



# Comprehensive Annual Financial Report

For Year Ending  
June 30, 2003

Oklahoma County,  
Oklahoma



Prepared in the Office of Carolynn Caudill,  
County Clerk and Secretary to the Budget Board  
*Finance Department*



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

**FOR FISCAL YEAR ENDED JUNE 30, 2003**

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

**Carolynn Caudill, Oklahoma County Clerk**

**OKLAHOMA COUNTY  
TABLE OF CONTENTS  
COMPREHENSIVE ANNUAL FINANCIAL REPORT  
For the fiscal year ended June 30, 2003**

| <b>I. INTRODUCTORY SECTION</b>  | <b>PAGE</b> |
|---|-------------|
| Letter of Transmittal .....   | 3           |
| GFOA Certificate of Achievement for Excellence in Financial Reporting .....   | 11          |
| Elected County Officials .....  | 12          |
| County Government Organizational Chart .....  | 13          |
| <br><b>II. FINANCIAL SECTION</b>  |             |
| Report of the Independent Auditors .....  | 14          |
| Management's Discussion and Analysis . .....  | 16          |
| <br><b>BASIC FINANCIAL STATEMENTS</b>   |             |
| Government-wide Financial Statements:   |             |
| Statement of Net Assets .....   | 26          |
| Statement of Activities .....   | 27          |
| Fund Financial Statements:  |             |
| Balance Sheet – Governmental Funds .....  | 28          |
| Statement of Revenues, Expenditures, and Changes in Fund Balances-<br>Governmental Funds .....  | 29          |
| Reconciliation of the Statement of Revenues, Expenditures, and Changes<br>in Fund Balances of Governmental Funds to the Statement of Activities ..... | 30          |
| Statement of Net Assets-Proprietary Fund . .....  | 31          |
| Statement of Revenues, Expenses, and Changes in Fund Net Assets –<br>Proprietary Funds .....  | 32          |
| Statement of Cash Flows-Proprietary Funds . .....   | 33          |
| Statement of Fiduciary Net Assets-Fiduciary Funds . .....   | 34          |
| Statement of Changes in Fiduciary Net Assets-Fiduciary Funds . .....  | 35          |
| Notes to the Financial Statements .....   | 36          |
| <br><b>REQUIRED SUPPLEMENTARY INFORMATION:</b>  |             |
| Schedule of Funding Progress- Employees Defined Benefit Retirement<br>System .....  | 67          |
| Schedule of Employer Contributions-Employees Defined Benefit<br>Retirement System .....   | 67          |

**OKLAHOMA COUNTY**  
**TABLE OF CONTENTS, continued**

**COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES**

Budget to Actual Comparison Schedule - General Fund ..... 68  
 Budget to Actual Comparison Schedule – Debt Service Fund ..... 74  
 Notes to the Required Supplementary Information . . . . . 75

**Non-Major Governmental Funds:**

Combining Balance Sheet – Non-Major Governmental Funds ..... 76  
 Combining Statement of Revenues, Expenditures, and Changes in Fund  
 Balances - Non-Major Governmental Funds . . . . . 79

**Fiduciary Funds:**

Statement of Changes in Assets and Liabilities – Agency Fund . . . . . 82

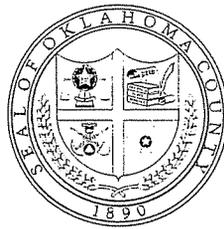
**III. STATISTICAL SECTION**

**Fund information:**

General Governmental Expenditure by Function . . . . . 84  
 General Governmental Revenues by Source . . . . . 85  
 Property Tax Levies and Collections . . . . . 86  
 Assessed and Estimated Actual Value of Property . . . . . 87  
 Property Tax Rates – Direct and Overlapping Governments . . . . . 88  
 Principal Taxpayers . . . . . 89  
 Computation of Legal Debt Margin . . . . . 90  
 Ratio of Net General Obligation Bonded Debt to Assessed Value  
 And Net General Obligation Bonded Debt Per Capita . . . . . 91  
 Ratio of Annual Debt Service Expenditures for General Obligation Bonded  
 Debt to Total General Governmental Expenditures . . . . . 92  
 Computation of Direct and Overlapping Bonded Debt –  
 General Obligation Bonds . . . . . 93  
 Demographic Statistics . . . . . 94  
 Property Value, Construction and Bank Deposits . . . . . 95

# ***INTRODUCTORY SECTION***

*This page intentionally left blank*



**CAROLYNN CAUDILL**  
OKLAHOMA COUNTY CLERK

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

January 8, 2004

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

We hereby issue the 2003 Comprehensive Annual Financial Report (CAFR) of Oklahoma County for fiscal year ended June 30, 2003. 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 that is 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 that the financial statements will be free from material misstatements. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

GAAP require that 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 compliment 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 approximately 1,600 people and is a multi-million dollar operation.

Based on the U.S. Census Bureau, Oklahoma County has an estimated 2002 population of 672,487, 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 Budget Board is comprised of the eight elected officials and is responsible for the preparation and adoption of the County budget and for establishing County fiscal policies. The County Excise Board, consisting of three appointed members, officially certifies budgets and financial statements for all Oklahoma County municipalities and school districts. The County Clerk is secretary to all three of 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. Under the provisions of the County Budget Act, adopted in 1981, Oklahoma County created a Budget Board which established uniform fiscal procedures for the preparation, adoption, execution and control of county budgets. 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 does not exercise significant influence over their respective operations. Financial statements are available from the respective organizations. Related organizations are Oklahoma County Home Finance Authority, Oklahoma County Industries Authority, Oklahoma County Industrial Authority and Oklahoma County Utility Services Authority.

### **Accountability and Budgetary Controls**

The County has a comprehensive accounting and budgetary system. The County has a balanced budget and complies with requirements of the State Statutes and Oklahoma Constitution. The Budget Board of Oklahoma County has made every effort to comply with the purpose of the County Budget Act.

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 Budget Board approves annually appropriated budgets for the General Fund and the Debt Service Fund. The level of budgetary control within the fund is by department and classification, described in Note II.A. of the financial statements.

### **Factors Affecting Financial Condition**

The information presented in the financial statements is perhaps best understood when the specific environment within which Oklahoma County operates is considered.

### **Local Economy and Economic Outlook**

As the largest metropolitan area in the state and the home of Oklahoma County, the Oklahoma City metropolitan area accounts for 14.6 percent of the state's population, 33 percent of the state's labor force, and 33 percent of the state's personal income. 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 are 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 result 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 eleven major sectors that include agribusiness, government, health care, mining, manufacturing, military, wholesale and retail trade, transportation, finance, insurance and real estate. The local economy's stability is enhanced by the presence of Oklahoma state government, numerous federal agencies, and Tinker Air Force Base, which brings over 24,100 military and civilian jobs and an estimated \$1.9 billion annual economic impact to the local economy.

The Oklahoma City metropolitan area economy has shown remarkable resilience during the more than two years of sluggish economic activity at the national level. Just as in the 1990-1991 recession, metro area employment has managed to outperform the nation. Oklahoma City area employment is only 1.2 percent below the peak employment level reached in the second quarter of 2001, as compared to a -2.0 decline at the national level. The metro area economy seems poised to resume growth in employment, with an expected job gain of 0.5 percent for all of 2003 while in contrast, job losses are expected to occur at the national level at -0.3 percent and at the state level at -0.04 percent for all of 2003.

Forecasters are predicting modest job growth in the fourth quarter of 2003 and the first quarter of 2004, followed by a resumption of robust employment growth in the 2-3 percent range during the second quarter. For all of 2004, forecast calls for year-over-year job growth of 0.8 percent, or 4,500 new metro area jobs. Job growth from the fourth quarter of 2003 to that of 2004 should reach 1.9 percent.

Oklahoma City's Manufacturing sector is expected to complete four consecutive years of job losses in 2003. The national recession, coupled with the ongoing problems of low-cost foreign competition and a strong dollar, resulted in the loss of more than 13,000 manufacturing jobs since 1999. In contrast, the services sector has provided underlying strength in the metro economy during the slowdown. By adding 1,000 to 3,500 jobs, respectively, the past two years. Job losses in the retail trade sector have been minimal, and hiring is expected to rebound to 0.07 percent growth in 2004. Taxable retail sales for the metro area have also shown remarkable strength, while posting year-over-year gains of 0.5 percent in 2002 and an expected 1.7 percent in 2003, while municipalities across the state and nation struggle with declining sales tax receipts. Construction hiring declined -5.7 percent in 2002 but has rebounded to a 0.7 percent expected growth in 2003. The forecast for next year reflects the strong underlying fundamentals driving construction activity in the metro area and calls for continued hiring at a 3.0 percent rate in 2004.

Personal income growth of 2.3 percent in 2002 and expected 4.1 percent rate in 2003 reflects the relative strength in the metro job market. The forecasted growth in income of 4.2 percent for 2004 is only slightly below the 5.1 percent average experienced in the 1990-2001 period. However, very little gain relative to the nation is expected in per-capita personal income, as it reaches \$28,108 or 89 percent of the national level in 2003 before falling to an expected 88 percent in 2004.

The following table depicts the composition of the Oklahoma City metro area Non-Farm Wage and Salary Employment in all employment sectors, and reflects the two most recent calendar years available.

| <b>(In Thousands)</b>             | <b><u>2002</u></b> | <b><u>2003</u></b> | <b><u>% Change</u></b> |
|-----------------------------------|--------------------|--------------------|------------------------|
| Mining                            | 6.54               | 6.89               | 5.4                    |
| Construction                      | 21.74              | 21.88              | 0.7                    |
| Manufacturing                     | 41.25              | 40.41              | -2.1                   |
| Transportation & Public Utilities | 16.35              | 15.96              | -2.4                   |
| Wholesale                         | 20.97              | 20.71              | -1.3                   |
| Retail Trade                      | 61.98              | 61.84              | -0.2                   |
| Information                       | 14.27              | 13.74              | -3.7                   |
| Financial Activities              | 33.86              | 33.65              | -0.6                   |
| Professional & Bus. Svcs.         | 69.00              | 69.86              | 1.2                    |
| Education & Health Svcs.          | 65.82              | 67.25              | 2.2                    |
| Leisure & Hospitality             | 5.15               | 54.38              | 4.3                    |
| Other Services                    | 27.80              | 28.09              | 1.0                    |
| Government                        | 109.55             | 109.34             | -0.2                   |

Source: Oklahoma State University, College of Business Administration

### **Opportunities for Growth through Education**

Opportunities for higher education are also an important part of the Oklahoma County community. The metro area is home to several public and private colleges and universities. The University of Oklahoma in Norman is located just 20 miles south of downtown Oklahoma City. With a student enrollment of 28,582, the University of Oklahoma has a nationally-ranked College of Engineering, an outstanding health sciences program, and is a world leader in energy and meteorology research. Oklahoma State University, with a student enrollment of 24,720 is only 65 miles northeast of Oklahoma City at Stillwater and has an Oklahoma City Branch within the County, with an enrollment of 6,522.

Other public colleges of higher education include Oklahoma City Community College in southwest Oklahoma City, with enrollment of 15,541 and Rose State College with enrollment of 11,177, a few minutes east of the downtown area. Private institutions include Oklahoma City University (OCU), with a current enrollment of 4,805 students. OCU is also a cultural attraction with art galleries and outstanding music and drama programs. Oklahoma Christian University and Southern Nazarene University are in adjacent suburbs within the County.

The University of Central Oklahoma, with an enrollment of 20,011, is 15 minutes north of Oklahoma City in Edmond, and offers a curriculum tailored to both working adults and students just out of high school.

### **Pension and other Post Employment Benefits**

Employees participate in one of two pension plans -a defined benefit plan or a defined contribution plan. The County's required contribution to these plans is 12% of salaries. These plans are: (1) Oklahoma County Employee Retirement Defined Benefit System, which as of June 30, 2003, had an "unfunded actuarial liability" of \$3,321,651, with a net asset market value of \$18,777,186 and (2) Defined Contribution Fund administered by Investrust in accordance with Oklahoma County Retirement Board of Trustee's policies and Plan Document, which as of June 30, 2003, had benefits due to employees, upon their qualifying for retirement benefits, and beneficiaries totaling \$57,383,565 reported at fair value. 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. There were 357 participants eligible at the end of the fiscal year. These plans are fully described in Notes IV.E.

### **Cash Management**

State statutes establish formal investment policies for County funds. These policies provide general criteria for investment decisions and guidelines for investing County funds. The County's unrestricted idle cash is pooled for investments.

The County Treasurer invests primarily in direct obligations of the United States Government pledging its full faith and credit; certificates of deposit at savings and loan associations and banks which are federally insured and secured by acceptable collateral; and saving accounts at fully federally insured savings and loan associations and banks.

### **Risk Management**

The County's comprehensive risk management program includes property, liability, worker's compensation, health, life and wellness. Commercial insurance covers losses for property while the County self-insures for health insurance, workers' compensation, and tort and liability claims. Administration of these functions is a combined effort of the County Clerk's office, Environmental Health and Safety office, Mutual Assurance Administrators (a third party Administrator for the County's health plans), and Consolidated Benefit Resources (a third party Administrator for worker's compensation claims). For additional information on the County's risk management activities, see Note IV.A.

## **Future Capital Improvement Plans**

Oklahoma County has plans for several capital projects that will be funded by revenue bonds issued by the Oklahoma County Industries Authority. The projects include a new parking garage, remodeling of the existing parking garage, remodeling and new roofs for three county buildings. Other projects include a central control for the jail, a new court room in the court house, and a reconfiguration of the County Annex building along with other improvements to County buildings. Revenues from a new parking garage owned by the Public Buildings Authority (PBA), a component unit, will fund the debt service on the bonds.

## **AWARDS AND RECOGNITION**

### **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, 2002. This was the ninth consecutive year that Oklahoma County has received this prestigious award (fiscal years ended 1994-2002).

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.

## **INDEPENDENT AUDIT**

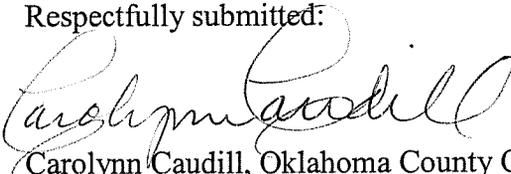
In accordance with Title 19.O.S. 2001 §171, the State Statute requires an annual audit for Oklahoma County. The audit is performed by the Oklahoma State Auditor and Inspector's Office. The audit is required to be performed in accordance with Generally Accepted Auditing Standards, which are established by the Auditing Standards Board and Government Auditing Standards issued by the Comptroller General of the United States. The 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.

## 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 County Budget Board, which encourages and supports progressive accounting and reporting for both internal and external use.

Respectfully submitted:



Carolynn Caudill, Oklahoma County Clerk  
Secretary, Oklahoma County Budget Board



Robin K. Lee, CPA  
Director of Finance  
Oklahoma County Clerk's Office

# 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, 2002

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



President

Executive Director

## Budget Board Members



*From left to right:*

Jack Cornett, Commissioner District 2

Jim Roth, Commissioner District 1

John Whetsel, Sheriff

Patricia Presley, Court Clerk

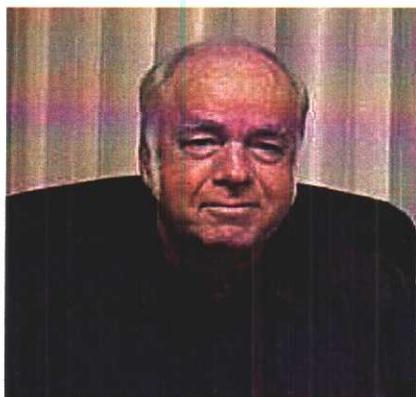
Carolynn Caudill, County Clerk

Mike Means, County Assessor

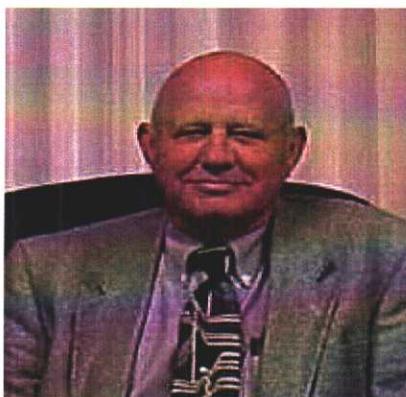
Stan Inman, Commissioner District 3

Forrest "Butch" Freeman, County Treasurer

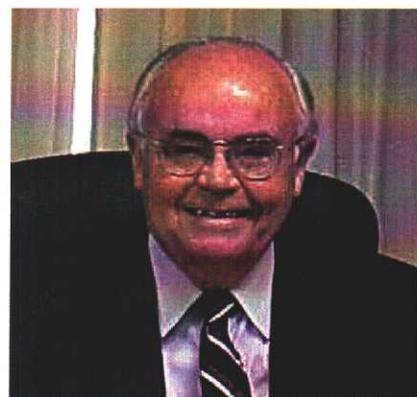
## Excise Board Members



Frank Burns

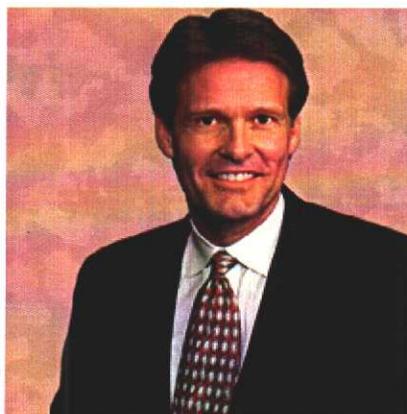


Donald Strube

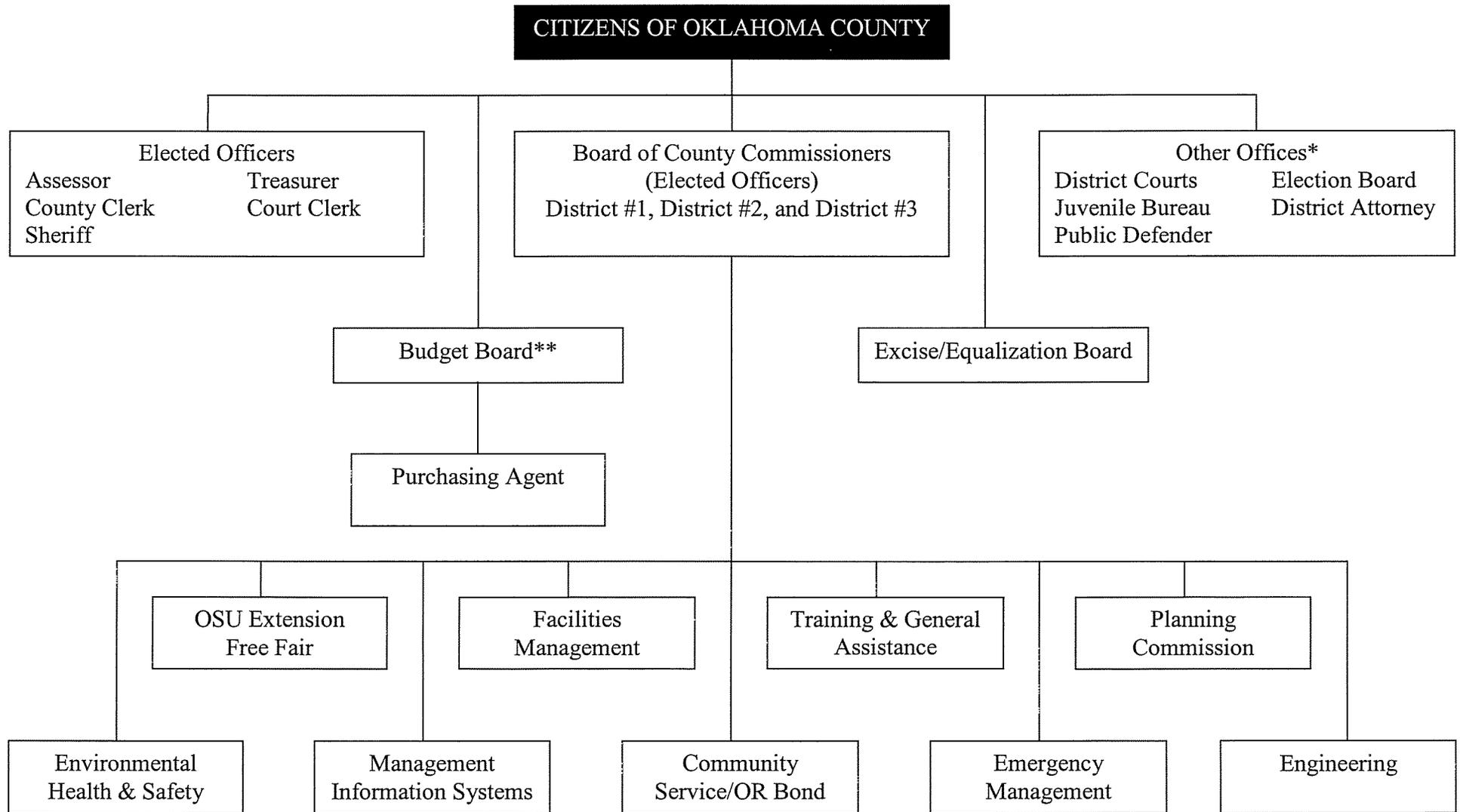


James Harrod

**District Attorney**  
C. Wesley Lane II



# ORGANIZATIONAL CHART FOR OKLAHOMA COUNTY, OKLAHOMA



13

\*District Court Judges and District Attorney elected by citizens, others appointed

\*\*Membership includes all elected County Officials.

*This page intentionally left blank*

# ***FINANCIAL SECTION***

*This page intentionally left blank*



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 aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Oklahoma County, Oklahoma, as of and for the year ended June 30, 2003, which collectively comprise the County's basic financial statements as listed in the table of contents. These financial statements are the responsibility of Oklahoma County's management. Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Oklahoma County Public Buildings Authority, which represent one-hundred percent of the assets and revenues of the business-type activities; the financial statements of the Oklahoma County Finance Authority, which represent one-hundred percent of the assets and revenues of the discretely presented component unit; and the financial statements of the defined benefit pension plan of the Employee's Retirement System of Oklahoma County, which represent twenty-five percent of the assets and additions of the pension trust funds, presented in the statement of fiduciary net assets and the statement of changes in fiduciary net assets. Those financial statements were audited by other auditors whose reports have been furnished to us, and our opinions, insofar as they relate to the amounts included for the business-type activities, the discretely presented component unit, and the defined benefit pension plan of the Employee's Retirement System of Oklahoma County, are based solely on the reports of the other auditors.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and 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, 2003, and the respective changes in financial position and cash flows,

where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

As described in Note I.B., the County has implemented a new financial reporting model, as required by the provisions of GASB Statement No. 34, *Basic Financial Statements – and Management’s Discussion and Analysis – for State and Local Governments*, as of June 30, 2003.

The Management’s Discussion and Analysis, Schedules of Funding Progress and Employer Contributions of the Employees’ Defined Benefit Retirement System, the Budgetary Comparison Schedules for the General and Debt Service Funds, on pages 16 through 25, page 67, and pages 68 through 74 respectively, are not a required part of the basic financial statements but are supplementary information required by the Governmental Accounting Standards Board. 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 combining and individual fund financial statements and schedules, on pages 76 through 83, are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining and individual fund financial statements and schedules 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.

In accordance with *Government Auditing Standards*, we have also issued our report dated January 8, 2004, on our consideration of the County’s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit. This report is issued under separate cover with the Oklahoma County Single Audit Reports.

Sincerely,



JEFF A. McMAHAN  
State Auditor and Inspector

January 8, 2004

## **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, 2003. Please read it in conjunction with the financial statements which immediately follow this section.

### **FINANCIAL HIGHLIGHTS**

- The assets of the County exceeded its liabilities at the close of the fiscal year by \$113,737,713 (net assets). Of this amount \$376,005 is unrestricted and may be used to meet the County's ongoing obligations to citizens and creditors.
- The County's total net assets decreased by \$2,130,547 as a result of the increase in expenses outpacing the increase in revenues.
- As of the end of the fiscal year, the County's governmental funds reported combined ending fund balances of \$43,512,831, an increase of \$10,557,152. Approximately \$7,226,487 is unreserved fund balance of the general fund, and is available for spending at the government's discretion.
- During 2003, the County issued \$20,000,000 in bonds for the purpose of acquiring property in the vicinity of Tinker Air Force Base. Approximately \$8.2 million of land within the designated area was acquired during the year.

### **OVERVIEW OF THE FINANCIAL STATEMENTS**

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

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

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

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

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

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

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

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

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

### **Fund Financial Statements**

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

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

The County has three kinds of funds:

- *Governmental funds* – Most of the County's basic services are included in governmental funds, which focus on (1) how 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

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

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 this information does not encompass the additional long-term focus of the government-wide statement, or on the subsequent page, that explains the relationship (or differences) between them.

- *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 and Debt Service Fund Budget to Actual Comparison Schedules.

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

### **GOVERNMENT-WIDE FINANCIAL ANALYSIS OF THE COUNTY**

Information presented for the year ended June 30, 2003 includes the implementation of GASB Statement 34. In future years, when prior-year information is available, a comparative analysis will be presented.

At the end of the current year, the County's net assets are reported as follows:

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

**Oklahoma County's Net Assets  
June 30, 2003**

|  | <u>Governmental<br/>Activities</u> | <u>Business-type<br/>Activities</u> | <u>Total</u>       |
|--|------------------------------------|-------------------------------------|--------------------|
| Total current and other assets                     | 51,378,119                         | 1,434,714                           | 52,812,833         |
| Capital assets, net                                | 104,888,189                        | 4,651,563                           | 109,539,752        |
| <b>Total Assets</b>                                | <u>156,266,308</u>                 | <u>6,086,277</u>                    | <u>162,352,585</u> |
| <br>   |                                    |                                     |                    |
| Total current liabilities                          | 11,962,897                         | 419,579                             | 12,382,476         |
| Total noncurrent liabilities                       | 31,553,490                         | 4,678,906                           | 36,232,396         |
| <b>Total Liabilities</b>                           | <u>43,516,387</u>                  | <u>5,098,485</u>                    | <u>48,614,872</u>  |
| <br>   |                                    |                                     |                    |
| Net assets:  |                                    |                                     |                    |
| Invested in capital assets,<br>net of related debt | 88,458,294                         | 2,705,618                           | 91,163,912         |
| Restricted   | 21,182,661                         | 1,015,135                           | 22,197,796         |
| Unrestricted                                       | 3,108,966                          | (2,732,961)                         | 376,005            |
| <b>Total net assets</b>                            | <u>112,749,921</u>                 | <u>987,792</u>                      | <u>113,737,713</u> |

The largest portion of the County's net assets (80%) 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 (19.5%) represents resources that are subject to external restrictions on how they may be used. The net assets restricted for debt service is reported as a deficit balance. The deficit will be absorbed in the future by future sales tax collections, in accordance with state statutes. We considered netting the deficit with the unrestricted net assets but felt this would mislead the reader as the resources on hand are not intended and will not be used to fund the debt. Thus, we believe the presentation is the most accurate and informative based on the true nature of the debt and the legal restrictions that result in a deficit.

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

The remaining balance of unrestricted net assets \$376,005 may be used to meet the governments ongoing obligations to citizens and creditors. Of the unrestricted balance, \$3,108,966 is attributable to governmental activities, while a net deficit of \$2,732,961 is attributable to business-type activities of the OCPBA.

**Oklahoma County's Changes in Net Assets  
June 30, 2003**

|                                       | <b>Governmental<br/>Activities</b> | <b>Business-type<br/>Activities</b> | <b>Total</b> |
|---------------------------------------|------------------------------------|-------------------------------------|--------------|
| Revenues:                             |                                    |                                     |              |
| Program revenues:                     |                                    |                                     |              |
| Charges for services                  | 26,917,069                         | 1,354,250                           | 28,271,319   |
| Operating grants and contributions    | 5,428,202                          | -                                   | 5,428,202    |
| Capital grants and contributions      | 12,013,065                         | -                                   | 12,013,065   |
| General revenues:                     |                                    |                                     |              |
| Property taxes                        | 40,477,304                         | -                                   | 40,477,304   |
| Other revenues                        | 1,673,927                          | 55,664                              | 1,729,591    |
| Total revenue                         | 86,509,567                         | 1,409,914                           | 87,919,481   |
| Expenses:                             |                                    |                                     |              |
| General government                    | 32,429,789                         | -                                   | 32,429,789   |
| Public safety                         | 39,228,942                         | -                                   | 39,228,942   |
| Health and welfare                    | 3,746,755                          | -                                   | 3,746,755    |
| Culture and recreation                | 51,030                             | -                                   | 51,030       |
| Education                             | 368,391                            | -                                   | 368,391      |
| Roads and highways                    | 13,042,543                         | -                                   | 13,042,543   |
| Economic development                  | 580,004                            | -                                   | 580,004      |
| Public Buildings Authority            |                                    | 602,574                             | 602,574      |
| Total expenses                        | 89,447,454                         | 602,574                             | 90,050,028   |
| Change in net assets before transfers | (2,937,887)                        | 807,340                             | (2,130,547)  |
| Net Transfers                         | 684,195                            | (684,195)                           | -            |
| Change in net assets                  | (2,253,692)                        | 123,145                             | (2,130,547)  |
| Net assets - beginning                | 115,003,613                        | 864,647                             | 115,868,260  |
| Net assets - ending                   | 112,749,921                        | 987,792                             | 113,737,713  |

**Governmental activities**

Net assets for governmental activities decreased \$2,253,692. The changes in net assets resulted from a variety of increases and decreases which include some of the following more significant items:

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

- Property taxes increased by approximately \$2.3 million, as a result of higher market values.
- The increase in property tax revenue was partially offset with significant decreases in two other revenue sources. Operating grants received by the Department of Training and General Assistance decreased approximately \$821,000 primarily due to some multi-year grants nearing the end of the grant period, leaving less funds available. Sheriff special revenue fees decreased approximately \$667,000 due to a decline in boarding fees from housing fewer external prisoners.
- Employee benefits expenses increased approximately \$1.5 million, due to a rise in health care costs in the industry. Medical and pharmacy claims have had the most significant increases, consistent with industry reports.
- Judgements payable increased expenses \$916,108 primarily due to the settlement of two large claims against the county. Judgements are levied against all taxable property within the County and are accumulated and paid over a three year period.

### **Business-type activities**

Rental revenues remained relatively consistent with a 1.7% decline since fiscal year 2002. The OCPBA paid \$109,935 in Arbitrage Rebate on the Capital Improvement Revenue Bonds 1997 Series. Transfers to Oklahoma County were down \$120,621 or 15% over prior year. Altogether, these fluctuations resulted in a \$123,145 increase to 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 \$43,512,831, an increase of \$10,557,152 in comparison with the prior year. Unreserved fund balance was \$39,840,358, 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 (\$2,847,391) 2) to pay debt service (\$46,926), and 3) for inventory on hand at year-end (\$778,156).

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 (\$7,226,487) and total fund balance (\$8,584,118) to total fund expenditures. Unreserved fund balance

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

represents 13% of the total general fund expenditures, while total fund balance represents 15% of that same amount.

The fund balance of the governmental funds increased by \$10,557,152. Key factors attributing to the changes in fund balance for the major governmental funds are as follows:

- Tinker Clearing II was a new capital projects fund created to account for the issuance of \$20,000,000 in general obligation limited tax bonds, which were approved by Oklahoma County voters on March 12, 2002. The funds are restricted and being utilized to acquire and clear property in the vicinity of Tinker Air Force Base. The increase in fund balance of \$12,102,554 offsets the other decreases discussed below.
- The general fund decrease of \$580,513 in fund balance is largely due to an increase in employee benefits costs beyond what was anticipated resulting in a \$500,000 budget amendment in the last quarter of the fiscal year to pay self-insured medical and pharmacy claims. In addition, increased utility costs and legal fees also resulted in a \$200,000 supplemental appropriation in the last quarter of the fiscal year.
- The Highway cash fund realized an increase in fund balance of \$320,532 largely due to a decline in non-capital expenditures which resulted in revenues exceeding expenditures. Changes in elected officials and management mid-year in two of the three highway districts resulted in a focused effort to maintain or improve the fund balance.
- Sheriff Special Revenue fund decreased \$1,271,159. This is the third consecutive year that the fund had a decrease in fund balance. This is a result of a escalating costs to house prisoners, specifically medical care, coupled with fewer external prisoners being detained at the county jail, thereby reducing the prisoner boarding fees nearly \$667,000 in the current year.

### **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.

### **General Fund Budgetary Highlights**

In accordance with state statute, the County adopts and publishes an initial budget before June 30<sup>th</sup> of each fiscal year, disclosing that the plan is an estimate and cannot be finalized until the ad valorem levies for the general fund and debt service fund are presented for approval in September. Estimates of beginning unreserved fund balance, and other operating revenues are also adjusted and supplemental appropriations are made in September based on the revised figures. With conservative revenue projections, collections exceeded the budgeted revenues, enabling additional budget amendments later in the year.

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

Total departmental budgets were increased from the original budgets by \$2,949,769, while transfers out were increased \$2,404,216. The majority of these increases went to the following departments/funds:

- \$1,096,049 to the Sheriffs office for increases in salaries in benefits, as well as increases in medical costs for inmates detained in the county jail.
- \$655,087 to general government primarily for legal fees due to an increase in litigation, and increases in utility costs due to the cost of fuel.
- \$424,481 to Court Clerk based on the increased court-fund salary reimbursements and to improve salaries of Court Clerk staff.
- \$236,500 Juvenile Justice Bureau for increases in salaries and benefits, and to replace some obsolete kitchen equipment.
- \$143,046 to the Election Board to hold a special election.
- \$120,800 to Community Support to fund additional request from non-profit organization who provide services and support to the elderly and indigent.
- \$2,028,878 of the increase in transfers out went to the Self-Insurance Funds based on the actuarial determined liabilities, and increased medical claims paid during the year.
- \$297,723 of the increase in transfers out went to Capital Projects to fund ongoing projects from prior years and to make capital improvements on the heating and air system at the county jail.

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 approximately \$1.2 million under budget while revenue collections were approximately \$2.3 million higher than budget. Of the \$2.3 million additional revenues, ad valorem tax collections (current and prior) account for nearly \$1.8 million. The low interest rates have had a very positive impact on home sales and market values. This increase in selling and refinancing of homes directly impacts the tax base.

Due to the above positive variance, only \$1,668,076 of fund balance was used, decreasing the budgetary fund balance to \$5,778,633.

### **CAPITAL ASSET AND DEBT ADMINISTRATION**

#### **Capital Assets**

At June 30, 2003, the County had \$104,888,189 invested in capital assets. The County owns various buildings in which county business is conducted. The buildings and building improvements are recorded at a net book value of \$51.4 million at June 30, 2003, comprising the largest class of assets.

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

The most significant activity during the year was acquisition of approximately \$8.2 million of land in the Tinker vicinity, which increased the book value of county-owned land 56.5% to approximately \$22.7 million at June 30, 2003.

County owned infrastructure was reported for the first time and is comprised of county-owned roads and bridges. As of year end, the County has retroactively reported approximately one third of the roads, and all of the bridges. The roads reported are all located in District #1, except for the current year construction of roads in Districts #2 and #3. Identification and historical cost estimates are expected to be complete in the next year to enable recording of the remaining road miles in Districts #2 and #3 during fiscal year 2004.

### **Debt Administration**

Oklahoma County issued \$20,000,000 in general obligation limited tax 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 the County and its citizens. The bonds will be repaid from ad valorem taxes over fifteen years.

The general obligation bonds represent the majority of the \$32.8 million dollars of outstanding debt at year end for governmental activities. Other debt includes capital leases of \$8.5 million, judgments payable of \$1.2 million and compensated absences of \$3.1 million.

Debt for Business-type activities had no significant changes until after year-end, when \$20,560,000 of revenue bonds were issued. The bonds were issued on July 28, 2003 and were used to advance refund the \$4.77 million bonds outstanding at June 30, 2003, and to acquire, construct, and equip a parking garage, make improvements to the Metro Parking Garage and make other county building improvements.

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 \$21,179,835, leaving a legal debt margin of \$167,869,338.

### **ECONOMIC FACTORS AND NEXT YEAR'S BUDGET**

The County's primary 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. With long-term mortgage rates being at an all time low during the fiscal year, home sales and mortgage refinancing has flourished. Rates on 30-year mortgages dropped to 5.21% in the middle of June, the lowest level in more than four decades. Economists predict home sales will set a record high in calendar year 2003, and probably the second-best year ever in calendar year 2004.

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

These trends have resulted in increased market values of homes in Oklahoma County, resulting in increased ad valorem revenues. Further, with the high volume of home sales and refinancing, filing fees in the county clerks office have reached all time highs.

On the other side of the equation, the economy is seeing health care costs rise to record levels, with most businesses saying health care costs represents their fastest rising cost. With approximately 1500 employees, and 59% of the general fund budget allocated to salaries and wages, the impact is significant to the County. The portion of general fund budget allocated to employee benefits has gone from 5% in 1995/1996 to nearly 14% in 2003/2004. Health care costs have also impacted operating costs of the jail to retain medical services for prisoners detained at the county jail.

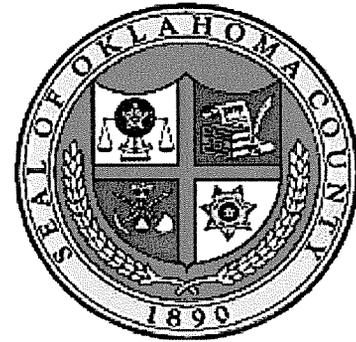
The OCPBA Board of Trustees considers economic factors in establishing parking rates and rental rates for the properties and planning capital projects. The OCPBA will be building a new parking garage in fiscal year 2004, and starting capital improvements to the Investors Capital building and other county owned buildings through a lease purchase agreement with the Oklahoma Industries Authority (OIA). The OIA issued \$20,560,000 of lease revenue bonds on July 28, 2003 for such projects. Economic conditions considered regarding public parking in downtown Oklahoma City included increase in occupancy for downtown office space, the completion of the new library and Oklahoma City Art Museum in close vicinity, and other parking garage construction planned in the area, and other issues regarding supply and demand.

All of the above factors were considered in preparing the County's budget for the 2004 fiscal year.

### **REQUESTING THE COUNTY'S FINANCIAL INFORMATION**

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

# Basic Financial Statements



*This page intentionally left blank*

**OKLAHOMA COUNTY, OKLAHOMA**  
**STATEMENT OF NET ASSETS**  
**JUNE 30, 2003**

|   | Primary Government      |                          |                       | Component Unit      |
|---|-------------------------|--------------------------|-----------------------|---------------------|
|   | Governmental Activities | Business-type Activities | Total                 |                     |
| <b>ASSETS</b>                                   |                         |                          |                       |                     |
| Current assets:                                 |                         |                          |                       |                     |
| Cash and cash equivalents                       | \$ 5,086,852            | \$ -                     | \$ 5,086,852          | \$ 146,050          |
| Investments                                     | 4,150,092               | -                        | 4,150,092             | 1,205,568           |
| Property taxes receivable, net                  | 1,552,788               | -                        | 1,552,788             | -                   |
| Accounts receivable                             | 213,969                 | -                        | 213,969               | 121,001             |
| Interest receivable                             | 140,566                 | -                        | 140,566               | 5,762               |
| Due from agency fund                            | 629,436                 | -                        | 629,436               | -                   |
| Intergovernmental receivables                   | 3,434,934               | -                        | 3,434,934             | -                   |
| Inventories                                     | 778,156                 | -                        | 778,156               | -                   |
| Total current assets                            | <u>15,986,793</u>       | <u>-</u>                 | <u>15,986,793</u>     | <u>1,478,381</u>    |
| Noncurrent assets:                              |                         |                          |                       |                     |
| Restricted Assets:                              |                         |                          |                       |                     |
| Cash and cash equivalents                       | 19,441,824              | 254,576                  | 19,696,400            | -                   |
| Investments                                     | 15,861,558              | 1,084,474                | 16,946,032            | -                   |
| Accounts receivable                             | -                       | 35,534                   | 35,534                | -                   |
| Interest receivable                             | -                       | 15,184                   | 15,184                | -                   |
| Bond issuance costs                             | 87,944                  | 44,946                   | 132,890               | -                   |
| Capital assets, net                             | <u>104,888,189</u>      | <u>4,651,563</u>         | <u>109,539,752</u>    | <u>926</u>          |
| Total noncurrent assets                         | <u>140,279,515</u>      | <u>6,086,277</u>         | <u>146,365,792</u>    | <u>926</u>          |
| <b>Total Assets</b>                             | <u>\$ 156,266,308</u>   | <u>\$ 6,086,277</u>      | <u>\$ 162,352,585</u> | <u>\$ 1,479,307</u> |
| <b>LIABILITIES</b>                              |                         |                          |                       |                     |
| Current liabilities:                            |                         |                          |                       |                     |
| Accounts payable and other current liabilities  | \$ 9,270,794            | \$ -                     | \$ 9,270,794          | \$ 2,600            |
| Due to Other Funds                              | 940,760                 | -                        | 940,760               | -                   |
| Current portion of leases payable               | 829,901                 | -                        | 829,901               | -                   |
| Claims and judgments payable                    | 469,536                 | -                        | 469,536               | -                   |
| Bonds payable                                   | -                       | 360,000                  | 360,000               | -                   |
| Accrued interest payable                        | 451,906                 | 59,579                   | 511,485               | -                   |
| Unearned revenue                                | -                       | -                        | -                     | 3,751               |
| Total current liabilities                       | <u>11,962,897</u>       | <u>419,579</u>           | <u>12,382,476</u>     | <u>6,351</u>        |
| Noncurrent liabilities:                         |                         |                          |                       |                     |
| Compensated absences                            | 3,098,645               | -                        | 3,098,645             | -                   |
| Leases payable                                  | 7,697,620               | -                        | 7,697,620             | -                   |
| Judgments payable                               | 757,225                 | -                        | 757,225               | -                   |
| Bonds payable                                   | <u>20,000,000</u>       | <u>4,678,906</u>         | <u>24,678,906</u>     | <u>-</u>            |
| Total noncurrent liabilities                    | <u>31,553,490</u>       | <u>4,678,906</u>         | <u>36,232,396</u>     | <u>-</u>            |
| <b>Total Liabilities</b>                        | <u>43,516,387</u>       | <u>5,098,485</u>         | <u>48,614,872</u>     | <u>6,351</u>        |
| <b>NET ASSETS</b>                               |                         |                          |                       |                     |
| Invested in capital assets, net of related debt | 88,458,294              | 2,705,618                | 91,163,912            | 926                 |
| Restricted for:                                 |                         |                          |                       |                     |
| Public safety                                   | 5,173,959               | -                        | 5,173,959             | -                   |
| Roads and highways                              | 9,112,797               | -                        | 9,112,797             | -                   |
| Economic development                            | 103,264                 | -                        | 103,264               | -                   |
| Debt service                                    | (1,179,835)             | 1,015,135                | (164,700)             | -                   |
| Other purposes                                  | 7,972,476               | -                        | 7,972,476             | -                   |
| Unrestricted                                    | <u>3,108,966</u>        | <u>(2,732,961)</u>       | <u>376,005</u>        | <u>1,472,030</u>    |
| <b>Total net assets</b>                         | <u>112,749,921</u>      | <u>987,792</u>           | <u>113,737,713</u>    | <u>1,472,956</u>    |
| <b>Total liabilities and net assets</b>         | <u>\$ 156,266,308</u>   | <u>\$ 6,086,277</u>      | <u>\$ 162,352,585</u> | <u>\$ 1,479,307</u> |

**OKLAHOMA COUNTY, OKLAHOMA  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2003**

| Functions/Programs              | Program Revenues     |                                |  |                             |                             | Net (Expense) Revenue and<br>Changes in Net Assets |                             |                        | Component<br>Unit   |
|---------------------------------|----------------------|--------------------------------|--|-----------------------------|-----------------------------|--|-----------------------------|------------------------|---------------------|
|                                 | Expenses             | Indirect Expense<br>Allocation | Charges for<br>Services                    | Operating                   | Capital                     | Primary Government                                 |                             | Total                  |                     |
|                                 |                      |                                |  | Grants and<br>Contributions | Grants and<br>Contributions | Governmental<br>Activities                         | Business-type<br>Activities |                        |                     |
| <b>Primary government:</b>      |                      |                                |  |                             |                             |  |                             |                        |                     |
| Governmental activities:        |                      |                                |  |                             |                             |  |                             |                        |                     |
| General government              | \$ 37,892,304        | \$ (5,462,515)                 | \$ 12,456,911                              | \$ 1,433,142                | \$ -                        | \$ (18,539,736)                                    | \$ -                        | \$ (18,539,736)        | \$ -                |
| Public safety                   | 35,175,101           | 4,053,841                      | 14,265,277                                 | 1,893,188                   | -                           | (23,070,477)                                       | -                           | (23,070,477)           | -                   |
| Health and welfare              | 3,425,528            | 321,227                        | 88,239                                     | 2,101,872                   | -                           | (1,556,644)  | -                           | (1,556,644)            | -                   |
| Culture and recreation          | 51,030               | -                              | -  | -                           | -                           | (51,030)   | -                           | (51,030)               | -                   |
| Education                       | 368,391              | -                              | -  | -                           | -                           | (368,391)  | -                           | (368,391)              | -                   |
| Roads and highways              | 11,955,096           | 1,087,447                      | -  | -                           | 12,013,065                  | (1,029,478)  | -                           | (1,029,478)            | -                   |
| Economic development            | 580,004              | -                              | 106,642                                    | -                           | -                           | (473,362)  | -                           | (473,362)              | -                   |
| Total governmental activities   | <u>89,447,454</u>    | <u>-</u>                       | <u>26,917,069</u>                          | <u>5,428,202</u>            | <u>12,013,065</u>           | <u>(45,089,118)</u>                                | <u>-</u>                    | <u>(45,089,118)</u>    | <u>-</u>            |
| Business type activities:       |                      |                                |  |                             |                             |  |                             |                        |                     |
| Public Buildings Authority      | 602,574              | -                              | 1,354,250                                  | -                           | -                           | -  | 751,676                     | 751,676                | -                   |
| Total business-type activities  | <u>602,574</u>       | <u>-</u>                       | <u>1,354,250</u>                           | <u>-</u>                    | <u>-</u>                    | <u>-</u>   | <u>751,676</u>              | <u>751,676</u>         | <u>-</u>            |
| <b>Total primary government</b> | <u>\$ 90,050,028</u> | <u>\$ -</u>                    | <u>\$ 28,271,319</u>                       | <u>\$ 5,428,202</u>         | <u>\$ 12,013,065</u>        | <u>\$ (45,089,118)</u>                             | <u>\$ 751,676</u>           | <u>\$ (44,337,442)</u> | <u>\$ -</u>         |
| <b>Component unit:</b>          |                      |                                |  |                             |                             |  |                             |                        |                     |
| Finance Authority               | \$ -                 | \$ -                           | \$ -                                       | \$ -                        | \$ -                        | \$ -   | \$ -                        | \$ -                   | \$ (294,710)        |
| <b>Total component units</b>    | <u>\$ -</u>          | <u>\$ -</u>                    | <u>\$ -</u>                                | <u>\$ -</u>                 | <u>\$ -</u>                 | <u>\$ -</u>  | <u>\$ -</u>                 | <u>\$ -</u>            | <u>\$ (294,710)</u> |
|                                 |                      |                                | General revenues:                          |                             |                             |  |                             |                        |                     |
|                                 |                      |                                | Property taxes                             |                             |                             | 40,477,304   | -                           | 40,477,304             | -                   |
|                                 |                      |                                | Unrestricted investment earnings (expense) |                             |                             | 2,128,226  | 55,664                      | 2,183,890              | 21,908              |
|                                 |                      |                                | Loss on disposal of assets                 |                             |                             | (741,967)  | -                           | (741,967)              | -                   |
|                                 |                      |                                | Miscellaneous                              |                             |                             | 287,668  | -                           | 287,668                | 252,225             |
|                                 |                      |                                | Transfers                                  |                             |                             | 684,195  | (684,195)                   | -                      | -                   |
|                                 |                      |                                | Total general revenues and transfers       |                             |                             | <u>42,835,426</u>                                  | <u>(628,531)</u>            | <u>42,206,895</u>      | <u>274,133</u>      |
|                                 |                      |                                | Change in net assets                       |                             |                             | (2,253,692)  | 123,145                     | (2,130,547)            | (20,577)            |
|                                 |                      |                                | Net assets - beginning                     |                             |                             | 115,003,613  | 864,647                     | 115,868,260            | 1,493,533           |
|                                 |                      |                                | Net assets - ending                        |                             |                             | <u>\$ 112,749,921</u>                              | <u>\$ 987,792</u>           | <u>\$ 113,737,713</u>  | <u>\$ 1,472,956</u> |

27

**OKLAHOMA COUNTY, OKLAHOMA  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
JUNE 30, 2003**

|                                      | General              | Highway Cash         | Sheriff Special<br>Revenue | Tinker<br>Clearing II | Other<br>Governmental<br>Funds | Total<br>Governmental<br>Funds |
|--------------------------------------|----------------------|----------------------|----------------------------|-----------------------|--------------------------------|--------------------------------|
| <b>ASSETS</b>                        |                      |                      |                            |                       |                                |                                |
| Cash and cash equivalents            | \$ 4,847,966         | \$ -                 | \$ -                       | \$ -                  | \$ 238,886                     | \$ 5,086,852                   |
| Investments                          | 3,955,198            | -                    | -                          | -                     | 194,894                        | 4,150,092                      |
| Property taxes receivable            | 746,010              | -                    | -                          | -                     | 806,778                        | 1,552,788                      |
| Interest receivable                  | 126,546              | -                    | 628                        | 11,582                | 1,810                          | 140,566                        |
| Accounts Receivable                  | 213,969              | -                    | -                          | -                     | -                              | 213,969                        |
| Due from agency fund                 | 458,076              | -                    | -                          | -                     | 171,360                        | 629,436                        |
| Intergovernmental receivable         | 668,254              | 1,653,267            | 472,788                    | -                     | 273,881                        | 3,068,190                      |
| Inventory                            | 55,636               | 567,355              | 155,165                    | -                     | -                              | 778,156                        |
| Restricted cash                      | -                    | 4,658,547            | 1,274,796                  | 7,967,658             | 5,540,823                      | 19,441,824                     |
| Restricted investments               | -                    | 3,800,662            | 1,040,039                  | 6,500,391             | 4,520,466                      | 15,861,558                     |
| Total assets                         | <u>\$ 11,071,655</u> | <u>\$ 10,679,831</u> | <u>\$ 2,943,416</u>        | <u>\$ 14,479,631</u>  | <u>\$ 11,748,898</u>           | <u>\$ 50,923,431</u>           |
| <b>LIABILITIES AND FUND BALANCES</b> |                      |                      |                            |                       |                                |                                |
| <b>Liabilities:</b>                  |                      |                      |                            |                       |                                |                                |
| Accounts payable                     | \$ 1,546,777         | \$ 1,790,197         | \$ 186,197                 | \$ 2,377,077          | \$ 569,592                     | \$ 6,469,840                   |
| Due to other funds                   | 940,760              | -                    | -                          | -                     | -                              | 940,760                        |
| Total liabilities                    | <u>2,487,537</u>     | <u>1,790,197</u>     | <u>186,197</u>             | <u>2,377,077</u>      | <u>569,592</u>                 | <u>7,410,600</u>               |
| <b>Fund balances:</b>                |                      |                      |                            |                       |                                |                                |
| <b>Reserved for:</b>                 |                      |                      |                            |                       |                                |                                |
| Encumbrances                         | 1,301,995            | 992,972              | 141,436                    | 1,496                 | 409,492                        | 2,847,391                      |
| Debt services                        | -                    | -                    | -                          | -                     | 46,926                         | 46,926                         |
| Inventory                            | 55,636               | 567,355              | 155,165                    | -                     | -                              | 778,156                        |
| <b>Unreserved, reported in:</b>      |                      |                      |                            |                       |                                |                                |
| General fund                         | 7,226,487            | -                    | -                          | -                     | -                              | 7,226,487                      |
| Special revenue funds                | -                    | 7,329,307            | 2,460,618                  | -                     | 9,898,443                      | 19,688,368                     |
| Capital project funds                | -                    | -                    | -                          | 12,101,058            | 824,445                        | 12,925,503                     |
| Total fund balances                  | <u>8,584,118</u>     | <u>8,889,634</u>     | <u>2,757,219</u>           | <u>12,102,554</u>     | <u>11,179,306</u>              | <u>43,512,831</u>              |
| Total liabilities and fund balances  | <u>\$ 11,071,655</u> | <u>\$ 10,679,831</u> | <u>\$ 2,943,416</u>        | <u>\$ 14,479,631</u>  | <u>\$ 11,748,898</u>           | <u>\$ 50,923,431</u>           |

|  |                       |
|--|-----------------------|
| Total fund balance - governmental funds  | \$ 43,512,831         |
| 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.  | 104,888,189           |
| Intergovernmental receivables (\$366,744) at year-end, but not available soon enough to pay for the current period's expenditures, and, therefore, are deferred in the funds.  | 366,744               |
| Proceeds from general obligation bonds (net of bond issuance costs of \$87,944) are not financial resources and, therefore, are not reported in the funds. Bonds represent long-term liabilities.  | (19,912,056)          |
| Long-term liabilities are not due and payable in the current period and therefore, are not reported in the current period. This includes leases payable (\$8,527,521), judgments payable (\$1,226,761), accrued interest payable (\$451,906), compensated absences (\$3,098,645), and accounts payable based on actuarial liability for unpaid benefit claims (\$2,800,954). | (16,105,787)          |
| Net assets of governmental activities  | <u>\$ 112,749,921</u> |

**OKLAHOMA COUNTY, OKLAHOMA**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2003**

|  | General             | Highway Cash        | Sheriff Special<br>Revenue | Tinker<br>Clearing II | Other<br>Governmental<br>Funds | Total<br>Governmental<br>Funds |
|--|---------------------|---------------------|----------------------------|-----------------------|--------------------------------|--------------------------------|
| <b>REVENUES</b>  |                     |                     |                            |                       |                                |                                |
| Property taxes   | \$ 35,965,167       | \$ -                | \$ -                       | \$ -                  | \$ 4,511,957                   | \$ 40,477,124                  |
| Charges for services   | 5,190,486           | -                   | -                          | -                     | 4,966,253                      | 10,156,739                     |
| Intergovernmental revenues                                   | 9,876,536           | 10,374,146          | 9,507,481                  | -                     | 1,198,057                      | 30,956,220                     |
| Interest income  | 2,014,865           | -                   | 628                        | 80,639                | 66,001                         | 2,162,133                      |
| Miscellaneous revenue  | 1,148,255           | 1,907,102           | 24,210                     | -                     | 19,166                         | 3,098,733                      |
| Total revenues   | <u>54,195,309</u>   | <u>12,281,248</u>   | <u>9,532,319</u>           | <u>80,639</u>         | <u>10,761,434</u>              | <u>86,850,949</u>              |
| <b>EXPENDITURES</b>  |                     |                     |                            |                       |                                |                                |
| Current:   |                     |                     |                            |                       |                                |                                |
| General government   | 31,257,442          | -                   | -                          | -                     | 4,878,294                      | 36,135,736                     |
| Public safety  | 18,990,238          | -                   | 9,374,978                  | -                     | 3,426,187                      | 31,791,403                     |
| Health and welfare   | 3,351,464           | -                   | -                          | -                     | -                              | 3,351,464                      |
| Culture and recreation                                       | 51,030              | -                   | -                          | -                     | -                              | 51,030                         |
| Education  | 361,849             | -                   | -                          | -                     | -                              | 361,849                        |
| Roads and highways   | 534,707             | 10,813,690          | -                          | -                     | -                              | 11,348,397                     |
| Debt service:  |                     |                     |                            |                       |                                |                                |
| Principal  | -                   | -                   | -                          | -                     | 168,514                        | 168,514                        |
| Interest   | -                   | -                   | -                          | -                     | 45,130                         | 45,130                         |
| Bond issuance costs  | -                   | -                   | -                          | 90,967                | -                              | 90,967                         |
| Capital outlay   | 1,174,948           | 1,620,668           | 1,583,665                  | 7,902,374             | 2,211,822                      | 14,493,477                     |
| Total expenditures   | <u>55,721,678</u>   | <u>12,434,358</u>   | <u>10,958,643</u>          | <u>7,993,341</u>      | <u>10,729,947</u>              | <u>97,837,967</u>              |
| Excess (deficiency) of revenues<br>over (under) expenditures | <u>(1,526,369)</u>  | <u>(153,110)</u>    | <u>(1,426,324)</u>         | <u>(7,912,702)</u>    | <u>31,487</u>                  | <u>(10,987,018)</u>            |
| <b>OTHER FINANCING SOURCES (USES)</b>                        |                     |                     |                            |                       |                                |                                |
| Transfers from other funds                                   | 1,980,382           | 74,615              | -                          | -                     | 957,544                        | 3,012,541                      |
| Transfers to other funds                                     | (1,028,288)         | (3,872)             | -                          | -                     | (1,296,187)                    | (2,328,347)                    |
| Bond proceeds  | -                   | -                   | -                          | 20,015,256            | -                              | 20,015,256                     |
| Capital leases   | 58,608              | 474,631             | -                          | -                     | 292,894                        | 826,133                        |
| Total other financing sources (uses)                         | <u>1,010,702</u>    | <u>545,374</u>      | <u>-</u>                   | <u>20,015,256</u>     | <u>(45,749)</u>                | <u>21,525,583</u>              |
| Net change in fund balances                                  | (515,667)           | 392,264             | (1,426,324)                | 12,102,554            | (14,262)                       | 10,538,565                     |
| Fund balances - beginning                                    | 9,164,631           | 8,569,102           | 4,028,378                  | -                     | 11,193,568                     | 32,955,679                     |
| Increase (decrease) in reserve for inventory                 | (64,846)            | (71,732)            | 155,165                    | -                     | -                              | 18,587                         |
| Fund balances - ending                                       | <u>\$ 8,584,118</u> | <u>\$ 8,889,634</u> | <u>\$ 2,757,219</u>        | <u>\$ 12,102,554</u>  | <u>\$ 11,179,306</u>           | <u>\$ 43,512,831</u>           |

**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, 2003**

|  |                      |
|--|----------------------|
| Net change in fund balances-total governmental funds   | \$10,557,152         |
| Amounts reported for governmental activities in the statement of activities are different because:   |                      |
| Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays (\$13,776,619) exceeded depreciation (\$4,766,996) in the current period.   | 9,009,623            |
| 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.  | (935,253)            |
| Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. These include an increase in intergovernmental receivables of \$366,744.  | 366,744              |
| The issuance of long-term debt (e.g. bonds) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. Also, governmental funds report the effect of issuance costs and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt of \$20,000,000 and bond issuance costs of \$87,944. | (19,912,056)         |
| Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds. These include the net increase in judgments payable (\$747,594), compensated absences (\$251,926), accounts payable for unpaid claims based on actuary estimates (\$421,736), accrued interest (\$353,318), and a decrease in leases payable (\$434,673).  | (1,339,902)          |
| Change in net assets of governmental activities  | <u>(\$2,253,692)</u> |

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

**OKLAHOMA COUNTY, OKLAHOMA**  
**STATEMENT OF FUND NET ASSETS**  
**PROPRIETARY FUNDS**  
**JUNE 30, 2003**

|   | <b>Public<br/>Buildings<br/>Authority</b> |
|---|---|
| <b>ASSETS</b>   |   |
| Current assets:   |   |
| Restricted assets:  |   |
| Cash and cash equivalents   | \$ 254,576                                |
| Accounts receivable   | 35,534                                    |
| Interest receivable   | 15,184                                    |
| Total current assets  | 305,294                                   |
| Non-current assets:   |   |
| Restricted assets:  |   |
| Investments   | 1,084,474                                 |
| Bond issuance costs   | 44,946                                    |
| Total restricted assets   | 1,129,420                                 |
| Capital assets:   |   |
| Land  | 1,375,636                                 |
| Buildings   | 6,186,680                                 |
| Equipment   | 37,386                                    |
| Less accumulated depreciation   | (2,948,139)                               |
| Total capital assets (net of accumulated depreciation)                                | 4,651,563                                 |
| Total noncurrent assets   | 5,780,983                                 |
| Total assets  | \$ 6,086,277                              |
| <b>LIABILITIES</b>  |   |
| Current liabilities payable from restricted assets:                                   |   |
| Revenue bonds payable   | \$ 360,000                                |
| Accrued interest payable  | 59,579                                    |
| Total current liabilities payable from restricted assets                              | 419,579                                   |
| Noncurrent liabilities:   |   |
| Revenue bonds payable (net of unamortized discounts and deferred amount on refunding) | 4,678,906                                 |
| Total noncurrent liabilities  | 4,678,906                                 |
| Total liabilities   | 5,098,485                                 |
| <b>NET ASSETS</b>   |   |
| Invested in capital assets, net of related debt                                       | 2,705,618                                 |
| Restricted for debt service   | 1,015,135                                 |
| Unrestricted  | (2,732,961)                               |
| Total net assets  | \$ 987,792                                |

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

**OKLAHOMA COUNTY, OKLAHOMA**  
**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS**  
**PROPRIETARY FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2003**

|   | <u>Public<br/>Buildings<br/>Authority</u> |
|---|---|
| Operating revenues:                       |   |
| Rental                                    | \$ 1,354,250                              |
| Total operating revenues                  | <u>1,354,250</u>                          |
| Operating expenses:                       |   |
| Depreciation                              | <u>237,106</u>                            |
| Total operating expenses                  | <u>237,106</u>                            |
| Operating income                          | <u>1,117,144</u>                          |
| Nonoperating revenues (expenses):         |   |
| Investment income                         | 61,854                                    |
| Bond interest expense                     | (251,038)                                 |
| Amortization                              | (4,495)                                   |
| Arbitrage rebate                          | (109,935)                                 |
| Trustee and other expenses                | <u>(6,190)</u>                            |
| Total nonoperating revenue (expenses)     | <u>(309,804)</u>                          |
| Income before contributions and transfers | 807,340                                   |
| Transfers out                             | <u>(684,195)</u>                          |
| Change in net assets                      | 123,145                                   |
| Total net assets-beginning                | <u>864,647</u>                            |
| Total net assets-ending                   | <u>\$ 987,792</u>                         |

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

**OKLAHOMA COUNTY, OKLAHOMA  
STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS  
FOR THE YEAR ENDED JUNE 30, 2003**

|  | <u>Public<br/>Buildings<br/>Authority</u> |
|--|---|
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>  |   |
| Receipts from customers and users  | <u>\$ 1,346,440</u>                       |
| <b>CASH FLOWS FROM CAPITAL<br/>FINANCING ACTIVITIES</b>  |   |
| Trustee fees   | (3,296)                                   |
| Professional fee   | (2,650)                                   |
| Arbitrage rebate   | (109,935)                                 |
| Interest earnings  | 8,889                                     |
| Transfers to investment accounts   | (723,941)                                 |
| Transfer to Oklahoma County  | (684,195)                                 |
| Transfers from investment accounts   | <u>112,629</u>                            |
| Net cash provided (used) by non-capital<br>financing activities                                    | <u>(1,402,499)</u>                        |
| <br>Net increase (decrease) in cash and investments  | <br>(56,059)                              |
| <br>Beginning cash from operations   | <br><u>310,635</u>                        |
| <br>Ending cash from operations  | <br><u>\$ 254,576</u>                     |
| <b>Reconciliation of operating income to<br/>net cash provided (used) by operating activities:</b> |   |
| Operating Income (loss)  | <u>1,117,144</u>                          |
| Adjustments to reconcile operating income to<br>net cash provided (used) by operating activities:  |   |
| Depreciation expense   | 237,106                                   |
| (Increase) decrease in accounts receivable   | <u>(7,810)</u>                            |
| Total adjustments  | <u>229,296</u>                            |
| Net cash provided (used) by operating activities   | <u>\$ 1,346,440</u>                       |

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

**OKLAHOMA COUNTY, OKLAHOMA  
STATEMENT OF FIDUCIARY NET ASSETS  
JUNE 30, 2003**

|   | Defined Benefit<br>Retirement<br>Fund | Defined<br>Contribution<br>Retirement<br>Fund | Agency Funds         | Totals                |
|---|---------------------------------------|---|----------------------|-----------------------|
| <b>ASSETS</b>   |                                       |   |                      |                       |
| Cash and cash equivalents                                       | \$ 1,346,252                          | \$ -  | \$ 25,800,517        | \$ 27,146,769         |
| Property taxes receivable                                       | -                                     | -   | 5,134,692            | 5,134,692             |
| Interest receivable   | 154,160                               | -   | 3,271                | 157,431               |
| Due from other governments                                      | -                                     | -   | 2,234,759            | 2,234,759             |
| Due from other funds  | -                                     | -   | 940,760              | 940,760               |
| Investments, at fair value                                      |                                       |   |                      |                       |
| U.S. Government securities                                      | 14,123,284                            | -   | 11,527,495           | 25,650,779            |
| Certificate of deposits   | -                                     | -   | 8,157,256            | 8,157,256             |
| Bankers acceptance  | -                                     | -   | 1,021,059            | 1,021,059             |
| Municipal bonds   | 307,200                               | -   | 343,466              | 650,666               |
| Corporate bonds   | 1,701,849                             | -   | -                    | 1,701,849             |
| Judgments   | 1,144,441                             | -   | -                    | 1,144,441             |
| Mutual funds  | -                                     | 53,414,431                                    | -                    | 53,414,431            |
| Loans to participants   | -                                     | 3,969,134                                     | -                    | 3,969,134             |
| Total investments   | <u>17,276,774</u>                     | <u>57,383,565</u>                             | <u>-</u>             | <u>95,709,615</u>     |
| Total assets  | <u>\$ 18,777,186</u>                  | <u>\$ 57,383,565</u>                          | <u>\$ 55,163,275</u> | <u>\$ 131,324,026</u> |
| <b>LIABILITIES</b>  |                                       |   |                      |                       |
| Warrants Payable  | \$ -                                  | \$ -  | \$ 1,314,840         | \$ 1,314,840          |
| Accounts Payable  | -                                     | -   | 28,305               | 28,305                |
| Due to Other Taxing Jurisdictions                               | -                                     | -   | 27,308,256           | 27,308,256            |
| Due to Other Funds  | -                                     | -   | 629,436              | 629,436               |
| Due to Others   | -                                     | -   | 25,882,438           | 25,882,438            |
| Total liabilities   | <u>-</u>                              | <u>-</u>                                      | <u>55,163,275</u>    | <u>55,163,275</u>     |
| <b>NET ASSETS</b>   |                                       |   |                      |                       |
| Assets held in trust for pension benefits<br>and other purposes | <u>\$ 18,777,186</u>                  | <u>\$ 57,383,565</u>                          | <u>\$ -</u>          | <u>\$ 76,160,751</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, 2003**

|   | Defined<br>Benefit<br>Retirement<br>Fund | Defined<br>Contribution<br>Retirement<br>Fund | Totals        |
|---|--|---|---------------|
| <b>ADDITIONS</b>  |  |   |               |
| Contributions:  |  |   |               |
| Employer  | \$ 80,182                                | \$ 4,840,896                                  | \$ 4,921,078  |
| Investment earnings:  |  |   |               |
| Interest  | 2,560,686                                | 253,573                                       | 2,814,259     |
| Net increase (decrease) in the<br>fair value of investments | (623,760)                                | 1,027,865                                     | 404,105       |
| Total investment earnings                                   | 1,936,926                                | 1,281,438                                     | 3,218,364     |
| Less investment expense                                     |  |   |               |
| Net investment expense                                      | 1,936,926                                | 1,281,438                                     | 3,218,364     |
| Total additions   | 2,017,108                                | 6,122,334                                     | 8,139,442     |
| <b>DEDUCTIONS</b>   |  |   |               |
| Benefits  | 2,723,035                                | 5,186,297                                     | 7,909,332     |
| Administrative expenses                                     | 11,101                                   | 119,302                                       | 130,403       |
| Total deductions  | 2,734,136                                | 5,305,599                                     | 8,039,735     |
| Change in net assets  | (717,028)                                | 816,735                                       | 99,707        |
| Net assets-beginning  | 19,494,214                               | 56,566,830                                    | 76,061,044    |
| Net assets-ending   | \$ 18,777,186                            | \$ 57,383,565                                 | \$ 76,160,751 |

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

# Notes to the Financial Statements



*This page intentionally left blank*

**OKLAHOMA COUNTY, OKLAHOMA**  
**Notes to the Financial Statements**  
**June 30, 2003**

**INDEX**

|   | <u>PAGE</u> |
|---|-------------|
| <b>I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES</b>                                  |             |
| A. Reporting Entity .....   | 38          |
| 1. Blended Component Unit .....   | 38          |
| 2. Discretely Presented Component Unit .....  | 38          |
| 3. Jointly Governed Organization .....  | 39          |
| 4. Related Organizations .....  | 39          |
| B. Government-wide and Fund Financial Statements .....                                | 40          |
| C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation ..... | 41          |
| D. Encumbrances .....   | 43          |
| E. Assets, Liabilities, and Net Assets .....  | 43          |
| 1. Deposits and Investments .....   | 43          |
| 2. Restricted Assets .....  | 44          |
| 3. Property Taxes Receivable .....  | 44          |
| 4. Accounts Receivable .....  | 44          |
| 5. Inventories .....  | 44          |
| 6. Internal Balances .....  | 45          |
| 7. Due to other taxing units/others .....   | 45          |
| 8. Capital Assets and Depreciation .....  | 45          |
| 9. Compensated Absences .....   | 46          |
| 10. Long-Term Obligations .....   | 46          |
| 11. Fund Balance and Net Assets .....   | 46          |
| <b>II. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY</b>                                |             |
| A. Budgetary Information .....  | 46          |
| B. Legal and Contractual Obligations .....  | 47          |
| C. Continuous Inventory .....   | 47          |
| <b>III. DETAILED NOTES ON ALL FUNDS</b>   |             |
| A. Deposits and Investments .....   | 48          |
| B. Property Taxes Receivable .....  | 49          |
| C. Capital Assets .....   | 49          |
| D. Interfund Receivables, Payables, and Transfers .....                               | 51          |
| E. Leases .....   | 51          |
| F. Long-term Debt .....   | 52          |
| 1. Governmental Activities .....  | 52          |
| 2. Business-Type Activities .....   | 53          |
| 3. Discretely Presented Component Unit .....  | 54          |

**OKLAHOMA COUNTY, OKLAHOMA**  
**Notes to the Financial Statements**  
**June 30, 2003**

|                                    |    |
|------------------------------------|----|
| 4. Judgments Payable .....         | 55 |
| 5. Changes in Long Term Debt ..... | 56 |

**IV. OTHER INFORMATION**

|   |    |
|---|----|
| A. Risk Management .....  | 56 |
| B. Related Party Transactions .....                                 | 58 |
| C. Commitments and Contingent Liabilities .....                     | 58 |
| D. Other Post-Employment Benefits .....                             | 59 |
| E. Employees Retirement Plans .....                                 | 59 |
| 1. Defined Benefit Retirement Plan .....                            | 59 |
| 2. Defined Contribution Retirement Plan .....                       | 63 |
| F. Subsequent Events .....  | 66 |
| G. Adjustments to beginning fund balance – governmental funds ..... | 66 |

**OKLAHOMA COUNTY, OKLAHOMA**  
**Notes to the Financial Statements**  
**June 30, 2003**

**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.

Currently, the OCPBA collects the rental revenues from the Metro Parking Garage, Investor's Capital Building, and the Lincoln Building property, which are pledged for payment of its 1997 series revenue bonds, and remits all such rental revenues in excess of those required for retirement of the bonds to Oklahoma County. Expenses related to operating the properties are paid by Oklahoma County under the terms of a management agreement between the OCPBA and Oklahoma County dated April 16, 1997. 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, 2003**

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.

**OKLAHOMA COUNTY, OKLAHOMA**  
**Notes to the Financial Statements**  
**June 30, 2003**

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). In June 1999 the GASB issued Statement 34 *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments* (Statement #34). This statement established new financial reporting requirements for state and local governments throughout the United States. It requires new information and restructures much of the information that governments have presented in the past. Comparability with reports issued in prior years is affected.

The County is required to implement these standards for the fiscal year ending June 30, 2003. With the implementation of GASB 34, the County has prepared required supplementary information titled *Management's Discussion and Analysis* which precedes the basic financial statements.

The accompanying financial statements present the financial position of the County and the various funds and fund types, the results of operations of the County and the various funds and fund types, and the cash flows of the proprietary funds. The financial statements are presented as of June 30, 2003, 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. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

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

**OKLAHOMA COUNTY, OKLAHOMA**  
**Notes to the Financial Statements**  
**June 30, 2003**

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 wages expense incurred by each function. Gross revenues totaled \$2,539,497 and gross expenses totaled \$10,801,057, resulting in net expenses of \$8,261,560.

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 fiduciary 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.

**Governmental Funds**

The new reporting model as defined in Statement #34 sets forth minimum criteria (percentage of the assets, liabilities, revenues or expenditures/expenses of either fund category or the governmental and enterprise combined) for the determination of major funds. The nonmajor funds are combined in a single column in the fund financial statements. The County reports the following major funds.

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

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

**OKLAHOMA COUNTY, OKLAHOMA**  
**Notes to the Financial Statements**  
**June 30, 2003**

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

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

**Proprietary Funds**

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

**Fiduciary Fund Types**

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

The County reports the following fiduciary funds:

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

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

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

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

Amounts reported as program revenues include 1) charges to customers or applicants for goods, services or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions,

**OKLAHOMA COUNTY, OKLAHOMA**  
**Notes to the Financial Statements**  
**June 30, 2003**

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 connection with a proprietary fund's principal ongoing operations. Operating expenses for enterprise funds include cost of sales and services, which is limited to depreciation on capital assets since all other operating costs are paid by the County under terms of a management agreement. All revenues and expenses not meeting this definition are reported as nonoperating 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 includes 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.

State statutes authorize the County to 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.

**OKLAHOMA COUNTY, OKLAHOMA**  
**Notes to the Financial Statements**  
**June 30, 2003**

**2. Restricted Assets**

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

Certain cash and investments of the OCPBA are classified as restricted in the statements because they are not required to be maintained in separate accounts by the 1997 series bond indenture. All such accounts are being maintained as required.

**3. Property Taxes Receivable**

All property tax receivables are shown net of an allowance for uncollectibles. Taxes are levied annually on October 1 with one-half due by December 31 and the remaining one-half due by March 31. If exactly one-half of the amount due is not received by December 31, the full amount is due and becomes delinquent January 1st. If the taxpayer opts for one-half payment by December 31 but does not make the remaining payment by March 31, the balance becomes delinquent. Delinquent tax payments are subject to interest assessments at 18% annual percentage rate. Major tax payments are received in the months December through April. Delinquent tax payments are received throughout the year. Governmental funds recognize revenue in the year received, except for those received within 60 days of year-end, which are recognized as revenues as of June 30. Current year tax collections for the year ended June 30, 2003 were 93.3% of the tax levy.

The County's property tax is levied each October 1 on the assessed value listed as of January 1 of the same year for all real and personal property located in the County, except certain exempt property. Assessed values are established by the State Tax Commission and the State Equalization Board. A revaluation of all property is required once every five years. The assessed property value as of January 1, 2002, was approximately \$3,543,389,815 after excluding homestead exemptions of \$132,178,670.

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 .07 mills for Debt Service.

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

**4. Accounts Receivable**

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

**5. Inventories**

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

**OKLAHOMA COUNTY, OKLAHOMA**  
**Notes to the Financial Statements**  
**June 30, 2003**

**6. Internal balances**

Amounts reported in the fund financial statements as interfund receivables and payables are eliminated in the governmental and business-type activities columns of the Statement of Net Assets, except for the net residual amounts due between governmental and business-type activities, which are presented as internal balances. Within the governmental fund financial statements, such amounts are equally offset by a fund balance reserve that indicates they do not constitute available spendable resources.

Due To/Due From – Amounts owned to one fund or component unit by another which are due within one year are reported as due to other funds or component units.

Advances to Other Funds – Amounts owed to one fund or component unit by another which are due within one year are reported as advances to other funds or component units.

**7. Due to other taxing units/others**

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

**8. Capital Assets and Depreciation**

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

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

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

Statement #34 requires the County to retroactively report all major general infrastructure assets beginning June 15, 2005. The County is divided into three districts which are overseen by individual

**OKLAHOMA COUNTY, OKLAHOMA**  
**Notes to the Financial Statements**  
**June 30, 2003**

County Commissioners. District 1 has identified and estimated a historical cost for the road infrastructure within their boundaries, resulting in approximately one third of all county owned roads being retroactively reported as of June 30, 2003. The remaining balance is planned to be recorded during the fiscal year ending June 30, 2004 for Districts 2 and 3. All bridge infrastructure is reported as of June 30, 2003.

**9. Compensated Absences**

Accrued vacation leave is payable upon layoff, resignation, retirement, or death. Amounts of vested or accumulated vacation leave are reported in the government-wide statements as the liability is not expected to be paid from current resources. At June 30, 2003, the accrued liability for annual and compensatory leave time was \$3,098,645.

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.

**10. 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.

**11. Fund Balance and Net Assets**

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

**Note II. Stewardship, Compliance, and Accountability**

**A. Budgetary Information**

Guidelines for the County Budget Act are set out in Title 19 Section 141 of Oklahoma Statutes. At least thirty (30) days prior to the beginning of each fiscal year, a budget for each fund of the county for which a budget is required shall be completed by the county Budget Board. Each budget shall provide a complete financial plan for the budget year. The budget format shall be as prescribed by the State Auditor and Inspector. The format shall contain at least the following in tabular form for each fund, itemized by department and account within each fund:

**OKLAHOMA COUNTY, OKLAHOMA**  
**Notes to the Financial Statements**  
**June 30, 2003**

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.

The Budget Board of Oklahoma County complies with the purpose of the Budget Act, which is:

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

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

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

#### **B. Legal and Contractual Obligations**

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

#### **C. Continuous Inventory**

According to guidelines established by Title 19 Section 19.1 of Oklahoma statutes, the County maintains a continuous inventory of all assets purchased with a cost of \$250.00 or more. The County's total inventory at June 30, 2003 totaled \$31,916,080.

**OKLAHOMA COUNTY, OKLAHOMA**  
**Notes to the Financial Statements**  
**June 30, 2003**

**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. All cash is pooled for operating and investment purposes and each fund has equity in the pooled amount. The County considers all highly liquid investments with three months of maturity or less when purchased to be cash equivalents. For reporting purposes, cash and investments have been allocated to each fund based on that fund's equity in the pooled amount. Investments are reported at fair value. The County's deposits and investments as of June 30, 2003 are categorized below to indicate the level of risk assumed by the County.

Deposits are categorized as follows:

- (1) Insured or collateralized with securities held by the County or by its agent in the County's name.
- (2) Collateralized with securities held by the pledging financial institution's trust department or agent in the County's name.
- (3) Uncollateralized. (This includes any bank balance that is collateralized with securities held by the pledging financial institution, or by its trust department or agent but not in the County's name).

Investments are categorized into these three categories of credit risk:

- (1) Insured or registered, or securities held by the county or its agent in the county's name.
- (2) Uninsured and registered, with securities held by the counterparty's trust department or agent in the county's name.
- (3) Uninsured and unregistered, with securities held by the counterparty's trust department or agent in but not in the county's name.

**Primary Government**

| <b>Deposits:</b>          | Category            |             |                   | Bank<br>Balance     | Carrying<br>Amount  |
|---------------------------|---------------------|-------------|-------------------|---------------------|---------------------|
|                           | 1                   | 2           | 3                 |                     |                     |
| Pooled Deposits:          |                     |             |                   |                     |                     |
| Cash and cash equivalents | \$45,746,300        | \$ -        | \$ 182,478        | \$45,928,778        | \$50,583,771        |
| Non-Pooled deposits       |                     |             |                   |                     |                     |
| Pension Trust Funds       | <u>2,161,858</u>    | -           | -                 | <u>2,161,858</u>    | <u>1,346,252</u>    |
| Total Deposits            | <u>\$47,908,158</u> | <u>\$ -</u> | <u>\$ 182,478</u> | <u>\$48,090,636</u> | <u>\$51,930,023</u> |

| <b>Investments:</b>            | Category            |             |                     | Reported<br>Amount/<br>Fair Value |
|--------------------------------|---------------------|-------------|---------------------|-----------------------------------|
|                                | 1                   | 2           | 3                   |                                   |
| U.S. Government Securities     | \$36,610,027        | \$ -        | \$ -                | \$36,610,027                      |
| Certificate of deposits        | 15,912,399          | -           | -                   | 15,912,399                        |
| Bankers Acceptances            | 1,991,784           | -           | -                   | 1,991,784                         |
| Municipal bonds                | 977,200             | -           | -                   | 977,200                           |
| Corporate bonds                | 1,701,849           | -           | -                   | 1,701,849                         |
| Guaranteed investment contract | -                   | -           | 1,084,474           | 1,084,474                         |
| Total                          | <u>\$57,193,259</u> | <u>\$ -</u> | <u>\$ 1,084,474</u> | <u>58,277,733</u>                 |

Investments not subject to categorization:

|   |                      |
|---|----------------------|
| Judgments   | 1,144,441            |
| Defined Contribution Plan:                                    |                      |
| Mutual funds and annuities administered by plan administrator | <u>57,383,565</u>    |
| Total Investments   | <u>\$116,805,739</u> |

**OKLAHOMA COUNTY, OKLAHOMA**  
**Notes to the Financial Statements**  
**June 30, 2003**

**Discretely Presented Component Unit**

| <b>Deposits:</b>          | Category          |             |             | <u>Bank<br/>Balance</u> | <u>Carrying<br/>Amount</u> |
|---------------------------|-------------------|-------------|-------------|-------------------------|----------------------------|
|                           | 1                 | 2           | 3           |                         |                            |
| Cash and cash equivalents | \$ 146,050        | \$ -        | \$ -        | \$ 145,995              | \$ 146,050                 |
| Total Deposits            | <u>\$ 146,050</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 145,995</u>       | <u>\$ 146,050</u>          |

| <b>Investments:</b>     | Category            |             |             | <u>Reported<br/>Amount/<br/>Fair Value</u> |
|-------------------------|---------------------|-------------|-------------|--|
|                         | 1                   | 2           | 3           |  |
| Certificate of deposits | \$ 1,205,568        | \$ -        | \$ -        | \$1,205,568                                |
| Total investments       | <u>\$ 1,205,568</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$1,205,568</u>                         |

**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 Nonexchange 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 1996, and the total outstanding represents less than 1% of the original tax levies for the same time period.

|                    | <b>Total<br/>Outstanding<br/>at June 30,<br/>2003</b> | <b>Amount<br/>Considered<br/>Uncollectible</b> | <b>Amount Shown<br/>as Net<br/>Receivable</b> |
|--------------------|---|--|---|
| Governmental Funds | \$ 4,449,012  | \$ 2,896,224                                   | \$ 1,552,788                                  |
| Health Department  | 854,505   | 720,029  | 134,476                                       |
| Cities             | 5,896,758   | 4,954,116                                      | 942,642                                       |
| Schools            | 24,795,959  | 20,738,385                                     | 4,057,574                                     |
| Total              | <u>\$ 35,996,234</u>                                  | <u>29,308,754</u>                              | <u>\$ 6,687,480</u>                           |

**C. Capital assets**

Capital assets activity for the year ended June 30, 2003 was as follows:

**OKLAHOMA COUNTY, OKLAHOMA**  
**Notes to the Financial Statements**  
**June 30, 2003**

**Primary Government**

|  | Balance<br><u>June 30, 2002</u> | <u>Increases</u>    | <u>Decreases</u>     | Balance<br><u>June 30, 2003</u> |
|--|---------------------------------|---------------------|----------------------|---------------------------------|
| <b>Governmental activities:</b>              |                                 |                     |                      |                                 |
| Capital assets, not being depreciated:       |                                 |                     |                      |                                 |
| Land   | \$14,525,943                    | \$8,201,546         | \$ -                 | \$22,727,489                    |
| Artwork                                      | 24,500                          | -                   | -                    | 24,500                          |
| Construction in progress                     | <u>1,648,487</u>                | <u>376,066</u>      | <u>(1,706,862)</u>   | <u>317,691</u>                  |
| Total capital assets, not being depreciated  | <u>16,198,930</u>               | <u>8,577,612</u>    | <u>(1,706,862)</u>   | <u>23,069,680</u>               |
| Capital assets, being depreciated:           |                                 |                     |                      |                                 |
| Buildings and building improvements          | 75,165,506                      | 1,706,862           | -                    | 76,872,368                      |
| Machinery and equipment                      | 20,399,855                      | 3,540,625           | (1,333,085)          | 22,607,396                      |
| Infrastructure                               | <u>25,291,016</u>               | <u>1,658,382</u>    | <u>-</u>             | <u>26,949,397</u>               |
| Total capital assets being depreciated       | <u>120,856,377</u>              | <u>6,905,869</u>    | <u>(1,333,085)</u>   | <u>126,429,161</u>              |
|  | Balance<br><u>June 30, 2002</u> | <u>Increases</u>    | <u>Decreases</u>     | Balance<br><u>June 30, 2003</u> |
| Less accumulated depreciation for:           |                                 |                     |                      |                                 |
| Buildings and building improvements          | (23,479,300)                    | (1,967,735)         | -                    | (25,447,035)                    |
| Machinery and equipment                      | (11,829,010)                    | (1,861,307)         | 397,832              | (13,292,485)                    |
| Infrastructure                               | <u>(4,933,178)</u>              | <u>(937,954)</u>    | <u>-</u>             | <u>(5,871,132)</u>              |
| Total accumulated depreciation               | <u>(40,241,487)</u>             | <u>(4,766,996)</u>  | <u>397,832</u>       | <u>(44,610,652)</u>             |
| Total capital assets, being depreciated, net | <u>80,614,889</u>               | <u>2,138,873</u>    | <u>(935,253)</u>     | <u>81,818,509</u>               |
| Governmental activities capital assets, net  | <u>\$96,813,819</u>             | <u>\$10,716,485</u> | <u>\$(2,642,115)</u> | <u>\$104,888,189</u>            |
| <b>Business-type activities:</b>             |                                 |                     |                      |                                 |
| Capital assets, not being depreciated:       |                                 |                     |                      |                                 |
| Land   | <u>\$1,375,636</u>              | \$ -                | \$ -                 | <u>\$1,375,636</u>              |
| Total capital assets, not being depreciated  | <u>1,375,636</u>                | <u>-</u>            | <u>-</u>             | <u>1,375,636</u>                |
| Capital assets, being depreciated:           |                                 |                     |                      |                                 |
| Buildings & improvements                     | \$6,186,680                     | \$ -                | \$ -                 | \$6,186,680                     |
| Machinery and equipment                      | <u>40,027</u>                   | <u>-</u>            | <u>(2,641)</u>       | <u>37,386</u>                   |
| Total capital assets being depreciated       | 6,226,707                       | -                   | (2,641)              | 6,224,066                       |
| Less accumulated depreciation for:           |                                 |                     |                      |                                 |
| Buildings & improvements                     | (2,682,935)                     | (234,645)           | -                    | (2,917,580)                     |
| Machinery and equipment                      | <u>(30,495)</u>                 | <u>(2,461)</u>      | <u>2,397</u>         | <u>(30,559)</u>                 |
| Total accumulated depreciation               | <u>(2,713,430)</u>              | <u>(237,106)</u>    | <u>2,397</u>         | <u>(2,948,139)</u>              |
| Total capital assets, being depreciated, net | <u>3,513,277</u>                | <u>(237,106)</u>    | <u>(244)</u>         | <u>3,275,927</u>                |
| Business-type activities capital assets, net | <u>\$4,888,913</u>              | <u>\$(237,106)</u>  | <u>\$(244)</u>       | <u>\$4,651,563</u>              |
| <b>Discretely Presented Component Unit</b>   |                                 |                     |                      |                                 |
| Capital assets, being depreciated:           |                                 |                     |                      |                                 |
| Machinery and equipment                      | \$3,592                         | \$ -                | \$ -                 | \$3,592                         |
| Less accumulated depreciation for:           |                                 |                     |                      |                                 |
| Machinery and equipment                      | <u>(2,384)</u>                  | <u>(282)</u>        | <u>-</u>             | <u>(2,666)</u>                  |
| Component unit capital assets, net           | <u>\$1,208</u>                  | <u>\$(282)</u>      | <u>\$ -</u>          | <u>\$926</u>                    |

**OKLAHOMA COUNTY, OKLAHOMA**  
**Notes to the Financial Statements**  
**June 30, 2003**

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

|   |                    |
|---|--------------------|
| Governmental activities:                            |                    |
| General government                                  | \$ 642,456         |
| Public safety                                       | 2,207,746          |
| Health and welfare                                  | 28,041             |
| Education   | 1,468              |
| Roads and highways                                  | <u>1,887,285</u>   |
| Total depreciation expense-governmental activities  | <u>\$4,766,996</u> |
| Business-type activities:                           |                    |
| Public Building Authority                           | <u>\$237,106</u>   |
| Total depreciation expense-business-type activities | <u>\$237,106</u>   |

**D. Interfund receivables, payables and transfers**

As of June 30, 2003, the general fund had a liability to agency funds of \$940,760, due to an error in making unapportioned tax transfers. Following is a schedule of interfund transfers:

|                             | Transfers In:      |                 |                           |                    |
|-----------------------------|--------------------|-----------------|---------------------------|--------------------|
|                             | General<br>Fund    | Highway<br>Cash | Non-major<br>Governmental | Total              |
| Transfers out:              |                    |                 |                           |                    |
| General Fund                | \$ -               | \$74,615        | \$953,673                 | \$1,028,288        |
| Highway Cash                | -                  | -               | 3,871                     | 3,871              |
| Nonmajor governmental funds | 1,296,187          | -               | -                         | 1,296,187          |
| Proprietary funds           | <u>684,195</u>     | <u>-</u>        | <u>-</u>                  | <u>684,195</u>     |
| Total transfers out         | <u>\$1,980,382</u> | <u>\$74,615</u> | <u>\$957,544</u>          | <u>\$3,012,541</u> |

Interfund transfers were made during the year from general fund to non-major governmental funds for capital projects, and to fulfill statutory requirements of transferring funds to the clerk lien fee fund. Transfers were made from general fund to the highway cash to reimburse the payroll expense for the administrative employees. Transfers were made from the non-major governmental fund to the general fund to reimburse the general fund for federal grant dollars spent in advance and to fulfill statutory requirements of transferring dollars from the resale property fund.

The County also made temporary cash transfers totaling \$7,000,000 to the general fund from the unapportioned fund. This amount was transferred back to the unapportioned fund and these temporary transfers are not reflected in the financial statements.

**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, 2003 amounted to \$116,430.

**OKLAHOMA COUNTY, OKLAHOMA**  
**Notes to the Financial Statements**  
**June 30, 2003**

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.

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, 2003 reported in the government-wide statements are as follows:

|           | <u>Capital<br/>Asset</u> | <u>Accumulated<br/>Depreciation</u> | <u>Total</u>       |
|-----------|--------------------------|-------------------------------------|--------------------|
| Building  | \$8,850,682              | \$(929,637)                         | \$7,921,045        |
| Equipment | <u>1,436,917</u>         | <u>(344,295)</u>                    | <u>1,092,622</u>   |
| Total     | <u>\$10,287,599</u>      | <u>\$(1,273,932)</u>                | <u>\$9,013,667</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<br/>Activities</u> |
|--|------------------------------------|
| 2004   | \$1,268,013                        |
| 2005   | 1,259,315                          |
| 2006   | 1,155,995                          |
| 2007   | 1,071,491                          |
| 2008   | 980,684                            |
| 2009-2013                                      | 4,295,863                          |
| 2014-2016                                      | <u>1,396,969</u>                   |
| Total minimum lease payments                   | 11,428,330                         |
| Less: amount representing interest             | <u>(2,900,809)</u>                 |
| Present value of future minimum lease payments | <u>\$8,527,521</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

**OKLAHOMA COUNTY, OKLAHOMA**  
**Notes to the Financial Statements**  
**June 30, 2003**

Bonds will be paid from ad valorem taxes levied and assessed on behalf of the Issuer and deposited to its Sinking Fund. A summary of debt service requirements to maturity is as follows:

| <u>Year</u> | <u>Principle</u>     | <u>Interest</u>     | <u>Total</u>        | <u>Interest Rate</u> |
|-------------|----------------------|---------------------|---------------------|----------------------|
| 2005        | \$ 0                 | \$ 871,234          | \$ 871,234          | 3.75%                |
| 2006        | 765,000              | 372,871             | 1,137,871           | 3.75%                |
| 2007        | 765,000              | 344,184             | 1,109,184           | 3.75%                |
| 2008        | 765,000              | 315,496             | 1,080,496           | 3.75%                |
| 2009        | 765,000              | 286,809             | 1,051,809           | 3.75%                |
| 2010-2014   | 3,825,000            | 1,019,031           | 4,844,031           | 3.35%-3.90%          |
| 2015-2017   | <u>3,115,000</u>     | <u>271,439</u>      | <u>3,386,439</u>    | 4.00%-4.40%          |
|             | <u>\$ 10,000,000</u> | <u>\$ 3,481,064</u> | <u>\$13,481,064</u> |                      |

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

| <u>Year</u> | <u>Principle</u>     | <u>Interest</u>     | <u>Total</u>        | <u>Interest Rate</u> |
|-------------|----------------------|---------------------|---------------------|----------------------|
| 2005        | \$ 0                 | \$ 640,760          | \$ 640,760          | 5.50%                |
| 2006        | 765,000              | 345,111             | 1,110,111           | 5.50%                |
| 2007        | 765,000              | 303,036             | 1,068,036           | 2.75%                |
| 2008        | 765,000              | 271,480             | 1,036,480           | 2.50%                |
| 2009        | 765,000              | 251,399             | 1,016,399           | 2.75%                |
| 2010-2014   | 3,825,000            | 917,525             | 4,742,525           | 2.75-3.50%           |
| 2015-2017   | <u>3,115,000</u>     | <u>246,285</u>      | <u>3,361,285</u>    | 3.625%-4.00%         |
|             | <u>\$ 10,000,000</u> | <u>\$ 2,975,596</u> | <u>\$12,975,596</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.

**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.

Revenue bond debt service requirements to maturity are as follows:

**OKLAHOMA COUNTY, OKLAHOMA**  
**Notes to the Financial Statements**  
**June 30, 2003**

| <u>Year</u> | <u>Principle</u>    | <u>Interest</u>     | <u>Debt Service</u> | <u>Interest Rate</u> |
|-------------|---------------------|---------------------|---------------------|----------------------|
| 2004        | \$ 360,000          | \$ 226,705          | \$ 586,705          | 4.30%                |
| 2005        | 370,000             | 210,625             | 580,625             | 4.40%                |
| 2006        | 390,000             | 193,393             | 583,393             | 4.50%                |
| 2007        | 410,000             | 175,014             | 585,014             | 4.55%                |
| 2008        | 430,000             | 155,838             | 585,838             | 4.50%                |
| 2009        | 455,000             | 135,473             | 590,473             | 4.55%                |
| 2010-2014   | <u>2,715,000</u>    | <u>317,090</u>      | <u>3,032,090</u>    | 4.65%-4.90%          |
|             | <u>\$ 5,130,000</u> | <u>\$ 1,414,138</u> | <u>\$6,544,138</u>  |                      |

**3. Discretely Presented Component Unit**

Conduit Debt Obligations

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

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

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>2003 Balance</u> |
|---|-------------------------|-------------------------|---------------------|
| Climate Masters Project                   | 06-01-89                | \$2,000,000             | \$ 284,544          |
| Midwest Fabrication, Inc. Project         | 10-01-88                | 850,000                 | -                   |
| Guadalupe Series 1994A Project            | 06-01-94                | 2,095,000               | 2,090,000           |
| Guadalupe Series 1994B Project            | 06-01-94                | 625,000                 | 565,000             |
| Guadalupe Series 1994C Project            | 06-01-94                | 280,000                 | 280,000             |
| Esquire Series 1994A Project              | 08-01-94                | 3,750,000               | 3,750,000           |
| Esquire Series 1994B Project              | 08-01-94                | 250,000                 | -                   |
| Drexel Apartments 1995 Series A           | 12-01-95                | 2,830,000               | -                   |
| Drexel Apartments 1995 Series B           | 12-01-95                | 260,000                 | 45,000              |
| GNMA ARM Mortgage Back Securities 1995    | 11-01-95                | 13,000,000              | 4,898,671           |
| GNMA ARM Mortgage Back Securities 1996    | 09-01-96                | 10,000,000              | 3,402,762           |
| Avalon Retirement Series 1996 Project     | 06-01-96                | 2,080,000               | 1,665,000           |
| Bradford Heritage Apartments Series 1996A | 12-01-96                | 3,000,000               | 1,393,542           |
| Bradford Heritage Apartments Series 1996B | 12-01-96                | 1,000,000               | 434,321             |
| Epworth Villa Series 1997A Project        | 03-15-97                | 17,630,000              | 16,315,000          |

**OKLAHOMA COUNTY, OKLAHOMA**  
**Notes to the Financial Statements**  
**June 30, 2003**

|  | Date of<br><u>Issuance</u> | Original<br><u>Balance</u> | 2003<br><u>Balance</u> |
|--|----------------------------|----------------------------|------------------------|
| Epworth Villa Series 1997B Project   | 03-15-97                   | 3,005,000                  | 3,005,000              |
| Oakridge Village Apartments Series 1996A   | 10-01-96                   | 1,775,000                  | 1,140,000              |
| Oakridge Village Apartments Series 1996B   | 10-01-96                   | 295,000                    | 285,000                |
| Oakridge Village Apartments Series 1996C   | 10-01-96                   | 250,000                    | 30,000                 |
| Fresh Rate Bond Program Series 1997A   | 01-01-97                   | 14,535,000                 | 8,875,946              |
| Fresh Rate Bond Program Series 1997B   | 01-01-97                   | 5,000,000                  | -                      |
| Fresh Rate Bond Program Series 1997C   | 08-01-97                   | 25,000,000                 | 12,056,984             |
| Fresh Rate Bond Program Series 1998  | 06-30-98                   | 25,000,000                 | 8,276,467              |
| Trinity Foundation, Inc. Series 1998A  | 06-01-98                   | 40,790,000                 | 40,770,000             |
| Trinity Foundation, Inc. Series 1998B  | 06-01-98                   | 1,265,000                  | 275,000                |
| Southwest Electric Co.   | 06-01-98                   | 3,000,000                  | 2,240,000              |
| OKC/Midwest City Apartments<br>Pool Series 1998A                                 | 08-31-98                   | 19,500,000                 | 19,500,000             |
| OKC/Midwest City Apartments<br>Pool Series 1998B                                 | 08-31-98                   | 700,000                    | 350,341                |
| OKC/Midwest City Apartments<br>Pool Series 1998C                                 | 08-31-98                   | 2,850,000                  | 2,829,895              |
| Omni Dome Project  | 04-01-99                   | 1,500,000                  | 1,123,100              |
| Oxford Oaks, Watersedge and Gardens<br>At Reding Apartments Projects Series 2000 | 07-26-00                   | 27,695,000                 | 27,695,000             |
| Belle Isle-Burbank Companies Inc.  | 11-01-00                   | 293,331                    | -                      |
| Epworth Villa Series 2000A Project   | 12-01-00                   | 12,000,000                 | 12,000,000             |
| Epworth Villa Series 2000B Project   | 12-01-00                   | 3,000,000                  | 3,000,000              |
| Oklahoma County Finance Authority<br>NVHF-Oklahoma County Housing Pres.          | 12-19-00                   | 100,000,000                | 98,800,000             |
| 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                  | 1,650,000              |
| Oklahoma County Housing Preservation<br>Fund, Inc. NVHG (Cambridge Landing)      | 05-21-01                   | 9,950,000                  | 9,950,000              |
| Belle Isle-Burbank Companies, Inc  | 7-31-01                    | 258,943                    | 159,624                |
|  |                            | <u>\$360,162,274</u>       | <u>\$290,136,197</u>   |

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

#### **4. Judgments Payable**

Under Oklahoma law, judgments against the County are payable over a three year period and bear annual interest at four percentage points above the average United States Treasury Bill rate for the preceding year, not to exceed 10% per annum. Judgments are levied against all taxable property within the County and are accumulated and paid out of the Debt Service Fund. During the year, the County paid \$168,514 in judgments and \$45,130 in related interest on these judgments. At June 30, 2003, the

**OKLAHOMA COUNTY, OKLAHOMA**  
**Notes to the Financial Statements**  
**June 30, 2003**

total amount of unpaid judgment principal of \$1,226,761 is reflected in the Statement of Net Assets. A summary of judgments payable to maturity is as follows:

| <u>Year</u> | <u>Principle</u>   |
|-------------|--------------------|
| 2004        | \$469,536          |
| 2005        | 456,203            |
| 2006        | <u>301,022</u>     |
| Total       | <u>\$1,226,761</u> |

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

Long-term liability activity for the year ended June 30, 2003, was as follows:

|                                  | <u>Beginning<br/>Balance</u> | <u>Additions</u>    | <u>Reductions</u>    | <u>Ending<br/>Balance</u> | <u>Due within<br/>One Year</u> |
|----------------------------------|------------------------------|---------------------|----------------------|---------------------------|--------------------------------|
| <b>Governmental activities:</b>  |                              |                     |                      |                           |                                |
| Bonds payable                    | \$ -                         | \$20,000,000        | \$ -                 | \$20,000,000              | \$ -                           |
| Capital leases                   | 8,962,194                    | 826,132             | (1,260,805)          | 8,527,521                 | 829,901                        |
| Judgments payable                | 479,167                      | 916,108             | (168,514)            | 1,226,761                 | 469,536                        |
| Compensated absences             | <u>2,846,719</u>             | <u>2,583,996</u>    | <u>(2,332,070)</u>   | <u>3,098,645</u>          | <u>-</u>                       |
| Governmental activity            |                              |                     |                      |                           |                                |
| Long-term liabilities            | <u>\$12,288,080</u>          | <u>\$24,326,236</u> | <u>\$(3,761,389)</u> | <u>\$32,852,927</u>       | <u>\$1,299,437</u>             |
| <br>                             |                              |                     |                      |                           |                                |
|                                  | <u>Beginning<br/>Balance</u> | <u>Additions</u>    | <u>Reductions</u>    | <u>Ending<br/>Balance</u> | <u>Due within<br/>One Year</u> |
| <b>Business-type activities:</b> |                              |                     |                      |                           |                                |
| Bonds payable                    | \$5,470,000                  | -                   | \$(340,000)          | \$4,770,000               | \$360,000                      |
| Business-type activity           |                              |                     |                      |                           |                                |
| Long-term liabilities            | <u>\$5,470,000</u>           | <u>\$ -</u>         | <u>\$(340,000)</u>   | <u>\$4,770,000</u>        | <u>\$360,000</u>               |

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

**Note IV. Other Information**

**A. Risk Management**

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

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

**OKLAHOMA COUNTY, OKLAHOMA**  
**Notes to the Financial Statements**  
**June 30, 2003**

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

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

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

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

Claims Liabilities

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

Unpaid Claims Liabilities

The following represent the changes in approximate aggregate liabilities for the County from July 1, 2002 to June 30, 2003:

**OKLAHOMA COUNTY, OKLAHOMA**  
**Notes to the Financial Statements**  
**June 30, 2003**

| <u>Health Care</u>                      | <u>2003</u>        | <u>2002</u>        |
|---|--------------------|--------------------|
| Unpaid Claims, beginning of fiscal year | \$993,300          | \$ 808,100         |
| Claims and changes in estimates         | 9,800,526          | 8,532,533          |
| Claim payments                          | <u>(9,512,126)</u> | <u>(8,347,333)</u> |
| Unpaid claims, end of fiscal year       | <u>\$1,281,700</u> | <u>\$ 993,300</u>  |

| <u>Workers Compensation</u>             | <u>2003</u>        | <u>2002</u>        |
|---|--------------------|--------------------|
| Unpaid Claims, beginning of fiscal year | \$1,783,333        | \$1,511,833        |
| Claims and changes in estimates         | 761,723            | 887,786            |
| Claim payments                          | <u>(654,056)</u>   | <u>(616,286)</u>   |
| Unpaid claims, end of fiscal year       | <u>\$1,891,000</u> | <u>\$1,783,333</u> |

Total tort claims incurred but not reported (IBNR) are not considered material to the financial statement for the year ended June 30, 2003.

**B. Related Party Transactions**

Oklahoma County has entered into two capital lease agreements with the Oklahoma Industries Authority, as lessee, for the expansion and renovation of the Oklahoma County Juvenile Detention Center and for heating and cooling upgrades and electrical and plumbing renovations to County buildings. The Oklahoma Industries Authority is a public trust created under applicable Oklahoma Statutes. It was created for the use and benefit of the Beneficiary, Oklahoma County, to finance, promote and aid in the development of industry and commerce as set forth in the trust indenture. The County has no significant influence over the management, budget or policies of the Oklahoma Industries Authority; therefore, it is not reported as a component unit. The lease for the Juvenile Center expansion is for 15 years with a minimum lease payment present value of \$2,750,000. As of June 30, 2003, the County had made lease payments in the amount of \$1,462,340, of which \$685,000 represents principal expenditure and \$777,340 represents interest expense. The lease for the County buildings upgrades and renovations is for 15 years with a minimum lease payment present value of \$4,765,000. As of June 30, 2003, the County had made lease payments in the amount of \$907,475, of which \$445,000 represents principal expenditure and \$462,475 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 not be material to the General Purpose Financial Statements.

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

**OKLAHOMA COUNTY, OKLAHOMA**  
**Notes to the Financial Statements**  
**June 30, 2003**

appropriation of revenues yet to be realized and would not materially affect the financial position of the County at June 30, 2003.

**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 2002-03, eligible participants paid premiums of \$420,660. There are 357 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 \$1,564,796 were recognized for post-employment benefits

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

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

**E. Employees Retirement Plans**

Retirement Plans. In accordance with Oklahoma Statutes, Oklahoma County maintains two single-employer public employees 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. These plans are described below.

**1. Defined Benefit Retirement Plan**

Plan Description and Provisions

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

**OKLAHOMA COUNTY, OKLAHOMA**  
**Notes to the Financial Statements**  
**June 30, 2003**

As of June 30, 2003, employee membership data related to the Plan was as follows:

|   |            |
|---|------------|
| Retirees and beneficiaries currently receiving benefits         | 259        |
| Terminated employees entitled to but not yet receiving benefits | 30         |
| Active plan participants  | <u>24</u>  |
| Total   | <u>313</u> |

Those persons eligible for retirement benefits are as follows:

a. Employee shall have reached the age of sixty-two (62) years and shall have been employed for a period of at least eight (8) years with Oklahoma County, the last two (2) years of service shall have been consecutive immediately preceding such retirement, and service with the County shall have ceased.

b. Any employee who shall have completed eight (8) years of service as a County employee, the last two (2) years of which were consecutive, and who at the time of completing such eight (8) years of service shall not have reached the age of sixty-two (62) years, may elect to retire, such retirement benefits to begin when County employee shall have attained the age of sixty-two (62) years, provided that such election shall be in writing upon such forms as the Board of Trustees shall direct.

c. Any employee who shall have completed thirty (30) years of service as a County employee, the last two (2) years of which were consecutive and attained age of fifty-five (55).

d. Any employee whose age and years of creditable service with the County equal eighty (80).

e. Any employee of the County covered by this who shall have completed eight (8) years of employment with this County and who by reason of disability shall become disabled to such an extent as to be unable to perform his/her duties as an employee may be entitled to disability retirement, and to such benefits as the Board of Trustees shall determine; provided, however, that the Board of Trustees shall find that said disability is total and permanent.

Disability Benefits

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

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

**OKLAHOMA COUNTY, OKLAHOMA**  
**Notes to the Financial Statements**  
**June 30, 2003**

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

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

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

Death Benefits

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

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

Administrative Cost

Plan administration costs are paid by the county.

Summary of Significant Accounting Policies

Accrual Method of Accounting

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

Investments

Investments are reported at fair value. At June 30, 2003, 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

**OKLAHOMA COUNTY, OKLAHOMA**  
**Notes to the Financial Statements**  
**June 30, 2003**

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 Bruce and Bruce Company, Consulting Actuaries and is that amount that results from applying actuarial assumptions to adjust the accumulated plan benefits to reflect the time value of money (through discounts for interest) and the probability of payment (by means of decrements such as for death, disability, withdrawal or retirement) between the valuation date and the expected date of payment.

The significant actuarial assumptions used in the valuations as of June 30, 2003, are summarized below:

- A. The 1971 Group Annuity Mortality Table was used to determine the life expectancy of participants.
- B. 75% of the members were assumed to retire at age 62, and 8 years of service: 25% were assumed to retire after Rule of 80.
- C. An average rate of return on investments of 7 1/2% was used in the valuations.
- D. Future salary increases of 5 1/2% per year.
- E. No inflation rate assumed.
- F. 50% of participants without spouse birth date information are assumed married with spouse's age same as the participant.
- G. Future pension payments reflect a post-retirement benefit increase of a \$50 per month one-time increase effective as of June 30, 2003.
- H. Costs and contribution levels were developed using the Individual Entry Age Cost Method.
- I. The unfunded actuarial accrued liability is being amortized as level dollar over a 40 year period on an open basis on and before July 1, 2000, and over a 30 year period on and after June 3, 2000 for minimum funding contribution amount.

The actuarial assumptions are based on the presumption that the Plan will continue. Were the plan to terminate, different actuarial assumptions and other factors might be applicable. 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

**OKLAHOMA COUNTY, OKLAHOMA**  
**Notes to the Financial Statements**  
**June 30, 2003**

contributions are required. During the fiscal year ended June 30, 2003, County contributions were \$80,182. Total payroll for employees covered by the plan was \$661,652.

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

|   | 2003          | 2002          |
|---|---------------|---------------|
| Annual required contribution                  | \$373,375     | \$466,124     |
| Interest on net pension obligation            | (191,405)     | (134,165)     |
| Adjustments to annual required contribution   | 225,846       | 159,720       |
| Annual pension cost                           | 407,817       | 491,679       |
| Contributions made                            | (80,182)      | (1,254,881)   |
| <br>  |               |               |
| Increase (decrease) in net pension obligation | 327,635       | (763,202)     |
| Net pension obligation beginning of year      | (2,552,063)   | (1,788,861)   |
| Net pension obligation end of year            | \$(2,224,428) | \$(2,552,063) |

The annual required contribution for the current year was determined as part of the June 30, 2003 actuarial valuation using the assumptions cited above.

**Trend Information**

| Fiscal Year Ending | Annual Pension Cost (APC) | Percentage of APC Contributed | Net Pension Obligation |
|--------------------|---------------------------|-------------------------------|------------------------|
| 1999               | 561,668                   | 186.35%                       | (202,778)              |
| 2000               | 463,565                   | 325.73%                       | (1,249,199)            |
| 2001               | 696,043                   | 177.53%                       | (1,788,861)            |
| 2002               | 491,679                   | 255.22%                       | (2,552,063)            |
| 2003               | 407,817                   | 19.66%                        | (2,224,428)            |

**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:

**OKLAHOMA COUNTY, OKLAHOMA**  
**Notes to the Financial Statements**  
**June 30, 2003**

- 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.

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 six (6) months from termination or change in status date, elect to withdraw one hundred percent (100%) of the employee's vested interest in the Retirement Plan.

- e. After the expiration of the six (6) month break in service, the amounts forfeited shall be used to offset prospective Employer contributions or to pay expenses associated with the Retirement Plan.

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 installations 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.

**OKLAHOMA COUNTY, OKLAHOMA**  
**Notes to the Financial Statements**  
**June 30, 2003**

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

Summary of Significant Accounting Policies

Accrual Method of Accounting

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

Investments

Investments are reported at fair value. At June 30, 2003, no investments in any one organization, excluding U.S. government securities, represents 5% or more of the net assets available for pension benefits. There are no investments in loans to or leases with related parties.

Loans to Participants. During the 1998-99 fiscal year the Plan was amended to include a Loan Policy. The policy states that each Plan Participant with a fully or partially vested account balance is eligible to participate. The maximum loan amount shall be the lesser of \$25,000 or 50% of the Participant's non-forfeitable accrued benefit. The minimum loan amount will be \$1,000. The interest rate charged will be the National Prime Rate of Interest and will be fixed for the life of the loan. During the current fiscal year a total of \$1,115,395 was loaned to participants.

Contribution Requirements and Contributions Made. As specified by the Plan, Oklahoma County contributes an amount equal to 12% of the annual compensation of its participating employees' salary to the Plan. During the fiscal year ending June 30, 2003, County contributions were \$4,840,896. 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. At June 30, 2003 there is a total of 2,947 participants with account balances. Retirement benefits due to employees and beneficiaries at June 30, 2003 were \$57,383,565 at fair value, and are accounted for in a pension trust fund.

**OKLAHOMA COUNTY, OKLAHOMA**  
**Notes to the Financial Statements**  
**June 30, 2003**

**F. Subsequent Events**

The Oklahoma Industries Authority issued \$20,560,000 of lease revenue bonds on July 28, 2003. 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, 2004. 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 Oklahoma County Public Buildings Authority to the Oklahoma Industries Authority pursuant to terms of a Lease Purchase Agreement date as of July 1, 2003. The Bonds are limited obligation of the issuer, secured by a pledge of the Trust Estate. The Trust Estate consists of the Lease Payments, the Lease Agreement, Revenues, the Parking and Use Agreement, the parking agreements with the Corporate Users, and all funds and accounts established by the Indenture and the monies and investments therein, including any unexpended Bond Proceeds. The Bonds are special and limited obligations of the Issuer payable solely from the Lease Payments and other revenues pledged for payment thereof.

The Bonds are being issued 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 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. The investments are set to mature for redemption between October 1, 2007 and September 30, 2008.

**G. Adjustments to beginning fund balance – governmental funds**

The activity of the self insurance funds were previously classified as internal service funds and reported as proprietary fund types. However, since these funds do not provide goods or services on a cost-reimbursement basis, these funds have been reclassified. The county funds these activities with transfers from the general fund. Therefore, the activity and balances have been reported as part of general fund. With this reclass the liability was adjusted due to the difference in accounting under full accrual verses modified accrual. The beginning fund balance of governmental funds has been adjusted by \$1,038,761 to include the fund balance for the self insurance activity under modified accrual accounting.

Below are the fund balances reported in governmental funds at June 30, 2002, followed by the adjustment:

|                            |                     |
|----------------------------|---------------------|
| General                    | \$8,125,870         |
| Special revenue            | 22,031,971          |
| Debt Service               | 6,912               |
| Capital projects           | <u>1,752,165</u>    |
| As reported at 6/30/02     | 31,916,918          |
| Adjustment to general fund | <u>1,038,761</u>    |
| As restated for 6/30/02    | <u>\$32,955,679</u> |

*This page intentionally left blank*

# Required Supplementary Information



*This page intentionally left blank*

**OKLAHOMA COUNTY, OKLAHOMA  
EMPLOYEES' DEFINED BENEFIT RETIREMENT SYSTEM  
REQUIRED SUPPLEMENTARY INFORMATION  
JUNE 30, 2003**

**SCHEDULE OF FUNDING PROGRESS**

| Actuarial<br>Valuation<br>Date | Net<br>Assets<br>Available<br>for Benefits | Actuarial<br>Accrued<br>Liability | Unfunded<br>Actuarial<br>Liability | Funded<br>Ratio | Annual<br>Covered<br>Payroll | Unfunded<br>Actuarial<br>Liability<br>as a percentage<br>of<br>Covered<br>Payroll |
|--------------------------------|--|-----------------------------------|------------------------------------|-----------------|------------------------------|---|
| 6/30/03                        | \$ 18,777,186                              | \$ 22,182,270                     | \$ 3,405,084                       | 84.6%           | \$ 661,652                   | 514.6%  |
| 6/30/02                        | 19,494,214                                 | 21,815,347                        | 2,321,133                          | 89.4%           | 672,180                      | 345.3%  |
| 6/30/01                        | 19,446,909                                 | 22,380,545                        | 2,933,636                          | 86.9%           | 746,100                      | 393.2%  |
| 6/30/00                        | 18,923,707                                 | 24,015,691                        | 5,091,894                          | 78.8%           | 705,588                      | 724.7%  |
| 6/30/99                        | 20,034,089                                 | 25,157,408                        | 5,123,319                          | 79.6%           | 832,030                      | 615.8%  |
| 6/30/98                        | 20,610,303                                 | 27,126,262                        | 6,515,959                          | 76.0%           | 960,494                      | 678.4%  |
| 6/30/97                        | 21,680,369                                 | 27,993,719                        | 6,313,350                          | 77.4%           | 1,077,213                    | 586.1%  |
| 6/30/96                        | 22,713,595                                 | 25,561,074                        | 2,847,479                          | 88.9%           | 1,136,421                    | 250.6%  |
| 6/30/95                        | 24,078,454                                 | 25,554,660                        | 1,476,206                          | 94.2%           | 1,202,660                    | 122.8%  |
| 6/30/94                        | 24,855,088                                 | 25,108,772                        | 253,684                            | 99.0%           | 1,314,897                    | 19.3%   |

**SCHEDULE OF EMPLOYER CONTRIBUTIONS**

| Fiscal<br>Year<br>Ending | Annual<br>Required<br>Contribution | Actual<br>Contribution | Percentage<br>Recognized |
|--------------------------|------------------------------------|------------------------|--------------------------|
| 6/30/03                  | \$ 373,375                         | \$ 80,182              | 21.5%                    |
| 6/30/02                  | 466,124                            | 1,254,881              | 269.2%                   |
| 6/30/01                  | 689,797                            | 1,235,705              | 179.1%                   |
| 6/30/00                  | 463,796                            | 1,509,986              | 325.6%                   |
| 6/30/99                  | 561,347                            | 1,046,670              | 186.5%                   |
| 6/30/98                  | 581,372                            | 113,797                | 19.6%                    |
| 6/30/97                  | 355,430                            | 142,974                | 40.2%                    |
| 6/30/96                  | 263,570                            | 143,883                | 54.6%                    |
| 6/30/95                  | 190,581                            | 166,929                | 87.6%                    |
| 6/30/94                  | 197,791                            | 158,108                | 79.9%                    |

OKLAHOMA COUNTY, OKLAHOMA  
GENERAL FUND  
BUDGET TO ACTUAL COMPARISON SCHEDULE  
FOR THE YEAR ENDED JUNE 30, 2003

|  | Budgeted Amounts     |                      | Actual Amounts/<br>Budgetary Basis | Variance with<br>Final Budget-<br>Positive<br>(Negative) |
|--|----------------------|----------------------|------------------------------------|--|
|  | Original             | Final                |                                    |  |
| <b>REVENUES</b>                                |                      |                      |                                    |  |
| <b>Property taxes</b>                          |                      |                      |                                    |  |
| Advalorem Tax - Current                        | \$ 33,023,716        | \$ 32,878,097        | \$ 34,194,494                      | \$ 1,316,397   |
| Advalorem Tax - Prior                          | 800,000              | 900,000              | 1,353,775                          | 453,775  |
| Protest Tax Released                           | -                    | -                    | 37,076                             | 37,076   |
| Homestead Exemption                            | 54,059               | -                    | 91,745                             | 91,745   |
| Misc Property Taxes                            | 35,000               | 53,629               | 84,162                             | 30,533   |
| <b>Total Property taxes</b>                    | <u>33,912,775</u>    | <u>33,831,726</u>    | <u>35,761,252</u>                  | <u>1,929,526</u>   |
| <b>Charges for services</b>                    |                      |                      |                                    |  |
| County Clerk Fees                              | 3,652,179            | 4,754,753            | 4,866,148                          | 111,395  |
| County Treasurer Fees                          | 13,146               | 12,785               | 39,605                             | 26,820   |
| Public Records                                 | 19,228               | 19,174               | 23,572                             | 4,398  |
| Conditional Bond Release-Fees                  | 61,333               | 54,702               | 63,310                             | 8,608  |
| Miscellaneous Charge for Services              | 31,258               | 1,242                | 751                                | (491)  |
| <b>Total Charges for Services</b>              | <u>3,777,144</u>     | <u>4,842,656</u>     | <u>4,993,386</u>                   | <u>150,730</u>   |
| <b>Intergovernmental revenues</b>              |                      |                      |                                    |  |
| Motor Vehicle Stamps                           | 302,767              | 303,909              | 338,340                            | 34,431   |
| Motor Vehicle Collections                      | 872,039              | 903,912              | 990,965                            | 87,053   |
| Revaluation - Cities & Schools                 | 2,351,718            | 2,351,718            | 2,349,095                          | (2,623)  |
| Juv. Detention - Lunches                       | 78,655               | 80,332               | 82,856                             | 2,524  |
| Juv. Justice - Human Services                  | 2,067,516            | 2,303,917            | 2,292,592                          | (11,325)   |
| Juv. Justice - Maintenance                     | 27,351               | 27,351               | 30,567                             | 3,216  |
| Juv. Justice - Alt to Detention/Transportation | 9,071                | 14,941               | 12,987                             | (1,954)  |
| Juv. Justice - Telephone                       | 1,052                | 2,592                | 2,340                              | (252)  |
| Training & Gen Assistance - Federal Grants     | 2,398,794            | 2,398,794            | 2,273,531                          | (125,263)  |
| D A Revolving                                  | 119,429              | 115,545              | 93,482                             | (22,063)   |
| Election Board - Salary                        | 64,654               | 66,355               | 66,354                             | (1)  |
| Court Fund Maintenance                         | 600,000              | 600,000              | 600,000                            | -  |
| Court Fund Payroll Reimb                       | 203,283              | 229,001              | 549,600                            | 320,599  |
| Langston University                            | -                    | 52,710               | 61,410                             | 8,700  |
| Software Sharing Program                       | 36,272               | 25,059               | 29,572                             | 4,513  |
| <b>Total Intergovernmental revenues</b>        | <u>9,132,601</u>     | <u>9,476,136</u>     | <u>9,773,691</u>                   | <u>297,555</u>   |
| <b>Interest income</b>                         | <u>2,200,000</u>     | <u>1,877,791</u>     | <u>1,911,960</u>                   | <u>34,169</u>  |
| <b>Miscellaneous revenue</b>                   |                      |                      |                                    |  |
| Metro/Investors Residual                       | 595,877              | 696,515              | 813,881                            | 117,366  |
| Coin Telephone                                 | -                    | 10,000               | 888                                | (9,112)  |
| Royalty  | 73,745               | 74,060               | 76,572                             | 2,512  |
| Rental   | 608,626              | 829,620              | 755,038                            | (74,582)   |
| Reimburse Resale Property Exp.                 | 28,000               | 28,000               | 28,000                             | -  |
| Prudential Reimb                               | 146,854              | 147,053              | 12,079                             | (134,974)  |
| Notes Receivable- CDBG                         | 8,963                | 8,963                | 8,963                              | -  |
| 911 Assoc                                      | 7,633                | 7,665                | 9,911                              | 2,246  |
| Remington Park - Admission Fees & Sales Tax    | 134,107              | 138,916              | 142,279                            | 3,363  |
| Pharmacy Reimb                                 | 49,483               | 65,044               | 39,374                             | (25,670)   |
| Juv. Justice - Link                            | 30,070               | 36,500               | 57,186                             | 20,686   |
| Election Board - Expense                       | 64,660               | 87,953               | 55,683                             | (32,270)   |
| Miscellaneous Reimbursements                   | 95,042               | 95,042               | 99,704                             | 4,662  |
| <b>Total Miscellaneous revenues</b>            | <u>1,843,060</u>     | <u>2,225,331</u>     | <u>2,099,558</u>                   | <u>(125,773)</u>   |
| <b>Total revenues</b>                          | <u>\$ 50,865,580</u> | <u>\$ 52,253,640</u> | <u>\$ 54,539,847</u>               | <u>\$ 2,286,207</u>                                      |

**OKLAHOMA COUNTY, OKLAHOMA  
GENERAL FUND  
BUDGET TO ACTUAL COMPARISON SCHEDULE  
FOR THE YEAR ENDED JUNE 30, 2003**

|                              | Budgeted Amounts |           | Actual Amounts/<br>Budgetary Basis | Variance with<br>Final Budget-<br>Positive<br>(Negative) |
|------------------------------|------------------|-----------|------------------------------------|--|
|                              | Original         | Final     |                                    |  |
| <b>EXPENDITURES</b>          |                  |           |                                    |  |
| Current:                     |                  |           |                                    |  |
| <b>General government</b>    |                  |           |                                    |  |
| General government:          |                  |           |                                    |  |
| Salary and Wages             | 383,074          | 383,074   | 383,074                            | -  |
| Fringe Benefits              | 1,795,705        | 1,659,432 | 1,547,307                          | 112,125  |
| Travel                       | 4,000            | 4,100     | 3,673                              | 427  |
| Operating Expenditures       | 4,291,260        | 5,082,620 | 5,001,618                          | 81,002   |
| Capital Outlay               |                  |           |                                    |  |
| County commissioners:        |                  |           |                                    |  |
| Salary and Wages             | 285,000          | 288,100   | 288,073                            | 27   |
| Fringe Benefits              | 39,000           | 39,750    | 39,746                             | 4  |
| Travel                       | 21,000           | 18,000    | 18,000                             | -  |
| Operating Expenditures       | 3,939            | 3,089     | 2,245                              | 844  |
| Capital Outlay               |                  |           |                                    |  |
| Assessor regular:            |                  |           |                                    |  |
| Salary and Wages             | 1,384,849        | 1,364,874 | 1,359,208                          | 5,666  |
| Fringe Benefits              | 192,031          | 183,531   | 180,917                            | 2,614  |
| Travel                       | 20,000           | 18,800    | 18,690                             | 110  |
| Operating Expenditures       | 110,462          | 138,962   | 135,066                            | 3,896  |
| Capital Outlay               | 19,000           | 20,200    | 18,835                             | 1,365  |
| Assessor revaluation:        |                  |           |                                    |  |
| Salary and Wages             | 1,682,400        | 1,532,400 | 1,530,682                          | 1,718  |
| Fringe Benefits              | 330,592          | 330,592   | 295,456                            | 35,136   |
| Travel                       | 70,000           | 70,000    | 69,994                             | 6  |
| Operating Expenditures       | 421,300          | 492,300   | 488,557                            | 3,743  |
| Capital Outlay               | 108,800          | 187,800   | 183,328                            | 4,472  |
| Treasurer:                   |                  |           |                                    |  |
| Salary and Wages             | 549,895          | 549,895   | 449,740                            | 100,155  |
| Fringe Benefits              | 76,656           | 76,656    | 59,550                             | 17,106   |
| Travel                       | 4,202            | 4,202     | 3,600                              | 602  |
| Operating Expenditures       | 154,293          | 154,293   | 147,065                            | 7,228  |
| Capital Outlay               | 7,964            | 7,964     | 4,754                              | 3,210  |
| Court clerk:                 |                  |           |                                    |  |
| Salary and Wages             | 2,918,610        | 3,365,347 | 3,336,835                          | 28,512   |
| Fringe Benefits              | 525,860          | 502,103   | 440,472                            | 61,631   |
| Travel                       | 10,000           | 10,500    | 9,794                              | 706  |
| Operating Expenditures       | 10,000           | 11,000    | 10,834                             | 166  |
| Capital Outlay               |                  |           |                                    |  |
| County clerk:                |                  |           |                                    |  |
| Salary and Wages             | 1,658,512        | 1,635,012 | 1,516,464                          | 118,548  |
| Fringe Benefits              | 219,392          | 216,142   | 198,208                            | 17,934   |
| Travel                       | 28,795           | 28,795    | 13,334                             | 15,461   |
| Operating Expenditures       | 124,161          | 149,161   | 145,110                            | 4,051  |
| Capital Outlay               | 20,000           | 23,250    | 22,032                             | 1,218  |
| Excise & equalization board: |                  |           |                                    |  |
| Salary and Wages             | 23,250           | 23,250    | 14,275                             | 8,975  |
| Fringe Benefits              | 1,922            | 1,922     | 1,197                              | 725  |
| Travel                       | 4,364            | 4,364     | 2,966                              | 1,398  |
| Operating Expenditures       | 11,602           | 11,602    | 8,950                              | 2,652  |
| Capital Outlay               | 1,000            | 1,000     | 811                                | 189  |
| County audit:                |                  |           |                                    |  |
| Salary and Wages             | 255,255          | 300,426   | 225,000                            | 75,426   |
| Fringe Benefits              | -                | -         | -                                  | -  |
| Travel                       | 3,191            | 3,191     | -                                  | 3,191  |
| Operating Expenditures       | 44,670           | 54,381    | 16,075                             | 38,306   |
| Capital Outlay               | 15,954           | 15,954    | 11,351                             | 4,603  |
| District attorney - state:   |                  |           |                                    |  |
| Salary and Wages             | -                | -         | -                                  | -  |
| Fringe Benefits              | -                | -         | -                                  | -  |
| Travel                       | -                | -         | -                                  | -  |
| Operating Expenditures       | 115,000          | 115,000   | 114,031                            | 969  |
| Capital Outlay               | 10,000           | 10,000    | 8,762                              | 1,238  |

**OKLAHOMA COUNTY, OKLAHOMA  
GENERAL FUND  
BUDGET TO ACTUAL COMPARISON SCHEDULE  
FOR THE YEAR ENDED JUNE 30, 2003**

|                                   | Budgeted Amounts |         | Actual Amounts/<br>Budgetary Basis | Variance with<br>Final Budget- |
|-----------------------------------|------------------|---------|------------------------------------|--------------------------------|
|                                   | Original         | Final   |                                    | Positive<br>(Negative)         |
| District attorney - county:       |                  |         |                                    |                                |
| Salary and Wages                  | -                | -       | -                                  | -                              |
| Fringe Benefits                   | -                | -       | -                                  | -                              |
| Travel                            | -                | -       | -                                  | -                              |
| Operating Expenditures            | 38,350           | 38,350  | 12,305                             | 26,045                         |
| Capital Outlay                    | -                | -       | -                                  | -                              |
| Public defender:                  |                  |         |                                    |                                |
| Salary and Wages                  | -                | -       | -                                  | -                              |
| Fringe Benefits                   | -                | -       | -                                  | -                              |
| Travel                            | -                | -       | -                                  | -                              |
| Operating Expenditures            | 37,100           | 33,460  | 33,459                             | 1                              |
| Capital Outlay                    | 3,200            | 6,840   | 6,822                              | 18                             |
| Purchasing:                       |                  |         |                                    |                                |
| Salary and Wages                  | 142,606          | 142,606 | 139,531                            | 3,075                          |
| Fringe Benefits                   | 19,465           | 19,465  | 18,170                             | 1,295                          |
| Travel                            | 6,740            | 5,240   | 4,162                              | 1,078                          |
| Operating Expenditures            | 9,572            | 9,572   | 8,404                              | 1,168                          |
| Capital Outlay                    | 2,900            | 4,400   | 4,381                              | 19                             |
| Election board:                   |                  |         |                                    |                                |
| Salary and Wages                  | 569,916          | 673,614 | 665,877                            | 7,737                          |
| Fringe Benefits                   | 70,163           | 69,018  | 68,599                             | 419                            |
| Travel                            | 20,584           | 12,834  | 12,178                             | 656                            |
| Operating Expenditures            | 212,355          | 265,598 | 265,247                            | 351                            |
| Capital Outlay                    | 10,000           | 5,000   | 4,309                              | 691                            |
| MIS:                              |                  |         |                                    |                                |
| Salary and Wages                  | 1,038,910        | 992,841 | 927,005                            | 65,836                         |
| Fringe Benefits                   | 140,430          | 140,430 | 124,137                            | 16,293                         |
| Travel                            | 14,452           | 8,452   | 7,236                              | 1,216                          |
| Operating Expenditures            | 520,258          | 525,258 | 523,971                            | 1,287                          |
| Capital Outlay                    | 125,526          | 174,526 | 173,089                            | 1,437                          |
| Facilities management-courthouse: |                  |         |                                    |                                |
| Salary and Wages                  | 870,000          | 760,500 | 737,540                            | 22,960                         |
| Fringe Benefits                   | 118,755          | 140,755 | 136,385                            | 4,370                          |
| Travel                            | -                | -       | -                                  | -                              |
| Operating Expenditures            | 165,000          | 265,000 | 258,490                            | 6,510                          |
| Capital Outlay                    | 4,075            | 14,275  | 14,200                             | 75                             |
| Facilities management-Lincoln:    |                  |         |                                    |                                |
| Salary and Wages                  | 51,700           | 34,375  | 34,275                             | 100                            |
| Fringe Benefits                   | 8,057            | 4,757   | 4,577                              | 180                            |
| Travel                            | -                | -       | -                                  | -                              |
| Operating Expenditures            | 19,584           | 13,184  | 12,279                             | 905                            |
| Capital Outlay                    | 2,500            | 4,500   | 4,084                              | 416                            |
| Facilities management-custodial:  |                  |         |                                    |                                |
| Salary and Wages                  | 218,240          | 195,065 | 193,179                            | 1,886                          |
| Fringe Benefits                   | 30,199           | 27,199  | 25,545                             | 1,654                          |
| Travel                            | -                | -       | -                                  | -                              |
| Operating Expenditures            | 130,300          | 164,232 | 161,252                            | 2,980                          |
| Capital Outlay                    | -                | -       | -                                  | -                              |
| Facilities management-jail:       |                  |         |                                    |                                |
| Salary and Wages                  | 423,320          | 426,773 | 426,773                            | -                              |
| Fringe Benefits                   | 59,783           | 56,330  | 56,119                             | 211                            |
| Travel                            | -                | -       | -                                  | -                              |
| Operating Expenditures            | 280,139          | 236,109 | 236,107                            | 2                              |
| Capital Outlay                    | 5,000            | 52,981  | 52,981                             | -                              |
| Planning commission:              |                  |         |                                    |                                |
| Salary and Wages                  | 12,500           | 10,607  | 10,608                             | -                              |
| Fringe Benefits                   | 956              | 811     | 812                                | -                              |
| Travel                            | 7,500            | 7,393   | 7,046                              | 347                            |
| Operating Expenditures            | -                | -       | -                                  | -                              |
| Capital Outlay                    | 9,044            | 9,864   | 9,864                              | -                              |
| Metro parking garage:             |                  |         |                                    |                                |
| Salary and Wages                  | 81,585           | 109,777 | 109,380                            | 397                            |
| Fringe Benefits                   | 10,688           | 14,496  | 14,371                             | 125                            |
| Travel                            | -                | -       | -                                  | -                              |
| Operating Expenditures            | 59,225           | 59,225  | 58,862                             | 363                            |
| Capital Outlay                    | 10,500           | 10,500  | 10,242                             | 258                            |

**OKLAHOMA COUNTY, OKLAHOMA  
GENERAL FUND  
BUDGET TO ACTUAL COMPARISON SCHEDULE  
FOR THE YEAR ENDED JUNE 30, 2003**

|  | Budgeted Amounts  |                   | Actual Amounts/<br>Budgetary Basis | Variance with<br>Final Budget- |
|--|-------------------|-------------------|------------------------------------|--------------------------------|
|  | Original          | Final             |                                    | Positive<br>(Negative)         |
| <b>Investor's capital building:</b>              |                   |                   |                                    |                                |
| Salary and Wages                                 | 55,000            | 54,000            | 50,271                             | 3,729                          |
| Fringe Benefits                                  | 8,508             | 8,508             | 6,712                              | 1,796                          |
| Travel   | -                 | -                 | -                                  | -                              |
| Operating Expenditures                           | 78,001            | 77,001            | 70,210                             | 6,791                          |
| Capital Outlay                                   | 500               | 2,500             | 2,437                              | 63                             |
| <b>Total General Governmental</b>                | <b>23,660,146</b> | <b>24,981,255</b> | <b>24,029,162</b>                  | <b>952,095</b>                 |
| <b>Public Safety</b>                             |                   |                   |                                    |                                |
| <b>Sheriff:</b>                                  |                   |                   |                                    |                                |
| Salary and Wages                                 | 9,620,846         | 10,437,933        | 10,459,233                         | (21,300)                       |
| Fringe Benefits                                  | 1,530,393         | 1,391,100         | 1,394,009                          | (2,909)                        |
| Travel   | -                 | -                 | -                                  | -                              |
| Operating Expenditures                           | 1,155,000         | 1,573,255         | 1,573,255                          | -                              |
| Capital Outlay                                   | -                 | -                 | -                                  | -                              |
| <b>Juvenile Justice Bureau:</b>                  |                   |                   |                                    |                                |
| Salary and Wages                                 | 3,548,924         | 3,683,634         | 3,680,134                          | 3,500                          |
| Fringe Benefits                                  | 484,428           | 514,871           | 511,383                            | 3,488                          |
| Travel   | 21,350            | 24,350            | 23,974                             | 376                            |
| Operating Expenditures                           | 1,073,780         | 1,053,002         | 1,036,736                          | 16,266                         |
| Capital Outlay                                   | 6,000             | 95,125            | 95,037                             | 88                             |
| <b>Community service/Pre-trial release:</b>      |                   |                   |                                    |                                |
| Salary and Wages                                 | 200,796           | 200,796           | 159,683                            | 41,113                         |
| Fringe Benefits                                  | 24,138            | 24,138            | 21,463                             | 2,675                          |
| Travel   | -                 | -                 | -                                  | -                              |
| Operating Expenditures                           | 10,200            | 10,200            | 6,010                              | 4,190                          |
| Capital Outlay                                   | -                 | -                 | -                                  | -                              |
| <b>Conditional bond release program:</b>         |                   |                   |                                    |                                |
| Salary and Wages                                 | 91,200            | 91,200            | 91,200                             | -                              |
| Fringe Benefits                                  | 12,449            | 12,449            | 12,205                             | 244                            |
| Travel   | -                 | -                 | -                                  | -                              |
| Operating Expenditures                           | 22,351            | 19,351            | 17,803                             | 1,548                          |
| Capital Outlay                                   | -                 | 3,000             | 2,294                              | 706                            |
| <b>Emergency Management:</b>                     |                   |                   |                                    |                                |
| Salary and Wages                                 | 100,480           | 90,340            | 90,340                             | -                              |
| Fringe Benefits                                  | 13,817            | 12,069            | 11,984                             | 85                             |
| Travel   | -                 | -                 | -                                  | -                              |
| Operating Expenditures                           | 16,153            | 15,153            | 14,587                             | 566                            |
| Capital Outlay                                   | -                 | -                 | -                                  | -                              |
| <b>Total Public Safety</b>                       | <b>17,932,305</b> | <b>19,251,966</b> | <b>19,201,330</b>                  | <b>50,636</b>                  |
| <b>Health &amp; Welfare</b>                      |                   |                   |                                    |                                |
| <b>Environmental health &amp; safety:</b>        |                   |                   |                                    |                                |
| Salary and Wages                                 | 133,648           | 105,723           | 103,200                            | 2,523                          |
| Fringe Benefits                                  | 21,792            | 15,167            | 13,763                             | 1,404                          |
| Travel   | -                 | 4,000             | 743                                | 3,257                          |
| Operating Expenditures                           | 9,352             | 12,152            | 10,846                             | 1,306                          |
| Capital Outlay                                   | -                 | 27,750            | 26,809                             | 941                            |
| <b>Training &amp; General Assistance:</b>        |                   |                   |                                    |                                |
| Salary and Wages                                 | 610,500           | 622,030           | 622,018                            | 12                             |
| Fringe Benefits                                  | 83,350            | 83,350            | 82,712                             | 638                            |
| Travel   | 8,000             | 2,100             | 2,096                              | 4                              |
| Operating Expenditures                           | 378,924           | 393,394           | 391,118                            | 2,276                          |
| Capital Outlay                                   | 10,500            | 400               | 386                                | 14                             |
| <b>Training &amp; General Assistance Grants:</b> |                   |                   |                                    |                                |
| Salary and Wages                                 | 836,760           | 836,760           | 785,717                            | 51,043                         |
| Fringe Benefits                                  | 259,339           | 259,339           | 258,401                            | 938                            |
| Travel   | 15,000            | 15,000            | 14,850                             | 150                            |
| Operating Expenditures                           | 1,277,695         | 1,277,695         | 1,184,240                          | 93,455                         |
| Capital Outlay                                   | 10,000            | 10,000            | 8,853                              | 1,147                          |
| <b>Economic development:</b>                     |                   |                   |                                    |                                |
| Salary and Wages                                 | -                 | -                 | -                                  | -                              |
| Fringe Benefits                                  | -                 | -                 | -                                  | -                              |
| Travel   | -                 | -                 | -                                  | -                              |
| Operating Expenditures                           | 55,000            | 60,500            | 59,000                             | 1,500                          |
| Capital Outlay                                   | -                 | -                 | -                                  | -                              |

**OKLAHOMA COUNTY, OKLAHOMA  
GENERAL FUND  
BUDGET TO ACTUAL COMPARISON SCHEDULE  
FOR THE YEAR ENDED JUNE 30, 2003**

|  | Budgeted Amounts |             | Actual Amounts/<br>Budgetary Basis | Variance with<br>Final Budget-<br>Positive<br>(Negative) |
|--|------------------|-------------|------------------------------------|--|
|  | Original         | Final       |                                    |  |
| Community project support:                   |                  |             |                                    |  |
| Salary and Wages                             | -                | -           | -                                  | -  |
| Fringe Benefits                              | -                | -           | -                                  | -  |
| Travel                                       | -                | -           | -                                  | -  |
| Operating Expenditures                       | 45,000           | 165,800     | 165,746                            | 54   |
| Capital Outlay                               | -                | -           | -                                  | -  |
| Total Health and Welfare                     | 3,754,860        | 3,891,160   | 3,730,498                          | 160,662  |
| <b>Culture &amp; Recreation</b>              |                  |             |                                    |  |
| Free Fair:                                   |                  |             |                                    |  |
| Salary and Wages                             | 5,400            | 3,038       | 3,038                              | -  |
| Fringe Benefits                              | 100              | 34          | 34                                 | -  |
| Travel                                       | -                | -           | -                                  | -  |
| Operating Expenditures                       | 43,847           | 46,375      | 45,153                             | 1,222  |
| Capital Outlay                               | 100              | -           | -                                  | -  |
| Total Culture and Recreation                 | 49,447           | 49,447      | 48,225                             | 1,222  |
| <b>Education</b>                             |                  |             |                                    |  |
| OSU Extension:                               |                  |             |                                    |  |
| Salary and Wages                             | 315,876          | 315,876     | 315,876                            | -  |
| Fringe Benefits                              | 18,926           | 18,026      | 17,988                             | 38   |
| Travel                                       | 2,175            | 1,875       | 1,657                              | 218  |
| Operating Expenditures                       | 24,983           | 24,983      | 24,366                             | 617  |
| Capital Outlay                               | 2,600            | 3,800       | 3,658                              | 142  |
| Total Education                              | 364,560          | 364,560     | 363,545                            | 1,015  |
| <b>Road &amp; Highway</b>                    |                  |             |                                    |  |
| District #1:                                 |                  |             |                                    |  |
| Salary and Wages                             | 81,744           | 46,061      | 44,417                             | 1,644  |
| Fringe Benefits                              | 11,158           | 7,038       | 5,547                              | 1,491  |
| Travel                                       | -                | -           | -                                  | -  |
| Operating Expenditures                       | 7,098            | 23,098      | 13,899                             | 9,199  |
| Capital Outlay                               | -                | 36,000      | 30,951                             | 5,049  |
| District #2:                                 |                  |             |                                    |  |
| Salary and Wages                             | 60,000           | 68,988      | 68,988                             | -  |
| Fringe Benefits                              | 10,000           | 9,070       | 9,070                              | -  |
| Travel                                       | 1,000            | 395         | 395                                | -  |
| Operating Expenditures                       | 19,000           | 20,960      | 20,857                             | 103  |
| Capital Outlay                               | 10,000           | 50,587      | 36,832                             | 13,755   |
| District #3:                                 |                  |             |                                    |  |
| Salary and Wages                             | 50,000           | 50,000      | 46,087                             | 3,913  |
| Fringe Benefits                              | 15,000           | 15,000      | 9,526                              | 5,474  |
| Travel                                       | 2,000            | 1,950       | 1,950                              | -  |
| Operating Expenditures                       | 30,500           | 27,000      | 26,825                             | 175  |
| Capital Outlay                               | 2,500            | 88,739      | 88,213                             | 526  |
| Engineer:                                    |                  |             |                                    |  |
| Salary and Wages                             | 263,335          | 266,005     | 241,516                            | 24,489   |
| Fringe Benefits                              | 31,891           | 34,533      | 29,657                             | 4,876  |
| Travel                                       | 1,950            | 2,950       | 2,470                              | 480  |
| Operating Expenditures                       | 16,663           | 24,663      | 21,780                             | 2,883  |
| Capital Outlay                               | 2,350            | 15,850      | 15,680                             | 170  |
| Total Road and Highway                       | 616,189          | 788,887     | 714,660                            | 74,227   |
| Total expenditures and encumbrances          | 46,377,507       | 49,327,275  | 48,087,420                         | 1,239,857  |
| Excess of revenues over/(under) expenditures | 4,488,073        | 2,926,365   | 6,452,427                          | 1,046,350  |
| <b>OTHER FINANCING SOURCES (USES)</b>        |                  |             |                                    |  |
| Transfers from other funds                   | 91,287           | 1,296,187   | 1,296,187                          | -  |
| Transfers to other funds                     | (7,012,477)      | (9,416,693) | (9,416,693)                        | -  |
| Total other financing sources (uses)         | (6,921,190)      | (8,120,506) | (8,120,506)                        | -  |
| Net change in fund balances                  | (2,433,117)      | (5,194,141) | (1,668,079)                        | 1,046,350  |
| Fund balances - beginning                    | 2,433,117        | 5,194,141   | 7,446,712                          | (2,252,571)  |
| Fund balances - ending                       | \$ -             | \$ -        | \$ 5,778,633                       | \$ (1,206,221)   |

OKLAHOMA COUNTY, OKLAHOMA  
GENERAL FUND  
BUDGET TO ACTUAL COMPARISON SCHEDULE  
FOR THE YEAR ENDED JUNE 30, 2003

|   | Budgeted Amounts |       | Actual Amounts/<br>Budgetary Basis | Variance with<br>Final Budget-<br>Positive<br>(Negative) |
|---|------------------|-------|------------------------------------|--|
|   | Original         | Final |                                    |  |
| <b><u>RECONCILIATION TO GAAP-BASIS FUND BALANCE</u></b> |                  |       |                                    |  |
| Property taxes receivable                               |                  |       | 746,010                            |  |
| Accounts payable  |                  |       | (1,546,777)                        |  |
| Accrued interest  |                  |       | 126,546                            |  |
| Due from agency fund                                    |                  |       | 458,076                            |  |
| Intergovernmental receivable                            |                  |       | 668,254                            |  |
| Current year encumbrances                               |                  |       | 2,513,506                          |  |
| Adjustment to prior year reserve for encumbrances       |                  |       | (2,123,193)                        |  |
| Reserve for inventory                                   |                  |       | 55,636                             |  |
| Self-insurance funds net activity (cash basis)          |                  |       | 1,907,427                          |  |
| Total Reconciling items                                 |                  |       | 2,805,485                          |  |
| Fund balance, June 30, 2003 (GAAP Basis)                |                  |       | \$ 8,584,118                       |  |

**OKLAHOMA COUNTY, OKLAHOMA  
DEBT SERVICE FUND  
BUDGET TO ACTUAL COMPARISON SCHEDULE  
FOR THE YEAR ENDED JUNE 30, 2003**

|   | <u>Budgeted Amounts</u> |                | <u>Actual Amounts/<br/>Budgetary Basis</u> | <u>Variance with<br/>Final Budget-<br/>Positive<br/>(Negative)</u> |
|---|-------------------------|----------------|--|--|
|   | <u>Original</u>         | <u>Final</u>   |  |  |
| <b>REVENUES</b>   |                         |                |  |  |
| Property taxes  | \$ 34,166               | \$ 211,547     | \$ 234,271                                 | \$ 22,724  |
| Interest income   | -                       | -              | 15,394                                     | 15,394   |
| Total revenues  | <u>34,166</u>           | <u>211,547</u> | <u>249,665</u>                             | <u>38,118</u>  |
| <b>EXPENDITURES</b>                                     |                         |                |  |  |
| Debt service:   |                         |                |  |  |
| Principal   | 46,407                  | 164,167        | 168,514                                    | 4,347  |
| Interest  | -                       | 53,432         | 45,130                                     | (8,302)  |
| Total Debt service expenditures                         | <u>46,407</u>           | <u>217,599</u> | <u>213,644</u>                             | <u>(3,955)</u>   |
| Excess of revenues over/(under) expenditures            | <u>(12,241)</u>         | <u>(6,052)</u> | <u>36,021</u>                              | <u>42,073</u>  |
| Fund balances - beginning                               | <u>12,241</u>           | <u>6,052</u>   | <u>6,052</u>                               | <u>-</u>   |
| Fund balances - ending                                  | <u>\$0</u>              | <u>\$0</u>     | <u>\$ 42,073</u>                           | <u>\$42,073</u>  |
| <b><u>RECONCILIATION TO GAAP-BASIS FUND BALANCE</u></b> |                         |                |  |  |
| Property taxes receivable                               |                         |                | 4,828                                      |  |
| Accrued interest  |                         |                | 25   |  |
| Total Reconciling items                                 |                         |                | <u>4,853</u>                               |  |
| Fund balance, June 30, 2003 (GAAP Basis)                |                         |                | <u>\$ 46,926</u>                           |  |

**OKLAHOMA COUNTY, OKLAHOMA**  
**Notes to Required Supplementary Information**  
**June 30, 2003**

**Note I. Actuarial Valuations and Assumptions**

The information presented in the Employee's Defined Benefit Retirement System required supplementary schedules was determined as part of the actuarial valuation as of June 30, 2003.

|                                    |   |
|------------------------------------|---|
| Cost Method:                       | Individual Entry Age Cost Method  |
| Interest rate:                     | 7.5% per year   |
| Salary increases:                  | 5.5% per year   |
| Mortality:                         | 1971 Group Annuity Mortality Table  |
| Retirement:                        | Early retirement at 55 with 30 years of service. 50% of participants without spouse birth date information are assumed married with spouse's age same as participant.   |
| Expense loading:                   | None  |
| Assets:                            | Market value  |
| Inflation rates assumed:           | None  |
| Post-retirement benefits Increase: | \$50.00/month one-time retiree benefit increase effective as of June 30, 2003.  |
| Amortization Period and Method:    | Level dollar open maximum 40 years on and before July 1, 2000.<br>Level dollar open maximum 30 years on and after June 30, 2000 for minimum funding contribution amount.<br>Used weighted expected average working years of active working participants for recommended contribution after June 30, 2000. |

**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 Debt Service Fund budget is prepared to provide funding for general obligation debt service when liabilities are due for payment. The budget and actual financial 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. Annual appropriated budgets are adopted for the general, and debt service funds. Other funds do not have legally adopted annual budgets. Appropriations for these funds are made on a monthly basis, according to the funds available.

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

*This page intentionally left blank*

**Combining and  
Individual Fund  
Financial  
Statements and  
Schedules**



*This page intentionally left blank*

# **NON-MAJOR GOVERNMENTAL FUNDS**

---

---

## ***Special Revenue Funds***

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

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

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

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

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

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

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

***Training & General Assistance Grants (T&GA)*** – *For the collection and expenditures of federal grant funds.*

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

***Assessors Visual Inspection*** – *For the collection and expenditures of funds by the Assessor for the visual inspection program.*

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

***National CASA Grant*** - *For the collection and expenditures of federal financial assistance grant funds in accordance of the terms of the grant agreement.*

***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.*

***Juvenile Special Revenue Fund*** – *For the collection and expenditures of reimbursements and fees for housing, feeding, and transporting juveniles.*

# **NON-MAJOR GOVERNMENTAL FUNDS**

*(Continued)*

---

**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.

**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.

## **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, 2003**

**Special Revenue**

|  | Resale<br>Property  | Treasurer's<br>Mortgage<br>Fee | County<br>Clerk's Lien<br>Fee | UCC<br>Central<br>Filing | Records<br>Management &<br>Preservation | Sheriff<br>Service Fee | T&GA<br>Grants    | Making the<br>Grade | Assessor's<br>Visual<br>Inspection | Assessor's<br>Revolving<br>Fee |
|--|---------------------|--------------------------------|-------------------------------|--------------------------|---|------------------------|-------------------|---------------------|------------------------------------|--------------------------------|
| <b>ASSETS</b>                              |                     |                                |                               |                          |   |                        |                   |                     |                                    |                                |
| Cash and cash equivalents                  | \$ -                | \$ -                           | \$ -                          | \$ -                     | \$ -                                    | \$ -                   | \$ -              | \$ -                | \$ -                               | \$ -                           |
| Investments                                | -                   | -                              | -                             | -                        | -                                       | -                      | -                 | -                   | -                                  | -                              |
| Property taxes receivable                  | 801,950             | -                              | -                             | -                        | -                                       | -                      | -                 | -                   | -                                  | -                              |
| Interest Receivable                        | -                   | -                              | -                             | 591                      | 1,151                                   | -                      | -                 | -                   | -                                  | -                              |
| Due from agency fund                       | -                   | -                              | -                             | 75,550                   | 95,810                                  | -                      | -                 | -                   | -                                  | -                              |
| Intergovernmental receivable               | -                   | -                              | 2,194                         | -                        | -                                       | 162,483                | -                 | -                   | -                                  | -                              |
| Inventories                                | -                   | -                              | -                             | -                        | -                                       | -                      | -                 | -                   | -                                  | -                              |
| Restricted cash                            | 2,126,047           | 408,742                        | 88,708                        | 418,284                  | 777,879                                 | 722,578                | 57,150            | 488                 | 2                                  | 20,616                         |
| Restricted investments                     | 1,734,530           | 333,471                        | 72,372                        | 341,256                  | 634,630                                 | 589,514                | 46,626            | 399                 | 2                                  | 16,820                         |
| <b>Total Assets</b>                        | <u>\$ 4,662,527</u> | <u>\$ 742,213</u>              | <u>\$ 163,274</u>             | <u>\$ 835,681</u>        | <u>\$ 1,509,470</u>                     | <u>\$ 1,474,575</u>    | <u>\$ 103,776</u> | <u>\$ 887</u>       | <u>\$ 4</u>                        | <u>\$ 37,436</u>               |
| <b>LIABILITIES AND FUND BALANCES</b>       |                     |                                |                               |                          |   |                        |                   |                     |                                    |                                |
| Liabilities:                               |                     |                                |                               |                          |   |                        |                   |                     |                                    |                                |
| Accounts Payable                           | \$ -                | \$ 19,895                      | \$ 5,438                      | \$ 13,284                | \$ 44,745                               | \$ 99,509              | \$ 102,465        | \$ -                | \$ -                               | \$ 18,839                      |
| Leases Payable                             | -                   | -                              | -                             | -                        | -                                       | -                      | -                 | -                   | -                                  | -                              |
| Due to other funds                         | -                   | -                              | -                             | -                        | -                                       | -                      | -                 | -                   | -                                  | -                              |
| <b>Total Liabilities</b>                   | <u>-</u>            | <u>19,895</u>                  | <u>5,438</u>                  | <u>13,284</u>            | <u>44,745</u>                           | <u>99,509</u>          | <u>102,465</u>    | <u>-</u>            | <u>-</u>                           | <u>18,839</u>                  |
| Fund Balances:                             |                     |                                |                               |                          |   |                        |                   |                     |                                    |                                |
| Reserved for Encumbrances                  | 28,000              | 3,631                          | 9,253                         | 431                      | 1,505                                   | 63,260                 | -                 | -                   | -                                  | -                              |
| Reserved for Inventory                     | -                   | -                              | -                             | -                        | -                                       | -                      | -                 | -                   | -                                  | -                              |
| Reserved for debt service                  | -                   | -                              | -                             | -                        | -                                       | -                      | -                 | -                   | -                                  | -                              |
| Unreserved, reported in:                   |                     |                                |                               |                          |   |                        |                   |                     |                                    |                                |
| Special revenue funds                      | 4,634,527           | 718,687                        | 148,583                       | 821,966                  | 1,463,220                               | 1,311,806              | 1,311             | 887                 | 4                                  | 18,597                         |
| Capital projects funds                     | -                   | -                              | -                             | -                        | -                                       | -                      | -                 | -                   | -                                  | -                              |
| <b>Total fund balances</b>                 | <u>4,662,527</u>    | <u>722,318</u>                 | <u>157,836</u>                | <u>822,397</u>           | <u>1,464,725</u>                        | <u>1,375,066</u>       | <u>1,311</u>      | <u>887</u>          | <u>4</u>                           | <u>18,597</u>                  |
| <b>Total liabilities and fund balances</b> | <u>\$ 4,662,527</u> | <u>\$ 742,213</u>              | <u>\$ 163,274</u>             | <u>\$ 835,681</u>        | <u>\$ 1,509,470</u>                     | <u>\$ 1,474,575</u>    | <u>\$ 103,776</u> | <u>\$ 887</u>       | <u>\$ 4</u>                        | <u>\$ 37,436</u>               |

**OKLAHOMA COUNTY, OKLAHOMA  
COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
JUNE 30, 2003**

|  | Special Revenue       |                              |                        |                                |                       |  |                         |                          |                         |                  | Total                |
|--|-----------------------|------------------------------|------------------------|--------------------------------|-----------------------|--|-------------------------|--------------------------|-------------------------|------------------|----------------------|
|  | Natl<br>CASA<br>Grant | Juvenile<br>Probation<br>Fee | Juvenile<br>Grant Fund | Juvenile<br>Special<br>Revenue | Planning<br>Commision | Local<br>Emergency<br>Planning<br>Comm | Emergency<br>Management | Community<br>Service Fee | Community<br>Sentencing | Drug Court       |                      |
| <b>ASSETS</b>                              |                       |                              |                        |                                |                       |  |                         |                          |                         |                  |                      |
| Cash and cash equivalents                  | \$ -                  | \$ -                         | \$ -                   | \$ 21,725                      | \$ -                  | \$ -                                   | \$ -                    | \$ -                     | \$ -                    | \$ -             | \$ 21,725            |
| Investments                                | -                     | -                            | -                      | 17,724                         | -                     | -                                      | -                       | -                        | -                       | -                | 17,724               |
| Property taxes receivable                  | -                     | -                            | -                      | -                              | -                     | -                                      | -                       | -                        | -                       | -                | 801,950              |
| Interest Receivable                        | -                     | -                            | -                      | -                              | -                     | -                                      | -                       | -                        | -                       | -                | 1,742                |
| Due from agency fund                       | -                     | -                            | -                      | -                              | -                     | -                                      | -                       | -                        | -                       | -                | 171,360              |
| Intergovernmental receivable               | -                     | 125                          | 35,721                 | 143                            | -                     | -                                      | -                       | 200                      | 72,971                  | -                | 273,837              |
| Inventories                                | -                     | -                            | -                      | -                              | -                     | -                                      | -                       | -                        | -                       | -                | -                    |
| Restricted cash                            | 128                   | 13,864                       | 123,520                | -                              | 33,093                | 6,674                                  | 46,624                  | 12,501                   | 159,712                 | 13,003           | 5,029,613            |
| Restricted investments                     | 104                   | 11,311                       | 100,773                | -                              | 27,000                | 5,445                                  | 38,038                  | 10,198                   | 130,300                 | 10,608           | 4,103,397            |
| <b>Total Assets</b>                        | <u>\$ 232</u>         | <u>\$ 25,300</u>             | <u>\$ 260,014</u>      | <u>\$ 39,592</u>               | <u>\$ 60,093</u>      | <u>\$ 12,119</u>                       | <u>\$ 84,662</u>        | <u>\$ 22,899</u>         | <u>\$ 362,983</u>       | <u>\$ 23,611</u> | <u>\$ 10,421,348</u> |
| <b>LIABILITIES AND FUND BALANCES</b>       |                       |                              |                        |                                |                       |  |                         |                          |                         |                  |                      |
| Liabilities:                               |                       |                              |                        |                                |                       |  |                         |                          |                         |                  |                      |
| Accounts Payable                           | \$ -                  | \$ 1,630                     | \$ 52,650              | \$ -                           | \$ 2,303              | \$ -                                   | \$ 9,613                | \$ 327                   | \$ 31,431               | \$ -             | \$ 402,129           |
| Leases Payable                             | -                     | -                            | -                      | -                              | -                     | -                                      | -                       | -                        | -                       | -                | -                    |
| Due to other funds                         | -                     | -                            | -                      | -                              | -                     | -                                      | -                       | -                        | -                       | -                | -                    |
| <b>Total Liabilities</b>                   | <u>-</u>              | <u>1,630</u>                 | <u>52,650</u>          | <u>-</u>                       | <u>2,303</u>          | <u>-</u>                               | <u>9,613</u>            | <u>327</u>               | <u>31,431</u>           | <u>-</u>         | <u>402,129</u>       |
| Fund Balances:                             |                       |                              |                        |                                |                       |  |                         |                          |                         |                  |                      |
| Reserved for Encumbrances                  | -                     | 20                           | 3,520                  | -                              | 34                    | -                                      | 5,485                   | -                        | 5,637                   | -                | 120,776              |
| Reserved for Inventory                     | -                     | -                            | -                      | -                              | -                     | -                                      | -                       | -                        | -                       | -                | -                    |
| Reserved for debt service                  | -                     | -                            | -                      | -                              | -                     | -                                      | -                       | -                        | -                       | -                | -                    |
| Unreserved, reported in:                   |                       |                              |                        |                                |                       |  |                         |                          |                         |                  |                      |
| Special revenue funds                      | 232                   | 23,650                       | 203,844                | 39,592                         | 57,756                | 12,119                                 | 69,564                  | 22,572                   | 325,915                 | 23,611           | 9,898,443            |
| Capital projects funds                     | -                     | -                            | -                      | -                              | -                     | -                                      | -                       | -                        | -                       | -                | -                    |
| <b>Total fund balances</b>                 | <u>232</u>            | <u>23,670</u>                | <u>207,364</u>         | <u>39,592</u>                  | <u>57,790</u>         | <u>12,119</u>                          | <u>75,049</u>           | <u>22,572</u>            | <u>331,552</u>          | <u>23,611</u>    | <u>10,019,219</u>    |
| <b>Total liabilities and fund balances</b> | <u>\$ 232</u>         | <u>\$ 25,300</u>             | <u>\$ 260,014</u>      | <u>\$ 39,592</u>               | <u>\$ 60,093</u>      | <u>\$ 12,119</u>                       | <u>\$ 84,662</u>        | <u>\$ 22,899</u>         | <u>\$ 362,983</u>       | <u>\$ 23,611</u> | <u>\$ 10,421,348</u> |

77

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

**OKLAHOMA COUNTY, OKLAHOMA  
COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
JUNE 30, 2003**

|                                      | <b>Capital Projects</b>                 |   |  |                          |                             | <b>Total</b>        | <b>Debt Service</b> | <b>Total Nonmajor<br/>Governmental<br/>Funds</b> |
|--------------------------------------|---|---|--|--------------------------|-----------------------------|---------------------|---------------------|--|
|                                      | <b>Capital<br/>Projects<br/>Regular</b> | <b>Capital<br/>Projects<br/>Districts</b> | <b>Capital<br/>Projects<br/>Tinker I</b> | <b>Jail<br/>Facility</b> | <b>Sale of<br/>Property</b> |                     | <b>Debt Service</b> |  |
| <b>ASSETS</b>                        |   |   |  |                          |                             |                     |                     |  |
| Cash and cash equivalents            | \$ 213,581                              | \$ -                                      | \$ -                                     | \$ -                     | \$ 3,580                    | \$ 217,161          | \$ -                | \$ 238,886                                       |
| Investments                          | 174,250                                 | -   | -  | -                        | 2,920                       | 177,170             | -                   | 194,894  |
| Property taxes receivable            | -                                       | -   | -  | -                        | -                           | -                   | 4,828               | 806,778  |
| Interest Receivable                  | 43                                      | -   | -  | -                        | -                           | 43                  | 25                  | 1,810  |
| Due from agency fund                 | -                                       | -   | -  | -                        | -                           | -                   | -                   | 171,360  |
| Intergovernmental receivable         | -                                       | -   | -  | 44                       | -                           | 44                  | -                   | 273,881  |
| Inventories                          | -                                       | -   | -  | -                        | -                           | -                   | -                   | -  |
| Restricted cash                      | -                                       | 122,897                                   | 358,093                                  | 7,050                    | -                           | 488,040             | 23,170              | 5,540,823  |
| Restricted investments               | -                                       | 100,266                                   | 292,149                                  | 5,751                    | -                           | 398,166             | 18,903              | 4,520,466  |
| Total Assets                         | <u>\$ 387,874</u>                       | <u>\$ 223,163</u>                         | <u>\$ 650,242</u>                        | <u>\$ 12,845</u>         | <u>\$ 6,500</u>             | <u>\$ 1,280,624</u> | <u>\$ 46,926</u>    | <u>\$ 11,748,898</u>                             |
| <b>LIABILITIES AND FUND BALANCES</b> |   |   |  |                          |                             |                     |                     |  |
| Liabilities:                         |   |   |  |                          |                             |                     |                     |  |
| Accounts Payable                     | \$ 67,463                               | \$ -                                      | \$ 100,000                               | \$ -                     | \$ -                        | \$ 167,463          | \$ -                | \$ 569,592                                       |
| Leases Payable                       | -                                       | -   | -  | -                        | -                           | -                   | -                   | -  |
| Due to other funds                   | -                                       | -   | -  | -                        | -                           | -                   | -                   | -  |
| Total Liabilities                    | <u>67,463</u>                           | <u>-</u>                                  | <u>100,000</u>                           | <u>-</u>                 | <u>-</u>                    | <u>167,463</u>      | <u>-</u>            | <u>569,592</u>                                   |
| Fund Balances:                       |   |   |  |                          |                             |                     |                     |  |
| Reserved for Encumbrances            | 288,716                                 | -   | -  | -                        | -                           | 288,716             | -                   | 409,492  |
| Reserved for Inventory               | -                                       | -   | -  | -                        | -                           | -                   | -                   | -  |
| Reserved for debt service            | -                                       | -   | -  | -                        | -                           | -                   | 46,926              | 46,926   |
| Unreserved, reported in:             |   |   |  |                          |                             |                     |                     |  |
| Special revenue funds                | -                                       | -   | -  | -                        | -                           | -                   | -                   | 9,898,443  |
| Capital projects funds               | 31,695                                  | 223,163                                   | 550,242                                  | 12,845                   | 6,500                       | 824,445             | -                   | 824,445  |
| Total fund balances                  | <u>320,411</u>                          | <u>223,163</u>                            | <u>550,242</u>                           | <u>12,845</u>            | <u>6,500</u>                | <u>1,113,161</u>    | <u>46,926</u>       | <u>11,179,306</u>                                |
| Total liabilities and fund balances  | <u>\$ 387,874</u>                       | <u>\$ 223,163</u>                         | <u>\$ 650,242</u>                        | <u>\$ 12,845</u>         | <u>\$ 6,500</u>             | <u>\$ 1,280,624</u> | <u>\$ 46,926</u>    | <u>\$ 11,748,898</u>                             |

78

**OKLAHOMA COUNTY, OKLAHOMA**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2003**

|  | <u>Special Revenue</u> |                                     |  |                               |  |                                |                            |                             |   |   |
|--|------------------------|-------------------------------------|--|-------------------------------|--|--------------------------------|----------------------------|-----------------------------|---|---|
|  | <u>Resale Property</u> | <u>Treasurer's<br/>Mortgage Fee</u> | <u>County<br/>Clerk's Lien<br/>Fee</u> | <u>UCC Central<br/>Filing</u> | <u>Records<br/>Management &amp;<br/>Preservation</u> | <u>Sheriff Service<br/>Fee</u> | <u>T&amp;GA<br/>Grants</u> | <u>Making the<br/>Grade</u> | <u>Assessor's<br/>Visual<br/>Inspection</u> | <u>Assessor's<br/>Revolving<br/>Fee</u> |
| <b>REVENUES</b>  |                        |                                     |  |                               |  |                                |                            |                             |   |   |
| Property taxes   | \$ 4,273,710           | \$ -                                | \$ -                                   | \$ -                          | \$ -   | \$ -                           | \$ -                       | \$ -                        | \$ -  | \$ -                                    |
| Charges for services                                       | -                      | 270,615                             | 26,846                                 | 847,686                       | 1,075,030  | 1,856,456                      | -                          | -                           | -   | 42,224                                  |
| Intergovernmental revenues                                 | -                      | -                                   | -                                      | -                             | -  | -                              | -                          | -                           | -   | -                                       |
| Interest income  | -                      | -                                   | -                                      | 7,092                         | 13,674   | -                              | -                          | -                           | -   | -                                       |
| Miscellaneous revenue                                      | -                      | -                                   | -                                      | -                             | -  | -                              | -                          | -                           | -   | -                                       |
| Total revenues   | <u>\$ 4,273,710</u>    | <u>\$ 270,615</u>                   | <u>\$ 26,846</u>                       | <u>\$ 854,778</u>             | <u>\$ 1,088,704</u>                                  | <u>\$ 1,856,456</u>            | <u>\$ -</u>                | <u>\$ -</u>                 | <u>\$ -</u>                                 | <u>\$ 42,224</u>                        |
| <b>EXPENDITURES</b>  |                        |                                     |  |                               |  |                                |                            |                             |   |   |
| Current:   |                        |                                     |  |                               |  |                                |                            |                             |   |   |
| General government   | 3,479,724              | 210,982                             | 5,348                                  | 517,303                       | 371,366  | -                              | -                          | -                           | -   | -                                       |
| Public safety  | -                      | -                                   | -                                      | -                             | -  | 1,921,978                      | -                          | -                           | -   | -                                       |
| Health and welfare   | -                      | -                                   | -                                      | -                             | -  | -                              | -                          | -                           | -   | -                                       |
| Roads and highways   | -                      | -                                   | -                                      | -                             | -  | -                              | -                          | -                           | -   | -                                       |
| Debt service:  |                        |                                     |  |                               |  |                                |                            |                             |   |   |
| Principal  | -                      | -                                   | -                                      | -                             | -  | -                              | -                          | -                           | -   | -                                       |
| Interest   | -                      | -                                   | -                                      | -                             | -  | -                              | -                          | -                           | -   | -                                       |
| Capital outlay   | -                      | 42,502                              | 8,933                                  | 109,218                       | 150,887  | 339,818                        | -                          | -                           | 7,603                                       | 58,278                                  |
| Total expenditures   | <u>3,479,724</u>       | <u>253,484</u>                      | <u>14,281</u>                          | <u>626,521</u>                | <u>522,253</u>                                       | <u>2,261,796</u>               | <u>-</u>                   | <u>-</u>                    | <u>7,603</u>                                | <u>58,278</u>                           |
| Excess(deficiency) of revenues<br>over(under) expenditures | <u>793,986</u>         | <u>17,131</u>                       | <u>12,565</u>                          | <u>228,257</u>                | <u>566,451</u>                                       | <u>(405,340)</u>               | <u>-</u>                   | <u>-</u>                    | <u>(7,603)</u>                              | <u>(16,054)</u>                         |
| <b>OTHER FINANCING SOURCES (USES)</b>                      |                        |                                     |  |                               |  |                                |                            |                             |   |   |
| Transfers from other funds                                 | -                      | -                                   | 23,871                                 | -                             | -  | -                              | -                          | -                           | -   | -                                       |
| Transfers to other funds                                   | (1,000,000)            | -                                   | -                                      | -                             | -  | -                              | -                          | -                           | -   | -                                       |
| Capitalized Leases   | -                      | -                                   | -                                      | -                             | -  | 275,314                        | -                          | -                           | -   | -                                       |
| Total other financing sources (uses)                       | <u>(1,000,000)</u>     | <u>-</u>                            | <u>23,871</u>                          | <u>-</u>                      | <u>-</u>   | <u>275,314</u>                 | <u>-</u>                   | <u>-</u>                    | <u>-</u>                                    | <u>-</u>                                |
| Net change in fund balances                                | (206,014)              | 17,131                              | 36,436                                 | 228,257                       | 566,451  | (130,026)                      | -                          | -                           | (7,603)                                     | (16,054)                                |
| Fund balances-beginning                                    | 4,868,541              | 705,187                             | 121,400                                | 594,140                       | 898,274  | 1,505,092                      | 1,311                      | 887                         | 7,607                                       | 34,651                                  |
| Fund balances-ending                                       | <u>\$ 4,662,527</u>    | <u>\$ 722,318</u>                   | <u>\$ 157,836</u>                      | <u>\$ 822,397</u>             | <u>\$ 1,464,725</u>                                  | <u>\$ 1,375,066</u>            | <u>\$ 1,311</u>            | <u>\$ 887</u>               | <u>\$ 4</u>                                 | <u>\$ 18,597</u>                        |

79

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

**OKLAHOMA COUNTY, OKLAHOMA**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2003**

|  | Special Revenue        |                              |                        |                                |                       |                               |                         |                          |                         |                  | Total                |
|--|------------------------|------------------------------|------------------------|--------------------------------|-----------------------|-------------------------------|-------------------------|--------------------------|-------------------------|------------------|----------------------|
|  | Nat'l<br>CASA<br>Grant | Juvenile<br>Probation<br>Fee | Juvenile<br>Grant Fund | Juvenile<br>Special<br>Revenue | Planning<br>Commision | Local                         |                         |                          |                         |                  |                      |
|  |                        |                              |                        |                                |                       | Emergency<br>Planning<br>Comm | Emergency<br>Management | Community<br>Service Fee | Community<br>Sentencing | Drug<br>Court    |                      |
| <b>REVENUES</b>  |                        |                              |                        |                                |                       |                               |                         |                          |                         |                  |                      |
| Property taxes   | \$ -                   | \$ -                         | \$ -                   | \$ -                           | \$ -                  | \$ -                          | \$ -                    | \$ -                     | \$ -                    | \$ -             | \$ 4,273,710         |
| Charges for services                                       | -                      | 29,182                       | -                      | -                              | 188,764               | -                             | -                       | 41,790                   | 587,613                 | -                | 4,966,206            |
| Intergovernmental revenues                                 | -                      | -                            | 536,887                | 20,427                         | -                     | 2,595                         | 82,363                  | -                        | 487,724                 | 68,061           | 1,198,057            |
| Interest income  | -                      | -                            | -                      | -                              | -                     | -                             | -                       | -                        | -                       | -                | 20,766               |
| Miscellaneous revenue                                      | -                      | -                            | -                      | 19,165                         | -                     | -                             | -                       | -                        | -                       | -                | 19,165               |
| Total revenues   | <u>\$ -</u>            | <u>\$ 29,182</u>             | <u>\$ 536,887</u>      | <u>\$ 39,592</u>               | <u>\$ 188,764</u>     | <u>\$ 2,595</u>               | <u>\$ 82,363</u>        | <u>\$ 41,790</u>         | <u>\$ 1,075,337</u>     | <u>\$ 68,061</u> | <u>\$ 10,477,904</u> |
| <b>EXPENDITURES</b>  |                        |                              |                        |                                |                       |                               |                         |                          |                         |                  |                      |
| Current:   |                        |                              |                        |                                |                       |                               |                         |                          |                         |                  |                      |
| General government   | -                      | -                            | -                      | -                              | 181,761               | -                             | -                       | 67,360                   | -                       | 44,450           | 4,878,294            |
| Public safety  | -                      | 20,373                       | 508,067                | -                              | -                     | 2,500                         | 19,193                  | -                        | 954,076                 | -                | 3,426,187            |
| Health and welfare   | -                      | -                            | -                      | -                              | -                     | -                             | -                       | -                        | -                       | -                | -                    |
| Roads and highways   | -                      | -                            | -                      | -                              | -                     | -                             | -                       | -                        | -                       | -                | -                    |
| Debt service:  |                        |                              |                        |                                |                       |                               |                         |                          |                         |                  |                      |
| Principal  | -                      | -                            | -                      | -                              | -                     | -                             | -                       | -                        | -                       | -                | -                    |
| Interest   | -                      | -                            | -                      | -                              | -                     | -                             | -                       | -                        | -                       | -                | -                    |
| Capital outlay   | -                      | -                            | 47,749                 | -                              | 2,564                 | -                             | 14,062                  | 2,235                    | 57,156                  | -                | 841,005              |
| Total expenditures   | <u>-</u>               | <u>20,373</u>                | <u>555,816</u>         | <u>-</u>                       | <u>184,325</u>        | <u>2,500</u>                  | <u>33,255</u>           | <u>69,595</u>            | <u>1,011,232</u>        | <u>44,450</u>    | <u>9,145,486</u>     |
| Excess(deficiency) of revenues<br>over(under) expenditures | <u>-</u>               | <u>8,809</u>                 | <u>(18,929)</u>        | <u>39,592</u>                  | <u>4,439</u>          | <u>95</u>                     | <u>49,108</u>           | <u>(27,805)</u>          | <u>64,105</u>           | <u>23,611</u>    | <u>1,332,418</u>     |
| <b>OTHER FINANCING SOURCES (USES)</b>                      |                        |                              |                        |                                |                       |                               |                         |                          |                         |                  |                      |
| Transfers from other funds                                 | -                      | -                            | -                      | -                              | -                     | -                             | -                       | -                        | -                       | -                | 23,871               |
| Transfers to other funds                                   | -                      | -                            | (4,455)                | -                              | -                     | -                             | (60,000)                | -                        | -                       | -                | (1,064,455)          |
| Capitalized Leases   | -                      | -                            | -                      | -                              | -                     | -                             | -                       | -                        | 17,580                  | -                | 292,894              |
| Total other financing sources (uses)                       | <u>-</u>               | <u>-</u>                     | <u>(4,455)</u>         | <u>-</u>                       | <u>-</u>              | <u>-</u>                      | <u>(60,000)</u>         | <u>-</u>                 | <u>17,580</u>           | <u>-</u>         | <u>(747,690)</u>     |
| Net change in fund balances                                | -                      | 8,809                        | (23,384)               | 39,592                         | 4,439                 | 95                            | (10,892)                | (27,805)                 | 81,685                  | 23,611           | 584,728              |
| Fund balances-beginning                                    | 232                    | 14,861                       | 230,748                | -                              | 53,351                | 12,024                        | 85,941                  | 50,377                   | 249,867                 | -                | 9,434,491            |
| Fund balances-ending                                       | <u>\$ 232</u>          | <u>\$ 23,670</u>             | <u>\$ 207,364</u>      | <u>\$ 39,592</u>               | <u>\$ 57,790</u>      | <u>\$ 12,119</u>              | <u>\$ 75,049</u>        | <u>\$ 22,572</u>         | <u>\$ 331,552</u>       | <u>\$ 23,611</u> | <u>\$ 10,019,219</u> |

08

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

**OKLAHOMA COUNTY, OKLAHOMA**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2003**

|  | <u>Capital Projects</u>        |                                  |                                 |                  |                     | <u>Debt Service</u> | Total Nonmajor<br>Governmental<br>Funds |                      |
|--|--------------------------------|----------------------------------|---------------------------------|------------------|---------------------|---------------------|---|----------------------|
|  | Capital<br>Projects<br>Regular | Capital<br>Projects<br>Districts | Capital<br>Projects<br>Tinker I | Jail Facility    | Sale of<br>Property | Total               |   | Debt Service         |
| <b>REVENUES</b>  |                                |                                  |                                 |                  |                     |                     |   |                      |
| Property taxes   | \$ -                           | \$ -                             | \$ -                            | \$ -             | \$ -                |                     | \$ 238,247                              | \$ 4,511,957         |
| Charges for services                                       | -                              | -                                | -                               | 47               | -                   | 47                  | -                                       | 4,966,253            |
| Intergovernmental revenues                                 | -                              | -                                | -                               | -                | -                   | -                   | -                                       | 1,198,057            |
| Interest income  | 3,695                          | -                                | 26,002                          | 127              | -                   | 29,824              | 15,411                                  | 66,001               |
| Miscellaneous revenue                                      | -                              | -                                | 1                               | -                | -                   | 1                   | -                                       | 19,166               |
| <b>Total revenues</b>                                      | <u>\$ 3,695</u>                | <u>\$ -</u>                      | <u>\$ 26,003</u>                | <u>\$ 174</u>    | <u>\$ -</u>         | <u>\$ 29,872</u>    | <u>\$ 253,658</u>                       | <u>\$ 10,761,434</u> |
| <b>EXPENDITURES</b>  |                                |                                  |                                 |                  |                     |                     |   |                      |
| Current:   |                                |                                  |                                 |                  |                     |                     |   |                      |
| General government   | -                              | -                                | -                               | -                | -                   | -                   | -                                       | 4,878,294            |
| Public safety  | -                              | -                                | -                               | -                | -                   | -                   | -                                       | 3,426,187            |
| Health and welfare   | -                              | -                                | -                               | -                | -                   | -                   | -                                       | -                    |
| Roads and highways   | -                              | -                                | -                               | -                | -                   | -                   | -                                       | -                    |
| Debt service:  | -                              | -                                | -                               | -                | -                   | -                   | -                                       | -                    |
| Principal  | -                              | -                                | -                               | -                | -                   | -                   | 168,514                                 | 168,514              |
| Interest   | -                              | -                                | -                               | -                | -                   | -                   | 45,130                                  | 45,130               |
| Capital outlay   | 834,885                        | -                                | 513,565                         | 22,367           | -                   | 1,370,817           | -                                       | 2,211,822            |
| <b>Total expenditures</b>                                  | <u>834,885</u>                 | <u>-</u>                         | <u>513,565</u>                  | <u>22,367</u>    | <u>-</u>            | <u>1,370,817</u>    | <u>213,644</u>                          | <u>10,729,947</u>    |
| Excess(deficiency) of revenues<br>over(under) expenditures | <u>(831,190)</u>               | <u>-</u>                         | <u>(487,562)</u>                | <u>(22,193)</u>  | <u>-</u>            | <u>(1,340,945)</u>  | <u>40,014</u>                           | <u>31,487</u>        |
| <b>OTHER FINANCING SOURCES (USES)</b>                      |                                |                                  |                                 |                  |                     |                     |   |                      |
| Transfers from other funds                                 | 933,673                        | -                                | -                               | -                | -                   | 933,673             | -                                       | 957,544              |
| Transfers to other funds                                   | (231,732)                      | -                                | -                               | -                | -                   | (231,732)           | -                                       | (1,296,187)          |
| Capitalized Leases   | -                              | -                                | -                               | -                | -                   | -                   | -                                       | 292,894              |
| <b>Total other financing sources (uses)</b>                | <u>701,941</u>                 | <u>-</u>                         | <u>-</u>                        | <u>-</u>         | <u>-</u>            | <u>701,941</u>      | <u>-</u>                                | <u>(45,749)</u>      |
| Net change in fund balances                                | (129,249)                      | -                                | (487,562)                       | (22,193)         | -                   | (639,004)           | 40,014                                  | (14,262)             |
| Fund balances-beginning                                    | 449,660                        | 223,163                          | 1,037,804                       | 35,038           | 6,500               | 1,752,165           | 6,912                                   | 11,193,568           |
| Fund balances-ending                                       | <u>\$ 320,411</u>              | <u>\$ 223,163</u>                | <u>\$ 550,242</u>               | <u>\$ 12,845</u> | <u>\$ 6,500</u>     | <u>\$ 1,113,161</u> | <u>\$ 46,926</u>                        | <u>\$ 11,179,306</u> |

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

# ***FIDUCIARY FUNDS***

---

---

*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.*

*This page intentionally left blank*

**OKLAHOMA COUNTY, OKLAHOMA**  
**COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES - ALL AGENCY FUNDS**  
**Fiscal Year Ended June 30, 2003**

|                             | Balance<br>July 1, 2002 | Additions             | Deductions            | Balance<br>June 30, 2003 |
|-----------------------------|-------------------------|-----------------------|-----------------------|--------------------------|
| <b>SCHOOLS</b>              |                         |                       |                       |                          |
| <u>Assets:</u>              |                         |                       |                       |                          |
| Cash and investments        | \$ 5,730,677            | \$ 295,583,341        | \$ 296,991,679        | \$ 4,322,339             |
| Ad valorem taxes receivable | 2,981,102               | 4,057,574             | 2,981,102             | 4,057,574                |
| Accrued interest receivable | 4,625                   | 3,271                 | 4,625                 | 3,271                    |
| Due from other governments  | 566,052                 | 1,154,969             | 566,052               | 1,154,969                |
| <b>Total Assets</b>         | <b>\$ 9,282,456</b>     | <b>\$ 300,799,155</b> | <b>\$ 300,543,458</b> | <b>\$ 9,538,153</b>      |
| <u>Liabilities:</u>         |                         |                       |                       |                          |
| Warrants payable            | 1,635,739               | 1,314,840             | 1,635,739             | 1,314,840                |
| Due to other taxing units   | 7,646,717               | 299,484,315           | 298,907,719           | 8,223,313                |
| <b>Total Liabilities</b>    | <b>\$ 9,282,456</b>     | <b>\$ 300,799,155</b> | <b>\$ 300,543,458</b> | <b>\$ 9,538,153</b>      |
| <b>CITIES AND TOWNS</b>     |                         |                       |                       |                          |
| <u>Assets:</u>              |                         |                       |                       |                          |
| Cash and investments        | \$ 628,577              | \$ 68,451,608         | \$ 68,499,580         | \$ 580,605               |
| Ad valorem taxes receivable | 649,234                 | 942,642               | 649,234               | 942,642                  |
| Due from other governments  | 501,947                 | 1,037,590             | 501,947               | 1,037,590                |
| <b>Total Assets</b>         | <b>\$ 1,779,758</b>     | <b>\$ 70,431,840</b>  | <b>\$ 69,650,761</b>  | <b>\$ 2,560,837</b>      |
| <u>Liabilities:</u>         |                         |                       |                       |                          |
| Due to other taxing units   | 1,779,758               | 70,431,840            | 69,650,761            | 2,560,837                |
| <b>Total Liabilities</b>    | <b>\$ 1,779,758</b>     | <b>\$ 70,431,840</b>  | <b>\$ 69,650,761</b>  | <b>\$ 2,560,837</b>      |
| <b>OFFICIAL DEPOSITORY</b>  |                         |                       |                       |                          |
| <u>Assets:</u>              |                         |                       |                       |                          |
| Cash and investments        | \$ 25,091,149           | \$ 93,571,027         | \$ 93,367,009         | \$ 25,295,167            |
| <b>Total Assets</b>         | <b>\$ 25,091,149</b>    | <b>\$ 93,571,027</b>  | <b>\$ 93,367,009</b>  | <b>\$ 25,295,167</b>     |
| <u>Liabilities:</u>         |                         |                       |                       |                          |
| Accounts payable            | 6,265                   | 3,548                 | 6,265                 | 3,548                    |
| Due to other funds          | 259,942                 | 629,436               | 259,942               | 629,436                  |
| Due to others               | 24,824,942              | 92,938,043            | 93,100,802            | 24,662,183               |
| <b>Total Liabilities</b>    | <b>\$ 25,091,149</b>    | <b>\$ 93,571,027</b>  | <b>\$ 93,367,009</b>  | <b>\$ 25,295,167</b>     |

(Continued)

**OKLAHOMA COUNTY, OKLAHOMA**  
**COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES - ALL AGENCY FUNDS**  
**Fiscal Year Ended June 30, 2003**

|                                  | Balance<br>July 1, 2002 | Additions             | Deductions            | Balance<br>June 30, 2003 |
|----------------------------------|-------------------------|-----------------------|-----------------------|--------------------------|
| <b>UNAPPORTIONED TAXES</b>       |                         |                       |                       |                          |
| <u>Assets:</u>                   |                         |                       |                       |                          |
| Cash and investments             | \$ 10,763,658           | \$ 36,484,433         | \$ 31,665,288         | \$ 15,582,803            |
| Due from other funds             | -                       | 940,760               | -                     | 940,760                  |
| <b>Total Assets</b>              | <b>\$ 10,763,658</b>    | <b>\$ 37,425,193</b>  | <b>\$ 31,665,288</b>  | <b>\$ 16,523,563</b>     |
| <u>Liabilities:</u>              |                         |                       |                       |                          |
| Due to other taxing units        | 10,763,658              | 37,425,193            | 31,665,288            | 16,523,563               |
| <b>Total Liabilities</b>         | <b>\$ 10,763,658</b>    | <b>\$ 37,425,193</b>  | <b>\$ 31,665,288</b>  | <b>\$ 16,523,563</b>     |
| <b>ALL OTHERS</b>                |                         |                       |                       |                          |
| <u>Assets:</u>                   |                         |                       |                       |                          |
| Cash and investments             | \$ 700,956              | \$ 14,244,583         | \$ 13,876,660         | \$ 1,068,879             |
| Ad valorem taxes receivable      | 91,236                  | 134,476               | 91,236                | 134,476                  |
| Due from other governments       | 34,814                  | 42,200                | 34,814                | 42,200                   |
| <b>Total Assets</b>              | <b>\$ 827,006</b>       | <b>\$ 14,421,259</b>  | <b>\$ 14,002,710</b>  | <b>\$ 1,245,555</b>      |
| <u>Liabilities:</u>              |                         |                       |                       |                          |
| Accounts payable                 | 3,592                   | 24,757                | 3,592                 | 24,757                   |
| Due to other taxing units        | 543                     | 13,999,118            | 13,999,118            | 543                      |
| Due to others                    | 822,871                 | 397,384               | -                     | 1,220,255                |
| <b>Total Liabilities</b>         | <b>\$ 827,006</b>       | <b>\$ 14,421,259</b>  | <b>\$ 14,002,710</b>  | <b>\$ 1,245,555</b>      |
| <b>TOTALS - ALL AGENCY FUNDS</b> |                         |                       |                       |                          |
| <u>Assets:</u>                   |                         |                       |                       |                          |
| Cash and investments             | \$ 42,915,017           | \$ 508,334,992        | \$ 504,400,215        | \$ 46,849,793            |
| Ad valorem taxes receivable      | 3,721,572               | 5,134,692             | 3,721,572             | 5,134,692                |
| Accrued interest receivable      | 4,625                   | 3,271                 | 4,625                 | 3,271                    |
| Due from other funds             | -                       | 940,760               | -                     | 940,760                  |
| Due from other governments       | 1,102,813               | 2,234,759             | 1,102,813             | 2,234,759                |
| <b>Total Assets</b>              | <b>\$ 47,744,027</b>    | <b>\$ 516,648,473</b> | <b>\$ 509,229,225</b> | <b>\$ 55,163,275</b>     |
| <u>Liabilities:</u>              |                         |                       |                       |                          |
| Warrants payable                 | 1,635,739               | 1,314,840             | 1,635,739             | 1,314,840                |
| Accounts payable                 | 9,857                   | 28,305                | 9,857                 | 28,305                   |
| Due to other taxing units        | 20,190,676              | 421,340,466           | 414,222,886           | 27,308,256               |
| Due to other funds               | 259,942                 | 629,436               | 259,942               | 629,436                  |
| Due to others                    | 25,647,813              | 93,335,427            | 93,100,802            | 25,882,438               |
| <b>Total Liabilities</b>         | <b>\$ 47,744,027</b>    | <b>\$ 516,648,473</b> | <b>\$ 509,229,225</b> | <b>\$ 55,163,275</b>     |

# ***STATISTICAL SECTION***

*This page intentionally left blank*

**OKLAHOMA COUNTY, OKLAHOMA**  
**GENERAL GOVERNMENTAL EXPENDITURES BY FUNCTION**  
**(GENERAL, SPECIAL REVENUE, CAPITAL PROJECTS AND DEBT SERVICE FUNDS)**  
**LAST TEN FISCAL YEARS**  
(Unaudited)

| Fiscal Year | General Government | Public Safety | Health & Welfare | Culture & Recreation | Education  | Roads & Highways | Capital Outlay | Debt Service | Total         |
|-------------|--------------------|---------------|------------------|----------------------|------------|------------------|----------------|--------------|---------------|
| 2003 (1)    | \$ 36,135,736      | \$ 31,791,403 | \$ 3,351,464     | \$ 51,030            | \$ 361,849 | \$ 11,348,397    | \$ 14,493,477  | \$ 304,611   | \$ 97,837,967 |
| 2002        | 25,998,239         | 28,581,961    | 3,863,029        | 41,632               | 347,460    | 12,645,403       | 3,469,318      | 58,901       | 75,005,943    |
| 2001        | 24,527,583         | 28,749,059    | 3,724,043        | 44,472               | 339,016    | 12,601,631       | 9,600,020      | 167,857      | 79,753,681    |
| 2000        | 25,248,540         | 25,778,336    | 3,138,057        | 47,054               | 298,784    | 11,548,545       | 5,962,803      | 224,051      | 72,246,170    |
| 1999        | 20,813,242         | 24,862,282    | 1,614,717        | 47,229               | 273,406    | 9,814,393        | 7,435,114      | 611,046      | 65,471,429    |
| 1998        | 22,772,726         | 21,456,675    | 1,950,029        | 46,283               | 268,550    | 8,164,532        | 4,386,843      | 479,621      | 59,525,259    |
| 1997        | 22,708,946         | 18,346,198    | 2,195,470        | 41,826               | 270,582    | 7,385,167        | 2,504,013      | 461,950      | 53,914,152    |
| 1996        | 32,201,553         | 17,557,009    | 2,036,191        | 43,859               | 240,098    | 7,745,299        | 2,259,848      | 483,816      | 62,567,673    |
| 1995        | 29,516,811         | 17,635,408    | 7,948,775        | 46,291               | 230,596    | 8,688,471        | 1,930,159      | 519,261      | 66,515,772    |
| 1994        | 28,141,512         | 15,435,999    | 8,922,074        | 47,352               | 237,514    | 9,617,583        | 2,189,491      | 577,580      | 65,169,105    |

(1) The Employee Benefits, Worker's Compensation and Self Insurance funds expenditures previously reported in Internal Service Funds are presented as part of General Fund in 2003.

**OKLAHOMA COUNTY, OKLAHOMA**  
**GENERAL GOVERNMENTAL REVENUE BY SOURCE**  
**(GENERAL, SPECIAL REVENUE, CAPITAL PROJECTS AND DEBT SERVICE FUNDS)**  
**LAST TEN FISCAL YEARS**  
(Unaudited)

| Fiscal<br>Year | Property Taxes | Charges for<br>Services | Intergovernmental<br>Revenue | Interest     | Miscellaneous<br>Revenue | Total         |
|----------------|----------------|-------------------------|------------------------------|--------------|--------------------------|---------------|
| 2003 (1)       | \$ 40,477,124  | \$ 10,156,739           | \$ 30,956,220                | \$ 2,162,133 | \$ 3,098,733             | \$ 86,850,949 |
| 2002           | 38,170,435     | 8,155,398               | 30,145,318                   | 2,025,195    | 4,591,893                | 83,088,239    |
| 2001           | 36,975,353     | 6,223,959               | 29,162,187                   | 2,867,080    | 3,842,074                | 79,070,653    |
| 2000           | 31,804,322     | 5,324,624               | 28,833,040                   | 2,591,439    | 3,656,624                | 72,210,049    |
| 1999           | 29,101,822     | 7,023,335               | 23,545,887                   | 2,643,779    | 9,187,706                | 71,502,529    |
| 1998           | 27,871,559     | 6,419,086               | 22,005,338                   | 2,581,334    | 7,364,122                | 66,241,439    |
| 1997           | 26,606,104     | 5,496,248               | 16,777,628                   | 2,485,279    | 6,165,596                | 57,530,855    |
| 1996           | 25,040,586     | 13,847,655              | 18,034,979                   | 2,513,496    | 4,261,780                | 63,698,496    |
| 1995           | 29,249,557     | 13,353,686              | 18,871,991                   | 2,490,606    | 7,353,292                | 71,319,132    |
| 1994           | 28,863,530     | 4,578,922               | 23,396,571                   | 1,519,276    | 12,347,824               | 70,706,123    |

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

| <u>Fiscal Year</u> | <u>Total Tax Levy</u> | <u>Current Tax Collections</u> | <u>Percent of Current Taxes Collected</u> | <u>Delinquent Tax Collections</u> | <u>Total Tax Collections</u> | <u>Total Tax Collections to Total Tax Levy</u> | <u>Outstanding Delinquent Taxes</u> | <u>Delinquent Taxes to Total Tax Levy</u> |
|--------------------|-----------------------|--------------------------------|---|-----------------------------------|------------------------------|--|-------------------------------------|---|
| 2002-03            | \$ 36,906,787         | \$ 34,425,761                  | 93.3%                                     | \$1,356,171                       | \$35,781,933                 | 97.0%  | 3,437,028                           | 9.3%                                      |
| 2001-02            | 35,033,297            | 33,487,253                     | 95.6%                                     | 1,193,074                         | 34,680,327                   | 99.0%  | 3,408,658                           | 9.7%                                      |
| 2000-01            | 32,590,569            | 31,444,234                     | 96.5%                                     | 481,657                           | 31,925,891                   | 98.0%  | 3,135,948                           | 9.6%                                      |
| 1999-00            | 30,561,831            | 27,951,730                     | 91.5%                                     | 1,048,849                         | 29,000,579                   | 94.9%  | 2,610,101                           | 8.5%                                      |
| 1998-99            | 28,439,301            | 27,117,365                     | 95.4%                                     | 927,706                           | 28,045,071                   | 98.6%  | 2,574,667                           | 9.1%                                      |
| 1997-98            | 27,725,990            | 26,721,587                     | 96.4%                                     | 702,026                           | 27,423,613                   | 98.9%  | 2,117,253                           | 7.6%                                      |
| 1996-97            | 26,098,362            | 25,222,645                     | 96.6%                                     | 713,523                           | 25,936,168                   | 99.4%  | 2,053,816                           | 7.9%                                      |
| 1995-96            | 24,834,417            | 24,017,778                     | 96.7%                                     | 690,039                           | 24,707,817                   | 99.5%  | 2,082,282                           | 8.4%                                      |
| 1994-95            | 23,303,997            | 22,507,934                     | 96.6%                                     | 780,292                           | 23,288,226                   | 99.9%  | 2,161,153                           | 9.3%                                      |
| 1993-94            | 22,555,414            | 21,326,162                     | 94.6%                                     | 780,292                           | 22,106,454                   | 98.0%  | 2,387,969                           | 10.6%                                     |
| 1992-93            | 22,264,153            | 21,298,893                     | 95.7%                                     | 1,155,723                         | 22,454,616                   | 100.9%   | 2,778,881                           | 12.5%                                     |

<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**  
**ASSESSED AND ESTIMATED ACTUAL VALUE OF PROPERTY**  
**LAST TEN FISCAL YEARS**  
(Unaudited)

| <u>Fiscal Year</u> |     | <u>Personal</u> | <u>Public Service</u> | <u>Real Estate</u> | <u>Homestead Exemption</u> | <u>Net Value</u> | <u>Estimated Fair Market Value</u> |
|--------------------|-----|-----------------|-----------------------|--------------------|----------------------------|------------------|------------------------------------|
| 2002-03            | (1) | \$ 713,597,382  | \$ 377,520,561        | \$ 2,823,329,944   | \$ 133,464,433             | \$ 3,780,983,454 | \$ 31,202,615,742                  |
| 2001-02            | (2) | 627,131,835     | 384,453,928           | 2,499,983,759      | 129,997,665                | 3,381,571,857    | 27,851,182,353                     |
| 2000-01            | (2) | 609,685,689     | 318,026,002           | 2,341,357,421      | 129,322,641                | 3,139,746,471    | 27,443,276,491                     |
| 1999-00            | (2) | 568,833,168     | 304,158,103           | 2,188,716,442      | 128,710,566                | 2,932,997,147    | 25,408,278,347                     |
| 1998-99            | (2) | 559,391,821     | 263,032,612           | 2,044,908,350      | 129,457,166                | 2,737,875,617    | 23,451,426,655                     |
| 1997-98            | (2) | 548,355,507     | 272,446,662           | 1,934,616,756      | 126,729,737                | 2,628,689,188    | 21,282,408,660                     |
| 1996-97            | (2) | 505,881,862     | 264,349,493           | 1,844,439,429      | 123,389,243                | 2,614,670,784    | 20,174,794,666                     |
| 1995-96            | (2) | 566,456,882     | 248,348,411           | 1,763,525,812      | 123,701,916                | 2,578,331,105    | 19,770,733,120                     |
| 1994-95            | (2) | 532,546,983     | 234,184,617           | 1,642,994,860      | 123,805,465                | 2,285,920,995    | 18,386,003,876                     |
| 1993-94            | (2) | 511,344,985     | 228,113,335           | 1,590,673,160      | 123,282,802                | 2,206,848,678    | 17,747,186,724                     |

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

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

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

|  | <u>2002-03</u> | <u>2001-02</u> | <u>2000-01</u> | <u>1999-00</u> | <u>1998-99</u> | <u>1997-98</u> | <u>1996-97</u> | <u>1995-96</u> | <u>1994-95</u> | <u>1993-94</u> |
|--|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| <b>County</b>  |                |                |                |                |                |                |                |                |                |                |
| County General Fund  | 10.35          | 10.35          | 10.35          | 10.35          | 10.35          | 10.35          | 10.35          | 10.00          | 10.00          | 10.00          |
| County Sinking Fund  | 0.07           | 0.01           | 0.03           | 0.07           | 0.04           | 0.18           | 0.13           | 0.12           | 0.20           | 0.22           |
| City-County Health Dept  | 2.59           | 2.59           | 2.59           | 2.59           | 2.59           | 2.59           | 2.59           | 2.50           | 2.50           | 2.50           |
| Metro Library Commission   | 5.20           | 5.20           | 5.20           | 5.20           | 5.20           | 5.20           | 4.14           | 4.00           | 4.00           | 4.00           |
| <b>Total County-Wide Levies</b>  | <b>18.21</b>   | <b>18.15</b>   | <b>18.17</b>   | <b>18.21</b>   | <b>18.18</b>   | <b>18.32</b>   | <b>17.21</b>   | <b>16.62</b>   | <b>16.70</b>   | <b>16.72</b>   |
| <b>Cities and Towns</b>  |                |                |                |                |                |                |                |                |                |                |
| Bethany  | 6.15           | 6.98           | 7.76           | 8.46           | 12.14          | 10.36          | 14.79          | 15.82          | 13.91          | 4.59           |
| Choctaw  | 3.68           | 4.45           | 5.38           |                |                |                |                |                |                |                |
| Del City   | 8.56           | 12.60          | 11.47          | 8.59           | 13.62          | 24.07          | 23.83          | 19.99          | 22.74          | 30.45          |
| Midwest City   | 14.20          | 1.43           | 1.48           | 1.57           | 3.55           | 3.72           | 4.25           | 1.89           | 4.57           | 4.66           |
| Nichols Hills  | 26.25          | 28.75          | 31.90          | 33.35          | 33.14          | 32.00          | 23.46          | 22.82          | 32.90          | 32.13          |
| Oklahoma City  | 15.89          | 15.34          | 15.37          | 15.02          | 13.89          | 14.45          | 13.56          | 12.15          | 15.50          | 16.36          |
| Spencer  | 5.08           | 6.19           | 6.68           | 7.71           | 8.00           | 2.89           | 7.33           | 5.34           | 5.62           | 5.83           |
| <b>School Districts (includes County-wide school levy)</b>             |                |                |                |                |                |                |                |                |                |                |
| Oklahoma City 89   | 59.64          | 47.91          | 52.67          | 53.30          | 54.36          | 54.84          | 55.61          | 55.24          | 57.87          | 45.52          |
| Putnam City 1  | 56.29          | 56.68          | 60.97          | 60.42          | 60.93          | 60.45          | 61.38          | 58.97          | 59.80          | 59.24          |
| Luther 3   | 59.95          | 60.60          | 67.24          | 61.87          | 65.31          | 67.71          | 69.14          | 66.58          | 73.22          | 74.16          |
| Choctaw 4  | 60.58          | 64.34          | 66.38          | 64.69          | 66.52          | 66.79          | 66.95          | 62.36          | 65.71          | 54.71          |
| Deer Creek 6   | 76.31          | 76.51          | 77.79          | 80.97          | 80.65          | 78.51          | 78.93          | 76.04          | 74.29          | 70.61          |
| Harrah 7   | 59.45          | 60.74          | 68.58          | 67.17          | 67.39          | 65.07          | 66.97          | 66.10          | 67.13          | 69.51          |
| Jones 9  | 60.19          | 62.65          | 63.29          | 66.70          | 67.86          | 70.70          | 60.31          | 57.53          | 60.66          | 62.59          |
| Edmond 12  | 66.87          | 66.67          | 71.17          | 71.65          | 70.51          | 66.62          | 69.10          | 65.40          | 67.91          | 65.95          |
| Oakdale 29   | 64.12          | 54.26          | 71.73          | 72.60          | 71.47          | 76.02          | 71.34          | 58.42          | 65.78          | 47.52          |
| Millwood 37  | 65.92          | 69.83          | 75.24          | 76.59          | 79.01          | 79.99          | 73.03          | 77.85          | 77.27          | 73.69          |
| Western Heights 41   | 60.49          | 58.21          | 57.54          | 60.55          | 61.46          | 56.72          | 56.77          | 57.26          | 44.00          | 44.00          |
| Midwest City 52  | 60.00          | 62.63          | 66.49          | 67.59          | 67.71          | 62.68          | 65.56          | 64.45          | 65.86          | 63.51          |
| Crooked Oak 53   | 54.91          | 56.42          | 57.38          | 60.17          | 60.92          | 63.34          | 61.24          | 62.76          | 66.73          | 51.66          |
| Crutch 74  | 51.96          | 52.91          | 56.34          | 59.22          | 61.31          | 63.48          | 66.99          | 68.92          | 47.52          | 44.00          |
| Bethany 88   | 66.95          | 65.39          | 77.66          | 78.56          | 58.05          | 69.59          | 71.76          | 55.78          | 58.68          | 57.98          |
| <b>Vocational-Technical Schools (excludes County-wide school levy)</b> |                |                |                |                |                |                |                |                |                |                |
| Rose State College   | 16.66          | 16.78          | 16.90          | 17.17          | 17.25          | 17.52          | 17.72          | 15.27          | 15.10          | 14.00          |
| Okla City Comm College   | 5.08           | 5.08           | 5.08           | 5.08           | 5.08           | 5.08           | 5.08           | 5.00           | 5.00           | 5.00           |
| N W Ok Co Area V T 21  | 14.96          | 15.69          | 15.69          | 15.69          | 15.69          | 15.69          | 15.69          | 15.00          | 15.00          | 14.00          |
| Ok Cy Area VT 22   | 15.45          | 15.45          | 15.45          | 15.45          | 15.45          | 15.45          | 15.45          | 15.00          | 15.00          | 15.00          |
| V T Area 23  | 16.95          | 17.21          | 17.85          | 18.15          | 18.47          | 18.94          | 19.35          | 15.00          | 15.00          | 13.00          |
| Canadian 22 - Piedmont   | 66.14          | 67.28          | 65.74          | 71.58          | 59.83          | 62.33          | 68.94          | 54.72          | 53.76          | 55.25          |
| Canadian 69 - Mustang  | 67.14          | 67.53          | 69.54          | 63.12          | 59.69          | 57.74          | 59.87          | 53.42          | 59.79          | 59.54          |
| Canadian Vo Tech 6   | 15.72          | 15.72          | 15.72          | 15.72          | 15.72          | 15.72          | 15.72          | 15.00          | 15.00          | 15.00          |
| Cleveland 2 - Moore  | 58.66          | 56.98          | 59.34          | 61.06          | 61.74          | 56.70          | 56.52          | 57.64          | 56.66          | 57.83          |
| Cleveland Vo Tech 17   | 14.58          | 14.58          | 13.54          | 13.53          | 13.53          | 13.53          | 13.53          | 13.00          | 13.00          | 8.00           |
| Pottawatomie 1 - McCloud   | 55.99          | 56.84          | 58.56          | 63.46          | 64.28          | 66.04          | 67.16          | 50.84          | 61.78          | 35.00          |
| Pottawatomie V T 5   | 15.57          | 15.57          | 14.47          | 12.47          | 12.47          | 12.47          | 12.47          | 12.00          | 9.00           | 8.00           |

**OKLAHOMA COUNTY, OKLAHOMA  
PRINCIPAL TAXPAYERS  
JUNE 30, 2003  
(Unaudited)**

| <u>Taxpayer Name</u>                            | <u>Assessed Value</u>  | <u>Percentage<br/>of Total</u> |
|---|------------------------|--------------------------------|
| 1 Oklahoma Gas & Electric Company               | \$100,497,804          | 2.66%                          |
| 2 Southwestern Bell Telephone Company           | 79,789,285             | 2.11%                          |
| 3 Redbud Energy LP                              | 59,790,019             | 1.58%                          |
| 4 General Motors Corporation                    | 57,478,811             | 1.52%                          |
| 5 Oklahoma Natural Gas Company                  | 28,142,941             | 0.74%                          |
| 6 Cox Oklahoma Telecom LLC                      | 18,947,488             | 0.50%                          |
| 7 AT&T Communications Inc                       | 16,049,586             | 0.43%                          |
| 8 Midwest Cellular Telephone LP                 | 15,439,129             | 0.41%                          |
| 9 The Hertz Corporation                         | 14,426,461             | 0.38%                          |
| 10 OKC SMSA Southwestern Bell Wireless Services | 13,345,836             | 0.35%                          |
| All Other Taxpayers                             | <u>3,377,076,094</u>   | <u>89.32%</u>                  |
| Total   | <u>\$3,780,983,454</u> | <u>100.00%</u>                 |

**OKLAHOMA COUNTY, OKLAHOMA**  
**COMPUTATION OF LEGAL DEBT MARGIN**  
**JUNE 30, 2003**  
(Unaudited)

|  |                 |                                |
|--|-----------------|--------------------------------|
| Assessed valuations:                               |                 |                                |
| Assessed value                                     |                 | \$ 3,914,447,887               |
| Less: exempt real property                         |                 | <u>(133,464,433)</u>           |
| Total assessed value                               |                 | <u><u>\$ 3,780,983,454</u></u> |
| <br>   |                 |                                |
| Legal debt margin                                  |                 |                                |
| Debt limitation- 5 percent of total assessed value |                 | \$ 189,049,173                 |
| <br>   |                 |                                |
| General obligation bonds payable                   | \$20,000,000    |                                |
| Judgments payable                                  | 1,226,761       |                                |
| Less amount available in debt service fund         | <u>(46,926)</u> |                                |
| Total debt applicable to limitation                |                 | <u>21,179,835</u>              |
| <br>   |                 |                                |
| Legal Debt Margin                                  |                 | <u><u>\$ 167,869,338</u></u>   |

**OKLAHOMA COUNTY, OKLAHOMA**  
**RATIO OF NET GENERAL BONDED DEBT**  
**TO ASSESSED VALUE AND NET GENERAL OBLIGATION BONDED DEBT PER CAPITA**  
**LAST TEN FISCAL YEARS**  
(Unaudited)

| <u>Fiscal Year</u> | <u>Population</u> | <u>Net Assessed Value</u> | <u>Gross Bonded Debt</u> | <u>Less Debt Service Fund</u> | <u>Net Bonded Debt</u> | <u>Ratio of Net Bonded Debt to Assessed Value</u> | <u>Net Bonded Debt per Capita</u> |
|--------------------|-------------------|---------------------------|--------------------------|-------------------------------|------------------------|---|-----------------------------------|
| 2002-03            | 672,487           | \$ 3,780,983,454          | \$ 20,000,000            | \$ 46,926                     | 19,953,074             | 0.53%   | \$ 29.67                          |
| 2001-02            | 662,153           | 3,381,571,857             | -                        | 6,912                         | -                      | -   | -                                 |
| 2000-01            | 660,448           | 3,139,746,471             | -                        | 37,488                        | -                      | -   | -                                 |
| 1999-00            | 636,539           | 2,932,997,147             | -                        | 109,590                       | -                      | -   | -                                 |
| 1998-99            | 632,865           | 2,737,875,617             | -                        | 59,195                        | -                      | -   | -                                 |
| 1997-98            | 530,850           | 2,628,689,188             | 400,000                  | 550,181                       | -                      | -   | -                                 |
| 1996-97            | 627,298           | 2,614,670,784             | 800,000                  | 507,043                       | 292,957                | 0.01%   | 0.47                              |
| 1995-96            | 623,411           | 2,578,331,105             | 1,200,000                | 545,727                       | 654,273                | 0.03%   | 1.05                              |
| 1994-95            | 622,251           | 2,285,920,995             | 1,600,000                | 617,524                       | 982,476                | 0.04%   | 1.58                              |
| 1993-94            | 616,886           | 2,206,848,678             | 2,030,000                | 539,206                       | 1,490,794              | 0.07%   | 2.42                              |

**OKLAHOMA COUNTY, OKLAHOMA**  
**RATIO OF ANNUAL DEBT SERVICE EXPENDITURES**  
**FOR GENERAL OBLIGATION BONDED DEBT**  
**TO TOTAL GENERAL GOVERNMENTAL EXPENDITURES**  
**LAST TEN FISCAL YEARS**  
(Unaudited)

| Fiscal Year | Principal  | Interest  | Total Debt Service | Total General Governmental Expenditures | Ratio of Debt Service to General Governmental Expenditures |
|-------------|------------|-----------|--------------------|---|--|
| 2002-03 (1) | \$ 168,514 | \$ 45,130 | \$ 213,644         | \$ 97,837,967                           | 0.22%  |
| 2001-02     | 50,000     | 8,901     | 58,901             | 75,005,943                              | 0.08%  |
| 2000-01     | 152,660    | 15,197    | 167,857            | 79,753,681                              | 0.21%  |
| 1999-00     | 188,488    | 35,563    | 224,051            | 72,246,170                              | 0.31%  |
| 1998-99     | 551,821    | 59,225    | 611,046            | 65,621,429                              | 0.93%  |
| 1997-98     | 447,639    | 31,982    | 479,621            | 59,775,259                              | 0.80%  |
| 1996-97     | 411,811    | 50,139    | 461,950            | 54,247,485                              | 0.85%  |
| 1995-96     | 411,811    | 72,005    | 483,816            | 63,067,673                              | 0.77%  |
| 1994-95     | 430,000    | 89,261    | 519,261            | 68,315,772                              | 0.76%  |
| 1993-94     | 465,000    | 112,580   | 577,580            | 67,269,105                              | 0.86%  |

(1) Excludes \$90,967 of bond issuance costs reported as debt service expenditures.

**OKLAHOMA COUNTY, OKLAHOMA**  
**COMPUTATION OF DIRECT AND OVERLAPPING BONDED DEBT**  
**GENERAL OBLIGATION BONDS**  
**JUNE 30, 2003**  
(Unaudited)

|                                    | Net General<br>Obligation Bond<br>Debt Outstanding | Percent Applicable<br>to Oklahoma<br>County | Amount Applicable to<br>Oklahoma County |
|------------------------------------|--|---|---|
| <b>Oklahoma County</b>             | \$20,000,000                                       | 100.0%                                      | \$20,000,000                            |
| <b>CITIES</b>                      |  |   |   |
| Bethany                            | 400,000  | 100.0%                                      | 400,000                                 |
| Choctaw                            | 990,000  | 100.0%                                      | 990,000                                 |
| Del City                           | 6,185,000  | 100.0%                                      | 6,185,000                               |
| Midwest City                       | 15,675,000   | 100.0%                                      | 15,675,000                              |
| Nichols Hills                      | 12,570,000   | 100.0%                                      | 12,570,000                              |
| Oklahoma City                      | 350,780,000  | 86.2%                                       | 302,372,360                             |
| Spencer                            | 110,000  | 100.0%                                      | 110,000                                 |
| <b>SCHOOL DISTRICTS</b>            |  |   |   |
| Oklahoma City                      | 121,940,000  | 100.00%                                     | 121,940,000                             |
| Putnam City                        | 32,725,000   | 100.0%                                      | 32,725,000                              |
| Luther                             | 1,010,000  | 96.7%                                       | 976,670                                 |
| Choctaw                            | 4,755,000  | 100.0%                                      | 4,755,000                               |
| Deer Creek                         | 7,400,000  | 85.5%                                       | 6,327,000                               |
| Harrah                             | 3,645,000  | 91.3%                                       | 3,327,885                               |
| Jones                              | 675,000  | 100.0%                                      | 675,000                                 |
| Edmond                             | 60,400,000   | 97.0%                                       | 58,588,000                              |
| Oakdale                            | 2,645,000  | 100.0%                                      | 2,645,000                               |
| Millwood                           | 1,700,000  | 100.0%                                      | 1,700,000                               |
| Western Heights                    | 12,255,000   | 100.0%                                      | 12,255,000                              |
| Mid-Del                            | 22,255,000   | 98.0%                                       | 21,809,900                              |
| Crooked Oak                        | 2,420,000  | 100.0%                                      | 2,420,000                               |
| Crutch                             | 445,000  | 100.0%                                      | 445,000                                 |
| Bethany                            | 455,000  | 100.0%                                      | 455,000                                 |
| Eastern Oklahoma County Votech #23 | 650,000  | 96.8%                                       | 629,200                                 |
| Rose State College                 | 1,290,000  | 98.3%                                       | 1,268,070                               |
| Piedmont (Canadian County)         | 3,525,000  | 21.6%                                       | 761,400                                 |
| Mustang (Canadian County)          | 19,725,000   | 2.2%  | 433,950                                 |
| Moore (Cleveland County)           | 27,110,000   | 10.4%                                       | 2,819,440                               |
| McCloud (Pottawatomie County)      | 1,155,000  | 16.1%                                       | 185,955                                 |
| <b>TOTAL</b>                       | <b>\$734,890,000</b>                               | <b>86.5%</b>                                | <b>\$635,444,830</b>                    |

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

| Fiscal<br>Year | Population <sup>1</sup> | Per Capita<br>Income <sup>2</sup> | Unemployment<br>Rate <sup>3</sup> | School<br>Average<br>Daily<br>Attendance <sup>4</sup> |
|----------------|-------------------------|-----------------------------------|-----------------------------------|---|
| 2002-03        | 672,487                 | \$29,316                          | 5.9%                              | 100,924   |
| 2001-02        | 662,153                 | \$27,263                          | 4.1%                              | 99,866  |
| 2000-01        | 660,448                 | \$26,297                          | 2.6%                              | 98,844  |
| 1999-00        | 636,539                 | \$25,354                          | 2.7%                              | 99,420  |
| 1998-99        | 632,865                 | \$23,962                          | 3.9%                              | 98,675  |
| 1997-98        | 630,865                 | \$23,348                          | 3.5%                              | 98,461  |
| 1996-97        | 627,298                 | \$22,616                          | 3.6%                              | 98,892  |
| 1995-96        | 623,411                 | \$21,610                          | 4.0%                              | 97,506  |
| 1994-95        | 622,251                 | \$20,869                          | 5.0%                              | 96,544  |
| 1993-94        | 616,886                 | \$20,086                          | 5.5%                              | 95,908  |

<sup>1</sup> U.S. Bureau of the Census; FY 2000-01 reflects 2000 Census; FY 2001-2002 reflect U.S. Bureau of the Census County Population Estimates

<sup>2</sup> U.S. Department of Commerce, Bureau of Economic Analysis; Local Area Personal Income

<sup>3</sup> U.S. Department of Labor, Bureau of Labor Statistics; Local Area Unemployment Statistics

<sup>4</sup> State of Oklahoma Department of Education, State Aid Section

**OKLAHOMA COUNTY, OKLAHOMA**  
**BUILDING PERMITS, CONSTRUCTION VALUE AND BANK DEPOSITS**  
**LAST TEN FISCAL YEARS**  
(Unaudited)

| Fiscal Year <sup>2</sup> | <u>Residential Construction</u> <sup>1</sup> |                   | <u>Non-Residential Construction</u> <sup>1</sup> |                   | Bank Deposits <sup>3</sup> |
|--------------------------|--|-------------------|--|-------------------|----------------------------|
|                          | Number of Permits                            | Construction Cost | Number of Permits                                | Construction Cost |                            |
| 2002-03                  | 4,135  | \$ 749,170,000    | 179  | \$ 426,232,000    | \$ 10,143,000,000          |
| 2001-02                  | 3,422  | 603,790,000       | 319  | 1,057,537,000     | 9,010,034,000              |
| 2000-01                  | 3,042  | 539,373,000       | 358  | 520,913,000       | 8,378,764,000              |
| 1999-00                  | 3,848  | 615,507,000       | 372  | 433,171,000       | 8,325,306,000              |
| 1998-99                  | 3,481  | 579,623,000       | 533  | 506,727,000       | 8,669,261,000              |
| 1997-98                  | 2,845  | 434,566,000       | 526  | 349,797,000       | 8,130,392,000              |
| 1996-97                  | 3,067  | 469,407,000       | 392  | 239,770,000       | 8,047,200,000              |
| 1995-96                  | 2,585  | 379,022,000       | 506  | 304,563,000       | 7,516,434,000              |
| 1994-95                  | 2,751  | 396,763,000       | 465  | 253,105,000       | 7,221,989,000              |
| 1993-94                  | 2,702  | 361,255,000       | 392  | 228,383,000       | 6,963,886,000              |

<sup>1</sup> F.W. Dodge Corporation Building Statistics

<sup>2</sup> Construction information is reported on a calendar year basis; bank deposit information is reported on a fiscal year basis.

<sup>3</sup> Federal Deposit Insurance Corporation (FDIC); Summary of Deposits for all FDIC Insured Institutions in Oklahoma County.