

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

**FOR THE FISCAL YEAR ENDED**  
**JUNE 30, 2007**



**COUNTY**  
**REPORT**



**Jeff A. McMahan**  
Oklahoma State Auditor  
& Inspector



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

**FOR FISCAL YEAR ENDED JUNE 30, 2007**

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

***Carolynn Caudill, Oklahoma County Clerk***

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For the fiscal year ended June 30, 2007**

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*I - Introductory Section*







CAROLYNN CAUDILL  
OKLAHOMA COUNTY CLERK

MARK W, MISHOE, CHIEF DEPUTY

713-7184

February 21, 2008

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

We hereby issue the 2007 Comprehensive Annual Financial Report (CAFR) of Oklahoma County for fiscal year ended June 30, 2007. 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.

## **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 2006 population of 691,226, 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 certain 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).

### ***Related Organizations***

The following related organizations are excluded from the financial reporting entity because the County has determined that these entities do not meet the component unit criteria defined previously. Financial statements are available from the respective organizations. Related organizations are Oklahoma County Home Finance Authority, Oklahoma 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.

### ***Financial Policies***

Oklahoma County follows the prescribed policies and procedures outlined in Oklahoma law to guide the budgeting and financial practices. The County maintains a financial and budgetary control system whereby expenditures and revenues are tracked in the County's financial system to ensure adherence to the budget. Monthly reports are prepared and presented to the County Budget Board that compare actual revenues and expenditures to budgeted amounts and provide a picture of the County's cash position. During the 07 fiscal year the law was changed allowing Excise Board counties the ability to temporarily transfer money from one fund to any other fund, upon notification to the Board of County Commissioners. This change resulted in a savings of approximately \$100,000 in interest payments from a credit line that were paid the previous year due to the inability to transfer money to the County General Fund. Also in the 07 fiscal year, the Board of County Commissioners re-established the Budget Board which consists of all eight elected officials to become effective July 1, 2007. During the 07-08 Budget process the County established a reserve fund and currently drafting a reserve fund policy to guide the funding and spending of this fund.

## **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 slow slightly along with the state next year, but is still expected to add 4,700 new jobs in 2008, a 1.1% gain. The county has slowed in lockstep along with the metro area, state, and nation in the past year but continues to add jobs at a healthy pace. The expansion remains broad based, with the energy sector providing the greatest stimulus as local oil and gas firms complete a fifth consecutive year of rapid hiring. Along with the energy sector, most of the job creation the past year is in health services; professional, scientific, and technical services; and state government.

Oklahoma County remains the major source of job formation in the metro area. County employers created 2 out of every 3 new jobs in the metro area from the recent bottom in 2003 through the end of 2006. Personal income gains at the county level remain strong, averaging nearly 8.5% annually since 2004. Oklahoma County continues to have the second highest per capita income in the state behind Tulsa County, and is now at 107% of the national level.

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 Hornets to Oklahoma City for two seasons was a stunning success and 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.) Oklahoma City continues to make a strong bid for a permanent NBA franchise.

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 outlook for next year is influenced by the continued slowing expected for both state and national economies next year. The trend job growth rate at the state level has been reduced by half from 2.5% to 1.5% by year-end 2007, while the metro area has slowed from approximately 2.3% to 1.7% growth. These factors will weigh on the prospects for economic expansion in Oklahoma City next year; however it is predicted that the local economy will experience a milder slowing in hiring than the state and metro area. The high concentration of energy-related jobs will buffer the impact of slowing and help the area mostly duplicate the job gain from 2007.

The national housing slowdown is having only a minimal impact so far in the county and metro area. However, most of the mortgage delinquency problems in the region are concentrated in lower income areas of Oklahoma City. Construction industry hiring will be basically flat for the

county in 2008 but is expected to increase by more than 300 jobs (1.7% gain) next year as the industry regains momentum. Even with the slowdown, the County has experienced growth over the past several years, and ad valorem tax revenues are expected to continue to increase in the foreseeable future.

The local accommodations and food service sector has been a critical source of jobs the past decade but the sector consolidated in 2007, adding only 200 jobs (0.6% gain). It's expected the industry will rebound next year and add nearly 900 jobs. The heavy concentration of advanced and specialized care medical facilities in Oklahoma City continues to draw residents from across the state. The health care and social assistance sector now employs 1 in 8 county workers and has again picked up hiring momentum after sluggish performance coming out of the last recession. The sector should add nearly 1,700 jobs (3.3% gain) for all of 2007 and nearly 2,000 jobs (3.7% gain) in 2008. This will represent more than 40% of total county job growth next year. Government payrolls continue to support the Oklahoma County job base and currently represent more than 1 in 6 county jobs. There is continued growth in state government payrolls with expected gains of 4.0% in 2007 before slowing to 1.0% in 2008. Local government payrolls remain weak and will increase by less than 1% in 2008. Federal government hiring is showing some strength through 2007, the first meaningful gain in the past decade.

There is some evidence that consumer spending in Oklahoma County is taking a breather after the very rapid income and spending growth posted in 2006. Although growth in both personal income and taxable retail sales cooled in 2007 relative to 2006 they remain at historically strong levels. County personal income growth declined from 9.5% in 2006 to 7.1% for 2007, while retail sales growth dropped from 9.6% in 2006 to 5.3% in 2007. It's expected that county retail sales will increase 5.6% next year. The forecasted 2008 level of per capita income for Oklahoma County of \$43,228 remains well ahead of the state average (\$35,255) and has reached more than 107% of the nation (\$40,171).

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

	2006	Estimated 2007	% Change	Projected 2008	% Change
Agri., Forestry, Fishing & Hunting	196	247	26.0%	233	-5.7%
Mining	10,310	11,690	13.4%	12,488	6.8%
Construction	17,998	17,956	-0.2%	18,258	1.7%
Manufacturing	28,521	27,059	-5.1%	26,205	-3.2%
Trade, Transportation & Utilities	78,751	78,209	-0.7%	78,431	0.3%
Information	11,705	10,937	-6.6%	10,954	0.2%
Financial Activities	27,159	27,624	1.7%	27,718	0.3%
Professional & Bus. Services	60,537	62,817	3.8%	63,631	1.3%
Education & Health Services	56,113	58,013	3.4%	59,910	3.3%
Leisure & Hospitality	41,214	41,353	0.3%	42,227	2.1%
Other Services	11,048	11,022	-0.2%	11,040	0.2%
Government	76,662	78,332	2.2%	78,982	0.8%
Unclassified industries	139	62	-55.4%	45	-27.4%
Total Wage & Salary Employment	420,353	425,321	1.2%	430,122	1.1%

Source: Oklahoma State University, Center for Applied Economic Research

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

### ***Strategic Planning***

Planning has begun to update and revise Oklahoma Counties 2005 strategic plan. 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 security detection equipment has been installed along with security fencing, at the County courthouse and County Annex building's and was completely operational in 06-07. The security guard shack located in the alley between the county courthouse and annex building was also completed as part of the security project and is fully operational.

Completion of the replacement of the HVAC system at the Training & General Assistance building at a total cost of \$255,785.

Completion of the remodeling of cells in the County Jail Facility, to meet compliance of ADA standards, at a total cost of \$101,581.

Completion of the replacement of the central control panel for the Oklahoma County Jail Facility which monitors and governs all sliders providing access within the Jail Facility and also monitors all outside cameras and controls all gates and garage door openings to the facility. The total cost of the project was \$501,727.

The completion of a master plan for a potential new juvenile justice center for the county including conceptual drawings, potential site location, and cost estimates.

### ***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.

Oklahoma County budgeted \$875,520 in FY 07-08 for various capital improvement projects including roof replacement at the Jail and OSU Extension building, repair of basement drain lines at the Annex building, installation of roof drain piping and plumbing chases in the County Courthouse and an upgrade to the County phone system.

Other capital improvement projects were identified but not funded in the 07-08 budget, such as the construction of a new Juvenile Justice Center, the expansion of the County Jail Facility, replacement of fire, security and safety system at the Jail along with many other repair and replacement projects to the Courthouse, Annex, Jail, Juvenile, T&GA and OSU Extension buildings.

The County has budgeted \$650,000 in 07-08 in addition to the \$1.5 million budgeted in 06-07 for the continuation of 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, 2006. This was the thirteenth consecutive year that Oklahoma County has received this prestigious award (fiscal years ended 1994-2006).

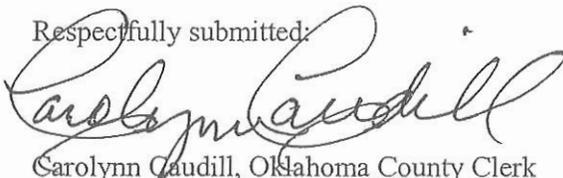
In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized comprehensive annual financial report whose contents conform to program standards. This report must satisfy both generally accepted accounting principles and applicable legal 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, 2006

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.



*Cherie S. Cox*

President

*Jeffrey R. Egan*

Executive Director

## Oklahoma County Elected Officials



**Willa Johnson,  
Commissioner District 1**



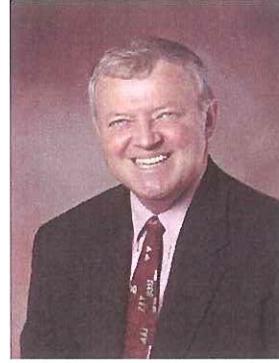
**Brent Rinehart,  
Commissioner District 2**



**Ray Vaughn,  
Commissioner District 3**



**Carolynn Caudill,  
County Clerk**



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



**John Whetsel,  
Sheriff**



**Leonard Sullivan,  
Assessor**

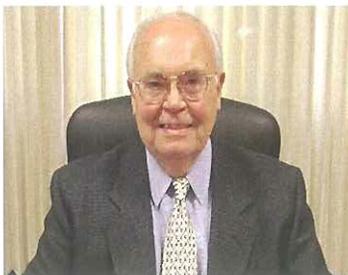


**Patricia Presley,  
Court Clerk**

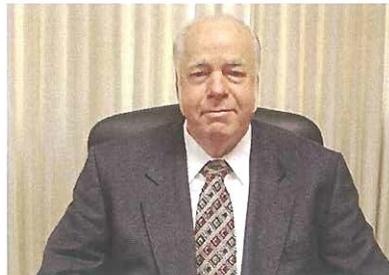


**David Prater,  
District Attorney**

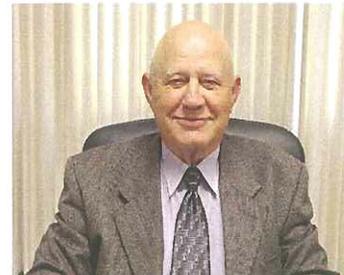
## Oklahoma County Excise Board Members



**James Harrod**

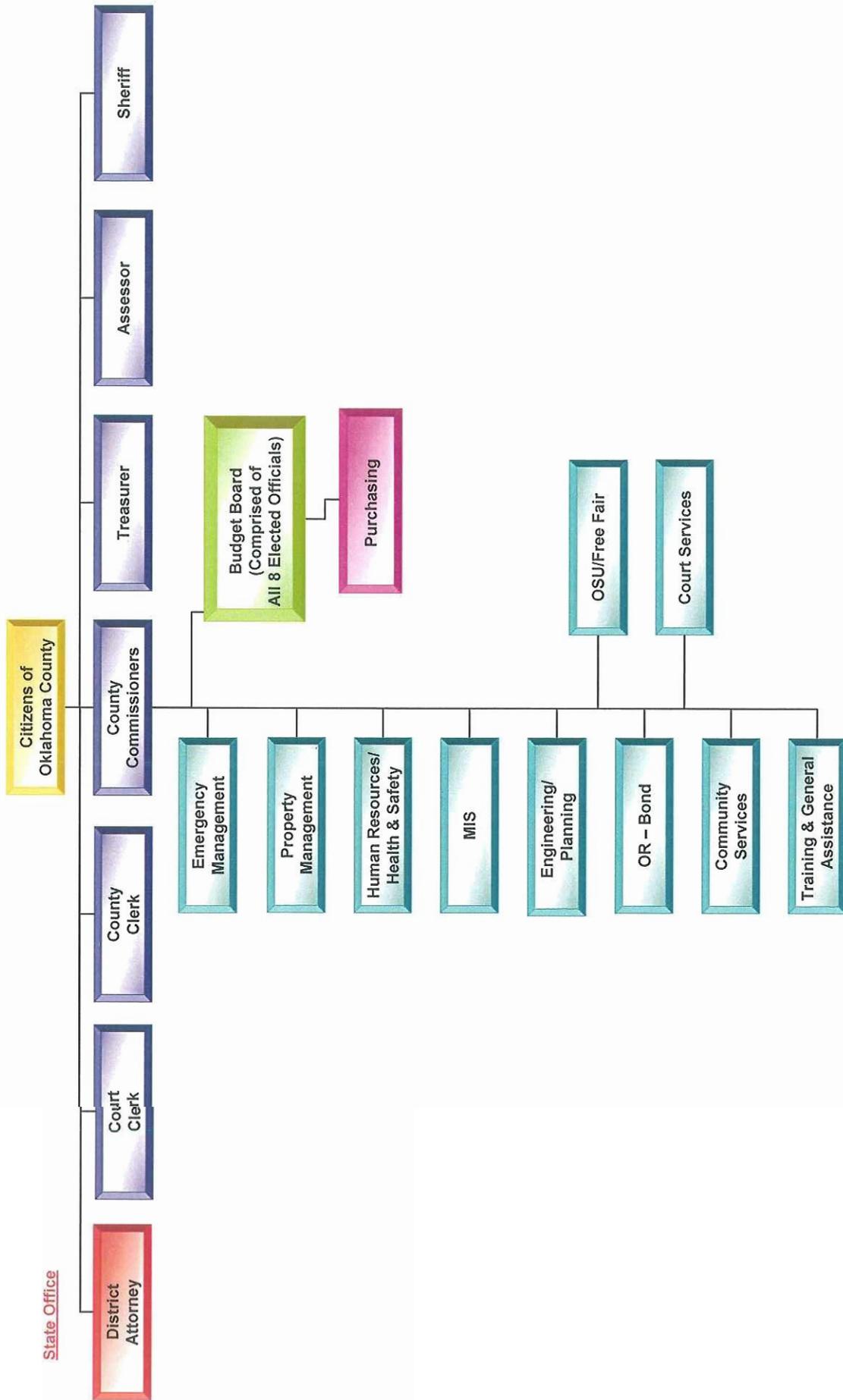


**Frank Burns**



**Donald Strube**

# Oklahoma County Organizational Chart



**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, 2007, 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 100 percent of the assets and revenues of the business-type activities; the financial statements of the Oklahoma County Finance Authority, which represent 100 percent of the assets and revenues of the discretely presented component unit; and the financial statements of the defined benefit retirement plan of the Employees' Retirement System of Oklahoma County, which represent 8 percent of the assets presented in the statement of fiduciary net assets and 16 percent of the additions presented in the statement of changes in fiduciary net assets. Those financial statements were audited by other auditors whose reports thereon 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 defined benefit retirement plan included in the aggregate remaining fund information of Oklahoma County, is based 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, 2007, and the respective changes in financial position and, where applicable, cash flows 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 February 19, 2008, 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. That report is issued under separate cover with the Oklahoma County Single Audit Reports.

The Management's Discussion and Analysis (pages 15 -24), Schedule of Funding Progress-Employees' Defined Benefit Retirement System (page 70), Schedule of Employer Contributions-Employees' Defined Benefit Retirement System (page 70), and the Budgetary Comparison Schedules (pages 71-76) 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 non-major governmental funds and the fiduciary funds presented in 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 debt service fund presented in the combining and individual fund financial statements (page 83), 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.



MICHELLE R. DAY, Esq.  
Deputy State Auditor and Inspector

February 19, 2008

## **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, 2007. Please read it in conjunction with the financial statements which immediately follow this section.

### **FINANCIAL HIGHLIGHTS**

#### **Government-wide financial analysis**

The total assets of the County exceeded its liabilities at the close of the fiscal year by \$134,600,420 (net assets). Of this amount \$14,282,265 is unrestricted and may be used to meet the County's ongoing obligations to citizens and creditors, \$38,157,062 is restricted for specific purposes, and \$83,880,881 is invested in capital assets, net of related debt.

#### **Fund financial analysis**

Total fund balances for the County's governmental funds amounted to \$49,394,900 at June 30, 2007, an increase of \$2,256,901 from the prior fiscal year. \$45,674,754 of this total is unreserved and available to meet the County's current and future needs.

Unreserved fund balance in the County's General Fund at year end was \$11,955,593, or 18% of its total expenditures for the year.

#### **Capital asset and debt administration**

The County's investment in capital assets has decreased by \$1,552,322 or 1.3% from \$122,473,568 to \$120,921,246. This balance consists of \$106,393,915 for the governmental activities and \$14,527,331 for the business-type activities.

The County's total long-term debt has decreased by \$3,123,165, or 7.4% from \$42,444,164 to \$39,320,999. This decrease was primarily due to scheduled retirement of outstanding bonds and capital leases.

### **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

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

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.

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 required 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.

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

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, 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 for nonmajor governmental funds are presented immediately following the required supplementation information.

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

**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 \$134,600,420 at June 30, 2007. At the end of the current year, the County's net assets are reported as follows:

**Oklahoma County's Net Assets**

**June 30, 2007**

(dollars are in thousands)

	Governmental Activities		Business-type Activities		Totals	
	2007	2006- Restated	2007	2006	2007	2006- Restated
Total current and other assets	\$ 61,336	\$ 59,531	\$ 3,318	\$ 2,845	\$ 64,654	\$ 62,376
Capital assets, net	106,394	106,048	14,527	16,426	120,921	122,474
<b>Total assets</b>	<b>167,730</b>	<b>165,579</b>	<b>17,845</b>	<b>19,271</b>	<b>185,575</b>	<b>184,850</b>
Total current liabilities	13,483	13,575	901	862	14,384	14,437
Total noncurrent liabilities	19,692	22,028	16,899	17,643	36,591	39,671
<b>Total liabilities</b>	<b>33,175</b>	<b>35,603</b>	<b>17,800</b>	<b>18,505</b>	<b>50,975</b>	<b>54,108</b>
Net assets:						
Invested in capital assets, net of related debt	87,153	86,825	(3,272)	(1,146)	83,881	85,679
Restricted	33,120	31,870	3,317	1,912	36,437	33,782
Unrestricted	14,282	11,281	-	-	14,282	11,281
<b>Total net assets</b>	<b>\$ 134,555</b>	<b>\$ 129,976</b>	<b>\$ 45</b>	<b>\$ 766</b>	<b>\$ 134,600</b>	<b>\$ 130,742</b>

The largest portion of the County's net assets (62.3%) 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 (27.1%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net assets, a total of \$14,282,265 (10.6%), may be used to meet the county's ongoing obligations to citizens and creditors. The unrestricted balance is fully attributable to governmental activities.

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

At the end of the 2007 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 separate governmental activities. The same situation held true for the prior fiscal year.

**Oklahoma County's Changes in Net Assets  
Year Ended June 30, 2007  
(dollars in thousands)**

	Governmental Activities		Business-type Activities		Totals	
	2007	2006	2007	2006	2007	2006
Revenues:						
Program revenues:						
Charges for services	\$ 34,262	\$ 32,407	\$ 3,089	\$ 3,158	\$ 37,351	\$ 35,565
Operating grants and contributions	16,705	5,299			16,705	5,299
Capital grants and contributions	1,591	13,711			1,591	13,711
General revenues:					-	-
Property taxes	53,204	49,289			53,204	49,289
Other revenues	2,931	2,210	95	83	3,026	2,293
Total revenue	108,693	102,916	3,184	3,241	111,877	106,157
Expenses:						
General government	35,160	34,246			35,160	34,246
Public safety	50,039	46,295			50,039	46,295
Health and welfare	3,897	3,375			3,897	3,375
Culture and recreation	49	48			49	48
Education	440	448			440	448
Roads and highways	14,450	14,775			14,450	14,775
Economic development	308	246			308	246
Interest on long-term debt	1,024	1,085			1,024	
Public Buildings Authority			2,652	2,451	2,652	2,451
Total expenses	105,367	100,518	2,652	2,451	108,019	101,884
Change in net assets before transfers	3,326	2,398	532	790	3,858	3,188
Net Transfers	1,253	770	(1,253)	(770)	-	-
Change in net assets	4,579	3,168	(721)	20	3,858	3,188
Net assets - beginning	125,065	121,592	766	746	125,831	122,338
Prior Period Adjustment	4,911	305			4,911	305
Net assets - ending	\$ 134,555	\$ 125,065	\$ 45	\$ 766	\$ 134,600	\$ 125,831

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

### **Governmental activities**

Net assets for governmental activities increased \$9.5 million. The change in net assets resulted from a \$4.9 million 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 \$5.8 million. The more significant increases were as follows:
  - Property taxes increased by approximately \$3.9 million or 7.9%, as a result of continued increases in assessed values.
  - Investment earnings increased a total of \$701 thousand from \$1.9 million to \$2.6 million as a result of strong economic conditions.
  - Federal grant collections for the various Training & General Assistance programs increased a total of \$861 thousand.
  - Prisoner boarding fees from the boarding of city, state and federal prisoners in the Oklahoma County Jail increased approximately \$750 thousand from the previous year.
  - Funds for Roads and Bridges decreased approximately \$968 thousand as a result of a decrease of \$284 thousand for gas & motor vehicle taxes. These funds were previously reported as Capital Grants and Contributions and properly reclassified as Operating Grants and Contributions. The total was also a result of a decrease of approximately \$730 thousand from city road projects.
- The increase in revenues was offset with a \$4.8 million increase in expenses. The more significant changes were as follows:
  - An increase of \$3.7 million is attributable to public safety. This fluctuation is comprised of multiple items, including an annual increase of \$207 thousand in the Sheriff's inmate medical service contract (a 4.5% increase), an increase of \$2.1 million in Sheriff salaries for personnel and salary adjustments (a 12.2% increase), an increase of \$239 thousand in Juvenile Justice Bureau salaries for personnel (a 6.6% increase). Sheriff health premium costs increased \$483 thousand and the Juvenile Justice department costs increased \$124 thousand due to the increased premium rates charged to departments.
  - An increase of \$522 thousand is attributable to Health and Welfare as a result of an increase in spending in the Training and General Assistance program offset by grant reimbursements.

### **Business-type activities**

Rental revenues remained steady during the second complete year of operation of the new garage, seeing only slight decrease of 2% since fiscal year 2006. Non-operating expenses (interest payments and amortization of bond discount and issuance costs) decreased approximately \$14,853, which was partially offset with non-operating revenues of approximately \$95,144 from the earnings on unspent bond proceeds. A total of \$1,252,592 in capital assets was transferred to Oklahoma County after completion of

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

various building improvement projects. These factors along with a total income of \$532,031 resulted in a \$720,561 decrease in net assets at year-end.

### 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 \$49,394,900, a decrease of \$2.2 million in comparison with the prior year. Unreserved fund balance was \$45,674,754, 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 \$2,798,907, and 2) for inventory on hand at year-end of \$921,239.

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 of \$11,955,593 and total fund balance of \$13,109,193 to total fund expenditures. Unreserved fund balance represents 18% of the total general fund expenditures, while total fund balance represents 20% of that same amount.

While fund balance of the governmental funds decreased by \$2.2 million, or 4.8%, the individual funds had more significant fluctuations:

- General fund balance increased \$2,723,778. Revenues were up approximately 9.9%, while expenses were up approximately 8.8%. Together, these fluctuations resulted in a \$2,205,133 excess of revenues over expenditures before other financing sources, compared to a \$1,400,331 excess last year.
- Sheriff Special Revenue fund balance increased \$767,914 as a result of revenues exceeding expenditures.
- Other Governmental funds increased \$2,267,021 as a result of activity in 23 different funds. The most significant of these fluctuations is attributable to a \$2,132,699 increase in the Debt Service Fund ending balance as a result of transferring \$2,092,116 of unused bond fund proceeds from Tinker Clearing II fund.

#### **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 2006-2007 General Fund budget was adopted under the Commissioner/Excise Board method in accordance with state statutes, which state that all county offices are provided with temporary appropriations to begin the fiscal year based on each departments estimate of needs submitted to the board prior the beginning of the fiscal year. The annual adopted budget was finalized and approved for the general fund and debt service fund in September once the ad valorem levies were certified for the fiscal year. The other operating revenues were projected based on actual figures from the previous fiscal year.

The total General Fund adopted budget was \$67,847,958 and we finished the year with a total budget of \$67,994,518 for a total departmental increase of \$146,560. Transfers out to other funds totaling \$1,475,000 were also budgeted. The budget was amended by \$62,986 due to the cost of special elections held throughout the year and \$82,580 of unencumbered funds from County Audit department carried over from prior year budget.

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 \$2,285,571 under budget while revenue collections were approximately \$2,721,617 higher than budget. Ad valorem tax collections (current and prior) accounts for \$2,485,246, county clerk fees account for \$332,773 and interest income account for \$1,006,003 of the revenue variance. These increases were offset with a \$1,005,974 unfavorable variance in intergovernmental revenues, primarily due to T&GA federal grants being overestimated.

**CAPITAL ASSET AND DEBT ADMINISTRATION**

**Capital Assets**

At June 30, 2007, the County's investment in capital assets for its governmental activities amounts to \$106,393,915 (net of accumulated depreciation) and \$14,527,331 (net of accumulated depreciation) for its business-type activities. The County owns various buildings in which county business is conducted. The buildings and building improvements are recorded at a net book value of \$47.2 million at June 30, 2007, comprising the largest class of assets.

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

- Completion of the replacement of the HVAC system at the Training & General Assistance building at a total cost of \$255,785.
- Completion of the main console and remodel of cells to ADA compliant in the county Jail facility at a total cost of \$603,308.
- Completion of a security guard shack in the alley way between the county courthouse and annex building at a total cost of \$63,779.

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

- Construction of and improvements to approximately 30 miles of county roads at a total cost of approximately \$3.0 million dollars.

During the current year, beginning net assets was adjusted \$218,914 to correct balances of other capital assets reported in error at June 30, 2006. 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 \$12,452,671, leaving a legal debt margin of \$236,683,861. 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. The national housing market's woes are having only an indirect impact on the county market through slower overall national economic conditions. Housing price gains remain solid in the Oklahoma City area, reaching a reported 4.7% for the four quarters ended in September 2007. The state is well positioned to weather the housing storm as relatively few Oklahoma homeowners hold sub-prime, jumbo or adjustable rate mortgages as compared to other states. This coupled with the measured increase in housing prices the past few years, will continue to insulate the metro area from much of the national housing fallout. This has resulted in increased market values in homes Oklahoma County and in turn increased ad valorem revenues.

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 56% of the general fund budget allocated to salaries and wages (excluding benefits which represents another 19%), the impact is significant to the County. The County realized an increase of \$774 thousand or 6.56% in total health care costs since last year and an increase in employee premiums for the 2007 calendar year based on actuary projections. The total county health care costs for the year was approximately \$12.6 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 again in the coming year based on industry projections.

The County will implement the requirements of GASB Statement No. 45, "Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions" (OPEB) in fiscal year ending June 30, 2008. This statement requires the calculation of the actuarially determined accrued costs of post-employment benefits other than pension benefits provided by the County and the recording of a current OPEB

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

expense and any resulting net OPEB obligation for funding less than the actuarial required contribution.

The Southwestern Bell protested 06 tax assessment was settled in 07-08 and the County General Fund portion was \$1.5 million. The County's 07-08 General Fund budget was amended in September 2007 to reflect the settled amount received.

In the 2007 fiscal year, The Board of County Commissioners voted to restate the Oklahoma County Budget Board, effective July 1, 2007 previously dissolved July 1, 2005. The County Budget Act created a Budget Board which consists of all eight elected officials and establishes uniform fiscal procedure for the preparation, adoption, execution and control of budgets.

**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, 2007**

	<u>Primary Government</u>			<u>Component Unit</u>
	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>	
<b><u>ASSETS</u></b>				
Current assets:				
Cash and cash equivalents	\$ 37,376,680	\$ 2,957,291	\$ 40,333,971	\$ 1,911,215
Investments	6,617,753	-	6,617,753	554,514
Property taxes receivable, net	5,187,202	-	5,187,202	-
Interest receivable	106,011	4,247	110,258	9,167
Accounts receivable	441,489	-	441,489	11,411
Unbilled service revenue receivable	2,224,047	-	2,224,047	-
Notes receivable	-	-	-	282
Prepaid insurance	-	-	-	3,146
Intergovernmental receivables	4,798,018	-	4,798,018	-
Inventories	921,239	-	921,239	-
<b>Total current assets</b>	<b>57,672,439</b>	<b>2,961,538</b>	<b>60,633,977</b>	<b>2,489,735</b>
Noncurrent assets:				
Bond issuance costs	63,686	356,293	419,979	-
Capital assets not being depreciated	31,342,285	2,275,936	33,618,221	-
Capital assets, net of accumulated depreciation	75,051,630	12,251,395	87,303,025	403
Net pension asset	3,599,822	-	3,599,822	-
<b>Total noncurrent assets</b>	<b>110,057,423</b>	<b>14,883,624</b>	<b>124,941,047</b>	<b>403</b>
<b>Total Assets</b>	<b>\$ 167,729,861</b>	<b>\$ 17,845,162</b>	<b>\$ 185,575,023</b>	<b>\$ 2,490,138</b>
<b><u>LIABILITIES</u></b>				
Current liabilities:				
Accounts payable and other current liabilities	\$ 3,589,925	\$ 57,831	\$ 3,647,756	\$ 2,186
Compensated absences, current	3,006,110	-	3,006,110	-
Leases payable, current	728,752	-	728,752	-
Judgments payable, current	370,817	-	370,817	-
Claims liability, current	4,257,100	-	4,257,100	-
Bonds payable, current	1,530,000	825,000	2,355,000	-
Unearned revenue	-	18,067	18,067	-
<b>Total current liabilities</b>	<b>13,482,703</b>	<b>900,898</b>	<b>14,383,601</b>	<b>2,186</b>
Noncurrent liabilities:				
Accrued interest payable	108,073	-	108,073	-
Compensated absences	616,499	-	616,499	-
Leases payable	4,724,993	-	4,724,993	-
Judgments payable	362,667	-	362,667	-
Bonds payable-net	13,880,000	16,898,770	30,778,770	-
<b>Total noncurrent liabilities</b>	<b>19,692,232</b>	<b>16,898,770</b>	<b>36,591,002</b>	<b>-</b>
<b>Total Liabilities</b>	<b>33,174,935</b>	<b>17,799,668</b>	<b>50,974,603</b>	<b>2,186</b>
<b><u>NET ASSETS</u></b>				
Invested in capital assets, net of related debt	85,593,856	(3,272,337)	82,321,519	403
Restricted for:				
General government				
Resale property	4,056,562	-	4,056,562	-
Records preservation	1,572,776	-	1,572,776	-
Public safety	13,268,746	-	13,268,746	-
Roads and highways	8,299,177	-	8,299,177	-
Economic development	2,857,658	-	2,857,658	-
Debt service	2,957,329	3,317,831	6,275,160	-
Other purposes	107,196	-	107,196	-
Unrestricted	15,841,626	-	15,841,626	2,487,549
<b>Total net assets</b>	<b>134,554,926</b>	<b>45,494</b>	<b>134,600,420</b>	<b>2,487,952</b>
<b>Total liabilities and net assets</b>	<b>\$ 167,729,861</b>	<b>\$ 17,845,162</b>	<b>\$ 185,575,023</b>	<b>\$ 2,490,138</b>

**OKLAHOMA COUNTY, OKLAHOMA  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2007**

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Assets			Component Unit
	Expenses	Indirect Expense Allocation	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		
						Governmental Activities	Business-type Activities	
<b>Primary government:</b>								
Governmental activities:								
General government	\$ 35,160,374	\$ (1,326,316)	\$ 12,897,993	\$ 1,840,216	\$ -	\$ (19,095,849)	\$ -	\$ -
Public safety	50,039,027	1,042,607	21,320,760	1,453,584	-	(28,307,289)	-	-
Health and welfare	3,896,513	79,442	-	2,172,430	-	(1,803,525)	-	-
Culture and recreation	48,967	-	-	-	-	(48,967)	-	(48,967)
Education	439,609	-	-	-	-	(439,609)	-	(439,609)
Roads and highways	14,450,276	204,267	-	11,238,311	1,591,477	(1,824,756)	-	(1,824,756)
Economic development	307,465	-	42,923	-	-	(264,542)	-	(264,542)
Interest on long term debt	1,024,368	-	-	-	-	(1,024,368)	-	(1,024,368)
Total governmental activities	105,366,599	-	34,261,676	16,704,541	1,591,477	(52,808,905)	-	(52,808,905)
<b>Business type activities:</b>								
Public Buildings Authority	2,652,389	-	3,089,276	-	-	436,887	436,887	436,887
Total primary government	\$ 108,018,988	\$ -	\$ 37,350,952	\$ 16,704,541	\$ 1,591,477	\$ (52,808,905)	\$ 436,887	\$ (52,372,018)
<b>Component unit:</b>								
Finance Authority	\$ 51,024	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (51,024)
<b>General revenues:</b>								
Property taxes						53,204,275	-	53,204,275
Unrestricted investment earnings						2,583,612	95,144	2,678,756
Miscellaneous						347,468	-	347,468
Transfers						1,252,592	(1,252,592)	-
Total general revenues and transfers						57,387,948	(1,157,448)	56,230,500
Change in net assets						4,579,042	(720,561)	3,858,481
Net assets - beginning, as restated (See Note III.G.)						129,975,883	766,055	130,741,938
Net assets - ending						\$ 134,554,926	\$ 45,494	\$ 134,600,420

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

**OKLAHOMA COUNTY, OKLAHOMA  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
JUNE 30, 2007**

	General	Highway Cash	Sheriff Special Revenue	Tinker Clearing II	Other Governmental Funds	Total Governmental Funds
<b>ASSETS</b>						
Cash and cash equivalents	\$ 9,525,863	\$ 4,542,704	\$ 6,229,153	\$ 3,744,975	\$ 13,333,985	\$ 37,376,680
Investments	1,686,608	804,311	1,102,907	663,069	2,360,858	6,617,753
Property taxes receivable	4,242,365	-	-	-	944,837	5,187,202
Interest receivable	2,168	23,016	38,231	-	42,596	106,011
Accounts receivable	213,234	-	4,964	-	223,291	441,489
Unbilled service revenue receivable	-	-	2,224,047	-	-	2,224,047
Intergovernmental receivable	1,057,382	2,617,869	776,368	-	88,425	4,540,044
Inventory	197,735	577,258	146,246	-	-	921,239
Total assets	<u>\$ 16,925,355</u>	<u>\$ 8,565,158</u>	<u>\$ 10,521,916</u>	<u>\$ 4,408,044</u>	<u>\$ 16,993,992</u>	<u>\$ 57,414,465</u>
<b>LIABILITIES AND FUND BALANCES</b>						
<b>Liabilities:</b>						
Accounts payable	\$ 1,833,567	\$ 665,378	\$ 813,428	\$ 6,932	\$ 409,179	\$ 3,728,484
Deferred revenue	1,982,595	-	2,224,047	-	84,439	4,291,081
Total liabilities	<u>3,816,162</u>	<u>665,378</u>	<u>3,037,475</u>	<u>6,932</u>	<u>493,618</u>	<u>8,019,565</u>
<b>Fund balances:</b>						
<b>Reserved for:</b>						
Encumbrances	955,865	324,610	1,141,987	23,980	352,465	2,798,907
Inventory	197,735	577,258	146,246	-	-	921,239
<b>Unreserved, reported in:</b>						
General fund	11,955,593	-	-	-	-	11,955,593
Debt service fund	-	-	-	-	3,690,812	3,690,812
Special revenue funds	-	6,997,912	6,196,208	-	11,780,614	24,974,734
Capital project funds	-	-	-	4,377,132	676,483	5,053,615
Total fund balances	<u>13,109,193</u>	<u>7,899,780</u>	<u>7,484,441</u>	<u>4,401,112</u>	<u>16,500,374</u>	<u>49,394,900</u>
Total liabilities and fund balances	<u>\$ 16,925,355</u>	<u>\$ 8,565,158</u>	<u>\$ 10,521,916</u>	<u>\$ 4,408,044</u>	<u>\$ 16,993,992</u>	<u>\$ 57,414,465</u>

Total fund balance - governmental funds \$ 49,394,900

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. 106,393,915

Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the funds. 4,549,055

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. 3,599,822

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. 63,686

Long-term liabilities are not due and payable in the current period and therefore, are not reported in the funds. This includes bonds payable (\$15,410,000), leases payable (\$5,453,746), judgments payable (\$733,483), compensated absences (\$3,622,609), claims liability (\$4,118,541) and accrued interest payable (\$108,073). (29,446,451)

Net assets of governmental activities \$ 134,554,926

**OKLAHOMA COUNTY, OKLAHOMA**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2007**

	General	Highway Cash	Sheriff Special Revenue	Tinker Clearing II	Other Governmental Funds	Total Governmental Funds
<b>REVENUES</b>						
Property taxes	\$ 48,663,820	\$ -	\$ -	\$ -	\$ 5,662,655	\$ 54,326,475
Charges for services	5,328,912	-	2,390,186	-	5,587,748	13,306,846
Intergovernmental revenues	10,692,091	10,966,088	11,305,257	-	1,816,125	34,779,561
Investment income	2,275,537	272,223	371,552	38,995	440,415	3,398,722
Miscellaneous revenue	1,315,219	1,938,945	216,392	-	25,461	3,496,017
Total revenues	<u>68,275,579</u>	<u>13,177,256</u>	<u>14,283,387</u>	<u>38,995</u>	<u>13,532,404</u>	<u>109,307,621</u>
<b>EXPENDITURES</b>						
<b>Current:</b>						
General government	28,255,177	-	-	-	5,536,411	33,791,588
Public safety	30,658,593	-	12,121,333	-	3,720,269	46,500,195
Health and welfare	3,787,258	-	-	-	-	3,787,258
Culture and recreation	48,967	-	-	-	-	48,967
Education	434,081	-	-	-	-	434,081
Roads and highways	1,146,358	9,466,635	-	-	-	10,612,993
<b>Debt service:</b>						
Principal	636,317	142,542	-	-	1,910,683	2,689,542
Interest	317,610	11,904	-	-	706,221	1,035,735
Capital outlay	786,085	4,295,721	1,434,971	834,078	983,915	8,334,770
Total expenditures	<u>66,070,446</u>	<u>13,916,802</u>	<u>13,556,304</u>	<u>834,078</u>	<u>12,857,499</u>	<u>107,235,129</u>
Excess (deficiency) of revenues over (under) expenditures	<u>2,205,133</u>	<u>(739,546)</u>	<u>727,083</u>	<u>(795,083)</u>	<u>674,905</u>	<u>2,072,492</u>
<b>OTHER FINANCING SOURCES (USES)</b>						
Transfers from other funds	700,000	-	-	-	2,292,116	2,992,116
Transfers to other funds	(200,000)	-	-	(2,092,116)	(700,000)	(2,992,116)
Capital leases	-	105,156	-	-	-	105,156
Sale of capital assets	18,645	19,777	40,831	-	-	79,253
Total other financing sources (uses)	<u>518,645</u>	<u>124,933</u>	<u>40,831</u>	<u>(2,092,116)</u>	<u>1,592,116</u>	<u>184,409</u>
Net change in fund balances	2,723,778	(614,613)	767,914	(2,887,199)	2,267,021	2,256,901
Fund balances-beginning as restated (See Note III.G.)	10,385,415	8,514,393	6,716,527	7,288,311	14,233,353	47,137,999
Fund balances - ending	<u>\$ 13,109,193</u>	<u>\$ 7,899,780</u>	<u>\$ 7,484,441</u>	<u>\$ 4,401,112</u>	<u>\$ 16,500,374</u>	<u>\$ 49,394,900</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, 2007**

Net change in fund balances-total governmental funds	\$2,256,901
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 depreciation (\$6,924,337) exceeded capital outlays, that were added to capital assets (\$6,309,670) in the current period.	(566,730)
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.	(291,581)
Transfers of capital assets from Public Building Authority are not financial resources and, therefore, are not reported as transfers in the funds (\$1,252,592 less \$47,964 of operating transfers).	1,204,628
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. These include deferred prisoner boarding fee revenue of \$713,697, a decrease in deferred property taxes of \$1,122,200 and a decrease in intergovernmental receivables of \$206,069.	(614,572)
The issuance of long-term debt (e.g. bonds, leases ) 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 net decrease in leases payable of \$673,703).	2,197,639
Contributions to certain pension plans use current financial resources (\$1,543,091) from governmental funds to fund the Annual Pension Cost (\$867,524), increasing the net pension asset in the statement of net assets.	675,567
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 decrease in judgments payable (\$199,683), an increase in compensated absences (\$155,778), an increase in claims liability (\$338,083) and a decrease in accrued interest payable (\$11,367).	(282,811)
Change in net assets of governmental activities	<u>\$4,579,042</u>

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

**OKLAHOMA COUNTY, OKLAHOMA**  
**STATEMENT OF FUND NET ASSETS**  
**PROPRIETARY FUND**  
**JUNE 30, 2007**

	<b>Public Buildings Authority</b>
<b>ASSETS</b>	
Current assets:	
Cash and cash equivalents	\$ 2,957,291
Accounts receivable	4,247
Total current assets	2,961,538
Non-current assets:	
Bond issuance costs	356,293
Capital assets:	
Land	2,275,936
Buildings and improvements	17,209,397
Equipment	13,226
Less accumulated depreciation	(4,971,228)
Total capital assets (net of accumulated depreciation)	14,527,331
Total noncurrent assets	14,883,624
Total assets	\$ 17,845,162
 <b>LIABILITIES</b>	
Current liabilities:	
Revenue bonds payable-current	\$ 825,000
Accounts payable	57,831
Unearned revenue	18,067
Total current liabilities	900,898
Noncurrent liabilities:	
Revenue bonds payable (net of unamortized discounts and deferred amount on refunding)	16,898,770
Total noncurrent liabilities	16,898,770
Total liabilities	17,799,668
 <b>NET ASSETS</b>	
Invested in capital assets, net of related debt	(3,272,337)
Restricted for debt service	3,317,831
Total net assets	\$ 45,494

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 FUND**  
**FOR THE YEAR ENDED JUNE 30, 2007**

	<u>Public Buildings Authority</u>
Operating revenues:	
Rental	\$3,089,276
Total operating revenues	<u>3,089,276</u>
Operating expenses:	
Costs of sales and services	644,670
Administration	328,769
Depreciation	676,393
Amortization	80,222
Total operating expenses	<u>1,730,054</u>
Operating income	<u>1,359,222</u>
Nonoperating revenues (expenses):	
Investment income	95,144
Bond interest expense	(914,516)
Trustee and other expenses	(7,819)
Total nonoperating revenue (expenses)	<u>(827,191)</u>
Income before transfers	532,031
Transfers out	<u>(1,252,592)</u>
Change in net assets	(720,561)
Total net assets-beginning	<u>\$766,055</u>
Total net assets-ending	<u>\$ 45,494</u>

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

**OKLAHOMA COUNTY, OKLAHOMA  
STATEMENT OF CASH FLOWS  
PROPRIETARY FUND  
FOR THE YEAR ENDED JUNE 30, 2007**

	<b>Public Buildings Authority</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	
Receipts from customers and users	\$ 3,070,895
Payments to suppliers	(586,841)
Payments to employees	(328,769)
Net cash provided by operating activities	2,155,285
<b>CASH FLOWS FROM CAPITAL FINANCING ACTIVITIES</b>	
Trustee fees	(7,819)
Principal paid on capital debt	(800,000)
Interest paid on capital debt	(897,163)
Payment for capital assets	(8,072)
Net cash provided (used) by capital financing activities	(1,713,053)
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>	
Transfer to governmental funds for payment of building repairs	(47,964)
Net cash provided (used) by non-capital financing activities	(47,964)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>	
Interest earnings received	95,144
Net cash provided by investing activities	95,144
Net increase (decrease) in cash and cash equivalents	489,412
Beginning cash and cash equivalents	\$ 2,467,879
Ending cash and cash equivalents	\$ 2,957,291
<b>Reconciliation of operating income to net cash provided (used) by operating activities:</b>	
Operating Income	1,359,222
Adjustments to reconcile operating income to net cash provided (used) by operating activities:	
Depreciation expense	676,393
Amortization	80,222
(Increase) decrease in accounts receivable	(611)
Increase (decrease) in payables	57,829
Increase (decrease) in unearned revenue	(17,770)
Total adjustments	796,063
Net cash provided by operating activities	\$ 2,155,285
Non cash activity:	
Transfer of capital assets to governmental funds	\$ 1,252,592

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

**OKLAHOMA COUNTY, OKLAHOMA**  
**STATEMENT OF FIDUCIARY NET ASSETS**  
**JUNE 30, 2007**

	Pension Trust Funds	Agency Funds
	<u>          </u>	<u>          </u>
<b>ASSETS</b>		
Cash and cash equivalents	\$ 55,057	\$ 54,088,493
Property taxes receivable	-	25,211,064
Interest receivable	181,799	-
Accounts receivable	1,009	-
Due from other governments	-	2,434,380
Investments, at fair value		
U.S. Government securities	13,698,934	5,449,129
Certificate of deposits	-	3,737,777
Municipal bonds	-	-
Corporate bonds	127,055	-
Judgments	808,907	389,771
Mutual funds	70,512,439	-
Loans to participants	6,752,739	-
Total investments	<u>91,900,074</u>	<u>9,576,676</u>
Total assets	<u>\$ 92,137,939</u>	<u>\$ 91,310,613</u>
<b>LIABILITIES</b>		
Warrants Payable	\$ -	\$ 1,929,514
Accounts Payable	-	-
Due to Other Taxing Jurisdictions	-	35,569,936
Due to Others	-	53,811,163
Total liabilities	<u>-</u>	<u>91,310,613</u>
<b>NET ASSETS</b>		
Assets held in trust for pension benefits and other purposes	<u>\$ 92,137,939</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, 2007**

	Pension Trust Funds
<b>ADDITIONS</b>	
Contributions:	
Employer	\$ 6,958,615
Investment earnings:	
Interest	1,197,508
Net increase in the fair value of investments	7,979,880
Total investment earnings	9,177,388
Total additions	16,136,003
<b>DEDUCTIONS</b>	
Benefits	9,368,948
Administrative expenses	599,090
Total deductions	9,968,038
Change in net plan assets	6,167,965
Net assets-beginning	85,969,974
Net assets-ending	\$ 92,137,939

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, 2007**

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**OKLAHOMA COUNTY, OKLAHOMA**  
**Notes to the Financial Statements**  
**June 30, 2007**

**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 06-07 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, 2007**

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, 2007**

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 fund. The financial statements are presented as of June 30, 2007, 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 discretely presented component units.

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, 2007**

wages expense incurred by each function. Gross revenues totaled \$12,068,560 and gross expenses totaled \$13,980,399, resulting in net expenses of \$1,911,839.

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 governmental 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 activities 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.

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**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 Fund**

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, or other governments.

The County reports the following fiduciary funds:

Pension Trust Funds – Pension trust funds account for assets held by the County in a trustee capacity for current and retired employees. 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 defined 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).

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 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

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connection with a proprietary fund's principal ongoing operations. Operating expenses for enterprise funds include cost of sales and services, administrative expenses and depreciation on capital. 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 2007. 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.

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

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**2. 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 levied to the extent they are received within 60 days of year-end. Current year tax collections for the year ended June 30, 2007 were 91.7% 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. Oklahoma Counties assessed property value as of January 1, 2007, was \$4,656,576,955 after excluding homestead exemptions of \$130,163,521.

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 .53 mill 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.

On the government-wide financial statements, property tax revenues are recognized in the fiscal year for which they are levied. On the fund financial statements, property tax revenues are deferred if not received within sixty days after fiscal year end.

**3. Receivables and Deferred Revenues**

Receivables consist of intergovernmental receivables that are primarily amounts due from federal grants, and state gas taxes. Accounts receivable are primarily comprised of various charges for services, fees and employee health premiums earned by fiscal year end and collected within sixty days after fiscal year end.

Governmental funds report deferred revenue in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. At the end of the current fiscal year, the various components of deferred revenue reported in the governmental funds were as follows:

<b>Governmental activities:</b>	<u>Unavailable</u>
Property taxes receivable – General Fund	\$1,982,595
Property taxes receivable – Debt Service Fund	84,439
Unbilled prisoner boarding fees –	
Sheriff Special Revenue Fund	<u>2,224,047</u>
Total deferred for governmental funds	<u>\$4,291,081</u>

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**4. 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.

**5. 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 career tech Schools and colleges. All unremitted collections on hand at June 30 are reported as "due to other taxing jurisdictions", and unapportioned collections held in depository accounts are reported as "due to others", within County agency funds.

**6. 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 and in the proprietary fund 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

**7. 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 and not in the governmental fund statements as the liability is not expected to be paid from current resources. At June 30, 2007 the accrued liability for annual and compensatory leave time was \$3,622,609.

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

**8. 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.

**9. 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.

The government-wide and the proprietary fund financial statements utilize a net asset presentation. Net assets are categorized as invested in capital assets (net of related debt), restricted, and unrestricted.

- Invested in Capital Assets, Net of Related Debt groups all capital assets into one component of net assets. Accumulated depreciation and the outstanding balances of debt that are attributable to the acquisition, construction or improvement of these assets reduce the balance in this category. The unamortized capital debt issuance costs are also included.
- Restricted Net Assets reflects net assets that are subject to constraints either by externally imposed by creditors, contributors, or laws or regulations of other governments or imposed by law through constitutional provisions or enabling legislation.
- Unrestricted Net Assets represents net assets of the County that are not restricted for any project or purpose.

**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 2006-2007 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 1<sup>st</sup>, 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:

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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:

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.

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Legally adopted annual budgets are prepared for the General Fund and Debt Service Fund. 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.

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.

During the 2006-2007 fiscal year, the Board of County Commissioners voted to reinstate the County Budget Board to become effective July 1, 2007.

**B. Legal and Contractual Obligations**

Under Oklahoma Law, the County may not obligate funds that require income and revenue from future fiscal years without voter approval, such as with 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 or more. The County's total inventory at June 30, 2007 totaled \$38,467,165.

**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 may not be able to recover its deposits. The County's policy requires uninsured deposits with banks to be 110 percent secured by collateral valued at market value. As of June 30, 2007, the County's bank balance of \$78,553,932 and its blended component unit bank balance of \$2,957,291 are fully insured or

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collateralized with securities held by the County or its blended component unit, or their agents in their respective names.

***Investments***

As of June 30, 2007, 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	\$9,215,021	10.23	AAA/Aaa
Certificates of deposit	6,320,595	1.27	N/A
Judgments	<u>658,813</u>	3.00	N/A
Total investments	<u>\$16,194,429</u>		
Portfolio weighted average maturity		6.44	

**Fiduciary Funds:**

<u>Investment Type</u>	<u>Fair Value</u>	<u>Weighted Average Maturity (Years)</u>	<u>Credit Ratings(1)</u>
US Government securities	\$13,698,934	14.14	AAA/Aaa
Corporate bond	127,055	6.50	N/A
Judgments	<u>808,907</u>	3.00	N/A
Total investments	<u>\$14,634,896</u>		
Portfolio weighted average maturity		13.46	

(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.

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*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	\$554,514	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.

*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, 2007, 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.

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	Total Outstanding at June 30, 2007	Amount Considered Uncollectible	Amount Shown as Net Receivable
Governmental Funds	\$ 5,483,373	\$ 296,171	\$ 5,187,202
Fiduciary Funds:			
Health Department	742,700	71,757	670,943
Cities & Library	5,096,886	506,586	4,590,300
Schools	22,036,138	2,086,317	19,949,821
Fiduciary Funds Total	<u>27,875,724</u>	<u>2,664,660</u>	<u>25,211,064</u>
Total	<u>\$ 33,359,097</u>	<u>\$ 2,960,831</u>	<u>\$ 30,398,266</u>

**C. Capital Assets**

Capital assets activity for the year ended June 30, 2007 was as follows:

**Primary Government**

	Balance June 30, 2006	Increases	Decreases	Balance June 30, 2007
<b>Governmental activities:</b>				
Capital assets, not being depreciated:				
Land	\$27,987,077	\$ 694,740	\$ -	\$28,681,817
Artwork	24,500	-	-	24,500
Construction in progress	<u>1,770,199</u>	<u>1,696,426</u>	<u>(782,720)</u>	<u>2,635,968</u>
Total capital assets, not being depreciated	<u>29,733,839</u>	<u>2,391,166</u>	<u>(782,720)</u>	<u>31,342,285</u>
Capital assets, being depreciated:				
Buildings and building improvements	79,495,114	1,186,196	-	80,681,310
Machinery and equipment	27,878,581	1,699,772	(2,547,211)	27,031,142
Infrastructure	<u>37,460,389</u>	<u>3,019,884</u>	<u>(761,951)</u>	<u>39,718,322</u>
Total capital assets being depreciated	144,834,084	5,905,852	(3,309,162)	147,430,774
Less accumulated depreciation for:				
Buildings and building improvements	(31,479,340)	(2,013,484)	-	(33,492,824)
Machinery and equipment	(19,842,810)	(2,144,229)	2,483,923	(19,503,116)
Infrastructure	<u>(17,150,238)</u>	<u>(2,766,624)</u>	<u>533,658</u>	<u>(19,383,204)</u>
Total accumulated depreciation	<u>(68,472,388)</u>	<u>(6,924,337)</u>	<u>3,017,581</u>	<u>(72,379,144)</u>
Total capital assets, being depreciated, net	<u>76,361,697</u>	<u>(1,018,485)</u>	<u>(291,582)</u>	<u>75,051,630</u>
Governmental activities capital assets, net	<u>\$106,095,535</u>	<u>\$1,372,681</u>	<u>\$(1,074,302)</u>	<u>\$106,393,915</u>

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	Balance June 30, 2006	Increases	Decreases	Balance June 30, 2007
<b>Business-type activities:</b>				
Capital assets, not being depreciated:				
Land	\$2,275,936	\$ -	\$ -	\$2,275,936
Construction in progress	<u>1,222,248</u>	<u>-</u>	<u>(1,222,248)</u>	<u>-</u>
Total capital assets, not being depreciated	<u>3,498,184</u>	<u>-</u>	<u>(1,222,248)</u>	<u>2,275,936</u>
Capital assets, being depreciated:				
Buildings & improvements	\$17,209,397	\$ -	\$ -	\$17,209,397
Machinery and equipment	<u>31,128</u>	<u>-</u>	<u>(17,902)</u>	<u>13,226</u>
Total capital assets being depreciated	17,240,526	-	(17,902)	17,222,624
Less accumulated depreciation for:				
Buildings & improvements	(4,282,918)	(675,554)	-	(4,958,472)
Machinery and equipment	<u>(31,128)</u>	<u>(840)</u>	<u>17,902</u>	<u>(12,757)</u>
Total accumulated depreciation	<u>(4,312,737)</u>	<u>(676,393)</u>	<u>17,902</u>	<u>(4,971,229)</u>
Total capital assets, being depreciated, net	<u>12,927,788</u>	<u>676,393</u>	<u>-</u>	<u>12,251,395</u>
Business-type activities capital assets, net	<u>\$16,425,972</u>	<u>\$ 676,393</u>	<u>\$(1,222,248)</u>	<u>\$14,527,331</u>

**Discretely Presented Component Unit**

Capital assets, being depreciated:				
Machinery and equipment	\$ 3,965	\$ -	\$ -	\$ 3,965
Less accumulated depreciation for:				
Machinery and equipment	<u>(3,447)</u>	<u>(115)</u>	<u>-</u>	<u>(3,562)</u>
Component unit capital assets, net	<u>\$ 518</u>	<u>\$ (115)</u>	<u>\$ -</u>	<u>\$ 403</u>

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

Governmental activities:	
General government	\$ 848,165
Public safety	2,348,890
Health and welfare	26,650
Education	2,754
Roads and highways	<u>3,697,878</u>
Total depreciation expense-governmental activities	<u>\$6,924,337</u>
Business-type activities:	
Public Building Authority	<u>\$676,393</u>
Total depreciation expense-business-type activities	<u>\$676,393</u>

**D. Interfund transfers**

Following is a schedule of interfund transfers:

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	Transfers In:		
	General Fund	Non-major Governmental	Total
Transfers out:			
General Fund	\$ -	\$200,000	\$ 200,000
Tinker Clearing II		2,092,116	2,092,116
Non-major governmental funds	<u>700,000</u>	<u>-</u>	<u>700,000</u>
Total transfers out	<u>\$700,000</u>	<u>\$2,292,116</u>	<u>\$2,992,116</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 \$1,252,592 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, expenditures, and changes in fund balance.

**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. Operating lease expenditures for the year ended June 30, 2007 amounted to \$356,959.

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, 2007 reported in the government-wide statements are as follows:

**OKLAHOMA COUNTY, OKLAHOMA**  
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	<u>Capital Asset</u>	<u>Accumulated Depreciation</u>	<u>Total</u>
Leased Capital Assets:			
Building & Improvements	\$8,988,575	\$(2,141,010)	\$6,847,565
Equipment	613,880	(216,676)	397,203
Total	<u>\$9,602,455</u>	<u>\$(2,357,686)</u>	<u>\$7,244,768</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>
2008	\$1,019,311
2009	859,717
2010	790,780
2011	562,730
2012	541,173
2013-2017	<u>3,077,855</u>
Total minimum lease payments	6,851,566
Less: amount representing interest	<u>(1,397,820)</u>
Present value of future minimum lease payments	<u>\$5,453,746</u>

**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 2007 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>
2008	\$ -	\$ 150,576	\$ 150,576	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	765,000	204,571	969,571	3.80%
2013-2017	<u>4,645,000</u>	<u>593,371</u>	<u>5,238,371</u>	3.90%-4.40%
	<u>\$ 7,705,000</u>	<u>\$ 1,727,855</u>	<u>\$9,432,855</u>	

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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 2007 was paid in the current fiscal year. 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>
2008	\$ -	\$ 130,481	\$ 130,481	2.75%
2009	765,000	251,399	1,016,399	2.50%
2010	765,000	231,318	996,318	2.75%
2011	765,000	209,324	974,324	3.00%
2012	765,000	185,226	950,226	3.30%
2013-2017	<u>4,645,000</u>	<u>537,942</u>	<u>5,182,942</u>	3.50%-4.00%
	<u>\$ 7,705,000</u>	<u>\$ 1,545,689</u>	<u>\$9,250,689</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. During the 2006-2007 fiscal year, the Board of County Commissioners voted to transfer \$2,092,116 of unspent bond proceeds to the County Debt Service Fund. The effect of this transfer will result in an increase in the Debt Service fund balance which will lower the tax levy requirement for the 07-08 fiscal year.

**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

**OKLAHOMA COUNTY, OKLAHOMA**

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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 \$3,726,975. The outstanding principal balance of the defeased bonds is \$3,600,000 at June 30, 2007.

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>
2008	585,000	178,984	763,984
2009	595,000	164,965	759,965
2010	615,000	148,918	763,918
2011	630,000	130,385	760,385
2012	650,000	109,738	759,738
2013-2017	1,855,000	275,891	2,130,891
2018-2021	<u>750,000</u>	<u>66,523</u>	<u>816,523</u>
	<u>\$ 5,680,000</u>	<u>\$ 1,075,403</u>	<u>\$ 6,755,403</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>
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
2012	275,000	658,429	933,429
2013-2017	1,590,000	3,071,245	4,661,245
2018-2022	2,045,000	2,596,278	4,641,278
2023-2027	2,685,000	1,938,160	4,623,160
2028-2032	3,545,000	1,046,561	4,591,561
2033-2035	<u>1,730,000</u>	<u>102,668</u>	<u>1,832,668</u>
	<u>\$ 12,875,000</u>	<u>\$ 12,152,869</u>	<u>\$ 25,027,869</u>

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**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 receivables and investments reported as assets.

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

	<u>Date of Issuance</u>	<u>Original Balance</u>	<u>2007 Balance</u>
GNMA ARM Mortgage Back Securities 1995	11-01-95	\$13,000,000	\$1,801,686
Southwest Electric Co.	06-01-98	3,000,000	1,480,000
OMNI Dome Project	05-26-99	1,500,000	714,700
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	1,130,000
Housing Revenue Bonds Chapel Ridge of North Edmond Series 2003	05-01-03	8,250,000	8,136,193
Housing Revenue Bonds Chapel Ridge of Chapel Ridge of MWC Tinker Series 2004	06-01-04	7,800,000	7,740,964
Lease Revenue Note, Series 2004 Francis Tuttle Technology Center Project	10-25-04	8,150,000	5,093,750
Multifamily Housing Revenue Refunding Bonds Rockwell Villa Apartments Series 2004	12-15-04	2,500,000	1,661,138
Multifamily Housing Revenue Refunding Bonds London Square Villa Apartments Project Series 2004	12-17-04	9,000,000	7,559,758
Variable Rate Demand Multi-family Housing Revenue Bonds (SAIL Assoc. LLC Project) Series 2004	12-17-04	6,900,000	6,900,000
Retirement Facility Revenue Bonds:			
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

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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
Revenue Refunding Bonds (Epworth Villa Project) Series 2005A	12-07-05	11,460,000	11,460,000
Revenue Refunding Bonds (Epworth Villa Project) Series 2005B	12-07-05	<u>2,000,000</u>	<u>2,000,000</u>
		<u>\$142,935,000</u>	<u>\$123,203,189</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. Advalorem taxes to retire 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 \$380,683 in judgments and \$94,382 in related interest on these judgments. At June 30, 2007, the total amount of unpaid judgment principal of \$733,483 is reflected in the Statement of Net Assets. A summary of judgments payable to maturity is as follows:

<u>Year</u>	<u>Principal</u>
2007	\$370,817
2008	302,333
2009	<u>60,333</u>
Total	<u>\$733,483</u>

**5. Changes in long-term liabilities**

Long-term liability activity for the year ended June 30, 2007 was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due within One Year</u>
<b>Governmental activities:</b>					
Bonds payable	\$16,940,000	\$ -	\$ (1,530,000)	\$15,410,000	\$1,530,000
Capital leases	6,127,449	105,156	(778,859)	5,453,746	728,752
Judgments payable	933,167	181,000	(380,683)	733,483	370,817
Compensated absences	<u>3,466,831</u>	<u>2,915,740</u>	<u>(2,759,963)</u>	<u>3,622,609</u>	<u>3,006,110</u>
Governmental activity Long-term liabilities	<u>\$27,467,446</u>	<u>\$3,201,896</u>	<u>\$(5,449,505)</u>	<u>\$25,219,838</u>	<u>\$5,635,678</u>
<b>Business-type activities:</b>					
Bonds payable	\$19,355,000	\$ -	(800,000)	\$18,555,000	\$825,000
Business-type activity Long-term liabilities	<u>\$19,355,000</u>	<u>\$ -</u>	<u>\$(800,000)</u>	<u>\$18,555,000</u>	<u>\$825,000</u>

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For governmental activities, bonds and judgments are liquidated by ad valorem taxes through the Debt Service Fund, while 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 \$414,059 and amount deferred on refunding of \$417,171.

**G. Fund Balances and Net Assets**

*Prior Period Adjustments:*

During the current year, the county made the following adjustments to properly record the full accrual of property taxes, to account for unbilled prisoner board fees due to the county, to correct the balance of capital assets, leases payable incorrectly reported at June 30, 2006:

Adjustments to beginning fund balances:

	County Clerk Lien Fee	Other Governmental Funds	Total Governmental Funds
Governmental Funds			
Beginning fund balances, as previously reported	\$ 142,582	\$ 14,244,003	\$ 47,148,649
Intergovernmental receivable overstated	(10,650)	(10,650)	(10,650)
Beginning fund balances, as restated	<u>\$ 131,932</u>	<u>\$ 14,233,353</u>	<u>\$ 47,137,999</u>

Adjustments to beginning net assets:

	<u>Governmental Activities</u>
Beginning net assets, as previously reported	\$ 125,065,519
Correction of errors:	
Property Tax Receivable-General Fund	3,052,480
Property Tax Receivable-Sinking Fund	136,754
Sheriff Special Revenue Fund - unbilled prisoner boarding fees	1,510,350
Clerk Lien Fee-overstated receivable	(10,650)
Leases payable	2,515
Capital Assets	
Land	21,740
Construction in Progress	(47,937)
Equipment	(37,189)
Accumulated Depreciation	282,301
Total adjustment to Net Assets	<u>4,910,364</u>
Beginning net assets, as restated	<u><u>\$ 129,975,883</u></u>

In prior periods the County failed to record the property tax revenue in accordance with GAAP in terms of reporting governmental activities taxes receivable on a modified accrual basis rather than the accrual basis as required by GAAP. The County also failed in prior years to record revenue and related

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receivable for prisoner boarding fees earned pursuant to contract that were unbilled. Amounts have been subsequently billed but the prior period was restated because the revenue was earned in those prior periods.

*Restricted Net Asset- Enabling Legislation:*

Of the total \$134,554,926 net assets, \$34,839,231 is restricted as a result of enabling legislation.

**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 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

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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.

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).

Unpaid Claims Liabilities

The following represent the changes in approximate aggregate liabilities for the County from July 1, 2006 to June 30, 2007:

<u>Health Care</u>	<u>2007</u>	<u>2006</u>
Unpaid Claims, beginning of fiscal year	\$1,490,900	\$ 1,413,900
Claims and changes in estimates	10,777,037	9,517,312
Claim payments	<u>(10,650,837)</u>	<u>(9,440,312)</u>
Unpaid claims, end of fiscal year	<u>\$1,617,100</u>	<u>\$1,490,900</u>

<u>Workers Compensation</u>	<u>2007</u>	<u>2006</u>
Unpaid Claims, beginning of fiscal year	\$2,390,000	\$2,510,000
Claims and changes in estimates	1,129,492	657,218
Claim payments	<u>(879,492)</u>	<u>(777,218)</u>
Unpaid claims, end of fiscal year	<u>\$2,640,000</u>	<u>\$2,390,000</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, 2007.

**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 (included in the discussion of leases in Note III.E.). 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, 2007, the County had made lease payments in the amount of \$2,567,773, of which \$1,375,000 represents principal expenditure and \$1,192,773 represents interest

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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, 2007, the County had made lease payments in the amount of \$2,722,398, of which \$1,475,000 represents principal expenditure and \$1,247,398 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 County at June 30, 2007. The amount of possible tort claims liability at June 30, 2007, was approximately \$1,355,000, 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 2006-07, eligible participants paid premiums of \$636,118. There are 232 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 \$1,700,132 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.

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**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.

	Defined Benefit Retirement Plan	Defined Contribution Retirement Plan	Total Pension Trust Funds
<b>ASSETS</b>			
Cash and cash equivalents	\$ 55,057	\$ -	\$ 55,057
Accounts receivable	1,009		1,009
Interest receivable	181,799	-	181,799
Investments, at fair value			
U.S. Government securities	13,698,934	-	13,698,934
Corporate bonds	127,055	-	127,055
Judgments	808,907	-	808,907
Mutual funds	-	70,512,439	70,512,439
Loans to participants	-	6,752,739	6,752,739
Total investments	<u>14,634,896</u>	<u>77,265,178</u>	<u>91,900,074</u>
Total assets	<u>\$ 14,872,761</u>	<u>\$ 77,265,178</u>	<u>\$ 92,137,939</u>
<b>LIABILITIES</b>			
Accounts Payable	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<b>NET ASSETS</b>			
Assets held in trust for pension benefits and other purposes	<u>\$ 14,872,761</u>	<u>\$ 77,265,178</u>	<u>\$ 92,137,939</u>

**OKLAHOMA COUNTY, OKLAHOMA**  
**Notes to the Financial Statements**  
**June 30, 2007**

**COMBINING STATEMENT OF CHANGES IN PENSION TRUST FUNDS NET ASSETS  
FOR THE YEAR ENDED JUNE 30, 2007**

	Defined Benefit Retirement Plan	Defined Contribution Retirement Plan	Total Pension Trust Funds
<b>ADDITIONS</b>			
Contributions:			
Employer	\$ 1,543,091	\$ 5,415,524	\$ 6,958,615
Investment earnings:			
Interest	772,955	424,553	1,197,508
Net increase in the fair value of investments	242,404	7,737,476	7,979,880
Total investment earnings	1,015,359	8,162,029	9,177,388
Less investment expense	-	-	-
Net investment earnings	1,015,359	8,162,029	9,177,388
Total additions	2,558,450	13,577,553	16,136,003
<b>DEDUCTIONS</b>			
Benefits	2,432,235	6,936,713	9,368,948
Administrative expenses	9,356	589,734	599,090
Total deductions	2,441,591	7,526,447	9,968,038
Change in net assets	116,859	6,051,106	6,167,965
Net assets-beginning	14,755,902	71,214,072	85,969,974
Net assets-ending	\$ 14,872,761	\$ 77,265,178	\$ 92,137,939

**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, 2007, employee membership data related to the Plan was as follows:

Retirees and beneficiaries currently receiving benefits	199
Terminated employees entitled to but not yet receiving benefits	28
Active plan participants	<u>16</u>
Total	<u>243</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.

**OKLAHOMA COUNTY, OKLAHOMA**  
**Notes to the Financial Statements**  
**June 30, 2007**

- 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) 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.

**OKLAHOMA COUNTY, OKLAHOMA**  
**Notes to the Financial Statements**  
**June 30, 2007**

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. Employer contributions are recognized in the period in which contributions are due and the County has made a formal commitment to provide the contributions. 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.

Investments

Investments are reported at fair value. At June 30, 2007, 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, 2007, 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

**OKLAHOMA COUNTY, OKLAHOMA**  
**Notes to the Financial Statements**  
**June 30, 2007**

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, 2007, County contributions were \$1,543,091. Total payroll for employees covered by the plan was \$609,853.

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:

	2007	2006
Annual required contribution	\$(833,669)	\$(697,165)
Interest on net pension asset	190,077	192,272
Adjustments to annual required contribution	<u>(223,932)</u>	<u>(221,351)</u>
Annual pension cost	(867,524)	(726,244)
Contributions made	<u>1,543,091</u>	<u>903,750</u>
Increase (decrease) in net pension asset	675,567	177,506
Net pension asset beginning of year	<u>2,924,255</u>	<u>2,746,749</u>
Net pension asset end of year	<u>\$3,599,822</u>	<u>\$2,924,255</u>

The annual required contribution for the current year was determined as part of the June 30, 2007 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
2005	\$775,674	152.2%	\$2,746,749
2006	726,244	124.4%	2,924,255
2007	867,524	177.9%	3,599,822

**OKLAHOMA COUNTY, OKLAHOMA**  
**Notes to the Financial Statements**  
**June 30, 2007**

**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.
- 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.

**OKLAHOMA COUNTY, OKLAHOMA**  
**Notes to the Financial Statements**  
**June 30, 2007**

- 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.
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

**OKLAHOMA COUNTY, OKLAHOMA**  
**Notes to the Financial Statements**  
**June 30, 2007**

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, 2007, 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 participant Loan Policy which 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 \$4,220,024 was loaned to participants, making total outstanding loans to participants at June 30, 2007 \$6,752,739.

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, 2007, County contributions were \$5,415,524. 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 and beneficiaries at June 30, 2007 were \$77,265,178 at fair value, and are accounted for in a pension trust fund.

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*Required  
Supplementary  
Information*





**OKLAHOMA COUNTY, OKLAHOMA  
EMPLOYEES' DEFINED BENEFIT RETIREMENT SYSTEM  
REQUIRED SUPPLEMENTARY INFORMATION  
JUNE 30, 2007  
(Unaudited)**

**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
6/30/07	\$ 14,872,761	\$ 22,827,035	\$ 7,954,274	65.2%	\$ 609,853	1304.3%
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%

**SCHEDULE OF EMPLOYER CONTRIBUTIONS**

Fiscal Year Ending	Annual Required Contribution	Actual Contribution	Percentage Recognized
6/30/07	\$ 833,669	\$ 1,543,091	185.1%
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%

OKLAHOMA COUNTY, OKLAHOMA  
GENERAL FUND  
BUDGET TO ACTUAL COMPARISON SCHEDULE  
FOR THE YEAR ENDED JUNE 30, 2007  
(Unaudited)

	Budgeted Amounts		Actual Amounts/ Budgetary Basis	Variance with Final Budget-
	Original	Final		Positive (Negative)
<b>REVENUES</b>				
<b>Property taxes</b>				
Advalorem Tax - Current	\$ 42,807,046	\$ 42,807,046	\$ 44,211,622	\$ 1,404,576
Advalorem Tax - Prior	646,693	646,693	1,292,003	645,310
Protest Tax Released	-	-	1,485	1,485
Misc Property Taxes	1,348,712	1,348,712	1,782,587	433,875
<b>Total Property taxes</b>	<b>44,802,451</b>	<b>44,802,451</b>	<b>47,287,697</b>	<b>2,485,246</b>
<b>Charges for services</b>				
County Clerk Fees	4,908,229	4,908,229	5,241,002	332,773
County Treasurer Fees	57,506	57,506	76,857	19,351
Public Records	27,920	27,920	9,356	(18,564)
Conditional Bond Release-Fees	20,047	20,047	45	(20,002)
Miscellaneous Charge for Services	3,143	3,143	2,600	(543)
<b>Total Charges for Services</b>	<b>5,016,845</b>	<b>5,016,845</b>	<b>5,329,860</b>	<b>313,015</b>
<b>Intergovernmental revenues</b>				
Motor Vehicle Stamps	289,971	289,971	326,147	36,176
Motor Vehicle Collections	897,890	897,890	997,656	99,766
Revaluation - Cities & Schools	2,390,993	2,390,993	2,378,114	(12,879)
Remington Park - Admission Fees & Sales Tx	95,207	95,207	107,959	12,752
Juvenile Detention-Lunches	99,400	99,400	112,270	12,870
Juvenile Detention Services	2,465,359	2,465,359	2,594,431	129,072
Juv. Justice - Maintenance	30,390	30,390	30,390	-
Juv. Justice - All Detention/Transportation	28,741	28,741	27,595	(1,146)
Training & Gen Assistance - Federal Grants	3,331,535	3,331,535	2,094,348	(1,237,187)
D A Revolving	150,000	150,000	163,463	13,463
Election Board - Salary	70,428	72,126	71,134	(992)
Election Board - Municipality Reimb	19,026	61,288	62,986	1,698
Election Board - Expense	-	19,026	24,545	5,519
Court Fund Maintenance	600,000	600,000	600,000	-
Court Fund Payroll Reimb	404,000	404,000	338,914	(65,086)
Court Revolving Fund reimb	596,000	596,000	596,000	-
<b>Total Intergovernmental revenues</b>	<b>11,468,940</b>	<b>11,531,926</b>	<b>10,525,952</b>	<b>(1,005,974)</b>
<b>Interest income</b>	<b>1,200,000</b>	<b>1,200,000</b>	<b>2,206,003</b>	<b>1,006,003</b>
<b>Miscellaneous revenue</b>				
Public Building Authority Admin Overhead	50,000	50,000	126,719	76,719
Public Building Authority Trigen Reimb	124,839	124,839	-	(124,839)
Coin Telephone	26,693	26,693	30	(26,663)
Royalty	99,951	99,951	113,081	13,130
Rental	766,151	766,151	805,304	39,153
Reimburse Resale Property Exp.	28,000	28,000	-	(28,000)
Retirement Reimb for Bailiffs	11,303	11,303	11,785	482
911 Assoc	7,148	7,148	8,347	1,199
Pharmacy Reimb	166,996	166,996	192,204	25,208
Juv. Justice - Link	82,450	82,450	73,631	(8,819)
Miscellaneous Reimbursements	118,657	119,651	75,408	(44,243)
<b>Total Miscellaneous revenues</b>	<b>1,482,188</b>	<b>1,483,182</b>	<b>1,406,509</b>	<b>(76,673)</b>
<b>Total revenues</b>	<b>\$ 63,970,424</b>	<b>\$ 64,034,404</b>	<b>\$ 66,756,021</b>	<b>\$ 2,721,617</b>

OKLAHOMA COUNTY, OKLAHOMA  
GENERAL FUND  
BUDGET TO ACTUAL COMPARISON SCHEDULE  
FOR THE YEAR ENDED JUNE 30, 2007  
(Unaudited)

	Budgeted Amounts		Actual Amounts/ Budgetary Basis	Variance with Final Budget- Positive (Negative)
	Original	Final		
<b>EXPENDITURES</b>				
<b>Current:</b>				
<b>General government</b>				
<b>General government:</b>				
Salary and Wages	1,200	1,200	1,200	-
Fringe Benefits	12,092	12,092	11,989	103
Travel	-	-	-	-
Operating Expenditures	2,529,646	2,530,641	2,387,120	143,521
Capital Outlay	1,000	1,000	-	1,000
<b>County commissioners:</b>				
Salary and Wages	415,464	411,664	407,986	3,677
Fringe Benefits	117,912	117,912	115,135	2,777
Travel	25,300	25,300	22,640	2,660
Operating Expenditures	13,220	13,220	11,423	1,797
Capital Outlay	7,450	4,250		
<b>Assessor regular:</b>				
Salary and Wages	1,455,908	1,413,808	1,407,190	6,618
Fringe Benefits	551,632	549,132	515,632	33,500
Travel	23,350	23,350	19,215	4,135
Operating Expenditures	189,520	192,020	188,123	3,897
Capital Outlay	8,900	51,000	50,308	692
<b>Assessor visual inspection:</b>				
Salary and Wages	1,688,095	1,595,795	1,594,921	874
Fringe Benefits	646,267	626,267	609,199	17,068
Travel	77,600	77,600	64,255	13,345
Operating Expenditures	423,237	458,237	452,716	5,521
Capital Outlay	30,600	107,900	104,231	3,669
<b>Treasurer:</b>				
Salary and Wages	312,278	312,278	280,553	31,725
Fringe Benefits	135,975	135,975	95,176	40,799
Travel	4,850	4,850	4,400	450
Operating Expenditures	165,910	165,910	152,723	13,187
Capital Outlay	4,000	4,000	2,890	1,110
<b>Court clerk:</b>				
Salary and Wages	4,080,026	4,080,026	4,047,358	32,669
Fringe Benefits	1,624,863	1,610,273	1,542,476	67,797
Travel	10,000	10,000	7,147	2,853
Operating Expenditures	170,845	185,435	180,342	5,093
Capital Outlay				
<b>County clerk:</b>				
Salary and Wages	1,792,793	1,792,793	1,683,128	109,665
Fringe Benefits	592,971	592,971	520,054	72,917
Travel	30,000	30,000	19,898	10,102
Operating Expenditures	199,253	199,253	190,453	8,800
Capital Outlay	167,308	167,308	147,185	20,123
<b>Excise &amp; equalization:</b>				
Salary and Wages	45,000	45,000	14,475	30,525
Fringe Benefits	3,443	3,443	1,107	2,336
Travel	5,756	5,756	2,031	3,725
Operating Expenditures	8,372	8,372	7,407	965
Capital Outlay	7,432	7,432	5,932	1,500
<b>County audit:</b>				
Salary and Wages	395,645	478,225	474,588	3,637
Fringe Benefits	-	-	-	-
Travel	-	-	-	-
Operating Expenditures	27,188	27,188	23,876	3,312
Capital Outlay	5,237	5,237	1,141	4,096
<b>District attorney - state:</b>				
Salary and Wages	-	-	-	-
Fringe Benefits	-	-	-	-
Travel	-	-	-	-
Operating Expenditures	132,500	132,500	134,428	(1,928)
Capital Outlay	17,500	17,500	12,217	5,283

OKLAHOMA COUNTY, OKLAHOMA  
GENERAL FUND  
BUDGET TO ACTUAL COMPARISON SCHEDULE  
FOR THE YEAR ENDED JUNE 30, 2007  
(Unaudited)

	Budgeted Amounts		Actual Amounts/ Budgetary Basis	Variance with Final Budget- Positive (Negative)
	Original	Final		
District attorney - county:				
Salary and Wages	-	-	-	-
Fringe Benefits	-	-	-	-
Travel	3,900	3,900	2,568	1,332
Operating Expenditures	73,350	73,350	71,820	1,530
Capital Outlay	-	-	-	-
Public defender:				
Salary and Wages	-	-	-	-
Fringe Benefits	-	-	-	-
Travel	-	-	-	-
Operating Expenditures	41,000	42,951	42,593	358
Capital Outlay	3,200	1,249	1,249	-
Purchasing:				
Salary and Wages	172,656	172,656	167,408	5,248
Fringe Benefits	67,527	67,527	59,928	7,599
Travel	21,790	14,790	11,066	3,724
Operating Expenditures	16,364	16,364	11,058	5,306
Capital Outlay	2,500	9,500	7,592	1,908
Election board:				
Salary and Wages	653,505	700,099	692,821	7,278
Fringe Benefits	217,920	208,902	206,062	2,840
Travel	21,564	12,764	12,081	683
Operating Expenditures	131,010	143,896	142,951	945
Capital Outlay	8,600	29,924	29,146	778
Centralized HR/Environmental Health & Safety:				
Salary and Wages	295,760	300,260	297,134	3,126
Fringe Benefits	113,867	113,667	112,556	1,111
Travel	5,175	6,025	6,019	6
Operating Expenditures	36,680	30,530	28,567	1,963
Capital Outlay	5,500	10,600	10,513	87
MIS				
Salary and Wages	936,097	867,435	833,737	33,698
Fringe Benefits	349,224	293,786	271,820	21,965
Travel	25,151	25,151	23,937	1,214
Operating Expenditures	1,132,140	1,221,540	1,161,022	60,518
Capital Outlay	57,388	57,388	57,360	28
Facilities management-courtthouse:				
Salary and Wages	672,748	672,748	600,418	72,330
Fringe Benefits	283,693	283,693	235,272	48,421
Travel	2,000	2,000	131	1,869
Operating Expenditures	3,610,285	3,514,285	3,509,339	4,946
Capital Outlay	20,000	116,000	91,547	24,453
Facilities management-custodial:				
Salary and Wages	140,847	53,547	52,972	575
Fringe Benefits	77,879	54,929	52,490	2,438
Travel	-	-	-	-
Operating Expenditures	188,348	258,598	258,498	100
Capital Outlay	-	-	-	-
Community Service				
Salary and Wages	402,696	402,696	399,772	2,924
Fringe Benefits	139,063	139,063	121,151	17,912
Travel	3,462	3,462	20	3,442
Operating Expenditures	40,000	40,000	28,379	11,621
Capital Outlay	-	-	-	-
Total General Governmental	28,130,426	28,199,386	27,125,265	1,069,870
<b>Public Safety</b>				
Sheriff:				
Salary and Wages	17,100,000	16,604,093	16,604,093	-
Fringe Benefits	5,500,000	6,111,394	6,111,394	0
Travel	-	-	-	-
Operating Expenditures	1,600,000	1,484,513	1,484,513	-
Capital Outlay	-	-	-	-

OKLAHOMA COUNTY, OKLAHOMA  
GENERAL FUND  
BUDGET TO ACTUAL COMPARISON SCHEDULE  
FOR THE YEAR ENDED JUNE 30, 2007  
(Unaudited)

	Budgeted Amounts		Actual Amounts/ Budgetary Basis	Variance with Final Budget- Positive (Negative)
	Original	Final		
<b>Juvenile Justice Center:</b>				
Salary and Wages	4,000,000	3,938,875	3,872,942	65,933
Fringe Benefits	1,500,000	1,460,301	1,380,884	79,418
Travel	29,200	29,200	19,443	9,757
Operating Expenditures	1,117,250	1,069,555	1,004,153	65,402
Capital Outlay	53,550	165,669	165,438	231
<b>Emergency Management:</b>				
Salary and Wages	102,970	107,370	107,341	29
Fringe Benefits	39,748	39,509	39,459	50
Travel	7,001	7,001	4,774	2,227
Operating Expenditures	96,825	96,475	90,344	6,131
Capital Outlay	125,736	121,924	70,861	51,064
Total Public Safety	31,272,280	31,235,880	30,955,638	280,242
<b>Health &amp; Welfare</b>				
<b>Training &amp; General Assistance:</b>				
Salary and Wages	582,378	582,378	579,497	2,882
Fringe Benefits	233,466	216,466	212,357	4,109
Travel	8,000	9,000	6,307	2,693
Operating Expenditures	663,279	673,279	669,531	3,748
Capital Outlay	21,232	27,232	26,924	308
<b>Training &amp; General Assistance Grants:</b>				
Salary and Wages	1,190,398	1,397,398	1,345,798	51,600
Fringe Benefits	522,666	522,666	401,650	121,016
Travel	30,000	30,000	25,544	4,456
Operating Expenditures	1,558,455	1,341,455	676,406	665,049
Capital Outlay	30,016	40,016	36,846	3,170
<b>Economic development:</b>				
Salary and Wages	-	-	-	-
Fringe Benefits	-	-	-	-
Travel	-	-	-	-
Operating Expenditures	1,749,655	1,749,655	1,733,050	16,605
Capital Outlay	-	-	-	-
<b>Community project support:</b>				
Salary and Wages	-	-	-	-
Fringe Benefits	-	-	-	-
Travel	-	-	-	-
Operating Expenditures	180,000	180,000	180,000	0
Capital Outlay	-	-	-	-
Total Health and Welfare	6,769,545	6,769,545	5,893,909	875,636
<b>Culture &amp; Recreation</b>				
<b>Free Fair:</b>				
Salary and Wages	5,400	7,753	7,753	-
Fringe Benefits	415	593	593	-
Travel	-	-	-	-
Operating Expenditures	43,085	40,654	40,622	32
Capital Outlay	100	-	-	-
Total Culture and Recreation	49,000	49,000	48,968	32
<b>Education</b>				
<b>OSU Extension:</b>				
Salary and Wages	426,956	423,956	393,828	30,128
Fringe Benefits	7,317	7,317	7,159	157
Travel	2,350	2,350	2,345	5
Operating Expenditures	28,477	31,477	31,073	403
Capital Outlay	2,875	2,875	2,859	16
Total Education	467,974	467,974	437,265	30,709

OKLAHOMA COUNTY, OKLAHOMA  
GENERAL FUND  
BUDGET TO ACTUAL COMPARISON SCHEDULE  
FOR THE YEAR ENDED JUNE 30, 2007  
(Unaudited)

	Budgeted Amounts		Actual Amounts/ Budgetary Basis	Variance with Final Budget- Positive (Negative)
	Original	Final		
<b>Road &amp; Highway</b>				
District #1:				
Salary and Wages	106,470	81,470	77,615	3,856
Fringe Benefits	32,734	24,734	21,395	3,339
Travel	3,000	5,000	4,895	105
Operating Expenditures	151,011	182,011	176,452	5,559
Capital Outlay	-	-	-	-
District #2:				
Salary and Wages	113,634	153,956	153,843	113
Fringe Benefits	52,269	35,769	35,760	10
Travel	3,000	250	250	0
Operating Expenditures	61,047	11,419	11,408	11
Capital Outlay	-	28,555	28,555	-
District #3:				
Salary and Wages	120,333	114,029	113,764	264
Fringe Benefits	40,446	53,349	41,548	11,802
Travel	3,000	201	201	-
Operating Expenditures	32,625	23,824	23,635	189
Capital Outlay	-	5,000	4,665	335
Engineer:				
Salary and Wages	265,354	358,118	356,874	1,244
Fringe Benefits	97,292	118,528	118,069	459
Travel	2,030	2,030	2,015	15
Operating Expenditures	65,871	65,871	64,108	1,763
Capital Outlay	8,618	8,618	8,601	17
Total Road and Highway	1,158,733	1,272,733	1,243,652	29,082
Total expenditures and encumbrances	67,847,958	67,994,518	65,704,697	2,285,571
Excess of revenues over/(under) expenditures	(3,877,534)	(3,960,114)	1,051,324	5,011,438
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers from other funds		-	700,000	(700,000)
Transfers to other funds	(1,475,000)	(1,475,000)	(1,468,527)	(6,473)
Total other financing sources (uses)	(1,475,000)	(1,475,000)	(768,527)	(706,473)
Net change in fund balances	(5,352,534)	(5,435,114)	282,797	4,304,965
Fund balances - beginning	5,352,534	5,435,114	8,184,379	2,749,265
Fund balances - ending	\$ 0	\$ 0	\$ 8,467,176	\$ 7,054,230

**RECONCILIATION TO GAAP-BASIS FUND BALANCE**

Property taxes receivable	4,242,365
Accounts payable	(1,833,567)
Accrued interest	2,168
Accounts receivable	213,234
Intergovernmental receivable	1,057,382
Transfer of capital asset from OCPBA	(1,252,592)
Current year encumbrances	2,812,842
Adjustment to prior year reserve for encumbrances	(1,927,829)
Reserve for inventory	197,735
Self-insurance funds net activity (cash basis)	1,130,278
Total Reconciling items	4,642,016
Fund balance, June 30, 2007 (GAAP Basis)	\$ 13,109,193

**OKLAHOMA COUNTY, OKLAHOMA**  
**Notes to Required Supplementary Information**  
**June 30, 2007**

**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, 2007.

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, 2006 and July 1, 2007. 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% (7.0% before July 1, 2006)
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 and debt service 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.

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*Combining and  
Individual Fund  
Financial  
Statements and  
Schedules*





# ***NON-MAJOR GOVERNMENTAL FUNDS***

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## ***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)*

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**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, 2007

	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	
<b>ASSETS</b>										
Cash and cash equivalents	\$ 2,884,385	\$ 640,064	\$ 197,110	\$ 1,430,146	\$ 1,348,138	\$ 1,739,440	\$ 907	\$ 88,938	\$ 63,750	
Investments	510,697	113,327	34,900	253,215	238,695	307,978	161	15,747	11,287	
Property taxes receivable	738,374	-	-	-	-	-	-	-	-	
Interest receivable	-	-	-	6,609	6,190	8,684	-	-	-	
Accounts receivable	-	-	13,261	-	-	209,253	-	-	374	
Intergovernmental receivable	-	-	-	-	-	-	-	-	-	
Total Assets	\$ 4,133,456	\$ 753,391	\$ 245,271	\$ 1,689,970	\$ 1,593,023	\$ 2,265,355	\$ 1,068	\$ 104,685	\$ 75,411	
<b>LIABILITIES AND FUND BALANCES</b>										
Liabilities:										
Accounts payable	\$ 76,894	\$ 5,152	\$ 3,817	\$ 5,434	\$ 20,247	\$ 218,498	\$ -	\$ 24,219	\$ 1,205	
Deferred revenue	-	-	-	-	-	-	-	-	-	
Total Liabilities	76,894	5,152	3,817	5,434	20,247	218,498	-	24,219	1,205	
Fund Balances:										
Reserved for encumbrances	144,633	7,312	167	-	42,333	143,879	-	-	3,310	
Unreserved, reported in:										
Special revenue funds	3,911,929	740,927	241,287	1,684,536	1,530,443	1,902,978	1,068	80,466	70,896	
Debt service	-	-	-	-	-	-	-	-	-	
Capital projects funds	-	-	-	-	-	-	-	-	-	
Total fund balances	4,056,562	748,239	241,454	1,684,536	1,572,776	2,046,857	1,068	80,466	74,206	
Total liabilities and fund balances	\$ 4,133,456	\$ 753,391	\$ 245,271	\$ 1,689,970	\$ 1,593,023	\$ 2,265,355	\$ 1,068	\$ 104,685	\$ 75,411	

(continued)

OKLAHOMA COUNTY, OKLAHOMA  
COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
JUNE 30, 2007

	Special Revenue								Total
	Local								
	Juvenile Grant Fund	Planning Commission	Emergency Planning Comm	Emergency Management	Community Service Fee	Community Sentencing	Drug Court	Drug Court User Fee	
<b>ASSETS</b>									
Cash and cash equivalents	\$ 435,859	\$ 69,792	\$ 6,887	\$ 47,705	\$ 121,237	\$ 541,773	\$ 88,123	\$ 4,360	\$ 9,708,614
Investments	77,171	12,357	1,219	8,446	21,466	95,924	15,603	772	1,718,965
Property taxes receivable	-	-	-	-	-	-	-	-	738,374
Interest receivable	-	-	-	-	-	-	-	-	21,483
Accounts receivable	-	-	-	-	403	-	-	-	223,291
Intergovernmental receivable	19,974	-	-	-	-	68,451	-	-	88,425
<b>Total Assets</b>	<b>\$ 533,004</b>	<b>\$ 82,149</b>	<b>\$ 8,106</b>	<b>\$ 56,151</b>	<b>\$ 143,106</b>	<b>\$ 706,148</b>	<b>\$ 103,726</b>	<b>\$ 5,132</b>	<b>\$ 12,499,152</b>
<b>LIABILITIES AND FUND BALANCES</b>									
Liabilities:									
Accounts payable	\$ -	\$ 2,629	\$ -	\$ -	\$ 4,397	\$ 7,740	\$ 2,730	\$ -	\$ 372,962
Deferred revenue	-	-	-	-	-	-	-	-	-
<b>Total Liabilities</b>	<b>-</b>	<b>2,629</b>	<b>-</b>	<b>-</b>	<b>4,397</b>	<b>7,740</b>	<b>2,730</b>	<b>-</b>	<b>372,962</b>
Fund Balances:									
Reserved for encumbrances	-	85	-	-	373	3,484	-	-	345,576
Unreserved, reported in:									
Special revenue funds	533,004	79,435	8,106	56,151	138,336	694,924	100,996	5,132	11,780,614
Debt service	-	-	-	-	-	-	-	-	-
Capital projects funds	-	-	-	-	-	-	-	-	-
<b>Total fund balances</b>	<b>533,004</b>	<b>79,520</b>	<b>8,106</b>	<b>56,151</b>	<b>138,709</b>	<b>698,408</b>	<b>100,996</b>	<b>5,132</b>	<b>12,126,190</b>
<b>Total liabilities and fund balances</b>	<b>\$ 533,004</b>	<b>\$ 82,149</b>	<b>\$ 8,106</b>	<b>\$ 56,151</b>	<b>\$ 143,106</b>	<b>\$ 706,148</b>	<b>\$ 103,726</b>	<b>\$ 5,132</b>	<b>\$ 12,499,152</b>

(continued)

OKLAHOMA COUNTY, OKLAHOMA  
COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
JUNE 30, 2007

	Capital Projects						Debt Service	Total Nonmajor Governmental Funds
	Capital Projects Regular	Capital Projects Districts	Capital Projects Tinker I	Jail Facility	Sale of Property	Total		
<b>ASSETS</b>								
Cash and cash equivalents	\$ 252,606	\$ 339,319	\$ 8,153	\$ 4,092	\$ 6,114	\$ 610,284	\$ 3,015,087	\$ 13,333,985
Investments	44,725	60,078	1,444	725	1,083	108,055	533,838	2,360,858
Property taxes receivable	-	-	-	-	-	-	206,463	944,837
Interest receivable	1,003	-	247	-	-	1,250	19,863	42,596
Accounts receivable	-	-	-	-	-	-	-	223,291
Intergovernmental receivable	-	-	-	-	-	-	-	88,425
<b>Total Assets</b>	<b>\$ 298,334</b>	<b>\$ 399,397</b>	<b>\$ 9,844</b>	<b>\$ 4,817</b>	<b>\$ 7,197</b>	<b>\$ 719,589</b>	<b>\$ 3,775,251</b>	<b>\$ 16,993,992</b>
<b>LIABILITIES AND FUND BALANCES</b>								
<b>Liabilities:</b>								
Accounts payable	\$ 36,217	\$ -	\$ -	\$ -	\$ -	\$ 36,217	\$ -	\$ 409,179
Deferred revenue	-	-	-	-	-	-	84,439	84,439
<b>Total Liabilities</b>	<b>36,217</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>36,217</b>	<b>84,439</b>	<b>493,618</b>
<b>Fund Balances:</b>								
Reserved for encumbrances	6,889	-	-	-	-	6,889	-	352,465
Unreserved, reported in:								
Special revenue funds	-	-	-	-	-	-	-	11,780,614
Debt service	-	-	-	-	-	-	3,690,812	3,690,812
Capital projects funds	255,228	399,397	9,844	4,817	7,197	676,483	-	676,483
<b>Total fund balances</b>	<b>262,117</b>	<b>399,397</b>	<b>9,844</b>	<b>4,817</b>	<b>7,197</b>	<b>683,372</b>	<b>3,690,812</b>	<b>16,500,374</b>
<b>Total liabilities and fund balances</b>	<b>\$ 298,334</b>	<b>\$ 399,397</b>	<b>\$ 9,844</b>	<b>\$ 4,817</b>	<b>\$ 7,197</b>	<b>\$ 719,589</b>	<b>\$ 3,775,251</b>	<b>\$ 16,993,992</b>

OKLAHOMA COUNTY, OKLAHOMA  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
 NONMAJOR GOVERNMENTAL FUNDS  
 FOR THE YEAR ENDED JUNE 30, 2007

	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	
<b>REVENUES</b>										
Property taxes	\$ 3,162,985	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Charges for services	-	213,770	146,551	888,361	933,486	2,741,265	-	40,120	42,244	-
Intergovernmental revenues	-	-	-	-	-	-	-	-	-	-
Investment income (loss)	18,734	3,247	409	80,175	69,674	84,739	5	230	179	-
Miscellaneous revenue	-	-	-	-	-	-	220	-	-	-
Total revenues	\$ 3,181,719	\$ 217,017	\$ 146,960	\$ 968,536	\$ 1,003,160	\$ 2,826,004	\$ 225	\$ 40,350	\$ 42,423	
<b>EXPENDITURES</b>										
Current:										
General government	3,311,247	254,343	30,129	785,743	524,476	-	463	-	-	-
Public safety	-	-	-	-	-	2,303,886	-	-	20,940	-
Health and welfare	-	-	-	-	-	-	-	-	-	-
Roads and highways	-	-	-	-	-	-	-	-	-	-
Debt service:										
Principal	-	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-	-
Capital outlay	33,605	12,233	7,309	13,276	19,643	298,422	-	31,795	-	-
Total expenditures	3,344,852	266,576	37,438	799,019	544,119	2,602,308	463	31,795	20,940	-
Excess(deficiency) of revenues over(under) expenditures	(163,133)	(49,559)	109,522	169,517	459,041	223,696	(238)	8,555	21,483	
<b>OTHER FINANCING SOURCES (USES)</b>										
Transfers from other funds	-	-	-	-	-	-	-	-	-	-
Transfers to other funds	(700,000)	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	(700,000)	-	-	-	-	-	-	-	-	-
Net change in fund balances	(863,133)	(49,559)	109,522	169,517	459,041	223,696	(238)	8,555	21,483	
Fund balances-beginning as restated (See Note III.G.)	4,919,695	797,798	131,932	1,515,019	1,113,735	1,823,161	1,306	71,911	52,723	
Fund balances-ending	\$ 4,056,562	\$ 748,239	\$ 241,454	\$ 1,684,536	\$ 1,572,776	\$ 2,046,857	\$ 1,068	\$ 80,466	\$ 74,206	

(continued)

OKLAHOMA COUNTY, OKLAHOMA  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2007**

	Special Revenue							Total
	Juvenile Grant Fund	Planning Commission	Emergency Planning Comm	Emergency Management	Community Service Fee	Community Sentencing	Drug Court	
<b>REVENUES</b>								
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Charges for services	-	272,109	-	-	112,582	195,741	-	-
Intergovernmental revenues	650,524	-	-	37,304	-	810,956	317,341	-
Investment income (loss)	1,193	505	32	210	124	2,035	518	15
Miscellaneous revenue	-	-	-	-	-	-	-	25,241
Total revenues	\$ 651,717	\$ 272,614	\$ 32	\$ 37,514	\$ 112,706	\$ 1,008,732	\$ 317,859	\$ 25,256
<b>EXPENDITURES</b>								
Current:								
General government	-	300,686	-	-	34,275	-	270,672	24,377
Public safety	468,082	-	-	4,445	-	922,916	-	-
Health and welfare	-	-	-	-	-	-	-	-
Roads and highways	-	-	-	-	-	-	-	-
Debt service:								
Principal	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Capital outlay	15,034	544	-	2,189	3,209	4,889	-	-
Total expenditures	483,116	301,230	-	6,634	37,484	927,805	270,672	24,377
Excess(deficiency) of revenues over(under) expenditures	168,601	(28,616)	32	30,880	75,222	80,927	47,187	879
<b>OTHER FINANCING SOURCES (USES)</b>								
Transfers from other funds	-	-	-	-	-	-	-	-
Transfers to other funds	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-
Net change in fund balances	168,601	(28,616)	32	30,880	75,222	80,927	47,187	879
Fund balances-beginning as restated (See Note III.G.)	364,403	108,136	8,074	25,271	63,487	617,481	53,809	4,253
Fund balances-ending	\$ 533,004	\$ 79,520	\$ 8,106	\$ 56,151	\$ 138,709	\$ 698,408	\$ 100,996	\$ 5,132

(continued)

OKLAHOMA COUNTY, OKLAHOMA  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2007**

	Capital Projects					Total	Debt Service	Total Nonmajor Governmental Funds
	Capital Projects Regular	Capital Projects Districts	Capital Projects Tinker I	Jail Facility	Sale of Property			
<b>REVENUES</b>								
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,499,670	\$ 5,662,655
Charges for services	-	-	-	1,519	-	1,519	-	5,587,748
Intergovernmental revenues	-	-	-	-	-	-	-	1,816,125
Investment income (loss)	14,775	1,554	3,928	10	307	20,574	157,817	440,415
Miscellaneous revenue	-	-	-	-	-	-	-	25,461
Total revenues	\$ 14,775	\$ 1,554	\$ 3,928	\$ 1,529	\$ 307	\$ 22,093	\$ 2,657,487	\$ 13,532,404
<b>EXPENDITURES</b>								
Current:								
General government	-	-	-	-	-	-	-	5,536,411
Public safety	-	-	-	-	-	-	-	3,720,269
Health and welfare	-	-	-	-	-	-	-	-
Roads and highways	-	-	-	-	-	-	-	-
Debt service:								
Principal	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	1,910,683	1,910,683
Capital outlay	379,705	-	162,062	-	-	541,767	706,221	706,221
Total expenditures	379,705	-	162,062	-	-	541,767	2,616,904	983,915
Excess(deficiency) of revenues over(under) expenditures	(364,930)	1,554	(158,134)	1,529	307	(519,674)	40,583	674,905
<b>OTHER FINANCING SOURCES (USES)</b>								
Transfers from other funds	200,000	-	-	-	-	200,000	2,092,116	2,292,116
Transfers to other funds	-	-	-	-	-	-	-	(700,000)
Total other financing sources (uses)	200,000	-	-	-	-	200,000	2,092,116	1,592,116
Net change in fund balances	(164,930)	1,554	(158,134)	1,529	307	(319,674)	2,132,699	2,267,021
Fund balances-beginning as restated (See Note III.G.)	427,047	397,843	167,978	3,288	6,890	1,003,046	1,558,113	14,233,353
Fund balances-ending	\$ 262,117	\$ 399,397	\$ 9,844	\$ 4,817	\$ 7,197	\$ 683,372	\$ 3,690,812	\$ 16,500,374

# ***FIDUCIARY FUNDS***

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*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  
DEBT SERVICE FUND  
SCHEDULE OF REVENUES, EXPENDITURES, ENCUMBRANCES, AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
FOR THE YEAR ENDED JUNE 30, 2007  
(Unaudited)

	Original Budget	Revisions	Revised Budget	Total Actual	Variance
<b>REVENUES</b>					
Property taxes	\$ 2,472,728	\$ -	\$ 2,472,728	\$ 2,430,233	\$ (42,495)
Investment income	-	-	-	146,623	146,623
Total revenues	<u>2,472,728</u>	<u>-</u>	<u>2,472,728</u>	<u>2,576,856</u>	<u>104,128</u>
<b>EXPENDITURES</b>					
Redemption of debt	3,042,004	-	3,042,004	1,910,683	1,131,321
Interest	702,787	-	702,787	706,221	(3,434)
Total expenditures	<u>3,744,792</u>	<u>-</u>	<u>3,744,792</u>	<u>2,616,904</u>	<u>1,127,888</u>
Excess(deficiency) of revenues over(under) expenditures	<u>(1,272,064)</u>	<u>-</u>	<u>(1,272,064)</u>	<u>(40,048)</u>	<u>1,232,016</u>
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers from other funds	-	-	-	2,092,116	2,092,116
Net change in fund balances	<u>(1,272,064)</u>	<u>-</u>	<u>(1,272,064)</u>	<u>2,052,068</u>	<u>3,324,132</u>
Fund balance-beginning (Non-GAAP budgetary basis)	1,496,857	-	1,496,857	1,496,857	-
Fund balance-ending (Non-GAAP budgetary basis)	<u>\$ 224,793</u>	<u>\$ -</u>	<u>\$ 224,793</u>	<u>\$ 3,548,925</u>	<u>\$ 3,324,132</u>
<b>ADJUSTMENTS TO GENERALLY ACCEPTED ACCOUNTING PRINCIPLES</b>					
Property tax receivable				206,463	
Interest receivable				19,863	
Deferred revenue				(84,439)	
<b>Fund balance-ending (GAAP basis)</b>				<u>\$ 3,690,812</u>	

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**OKLAHOMA COUNTY, OKLAHOMA**  
**COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES - ALL AGENCY FUNDS**  
**Fiscal Year Ended June 30, 2007**

	Balance July 1, 2006	Additions	Deductions	Balance June 30, 2007
<b>SCHOOLS</b>				
<u>Assets:</u>				
Cash and investments	\$ 3,897,649	\$ 389,871,261	\$ 384,006,170	\$ 9,762,740
Ad valorem taxes receivable	4,284,735	19,949,821	4,284,735	19,949,821
Due from other governments	1,308,142	1,358,425	1,308,142	1,358,425
<b>Total Assets</b>	<b>\$ 9,490,526</b>	<b>\$ 411,179,507</b>	<b>\$ 389,599,047</b>	<b>\$ 31,070,986</b>
<u>Liabilities:</u>				
Warrants payable	1,588,968	1,929,514	1,588,968	1,929,514
Due to other taxing units	7,901,558	409,249,993	388,010,079	29,141,472
<b>Total Liabilities</b>	<b>\$ 9,490,526</b>	<b>\$ 411,179,507</b>	<b>\$ 389,599,047</b>	<b>\$ 31,070,986</b>
<b>CITIES AND TOWNS</b>				
<u>Assets:</u>				
Cash and investments	\$ 236,142	\$ 81,278,465	\$ 80,823,606	\$ 691,001
Ad valorem taxes receivable	899,934	4,590,300	899,934	4,590,300
Due from other governments	891,397	1,075,955	891,397	1,075,955
<b>Total Assets</b>	<b>\$ 2,027,473</b>	<b>\$ 86,944,720</b>	<b>\$ 82,614,937</b>	<b>\$ 6,357,256</b>
<u>Liabilities:</u>				
Due to other taxing units	2,027,473	86,944,720	82,614,937	6,357,256
<b>Total Liabilities</b>	<b>\$ 2,027,473</b>	<b>\$ 86,944,720</b>	<b>\$ 82,614,937</b>	<b>\$ 6,357,256</b>
<b>OFFICIAL DEPOSITORY</b>				
<u>Assets:</u>				
Cash and investments	\$ 20,499,609	\$ 158,594,979	\$ 157,311,853	\$ 21,782,735
<b>Total Assets</b>	<b>\$ 20,499,609</b>	<b>\$ 158,594,979</b>	<b>\$ 157,311,853</b>	<b>\$ 21,782,735</b>
<u>Liabilities:</u>				
Accounts payable	878	-	878	-
Due to others	20,498,731	158,594,979	157,310,975	21,782,735
<b>Total Liabilities</b>	<b>\$ 20,499,609</b>	<b>\$ 158,594,979</b>	<b>\$ 157,311,853</b>	<b>\$ 21,782,735</b>

(Continued)

**OKLAHOMA COUNTY, OKLAHOMA**  
**COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES - ALL AGENCY FUNDS**  
**Fiscal Year Ended June 30, 2007**

	Balance July 1, 2006	Additions	Deductions	Balance June 30, 2007
<b>UNAPPORTIONED TAXES</b>				
<u>Assets:</u>				
Cash and investments	\$ 49,319	\$ 15,735,632	\$ 15,714,285	\$ 70,666
Total Assets	<u>\$ 49,319</u>	<u>\$ 15,735,632</u>	<u>\$ 15,714,285</u>	<u>\$ 70,666</u>
<u>Liabilities:</u>				
Due to other taxing units	49,319	15,735,632	15,714,285	70,666
Total Liabilities	<u>\$ 49,319</u>	<u>\$ 15,735,632</u>	<u>\$ 15,714,285</u>	<u>\$ 70,666</u>
<b>ALL OTHERS</b>				
<u>Assets:</u>				
Cash and investments	\$ 17,232,546	\$ 76,491,137	\$ 62,365,656	\$ 31,358,027
Ad valorem taxes receivable	107,928	670,943	107,928	670,943
Total Assets	<u>\$ 17,340,474</u>	<u>\$ 77,162,080</u>	<u>\$ 62,473,584</u>	<u>\$ 32,028,970</u>
<u>Liabilities:</u>				
Accounts payable	4,722	-	4,722	-
Due to other taxing units	540	45,133,652	45,133,650	542
Due to others	17,335,212	32,028,428	17,335,212	32,028,428
Total Liabilities	<u>\$ 17,340,474</u>	<u>\$ 77,162,080</u>	<u>\$ 62,473,584</u>	<u>\$ 32,028,970</u>
<b>TOTALS - ALL AGENCY FUNDS</b>				
<u>Assets:</u>				
Cash and investments	\$ 41,915,265	\$ 721,971,474	\$ 700,221,570	\$ 63,665,169
Ad valorem taxes receivable	5,292,597	25,211,064	5,292,597	25,211,064
Due from other governments	2,199,539	2,434,380	2,199,539	2,434,380
Total Assets	<u>\$ 49,407,401</u>	<u>\$ 749,616,918</u>	<u>\$ 707,713,706</u>	<u>\$ 91,310,613</u>
<u>Liabilities:</u>				
Warrants payable	1,588,968	1,929,514	1,588,968	1,929,514
Accounts payable	5,600	-	5,600	-
Due to other taxing units	9,978,890	557,063,997	531,472,951	35,569,936
Due to others	37,833,943	190,623,407	174,646,187	53,811,163
Total Liabilities	<u>\$ 49,407,401</u>	<u>\$ 749,616,918</u>	<u>\$ 707,713,706</u>	<u>\$ 91,310,613</u>

**III - *Statistical Section***





# *Statistical Section*

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*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 FIVE FISCAL YEARS**  
 (accrual basis of accounting)  
 (Unaudited)

	Fiscal Year				
	2003	2004	2005	2006	2007
<b>Governmental activities</b>					
Invested in capital assets, net of related debt	\$88,458,294	\$90,230,514	\$84,985,981	86,825,419	85,593,856
Restricted	21,182,661	23,522,870	30,638,054	31,868,465	33,119,444
Unrestricted	3,108,966	4,151,946	6,411,647	11,281,998	15,841,626
Total governmental activities net assets	<u>\$112,749,921</u>	<u>\$117,905,330</u>	<u>\$122,035,682</u>	<u>\$129,975,883</u>	<u>\$134,554,926</u>
<b>Business-type activities</b>					
Invested in capital assets, net of related debt	\$2,705,618	\$620,052	(\$56,342)	(1,145,608)	(3,272,337)
Restricted	1,015,135	503,444	802,350	1,911,663	3,317,831
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>	<u>\$45,494</u>
<b>Primary government</b>					
Invested in capital assets, net of related debt	\$91,163,912	\$90,850,566	\$84,929,639	\$85,679,811	\$82,321,519
Restricted	22,197,796	24,026,314	31,440,404	33,780,128	36,437,275
Unrestricted	376,005	4,151,946	6,411,647	11,281,998	15,841,626
Total primary government net assets	<u>\$113,737,713</u>	<u>\$119,028,826</u>	<u>\$122,781,690</u>	<u>\$130,741,938</u>	<u>\$134,600,420</u>

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

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

	Fiscal Year				
	2003	2004	2005	2006	2007
<b>Expenses</b>					
Governmental activities:					
General government	\$38,634,271	\$37,893,855	\$34,058,417	\$ 34,246,560	\$ 35,160,374
Public safety	35,175,101	39,185,165	42,813,630	46,295,300	50,039,027
Health and welfare	3,425,528	3,035,114	3,498,484	3,374,982	3,896,513
Culture and recreation	51,030	45,671	48,457	47,774	48,967
Education	368,391	344,730	375,503	447,938	439,609
Roads and highways	11,955,096	13,469,882	15,218,410	14,774,649	14,450,276
Economic development	580,004	106,064	130,898	245,966	307,465
Interest on long term debt		1,207,082	1,238,461	1,084,693	1,024,368
Total governmental activities expenses	90,189,421	95,287,563	97,382,260	100,517,863	105,366,599
Business-type activities:					
Public Buildings Authority	602,574	236,003	1,485,261	2,451,523	2,652,389
Total business-type activities expenses	602,574	236,003	1,485,261	2,451,523	2,652,389
Total primary government expenses	\$90,791,995	\$95,523,566	\$98,867,521	\$102,969,386	\$108,018,988
<b>Program Revenues</b>					
Governmental activities:					
Charges for services:					
General government	12,456,911	13,037,701	12,874,450	13,081,782	12,897,993
Public safety	14,265,277	19,341,662	19,333,419	19,075,601	21,320,760
Other activities	194,881	116,221	198,910	250,043	42,923
Operating grants and contributions	5,428,202	5,063,061	4,877,310	5,298,624	16,704,541
Capital grants and contributions	12,013,065	11,648,773	12,766,678	13,710,668	1,591,477
Total governmental activities program revenues	44,358,336	49,207,418	50,050,767	51,416,718	52,557,694
Business-type activities:					
Charges for services:					
Public Buildings Authority	1,354,250	1,446,150	1,684,614	3,158,155	3,089,276
Total business-type activities program revenues	1,354,250	1,446,150	1,684,614	3,158,155	3,089,276
Total primary government program revenues	\$45,712,586	\$50,653,568	\$51,735,381	\$54,574,873	\$55,646,970

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

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

	2003	2004	2005	2006	2007
Net (expense)/revenue					
Governmental activities	(\$45,831,085)	(\$46,080,145)	(\$47,331,493)	(\$49,101,144)	(\$52,808,905)
Business-type activities	751,676	1,210,147	199,353	706,632	436,887
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>	<u>(\$52,372,018)</u>
<b>General Revenues and Other Changes in Net Assets</b>					
Governmental activities:					
Taxes					
Property taxes	\$40,477,304	\$46,142,745	\$46,753,701	49,288,680	53,204,275
Investment earnings	2,128,226	1,359,793	1,315,158	1,882,094	2,583,612
Miscellaneous	287,668	293,190	231,116	329,235	347,468
Transfers	684,195	657,118	698,855	769,769	1,252,592
Total governmental activities	<u>43,577,393</u>	<u>48,452,846</u>	<u>48,998,830</u>	<u>52,269,778</u>	<u>57,387,948</u>
Business-type activities					
Investment earnings	55,664	(417,324)	117,014	83,184	95,144
Miscellaneous			5,000		
Transfers	(684,195)	(657,118)	(698,855)	(769,769)	(1,252,592)
Total business-type activities	<u>(628,531)</u>	<u>(1,074,442)</u>	<u>(576,841)</u>	<u>(686,585)</u>	<u>(1,157,448)</u>
Total primary government	<u>\$42,948,862</u>	<u>\$47,378,404</u>	<u>\$48,421,989</u>	<u>\$51,583,193</u>	<u>\$56,230,500</u>
<b>Change in Net Assets</b>					
Governmental activities	(\$2,253,692)	\$2,372,701	\$1,667,337	\$3,168,634	\$4,579,042
Business-type activities	123,145	135,705	(377,488)	20,047	(720,561)
Total primary government	<u>(\$2,130,547)</u>	<u>\$2,508,406</u>	<u>\$1,289,849</u>	<u>\$3,188,681</u>	<u>\$3,858,481</u>

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

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

	Fiscal Year				
	2003	2004	2005	2006	2007
General Fund					
Reserved	\$1,357,631	\$785,539	\$659,623	\$629,635	\$1,153,600
Unreserved	7,226,487	9,204,349	9,011,294	9,755,780	11,955,593
Total general fund	<u>\$8,584,118</u>	<u>\$9,989,888</u>	<u>\$9,670,917</u>	<u>\$10,385,415</u>	<u>\$13,109,193</u>
All other governmental funds					
Reserved	\$2,314,842	\$6,444,774	\$2,500,097	4,311,182	\$2,566,546
Unreserved, reported in:					
Debt service			1,570,971	1,558,113	3,690,812
Special revenue funds	19,688,368	19,810,434	25,052,188	22,861,229	24,974,734
Capital projects funds	12,925,503	7,906,971	8,465,578	8,032,710	5,053,615
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>	<u>\$36,285,707</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 FIVE FISCAL YEARS**  
 (accrual basis of accounting)  
 (Unaudited)

	Fiscal Year				
	2003	2004	2005	2006	2007
<b>Revenues</b>					
Property taxes	\$40,477,124	\$46,140,045	\$46,748,301	\$ 49,286,880	\$ 54,326,475
Charges for services	10,156,739	10,967,945	10,689,682	10,727,352	13,306,846
Intergovernmental revenues	30,956,220	35,170,430	35,134,697	35,596,952	34,779,561
Interest income	2,162,133	1,410,766	1,733,886	2,574,149	3,398,722
Miscellaneous revenue	3,098,733	3,536,956	4,099,201	4,356,076	3,496,017
Total revenues	<u>86,850,949</u>	<u>97,226,142</u>	<u>98,405,767</u>	<u>102,541,409</u>	<u>109,307,621</u>
<b>Expenditures</b>					
General government	\$36,135,736	\$35,816,213	\$31,119,465	32,364,706	33,791,588
Public safety	31,791,403	36,183,545	39,896,004	42,785,386	46,500,195
Health and welfare	3,351,464	2,964,375	3,328,502	3,279,821	3,787,258
Culture and recreation	51,030	45,671	48,457	47,774	48,967
Education	361,849	325,792	363,067	441,865	434,081
Roads and highways	11,348,397	11,727,708	13,845,414	10,966,772	10,612,993
Debt service					
Principal	168,514	402,870	2,926,850	2,720,905	2,689,542
Interest	45,130	1,207,082	1,238,461	1,104,050	1,035,735
Bond issuance costs	90,967				
Capital outlay	14,493,477	9,194,619	3,617,601	8,879,171	8,334,770
Total expenditures	<u>97,837,967</u>	<u>97,867,875</u>	<u>96,383,821</u>	<u>102,590,450</u>	<u>107,235,129</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>	<u>2,072,492</u>
<b>Other financing sources (uses)</b>					
Transfers from other funds	3,012,541	2,183,465	2,377,892	1,207,031	2,992,116
Transfers to other funds	(2,328,347)	(1,526,347)	(1,679,037)	(1,207,031)	(2,992,116)
Bond proceeds	20,015,256	559,615	28,336		105,156
Capital leases	826,133				79,253
Sale of capital assets					
Total other financing sources (uses)	<u>21,525,583</u>	<u>1,216,733</u>	<u>727,191</u>	<u>0</u>	<u>184,409</u>
Net change in fund balances	<u>\$10,538,565</u>	<u>\$575,000</u>	<u>\$2,749,137</u>	<u>(\$49,041)</u>	<u>\$2,256,901</u>
Debt service as a percentage of noncapital expenditures	0.4%	1.8%	4.5%	4.0%	3.7%

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 30	Personal			Public Service		Real Estate		Less: Homestead Exemption		Total Taxable Assessed Value		Estimated Fair Market Value	
	(2)	(1)	(2)	(1)	(2)	(1)	(2)	(1)	(2)	(1)	(2)	(1)	(2)
98	\$ 548,355,507	\$ 272,446,662	\$ 1,934,616,756	\$ 126,729,737	\$ 2,628,689,188	\$ 21,282,408,660							
99	559,391,821	263,032,612	2,044,908,350	129,457,166	2,737,875,617	23,451,426,655							
00	568,833,168	304,158,103	2,188,716,442	128,710,566	2,932,997,147	25,408,278,347							
01	609,685,689	318,026,002	2,341,357,421	129,322,641	3,139,746,471	27,443,276,491							
02	627,131,835	384,453,928	2,499,983,759	129,997,665	3,381,571,857	27,851,182,353							
03	713,597,382	377,520,561	2,823,329,944	133,464,433	3,780,983,454	31,202,615,742							
04	728,006,330	385,340,830	3,039,937,336	132,381,580	4,020,902,916	33,318,763,398							
05	746,717,630	492,680,863	3,295,697,764	132,630,728	4,402,465,529	36,245,004,802							
06	768,997,958	464,014,119	3,625,312,282	147,052,858	4,711,271,501	39,243,949,003							
07	795,279,333	400,529,628	3,937,136,936	150,215,255	4,982,730,642	41,963,275,324							

(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.

Source: Assessed Valuations and Rates Oklahoma County Assessor

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

	2006-07	2005-06	2004-05	2003-04	2002-03	2001-02	2000-01	1999-00	1998-99	1997-98
<b>County</b>										
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	0.53	0.62	0.71	0.87	0.07	0.01	0.03	0.07	0.04	0.18
County Wide School Levy	4.14	4.14	4.14	4.14	4.14	4.14	4.14	4.14	4.14	4.14
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	5.20
<b>Total County-Wide Levies</b>	<b>22.81</b>	<b>22.90</b>	<b>22.99</b>	<b>23.15</b>	<b>22.35</b>	<b>22.29</b>	<b>22.31</b>	<b>22.35</b>	<b>22.32</b>	<b>22.46</b>
<b>Cities and Towns</b>										
Bethany	0.00	0.00	0.00	5.95	6.15	6.98	7.76	8.46	12.14	10.36
Choctaw	2.41	2.56	2.93	3.33	3.68	4.45	5.38			
Del City	10.08	10.06	10.06	11.82	8.56	12.60	11.47	8.59	13.62	24.07
Edmond	0.18	0.20								
Midwest City	9.25	8.79	9.82	11.45	14.20	1.43	1.48	1.57	3.55	3.72
Nichols Hills	30.75	30.80	32.82	28.62	26.25	28.75	31.90	33.35	33.14	32.00
Nicoma Park	5.96	5.20								
Oklahoma City	14.48	12.53	14.73	15.55	15.89	15.34	15.37	15.02	13.89	14.45
Spencer	0.00	4.16	5.43	5.20	5.08	6.19	6.68	7.71	8.00	2.89
Warr Acres	0.63	1.47	1.62							
<b>School Districts</b>										
Oklahoma City 89	57.07	58.02	57.84	54.44	59.64	47.91	52.67	53.30	54.36	54.84
Putnam City 1	55.96	55.14	55.71	56.09	56.29	56.68	60.97	60.42	60.93	60.45
Luther 3	44.08	44.58	46.70	46.28	59.95	60.60	67.24	61.87	65.31	67.71
Choctaw 4	62.60	62.33	61.33	63.85	60.58	64.34	66.38	64.69	66.52	66.79
Deer Creek 6	74.19	75.92	74.75	76.37	76.31	76.51	77.79	80.97	80.65	78.51
Harrah 7	56.07	57.08	58.36	59.74	59.45	60.74	68.58	67.17	67.39	65.07
Jones 9	58.15	59.90	55.40	58.20	60.19	62.65	63.29	66.70	67.86	70.70
Edmond 12	65.86	65.95	66.51	66.23	66.87	66.67	71.17	71.65	70.51	66.62
Oakdale 29	59.96	60.07	62.93	67.20	64.12	54.26	71.73	72.60	71.47	76.02
Millwood 37	57.54	56.79	55.59	63.82	65.92	69.83	75.24	76.59	79.01	79.99
Western Heights 41	59.52	59.98	60.12	58.01	60.49	58.21	57.54	60.55	61.46	56.72
Midwest City 52	62.79	59.96	61.11	61.83	60.00	62.63	66.49	67.59	67.71	62.68
Crooked Oak 53	65.37	66.73	66.85	66.41	54.91	56.42	57.38	60.17	60.92	63.34
Crutcho 74	47.56	48.60	46.68	49.47	51.96	52.91	56.34	59.22	61.31	63.48
Bethany 88	73.77	76.42	64.90	71.88	66.95	65.39	77.66	78.56	58.05	69.59
<b>Vocational-Technical Schools</b>										
Rose State College	18.29	16.35	16.50	16.62	16.66	16.78	16.90	17.17	17.25	17.52
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 C T 21	15.69	15.69	15.69	14.96	14.96	15.69	15.69	15.69	15.69	15.69
Ok Cy Area CT 22	15.45	15.45	15.45	15.45	15.45	15.45	15.45	15.45	15.45	15.45
Eastern Ok Co Area C T 23	16.41	16.43	16.53	16.50	16.95	17.21	17.85	18.15	18.47	18.94
Canadian 22 - Piedmont	70.72	62.26	63.98	65.65	66.14	67.28	65.74	71.58	59.83	62.33
Canadian 69 - Mustang	68.80	60.04	65.86	67.10	67.14	67.53	69.54	63.12	59.69	57.74
Canadian Career 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	60.82	61.13	58.02	58.36	58.66	56.98	59.34	61.06	61.74	56.70
Cleveland Career Tech 17	14.58	14.58	14.58	14.58	14.58	14.58	13.54	13.53	13.53	13.53
Pottawatomie 1 - McCloud	51.56	52.50	53.94	54.56	55.99	56.84	58.56	63.46	64.28	66.04
Pottawatomie Career Tech 5	15.47	15.47	15.57	15.57	15.57	15.57	14.47	12.47	12.47	12.47

Source: Certified Levies-Oklahoma County Clerk's office

OKLAHOMA COUNTY, OKLAHOMA  
 PRINCIPAL PROPERTY TAXPAYERS  
 JUNE 30, 2007  
 (Unaudited)

<u>Taxpayer</u>	<u>2007</u>			<u>1998</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>
Oklahoma Gas & Electric Company	\$117,689,572	1	2.36%	\$88,780,833	1	3.24%
Southwestern Bell Telephone Company	105,482,237	2	2.12%	83,064,109	2	3.03%
Redbud Energy	58,715,002	3	1.18%			
Oklahoma Natural Gas	30,894,921	4	0.62%	27,035,691	4	0.99%
Cox Oklahoma Telecom LLC	26,274,724	5	0.53%			
AT&T Mobility, LLV	25,880,355	6	0.52%			
General Motors Corporation	13,642,044	7	0.27%	39,318,574	3	1.44%
Cox Communications OK City Inc	12,261,467	8	0.25%			
Sprint Spectrum L.P.	11,932,127	9	0.24%			
Chesapeake Land Company, LLC	10,856,071	10	0.22%			
AT&T Communications Enterprise				25,896,287	5	0.95%
Lucent Technologies, Inc				14,366,203	6	0.52%
Bridgestone Firestone Inc				12,182,022	7	0.44%
Ben C. Wileman (Penn Square Mall)				9,540,589	8	0.35%
OPUBCO				7,942,940	9	0.29%
Midwest Cellular Telephone				5,269,993	10	0.19%
	<u>\$413,628,520</u>		<u>8.30%</u>	<u>\$313,397,241</u>		<u>11.45%</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	Subsequent Years	Amount	Percentage of Levy	
1998	\$ 27,725,990	\$ 26,721,587	96.4%	\$ 948,951	\$27,670,538	99.8%	
1999	28,439,301	27,117,365	95.4%	1,265,058	28,382,423	99.8%	
2000	30,561,831	27,951,730	91.5%	2,608,668	30,560,398	100.0%	
2001	32,590,569	31,444,234	96.5%	965,337	32,409,571	99.4%	
2002	35,033,297	33,487,253	95.6%	1,317,349	34,804,602	99.3%	
2003	36,906,787	34,425,761	93.3%	2,166,400	36,592,162	99.1%	
2004	42,114,409	38,788,377	92.1%	3,108,455	41,896,832	99.5%	
2005	44,075,796	40,682,262	92.3%	3,207,265	43,889,527	99.6%	
2006	47,869,749	43,372,649	90.6%	2,644,336	46,016,985	96.1%	
2007	50,679,386	46,489,646	91.7%	n/a	46,489,646	91.7%	

<sup>1</sup> 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 <sup>1</sup>	Per Capita
	General Obligation Bonds	Airport Hazard Bonds	Capital Leases	Judgments	Compensated Absences	Revenue Bonds					
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	-	6,127,449	933,167	3,466,831	19,355,000	46,822,447	0.19%	\$68		
2007	15,410,000	-	5,453,746	733,483	3,622,609	18,555,000	43,774,838	0.17%	\$63		

Note: Details regarding the County's outstanding debt can be found in the notes to the financial statements.  
<sup>1</sup> See the Schedule of Demographic and Economic Statistics 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 Value <sup>1</sup> of Property	Per Capita
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	1,558,113	15,381,887	0.33%	\$22
2007	15,410,000	3,690,812	11,719,188	0.24%	\$17

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

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

<sup>2</sup>Population 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, 2007**  
(Unaudited)

	Net General Obligation Bond Debt Outstanding	Percent Applicable to Oklahoma County	Amount Applicable to Oklahoma County
<b>Oklahoma County</b>	\$15,410,000	100.0%	\$15,410,000
<u><b>Overlapping Districts</b></u>			
<b>CITIES</b>			
Choctaw	670,000	100.0%	670,000
Del City	3,275,000	100.0%	3,275,000
Midwest City	10,750,000	100.0%	10,750,000
Nichols Hills	15,915,000	100.0%	15,915,000
Oklahoma City	460,555,000	84.4%	388,708,420
<b>SCHOOL DISTRICTS</b>			
Oklahoma City	151,760,000	100.00%	151,760,000
Putnam City	50,045,000	100.0%	50,045,000
Luther	4,205,000	95.8%	4,028,390
Choctaw-Nicomma Park	8,805,000	100.0%	8,805,000
Deer Creek	16,275,000	87.1%	14,175,525
Harrah	3,800,000	91.8%	3,488,400
Jones	1,350,000	100.0%	1,350,000
Edmond	89,350,000	96.4%	86,133,400
Oakdale	3,805,000	100.0%	3,805,000
Millwood	1,530,000	100.0%	1,530,000
Western Heights	9,010,000	100.0%	9,010,000
Midwest City-Del City	30,090,000	97.8%	29,428,020
Crooked Oak	2,305,000	100.0%	2,305,000
Crutcho	340,000	100.0%	340,000
Bethany	945,000	100.0%	945,000
Eastern Oklahoma County Votech #23	820,000	96.8%	793,760
Rose State College	6,800,000	98.1%	6,670,800
Piedmont (Canadian County)*	4,560,000	26.4%	1,203,840
Mustang (Canadian County)*	24,985,000	2.2%	549,670
Moore (Cleveland County)	63,825,000	9.4%	5,999,550
McCloud (Pottawatomie County)	630,000	18.8%	118,440
<b>Subtotal Overlapping Districts</b>	<b>966,400,000</b>	<b>83.0%</b>	<b>801,803,215</b>
<b>TOTAL</b>	<b>\$981,810,000</b>		<b>\$817,213,215</b>

Source: Estimate of Needs from each City, School, or Joint School District

(continued)

**OKLAHOMA COUNTY, OKLAHOMA**  
**DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT**  
**JUNE 30, 2007**  
(Unaudited)

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable <sup>1</sup>	Estimated Share of Overlapping Debt
Overlapping debt repaid with property taxes: County	\$966,400,000	83.0%	\$801,803,215
Oklahoma County direct debt	15,410,000	100.0%	<u>15,410,000</u>
Total direct and overlapping debt			<u><u>\$817,213,215</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.

<sup>1</sup>The 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)

	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Debt limit	\$131,434,459	\$136,893,781	\$146,649,857	\$156,987,324	\$169,078,593	\$189,049,173	\$201,045,146	\$220,123,276	\$236,389,427	\$249,136,552
Total net debt applicable to limit	269,455	334,054	79,737	39,179	472,255	21,179,835	19,461,700	17,545,901	17,550,618	12,452,671
Legal debt margin	<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>\$218,838,809</u>	<u>\$236,683,861</u>
Total net debt applicable to the limit as a percentage of debt limit	0.21%	0.24%	0.05%	0.02%	0.28%	11.20%	9.68%	7.97%	7.42%	5.00%

Legal Debt Margin Calculation for Fiscal Year 2007

Assessed value	\$5,132,945,897
Less: exempt real property	(150,215,255)
Total assessed value	<u>\$4,982,730,642</u>
Debt limit (5% of total assessed value)	249,136,532
Debt applicable to limit:	
General obligation bonds	15,410,000
Judgments	733,483
Less: Amount available in Debt Service fund	(3,690,812)
Total net debt applicable to limit	<u>12,452,671</u>
Legal debt margin	<u>\$236,683,861</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	Population <sup>1</sup>	Personal Income	Per Capita Personal Income <sup>2</sup>	Median Age <sup>3</sup>	Education Level in Years of		School Enrollment <sup>6</sup>	Unemployment Rate <sup>2</sup>
					Formal Schooling <sup>4,5</sup>	Unemployment Rate <sup>2</sup>		
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%
2007	691,266	\$24,334,636,998	\$35,203	34.3			104,264	4.8%

Data Sources

<sup>1</sup>Bureau of the Census/County Regional Planning Commission

<sup>2</sup>State Department of Labor

<sup>3</sup>State Department of Commerce

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

<sup>5</sup>Data 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)

Employer	2007			1998		
	Employees	Rank	% of Total County Employment <sup>1</sup>	Employees	Rank	% of Total County Employment <sup>2</sup>
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%

<sup>1</sup>(420,003) per State Department of Commerce

<sup>2</sup>(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	2007
<u>General Government</u>	556	558	553	581	574	572	557	573	546
<u>Public Safety:</u>	970	887	900	932	1,093	919	899	936	982
<u>Health &amp; Welfare</u>	42	54	56	61	47	70	60	76	80
<u>Education</u>									
OSU Extension	14	12	14	14	14	1	1	1	1
<u>Road &amp; Highway</u>	163	180	164	166	147	148	137	130	125
<b>Total</b>	<b>1,745</b>	<b>1,691</b>	<b>1,687</b>	<b>1,754</b>	<b>1,875</b>	<b>1,710</b>	<b>1,654</b>	<b>1,716</b>	<b>1,734</b>

Source: Oklahoma County Clerk Payroll Department

Data available for nine years and will ultimately include ten years

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

<b>Function</b>	<b>03/04</b>	<b>04/05</b>	<b>05/06</b>	<b>06/07</b>
<b>Public Safety</b>				
<b>Sheriff</b>				
Inmates Booked/Released	90,122	91,007	88,898	85,831
Dispatch - Total calls for all agencies	54,673	61,258	63,237	66,121
Civil process served	14,858	15,075	14,885	11,598
Patrol - Calls for service	11,886	12,075	17,320	18,898
Patrol - Miles	1,063,601	1,077,250	967,418	1,046,647
Warrants served	2,211	2,475	16,334	17,785
<b>Juvenile Bureau</b>				
Preliminary inquiries completed by intake	1,418	1,387	1,514	1,550
Clients referred to probation	632	582	464	470
Juveniles referred to intake	1,689	1,794	1,910	2,025
Probations closed successfully	397	318	322	345
Admissions to Detention	1,909	1,775	1,700	1,615
Average daily population	69	75	78	80
<b>Conditional Bond</b>				
Clients interviewed			1,098	1,400
Clients released			303	450
<b>OR Bond</b>				
Clients interviewed	5,931	7,822	7,067	7,200
Clients released	543	1,099	1,391	1,599
<b>Community Service</b>				
New cases worked	2,800	2,532	2,554	3,558
<b>Health &amp; Welfare</b>				
<b>Training &amp; General Assistance</b>				
Prescriptions filled	11,116	10,386	11,090	8,796
Burial/Cremations provided	155	201	222	145
<b>Culture &amp; Recreation</b>				
<b>Free Fair</b>				
County Fair & Livestock Show	12,750	10,000	10,000	11,000
<b>Education</b>				
<b>OSU Extension</b>				
Master Gardener Contacts	44,000	40,000	50,000	50,000
Horticulture Contacts	4,000	2,500	2,500	4,000
Family & Consumer Sciences Contacts	2,300	2,000	2,000	3,000
4H Contacts	14,500	12,000	12,000	15,000
Soil Samples & other tests	1,300	900	900	1,300
<b>Road &amp; Highway</b>				
Dist. 1				
Number of road miles constructed or rehabilitated	9.00	7.00	22.00	29.00
Number of bridges replaced or rehabilitated			5.0	4.0
Dist. 2				
Number of road miles constructed or rehabilitated	28.00	12.67	38.00	20.00
Number of bridges replaced or rehabilitated		1.0	1.0	5.0
Dist. 3				
Number of road miles constructed or rehabilitated	3.28	8.50	17.00	13.00
Number of bridges replaced or rehabilitated			-	1.0

Source: Oklahoma County Individual Departments

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

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

Function	Fiscal Year			
	03/04	04/05	05/06	06/07
<b>Public Safety</b>				
Sheriff				
Jail	1	1	1	1
Training Center	1	1	1	1
Sub-Station	1	1	1	1
Fleet-Patrol Units	194	191	231	223
Emergency Management				
Vehicles	28	42	38	42
Juvenile Bureau				
Vehicles	12	11	15	16
<b>Health &amp; Welfare</b>				
Training & General Assistance				
Vehicles	4	4	4	4
<b>Road &amp; Highway</b>				
Heavy Equipment	210	206	202	214
Other vehicles	79	70	73	75
County shops	3	3	3	3
	<b>2004</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>
Road miles (based on calendar year)	536	591	590	591

Source: Oklahoma County Oracle Inventory Program

Data available for four years and will ultimately include ten years

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