoma County is a constitutional form of government comprised of eight elected officials. There are three County Commissioners which form the Board of County Commissioners, a County Clerk, a Court Clerk, a Treasurer, a Sheriff, and an Assessor. The County Excise Board, consisting of three appointed members, officially certifies budgets and financial statements for the County as well as all Oklahoma County municipalities and school districts. The County Clerk is secretary to these public boards. These Boards comprise the management of Oklahoma County and are responsible for the administration of County services and information presented in the Comprehensive Annual Financial Report. All county officials are represented in civil matters by the Oklahoma County District Attorney, who is an elected official representing a state judicial district that encompasses Oklahoma County.

Oklahoma County government is a subdivision of the state government, and all of the powers exercised by the County are those delegated by the State, as authorized by the State Legislature and the State Constitution. The State Auditor and Inspector is charged with the duty of auditing the fiscal matters of Oklahoma County on an annual basis.

Financial Reporting Entity

The financial reporting entity consists of (a) the primary government, (b) organizations for which the primary government is financially accountable, and (c) other organizations for which the primary government is not financially accountable, but for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

Component Units

Component units are legally separate organizations for which the elected officials of the primary government are financially accountable. In addition, component units can be other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

Oklahoma County has two component units - The Oklahoma County Finance Authority, a discretely presented component unit, and the Oklahoma County Public Buildings Authority, a blended component unit. Both issue separately audited Component Unit Financial Statements (CUFS).



CAROLYNN CAUDILL
OKLAHOMA COUNTY CLERK

MARK W. MISHOE, CHIEF DEPUTY
(405) 713-7150

January 30, 2007

To the Citizens of Oklahoma County and the Honorable Members of the Excise Board:

We hereby issue the 2006 Comprehensive Annual Financial Report (CAFR) of Oklahoma County for fiscal year ended June 30, 2006. The CAFR provides a comprehensive overview of the county's financial position and the results of operations for the past fiscal year. This report complies with requirements of state statutes. The Oklahoma County Clerk's Finance Department, prepared this report using generally accepted accounting principles (GAAP) and it has been audited by the Office of the State Auditor and Inspector in accordance with generally accepted auditing standards.

This report consists of management representations concerning finances of the County. Consequently the responsibility for the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the County. To provide a reasonable basis for making these representations, the County follows the guidelines of state statute which has established an internal control framework designed to protect the County's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the County's financial statements in conformity with GAAP. The framework of internal controls has been designed to provide reasonable rather than absolute assurance the financial statements will be free from material misstatements. As management, we assert, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

In accordance with Title 19.O.S. 2001 §171, the State Statute requires an annual audit for Oklahoma County. The audit is performed by the Oklahoma State Auditor and Inspector's Office. The audit is required to be performed in accordance with Generally Accepted Auditing Standards, which are established by the Auditing Standards Board and Government Auditing Standards issued by the Comptroller General of the United States. The independent auditor's report is located at the front of the financial section of this report. The auditors also perform a single audit according to the provisions of the Single Audit Act and the U.S. Office of Management and Budget (OMB). The findings and recommendations as a result of the audit, according to OMB Circular A-133, are reported under separate cover.

GAAP requires management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement MD&A and should be read in conjunction with it. The County's MD&A can be found immediately following the Report of Independent Auditors.

Related Organizations

The following related organizations are excluded from the financial reporting entity because the County does not exercise significant influence over their respective operations. Financial statements are available from the respective organizations. Related organizations are Oklahoma County Home Finance Authority, Oklahoma County Industries Authority, Oklahoma County Industrial Authority and Oklahoma County Utility Services Authority.

Accountability and Budgetary Controls

The County has a comprehensive accounting and budgetary system. The County has a balanced budget and complies with requirements of the State Statutes and Oklahoma Constitution. The Excise Board of Oklahoma County has made every effort to comply with the guidelines for the Oklahoma County Budget as set out in Title 68, of the Oklahoma Statutes, Sections 3001-3033.

The County has a comprehensive set of internal controls, which are reviewed annually as a part of the audit and routinely by management. The County Clerk and the County Treasurer assist the state auditors in annual routine audits and assist in recommending and implementing new accounting procedures and internal controls.

Additionally, the County maintains budgetary controls to ensure compliance with legal provisions incorporated in the annual appropriated budget. The County Excise Board approves annually appropriated budgets for the General Fund and the Debt Service Fund. The level of budgetary control within the fund is by department and classification, described in Note II.A. of the financial statements.

FACTORS AFFECTING FINANCIAL CONDITION

Local Economy and Economic Outlook

As the largest county in the state and the home of the State Capital, Oklahoma County accounts for 19.30 percent of the state's population, and 27.2 percent of the state's labor force. The availability of low-priced real estate, an abundant skilled labor force, a low cost of doing business, and a centralized geographical location make Oklahoma County a prime location for business. These assets continue to be the key to Oklahoma County's growth.

While the fate of the Oklahoma economy has long been linked to the energy sector, the Oklahoma City metropolitan area economy has become increasingly diverse over the past decade, largely the results of efforts by business and community leaders to better insulate the local economy from the "boom and bust" cycles of the oil industry. The metropolitan area economy is comprised of a dozen major sectors that include: education and health services; financial; information; professional and business services; wholesale and retail trade; construction; government; manufacturing; mining; transportation, warehousing and utilities, and; leisure and hospitality. The local economy's stability is enhanced by the presence of Oklahoma state government, numerous federal agencies, and Tinker Air Force Base.

Oklahoma County's labor market is expected to add approximately 5,000 new jobs in 2007, a 1.2% gain, keeping in pace with both the state (1.2%) and nation (1.1%) The expansion remains broad-based while high-wage oil and gas jobs are providing an additional boost.

The closing of the GM plant did not affect Oklahoma County's largest revenue source -- ad valorem taxes -- in the current fiscal year, and its full impact will not be felt until fiscal year 2008. The 2006 closure caused an adjustment in the plant's vacant building; however, due to the fact of having substantial growth over the past several years, County ad valorem tax revenues are expected to continue to increase in the foreseeable future. In essence, the loss attributable to the plant closure was offset by growth and the 5% cap spread between market value and taxable value.

Earlier forecasts suggested that the closing of the GM plant would weigh on overall county job numbers in 2006 and 2007, but that local employers would quickly absorb laid-off manufacturing workers. So far the performance of the metro economy in 2006 has been impressive and it is still believed that the ongoing momentum in the regional economy makes it possible to absorb laid-off workers at a rapid pace. Expected job losses at the Dayton Tire plant will continue to weigh on the county economic area in late 2006 and in 2007 and will reduce job growth estimates closer to the expected job growth rate for the state.

The City of Oklahoma City is the largest city in Oklahoma County, and as the hub of the increasingly vibrant, larger Oklahoma City metropolitan area, it continues to serve as an important source of economic stimulus for the county and surrounding region. The emergence of Oklahoma City onto the national scene is rapidly becoming a model for economic revitalization and public/private sector cooperation. The temporary relocation of the National Basketball Association's New Orleans/Oklahoma City Hornets to Oklahoma City, which has been a stunning success, only added to the national reputation of the City as it develops a larger presence on the national level. (The team relocated after Hurricane Katrina devastated its home.)

The revitalization of the downtown Oklahoma City area continues to strengthen the core business center of the metropolitan area. The city and county in turn are benefiting from the strength of the surrounding metropolitan area and enjoying the type of strong job and income growth that is typical of a regional economy that is reaching critical mass as the population approaches 1.2 million. Combined with its relatively low housing prices, the area offers an attractive cost-of-living-adjusted standard of living to workers.

The strong presence of the region's oil and gas firms continues to provide significant economic stimulus to Oklahoma County's economy. The industry supports nearly 20,000 workers earning a total of \$2.4 billion in labor income. Total earnings in the industry have approximately doubled since 2002, and are the driving force behind the 8.7% gain expected in total personal income in the region for 2006. The industry is highly concentrated in Oklahoma County, which alone contains 73% of the jobs and provides 93% of the labor income.

Taxable retail sales continue to extend the impressive gains that began in 2004. The Oklahoma County retail market will account for more than \$11 billion in taxable transactions next year, or nearly 30% of the statewide total. Projections for calendar year 2005 suggest sales tax growth of 4.7% in Oklahoma County. The 2006 forecast calls for continued strong retail activity with a growth rate of 4.2%.

The strong performance of the local and regional economies is showing up in strong income growth for county residents. After increasing 6.7% in 2004, personal income is expected to increase 6.5% for all of 2005, before slowing slightly to a forecasted 5.9% growth rate in 2006. The forecasted 2006 per capita income for Oklahoma County (\$36,320) continues to move ahead of the state (\$30,888), reaching an estimated 118% of the state average. More importantly, county per capita income continues to hover around parity with the nation, after falling

consistently from 118% of the nation at the height of the oil boom to only 91% of the nation by 1997.

The following table depicts the composition of the Oklahoma City/Oklahoma County Wage and Salary Employment in all employment sectors.

(In Thousands)	Estimated			Projected	
	2005	2006	%Change	2007	%Change
Mining	7.91	10.05	27.1	10.95	8.9
Construction	17.11	18.67	9.1	19.12	2.4
Manufacturing	28.24	27.72	-1.9	26.83	-3.2
Transportation, Warehousing & Utilities	13.26	13.66	3.0	13.88	1.7
Wholesale Trade	18.52	18.93	2.2	19.46	2.8
Retail Trade	45.84	46.20	0.8	46.64	0.9
Information	11.70	11.61	-0.7	11.69	0.7
Financial Activities	26.99	27.31	1.2	27.26	-0.2
Professional & Bus. Svcs.	59.37	59.86	0.8	60.03	0.3
Education & Health Svcs.	55.00	56.19	2.1	57.65	2.6
Leisure & Hospitality	40.40	41.40	2.5	42.13	1.8
Other Services	11.30	11.17	-1.2	11.05	-1.1
Government	75.71	76.83	1.5	77.99	1.5
Total	411.35	419.60	2.0	424.68	1.2

Source: Oklahoma State University, Center for Applied Economic Research

Long-term Financial Planning and Major Initiatives

Strategic Planning

In March of 2005, Oklahoma County adopted a revised strategic plan for the county, it being the result of a third year of strategic planning work on the part of all eight elected county officers and selected staff.

The plan's strategic goals are as follows:

1. Increased citizen involvement and understanding.
2. County employee development.
3. Review funding sources and requirements to maximize the returns to the citizens of Oklahoma County.
4. Provide and improve the general welfare of our citizens.
5. Be the economic leader for Central Oklahoma.
6. Achieve infrastructure excellence.

Specific objectives and action plans supporting each of the listed goals are included in the plan.

Recently-Completed Capital Improvement Projects

The Oklahoma County Clerk's office is completed a three-year project which makes all files from its recording office available to citizens electronically, 24/7 over the internet. In what is believed to be a first in the nation, this new service includes all recordings made in that office, back to inception in 1890. The project has garnered national attention.

Chilled water pumps were installed at the County Courthouse and the HVAC system at the County's Training & General Assistance Building was replaced this year.

The remodeling of the office space on the 2nd floor of the County Annex building for the Human Resources Department was completed during the year.

Future Capital Improvement Plans

The County recently adopted a Capital Improvement Program to identify capital improvement projects over a five year period. This program is developed by county officers and department heads and will create a committee to identify projects and prioritize them according to their relative importance and need.

The security detection equipment has been installed along with security fencing, at the County courthouse and County Annex building's and is expected to be operational the first of the year. The County has budgeted for the guardrails, as a crash barrier, for the alley entrances between the County Courthouse and Annex buildings as well as a guard shack as part of the security project.

The central control panel for the Oklahoma County Jail is currently being replaced, and engineering design work was completed this fiscal year for a new HVAC system for the County Courthouse building.

The development of a master plan for a potential new juvenile justice center for the county began this year. When completed, the work product will include conceptual drawings, potential site location, and cost estimates.

The County has budgeted \$1.5 million for an economic development project involving the construction of a new access ramp in northeastern Oklahoma County to the toll-road which links Oklahoma City and Tulsa. A seven million dollar project in total, this joint project is also being funded via a \$2 million federal appropriation and \$3.5 million from the Oklahoma Turnpike Authority.

AWARDS AND ACKNOWLEDGMENTS

Certificate of Achievement for Excellence in Financial Reporting

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Oklahoma County for its comprehensive annual financial report for the fiscal year ended June 30, 2005. This was the twelfth consecutive year that Oklahoma County has received this prestigious award (fiscal years ended 1994-2005).

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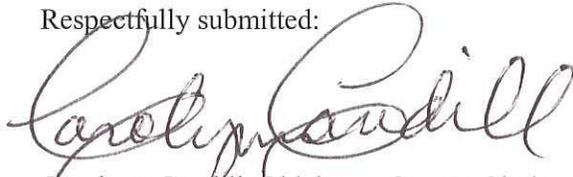
In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized comprehensive annual financial report whose contents conform to program standards. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial 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 Division of the County Clerk's office made possible the preparation of the County's Comprehensive Annual Financial Report. The County Treasurer and other staff and administrators at various sites throughout the County provided additional, valuable help. In addition, the County extends appreciation to the Board of County Commissioners and Excise Board, who have encouraged and supported progressive accounting and reporting for both internal and external use.

Respectfully submitted:



Carolynn Caudill, Oklahoma County Clerk

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Oklahoma County
Oklahoma

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
June 30, 2005

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



President

Executive Director

Oklahoma County Elected Officials



**Jim Roth,
Commissioner District 1**



**Brent Rinehart,
Commissioner District 2**



**Stan Inman,
Commissioner District 3**



**Carolynn Caudill,
County Clerk**



**Forrest "Butch"
Freeman,
County Treasurer**



**John Whetsel,
Sheriff**



**Leonard Sullivan,
Assessor**

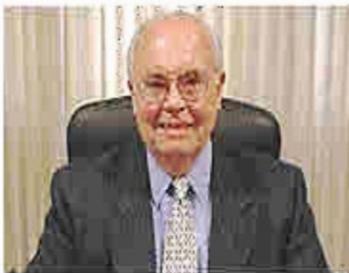


**Patricia Presley,
Court Clerk**



**C. Wesley Lane,
District Attorney**

Oklahoma County Excise Board Members



James Harrod



Frank Burns



Donald Strube

CITIZENS OF OKLAHOMA COUNTY

Elected Officers
Assessor Treasurer
Sheriff Court Clerk
County Clerk/Purchasing Agent

Board of County Commissioners
(Elected Officers)
District #1, District #2, and District #3

Other Offices
*District Courts *District Attorney
Election Board
Juvenile Bureau Public Defender

*District Court Judges & District Attorney elected by citizens, other are appointed

Excise/Equalization Board

OSU Extension
Free Fair

Facilities Management

Training & General Assistance

Planning Commission

Central HR/
Environmental
Health & Safety

Management Information Systems

Community Service/OR Bond

Emergency Management

Engineering

II - Financial Section





STATE OF OKLAHOMA
OFFICE OF THE AUDITOR AND INSPECTOR

JEFF A. McMAHAN
State Auditor and Inspector

Independent Auditor's Report

To The Officers of
Oklahoma County, Oklahoma

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of Oklahoma County, Oklahoma, as of and for the year ended June 30, 2006, which collectively comprise the County's basic financial statements as listed in the table of contents. These financial statements are the responsibility of Oklahoma County's management. Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Oklahoma County Public Buildings Authority, which represent one-hundred percent of the assets and revenues of the business-type activities; the financial statements of the Oklahoma County Finance Authority, which represent one-hundred percent of the assets and revenues of the discretely presented component unit; and the financial statements of the defined benefit pension plan of the Employees' Retirement System of Oklahoma County, which represent sixty-three percent of the assets presented in the statement of fiduciary net assets and one-hundred percent of the additions presented in the statement of changes in fiduciary net assets. Those financial statements were audited by other auditors whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts included for the business-type activities, the discretely presented component unit, and the pension trust funds included in the aggregate remaining fund information of Oklahoma County, is based solely on the reports of the other auditors.

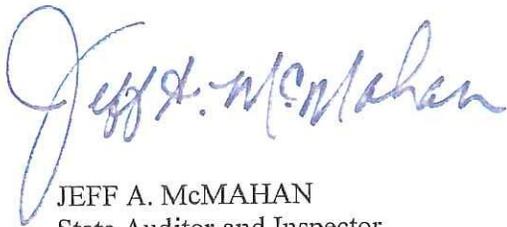
We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit and the reports of the other auditors provide a reasonable basis for our opinions.

In our opinion, based on our audit and the reports of the 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 discretely presented component unit, each major fund, and the aggregate remaining fund information of Oklahoma County, Oklahoma, as of June 30, 2006, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated January 10, 2007, on our consideration of Oklahoma County's internal control over financial reporting and on 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* and should be considered in assessing the results of our audit.

The Management's Discussion and Analysis, Schedule of Funding Progress-Employees' Defined Benefit Retirement System, Schedule of Employer Contributions-Employees' Defined Benefit Retirement System, and the Budgetary Comparison Schedule for the General Fund, on pages 15 through 24 and pages 69 through 75, respectively, are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We and the other auditors have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Oklahoma County's basic financial statements. The introductory section, combining and individual fund statements and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining and individual fund financial statements have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole. The introductory section and statistical section have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

A handwritten signature in blue ink that reads "Jeff A. McMahhan". The signature is written in a cursive, flowing style.

JEFF A. McMAHAN
State Auditor and Inspector

January 10, 2007

OKLAHOMA COUNTY, OKLAHOMA MANAGEMENT'S DISCUSSION AND ANALYSIS

Our discussion and analysis of Oklahoma County (the County) financial performance provides an overview of the County's financial activities for the fiscal year ended June 30, 2006. Please read it in conjunction with the financial statements which immediately follow this section.

FINANCIAL HIGHLIGHTS

- The total assets of the County exceeded its liabilities at the close of the fiscal year by \$125,831,574 (net assets). Of this amount \$8,079,158 is unrestricted and may be used to meet the County's ongoing obligations to citizens and creditors.
- The County's total net assets increased by \$3,493,098 from the amount previously reported at the end of the prior fiscal year. This increase was the partially the result of a \$304,795 prior period adjustment to adjust previously reported capital assets, investments, accrued interest payable and leases payable. In addition to the prior period adjustment, current year revenues outpaced the current year expenses by \$3,188,681, further increasing net assets.
- As of the end of the fiscal year, the County's governmental funds reported combined ending fund balances of \$47,148,649, a .1% or \$49,041 decrease. Of this amount, \$9,755,780 is unreserved fund balance of the general fund, and is available for spending at the government's discretion.

OVERVIEW OF THE FINANCIAL STATEMENTS

The financial section of this annual report consists of several parts: management's discussion and analysis (this section), the independent auditor's report, the basic financial statements, required supplementary information, and combining and individual fund financial statements and supporting schedules.

The basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. The financial statements provide both long-term and short-term information about the County's overall financial status. The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data. The statements are followed by a section of other supplementary information that further explains and supports the information in the financial statements.

Government-wide Financial Statements

The government-wide statements report information about the County as a whole using accounting methods similar to those used by private-sector companies. The accrual basis of accounting and the economic resource measurement focus is used. Under this basis of accounting and measurement focus all assets and liabilities, both financial and capital, and short and long-term, are reported. All revenues and expenses are reported during the year, regardless of when cash is received or paid. The statement of net assets includes all of the government's assets and liabilities. All of the current year's revenues and expenses are accounted for in the statement of activities.

OKLAHOMA COUNTY, OKLAHOMA MANAGEMENT'S DISCUSSION AND ANALYSIS

The two government-wide statements report the County's net assets and how they have changed. Net assets, the difference between the County's assets and liabilities, is one way to measure the County's financial health, or financial position.

Increases or decreases in the County's net assets are an indicator of whether its financial health is improving or deteriorating, respectively. To assess the overall health of the County, nonfinancial factors should be considered such as changes in the County's property tax base and the condition of the County's roads and highways.

The government-wide statements of the County are divided into three categories:

- *Governmental activities* – Most of the County's basic services are included here, such as public safety, culture and recreation, roads and highways, and general government. Ad valorem taxes, charges for services, and state and federal grants finance most of these activities.
- *Business-type activities* – The County charges fees to customers to help it cover the costs of certain services it provides. The Oklahoma County Public Buildings Authority (OCPBA), a blended component unit, is reported as a business-type activity.
- *Discretely Presented Component Units* – The County includes the Oklahoma County Finance Authority in its report as a discretely presented component unit. Although legally separate, the component unit is important because it would be misleading or incomplete to exclude them from the County's financial report since the Board of County Commissioners exercises significant control over the entity.

Fund Financial Statements

The fund financial statements provide more detailed information about the County's most significant funds, not the County as a whole. Funds are grouping of related accounts that the County uses to keep track of specific sources of funding and spending for particular purposes.

Some funds are restricted by state statutes, bond indentures, or other outside authorities. The Board establishes other funds to control and manage money for particular purposes or to show that it is properly using certain revenue sources for restricted purposes.

The County has three kinds of funds:

- *Governmental funds* – Most of the County's basic services are included in governmental funds, which focus on (1) cash and other current financial resources that can be readily converted to cash and used to pay obligations and (2) the balances left at year-end that are available for spending. Governmental funds use the modified accrual basis of accounting and the current financial resource measurement focus. Under this basis of accounting and measurement focus, revenues are recognized when cash is received during or soon after the end of the year; expenditures are recognized when goods or services have been received and payment is due during the year or soon thereafter. Consequently,

OKLAHOMA COUNTY, OKLAHOMA MANAGEMENT'S DISCUSSION AND ANALYSIS

the governmental funds statements provide a short-term view that helps you determine whether there are more or less financial resources that can be spent in the near future to finance the County's programs. Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

- *Proprietary funds* – Services for which the County charges customers a fee are generally reported in proprietary funds. Proprietary funds use the same basis of accounting and the same measurement focus as the government-wide statements. Proprietary funds provide both long and short-term financial information.
- *Fiduciary funds* – The County is the trustee, or fiduciary, for its employees' pension plan. It is also responsible for other assets that can only be used by the trust beneficiaries. The County is responsible for distributing the assets reported in these funds to the intended beneficiary. Fiduciary funds use the same basis of accounting and the same measurement focus as the government-wide statements. All of the County's fiduciary activities are reported in a separate statement of fiduciary net assets and a statement of changes in fiduciary net assets. These activities are excluded from the County's government-wide financial statements because the County cannot use these assets to finance its operations.

Notes to the financial statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Other information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the County's progress in funding its obligation to provide pension benefits through the Employees Defined Benefit Retirement System as well as the General Fund Budget to Actual Comparison Schedule.

The combining statements referred to earlier in connection with nonmajor governmental funds are presented immediately following the required supplementation information.

GOVERNMENT-WIDE FINANCIAL ANALYSIS OF THE COUNTY

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. In the case of Oklahoma County, assets exceeded liabilities by \$125,831,574 at June 30, 2006. At the end of the current year, the County's net assets are reported as follows:

**OKLAHOMA COUNTY, OKLAHOMA
MANAGEMENT'S DISCUSSION AND ANALYSIS**

Oklahoma County's Net Assets

June 30, 2006

(dollars in thousands)

	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Totals</u>	
	<u>2006</u>	<u>Restated 2005</u>	<u>2006</u>	<u>2005</u>	<u>2006</u>	<u>Restated 2005</u>
Total current and other assets	\$ 54,842	\$ 53,995	\$ 2,845	\$ 3,667	\$ 57,687	\$ 57,662
Capital assets, net	105,829	105,079	16,426	16,613	122,255	121,692
Total Assets	160,671	159,074	19,271	20,280	179,942	179,354
Total current liabilities	13,575	13,184	862	1,170	14,437	14,354
Total noncurrent liabilities	22,030	23,854	17,643	18,364	39,673	42,218
Total Liabilities	35,605	37,038	18,505	19,534	54,110	56,572
Net assets:						
Invested in capital assets, net of related debt	86,628	84,480	(1,146)	(56)	85,482	84,424
Restricted	30,359	31,144	1,912	802	32,271	31,946
Unrestricted	8,079	6,412	-	-	8,079	6,412
Total net assets	\$ 125,066	\$ 122,036	\$ 766	\$ 746	\$ 125,832	\$ 122,782

The largest portion of the County's net assets (67.8%) reflects its investment in capital assets (i.e. land, buildings, equipment, infrastructure). The county uses these assets to provide services to citizens; consequently, these assets are not available for future spending. Although the County's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

Another portion of the County's net assets (25.6%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net assets, a total of \$8,079,158 (6.4%), may be used to meet the county's ongoing obligations to citizens and creditors. The unrestricted balance is fully attributable to governmental activities.

At the end of the 2006 fiscal year, the County was able to report positive balances in all three categories of net assets, both for the government as a whole, as well as for its

**OKLAHOMA COUNTY, OKLAHOMA
MANAGEMENT'S DISCUSSION AND ANALYSIS**

separate governmental and business-type activities. The same situation held true for the prior fiscal year.

**Oklahoma County's Changes in Net Assets
For the year ended June 30, 2006
(dollars in thousands)**

	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Totals</u>	
	<u>2006</u>	<u>2005</u>	<u>2006</u>	<u>2005</u>	<u>2006</u>	<u>2005</u>
Revenues:						
Program revenues:						
Charges for services	\$ 32,407	\$ 32,407	\$ 3,158	\$ 1,685	\$ 35,565	\$ 34,092
Operating grants and contributions	5,299	4,877			5,299	4,877
Capital grants and contributions	13,711	12,767			13,711	12,767
General revenues:					-	-
Property taxes	49,289	46,754			49,289	46,754
Other revenues	2,211	1,546	83	122	2,294	1,668
Total revenues	<u>102,917</u>	<u>98,351</u>	<u>3,241</u>	<u>1,807</u>	<u>106,158</u>	<u>100,158</u>
Expenses:						
General government	34,246	34,058		-	34,246	34,058
Public safety	46,295	42,814		-	46,295	42,814
Health and welfare	3,375	3,498		-	3,375	3,498
Culture and recreation	48	48		-	48	48
Education	448	376		-	448	376
Roads and highways	14,775	15,218		-	14,775	15,218
Economic development	246	131		-	246	131
Interest on long-term debt	1,085	1,239			1,085	
Public Buildings Authority			2,451	1,485	2,451	1,485
Total expenses	<u>100,518</u>	<u>97,382</u>	<u>2,451</u>	<u>1,485</u>	<u>102,969</u>	<u>97,628</u>
Change in net assets before transfers	2,399	969	790	322	3,189	1,291
Net Transfers	770	699	(770)	(699)	-	-
Change in net assets	<u>3,169</u>	<u>1,668</u>	<u>20</u>	<u>(377)</u>	<u>3,189</u>	<u>1,291</u>
Net assets - beginning as restated	121,897	119,924	746	1,123	122,643	121,047
Net assets - ending	<u>\$ 125,066</u>	<u>\$ 121,592</u>	<u>\$ 766</u>	<u>\$ 746</u>	<u>\$ 125,832</u>	<u>\$ 122,338</u>

**OKLAHOMA COUNTY, OKLAHOMA
MANAGEMENT'S DISCUSSION AND ANALYSIS**

Governmental activities

Net assets for governmental activities increased \$3.473 million. The change in net assets resulted from a prior period adjustment to net assets as reported on Note IV.F. and a variety of increases and decreases which include some of the following more significant items:

- Total revenues increased \$4.565 million. The more significant increases were as follows:
 - Property taxes increased by approximately \$2.535 million or 5.4%, as a result of a healthy real-estate market and continued increases in assessed values.
 - Funds for Roads and Bridges, classified as Capital Grants and Contributions, increased approximately \$944 thousand primarily as a result of a \$366 thousand or 52% increase in the amount received for gross production tax and \$440 thousand from city road projects.
- The increase in revenues was offset with a \$3.155 million increase in expenses. The more significant changes were as follows:
 - An increase of \$3.481 million is attributable to public safety. This fluctuation is comprised of multiple items, including a \$704 thousand increase in Sheriff's inmate medical service cost (a 15.3% increase), and an increase of \$1.2 million in Sheriff salaries for personnel and salary adjustments (a 7.5% increase). Sheriff health premium costs increased \$318 thousand due to the increased premium rates charged to departments.
 - A decrease of \$443 thousand is attributable to roads and highways. This reduction is a result of an increase of \$1.08 million of capital asset expenses being removed and reported instead as capital assets in the government-wide statement of net assets. These expenses were incurred for the acquisition of or construction of capital assets and were included as part of current expenditures in the governmental fund statement of revenues, expenditures, and changes in fund balances.

Business-type activities

Rental revenues increased \$1.5 million or 87.5% since fiscal year 2005, due to the first full year of operation of the new garage, which was offset with an increase in operating expenses of approximately \$978,050. Non-operating expenses (interest payments and amortization of bond discount and issuance costs) increased approximately \$27,043, which was partially offset with non-operating revenues of approximately \$83,183 from the earnings on unspent bond proceeds. These fluctuations resulted in a \$20,047 or 2.7% increase in net assets at year-end.

**OKLAHOMA COUNTY, OKLAHOMA
MANAGEMENT'S DISCUSSION AND ANALYSIS**

FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

Governmental funds

The focus of the County's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the County's financing requirements. In particular, unreserved fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the County's governmental funds reported combined ending fund balances of \$47,148,649, a decrease of \$47,041 in comparison with the prior year. Unreserved fund balance was \$42,207,832, of the total fund balance. The remainder of the fund balance is reserved to indicate that it is not available for new spending because it has already been committed 1) to liquidate purchase orders of the prior period (\$4,034,436), and 2) for inventory on hand at year-end (\$906,381).

The general fund is the chief operating fund of the County. As a measure of the general fund's liquidity, it may be useful to compare both unreserved fund balance (\$9,755,780) and total fund balance (\$10,385,415) to total fund expenditures. Unreserved fund balance represents 16% of the total general fund expenditures, while total fund balance represents 17% of that same amount.

While fund balance of the governmental funds decreased by \$49,041, or .1%, the individual funds had more significant fluctuations:

- General fund balance increased \$714,498. Revenues were up approximately 6.9%, while expenses were up approximately 4.9%. Together, these fluctuations resulted in a \$1,400,331 excess of revenues over expenditures before other financing sources, compared to a \$206,465 excess last year.
- Sheriff Special Revenue fund balance decreased \$355,202 thousand as a result of expenditures exceeding revenues.
- Other Governmental funds decreased \$550,744 thousand as a result of activity in 25 different funds. The most significant of these fluctuations is attributable to a \$320,164 thousand decrease in the capital projects regular fund ending balance as a result of expenditures for capital projects exceeding transfers from other funds.

Proprietary funds

The County's proprietary fund provides the same type of information found in the government-wide financial statements, but in more detail. Factors concerning the finances of this fund have already been addressed in the discussion of business-type activities.

**OKLAHOMA COUNTY, OKLAHOMA
MANAGEMENT'S DISCUSSION AND ANALYSIS**

GENERAL FUND BUDGETARY HIGHLIGHTS

The 2005-2006 Budget was adopted under the Budget Board method in accordance with state statutes, which state that the County adopts and publishes an initial budget before June 30th of each fiscal year, disclosing that the plan is an estimate and cannot be finalized until the ad valorem levies for the general fund and debt service fund are presented for approval in September. Estimates of beginning unreserved fund balance, and other operating revenues are also adjusted and supplemental appropriations are made in September based on the revised figures. With conservative revenue projections, collections exceeded the budgeted revenues, enabling additional budget amendments later in the year.

Total departmental budgets were increased from the original budgets by \$1,691,515, while transfers out were increased \$54,163. The majority of the budget increases were appropriated when the final ad valorem values were certified in September. The more significant increases went to the following departments/funds:

- Sheriff was appropriated an additional \$675,212 for increased salaries and benefits.
- General Government was appropriated an additional \$442,049 for increased utility costs due to the rising cost of fuel.
- Election Board was appropriated an additional \$194,767 to fund the additional cost of the county wide 911 election and other special municipal elections.
- MIS was appropriated an additional \$165,450 for the increased cost of software maintenance and licensing cost for Oracle support.

The County adopts a balanced budget, including unreserved fund balance in the sources as required by state statute. Since the actual revenues and expenditures for the General Fund compare favorably with the General Fund budget for revenues and expenditures, there is a positive ending fund balance.

Actual expenditures were \$1,737,421 under budget while revenue collections were approximately \$2,898,451 higher than budget. Ad valorem tax collections (current and prior) accounts for \$1,228,117, and county clerk fees account for \$757,012 of the revenue variance. The low interest rates have had a very positive impact on home sales and market values. This increase in selling and refinancing of homes directly impacts the tax base, and the number of documents filed in the county clerk's office. These increases were offset with a \$306,140 decrease in intergovernmental revenues, primarily due to federal grants being overestimated.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

At June 30, 2006, the County's investment in capital assets for its governmental activities amounts to \$105,828,682 (net of accumulated depreciation) and \$16,425,971 (net of accumulated depreciation) for its business-type activities. The County owns various

**OKLAHOMA COUNTY, OKLAHOMA
MANAGEMENT'S DISCUSSION AND ANALYSIS**

buildings in which county business is conducted. The buildings and building improvements are recorded at a net book value of \$47.992 million at June 30, 2006, comprising the largest class of assets.

Major capital asset events during the current fiscal year included the following:

- Completion of the roofing project on the courthouse, annex building and the Investor's Capital building at a total cost of \$697,288.
- Completion of the remodel of the 7th floor courtroom in the courthouse building at a total cost of \$193,596.
- Construction of and improvements to approximately 21 miles of county roads at a total cost of approximately \$2.8 million dollars.

During the current year, beginning net assets was adjusted \$304,795. Of this amount, \$489,976 was to correct balances of other capital assets reported in error at June 30, 2005. For additional information on the county's capital assets, see Note III.C.

Debt Administration

Debt for Governmental activities had no significant changes this fiscal year.

State law limits the amount of general obligation debt the County can issue to 5% of the assessed value of all taxable property within the County's limits. Our outstanding debt less the amount available in the Debt Service Fund is \$16,315,054, leaving a legal debt margin of \$219,248,522. For additional information on the county's debt activity, see note III.F.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

The County's primary general fund revenue source is property taxes, with its second largest single source being county clerk fees on documents filed in the Office of the County Clerk. While long-term mortgage rates are anticipated to gradually increase over the next year, they remained relatively low during 2006. Therefore, home sales and mortgage refinancing continued to remained healthy. Home sales for calendar year 2006 are expected to be strong again in calendar year 2006.

These trends have resulted in increased market values of homes in Oklahoma County, and in turn increased ad valorem revenues. Although 2006 saw a gradual increase in mortgage rates, filing fees in the County Clerk's office for home sales and refinancing remained relatively strong.

On the expense side of the finances, the economy is continuing to see health care costs rise to record levels. With over 1600 employees, and 53% of the general fund budget allocated to salaries and wages (excluding benefits which represents another 20%), the impact is significant to the County. The County adopted changes in the health plan for active employees to limit future increases in costs and employee premiums. These changes resulted in a decrease in total health care costs of \$303 thousand since last year and a decrease in employee premiums for the 2007 calendar year based on actuary

**OKLAHOMA COUNTY, OKLAHOMA
MANAGEMENT'S DISCUSSION AND ANALYSIS**

projections. Although the county realized a decrease, the total health care costs for the year was approximately \$11.8 million. The rise in industry health care costs continue to impact operating costs of the jail to retain medical services for prisoners detained at the county jail and these costs are anticipated to continue to rise in the coming year based on industry projections.

Southwestern Bell protested the 06 tax assessment which accounts for approximately \$1.320 million of the County's General Fund ad valorem tax revenue. The County's 06-07 budget was built on the assumption that it would not receive this tax revenue in the 06-07 budget year.

REQUESTING THE COUNTY'S FINANCIAL INFORMATION

This financial report is designed to provide citizens, taxpayers, bondholders and other interested parties with a general overview of the County's finances and to demonstrate the County's accountability for the money it receives. Complete financial statements of the individual blended and discretely presented component units can be requested from the Oklahoma County Clerk's office. If you have questions about this report or need additional financial information, contact the County Clerk's Finance Division at 320 Robert S. Kerr, Room 108 Oklahoma City, OK 73102-3430.

*Basic
Financial
Statements*



OKLAHOMA COUNTY, OKLAHOMA
STATEMENT OF NET ASSETS
JUNE 30, 2006

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	
ASSETS				
Current assets:				
Cash and cash equivalents	\$ 32,798,664	\$ 2,467,878	\$ 35,266,542	\$ 338,729
Investments	11,813,422	-	11,813,422	1,937,295
Property taxes receivable, net	1,554,654	-	1,554,654	-
Accounts receivable	160,480	3,636	164,116	5,561
Interest receivable	119,447	-	119,447	33,128
Prepaid insurance	-	-	-	3,263
Intergovernmental receivables	4,495,611	-	4,495,611	-
Inventories	906,381	-	906,381	-
Total current assets	51,848,659	2,471,514	54,320,173	2,317,976
Noncurrent assets:				
Bond issuance costs	69,750	373,646	443,396	-
Capital assets not being depreciated	29,760,036	3,498,183	33,258,219	-
Capital assets, net of accumulated depreciation	76,068,646	12,927,788	88,996,434	518
Net pension asset	2,924,255	-	2,924,255	-
Total noncurrent assets	108,822,687	16,799,617	125,622,304	518
Total Assets	\$ 160,671,347	\$ 19,271,131	\$ 179,942,478	\$ 2,318,494
LIABILITIES				
Current liabilities:				
Accounts payable and other current liabilities	\$ 4,135,526	\$ 25,691	\$ 4,161,217	\$ 2,400
Compensated absences, current	2,912,138	-	2,912,138	-
Leases payable, current	736,400	-	736,400	-
Judgments payable, current	380,683	-	380,683	-
Claims liability, current	3,880,900	-	3,880,900	-
Bonds payable, current	1,530,000	800,000	2,330,000	-
Unearned revenue	-	35,837	35,837	-
Total current liabilities	13,575,647	861,528	14,437,175	2,400
Noncurrent liabilities:				
Accrued interest payable	119,440	-	119,440	-
Compensated absences	554,693	-	554,693	-
Leases payable	5,393,564	-	5,393,564	-
Judgments payable	552,484	-	552,484	-
Bonds payable-net	15,410,000	17,643,548	33,053,548	-
Total noncurrent liabilities	22,030,181	17,643,548	39,673,729	-
Total Liabilities	35,605,828	18,505,076	54,110,904	2,400
NET ASSETS				
Invested in capital assets, net of related debt	86,628,246	(1,145,608)	85,482,638	518
Restricted for:				
General government				
Resale property	4,919,695	-	4,919,695	-
Records preservation	1,113,735	-	1,113,735	-
Public safety	10,138,457	-	10,138,457	-
Roads and highways	8,912,236	-	8,912,236	-
Economic development	3,656,511	-	3,656,511	-
Debt service	1,558,113	1,911,663	3,469,776	-
Other purposes	59,368	-	59,368	-
Unrestricted	8,079,158	-	8,079,158	2,315,576
Total net assets	125,065,519	766,055	125,831,574	2,316,094
Total liabilities and net assets	\$ 160,671,347	\$ 19,271,131	\$ 179,942,478	\$ 2,318,494

**OKLAHOMA COUNTY, OKLAHOMA
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2006**

Functions/Programs	Expenses	Indirect Expense Allocation	Program Revenues			Net (Expense) Revenue and Changes in Net Assets			Component Unit
			Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government			
						Governmental Activities	Business-type Activities	Total	
Primary government:									
Governmental activities:									
General government	\$ 34,246,560	\$ (1,241,434)	\$ 13,081,782	\$ 2,310,821	\$ -	\$ (17,612,523)	\$ -	\$ (17,612,523)	\$ -
Public safety	46,295,300	972,412	19,075,601	1,202,403	-	(26,989,708)	-	(26,989,708)	-
Health and welfare	3,374,982	62,907	-	1,785,400	-	(1,652,489)	-	(1,652,489)	-
Culture and recreation	47,774	-	-	-	-	(47,774)	-	(47,774)	-
Education	447,938	-	-	-	-	(447,938)	-	(447,938)	-
Roads and highways	14,774,649	206,115	-	-	13,710,668	(1,270,096)	-	(1,270,096)	-
Economic development	245,966	-	250,043	-	-	4,077	-	4,077	-
Interest on long term debt	1,084,693	-	-	-	-	(1,084,693)	-	(1,084,693)	-
Total governmental activities	<u>100,517,863</u>	<u>-</u>	<u>32,407,426</u>	<u>5,298,624</u>	<u>13,710,668</u>	<u>(49,101,144)</u>	<u>-</u>	<u>(49,101,144)</u>	<u>-</u>
Business type activities:									
Public Buildings Authority	2,451,523	-	3,158,155	-	-	-	706,632	706,632	-
Total business-type activities	<u>2,451,523</u>	<u>-</u>	<u>3,158,155</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>706,632</u>	<u>706,632</u>	<u>-</u>
Total primary government	<u>\$ 102,969,386</u>	<u>\$ -</u>	<u>\$ 35,565,581</u>	<u>\$ 5,298,624</u>	<u>\$ 13,710,668</u>	<u>\$ (49,101,144)</u>	<u>\$ 706,632</u>	<u>\$ (48,394,512)</u>	<u>\$ -</u>
Component unit:									
Finance Authority	\$ 85,318	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (85,318)
Total component units	<u>\$ 85,318</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (85,318)</u>
General revenues:									
Property taxes						49,288,680	-	49,288,680	-
Unrestricted investment earnings (expense)						1,882,094	83,184	1,965,278	70,939
Return of excess bond funds						-	-	-	610,549
Miscellaneous						329,235	-	329,235	152,271
Transfers						769,769	(769,769)	-	-
Total general revenues and transfers						<u>52,269,778</u>	<u>(686,585)</u>	<u>51,583,193</u>	<u>833,759</u>
Change in net assets						3,168,634	20,047	3,188,681	748,441
Net assets - beginning, as restated (See Note IV.F.)						121,896,885	746,008	122,642,893	1,567,653
Net assets - ending						<u>\$ 125,065,519</u>	<u>\$ 766,055</u>	<u>\$ 125,831,574</u>	<u>\$ 2,316,094</u>

The notes to the financial statements are an integral part of this statement.

**OKLAHOMA COUNTY, OKLAHOMA
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2006**

	General	Highway Cash	Sheriff Special Revenue	Tinker Clearing II	Other Governmental Funds	Total Governmental Funds
ASSETS						
Cash and cash equivalents	\$ 7,499,394	\$ 4,552,581	\$ 4,962,062	\$ 5,361,901	\$ 10,422,726	\$ 32,798,664
Investments	2,701,132	1,639,748	1,787,235	1,931,249	3,754,058	11,813,422
Property taxes receivable	883,647	-	-	-	671,007	1,554,654
Interest receivable	3,272	33,023	45,221	760	37,171	119,447
Accounts receivable	160,480	-	-	-	-	160,480
Intergovernmental receivable	855,846	2,399,492	511,127	-	265,104	4,031,569
Inventory	168,562	596,382	141,437	-	-	906,381
Total assets	<u>\$ 12,272,333</u>	<u>\$ 9,221,226</u>	<u>\$ 7,447,082</u>	<u>\$ 7,293,910</u>	<u>\$ 15,150,066</u>	<u>\$ 51,384,617</u>
LIABILITIES AND FUND BALANCES						
Liabilities:						
Accounts payable	\$ 1,886,918	\$ 706,833	\$ 730,555	\$ 5,599	\$ 906,063	\$ 4,235,968
Total liabilities	<u>1,886,918</u>	<u>706,833</u>	<u>730,555</u>	<u>5,599</u>	<u>906,063</u>	<u>4,235,968</u>
Fund balances:						
Reserved for:						
Encumbrances	461,073	1,116,267	1,608,015	-	849,081	4,034,436
Inventory	168,562	596,382	141,437	-	-	906,381
Unreserved, reported in:						
General fund	9,755,780	-	-	-	-	9,755,780
Debt services	-	-	-	-	1,558,113	1,558,113
Special revenue funds	-	6,801,744	4,967,075	-	11,092,410	22,861,229
Capital project funds	-	-	-	7,288,311	744,399	8,032,710
Total fund balances	<u>10,385,415</u>	<u>8,514,393</u>	<u>6,716,527</u>	<u>7,288,311</u>	<u>14,244,003</u>	<u>47,148,649</u>
Total liabilities and fund balances	<u>\$ 12,272,333</u>	<u>\$ 9,221,226</u>	<u>\$ 7,447,082</u>	<u>\$ 7,293,910</u>	<u>\$ 15,150,066</u>	<u>\$ 51,384,617</u>

Total fund balance - governmental funds \$ 47,148,649

Amounts reported for governmental activities in the statement of net assets are different because:

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. 105,828,682

The Oklahoma County Defined Benefit Retirement Plan has been funded in excess of Annual Required Contributions, creating a negative net pension obligation. This asset is not a current available financial resource and is not reported in the funds. 2,924,255

Intergovernmental receivables at year-end, but not available soon enough to pay for the current period's expenditures, and, therefore, are deferred in the funds. 464,042

The unamortized bond issuance costs are reported as an asset in the governmental activities statement of net assets and amortized as expenses in the statement of activities but are reported as expenditures when incurred in the fund statements. 69,751

Long-term liabilities are not due and payable in the current period and therefore, are not reported in the funds. This includes bonds payable (\$16,940,000), leases payable (\$6,129,964), judgments payable (\$933,167), compensated absences (\$3,466,831), claims liability (\$3,780,458) and accrued interest payable (\$119,440). (31,369,860)

Net assets of governmental activities \$ 125,065,519

OKLAHOMA COUNTY, OKLAHOMA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2006

	General	Highway Cash	Sheriff Special Revenue	Tinker Clearing II	Other Governmental Funds	Total Governmental Funds
REVENUES						
Property taxes	\$ 43,512,346	\$ -	\$ -	\$ -	\$ 5,774,534	\$ 49,286,880
Charges for services	5,514,388	-	-	-	5,212,964	10,727,352
Intergovernmental revenues	10,235,363	11,250,787	12,601,108	-	1,509,694	35,596,952
Investment income (loss)	1,686,909	186,207	225,096	242,349	233,588	2,574,149
Miscellaneous revenue	1,204,138	2,602,909	497,960	-	51,069	4,356,076
Total revenues	<u>62,153,144</u>	<u>14,039,903</u>	<u>13,324,164</u>	<u>242,349</u>	<u>12,781,849</u>	<u>102,541,409</u>
EXPENDITURES						
Current:						
General government	26,709,217	-	-	-	5,655,489	32,364,706
Public safety	27,094,181	-	12,010,225	-	3,680,980	42,785,386
Health and welfare	3,279,821	-	-	-	-	3,279,821
Culture and recreation	47,774	-	-	-	-	47,774
Education	441,865	-	-	-	-	441,865
Roads and highways	1,354,723	9,612,049	-	-	-	10,966,772
Debt service:						
Principal	605,682	145,518	-	-	1,969,705	2,720,905
Interest	349,765	13,703	-	-	740,582	1,104,050
Capital outlay	869,785	4,293,561	1,659,689	117,613	1,938,523	8,879,171
Total expenditures	<u>60,752,813</u>	<u>14,064,831</u>	<u>13,669,914</u>	<u>117,613</u>	<u>13,985,279</u>	<u>102,590,450</u>
Excess (deficiency) of revenues over (under) expenditures	<u>1,400,331</u>	<u>(24,928)</u>	<u>(345,750)</u>	<u>124,736</u>	<u>(1,203,430)</u>	<u>(49,041)</u>
OTHER FINANCING SOURCES (USES)						
Transfers from other funds	266,667	-	-	-	940,364	1,207,031
Transfers to other funds	(940,364)	-	-	-	(266,667)	(1,207,031)
Total other financing sources (uses)	<u>(673,697)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>673,697</u>	<u>-</u>
Net change in fund balances	726,634	(24,928)	(345,750)	124,736	(529,733)	(49,041)
Fund balances-beginning as restated (See Note IV.F.)	9,658,781	8,539,321	7,062,277	7,163,575	14,773,736	47,197,690
Fund balances - ending	<u>\$ 10,385,415</u>	<u>\$ 8,514,393</u>	<u>\$ 6,716,527</u>	<u>\$ 7,288,311</u>	<u>\$ 14,244,003</u>	<u>\$ 47,148,649</u>

The notes to the financial statements are an integral part of this statement.

**OKLAHOMA COUNTY, OKLAHOMA
RECONCILIATION OF THE STATEMENT OF REVENUES
EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2006**

Net change in fund balances-total governmental funds	(\$49,041)
Amounts reported for governmental activities in the statement of activities are different because:	
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. This is the amount by which capital outlays, that were added to capital assets (\$7,247,130), exceeded depreciation (\$6,784,958) in the current period.	462,172
In the statement of activities, the loss on disposal of assets is reported, whereas in the governmental funds, the proceeds from the sale increase financial resources. The change in net assets differs from the cost of the assets sold, net of accumulated depreciation.	(452,789)
Transfers of capital assets from Public Building Authority are not financial resources and, therefore, are not reported as transfers in the funds (\$769,769 less \$29,322 of operating transfers).	740,447
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. These include an increase in intergovernmental receivables of \$375,318.	375,318
The issuance of long-term debt (e.g. bonds) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. Also, governmental funds report the effect of issuance costs and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt. (Principal for retirement on bonds payable of \$1,530,000 less amortized bond issuance costs of \$6,064 and a decrease in leases payable of \$751,200).	2,275,136
Contributions to certain pension plans use current financial resources (\$903,750) from governmental funds to fund the Annual Pension Cost (\$726,244), increasing the net pension asset in the statement of net assets.	177,506
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds. These include the net increase in judgments payable (\$286,295), an increase in compensated absences (\$74,475), an increase in claims liability (\$18,699) and a decrease in accrued interest payable (\$19,357).	(360,115)
Change in net assets of governmental activities	<u>\$3,168,634</u>

The notes to the financial statements are an integral part of this statement.

**OKLAHOMA COUNTY, OKLAHOMA
STATEMENT OF FUND NET ASSETS
PROPRIETARY FUNDS
JUNE 30, 2006**

	Public Buildings Authority
ASSETS	
Current assets:	
Cash and cash equivalents	\$2,467,878
Accounts receivable	3,636
Total current assets	2,471,514
Non-current assets:	
Bond issuance costs	373,646
Total restricted assets	373,646
Capital assets:	
Land	2,275,936
Buildings and improvements	17,209,397
Construction in progress	1,222,247
Equipment	31,128
Less accumulated depreciation	(4,312,737)
Total capital assets (net of accumulated depreciation)	16,425,971
Total noncurrent assets	16,799,617
Total assets	\$ 19,271,131
 LIABILITIES	
Current liabilities payable from restricted assets:	
Revenue bonds payable	\$ 800,000
Accounts payable	25,691
Unearned revenue	35,837
Total current liabilities payable from restricted assets	861,528
Noncurrent liabilities:	
Revenue bonds payable (net of unamortized discounts and deferred amount on refunding)	17,643,548
Total noncurrent liabilities	17,643,548
Total liabilities	18,505,076
 NET ASSETS	
Invested in capital assets, net of related debt	(1,145,608)
Restricted for debt service	1,911,663
Total net assets	\$ 766,055

The notes to the financial statements are an integral part of this statement.

OKLAHOMA COUNTY, OKLAHOMA
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2006

	Public Buildings Authority
Operating revenues:	
Rental	\$3,158,155
Total operating revenues	3,158,155
Operating expenses:	
Costs of sales and services	469,561
Administration	288,224
Depreciation	676,599
Amortization	80,222
Total operating expenses	1,514,606
Operating income	1,643,549
Nonoperating revenues (expenses):	
Investment income	83,184
Bond interest expense	(933,147)
Trustee and other expenses	(3,770)
Total nonoperating revenue (expenses)	(853,733)
Income before contributions and transfers	789,816
Transfers out	(769,769)
Change in net assets	20,047
Total net assets-beginning	746,008
Total net assets-ending	\$ 766,055

The notes to the financial statements are an integral part of this statement.

**OKLAHOMA COUNTY, OKLAHOMA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2006**

	<u>Public Buildings Authority</u>
CASH FLOWS FROM OPERATING ACTIVITIES	
Receipts from customers and users	\$3,193,991
Payments to suppliers	(\$470,265)
Payments to employees	(\$288,224)
Net cash provided by operating activities	<u>2,435,502</u>
CASH FLOWS FROM CAPITAL FINANCING ACTIVITIES	
Trustee fees	(3,770)
Principal paid on capital debt	(780,000)
Interest paid on capital debt	(915,794)
Payment for capital assets	(1,595,568)
Net cash provided (used) by capital financing activities	<u>(3,295,132)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES	
Transfer to governmental funds for payment of building repairs	<u>(29,322)</u>
Net cash provided (used) by non-capital financing activities	<u>(29,322)</u>
CASH FLOWS FROM INVESTING ACTIVITIES	
Interest earnings	<u>83,184</u>
Net cash provided by investing activities	83,184
Net increase (decrease) in cash and investments	(805,768)
Beginning cash from operations	<u>3,273,647</u>
Ending cash from operations	<u>\$ 2,467,879</u>
Reconciliation of operating income to net cash provided (used) by operating activities:	
Operating Income	<u>1,643,549</u>
Adjustments to reconcile operating income to net cash provided (used) by operating activities:	
Depreciation expense	676,599
Amortization	80,222
(Increase) decrease in accounts receivable	(1,806)
Unearned revenue	36,938
Total adjustments	<u>791,953</u>
Net cash provided by operating activities	<u>\$ 2,435,502</u>
Non cash activity:	
Transfer of capital assets to governmental funds	<u>\$ 740,447</u>

The notes to the financial statements are an integral part of this statement.

**OKLAHOMA COUNTY, OKLAHOMA
STATEMENT OF FIDUCIARY NET ASSETS
JUNE 30, 2006**

	Pension Trust Funds	Agency Funds
ASSETS		
Cash and cash equivalents	\$ 453,596	\$ 30,815,970
Property taxes receivable	-	5,292,597
Interest receivable	172,441	-
Accounts receivable	903	-
Due from other governments	-	2,199,539
Investments, at fair value		
U.S. Government securities	13,222,276	7,255,609
Certificate of deposits	-	3,563,984
Municipal bonds	-	-
Corporate bonds	304,959	-
Judgments	601,727	279,702
Mutual funds	64,729,162	-
Loans to participants	6,484,910	-
Total investments	<u>85,343,034</u>	<u>11,099,295</u>
Total assets	<u>\$ 85,969,974</u>	<u>\$ 49,407,401</u>
LIABILITIES		
Warrants Payable	\$ -	\$ 1,588,968
Accounts Payable	-	5,600
Due to Other Taxing Jurisdictions	-	9,978,890
Due to Others	-	37,833,943
Total liabilities	<u>-</u>	<u>49,407,401</u>
NET ASSETS		
Assets held in trust for pension benefits and other purposes	<u>\$ 85,969,974</u>	<u>\$ -</u>

The notes to the financial statements are an integral part of this statement.

**OKLAHOMA COUNTY, OKLAHOMA
STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS
FOR THE YEAR ENDED JUNE 30, 2006**

	Pension Trust Funds
ADDITIONS	
Contributions:	
Employer	\$ 5,957,714
Investment earnings:	
Interest	1,093,670
Net increase in the fair value of investments	4,774,186
Total investment earnings	5,867,856
Total additions	11,825,570
DEDUCTIONS	
Benefits	8,360,411
Administrative expenses	520,316
Total deductions	8,880,727
Change in net assets	2,944,843
Net assets-beginning	83,025,131
Net assets-ending	\$ 85,969,974

The notes to the financial statements are an integral part of this statement.

*Notes to the
Financial
Statements*



OKLAHOMA COUNTY, OKLAHOMA
Notes to the Financial Statements
June 30, 2006

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OKLAHOMA COUNTY, OKLAHOMA
Notes to the Financial Statements
June 30, 2006

Note I. Summary of Significant Accounting Policies

A. Reporting entity

Oklahoma County government is a subdivision of the state government and all of the powers exercised by the County are those delegated by the State, as authorized by the State Legislature and the state constitution. The County is governed by the Board of County Commissioners, comprised of three elected members. The accompanying financial statements present the government and its component units, entities for which the government is considered to be financially accountable and other organizations for which the primary government is not accountable, but for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. Blended component units, although legally separate entities, are part of the government's operations. The discretely presented component unit is reported in a separate column in the government-wide financial statements to emphasize that it is legally separate from the government.

Complete financial statements for each of the individual component units may be obtained from the Oklahoma County Clerk's Finance Division.

1. Blended Component Unit

Oklahoma County Public Buildings Authority - The Oklahoma County Public Buildings Authority (OCPBA) was created for the primary purpose of financing, operating, constructing and administering any public works, improvements or facilities in Oklahoma County. The OCPBA achieves its purpose through the issuance of revenue bonds. The Board of County Commissioners serves as the Board of the OCPBA. OCPA is a public trust authority established March 4, 1968, under the provisions of Title 60, Oklahoma Statutes 1961, Sections 176 to 180, inclusive, the Oklahoma Trust Act, and other applicable statutes of the State of Oklahoma.

During the 05-06 fiscal year, the OCPBA collected the rental revenues from the Metro Parking Garages, Investor's Capital Building, and the Lincoln Building property, which are pledged for payment of its 2003 series lease revenue bonds. Revenue generated by the properties are used to pay the principal and interest of the outstanding bonds and all direct expenses to manage and operate said properties under the amended management agreement between the OCPBA and Oklahoma County dated July 7, 2005. Under the agreement if any additional funds exist subsequent to the payment of ongoing operating costs, a payment to cover the County's overhead costs for supportive service will be paid to the County in July. The duration of the contract is the life of the bonds issued by OCPBA unless modified in writing.

2. Discretely Presented Component Unit

Oklahoma County Finance Authority - The Oklahoma County Finance Authority (OCFA) is a discretely presented component unit and was created for the purpose to advance, finance and develop commercial and industrial projects or facilities and advance development of adequate housing within the County. The OCFA is a public trust established pursuant to a trust indenture dated May 9, 1983. Under the trust indenture, the OCFA was created for the use and benefit of Oklahoma County (the County) under the provisions of Title 60, Oklahoma Statutes (2001), Sections 176 to 180.3, inclusive, as amended and supplemented, the Oklahoma Public Trust Act and other applicable statutes of the State of Oklahoma.

OKLAHOMA COUNTY, OKLAHOMA
Notes to the Financial Statements
June 30, 2006

The OCFA is authorized, in the furtherance of public purposes, to issue its revenue notes and bonds in order to provide funds for the development of commercial and industrial projects, which will benefit the County, including but not limited to, medical and housing projects. Pursuant to the respective trust indentures governing each project, the notes or bonds payable of each project do not constitute a debt, liability or moral obligation of the State of Oklahoma, or any political subdivision thereof, nor does the indebtedness constitute a personal obligation of the trustees of the OCFA. The OCFA has no taxing power.

The OCFA Board of Trustees is appointed by the County Commissioners of Oklahoma County. In addition, the County Commissioners ultimately approve all note and bond obligations issued by the OCFA.

3. Jointly Governed Organization

The City of Oklahoma City and the Board of County Commissioners of Oklahoma County participate in the City-County Board of Health (Board) whose purpose is to preserve and promote public health. Five members of the 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 Board is an ad valorem tax levy. During fiscal year 1995-96 the City-County Health Department became totally independent of the County by agreement of the County and the City Council and the City-County Health Board. The County has no equity interest nor does the County contribute to the continued existence of the Board.

4. Related Organizations

The following related organizations are excluded from the financial reporting entity because the County does not exercise significant influence over their respective operations. Audited financial statements are available from the respective organizations. Related organizations are as follows:

Oklahoma County Home Finance Authority – The Oklahoma County Home Finance Authority (OCHFA) was created as a public trust under applicable Oklahoma Statutes on May 5, 1980, for the use and benefit of the Beneficiary, Oklahoma County, to finance and provide housing facilities as set forth in the Trust Indenture. The County has no significant influence over the management, budget or policies of the OCHFA.

Oklahoma Industries Authority - The Oklahoma Industries Authority (OIA) was created as a public trust under applicable Oklahoma Statutes on December 15, 1966, and amended May 4, 1981. It was created for the use and benefit of the Beneficiary, Oklahoma County, Oklahoma, to finance, promote and aid in the development of industry and commerce as set forth in the Trust Indenture. The County has no significant influence over the management, budget or policies of the OIA. On November 1, 1997, the Authority issued \$2,750,000 in lease revenue bonds to fund the expansion of the Oklahoma County Juvenile Detention Center project. In February 2001, the OIA issued \$4,765,000 in lease revenue bonds to fund heating and cooling upgrades and lighting, electrical and plumbing improvements to county buildings. On July 28, 2003, the Authority issued \$20,560,000 of lease revenue bonds to provide funds that will be used by the Public Buildings Authority to (1) acquire, construct and equip a parking garage, (2) advance refund the Public Building Authority Capital Improvement Bonds, Series 1997, (3) make

OKLAHOMA COUNTY, OKLAHOMA
Notes to the Financial Statements
June 30, 2006

improvements to the Metro Parking Garage, (4) make other County improvements, (5) fund capitalized interest, (6) purchase Surety Bonds in lieu of funding a Debt Service Reserve Fund, and (7) pay certain costs of issuing the Bonds.

Oklahoma County Industrial Authority – The Oklahoma County Industrial Authority (OCIA) was created as a public trust under applicable Oklahoma Statutes on May 5, 1982. It was created for the use and benefit of the Beneficiary, Oklahoma County, Oklahoma, to finance, promote and aid in the development of industry and commerce as set forth in the Trust Indenture. The County has no significant influence over the management, budget or policies of the OCIA operation.

Oklahoma County Utility Services Authority – The Oklahoma County Utility Services Authority (OCUSA) was created as a public trust under applicable Oklahoma Statutes on March 15, 1955. It was created to provide utility services in unincorporated areas of Oklahoma County for the safeguarding of public health and the conservation of public welfare in these areas. The County has no significant influence over the management, budget or policies of the OCUSA operation.

B. Government –wide and Fund Financial Statements

The accompanying financial statements of the County have been prepared in conformity with generally accepted accounting principles as prescribed by the Governmental Accounting Standards Board (GASB). They present the financial position of the County and the various funds and fund types, the results of operations of the County and the various funds and fund types, and the cash flows of the proprietary funds. The financial statements are presented as of June 30, 2006, and for the year then ended.

The government-wide financial statements (i.e. the statement of net assets and the statement of activities) report information on all of the nonfiduciary activities of the primary government and its component units. Except for interfund services provided and used, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

The county operates each of the three self-insurance activities separately. However, all three are primarily funded through general fund revenues. Other revenues include premiums and interest income. Employee benefits and workers compensation expenses and claims are a result of the employment of workers hired to operate and manage the functions of the government. These expenses are reported by the general fund. However, for a fair presentation of expenses by function, the net expenses of the self insurance activities have been allocated for financial reporting purposes using a ratio of salaries and

OKLAHOMA COUNTY, OKLAHOMA
Notes to the Financial Statements
June 30, 2006

wages expense incurred by each function. Gross revenues totaled \$10,894,823 and gross expenses totaled \$12,756,548, resulting in net expenses of \$1,861,725.

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and the pension trust fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified-accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes, intergovernmental revenues, and interest income associated with the current fiscal period are considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the County.

Governmental Funds

Generally accepted accounting principles sets forth minimum criteria (percentage of the assets, liabilities, revenues or expenditures/expenses of either fund category or the governmental and enterprise combined) for the determination of major funds. The nonmajor funds are combined in a single column in the fund financial statements.

The County reports the following major funds:

General Fund - The county's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund. The Employee Benefits, Worker's Compensation and Self Insurance funds are presented as part of the General Fund. Oklahoma County is self insured and the primary source of funding is from General Fund revenue.

Highway Cash – Accounts for state, local and miscellaneous revenues and expenditures for the purpose of constructing and maintaining county roads and bridges.

OKLAHOMA COUNTY, OKLAHOMA
Notes to the Financial Statements
June 30, 2006

Sheriff Special Revenue Fund – Accounts for collections and expenditures of prisoner boarding fees, for the operation of the jail commissary, housing of federal prisoners, drug enforcement, travel and training activities of the sheriff's department. Also used to record the revenues and expenditures of monies received from granting agencies in accordance with the general and specific terms of the grant agreement.

Tinker Clearing II - Accounts for the proceeds of general obligation bonds for the purpose of acquiring property in the vicinity of Tinker Air Force Base in order to provide for the safety of those citizens of the County as well as provide for the continued assurance of the economic well being of Oklahoma County and its citizens.

Proprietary Funds

Public Buildings Authority – Accounts for the operations of the Public Buildings Authority blended component unit.

Fiduciary Fund Types

Fiduciary funds are used to account for assets held by a governmental unit in a trustee capacity or as an agent for individuals, private organizations, and other governmental units and funds.

The County reports the following fiduciary funds:

Pension Trust Funds – Pension trust funds account for assets held by the County in a trustee capacity. Pension trust funds are accounted for in essentially the same manner as proprietary funds. The County has two pension trust funds:

1. Defined Benefit Employee Retirement Fund - Accounts for the receipt, investment, and distribution of retirement contributions for employees under the defined benefit plan.
2. Defined Contribution Employee Retirement Fund - Accounts for the receipt, investment, and distribution of retirement contributions for employees under the contribution plan.

Agency Funds - Agency funds are custodial in nature (i.e., assets equal liabilities) and do not involve measurement of results of operations. However, agency fund assets and liabilities are recognized using the accrual basis of accounting. The County has five classifications of agency funds (Schools, Cities and Towns, Official Depository, Unapportioned Taxes and All Others).

All proprietary funds and pension trust funds are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and all liabilities associated with the operation of these funds are included on the balance sheet. Proprietary fund-type operating statements present increases (e.g., revenues) and decreases (e.g., expenses) in total net assets.

Amounts reported as program revenues include 1) charges to customers or applicants for goods, services or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than

OKLAHOMA COUNTY, OKLAHOMA
Notes to the Financial Statements
June 30, 2006

as program revenues. Likewise, general revenues include all taxes.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. Operating expenses for enterprise funds include cost of sales and services, which is limited to depreciation on capital assets since all other operating costs are paid by the County under terms of a management agreement. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the County's policy to use restricted resources first, then unrestricted resources as they are needed.

Proprietary funds and similar component units apply Financial Accounting Standards Board (FASB) pronouncements and Accounting Principles Board (APB) opinions issued on or before November 30, 1989, unless those pronouncements conflict with or contradict GASB pronouncements, in which case GASB prevails.

D. Encumbrances

Encumbrances represent commitments related to unperformed contracts for goods or services. Encumbrance accounting under which purchase orders, contracts and other commitments for the expenditure of resources are recorded to reserve that portion of the applicable appropriation is utilized in the governmental funds. Encumbrances outstanding at year-end are reported as reservations of fund balances and do not constitute expenditures or liabilities because the commitments will be honored during the subsequent year. Encumbrances do not lapse at the close of the year but are carried forward as reserved fund balance until liquidated.

E. Assets, Liabilities, and Net Assets

1. Deposits and Investments

Cash and cash equivalents include amounts in demand deposits as well as short-term investments with a maturity date within three months of the date acquired by the County. The majority of interest earned on investments is allocated to the general fund except for those investments made specifically for the debt service fund, trust fund and certain special revenue funds as required by state statute for which investment income is allocated to the investing fund.

The County adopted formal deposit and investments policies in June 2005. State statutes authorize the County to adopt a written investment policy directing the investment of the funds of the County and any of its public trusts or authorities. The County Treasurer manages the investments according to the investment policy. The written investment policy authorize the county to purchase and invest in U.S. Government obligations; certificates of deposit; savings accounts; General Obligation bonds issued by counties, municipalities, or school districts; money judgments against counties, municipalities, or school districts; bonds and revenue notes issued by a public trust when the beneficiary of the trust is a county, municipality, or school district; negotiable certificates of deposit; prime bankers acceptances; prime commercial paper; repurchase agreements and money market funds.

OKLAHOMA COUNTY, OKLAHOMA
Notes to the Financial Statements
June 30, 2006

Investments are reported at fair value and cash deposits are reported at carrying amount which reasonably estimates fair value.

2. Restricted Assets

Proceeds from the County's general obligation bonds, as well as certain resources set aside for their repayment, are classified as restricted assets on the government-wide financial statements because their use is limited by applicable bond covenants or laws and they are maintained in separate bank accounts.

Certain cash and investments of the OCPBA are classified as restricted in the statements because they are required to be maintained in separate accounts by the 2003 series bond indenture. All such accounts are being maintained as required.

3. Property Taxes Receivable

All property tax receivables are shown net of an allowance for uncollectibles. Taxes are levied annually on October 1 with one-half due by December 31 and the remaining one-half due by March 31. If exactly one-half of the amount due is not received by December 31, the full amount is due and becomes delinquent January 1st. If the taxpayer opts for one-half payment by December 31 but does not make the remaining payment by March 31, the balance becomes delinquent. Delinquent tax payments are subject to interest assessments at 18% annual percentage rate. Major tax payments are received in the months December through April. Delinquent tax payments are received throughout the year. Governmental funds recognize revenue in the year received, except for those received within 60 days of year-end, which are recognized as revenues as of June 30. Current year tax collections for the year ended June 30, 2006 were 94.1% of the tax levy.

The County's property tax is levied each October 1 on the assessed value listed as of January 1 of the same year for all real and personal property located in the County, except certain exempt property. Assessed values are established by the State Tax Commission and the State Equalization Board. A revaluation of all property is required once every five years. The assessed property value as of January 1, 2005, was approximately \$4,369,490,856 after excluding homestead exemptions of \$132,063,906.

The County Excise Board levied 10.35 mills for General Fund operations, 2.59 mills for the City-County Health Department, 5.20 mills for Metropolitan Library Commission and .62 mills for Debt Service.

In addition, the County also collects the ad valorem taxes assessed by cities and towns and school districts and apportions the ad valorem tax collected to the appropriate taxing unit.

4. Accounts Receivable

Accounts receivable primarily represents payroll deductions withheld from June paychecks for employee benefits, deposited in July.

OKLAHOMA COUNTY, OKLAHOMA
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5. Inventories

Inventory in governmental funds consists of expendable supplies held for consumption stated on a first-in first-out basis. They are recorded at cost as an expenditure at the time individual items are purchased. Reported inventories are equally offset by a fund balance reserve, which indicates that it does not constitute "available spendable resources" even though it is a component of total assets.

6. Due to other taxing units/others

Oklahoma County acts as a collecting agent for many other governmental entities. The County is responsible for assessing ad valorem taxes, sending out statements, collecting the tax and distributing collections to the appropriate recipients. These recipients include, but are not limited to, schools, cities, the County Health Department, the City/County Library, Oklahoma County Vo-Tech Schools and colleges. All unremitted collections on hand at June 30 are reported as "due to other taxing jurisdictions". Unapportioned collections held in depository accounts are reported as "due to others".

7. Capital Assets and Depreciation

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, and similar items), are reported in the applicable governmental or business-type activities columns in the government wide financial statements. Capital assets are defined by Oklahoma County as assets with an initial, individual costs exceeding \$5,000. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation. Supplies and materials purchased as part of construction projects expected to exceed the capitalization threshold are capitalized as projects are constructed. Land, land improvements and artwork are not depreciable assets. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. All maintenance costs are expensed in the period incurred.

Capital assets are depreciated using the straight-line method over the assigned useful lives as follows:

<u>Assets</u>	<u>Years</u>
Buildings	40
Building improvements	30-40
Infrastructure-Roads	10
Infrastructure-Bridges	50
Equipment and automobiles	5-15
Furniture and Fixtures	10

8. Compensated Absences

Accrued vacation leave is payable upon layoff, resignation, retirement, or death. Amounts of vested or accumulated vacation leave are reported in the government-wide statements as the liability is not expected to be paid from current resources. At June 30, 2006, the accrued liability for annual and compensatory leave time was \$3,466,831.

There is no limitation on accruing unused sick leave. Sick leave does not vest, and therefore, is not reported. Unused sick leave shall contribute toward retirement eligibility for vested employees, 20 days

OKLAHOMA COUNTY, OKLAHOMA
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being equivalent to one month. The maximum allowable is 130 days, which would allow an additional year.

9. Long-Term Obligations

In the government-wide financial statements, long term debt and other long-term obligations are reported as liabilities in the applicable governmental activities or business-type activities columns of the statement of net assets. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period.

10. Fund Balance and Net Assets

In the fund financial statements, governmental funds report reservations of fund balance for amounts that cannot be appropriated for expenditure or are legally restricted for specific uses. Designations of fund balance represent tentative management plans that are subject to change.

Note II. Stewardship, Compliance, and Accountability

A. Budgetary Information

Guidelines for the Oklahoma County Budget are set out in Title 68, of the Oklahoma Statutes, Sections 3001-3033. In fiscal year 2005-2006 Oklahoma County operated under the Commissioner/Excise Board Budget method (Title 19 O.S. Section 1401). The Board of County Commissioners voted to disband the Budget Board effective July 1st, 2005 switching from the Budget Board method. Under the Excise Board method the County Excise Board, which is an agency of the state as part of a system of checks and balances required by the Oklahoma Constitution, must perform the following functions:

1. Require adequate and accurate reporting of finances and expenditures for all budget and supplemental purposes from all county entities
2. Provide each county officer with adequate funds for the performance of mandatory constitutional and statutory governmental functions within the financial means available.

The County Excise Board holds a budget planning conference with each principal officer and department head before July 1 to discuss personnel needs for the next fiscal year. Prior to this meeting, the board provides the principal officers with an estimate of probable revenues for the next fiscal year. Following the budget planning conference, each county officer prepares the county officer's annual report. Under the Excise Board method, the Board of County Commissioners is responsible for ensuring that each county officer files with the Board a financial statement showing the revenues and expenses for the past year and an estimate of revenue needed for the next fiscal year. The Board then uses that information to report an itemized statement of estimated needs to the County Excise Board. The budget format shall be as prescribed by the State Auditor and Inspector. The format shall contain at least the following in tabular form for each fund, itemized by department and account within each fund:

OKLAHOMA COUNTY, OKLAHOMA
Notes to the Financial Statements
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1. Actual revenues and expenditures for the immediate prior fiscal year;
2. Estimated actual revenues and expenditures for the current fiscal year; and
3. Estimated revenues and proposed expenditures for the budget year.

In approving the county budget, the County Excise Board follows the following procedures:

1. Examines the financial statements of the county officers to determine the true fiscal condition of each fund and the accounts within each fund as of June 30 and request additional information when necessary
2. Examines the estimates of needs to determine if a request is lawful and adequate and provide for mandatory items that are not included
3. Compute the total revenues available
4. Revise the budget in whole or part through the following steps when the total estimate of needs exceeds the total revenues available:
 - a. Reduce items for functions authorized but not required by constitutional law or statutory law
 - b. If necessary, then reduce items for functions required by statutory law
 - c. If necessary, then reduce items for functions required by constitutional law

The Board of County Commissioners and Excise Board of Oklahoma County complies with the purpose of the Budget statute, which is:

1. Establish uniform and sound fiscal procedures for the preparation, adoption, execution and control of budgets.
2. Enable counties to make financial plans for both current and capital expenditures and to ensure that their executive staffs administer their respective functions in accordance with adopted budgets.
3. Make available to the public and investors sufficient information as to the financial conditions, requirements and expectations of the county government.
4. Assist county governments to improve and implement generally accepted accounting principles as applied to governmental accounting, auditing and financial reporting, and standards of governmental finance management.

Each fund's appropriated budget is prepared on a detailed line-item basis. Revenues are budgeted by source. Expenditures are budgeted by department and character (salaries and wages, fringe benefits, travel, operation, capital and debt service), which constitutes the legal level of control. Expenditures may not exceed appropriations at this level. All budget revisions at this level are subject to authorization by the department head and approval by the Board of County Commissioners and Excise Board. All budget revisions are subject to final review by the County Excise Board. Revisions to the budget were made throughout the year.

The legal level of control is that expenditures budgeted in each fund may not exceed budgeted revenues, including fund balance, for the fund. Once approved, the County Excise Board may amend or supplement the legally adopted budget when unexpected modifications are required in estimated revenues and appropriations.

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Notes to the Financial Statements
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B. Legal and Contractual Obligations

Under Oklahoma Law, the County may not obligate funds for periods extending beyond the current fiscal year, except for the issuance of general obligation bonds. All lease and lease-purchase agreements, whether or not they are capitalized, must be re-approved at the beginning of each fiscal year. Federal and State grant revenues and expenditures are accounted for in accordance with applicable contract provisions. General obligation bonds and related interest are levied for and paid in accordance with appropriate State laws.

C. Continuous Inventory

According to guidelines established by Title 19 Section 178.1 of Oklahoma statutes, the County maintains a continuous inventory of all assets purchased with a cost of \$500.00 or more. The County's total inventory at June 30, 2006 totaled \$39,199,728.

Note III. Detailed Notes on All Funds

A. Deposits and Investments

The County uses a pooled cash concept for deposits and investments except for the pension trust, and certain agency funds. Cash and cash equivalents include amounts in demand deposits as well as short-term investments with a maturity date within three months of the date acquired by the County. All cash is pooled for operating and investment purposes and each fund has equity in the pooled amount. For reporting purposes, cash and investments have been allocated to each fund based on that fund's equity in the pooled amount.

Deposits

Custodial credit risk for deposits is the risk that in the event of a bank failure, the County's may not be able to recover its deposits. The County's policy requires deposits with banks to be 110 percent secured by collateral valued at market value less FDIC insurance. As of June 30, 2006, the County's bank balance of \$47,228,240 and its blended component unit bank balance of \$2,467,878 are fully insured or collateralized with securities held by the County or its blended component unit, or their agents in their respective names.

Investments

As of June 30, 2006, the County had the following investments:

Primary Government

<u>Investment Type</u>	<u>Fair Value</u>	<u>Weighted Average Maturity (Years)</u>	<u>Credit Ratings(1)</u>
US Government securities	\$14,464,125	7.70	AAA/Aaa
Certificates of deposit	7,830,385	1.37	N/A
Judgments	<u>618,207</u>	3.00	N/A
Total investments	<u>\$22,912,717</u>		
Portfolio weighted average maturity		5.41	

OKLAHOMA COUNTY, OKLAHOMA
Notes to the Financial Statements
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Fiduciary Funds:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Weighted Average Maturity (Years)</u>	<u>Credit Ratings(1)</u>
US Government securities	\$13,322,276	14.14	AAA/Aaa
Corporate bond	304,959	6.50	N/A
Judgments	<u>601,727</u>	3.00	N/A
Total investments	<u>\$14,128,962</u>		
Portfolio weighted average maturity		13.50	

(1) Standard & Poor's

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. In accordance with the adopted investment policy, the County manages its exposure to declines in fair values by following three benchmarks in investing funds; safety, liquidity and rate of return. The investment maturities are set up to meet projected cash flow needs and money market investments are available for funds making frequent deposits and expenditures.

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligation. Investing is preformed in accordance with investment policies adopted by the County complying with Oklahoma State statutes. Investments are limited to the following: 1) Direct obligations of United States government, its agencies or instrumentalities to the payment of which the full faith and credit of the government of the United states is pledged, or obligations to the payment of which the full faith and credit of the State of Oklahoma is pledged; 2) Obligations of the Government National Mortgage Association, Federal National Mortgage Association, or Federal Home Loan Mortgage Corporation, or any Federal farm credit bank, Federal land bank, or Federal home loan bank notes or bonds; 3) Collateralized or insured certificates of deposit; 4) Repurchase agreements that have underlying collateral of direct obligations or obligations of the United States government, it agencies and instrumentalities; 5) Money market funds and repurchase agreements which investments consist of the authorized investments of United States government agency obligations with restrictions as specified in state law; 6) State and Local Government Series; and 7) County direct debt obligations for which an ad valorem tax may be levied, rendered against the county by a court of record.

Custodial credit risk for investments is the risk that, in the even of the failure of the counterparty, the County will not be able to recover the value of its investments. County investment policy provides that investment collateral is held by a third party custodian with whom the County has a current custodial agreement in the County's name or be held in the name of both the County and financial institution by the Federal Reserve Bank servicing Oklahoma.

Discretely Presented Component Unit

<u>Investment Type</u>	<u>Fair Value</u>	<u>Credit Ratings</u>
Certificates of deposit	\$1,937,295	N/A

Interest rate risk. The Authority's investment policy limits the duration of certificates of deposit or other fixed-income securities to a maximum maturity from the date of purchase to six months.

OKLAHOMA COUNTY, OKLAHOMA
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Credit risk. Fixed-income securities are subject to credit risk. The Authority invests in certificates of deposit of local financial institutions, and that all deposits and investments in excess of amounts covered by federal deposit insurance be fully collateralized, with a pledge of the U.S. Treasury obligations, by the entity holding the deposit or investments. At June 30, 2006, all the Authority's investments are in certificates of deposit.

Custodial credit risk. Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The Authority's deposit policy for custodial credit risk is that all deposits shall either be insured by Federal Deposit Insurance or collateralized by securities held by the cognizant Federal Reserve Bank, or invested in U.S. Government obligations, in the Authority's name.

B. Property Taxes Receivable

Under state statute, the reserve for delinquent taxes shall be set between 20% and 5%. Further, appropriations shall not exceed income and revenue provided or accumulated for the year. In accordance with GASB Statement 33, Accounting and Financial Reporting for Non-exchange Transactions, property taxes are recognized in the period when use of the resources are first permitted. The following is a summary of property and other tax amounts shown as receivable and amounts considered uncollectible by the taxing unit. In accordance with state statute, all tax liens on real and personal property are extinguished upon the expiration of seven (7) years. Therefore, the receivables date back to 1999, and the total outstanding represents less than 1% of the original tax levies for the same time period.

	Total	Amount	Amount Shown
	Outstanding at	Considered	as Net
	June 30, 2006	Uncollectible	Receivable
Governmental Funds	\$ 4,911,969	\$ 3,357,315	\$ 1,554,654
Health Department	1,082,503	974,575	107,928
Cities & Library	6,501,666	5,601,732	899,934
Schools	31,255,748	26,971,013	4,284,735
Total	\$ 43,751,886	36,904,635	\$ 6,847,251

OKLAHOMA COUNTY, OKLAHOMA
Notes to the Financial Statements
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C. Capital assets

Capital assets activity for the year ended June 30, 2006 was as follows:

Primary Government

	Balance <u>June 30, 2005</u>	<u>Increases</u>	<u>Decreases</u>	Balance <u>June 30, 2006</u>
Governmental activities:				
Capital assets, not being depreciated:				
Land	\$27,959,738	\$ 5,599	\$ -	\$27,965,337
Artwork	24,500	-	-	24,500
Construction in progress	<u>247,126</u>	<u>1,560,256</u>	<u>(37,183)</u>	<u>1,770,199</u>
Total capital assets, not being depreciated	<u>28,082,904</u>	<u>1,565,854</u>	<u>(37,183)</u>	<u>29,760,036</u>
Capital assets, being depreciated:				
Buildings and building improvements	78,495,367	975,947	-	79,471,314
Machinery and equipment	26,075,438	2,671,078	(854,886)	27,891,631
Infrastructure	<u>35,998,520</u>	<u>2,818,049</u>	<u>(1,356,181)</u>	<u>37,460,389</u>
Total capital assets being depreciated	140,569,325	6,465,075	(2,211,067)	144,823,334
Less accumulated depreciation for:				
Buildings and building improvements	(29,517,170)	(1,962,303)	-	(31,479,473)
Machinery and equipment	(18,645,299)	(1,997,981)	799,850	(19,843,430)
Infrastructure	<u>(15,559,367)</u>	<u>(2,824,674)</u>	<u>952,257</u>	<u>(17,431,785)</u>
Total accumulated depreciation	<u>(63,721,836)</u>	<u>(6,784,958)</u>	<u>1,752,106</u>	<u>(68,754,688)</u>
Total capital assets, being depreciated, net	<u>76,847,489</u>	<u>(319,883)</u>	<u>(458,960)</u>	<u>76,068,646</u>
Governmental activities capital assets, net	<u>\$105,078,853</u>	<u>\$1,245,972</u>	<u>\$(496,143)</u>	<u>\$105,828,682</u>
Business-type activities:				
Capital assets, not being depreciated:				
Land	\$2,275,936	\$ -	\$ -	\$2,275,936
Construction in progress	<u>736,029</u>	<u>1,156,979</u>	<u>(670,760)</u>	<u>1,222,248</u>
Total capital assets, not being depreciated	<u>3,011,965</u>	<u>1,156,979</u>	<u>(670,760)</u>	<u>3,498,184</u>
Capital assets, being depreciated:				
Buildings & improvements	\$17,207,684	\$ 1,713	\$ -	\$17,209,397
Machinery and equipment	<u>31,128</u>	<u>-</u>	<u>-</u>	<u>31,128</u>
Total capital assets being depreciated	17,238,812	1,713	-	17,240,526
Less accumulated depreciation for:				
Buildings & improvements	(3,607,290)	(663,741)	-	(4,271,031)
Machinery and equipment	<u>(28,847)</u>	<u>(1,080)</u>	<u>-</u>	<u>(29,927)</u>
Total accumulated depreciation	<u>(3,636,138)</u>	<u>(664,821)</u>	<u>-</u>	<u>(4,300,959)</u>
Total capital assets, being depreciated, net	<u>13,602,675</u>	<u>663,108</u>	<u>-</u>	<u>12,939,567</u>
Business-type activities capital assets, net	<u>\$16,614,640</u>	<u>\$ 493,871</u>	<u>\$(670,760)</u>	<u>\$16,437,751</u>

OKLAHOMA COUNTY, OKLAHOMA
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Discretely Presented Component Unit

Capital assets, being depreciated:				
Machinery and equipment	\$ 3,592	\$ 373	\$ -	\$ 3,965
Less accumulated depreciation for:				
Machinery and equipment	<u>(3,230)</u>	<u>(217)</u>	<u>-</u>	<u>(3,447)</u>
Component unit capital assets, net	<u>\$ 362</u>	<u>\$ 156</u>	<u>\$ -</u>	<u>\$ 518</u>

Depreciation expense was charged to functions/programs of the primary government as follows:

Governmental activities:		
General government		\$ 732,534
Public safety		2,252,285
Health and welfare		31,825
Education		2,754
Roads and highways		<u>3,765,560</u>
Total depreciation expense-governmental activities		<u>\$6,784,958</u>
Business-type activities:		
Public Building Authority		<u>\$676,599</u>
Total depreciation expense-business-type activities		<u>\$676,599</u>

D. Interfund transfers

Following is a schedule of interfund transfers:

	Transfers In:		
	General Fund	Non-major Governmental	Total
Transfers out:			
General Fund	\$ -	\$940,364	\$ 940,364
Non-major governmental funds	<u>266,667</u>	<u>-</u>	<u>266,667</u>
Total transfers out	<u>\$266,667</u>	<u>\$940,364</u>	<u>\$1,207,031</u>

Interfund transfers were made during the year from general fund to non-major governmental funds for various capital projects. Transfers were made from the non-major governmental fund to the general fund to fulfill statutory requirements of transferring dollars from the resale property fund.

The Public Buildings Authority made transfers totaling \$769,769 to Oklahoma County. These transfers consisted of Building Improvements to Oklahoma County buildings funded by the PBA bond proceeds. Upon completion of the projects the total cost is transferred to the County and reported as a capital asset. Since it is a transfer of capital assets, the transfers are reported on the Statement of Activities and not the governmental funds statement of revenues, expenditures and changes in fund balance. The difference is reported as a reconciliation item on the reconciliation of the statement of revenues.

OKLAHOMA COUNTY, OKLAHOMA
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E. Leases

Operating Leases

Oklahoma County is committed under various leases for office equipment and road equipment. These leases are considered for accounting purposes to be operating leases. Oklahoma Statutes prohibit the County from entering into contracts of this nature beyond the end of the fiscal year. During the year, the county determined that leased copiers, previously reported as capital leases, should be reclassified as operating leases. Operating lease expenditures for the year ended June 30, 2006 amounted to \$398,935.

Capital Leases

Oklahoma County has entered into various agreements as lessee for financing the acquisition of highway equipment, the expansion of the Oklahoma County Juvenile Detention Center and an energy management project for county buildings which included heating and cooling upgrades, electrical improvements and other energy management improvements. Oklahoma law prohibits the County from entering into contracts of this nature longer than one year. However, it is the County's intent to exercise its right to purchase this property; accordingly, the lease-purchase agreements have been capitalized to conform to generally accepted accounting principles. The unpaid portion of these agreements have been reported as an other non-current liability in the Statement of Net Assets at an amount equal to the present value of all remaining payments to maturity.

During the year, the county determined that leased copiers should not be reported as a capital lease, since there is no intent to purchase the copiers at the end of the lease. The leased copiers are classified as operating leases. The county made the adjustment to correct the balance of capital leases.

Assuming that all capital leases are renewed each year by resolution of the Board of County Commissioners, minimum lease commitments under capitalized lease purchase agreements as of June 30, 2006 reported in the government-wide statements are as follows:

	<u>Capital Asset</u>	<u>Accumulated Depreciation</u>	<u>Total</u>
Building & Improvements	\$8,988,575	\$(1,841,390)	\$7,147,184
Equipment	<u>1,017,692</u>	<u>(390,223)</u>	<u>627,469</u>
Total	<u>\$10,006,267</u>	<u>\$(2,231,613)</u>	<u>\$7,774,653</u>

The following is a schedule of the future minimum lease payments under these capital leases, and the present value of the net minimum lease payments reported in the government-wide statements.

<u>Fiscal year ending June 30,</u>	<u>Governmental Activities</u>
2007	\$1,085,587
2008	996,896
2009	835,841
2010	766,903
2011	538,854
2012-2017	<u>3,619,027</u>
Total minimum lease payments	7,843,108
Less: amount representing interest	<u>(1,713,144)</u>
Present value of future minimum lease payments	<u>\$6,129,964</u>

OKLAHOMA COUNTY, OKLAHOMA
Notes to the Financial Statements
June 30, 2006

F. Long-term debt

1. Governmental Activities

General Obligation Bonds

Oklahoma County issued \$10,000,000 General Obligation Limited Tax Bonds of 2002, Series A dated October 1, 2002. The bonds were issued for the purpose of acquiring property in the vicinity of Tinker Air Force Base in order to provide for the safety of those citizens of the County as well as provide for the continued assurance of the economic well being of Oklahoma County and its citizens. The bonds bear semi-annual interest (payable January 1, and July 1 of each year, commencing July 1, 2004). The Bonds will be paid from ad valorem taxes levied and assessed on behalf of the Issuer and deposited to its Sinking Fund. The principal payment of \$765,000, due July 2006, was paid in the current fiscal year. A summary of debt service requirements to maturity is as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>	<u>Interest Rate</u>
2007	\$ -	\$ 164,920	\$ 164,920	3.75%
2008	765,000	315,496	1,080,496	3.75%
2009	765,000	286,809	1,051,809	3.75%
2010	765,000	259,651	1,024,651	3.35%
2011	765,000	232,876	997,876	3.65%
2012-2017	<u>5,410,000</u>	<u>797,943</u>	<u>6,207,943</u>	3.80%-4.40%
	<u>\$ 8,470,000</u>	<u>\$ 2,057,695</u>	<u>\$10,527,695</u>	

Oklahoma County issued \$10,000,000 General Obligation Limited Tax Bonds of 2003, Series A dated April 1, 2003. The bonds were issued for the purpose of acquiring property in the vicinity of Tinker Air Force Base in order to provide for the safety of those citizens of the County as well as provide for the continued assurance of the economic well being of Oklahoma County and its citizens. The bonds bear semi-annual interest (payable January 1, and July 1 of each year, commencing July 1, 2004). The Bonds will be paid from ad valorem taxes levied and assessed on behalf of the Issuer and deposited to its Sinking Fund. The principal payment of \$765,000, due July 2005, was paid in the current fiscal year. A summary of debt service requirements to maturity is as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>	<u>Interest Rate</u>
2007	\$ -	\$ 140,999	\$ 140,999	2.75%
2008	765,000	271,480	1,036,480	2.50%
2009	765,000	251,399	1,016,399	2.75%
2010	765,000	231,318	996,318	2.75%
2011	765,000	209,324	974,324	3.00%
2012-2017	<u>5,410,000</u>	<u>723,168</u>	<u>6,133,168</u>	3.30%-4.00%
	<u>\$ 8,470,000</u>	<u>\$ 1,827,688</u>	<u>\$10,297,688</u>	

Oklahoma statutes require the County to levy an additional ad valorem tax in amounts sufficient to meet sinking fund requirements as the principal and interest payments become due.

OKLAHOMA COUNTY, OKLAHOMA
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2. Business-Type Activities

Revenue Bonds

On October 1, 1997, Oklahoma County Public Buildings Authority issued Capital Improvement Revenue Bonds, Series 1997 in the amount of \$6,800,000 with interest rates that vary from 4% to 4.9%. The proceeds of the bond issue were used to purchase computer equipment, software, hardware, training facilities and related costs to computerize the Oklahoma County government and provide needed repairs and improvements to property of OCPBA. The bonds are secured by the OCPBA property and gross revenues and mature October 1, 2013. Additionally, OCPBA purchased an insurance policy guaranteeing payment of the bonds.

The Oklahoma Industries Authority issued \$20,560,000 of lease revenue bonds on July 28, 2003 with interest rates that vary from 2.25% to 5.85%. The bonds consist of \$7,230,000 Series 2003A and \$13,330,000 taxable series 2003B. Interest on both series is payable semi-annually July 1 and January 1, commencing January 1, 2003. Bonds will mature and pay interest at variable interest rates.

The principal of and the interest on the bonds is payable from the lease payments made by the OCPBA to the Oklahoma Industries Authority pursuant to terms of a Lease Purchase Agreement date as of July 1, 2003. The Bonds are limited obligation of the issuer, secured by a pledge of the Trust Estate. The Trust Estate consists of the Lease Payments, the Lease Agreement, Revenues, the Parking and Use Agreement, the parking agreements with the Corporate Users, and all funds and accounts established by the Indenture and the monies and investments therein, including any unexpended Bond Proceeds. The Bonds are special and limited obligations of the Issuer payable solely from the Lease Payments and other revenues pledged for payment thereof.

The Bonds were issued to provide funds for the OCPBA to (1) acquire, construct and equip a parking garage, (2) advance refund the Public Building Authority Capital Improvement Bonds, Series 1997, (3) make improvements to the Metro Parking Garage, (4) make other County improvements, (5) fund capitalized interest, (6) purchase Surety Bonds in lieu of funding a Debt Service Reserve Fund, and (7) pay certain costs of issuing the Bonds.

An escrow defeasement account was established in July 2003 with \$5,709,094 for the advance refund of the 1997 bonds including the 2% premium payable for early redemption. Accordingly, the escrow accounts and defeased bonds are not included in the financial statements. The investments are set to mature for redemption between October 1, 2007 and September 30, 2008. At year-end, the balance in the accounts was \$4,224,991.

A summary of debt service requirements to maturity by year for Lease Revenue Bonds, Series 2003A is as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Debt Service</u>
2007	570,000	191,978	761,978
2008	585,000	178,984	763,984
2009	595,000	164,965	759,965
2010	615,000	157,528	772,528
2011	630,000	130,385	760,385

OKLAHOMA COUNTY, OKLAHOMA
Notes to the Financial Statements
June 30, 2006

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Debt Service</u>
2012-2016	2,335,000	350,399	2,685,399
2017-2021	<u>920,000</u>	<u>101,753</u>	<u>1,021,753</u>
	<u>\$ 6,250,000</u>	<u>\$ 1,267,380</u>	<u>\$ 7,517,380</u>

A summary of debt service requirements to maturity by year for Taxable Lease Revenue Bonds, Series 2003B is as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Debt Service</u>
2007	230,000	705,185	935,185
2008	240,000	698,243	938,243
2009	245,000	690,114	935,114
2010	255,000	680,856	935,856
2011	265,000	670,316	935,316
2011-2016	1,515,000	3,148,876	4,663,876
2017-2021	1,940,000	2,704,138	4,644,138
2022-2026	2,540,000	2,086,560	4,626,560
2027-2031	3,355,000	1,246,786	4,601,786
2032-2035	<u>2,520,000</u>	<u>226,980</u>	<u>2,746,980</u>
	<u>\$ 13,105,000</u>	<u>\$ 12,858,054</u>	<u>\$ 25,963,054</u>

3. Discretely Presented Component Unit

Conduit Debt Obligations

The activities of the Oklahoma County Finance Authority consist primarily of arranging financing to industrial, commercial and other various organizations in an effort to promote economic development which will benefit the county. Over time these transactions have taken on various forms, including notes and bonds. The OCFA loans the proceeds from the notes and bonds to the organizations, or the OCFA leases the facilities acquired with the proceeds to the organizations under financing lease arrangements providing for transfer of the property to such organizations at the end of the lease.

The notes and bonds issued by the OCFA are special and limited obligations of the OCFA, payable solely out of revenues derived from and in connection with the underlying loan agreements and the underlying security provided under the loan agreements. The OCFA, the County of Oklahoma, the State of Oklahoma, or any other political subdivision thereof are not obligated in any manner for repayment of the notes and bonds. Accordingly, the notes and bonds are not reported as liabilities in the accompanying financial statements nor are the related investments reported as assets.

OKLAHOMA COUNTY, OKLAHOMA
Notes to the Financial Statements
June 30, 2006

As of June 30, the outstanding principal balances due on these bonds were as follows:

	Date of Issuance	Original Balance	2006 Balance
GNMA ARM Mortgage Back Securities 1995	11-01-95	13,000,000	2,154,692
Southwest Electric Co.	06-01-98	3,000,000	1,685,000
Omni Dome Project	04-01-99	1,500,000	816,800
Oxford Oaks, Watersedge and Gardens At Reding Apartments Projects Series 2000	07-26-00	27,695,000	27,695,000
Factory Direct, Inc Series 2001A	03-22-01	1,000,000	1,000,000
Factory Direct, Inc Series 2001B	03-22-01	1,850,000	1,280,000
Housing Revenue Bonds Chapel Ridge of North Edmond Series 2003	05-21-03	8,250,000	8,197,400
Chapel Ridge of MWC Tinker Series 2004	06-01-04	7,800,000	7,796,678
Tuttle Technology Center Project Series 2004	10-25-04	8,150,000	7,131,250
Rockwell Villa Apartments Series 2004	12-15-04	2,500,000	1,939,436
London Square Villa Apartments Project Series 2004	12-17-04	9,000,000	7,721,873
Variable Rate Demand Multi-family Housing Revenue Bonds Series 2004	12-17-04	6,900,000	6,900,000
Concordia Life Care Community Series 2005A	11-29-05	26,330,000	26,330,000
Concordia Life Care Community Series 2005B-1	11-29-05	3,500,000	3,500,000
Concordia Life Care Community Series 2005B-2	11-29-05	4,000,000	4,000,000
Concordia Life Care Community Series 2005C-1	11-29-05	1,000,000	1,000,000
Concordia Life Care Community Series 2005C-2	11-29-05	3,350,000	3,350,000
Concordia Life Care Community Series 2005D	11-29-05	650,000	650,000
Empworth Villa Project Series 2005A	12-07-05	11,460,000	11,460,000
Empworth Villa Project Series 2005B	12-07-05	2,000,000	2,000,000
		<u>\$142,935,000</u>	<u>\$126,608,129</u>

The OCFA, as a conduit bond issuer, has had outstanding issues, which have been in default in the payment of principal and interest. Since the notes and bonds issued by the OCFA are only limited obligations of the OCFA, as discussed above, the OCFA has not incurred any losses as a result of these defaults.

4. Judgments Payable

Under Oklahoma law, judgments against the County are payable over a three year period and bear annual interest at four percentage points above the average United States Treasury Bill rate for the preceding year, not to exceed 10% per annum. Judgments are levied against all taxable property within the County and are accumulated and paid out of the Debt Service Fund over a three year period. During the year, the County paid \$439,705 in judgments and \$57,981 in related interest on these judgments. At June 30, 2006, the total amount of unpaid judgment principal of \$933,167 is reflected in the Statement

OKLAHOMA COUNTY, OKLAHOMA
Notes to the Financial Statements
June 30, 2006

of Net Assets. A summary of judgments payable to maturity is as follows:

<u>Year</u>	<u>Principal</u>
2007	\$380,683
2008	310,484
2009	<u>242,000</u>
Total	<u>\$933,167</u>

5. Changes in long-term liabilities

Long-term liability activity for the year ended June 30, 2006 was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due within One Year</u>
Governmental activities:					
Bonds payable	\$18,470,000	\$ -	\$ (1,530,000)	\$16,940,000	\$1,530,000
Capital leases	6,881,164	-	(751,200)	6,129,964	736,400
Judgments payable	646,872	726,000	(439,705)	933,167	380,683
Compensated absences	<u>3,392,356</u>	<u>2,878,035</u>	<u>(2,803,560)</u>	<u>3,466,831</u>	<u>2,912,138</u>
Governmental activity					
Long-term liabilities	<u>\$29,390,392</u>	<u>\$3,604,035</u>	<u>\$(5,524,465)</u>	<u>\$27,469,962</u>	<u>\$5,559,221</u>
Business-type activities:					
Bonds payable	\$20,135,000	\$ -	(780,000)	\$19,355,000	\$800,000
Business-type activity					
Long-term liabilities	<u>\$20,135,000</u>	<u>\$ -</u>	<u>\$(780,000)</u>	<u>\$19,355,000</u>	<u>\$800,000</u>

For governmental activities, capital leases and compensated absences are primarily liquidated by General Fund, Highway Cash, and Sheriff Special Revenue.

For business-type activities, the bonds payable reflected in the statements are net of a bond discount of \$434,685 and amount deferred on refunding of \$476,767.

Note IV. Other Information

A. Risk Management

Self Insurance Funds. Oklahoma County is exposed to various risks of loss related to torts; theft of, damage to, or destruction of assets; errors or omissions; injuries to employees; or acts of God. Significant losses are covered by commercial insurance for buildings and personal property. There have been no significant reductions in insurance coverage, and settlement amounts have not exceeded insurance coverage for the current year or the three prior years. The County currently is self-insured for health and dental benefits, worker's compensation and tort liability coverage.

OCPBA is exposed to various risks of losses related to torts; thefts of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. OCPBA manages this risk

OKLAHOMA COUNTY, OKLAHOMA
Notes to the Financial Statements
June 30, 2006

through the purchase of commercial insurance policies paid for by Oklahoma County and subject to the terms of a management contract with Oklahoma County that obligates Oklahoma County to defend and pay for any litigation expense or judgment against OCPBA or its property upon demand. Claims are recognized when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. In determining claims, events that might create claims, but for which none have been reported, are considered. There was no claims activity for the year just ended.

The Health and Dental Plan was established by Oklahoma County to provide benefits for its employees, their dependents, eligible retirees and their survivors, participants covered under continuation of coverage, and employees on leave of absence as set forth in Title 11 O.S. 2001, §23-108. The majority of the cost of coverage for employees is paid by the County, and all other costs are intended to be an expense of the insured. Certain limitations are placed upon these benefits as to the amount of coverage and who may be covered in specific areas. Mutual Assurance Administrators, Incorporated is employed by Oklahoma County to administer the program. The administrator receives and pays claims from county funds based upon contract limitations. The administrator is responsible for insuring that claims are legitimate, based on enrollment information provided by the County and claims submitted by or on behalf of the claimant. The administrator receives a monthly fee for the services. The administrator also receives medical and life insurance premiums that are in turn remitted to Pacific Life, the carrier of stop-loss and life insurance coverage for Oklahoma County employees, retirees and their survivors.

Workers' Compensation - In accordance with Title 85, of the Oklahoma State Statutes, employees are covered by the workers' compensation program at the expense of Oklahoma County at their date of employment. When an injury or work related illness occurs, an Occupational Injury Report is filed. There are three categories of compensation: (1) temporary total disability benefits equal to two-thirds of the employees' average weekly salary; and/or (2) one hundred percent (100%) of all medical bills paid; and/or (3) a permanent disability settlement. When an employee remains off work due to an occupational injury or illness, temporary total disability is paid until (a) the employee returns to full-time work with the employer; or (b) the employee requests a trial to determine permanent disability; or (c) the parties agree in writing that such payments may terminate; or (d) by court order. (Temporary total disability benefits may be terminated at any time without a court order in the case of an employee who has not filed a Form 3 or Form 3-b with the court.) The County employs Consolidated Benefit Resources as the administrator for the workers' compensation program at a monthly fee. In accordance with the contract, the administrator is responsible for opening the files, paying the medical bills and paying the time-loss claims and settlements incurred as a result of an accident or work-related illness.

Self Insurance Fund - A self insurance fund is established for the payment of tort claims against the County as approved by the Board of County Commissioners.

Claims Liabilities

Liabilities for unpaid claims are estimates determined by independent actuaries using actuarial methods as follows: incurred loss development, paid loss development, frequency/severity, exposure/loss rate (incurred loss), and exposure/loss rate (paid loss). These liabilities are reported as accounts payable.

Unpaid Claims Liabilities

The following represent the changes in approximate aggregate liabilities for the County from July 1, 2005 to June 30, 2006:

OKLAHOMA COUNTY, OKLAHOMA
Notes to the Financial Statements
June 30, 2006

<u>Health Care</u>	<u>2006</u>	<u>2005</u>
Unpaid Claims, beginning of fiscal year	\$1,413,900	\$ 1,333,300
Claims and changes in estimates	9,517,312	9,921,729
Claim payments	<u>(9,440,312)</u>	<u>(9,841,129)</u>
Unpaid claims, end of fiscal year	<u>\$1,490,900</u>	<u>\$1,413,900</u>

<u>Workers Compensation</u>	<u>2006</u>	<u>2005</u>
Unpaid Claims, beginning of fiscal year	\$2,510,000	\$2,099,000
Claims and changes in estimates	657,218	1,038,154
Claim payments	<u>(777,218)</u>	<u>(627,154)</u>
Unpaid claims, end of fiscal year	<u>\$2,390,000</u>	<u>\$2,510,000</u>

The total amount of unpaid claims is considered due within one year. Total tort claims incurred but not reported (IBNR) are not considered material to the financial statement for the year ended June 30, 2006.

B. Related Party Transactions

Oklahoma County has entered into two capital lease agreements with the Oklahoma Industries Authority, as lessee, for the expansion and renovation of the Oklahoma County Juvenile Detention Center and for heating and cooling upgrades and electrical and plumbing renovations to County buildings. The Oklahoma Industries Authority is a public trust created under applicable Oklahoma Statutes. It was created for the use and benefit of the Beneficiary, Oklahoma County, to finance, promote and aid in the development of industry and commerce as set forth in the trust indenture. The County has no significant influence over the management, budget or policies of the Oklahoma Industries Authority; therefore, it is not reported as a component unit. The lease for the Juvenile Center expansion is for 15 years with total principal payments of \$2,750,000. As of June 30, 2006, the County had made lease payments in the amount of \$2,293,318, of which \$1,190,000 represents principal expenditure and \$1,103,318 represents interest expense. The lease for the County buildings upgrades and renovations is for 15 years with total principal payments of \$4,765,000. As of June 30, 2006, the County had made lease payments in the amount of \$2,269,063, of which \$1,200,000 represents principal expenditure and \$1,069,063 represents interest expense.

C. Commitments and Contingent Liabilities

Federal Grants. The County receives financial assistance from the United States government in the form of grants. Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures that may be disallowed by the grantor cannot be determined at this time although the government expects such amounts, if any, to be immaterial.

Litigation. The County is contingently liable for lawsuits and other claims in the ordinary course of its operations. The settlement of such contingencies under the budgetary process would require appropriation of revenues yet to be realized and would not materially affect the financial position of the

OKLAHOMA COUNTY, OKLAHOMA
Notes to the Financial Statements
June 30, 2006

County at June 30, 2006. The amount of possible tort claims liability at June 30, 2006, was approximately \$720,000, which is not accrued.

D. Other Post Employment Benefits

The County provides post-employment benefit options for health care, life insurance, dental insurance and disability income to eligible retirees, terminated employees and their dependents. The benefits are provided in accordance with County policies and the Consolidated Omnibus Budget Reconciliation Act of 1985 (COBRA). The criteria to determine eligibility include: years of service, employee age, disability due to line of duty, and whether the employee has vested in the respective retirement plan.

The County funds the benefits on a pay-as-you-go basis. Eligible employees are required to pay set premiums for a portion of the cost, with the County subsidizing the remaining costs. During 2005-06, eligible participants paid premiums of \$631,786. There are 225 participants currently eligible. Expenses for post-retirement health care benefits are recognized as eligible employee claims are paid and include a provision for incurred but not reported claims. During the year, expenditures of \$1,800,137 were recognized for post-employment benefits

Deferred Compensation Plan. The County offers its employees a deferred compensation plan created in accordance with Internal Revenue Code, Section 457. The plan, available to all County employees, permits them to defer a portion of their salary until future years. Participation in the plan is optional. The deferred compensation is not available to employees until termination, retirement, death or an unforeseeable emergency.

In the 98-99 fiscal year, the County implemented Governmental Accounting Standards Board Statement No. 32, "Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans". As a result, the County's 457 plan is no longer reflected in the agency fund of the county's financial statements since all assets are held in trust by a third party.

E. Employees' Retirement Plans

Retirement Plans. In accordance with Oklahoma Statutes, Oklahoma County maintains two single-employer public employee retirement plans. One plan, a defined benefit pension plan (the DB Plan) covers participants with retirement, death and disability benefits. Effective November 1, 1991, under House Bill 1226, County employees were given the option to join a defined contribution plan (the DC Plan). Both systems are administered by a nine-member Board of Trustees which includes the Chairman of the Board of County Commissioners, the County Treasurer, the County Clerk, two members appointed by the Board of County Commissioners, and four members elected from all eligible full-time employees. Fund policies, contribution requirements and plan provisions are determined by this board, although the Board of County Commissioners has overriding authority. The financial statements and description of these plans are presented below.

OKLAHOMA COUNTY, OKLAHOMA
Notes to the Financial Statements
June 30, 2006

COMBINING STATEMENT OF PENSION TRUST FUNDS NET ASSETS
JUNE 30, 2006

	Defined Benefit Retirement Fund	Defined Contribution Retirement Fund	Total Pension Trust Funds
ASSETS			
Cash and cash equivalents	\$ 453,596	\$ -	\$ 453,596
Accounts receivable	903	-	903
Interest receivable	172,441	-	172,441
Investments, at fair value			
U.S. Government securities	13,222,276	-	13,222,276
Corporate bonds	304,959	-	304,959
Judgments	601,727	-	601,727
Mutual funds	-	64,729,162	64,729,162
Loans to participants	-	6,484,910	6,484,910
Total investments	<u>14,128,962</u>	<u>71,214,072</u>	<u>85,343,034</u>
Total assets	<u>\$ 14,755,902</u>	<u>\$ 71,214,072</u>	<u>\$ 85,969,974</u>
LIABILITIES			
Accounts payable	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
NET ASSETS			
Assets held in trust for pension benefits and other purposes	<u>\$ 14,755,902</u>	<u>\$ 71,214,072</u>	<u>\$ 85,969,974</u>

COMBINING STATEMENT OF CHANGES IN PENSION TRUST FUNDS NET ASSETS
FOR THE YEAR ENDED JUNE 30, 2006

ADDITIONS			
Contributions:			
Employer	<u>\$ 903,750</u>	<u>\$ 5,053,964</u>	<u>\$ 5,957,714</u>
Investment earnings:			
Interest	776,996	316,674	1,093,670
Net increase (decrease) in the fair value of investments	<u>(789,133)</u>	<u>5,563,319</u>	<u>4,774,186</u>
Total investment earnings	<u>(12,137)</u>	<u>5,879,993</u>	<u>5,867,856</u>
Less investment expense			
Net investment expense	<u>(12,137)</u>	<u>5,879,993</u>	<u>5,867,856</u>
Total additions	<u>891,613</u>	<u>10,933,957</u>	<u>11,825,570</u>
DEDUCTIONS			
Benefits	2,625,875	5,734,536	8,360,411
Administrative expenses	11,606	508,710	520,316
Total deductions	<u>2,637,481</u>	<u>6,243,246</u>	<u>8,880,727</u>
Change in net assets	<u>(1,745,868)</u>	<u>4,690,711</u>	<u>2,944,843</u>
Net assets-beginning	16,501,770	66,523,361	83,025,131
Net assets-ending	<u>\$ 14,755,902</u>	<u>\$ 71,214,072</u>	<u>\$ 85,969,974</u>

OKLAHOMA COUNTY, OKLAHOMA
Notes to the Financial Statements
June 30, 2006

1. Defined Benefit Retirement Plan

Plan Description and Provisions

Benefits are fully vested at the end of eight years of participation.

As of June 30, 2006, employee membership data related to the Plan was as follows:

Retirees and beneficiaries currently receiving benefits	207
Terminated employees entitled to but not yet receiving benefits	32
Active plan participants	<u>19</u>
Total	<u>258</u>

Those persons eligible for retirement benefits are as follows:

- a. Employee shall have reached the age of sixty-two (62) years and shall have been employed for a period of at least eight (8) years with Oklahoma County, the last two (2) years of service shall have been consecutive immediately preceding such retirement, and service with the County shall have ceased.
- b. Any employee who shall have completed eight (8) years of service as a County employee, the last two (2) years of which were consecutive, and who at the time of completing such eight (8) years of service shall not have reached the age of sixty-two (62) years, may elect to retire, such retirement benefits to begin when County employee shall have attained the age of sixty-two (62) years, provided that such election shall be in writing upon such forms as the Board of Trustees shall direct.
- c. Any employee who shall have completed thirty (30) years of service as a County employee, the last two (2) years of which were consecutive and attained age of fifty-five (55).
- d. Any employee whose age and years of creditable service with the County equal eighty (80).
- e. Any employee of the County covered by this who shall have completed eight (8) years of employment with this County and who by reason of disability shall become disabled to such an extent as to be unable to perform his/her duties as an employee may be entitled to disability retirement, and to such benefits as the Board of Trustees shall determine; provided, however, that the Board of Trustees shall find that said disability is total and permanent.

Disability Benefits

(1) Any employee of the County making an application for disability benefits may be required to provide the Board of Trustees sworn affidavits of at least two (2) physicians selected by the applicant at his own expense and showing that, in the opinion of such physicians, such disability is total and permanent in its nature.

(2) The Board may, if it so desires, appoint two (2) licensed physicians of its own choosing to examine the employee and such employee shall consent to said examination, and after such examination, if the said four (4) physicians be equally divided in their opinion the Trustees shall appoint a fifth (5th)

OKLAHOMA COUNTY, OKLAHOMA
Notes to the Financial Statements
June 30, 2006

licensed physician, the employee consenting to such examination. The question of eligibility, by reason of total permanent disability, shall be decided by the Board of Trustees after evaluation of opinion of all examining physicians.

An income average shall be used by calculating the average income of the highest three (3) years for said employee during participation in said retirement system. Upon completion of each of the following years the listed percentages shall apply:

<u>Year</u>	<u>Percentages</u>
8th year	21.31%
9th year	23.98%
10th year	26.65%
11th year	29.32%
12th year	31.99%
13th year	34.66%
14th year	37.33%
15th year	40.00%

Sixteen (16) through thirty (30) years - an additional two percent (2%) of highest three (3) years average income per year.

For all years service after thirty (30) years, an additional one percent (1%) for each year's service. The sum of all creditable service shall not exceed thirty-five (35) years.

Death Benefits

If a married employee has completed eight years service but dies before he reaches the age of retirement, the surviving spouse shall receive benefits equal to 66 2/3% of benefits to be received by the employee under the plan at the assumed date of retirement.

If an employee receiving or eligible to receive retirement benefits dies, the surviving spouse shall receive retirement benefits in the amount of 66 2/3% of benefits the deceased was receiving, or was entitled to receive, for the remainder of the natural life of the surviving spouse.

Administrative Cost

Plan administration costs are paid by the county.

Summary of Significant Accounting Policies

Accrual Method of Accounting

The Employees' Retirement System of Oklahoma County financial statements are prepared on the accrual basis of accounting. Contributions are recognized as revenue in the period in which the employees provide services. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan. Investment income is recognized as earned. The net appreciation or depreciation in the fair value of investments is recorded to investment income based on the valuation of investments at fiscal year-end.

OKLAHOMA COUNTY, OKLAHOMA
Notes to the Financial Statements
June 30, 2006

Investments

Investments are reported at fair value. At June 30, 2006, no investments in any one organization, excluding U.S. government securities, represents 5% or more of the net assets available for pension benefits. There are no investments in loans to or leases with related parties.

Actuarial Present Value of Accumulated Plan Benefits

Accumulated plan benefits as of the end of the year are those future periodic payments that are attributable under the Plan's provisions to the service employees have rendered and include benefits expected to be paid to (a) retired employees, (b) beneficiaries of employees who have died, and (c) present employees or their beneficiaries.

Benefits under the Plan are based on the average of the employees' three highest years' compensation. The accumulated plan benefits for active employees are based on current compensation. Benefits payable under all circumstances - retirement, death, and disability - are included to the extent they are deemed attributable to employee service rendered to the end of the year.

The actuarial present value of accumulated plan benefits was determined by Milliman Consultants and Actuaries. The actuarial assumptions used in the valuation are intended to estimate future experience affecting projected benefit flow and investment earnings. In the June 30, 2006, actuarial valuation, the entry age normal actuarial cost method was used. Under this cost method, the actuarial present value of the projected benefits of each individual included in the valuation is allocated on a level basis over the earnings of the individual between entry age and assumed exit age. The portion of this actuarial present value allocated to a valuation year is called the Normal Cost. The portion of the actuarial present value not provided for at the valuation date by future Normal Costs is called the Actuarial Liability. The actuarial assumptions included (a) 6.5 percent investment rate of return and (b) projected salary increases due to inflation of 5 percent per year.

The actuarial assumptions and other information used to determine annual required contributions (ARC) are located in the Required Supplementary Information section of this report.

The Employees' Retirement System of Oklahoma County issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained from the Oklahoma County Clerk's Office.

Funding Policy. Contributions are not actuarially determined, and no determination was made by an actuary of the implications of using a nonactuarial method.

As specified by the Plan, Oklahoma County contributes an amount equal to 12% of the annual compensation of its participating employees' salary to the Plan. If an employee terminates employment with less than 8 years of service, he or she is entitled to receive only their actual contributions. In 1981, the Plan was amended to allow participating employees who were fifty-five years old or over and had fifteen years service to freeze their benefits at the level in effect at that time. No further employee contributions are required. During the fiscal year ended June 30, 2006, County contributions were \$903,750. Total payroll for employees covered by the plan was \$659,989.

Annual Pension Cost and Net Pension Asset. The County's annual pension cost and net pension asset for the current year and the prior year are as follows:

OKLAHOMA COUNTY, OKLAHOMA
Notes to the Financial Statements
June 30, 2006

	2006	2005
Annual required contribution	\$(697,165)	\$(750,879)
Interest on net pension asset	192,272	163,955
Adjustments to annual required contribution	(221,351)	(188,750)
Annual pension cost	(726,244)	(775,674)
Contributions made	903,750	1,180,212
Increase (decrease) in net pension asset	177,506	404,538
Net pension asset beginning of year	2,746,749	2,342,211
Net pension asset end of year	\$2,924,255	\$2,746,749

The annual required contribution for the current year was determined as part of the June 30, 2006 actuarial valuation using the assumptions cited above.

Three Year Trend Information

Fiscal Year Ending	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Asset
2004	\$558,073	121.1%	\$2,342,211
2005	775,674	152.2%	2,746,749
2006	726,244	124.4%	2,924,255

2. Defined Contribution Retirement Plan

Plan Description and Provisions. The Defined Contribution Plan is administered by Investrust. The County is responsible for making contributions as determined by written action of the County.

Eligibility for the Defined Contribution Plan. A full time employee shall be eligible to participate in the Plan, if actively employed after June 30, 1991, or on a leave of absence authorized by the Employer on that date. For purposes of determining eligibility, consecutive service prior to Retirement is not required.

Benefits of the Defined Contribution Plan are as follows:

- a. A Participant shall be entitled to receive the amount of their account, subject to vesting restrictions when their age plus years of service at least totals sixty (60), or if a participant's employment is terminated at an earlier age as the result of a Total and Permanent Disability.
- b. If a participant shall continue in active employment following their Normal Retirement Date, they shall continue to participate in the Plan. Upon actual retirement, such participant shall be entitled to receive the entire amount of their contribution account as of their actual retirement date.
- c. Upon the death of a vested participant, their beneficiary shall be entitled to receive the entire amount of the participant's vested contribution account.

OKLAHOMA COUNTY, OKLAHOMA
Notes to the Financial Statements
June 30, 2006

- d. If a participant's employment with the employer is terminated before their Normal Retirement Date for any reason other than Total and Permanent Disability or death, they shall be entitled to an amount equal to the "vested percentage" of their contribution account as set out in the Cash Out Policy.

A participant shall have vested and nonforfeitable rights in all or part of his Account represented by Employer Contributions. Beginning November 1, 2005, per Title 19 Chapter 25 § 956.2, any Participant hired prior to November 1, 2005, will receive contributions as set forth by the percentages in the applicable table here after set forth:

The Defined Contribution Plan allows for partial vesting as provided in the following schedule:

1. Twenty percent (20%) vesting upon the completion of two (2) years of service;
2. Forty percent (40%) vesting upon the completion of three (3) years of service;
3. Sixty percent (60%) vesting upon the completion of four (4) years of service;
4. Eighty percent (80%) vesting upon the completion of five (5) years of service;
5. One hundred percent (100%) vesting upon the completion of (6) years of service.

If partially vested upon termination, the vested portion is retained in the individual's account, while the non-vested portion will be forfeited upon the expiration of a six (6) month break in service. A plan participant whose employment terminates prior to approval from the Retirement Board to receive retirement benefits or who is no longer eligible to receive retirement benefits due to a change in employment may, after twelve (12) months from termination or change in status date, elect to withdraw one hundred percent (100%) of the employee's vested interest in the Retirement Plan.

- e. After the expiration of the twelve (12) month break in service, the amounts forfeited shall be used to offset prospective Employer contributions or to pay expenses associated with the Retirement Plan.

Any Participant hired on or after November 1, 2005, will be fully vested after five (5) years of service. The percentages in the applicable table hereafter set forth:

Years of Credited Service	Percentage of Employer Contributions Vested
0-5	0%
5	100%

Distribution of benefits under the Defined Contribution Plan to or for the benefit of the Participant shall be made by one of the following methods:

1. A lump sum distribution of the entire Account Balance, payable immediately.
2. An installment distribution consisting of approximately equal installments for a term not extending beyond the joint life expectancy (as calculated in accordance with Internal Revenue Service's Regulations on the Initial Distribution Date) of the Participant and their spouse.
3. Immediate Life Annuity – Certain with monthly payments guaranteed for lifetime, or a specified amount of months, if longer.

OKLAHOMA COUNTY, OKLAHOMA
Notes to the Financial Statements
June 30, 2006

4. Immediate Annuity – Certain with a choice of monthly payments guaranteed.
5. Immediate Joint and Survivor-Life Annuity with monthly payments guaranteed for participants lifetime and that of the contingent annuitant following death. Payments made to contingent annuitant will be equal to a percentage of the monthly payment received by participant.
6. Immediate Joint and Survivor-Life Annuity with monthly payments guaranteed for the lifetime of participant and that of the contingent annuitant following participant death, or for certain amount of months chosen, if longer.
7. Systematic payments of specified amounts until account is exhausted.
8. A single lump sum, of a specified amount, payable immediately, and systematic payments of specified amounts until account is exhausted.
9. An installment distribution consisting of approximately equal installments for a term not extending beyond the life expectancy (as calculated in accordance with Internal Revenue Service's Regulations) on the Initial Distribution Date of the participant and their spouse.

Summary of Significant Accounting Policies

Accrual Method of Accounting

The Employees' Retirement System of Oklahoma County financial statements are prepared on the accrual basis of accounting. Contributions are recognized as revenue in the period in which the employees provide services. Investment income is recognized as earned. The net appreciation or depreciation in the fair value of investments is recorded to investment income based on the valuation of investments at fiscal year-end.

Investments

Investments are reported at fair value. At June 30, 2006, no investments in any one organization, excluding U.S. government securities, represents 5% or more of the net assets available for pension benefits. There are no investments in loans to or leases with related parties.

Loans to Participants. During the 1998-99 fiscal year the Plan was amended to include a Loan Policy. The policy states that each Plan Participant with a fully or partially vested account balance is eligible to participate. The maximum loan amount is the lesser of \$25,000 or 50% of the Participant's vested account balance. The minimum loan amount is \$1,000. The interest rate charged is the National Prime Rate of Interest and will be fixed for the life of the loan. During the current fiscal year a total of \$4,918,041 was loaned to participants.

Contribution Requirements and Contributions Made. As specified by the Plan, Oklahoma County contributes an amount equal to 12% of the annual compensation of its participating employees' salary to the Plan. During the fiscal year ending June 30, 2006, County contributions were \$5,053,964. The forfeiture account is a trust fund maintained by the Plan Administration and contains amounts previously contributed by the County but forfeited by terminated employees who had not become fully vested, or eligible to receive the total amount contributed by the County. Retirement benefits due to employees

OKLAHOMA COUNTY, OKLAHOMA
Notes to the Financial Statements
June 30, 2006

and beneficiaries at June 30, 2006 were \$71,214,072 at fair value, and are accounted for in a pension trust fund.

F. Fund Balances and Net Assets

Prior Period Adjustments:

During the current year, the county made the following adjustments to correct investments, the balance of capital assets and leases payable incorrectly reported at June 30, 2005:

Adjustments to beginning fund balances:

Governmental Funds	General Fund	Highway Cash	Sheriff Special Revenue	Tinker Clearing II	Other Governmental Funds	Total Governmental Funds
Beginning fund balances, as previously reported	\$ 9,670,917	\$ 8,548,218	\$ 7,071,729	\$ 7,174,140	\$ 14,794,747	\$ 47,259,751
Adjust Investments to Fair Value	(12,136)	(8,897)	(9,452)	(10,565)	(21,011)	(62,061)
Beginning fund balances, as restated	<u>\$ 9,658,781</u>	<u>\$ 8,539,321</u>	<u>\$ 7,062,277</u>	<u>\$ 7,163,575</u>	<u>\$ 14,773,736</u>	<u>\$ 47,197,690</u>

Adjustments to beginning net assets:

	Governmental Activities
Beginning net assets, as previously reported	\$ 121,592,090
Correction of errors:	
Construction in progress	(68,585)
Buildings & Building improvement	307,926
Accumulated Depreciation	250,637
Leases payable	15,675
Investments at Fair Value	(62,061)
Accrued interest payable	(138,797)
Beginning net assets, as restated	<u>\$ 121,896,885</u>

Restricted Net Asset- Enabling Legislation:

Of the total \$125,065,519 net assets, \$30,358,115 is restricted as a result of enabling legislation.

*Required
Supplementary
Information*



**OKLAHOMA COUNTY, OKLAHOMA
EMPLOYEES' DEFINED BENEFIT RETIREMENT SYSTEM
REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2006**

SCHEDULE OF FUNDING PROGRESS

Actuarial Valuation Date	Net Assets Available for Benefits	Actuarial Accrued Liability	Unfunded Actuarial Liability	Funded Ratio	Annual Covered Payroll	Unfunded Actuarial Liability as a percentage of Covered Payroll
6/30/06	\$ 14,755,902	\$ 24,833,235	\$ 10,077,333	59.4%	\$ 659,989	1526.9%
6/30/05	16,501,770	24,508,409	8,006,639	67.3%	665,661	1202.8%
6/30/04	16,933,308	25,485,427	8,552,119	66.4%	655,657	1304.4%
6/30/03	18,777,186	22,182,270	3,405,084	84.6%	661,652	514.6%
6/30/02	19,494,214	21,815,347	2,321,133	89.4%	672,180	345.3%
6/30/01	19,446,909	22,380,545	2,933,636	86.9%	746,100	393.2%

SCHEDULE OF EMPLOYER CONTRIBUTIONS

Fiscal Year Ending	Annual Required Contribution	Actual Contribution	Percentage Recognized
6/30/06	\$ 697,165	\$ 903,750	129.6%
6/30/05	750,879	1,180,212	157.2%
6/30/04	534,783	675,876	126.4%
6/30/03	373,375	80,182	21.5%
6/30/02	466,124	1,254,881	269.2%
6/30/01	689,797	1,235,705	179.1%

OKLAHOMA COUNTY, OKLAHOMA
GENERAL FUND
BUDGET TO ACTUAL COMPARISON SCHEDULE
FOR THE YEAR ENDED JUNE 30, 2006

	Budgeted Amounts		Actual Amounts/ Budgetary Basis	Variance with Final Budget-
	Original	Final		Positive (Negative)
REVENUES				
Property taxes				
Advalorem Tax - Current	\$ 39,900,000	\$ 39,752,425	\$ 41,001,350	\$ 1,248,925
Advalorem Tax - Prior	1,010,614	1,079,747	718,548	(361,199)
Protest Tax Released	275,983	33,802	651,762	617,960
Misc Property Taxes	60,000	1,509,471	1,231,902	(277,569)
Total Property taxes	41,246,597	42,375,445	43,603,562	1,228,117
Charges for services				
County Clerk Fees	4,477,865	4,638,402	5,395,414	757,012
County Treasurer Fees	70,135	57,511	63,896	6,385
Public Records	23,709	24,357	31,023	6,666
Conditional Bond Release-Fees	51,954	50,435	22,274	(28,161)
Miscellaneous Charge for Services	4,344	3,404	3,492	88
Total Charges for Services	4,628,007	4,774,109	5,516,099	741,990
Intergovernmental revenues				
Motor Vehicle Stamps	274,955	279,299	322,190	42,891
Motor Vehicle Collections	888,195	897,913	997,656	99,743
Revaluation - Cities & Schools	2,383,961	2,360,272	2,385,413	25,141
Remington Park - Admission Fees & Sales Tx	114,040	114,287	105,786	(8,501)
Juvenile Detention-Lunches	99,658	106,427	110,444	4,017
Juvenile Detention Services	2,342,496	2,342,496	2,409,625	67,129
Juv. Justice - Maintenance	30,390	30,390	30,390	-
Juv. Justice - Alt Detention/Transportation	20,979	20,164	31,935	11,771
Juv. Justice - Telephone	661	495	-	(495)
Training & Gen Assistance - Federal Grants	1,833,469	1,833,469	1,527,329	(306,140)
Training & Gen Assistance - Board Staffing	-	35,535	35,535	-
Sheriff-SCAAP Grant	-	65,864	65,864	-
D A Revolving	150,000	150,000	128,256	(21,744)
Election Board - Salary	66,353	70,428	76,278	5,850
Election Board - Municipality Reimb	-	49,951	49,893	(58)
Election Board - Expense	28,000	28,000	21,141	(6,859)
Court Fund Maintenance	600,000	600,000	600,000	-
Court Fund Payroll Reimb	404,000	404,000	334,908	(69,092)
Court Revolving Fund reimb	396,000	396,000	506,000	110,000
Homeland Security Grant	709,466	709,466	709,466	-
Langston University	-	6,211	6,211	-
Total Intergovernmental revenues	10,342,623	10,500,667	10,454,320	(46,347)
Interest income	724,783	805,000	1,710,284	905,284
Miscellaneous revenue				
Public Building Authority Admin Overhead	49,800	49,800	111,444	61,644
Public Building Authority Trigen Reimb	97,908	124,839	-	(124,839)
Coin Telephone	-	12,106	29,659	17,553
Royalty	82,799	86,773	111,057	24,284
Rental	766,151	766,151	786,634	20,483
Reimburse Resale Property Exp.	28,000	28,000	-	(28,000)
Retirement Reimb for Bailiff's	9,360	9,360	11,809	2,449
911 Assoc	7,122	7,092	7,942	850
Pharmacy Reimb	127,400	130,438	166,757	36,319
Juv. Justice - Link	9,000	51,427	91,611	40,184
Miscellaneous Reimbursements	60,000	95,856	114,336	18,480
Total Miscellaneous revenues	1,237,540	1,361,842	1,431,249	69,407
Total revenues	\$ 58,179,550	\$ 59,817,063	\$ 62,715,514	\$ 2,898,451

OKLAHOMA COUNTY, OKLAHOMA
GENERAL FUND
BUDGET TO ACTUAL COMPARISON SCHEDULE
FOR THE YEAR ENDED JUNE 30, 2006

EXPENDITURES	Budgeted Amounts		Actual Amounts/ Budgetary Basis	Variance with Final Budget- Positive (Negative)
	Original	Final		
Current:				
General government				
General government:				
Salary and Wages	1,200	1,200	1,200	-
Fringe Benefits	9,452	11,552	11,394	158
Travel	-	-	-	-
Operating Expenditures	5,496,901	5,937,850	5,548,129	389,721
Capital Outlay	1,000	-	-	-
County commissioners:				
Salary and Wages	374,221	374,221	369,992	4,229
Fringe Benefits	96,766	96,766	88,358	8,408
Travel	23,500	23,500	19,580	3,920
Operating Expenditures	46,830	60,930	40,856	20,074
Capital Outlay	14,750	14,750		
Assessor regular:				
Salary and Wages	1,412,155	1,402,155	1,378,866	23,289
Fringe Benefits	534,768	534,768	484,735	50,033
Travel	26,050	22,050	19,078	2,972
Operating Expenditures	162,350	172,350	171,330	1,020
Capital Outlay	17,600	21,600	20,701	899
Assessor visual inspection:				
Salary and Wages	1,612,110	1,592,110	1,556,250	35,860
Fringe Benefits	602,969	602,969	565,136	37,833
Travel	89,600	64,600	57,924	6,676
Operating Expenditures	399,945	406,945	394,516	12,429
Capital Outlay	44,000	82,000	81,219	781
Treasurer:				
Salary and Wages	305,478	305,478	278,356	27,122
Fringe Benefits	114,002	114,002	104,606	9,396
Travel	4,050	4,050	3,600	450
Operating Expenditures	164,830	164,830	164,760	70
Capital Outlay	4,000	4,000	40	3,960
Court clerk:				
Salary and Wages	3,906,200	3,892,200	3,883,944	8,256
Fringe Benefits	1,517,710	1,497,710	1,451,976	45,734
Travel	15,000	10,000	5,949	4,051
Operating Expenditures	16,500	165,500	164,776	724
Capital Outlay				
County clerk:				
Salary and Wages	1,561,625	1,602,825	1,598,885	3,941
Fringe Benefits	534,136	492,936	485,193	7,743
Travel	3,885	3,885	3,600	285
Operating Expenditures	120,944	120,944	120,806	138
Capital Outlay	17,191	17,191	17,017	174
Excise & equalization:				
Salary and Wages	20,250	20,250	19,200	1,050
Fringe Benefits	1,550	1,550	1,469	81
Travel	2,745	2,745	2,193	552
Operating Expenditures	29,534	29,534	11,089	18,445
Capital Outlay	21,432	21,432	19,576	1,856
County audit:				
Salary and Wages	351,829	419,544	415,000	4,544
Fringe Benefits	-	-	-	-
Travel	-	-	-	-
Operating Expenditures	17,581	76,337	20,275	56,061
Capital Outlay	6,318	8,684	2,196	6,487
District attorney - state:				
Salary and Wages	-	-	-	-
Fringe Benefits	-	-	-	-
Travel	-	-	-	-
Operating Expenditures	135,000	135,000	133,236	1,764
Capital Outlay	15,000	15,000	9,414	5,586

OKLAHOMA COUNTY, OKLAHOMA
GENERAL FUND
BUDGET TO ACTUAL COMPARISON SCHEDULE
FOR THE YEAR ENDED JUNE 30, 2006

	Budgeted Amounts		Actual Amounts/ Budgetary Basis	Variance with Final Budget- Positive (Negative)
	Original	Final		
District attorney - county:				
Salary and Wages	377,211	377,211	377,211	-
Fringe Benefits	131,266	131,266	131,266	-
Travel	3,900	3,900	3,471	429
Operating Expenditures	73,350	73,350	66,268	7,082
Capital Outlay	-	-	-	-
Public defender:				
Salary and Wages	-	-	-	-
Fringe Benefits	-	-	-	-
Travel	-	-	-	-
Operating Expenditures	38,000	39,861	39,736	125
Capital Outlay	6,200	4,339	4,339	-
Purchasing:				
Salary and Wages	151,409	151,409	151,147	262
Fringe Benefits	58,036	58,036	49,844	8,192
Travel	7,388	7,388	7,157	231
Operating Expenditures	9,274	9,874	9,494	380
Capital Outlay	1,699	1,099	1,099	-
Election board:				
Salary and Wages	601,168	745,113	732,604	12,509
Fringe Benefits	187,865	189,270	187,016	2,254
Travel	16,970	21,490	19,597	1,893
Operating Expenditures	141,660	186,558	182,932	3,626
Capital Outlay	16,500	16,500	10,977	5,523
Centralized HR/Environmental Health & Safety:				
Salary and Wages	288,928	290,867	290,402	465
Fringe Benefits	109,441	103,921	103,133	788
Travel	10,950	5,450	4,788	662
Operating Expenditures	30,160	30,160	29,915	245
Capital Outlay	17,000	27,900	26,459	1,441
MIS				
Salary and Wages	943,795	878,240	837,238	41,002
Fringe Benefits	352,254	298,309	265,760	32,549
Travel	146,850	146,850	140,448	6,402
Operating Expenditures	884,930	959,880	860,909	98,971
Capital Outlay	80,300	290,300	284,337	5,963
Facilities management-courthouse:				
Salary and Wages	653,067	618,067	595,375	22,692
Fringe Benefits	259,087	259,087	227,183	31,904
Travel	2,000	2,000	-	2,000
Operating Expenditures	293,402	293,302	241,580	51,722
Capital Outlay	24,000	59,000	58,679	321
Facilities management-custodial:				
Salary and Wages	164,498	164,498	163,182	1,316
Fringe Benefits	74,876	74,876	72,775	2,101
Travel	-	-	-	-
Operating Expenditures	193,493	193,493	179,379	14,114
Capital Outlay	3,500	3,500	2,771	729
Community Service/OR Bond				
Salary and Wages	318,796	321,238	318,246	2,992
Fringe Benefits	129,012	99,091	95,721	3,370
Travel	-	-	-	-
Operating Expenditures	143,286	50,912	49,795	1,117
Capital Outlay	-	10,334	9,133	1,201
Total General Governmental	26,798,478	27,745,881	26,557,788	1,173,343
Public Safety				
Sheriff:				
Salary and Wages	10,900,762	13,839,828	13,839,828	-
Fringe Benefits	5,197,015	5,015,305	5,015,305	-
Travel	-	-	-	-
Operating Expenditures	4,276,238	2,128,230	2,126,460	1,770
Capital Outlay	-	65,864	65,864	-

OKLAHOMA COUNTY, OKLAHOMA
GENERAL FUND
BUDGET TO ACTUAL COMPARISON SCHEDULE
FOR THE YEAR ENDED JUNE 30, 2006

	Budgeted Amounts		Actual Amounts/ Budgetary Basis	Variance with Final Budget- Positive (Negative)
	Original	Final		
Juvenile Justice Center:				
Salary and Wages	3,825,903	3,793,403	3,634,195	159,208
Fringe Benefits	1,267,433	1,282,433	1,257,919	24,514
Travel	26,000	26,000	22,297	3,703
Operating Expenditures	1,165,807	1,135,907	1,099,054	36,853
Capital Outlay	-	47,400	46,031	1,369
Emergency Management:				
Salary and Wages	99,600	99,600	99,600	-
Fringe Benefits	25,187	34,899	34,854	45
Travel	1,451	1,239	758	481
Operating Expenditures	20,673	20,173	18,445	1,728
Capital Outlay	-	18,069	18,069	-
Total Public Safety	26,806,069	27,508,350	27,278,678	229,672
Health & Welfare				
Training & General Assistance:				
Salary and Wages	573,938	548,938	537,381	11,557
Fringe Benefits	227,239	202,239	200,300	1,939
Travel	8,000	8,000	4,278	3,722
Operating Expenditures	535,230	558,230	540,942	17,288
Capital Outlay	28,764	55,764	53,784	1,980
Training & General Assistance Grants:				
Salary and Wages	749,457	971,448	930,090	41,358
Fringe Benefits	279,130	322,975	314,898	8,077
Travel	20,000	30,100	22,423	7,677
Operating Expenditures	761,567	482,631	338,246	144,385
Capital Outlay	20,285	23,285	22,809	476
Economic development:				
Salary and Wages	-	-	-	-
Fringe Benefits	-	-	-	-
Travel	-	-	-	-
Operating Expenditures	584,900	644,900	634,900	10,000
Capital Outlay	-	-	-	-
Community project support:				
Salary and Wages	-	-	-	-
Fringe Benefits	-	-	-	-
Travel	-	-	-	-
Operating Expenditures	150,000	150,000	142,487	7,513
Capital Outlay	-	-	-	-
Total Health and Welfare	3,938,510	3,998,510	3,742,538	255,972
Culture & Recreation				
Free Fair:				
Salary and Wages	5,400	3,825	3,725	100
Fringe Benefits	-	105	47	58
Travel	-	-	-	-
Operating Expenditures	43,070	44,540	44,529	11
Capital Outlay	100	100	-	100
Total Culture and Recreation	48,570	48,570	48,300	270
Education				
OSU Extension:				
Salary and Wages	421,763	421,613	407,967	13,646
Fringe Benefits	6,344	6,494	6,440	54
Travel	2,350	2,350	2,343	7
Operating Expenditures	27,276	27,276	27,190	86
Capital Outlay	3,125	3,125	2,908	217
Total Education	460,858	460,858	446,848	14,010

OKLAHOMA COUNTY, OKLAHOMA
GENERAL FUND
BUDGET TO ACTUAL COMPARISON SCHEDULE
FOR THE YEAR ENDED JUNE 30, 2006

	Budgeted Amounts		Actual Amounts/ Budgetary Basis	Variance with Final Budget- Positive (Negative)
	Original	Final		
Road & Highway				
District #1:				
Salary and Wages	194,899	69,433	69,386	47
Fringe Benefits	61,605	18,710	18,710	-
Travel	5,850	6,217	6,217	-
Operating Expenditures	46,618	239,543	238,618	925
Capital Outlay	50,000	7,000	7,000	-
District #2:				
Salary and Wages	223,694	143,959	143,959	-
Fringe Benefits	77,035	35,278	35,029	249
Travel	-	597	594	3
Operating Expenditures	47,035	116,579	109,798	6,782
Capital Outlay	55,000	106,351	101,351	5,000
District #3:				
Salary and Wages	237,560	237,560	217,465	20,095
Fringe Benefits	70,047	70,047	64,083	5,964
Travel	3,500	3,500	86	3,414
Operating Expenditures	38,350	38,350	38,518	(168)
Capital Outlay	58,275	58,275	58,180	95
Engineer:				
Salary and Wages	259,721	259,731	259,721	10
Fringe Benefits	97,302	97,292	85,556	11,736
Travel	2,030	2,030	1,822	208
Operating Expenditures	71,589	71,489	62,450	9,039
Capital Outlay	3,000	3,000	2,244	756
Total Road and Highway	<u>1,603,110</u>	<u>1,584,941</u>	<u>1,520,787</u>	<u>64,155</u>
Total expenditures and encumbrances	<u>59,655,595</u>	<u>61,347,110</u>	<u>59,594,939</u>	<u>1,737,421</u>
Excess of revenues over/(under) expenditures	<u>(1,476,045)</u>	<u>(1,530,047)</u>	<u>3,120,575</u>	<u>4,650,622</u>
OTHER FINANCING SOURCES (USES)				
Transfers from other funds		-	266,667	(266,667)
Transfers to other funds	<u>(2,324,264)</u>	<u>(2,378,427)</u>	<u>(2,378,427)</u>	<u>0</u>
Total other financing sources (uses)	<u>(2,324,264)</u>	<u>(2,378,427)</u>	<u>(2,111,760)</u>	<u>(266,667)</u>
Net change in fund balances	<u>(3,800,309)</u>	<u>(3,908,473)</u>	<u>1,008,815</u>	<u>4,383,956</u>
Fund balances - beginning	<u>3,800,309</u>	<u>3,908,474</u>	<u>6,437,826</u>	<u>2,529,352</u>
Fund balances - ending	<u>\$ -</u>	<u>\$ 0</u>	<u>\$ 7,446,641</u>	<u>\$ 6,913,308</u>

RECONCILIATION TO GAAP-BASIS FUND BALANCE

Property taxes receivable	883,647
Accounts payable	(1,886,918)
Accrued interest	3,272
Accounts receivable	47,012
Intergovernmental receivable	855,846
Transfer of capital asset from OCPBA	(769,769)
Current year encumbrances	2,476,738
Adjustment to prior year reserve for encumbrances	(1,726,690)
Reserve for inventory	168,562
Self-insurance funds net activity (cash basis)	<u>2,887,074</u>
Total Reconciling items	<u>2,938,774</u>
Fund balance, June 30, 2006 (GAAP Basis)	<u>\$ 10,385,415</u>

OKLAHOMA COUNTY, OKLAHOMA
Notes to Required Supplementary Information
June 30, 2006

Note I. Actuarial Valuations and Assumptions

The information presented in the Employees' Defined Benefit Retirement System required supplementary schedules was determined as part of the actuarial valuation as of June 30, 2006.

Actuarial cost method:	Entry Age Normal
Amortization method:	The unfunded actuarial liability is amortized over the present value of future service, 30 years as of both July 1, 2004 and July 1, 2005. The Net Pension Obligation is amortized over the expected future working lifetime of current active members.
Asset valuation method:	Market Value of Assets
Investment rate:	6.5%
Salary increases:	5.0% per year (5.5% before July 1, 2005)
Mortality:	RP-2000 Combined Table for Healthy Pensioners, Projected 10 Years using Projection Scale AA, with separate tables for males and females.
Withdrawal:	T-6 rates from Actuary's Pension Handbook
Disability:	None
Retirement:	For active members, earlier of age 62 or age 55 with 30 years of service. Deferred Vested participants were assumed to retire at age 62.
Marriage Rates:	Active participants use their actual marital status, with male spouses assumed to be three years older than their female spouses. 50% of terminated vested participants are assumed to be married with male spouses assumed to be three years older than their female spouses. Inpay retirees use their actual marital status and spouse's date of birth.
Expenses:	None
COLA:	None
Age Calculations:	Ages for all purposes are calculated as the age nearest birthday.

Note II. Budgetary Data

Budgets are submitted annually in accordance with the budget act and are prepared on the cash basis. Revenues are budgeted in the year receipt is expected. Expenditures, which include encumbrances, are budgeted in the year that the applicable purchase orders are expected to be issued. The budget and actual financial schedules are reported on this basis. Unencumbered appropriations for annually budgeted funds lapse ninety days after fiscal year-end. Budgets are adopted on a basis consistent with State legal requirements. An annual appropriated budget is adopted for the general fund. Other funds do not have legally adopted annual budgets. Appropriations for these funds are made on a monthly basis, according to the funds available.

OKLAHOMA COUNTY, OKLAHOMA
Notes to Required Supplementary Information
June 30, 2006

Three self-insurance funds (employee benefits, worker's compensation, and self insurance) are classified as internal service funds for budget purposes and do not have legally adopted budgets. Since the activities of these funds are included in general fund for proper financial reporting, the activity is a reconciling item to arrive at GAAP-basis fund balance.

*Combining and
Individual Fund
Financial
Statements and
Schedules*



NON-MAJOR GOVERNMENTAL FUNDS

Special Revenue Funds

Special revenue funds are used to account for the proceeds of specific revenue sources that are restricted, usually by statute, to expenditure for specific purposes.

Resale Property – *For the collection of interest and penalties on delinquent taxes and the expenditures incurred to sell abandoned properties.*

Treasurer's Mortgage Fee – *For the collection of certification fees by the treasurer and restricted expenditures.*

County Clerk Lien Fee – *For the collection of fees for mailing notices of mechanic liens and restricted expenditures.*

UCC Central Filing Fee – *For the collection of fees and expenditures for filing Uniform Commercial Code financing statements.*

Records Management & Preservation – *For the collection of fees and expenditures for the purpose of preserving, maintaining and archiving recorded instruments.*

Sheriff Service Fee – *For the collection and processing of miscellaneous fees and the restricted expenditures.*

Making the Grade – *For the collection and expenditures of public donations for a school-to-work transition program.*

Assessor's Revolving Fee – *For the collection and expenditures of fees for furnishing copies of records and maps by the Assessor.*

Juvenile Probation Fee – *For the collection and expenditures of probation fees of juveniles.*

Juvenile Grant Fund – *For the collection and expenditures of numerous state and federal grants for various juvenile offender programs in accordance with the terms of the grant agreements.*

Planning Commission – *For the collection and expenditures of permit fees and petitions for amendments to zoning regulations.*

Local Emergency Planning Commission – *For the collection and expenditures of federal grant funds for hazardous materials emergency planning.*

NON-MAJOR GOVERNMENTAL FUNDS

(Continued)

Emergency Management – For the collection and expenditures of federal grant funds for the general operation of the Emergency Management department.

Community Service Fee Fund – For the collection and expenditures of fees of persons sentenced by the court to perform community service.

Community Sentencing – For the collection and expenditures of Department of Corrections reimbursement.

Drug Court – For the collection and expenditures of state funding for the newly developed drug court program.

Drug Court User Fee Fund – For the collection and expenditures of user fees collected from offenders through the drug court program.

Capital Project Funds

Capital project funds are used to account for all major capital improvements, except those reported in proprietary funds.

Capital Projects Regular – Established to be used for various capital improvement projects. The funds major financial resource is transfers from General Fund.

Capital Projects Districts – For the remaining fund balance of funds for highway capital projects.

Capital Projects Tinker I – For the collection and expenditures of the remaining fund balance and interest earned from proceeds of a bond issue for the acquisition and clearing of land surrounding Tinker Air Force base.

Jail Facility – For the collection and expenditures of a temporary sales tax for the construction of the Oklahoma County jail.

Sale of Property – For the collection and expenditure of funds received from the sale of land, sites or structures.

Debt Service Fund

Debt Service Fund – For the collection of ad valorem taxes and interest earned for the payment of principal and interest of long term bonded debt and civil judgments against Oklahoma County.

**OKLAHOMA COUNTY, OKLAHOMA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2006**

Special Revenue

	Resale Property	Treasurer's Mortgage Fee	County Clerk's Lien Fee	UCC Central Filing	Records Management & Preservation	Sheriff Service Fee	Making the Grade	Assessor's Revolving Fee	Juvenile Probation Fee
ASSETS									
Cash and cash equivalents	\$ 3,228,792	\$ 594,085	\$ 103,521	\$ 1,163,661	\$ 999,822	\$ 1,359,984	\$ 960	\$ 52,869	\$ 39,791
Investments	1,162,946	213,978	37,286	419,127	360,116	489,839	346	19,042	14,332
Property taxes receivable	618,419	-	-	-	-	-	-	-	-
Interest receivable	-	-	-	5,335	4,432	10,568	-	-	-
Intergovernmental receivable	-	-	10,650	-	-	180,269	-	-	275
Total Assets	<u>\$ 5,010,157</u>	<u>\$ 808,063</u>	<u>\$ 151,457</u>	<u>\$ 1,588,123</u>	<u>\$ 1,364,370</u>	<u>\$ 2,040,660</u>	<u>\$ 1,306</u>	<u>\$ 71,911</u>	<u>\$ 54,398</u>
LIABILITIES AND FUND BALANCES									
Liabilities:									
Accounts payable	\$ 90,462	\$ 10,265	\$ 8,875	\$ 73,104	\$ 250,635	\$ 217,499	\$ -	\$ -	\$ 1,675
Total Liabilities	<u>90,462</u>	<u>10,265</u>	<u>8,875</u>	<u>73,104</u>	<u>250,635</u>	<u>217,499</u>	<u>-</u>	<u>-</u>	<u>1,675</u>
Fund Balances:									
Reserved for encumbrances	122,394	6,098	4,322	147,620	59,317	238,998	74	2,755	3,040
Unreserved, reported in:									
Special revenue funds	4,797,301	791,700	138,260	1,367,399	1,054,418	1,584,163	1,232	69,156	49,683
Debt service	-	-	-	-	-	-	-	-	-
Capital projects funds	-	-	-	-	-	-	-	-	-
Total fund balances	<u>4,919,695</u>	<u>797,798</u>	<u>142,582</u>	<u>1,515,019</u>	<u>1,113,735</u>	<u>1,823,161</u>	<u>1,306</u>	<u>71,911</u>	<u>52,723</u>
Total liabilities and fund balances	<u>\$ 5,010,157</u>	<u>\$ 808,063</u>	<u>\$ 151,457</u>	<u>\$ 1,588,123</u>	<u>\$ 1,364,370</u>	<u>\$ 2,040,660</u>	<u>\$ 1,306</u>	<u>\$ 71,911</u>	<u>\$ 54,398</u>

(continued)

**OKLAHOMA COUNTY, OKLAHOMA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2006**

Special Revenue

	Juvenile Grant Fund	Planning Commision	Local Emergency Planning Comm	Emergency Management	Community Service Fee	Community Sentencing	Drug Court	Drug Court User Fee	Total
ASSETS									
Cash and cash equivalents	\$ 267,752	\$ 85,026	\$ 5,936	\$ 40,020	\$ 46,583	\$ 406,964	\$ 91,304	\$ 3,127	\$ 8,490,197
Investments	96,439	30,625	2,138	14,414	16,778	146,581	32,886	1,126	3,057,999
Property taxes receivable	-	-	-	-	-	-	-	-	618,419
Interest receivable	-	-	-	-	-	-	-	-	20,335
Intergovernmental receivable	5,689	-	-	-	719	67,502	-	-	265,104
Total Assets	<u>\$ 369,880</u>	<u>\$ 115,651</u>	<u>\$ 8,074</u>	<u>\$ 54,434</u>	<u>\$ 64,080</u>	<u>\$ 621,047</u>	<u>\$ 124,190</u>	<u>\$ 4,253</u>	<u>\$ 12,452,054</u>
LIABILITIES AND FUND BALANCES									
Liabilities:									
Accounts payable	\$ 5,477	\$ 7,515	\$ -	\$ 29,163	\$ 593	\$ 3,566	\$ 70,381	\$ -	\$ 769,210
Total Liabilities	<u>5,477</u>	<u>7,515</u>	<u>-</u>	<u>29,163</u>	<u>593</u>	<u>3,566</u>	<u>70,381</u>	<u>-</u>	<u>769,210</u>
Fund Balances:									
Reserved for encumbrances	1,630	1,965	-	-	9	2,212	-	-	590,434
Unreserved, reported in:									-
Special revenue funds	362,773	106,171	8,074	25,271	63,478	615,269	53,809	4,253	11,092,410
Debt service	-	-	-	-	-	-	-	-	-
Capital projects funds	-	-	-	-	-	-	-	-	-
Total fund balances	<u>364,403</u>	<u>108,136</u>	<u>8,074</u>	<u>25,271</u>	<u>63,487</u>	<u>617,481</u>	<u>53,809</u>	<u>4,253</u>	<u>11,682,844</u>
Total liabilities and fund balances	<u>\$ 369,880</u>	<u>\$ 115,651</u>	<u>\$ 8,074</u>	<u>\$ 54,434</u>	<u>\$ 64,080</u>	<u>\$ 621,047</u>	<u>\$ 124,190</u>	<u>\$ 4,253</u>	<u>\$ 12,452,054</u>

(continued)

**OKLAHOMA COUNTY, OKLAHOMA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2006**

	<u>Capital Projects</u>					<u>Debt Service</u>		Total Nonmajor Governmental Funds
	Capital Projects Regular	Capital Projects Districts	Capital Projects Tinker I	Jail Facility	Sale of Property	Total	Debt Service	
ASSETS								
Cash and cash equivalents	\$ 332,233	\$ 292,493	\$ 205,841	\$ 2,417	\$ 5,046	\$ 838,030	\$ 1,094,499	\$ 10,422,726
Investments	119,664	105,350	74,140	871	1,817	301,842	394,217	3,754,058
Property taxes receivable	-	-	-	-	-	-	52,588	671,007
Interest receivable	-	-	-	-	27	27	16,809	37,171
Intergovernmental receivable	-	-	-	-	-	-	-	265,104
Total Assets	<u>\$ 451,897</u>	<u>\$ 397,843</u>	<u>\$ 279,981</u>	<u>\$ 3,288</u>	<u>\$ 6,890</u>	<u>\$ 1,139,899</u>	<u>\$ 1,558,113</u>	<u>\$ 15,150,066</u>
LIABILITIES AND FUND BALANCES								
Liabilities:								
Accounts payable	\$ 24,850	\$ -	\$ 112,003	\$ -	\$ -	\$ 136,853	\$ -	\$ 906,063
Total Liabilities	<u>24,850</u>	<u>-</u>	<u>112,003</u>	<u>-</u>	<u>-</u>	<u>136,853</u>	<u>-</u>	<u>906,063</u>
Fund Balances:								
Reserved for encumbrances	258,647	-	-	-	-	258,647	-	849,081
Unreserved, reported in:								
Special revenue funds	-	-	-	-	-	-	-	11,092,410
Debt service	-	-	-	-	-	-	1,558,113	1,558,113
Capital projects funds	168,400	397,843	167,978	3,288	6,890	744,399	-	744,399
Total fund balances	<u>427,047</u>	<u>397,843</u>	<u>167,978</u>	<u>3,288</u>	<u>6,890</u>	<u>1,003,046</u>	<u>1,558,113</u>	<u>14,244,003</u>
Total liabilities and fund balances	<u>\$ 451,897</u>	<u>\$ 397,843</u>	<u>\$ 279,981</u>	<u>\$ 3,288</u>	<u>\$ 6,890</u>	<u>\$ 1,139,899</u>	<u>\$ 1,558,113</u>	<u>\$ 15,150,066</u>

OKLAHOMA COUNTY, OKLAHOMA
 COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
 NONMAJOR GOVERNMENTAL FUNDS
 FOR THE YEAR ENDED JUNE 30, 2006

Special Revenue

	Resale Property	Treasurer's Mortgage Fee	County Clerk's Lien Fee	UCC Central Filing	Records Management & Preservation	Sheriff Service Fee	Making the Grade	Assessor's Revolving Fee	Juvenile Probation Fee
REVENUES									
Property taxes	\$ 3,168,578	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Charges for services	-	241,045	126,922	890,099	997,190	2,247,654	-	38,596	33,356
Intergovernmental revenues	-	-	-	-	-	-	-	-	-
Investment income (loss)	(17,949)	(3,289)	(614)	45,740	39,138	60,609	(6)	(314)	(232)
Miscellaneous revenue	-	-	-	-	33	-	1,708	-	-
Total revenues	<u>\$ 3,150,629</u>	<u>\$ 237,756</u>	<u>\$ 126,308</u>	<u>\$ 935,839</u>	<u>\$ 1,036,361</u>	<u>\$ 2,308,263</u>	<u>\$ 1,702</u>	<u>\$ 38,282</u>	<u>\$ 33,124</u>
EXPENDITURES									
Current:									
General government	2,702,950	190,276	48,506	917,558	1,089,344	-	425	-	-
Public safety	-	-	-	-	-	2,307,717	-	-	21,260
Health and welfare	-	-	-	-	-	-	-	-	-
Roads and highways	-	-	-	-	-	-	-	-	-
Debt service:									
Principal	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Capital outlay	358	13,336	44,920	16,238	16,876	223,303	-	19,932	-
Total expenditures	<u>2,703,308</u>	<u>203,612</u>	<u>93,426</u>	<u>933,796</u>	<u>1,106,220</u>	<u>2,531,020</u>	<u>425</u>	<u>19,932</u>	<u>21,260</u>
Excess(deficiency) of revenues over(under) expenditures	<u>447,321</u>	<u>34,144</u>	<u>32,882</u>	<u>2,043</u>	<u>(69,859)</u>	<u>(222,757)</u>	<u>1,277</u>	<u>18,350</u>	<u>11,864</u>
OTHER FINANCING SOURCES (USES)									
Transfers from other funds	-	-	-	-	-	-	-	-	-
Transfers to other funds	(266,667)	-	-	-	-	-	-	-	-
Total other financing sources (uses)	<u>(266,667)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	180,654	34,144	32,882	2,043	(69,859)	(222,757)	1,277	18,350	11,864
Fund balances-beginning as restated (See Note IV.F.)	4,739,041	763,654	109,700	1,512,976	1,183,594	2,045,918	29	53,561	40,859
Fund balances-ending	<u>\$ 4,919,695</u>	<u>\$ 797,798</u>	<u>\$ 142,582</u>	<u>\$ 1,515,019</u>	<u>\$ 1,113,735</u>	<u>\$ 1,823,161</u>	<u>\$ 1,306</u>	<u>\$ 71,911</u>	<u>\$ 52,723</u>

(continued)

OKLAHOMA COUNTY, OKLAHOMA
 COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
 NONMAJOR GOVERNMENTAL FUNDS
 FOR THE YEAR ENDED JUNE 30, 2006

Special Revenue

	Juvenile Grant Fund	Planning Commision	Local Emergency Planning Comm	Emergency Management	Community Service Fee	Community Sentencing	Drug Court	Drug Court User Fee	Total
REVENUES									
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,168,578
Charges for services	-	364,989	-	-	66,543	206,040	-	-	5,212,434
Intergovernmental revenues	444,155	-	-	-	-	736,958	328,581	-	1,509,694
Investment income (loss)	(1,500)	(383)	(33)	(225)	(306)	(2,332)	(663)	(23)	117,618
Miscellaneous revenue	-	-	-	31,031	-	-	-	18,297	51,069
Total revenues	<u>\$ 442,655</u>	<u>\$ 364,606</u>	<u>\$ (33)</u>	<u>\$ 30,806</u>	<u>\$ 66,237</u>	<u>\$ 940,666</u>	<u>\$ 327,918</u>	<u>\$ 18,274</u>	<u>\$ 10,059,393</u>
EXPENDITURES									
Current:									
General government	-	385,073	-	-	24,605	-	282,352	14,400	5,655,489
Public safety	445,377	-	-	8,738	-	897,888	-	-	3,680,980
Health and welfare	-	-	-	-	-	-	-	-	-
Roads and highways	-	-	-	-	-	-	-	-	-
Debt service:									
Principal	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Capital outlay	54,233	33,564	-	45,825	5,274	8,756	3,576	-	486,191
Total expenditures	<u>499,610</u>	<u>418,637</u>	<u>-</u>	<u>54,563</u>	<u>29,879</u>	<u>906,644</u>	<u>285,928</u>	<u>14,400</u>	<u>9,822,660</u>
Excess(deficiency) of revenues over(under) expenditures	<u>(56,955)</u>	<u>(54,031)</u>	<u>(33)</u>	<u>(23,757)</u>	<u>36,358</u>	<u>34,022</u>	<u>41,990</u>	<u>3,874</u>	<u>236,733</u>
OTHER FINANCING SOURCES (USES)									
Transfers from other funds	-	-	-	-	-	-	-	-	-
Transfers to other funds	-	-	-	-	-	-	-	-	(266,667)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(266,667)</u>
Net change in fund balances	(56,955)	(54,031)	(33)	(23,757)	36,358	34,022	41,990	3,874	(29,934)
Fund balances-beginning as restated (See Note IV.F.)	421,358	162,167	8,107	49,028	27,129	583,459	11,819	379	11,712,778
Fund balances-ending	<u>\$ 364,403</u>	<u>\$ 108,136</u>	<u>\$ 8,074</u>	<u>\$ 25,271</u>	<u>\$ 63,487</u>	<u>\$ 617,481</u>	<u>\$ 53,809</u>	<u>\$ 4,253</u>	<u>\$ 11,682,844</u>

(continued)

OKLAHOMA COUNTY, OKLAHOMA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2006

	<u>Capital Projects</u>					<u>Debt Service</u>		Total Nonmajor Governmental Funds
	Capital Projects Regular	Capital Projects Districts	Capital Projects Tinker I	Jail Facility	Sale of Property	Total	Debt Service	
REVENUES								
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,605,956	\$ 5,774,534
Charges for services	-	-	-	530	-	530	-	5,212,964
Intergovernmental revenues	-	-	-	-	-	-	-	1,509,694
Investment income (loss)	15,978	(1,587)	7,694	(14)	224	22,295	93,675	233,588
Miscellaneous revenue	-	-	-	-	-	-	-	51,069
Total revenues	<u>\$ 15,978</u>	<u>\$ (1,587)</u>	<u>\$ 7,694</u>	<u>\$ 516</u>	<u>\$ 224</u>	<u>\$ 22,825</u>	<u>\$ 2,699,631</u>	<u>\$ 12,781,849</u>
EXPENDITURES								
Current:								
General government	-	-	-	-	-	-	-	5,655,489
Public safety	-	-	-	-	-	-	-	3,680,980
Health and welfare	-	-	-	-	-	-	-	-
Roads and highways	-	-	-	-	-	-	-	-
Debt service:								
Principal	-	-	-	-	-	-	1,969,705	1,969,705
Interest	-	-	-	-	-	-	740,582	740,582
Capital outlay	1,276,506	-	175,826	-	-	1,452,332	-	1,938,523
Total expenditures	<u>1,276,506</u>	<u>-</u>	<u>175,826</u>	<u>-</u>	<u>-</u>	<u>1,452,332</u>	<u>2,710,287</u>	<u>13,985,279</u>
Excess(deficiency) of revenues over(under) expenditures	<u>(1,260,528)</u>	<u>(1,587)</u>	<u>(168,132)</u>	<u>516</u>	<u>224</u>	<u>(1,429,507)</u>	<u>(10,656)</u>	<u>(1,203,430)</u>
OTHER FINANCING SOURCES (USES)								
Transfers from other funds	940,364	-	-	-	-	940,364	-	940,364
Transfers to other funds	-	-	-	-	-	-	-	(266,667)
Total other financing sources (uses)	<u>940,364</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>940,364</u>	<u>-</u>	<u>673,697</u>
Net change in fund balances	(320,164)	(1,587)	(168,132)	516	224	(489,143)	(10,656)	(529,733)
Fund balances-beginning as restated (See Note IV.F.)	747,211	399,430	336,110	2,772	6,666	1,492,189	1,568,769	14,773,736
Fund balances-ending	<u>\$ 427,047</u>	<u>\$ 397,843</u>	<u>\$ 167,978</u>	<u>\$ 3,288</u>	<u>\$ 6,890</u>	<u>\$ 1,003,046</u>	<u>\$ 1,558,113</u>	<u>\$ 14,244,003</u>

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 County's programs.

***Agency Funds** – Used to report resources held by the County in a purely custodial capacity (assets equal liabilities). Agency funds involve only the receipt, temporary investment, and remittance of fiduciary resources to individuals, or other governments.*

OKLAHOMA COUNTY, OKLAHOMA
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES - ALL AGENCY FUNDS
Fiscal Year Ended June 30, 2006

	Balance July 1, 2005	Additions	Deductions	Balance June 30, 2006
SCHOOLS				
<u>Assets:</u>				
Cash and investments	\$ 10,155,060	\$ 345,180,140	\$ 351,437,551	\$ 3,897,649
Ad valorem taxes receivable	4,747,701	4,284,735	4,747,701	4,284,735
Accrued interest receivable	-	-	-	-
Due from other governments	1,205,217	1,308,142	1,205,217	1,308,142
 Total Assets	 <u>\$ 16,107,978</u>	 <u>\$ 350,773,017</u>	 <u>\$ 357,390,469</u>	 <u>\$ 9,490,526</u>
<u>Liabilities:</u>				
Warrants payable	1,537,050	1,588,968	1,537,050	1,588,968
Due to other taxing units	14,570,928	349,184,049	355,853,419	7,901,558
 Total Liabilities	 <u>\$ 16,107,978</u>	 <u>\$ 350,773,017</u>	 <u>\$ 357,390,469</u>	 <u>\$ 9,490,526</u>
 CITIES AND TOWNS				
<u>Assets:</u>				
Cash and investments	\$ 781,044	\$ 70,550,398	\$ 71,095,300	\$ 236,142
Ad valorem taxes receivable	1,077,848	899,934	1,077,848	899,934
Due from other governments	891,390	891,397	891,390	891,397
 Total Assets	 <u>\$ 2,750,282</u>	 <u>\$ 72,341,729</u>	 <u>\$ 73,064,538</u>	 <u>\$ 2,027,473</u>
<u>Liabilities:</u>				
Due to other taxing units	2,750,282	72,341,729	73,064,538	2,027,473
 Total Liabilities	 <u>\$ 2,750,282</u>	 <u>\$ 72,341,729</u>	 <u>\$ 73,064,538</u>	 <u>\$ 2,027,473</u>
 OFFICIAL DEPOSITORY				
<u>Assets:</u>				
Cash and investments	\$ 19,716,524	\$ 128,839,894	\$ 128,056,809	\$ 20,499,609
 Total Assets	 <u>\$ 19,716,524</u>	 <u>\$ 128,839,894</u>	 <u>\$ 128,056,809</u>	 <u>\$ 20,499,609</u>
<u>Liabilities:</u>				
Accounts payable	878	878	878	878
Due to others	19,715,646	128,839,016	128,055,931	20,498,731
 Total Liabilities	 <u>\$ 19,716,524</u>	 <u>\$ 128,839,894</u>	 <u>\$ 128,056,809</u>	 <u>\$ 20,499,609</u>

(Continued)

OKLAHOMA COUNTY, OKLAHOMA
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES - ALL AGENCY FUNDS
Fiscal Year Ended June 30, 2006

	Balance July 1, 2005	Additions	Deductions	Balance June 30, 2006
UNAPPORTIONED TAXES				
<u>Assets:</u>				
Cash and investments	\$ 178,312	\$ 11,326,195	\$ 11,455,188	\$ 49,319
Due from other funds	-	-	-	-
Total Assets	\$ 178,312	\$ 11,326,195	\$ 11,455,188	\$ 49,319
<u>Liabilities:</u>				
Due to other taxing units	178,312	11,326,195	11,455,188	49,319
Total Liabilities	\$ 178,312	\$ 11,326,195	\$ 11,455,188	\$ 49,319
ALL OTHERS				
<u>Assets:</u>				
Cash and investments	\$ 8,018,251	\$ 51,467,299	\$ 42,253,004	\$ 17,232,546
Ad valorem taxes receivable	124,701	107,928	124,701	107,928
Due from other governments	43,149	-	43,149	-
Total Assets	\$ 8,186,101	\$ 51,575,227	\$ 42,420,854	\$ 17,340,474
<u>Liabilities:</u>				
Accounts payable	882	4,722	882	4,722
Due to other taxing units	543	34,235,293	34,235,296	540
Due to others	8,184,676	17,335,212	8,184,676	17,335,212
Total Liabilities	\$ 8,186,101	\$ 51,575,227	\$ 42,420,854	\$ 17,340,474
TOTALS - ALL AGENCY FUNDS				
<u>Assets:</u>				
Cash and investments	\$ 38,849,191	\$ 607,363,926	\$ 604,297,852	\$ 41,915,265
Ad valorem taxes receivable	5,950,250	5,292,597	5,950,250	5,292,597
Accrued interest receivable	-	-	-	-
Due from other governments	2,139,756	2,199,539	2,139,756	2,199,539
Total Assets	\$ 46,939,197	\$ 614,856,062	\$ 612,387,858	\$ 49,407,401
<u>Liabilities:</u>				
Warrants payable	1,537,050	1,588,968	1,537,050	1,588,968
Accounts payable	1,760	5,600	1,760	5,600
Due to other taxing units	17,500,065	467,087,266	474,608,441	9,978,890
Due to others	27,900,322	146,174,228	136,240,607	37,833,943
Total Liabilities	\$ 46,939,197	\$ 614,856,062	\$ 612,387,858	\$ 49,407,401

III - *Statistical Section*



Statistical Section

This part of Oklahoma County's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the County's overall financial health.

Financial Trends – *These schedules contain trend information to help the reader understand how the County's financial performance and well-being have changed over time.*

Revenue Capacity – *These schedules contain information to help the reader assess the government's most significant local revenue source, the property tax trend information to help the reader understand how the government's financial performance and well-being have changed over time.*

Debt Capacity – *These schedules present information to help the reader assess the affordability of the County's current levels of outstanding debt and the government's ability to issue additional debt in the future.*

Demographic and Economic Information – *These schedules offer demographic and economic indicators to help the reader understand the environment within which the County's financial activities take place.*

Operating Information – *These schedules contain service and infrastructure data to help the reader understand how the information in the County's financial report relates to the services the County provides and the activities it performs.*

Sources: Unless otherwise noted, the information in these schedules is derived from the County's comprehensive annual financial report for the relevant year. The County implemented the new financial reporting model in the fiscal year ended June 30, 2003. Schedules presenting government-wide information include information beginning that year.

OKLAHOMA COUNTY, OKLAHOMA
NET ASSETS BY COMPONENT
LAST FOUR FISCAL YEARS
(accrual basis of accounting)
(Unaudited)

	Fiscal Year			
	2003	2004	2005	2006
Governmental activities				
Invested in capital assets, net of related debt	\$88,458,294	\$90,230,514	\$84,985,981	86,628,246
Restricted	21,182,661	23,522,870	30,638,054	30,358,115
Unrestricted	3,108,966	4,151,946	6,411,647	8,079,158
Total governmental activities net assets	<u>\$112,749,921</u>	<u>\$117,905,330</u>	<u>\$122,035,682</u>	<u>\$125,065,519</u>
Business-type activities				
Invested in capital assets, net of related debt	\$2,705,618	\$620,052	(\$56,342)	(1,145,608)
Restricted	1,015,135	503,444	802,350	1,911,663
Unrestricted	(2,732,961)			
Total business-type activities net assets	<u>\$987,792</u>	<u>\$1,123,496</u>	<u>\$746,008</u>	<u>\$766,055</u>
Primary government				
Invested in capital assets, net of related debt	\$91,163,912	\$90,850,566	\$84,929,639	\$85,482,638
Restricted	22,197,796	24,026,314	31,440,404	32,269,778
Unrestricted	376,005	4,151,946	6,411,647	8,079,158
Total primary government net assets	<u>\$113,737,713</u>	<u>\$119,028,826</u>	<u>\$122,781,690</u>	<u>\$125,831,574</u>

Data presented since the County implemented the new financial reporting model in 2003

OKLAHOMA COUNTY, OKLAHOMA
CHANGES IN NET ASSETS
LAST FOUR FISCAL YEARS
(accrual basis of accounting)
(Unaudited)

Expenses	Fiscal Year			
	2003	2004	2005	2006
Governmental activities:				
General government	\$38,634,271	\$37,893,855	\$34,058,417	\$ 34,246,560
Public safety	35,175,101	39,185,165	42,813,630	46,295,300
Health and welfare	3,425,528	3,035,114	3,498,484	3,374,982
Culture and recreation	51,030	45,671	48,457	47,774
Education	368,391	344,730	375,503	447,938
Roads and highways	11,955,096	13,469,882	15,218,410	14,774,649
Economic development	580,004	106,064	130,898	245,966
Interest on long term debt		1,207,082	1,238,461	1,084,693
Total governmental activities expenses	90,189,421	95,287,563	97,382,260	100,517,863
Business-type activities:				
Public Buildings Authority	602,574	236,003	1,485,261	2,451,523
Total business-type activities expenses	602,574	236,003	1,485,261	2,451,523
Total primary government expenses	\$90,791,995	\$95,523,566	\$98,867,521	\$102,969,386
Program Revenues				
Governmental activities:				
Charges for services:				
General government	12,456,911	13,037,701	12,874,450	13,081,782
Public safety	14,265,277	19,341,662	19,333,419	19,075,601
Other activities	194,881	116,221	198,910	250,043
Operating grants and contributions	5,428,202	5,063,061	4,877,310	5,298,624
Capital grants and contributions	12,013,065	11,648,773	12,766,678	13,710,668
Total governmental activities program revenues	44,358,336	49,207,418	50,050,767	51,416,718
Business-type activities:				
Charges for services:				
Public Buildings Authority	1,354,250	1,446,150	1,684,614	3,158,155
Total business-type activities program revenues	1,354,250	1,446,150	1,684,614	3,158,155
Total primary government program revenues	\$45,712,586	\$50,653,568	\$51,735,381	\$54,574,873

Data presented since the County implemented the new financial reporting model in 2003.

OKLAHOMA COUNTY, OKLAHOMA
CHANGES IN NET ASSETS
LAST FOUR FISCAL YEARS
(accrual basis of accounting)
(Unaudited)

	2003	2004	2005	2006
Net (expense)/revenue				
Governmental activities	(\$45,831,085)	(\$46,080,145)	(\$47,331,493)	(\$49,101,144)
Business-type activities	751,676	1,210,147	199,353	706,632
Total primary government net expense	<u>(\$45,079,409)</u>	<u>(\$44,869,998)</u>	<u>(\$47,132,140)</u>	<u>(\$48,394,512)</u>
General Revenues and Other Changes in Net Assets				
Governmental activities:				
Taxes				
Property taxes	\$40,477,304	\$46,142,745	\$46,753,701	49,288,680
Investment earnings	2,128,226	1,359,793	1,315,158	1,882,094
Miscellaneous	287,668	293,190	231,116	329,235
Transfers	684,195	657,118	698,855	769,769
Total governmental activities	<u>43,577,393</u>	<u>48,452,846</u>	<u>48,998,830</u>	<u>52,269,778</u>
Business-type activities				
Investment earnings	55,664	(417,324)	117,014	83,184
Miscellaneous			5,000	
Transfers	(684,195)	(657,118)	(698,855)	(769,769)
Total business-type activities	<u>(628,531)</u>	<u>(1,074,442)</u>	<u>(576,841)</u>	<u>(686,585)</u>
Total primary government	<u>\$42,948,862</u>	<u>\$47,378,404</u>	<u>\$48,421,989</u>	<u>\$51,583,193</u>
Change in Net Assets				
Governmental activities	(\$2,253,692)	\$2,372,701	\$1,667,337	\$3,168,634
Business-type activities	123,145	135,705	(377,488)	20,047
Total primary government	<u>(\$2,130,547)</u>	<u>\$2,508,406</u>	<u>\$1,289,849</u>	<u>\$3,188,681</u>

Data presented since the County implemented the new financial reporting model in 2003.

OKLAHOMA COUNTY, OKLAHOMA
FUND BALANCES OF GOVERNMENTAL FUNDS
LAST FOUR FISCAL YEARS
(modified accrual basis of accounting)
(Unaudited)

	Fiscal Year			
	2003	2004	2005	2006
General Fund				
Reserved	\$1,357,631	\$785,539	\$659,623	\$629,635
Unreserved	7,226,487	9,204,349	9,011,294	9,755,780
Total general fund	<u>\$8,584,118</u>	<u>\$9,989,888</u>	<u>\$9,670,917</u>	<u>\$10,385,415</u>
All other governmental funds				
Reserved	\$2,314,842	\$6,444,774	\$2,500,097	4,311,182
Unreserved, reported in:				
Debt service			1,570,971	1,558,113
Special revenue funds	19,688,368	19,810,434	25,052,188	22,861,229
Capital projects funds	12,925,503	7,906,971	8,465,578	8,032,710
Total all other governmental funds	<u>\$34,928,713</u>	<u>\$34,162,179</u>	<u>\$37,588,834</u>	<u>\$36,763,234</u>

Data presented since the County implemented the new financial reporting model in 2003.

OKLAHOMA COUNTY, OKLAHOMA
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
LAST FOUR FISCAL YEARS
(accrual basis of accounting)
(Unaudited)

	Fiscal Year			
	2003	2004	2005	2006
Revenues				
Property taxes	\$40,477,124	\$46,140,045	\$46,748,301	\$ 49,286,880
Charges for services	10,156,739	10,967,945	10,689,682	10,727,352
Intergovernmental revenues	30,956,220	35,170,430	35,134,697	35,596,952
Interest income	2,162,133	1,410,766	1,733,886	2,574,149
Miscellaneous revenue	3,098,733	3,536,956	4,099,201	4,356,076
Total revenues	<u>86,850,949</u>	<u>97,226,142</u>	<u>98,405,767</u>	<u>102,541,409</u>
Expenditures				
General government	\$36,135,736	\$35,816,213	\$31,119,465	32,364,706
Public safety	31,791,403	36,183,545	39,896,004	42,785,386
Health and welfare	3,351,464	2,964,375	3,328,502	3,279,821
Culture and recreation	51,030	45,671	48,457	47,774
Education	361,849	325,792	363,067	441,865
Roads and highways	11,348,397	11,727,708	13,845,414	10,966,772
Debt service				
Principal	168,514	402,870	2,926,850	2,720,905
Interest	45,130	1,207,082	1,238,461	1,104,050
Bond issuance costs	90,967			
Capital outlay	14,493,477	9,194,619	3,617,601	8,879,171
Total expenditures	<u>97,837,967</u>	<u>97,867,875</u>	<u>96,383,821</u>	<u>102,590,450</u>
Excess of revenues over (under) expenditures	<u>(10,987,018)</u>	<u>(641,733)</u>	<u>2,021,946</u>	<u>(49,041)</u>
Other financing sources (uses)				
Transfers from other funds	3,012,541	2,183,465	2,377,892	1,207,031
Transfers to other funds	(2,328,347)	(1,526,347)	(1,679,037)	(1,207,031)
Bond proceeds	20,015,256			
Capital leases	826,133	559,615		
Sale of capital assets			28,336	
Total other financing sources (uses)	<u>21,525,583</u>	<u>1,216,733</u>	<u>727,191</u>	<u>0</u>
Net change in fund balances	<u>\$10,538,565</u>	<u>\$575,000</u>	<u>\$2,749,137</u>	<u>(\$49,041)</u>
Debt service as a percentage of noncapital expenditures	0.3%	1.7%	4.5%	3.9%

Data presented since the County implemented the new financial reporting model in 2003.

OKLAHOMA COUNTY, OKLAHOMA
ASSESSED AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN FISCAL YEARS
(Unaudited)

Fiscal Year Ended June		Personal	Public Service	Real Estate	Less: Homestead Exemption	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Fair Market Value
30								
97	(2)	505,881,862	264,349,493	1,844,439,429	123,389,243	2,614,670,784	98.27	20,174,794,666
98	(2)	548,355,507	272,446,662	1,934,616,756	126,729,737	2,628,689,188	94.31	21,282,408,660
99	(2)	559,391,821	263,032,612	2,044,908,350	129,457,166	2,737,875,617	94.08	23,451,426,655
00	(2)	568,833,168	304,158,103	2,188,716,442	128,710,566	2,932,997,147	92.22	25,408,278,347
01	(2)	609,685,689	318,026,002	2,341,357,421	129,322,641	3,139,746,471	84.91	27,443,276,491
02	(2)	627,131,835	384,453,928	2,499,983,759	129,997,665	3,381,571,857	88.59	27,851,182,353
03	(1)	713,597,382	377,520,561	2,823,329,944	133,464,433	3,780,983,454	93.41	31,202,615,742
04	(1)	728,006,330	385,340,830	3,039,937,336	132,381,580	4,020,902,916	87.15	33,318,763,398
05	(1)	746,717,630	492,680,863	3,295,697,764	132,630,728	4,402,465,529	94.17	36,245,004,802
06	(1)	768,997,958	464,014,119	3,625,312,282	130,535,814	4,711,271,501	95.59	43,985,562,012

(1) The assessed valuation of real estate is approximately 11%; and the valuation rates for personal property and for utility assets are approximately 14% and 22.85%, respectively.

(2) The assessed valuation of real estate is approximately 11%; and the valuation rates for personal property and for utility assets are approximately 15% and 22.85%, respectively.

OKLAHOMA COUNTY, OKLAHOMA
PROPERTY TAX RATES (per \$1,000 of assessed value)
DIRECT AND OVERLAPPING GOVERNMENTS
LAST TEN FISCAL YEARS
(Unaudited)

	<u>2005-06</u>	<u>2004-05</u>	<u>2003-04</u>	<u>2002-03</u>	<u>2001-02</u>	<u>2000-01</u>	<u>1999-00</u>	<u>1998-99</u>	<u>1997-98</u>	<u>1996-97</u>
County										
County General Fund	10.35	10.35	10.35	10.35	10.35	10.35	10.35	10.35	10.35	10.35
County Sinking Fund	0.62	0.71	0.87	0.07	0.01	0.03	0.07	0.04	0.18	0.13
City-County Health Dept	2.59	2.59	2.59	2.59	2.59	2.59	2.59	2.59	2.59	2.59
Metro Library Commission	5.20	5.20	5.20	5.20	5.20	5.20	5.20	5.20	5.20	4.14
Total County-Wide Levies	18.76	18.85	19.01	18.21	18.15	18.17	18.21	18.18	18.32	17.21
Cities and Towns										
Bethany	0.00	0.00	5.95	6.15	6.98	7.76	8.46	12.14	10.36	14.79
Choctaw	2.56	2.93	3.33	3.68	4.45	5.38				
Del City	10.06	10.06	11.82	8.56	12.60	11.47	8.59	13.62	24.07	23.83
Edmond	0.20									
Midwest City	8.79	9.82	11.45	14.20	1.43	1.48	1.57	3.55	3.72	4.25
Nichols Hills	30.80	32.82	28.62	26.25	28.75	31.90	33.35	33.14	32.00	23.46
Nicom Park	5.20									
Oklahoma City	12.53	14.73	15.55	15.89	15.34	15.37	15.02	13.89	14.45	13.56
Spencer	4.16	5.43	5.20	5.08	6.19	6.68	7.71	8.00	2.89	7.33
Warr Acres	1.47	1.62								
School Districts (includes County-wide school levy)										
Oklahoma City 89	58.02	57.84	54.44	59.64	47.91	52.67	53.30	54.36	54.84	55.61
Putnam City 1	55.14	55.71	56.09	56.29	56.68	60.97	60.42	60.93	60.45	61.38
Luther 3	44.58	46.70	46.28	59.95	60.60	67.24	61.87	65.31	67.71	69.14
Choctaw 4	62.33	61.33	63.85	60.58	64.34	66.38	64.69	66.52	66.79	66.95
Deer Creek 6	75.92	74.75	76.37	76.31	76.51	77.79	80.97	80.65	78.51	78.93
Harrah 7	57.08	58.36	59.74	59.45	60.74	68.58	67.17	67.39	65.07	66.97
Jones 9	59.90	55.40	58.20	60.19	62.65	63.29	66.70	67.86	70.70	60.31
Edmond 12	65.95	66.51	66.23	66.87	66.67	71.17	71.65	70.51	66.62	69.10
Oakdale 29	60.07	62.93	67.20	64.12	54.26	71.73	72.60	71.47	76.02	71.34
Millwood 37	56.79	55.59	63.82	65.92	69.83	75.24	76.59	79.01	79.99	73.03
Western Heights 41	59.98	60.12	58.01	60.49	58.21	57.54	60.55	61.46	56.72	56.77
Midwest City 52	59.96	61.11	61.83	60.00	62.63	66.49	67.59	67.71	62.68	65.56
Crooked Oak 53	66.73	66.85	66.41	54.91	56.42	57.38	60.17	60.92	63.34	61.24
Crutch 74	48.60	46.68	49.47	51.96	52.91	56.34	59.22	61.31	63.48	66.99
Bethany 88	76.42	64.90	71.88	66.95	65.39	77.66	78.56	58.05	69.59	71.76
Vocational-Technical Schools (excludes County-wide school levy)										
Rose State College	16.35	16.50	16.62	16.66	16.78	16.90	17.17	17.25	17.52	17.72
Okla City Comm College	5.08	5.08	5.08	5.08	5.08	5.08	5.08	5.08	5.08	5.08
N W Ok Co Area V T 21	15.69	15.69	14.96	14.96	15.69	15.69	15.69	15.69	15.69	15.69
Ok Cy Area VT 22	15.45	15.45	15.45	15.45	15.45	15.45	15.45	15.45	15.45	15.45
V T Area 23	16.43	16.53	16.50	16.95	17.21	17.85	18.15	18.47	18.94	19.35
Canadian 22 - Piedmont	62.26	63.98	65.65	66.14	67.28	65.74	71.58	59.83	62.33	68.94
Canadian 69 - Mustang	60.04	65.86	67.10	67.14	67.53	69.54	63.12	59.69	57.74	59.87
Canadian Vo Tech 6	15.72	15.72	15.72	15.72	15.72	15.72	15.72	15.72	15.72	15.72
Cleveland 2 - Moore	61.13	58.02	58.36	58.66	56.98	59.34	61.06	61.74	56.70	56.52
Cleveland Vo Tech 17	14.58	14.58	14.58	14.58	14.58	13.54	13.53	13.53	13.53	13.53
Pottawatomie 1 - McCloud	52.50	53.94	54.56	55.99	56.84	58.56	63.46	64.28	66.04	67.16
Pottawatomie V T 5	15.47	15.57	15.57	15.57	15.57	14.47	12.47	12.47	12.47	12.47

**OKLAHOMA COUNTY, OKLAHOMA
PRINCIPAL PROPERTY TAXPAYERS
JUNE 30, 2006
(Unaudited)**

<u>Taxpayer</u>	<u>2006</u>			<u>1997</u>		
	<u>Taxable Assessed Value</u>	<u>Rank</u>	<u>Percentage of Total Taxable Assessed Value</u>	<u>Taxable Assessed Value</u>	<u>Rank</u>	<u>Percentage of Total Taxable Assessed Value</u>
Southwestern Bell Telephone Company	\$159,606,495	1	3.39%	\$85,819,315	1	1.82%
Oklahoma Gas & Electric Company	114,375,906	2	2.43%	84,690,450	2	1.80%
Redbud Energy	57,600,080	3	1.22%			
General Motors Corporation	54,641,874	4	1.16%	41,169,530	3	0.87%
Oklahoma Natural Gas	30,637,466	5	0.65%	26,449,361	4	0.56%
Cingular Wireless LLC	26,920,494	6	0.57%			
Cox Oklahoma Telecom LLC	26,094,319	7	0.55%			
Spring Spectrum L.P.	10,661,789	8	0.23%			
Alltel LLC	10,603,033	9	0.23%			
Cox Communications OK City Inc	10,424,025	10	0.22%			
AT&T Communications Enterprise				24,737,656	5	0.53%
Lucent Technologies, Inc				19,177,612	6	0.41%
Bridgestone Firestone Inc				11,842,877	7	0.25%
Midwest Cellular Telephone				11,769,962	8	0.25%
Ben C. Wileman (Penn Square Mall)				8,992,946	9	0.19%
OPUBCO				6,886,215	10	0.15%
	<u>\$501,565,481</u>		<u>10.65%</u>	<u>\$321,535,924</u>		<u>5.99%</u>

Source: Oklahoma County Assessor

OKLAHOMA COUNTY, OKLAHOMA
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS
(unaudited)

Fiscal Year Ended June 30	Total Tax Levy for Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
1996	\$24,834,417	\$24,017,778	96.7%	\$690,039	\$24,707,817	99.5%
1997	26,098,362	25,222,645	96.6%	713,523	25,936,168	99.4%
1998	27,725,990	26,721,587	96.4%	702,026	27,423,613	98.9%
1999	28,439,301	27,117,365	95.4%	927,706	28,045,071	98.6%
2000	30,561,831	27,951,730	91.5%	1,048,849	29,000,579	94.9%
2001	32,590,569	31,444,234	96.5%	481,657	31,925,891	98.0%
2002	35,033,297	33,487,253	95.6%	1,193,074	34,680,327	99.0%
2003	36,906,787	34,425,761	93.3%	1,356,171	35,781,933	97.0%
2004	42,114,409	38,788,377	92.1%	1,532,136	40,320,513	95.7%
2005	44,075,796	40,682,262	92.3%	1,250,412	41,932,674	95.1%
2006	46,072,804	43,372,649	94.1%	739,610	44,112,259	95.7%

¹ This schedule is prepared on a cash basis and is, therefore, not necessarily comparable to GAAP-basis financial statements.

OKLAHOMA COUNTY, OKLAHOMA
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS
(Unaudited)

Fiscal Year Ended June 30	Governmental Activities					Business-Type Activities		Total Primary Government	Percentage of Personal Income ¹	Per Capita
	General Obligation Bonds	Airport Hazard Bonds	Capital Leases	Judgments	Compensated Absences	Revenue Bonds				
1997	-	800,000	25,147	119,296	1,575,222	-	2,519,665	0.02%	\$4	
1998	-	400,000	254,438	419,636	1,798,074	6,800,000	9,672,148	0.06%	\$15	
1999	-	-	2,745,352	393,249	1,892,572	6,410,000	11,441,173	0.07%	\$17	
2000	-	-	5,328,978	189,327	2,725,896	6,110,000	14,354,201	0.08%	\$22	
2001	-	-	9,344,929	76,667	2,880,900	5,795,000	18,097,496	0.09%	\$27	
2002	-	-	8,836,510	479,167	2,846,719	5,470,000	17,632,396	0.09%	\$26	
2003	20,000,000	-	8,527,521	1,226,761	3,098,645	5,130,000	37,982,927	0.18%	\$56	
2004	20,000,000	-	8,123,859	1,033,941	3,301,999	20,560,000	53,019,799	0.24%	\$78	
2005	18,470,000	-	6,881,164	646,872	3,392,356	20,135,000	49,525,392	0.21%	\$72	
2006	\$16,940,000	\$0	\$6,129,964	\$933,167	\$3,466,831	\$19,355,000	\$46,824,962	0.19%	\$68	

Note: Details regarding the County's outstanding debt can be found in the notes to the financial statements.

¹ See the Schedule of Demographic and Economic Statistics on page 111 for personal income and population data.

OKLAHOMA COUNTY
RATIO OF GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS
(Unaudited)

Fiscal Year	General Obligation Bonds	Less: Amounts Available in Debt Service Fund	Total	Percentage of Estimated Actual Taxable Value¹ of Property	Per Capita
1997	-	507,043	(507,043)	-0.02%	(\$1)
1998	-	550,181	(550,181)	-0.02%	(\$1)
1999	-	591,895	(591,895)	-0.02%	(\$1)
2000	-	109,590	(109,590)	0.00%	(\$0)
2001	-	37,488	(37,488)	0.00%	(\$0)
2002	-	6,912	(6,912)	0.00%	(\$0)
2003	20,000,000	46,926	19,953,074	0.53%	\$29
2004	20,000,000	1,572,241	18,427,759	0.46%	\$27
2005	18,470,000	1,570,971	16,899,029	0.38%	\$25
2006	\$ 16,940,000	\$ 1,558,190	\$ 15,381,810	0.33%	\$22

Note: Details regarding the county's outstanding debt can be found in the notes to the financial statements.

¹See the Schedule of Assessed Value and Estimated Actual Value of Taxable Property on page 102 for property value data.

²Population data can be found in the Schedule of Demographic and Economic Statistics on page 111.

OKLAHOMA COUNTY, OKLAHOMA
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
JUNE 30, 2006
(Unaudited)

	Net General Obligation Bond Debt Outstanding	Percent Applicable to Oklahoma County	Amount Applicable to Oklahoma County
Oklahoma County	\$16,940,000	100.0%	\$16,940,000
<u>Overlapping Districts</u>			
CITIES			
Choctaw	750,000	100.0%	750,000
Del City	3,940,000	100.0%	3,940,000
Midwest City	16,325,000	100.0%	16,325,000
Nichols Hills	15,255,000	100.0%	15,255,000
Oklahoma City	418,865,000	85.3%	357,291,845
SCHOOL DISTRICTS			
Oklahoma City	159,195,000	100.00%	159,195,000
Putnam City	34,355,000	100.0%	34,355,000
Luther	385,000	95.9%	369,215
Choctaw	7,995,000	100.0%	7,995,000
Deer Creek	12,250,000	86.3%	10,571,750
Harrah	2,425,000	91.3%	2,214,025
Jones	1,700,000	100.0%	1,700,000
Edmond	78,340,000	96.6%	75,676,440
Oakdale	1,960,000	100.0%	1,960,000
Millwood	1,420,000	100.0%	1,420,000
Western Heights	4,125,000	100.0%	4,125,000
Mid-Del	29,345,000	98.0%	28,758,100
Crooked Oak	2,305,000	100.0%	2,305,000
Crutcho	360,000	100.0%	360,000
Bethany	685,000	100.0%	685,000
Eastern Oklahoma County Votech #23	820,000	96.6%	792,120
Rose State College	7,650,000	98.2%	7,512,300
Piedmont (Canadian County)*	3,230,000	25.8%	833,340
Mustang (Canadian County)*	22,350,000	2.0%	447,000
Moore (Cleveland County)	43,810,000	9.7%	4,249,570
McCloud (Pottawatomie County)	940,000	18.0%	169,200
Subtotal Overlapping Districts	870,780,000	84.9%	739,254,905
TOTAL	\$887,720,000		\$756,194,905

(continued)

OKLAHOMA COUNTY, OKLAHOMA
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
JUNE 30, 2006
(Unaudited)

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable¹	Estimated Share of Overlapping Debt
Overlapping debt repaid with property taxes: County	\$870,780,000	84.90%	\$739,254,905
Oklahoma County direct debt	\$ 16,940,000	100.0%	<u>16,940,000</u>
Total direct and overlapping debt			<u><u>\$756,194,905</u></u>

Sources: Assessed value data used to estimate applicable percentages provided by the County Board of Equalization and Assessment. Debt outstanding data provided by the county.

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the county. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of Oklahoma County. This process recognizes that, when considering the government's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, over each overlapping government.

¹The percentage of overlapping debt applicable is estimated using taxable assessed property values.

Applicable percentages were estimated by determining the portion of the county's taxable assessed value that is within the government's boundaries and dividing it by the county's total taxable assessed value.

OKLAHOMA COUNTY
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS
(Unaudited)

	Fiscal Year									
	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
Debt limit	\$124,564,077	\$131,434,459	\$136,893,781	\$146,649,857	\$156,987,324	\$169,078,593	\$189,049,173	\$201,045,146	\$220,123,276	\$235,563,575
Total net debt applicable to limit	<u>412,253</u>	<u>269,455</u>	<u>334,054</u>	<u>79,737</u>	<u>39,179</u>	<u>472,255</u>	<u>21,179,835</u>	<u>19,461,700</u>	<u>17,545,901</u>	<u>16,315,054</u>
Legal debt margin	<u>\$124,151,824</u>	<u>\$131,165,004</u>	<u>\$136,559,727</u>	<u>\$146,570,120</u>	<u>\$156,948,145</u>	<u>\$168,606,338</u>	<u>\$167,869,338</u>	<u>\$181,583,446</u>	<u>\$202,577,375</u>	<u>\$219,248,522</u>
Total net debt applicable to the limit as a percentage of debt limit	0.33%	0.21%	0.24%	0.05%	0.02%	0.28%	11.20%	9.68%	7.97%	6.93%

Legal Debt Margin Calculation for Fiscal Year 2006

Assessed value	\$4,858,324,359
Less: exempt real property	<u>(147,052,858)</u>
Total assessed value	\$4,711,271,501
Debt limit (5% of total assessed value)	235,563,575
Debt applicable to limit:	
General obligation bonds	16,940,000
Judgments	933,167
Less: Amount available in Debt Service fund	<u>(1,558,113)</u>
Total net debt applicable to limit	<u>16,315,054</u>
Legal debt margin	<u>\$219,248,522</u>

Note: Under state finance law, Oklahoma County's outstanding general obligation debt should not exceed 5% of total assessed property value. By law, the general obligation debt subject to the limitation may be offset by amounts set aside for repaying general obligation bonds.

**OKLAHOMA COUNTY
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS
(Unaudited)**

Fiscal Year	Population¹	Personal Income	Per Capita Personal Income²	Median Age³	Education Level in Years of Formal Schooling^{4,5}	School Enrollment⁵	Unemployment Rate²
1997	646,277	\$14,000,298,651	\$21,663	34.5		105,557	3.6%
1998	650,289	\$15,904,768,362	\$24,458	34.8		105,719	3.5%
1999	657,182	\$16,739,082,722	\$25,471	35.0		106,714	3.9%
2000	661,699	\$18,731,375,292	\$28,308	34.2	82.5%	107,207	2.7%
2001	664,687	\$20,363,350,932	\$30,636	34.2	81.8%	106,765	2.6%
2002	671,409	\$20,328,921,702	\$30,278	34.2	79.6%	107,255	4.1%
2003	676,416	\$21,352,423,872	\$31,567	34.2	83.3%	108,217	5.9%
2004	679,498	\$22,409,844,040	\$32,980	34.3	83.4%	108,184	4.5%
2005	687,578	\$23,781,260,286	\$34,587	34.6	84.5%	109,256	4.4%
2006	693,567	\$25,190,353,440	\$36,320	34.2		110,633	3.8%

Data Sources

¹Bureau of the Census/County Regional Planning Commission

²State Department of Labor

³State Department of Commerce

⁴This column shows the percentage of the County population 25 years and older who are high school graduates or higher.

⁵Data provided by State Department of Education.

Note: Population, median age, and education level information are based on surveys conducted during the last qtr of the calendar yr.

Personal income information is a total for the year. Unemployment rate information is an adjusted yearly average.

School enrollment is based on the census at the start of the school year.

**OKLAHOMA COUNTY
PRINCIPAL EMPLOYERS
CURRENT YEAR AND NINE YEARS AGO
(Unaudited)**

<u>Employer</u>	<u>2006</u>			<u>1997</u>		
	<u>Employees</u>	<u>Rank</u>	<u>% of Total County Employment¹</u>	<u>Employees</u>	<u>Rank</u>	<u>% of Total County Employment²</u>
Tinker AFB	23,000	1	5.48%	22,000	1	5.74%
Integrus Health	5,600	2	1.33%	5,500	2	1.44%
City of OKC	5,000	3	1.19%	4,900	4	1.28%
OKC School Dist	4,800	4	1.14%	4,800	5	1.25%
Hertz Corp	3,400	5	0.81%	4,700	6	1.23%
OU Medical Ctr.	3,300	6	0.79%	5,000	3	1.31%
FAA	3,000	7	0.71%	2,800	9	0.73%
AT&T	2,900	8	0.69%	2,500		0.65%
OGE Energy	2,800	9	0.67%	2,500		0.65%
SSM Healthcare	2,750	10	0.65%	2,750	10	0.72%
Lucent Tech	-	0	0.00%	4,500	7	1.17%
General Motors	-	0	0.00%	3,700	8	0.97%

¹(420,003) per State Department of Commerce

²(383,074) per State Department of Commerce

OKLAHOMA COUNTY
 FULL-TIME EQUIVALENT COUNTY GOVERNMENT EMPLOYEES BY FUNCTION
 LAST TEN FISCAL YEARS
 (Unaudited)

<u>Function</u>	1999	2000	2001	2002	2003	2004	2005	2006
<u>General Government</u>	556	558	553	581	574	572	557	573
<u>Public Safety:</u>	970	887	900	932	1,093	919	899	936
<u>Health & Welfare</u>	42	54	56	61	47	70	60	76
<u>Education</u>								
OSU Extension	14	12	14	14	14	1	1	1
<u>Road & Highway</u>	163	180	164	166	147	148	137	130
Total	1,745	1,691	1,687	1,754	1,875	1,710	1,654	1,716

OKLAHOMA COUNTY
OPERATING INDICATORS BY FUNCTION
LAST THREE FISCAL YEARS
(Unaudited)

Function	03/04	04/05	05/06
Public Safety			
Sheriff			
Inmates Booked/Released	90,122	91,007	88,269
Dispatch - Total calls for all agencies	54,673	61,258	68,443
Civil process served	14,858	15,075	14,885
Patrol - Calls for service	11,886	12,075	12,433
Patrol - Miles	1,063,601	1,077,250	1,047,488
Warrants served	2,211	2,475	2,388
Juvenile Bureau			
Preliminary inquiries completed by intake	1,418	1,387	1,601
Clients referred to probation	632	582	496
Juveniles referred to intake	1,689	1,794	1,984
Probations closed successfully	397	318	351
Admissions to Detention	1,909	1,775	1,693
Average daily population	69	75	79
Conditional Bond			
Clients interviewed			1,098
Clients released			303
OR Bond			
Clients interviewed	5,931	7,822	7,067
Clients released	543	1,099	1,391
Community Service			
New cases worked	2,800	2,532	2,554
Health & Welfare			
Training & General Assistance			
Prescriptions filled	11,116	10,386	11,090
Burial/Cremations provided	155	201	222
Culture & Recreation			
Free Fair			
County Fair & Livestock Show	12,750	10,000	13,000
Education			
OSU Extension			
Master Gardener Contacts	44,000	40,000	50,000
Horticulture Contacts	4,000	2,500	5,000
Family & Consumer Sciences Contacts	2,300	2,000	3,000
4H Contacts	14,500	12,000	19,000
Soil Samples & other tests	1,300	900	1,400
Road & Highway			
Dist. 1			
Number of road miles constructed or rehabilitated	9.00	7.00	12.03
Number of bridges replaced or rehabilitated			1.0
Dist. 2			
Number of road miles constructed or rehabilitated	28.00	12.67	15.75
Number of bridges replaced or rehabilitated		1.0	2.0
Dist. 3			
Number of road miles constructed or rehabilitated	3.28	8.50	11.13
Number of bridges replaced or rehabilitated			1.0

Data available for three years and will ultimately include ten years.

OKLAHOMA COUNTY
CAPITAL ASSET STATISTICS BY FUNCTION
LAST THREE FISCAL YEARS
(Unaudited)

Function	Fiscal Year		
	03/04	04/05	05/06
Public Safety			
Sheriff			
Jail	1	1	1
Training Center	1	1	1
Sub-Station	1	1	1
Fleet-Patrol Units	194	191	231
Emergency Management			
Vehicles	28	42	38
Juvenile Bureau			
Vehicles	12	11	15
Health & Welfare			
Training & General Assistance			
Vehicles	4	4	4
Road & Highway			
Heavy Equipment	210	206	202
Other vehicles	79	70	73
County shops	3	3	3
	2004	2005	2006
Road miles (based on calendar year)	536	591	590