

Oklahoma City, Oklahoma

Comprehensive Annual Financial Report

For the Fiscal Year Ended June 30, 2014



The City of
OKLAHOMA CITY

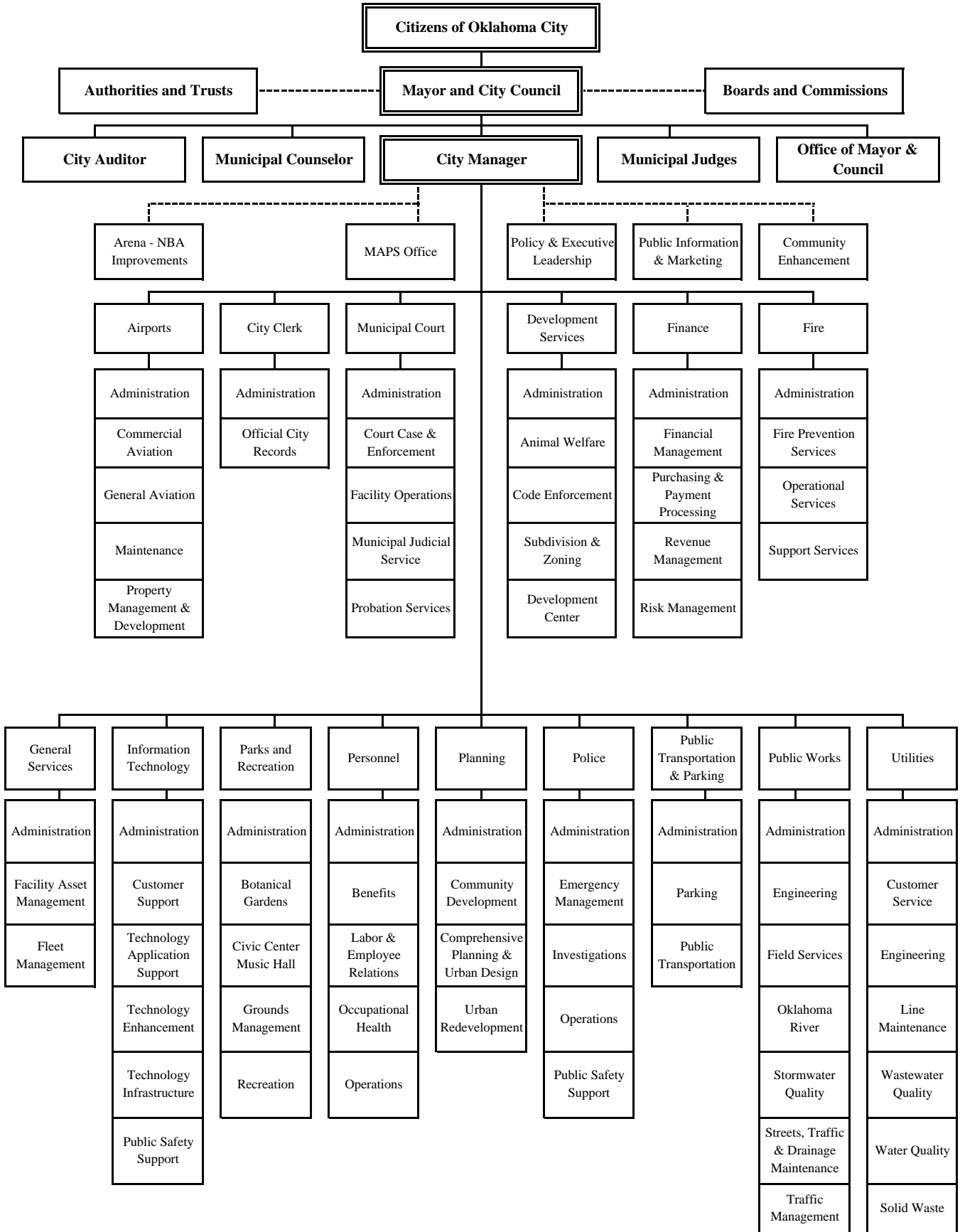
Prepared by the Finance Department, Accounting Services Division
Laura L. Papas, Controller

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City of Oklahoma City Organization Chart





The City of **OKLAHOMA CITY**

December 12, 2014

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

The City of Oklahoma City (City) fiscal year 2014 Comprehensive Annual Financial Report (CAFR) provides a comprehensive overview of the City's financial position and the results of operations for the past fiscal year. It complies with the City Charter and Oklahoma Statutes requiring an annual independent audit and submission of the report within six months of the close of the fiscal year to the State Auditor and Inspector.

The CAFR was prepared using accounting principles generally accepted in the United States (U.S. GAAP). It is fairly stated in all material respects based on a comprehensive framework of internal controls discussed in more detail later in this letter. Responsibility for the accuracy of the data, and the completeness and fairness of the presentation, including all disclosures, rests with the City. City management's narrative on the financial activities of the City for the fiscal year ended June 30, 2014, is expanded in the Management's Discussion and Analysis (MD&A) section of this report, immediately following the Independent Auditor's Report on Financial Statements and Supplementary Information. This letter of transmittal is written to convey the CAFR to its intended users and provide information about the City that is useful in assessing the City's general economic condition and to recognize contributors to the CAFR. As such, it should be read from that perspective and in conjunction with all other sections of the CAFR.

Financial Reporting Entity

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

Independent Audit

The City engaged BKD, LLP to express opinions on the financial statements based on their audit. The goal of the independent audit is to provide reasonable assurance that the financial statements are free of material misstatement. The audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. The auditor's examination encompassed the basic financial statements, as well as combining and individual fund statements and schedules for the fiscal year ended June 30, 2014. The independent auditor's report is presented as the first component of the financial section of this report. BKD, LLP also audited the City's federal financial assistance programs, complying with the provisions of the Single Audit Act. The City's Single Audit Report can be obtained from the City's Finance Department, Accounting Services Division, at 100 N. Walker Avenue, 3rd Floor, Oklahoma City, Oklahoma 73102.

Profile of Oklahoma City

Oklahoma City was settled in a single day as a result of the "Land Run of 1889". Today, Oklahoma City is the state capital and Oklahoma's largest city with a population of approximately 611 thousand residents. Historically, the City has pursued a policy of annexation, and at 621 square miles, is one of the largest cities in land area in the United States. Oklahoma City encompasses portions of four counties and is centrally located in the state. It is a regional center for education, energy, agribusiness, transportation, financial services, health care, wholesale and retail trade, and manufacturing.

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

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

Factors Affecting Financial Condition

Economic Outlook

The current economic environment and the economic outlook for Oklahoma City continue to remain very positive. The cost of living rating is consistently below the national average; and the City has a strong industry presence; low commuting times; convenient airline travel; quality education, entertainment and sports opportunities; favorable weather; and a central location within the State of Oklahoma. Oklahoma City continues to receive numerous top accolades for metropolitan cities in the United States including Forbes 2014 ranking of Oklahoma City as the 7th Best Place for Business and Careers. This rating was based on a dozen factors related to jobs, costs of business and living, income growth, quality of life, and the education of the workforce. These factors promise an immediate and sustainable economic growth outlook for the next several years.

In a report prepared by The Steven C. Agee Economic Research & Policy Institute of Oklahoma City University, dated February 4, 2014 and entitled "Greater Oklahoma City Economic Forecast", the Institute reported that the U.S. economy will carry positive economic momentum in 2014 and in future years will support the continued economic growth in Oklahoma City. However, the Institute cites that cities who have had a low unemployment rate for an extended period of time, such as Oklahoma City, can face some unique challenges in the areas of talent recruitment and wages. Since November of 2013, Oklahoma City has experienced the lowest unemployment rate among cities with more than 1 million in population for 26 of the past 35 months. The unemployment rate is expected to trend down to 4.5% by the end of 2014 and 4.11% by the end of 2015. Additionally, for the 6th straight year, it has remained 2 percentage points below the nation's unemployment rate. The Institute reported that recent employment and earnings growth should result in positive sales tax momentum with a general projection of 4% to 6% annual growth in sales tax revenues for calendar years 2014 and 2015 depending on the national economy. Average weekly earnings, a key driver of sales tax growth, is expected to grow 5.1 percent in fiscal year 2015. Without any significant changes in the national economy, overall job growth is expected to be around 3.0 percent for fiscal year 2015.

Fiscal year 2014, in terms of sales tax revenue growth, substantiates this positive outlook for fiscal year 2015. The first three quarters of fiscal year 2014 saw growth of less than 1.0 percent. The final quarter of the year saw growth of 8.4%. For the year, sales tax revenue grew at 2.7%. This strong performance at the end of the year, coupled with better than expected performance in several other revenue categories allowed for increases in several programs for fiscal year 2015. Budgeted expenditures for fiscal year 2015 also were based on the positive projected economic growth.

Additionally, Chris Tatham, president of ETC Institute presented the results of a citizen satisfaction survey on July 18, 2014. Of the residents surveyed, 84% rated Oklahoma City as an excellent or good place to live, 78% as a good place to work, and 77% as a good place to raise children. Overall, Oklahoma City residents have a very positive perception of the City and think the City is moving in the right direction. Among the largest U.S. cities, Oklahoma City is 18% above the national average in overall satisfaction with City services.

Any economic outlook is predicated on sustainable factors. The City Council has a continuing priority to its citizens to fulfill the promises made to them with regard to completing the projects established in voter initiatives to invest in the City. In addition, the City Council is focused on pursuing a financial model that provides adequate resources to meet the expectations for services as Oklahoma City grows and maintaining strong financial management that is evidenced by the highest possible rating of the City's general obligation bonds by both Moody's and Standard and Poor's.

Long-term Financial Planning and Major Initiatives

Financial planning for the City is a dynamic interactive effort of the community, small and large business and industry, social and cultural service organizations, and municipal government. These dynamics are best demonstrated by the willingness of the City citizens to tax themselves to support both City services and long-term capital investment. In December, 2009 the citizens voted to enact a one cent sales tax for capital improvements for a better quality of life in Oklahoma City. The tax is designated for construction and renovation of multiple capital projects throughout the City and will be collected until December 2017. It is expected to generate \$777 million for these projects. General obligation bonds are funded through property taxes. In December 2007, the citizens voted to approve \$760.5 million in general obligation bond propositions for improvement to the City’s infrastructure and \$75 million for economic development incentives. Of this bond authorization, the City has issued \$412.7 million for infrastructure improvement and \$51.0 million for economic development incentives.

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

In addition, the City coordinates public improvements of all City related entities through adoption of a Capital Improvement Plan (CIP). The goal of the City is to improve service to the community by adopting a CIP that is compatible with the City's financial condition and will fund capital improvements at a realistic and achievable level. The CIP consists of a general five-year plan of capital expenditures for all City and public trust projects. The CIP is prepared fully every two years and amended, as necessary, in other years. The amendment process ensures continuity in projects and funding. The CIP is available from the City's Finance Department, Office of Management and Budget.

The fiscal year 2013-2017 CIP, approved by Council in October, 2012, lists projects to be implemented or continued during the years of the CIP. The City's 2013 and 2014 expenditures and 2015 capital budget by function are summarized in the following table (dollars are in thousands).

	2013 CIP Project <u>Expenditures</u>	2014 CIP Project <u>Expenditures</u>	2015 CIP <u>Budget (1)</u>
General government	\$8,903	\$7,103	\$27,914
Public safety	6,874	26,128	78,959
Public services (includes infrastructure)	182,349	190,993	311,491
Culture and recreation	72,275	56,448	238,931
Education	<u>80,646</u>	<u>31,999</u>	<u>6,392</u>
	<u>\$351,047</u>	<u>\$312,671</u>	<u>\$663,687</u>

(1) The CIP budget reflects total project estimates, including significant multi-year projects, and may not be comparable to expenditures in any one year.

Accountability and Budgetary Controls

The City’s management has established a comprehensive internal control framework designed to provide sufficient reliable information for the preparation of the City’s financial statements in conformity with U.S. GAAP. Since the cost of internal controls should not outweigh their benefits, the City’s internal controls are designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement.

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

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

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

Duties of the City Auditor and staff include: internal audits of City financial records, reports, and procedures; property and equipment inventories; accounting internal controls; concessionaires, agreements, and contracts relating to City revenues; performance auditing; and special projects and investigations. The City Auditor is appointed by the City Council and is directly responsible to the Council. The City Auditor's Office is independent of City management.

The City also maintains budgetary controls to ensure compliance with the legal level of control in the annual budget. The City Council approves annually appropriated budgets for the General Fund, budgeted special revenue funds, the Debt Service Fund, and certain portions of proprietary fund operations. The level of budgetary control within the fund is by department and expenditure category. For additional information on City budgetary practices, see the notes to the financial statements related to budgetary information.

Financial Policies

The City's financial policies are shaped by State law and established by the City Council. Financial policies include budgeting and financial planning, capital planning, revenue, investment, debt management, procurement, accounting and auditing. Full descriptions of these policies are available in the City's annual budget publication which can be obtained from the City's Finance Department, Office of Management and Budget, and from the City's website at www.okc.gov. As part of the City's annual budget process, compliance with established policies is reviewed. A compliance report is provided annually to the City Council. The City's fiscal year 2013 annual budget was awarded the Government Finance Officers Association of the United States and Canada (GFOA) Distinguished Budget Presentation Award. This is the 23rd consecutive year the City has submitted and been awarded this honor.

Other Significant Matters

Supplemental Disclosure – Outstanding Bonded Debt

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

Certificate of Achievement for Excellence in Financial Reporting

The GFOA awarded a Certificate of Achievement for Excellence in Financial Reporting to the City for its CAFR for the fiscal year ended June 30, 2013. This was the 31st consecutive year that the City has achieved this prestigious award.

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

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

Acknowledgements

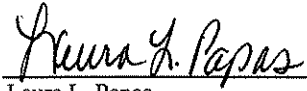
The dedicated work of the entire Finance Department, Accounting Services Division staff made possible the preparation of the City's CAFR. Other accountants and administrators at various sites throughout the City provided additional valuable help. The City also acknowledges our professional independent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



James D. Couch
City Manager



Craig Freeman
Finance Director



Laura L. Papas
Controller

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SELECTED CITY OFFICIALS
MAYOR AND COUNCIL

Mick Cornett	Mayor
James Greiner	Ward 1
Ed Shadid	Ward 2
Larry McAtee	Ward 3
Pete White	Ward 4
David Greenwell	Ward 5
Margaret S. "Meg" Salyer	Ward 6
John A. Pettis Jr.	Ward 7
Patrick J. Ryan	Ward 8

CITY MANAGER AND
DEPARTMENT HEADS

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

SELECTED MANAGERS

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



Government Finance Officers Association

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

Presented to

**The City of Oklahoma City
Oklahoma**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2013

Executive Director/CEO

Independent Auditor's Report on Financial Statements and Supplementary Information

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

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund and the aggregate remaining fund information of the City of Oklahoma City, Oklahoma (the City), as of and for the year ended June 30, 2014, and the related notes to the basic financial statements, which collectively comprise the City's basic financial statements listed in the table of contents. We also have audited the basic financial statements of each of the City's nonmajor governmental, nonmajor enterprise, internal service and fiduciary funds and the discretely presented component units presented as supplementary information, as defined by the Governmental Accounting Standards Board, in the accompanying combining and individual fund statements and schedules as of and for the year ended June 30, 2014, as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of The Combined Operations of the Cox Convention Center and the Chesapeake Energy Arena, as managed by SMG, an agent operating these facilities, which is presented within the Oklahoma City Public Property Authority (OCPPA) General Purpose Fund. The financial statements of SMG comprise 49% and .35% of the total assets and 75% and 10% revenues of OCPPA General Purpose Fund and program revenues of the governmental activities, respectively. Those statements were audited by other auditors, whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for The Combined Operations of the Cox Convention Center and the Chesapeake Energy Arena, as managed by SMG, is based solely on the report of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. The financial statements of The Combined Operations of The Cox Convention Center and The Chesapeake Energy Arena as Managed by SMG, which are included in the OCPPA General Purpose Fund, were not audited in accordance with *Government Auditing Standards*.

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

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

Opinions

In our opinion, based on our audit and the report of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund and the aggregate remaining fund information of the City as of June 30, 2014, and the respective changes in financial position and where applicable, cash flows thereof and general fund budgetary comparisons for the year then ended in accordance with accounting principles generally accepted in the United States of America. In addition, in our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of each nonmajor governmental, nonmajor enterprise, internal service and fiduciary funds and the discretely presented component units of the City as listed in the table of contents, as of June 30, 2014, and the respective changes in its financial position and where applicable, cash flows thereof and budgetary comparisons for the nonmajor governmental funds for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in *Note IV. A* to the financial statements, the 2013 financial statements have been restated to correct misstatements. Our opinions are not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, pension and other postemployment benefit information listed in the table of contents be presented to supplement the basic financial statements. Such information, although not part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements and other knowledge we obtained during our audits of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance; however, we noted the 2013 balances presented in the management's discussion and analysis do not reflect all the prior period adjustments disclosed in *Note IV. A*.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The accompanying other supplementary information as listed in the table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, based on our audit, the procedures performed as described above, and the report of the other auditors, the information is fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Information

Our audit was conducted for the purpose of forming opinions on the basic financial statements as a whole. The introductory and statistical sections listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 12, 2014, on our consideration of the City's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

BKD, LLP

Oklahoma City, Oklahoma
December 12, 2014

MANAGEMENT'S DISCUSSION AND ANALYSIS

Within this section of the City of Oklahoma City (City) annual financial report, the City's management provides narrative discussion and analysis of the financial activities of the City for the fiscal year ended June 30, 2014. The City's financial performance is discussed and analyzed within the context of the accompanying financial statements and disclosure following this section. Additional information is available in the transmittal letter that precedes this discussion and analysis. The discussion focuses on the City's primary government and, unless otherwise noted, component units reported separately from the primary government are not included. Dollars are reported in thousands, except as indicated.

Financial Summary

- The City's assets exceeded its liabilities by \$2,137,382 (net position) for 2014. This compares to the previous year when assets exceeded liabilities by \$2,024,920.
- Total liabilities of the City increased by \$108,149 to \$1,188,467 during the fiscal year. General obligation bonds issued for capital improvements and economic development during the fiscal year were \$107,185. General obligation bonds repaid during the year were \$43,070. Revenue bonds repaid during the year were \$4,395.
- Total net position is comprised of the following:
 - (1) Net investment in capital assets of \$1,241,100 include property and equipment, net of accumulated depreciation, and reduced for outstanding debt related to the purchase or construction of capital assets.
 - (2) Net position of \$745,500 is restricted by constraints imposed from outside the City such as debt covenants, grantors, laws, or regulations.
 - (3) Unrestricted net position is \$150,782 compared to unrestricted net position of \$159,821 last year.
- The City's governmental funds reported total ending fund balance of \$991,365 this year. This compares to the prior year ending fund balance of \$858,759 showing an increase of \$132,606 during the current year. Unassigned fund balance is \$105,639 for fiscal year 2014.
- At the end of the current fiscal year, unassigned fund balance for the General Fund was \$120,480 or 29.0% of total General Fund expenditures including transfers and 29.5% of total General Fund revenues including transfers.

Overview of the Financial Statements

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

Government-wide Financial Statements

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

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

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

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

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

Fund Financial Statements

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

Governmental funds

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

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

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

Proprietary funds

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

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

Fiduciary funds

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

Notes to the Financial Statements

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

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the City's progress in funding its obligation to provide pension benefits and OPEB to its employees. Other supplementary information includes detail for long-term debt supporting general government services and information by fund and component unit for capital assets, receivables, payables, transfers, and payments within the reporting entity.

Major funds and component units are reported in the basic financial statements as discussed. Combining and individual statements and schedules for non-major, internal service, and fiduciary funds are presented in a subsequent section of this report.

Statistical data is presented to provide trend information, revenue and debt capacity and other information helpful in analyzing the financial health of the City.

Financial Analysis of the City as a Whole

The City's net position at June 30, 2014 is \$2,137,382. This is a \$112,944 increase over June 30, 2013 net position, as restated, of \$2,024,438. Net position increased \$105,429 for governmental activities and \$7,515 for business-type activities. The City's overall financial position improved during fiscal year 2014. On the summary of changes in net position below, 2013 program expenses have been reclassified between functions to correct a prior year misclassification. The 2013 financial statements were not restated for the prior period adjustment of \$482 to the 2014 beginning net position.

	Summary of Net Position						Amount of Change	% Change
	Governmental Activities		Business-type Activities		Totals			
	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>		
Assets								
Current assets	\$1,179,209	\$1,018,879	\$53,137	\$49,983	\$1,232,346	\$1,068,862	\$163,484	15.3%
Capital assets, net	1,584,262	1,533,018	466,367	463,247	2,050,629	1,996,265	54,364	2.7
Other non-current assets	<u>25,534</u>	<u>25,209</u>	<u>11,460</u>	<u>8,100</u>	<u>36,994</u>	<u>33,309</u>	<u>3,685</u>	11.1
Total assets	<u>2,789,005</u>	<u>2,577,106</u>	<u>530,964</u>	<u>521,330</u>	<u>3,319,969</u>	<u>3,098,436</u>	<u>221,533</u>	7.1
Deferred outflows of resources	<u>5,708</u>	<u>6,596</u>	<u>172</u>	<u>206</u>	<u>5,880</u>	<u>6,802</u>	<u>(922)</u>	(13.6)
Liabilities								
Current liabilities	175,189	151,361	32,030	29,034	207,219	180,395	26,824	14.9
Non-current liabilities	<u>858,018</u>	<u>775,782</u>	<u>123,230</u>	<u>124,141</u>	<u>981,248</u>	<u>899,923</u>	<u>81,325</u>	9.0
Total liabilities	<u>1,033,207</u>	<u>927,143</u>	<u>155,260</u>	<u>153,175</u>	<u>1,188,467</u>	<u>1,080,318</u>	<u>108,149</u>	10.0
Net position								
Net investment								
in capital assets	864,518	888,639	376,582	373,819	1,241,100	1,262,458	(21,358)	(1.7)
Restricted	740,776	598,236	4,724	4,405	745,500	602,641	142,859	23.7
Unrestricted (deficit)	<u>156,212</u>	<u>169,684</u>	<u>(5,430)</u>	<u>(9,863)</u>	<u>150,782</u>	<u>159,821</u>	<u>(9,039)</u>	(5.7)
Total net position	<u>\$1,761,506</u>	<u>\$1,656,559</u>	<u>\$375,876</u>	<u>\$368,361</u>	<u>\$2,137,382</u>	<u>\$2,024,920</u>	<u>\$112,462</u>	5.6

Total assets increased 7.1% or \$221,533 during the year. Current assets in governmental activities increased \$160,330 related primarily to increases in cash and investments of \$150,211 including an increase in restricted investments of \$114,059 from the issuance of general obligation bonds. Sales and use taxes receivable increased \$4,121 in relation to increased tax revenues and other accounts receivable increased \$5,802 mainly due to the identification and recording of nuisance abatement receivables of \$1,989 and an increase in insurance recoveries receivable for flooding and water damage of \$2,798 in the Oklahoma City Municipal Facilities Authority (OCMFA). Current assets in business-type activities increased \$3,154 related to increases in cash and investments of \$5,836, offset by a decrease in inventories of \$1,860 due to adjustments for items duplicated in inventory and capital assets. Capital assets increased by \$54,364 for capital construction and purchases of \$170,179, offset by depreciation of \$110,416 and retirements of \$5,399. Non-current assets increased \$3,685 primarily in business-type activities related to increased amounts receivable from component units for cost reimbursement payments due from the Oklahoma City Water Utilities Trust (OCWUT) and the Oklahoma City Airport Trust (OCAT).

Total liabilities increased 10.0% or \$108,149 during the year. Of this change, accounts payable increased \$8,137 and \$2,983 in governmental and business-type activities, respectively, related to the timing of vendor payments. Unearned revenue in governmental activities increased \$4,455 primarily related to sponsorships for the Softball Hall of Fame, donations for library improvements not yet complete, advance event sales, and unearned lease revenues. Bonds payable increased \$67,315 in governmental activities related to bond issuances of \$107,185, offset by scheduled debt service and decreased \$4,554 in business-type activities related to scheduled debt service.

	Summary of Changes in Net Position						Amount of Change	% Change
	Governmental Activities		Business-type Activities		Totals			
	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>		
Revenues								
Program revenues								
Charges for services	\$85,957	\$81,833	\$168,456	\$160,019	\$254,413	\$241,852	\$12,561	5.2%
Operating grants and contributions	64,019	65,711	19,592	20,608	83,611	86,319	(2,708)	(3.1)
Capital grants and contributions	13,114	64,783	13,715	9,364	26,829	74,147	(47,318)	(63.8)
General revenues								
Sales taxes	415,780	400,323	-	-	415,780	400,323	15,457	3.9
Use taxes	49,923	45,406	-	-	49,923	45,406	4,517	9.9
Property taxes	79,153	76,756	-	-	79,153	76,756	2,397	3.1
Franchise taxes (fees)	43,641	42,109	-	-	43,641	42,109	1,532	3.6
Other taxes	24,395	24,128	-	-	24,395	24,128	267	1.1
Other	<u>10,731</u>	<u>9,058</u>	<u>274</u>	<u>153</u>	<u>11,005</u>	<u>9,211</u>	<u>1,794</u>	19.5
Total revenues	<u>786,713</u>	<u>810,107</u>	<u>202,037</u>	<u>190,144</u>	<u>988,750</u>	<u>1,000,251</u>	<u>(11,501)</u>	(1.1)
Expenses								
General government	40,258	39,522	-	-	40,258	39,522	736	1.9
Public safety	352,844	344,914	-	-	352,844	344,914	7,930	2.3
Public services	153,260	142,062	-	-	153,260	142,062	11,198	7.9
Culture and recreation	85,197	83,826	-	-	85,197	83,826	1,371	1.6
Education	1,543	2,059	-	-	1,543	2,059	(516)	(25.1)
Economic development	3,382	1,271	-	-	3,382	1,271	2,111	166.1
Interest on long-term debt	22,608	22,389	-	-	22,608	22,389	219	1.0
Airports	-	-	16,503	16,204	16,503	16,204	299	1.8
Water and wastewater utilities	-	-	94,257	92,007	94,257	92,007	2,250	2.4
Solid waste management	-	-	40,705	39,147	40,705	39,147	1,558	4.0
Stormwater drainage	-	-	18,725	17,409	18,725	17,409	1,316	7.6
Golf courses	-	-	9,901	10,956	9,901	10,956	(1,055)	(9.6)
Fairgrounds	-	-	10,325	9,873	10,325	9,873	452	4.6
Ground transportation and parking	-	-	4,769	4,892	4,769	4,892	(123)	(2.5)
Zoo operations	<u>-</u>	<u>-</u>	<u>21,529</u>	<u>20,522</u>	<u>21,529</u>	<u>20,522</u>	<u>1,007</u>	4.9
Total expenses	<u>659,092</u>	<u>636,043</u>	<u>216,714</u>	<u>211,010</u>	<u>875,806</u>	<u>847,053</u>	<u>28,753</u>	3.4
Increase in net position before transfers	127,621	174,064	(14,677)	(20,866)	112,944	153,198	(40,254)	(26.3)
Transfers	<u>(22,192)</u>	<u>(20,674)</u>	<u>22,192</u>	<u>20,674</u>	-	-	-	0.0
Change in net position	<u>105,429</u>	<u>153,390</u>	<u>7,515</u>	<u>(192)</u>	<u>112,944</u>	<u>153,198</u>	<u>(40,254)</u>	(26.3)
Beginning net position								
As originally reported	1,656,559	1,540,522	368,361	1,349,757	2,024,920	2,890,279	(865,359)	(29.9)
Change in accounting principle	-	(2,743)	-	(979,608)	-	(982,351)	982,351	100.0
Prior period adjustment	<u>(482)</u>	<u>(34,610)</u>	<u>-</u>	<u>(1,596)</u>	<u>(482)</u>	<u>(36,206)</u>	<u>35,724</u>	98.7
Beginning net position, as restated	<u>1,656,077</u>	<u>1,503,169</u>	<u>368,361</u>	<u>368,553</u>	<u>2,024,438</u>	<u>1,871,722</u>	<u>152,716</u>	8.2
Ending net position	<u>\$1,761,506</u>	<u>\$1,656,559</u>	<u>\$375,876</u>	<u>\$368,361</u>	<u>\$2,137,382</u>	<u>\$2,024,920</u>	<u>\$112,462</u>	5.6

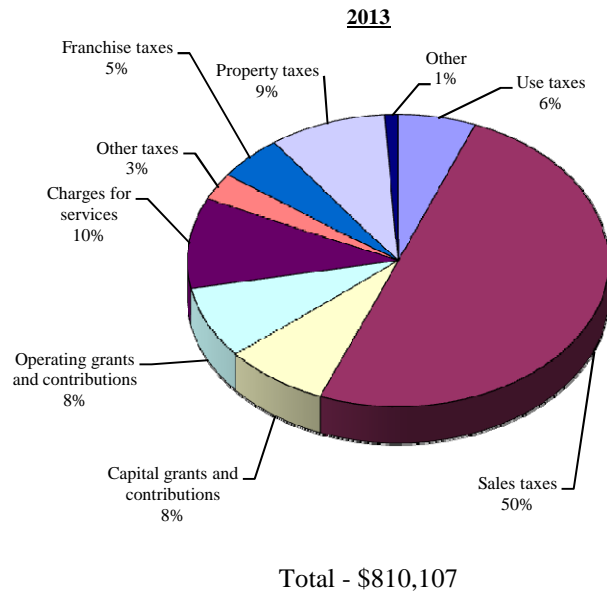
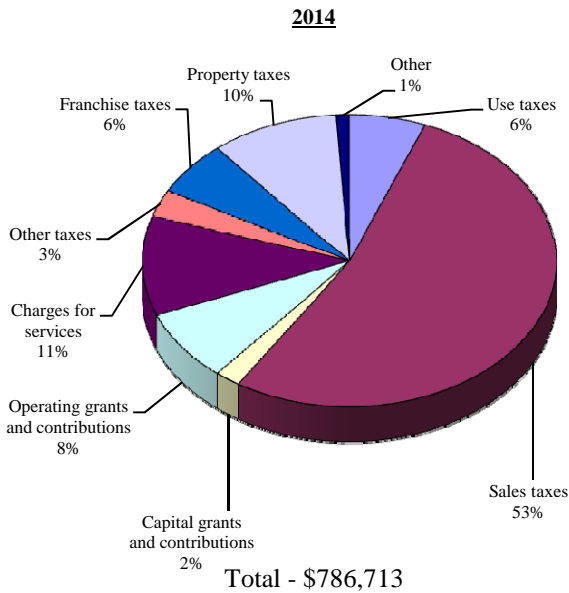
Total revenues decreased by \$11,501 or 1.1% in 2014. Revenues in governmental activities decreased \$23,394 primarily related to a decrease in capital grants and contributions of \$51,669 related to a prior year transfer of \$50,108 in capital assets from the Oklahoma City Economic Development Trust (OCEDT) to the City, offset by increases in sales and use tax revenues of \$19,974 related to improved economic conditions. Revenues in business-type activities increased \$11,893 related to increases in charges for services of \$8,437 primarily related to rate increases in utility funds of \$7,232 and increases zoo operations of \$1,520 related mainly to increased foot traffic; decreased operating grants and contributions of \$1,016 primarily related to decreased donations for zoo operations of \$1,625; and increases in capital grants and contributions of \$4,351 related to increased capital donations from developers.

Overall expenses increased \$28,753 or 3.4% in 2014 . Program expenses reported in governmental activities increased \$23,049. General government activities increased \$736 primarily related to increases in personal services costs for increased salaries. Public safety activities increased \$7,930 related primarily to increases in personal services costs for additional positions and salary increases of \$4,347 and increases in police and fire pension costs of \$4,020 recognized as on-behalf pension contributions. Increases in public services of \$11,198 were mainly for \$2,411 increased personal services costs for increased salaries, increases in non-capital construction costs of \$1,933 primarily related to street resurfacing and other capital projects, an increase of \$1,260 in the subsidy to the Central Oklahoma Transportation and Parking Authority (COTPA) for transit services, and \$5,398 increased depreciation expense related to completed projects and prior year biennial capital asset inventory adjustments. Culture and recreation activities increased \$1,371 primarily related to the recording of pollution remediation costs identified for the Downtown Park of \$3,223, offset by prior year biennial capital asset inventory adjustments of \$2,039. Economic development activities increased \$2,111 due mainly to increased depreciation of \$2,185 related to the transfers of capital assets from OCEDT at the end of 2013.

Graphic presentations of the Summary of Changes in Net Position follows to assist in the analysis of the City’s activities for fiscal years 2014 and 2013.

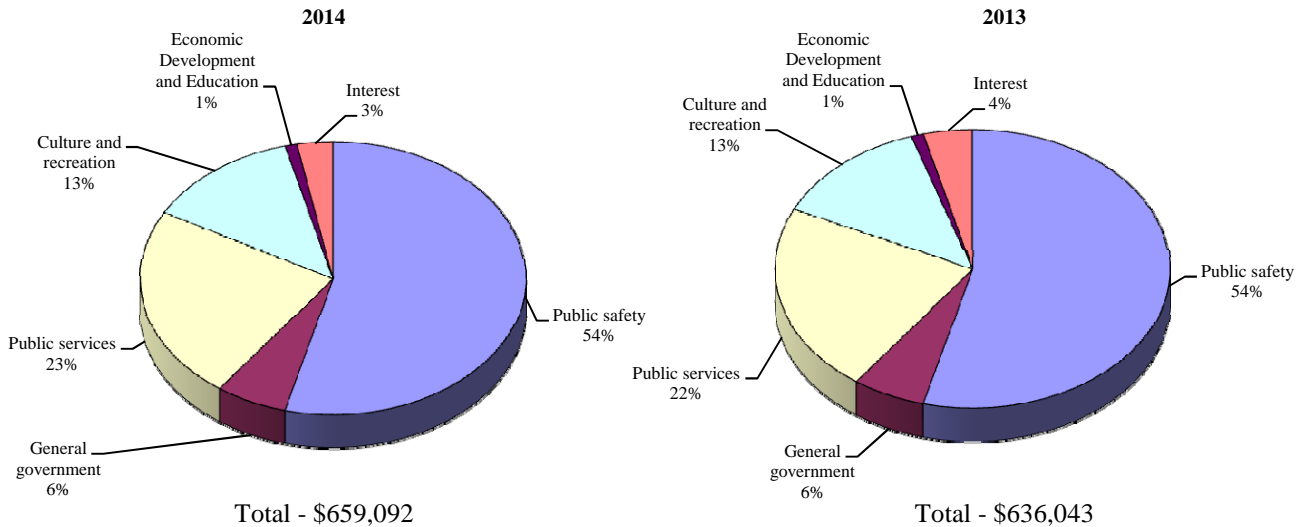
Governmental Activities

REVENUES



Overall revenues from governmental activities decreased \$23,394. Charges for services increased 5.0%. Operating grants and contributions decreased 2.6% and capital grants and contributions decreased 79.8%. Sales taxes provided 53% and 50% of the City's total governmental revenues in fiscal years 2014 and 2013, respectively. Sales tax revenues increased \$15,457, use taxes increased of \$4,517 and franchise taxes increased \$1,532 particularly as a result continued economic improvements. Property tax levy collections for fiscal years 2014 and 2013 were \$79,153 and \$76,756, respectively.

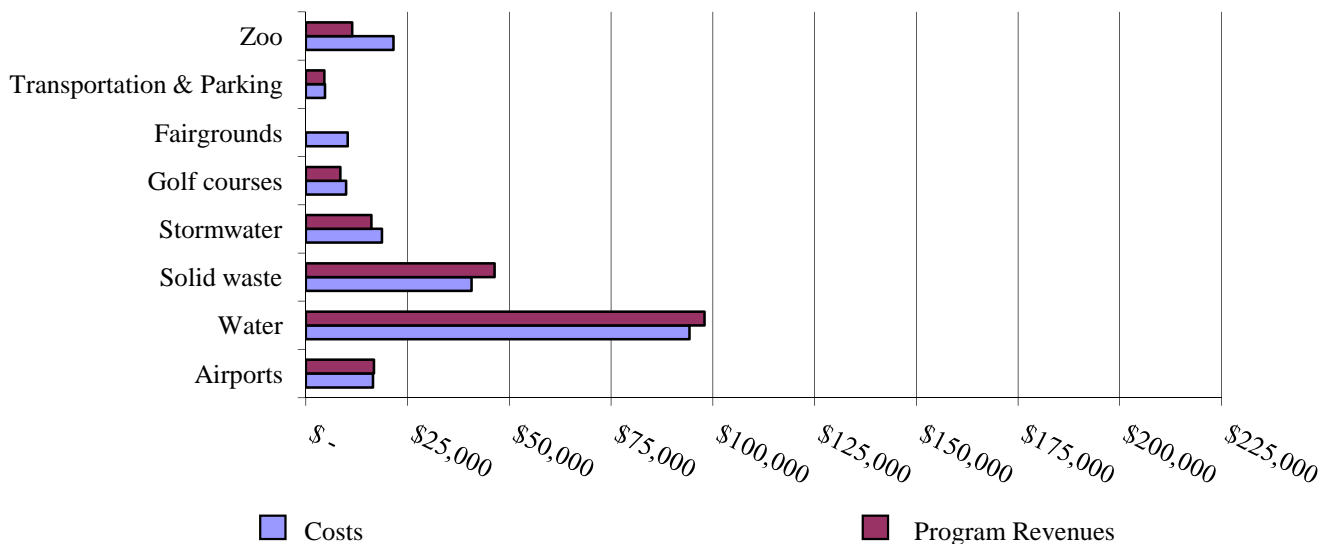
FUNCTIONAL EXPENSES



The graph shows the total governmental activities cost of \$659,092 for 2014. Public safety, with \$173,665 in cost for police and \$153,724 in cost for fire, was the largest operating service cost, at 54.0% of total cost of services in 2014. These costs, as well as all governmental activities expenses, were primarily funded by taxes. Public safety expenses used \$280,626 in taxes and other general revenues. Other governmental activities with significant tax-based funding include public services of \$95,524 and culture and recreation activities of \$59,684.

Business-Type Activities

REVENUES VS. COSTS



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

Charges for services for business-type activities increased \$8,437. Operating grants and contributions decreased \$1,016 and capital grants increased \$4,351. Business-type activities' expenses increased \$5,704. There were only slight changes in most activities expenses due to normal operating conditions.

Financial Analysis of the City's Funds

Governmental Funds

Governmental funds are reported in the fund statements with a short-term, inflow and outflow of spendable resources focus. This information is useful in assessing resources available at the end of the year in comparison with upcoming financing requirements. Governmental funds reported ending fund balances of \$991,365. Of this year-end total, \$105,639 is unassigned indicating availability for continuing City service requirements.

The total ending fund balances of governmental funds show an increase of \$132,294 over the prior year. This increase is primarily the result of the events and programs described within the analysis of the City's governmental activities.

Major Governmental Funds

The General Fund is the City's primary operating fund and the largest source of day-to-day service delivery. The fund balance of the General Fund decreased by \$6,718 during fiscal year 2014. A key factor contributing to this decrease is the increase of net transfers to other funds of \$26,332, from \$13,900 to \$40,232, primarily related to the assignment of current year and prior years unspent amounts to the Capital Improvement Fund. The change in fund balance before transfers is \$33,507 which is influenced by continued increased revenues. Expenditures increased as the City enjoyed increased departmental funding in relation to increased revenues. See General Fund Budgetary Highlights for more information.

The Debt Service Fund has a fund balance of \$83,701 which was a net increase of \$15,825. The change in fund balance reflects the City's continuing commitment to time the issuance of debt with debt retirements to support the objective of maintaining level City property taxes. A key factor in achieving this objective is the counties' annual reassessment of City property values, which has been steadily rising over recent years. This favorable trend in property assessments has allowed the City to maintain an active general obligation bond program without substantially increasing property tax rates.

In fiscal year 2014, the Grants Management Fund reported a \$732 increase in fund balance. The Grants Management Fund's fund balance is a factor of changes in notes and debt as opposed to revenues and expenses since revenues are reported to the extent expended. Both revenues and expenditures decreased this year due to cuts in Federal funding.

In fiscal year 2014, the MAPS3 Sales Tax Fund reported a \$75,849 increase in fund balance. The sales tax levied for construction and renovation of multiple capital projects throughout the City is reported in the MAPS3 Sales Tax Fund. The fund balance increased significantly as tax revenues have exceeded expectations and the funded projects are only beginning to be implemented.

The General Obligation Bond Fund has a fund balance of \$216,676. This fiscal year included a net increase of \$39,345. Fund balance increased as a result of proceeds from new bond issuances in excess of expenditures for capital outlay.

The Oklahoma City Public Property Authority (OCPPA) General Purpose Fund accounts for the general government activities of OCPPA. In fiscal year 2014, the OCPPA General Purpose Fund reported a \$547 increase in fund balance. Increased operating revenues resulted from increases in event revenue from sporting events, concerts, shows and conventions.

Proprietary Funds

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

Major Proprietary Funds

The Water and Wastewater Fund provides the daily operations of the City's water and wastewater utilities. Net position for the Water and Wastewater Fund increased by \$3,141 for an ending net position of \$247,387. Major revenues include payments from OCWUT to fund operating costs and donated assets from developers. Expenses include personnel, maintenance and supplies, and depreciation. Contributions from developers increased during the year.

OCEAT shares the financing and operations of the City's solid waste disposal program. The OCEAT's net position increased \$4,825 during the current year. Operating revenues increased 6.1% and operating expenses increased 3.2% primarily related to scheduled increases in rates for amounts charged and amounts paid to contractors, respectively.

OCZT provides the financing and daily operations for the zoo. OCZT receives sales tax funding from the City Zoo Fund to fund debt service, capital projects, and operating costs. During the year the OCZT increased its net position \$3,353 to \$75,864. The zoo enjoyed increased patronage and foot traffic which increased operating revenues over last year.

The OCPPA Fairgrounds Fund provides financing for the Oklahoma City Fairgrounds through transfer of hotel/motel tax restricted for fairgrounds debt service and capital projects. During the year, the OCPPA Fairgrounds Fund net position decreased to a deficit of \$3,970 as expenses exceeded revenues and transfers by \$1,860. Periodically, the City transfers accumulated hotel/motel tax to fund capital projects not funded through revenue bonds. The City transferred \$8.5 million and \$1 million in 2014 and 2013, respectively.

The OCPPA Golf Courses Fund accounts for the finances of five municipal golf courses. The current year change in net deficit was a decrease of \$400 resulting in a net deficit of \$1,524. Operating revenues decreased due to a decrease in golf rounds played.

General Fund Budgetary Highlights

The original adopted General Fund budget for fiscal year June 30, 2014 was \$400,833. This was an increase of \$13,524 over the previous year budget. An increase in sales tax revenue was the primary driver in the higher budget in 2014. With the additional revenue, the City was able to add 40 uniform police positions and move seven police grant funded positions and 29 fire grant funded positions to the General Fund. The other significant change in the budget was a \$1,000 increase in funding for transit services to implement some of the service level enhancements recommended in a 2013 study.

The General Fund adopted budget was amended twice during 2014 fiscal year. The first amendment increased the use of prior years fund balance by \$8,000 for street and other improvements made possible from an excess of budgetary fund balance above minimum required levels. The second amendment provided funding from fund balance for valid prior year encumbrances rolled over to the current fiscal year in the amount of \$2,321. The two budget amendments increased the budget by \$10,321 for a final amended General Fund budget of \$411,154. The General Fund budget complied with financial policies approved by the City Council and maintained core City services.

Capital Assets

The City's investment in capital assets, net of accumulated depreciation, for governmental and business-type activities as of June 30, 2014, was \$1,584,262 and \$466,367, respectively. The total increase in net capital assets was 3.3% for governmental activities and the total increase for business-type activities was 0.7%. The overall increase was 2.7% for the City as a whole.

Capital Assets, Net of Accumulated Depreciation

	Governmental		Business-type		Totals		Amount of Change	%
	Activities		Activities					
	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>		
Non-Depreciable Assets								
Land and water storage rights	\$115,336	\$101,956	\$30,664	\$30,664	\$146,000	\$132,620	\$13,380	10.1%
Construction in progress	<u>191,546</u>	<u>111,812</u>	<u>10,912</u>	<u>15,206</u>	<u>202,458</u>	<u>127,018</u>	<u>75,440</u>	59.4
Total non-depreciable assets	<u>306,882</u>	<u>213,768</u>	<u>41,576</u>	<u>45,870</u>	<u>348,458</u>	<u>259,638</u>	<u>88,820</u>	34.2
Depreciable Assets								
Buildings	328,534	338,962	96,229	95,612	424,763	434,574	(9,811)	(2.3)
Infrastructure and improvements other than buildings	871,361	904,452	310,480	305,433	1,181,841	1,209,885	(28,044)	(2.3)
Furniture, machinery, and equipment	<u>77,485</u>	<u>75,836</u>	<u>18,082</u>	<u>16,332</u>	<u>95,567</u>	<u>92,168</u>	<u>3,399</u>	3.7
Total depreciable assets	<u>1,277,380</u>	<u>1,319,250</u>	<u>424,791</u>	<u>417,377</u>	<u>1,702,171</u>	<u>1,736,627</u>	<u>(34,456)</u>	(2.0)
Total	<u>\$1,584,262</u>	<u>\$1,533,018</u>	<u>\$466,367</u>	<u>\$463,247</u>	<u>\$2,050,629</u>	<u>\$1,996,265</u>	<u>\$54,364</u>	2.7

General obligation, revenue bonds, and the City's capital improvement program funded with general funds of the City provided the major funding for the construction and acquisition of capital assets during the year. Decreases in capital assets are primarily the result of depreciation. Construction projects in governmental activities during the current year included the completion of improvements at the Patience S. Latting Northwest Library, street improvements, City-wide bike and walking trails, new police headquarters, fire station #26, Kitchen Lake Park, police property management facility, Oklahoma River Bricktown Canal improvements, and downtown improvements. Construction projects in business-type activities included the outdoor arena and barns #4 and #5 at the fairgrounds, Lincoln Park Golf Course clubhouse, and improvements at the zoo. Capital assets increased in business-type activities also increased from purchases of solid waste management equipment and assets donated from developers. See Note II. A. 5. for additional information about capital assets.

Debt Administration

Other Long-term Debt

The City retired \$332 of notes payable and added lease obligations of \$71 and retired \$181. Estimated claims payable increased \$4,328. See Note III. A. 6. for additional information about notes, lease obligations, and estimated claims payable.

Bonds Payable

At the end of the fiscal year, the City had total bonded debt outstanding of \$757,660. Of this amount, \$663,575 is backed by the full faith and credit of the City (general obligation bonds) with debt service fully funded by voter-approved property taxes. Bonded debt of \$94,085 is supported by pledged revenues generated primarily by business-type activities of the City (revenue bonds). During the current year, the City issued \$107,185 in general obligation bonds under the voter authorization discussed earlier in this report. See Note III. A. 7. for additional information about bonds payable.

Bond Ratings

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

Long-term Debt

	Governmental Activities		Business-type Activities		Totals		Amount of Change	Total % Change
	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>		
Other long-term debt	\$61,784	\$57,871	\$347	\$374	\$62,131	\$58,245	\$3,886	6.7%
General obligation bonds	663,575	599,460	-	-	663,575	599,460	64,115	10.7
Revenue bonds	-	-	<u>94,085</u>	<u>98,480</u>	<u>94,085</u>	<u>98,480</u>	<u>(4,395)</u>	(4.5)
	<u>\$725,359</u>	<u>\$657,331</u>	<u>\$94,432</u>	<u>\$98,854</u>	<u>\$819,791</u>	<u>\$756,185</u>	<u>\$63,606</u>	8.4

Changes in long-term debt are related to issuances and payments of current principal requirements. Issuances included the Series 2014 Non-Taxable General Obligation Bonds that will be used to fund infrastructure improvements and the Series 2014 Taxable General Obligation Bonds that will be used for economic development purposes. See Note III. A. 8. for additional information about changes in long-term debt.

Economic Environment and Fees and Rates

Economic Environment

As the national economy continued to improve, tax revenues showed improvement and increased over 2013 but were under expectations.

Fees and Rates

The City increased water and wastewater base charge utility rates and a volume rate change of 4% effective in October, 2013. Effective April 2013, the golf courses increased regular green fees \$1.50, golf cart rental fees \$1.00, and other fees relatively.

Contacting the City's Financial Management

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

OVERVIEW OF COMPONENT UNITS

<u>BLENDED COMPONENT UNITS</u>	<u>DATE ESTABLISHED</u>	<u>ACTIVITY</u>
Oklahoma City Environmental Assistance Trust (OCEAT)	January 23, 1979	Solid waste management and pollution control
Oklahoma City Zoological Trust (OCZT)	January 7, 1975	Oklahoma City Zoo
Oklahoma City Municipal Facilities Authority (OCMFA)	November 10, 1976	Municipal services
Oklahoma City Public Property Authority (OCPPA)	August 15, 1961	Golf courses operations, fairgrounds improvements, and various municipal services
<u>DISCRETELY PRESENTED COMPONENT UNITS</u>	<u>DATE ESTABLISHED</u>	<u>ACTIVITY</u>
Oklahoma City Airport Trust (OCAT)	April 1, 1956	Airport services
Oklahoma City Riverfront Redevelopment Authority (OCRRA)	March 19, 1985	Riverfront development
Oklahoma City Industrial and Cultural Facilities Trust (OCICF)	December 15, 1962	Cultural facilities and employment activities
Oklahoma City Water and Wastewater Utilities Trust (OCWUT)	April 17, 1990	Water and wastewater utilities services (replaced the Oklahoma City Municipal Improvement Authority established 8/1/1960) and water supply services. Includes the operations of the McGee Creek Authority, established August 1, 1977, a blended component unit of OCWUT.
Port Authority of the Greater Oklahoma City Area (Port Authority)	October 30, 1962	Foreign trade zone
Central Oklahoma Transportation and Parking Authority (COTPA)	February 1, 1966	Public transportation and parking services
Oklahoma City Metropolitan Area Public Schools Trust (OCMAPS)	August 14, 2001	Renovation and construction of public schools
Oklahoma City Redevelopment Authority (OCRA)	May 7, 1985	Conservation, development and redevelopment of the City's downtown central business district
Oklahoma City Economic Development Trust (OCEDT)	October 15, 2007	Economic development
<u>FIDUCIARY COMPONENT UNITS</u>	<u>DATE ESTABLISHED</u>	<u>ACTIVITY</u>
Oklahoma City Employee Retirement System (OCERS)	January 21, 1958	Retirement benefits and disability allowances
Central Oklahoma Transportation and Parking Employee Retirement Trust (COTPA Retirement)	February 1, 1970 (effective date)	Retirement benefits
Oklahoma City Post-Employment Benefits Trust (OCPEBT)	June 17, 2008	Post-employment benefits other than retirement.

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Government-wide Financial Statements

Provide both long-term and short-term information about the City's overall status using full accrual accounting and elimination or reclassification of internal activities.

- * ***Governmental Activities*** – *Reports general government, public safety, public services, culture and recreation, education, and economic development activities and the general revenues of the City.*
- * ***Business-Type Activities*** – *Reports airports, water and wastewater utilities, solid waste management, stormwater drainage, golf courses, fairgrounds, transportation and parking and zoo operations activities.*
- * ***Component Units*** – *Reports airports, water and wastewater utilities, riverfront redevelopment, foreign trade zone operations, transportation and parking, education, and economic development activities and the general revenues of the discrete component units of the City.*

Fund Financial Statements

Focus on the City's most significant funds. Major funds are separately reported while all others are combined into a single, aggregated presentation.

Governmental Fund Financial Statements

Encompass essentially the same functions reported as governmental activities in the government-wide financial statements using modified accrual accounting and report the annual financing requirements of governmental programs and the commitment of spendable resources for the near-term. A budgetary comparison statement is included for the General Fund.

Proprietary Fund Financial Statements

Generally report services for which the City charges customers a fee using full accrual accounting and provide both long-term and short-term financial information.

Fiduciary Fund Financial Statements

Report assets held for others that cannot be used to support the City's programs combined by fund type.

Component Unit Combining Financial Statements

Provide both long-term and short-term financial information consistent with the focus provided by the government-wide financial statements for discretely presented component units of the City.

STATEMENT OF NET POSITION
June 30, 2014
(dollars are in thousands)

CITY OF OKLAHOMA CITY, OKLAHOMA

	Primary Government			Component Units
	Governmental Activities	Business-type Activities	Total	
ASSETS				
CURRENT ASSETS				
Pooled cash-----	\$13,829	\$1,506	\$15,335	\$ -
Non-pooled cash-----	102,123	25,049	127,172	66,428
Investments-----	903,379	53,578	956,957	323,910
Sales and use taxes receivable-----	65,141	-	65,141	-
Property taxes receivable-----	4,380	-	4,380	5,842
Accounts receivable, net-----	21,727	5,343	27,070	25,678
Interest, dividends, and royalties receivable-----	2,882	227	3,109	666
Internal balances-----	42,925	(42,925)	-	-
Receivable from component units-----	3,017	72	3,089	-
Receivable from primary government-----	-	-	-	6,962
Intergovernmental receivables-----	9,113	-	9,113	7,725
Notes receivable-----	1,088	-	1,088	206
Inventories and prepaids-----	9,605	10,287	19,892	1,551
Total current assets-----	1,179,209	53,137	1,232,346	438,968
NON-CURRENT ASSETS				
Investments-----	-	2,619	2,619	114,456
Prepays, non-current-----	863	471	1,334	267
Notes receivable-----	10,340	-	10,340	10,248
Receivable from primary government-----	-	-	-	6,000
Receivable from component units-----	4,655	8,370	13,025	-
Other-----	-	-	-	171,597
Equity interest in joint venture-----	9,676	-	9,676	-
Capital assets:				
Land, art, water storage rights, and construction in progress-----	306,882	41,576	348,458	462,303
Other capital assets, net of accumulated depreciation-----	1,277,380	424,791	1,702,171	1,227,975
Capital assets, net-----	1,584,262	466,367	2,050,629	1,690,278
Total non-current assets-----	1,609,796	477,827	2,087,623	1,992,846
Total assets-----	2,789,005	530,964	3,319,969	2,431,814
DEFERRED OUTFLOWS OF RESOURCES				
	5,708	172	5,880	9,697
LIABILITIES				
CURRENT LIABILITIES				
Accounts payable and accrued expenses-----	41,915	12,036	53,951	44,680
Wages and benefits payable-----	9,760	2,481	12,241	392
Payable to component units-----	6,606	355	6,961	-
Payable to primary government-----	-	-	-	3,090
Interest payable-----	157	1	158	1,520
Compensated absences-----	23,396	3,799	27,195	223
Tax anticipation debt-----	-	-	-	9,104
Notes, lease obligations, and estimated claims payable-----	26,366	28	26,394	2,068
Commercial Paper-----	-	-	-	54,500
Unearned revenue-----	9,052	7,684	16,736	1,429
Bond interest payable-----	9,314	1,071	10,385	22,612
Bonds payable-----	47,860	4,575	52,435	38,754
Intergovernmental payable-----	763	-	763	-
Total current liabilities-----	175,189	32,030	207,219	178,372
NON-CURRENT LIABILITIES				
Compensated absences-----	53,628	6,460	60,088	466
Payable to primary government-----	-	-	-	13,025
Payable to component units-----	6,000	-	6,000	-
Intergovernmental payable-----	-	-	-	61,380
Tax anticipation debt-----	-	-	-	18,680
Notes, lease obligations, and estimated claims payable-----	35,418	319	35,737	60,339
Unearned revenue-----	13,867	2,342	16,209	2,119
Bond interest payable-----	-	-	-	16,045
Bonds payable, net-----	650,492	90,750	741,242	650,407
Net other post-employment benefit obligation-----	98,613	23,360	121,973	250
Total non-current liabilities-----	858,018	123,230	981,248	822,711
Total liabilities-----	1,033,207	155,260	1,188,467	1,001,083
DEFERRED INFLOWS OF RESOURCES				
	-	-	-	50
NET POSITION				
Net investment in capital assets-----	864,518	376,582	1,241,100	984,822
Restricted for:				
Capital projects-----	609,920	1	609,921	31,520
Debt service-----	82,876	4,467	87,343	59,671
Public safety-----	20,206	-	20,206	-
Public services-----	16,144	-	16,144	22,480
Culture and recreation-----	11,630	256	11,886	-
Education-----	-	-	-	120,096
Maintenance-----	-	-	-	28,560
Unrestricted-----	156,212	(5,430)	150,782	193,229
Total net position-----	\$1,761,506	\$375,876	\$2,137,382	\$1,440,378

See accompanying notes to financial statements.

STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2014
(dollars are in thousands)

CITY OF OKLAHOMA CITY, OKLAHOMA

	Program Revenues					Net (Expense) Revenue and Changes in Net Position			Component Units
	Expenses	Indirect Expenses Allocation	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government			
						Governmental Activities	Business Type Activities	Total	
Primary government									
<i>Governmental activities</i>									
General government-----	\$50,914	(\$10,656)	\$761	\$6,101	\$17	(\$33,379)	\$ -	(\$33,379)	\$ -
Public safety:									
Police-----	173,665	-	4,487	9,000	-	(160,178)	-	(160,178)	-
Fire-----	153,724	-	991	23,120	27	(129,586)	-	(129,586)	-
Other-----	25,455	-	34,006	370	217	9,138	-	9,138	-
Public services-----	153,250	10	22,282	23,338	12,116	(95,524)	-	(95,524)	-
Culture and recreation-----	84,307	890	22,933	1,843	737	(59,684)	-	(59,684)	-
Education-----	1,268	275	240	14	-	(1,289)	-	(1,289)	-
Economic development-----	3,382	-	257	233	-	(2,892)	-	(2,892)	-
Interest on long-term debt-----	22,608	-	-	-	-	(22,608)	-	(22,608)	-
Total governmental activities----	668,573	(9,481)	85,957	64,019	13,114	(496,002)	-	(496,002)	-
<i>Business-type activities</i>									
Airports-----	13,247	3,256	67	16,659	-	-	223	223	-
Water and wastewater utilities-----	89,982	4,275	84,249	-	13,715	-	3,707	3,707	-
Solid waste management-----	40,143	562	46,398	-	-	-	5,693	5,693	-
Stormwater drainage-----	18,121	604	16,160	-	-	-	(2,565)	(2,565)	-
Golf courses-----	9,823	78	8,533	-	-	-	(1,368)	(1,368)	-
Fairgrounds-----	10,325	-	-	-	-	-	(10,325)	(10,325)	-
Transportation and parking-----	4,063	706	2,617	1,941	-	-	(211)	(211)	-
Zoo operations-----	21,529	-	10,432	992	-	-	(10,105)	(10,105)	-
Total business-type activities----	207,233	9,481	168,456	19,592	13,715	-	(14,951)	(14,951)	-
Total primary government----	\$875,806	\$ -	\$254,413	\$83,611	\$26,829	(496,002)	(14,951)	(510,953)	-
Component units									
Airports-----	\$55,215	\$ -	\$63,642	\$12,861	\$5,050	-	-	-	26,338
Water and wastewater utilities-----	168,024	-	197,642	3,693	108	-	-	-	33,419
Riverfront development-----	308	-	1	-	-	-	-	-	(307)
Foreign trade zone operations-----	4	-	12	-	-	-	-	-	8
Transportation and parking-----	31,986	-	10,476	25,763	2,482	-	-	-	6,735
Education-----	84,260	-	-	167	1,598	-	-	-	(82,495)
Economic development-----	25,569	-	988	4,442	-	-	-	-	(20,139)
Total component units-----	\$365,366	\$ -	\$272,761	\$46,926	\$9,238	-	-	-	(36,441)
GENERAL REVENUES									
Taxes:									
Sales taxes:									
General-----						214,282	-	214,282	-
Police-----						40,185	-	40,185	-
Fire-----						40,185	-	40,185	-
Culture and recreation-----						120,443	-	120,443	-
Tax incremental financing-----						685	-	685	-
Total sales tax-----						415,780	-	415,780	-
Use taxes-----						49,923	-	49,923	-
Hotel/Motel taxes-----						13,885	-	13,885	-
Property taxes-----						79,153	-	79,153	21,648
Franchise taxes-----						43,641	-	43,641	-
Emergency telephone taxes-----						4,749	-	4,749	-
Other taxes-----						5,761	-	5,761	-
Total taxes-----						612,892	-	612,892	21,648
Oil and gas royalties-----						1,290	-	1,290	85
Unrestricted investment income-----						1,307	274	1,581	885
Miscellaneous-----						8,134	-	8,134	144
Total general revenues-----						623,623	274	623,897	22,762
Transfers-----						(22,192)	22,192	-	-
Total general revenues and transfers-----						601,431	22,466	623,897	22,762
Changes in net position-----						105,429	7,515	112,944	(13,679)
NET POSITION BEGINNING									
As previously reported-----						1,656,559	368,361	2,024,920	1,449,180
Prior period adjustment-----						(482)	-	(482)	4,877
As restated-----						1,656,077	368,361	2,024,438	1,454,057
Net position-ending-----						\$1,761,506	\$375,876	\$2,137,382	\$1,440,378

See accompanying notes to financial statements.

BALANCE SHEET
GOVERNMENTAL FUNDS
June 30, 2014
(dollars are in thousands)

CITY OF OKLAHOMA CITY, OKLAHOMA

	<u>General</u>	<u>Debt</u>	<u>Grants</u>	<u>MAPS3</u>	<u>General</u>	<u>OCPPA</u>	<u>Other</u>	<u>Total</u>
		<u>Service</u>	<u>Management</u>	<u>Sales Tax</u>	<u>Obligation</u>	<u>General</u>	<u>Governmental</u>	<u>Governmental</u>
					<u>Bonds</u>	<u>Purpose</u>	<u>Funds</u>	<u>Funds</u>
ASSETS								
Pooled cash-----	\$526	\$384	\$13	\$2,527	\$ -	\$3,313	\$2,390	\$9,153
Non-pooled cash-----	-	-	-	-	92,982	8,145	996	102,123
Investments-----	77,922	87,060	7,777	353,911	143,730	5,281	183,253	858,934
Sales and use taxes receivable-----	34,560	-	-	14,947	-	-	15,634	65,141
Property taxes receivable-----	-	4,378	-	-	-	2	-	4,380
Accounts receivable-----	7,530	-	637	-	-	2,066	4,698	14,931
Interest, dividends, and royalties receivable-----	235	265	22	1,082	546	15	563	2,728
Due from other funds-----	13,447	-	1,283	-	48	1,234	2,071	18,083
Receivable from component units-----	2,228	-	769	-	-	-	-	2,997
Intergovernmental receivables-----	1,231	-	6,691	-	-	-	1,035	8,957
Notes receivable, current-----	376	-	712	-	-	-	-	1,088
Inventories-----	6,782	-	-	-	-	113	-	6,895
Prepays-----	150	15	2	-	-	102	811	1,080
Notes receivable, non-current-----	290	-	10,050	-	-	-	-	10,340
Prepays, non-current-----	2	50	-	-	-	-	806	858
Advance to other funds-----	956	-	-	-	-	-	8,719	9,675
Receivable from component units, non-current-----	-	-	4,655	-	-	-	-	4,655
Total assets-----	\$146,235	\$92,152	\$32,611	\$372,467	\$237,306	\$20,271	\$220,976	\$1,122,018
LIABILITIES, DEFERRED								
INFLOWS OF RESOURCES AND								
FUND BALANCES								
LIABILITIES								
Accounts payable and accrued expenses---	\$4,641	\$ -	\$2,461	\$4,365	\$15,022	\$2,176	\$8,937	\$37,602
Wages and benefits payable-----	7,746	-	61	-	-	-	1,543	9,350
Due to other funds-----	1,389	5,670	9,455	136	1,080	218	9,644	27,592
Payable to component units, current-----	205	-	61	-	-	-	4,568	4,834
Interest payable-----	-	-	-	-	-	51	-	51
Unearned revenue-----	45	-	1,347	-	-	5,391	2,268	9,051
Intergovernmental payable, current-----	-	-	763	-	-	-	-	763
Payable to component units, non-current-----	-	-	-	-	-	-	6,000	6,000
Advance from other funds-----	908	-	-	-	4,352	4,415	-	9,675
Unearned revenue, non-current-----	-	-	12,820	-	-	1,047	-	13,867
Total liabilities-----	14,934	5,670	26,968	4,501	20,454	13,298	32,960	118,785
DEFERRED INFLOWS								
OF RESOURCES-----	413	2,781	5,095	381	176	77	2,945	11,868
FUND BALANCES								
Non-spendable-----	8,180	65	14,707	-	-	215	4,726	27,893
Restricted-----	664	83,636	-	367,585	216,676	3,638	61,014	733,213
Committed-----	-	-	-	-	-	378	54,222	54,600
Assigned-----	1,564	-	-	-	-	2,665	65,791	70,020
Unassigned-----	120,480	-	(14,159)	-	-	-	(682)	105,639
Total fund balances-----	130,888	83,701	548	367,585	216,676	6,896	185,071	991,365
Total liabilities, deferred								
outflows of resources and								
fund balances-----	\$146,235	\$92,152	\$32,611	\$372,467	\$237,306	\$20,271	\$220,976	\$1,122,018

See accompanying notes to financial statements.

**RECONCILIATION OF THE BALANCE
SHEET OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
June 30, 2014
(dollars are in thousands)**

CITY OF OKLAHOMA CITY, OKLAHOMA

Total fund balance -- total governmental funds \$991,365

Land and capital assets, net of accumulated depreciation, are not financial resources and, therefore, are not reported in the funds.

Land and construction in progress	\$306,882	
Capital assets	2,268,975	
Less: Accumulated depreciation	(991,595)	1,584,262
Less: Internal service fund net capital assets included in net assets above		(3,556)

The City's equity interest in the Emergency Medical Services Authority (EMSA) joint venture is primarily attributable to capital assets, and not attributable to current financial resources, and therefore is not reported in the funds. 9,676

Receivables not collected within 60 days of the end of the fiscal year are deferred in the funds. These other long-term assets are not available to pay current-period expenditures.

Unavailable revenues (governmental funds) 11,868

Internal service funds are used by management to charge the costs of internal activities to individual funds. Assets and liabilities of the internal services funds are allocated to the governmental activities in the statement of net position. Internal activity is allocated to governmental and business-type activities based on the function of the activities charged.

Internal service funds net position	\$2,333	
Business-type activities internal liabilities to governmental fund activities	45,673	48,006

Long-term liabilities are not due and payable in the current period and are not reported in the funds.

	Government Wide		<i>Deferred Outflows</i>	<i>Internal Service Funds</i>	
	<i>Current</i>	<i>Non-Current</i>			
Notes, lease obligations, estimated claims payable	(\$26,366)	(\$35,418)	\$ -	\$53,665	
Bonds payable, net	(47,860)	(650,492)	-	-	
Deferred amounts on refunding	-	-	5,708	-	
Compensated absences	(23,396)	(53,628)	-	2,110	
Intergovernmental payable	(763)	-	763	-	
Interest payable	(157)	-	51	88	
Bonds interest payable	(9,314)	-	-	-	
Net other post-employment benefit obligation	-	(98,613)	-	3,507	(880,115)

Net position of governmental activities \$1,761,506

**STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
For the Year Ended June 30, 2014
(dollars are in thousands)**

CITY OF OKLAHOMA CITY, OKLAHOMA

	<u>General</u>	<u>Debt Service</u>	<u>Grants Management</u>	<u>MAPS3 Sales Tax</u>	<u>General Obligation Bonds</u>	<u>OCPPA General Purpose</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
REVENUES								
Sales taxes-----	\$214,282	\$ -	\$ -	\$107,048	\$ -	\$ -	\$94,450	\$415,780
Use taxes-----	37,075	-	-	-	-	-	12,847	49,922
Hotel/Motel taxes-----	-	-	-	-	-	-	13,876	13,876
Property taxes-----	-	78,731	-	-	-	42	-	78,773
Emergency telephone taxes-----	-	-	-	-	-	-	4,744	4,744
Other taxes-----	5,680	-	-	-	-	-	-	5,680
Franchise taxes-----	43,765	-	-	-	-	-	-	43,765
Licenses and permits-----	14,452	-	-	-	-	-	9,126	23,578
Oil and gas royalties-----	417	-	-	-	-	-	842	1,259
Fines and forfeitures-----	26,084	-	-	-	-	-	1,788	27,872
Investment income-----	491	1,130	3	1,742	688	20	1,019	5,093
Charges for services-----	20,152	-	-	-	-	19,422	1,962	41,536
Rental income-----	6	-	-	44	-	2,469	22	2,541
Payments from component units-----	6,129	-	2	-	-	-	251	6,382
Intergovernmental programs-----	37,509	-	21,920	-	-	-	2,634	62,063
Grant capital-----	-	-	-	-	-	-	533	533
Other-----	353	230	3	-	-	189	2,149	2,924
Total revenues-----	406,395	80,091	21,928	108,834	688	22,142	146,243	786,321
EXPENDITURES								
CURRENT								
General government-----	54,395	-	-	-	-	163	1,011	55,569
Public safety:								
Police-----	122,385	-	-	-	-	-	38,452	160,837
Fire-----	103,074	-	-	-	11	-	39,526	142,611
Other-----	10,144	-	-	-	-	-	16,065	26,209
Public services-----	58,124	-	22,477	4	8,588	1	18,629	107,823
Culture and recreation-----	24,530	-	-	-	-	23,040	9,330	56,900
Education-----	-	-	-	-	-	-	1,504	1,504
Economic development-----	42	-	-	-	-	-	928	970
Capital outlay-----	96	-	1,762	32,382	60,841	810	30,162	126,053
DEBT SERVICE								
Principal-----	109	43,070	3	-	-	181	-	43,363
Interest-----	18	25,436	-	-	-	126	-	25,580
Bond issuance costs-----	-	528	-	-	-	-	-	528
Other debt service-----	3	-	-	-	-	-	-	3
Total expenditures-----	372,920	69,034	24,242	32,386	69,440	24,321	155,607	747,950
Excess (deficiency) of revenues over (under) expenditures-----	33,475	11,057	(2,314)	76,448	(68,752)	(2,179)	(9,364)	38,371
OTHER FINANCING								
SOURCES (USES)								
Transfers from other funds-----	1,722	-	3,034	235	107,185	3,700	42,157	158,033
Transfers to other funds-----	(41,954)	(110,287)	-	(834)	(1,757)	(988)	(23,986)	(179,806)
Capital financing-----	22	-	12	-	-	-	-	34
Sale of assets-----	17	-	-	-	-	14	576	607
Premium on bonds-----	-	7,870	-	-	-	-	-	7,870
Long-term debt issued-----	-	107,185	-	-	-	-	-	107,185
Net other financing sources (uses)--	(40,193)	4,768	3,046	(599)	105,428	2,726	18,747	93,923
Net change in fund balances-----	(6,718)	15,825	732	75,849	36,676	547	9,383	132,294
FUND BALANCES								
Fund balances, beginning:								
As previously reported-----	137,606	67,876	(184)	291,736	177,331	6,349	178,045	858,759
Prior period adjustment-----	-	-	-	-	2,669	-	(2,357)	312
Fund balances, beginning, as restated-----	137,606	67,876	(184)	291,736	180,000	6,349	175,688	859,071
Fund balances, ending-----	\$130,888	\$83,701	\$548	\$367,585	\$216,676	\$6,896	\$185,071	\$991,365

See accompanying notes to financial statements.

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
CITY OF OKLAHOMA CITY, OKLAHOMA
For the Year Ended June 30, 2014
(dollars are in thousands)

Net change in fund balances – total governmental funds \$132,294

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.

Capital outlay	\$126,053	
Depreciation expense	(81,091)	44,962

In the statement of activities, the loss on the disposal of assets is reported, whereas in the governmental funds, the proceeds from the sale increase financial resources. The change in net position differs from the change in fund balance by the cost of the assets disposed, net of related accumulated depreciation.

Sale of assets - governmental funds	(\$607)	
Loss on disposal of assets - government-wide	(700)	(1,307)

Donations of capital assets increase net position in the statement of activities, but do not appear in the governmental funds because they are not financial resources. 11,974

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. Also, in the prior year, earned, but unavailable, revenue was reported as revenue in the statement of activities and in the current year, it is recognized in the governmental funds and reversed in the statement of activities.

	<u>Current Year</u>	<u>Prior Year</u>	
Unavailable revenues reported in governmental funds	\$11,868	(\$11,368)	
Prior period adjustment related to unavailable revenues	(1,477)	-	
EMSA joint venture equity interest	9,676	(8,255)	444

The proceeds of debt issuances provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.

Debt activity reported in fund statements			
Long-term debt issued		(\$107,185)	
Premium on bonds		(7,870)	
Capital financing		(34)	
Debt principal		43,363	
Interest on debt - governmental funds		25,580	
Capital lease principal payments		112	
Internal service funds debt activity			
Interest on long-term debt		92	
Capital lease principal payments		42	
Debt activity recognized in the statement of activities			
Pollution remediation identified/adjusted in current year		(3,203)	
Interest on long-term debt		(22,608)	(71,711)

Some expenses reported in the statement of activities do not require the use of current financial resources and are not reported as expenditures in governmental funds.

	<u>Current Year</u>	<u>Prior Year</u>	
Compensated absences	(\$77,024)	\$73,964	
Compensated absences - internal service funds	2,110	(2,055)	
Other post-employment benefit liability	(98,613)	87,954	
Other post-employment benefit liability - internal service funds	3,507	(2,949)	
Expenses not available for fund reporting (arbitrage payable)	1,018	(1,018)	(13,106)

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

Internal service fund changes in net position	\$2,748	
Business-type activities net activities due to governmental type activities	(869)	1,879

Change in net position of governmental activities \$105,429

**SCHEDULE OF REVENUES, EXPENDITURES,
ENCUMBRANCES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
For the Year Ended June 30, 2014
(dollars are in thousands)**

CITY OF OKLAHOMA CITY, OKLAHOMA

	General Fund						Total Actual	Variance
	Original Budget	Revisions	Revised Budget	Expenditures	Encumbrances			
REVENUES								
TAXES								
Sales taxes-----	\$214,923	\$ -	\$214,923			\$212,698	(\$2,225)	
Use taxes-----	34,636	-	34,636			36,343	1,707	
Commercial vehicle taxes-----	4,342	-	4,342			4,601	259	
Motor fuel taxes-----	1,128	-	1,128			1,086	(42)	
Excise taxes-----	5,399	-	5,399			4,887	(512)	
Alcoholic beverage taxes-----	916	-	916			913	(3)	
Utility taxes-----	4,494	-	4,494			4,401	(93)	
LICENSES, PERMITS AND FEES								
Licenses-----	1,595	-	1,595			1,521	(74)	
Permits-----	11,191	-	11,191			11,641	450	
Franchise fees-----	36,140	-	36,140			37,366	1,226	
Other police fees-----	528	-	528			536	8	
Other fees-----	639	-	639			690	51	
Fines and forfeitures-----	23,301	-	23,301			26,219	2,918	
Investment income-----	316	-	316			377	61	
Charges for services-----	7,531	-	7,531			7,626	95	
Administrative charges-----	18,089	-	18,089			17,656	(433)	
OTHER REVENUE								
Rental income-----	1,880	-	1,880			1,784	(96)	
Other revenue-----	27,620	-	27,620			29,329	1,709	
Total revenues -----	394,668	-	394,668			399,674	5,006	
EXPENDITURES								
GENERAL GOVERNMENT								
Juvenile justice - Municipal Counselor:								
Personal services-----	178	15	193	\$193	\$ -	193	-	
Supplies-----	5	-	5	5	-	5	-	
Mayor and Council:								
Personal services-----	778	39	817	809	-	809	8	
Other services and charges-----	128	-	128	70	-	70	58	
Supplies-----	10	-	10	5	-	5	5	
City manager:								
Personal services-----	2,823	34	2,857	2,855	-	2,855	2	
Other services and charges-----	431	122	553	402	93	495	58	
Supplies-----	35	20	55	36	-	36	19	
Municipal counselor:								
Personal services-----	5,866	49	5,915	5,880	-	5,880	35	
Other services and charges-----	415	147	562	501	55	556	6	
Supplies-----	83	15	98	90	-	90	8	
Personnel:								
Personal services-----	2,457	-	2,457	2,414	-	2,414	43	
Other services and charges-----	376	43	419	363	-	363	56	
Supplies-----	16	-	16	12	-	12	4	
City clerk:								
Personal services-----	735	-	735	725	-	725	10	
Other services and charges-----	190	16	206	185	-	185	21	
Supplies-----	5	2	7	7	-	7	-	

**SCHEDULE OF REVENUES, EXPENDITURES,
ENCUMBRANCES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
For the Year Ended June 30, 2014
(dollars are in thousands)**

CITY OF OKLAHOMA CITY, OKLAHOMA

	General Fund						
	Original Budget	Revisions	Revised Budget	Expenditures	Encumbrances	Total Actual	Variance
Finance:							
Personal services-----	6,345	(24)	6,321	5,983	-	5,983	338
Other services and charges-----	1,975	106	2,081	1,892	74	1,966	115
Supplies-----	134	(53)	81	55	-	55	26
Capital outlay-----	-	11	11	-	11	11	-
City auditor:							
Personal services-----	1,053	11	1,064	1,057	-	1,057	7
Other services and charges-----	67	-	67	58	-	58	9
Supplies-----	10	-	10	7	-	7	3
General services:							
Personal services-----	3,033	-	3,033	3,010	-	3,010	23
Other services and charges-----	1,566	44	1,610	1,520	4	1,524	86
Supplies-----	138	299	437	385	16	401	36
Non-departmental:							
Personal services-----	26,496	(3,793)	22,703	22,686	-	22,686	17
Other services and charges-----	16,732	(6,183)	10,549	8,781	380	9,161	1,388
Supplies-----	8	45	53	10	-	10	43
Debt service-----	10	-	10	4	-	4	6
<u>PUBLIC SAFETY</u>							
Juvenile justice - Court administration:							
Personal services-----	667	(20)	647	521	-	521	126
Other services and charges-----	167	-	167	105	1	106	61
Supplies-----	12	-	12	6	-	6	6
Municipal courts:							
Personal services-----	5,092	(549)	4,543	4,521	-	4,521	22
Other services and charges-----	2,124	32	2,156	2,134	-	2,134	22
Supplies-----	230	42	272	157	9	166	106
Police:							
Personal services-----	103,702	225	103,927	103,845	-	103,845	82
Other services and charges-----	18,409	489	18,898	18,652	132	18,784	114
Supplies-----	702	417	1,119	952	84	1,036	83
Fire:							
Personal services-----	82,365	503	82,868	82,769	-	82,769	99
Other services and charges-----	6,555	24	6,579	6,451	24	6,475	104
Supplies-----	1,668	(165)	1,503	1,447	-	1,447	56
<u>PUBLIC SERVICES</u>							
Development services:							
Personal services-----	13,997	(11)	13,986	13,639	-	13,639	347
Other services and charges-----	2,595	220	2,815	2,677	30	2,707	108
Supplies-----	682	(24)	658	615	6	621	37
Planning:							
Personal services-----	2,365	-	2,365	2,265	-	2,265	100
Other services and charges-----	983	516	1,499	1,320	54	1,374	125
Supplies-----	36	-	36	21	-	21	15
Public works:							
Personal services-----	21,469	(37)	21,432	20,524	-	20,524	908
Other services and charges-----	5,735	55	5,790	5,385	57	5,442	348
Supplies-----	2,826	726	3,552	2,671	187	2,858	694
Capital outlay-----	14	-	14	-	-	-	14

(continued)

**SCHEDULE OF REVENUES, EXPENDITURES,
ENCUMBRANCES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
For the Year Ended June 30, 2014
(dollars are in thousands)**

CITY OF OKLAHOMA CITY, OKLAHOMA

	General Fund						
	Original Budget	Revisions	Revised Budget	Expenditures	Encumbrances	Total Actual	Variance
CULTURE AND RECREATION							
Parks:							
Personal services-----	14,654	-	14,654	13,551	-	13,551	1,103
Other services and charges-----	8,001	54	8,055	7,044	138	7,182	873
Supplies-----	1,919	67	1,986	1,620	210	1,830	156
Capital outlay-----	-	42	42	42	-	42	-
Total expenditures and encumbrances---	369,067	(6,429)	362,638	352,934	1,565	354,499	8,139
PRIOR YEAR ENCUMBRANCES							
Related to prior year budgets (1)-----	-	-	-	(2,321)	-	(2,321)	2,321
Related to current year budgets-----	-	-	-	-	(1,565)	(1,565)	1,565
Net expenditures and encumbrances-----	369,067	(6,429)	362,638	\$350,613	\$ -	350,613	12,025
Excess of revenues over expenditures-----	25,601	6,429	32,030			49,061	(7,019)
OTHER FINANCING SOURCES (USES)							
TRANSFERS FROM OTHER FUNDS							
OCMFA General Purpose Fund-----	431	-	431			439	8
OCPA General Purpose Fund-----	2,340	-	2,340			2,312	(28)
Total transfers from other funds-----	2,771	-	2,771			2,751	(20)
TRANSFERS FROM COMPONENT UNITS							
OCEDT General Purpose Fund-----	344	-	344			675	331
TRANSFERS TO OTHER FUNDS							
General government:							
Capital Improvement Fund-----	(9,280)	(2,129)	(11,409)			(11,073)	336
OCPA Golf Courses Fund-----	(736)	-	(736)			(736)	-
OCMFA General Purpose Fund-----	(1,366)	(220)	(1,586)			(1,586)	-
OCMFA Services Fund-----	(244)	-	(244)			(244)	-
City/School Sales and Use Tax Fund-----	(150)	-	(150)			(150)	-
Fleet Services Fund-----	(135)	-	(135)			(135)	-
Special Purpose Fund-----	(1,440)	-	(1,440)			(1,440)	-
OCPA General Purpose Fund-----	(397)	(5,473)	(5,870)			(5,870)	-
Public safety:							
Capital Improvement Fund-----	-	(13)	(13)			(13)	-
Emergency Management Fund-----	(2,800)	-	(2,800)			(2,800)	-
OCMFA General Purpose Fund-----	-	(200)	(200)			(200)	-
Capital Improvement Fund-----	-	(109)	(109)			(109)	-
Public services:							
Capital Improvement Fund-----	-	(8,100)	(8,100)			(8,100)	-
Grants Management Fund-----	-	(32)	(32)			(32)	-
Culture and recreation:							
OCPA Golf Courses Fund-----	-	(86)	(86)			(86)	-
Special Purpose Fund-----	-	(42)	(42)			(42)	-
OCPA General Purpose Fund-----	-	(286)	(286)			(286)	-
Total transfers to other funds-----	(16,548)	(16,690)	(33,238)			(32,902)	336
TRANSFERS TO COMPONENT UNITS							
Public services:							
Transfers to COTPA-----	(15,218)	(60)	(15,278)			(15,256)	22
OTHER FINANCING SOURCES							
Sale of assets-----	50	-	50			17	(33)
Total other financing sources (uses)-----	(28,601)	(16,750)	(45,351)			(44,715)	636
Excess (deficiency) of revenues and other sources over expenditures and other uses----	(3,000)	(10,321)	(13,321)			4,346	(6,383)

**SCHEDULE OF REVENUES, EXPENDITURES,
ENCUMBRANCES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
For the Year Ended June 30, 2014
(dollars are in thousands)**

CITY OF OKLAHOMA CITY, OKLAHOMA

	General Fund						Total Actual	Variance
	Original Budget	Revisions	Revised Budget	Expenditures	Encumbrances			
<u>FUND BALANCE (NON-GAAP BUDGETARY BASIS)</u>								
<u>BEGINNING FUND BALANCE</u>								
Appropriated for current year budget-----	3,000	8,000	11,000				11,000	-
Reappropriated for prior year encumbrances----	-	2,321	2,321				2,321	-
Not appropriated-----	-	-	-				53,426	53,426
Beginning fund balance-----	3,000	10,321	13,321				66,747	53,426
<u>ENDING FUND BALANCE</u>								
Before encumbrances-----	-	-	-				71,093	71,093
Less: current year encumbrances-----	-	-	-				(1,565)	(1,565)
Ending fund balance-----	\$ -	\$ -	\$ -				69,528	\$69,528
<u>RECONCILIATION OF FUND BALANCE NON-GAAP BUDGETARY BASIS TO GENERALLY ACCEPTED ACCOUNTING PRINCIPLES</u>								
Current year encumbrances included in expenditures-----							1,565	
Inventories -----							6,782	
Revenue and transfer accruals-----							48,775	
Expenditure and transfer accruals-----							4,238	
Fund balance, ending-----							\$130,888	

See accompanying notes to the financial statements

**STATEMENT OF FUND NET POSITION
PROPRIETARY FUNDS
June 30, 2014
(dollars are in thousands)**

CITY OF OKLAHOMA CITY, OKLAHOMA

	Water and Wastewater			OCPPA		OCPPA Golf	Other Enterprise	Total Enterprise	Internal Service
	Fund	OCEAT	OCZT	Fairgrounds	Courses	Funds	Funds	Funds	
ASSETS									
CURRENT ASSETS									
Pooled cash-----	\$91	\$ -	\$ -	\$870	\$493	\$52	\$1,506	\$4,676	
Non-pooled cash-----	-	6,893	17,177	-	979	-	25,049	-	
Investments-----	8,409	20,236	-	4,755	6,215	13,963	53,578	44,447	
Accounts receivable, net-----	58	3,392	429	-	1	1,463	5,343	6,794	
Interest, dividends, and royalties receivable-----	27	152	-	4	2	42	227	153	
Due from other funds-----	156	385	1,875	1,000	120	314	3,850	7,296	
Receivable from component units-----	-	-	-	-	-	72	72	21	
Intergovernmental receivables-----	-	-	-	-	-	-	-	156	
Inventories-----	7,103	583	890	-	327	1,034	9,937	159	
Prepays-----	55	5	41	45	6	198	350	1,472	
Total current assets-----	15,899	31,646	20,412	6,674	8,143	17,138	99,912	65,174	
Investments-----	-	-	1,086	1,077	456	-	2,619	-	
Prepays, non-current-----	4	14	-	448	5	-	471	6	
Advance to other funds-----	-	-	-	-	-	1,962	1,962	21,293	
Receivable from component units-----	6,296	-	-	-	-	2,074	8,370	-	
Capital assets:									
Land, art, water storage rights and construction in progress-----	9,378	557	5,612	2,849	3,726	19,454	41,576	928	
Other capital assets, net of accumulated depreciation--	238,009	14,370	58,717	61,772	5,478	46,445	424,791	2,628	
Capital assets, net-----	247,387	14,927	64,329	64,621	9,204	65,899	466,367	3,556	
Total non-current assets-----	253,687	14,941	65,415	66,146	9,665	69,935	479,789	24,855	
Total assets-----	269,586	46,587	85,827	72,820	17,808	87,073	579,701	90,029	
DEFERRED OUTFLOWS OF RESOURCES-----									
	-	-	170	-	2	-	172	-	
LIABILITIES									
CURRENT LIABILITIES									
Accounts payable and accrued expenses-----	2,327	4,494	1,548	712	1,536	1,419	12,036	4,314	
Wages and benefits payable-----	1,272	-	246	-	149	814	2,481	411	
Due to other funds-----	509	144	-	52	1	396	1,102	535	
Payable to component units-----	355	-	-	-	-	-	355	1,773	
Interest payable-----	-	-	-	-	-	1	1	88	
Compensated absences-----	2,134	-	181	-	82	1,402	3,799	786	
Notes, lease obligations, and estimated claims payable----	-	-	-	-	-	28	28	22,075	
Commercial paper-----	-	-	-	-	-	-	-	-	
Unearned revenue-----	-	7,401	283	-	-	-	7,684	-	
Bond interest payable-----	-	53	11	892	115	-	1,071	-	
Bonds payable-----	-	375	575	2,870	755	-	4,575	-	
Total current liabilities-----	6,597	12,467	2,844	4,526	2,638	4,060	33,132	29,982	
NON-CURRENT LIABILITIES									
Compensated absences-----	3,653	-	-	-	138	2,669	6,460	1,324	
Lease obligations payable-----	-	-	-	-	1	318	319	31,590	
Advance from other funds-----	-	1,961	-	-	-	-	1,961	21,293	
Unearned revenue-----	-	-	2,342	-	-	-	2,342	-	
Bonds payable, net-----	-	2,286	2,597	72,264	13,603	-	90,750	-	
Net other post-employment benefit obligation-----	11,949	-	2,350	-	2,954	6,107	23,360	3,507	
Total non-current liabilities-----	15,602	4,247	7,289	72,264	16,696	9,094	125,192	57,714	
Total liabilities-----	22,199	16,714	10,133	76,790	19,334	13,154	158,324	87,696	
NET POSITION									
Net investment in capital assets-----	247,387	12,425	60,743	(8,726)	(793)	65,546	376,582	3,568	
Restricted for:									
Capital projects-----	-	-	-	-	1	-	1	-	
Debt service-----	-	375	296	3,230	566	-	4,467	-	
Culture and recreation-----	-	-	256	-	-	-	256	-	
Unrestricted-----	-	17,073	14,569	1,526	(1,298)	8,373	40,243	(1,235)	
Total net position-----	\$247,387	\$29,873	\$75,864	(\$3,970)	(\$1,524)	\$73,919		\$2,333	
Adjustment to reflect consolidation of applicable internal service fund activities to business-type activities-----							(45,673)		
Net position business-type activities-----							\$375,876		

See accompanying notes to financial statements.

**STATEMENT OF REVENUES, EXPENSES,
AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
For the Year Ended June 30, 2014
(dollars are in thousands)**

CITY OF OKLAHOMA CITY, OKLAHOMA

	Water and Wastewater		OCPPA		OCPPA Golf	Other Enterprise	Total Enterprise	Internal Service
	Fund	OCEAT	OCZT	Fairgrounds	Courses	Funds	Funds	Funds
<u>OPERATING REVENUES</u>								
<u>CHARGES FOR SERVICES</u>								
Drainage charges-----	\$ -	\$ -	\$ -	\$ -	\$ -	\$15,822	\$15,822	\$ -
Sanitation charges-----	-	46,062	-	-	-	-	46,062	-
Green fees-----	-	-	-	-	4,762	-	4,762	-
Concessions-----	-	-	2,984	-	1,337	-	4,321	-
Internal service charges-----	-	-	-	-	-	-	-	90,029
Other charges-----	12	-	6,175	-	6	45	6,238	64
Total charges for services-----	12	46,062	9,159	-	6,105	15,867	77,205	90,093
Lease and rental income-----	-	-	1,273	-	2,316	-	3,589	-
Forfeitures-----	-	-	-	-	-	-	-	15
Payments from component units-----	84,239	-	-	-	-	2,617	86,856	40
Other-----	-	-	-	-	-	141	141	183
Total operating revenues-----	84,251	46,062	10,432	-	8,421	18,625	167,791	90,331
<u>OPERATING EXPENSES</u>								
Personal services-----	46,709	8,111	10,657	-	4,952	20,694	91,123	14,538
Maintenance, operations, and contractual services----	23,380	26,507	4,506	444	2,027	13,983	70,847	69,548
Materials and supplies-----	14,108	2,878	3,241	21	1,714	1,669	23,631	7,409
Depreciation-----	10,627	2,699	2,941	6,691	993	3,864	27,815	1,948
Total operating expenses-----	94,824	40,195	21,345	7,156	9,686	40,210	213,416	93,443
Operating income (loss)-----	(10,573)	5,867	(10,913)	(7,156)	(1,265)	(21,585)	(45,625)	(3,112)
<u>NON-OPERATING REVENUES (EXPENSES)</u>								
Non-capital contributions-----	-	-	992	-	-	-	992	-
Investment income-----	38	103	60	5	5	57	268	212
Bond insurance-----	-	(3)	-	(46)	-	-	(49)	-
Interest on torts, bonds, notes, commercial paper, and lease obligations-----	-	(105)	(186)	(3,297)	(225)	(11)	(3,824)	(92)
Amortization-----	-	-	-	174	3	-	177	-
Payments from component units-----	-	-	-	-	-	18,598	18,598	-
Other revenues (expenses)-----	-	(132)	-	-	113	220	201	6,160
Net non-operating revenues (expenses)-----	38	(137)	866	(3,164)	(104)	18,864	16,363	6,280
Income (loss) before contributions and transfers---	(10,535)	5,730	(10,047)	(10,320)	(1,369)	(2,721)	(29,262)	3,168
<u>CONTRIBUTIONS AND TRANSFERS</u>								
Capital contributions from developers-----	13,715	-	-	-	-	-	13,715	-
Transfers from other funds-----	-	19	13,400	8,460	1,026	414	23,319	3,721
Transfers to other funds-----	(39)	(924)	-	-	(57)	(106)	(1,126)	(4,141)
Total contributions and transfers-----	13,676	(905)	13,400	8,460	969	308	35,908	(420)
Changes in net assets-----	3,141	4,825	3,353	(1,860)	(400)	(2,413)	6,646	2,748
<u>NET POSITION</u>								
Total net position, beginning-----	244,246	25,048	72,511	(2,110)	(1,124)	76,332		(415)
Total net position, ending-----	\$247,387	\$29,873	\$75,864	(\$3,970)	(\$1,524)	\$73,919		\$2,333
Adjustment to reflect the consolidation of applicable internal service fund activities to business-type activities-----							869	
Changes in net assets of business-type activities-----							\$7,515	

See accompanying notes to financial statements.

**STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
For the Year Ended June 30, 2014
(dollars are in thousands)**

CITY OF OKLAHOMA CITY, OKLAHOMA

	Water and Wastewater			OCPPA	OCPPA	Other	Total	Internal
	Fund	OCEAT	OCZT	Fairgrounds	Golf Courses	Enterprise Funds	Enterprise Funds	Service Funds
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>								
Cash received from customers-----	\$ -	\$46,641	\$10,440	\$ -	\$8,519	\$16,187	\$81,787	\$108,897
Cash payments to suppliers for goods and services-----	(25,721)	(24,214)	(8,309)	(97)	(3,442)	(10,531)	(72,314)	(90,717)
Cash payments to employees and professional contractors for services-----	(45,237)	-	(9,769)	-	(4,506)	(28,082)	(87,594)	(13,979)
Cash payments for internal services-----	(9,767)	(83)	-	-	(197)	(6,122)	(16,169)	(1,733)
Operating payments from component units-----	81,100	-	-	-	-	-	81,100	-
Operating payments to component units-----	-	(1,672)	-	-	-	(784)	(2,456)	-
Cost reimbursements from (to) other funds-----	-	(10,300)	-	-	-	31,454	21,154	-
Other cash receipts-----	23	(6)	-	-	40	132	189	3,491
Net cash provided (used) by operating activities-----	398	10,366	(7,638)	(97)	414	2,254	5,697	5,959
<u>CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES</u>								
Interest paid on torts-----	-	-	-	-	-	-	-	(134)
Transfers received from other funds-----	-	490	16,284	12,831	4,134	243	33,982	1,069
Transfers received paid to other funds-----	(39)	(1,318)	-	(5,360)	(3,618)	(43)	(10,378)	(38)
Other non-capital financing cash receipts-----	-	-	992	-	-	-	992	-
Net cash provided (used) by non-capital financing activities-----	(39)	(828)	17,276	7,471	516	200	24,596	897
<u>CASH FLOWS FROM CAPITAL AND CAPITAL RELATED FINANCING ACTIVITIES</u>								
Payments for acquisition and construction of capital assets-----	-	(5,531)	(4,956)	(2,643)	(2,223)	(607)	(15,960)	(56)
Principal paid on long-term debt-----	-	(360)	(515)	(2,755)	(735)	(27)	(4,392)	(41)
Interest paid on long-term debt-----	-	(112)	(190)	(3,624)	(472)	(11)	(4,409)	(5)
Proceeds from sale of assets-----	-	191	198	-	-	53	442	-
Net cash used by capital and related financing activities-----	-	(5,812)	(5,463)	(9,022)	(3,430)	(592)	(24,319)	(102)
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>								
Payments for purchase of investments-----	-	(55,891)	(17,182)	(41,723)	(1,217)	-	(116,013)	-
Proceeds from sale of investments-----	-	53,960	16,833	43,575	3,391	-	117,759	-
Changes in pooled investments-----	(670)	-	-	(576)	(301)	(2,385)	(3,932)	(7,314)
Investment income received-----	81	298	61	1	3	105	549	317
Purchased interest-----	(2)	40	-	-	-	(2)	36	(12)
Net cash provided (used) by investing activities-----	(591)	(1,593)	(288)	1,277	1,876	(2,282)	(1,601)	(7,009)
Net increase (decrease) in cash-----	(232)	2,133	3,887	(371)	(624)	(420)	4,373	(255)
Cash, beginning-----	323	4,760	13,290	1,241	2,096	472	22,182	4,931
Cash, ending-----	\$91	\$6,893	\$17,177	\$870	\$1,472	\$52	\$26,555	\$4,676

**STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
For the Year Ended June 30, 2014
(dollars are in thousands)**

CITY OF OKLAHOMA CITY, OKLAHOMA

	Water and Wastewater <u>Fund</u>	OCEAT <u>OCEAT</u>	OCZT <u>OCZT</u>	OCPPA Fairgrounds <u>Fairgrounds</u>	OCPPA Golf Courses <u>Courses</u>	Other Enterprise Funds <u>Funds</u>	Total Enterprise Funds <u>Funds</u>	Internal Service Funds <u>Funds</u>
<u>RECONCILIATION OF OPERATING INCOME</u>								
<u>(LOSS) TO NET CASH PROVIDED (USED) BY</u>								
<u>OPERATING ACTIVITIES</u>								
Operating income (loss)-----	(\$10,573)	\$5,867	(\$10,913)	(\$7,156)	(\$1,265)	(\$21,585)	(\$45,625)	(\$3,112)
<u>ADJUSTMENTS TO RECONCILE</u>								
<u>OPERATING INCOME (LOSS) TO NET CASH</u>								
<u>PROVIDED (USED) BY OPERATING ACTIVITIES</u>								
Depreciation-----	10,627	2,699	2,941	6,691	993	3,864	27,815	1,948
Other revenue (expense)-----	-	(362)	-	(46)	113	182	(113)	6,280
Changes in assets and liabilities:								
(Increase) decrease in accounts receivable-----	(57)	6	109	-	(1)	185	242	(2,783)
(Increase) decrease in due from other funds-----	(126)	(118)	-	-	-	(258)	(502)	1,655
(Increase) decrease in receivable from component units-----	(3,054)	-	-	-	-	18,534	15,480	2
(Increase) decrease in inventories-----	2,014	4	(211)	-	56	(176)	1,687	50
(Increase) decrease in prepaid assets-----	23	(2)	(29)	46	(12)	(25)	1	(227)
(Increase) decrease in intergovernmental receivable-----	-	8	-	-	-	-	8	-
Increase (decrease) in accounts payable and accrued expenses	(21)	1,660	(321)	368	78	440	2,204	759
Increase (decrease) in wages and benefits payable-----	(220)	-	(165)	-	(35)	(171)	(591)	(53)
Increase (decrease) in due to other funds-----	139	229	-	-	5	442	815	(2,068)
Increase (decrease) in payable to component unit-----	(46)	-	-	-	-	2	(44)	1,769
Increase (decrease) in compensated absences-----	38	-	11	-	8	104	161	55
Increase (decrease) in intergovernmental payable-----	-	-	-	-	-	(239)	(239)	-
Increase (decrease) in long-term debt-----	-	-	190	-	-	-	190	2,272
Increase (decrease) in notes, lease and estimated claims payable-----	-	-	-	-	-	-	-	(1,146)
Increase (decrease) in net other post-employment benefit obligation-----	1,654	-	1,041	-	474	955	4,124	558
Increase (decrease) in unearned revenue-----	-	375	(291)	-	-	-	84	-
Total adjustments-----	10,971	4,499	3,275	7,059	1,679	23,839	51,322	9,071
Net cash provided (used) by operating activities-----	\$398	\$10,366	(\$7,638)	(\$97)	\$414	\$2,254	\$5,697	\$5,959
<u>NON-CASH INVESTING, CAPITAL, AND FINANCING</u>								
<u>ACTIVITIES</u>								
Net increase (decrease) in fair value of investments-----	(\$34)	\$27	\$-	\$14	(\$19)	(\$23)	(\$35)	(\$48)
Donated assets-----	13,715	-	-	-	-	-	13,715	-
Other-----	-	-	1,064	-	-	-	1,064	(37)
Total non-cash investing, capital, and financing activities-----	\$13,681	\$27	\$1,064	\$14	(\$19)	(\$23)	\$14,744	(\$85)

See accompanying notes to financial statements.

STATEMENT OF FIDUCIARY NET POSITION
June 30, 2014
(dollars are in thousands)

CITY OF OKLAHOMA CITY, OKLAHOMA

	Pension and Other Post-employment Benefit Trust Funds	Agency Fund
<u>ASSETS</u>		
Pooled cash-----	\$ -	\$173
Non-pooled cash-----	486	386
Total cash-----	<u>486</u>	<u>559</u>
<u>RECEIVABLES</u>		
Interest and dividends-----	418	6
Employer-----	1,065	-
Plan members-----	1,034	-
Other receivables-----	31	240
Total receivables-----	<u>2,548</u>	<u>246</u>
<u>INVESTMENTS, AT FAIR VALUE</u>		
Pooled investments-----	-	1,949
Domestic common stock-----	251,157	-
Passive domestic stock funds-----	82,267	-
Preferred stock-----	997	-
Government securities/fixed income-----	57,335	-
Passive bond fund-----	82,769	-
International stock-----	170,410	-
Passive international bond funds-----	5,833	-
Treasury money market fund-----	18,452	-
Real estate-----	39,869	-
Oklahoma City judgments-----	2,576	-
Total investments-----	<u>711,665</u>	<u>1,949</u>
Total assets-----	<u>714,699</u>	<u>2,754</u>
<u>LIABILITIES</u>		
Accounts payable and accrued expenses-----	2,001	813
Due to broker-----	7,769	-
Wages and benefits payable-----	7	-
Due to depositors-----	-	1,941
Compensated absences, current-----	17	-
Estimated claims payable-----	969	-
Compensated absences, non-current-----	58	-
Net other post-employment benefits obligation-----	42	-
Total liabilities-----	<u>10,863</u>	<u>2,754</u>
<u>NET POSITION HELD IN TRUST</u>		
Pension benefits-----	669,771	-
Other post-employment benefits-----	34,065	-
Net position held in trust-----	<u>\$703,836</u>	<u>\$ -</u>

See accompanying notes to financial statements.

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
For the Year Ended June 30, 2014
(dollars are in thousands)

CITY OF OKLAHOMA CITY, OKLAHOMA

	Pension and Other Post-employment Benefit Trust Funds
<u>ADDITIONS</u>	
<u>CONTRIBUTIONS</u>	
Employer-----	\$28,999
Plan members-----	17,823
Total contributions-----	46,822
<u>INVESTMENT INCOME</u>	
Net appreciation in fair value of investments-----	94,296
Interest-----	2,227
Dividends-----	4,939
	101,462
Less: investment expense-----	(1,621)
Net investment income-----	99,841
Other-----	97
Total additions-----	146,760
<u>DEDUCTIONS</u>	
Benefits paid-----	52,327
Refunds of contributions-----	1,165
Administrative expenses-----	546
Total deductions-----	54,038
Change in net position-----	92,722
<u>NET POSITION HELD IN TRUST FOR PENSION BENEFITS AND OTHER POST-EMPLOYMENT BENEFITS</u>	
Beginning of year-----	611,114
End of year-----	\$703,836

See accompanying notes to financial statements.

**COMBINING STATEMENT OF NET POSITION
COMPONENT UNITS
June 30, 2014
(dollars are in thousands)**

CITY OF OKLAHOMA CITY, OKLAHOMA

	OCAT	OCRRA	OCICF	OCWUT	Port Authority	COTPA	OCMAPS	OCRA	OCEDT	Total
ASSETS										
CURRENT ASSETS										
Non-pooled cash-----	\$1,988	\$ -	\$29	\$11,096	\$37	\$17,612	\$29,289	\$5,318	\$1,059	\$66,428
Investments-----	119,749	407	947	114,201	-	12,658	208	4,900	70,840	323,910
Property taxes receivable-----	-	-	-	-	-	-	-	14	5,828	5,842
Accounts receivable, net-----	5,385	30	27	19,514	-	338	-	383	1	25,678
Interest, dividends, and royalties receivable-----	321	-	-	282	-	-	-	26	37	666
Receivable from primary government-----	4,030	-	-	456	-	-	98	-	2,378	6,962
Intergovernmental receivables-----	3,181	-	-	70	-	1,618	1,393	-	1,463	7,725
Notes receivable-----	-	-	-	-	-	-	-	206	-	206
Inventories-----	-	-	-	-	-	794	-	-	-	794
Prepays-----	45	1	2	443	1	45	-	-	220	757
Total current assets-----	134,699	438	1,005	146,062	38	33,065	30,988	10,847	81,826	438,968
NON-CURRENT ASSETS										
Investments-----	58,607	-	-	39,202	-	1,482	-	5,390	9,775	114,456
Prepays, non-current-----	88	-	-	174	-	5	-	-	-	267
Notes receivable-----	-	-	-	-	-	-	-	10,248	-	10,248
Receivable from primary government-----	-	-	-	-	-	-	-	-	6,000	6,000
Other-----	2,007	-	-	48,437	-	758	120,095	300	-	171,597
Capital assets:										
Land and construction in progress-----	46,108	32	3,003	285,913	-	31,703	73,936	507	21,101	462,303
Other capital assets, net of accumulated depreciation-----	356,840	2,796	2,550	809,428	-	38,041	-	6,233	12,087	1,227,975
Capital assets, net-----	402,948	2,828	5,553	1,095,341	-	69,744	73,936	6,740	33,188	1,690,278
Total non-current assets-----	463,650	2,828	5,553	1,183,154	-	71,989	194,031	22,678	48,963	1,992,846
Total assets-----	598,349	3,266	6,558	1,329,216	38	105,054	225,019	33,525	130,789	2,431,814
DEFERRED OUTFLOWS OF RESOURCES										
	829	-	-	8,868	-	-	-	-	-	9,697
LIABILITIES										
CURRENT LIABILITIES										
Accounts payable and accrued expenses-----	7,206	13	48	20,804	-	6,232	5,104	40	5,233	44,680
Wages and benefits payable-----	-	-	-	7	-	385	-	-	-	392
Payable to primary government-----	8	35	769	1,280	-	160	68	-	770	3,090
Interest payable-----	-	-	880	640	-	-	-	-	-	1,520
Compensated absences-----	-	-	-	7	-	216	-	-	-	223
Tax anticipation debt-----	-	-	-	-	-	-	-	-	9,104	9,104
Notes and estimated claims payable-----	15	-	-	1,275	-	-	-	778	-	2,068
Commercial paper-----	-	-	-	54,500	-	-	-	-	-	54,500
Unearned revenue-----	953	-	-	73	8	147	-	248	-	1,429
Bond interest payable-----	2,985	-	-	17,673	-	435	-	-	1,519	22,612
Bonds payable-----	20,950	-	-	11,994	-	580	-	-	5,230	38,754
Total current liabilities-----	32,117	48	1,697	108,253	8	8,155	5,172	1,066	21,856	178,372
NON-CURRENT LIABILITIES										
Compensated absences-----	-	-	-	44	-	422	-	-	-	466
Payable to primary government-----	1,350	-	4,655	6,296	-	724	-	-	-	13,025
Intergovernmental payable-----	-	-	-	61,380	-	-	-	-	-	61,380
Tax anticipation debt-----	-	-	-	-	-	-	-	-	18,680	18,680
Notes and estimated claims payable payable-----	-	-	-	54,546	-	-	-	5,793	-	60,339
Unearned revenue-----	1,145	-	-	5	-	969	-	-	-	2,119
Bond interest payable-----	-	-	-	16,045	-	-	-	-	-	16,045
Bonds payable, net-----	100,777	-	-	396,057	-	21,420	-	-	132,153	650,407
Net other post-employment benefit obligation-----	-	-	-	-	-	250	-	-	-	250
Total non-current liabilities-----	103,272	-	4,655	534,373	-	23,785	-	5,793	150,833	822,711
Total liabilities-----	135,389	48	6,352	642,626	8	31,940	5,172	6,859	172,689	1,001,083
DEFERRED INFLOWS OF RESOURCES										
	50	-	-	-	-	-	-	-	-	50
NET POSITION										
Net investment in capital assets-----	309,999	2,828	1,229	537,246	-	50,741	68,736	2,244	11,799	984,822
Restricted for:										
Capital projects-----	505	-	-	-	-	-	31,015	-	-	31,520
Debt service-----	30,472	-	-	23,354	-	2,498	-	1,068	2,279	59,671
Public services-----	-	-	-	-	-	-	-	-	22,480	22,480
Education-----	-	-	-	-	-	-	120,096	-	-	120,096
Maintenance-----	28,560	-	-	-	-	-	-	-	-	28,560
Unrestricted-----	94,203	390	(1,023)	134,858	30	19,875	-	23,354	(78,458)	193,229
Total net position-----	\$463,739	\$3,218	\$206	\$695,458	\$30	\$73,114	\$219,847	\$26,666	(\$41,900)	\$1,440,378

See accompanying notes to financial statements.

**COMBINING STATEMENT OF ACTIVITIES
COMPONENT UNITS
For the Year Ended June 30, 2014
(dollars are in thousands)**

CITY OF OKLAHOMA CITY, OKLAHOMA

	Port									
	OCAT	OCRRA	OCICE	OCWUT	Authority	COTPA	OCMAPS	OCRA	OCEDT	Total
<u>PROGRAM EXPENSES</u>										
Airports-----	\$55,215	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$55,215
Water utilities-----	-	-	-	168,024	-	-	-	-	-	168,024
Riverfront development-----	-	308	-	-	-	-	-	-	-	308
Foreign trade zone operations-----	-	-	-	-	4	-	-	-	-	4
Transportation and parking-----	-	-	-	-	-	31,986	-	-	-	31,986
Education-----	-	-	-	-	-	-	84,260	-	-	84,260
Economic development-----	-	-	6,031	-	-	-	-	1,304	18,234	25,569
Total expenses-----	55,215	308	6,031	168,024	4	31,986	84,260	1,304	18,234	365,366
<u>PROGRAM REVENUES</u>										
<u>CHARGES FOR SERVICES</u>										
Airports-----	63,642	-	-	-	-	-	-	-	-	63,642
Water utilities-----	-	-	-	197,642	-	-	-	-	-	197,642
Riverfront development-----	-	1	-	-	-	-	-	-	-	1
Foreign trade zone operations-----	-	-	-	-	12	-	-	-	-	12
Transportation and parking-----	-	-	-	-	-	10,476	-	-	-	10,476
Economic development-----	-	-	149	-	-	-	-	824	15	988
Total charges for services-----	63,642	1	149	197,642	12	10,476	-	824	15	272,761
<u>OPERATING GRANTS AND CONTRIBUTIONS</u>										
Airports-----	12,861	-	-	-	-	-	-	-	-	12,861
Water utilities-----	-	-	-	3,693	-	-	-	-	-	3,693
Transportation and parking-----	-	-	-	-	-	25,763	-	-	-	25,763
Education-----	-	-	-	-	-	-	167	-	-	167
Economic development-----	-	-	-	-	-	-	-	-	4,442	4,442
Total operating grants and contributions-----	12,861	-	-	3,693	-	25,763	167	-	4,442	46,926
<u>CAPITAL GRANTS AND CONTRIBUTIONS</u>										
Airports-----	5,050	-	-	-	-	-	-	-	-	5,050
Water utilities-----	-	-	-	108	-	-	-	-	-	108
Transportation and parking-----	-	-	-	-	-	2,482	-	-	-	2,482
Education-----	-	-	-	-	-	-	1,598	-	-	1,598
Total capital grants and contributions-----	5,050	-	-	108	-	2,482	1,598	-	-	9,238
Total program revenues-----	81,553	1	149	201,443	12	38,721	1,765	824	4,457	328,925
Net program revenues (expenses)-----	26,338	(307)	(5,882)	33,419	8	6,735	(82,495)	(480)	(13,777)	(36,441)
Property taxes-----	-	-	-	-	-	-	-	2,750	18,898	21,648
Oil and gas royalties-----	-	79	6	-	-	-	-	-	-	85
Unrestricted investment income-----	145	-	-	362	-	5	-	369	4	885
Miscellaneous-----	-	111	-	-	-	-	-	-	33	144
Total general revenues-----	145	190	6	362	-	5	-	3,119	18,935	22,762
Changes in net position-----	26,483	(117)	(5,876)	33,781	8	6,740	(82,495)	2,639	5,158	(13,679)
<u>NET POSITION BEGINNING</u>										
Net position-beginning										
As previously reported-----	437,256	3,335	6,856	661,677	22	66,374	302,342	24,027	(52,709)	1,449,180
Prior period adjustment-----	-	-	(774)	-	-	-	-	-	5,651	4,877
Net position-beginning, as restated-----	437,256	3,335	6,082	661,677	22	66,374	302,342	24,027	(47,058)	1,454,057
Net position-ending-----	\$463,739	\$3,218	\$206	\$695,458	\$30	\$73,114	\$219,847	\$26,666	(\$41,900)	\$1,440,378

See accompanying notes to financial statements.

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I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

I. A. INTRODUCTION

The accounting and reporting framework and the more significant accounting principles and practices of Oklahoma City (City) are discussed in subsequent sections of this note. The remainder of the notes is organized to provide explanations, including required disclosures, of the City's financial activities for the fiscal year ended June 30, 2014.

I. B. BASIS OF PRESENTATION

I. B. 1. REPORTING ENTITY

Fund Types and Major Funds

Major Governmental Funds

General Fund

Reports as the primary fund of the City. This fund is used to account for all financial resources not reported in other funds.

Debt Service Fund

Accounts for the accumulation of financial resources for the payment of principal and interest on the City's general obligation debt. The City annually levies ad valorem taxes restricted for the retirement of general obligation bonds, interest, and judgments. This fund reports ad valorem taxes collected to service debt.

Grants Management Fund

Established as a special revenue fund to account for the City's grant programs not reported in proprietary funds. Grants include American Recovery and Reinvestment Act Grants and Community Development Block Grants.

MAPS3 Sales Tax Fund

Established by City ordinance to account for limited purpose sales tax designated for construction and renovation of multiple capital projects throughout the City.

General Obligation Bonds Fund

Accounts for the capital expenditures of general obligation bond proceeds and reports as a capital projects fund.

Oklahoma City Public Property Authority (OCPPA) General Purpose Fund

Established to account for the general government activities of OCPPA.

Major Proprietary Funds

Water and Wastewater Fund

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

Oklahoma City Environmental Assistance Trust (OCEAT) Fund

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

Oklahoma City Zoological Trust (OCZT)

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

OCPPA Fairgrounds

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

OCPPA Golf Courses

Accounts for the operations of five municipal golf courses.

Internal Service Funds

Account for the financing of goods or services provided by one department to other departments within the City on a cost-reimbursement basis. These include fleet services, risk management, information technology, print shop, and central financing services. These proprietary funds are reported primarily with governmental activities in the government-wide financial statements.

Fiduciary Funds

Pension and Other Post-Employment Benefit (OPEB) Trust Funds

Report fiduciary resources held in trust and the receipt, investment, and distribution of retirement and other post-employment benefits (OPEB) contributions. The City's pension trust funds are limited to non-uniformed City employees and employees of the Central Oklahoma Transportation and Parking Authority (COTPA). The City's OPEB trust funds are limited to health insurance benefits for participating Oklahoma City Employee Retirement System (OCERS) retirees.

Agency Fund

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

Component Units

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

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

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

Blended Component Units Reported with Primary Government

Oklahoma City Municipal Facilities Authority (OCMFA)

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

OCPPA

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

OCEAT

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

Oklahoma City Zoological Trust (OCZT)

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

Discretely Presented Component Units

Oklahoma City Airport Trust (OCAT)

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

Oklahoma City Riverfront Redevelopment Authority (OCRRA)

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

Oklahoma City Industrial and Cultural Facilities Trust (OCICF)

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

Oklahoma City Water Utilities Trust (OCWUT)

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

Oklahoma City Water Utilities Trust

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

MCA

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

Port Authority

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

COTPA

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

Oklahoma City Metropolitan Area Public Schools Trust (OCMAPS)

Established to administer a dedicated City sales tax levied to provide funding for improvements to public schools attended by City-resident students. The seven Trustees are appointed by the City Council with three Trustees nominated by the Oklahoma City Independent School District Board of Education. City employees manage trust assets. OCMAPS is a component unit of the City because the City appoints the voting majority of the OCMAPS Board of Trustees and relies on the dedicated City sales tax as its major revenue source. OCMAP's net position represents unspent receipts from the City for sales tax collections.

Oklahoma City Redevelopment Authority (OCRA)

Established to conserve, develop, and redevelop the central business district. The seven Trustees are nominated by the City's Mayor and approved by the City Council. OCRA is designated to receive tax apportionment revenues for certain tax increment districts of the City. OCRA is presented as a component unit of the City because the City appoints all Trustees and may over-rule or modify OCRA's decisions.

Oklahoma City Economic Development Trust (OCEDT)

Established to finance the encouragement of economic development within or near the City by providing loans, grants, and other incentives in furtherance of job creation and private investment in the community. The Mayor nominates and City Council confirms the appointment of five Trustees. OCEDT is designated to receive tax apportionment revenues for certain tax increment districts of the City. OCEDT is a component unit of the City because the City appoints all the Trustees, the City must approve all debt issuances, and OCEDT is fiscally dependent on the City for tax apportionment revenues pledged to repay bonded debt.

Fiduciary Component Units (reported in fiduciary financial statements)

OCERS

Established to provide retirement benefits and disability allowances for substantially all full-time, civilian employees of the City and public trusts included in the City's reporting entity. Assets are held separately from the City and may be used only for the payment of benefits to the members. The OCERS Board of Trustees serves as the governing body and is comprised of thirteen members. The City Council appoints two City employees or department heads from the various City departments. The City Council also appoints three members who have demonstrated professional experience relating to pension fund investment and management practices. The City Clerk serves as an ex-officio member (non-voting) and acts as the Clerk and Secretary of the Board. The City Auditor and Finance Director are members by position. Three members are elected by ballot of active City employees. One member is elected by ballot of retired City employees. The City Treasurer serves as an ex-officio member (non-voting) and acts as the Treasurer of the OCERS.

COTPA Retirement

Established to provide retirement benefits to employees of COTPA. The COTPA Pension Plan Committee serves as the governing body and is comprised of the City's Transportation and Parking Department Director who is also the COTPA Administrator, City Finance Director, City Treasurer, President of the Amalgamated Transit Union - Local 993, one COTPA retiree appointed by the COTPA Administrator, and two retirement plan participants appointed by the COTPA Trustees. COTPA Retirement is a fiduciary fund of the discretely presented component unit COTPA.

Oklahoma City Post-Employment Benefits Trust (OCPEBT)

Established to provide post-employment benefits, other than pensions, for substantially all full-time, civilian employees of the City and public trusts included in the City's reporting entity. Assets are held separately from the City and may be used only for the payment of benefits for the members. The OCPEBT Board of Trustees serves as the governing body and is comprised of five members. Two members are appointed by the Council through retired membership. The City Clerk serves as an ex-officio member (non-voting) and acts as the Clerk and Secretary of the Board. The Finance Director, Assistant City Manager, and Personnel Director are members by position. The City Treasurer serves as an ex-officio member (non-voting) and acts as the Treasurer of the OCPEBT.

Related Organizations

Related organizations are excluded from the financial reporting entity because the City's accountability does not extend beyond making appointments. Audited financial statements are available from the respective organizations.

Lake Atoka Reservation Association (LARA)

Created to administer the Atoka Reservoir and its facilities. The managing board consists of the Mayors of Oklahoma City and Atoka, City Manager of Oklahoma City, Chairman of the Board of Trustees of OCWUT, one member appointed by the governing body of Oklahoma City, and three citizens of Atoka County appointed by the governing body of Atoka. The Association reports independently. The report can be obtained at 420 W. Main, Suite 500, Oklahoma City, Oklahoma 73102.

Oklahoma City Urban Renewal Authority (OCURA)

Created to administer community development activities approved by the U.S. Department of Housing and Urban Development including projects jointly undertaken with the City. The five citizens who serve as the governing board are appointed by the Mayor and confirmed by the City Council. The City Council has no significant influence over the management, budget, or policies of the Authority. OCURA reports independently. The report can be obtained at 105 N. Hudson Avenue, Suite 101, Oklahoma City, Oklahoma 73102.

Oklahoma City Housing Authority (OCHA)

Created to administer Federal funding and other financing for improvement of housing conditions in the City. The five citizens who serve as the governing board are appointed by the Mayor and approved by the City Council. The City has no significant influence over the management, budget, or policies of OCHA. The Authority reports independently. The report can be obtained at 1700 Northeast 4th, Oklahoma City, Oklahoma 73117.

Oklahoma County Utilities Services Authority (OCUSA)

Created to furnish water services to residents in rural areas of Oklahoma County who are not served by other water systems. Oklahoma County and the City are joint beneficiaries of the Authority. The City has no significant influence over the Authority operations, and no resident within the City's corporate limits is served by OCUSA. The Authority reports independently. The report can be obtained at 2300 North Lincoln, Oklahoma City, Oklahoma 73105.

Oklahoma City Myriad Gardens Foundation (OCMGF)

Created to serve as conduit for charitable contributions intended to finance a portion of the Myriad Botanical Gardens development. The OCMGF Board of Directors is comprised of nineteen members. Eight are elected by the OCMGF Board. The remainder are selected by various community organizations including the City's Mayor. The report can be obtained at 100 Myriad Gardens, Oklahoma City, Oklahoma 73102.

Civic Center Foundation (CCF)

Created to advance charitable and educational purposes by providing for the improvement and support of the Civic Center. The CCF Board of Directors is comprised of 29 members. Six are appointed by the Mayor with the remaining directors elected by the CCF Board. The report can be obtained at 1912 North Drexel Boulevard, Oklahoma City, Oklahoma 73107.

Alliance for Economic Development of Oklahoma City (AEDOC)

The AEDOC functions as a services provider that performs consolidated economic development functions pursuant to service contracts with various agencies. OCEDT has a service contract with AEDOC to provide consolidated and coordinated economic development services to the City and OCEDT. The agreement is effective May 1, 2011 through June 30, 2016. The Alliance also manages the operations of OCICF and OCRA. The eleven member board includes the City Manager and a City Council representative. AEDOC can be contacted at 105 N. Hudson Avenue, Suite 101, Oklahoma City, OK 73102.

Oklahoma City/County Health Department (OCCBH)

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

I. B. 2. BASIC FINANCIAL STATEMENTS

Government-wide Financial Statements

The government-wide financial statements include the statement of net position and the statement of activities. These statements report financial information for the City as a whole excluding fiduciary activities such as employee pension plans. The primary government and component units are presented separately within the financial statements with the focus on the primary government. Individual funds are not displayed but the statements distinguish governmental activities, generally supported by taxes and City general revenues, from business-type activities, generally financed in whole or in part with fees charged to external customers.

The statement of activities reports the expenses of a given function offset by program revenues directly connected with the functional program. A function is an assembly of similar activities and may include portions of a fund or summarize more than one fund to capture the expenses and program revenues associated with a distinct functional activity. Program revenues include: (1) charges for services which report fees, fines and forfeitures, and other charges to users of the City's services; (2) operating grants and contributions which finance annual operating activities including restricted investment income; and (3) capital grants and contributions which fund the acquisition, construction, or rehabilitation of capital assets and include fees to developers. These revenues are subject to externally imposed restrictions to these program uses. Taxes and other revenue sources not properly included with program revenues are reported as general revenues.

Fund Financial Statements

Fund financial statements are provided for governmental, proprietary, and fiduciary funds. Major individual governmental and enterprise funds are reported in separate columns with composite columns for non-major funds.

I. B. 3. MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND FINANCIAL STATEMENT PRESENTATION

Generally Accepted Accounting Principles (U.S. GAAP)

The financial statements of the City are prepared in accordance with U.S. GAAP. The City applies all relevant GASB pronouncements.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide statements report using the economic resources measurement focus and the accrual basis of accounting generally including the reclassification or elimination of internal activity (between or within funds). However, internal eliminations do not include utility services provided to City departments. Reimbursements are reported as reductions to expenses. Proprietary and fiduciary fund financial statements and financial statements of component units also report using this same focus and basis of accounting although internal activity is not eliminated in these statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property tax revenues are recognized in the year for which they are levied while grants are recognized when grantor eligibility requirements are met.

Pension and OPEB trust funds recognize employer and participant contributions in the period in which contributions are due and the City has made a formal commitment to provide the contributions. Retirement benefits and refunds are recognized when due and payable in accordance with the terms of the plans. The Agency Fund is custodial in nature and does not measure results of operations.

Governmental fund financial statements report using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized when they are both measurable and available. Available means collectible within the current period or soon enough thereafter to pay current liabilities. The City considers revenues to be available if they are collected within 60 days of the end of the fiscal year. Expenditures are recorded when the related fund liability is incurred, except for general obligation bond principal and interest which are reported as expenditures in the year due.

Major revenue sources susceptible to accrual include: sales and use taxes, hotel/motel taxes, property taxes, franchise taxes (fees), intergovernmental revenues, and investment income. In general, other revenues are recognized when cash is received.

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

I. C. BUDGET POLICY AND PRACTICE

Budget Approval

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

In addition, the City Council approves budgets for other operations, in part or in whole, not presented in the financial statements including Airports, Capital Improvement, Street and Alley, City and Schools Sales Tax, City and Schools Use Tax, Internal Service, Police/Fire Equipment Sales Tax, Police/Fire Equipment Use Tax, MAPS3 Sales Tax, MAPS3 Use Tax, Solid Waste Management, Stormwater Drainage, Transportation, Parking and Water and Wastewater Funds. The Grants Management Fund, a major special revenue fund, is budgeted on a project-length basis and is also subject to the Council review. Each grant agreement, approved by Council, is the legal budget for the grant. Once approved, the City Council may amend the legally adopted budget when unexpected modifications are required in estimated revenues and appropriations. Public trusts submit budgets and other planning documents to their respective governing bodies.

Basis of Budgeting

Revenues are budgeted by source. With the exception of grants, expenditures are budgeted by department and class as follows: personal services, other services and charges, supplies, capital outlay, transfers, and debt service. Budget revisions at this level are managed administratively and reported to the City Council. The legal level of control is by department and class within a fund. The legal level of the Grants Management Fund is determined by individual grant award. Expenditures may not exceed appropriations at this level. Within these control levels, management may transfer appropriations without Council approval. Revisions to the budget are made throughout the year.

The budgets for the operating funds and proprietary fund operations are prepared on the cash and expenditures encumbrances basis. Revenues are budgeted in the year receipt is expected; and expenditures are budgeted in the year that the applicable purchase orders are expected to be issued. The Debt Service Fund budget is prepared to provide funding for general obligation debt service when liabilities are due for payment. The budget and actual financial statements are reported on these bases. Unencumbered appropriations for annually budgeted funds lapse at fiscal year-end.

I. D. POLICIES RELATED TO ASSETS, DEFERRED OUTFLOWS OF RESOURCES, LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND EQUITY

I. D. 1. CASH AND INVESTMENTS

The City Council updated and adopted formal deposit and investment policies in July 2012 (City Investment Policy). These policies apply to all City funds not contained in public trusts. In addition, public trusts including OCPPA, OCEAT, OCMFA, OCEDT, COTPA, OCZT, OCRRA, and OCMAPS formally adopted the City Investment Policy. The City Treasurer manages the unrestricted investments of these trusts except for OCZT and COTPA where investments are managed independently.

Where applicable, public trusts are subject to the deposit and investment policy specified in their respective bond indentures for restricted deposits and investments. The OCAT, OCWUT and OCRA separately adopted investment policies. MCA, Port Authority (no investments), and OCICF have no adopted deposit and investment policy other than investment restrictions specified in applicable bond indentures and state law.

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

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

Investments are reported at fair value and determined using selected bases. Securities traded on a national or international exchange are valued at the last reported sales price at current exchange rates. Managed funds related to the retirement systems not listed on an established market are reported at estimated fair value as determined by the respective investment managers based on quoted sales prices of the underlying securities. Cash deposits are reported at carrying amount which reasonably estimates fair value.

I. D. 2. RECEIVABLES AND UNCOLLECTIBLE AMOUNTS

Property Taxes Receivable and Property Tax Calendar

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

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

Other Significant Receivables

Significant receivables include sales and use tax receivable and amounts due from customers primarily for utility services and use or rental agreements for the City's airports' facilities. These receivables are due within one year. Certain enterprise funds and similar component units report accounts receivable net of an allowance for uncollectible accounts and revenues net of uncollectibles. The allowance amount is estimated using accounts receivable past due more than 60 to 90 days, depending on the fund.

I. D. 3. INVENTORIES AND PREPAIDS

Both inventories and prepaids are similarly reported in government-wide and fund financial statements.

Inventories

Inventories in governmental funds consist of expendable supplies held for consumption stated on either a first-in, first-out or weighted average basis. They are reported at cost and recorded as an expense at the time individual inventory items are used. Proprietary fund and similar component unit inventories are recorded at cost on either a first-in, first-out or weighted average basis.

Primary Government		
	<u>Method</u>	<u>Description</u>
<i>Governmental Activities</i>		
General Fund		
General activities	First-in, First Out	Maintenance parts, salt, chemicals, gift shop, ammunition, concession items, ticket stock, and animal supplies
Fire activities	Weighted Average	Maintenance parts
Culture and recreation activities	Weighted Average	Maintenance parts and chemicals
OCPPA General Purpose		
Culture and recreation activities	Average Cost or Market	Food and beverage items and other supplies
Internal Service Funds		
Fleet	First-in, First Out	Fuel sites and tanks
Print shop	First-in, First Out	Card stock, paper, color paper, envelopes, and machine parts

Primary Government		
	<u>Method</u>	<u>Description</u>
<i>Business-Type Activities</i>		
Airports		
Field maintenance	Weighted Average	Maintenance parts
Fuel farm and runway maintenance	First-in, First Out	Fuel storage and runway paint
OCEAT	Weighted Average	Operational and service supplies
OCZT	First-in, First Out	Gift shop, concession food, animal food and operating supplies
OCPPA Golf Courses	First-in, First Out	Golf cart maintenance and driving range supplies, restaurant and clubhouse food and condiments and cleaning supplies
Stormwater Drainage	First-in, First Out	Chemicals, first-aid supplies, welding supplies and hand tools
Water and Wastewater		
Pump shop and fleet maintenance shop	First-in, First Out	Maintenance parts, chemicals, instruments, repair
Line maintenance warehouse	Weighted Average	Materials and hand tools

Component Unit		
	<u>Method</u>	<u>Description</u>
COTPA - Transportation	Weighted Average	Vehicle parts and supplies

Prepays

Prepays are payments to vendors that benefit future reporting periods and are also reported on the consumption basis. Non-current prepaids benefit periods beyond the following 12 month period.

I. D. 4. RESTRICTED ASSETS

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

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

I. D. 5. INTERFUND BALANCES

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

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

I. D. 6. CAPITALIZED INTEREST

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

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

The City's property, plant, equipment, and infrastructure with useful lives of more than one year are stated at historical cost and reported in the government-wide financial statements. Proprietary and component unit capital assets are also reported in their respective fund and combining component units' financial statements. Donated assets are stated at fair value on the date donated. The City generally capitalizes assets with cost of \$7.5 thousand or more as purchase and construction outlays occur. Assets purchased or constructed with grants are an exception. These assets are capitalized at cost of \$5 thousand or more.

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

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

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

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

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

I. D. 9. BOND DISCOUNTS/PREMIUMS

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

I. D. 10. COMPENSATED ABSENCES

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

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

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

I. D. 12. FUND EQUITY

Fund Balance

Non-Spendable Fund Balance

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

Restricted Fund Balance

Restricted fund balance includes amounts that are constrained for specific purposes which are externally imposed by providers, such as creditors, or amounts constrained due to constitutional provisions or enabling legislation including City ordinances approved by a vote of the citizens.

Committed Fund Balance

Committed fund balance includes amounts that are constrained for specific purposes that are internally imposed by a vote of the Board of Trustees for trusts or codified through an ordinance for City funds. Commitments of fund balance do not lapse at year-end.

Assigned Fund Balance

Assigned fund balance includes amounts that are intended to be used for specific purposes that are neither considered restricted or committed. Fund balance may be assigned by formal action of the City Finance Director for trusts and authorities or through City Council resolution for City funds.

Unassigned Fund Balance

Unassigned fund balance includes positive fund balance within the General Fund and negative fund balances in other governmental funds.

The City maintains self balancing books of account for each detail fund balance designation, therefore negative balances at the individual level of accounting are used to reclassify negative balances of other fund balance classifications.

Fund Balance Usage

The City uses restricted amounts first when both restricted and unrestricted fund balance is available unless there are legal documents or contracts that prohibit doing this, such as grant agreements requiring dollar for dollar spending. Additionally, the City uses committed, then assigned, and lastly unassigned amounts of unrestricted fund balance when expenditures are made.

Minimum Fund Balances

City Council has adopted a minimum fund balance policy for the General Fund requiring unbudgeted reserves of 8-15%. In addition, the Council has set target levels of unbudgeted reserves of 5-10% for other City funds.

Net Position

Net investment in capital assets and legally restricted amounts are separated from unrestricted net position.

Net Investment in Capital Assets

The amount reported is calculated as total capital assets less accumulated depreciation and outstanding debt used to purchase the assets net of unspent portions. Unspent portions of debt, along with any amounts used to fund debt reserves, are included with restricted net position.

Restricted Net Position

Amounts reported as restricted for debt service include those amounts held in restricted accounts as required by the debt instrument. Restricted amounts held to pay bond interest are reduced by accrued interest payable. Net position restricted for capital projects include unspent debt proceeds legally restricted for capital outlays. Restricted net position also include purpose restrictions from enabling legislation and other external sources.

I. D. 13. USE OF ESTIMATES

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect certain reported amounts and disclosures; accordingly, actual results could differ from those estimates.

I. E. POLICIES RELATED TO REVENUES AND EXPENSES/EXPENDITURES

I. E. 1. MAJOR REVENUES

Program Revenues

Charges for Services

Program revenues reported with governmental activities include charges for services like permits and fees, parks charges, and fines and forfeitures. Business-type activity charges for services includes all operating income of proprietary funds.

Grants and Contributions

Governmental grants and contributions primarily consists of grants from Federal and state agencies. The nature of the grant determines if it is reported as operating or capital program revenues.

Business-type activities grants and contributions include restricted investment income, donations from others, as well as grants from Federal and state agencies.

General Revenues

General revenues reported with governmental activities include tax revenues. Both governmental and business-type activities report unrestricted investment income as general revenues.

I. E. 2. TRANSFERRED INVESTMENT INCOME

Investment income, which includes changes in the fair value of investments, associated with the Agency Fund is administratively assigned and transferred to the General Fund. Investment income related to immaterial residual balances in certain other funds is assigned and transferred to the General Fund.

I. E. 3. ALLOCATION OF INDIRECT EXPENSES

The City allocates indirect expenses primarily comprised of central governmental services to operating functions and programs benefiting from those services. Central services include overall City management, centralized budgetary formulation and oversight, accounting, financial reporting, payroll, procurement contracting and oversight, investing and cash management, personnel services, and other central administrative services. Allocations are charged to programs based on use of central services determined by various allocation methodologies. These charges are separately reported in the statement of activities. As a matter of policy, certain functions that use significant central services are not charged for the use of these services. Component unit charges paid directly to the General Fund and fiduciary fund charges are not allocated.

I. F. RETAINAGES

It is the policy of the City to retain a percentage of construction contracts until a completed project has been accepted. A contractor may request to opt out or withdraw any part, or the whole, of the amount retained for construction contracts upon deposit with, or delivery to, the City securities limited to (1) U.S. Treasury Bonds, U.S. Treasury Notes, U.S. Treasury Bills, (2) general obligations of the State of Oklahoma, or (3) certificates of deposit from a state or national bank having its principal office in the State of Oklahoma (In Lieu Securities). No retained amount shall be withdrawn which would represent an amount in excess of the market value of the In Lieu Securities at the time of the deposit or of the par value of such securities, whichever is lower. The City holds the In Lieu Securities and retains the risk of incurring costs related to a contractor's failure to perform. However, in the event of non-performance, the City calls the In Lieu Securities and utilizes the proceeds to cover any costs incurred. The City does not record the effect of holding the In Lieu Securities.

II. ASSETS AND DEFERRED OUTFLOWS OF RESOURCES

II. A. ASSETS

II. A. 1. DEPOSITS AND INVESTMENTS

Deposits

Custodial credit risk for deposits is the risk that in the event of a bank failure, the City's deposits may not be returned or the City will not be able to recover collateral securities in the possession of an outside party. Investment Policies require deposits to be 110% secured by collateral valued at market under the City's Investment Policy and market or par, whichever is lower under the OCAT and OCWUT Investment Policies, less the amount covered by the Federal deposit insurance. Under the OCWUT Investment Policy, repurchase agreements are required to be collateralized at 102%. Deposited funds may be invested in certificates of deposit in institutions with an established record of fiscal health. Under the City's Investment Policy, this is determined by the bank's institutional rating on each of the performance evaluations conducted pursuant to the Federal Community Reinvestment Act, 12 United States Code, Section 2901. This is determined by a rating by independent rating agencies of C minus or above under the Trust and OCAT Investment Policies and B or above under the OCWUT Policy. Collateral agreements must be approved prior to deposit of funds as provided by law. The City Council approves and designates a list of authorized depository institutions by resolution. Many bond indentures require deposits to be maintained by trustee banks specified in the indentures.

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

Investments

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

NOTES TO FINANCIAL STATEMENTS
June 30, 2014

CITY OF OKLAHOMA CITY, OKLAHOMA

	Primary Government			
	<u>Fair Value/ Carrying Amount</u>	<u>Cost</u>	<u>Minimum Credit Quality/ Ratings (1)</u>	<u>Weighted Average Maturity/Effective Duration (months) (2)</u>
<u>POOLED INVESTMENTS (3)</u>				
Money market funds (4)	\$8,178	\$8,178	AAA/Aaa	1.80
U.S. Treasury notes	388,287	392,464	N/A	19.15
Fannie Mae	141,918	142,508	AA/Aaa	18.97
Federal obligations	197,652	198,429	AA/Aaa	17.18
Commercial Paper	<u>47,975</u>	<u>47,950</u>	N/A	2.95
Total pooled investments	<u>784,010</u>	<u>789,529</u>		
Less Agency Fund (3)	<u>(1,949)</u>	<u>(1,949)</u>		
<u>NON-POOLED INVESTMENTS</u>				
U.S. Treasury notes	16,166	16,513	N/A	12.64
Federal obligations	69,265	70,108	AA/Aaa	19.29
Fannie Mae	52,220	52,919	AA+/Aaa	22.87
Money market funds (4)	39,860	39,860	AAA/Aaa	1.79
Domestic Common Stock	<u>4</u>	<u>4</u>	N/A	N/A
Total non-pooled investments	<u>177,515</u>	<u>179,404</u>		
Total primary government investments	<u>\$959,576</u>	<u>\$966,984</u>		
<u>Pension and OPEB Trust Funds</u>				
<u>COMMON STOCK</u>				
Domestic	\$175,701	\$128,711	N/A	N/A
International	13,065	9,915	N/A	N/A
<u>GOVERNMENT SECURITIES</u>				
U.S. Treasury strips	947	822	*	5.27
U.S. Treasury bonds	11,358	11,171	*	7.95
U.S. Treasury TIPS	1,879	1,883	*	10.14
Federal agency notes	17,758	17,905	*	5.34
Ginnie Mae notes	3,963	3,900	*	5.2
<u>CORPORATE OBLIGATIONS</u>				
Domestic	13,717	12,879	*	7.19
International	3,454	4,059	*	5.77
<u>MUTUAL FUNDS</u>				
Equity	129,271	99,589	*	N/A
Bond	25,605	21,732	*	5.44
Passive Bond	2,279	2,202	*	48.86
Other	251,406	195,704	*	N/A
<u>OTHER INVESTMENTS</u>				
Asset backed obligations	7,915	8,468	*	2.15
Real estate investment trusts	1,097	996	*	N/A
Money market fund (4)	13,279	13,279	*	N/A
Foreign government obligations	1,394	1,284	*	10.55
Oklahoma City judgments	<u>2,576</u>	<u>2,576</u>	*	4
Total pension trust fund investments	<u>\$676,664</u>	<u>\$537,075</u>		
Passive stock funds	\$18,178	\$14,438	N/A	N/A
International stock	2,917	2,807	N/A	N/A
Passive bond funds	8,866	8,695	Not Rated	74.76
Money market funds (4)	<u>5,040</u>	<u>5,040</u>	AAA	1.8
Total OPEB trust fund investments	<u>\$35,001</u>	<u>\$30,980</u>		

(continued)

NOTES TO FINANCIAL STATEMENTS
June 30, 2014

CITY OF OKLAHOMA CITY, OKLAHOMA

Investments (continued)

	Component Units			
	Fair Value/ Carrying Amount	Cost	Minimum Credit Quality/ Ratings (1)	Weighted Average Maturity/Effective Duration (months) (2)
POOLED INVESTMENTS				
Federal obligations	\$15,046	\$15,229	AA/Aaa	6.44
Money market funds (4)	<u>21,882</u>	<u>21,882</u>	AAA/Aaa	1.80
Total pooled investments	<u>36,928</u>	<u>37,111</u>		
NON-POOLED INVESTMENTS				
U.S. Treasury notes	4,077	4,023	N/A	12.5
U.S. Treasury bills	4,400	4,397	N/A	2.28
Federal obligations	49,366	49,544	AA/Aaa	20.35
Fannie Mae	20,113	20,142	AA/Aaa	29.00
Money market funds (4)	218,159	218,159	A+/A3	1.65
U.S. Treasury Strips	80,706	80,569	N/A	19.97
Guaranteed investment contract	14,327	14,327	A-/A2	50.32
Certificate of deposit	<u>10,290</u>	<u>10,290</u>	N/A	11.77
Total non-pooled investments	<u>401,438</u>	<u>401,451</u>		
Total component unit investments	<u>\$438,366</u>	<u>\$438,562</u>		

- (1) Ratings are provided where applicable to indicate associated credit risk. See pension trust fund credit risk for minimum quality credit ratings indicated with an *.
- (2) Interest rate risk is estimated using weighted average months to maturity for all investments except for pension trust fund investments which use effective duration in months for all investments except passive bond mutual funds, money market funds, and Oklahoma City judgments.
- (3) City Pooled investments include \$1,949 reported in the City's Agency Fund.
- (4) Consists solely of U.S. Treasury securities

Pension Trust Fund Credit Risk

Ratings represent the pension funds exposure to credit risk including obligations of the U.S. Government and those explicitly guaranteed by the U.S. Government as of June 30, 2014.

	AAA	AA	A	BBB	BB	B	CCC	CC	D	Not Rated
GOVERNMENT SECURITIES										
U.S. Treasury strips	0%	100%	0%	0%	0%	0%	0%	0%	0%	0%
U.S. Treasury bonds	0	100	0	0	0	0	0	0	0	0
U.S. Treasury TIPS	0	100	0	0	0	0	0	0	0	0
Federal agency notes	0	100	0	0	0	0	0	0	0	0
GNMA notes	0	100	0	0	0	0	0	0	0	0
CORPORATE OBLIGATIONS										
Domestic	0	10	48	38	4	0	0	0	0	0
International	7	6	37	41	9	0	0	0	0	0
MUTUAL FUNDS										
Bond	0	0	0	0	0	0	0	0	0	100
OTHER INVESTMENTS										
Asset backed obligations	6	11	13	24	7	3	16	1	4	15
Real estate investment trusts	0	0	0	0	0	0	0	0	0	100
Money market fund	100	0	0	0	0	0	0	0	0	0
Foreign government obligations	0	0	17	68	0	0	0	0	0	15

Foreign Investments (1)

	<u>OCERS</u>		<u>OCERS</u>	<u>COTPA Pension</u>
Mexican Peso	\$557,696	International mutual funds and similar securities	<u>\$166,366</u>	<u>\$1,127</u>
Thai Baht	220,128			
Malaysian Ringgit	432,725			
Polish Zloty	411,698			
Russian Ruble	395,544			
Indonesian Rupiah	346,918			
Brazilian Real	519,379			
Turkish Lira	407,297			
South African Rand	419,759			
Philippine Peso	49,812			
Hungarian Forint	246,197			
Canadian Dollar	40,592			
Chinese Yuan	72,186			
Colombian Peso	217,106			
Other	<u>1,454,805</u>			
International securities	<u>\$5,791,842</u>			

(1) Foreign currency risk is the risk that changes in exchange rates will adversely affect the fair value of an investment. Investment in foreign bonds and equities is shown by monetary unit to indicate possible foreign currency risk.

Securities Held by Others

For investments, custodial credit risk is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities in the possession of an outside party. City policy provides that investment collateral is held by a third party custodian with whom the City has a current custodial agreement in the City's name or be held in the name of both parties by the Federal Reserve Bank servicing Oklahoma.

Investment Policies

Investment policies for the City's reporting entity are maintained by the City Treasurer.

City Investment Policy

Credit Risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. Generally, the City's investing activities are managed under the custody of the City Treasurer. Investing is performed in accordance with investment policies adopted by the City Council complying with State Statutes and the City Charter. City funds may be invested in: (1) direct obligations of the U.S. Government, its agencies or instrumentalities to the payment of which the full faith and credit of the U.S. Government is pledged, or obligations to the payment of which the full faith and credit of the State of Oklahoma is pledged; (2) Federal agency or U.S. Government-sponsored enterprise obligations, participations, or other instruments, including those insured by or fully guaranteed as principal and interest by Federal agencies or U.S. Government-sponsored enterprises; (3) collateralized or insured certificates of deposit and other evidences of deposits at banks, savings and loan associations, and credit unions located in Oklahoma when secured by appropriate collateral or fully insured certificates of deposit and other evidences of deposits at banks, savings and loan associations, and credit unions located outside of Oklahoma; (4) repurchase agreements that have underlying collateral of direct obligations or obligations of the U.S. Government, its agencies, and instrumentalities; (5) money market funds regulated by the Securities and Exchange Commission which consist of authorized domestic securities with restrictions as specified in state law; (6) Savings accounts or certificates of savings and loan associations, banks, and credit unions, to the extent the accounts are fully insured by Federal depository insurance; (7) State and Local Government Series (SLGS); (8) City direct debt obligations for which an ad valorem tax may be levied or bonds issued by a public trust of which the City is a beneficiary and judgments rendered against the City by a court of record, provided it is a prudent investment; (9) Prime commercial paper with a maturity date less than 180 days which represents less than 10% of the outstanding paper of an issuing corporation.

Under the City Investment Policy, the City may not invest in reverse repurchase agreements, derivative instruments created from, whose value depends on, or is derived from, the value of one or more underlying assets or indices of asset values or is a variable rate instrument. Collateralization is further restricted to permitted investments shown previously as items (1) and (2).

Interest Rate Risk is the risk that changes in interest rates will adversely affect the fair value of an investment. Investments held for longer periods are subject to increased risk of adverse interest rate changes. The City Investment Policy provides that to the extent practicable, investments are matched with anticipated cash flows. Investments are diversified to minimize the risk of loss resulting from over-concentration of assets in a specific maturity period, a single issuer, or an individual class of securities. Unless matched to a specific cash flow, investments are not made in securities maturing more than five years from the date of purchase. Certificates of deposit may not be purchased with maturities greater than 365 days from date of purchase.

Concentration of Credit Risk is the risk of loss attributed to the magnitude of the City’s investment in a single issuer. Cumulatively, portfolios of the City may not be invested in any given financial institution in excess of 5% of such institution’s total assets excluding U.S. Government securities and those issued by government sponsored enterprises, SLGS, and City judgments. Additionally, no more than 5% of the total City portfolio may be placed with any single financial institution excluding U.S. Government securities and those issued by government sponsored enterprises, savings, money market funds, SLGS, City judgments and repurchase agreements.

Portfolio Structure (1)

<u>Investment Type Limitations</u>		<u>Maturity Limitations</u>	
<u>Percentage of Total Invested Principal</u>		<u>Percentage of Total Invested Principal</u>	
	<u>Maximum % (2)</u>		<u>Maximum % (4)</u>
Repurchase agreements	100.0%	0-1 year	100%
U.S. Treasury securities (3)	100.0	1-3 years	90
Certificates of deposit	50.0	3-5 years	90
Money market funds	100.0		
Savings accounts	100.0		
U.S. noncallable agency securities	100.0		
U.S. callable agency securities	20.0		
Prime commercial paper	7.5		
City judgments	5.0		

- (1) Specifically matched cash flows are excluded.
- (2) For investments listed, there is no minimum percentage specified under the policy.
- (3) Includes SLGS.
- (4) For maturities limited to 0-1 year, the minimum percentages allowed under the policy are 5-25%.

The City Investment Policy also allows surplus cash, certificates of deposit, and repurchase agreements to be collateralized with securities with longer maturities if such maturity does not exceed ten years.

OCAT Investment Policy

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

OCWUT Investment Policy

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

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

The OCWUT Investment Policy provides that to the extent practicable, investments are matched with anticipated cash flows. Investments are diversified to minimize the risk of loss resulting from over-concentration of assets in a specific maturity period, a single issuer, or an individual class of securities. Unless matched to a specific cash flow, investments are not made in securities maturing more than five years from the date of purchase. Certificates of deposit may not be purchased with maturities greater than 365 days from date of purchase.

Concentration of Credit Risk is the risk of loss attributed to the magnitude of the OCWUT's investment in a single issuer. Cumulatively, OCWUT's portfolios may not be invested in any given financial institution in excess of 5% of such institution's total assets. Additionally, no more than 5% of the total Trusts portfolio may be placed with any single financial institution with the exception of repurchase agreements and money market funds. U.S. Government securities, SLGS, and City judgments are excluded from these restrictions.

Portfolio Structure (1)

Investment Type Limitations		Maturity Limitations	
Percentage of Total Invested Principal		Percentage of Total Invested Principal	
	<u>Maximum % (2)</u>		<u>Maximum % (4)</u>
Repurchase agreements	100%	0-1 year	100%
U.S. Treasury securities (3)	100	1-3 years	90
Certificates of deposit	50	3-5 years	90
Money market funds	100		
Savings accounts	100		

- (1) Specifically matched cash flows are excluded.
- (2) For investments listed, there is no minimum percentage specified under the policy.
- (3) Includes SLGS.
- (4) For maturities limited to 0-1 year, the minimum percentages allowed under the policy are 5-25%.

The OCWUT Investment Policy also allows surplus cash, certificates of deposit, and repurchase agreements to be collateralized with securities with longer maturities if such maturity does not exceed ten years. The OCWUT Investment Policy does not address investments of MCA which are restricted by bond indenture restrictions.

OCRA Investment Policy

On March 6, 2014, OCRA adopted an investment policy which stipulates that no more than 75% of the total funds available for investment may be placed in any one authorized institution. Of the funds invested, up to 100% may be invested with a maturity date of two years or less, up to 30% may be invested with a maturity of two to three years, up to 10% may be invested with a maturity of three to five years and up to 5% may be invested with a maturity of five to thirty years.

Public Trust Bond Indenture Restrictions

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

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

Restricted Deposits and Investments

	Primary Government				Total
	Bond Principal and Interest <u>Accounts</u>	Project and Construction <u>Accounts</u>	Bond Reserve <u>Accounts</u>	<u>Other</u>	
<i>Governmental Activities</i>					
General Obligation Bonds Fund	\$ -	\$236,713	\$ -	\$ -	\$236,713
Grants Management	7,790	-	-	-	7,790
Debt Service	87,445	-	-	-	87,445
OCPPA General Purpose Fund	-	-	-	621	621
Special Purpose Fund	-	-	-	11,946	11,946
Total governmental activities	<u>95,235</u>	<u>236,713</u>	<u>-</u>	<u>12,567</u>	<u>344,515</u>
<i>Business-Type Activities</i>					
OCEAT	428	-	-	-	428
OCZT	296	-	637	-	933
OCPPA Fairgrounds Fund	3,045	4,851	-	-	7,896
OCPPA Golf Courses Fund	682	517	456	-	1,655
Total business-type activities	<u>4,451</u>	<u>5,368</u>	<u>1,093</u>	<u>-</u>	<u>10,912</u>
Total primary government	<u>\$99,686</u>	<u>\$242,081</u>	<u>\$1,093</u>	<u>\$12,567</u>	<u>\$355,427</u>

	Component Units				
	Bond Principal and Interest <u>Accounts</u>	Construction <u>Accounts</u>	Bond Reserve <u>Accounts</u>	<u>Other</u>	
OCAT	\$3,481	\$31,776	\$ -	\$8,141	\$43,398
OCWUT	25,458	162	32,476	-	58,096
COTPA	1,016	8,637	-	164	9,817
OCRA	-	5,390	-	-	5,390
OCEDT	<u>2,279</u>	<u>29,683</u>	<u>9,775</u>	<u>-</u>	<u>41,737</u>
Total component units	<u>\$32,234</u>	<u>\$75,648</u>	<u>\$42,251</u>	<u>\$8,305</u>	<u>\$158,438</u>

Pension Trust Policies

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

Asset Allocation Guidelines

	OCERS				COTPA Retirement			
	<u>Minimum</u>	<u>Target</u>	<u>Maximum</u>	<u>Actual</u>	<u>Minimum</u>	<u>Target</u>	<u>Maximum</u>	<u>Actual</u>
<u>EQUITIES</u>								
Domestic	50.0%	50.0%	50.0%	58.0%	35.0%	45.0%	65.0%	53.6%
International	5.0	10.0	15.0	8.5	5.0	10.0	15.0	10.0
Alternatives	N/A	N/A	N/A	N/A	0.0	20.0	25.0	13.3
Fixed income (1)	20.0	25.0	30.0	26.9	20.0	25.0	40.0	23.1
Real estate	10.0	15.0	20.0	6.6	N/A	N/A	N/A	N/A

(1) For the OCERS, fixed income includes cash.

Both plans address custodial credit risk similarly with policy providing for the engagement of a custodian who accepts possession of securities for safekeeping; collects and disburses income; collects principal of sold, matured, or called items; and provides periodic accounting to the respective pension boards. The pension trust funds hold \$475 thousand in common stock or stock funds. Of this amount \$151 thousand is held by the investment counterparty, not in the name of the pension fund or the City.

COTPA Retirement addresses credit risk and concentration of credit risk with policy that prohibits investment of more than 5% of its assets in the securities of any one issuer with the exception of the U.S. Government. Policy further prohibits investment of more than 20% in any one market sector. Fixed income securities must be rated at least A. Commercial paper must be rated A1, P1. Repurchase agreements must be collateralized by U.S. Government/agency assets. Cash may not exceed 5% of the equities portfolio. The fixed income portfolio may be invested 100% in cash equivalents or fixed income securities maturing in 30 years or less.

Interest rate risk is addressed by the policy requiring that the active fixed income manager's maintain portfolio duration at a minimum of 50% and a maximum of 150% of the Barclay's Capital Aggregate Bond Index (LAGG=100).

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

Portfolio Parameters

Large Cap Domestic Portfolio:

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

Small Cap Portfolio:

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

International Portfolio:

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

Core Fixed Income Portfolio:

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

Core Plus Fixed Income Portfolio:

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

Low Volatility Hedge Fund of Funds:

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

Real Estate Manager:

The manager may invest in real estate and related securities permitted under Oklahoma Law including improved or unimproved real property, mortgages, collective investment fund. (Real Estate Investment Trusts or Real Estate Funds, notes secured by real property, mortgage-backed bonds and pass through securities backed by mortgages). Investments in real estate properties will be broadly diversified by geography, by property type and the number of properties.

Derivatives:

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

Other Post-Employment Trust Policies

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

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

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

Asset Allocation Guidelines

	<u>Minimum</u>	<u>Target</u>	<u>Maximum</u>	<u>Actual (1)</u>
Domestic equities	30%	60%	65%	60.7%
International equities	5	10	15	9.7
Fixed income	30	30	65	29.6
Cash	0	0	100	0.0

- (1) Funds held by the OCPEBT Treasurer for cash flow purposes are invested temporarily in money market funds. These funds have not been made available to the investment manager and therefore are not included in actual percentages above. At June 30, 2014 and 2013, the amount of funds temporarily invested by the OCPEBT Trust Treasurer in money market funds was \$5,040 and \$4,748, respectively.

The OCPEBT policy provides risk parameters for various portfolio compositions. These address credit risk, concentration of credit risk, interest rate risk, and foreign currency risk applicable to the portfolio. The OCPEBT contractually delegates portfolio management to investment managers based on these prescribed portfolio structures. Equity securities (common stock or equivalent) must be traded on a major U.S. exchange and may include issues convertible to common stocks. International fixed income securities purchases are generally limited to issues of at least \$50 million. Investment managers may not invest in more than 5% of any one issuer or more than 30% of any one sector of the market. U.S. Government securities are excluded from these restrictions.

Portfolio Parameters

Domestic Common Stocks:

Investments are limited to stocks with both the perceived ability of the company to appreciate and achieve future growth in earnings and current dividend return.

Fixed Income Securities:

Fixed income securities must be rated "BBB" by Standard and Poor's or "Baa" by Moody's to qualify for purchase.

Cash Equivalents:

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

Domestic Index and Mutual Funds:

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

International Index and Mutual Funds:

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

Judgments:

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

Compliance with State Requirements

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

II. A. 2. RECEIVABLES AND UNCOLLECTIBLE AMOUNTS

Governmental Taxes and Accounts Receivable and Uncollectible Amounts

Sales and Use Taxes Receivable

Governmental activities report sales and use taxes receivable of \$65.141 million comprised of amounts received after year-end for current year taxes on sales. Sales and use tax are considered fully collectible.

Property Taxes Receivable and Property Tax Calendar

At June 30, 2014, receivables of \$4.306 million represent delinquent and escrowed paid-under-protest taxes. Approximately \$72 thousand of the receivable is comprised of payments to the counties made under protest and delinquent taxes are not paid within 60 days of year-end, they are recorded as unavailable revenue in governmental funds. Property taxes receivable related to TIF at June 30, 2014 is \$2 thousand reported in OCPPA General Purpose Fund, \$14 thousand reported in OCRA, and \$5,828 thousand reported in OCEDT.

Accounts Receivable

Governmental funds report taxes receivable other than sales and property taxes as part of accounts receivable. Accounts receivable are net of allowance for uncollectible amounts which are immaterial in amount.

	Hotel/ Motel Taxes <u>Receivable</u>	Emergency Telephone Taxes <u>Receivable</u>	Franchise Fees <u>Receivable</u>	Other <u>Receivables</u>	Total Accounts <u>Receivable</u>
Governmental Funds					
General Fund	\$ -	\$ -	\$4,774	\$2,756	\$7,530
Grants Management Fund	-	-	-	637	637
OCPPA General Purpose	-	-	-	2,066	2,066
Other governmental funds	<u>1,305</u>	<u>408</u>	<u>-</u>	<u>2,985</u>	<u>4,698</u>
Total governmental funds	1,305	408	4,774	8,444	14,931
Internal Service Funds	-	-	-	<u>6,794</u>	<u>6,794</u>
Total governmental activities	<u>\$1,305</u>	<u>\$408</u>	<u>\$4,774</u>	<u>\$15,238</u>	<u>\$21,725</u>

Proprietary Accounts Receivable and Uncollectible Amounts

	Major Enterprise Funds					Total Major Enterprise Funds
	Water and Wastewater Fund	OCEAT	OCZT	OCPPA Golf Courses	Other Enterprise Funds	
Accounts receivable	\$58	\$7,656	\$429	\$1	\$2,516	\$10,660
Less: allowance for uncollectible accounts	-	(4,264)	-	-	(1,053)	(5,317)
Net accounts receivable	<u>\$58</u>	<u>\$3,392</u>	<u>\$429</u>	<u>\$1</u>	<u>\$1,463</u>	<u>\$5,343</u>

Component Unit Accounts Receivable

	OCAT	OCRRA	OCICF	OCWUT	COTPA	OCRA	OCEDT	Total Component Units
Accounts receivable	\$5,385	\$30	\$27	\$20,941	\$355	\$383	\$1	\$27,122
Less: allowance for uncollectible accounts	-	-	-	(1,427)	(17)	-	-	(1,444)
Net accounts receivable	<u>\$5,385</u>	<u>\$30</u>	<u>\$27</u>	<u>\$19,514</u>	<u>\$338</u>	<u>\$383</u>	<u>\$1</u>	<u>\$25,678</u>

Agency Fund Receivables

The Agency Fund reports \$139 thousand in amounts receivable from property owners for property tax liens and \$101 thousand in amounts receivable from other City funds.

Intergovernmental Receivables

A total of \$16.838 million in intergovernmental receivables is due from the Federal, state or local government at year end. Governmental funds report \$9.113 million. Component units report \$7.725 million.

Governmental Activities

Governmental Funds

General Fund	Commercial vehicle, excise, motor fuel and alcoholic beverage taxes receivable	\$1,231
Grants Management Fund	Grant revenues receivable	6,691
Special Purpose Fund	State matching emergency management funds receivable	350
Tax Incremental Financing Fund	State matching TIF revenues receivable	685
<u>Internal Service Funds</u>		
OCMFA Services Fund	State matching emergency management funds receivable	<u>156</u>
Total primary government		<u>\$9,113</u>

Component Units

OCAT	Grant revenues receivable	\$3,181
OCWUT	State matching emergency management and Federal Bureau of Reclamation funds receivable	70
COTPA	Grant revenues receivable	1,618
OCMAPS	Suburban schools receivable	1,393
OCEDT	Oklahoma County Annex Building renovation project receivable	<u>1,463</u>
Total component units		<u>\$7,725</u>

Notes Receivable

General Fund

OCURA Bass Pro Leasehold Improvements

In 2002, the City Council adopted a funding plan for leasehold improvements to the Bass Pro Shop. The OCURA holds the lease with the Bass Pro Shop. Under the funding plan three City funds: MAPS Operations Fund, City and Schools Use Tax Fund, and Public Safety Capital Use Tax Fund, loaned OCURA \$17 million for leasehold improvements of the building. Each of the three funds recorded an advance from the General Fund. The General Fund repays these funds as monies are collected from OCURA. The balance of the note receivable from OCURA based on the funding plan is \$637 thousand at June 30, 2014.

ETI, Inc.

A note receivable for \$60 thousand from ETI, Inc was established in 2009 for repayment of disallowed costs associated with the City's Workforce Investment Act grants. The note is being paid at \$500 per month over a ten year period. The unpaid balance at June 30, 2014 is \$29 thousand.

Grants Management Fund

Notes Receivable reported in the grants management fund include loans of \$10.762 million made to businesses and individuals for economic development, housing assistance, and revitalization of downtown Oklahoma City. These notes are repaid by the recipient business or future grant monies.

OCRA

OCRA has a note receivable from Skirvin Partners, LLC at June 30, 2014 for \$10.454 million. The note bears interest at 3% payable semi-annually in June 1 and December 1. Principal of \$200,000 is due annually on December 1. Interest receivable of \$26 thousand is due at June 30, 2014.

OCEDT

During 2011, OCEDT loaned the OCMGF \$4.190 million to enable the OCMGF to acquire property in the vicinity of the Myriad Botanical Gardens for the purposes of providing for relocation of displaced Myriad Botanical Gardens facilities and to ensure that the property is used and developed in a manner compatible with the purpose of the Myriad Botanical Gardens. The land was appraised at \$4.225 million. On August 9, 2011, OCEDT approved a real estate transfer agreement between OCEDT and the OCMGF naming OCEDT as owners of the property purchased by the OCMGF. The transfer releases the OCMGF of the liability to OCEDT for the principal amount of the loan but requires OCMGF to pay any unpaid accrued interest, which was \$189 thousand at the date of the transfer. The note was repaid in 2014.

II. A. 3. OTHER ASSETS

Non-Current Receivables

OCAT Intergovernmental Receivables

OCAT participates in reimbursable agreements with the Federal Aviation Administration. The agreements provide certain architectural and engineering services, as well as, structural maintenance of certain capital assets. OCAT reported non-current intergovernmental receivables related to these agreements of \$2.007 million, reported with other assets as non-current.

OCWUT Receivable from MCA Participants

In August 1992 the MCA trust indenture was amended to define the relationship between MCA and its aliquot share participants (Participants). Payment of the aliquot share of the costs affords Participants the right to store and transport water they are permitted to use. The portion of funds paid or transferred to MCA by Participants for aliquot shares are a period cost. Unpaid aliquot share balances from the Participants are cumulative and recorded as a non-current receivable by MCA. Payments to MCA from Participants reduce the amounts receivable from Participants for outstanding aliquot share payments receivable. At June 30, 2014, OCWUT reported \$48.437 million receivable from MCA Participants.

Component Unit Other Assets

COTPA

COTPA has a \$65 thousand security deposit which is collateral to secure the obligation regarding a \$75 thousand deductible automobile liability coverage.

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

COTPA has a net pension asset in the amount of \$689 thousand. This asset is to be used for future pension obligations.

OCMAPS

Public schools completed by OCMAPS and awaiting transfer to the Oklahoma City Independent School District by approval of the OCMAPS Board are reclassified to other non-current assets in the amount of \$120.095 million and recognized as a donation when the transfer is made to the Oklahoma City Independent School District.

OCRA

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

II. A. 4. EQUITY INTEREST IN JOINT VENTURE

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

	Capital Interests		Total Net Position			
	Tulsa Area	Oklahoma City Area	Net Position		Liabilities	
July 1, 2013, capital	\$10,536	\$8,255	Assets	\$30,111	Short-term	\$9,965
Changes in net position	(66)	1,421	Liabilities	9,965	Long-term	-
June 30, 2014, capital	<u>\$10,470</u>	<u>\$9,676</u>	Net position	<u>\$20,146</u>		<u>\$9,965</u>

II. A. 5. CAPITAL ASSETS

Changes in Capital Assets

	Primary Government							Total Capital Assets, Net
	Capital Assets, not depreciated			Capital Assets, depreciated				
	Land, Art, and Water Storage		Total Capital Assets	Infrastructure and Other Than Buildings	Furniture, Machinery, and Equipment	Total Capital Assets, Depreciable		
	<u>Rights</u>	<u>In Progress</u>	<u>Assets</u>	<u>Buildings</u>	<u>Buildings</u>	<u>Equipment</u>	<u>Depreciable</u>	
<i>Governmental Activities</i>								
<u>CAPITAL ASSETS</u>								
Balance, June 30, 2013	\$101,956	\$111,812	\$213,768	\$496,419	\$1,499,627	\$233,823	\$2,229,869	\$2,443,637
Increases	13,826	89,810	103,636	863	21,687	22,574	45,124	148,760
Decreases	(446)	(10,076)	(10,522)	(65)	(1,511)	(4,442)	(6,018)	(16,540)
Balance, June 30, 2014	<u>115,336</u>	<u>191,546</u>	<u>306,882</u>	<u>497,217</u>	<u>1,519,803</u>	<u>251,955</u>	<u>2,268,975</u>	<u>2,575,857</u>
<u>ACCUMULATED DEPRECIATION</u>								
Balance, June 30, 2013				\$157,457	\$595,175	\$157,987	\$910,619	\$910,619
Increases				11,226	53,310	17,742	82,278	82,278
Decreases				-	(43)	(1,259)	(1,302)	(1,302)
Balance, June 30, 2014				<u>168,683</u>	<u>648,442</u>	<u>174,470</u>	<u>991,595</u>	<u>991,595</u>
Total governmental activities	<u>115,336</u>	<u>191,546</u>	<u>306,882</u>	<u>328,534</u>	<u>871,361</u>	<u>77,485</u>	<u>1,277,380</u>	<u>1,584,262</u>
<i>Business-Type Activities</i>								
<u>CAPITAL ASSETS</u>								
Balance, June 30, 2013	\$30,664	\$15,206	\$45,870	\$162,474	\$749,892	\$78,885	\$991,251	\$1,037,121
Increases	-	10,319	10,319	4,120	25,734	5,935	35,789	46,108
Decreases	-	(14,613)	(14,613)	(188)	(812)	(1,036)	(2,036)	(16,649)
Balance, June 30, 2014	<u>30,664</u>	<u>10,912</u>	<u>41,576</u>	<u>166,406</u>	<u>774,814</u>	<u>83,784</u>	<u>1,025,004</u>	<u>1,066,580</u>
<u>ACCUMULATED DEPRECIATION</u>								
Balance, June 30, 2013				\$66,862	\$444,459	\$62,553	\$573,874	\$573,874
Increases				3,470	20,212	4,456	28,138	28,138
Decreases				(155)	(337)	(1,307)	(1,799)	(1,799)
Balance, June 30, 2014				<u>70,177</u>	<u>464,334</u>	<u>65,702</u>	<u>600,213</u>	<u>600,213</u>
Total business-type activities	<u>30,664</u>	<u>10,912</u>	<u>41,576</u>	<u>96,229</u>	<u>310,480</u>	<u>18,082</u>	<u>424,791</u>	<u>466,367</u>
Total	<u>\$146,000</u>	<u>\$202,458</u>	<u>\$348,458</u>	<u>\$424,763</u>	<u>\$1,181,841</u>	<u>\$95,567</u>	<u>\$1,702,171</u>	<u>\$2,050,629</u>

(continued)

NOTES TO FINANCIAL STATEMENTS
June 30, 2014

CITY OF OKLAHOMA CITY, OKLAHOMA

Changes in Capital Assets (continued)

	Component Units							Total Capital Assets, Net
	Capital Assets, not depreciated			Capital Assets, depreciated				
	Land, Art, and Water Storage Rights		Total Construction Capital Assets	Buildings	Infrastructure and Improvements Other Than Buildings	Furniture, Machinery, and Equipment	Total Capital Assets, Depreciable	
	In Progress							
CAPITAL ASSETS								
Balance, June 30, 2013	\$187,868	\$321,186	\$509,054	\$633,626	\$1,247,866	\$139,482	\$2,020,974	\$2,530,028
Increases	5,250	151,454	156,704	27,435	132,131	8,260	167,826	324,530
Decreases	(206)	(203,249)	(203,455)	(25,098)	(18,093)	(166)	(43,357)	(246,812)
Balance, June 30 2014	<u>192,912</u>	<u>269,391</u>	<u>462,303</u>	<u>635,963</u>	<u>1,361,904</u>	<u>147,576</u>	<u>2,145,443</u>	<u>2,607,746</u>
ACCUMULATED DEPRECIATION								
Balance, June 30, 2013				\$297,721	\$475,035	\$91,196	\$863,952	\$863,952
Increases				18,104	32,800	13,021	63,925	63,925
Decreases				(1,988)	(8,213)	(208)	(10,409)	(10,409)
Balance, June 30, 2014				<u>313,837</u>	<u>499,622</u>	<u>104,009</u>	<u>917,468</u>	<u>917,468</u>
Total	<u>\$192,912</u>	<u>\$269,391</u>	<u>\$462,303</u>	<u>\$322,126</u>	<u>\$862,282</u>	<u>\$43,567</u>	<u>\$1,227,975</u>	<u>\$1,690,278</u>

Approximately \$244,371 million (cost of \$499,893 million and accumulated depreciation of \$255,522 million) of airport property is leased or held for lease to others as of June 30, 2014.

Depreciation Expense

		Primary Government		Component Units	
		Governmental Activities	Business-Type Activities		
General government	\$6,991	Airport	\$436	Airports	\$21,249
Public safety: Police	2,972	Water and wastewater	10,627	Riverfront redevelopment	79
Fire	3,419	Solid waste management	2,699	Cultural and industrial	237
Other	690	Stormwater drainage	3,422	Water utilities	34,594
Public services	42,603	Golf courses	993	Parking	644
Economic Development	2,412	Zoo	2,941	Transit	2,308
Culture and recreation	<u>22,004</u>	Fairgrounds	6,691	Economic development	<u>842</u>
Subtotal	81,091	Transportation and Parking	<u>6</u>		
Allocated internal service fund depreciation	<u>1,948</u>				
Total governmental activities	<u>\$83,039</u>	Total business-type activities	<u>\$27,815</u>	Total component unit activities	<u>\$59,953</u>

Capitalized Interest

	Total Interest Costs Incurred	Capitalized Interest
OCAT	\$5,524	\$872
COTPA	897	897
OCWUT	18,861	5,119
OCPPA Fairgrounds Fund	3,281	325
OCPPA Golf Fund	<u>466</u>	<u>242</u>
	<u>\$29,029</u>	<u>\$7,455</u>

II. B. DEFERRED OUTFLOWS OF RESOURCES

II. B. 1. DEFERRED AMOUNT ON REFUNDING

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

Primary Government		
Bond Issue		
<i>Governmental Activities</i>		
General obligation bonds	2005 Refunding	\$769
General obligation bonds	2012 Refunding	<u>4,939</u>
		5,708
<i>Business-type Activities</i>		
OCZT	Series 2005 Refunding	170
OCPPA Golf Courses Fund	Series 2010 Refunding	<u>2</u>
		<u>172</u>
		<u>\$5,880</u>
Component Units		
Bond Issue		
Airports	Junior Lien Series 29B	\$829
OCWUT	Series 2009 A & B Refunding	35
OCWUT	Series 2013 Refunding	<u>8,833</u>
		<u>\$9,697</u>

III. LIABILITIES AND DEFERRED INFLOWS OF RESOURCES

III. A. LIABILITIES

III. A. 1. UNEARNED REVENUES

	Primary Government			Component Units
	<i>Governmental Activities</i>	<i>Business-Type Activities</i>	Total	
<u>CURRENT</u>				
Grant revenues	\$1,347	\$ -	\$1,347	\$ -
Event sales	5,156	-	5,156	-
Charges for services	45	7,401	7,446	14
Advance construction costs	-	-	-	248
Naming rights	242	-	242	133
Rent	<u>2,262</u>	<u>283</u>	<u>2,545</u>	<u>1,034</u>
	<u>\$9,052</u>	<u>\$7,684</u>	<u>\$16,736</u>	<u>\$1,429</u>
<u>NON-CURRENT</u>				
Grant revenues	\$12,820	\$ -	\$12,820	\$ -
Naming rights	-	-	-	969
Rent	<u>1,047</u>	<u>2,342</u>	<u>3,389</u>	<u>1,150</u>
	<u>\$13,867</u>	<u>\$2,342</u>	<u>\$16,209</u>	<u>\$2,119</u>

III. A. 2. INTERGOVERNMENTAL PAYABLES

Arbitrage Compliance

Proceeds from tax-exempt bonds issued after September 1, 1986, are subject to the 1986 Tax Reform Act. The City invests, records, and reports these proceeds in the manner set forth by the U.S. Treasury and Internal Revenue Service to maintain the tax-exempt status of the bonds. Arbitrage liabilities of \$26 thousand are reported in business-type activities.

Payable to the Economic Development Administration (EDA)

In 2001, the City was awarded a loan from the EDA in the amount of \$500 thousand to fund a revolving loan fund for at-risk small businesses. At June 30, 2014, the amount due is \$673 thousand. The City has made application with EDA to repay EDA's portion of the cash and transfer the outstanding note receivable to the sub-recipient currently managing the loan. It is expected the City's obligation will be fulfilled in 2014 when EDA approves the application.

Payable to the Oklahoma County Sheriff's Office (OCSO)

In May, 2013, severe weather resulted in the declaration of a disaster. The OCSO assisted in the disaster recovery. The payable to the OCSO for reimbursement of overtime expenses expected to be recovered by a Federal Emergency Management Agency (FEMA) grant award at June 30, 2014 is \$78 thousand.

Payable to FEMA

As part of the recovery efforts related to May 2013 severe weather, the City provided debris removal for personal residences which in some cases was covered by homeowner's insurance. FEMA reimbursed the City for costs related to these services. At June 30, 2014, \$12 thousand was due to FEMA for amounts received from homeowners and not yet remitted to FEMA.

Payable to the Oklahoma Water Resources Board (OWRB)

During fiscal year 2010, OCWUT entered into an agreement with the Oklahoma Water Resources Board (OWRB) to repay the Federal government for certain costs related to construction of Sardis Lake in Southeastern Oklahoma. The initial cost to OCWUT was \$27.814 million for the settlement of the OWRB's debt to the Federal government. In addition, OCWUT has agreed to pay for additional costs of \$39.542 million for future costs due and payable to the Federal government. This amount incurs interest at a rate of 4.012% which is added to the payable annually. The payable at June 30, 2014, is \$46.354 million which is reported with non-current liabilities. In addition, an amount of \$15.000 million is payable to reimburse the OWRB for certain costs which the state previously made payments and upon the event of the issuance of a water use permit by the OWRB in accordance with Oklahoma law.

III. A. 3. COMPENSATED ABSENCES

Compensated absences balances changed from 2013 to 2014 by accruals of \$40.541 million and usages of \$37.124 million.

	General Fund	Grants Management Fund	Other Governmental Funds	Total
Compensated absences	<u>\$62,392</u>	<u>\$208</u>	<u>\$12,314</u>	<u>\$74,914</u>

III. A. 4. TAX ANTICIPATION DEBT

OCEDT TIF Districts #2 and #3

The City created TIF District #2 on March 7, 2000 and TIF District #3 on July 20, 2004. OCPPA issued a line of credit to provide the funding for the projects related to the two TIF districts until the permanent TIF financing was finalized. The extended due date of the line of credit was December 31, 2008.

On October 22, 2008, OCEDT issued Private Placement Tax Anticipation Note 2008, (2008 TAN) from JP Morgan Chase Bank, N.A. in the amount of \$25 million with a fixed interest rate of 6.99% for a 16 year term to pay the outstanding principal and interest on the OCPPA TIF #2 and #3 line of credit in the amount of \$20.523 million. The balance of proceeds from the 2008 TAN is available to fund the remaining projects within the TIFs.

On February 4, 2010, OCEDT issued a \$5 million Private Placement Tax Anticipation Note (2010 TAN) from JP Morgan Chase Bank, N.A. with a fixed interest rate of 4.20% for a 5 year term. The proceeds from the 2010 TAN are to fund redevelopment and improvements within the districts. As of June 30, 2014, \$21.425 million has been drawn to fund TIF #2 and #3 projects. Of the amount due, \$18.680 million is reported with non-current liabilities.

OCEDT TIF Districts #4 and #5

In October 2004, Dell Incorporated (Dell) announced the selection of the City as the permanent site of the Dell Business Services Center. In November 2004, the City Council approved a Memorandum of Understanding (MOU) with Dell that outlined the incentives to be provided to Dell as a result of the selection of the City. The MOU required the City to provide land and infrastructure improvements to the site along with job creation grants. In December 2004, OCPPA approved the incurrence of indebtedness to JP Morgan Chase for a \$12 million line of credit (LOC) with a rate of the London Interbank Offering Rate (LIBOR) (30 day) plus 45 basis points with full repayment due on or before December 15, 2006. The financing requires a moral (not legal) pledge by the City in the event that proceeds of the tax increment debt issued by a City beneficiary trust are insufficient to repay the LOC.

In March 2005, OCPPA increased the line of credit by an additional \$4 million to \$16 million to fund a site improvement contract for dynamic compaction. On November 14, 2006, OCPPA authorized the extension of the terms of the note that increased the amount to \$16 million and extended the maturity date to December 1, 2007. On November 20, 2007, OCPPA authorized an extension of the maturity date to December 1, 2008. On November 18, 2008, OCPPA authorized an extension of the LOC maturity date to June 30, 2009; a decrease in the LOC to \$13 million; and an increase in interest rate to LIBOR plus 90 basis points. On June 23, 2009, OCPPA authorized an extension of the maturity date to June 30, 2010. On July 6, 2010, OCPPA approved a resolution extending the maturity date to June 30, 2011, and changed the interest rate to LIBOR plus 105 basis points. On June 21, 2011, OCPPA extended the maturity date to June 30, 2012, and decreased the maximum amount of the LOC to \$11 million.

In April 2012, the City Council approved a joint resolution with the OCEDT authorizing the assignment of TIF District #4 & #5 LOC, from OCPPA to OCEDT. In addition, the resolution authorized the transfer of any TIF District #4 and #5 assets be transferred to OCEDT along with any outstanding obligations. The resolution further authorized the payment of necessary expenses related to the assignment including bond counsel fees and the bank's legal fees. On June 26, 2012, OCEDT authorized an extension of the maturity date to June 30, 2013; a decrease in the LOC to \$10 million; and changed the interest rate to LIBOR plus 105 basis points. On June 25, 2013, OCEDT authorized an extension of the maturity date to June 30, 2014; a decrease in the LOC to \$9 million; and changed the interest rate to LIBOR plus 85 basis points. As of June 30, 2014, \$6.000 million is outstanding against this line of credit. This indebtedness is reported in the OCEDT Fund.

Changes in Tax Anticipation Debt

	Component Unit			Effective Interest	
	Balance July 1, 2013	Issued/ Transferred	Retired	Balance June 30, 2014	Rate, June 30, 2014
OCEDT					
2009 TIF District #2 and #3	\$21,085	\$ -	\$1,160	\$19,925	6.99
2010 TIF District #2 and #3	2,750	-	1,250	1,500	4.20
TIF District #4 and #5	6,500	-	500	6,000	1.00
TIF interest payable	<u>392</u>	<u>1,490</u>	<u>1,523</u>	<u>359</u>	
	<u>\$30,727</u>	<u>\$1,490</u>	<u>\$4,433</u>	<u>\$27,784</u>	

Tax Anticipation Debt Payment Requirements to Maturity

	Component Unit					
	OCEDT					
	OCEDT - Line of Credit		OCPPA-TIF #4 & #5		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
2015	\$2,745	\$1,381	\$6,000	\$66	\$8,745	\$1,447
2016	1,335	1,261	-	-	1,335	1,261
2017	1,435	1,161	-	-	1,435	1,161
2018	1,535	1,059	-	-	1,535	1,059
2019	1,650	947	-	-	1,650	947
2020-2024	10,220	2,762	-	-	10,220	2,762
2025-2029	<u>2,505</u>	<u>88</u>	<u>-</u>	<u>-</u>	<u>2,505</u>	<u>88</u>
	<u>\$21,425</u>	<u>\$8,659</u>	<u>\$6,000</u>	<u>\$66</u>	<u>\$27,425</u>	<u>\$8,725</u>

Pledged Revenues

OCPPA TIF Revenues

In 2014, OCPPA recognized \$42 thousand in property tax collections designated to repay TIF issued to support economic development activities.

OCEDT TIF Revenues

The OCEDT issued tax anticipation notes to support its economic development activities. The OCEDT TIF Fund reports revenue-supported debt. In 2014, OCEDT recognized \$18.860 million in property taxes and \$1.333 million in payments from the City for sales tax restricted to repay tax anticipation debt.

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

III. A. 5. COMMERCIAL PAPER

Commercial Paper

On January 17, 2006, OCWUT established a commercial paper program authorizing the issuance of up to \$75 million of tax-exempt commercial paper notes with letter of credit security. On November 2, 2010, OCWUT approved a resolution authorizing an increase in the commercial paper program to an amount not to exceed \$150 million in principal of tax-exempt commercial paper notes at any one time. The commercial paper program provides interim financing for OCWUT's ongoing capital program. Maturity of commercial paper ranges from 1 to 270 days, depending on market conditions at the time of issue. It is the general practice of OCWUT to extinguish commercial paper through issuance of bonded debt.

	<u>Balance</u> <u>July 1, 2013</u>	<u>Issued</u>	<u>Retired</u>	<u>Balance</u> <u>June 30, 2014</u>	<u>Effective</u> <u>Interest Rate</u>
<u>COMMERCIAL PAPER</u>					
OCWUT	<u>\$15,500</u>	<u>\$39,000</u>	<u>\$ -</u>	<u>\$54,500</u>	<u>0.02%</u>

III. A. 6. NOTES, LEASE OBLIGATIONS, AND ESTIMATED CLAIMS PAYABLE

Notes Payable

Federal Section 108 Notes Payable

The City facilitated Section 108 loans, administered by the U.S. Department of Housing and Urban Development (HUD), for the Gold Dome, Climate Craft, Dell Incorporated economic development projects, and a small business revolving loan fund. These loans are secured by HUD guarantees of future Federal grant allocations for repayment through the Community Development Block Grant (CDBG) program. The Gold Dome and Dell Incorporated loans were paid off early in November of 2010. The Climate Craft loan was paid off in January 2012. JP Morgan Chase financed current outstanding Section 108 loans for City projects. These loans bear interest ranging from 0.45% - 6.62% and maturing from August 1, 2017, through August 1, 2025. Outstanding loans at June 30, 2014, are \$3.325 million and \$2 thousand in accrued interest. This loan activity is reported in the government-wide financial statements.

OCPPA General Purpose Fund Capital Financing Note

On April 25, 2006, OCPPA approved issuance of a capital financing note for the downtown underground improvement project relating to the funding of infrastructure improvements within the underground special improvement and assessment district. The downtown underground consists of a system of pedestrian tunnels used for below surface access to retail shops, restaurants, and other commercial outlets in the tunnels, as well as, surface venue access through underground pedestrian routes protected from the weather and traffic. On May 11, 2006, the Authority issued the note to Bank of America Leasing and Capital LLC for \$2 million at an annual fixed rate of 6.364% with principal and interest payable August 1 for ten years, beginning August 1, 2007. At June 30, 2014 the balance due is \$440 thousand and \$14 thousand in accrued interest.

OCPPA General Purpose Fund Non-Interest Bearing Note Payable

The OCPPA received a non-interest bearing loan of up to \$780 thousand from the Oklahoma Department of Commerce for the remediation of hazardous waste materials in the Skirvin Hotel. Repayment of the loan is deferred for five years. Annual payments of \$5 thousand commenced February 1, 2010. A loan origination fee of \$15.6 thousand will apply if the loan is not repaid in full prior to February 2015. As of June 30, 2014, the OCPPA has cumulatively drawn \$693 thousand against the total.

OCWUT Notes Payable Revolving Loans

On November 13, 2009, OCWUT finalized two revolving loans for a maximum of \$7.634 million for water line improvements and \$9.469 million in wastewater improvements. Upon completion of the construction projects, each loan has a provision for a minimum 20% match, \$2 million maximum from the American Recovery and Reinvestment Act of 2009. The match was in the form of principal forgiveness in each loan. As of June 30, 2014, \$10.419 million is outstanding. The effective interest rates of the two loans are 2.86% and 3.57% payable on March 15 and September 15 for the term of the loans. Principal payments began on March 15, 2011, and will continue semiannually for the term of the loans. The loans expire on March 15, 2031, and September 15, 2040.

On December 1, 2010, OCWUT finalized two revolving loans for a maximum of \$24.927 million for wastewater improvements and \$35 million for water line improvements. As of June 30, 2014, \$45.402 million is outstanding. The effective interest rates of the two loans are 3.27% and 3.74% payable on March 15 and September 15 for the term of the loan. Principal payments began on September 15, 2013, and will continue semiannually for the term of the loans. The loans expire on March 15, 2043.

OCRA Bio-Pharmaceutical Manufacturing Facility Note Payable

On August 31, 2007, OCRA issued a Bio-Pharmaceutical Manufacturing Facility note payable. The amount refinanced was \$6.528 million including \$28 thousand advanced closing costs. The note bears interest at the lesser of prime minus 1% or LIBOR plus 1%. The initial rate, determined using LIBOR plus 1% was 6.32%. The rate changes annually on July 1. The note matures July 1, 2022 and requires interest only to be paid monthly until August 1, 2010, at which time interest and principal payments commenced. As of June 30, 2014, the balance due is \$4.496 million. The interest rate at June 30, 2014, is 1.27%.

OCRA Presbyterian Health Foundation Notes Payable

OCRA issued a \$10.600 million parity tax apportionment revenue note on August 31, 2007. The note matures on July 1, 2022, and interest on the note is calculated as either LIBOR rate plus 1% or the prime rate minus 1%, whichever is less, adjusted annually on July 1st of each year. From the issue date to July 1, 2010, only interest is due on the note, and commencing on August 1, 2010, both interest and principal are due on the note. Payments are to be made on the 1st day of each month. The amount of interest paid for the years ended June 30, 2014, and 2013, was \$27,109 and \$124,585, respectively. This note was fully paid off as part of the sale of the Research Park Parking garages to the Board of Regents of the University of Oklahoma on October 1, 2013.

OCRA Presbyterian Health Foundation Notes Payable

On August 31, 2007, OCRA issued a \$5.300 million parity parking revenue note. The note matures on July 1, 2022, and interest on the note is calculated as either the LIBOR rate plus 1% or the prime rate minus 1%, whichever is less, adjusted annually on July 1st of each year. From the issue date to July 1, 2010, only interest is due on the note, and commencing on August 1, 2010, both interest and principal are due on the note. Payments are to be made on the 1st day of each month. The note is collateralized from operations of the Presbyterian Health Foundation Parking Garage. The amount of interest paid for the years ended June 30, 2014, and 2013, was \$13,554 and \$62,292, respectively. This note was also fully paid off as part of the sale of the Research Park Parking garages on October 1, 2013.

OCRA Dean A. McGee Note Payable

OCRA issued a \$3 million parity tax apportionment revenue note on August 3, 2007. The note matures on July 1, 2022, and interest on the note is calculated as either the LIBOR rate plus 1% or the prime rate minus 1%, whichever is less, adjusted annually on July 1st of each year. From the issue date to July 1, 2010, only interest is due on the note and commencing August 1, 2010, both interest and principal are due on the note. As of June 30, 2014, the balance of the note is \$2.075 million. The interest rate at June 30, 2014 is 1.27%.

Capital Leases

The City has outstanding capital lease agreements of \$840 thousand. These capital leases were used to finance the acquisition of copiers and office and printing equipment at a cost of \$138 thousand and ground equipment at a cost of \$788 thousand.

Estimated Claims Payable

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

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

Significant losses are covered by commercial insurance for all major programs except one employee health care alternative, which is covered by stop-loss commercial insurance, and workers' compensation, for which the City Risk Management Fund, OCMFA Services Fund, and OPEBT retain risk of loss. For insured programs, there have been no significant reductions in insurance coverage. Settlement amounts have not exceeded insurance coverage for the current year or the three prior years.

Estimated claims liabilities are based on estimates of the ultimate cost of reported claims (including future claim adjustment expenses) and an estimate for claims incurred but not reported based on historical experience. Claims liabilities include specific, incremental claim adjustment expenses, allocated loss adjustment expenses, and are reduced for estimated recoveries on unsettled claims such as salvage or subrogation. The liability at June 30, 2014, is \$57.818 million.

Health Insurance Claims Liabilities

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

Worker's Compensation Claims Liabilities

Worker's compensation claims incurred but not yet paid are calculated by a third-party using the inverse power curve and lognormal probability distribution methods. The City records worker's compensation claims payable at the discounted amount. The undiscounted carrying value at June 30, 2014, is \$43.64 million. Claims are discounted at 2%. A copy of the third party report can be obtained from Risk Management, 420 W. Main, Suite 630, Oklahoma City, OK 73102.

Risk Liabilities

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

Tort Claims Liabilities

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

Pollution Remediation Claims Liabilities

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

Katy Trail

Fuel odors were encountered by a construction crew during excavation on the Katy Trail adjoining the Oklahoma City Public Schools, School Bus Service Center. \$2 thousand was spent in 2014 to remediate the problem. The project was completed and as of June 30, 2014, there are no more estimated costs.

Street Improvements

During subsurface geotechnical investigations, gasoline odors were encountered in the City right-of-way along North May Avenue. The City hired a consultant to perform a follow-up limited subsurface investigation. A monitoring well was installed for further investigation. The project was complete as of June 30, 2014, there are no obligated costs for this project.

Downtown Park

During the cleanup of land purchased for the new Downtown Park, several sources of remediation were discovered. The estimated cost of obligations at this time is \$3.223 million.

Police Draper Ranger Station

During 2014, a work order request was sent into General Services for a severe condensation problem on the inside of the windows at the Police Draper Ranger Station. After testing, it was determined that there was mold and asbestos pollution. \$1 thousand was spent in 2014 to remediate the mold abatement. The obligating liability for mold abatement as of June 30, 2014, is estimated to be \$11 thousand.

Emergency Debris Removal (Cleveland County)

During 2014, a saltwater injection line in Cleveland County was ruptured while removing debris that was located near a consolidated petroleum tank battery causing a spill. The location of the rupture was near the intersection of SW 149th and South Western Avenue. The estimated costs to complete this remediation was \$11 thousand of which \$3 thousand was spent in 2014 and \$8 thousand is expected to be reimbursed by the construction vendor. There is no obligating liability for debris removal as of June 30, 2014.

Police Property Management Unit

In the process of remodeling, asbestos and lead was discovered in the south side of the police property management building. Abatement measures were taken to remove all potentially hazardous materials. \$10 thousand was spent in 2014 to remediate the problem. The project was completed during 2014. There are no obligated costs as of June 30, 2014.

Double Eagle Superfund Site

The site became polluted when waste oil was improperly disposed of at the site. The City, and others, were asked by Union Pacific Railroad to contribute to the cost of clean-up of the site because records were produced that showed the City paid a waste hauler for disposal of its waste oil which was taken to the site. An initial payment has been made, but the issue of future payments continues to be the subject of litigation between the United States and the Railroad. The City's proposed settlement amount came as a result of direct negotiation between a group of potentially responsible parties identified by the Railroad and the Federal government. Because of the ongoing litigation, additional obligations are possible. The City believes it has met its obligation for site remediation. Potential future obligations are not estimable at year end.

Gulfstream Maintenance Facility

The Wiley Post Airport Gulfstream Maintenance Facility is polluted with chemical compounds caused by certain aviation manufacturing activities. The liability is based on contracts in place for estimated site assessment and site characterization costs provided by the vendor. The remaining obligation will be paid by OCAT and the liability is reported with Component Units. As of June 30, 2014, the remaining estimated obligation is \$15 thousand.

NOTES TO FINANCIAL STATEMENTS
June 30, 2014

CITY OF OKLAHOMA CITY, OKLAHOMA

Pollution Remediation Obligations

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

	Primary Government			Pollution Remediation Obligation
	Estimate Method and Assumption	Total Estimated Obligation	Estimated Recoveries	
Primary Government				
<i>Governmental Activities</i>				
Downtown Park	Engineer report	\$3,223	\$ -	\$3,223
Police Draper Station	Engineer report	11	-	11
Emergency Debris Removal	Engineer report	8	(8)	-
Total primary government		<u>\$3,242</u>	<u>(\$8)</u>	<u>\$3,234</u>
Component Unit				
OCAT Fund				
Gulfstream Maintenance Facility	Vendor estimate	<u>\$15</u>	<u>\$-</u>	<u>\$15</u>

Estimated Claims Aggregate Liabilities

	Primary Government					Component Unit	Fiduciary Fund
	<i>Governmental Activities</i>					OCAT	OCPEBT
	Health Care	Workers' Compensation	Risk	Tort	Pollution Remediation	Pollution Remediation	Health Care
Liability balance, July 1, 2012	\$1,264	\$39,965	\$551	\$5,301	\$1	\$85	\$810
Claims and changes in estimates	16,093	7,103	4,685	3,730	33	184	16,131
Claims payments	(15,947)	(7,463)	(509)	(2,298)	(3)	(163)	(16,162)
Liability balance, July 1, 2013	1,410	39,605	4,727	6,733	31	106	779
Claims and changes in estimates	15,753	6,851	8,297	2,583	3,220	-	17,810
Claims payments	(15,843)	(7,000)	(5,786)	(3,730)	(17)	(91)	(17,620)
Liability balance, June 30, 2014	<u>\$1,320</u>	<u>\$39,456</u>	<u>\$7,238</u>	<u>\$5,586</u>	<u>\$3,234</u>	<u>\$15</u>	<u>\$969</u>
Assets available to pay claims	<u>\$9,661</u>	<u>\$23,912</u>	<u>\$11,615</u>	<u>\$5,810</u>	<u>\$124,638</u>	<u>\$95,576</u>	<u>\$33,096</u>

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

	Primary Government							
	<i>Governmental Activities</i>							
	Notes Payable (1)		Capital Leases (2)				Estimated Claims Payable (3)	
Governmental Funds (4)		Governmental Funds		Internal Service Funds		Governmental Funds	Internal Service Funds	
Principal	Interest	Principal	Interest	Principal	Interest	Principal	Principal	
2015	\$992	\$45	\$66	\$14	\$38	\$4	\$3,233	\$22,037
2016	384	34	348	5	16	1	-	31,563
2017	357	23	14	-	11	-	-	-
2018	225	11	-	-	-	-	-	-
2019	225	10	-	-	-	-	-	-
2020-2024	1,600	31	-	-	-	-	-	-
2025-2029	675	2	-	-	-	-	-	-
	<u>\$4,458</u>	<u>\$156</u>	<u>\$428</u>	<u>\$19</u>	<u>\$65</u>	<u>\$5</u>	<u>\$3,233</u>	<u>\$53,600</u>
Range of interest rates	0% - 6.36%		2.99% - 7.99%		6.56% - 7.97%			
Cost of assets			<u>\$532</u>		<u>\$143</u>			
Accumulated depreciation			<u>\$124</u>		<u>\$68</u>			

(continued)

Notes, Lease Obligations, and Estimated Claims Payment Requirements to Maturity (continued)

	<u>Primary Government</u>		<u>Component Unit</u>				<u>OPEB Trust</u>	
	<u>Business-Type Activities</u>						<u>Funds</u>	
	<u>Capital Leases (2)</u>		<u>Notes Payable</u>		<u>Estimated</u>	<u>Notes Payable (1)</u>		<u>Estimated</u>
	<u>Proprietary Funds</u>		<u>OCWUT</u>		<u>Claims Payable</u>	<u>OCRA</u>		<u>Claims</u>
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>	<u>OCAT</u>	<u>Principal</u>	<u>Interest</u>	<u>Payable (3)</u>
					<u>Principal</u>			<u>OCPEBT</u>
								<u>Principal</u>
2015	\$28	\$10	\$1,275	\$1,969	\$15	\$778	\$77	\$969
2016	319	3	1,314	1,929	-	787	67	-
2017	-	-	1,365	1,878	-	797	57	-
2018	-	-	1,413	1,830	-	807	47	-
2019	-	-	1,463	1,781	-	817	37	-
2020-2024	-	-	8,109	8,107	-	2,585	51	-
2025-2029	-	-	9,641	6,575	-	-	-	-
2030-2034	-	-	10,188	4,803	-	-	-	-
2035-2039	-	-	11,246	2,878	-	-	-	-
2040-2044	-	-	9,807	798	-	-	-	-
	<u>\$347</u>	<u>\$13</u>	<u>\$55,821</u>	<u>\$32,548</u>	<u>\$15</u>	<u>\$6,571</u>	<u>\$336</u>	<u>\$969</u>

Range of interest rates 2.99% 2.86%-3.74% 1.25% 0.00%

Cost of assets **\$394**

Accumulated depreciation **\$79**

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

III. A. 7. BONDS PAYABLE

Unamortized Bond Discount/Premium

	<u>Primary Government</u>			<u>Component Units</u>
	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>	
Bonds payable	\$663,575	\$94,085	\$757,660	\$659,454
Unamortized bond discount/premium	34,777	1,239	36,016	29,707
Bonds payable, net	<u>\$698,352</u>	<u>\$95,324</u>	<u>\$793,676</u>	<u>\$689,161</u>

General Obligation Bonds

Bond Indentures and Covenants

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

Issuances

2014 Non-Taxable General Obligation Bonds

On March 1, 2014, the City issued \$92.185 million in City general obligations bonds with an average interest rate of 3.85%. Total proceeds included \$8.294 million in premium. Issuance costs were \$298 thousand. Net proceeds of \$100.181 million will be used to fund infrastructure improvements. The bonds mature on March 1, 2034.

2014 Limited Tax General Obligation Bonds

On March 1, 2014, the City issued \$15 million in City general obligations bonds with an average interest rate of 3.48%. Total proceeds included \$316 thousand in premium. Issuance costs were \$213 thousand. Net proceeds of \$15.103 million will be used to fund economic development. The bonds mature on March 1, 2034.

General Obligation Bonds Authorized But Unissued

	2007
	<u>Authorization</u>
Streets	\$243,050
Bridges	10,445
Traffic control	8,050
Drainage control	16,560
Parks & recreational facilities	45,610
Fire facilities	5,685
Police facilities	1,025
Libraries	7,580
City maintenance facilities	9,750
Economic & community development	<u>24,000</u>
Total	<u>\$371,755</u>

Revenue Bonds

Bond Indentures and Covenants

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

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

NOTES TO FINANCIAL STATEMENTS
June 30, 2014

CITY OF OKLAHOMA CITY, OKLAHOMA

The bond indentures for the OCAT bonds require project, bond (sinking), and various construction accounts. The general bond indenture and its supplements for Oklahoma City Water Utilities Trust water and wastewater system bonds require the use of revenue, bond, operations and maintenance, reserve, construction, and renewal and replacement accounts. The MCA bond indenture requires the use of bond proceeds, project, revenue, and bond accounts. The COTPA Parking bond indenture requires the use of revenue, bond, operating and maintenance, major maintenance and replacement, reserve, construction, and special use accounts. The OCEDT Tax Apportionment bond indenture requires the use of project, principal, interest, reserve, and apportionment accounts. The reporting entity is in compliance with all significant requirements of the various bond covenants.

OCICF Conduit Debt

OCICF has issued industrial revenue bonds and leasing obligations to provide financial assistance to private-sector entities for the acquisition and construction of facilities deemed to be in the public interest. The bonds and leasing obligations are secured by the property financed and are payable solely from payment received on underlying mortgage loans or leasing agreements. Upon payment of the bonds and leasing obligations, ownership of the acquired facilities transfers to the private-sector entity. OCICF and the City are not obligated in any manner for repayment of the bonds or leasing obligations; accordingly, the bonds and leasing obligations are not reported as liabilities. The aggregate principal amount payable at June 30, 2014 is \$36.803 million.

Bonded Debt Service Requirements To Maturity

	Primary Government									
	<i>Governmental Activities</i>		<i>Business-Type Activities</i>							
	General Obligation Bonds		Revenue Bonds							
	Principal	Interest	OCEAT		OCZT		Fairgrounds		Golf Courses	
		Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	
2015	\$47,860	\$27,713	\$375	\$99	\$575	\$128	\$2,870	\$3,512	\$755	\$451
2016	53,340	25,558	390	85	605	99	2,830	3,396	775	429
2017	50,955	23,315	160	74	630	76	2,935	3,278	795	407
2018	48,395	21,165	165	68	650	52	3,055	3,154	825	383
2019	48,295	19,141	170	61	680	27	2,575	3,027	845	357
2020-2024	201,105	67,612	960	195	-	-	15,105	12,894	4,640	1,368
2025-2029	149,005	29,479	440	19	-	-	19,670	8,323	2,235	782
2030-2034	64,620	6,248	-	-	-	-	23,590	3,005	1,770	490
2035-2039	-	-	-	-	-	-	1,335	92	1,680	133
Totals	<u>\$663,575</u>	<u>\$220,231</u>	<u>\$2,660</u>	<u>\$601</u>	<u>\$3,140</u>	<u>\$382</u>	<u>\$73,965</u>	<u>\$40,681</u>	<u>\$14,320</u>	<u>\$4,800</u>

	Component Unit							
	Revenue Bonds							
	OCAT		OCWUT		COTPA		OCEDT	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2015	\$20,950	\$6,072	\$11,994	\$26,263	\$580	\$869	\$5,230	\$4,558
2016	7,410	5,075	12,335	25,883	610	864	5,275	4,524
2017	7,745	4,733	19,330	25,416	615	858	5,335	4,473
2018	7,420	4,387	19,575	15,422	625	849	5,420	4,399
2019	8,115	4,029	16,940	14,531	635	837	5,515	4,311
2020-2024	31,200	14,629	88,305	60,007	3,420	3,924	29,755	19,521
2025-2029	9,585	10,565	62,605	40,834	4,055	3,251	35,140	14,391
2030-2034	6,565	8,508	72,055	26,352	5,050	2,222	43,410	6,471
2035-2039	9,030	5,946	58,680	12,021	6,410	827	-	-
2040-2044	12,580	2,271	19,955	1,255	-	-	-	-
Totals	<u>\$120,600</u>	<u>\$-</u>	<u>\$381,774</u>	<u>\$247,984</u>	<u>\$22,000</u>	<u>\$14,501</u>	<u>\$135,080</u>	<u>\$62,648</u>

Outstanding Bonds, Maturity Dates, and Interest Rates

	Primary Government			
	<u>Amount of Original Issue</u>	<u>Range of Final Maturity Dates</u>	<u>Range of Effective Interest Rates</u>	<u>Outstanding Balance</u>
<i>Governmental Activities</i>				
General obligation bonds	\$869,085	2014 - 2034	2 - 5.63	\$663,575
<i>Business-Type Activities</i>				
Revenue bonds - major enterprise funds				
OCEAT	8,410	2026	3 - 4.25	2,660
OCZT	5,660	2019	3.125 - 5	3,140
OCPFA Fairgrounds Fund	85,105	2018 - 2036	1.43 - 5.5	73,965
OCPFA Golf Courses Fund	16,030	2024 - 2038	2 - 3.85	14,320
Component Units				
	<u>Amount of Original Issue</u>	<u>Range of Final Maturity Dates</u>	<u>Range of Effective Interest Rates</u>	<u>Outstanding Balance</u>
Revenue bonds				
OCAT	\$204,450	2013 - 2027	1.6 - 9.8	\$120,600
OCWUT	486,945	2017 - 2042	0.6 - 7.85	381,774
COTPA	22,000	2039	0.86 - 4.97	22,000
OCEDT	140,285	2032 - 2034	0.4 - 5	135,080

Bond Interest Payable

The Series 1986C OCWUT Water Revenue Bonds accumulated deferred interest until 2005 when the bonds began to mature. The non-current interest payable at June 30, 2014 is \$16.045 million.

Bond Defeasance

Prior Years Defeasance

In prior years, certain outstanding bonds were defeased by placing proceeds of new bonds in an irrevocable trust or escrow account to provide for all future debt service payments on the old bonds. This results in a transfer of liability to the irrevocable trust or escrow account trustee. Accordingly, the trust or escrow accounts and the defeased bonds are not included in the financial statements.

Outstanding Defeased Bonds

	<u>Purpose</u>	Primary Government		
		<u>Bond Series</u>	<u>Defeased Balance</u>	<u>Outstanding Balance</u>
<i>Governmental Activities</i>				
General obligation bonds (1)	Combined Purpose	2004	\$10,550	\$ -
General obligation bonds	Combined Purpose	2005	<u>24,725</u>	<u>24,725</u>
			<u>\$35,275</u>	<u>\$24,725</u>
Component Unit				
	<u>Purpose</u>	<u>Bond Series</u>	<u>Defeased Balance</u>	<u>Outstanding Balance</u>
OCWUT	Water and wastewater utilities system	1977 Series F	\$6,565	\$1,475
OCWUT	Water and wastewater utilities system	1978 Series G	1,890	465
OCWUT	Water and wastewater utilities system	2004	66,780	65,055
OCWUT	Water and wastewater utilities system	2008	47,020	46,100
COTPA Parking	Parking	Series 2003	23,635	19,205
COTPA Parking	Parking	Series 2006	<u>6,895</u>	<u>2,980</u>
			<u>\$152,785</u>	<u>\$135,280</u>

(1) The general obligation bonds, Series 2003 were called on March 1, 2013.

Segment Information and Pledged Revenues

The City issues revenue bonds to support a variety of public services. The fund financial statements report major funds with revenue-supported debt for the OCEAT, OCZT and OCPPA Fairground Funds. OCAT financial information for revenue bonds within the combining component unit's financial statements is also included in the basic financial statements.

The other fund of the primary government with revenues pledged for bonded debt is the OCPPA Golf Courses Fund which provides for the operations of four municipal golf courses (excluding James E. Stewart Golf Course). The Oklahoma City Water Utilities Trust provides water and wastewater services to citizens. OCWUT reports the blended operations of the Oklahoma City Water Utilities Trust and MCA. MCA is a component unit of OCWUT. MCA provides water storage in Atoka, Oklahoma. COTPA Parking is a fund of COTPA. COTPA Parking provides public parking primarily in downtown Oklahoma City.

Condensed Statement of Net Position

	<u>Primary Government</u>	<u>Component Units</u>			<u>Activity With Revenue Supported Debt</u>
	<u>Business-Type Activities</u>	<u>Segment Information</u>			
	OCPPA Golf Courses (1)	Oklahoma City Water Utilities Trust	MCA	COTPA Parking	OCEDT TIF District #8
<u>ASSETS</u>					
Current assets	\$8,111	\$141,695	\$4,366	\$20,340	\$44,527
Non-current assets	9,169	1,101,806	130,264	37,948	36,410
Total assets	<u>17,280</u>	<u>1,243,501</u>	<u>134,630</u>	<u>58,288</u>	<u>80,937</u>
<u>DEFERRED OUTFLOWS</u>					
	<u>2</u>	<u>8,868</u>	-	-	-
<u>LIABILITIES</u>					
Current liabilities	2,601	102,892	5,356	6,276	8,145
Non-current liabilities	16,441	493,412	89,879	21,517	132,153
Total liabilities	<u>19,042</u>	<u>596,304</u>	<u>95,235</u>	<u>27,793</u>	<u>140,298</u>
<u>NET POSITION</u>					
Net investment in capital assets	(1,287)	504,935	32,309	17,641	9,443
Restricted	567	15,254	8,100	2,498	2,279
Unrestricted	<u>(1,040)</u>	<u>135,876</u>	<u>(1,014)</u>	<u>10,356</u>	<u>(71,083)</u>
Total net position	<u>(\$1,760)</u>	<u>\$656,065</u>	<u>\$39,395</u>	<u>\$30,495</u>	<u>(\$59,361)</u>

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

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

	Primary Government		Component Units			Activity With Revenue Supported Debt OCEDT TIF District #8
	<u>Business-Type Activities</u>		<u>Segment Information</u>			
	OCPPA Golf Courses (1)	Oklahoma City Water Utilities Trust	MCA	COTPA Parking		
<u>OPERATING INCOME</u>						
Operating revenues	\$8,190	\$195,627	\$1,914	\$6,933	\$11,478	
Depreciation expense	(903)	(33,927)	(668)	(644)	(276)	
Other operating expenses	<u>(8,069)</u>	<u>(118,041)</u>	<u>(673)</u>	<u>(3,336)</u>	<u>(6,301)</u>	
Operating income (loss)	(782)	43,659	573	2,953	4,901	
<u>NON-OPERATING REVENUES</u>						
<u>(EXPENSES)</u>						
Interest expense	(225)	(11,811)	(2,910)	-	-	
Other	55	3,685	584	119	-	
Transfers	<u>683</u>	<u>(5,426)</u>	<u>5,426</u>	<u>(25)</u>	<u>(2)</u>	
Changes in net position	(269)	30,107	3,673	3,047	4,899	
Beginning net position	<u>(1,491)</u>	<u>625,958</u>	<u>35,722</u>	<u>27,448</u>	<u>(69,911)</u>	
Ending net position	<u>(\$1,760)</u>	<u>\$656,065</u>	<u>\$39,395</u>	<u>\$30,495</u>	<u>(\$59,361)</u>	

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

Condensed Statement of Cash Flows (2)

	Primary Government		Component Unit		
	<u>Business-Type Activities</u>		<u>Segment Information</u>		
	OCPPA Golf Courses (1)	Oklahoma City Water Utilities Trust	MCA	COTPA Parking	
<u>NET CASH PROVIDED (USED) BY</u>					
Operating activities	\$694	\$85,215	(\$204)	\$3,472	
Non-capital financing activities	214	(6,717)	6,910	183	
Capital and related financing activities	(3,430)	(68,491)	(7,242)	(17,106)	
Investing activities	<u>1,881</u>	<u>(18,153)</u>	<u>(567)</u>	<u>18,586</u>	
Net increase (decrease) in cash	(641)	(8,146)	(1,103)	5,135	
Beginning cash	<u>2,092</u>	<u>18,720</u>	<u>1,625</u>	<u>5,441</u>	
Ending cash	<u>\$1,451</u>	<u>\$10,574</u>	<u>\$522</u>	<u>\$10,576</u>	

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

(2) OCEDT TIF District #8 is a governmental fund and does not present a statement of cash flows.

III. A. 8. CHANGES IN LONG-TERM LIABILITIES

	Primary Government					
	Balance <u>July 1, 2013</u>	<u>Issued</u>	<u>Retired</u>	Balance <u>June 30, 2014</u>	Due Within <u>One Year</u>	Due After <u>One Year</u>
<i>Governmental Activities</i>						
<u>COMPENSATED ABSENCES</u>						
Governmental funds	\$71,909	\$32,807	\$29,802	\$74,914	\$22,610	\$52,304
Internal service funds	<u>2,055</u>	<u>1,285</u>	<u>1,230</u>	<u>2,110</u>	<u>786</u>	<u>1,324</u>
	<u>73,964</u>	<u>34,092</u>	<u>31,032</u>	<u>77,024</u>	<u>23,396</u>	<u>53,628</u>
<u>NOTES, LEASE OBLIGATIONS, AND</u>						
<u>ESTIMATED CLAIMS PAYABLE</u>						
Governmental funds:						
Notes payable	4,790	-	332	4,458	992	3,466
Lease obligations payable	506	34	112	428	66	362
Estimated claims payable	30	3,220	17	3,233	3,233	-
Internal service funds:						
Lease obligations payable	70	37	42	65	38	27
Estimated claims payable	<u>52,475</u>	<u>33,484</u>	<u>32,359</u>	<u>53,600</u>	<u>22,037</u>	<u>31,563</u>
	<u>57,871</u>	<u>36,775</u>	<u>32,862</u>	<u>61,784</u>	<u>26,366</u>	<u>35,418</u>
<u>BONDS PAYABLE (2)</u>						
Governmental funds-general obligation bonds	<u>599,460</u>	<u>107,185</u>	<u>43,070</u>	<u>663,575</u>	<u>47,860</u>	<u>615,715</u>
<u>NET OPEB OBLIGATION</u>						
Governmental funds	85,005	24,549	14,448	95,106	-	95,106
Internal service funds	<u>2,949</u>	<u>1,092</u>	<u>534</u>	<u>3,507</u>	<u>-</u>	<u>3,507</u>
	<u>87,954</u>	<u>25,641</u>	<u>14,982</u>	<u>98,613</u>	<u>-</u>	<u>98,613</u>
<i>Business-Type Activities</i>						
<u>COMPENSATED ABSENCES</u>						
Water and Wastewater Fund	5,749	3,432	3,394	5,787	2,134	3,653
OCZT	170	181	170	181	181	-
OCPPA Golf Courses	212	127	119	220	82	138
Other enterprise funds	<u>3,966</u>	<u>2,086</u>	<u>1,981</u>	<u>4,071</u>	<u>1,402</u>	<u>2,669</u>
	<u>10,097</u>	<u>5,826</u>	<u>5,664</u>	<u>10,259</u>	<u>3,799</u>	<u>6,460</u>
<u>NOTES AND LEASE OBLIGATIONS</u>						
Lease obligations payable-						
Stormwater Drainage Fund	<u>374</u>	<u>-</u>	<u>27</u>	<u>347</u>	<u>28</u>	<u>319</u>
<u>BONDS PAYABLE (REVENUE BONDS) (2)</u>						
OCEAT	3,020	-	360	2,660	375	2,285
OCZT	3,685	-	545	3,140	575	2,565
OCPPA Fairgrounds Fund	76,720	-	2,755	73,965	2,870	71,095
Other enterprise funds	<u>15,055</u>	<u>-</u>	<u>735</u>	<u>14,320</u>	<u>755</u>	<u>13,565</u>
	<u>98,480</u>	<u>-</u>	<u>4,395</u>	<u>94,085</u>	<u>4,575</u>	<u>89,510</u>
<u>NET OPEB OBLIGATION</u>						
Water and Wastewater Fund	10,295	4,617	2,963	11,949	-	11,949
OCZT	1,309	1,041	-	2,350	-	2,350
OCPPA Golf Courses	2,480	474	-	2,954	-	2,954
Other enterprise funds	<u>5,152</u>	<u>2,620</u>	<u>1,665</u>	<u>6,107</u>	<u>-</u>	<u>6,107</u>
	<u>19,236</u>	<u>8,752</u>	<u>4,628</u>	<u>23,360</u>	<u>-</u>	<u>23,360</u>
Total primary government (4) (5)	<u>\$947,436</u>	<u>\$218,271</u>	<u>\$136,660</u>	<u>\$1,029,047</u>	<u>\$106,024</u>	<u>\$923,023</u>

(continued)

III. A. 8. CHANGES IN LONG-TERM LIABILITIES (continued)

	Component Units					
	Balance July 1, 2013	Issued	Retired	Balance June 30, 2014	Due Within One Year	Due After One Year
<u>COMPENSATED ABSENCES</u>						
OCWUT	\$40	\$17	\$6	\$51	\$7	\$44
COTPA	454	606	422	638	216	422
	494	623	428	689	223	466
<u>INTERGOVERNMENTAL PAYABLE</u>						
OCWUT	59,575	1,805	-	61,380	-	61,380
<u>NOTES, LEASE OBLIGATIONS, AND ESTIMATED CLAIMS PAYABLE</u>						
Estimated claims payable-OCAT	106	-	91	15	15	-
Notes payable-OCWUT	56,560	816	1,555	55,821	1,275	54,546
Notes payable-OCRA	19,616	-	13,045	6,571	778	5,793
	76,282	816	14,691	62,407	2,068	60,339
<u>BOND INTEREST PAYABLE, NON-CURRENT (3)</u>						
Revenue bond interest payable non-current-OCWUT	22,922	-	6,877	16,045	-	16,045
<u>BONDS PAYABLE (REVENUE BONDS) (2)</u>						
OCAT	94,355	39,615	13,370	120,600	20,950	99,650
OCWUT	393,353	-	11,579	381,774	11,994	369,780
COTPA	22,000	-	-	22,000	580	21,420
OCEDT	140,285	-	5,205	135,080	5,230	129,850
	649,993	39,615	30,154	659,454	38,754	620,700
<u>NET OPEB OBLIGATION</u>						
COTPA	215	74	39	250	-	250
Total component units	\$809,481	\$42,933	\$39,053	\$800,225	\$41,045	\$759,180

- (1) Intergovernmental payable does not include amounts payable within one year.
- (2) Bonds payable does not include unamortized bond discount/premium or deferred amounts on refunding.
- (3) Bond interest payable does not include amounts payable within one year.
- (4) Fiduciary fund liabilities are detailed below:

	Balance July 1, 2013	Issued	Retired	Balance June 30, 2014	Due Within One Year	Due After One Year
Pension Trust Fund						
Compensated absences - OCERS	\$67	\$24	\$16	\$75	\$17	\$58
Net OPEB obligation - OCERS	37	14	9	42	-	42
	\$104	\$38	\$25	\$117	\$17	\$100
OPEB Trust Fund						
Estimated claims payable - OCPEBT	\$779	\$17,809	\$17,619	\$969	\$969	\$-

- (5) Long-term payable to/from the primary government/component units are not included above.

III. A. 9. GUARANTEED DEBT

Implementation of New Accounting Standard

Effective July 1, 2013, the City implemented GASB statement number 70, Accounting and Financial Reporting for Nonexchange Financial Guarantees. This statement requires a government that extends a nonexchange financial guarantee to recognize a liability when qualitative factors and historical data, if any, indicate that it is more likely than not that the government will be required to make a payment on the guarantee. This Statement also specifies the information required to be disclosed by governments extending nonexchange financial guarantees as well as governments that receive nonexchange financial guarantees. Implementation of GASB 70 had no effect on the City's financial statements other than inclusion of the required disclosures presented below.

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

	<u>Amount Guaranteed (1)</u>	<u>Amount Outstanding (2)</u>
<i>Governmental Activities</i>		
OCPPA General Purpose Fund capital financing note	\$180	\$440
<i>Business-Type Activities</i>		
OCPPA Golf Courses bonded debt	1,206	14,320
<i>Component Units</i>		
COTPA Parking bonded debt	1,449	22,000
OCEDT tax anticipation debt	10,192	27,784
OCEDT tax apportionment bonded debt	<u>9,788</u>	<u>134,721</u>
	<u>\$22,815</u>	<u>\$199,265</u>

(1) The amount guaranteed is only the amount of debt service due on or before June 30, 2015 and covered under the guarantee effective July 1, 2014. It is anticipated that the guarantees will be renewed annually.

(2) The amount outstanding does not include interest.

III. B. DEFERRED INFLOWS OF RESOURCES

Unavailable Revenues

Unavailable revenues are reported in governmental funds and represent revenue received more than 60 days following year-end (unavailable to pay liabilities of the current period). Unavailable revenue received after 60 days is fully recognized as revenue in the government-wide statements. At June 30, 2014, revenues earned but unavailable by governmental funds are \$11.868 million.

	General Fund	Debt Service	Grants Management	MAPS3 Sales Tax	General Obligation Bonds	OCPPA General Purpose Fund	Other Governmental Funds
Investment income	\$83	\$94	\$8	\$381	\$176	\$ -	\$205
Grant revenues	-	-	5,087	-	-	-	216
Property taxes	-	2,687	-	-	-	-	-
Other taxes	246	-	-	-	-	-	705
Franchise fees	84	-	-	-	-	-	-
Other revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>77</u>	<u>1,819</u>
	<u>\$413</u>	<u>\$2,781</u>	<u>\$5,095</u>	<u>\$381</u>	<u>\$176</u>	<u>\$77</u>	<u>\$2,945</u>

IV. NET POSITION AND FUND BALANCE

IV. A. PRIOR PERIOD ADJUSTMENTS

OCMFA Prefunded Costs

The OCMFA General Purpose Fund pays for architectural and engineering fees for the City and related trust construction projects before the funding is finalized to allow more timely initiation of capital projects due to the length of time involved in finalizing debt and contracts for construction. When the funding is finalized and the construction begins, the City or related trust reimburses the OCMFA General Purpose Fund for the cost of the prefunded fees. While reviewing advance balances of prefunded projects, it was discovered that several projects had been postponed or determined non-feasible but the associated advance from the other funds in the OCMFA General Purpose Fund and the related advance to other funds in the General Obligation Bond Fund had not been removed. A prior period adjustment has been recorded to reflect the corrections of these advances and capital assets.

	<i>Governmental Funds</i>		<i>Governmental Activities</i>
	<u>General Obligation Bond Fund</u>	<u>OCMFA General Purpose Fund</u>	
<u>Restatement of beginning fund balance/net position</u>			
Advance to/(from) other funds	\$2,669	(\$2,669)	\$ -
Capital assets	-	-	(2,669)
	<u>\$2,669</u>	<u>(\$2,669)</u>	<u>(\$2,669)</u>
<u>Effect on 2013 previously reported changes in fund balance/net position</u>			
General government expenditures/expenses	<u>\$1,339</u>	<u>(\$1,339)</u>	<u>(\$1,339)</u>

OCMFA Accounts Receivable

Program revenues reported in the OCMFA General Purpose Fund include charges for services such as fines for weed abatement, trash and debris removal, and unsecured and abandoned housing. Amounts are billed to the citizens after the service is performed and if unpaid, a lien is filed against the property. In prior years, no receivables were recorded. A prior period adjustment has been recorded to reflect the receivable balance as of June 30, 2013, and the estimate of uncollectible accounts based upon average historical collections over assessments.

	<i>Governmental Fund</i>	<i>Governmental Activities</i>
	<u>OCMFA General Purpose Fund</u>	
<u>Restatement of beginning fund balance/net position</u>		
Accounts receivable, net	\$1,605	\$1,605
Deferred inflows of resources	(1,477)	-
	<u>\$128</u>	<u>\$1,605</u>
<u>Effect on 2013 previously reported changes in fund balance/net position</u>		
Charges for services	(\$21)	(\$261)
General revenues	(5)	(58)
	<u>(\$26)</u>	<u>(\$320)</u>

OCMFA Accrued Expenses

In 2013, an accrual was made in the OCMFA General Purpose Fund for expenses related to annual software maintenance. It was later discovered that the time period covered by the invoice received did not begin until August of the next fiscal year and therefore no accrual was necessary. A prior period adjustment has been recorded in OCMFA to reflect the amount that should have been expensed in 2014.

	<u>Governmental Fund</u> OCMFA General Purpose Fund	<u>Governmental</u> Activities
<u>Restatement of beginning fund balance/net position</u>		
Accounts payable	<u>\$184</u>	<u>\$184</u>
<u>Effect on 2013 previously reported changes in fund balance/net position</u>		
General government expenditures/expenses	<u>\$184</u>	<u>\$184</u>

OCMFA Software Costs

In 2013, the OCMFA General Purpose Fund paid for software development costs that were charged to expense rather than capitalized as assets. A prior period adjustment has been recorded to reflect the amount that should have been recorded as capital assets.

	<u>Governmental Fund</u> OCMFA General Purpose Fund	<u>Governmental</u> Activities
<u>Restatement of beginning fund balance/net position</u>		
Capital assets	<u>\$-</u>	<u>\$398</u>
<u>Effect on 2013 previously reported changes in fund balance, net position</u>		
General government expenditures/expenses	<u>\$-</u>	<u>\$398</u>

OCICF Interest Payable

In prior years, OCICF did not record accrued interest on the Journal of Record Building loan payable to the City. During 2014, OCICF retroactively changed its accounting method to record the accrued interest in its financial statements.

	<u>Component Unit</u>
<u>Restatement of previously reported net position</u>	
Interest payable	<u>(\$774)</u>
<u>Restatement of previously reported changes in net position</u>	
Interest expense	<u>(\$679)</u>

OCEDT Property Tax Receivable

In February 2013, Devon agreed to pay a minimum annual amount of ad valorem property taxes to cover the OCEDT's debt service for the bonds. The payment is to be made by December 31 of each year. A prior period adjustment was recorded in the Trust to reflect the property tax receivable as of June 30, 2013.

	<u>Component Unit</u>
<u>Restatement of previously reported net position (deficit)</u>	
Property taxes receivable	<u>\$5,651</u>
<u>Restatement of previously reported changes in net position (deficit)</u>	
Property tax revenues	<u>\$5,651</u>

NOTES TO FINANCIAL STATEMENTS
June 30, 2014

CITY OF OKLAHOMA CITY, OKLAHOMA

IV. B. FUND BALANCE

	General Fund	Debt Service Fund	Grants Management Fund	MAPS3 Sales Tax Fund	General Obligation Bonds Fund	OCPPA General Purpose Fund	Other Governmental Funds	Total
<u>NON-SPENDABLE</u>								
Inventory	\$6,782	\$ -	\$ -	\$ -	\$ -	\$113	\$ -	\$6,895
Prepays	152	65	2	-	-	102	1,617	1,938
Intergovernmental advances	-	-	-	-	-	-	-	-
Non-current receivables	290	-	14,705	-	-	-	-	14,995
Advances to other funds								
current portion	<u>956</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,109</u>	<u>4,065</u>
Total non-spendable	<u>8,180</u>	<u>65</u>	<u>14,707</u>	<u>-</u>	<u>-</u>	<u>215</u>	<u>4,726</u>	<u>27,893</u>
<u>RESTRICTED</u>								
Public safety								
Police	-	-	-	-	-	-	21,516	21,516
Fire	-	-	-	-	-	-	12,717	12,717
Other	<u>664</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>10,622</u>	<u>11,286</u>
Total public safety	<u>664</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>44,855</u>	<u>45,519</u>
Public services								
Economic development	-	-	-	-	-	3	1	4
Other	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>26</u>	<u>1,315</u>	<u>1,341</u>
Total public services	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>29</u>	<u>1,316</u>	<u>1,345</u>
Culture and recreation								
Zoo Operations	-	-	-	-	-	-	6	6
Oklahoma River improvements	-	-	-	-	-	-	2	2
Parks	-	-	-	-	-	-	297	297
Other	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,359</u>	<u>7,937</u>	<u>11,296</u>
Total culture and recreation	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,359</u>	<u>8,242</u>	<u>11,601</u>
Capital projects								
Bond projects	-	-	-	-	216,676	-	-	216,676
Sales tax projects	-	-	-	367,585	-	250	3,306	371,141
Other capital projects	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,295</u>	<u>3,295</u>
Total capital projects	<u>-</u>	<u>-</u>	<u>-</u>	<u>367,585</u>	<u>216,676</u>	<u>250</u>	<u>6,601</u>	<u>591,112</u>
Debt service								
Total restricted	<u>664</u>	<u>83,636</u>	<u>-</u>	<u>367,585</u>	<u>216,676</u>	<u>3,638</u>	<u>61,014</u>	<u>733,213</u>
<u>COMMITTED</u>								
Public safety-other								
Public services-other	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>982</u>	<u>982</u>
Total general government	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,758</u>	<u>3,758</u>
Culture and recreation								
MAPS support								
Other	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,378</u>	<u>1,378</u>
Total culture and recreation	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>378</u>	<u>50,129</u>	<u>50,507</u>
Other capital projects	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>335</u>	<u>335</u>
Total committed	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>378</u>	<u>54,222</u>	<u>54,600</u>

(continued)

IV. B. FUND BALANCE (continued)

	General Fund	Debt Service Fund	Grants Management Fund	MAPS3 Sales Tax Fund	General Obligation Bonds Fund	OCPPA General Purpose Fund	Other Governmental Funds	Total
ASSIGNED								
General government								
Encumbrances	1,564	-	-	-	-	137	151	1,852
Other	-	-	-	-	-	91	774	865
Total general government	<u>1,564</u>	-	-	-	-	<u>228</u>	<u>925</u>	<u>2,717</u>
Public services								
Economic development	-	-	-	-	-	-	7	7
OCMFA general purposes	-	-	-	-	-	-	2,965	2,965
Other	-	-	-	-	-	-	52	52
Total public services	-	-	-	-	-	-	<u>3,024</u>	<u>3,024</u>
Culture and recreation								
Oklahoma River improvements	-	-	-	-	-	203	-	203
Parks	-	-	-	-	-	-	8	8
Other	-	-	-	-	-	3,334	-	3,334
Total culture and recreation	-	-	-	-	-	<u>3,537</u>	<u>8</u>	<u>3,545</u>
Capital projects								
Sales/use tax projects	-	-	-	-	-	-	714	714
Bond capital projects	-	-	-	-	-	-	7,677	7,677
Parks	-	-	-	-	-	-	4,317	4,317
Other capital projects	-	-	-	-	-	-	49,126	49,126
Total capital projects	-	-	-	-	-	-	<u>61,834</u>	<u>61,834</u>
Allocation to unassigned	-	-	-	-	-	(1,100)	-	(1,100)
Total assigned	<u>1,564</u>	-	-	-	-	<u>2,665</u>	<u>65,791</u>	<u>70,020</u>
UNASSIGNED	<u>120,480</u>	-	(14,159)	-	-	-	(682)	<u>105,639</u>
Total fund balance	<u>\$130,888</u>	<u>\$83,701</u>	<u>\$548</u>	<u>\$367,585</u>	<u>\$216,676</u>	<u>\$6,896</u>	<u>\$185,071</u>	<u>\$991,365</u>
ENCUMBRANCES	<u>\$120,491</u>	<u>\$-</u>	<u>(\$9,510)</u>	<u>\$-</u>	<u>\$-</u>	<u>\$-</u>	<u>(\$685)</u>	<u>\$110,296</u>

IV. C. DEFICIT FUND NET POSITION AND FUND BALANCE

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

Deficit Fund Net Position

OCPPA Fairgrounds

Deficit net position of \$3.970 million is the result of depreciation of capital assets as construction projects are completed.

OCPPA Golf Courses

Deficit net position of \$1.524 million is the result of significant debt financing of capital assets with tight operating budgets.

Fleet Services Fund

Deficit net position of \$395 thousand is the result of compensated absences and net OPEB obligation which are not included in current year charges to other funds until cash is required.

Risk Management Fund

Deficit net position of \$10.934 million is the result of the increased estimated claims related to workers compensation.

Deficit Fund Balance

Tax Incremental Financing Fund

Deficit fund balance of \$682 thousand is the result of the accrual of sales tax match from the state as unavailable revenue.

V. REVENUES AND EXPENSES/EXPENDITURES

V. A. REVENUES AND INFLOWS OF RESOURCES

V. A. 1. SPECIAL ASSESSMENTS

Business Improvement Districts (BID)

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

Special Improvement Districts (SID)

The City has a special assessment to provide funding for major capital renovations to the property owners in the SID. The City has one SID, the underground tunnel system (Underground). The SID was created to provide funding for capital improvements and enhancements to the existing Underground, formerly known as the Concourse. The City does not provide any funding beyond the assessment collections.

Water and Wastewater Utilities Special Assessments

Special assessments are levied against a water or wastewater group of homes to pay for construction or extension of service by OCWUT. OCWUT charges each homeowner for the individual share of the construction cost, amortized over a 10-year period. Amounts receivable are reported with the accounts receivable. In fiscal year 2014, OCWUT collected \$13 thousand.

V. A. 2. LEASE REVENUES

Cancelable and Short-Term Leases

The City reported lease revenue from short-term and cancelable leasing arrangements including \$1.670 million in operating leases in the General Fund, communication tower rentals of \$12 thousand in the Fire Fund and \$134 thousand in OCWUT. OCWUT also has several land and boat slip leases which generated \$516 thousand. The OCPPA General Purpose Fund reported \$1.75 million from the Cox Center and Civic Center Facilities venue rentals. OCEDT reported \$15 thousand related to property rental. MAPS3 fund reported \$44 thousand related to building rental that was part of the Oklahoma City Urban Renewal Authority for the Core to Shore Urban Renewal Area relocation and replacement assistance.

Non-cancelable Leases

Special Purpose Fund

The Special Purpose Fund leases property consisting of a residence and a vacant fire station with terms that expire on December 31, 2013, and May 1, 2015, respectively.

OCICF

OCICF has entered into a lease agreement with the Oklahoma City National Memorial Institute for the Prevention of Terrorism for approximately 18% of the Journal Record Building. The lease term commenced on January 1, 2004 and expired December 31, 2013, with equal monthly installments of \$9 thousand. The lease was not renewed.

OCMFA General Purpose Fund

The OCMFA General Purpose Fund leases the Old Central Fire Station to the Arts Council of Oklahoma City. The term is 15 years and expires December 31, 2022. The annual rent is adjusted based on the most recent change in the consumer Price Index for all Urban Consumers, as reported by the U.S. Department of Labor Bureau of Labor Statistics.

OCZT

The OCZT sub-leases approximately 370 acres of land owned by the City which OCZT leases to Oklahoma Racing Associates (lessee) for the operation of a race track. Minimum lease payments to be received by the OCZT under this lease agreement approximate \$75 thousand annually and aggregate to \$1.840 million for calendar years 2011 to 2013. In addition to the fixed lease payments described, the lessee agrees to pay the OCZT one-half of one percent of the total amount wagered at the leased property in excess of \$343 million for all races conducted on the leased property during racing season and one percent of the gross gaming revenues in excess of \$60 thousand each year. No contingent rental revenue was earned during fiscal year 2014.

OCAT

The OCAT Fund leases its property to commercial airlines, car rental companies, concessionaires, several fixed base operators who service the airline industry, and the Federal Aviation Administration. These leases are non-cancelable operating leases.

COTPA

The COTPA Parking Fund leases retail space in certain parking garages to various establishments. Most of these leases are of a short term nature, and several are for one year with up to three one year renewal options. At June 30, 2014, 29,409 square feet of garage retail space was leased and approximately 5,000 square feet of unimproved space was available to lease. In addition, the COTPA Transportation Fund leased out 7,000 square feet of office space. These leases are non-cancelable operating leases.

OCRA

OCRA leased a parking garage to Presbyterian Health Foundation. The term was 30 years and set to expire on June 30, 2034. The lease revenue was essentially the annual principal and interest on a promissory note issued for the acquisition of the parking garage. This lease agreement was terminated as part a sale of the Research Parkway Parking garage to the Board of Regents of the University of Oklahoma on October 1, 2013.

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

Future Minimum Rentals on Non-Cancelable Leases

	Primary Government				Component Units			
	Governmental Activities		Business-Type Activities		OCAT (1)	COTPA	OCRA (1)(2)	
	Special Purpose	General Purpose Fund	OCZT	OCPPA				
		OCMFA						
2015	\$4	\$4	\$75	\$437	\$26,137	\$185	\$633	\$27,475
2016	-	4	-	450	18,401	160	633	19,648
2017	-	4	-	464	18,050	45	633	19,196
2018	-	4	-	478	17,761	-	633	18,876
2019	-	19	-	492	4,519	-	633	5,663
2020 - 2024	-	-	-	2,960	15,023	-	3,165	21,148
2025 - 2029	-	-	-	3,432	4,313	-	3,165	10,910
2030 - 2034	-	-	-	-	1,189	-	3,165	4,354
2035 - 2039	-	-	-	-	407	-	3,165	3,572
2040 - 2044	-	-	-	-	139	-	3,165	3,304
2045 - 2049	-	-	-	-	152	-	3,165	3,317
2050 - 2054	-	-	-	-	102	-	3,165	3,267
	<u>\$4</u>	<u>\$35</u>	<u>\$75</u>	<u>\$8,713</u>	<u>\$106,193</u>	<u>\$390</u>	<u>\$25,320</u>	<u>\$140,730</u>
Rental income	<u>\$2</u>	<u>\$7</u>	<u>\$1,273</u>	<u>\$966</u>	<u>\$633</u>	<u>\$183</u>	<u>\$183</u>	<u>\$2,281</u>

- (1) Several of the leases include rental amounts that are redetermined annually based on formulas prescribed in the individual lease agreements. The minimum future rentals for these leases were determined using the rates in effect at fiscal year-end. OCAT and OCRA have several leases that have variable rental charges due to increases in the percentage of prior year revenue. The future minimum rentals on these leases will be recalculated as of each fiscal year end
- (2) Lease amounts are recalculated annually based on formulas defined in the lease agreements. The Presbyterian Health Foundation lease payment may change with fluctuations of the variable interest rate on the underlying debt and because rent, in the Skirvin Hotel lease, is a factor of the rent capitalization value that changes annually. Future minimum rentals for these leases are based on rates in effect at fiscal year-end.

V. B. EXPENSES/EXPENDITURES AND OUTFLOWS OF RESOURCES

V. B. 1. OPERATING LEASES

The reporting entity entered into a number of operating leases which contain cancellation provisions and are subject to annual appropriations. For fiscal year 2014, rentals approximated \$1.053 million for government and \$1.993 million for component unit activities.

Future Minimum Lease Payments for Operating Leases

	Primary Government			Component Units
	Governmental Activities	Business-Type Activities	Total	
2015	\$292	\$2,006	\$2,298	\$11
2016	235	565	800	12
2017	184	565	749	13
2018	125	565	690	13
2019	19	279	298	14
2020-2024	99	-	99	75
2025-2029	112	-	112	12
2030-2034	125	-	125	-
2035-2039	139	-	139	-
2040-2044	152	-	152	-
2045-2049	165	-	165	-
2050-2054	<u>104</u>	<u>-</u>	<u>104</u>	<u>-</u>
	<u>\$1,751</u>	<u>\$3,980</u>	<u>\$5,731</u>	<u>\$150</u>
Approximate 2014 rentals	<u>\$592</u>	<u>\$461</u>	<u>\$1,053</u>	<u>\$1,993</u>

VI. TRANSACTIONS WITHIN THE ENTITY

VI. A. INTERFUND BALANCES

Within the Primary Government

	Primary Government									
	Governmental Activities									
	Major Governmental									
	General	Debt Service	Grants	MAPS3 Sales Tax	General Obligation Bonds	OCPPA General Purpose	Other Governmental Funds	Total Governmental Funds	Internal Service Funds	Total Governmental Activities
<u>DUE FROM</u>										
<u>OTHER FUNDS</u>										
Primary Government										
<i>Governmental Activities</i>										
General	\$ -	\$ -	\$7,680	\$135	\$742	\$209	\$4,234	\$13,000	\$2	\$13,002
Grants Management	-	-	-	-	-	-	995	995	-	995
General Obligation Bonds	-	-	48	-	-	-	-	48	-	48
OCPPA General Purpose	-	-	-	-	-	-	1,234	1,234	-	1,234
Other governmental funds	<u>918</u>	<u>-</u>	<u>97</u>	<u>-</u>	<u>322</u>	<u>9</u>	<u>175</u>	<u>1,521</u>	<u>533</u>	<u>2,054</u>
Total governmental funds	918	-	7,825	135	1,064	218	6,638	16,798	535	17,333
Internal service funds	<u>312</u>	<u>5,670</u>	<u>1,132</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>128</u>	<u>7,242</u>	<u>-</u>	<u>7,242</u>
Total	<u>1,230</u>	<u>5,670</u>	<u>8,957</u>	<u>135</u>	<u>1,064</u>	<u>218</u>	<u>6,766</u>	<u>24,040</u>	<u>535</u>	<u>24,575</u>
<i>Business Type Activities</i>										
Water and Wastewater Fund	-	-	156	-	-	-	-	156	-	156
OCEAT	-	-	149	-	-	-	-	149	-	149
OCZT	-	-	-	-	-	-	1,875	1,875	-	1,875
OCPPA Fairgrounds	-	-	-	-	-	-	1,000	1,000	-	1,000
OCPPA Golf Courses	120	-	-	-	-	-	-	120	-	120
Other enterprise funds	<u>39</u>	<u>-</u>	<u>193</u>	<u>1</u>	<u>16</u>	<u>-</u>	<u>3</u>	<u>252</u>	<u>-</u>	<u>252</u>
Total business-type activities	<u>159</u>	<u>-</u>	<u>498</u>	<u>1</u>	<u>16</u>	<u>-</u>	<u>2,878</u>	<u>3,552</u>	<u>-</u>	<u>3,552</u>
Total due from other funds	<u>1,389</u>	<u>5,670</u>	<u>9,455</u>	<u>136</u>	<u>1,080</u>	<u>218</u>	<u>9,644</u>	<u>27,592</u>	<u>535</u>	<u>28,127</u>
<u>ADVANCE TO</u>										
<u>OTHER FUNDS (1)</u>										
Primary Government										
<i>Governmental Activities</i>										
General	-	-	-	-	-	956	-	956	-	956
Other governmental funds	908	-	-	-	4,352	3,459	-	8,719	-	8,719
Internal service funds	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>21,293</u>	<u>21,293</u>
Total advance to other funds	<u>908</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,352</u>	<u>4,415</u>	<u>-</u>	<u>9,675</u>	<u>21,293</u>	<u>30,968</u>
	<u>\$2,297</u>	<u>\$5,670</u>	<u>\$9,455</u>	<u>\$136</u>	<u>\$5,432</u>	<u>\$4,633</u>	<u>\$9,644</u>	<u>\$37,267</u>	<u>\$21,828</u>	<u>\$59,095</u>

(continued)

NOTES TO FINANCIAL STATEMENTS
June 30, 2014

CITY OF OKLAHOMA CITY, OKLAHOMA

Within the Primary Government (continued)

	Primary Government								
	Business-type Activities								
	Major Enterprise Funds						Total	Internal	Total
	Water and Wastewater	OCEAT	OCPPA Fairgrounds	OCPPA Golf Courses	Other Enterprise Funds	Business Type Activities			
<u>DUE FROM</u>									
<u>OTHER FUNDS</u>									
Primary Government									
<i>Governmental Activities</i>									
General	\$188	\$140	\$52	\$ -	\$65	\$445	\$13,447	(\$1,389)	\$12,058
Debt Service	-	-	-	-	-	-	-	(5,670)	(5,670)
Grants Management	-	-	-	-	288	288	1,283	(9,455)	(8,172)
MAPS3 Sales Tax	-	-	-	-	-	-	-	(136)	(136)
General Obligation Bonds	-	-	-	-	-	-	48	(1,080)	(1,032)
OCPPA General Purpose	-	-	-	-	-	-	1,234	(218)	1,016
Other governmental funds	<u>17</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>17</u>	<u>2,071</u>	<u>(9,644)</u>	<u>(7,573)</u>
Total governmental funds	205	140	52	-	353	750	18,083	(27,592)	(9,509)
Internal service funds	11	4	-	1	38	54	7,296	(535)	6,761
Internal activity allocation	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>45,673</u>	<u>45,673</u>
Total	<u>216</u>	<u>144</u>	<u>52</u>	<u>1</u>	<u>391</u>	<u>804</u>	<u>25,379</u>	<u>17,546</u>	<u>42,925</u>
<i>Business Type Activities</i>									
Water and Wastewater Fund	-	-	-	-	-	-	156	(509)	(353)
OCEAT	231	-	-	-	5	236	385	(144)	241
OCZT	-	-	-	-	-	-	1,875	-	1,875
OCPPA Fairgrounds	-	-	-	-	-	-	1,000	(52)	948
OCPPA Golf Courses	-	-	-	-	-	-	120	(1)	119
Other enterprise funds	62	-	-	-	-	62	314	(396)	(82)
Internal activity allocation	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(45,673)</u>	<u>(45,673)</u>
Total business-type activities	<u>293</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>5</u>	<u>298</u>	<u>3,850</u>	<u>(46,775)</u>	<u>(42,925)</u>
Total due from other funds	<u>509</u>	<u>144</u>	<u>52</u>	<u>1</u>	<u>396</u>	<u>1,102</u>	<u>29,229</u>		
<u>ADVANCE TO</u>									
<u>OTHER FUNDS (1)</u>									
Primary Government									
<i>Governmental Activities</i>									
General	-	-	-	-	-	-	956	(956)	-
Other governmental funds	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>8,719</u>	<u>(8,719)</u>	<u>-</u>
Total governmental funds	-	-	-	-	-	-	9,675	(9,675)	-
Internal service funds	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>21,293</u>	<u>(21,293)</u>	<u>-</u>
Total governmental activities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>30,968</u>	<u>(30,968)</u>	<u>-</u>
<i>Business Type Activities</i>									
OCEAT	-	-	-	-	-	-	-	(1,961)	(1,961)
Other enterprise funds	<u>-</u>	<u>1,961</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,961</u>	<u>1,961</u>	<u>-</u>	<u>1,961</u>
Total business-type activities	<u>-</u>	<u>1,961</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,961</u>	<u>1,961</u>	<u>(1,961)</u>	<u>-</u>
Total advance to other funds	<u>-</u>	<u>1,961</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,961</u>	<u>32,929</u>	<u>(32,929)</u>	<u>-</u>
	<u>\$509</u>	<u>\$2,105</u>	<u>\$52</u>	<u>\$1</u>	<u>\$396</u>	<u>\$3,063</u>	<u>\$62,158</u>	<u>(\$79,704)</u>	<u>(\$42,925)</u>

(1) These balances are not expected to be repaid within one year.

Due To/From Other Funds

Amounts due to and from other funds represent operating transactions between funds. Significant amounts due from other funds are for funding of grant match, administrative chargebacks, operating subsidies, transfers of tax revenues, and support for capital projects.

Advances

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

On October 14, 2008 a loan for \$1.032 million from the City and Schools Use Tax Fund to OCPPA General Purpose Fund was approved. The loan is to be repaid by the General Fund and OCPPA General Purpose Fund over a seven year period at an interest rate of 2%. The balance of the loan at June 30, 2014 is \$445 thousand. The General Fund owes \$364 thousand in principal while OCPPA owes \$81 thousand. It is anticipated that the OCPPA General Purpose Fund will repay the General Fund after it satisfies the City and Schools Use Tax Fund. The amount due to the General Fund is \$877 thousand in principal and \$79 thousand in accrued interest.

Advances From OCMFA Services Fund to OCPPA Golf Courses Fund

On February 26, 2008 a loan for \$1.270 million from the worker's compensation reserves to OCPPA Golf Courses Fund was approved for the purchase of new golf carts. The balance of the loan was repaid in March 2014.

Annual Debt Service Requirements to Maturity for Advances Between City Funds

Fiscal Year	From OCPPA General Purpose Fund			From OCPPA General Purpose Fund					
	City/Schools Use Tax Fund			General Fund		City/Schools Use Tax Fund			Total
	Principal	Interest	Total	Principal	Interest	Principal	Interest	Total	
2015	\$286	\$14	\$300	\$ -	\$ -	\$61	\$ -	\$61	
2016	78	3	81	-	-	20	-	20	
2017	-	-	-	877	79	-	-	956	
	<u>\$364</u>	<u>\$17</u>	<u>\$381</u>	<u>\$877</u>	<u>\$79</u>	<u>\$81</u>	<u>\$-</u>	<u>\$1,037</u>	

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

On February 16, 2010 the OCPPA received \$3.2 million from the City and School Use Tax Fund. The funds are to be used for the Cox Center facility renovations and upgrade. The loan is to be repaid from revenues generated and collected by SMG under the Extended Use License Agreement with Prodigal Hockey, LLC and from other Cox Center events. The OCPPA will replenish the City and Schools Use Tax Fund with an interest rate of 4.19% over a 10-year period. The balance of the advance at June 30, 2014 is \$2.947 million which includes the loan balance of \$2.896 million and accrued interest of \$51 thousand.

Fiscal Year	OCPPA General Purpose Fund To City/Schools Use Tax Fund	
	Principal	Interest
2015	\$278	\$122
2016	290	110
2017	302	98
2018	314	86
2019	328	72
2020-2024	<u>1,384</u>	<u>146</u>
	<u>\$2,896</u>	<u>\$634</u>

Advance From City and Schools Use Tax Fund, MAPS Operations Fund and Police and Fire Use Tax Fund to General Fund

In 2002, the City Council adopted a funding plan for the Bass Pro Shops project. The plan recommended that building construction be funded through an appropriation to the OCURA. The funds were paid out of the Police and Fire Equipment Use Tax Fund, the MAPS Operations Fund and the City and Schools Use Tax Fund. The General Fund would then reimburse the funds over the next 15 years at an interest rate of 5.17%. The General Fund paid the balance of the advance from the Police and Fire Equipment Use Tax Fund in 2006. The General Fund paid the balance of the advance from the MAPS Operations Fund in 2011. The General Fund has an outstanding balance to the City and Schools Use Tax Fund of \$545 thousand in principal plus \$48 thousand in interest.

NOTES TO FINANCIAL STATEMENTS
June 30, 2014

CITY OF OKLAHOMA CITY, OKLAHOMA

Advance From OCZT to City Zoo Fund

The City Zoo Fund collects sales tax designated to supplement zoo operating costs. Generally, City Zoo Fund sales tax collections are paid to the OCZT. However, the OCZT has chosen to leave an amount in the City Zoo Fund. The amount payable to OCZT at June 30, 2014, is \$1.875 million. The balance reported at June 30, 2014, has been reclassified to due to OCZT because the City expects to pay the amount in the fiscal year 2015.

Advance From OCMFA to the City General Obligation Bond Fund

OCMFA pays for initial architectural and engineering fees for the City and related trust construction projects before the funding is finalized. This process allows for more timely initiation of capital projects due to the length of time involved in finalizing debt and contracts for construction by the City and related trusts. When the funding is finalized and construction begins, the City or related trust reimburses the Authority for the cost of the prefunded fees. Any amounts outstanding are reported as an advance to the City. At June 30, 2014, OCMFA reported an advance to the City General Obligation Bond Fund of \$4.353 million of which \$3.981 million is reported as a current receivable.

Cost Reimbursement Advances

City employees perform administrative and management services for various Trusts and Authorities. Reimbursements for the costs of these services are included in the Trust/Authority expenses. The advance represents the unfunded liabilities of the City Funds.

<u>Costs Expended Fund</u>	<u>Costs Reimbursed Fund</u>	<u>Advance Balance</u>
Solid Waste Management Fund	OCEAT	\$1,962
Information Technology Fund	OCMFA Services	1,370
Risk Management Fund	OCMFA Services	19,923
Special Districts	OCPPA General Purpose	482

Between Fiduciary Funds and Other Funds

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

	Primary Government									Total Primary Government	Component Units
	Governmental Activities					Business-Type Activities					
	Major Governmental			Other	Internal	Major Enterprise		Other			
	General	Grants Management	MAPS3 Sales Tax	Governmental Funds	Service Funds	Water Utilities	OCPPA Golf Courses	Enterprise Funds			
RECEIVABLE TO											
<u>FIDUCIARY FUNDS</u>											
<i>Pension Trust Funds</i>											
OCERS	\$220	\$5	\$4	\$41	\$32	\$122	\$8	\$45	\$477	\$ -	
COTPA Retirement	-	-	-	-	-	-	-	-	-	40	
Total Pension Trust Funds	\$220	\$5	\$4	\$41	\$32	\$122	\$8	\$45	\$477	\$40	
<i>Agency Funds</i>	\$100	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$100	\$-	
PAYABLE FROM											
<u>FIDUCIARY FUNDS</u>											
<i>Pension Trust Funds</i>											
OCERS	\$19	\$ -	\$ -	\$ -	\$7	\$ -	\$ -	\$ -	\$26	\$ -	
COTPA Retirement	-	-	-	-	-	-	-	-	-	25	
Total Pension Trust Funds	\$19	\$-	\$-	\$-	\$7	\$-	\$-	\$-	\$26	\$25	
<i>Agency Funds</i>	\$318	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$318	\$-	

Between Component Units and the Primary Government

Payable to Primary Government

	Component Units							Total
	OCAT	OCRRA	OCICF	OCWUT	COTPA	OCMAPS	OCEDT	
Primary Government								
<u>CURRENT</u>								
<i>Governmental Activities</i>								
General Fund	\$ -	\$35	\$ -	\$1,277	\$79	\$68	\$769	\$2,228
Grants Management	-	-	769	-	-	-	-	769
Internal service funds	8	-	-	3	10	-	-	21
Total governmental activities	8	35	769	1,280	89	68	769	3,018
<i>Business Type Activities</i>								
Other enterprise funds	-	-	-	-	71	-	1	72
Total current	8	35	769	1,280	160	68	770	3,090
<u>NON-CURRENT</u>								
<i>Governmental Activities</i>								
Grants Management	-	-	4,655	-	-	-	-	4,655
<i>Business Type Activities</i>								
Water and Wastewater	-	-	-	6,296	-	-	-	6,296
Other enterprise funds	1,350	-	-	-	724	-	-	2,074
Total business-type activities	1,350	-	-	6,296	724	-	-	8,370
Total non-current	1,350	\$ -	4,655	6,296	724	\$ -	\$ -	13,025

Receivable from Primary Government

	Component Units				Total
	OCAT	OCWUT	OCMAPS	OCEDT	
Primary Government					
<u>CURRENT</u>					
<i>Governmental Activities</i>					
General Fund	\$ -	\$57	\$98	\$50	\$205
Grants management	17	44	-	-	61
Other governmental funds	2,240	-	-	2,328	4,568
Internal service funds	1,773	-	-	-	1,773
Total governmental activities	4,030	101	98	2,378	6,607
<i>Business Type Activities</i>					
Water and Wastewater	-	355	-	-	355
Total current	4,030	456	98	2,378	6,962
<u>NON-CURRENT</u>					
<i>Governmental Activities</i>					
Other governmental funds	\$ -	\$ -	\$ -	\$6,000	\$6,000

Current Receivable/Payables

Outstanding balances in which a component unit is a party are captioned as receivables/payables for both the non-current and current portions between a component unit and the primary government. Current receivable/payables include the unpaid balances among entities for mowing services, fuel costs, operating costs, in lieu of franchise fees, lease agreements, administrative costs, and subsidies.

Cost Reimbursement Payable

City employees perform administrative and management services for OCAT, OCWUT, and COTPA. Reimbursements for the costs of these services are included with payments to the primary government. The payable to primary government represents the unfunded liabilities of the City Funds.

<u>Costs Expended Fund</u>	<u>Costs Reimbursed Fund</u>	<u>Balance</u>
Airports Fund	OCAT	\$1,350
Water Utilities Fund	OCWUT	6,296
Transportation Fund	COTPA Transportation	627
Parking Fund	COTPA Parking	97

Long-term Payable from OCICF to Grants Management

On March 17, 1998, the City entered into an agreement with OCICF to undertake the acquisition and improvement of the Journal Record Building, which was damaged in the bombing of the Alfred P. Murrah Federal Building on April 19, 1995. OCICF manages the operations of the building, which consists primarily of housing a memorial museum and renting space to other parties. The required funding for this project was provided by the City through a United States Housing and Urban Development (HUD) Community Development Block Grant. This funding was made in the form of a nonrecourse loan to OCICF and in the form of a grant, which does not require repayment. The proceeds from the loan are designated to provide for the ongoing operation, maintenance and leasing of the Journal Record Building and ancillary facilities. Subsequent to the original agreement, this loan has been amended multiple times. During fiscal year 2014, the loan was amended increasing the total amount on the loan \$500 thousand to \$5.424 million. The nonrecourse loan is in the form of a 20-year promissory note, which bears interest at 2% and is secured by a mortgage on the building and is repayable solely from cash flows from the project. All principal and interest amounts owed under the agreement and its amendments were deferred until after December 31, 2014.

Long-term Payable to OCEDT from the City Capital Improvement Fund

On September 10, 2013, OCEDT entered into an agreement to transfer proceeds up to \$8.0 million from the General Obligation Limited Tax (GOLT) bond funds to finance the construction of the Phase 2 capital improvements to the Amateur Softball Association Hall of Fame Complex, subject to a commitment by the City to replenish the GOLT proceeds from net revenues received from certain naming rights, sponsorship revenues and from philanthropic donations received by the City over the next ten years. The balance payable to OCEDT as of June 30, 2014, is \$6 million.

VI. B. INTERFUND TRANSFERS AND PAYMENTS

Transfers Within the Primary Government

Transfers within the Primary Government represent operating subsidies and transfers for capital projects. Significant transfers include transfers from the General fund to fund street improvements, a new Courts Facility, a 911 subsidy, an OCPPA Golf Courses Fund water subsidy, and a City fleet replacement. The Zoo Fund transfers sales taxes restricted for zoo operations to OCZT for operations. The Hotel/Motel Tax Fund transfers sales tax restricted for fairgrounds debt to the OCPPA Fairgrounds. In addition, some transfers represent movement of funds required for proper fund accounting such as the transfer between the Debt Service Fund and the General Obligation Bond Fund. Bond receipts are recorded in the Debt Service Fund and transferred to the General Obligation Bond Fund for expenditure.

NOTES TO FINANCIAL STATEMENTS
June 30, 2014

CITY OF OKLAHOMA CITY, OKLAHOMA

	<i>Governmental Activities</i>								
	<i>Major Governmental</i>								
	<u>General</u>	<u>Grants</u>	<u>MAPS3 Sales Tax</u>	<u>General Obligation Bonds</u>	<u>OCPPA General Purpose</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>	<u>Internal Service Funds</u>	<u>Total Governmental Activities</u>
<u>TRANSFERS TO OTHER FUNDS</u>									
<i>Governmental Activities</i>									
General	\$ -	\$380	\$235	\$ -	\$3,599	\$35,573	\$39,787	\$792	\$40,579
Debt Service	225	-	-	107,185	-	-	107,410	2,877	110,287
MAPS3 Sales Tax	-	-	-	-	-	834	834	-	834
General Obligation Bonds	-	1,417	-	-	-	340	1,757	-	1,757
OCPPA General Purpose	-	-	-	-	-	970	970	1	971
Other governmental funds	<u>529</u>	<u>846</u>	<u>-</u>	<u>-</u>	<u>25</u>	<u>720</u>	<u>2,120</u>	<u>-</u>	<u>2,120</u>
Total governmental funds	754	2,643	235	107,185	3,624	38,437	152,878	3,670	156,548
Internal service funds	<u>37</u>	<u>314</u>	<u>-</u>	<u>-</u>	<u>76</u>	<u>3,663</u>	<u>4,090</u>	<u>51</u>	<u>4,141</u>
Total governmental activities	<u>791</u>	<u>2,957</u>	<u>235</u>	<u>107,185</u>	<u>3,700</u>	<u>42,100</u>	<u>156,968</u>	<u>3,721</u>	<u>160,689</u>
<u>TRANSFERS TO OTHER FUNDS</u>									
<i>Business Type Activities</i>									
Water and Wastewater Fund	39	-	-	-	-	-	39	-	39
OCEAT	863	-	-	-	-	-	863	-	863
OCPPA Golf Courses	-	-	-	-	-	57	57	-	57
Other enterprise funds	<u>29</u>	<u>77</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>106</u>	<u>-</u>	<u>106</u>
Total business-type activities	<u>931</u>	<u>77</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>57</u>	<u>1,065</u>	<u>-</u>	<u>1,065</u>
	<u>\$1,722</u>	<u>\$3,034</u>	<u>\$235</u>	<u>\$107,185</u>	<u>\$3,700</u>	<u>\$42,157</u>	<u>\$158,033</u>	<u>\$3,721</u>	<u>\$161,754</u>

	<i>Business-type Activities</i>							<u>Total</u>
	<i>Major Enterprise</i>							
	<u>OCEAT</u>	<u>OCZT</u>	<u>OCPPA Fairgrounds</u>	<u>OCPPA Golf Courses</u>	<u>Other Enterprise Funds</u>	<u>Total Enterprise Funds</u>		
<u>TRANSFERS TO OTHER FUNDS</u>								
<i>Governmental Activities</i>								
General	\$ -	\$ -	\$ -	\$1,022	\$353	\$1,375		\$41,954
Debt Service	-	-	-	-	-	-		110,287
MAPS3 Sales Tax	-	-	-	-	-	-		834
General Obligation Bonds	-	-	-	-	-	-		1,757
OCPPA General Purpose	-	-	13	4	-	17		988
Other governmental funds	<u>19</u>	<u>13,400</u>	<u>8,447</u>	<u>-</u>	<u>-</u>	<u>21,866</u>		<u>23,986</u>
Total governmental funds	19	13,400	8,460	1,026	353	23,258		179,806
Internal service funds	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>		<u>4,141</u>
Total governmental activities	<u>19</u>	<u>13,400</u>	<u>8,460</u>	<u>1,026</u>	<u>353</u>	<u>23,258</u>		<u>183,947</u>
<i>Business Type Activities</i>								
Water and Wastewater Fund	-	-	-	-	-	-		39
OCEAT	-	-	-	-	61	61		924
OCPPA Golf Courses	-	-	-	-	-	-		57
Other enterprise funds	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>		<u>106</u>
Total business-type activities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>61</u>	<u>61</u>		<u>1,126</u>
	<u>\$19</u>	<u>\$13,400</u>	<u>\$8,460</u>	<u>\$1,026</u>	<u>\$414</u>	<u>\$23,319</u>		<u>\$185,073</u>

Payments Between Component Units and the Primary Government

Payments to the General Fund include payments from OCRRA for mowing services; payments from OCWUT for payments in lieu of franchise fees, a utility lease agreement, and administrative costs; and payments from OCEDT for trust administration. OCMAPS paid the City Schools Sales Tax Fund for administrative costs. COTPA made payments to the City Fleet Services Fund for fuel costs and to City Parking and Transportation Funds for administrative costs. OCWUT reimbursed the City Water and Wastewater Fund for operating costs. OCAT reimbursed the City Airport Fund for operating costs.

	Component Units						Total
	OCAT	OCRRA	OCWUT	COTPA	OCMAPS	OCEDT	
PAYMENTS TO							
<i>Governmental Activities</i>							
General	\$ -	\$36	\$5,420	\$ -	\$ -	\$673	\$6,129
Grants Management	-	-	2	-	-	-	2
Other governmental funds	-	-	-	-	240	11	251
Total governmental funds	-	36	5,422	-	240	684	6,382
Internal service funds	-	-	-	40	-	-	40
Total governmental activities	-	36	5,422	40	240	684	6,422
<i>Business-Type Activities</i>							
Water and Wastewater Fund	-	-	84,239	-	-	-	84,239
Other enterprise funds	16,657	-	-	4,558	-	-	21,215
Total business-type activities	16,657	-	84,239	4,558	-	-	105,454
	16,657	36	89,661	4,598	240	684	111,876

Payments to COTPA and OCEDT from the General Fund include operating and TIF sales tax subsidies, respectively. A payment was made from MAPS3 Sales Tax Fund to COTPA for a utility and bridge conflicts study. Payments from other governmental funds to the various trusts represent payments for services. Payments from OCEAT and Stormwater Drainage to OCWUT are for billing services. OCRRA made a payment for the annual marketing campaign to COTPA. OCEDT made a payment to OCMAPS for the construction of a charter school.

	Primary Government			Component Units			
	Governmental Activities		Business-type Activities			OCRRA	OCEDT
	General	Grants Management	Other Governmental Funds	OCEAT	Other Enterprise Funds		
PAYMENTS TO							
Component Units							
OCWUT	\$ -	\$1	\$293	\$1,672	\$784	\$ -	\$ -
COTPA	14,900	-	75	-	-	50	-
OCMAP	-	-	100	-	-	-	1,500
OCEDT	3,453	-	916	-	-	-	-
	18,353	1	1,384	1,672	784	50	1,500

VI. C. OTHER TRANSACTIONS WITHIN THE ENTITY

Purchased Judgments

As of June 30, 2014, the OCERS' investments include purchased judgments against the City in the amounts of \$2.576 million. The judgments earn a 5.25% interest rate. State Statutes permit the OCERS to purchase judgments rendered against the City throughout the year. In November of each year, the City (through the property tax levy process) pays the OCERS for the principal amount and earned interest for each purchased judgment.

Cost Reimbursements

Administrative Chargebacks

Administrative costs are paid from the General Fund. Other funds reimburse the General Fund for these expenses. All other centralized functions are reported in internal service funds. The revenues and expenses related to administrative charges are allocated with the indirect expense allocation. In 2014, other City funds reimbursed the General Fund \$17.734 million for these services.

For fiscal year ending June 30, 2014 the OCEDT reported payments to the City to reimburse for the cost of providing administrative and operational services of \$374 thousand.

For 2014, OCERS reported \$103 thousand and OCPEBT reported less than one thousand for City financial and administrative charges.

Utility Billing and Collection

OCWUT manages billings and collections for City utilities. During 2014, the Medical Services Fund, Stormwater Drainage Fund and OCEAT Fund reimbursed OCWUT \$185 thousand, \$784 thousand, and \$1.254 million, respectively, for this service.

Pension Administration

The General Fund reimburses the OCERS for the cost of providing administrative services for the City's deferred compensation and defined contribution plans. However, responsibilities are contractually limited and the OCERS does not hold or administer these plan assets in a trustee capacity. During 2014, OCERS reported income for these services of \$33 thousand.

VII. PENSION AND POST-EMPLOYMENT PLANS

VII. A. DEFINED BENEFIT SINGLE EMPLOYER PENSION PLANS

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

Plan Descriptions

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

Primary Government

Oklahoma City Employee Retirement System (OCERS) provides retirement benefits for substantially all full-time, non-uniformed employees of the reporting entity except for certain COTPA and MCA employees. Unless otherwise indicated, OCERS information is provided as of the latest actuarial valuation, December 31, 2013.

Component Unit

COTPA Employee Retirement Trust (COTPA Retirement) provides retirement benefits for all COTPA employees, primarily bus drivers and related operations employees. Unless otherwise indicated, COTPA Retirement information in this note is provided as of the latest actuarial valuation, July 1, 2014.

Funding Policies, Contribution Methods, and Benefit Provisions

	<u>OCERS</u>	<u>COTPA Retirement</u>
Year established and governing authority	1958; City Council Ordinance	1970; COTPA Trustee's Resolution
Determination of contribution requirements	Actuarially determined	Contracted pursuant to union negotiations
Contribution rates:		
Employer (1)	8.00% of covered payroll	\$55.04 per week
Plan members	6.00% of covered payroll	\$44.13 per week
Funding of administrative costs	Investment earnings	Investment earnings
Period required to vest	5 years	10 years
Post-retirement benefit increases	Cost of living adjustments are compounded annually; increases must be approved by the OCERS Board	Increases must be approved by the COTPA Board
Eligibility for distribution	30 years credited service regardless of age, or age 60 with 10 years (Pre 3/67 hires), or 25 years of credited service regardless of age, or age 65 with 5 years (Post 3/67 hires), or age 55 with 5 years on a reduced basis, or 5 years service, with benefit.	25 years credited service regardless of age, or age 65 with 10 years, or age 62 with 10 years on a reduced basis.

(1) Beginning July 1, 2012, the employer contribution rate changed from 8.56% to 9.49%.

Benefit Provisions

OCERS

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

COTPA Retirement

Employees of COTPA are required to participate in the Plan after completion of six months of employment. COTPA employees who retire at or after the age of 65 with 10 years of credited service or upon 25 years of full time employment are entitled to receive monthly pension benefits equal to the sum of \$54 dollars per month for each year of service from their date of hire, plus variable cost of living increases based on their date of retirement. An early retirement option with reduced benefits is available at age 62 with 10 years of credited service.

Post-Retirement Adjustments

OCERS pension benefits may be adjusted annually for changes in the Consumer Price Index. The maximum adjustment is 2% compounded annually. COTPA Retirement does not specify annual increases. All pension benefit adjustments must be approved by the Board of Trustees of the respective plan.

Membership

	<u>OCERS</u>	<u>COTPA Retirement</u>	<u>Totals</u>
Non-vested active members	761	63	824
Fully-vested active members	1,726	110	1,836
Retirees and beneficiaries currently receiving benefits	1,345	62	1,407
Terminated plan members entitled to but not yet receiving benefits	<u>82</u>	<u>14</u>	<u>96</u>
	<u>3,914</u>	<u>249</u>	<u>4,163</u>

Annual Required Contributions - Actuarial Assumptions

	<u>OCERS</u>	<u>COTPA Retirement</u>
Provisions for:		
Disability benefits	Yes	Yes
Death benefits	Yes	Yes
Valuation date	12/31/13	7/1/14
Actuarial cost method	Individual entry age	Individual entry age normal
Amortization method	Level percentage of payroll	Level dollar
Amortization period	28 years, closed	30 years, open
Actuarial asset valuation method	4-year smoothed market	5-year smoothed market
Actuarial assumptions		
Investment rate of return	7.5%	7.0%
Projected salary increases	3.75% to 7.25%	None
Cost of living increases (maximum)	2.0%	None
Inflation	3.8%	2.3%
Other	RP 2000 mortality table projected to 2010 was used in this valuation	1983 group annuity mortality tables, scale 355 withdrawal rates

Projections of benefits for financial reporting purposes are based on the substantive plan (the Plan as understood by OCERS and Plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between OCERS and Plan members to that point. Actuarial calculations reflect a long-term perspective. The actuarial methods and assumptions use techniques that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of calculations.

For the December 31, 2013 OCERS actuarial valuation, the amortization period changed from 29 years, closed, to 28 years, closed. The cost of living maximum increase changed from 4% to 2%.

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future and that actuarially determined amounts are subject to continual revision as results are compared to past expectations and new estimates are made about the future.

VII. A. 2. ANNUAL PENSION COST, NET PENSION OBLIGATION, TREND INFORMATION, AND RESERVES

The OCERS issues a separate, stand-alone report which can be obtained from the City's Accounting Services Division. Annual reporting for COTPA Retirement is presented in the COTPA annual report. COTPA Retirement does not issue a stand alone report.

Net Pension Obligation (Asset)

	<u>COTPA Retirement</u>		
	<u>2014</u>	<u>2013</u>	<u>2012</u>
Annual required contribution	\$333	\$359	\$380
Interest on net pension obligation	(36)	(26)	(18)
Adjustment to annual required contribution	<u>38</u>	<u>29</u>	<u>19</u>
Annual pension cost	335	362	381
Contributions made	<u>(506)</u>	<u>(504)</u>	<u>(499)</u>
Increase in net pension obligation (asset)	(171)	(142)	(118)
Net pension obligation (asset), beginning of year	<u>(518)</u>	<u>(375)</u>	<u>(258)</u>
Net pension obligation (asset), end of year	<u>(\$689)</u>	<u>(\$517)</u>	<u>(\$376)</u>

COTPA reports net pension assets related to COTPA Retirement as prepaid. COTPA will use the net pension asset to reduce future contributions.

Annual Pension Cost and Trend Information

	<u>OCERS</u>			<u>COTPA Retirement</u>		
	Annual	Percentage <u>Contributed</u>	Net	Annual	Percentage <u>Contributed</u>	Net Pension
	Pension <u>Cost</u>		Pension <u>Obligation</u>	Pension <u>Cost</u>		Obligation <u>(Asset)</u>
2014	\$8,872	100%	\$ -	\$335	152%	(\$689)
2013	11,320	100	-	362	141	(518)
2012	9,615	100	-	381	131	(375)

Reserves

There are no assets legally reserved for purposes other than the payment of plan member benefits for either plan. The plans held no individual investments (other than U.S. Government and U.S. Government guaranteed obligations) whose market value exceeds 5% or more of net position available for benefits. There are no long-term contracts for contributions.

VII. A. 3. FUNDING STATUS AND FUNDING PROGRESS

	<u>OCERS</u>	<u>COTPA Retirement</u>
	Actuarial value of plan assets (AVIII A)	\$589,527
Actuarial accrued liability (AAL)	581,866	14,349
Unfunded actuarial accrued liability (UAAL)	(7,661)	3,854
Funded ratio (AVIII A/AAL)	101%	73%
Covered payroll (active plan members)	119,457	9,557
UAAL as a percentage of covered payroll	(6.4%)	40.3%

The required supplementary information schedules of funding progress immediately following the notes to the financial statements presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

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

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

Plan Descriptions

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

Funding Policies, Contribution Methods and Benefit Provisions

	Oklahoma Police Pension and Retirement System	Oklahoma Firefighter Pension and Retirement System
Eligibility to participate	All full-time officers employed by a participating municipality; not less than 21 years of age or more than 45 years of age when hired	All full-time or voluntary firefighters of a participating municipality hired before age 45
Authority establishing contribution obligations and benefit provisions	State Statute	State Statute
Plan members' contribution rate	8% of covered payroll	8% of covered payroll
City's contribution rate	13% of covered payroll	13% of covered payroll
Period required to vest	10 years	10 years
Benefits and eligibility for distribution (full-time)	20 years credited service, 2 1/2% of final average salary multiplied by the years of credited service with a maximum of 30 years considered; if vested, at or after age 50, or after 10 but before 20 years of credited service, with reduced benefits	20 years credited service, 2 1/2% of final average salary multiplied by the years of credited service with a maximum of 30 years considered; if vested, at or after age 50, or after 10 but before 20 years of credited service, with reduced benefits
Benefits and eligibility for distribution (volunteer)	N/A	20 years credited service equal to \$7.53 per month per year of service, with a maximum of 30 years considered
Deferred retirement option	Yes, 20 years credited service with additional option to participate in deferred option plan for a maximum of 5 years	Yes, 20 years credited service with continued service for 30 or more years

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

VII. B. 2. TREND INFORMATION

Trend information is presented as of June 30, 2013, the most recent actuarial valuation date. Contributions are required by Oklahoma State Statute.

Fiscal Year	Oklahoma Police Pension and Retirement System		Oklahoma Firefighter Pension and Retirement System	
	Required Contribution	Percentage Contributed	Required Contribution	Percentage Contributed
2014	\$10,233	100%	\$10,464	100%
2013	10,024	100	9,689	100
2012	9,419	100	9,481	100

Trend information showing the progress of the systems in accumulating sufficient assets to pay benefits when due is presented in the annual financial reports of the respective plans. Copies of these reports may be obtained from the respective state retirement systems; Oklahoma Police Pension and Retirement System 1001 N.W. 63rd Street, Suite 305, Oklahoma City, OK 73116-7335, and the Oklahoma Firefighter Pension and Retirement System at 4545 N. Lincoln Blvd. Suite 265, Oklahoma City, OK 73105.

VII. B. 3. FUNDING STATUS AND FUNDING PROGRESS

	Oklahoma Police Pension and <u>Retirement System</u>	Oklahoma Firefighter's Pension and <u>Retirement System</u>
Actuarial value of plan assets (AVIIIA)	\$1,902,581	\$1,811,651
Actuarial accrued liability (AAL)	2,131,172	3,081,898
Unfunded actuarial accrued liability (UAAL)	228,591	1,270,248
Funded ratio (AVIIIA/AAL)	89%	59%
Covered payroll (active plan members)	279,014	253,955
UAAL as a percentage of covered payroll	81.9%	500.2%

VII. B. 4. STATE ON BEHALF PAYMENTS

For fiscal year 2014, the State of Oklahoma contributed estimated payments on behalf of City employees to the Oklahoma Police Pension and Retirement System of \$8.912 million and the Oklahoma Firefighters Pension and Retirement System of \$23.089 million. These payments are recognized as revenues and expenditures in the financial statements. State contributions are funded by allocations of the state's insurance premium tax. The City is not legally responsible for these contributions.

VII. C. DEFINED CONTRIBUTION SINGLE EMPLOYER PENSION PLANS

The City and its component units participate in three defined contribution plans administered by the International City Manager's Association Retirement Corporation (ICMA Retirement). For two of the plans, plan provisions and contribution requirements are established or amended by City Council resolution. Participants of the first plan are comprised of eligible employees hired before September 1, 2001. The City and participants are required to contribute 8.35% and 6% of annual covered payroll, respectively. Participants of the second plan are comprised of eligible employees hired after September 1, 2001. The City and participants are required to contribute 7% and 6% of annual covered payroll, respectively. For the fiscal year ended June 30, 2014, actual contributions by the City and plan participants were \$797 thousand and \$611 thousand, respectively.

These two plans include 112 participants comprised of City Council appointees and management personnel. Participants of the first plan vest at service inception and are entitled to 100% of vested contributions. Participants of the second plan vest after 5 years of service. The plans are money purchase plans qualified under section 401 of the Internal Revenue Code.

The third plan was established July 1, 2001, by COTPA for eligible administrative employees of COTPA (not represented by a union). Plan provisions and contribution requirements are established or amended by COTPA resolution. It is in addition to COTPA Retirement and provides that the employee may voluntarily contribute to the COTPA ICMA plan and COTPA will match employee contributions up to one thousand annually. The COTPA ICMA plan includes 38 participants. For fiscal year 2014, actual contributions by plan participants were \$54 thousand with a \$20 thousand match from COTPA.

In addition, MCA employees participate in a deferred compensation, defined contribution plan administered by Nationwide Retirement Systems established through the U.S. Conference of Mayors and approved by MCA. Participants are comprised of all eligible employees. MCA and participants contribute 8% and 6%, respectively, to the Plan. Plan provisions and contribution requirements are established and amended by the MCA Board of Trustees. All full-time employees are eligible. At June 30, 2014, 4 employees were participating in the Plan. For fiscal year ending June 30, 2014, contributions made by MCA and participants were \$8 thousand and \$11 thousand, respectively. The annual financial report that includes financial statements and required supplementary information for the plan may be obtained from Nationwide Retirement Solutions, P.O. Box 182787, Columbus, Ohio 43218-2797.

VII. D. DEFINED BENEFIT SINGLE EMPLOYER OPEB PLANS

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

COTPA OPEB

COTPA provides post-employment benefit options for health care and life insurance to eligible retirees and terminated employees. The benefits are provided in accordance with collective bargaining agreements and the Consolidated Omnibus Budget Reconciliation Act of 1985 (COBRA). The criteria to determine eligibility include: years of service, employee age, and whether the employee has vested in the respective retirement plan.

Plan Descriptions

The City provides post-employment benefits to employees in two single-employer, defined benefit OPEB plans. Assets are held separately and may be used only for payment of benefits to members of the Plans.

City OPEB

The City provides post-employment healthcare benefits for retired employees and their dependents through the City of Oklahoma City Post-retirement Medical Plan (the City OPEB Plan), a single-employer defined benefit healthcare plan. The benefits, coverage levels, employee contributions and employer contributions are governed by the City and can be amended by the City through its personnel manual and union contracts. The City OPEB Plan issues a separate report that can be obtained from Human Resources at 420 W. Main, Suite 110, Oklahoma City, OK 73102. The City OPEB Plan covers all current retirees who elected post-retirement medical coverage through the City and future retired general employees. All firefighters retiring after December 31, 2002, are covered under a separate plan established specifically to provide medical benefits to City firefighters and are not considered for this disclosure. Retirees of COTPA and MCA are also not covered under the Plan.

COTPA OPEB

COTPA provides post-employment healthcare benefits for retired employees and their dependents through the COTPA Post-retirement Medical Plan (the Plan), a single-employer defined benefit healthcare plan. The benefits, coverage levels, employee contributions and employer contributions are governed by COTPA and can be amended by COTPA through its personnel manual and union contracts.

Funding Policies, Contribution Methods and Benefit Provisions

	<u>City OPEB</u>	<u>COTPA OPEB</u>
Year established and governing authority	2008; City Council Ordinance	2009; COTPA Board Resolution
Determination of contribution requirements	City Policy	COTPA Policy
Contribution rates:		
Employer	60% of premium	Subsidy based on years of service
Plan members	40% of premium	Remainder of unsubsidized premium costs
Funding of administrative costs	Investment earnings	Investment earnings
Period required to vest	5 years	10 years
Eligibility for distribution	General employees are eligible for membership in the Plan if they retire from the City on or after age 55 with 5 years of service or at any age with 25 years of service. Police officers are eligible for benefits under the Plan if they retire from the City with 20 years of service. Firefighters retiring before January 1, 2003 are eligible for membership. Participation may only be elected at the time of retirement.	General employees are eligible for membership in the Plan if they retire from COTPA on or after age 62 with 10 years of service or at any age with 25 years of service.

Funding Policies

City OPEB

Beginning January 1, 2014, the employer contribution rate changed from 62% of premium to 60% of premium.

COTPA OPEB

For the 2014 fiscal year, COTPA contributed a subsidy towards medical coverage of retirees based on years of service. The retirees were responsible for paying the remaining balance of the premium. COTPA contributions to the Plan were equal to the benefit payments. COTPA does not plan to fund the Plan for more than the expected benefit payments requirements in the near future.

Benefits Provided

City OPEB

The City provides medical benefits either through a fully insured health plan or through a self-insured Group Indemnity Plan. Benefits include general inpatient and outpatient medical services and prescription drug coverage. Coverage for dependents can continue upon the death of the retiree. Spouses of employees who die in active service while eligible for benefits can receive coverage.

COTPA OPEB

COTPA provides post-retirement healthcare benefits to its retirees. The Plan covers all current retirees who elected post-retirement medical coverage and future retired general employees. The Authority provides medical benefits through a fully insured health plan. Benefits include general inpatient and outpatient medical services and prescription drug coverage.

Membership

	<u>City OPEB</u>	<u>COTPA OPEB</u>
Active members	3,289	174
Retirees and beneficiaries currently receiving benefits	<u>2,161</u>	<u>13</u>
	<u>5,450</u>	<u>187</u>

Annual Required Contributions - Actuarial Assumptions

Provisions for:	City OPEB	COTPA OPEB
Disability benefits	Yes	No
Death benefits	Yes	No
Valuation date	7/1/2013	7/1/2011
Actuarial cost method	Projected unit credit with linear proration to decrement	Entry age normal
Amortization method	Level percentage of payroll	Level percentage of payroll
Amortization period	30 years, open	30 years, closed
Actuarial asset valuation method	4-year smoothed market	N/A
Actuarial assumptions:		
Investment rate of return	4.9%	4.0%
Blended discount rate method	The discount rate is based on the expected long-term return on the investments that are used to finance the benefit programs	N/A
Inflation rate	3.0%	2.5%
Projected salary increase	3.0%	None
Health care trend rate	4.5% (4.5% for Medicare age)	9.0%
Mortality table	RP 2000 combined mortality table projected to 2010 using scale AA	1983 group annuity mortality table for males

Projections of benefits for financial reporting purposes are based on the substantive plan (the Plan as understood by the employee and Plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and Plan members to that point. Actuarial calculations reflect a long-term perspective. The actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

City OPEB Actuarial Changes

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future and actuarially determined amounts are subject to continual revision as results are compared to past expectations and new estimates are made about the future.

In the July 1, 2014, actuarial valuation, adjustments have been made to the AAL and normal cost for actual premium increases from 2013 to 2014, which increased the City's liabilities on a net basis as the reduction in pre-Medicare liabilities is more than offset by the increase in Medicare liabilities.

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

Annual OPEB Costs and Net OPEB Obligation

	<u>City OPEB (1)</u>	<u>COTPA OPEB</u>
Annual required contribution	\$33,976	\$79
Interest on net OPEB obligation	5,265	9
Adjustment to annual required contribution	<u>(4,834)</u>	<u>(14)</u>
Annual OPEB cost	34,407	74
Contributions made	<u>(19,619)</u>	<u>(39)</u>
Increase in net OPEB obligation	14,788	35
Net OPEB obligation, beginning of year	<u>107,227</u>	<u>215</u>
Net OPEB obligation, end of year	<u>\$122,015</u>	<u>\$250</u>

(1) Includes net OPEB obligation reported in OCERS of \$42 thousand.

Governmental Funds Net OPEB Obligation

	General <u>Fund</u>	Other Governmental <u>Funds</u>	<u>Total</u>
Net Other Post Employment Benefit Obligation	<u>\$76,751</u>	<u>\$18,355</u>	<u>\$95,106</u>

Trend Information

<u>City OPEB</u>				
Fiscal Year <u>Ended</u>	Annual OPEB <u>Cost</u>	Employer <u>Contributions</u>	Percentage of Annual OPEB <u>Cost Contributed</u>	Net OPEB <u>Obligation</u>
2014	\$34,407	\$19,619	57.0%	\$122,015
2013	33,259	19,905	59.8	107,227
2012	36,494	20,065	55.0	93,874

<u>COTPA OPEB</u>				
Fiscal Year <u>Ended</u>	Annual OPEB <u>Cost</u>	Employer <u>Contributions</u>	Percentage of Annual OPEB <u>Cost Contributed</u>	Net OPEB <u>Obligation</u>
2014	\$74	\$39	52.7%	\$250
2013	72	35	48.6	215
2012	71	30	42.3	178

Reserves

There are no assets legally reserved for purposes other than the payment of Plan member benefits for either Plan. The Plans held no individual investments (other than U.S. Government and U.S. Government guaranteed obligations) whose market value exceeds 5% or more of net position available for benefits. There are no long-term contracts for contributions.

VII. D. 3. FUNDING STATUS AND FUNDING PROGRESS

	<u>City OPEB</u>	<u>COTPA OPEB</u>
Actuarial value of plan assets (AVIIIA)	\$26,316	\$ -
Actuarial accrued liability (AAL)	451,029	750
Unfunded actuarial accrued liability (UAAL)	424,713	750
Funded ratio (AVIIIA/AAL)	6%	0%
Covered payroll (active plan members)	203,860	7,659
UAAL as a percentage of covered payroll	208.3%	9.8%

The required supplementary information schedules of funding progress immediately following the notes to the financial statements presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits. OCPEBT financial statements may be obtained from Finance Department, Accounting Services Division, 100 N. Walker, Suite 300, Oklahoma City, OK 73102. COTPA OPEB is presented as a part of COTPA financial statements and does not issue a stand-alone report.

VII. E. TERMINATION BENEFITS

At June 30, 2014, the City’s reporting entity had 2 terminated employees participating in COBRA health and/or dental care in various options available from the City. These employees are a combination of job terminations, dependent loss of status and divorce. COBRA participants pay 102% of employee premium cost for continuing coverage. COBRA continuation coverage benefits are available for eligible employees for up to 18 months. Employees on military leave are eligible up to 24 months. Dependents of employees who lose coverage due to a qualifying event are eligible for up to 36 months. Benefits provided are not material to the financial statements.

VIII. COMMITMENTS

Service Contract Commitments

Significant service contract commitments at June 30, 2014 include \$58.141 million for OCEAT solid waste management service contracts funded by charges to users; \$27.375 million for OCWUT wastewater treatment services funded by charges to users; and \$106 thousand for service contracts related to Oklahoma River projects funded with OCRRA general revenues.

Construction Commitments

Primary Government	
<i>Governmental Activities</i>	
City-wide park improvements	\$2
Infrastructure	64,139
Economic development projects	21,712
<i>Business-Type Activities</i>	
Zoo improvements	7,912
Golf courses improvements	2,045
Fairgrounds improvements	<u>864</u>
Total primary government	<u>\$96,674</u>
Component Units	
Airport renovations	\$43,963
Water and wastewater utilities system improvements	7,644
Transportation and parking system improvements	5,750
Public school improvements	3,850
Economic development	<u>2,435</u>
Total component units	<u>\$63,642</u>

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

IX. CONTINGENCIES

Litigation

The City is a party to various legal proceedings which normally occur in governmental operations. These legal proceedings are not likely to have a material adverse impact on the affected funds of the City. In addition, the City currently has approximately \$5.583 million accrued in the Risk Management Fund for pending or threatened litigation for which an unfavorable outcome is considered probable. The amount of possible tort and other claims liability at June 30, 2014, is approximately \$970 thousand, which is not accrued.

Federal and State Grants

In the normal course of operations, the City receives grant funds from various Federal and state agencies. The grant programs are subject to audit by agents of the granting authorities the purpose of which is to ensure compliance with conditions predicated to the granting of funds. Any liability for reimbursement that may arise as the result of these audits is not believed to be material.

X. RELATED PARTY TRANSACTIONS

City-County Board of Health-Jointly Governed Organization

The City and the Board of County Commissioners of Oklahoma County participate in the City-County Board of Health (City-County Board) to preserve and promote public health. Five members of the City-County Board are appointed by the City Council, and four members are appointed by the Oklahoma County Commissioners with removal only for cause. The primary source of funding for the City-County Board is an ad valorem tax levy by the County. The City has an agreement with the City-County Board to perform certain inspections, issue special event licenses and collect related fees, and receive a percentage of license fees for inspections. During the fiscal year ending June 30, 2014, the City collected approximately \$145 thousand on behalf of the City-County Board. Of this amount, \$56 thousand is still payable at June 30, 2014.

XI. SUBSEQUENT EVENTS

Future Implementation of New Accounting Standard

In 2015, the City will implement GASB statement number 68, Financial Reporting for Pension Plans An Amendment of GASB Statement Number 27. This statement establishes standards of accounting and financial reporting for defined pension benefit pensions and defined contribution pensions provided to the employees of the City. In addition, the statement details the recognition and disclosure requirements for employers with liabilities (payables) to a defined benefit pension plan and for employers whose employees are provided with defined contribution pensions. Although the City has not determined the full impact the statement will have on its financial statements, the impact is expected to be significant.

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

CITY OF OKLAHOMA CITY, OKLAHOMA

I. SCHEDULE OF FUNDING PROGRESS

Oklahoma City Employees Retirement Trust

Actuarial Valuation <u>Date</u>	Actuarial Value of <u>Assets (a)</u>	Actuarial Liability (AAL) <u>(b)</u>	Unfunded AAL (UAAL) <u>(b-a)</u>	Funded <u>Ratio (a/b)</u>	Covered <u>Payroll (c)</u>	UAAL as a Percentage of Covered Payroll <u>((b-a)/c)</u>
12/31/13	\$589,527	\$581,866	(\$7,661)	101%	\$119,457	(6%)
12/31/12	547,686	553,588	5,902	99	114,933	5
12/31/11	514,499	593,922	79,423	87	109,293	73
12/31/10	524,731	566,834	42,103	93	102,915	41
12/31/09	529,137	556,427	27,290	95	110,408	25
12/31/08	528,664	519,234	(9,430)	102	105,566	(9)

COTPA Employee Retirement Trust

Actuarial Valuation <u>Date</u>	Actuarial Value of <u>Assets (a)</u>	Actuarial Liability (AAL) <u>(b)</u>	Unfunded AAL (UAAL) <u>(b-a)</u>	Funded <u>Ratio (a/b)</u>	Covered <u>Payroll (c)</u>	Percentage of Covered Payroll <u>((b-a)/c)</u>
7/1/14	\$10,495	\$14,349	\$3,854	73%	\$9,557	40%
7/1/13	9,300	13,431	4,131	69	9,458	44
7/1/12	8,507	12,367	3,860	69	6,930	56
7/1/11	7,793	11,932	4,139	65	7,595	54
7/1/10	7,089	11,687	4,598	61	7,150	64
7/1/09	6,589	11,369	4,780	58	7,464	64

II. SCHEDULE OF EMPLOYER CONTRIBUTIONS

Oklahoma City Employee Retirement System Trust

<u>Fiscal Year</u>	Annual Required <u>Contribution</u>	Percentage <u>Contributed</u>
2014	\$8,872	100%
2013	11,320	100
2012	9,615	100
2011	7,133	100
2010	5,586	100
2009	5,464	100

COTPA Employee Retirement Trust

<u>Fiscal Year</u>	Annual Required <u>Contribution</u>	Percentage <u>Contributed</u>
2014	\$333	152%
2013	359	141
2012	380	131
2011	414	113
2010	419	112
2009	386	108

III. NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

See Note VII. A. DEFINED BENEFIT SINGLE EMPLOYER PENSION PLANS for actuarial assumptions and other information used to determine the annual required contributions.

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

CITY OF OKLAHOMA CITY, OKLAHOMA

I. SCHEDULE OF FUNDING PROGRESS

City of Oklahoma City Post-Employment Benefits Trust

Actuarial Valuation <u>Date</u>	Actuarial Value of <u>Assets (a)</u>	Actuarial Accrued Liability (AAL) <u>(b)</u>	Unfunded AAL (UAAL) <u>(b-a)</u>	Funded <u>Ratio (a/b)</u>	Covered <u>Payroll (c)</u>	UAAL as a Percentage of Covered Payroll <u>((b-a)/c)</u>
7/1/13	\$26,316	\$451,029	\$424,713	6%	\$203,860	208%
7/1/12	19,199	433,863	414,664	4	197,923	210
7/1/11	15,018	483,932	468,914	3	180,552	260

COTPA Other Post-employment Benefits

Actuarial Valuation <u>Date</u>	Actuarial Value of <u>Assets (a)</u>	Actuarial Accrued Liability (AAL) <u>(b)</u>	Unfunded AAL (UAAL) <u>(b-a)</u>	Funded <u>Ratio (a/b)</u>	Covered <u>Payroll (c)</u>	UAAL as a Percentage of Covered Payroll <u>((b-a)/c)</u>
7/1/11	\$ -	\$750	\$750	0%	\$7,659	10%
7/1/11	-	750	750	0	7,659	10
7/1/11	-	750	750	0	7,659	10

II. SCHEDULE OF EMPLOYER CONTRIBUTIONS

City of Oklahoma City Post-employment Benefits Trust

<u>Fiscal Year</u>	Employer <u>Contributions</u>	Annual Required <u>Contribution</u>	Percentage <u>Contributed</u>
2014	\$19,619	\$33,976	58%
2013	19,905	32,881	61
2012	20,065	36,182	55

COTPA Other Post-employment Benefits

<u>Fiscal Year</u>	Employer <u>Contributions</u>	Annual Required <u>Contribution</u>	Percentage <u>Contributed</u>
2014	\$39	\$79	49%
2013	35	76	46
2012	30	74	41

III. NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

See Note VII. D. DEFINED BENEFIT SINGLE EMPLOYER OPEB PLANS for actuarial assumptions and other information used to determine the annual required contributions.

Non-Major Governmental Funds

Special Revenue Funds

Special revenue funds are used by the City to account for revenues derived from specific taxes, licenses, penalties, intergovernmental grants, and other restricted revenues which are designated to finance particular functions or activities of the City.

- * ***Emergency Management Fund*** – *Established by City ordinance to account for revenues and expenditures related to the operation of the primary emergency response service.*
- * ***Court Administration and Training Fund*** – *Established by State Statute and City ordinance to receive revenues from prescribed penalty assessments to be used for law enforcement, court, and prosecution training.*
- * ***Police Fund*** – *Established by City ordinance to account for limited purpose sales tax designated for police services. This fund is designated by ordinance as the "Police Services, Facilities, or Equipment Tax Fund."*
- * ***Fire Fund*** – *Established by City ordinance to account for limited purpose sales tax designated for fire protection services. This fund is designated by ordinance as the "Fire-fighting and Fire-Rescue Services, Facilities, or Equipment Tax Fund."*
- * ***Asset Forfeiture Fund*** – *Established to account for the acceptance of Federal forfeited property from illegal drug activity. Subsequent to the establishment of the fund, state asset forfeiture activities were also included.*
- * ***Zoo Fund*** – *Established by City ordinance to account for limited purpose sales tax designated for the Oklahoma City Zoo.*
- * ***Oklahoma City Municipal Facilities Authority (OCMFA) General Purpose Fund*** – *Established for financial reporting purposes to include the general government activities of OCMFA.*
- * ***MAPS Operations Fund*** – *Established by City ordinance to account for limited purpose use tax designated for operations and capital replacement of sports and cultural facilities. This fund is designated by ordinance as the Metropolitan Area Projects Operation, Maintenance, and Capital Replacement Fund.*

(continued)

Special Revenue Funds (*continued*)

- * **Special Purpose Fund** – Accounts for contributions to the City designated for specific purposes such as certain parks facilities.
- * **Special Districts Fund** – Established as the Oklahoma City Improvement and Special Services Assessment Districts Fund to account for improvements or combination of improvements that confer special benefit upon property within a designated district. Assessments are calculated annually to cover services as detailed in respective contracts between the City and the districts.
- * **Tax Incremental Financing Fund** – Established to hold sales tax collected for tax incremental financing districts of the City restricted for repayment of tax anticipation debt.
- * **Medical Services Fund** – Established by City Ordinance to account for the City's Total Care membership program for Emergency Medical Services. The program is funded through monthly assessments to eligible participating citizens.
- * **Hotel/Motel Tax Fund** – Established by City ordinance to account for a limited purpose hotel/motel occupancy tax designated for economic development.

Capital Projects Funds

Capital projects funds are used for all major capital improvements, except those reported in proprietary funds. These general government improvements are principally financed by the City's general obligation bond issues, Federal grants, General Fund transfers, and other designated resources.

- * **Capital Improvement Fund** – Established by State Statute and City ordinance to be used for various capital improvement programs. The fund's major financial resource is transfers from the General Fund.
- * **Street and Alley Fund** – Established by City ordinance to receive revenues to be used for street improvements.
- * **Metropolitan Projects Tax Fund** - Established by City ordinance to account for a limited purpose sales tax designated for construction and renovation of sports and cultural facilities in downtown Oklahoma City.
- * **Police/Fire Equipment Sales Tax Fund** – Established by City ordinance to account for limited purpose sales tax designated for police and fire capital equipment projects. This fund is designated by ordinance as the Police and Fire Capital Equipment Sales Tax Fund.

(continued)

Capital Projects Funds (*continued*)

- * ***Police/Fire Equipment Use Tax Fund*** – Established by City ordinance to account for limited purpose use tax designated for managing police and fire capital equipment projects, providing a reserve for additional costs associated with projects specified in the sales tax ordinance, and to provide funding for other public safety capital equipment projects. This fund is designated by ordinance as the Police and Fire Capital Equipment Use Tax Fund.
- * ***City and Schools Sales Tax Fund*** – Established as a special revenue fund by City ordinance to account for a limited purpose, limited term sales tax designated for certain public school capital projects.
- * ***City and Schools Use Tax Fund*** – Established by City ordinance as the City and Schools Capital Projects Use Tax Fund to account for the use tax levied as a companion tax to the public schools sales tax as permitted by State Statute. This tax is designated for City or public school purposes.
- * ***Sports Facilities Sales Tax Fund*** – Established by City ordinance to account for the limited term sales tax levied to provide or improve City sports facilities and fund a basketball training facility.
- * ***Sports Facilities Use Tax Fund*** – Established by City ordinance as the Oklahoma City Sports Facilities and Capital Improvements Projects Use Tax Fund to account for the use tax levied as a companion tax to the sports facilities sales tax. This tax is designated for funding the basketball training facility or City capital improvement projects.
- * ***MAPS3 Use Tax Fund*** – Established by City ordinance to account for limited purpose use tax designated for the cost of management and oversight of the construction projects funded by the MAPS3 Sales Tax Fund and the enhancement of public safety by providing funding for Police and Fire positions.

**COMBINING BALANCE SHEET
NON-MAJOR GOVERNMENTAL FUNDS
June 30, 2014
(dollars are in thousands)**

	Special Revenue Funds									
	Court				Asset		OCMFA			
	Emergency Management	Administration and Training	Police	Fire	Forfeiture	Zoo	General Purpose	MAPS Operations	Special Purpose	Special Districts
ASSETS										
Pooled cash-----	\$1	\$6	\$92	\$58	\$6	\$6	\$1,381	\$49	\$57	\$1
Non-pooled cash-----	-	-	-	-	21	-	27	-	-	-
Investments-----	464	1,035	16,347	11,903	3,088	-	11,281	10,069	11,889	593
Sales and use taxes receivable-----	-	-	5,625	5,625	-	1,875	-	-	-	-
Accounts receivable-----	408	155	-	-	-	-	2,152	-	-	213
Interest, dividends, and royalties receivable-----	1	3	50	36	9	-	40	31	36	2
Due from other funds-----	400	-	56	65	-	-	248	9	473	-
Intergovernmental receivable-----	-	-	-	-	-	-	-	-	350	-
Prepays-----	-	-	11	15	233	-	550	-	-	-
Prepays, non-current-----	-	-	-	110	33	-	661	-	-	-
Advance to other funds-----	-	-	-	-	-	-	4,352	-	-	482
Total assets-----	\$1,274	\$1,199	\$22,181	\$17,812	\$3,390	\$1,881	\$20,692	\$10,158	\$12,805	\$1,291
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES										
LIABILITIES										
Accounts payable and accrued expenses-----	\$2	\$148	\$124	\$3,714	\$80	\$-	\$757	\$146	\$196	\$-
Wages and benefits payable-----	176	-	743	558	4	-	-	17	-	-
Due to other funds-----	-	-	846	695	67	1,875	36	5	1,826	100
Payable to component units, current-----	-	-	-	-	-	-	-	-	2,250	-
Unearned revenue-----	-	-	-	4	-	-	2	-	2,262	-
Payable to component units, non-current-----	-	-	-	-	-	-	-	-	-	-
Total liabilities-----	178	148	1,713	4,971	151	1,875	795	168	6,534	100
DEFERRED INFLOWS OF RESOURCES										
-----	10	1	18	13	3	-	1,826	11	228	1
FUND BALANCE										
Non-spendable-----	-	-	11	125	266	-	1,583	-	-	-
Restricted-----	-	1,050	20,439	12,703	2,970	6	1,281	-	2,071	1,190
Committed-----	1,086	-	-	-	-	-	186	9,979	2,695	-
Assigned-----	-	-	-	-	-	-	15,021	-	1,277	-
Unassigned-----	-	-	-	-	-	-	-	-	-	-
Total fund balances-----	1,086	1,050	20,450	12,828	3,236	6	18,071	9,979	6,043	1,190
Total liabilities, deferred inflows of resources and fund balances-----	\$1,274	\$1,199	\$22,181	\$17,812	\$3,390	\$1,881	\$20,692	\$10,158	\$12,805	\$1,291

CITY OF OKLAHOMA CITY, OKLAHOMA

Special Revenue Funds			Capital Projects Funds										Total
Incremental	Medical	Hotel/	Capital	Street	Metropolitan	Police/Fire	Police/Fire	City and	City and	Sports	Sports	MAPS3	Non-Major
Financing	Services	Motel Tax	Improvement	and	Projects	Equipment	Equipment	Schools	Schools	Facilities	Facilities	Use Tax	Governmental
				Alley	Tax	Sales Tax	Use Tax	Sales Tax	Use Tax	Sales Tax	Use Tax	Use Tax	Funds
\$ -	\$5	\$29	\$348	\$2	\$ -	\$16	\$ -	\$4	\$7	\$2	\$1	\$319	\$2,390
948	-	-	-	-	-	-	-	-	-	-	-	-	996
2	1,082	7,942	54,059	846	545	7,353	1	1,960	3,941	1,161	790	36,902	183,253
685	-	-	-	-	-	-	-	-	-	-	-	1,824	15,634
-	419	1,305	-	14	3	1	-	6	-	22	-	-	4,698
1	3	24	165	3	-	22	-	6	12	4	2	113	563
-	17	-	362	-	-	-	-	-	441	-	-	-	2,071
685	-	-	-	-	-	-	-	-	-	-	-	-	1,035
-	-	-	1	-	-	1	-	-	-	-	-	-	811
-	-	-	1	-	-	1	-	-	-	-	-	-	806
-	-	-	-	-	-	-	-	-	3,885	-	-	-	8,719
\$2,321	\$1,526	\$9,300	\$54,936	\$865	\$548	\$7,394	\$1	\$1,976	\$8,286	\$1,189	\$793	\$39,158	\$220,976
\$ -	\$2	\$344	\$2,557	\$128	\$ -	\$39	\$ -	\$8	\$447	\$58	\$5	\$182	\$8,937
-	-	-	-	-	-	-	-	20	-	-	-	25	1,543
-	6	1,000	2,639	21	-	-	1	21	-	297	72	137	9,644
2,318	-	-	-	-	-	-	-	-	-	-	-	-	4,568
-	-	-	-	-	-	-	-	-	-	-	-	-	2,268
-	-	-	6,000	-	-	-	-	-	-	-	-	-	6,000
2,318	8	1,344	11,196	149	-	39	1	49	447	355	77	344	32,960
685	16	18	58	1	-	8	-	2	4	1	1	40	2,945
-	-	-	2	-	-	2	-	-	2,737	-	-	-	4,726
-	-	7,938	-	715	548	7,345	-	1,925	-	833	-	-	61,014
-	1,502	-	-	-	-	-	-	-	-	-	-	38,774	54,222
-	-	-	43,680	-	-	-	-	-	5,098	-	715	-	65,791
(682)	-	-	-	-	-	-	-	-	-	-	-	-	(682)
(682)	1,502	7,938	43,682	715	548	7,347	-	1,925	7,835	833	715	38,774	185,071
\$2,321	\$1,526	\$9,300	\$54,936	\$865	\$548	\$7,394	\$1	\$1,976	\$8,286	\$1,189	\$793	\$39,158	\$220,976

**COMBINING STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES
NON-MAJOR GOVERNMENTAL FUNDS
For the Year Ended June 30, 2014
(dollars are in thousands)**

	Special Revenue Funds									
	Court				Asset			OCMFA		
	Emergency Management	Administration and Training	Police	Fire	Forfeiture	Zoo	General Purpose	MAPS Operations	Special Purpose	Special Districts
REVENUES										
Sales taxes-----	\$ -	\$ -	\$40,185	\$40,185	\$ -	\$13,395	\$ -	\$ -	\$ -	\$ -
Use taxes-----	-	-	-	-	-	-	-	-	-	-
Hotel/Motel taxes-----	-	-	-	-	-	-	-	-	-	-
Emergency telephone taxes-----	4,744	-	-	-	-	-	-	-	-	-
Licenses and permits-----	76	2,023	-	-	-	-	105	-	95	-
Oil and gas royalties-----	-	-	-	-	-	-	842	-	-	-
Fines and forfeitures-----	-	-	-	-	-	-	1,788	-	-	-
Investment income-----	6	3	79	54	23	5	52	61	57	7
Charges for services-----	-	-	-	-	-	-	-	-	2	1,959
Rental income-----	-	-	-	12	-	-	2	-	8	-
Payments from component units--	-	-	-	-	-	-	-	-	-	-
Intergovernmental programs-----	-	-	-	-	1,000	-	-	-	667	-
Capital revenue	-	-	-	-	-	-	-	-	533	-
Other-----	-	-	-	-	-	-	246	-	859	-
Total revenues-----	4,826	2,026	40,264	40,251	1,023	13,400	3,035	61	2,221	1,966
General government-----	-	-	-	-	-	-	1,009	-	2	-
Police-----	-	1,898	36,554	-	-	-	-	-	-	-
Fire-----	-	-	-	39,521	-	-	-	-	5	-
Other-----	7,849	-	-	-	1,907	-	1,007	-	-	-
Public services-----	-	-	-	-	-	-	1,193	-	272	1,960
Culture and recreation-----	-	-	-	-	-	-	272	958	257	-
Education-----	-	-	-	-	-	-	-	-	-	-
Economic development-----	-	-	-	-	-	-	-	-	-	-
Capital Outlay-----	-	-	986	1,663	179	-	2,008	17	1,736	-
Total expenditures-----	7,849	1,898	37,540	41,184	2,086	-	5,489	975	2,272	1,960
Excess (deficiency) of revenues over (under) expenditures-----	(3,023)	128	2,724	(933)	(1,063)	13,400	(2,454)	(914)	(51)	6
OTHER FINANCING										
Transfers from other funds-----	2,798	-	-	-	-	10	2,618	-	1,907	47
Transfers to other funds-----	-	-	(60)	(41)	-	(13,400)	(500)	(17)	(677)	-
Sale of assets-----	-	-	-	27	14	-	-	5	41	-
Net other financing sources (uses)-----	2,798	-	(60)	(14)	14	(13,390)	2,118	(12)	1,271	47
Net change in fund balances-----	(225)	128	2,664	(947)	(1,049)	10	(336)	(926)	1,220	53
FUND BALANCES										
Fund balances, beginning:										
As previously reported-----	1,311	922	17,786	13,775	4,285	(4)	20,764	10,905	4,823	1,137
Prior period adjustment-----	-	-	-	-	-	-	(2,357)	-	-	-
As restated-----	1,311	922	17,786	13,775	4,285	(4)	18,407	10,905	4,823	1,137
Fund balances, ending-----	\$1,086	\$1,050	\$20,450	\$12,828	\$3,236	\$6	\$18,071	\$9,979	\$6,043	\$1,190

CITY OF OKLAHOMA CITY, OKLAHOMA

Special Revenue Funds			Capital Projects Funds										Total
Incremental Financing	Medical Services	Hotel/Motel Tax	Capital Improvement	Street and Alley	Metropolitan Projects Tax	Police/Fire Equipment Sales Tax	Police/Fire Equipment Use Tax	City and Schools Sales Tax	City and Schools Use Tax	Sports Facilities Sales Tax	Sports Facilities Use Tax	MAPS3 Use Tax	Non-Major Governmental Funds
\$685	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$94,450
-	-	-	-	-	-	-	-	-	-	-	-	12,847	12,847
-	-	13,876	-	-	-	-	-	-	-	-	-	-	13,876
-	-	-	-	-	-	-	-	-	-	-	-	-	4,744
-	6,827	-	-	-	-	-	-	-	-	-	-	-	9,126
-	-	-	-	-	-	-	-	-	-	-	-	-	842
-	-	-	-	-	-	-	-	-	-	-	-	-	1,788
1	-	46	267	8	-	44	-	16	65	7	9	209	1,019
-	-	-	-	-	-	-	-	-	-	-	-	1	1,962
-	-	-	-	-	-	-	-	-	-	-	-	-	22
11	-	-	-	-	-	-	-	240	-	-	-	-	251
967	-	-	-	-	-	-	-	-	-	-	-	-	2,634
-	-	-	-	-	-	-	-	-	-	-	-	-	533
-	-	-	258	14	23	7	-	31	82	591	38	-	2,149
1,664	6,827	13,922	525	22	23	51	-	287	147	598	47	13,057	146,243
-	-	-	-	-	-	-	-	-	-	-	-	-	1,011
-	-	-	-	-	-	-	-	-	-	-	-	-	38,452
-	-	-	-	-	-	-	-	-	-	-	-	-	39,526
-	4,816	-	-	-	-	486	-	-	-	-	-	-	16,065
-	-	-	11,159	790	-	-	-	-	3,255	-	-	-	18,629
-	-	6,394	-	-	3	-	-	-	-	1	8	1,437	9,330
-	-	-	-	-	-	-	-	1,504	-	-	-	-	1,504
928	-	-	-	-	-	-	-	-	-	-	-	-	928
-	1,719	-	6,440	14	20	80	-	-	6,067	365	1,429	7,439	30,162
928	6,535	6,394	17,599	804	23	566	-	1,504	9,322	366	1,437	8,876	155,607
736	292	7,528	(17,074)	(782)	-	(515)	-	(1,217)	(9,175)	232	(1,390)	4,181	(9,364)
-	-	-	34,655	-	-	-	-	-	45	-	-	77	42,157
-	-	(8,469)	(199)	(69)	-	(32)	-	(30)	-	(327)	(60)	(105)	(23,986)
-	-	-	117	-	33	203	-	-	25	111	-	-	576
-	-	(8,469)	34,573	(69)	33	171	-	(30)	70	(216)	(60)	(28)	18,747
736	292	(941)	17,499	(851)	33	(344)	-	(1,247)	(9,105)	16	(1,450)	4,153	9,383
(1,418)	1,210	8,879	26,183	1,566	515	7,691	-	3,172	16,940	817	2,165	34,621	178,045
-	-	-	-	-	-	-	-	-	-	-	-	-	(2,357)
(1,418)	1,210	8,879	26,183	1,566	515	7,691	-	3,172	16,940	817	2,165	34,621	175,688
(\$682)	\$1,502	\$7,938	\$43,682	\$715	\$548	\$7,347	\$ -	\$1,925	\$7,835	\$833	\$715	\$38,774	\$185,071

**SCHEDULE OF REVENUES, EXPENDITURES,
ENCUMBRANCES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
For the Year Ended June 30, 2014
(dollars are in thousands)**

CITY OF OKLAHOMA CITY, OKLAHOMA

	Debt Service Fund					
	Original Budget	Revisions	Revised Budget	Expenditures	Total Actual	Variance
REVENUES						
Property taxes-----	\$77,631	\$1,033	\$78,664		\$78,896	\$232
Investment income-----	500	-	500		1,080	580
OTHER REVENUE						
Other revenue-----	-	1,500	1,500		230	(1,270)
Total revenues -----	78,131	2,533	80,664		80,206	(458)
EXPENDITURES						
Redemption of debt-----	63,695	4,630	68,325	\$46,800	46,800	21,525
Interest-----	25,825	-	25,825	25,776	25,776	49
Bond issue cost-----	750	-	750	511	511	239
Total expenditures-----	90,270	4,630	94,900	73,087	73,087	21,813
Excess (deficiency) of revenues over (under) expenditures-----	(12,139)	(2,097)	(14,236)		7,119	(22,271)
OTHER FINANCING SOURCES						
Premium on sale of bonds-----	2,500	-	2,500		7,870	5,370
Total other financing sources-----	2,500	-	2,500		7,870	5,370
Excess (deficiency) of revenues and other sources expenditures and other uses-----	(9,639)	(2,097)	(11,736)		14,989	(16,901)
FUND BALANCE (NON-GAAP BUDGETARY BASIS)						
BEGINNING FUND BALANCE						
Appropriated for current year budget-----	9,639	2,097	11,736		11,736	-
Not appropriated-----	-	-	-		60,986	60,986
Beginning fund balance-----	9,639	2,097	11,736		72,722	60,986
ENDING FUND BALANCE						
Before encumbrances-----	-	-	-		87,711	87,711
Ending fund balance-----	\$ -	\$ -	\$ -		87,711	\$87,711
RECONCILIATION OF FUND BALANCE NON-GAAP BUDGETARY BASIS TO GENERALLY ACCEPTED ACCOUNTING PRINCIPLES						
Revenue and transfer accruals-----					1,596	
Expenditure and transfer accruals-----					(5,606)	
Fund balance, ending-----					\$83,701	

**SCHEDULE OF REVENUES, EXPENDITURES,
ENCUMBRANCES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
For the Year Ended June 30, 2014
(dollars are in thousands)**

CITY OF OKLAHOMA CITY, OKLAHOMA

	Emergency Management Fund				Total	
	Original		Revised		Actual	Variance
	Budget	Revisions	Budget	Expenditures		
REVENUES						
Emergency telephone taxes-----	\$4,911	\$ -	\$4,911		\$4,823	(\$88)
Investment income-----	2	-	2		5	3
Total revenues -----	4,913	-	4,913		4,828	(85)
EXPENDITURES						
PUBLIC SAFETY						
Police:						
Personal services-----	5,803	-	5,803	\$5,529	5,529	274
Other services and charges-----	2,588	-	2,588	2,315	2,315	273
Supplies-----	7	-	7	4	4	3
Total expenditures -----	8,398	-	8,398	\$7,848	7,848	550
Excess (deficiency) of revenues over (under) expenditures -----	(3,485)	-	(3,485)		(3,020)	465
OTHER FINANCING SOURCES (USES)						
TRANSFERS FROM OTHER FUNDS						
General Fund-----	3,485	-	3,485		2,800	(685)
Excess (deficiency) of revenues and other sources over expenditures -----	-	-	-		(220)	(220)
FUND BALANCE (NON-GAAP BUDGETARY BASIS)						
BEGINNING FUND BALANCE						
Not appropriated-----	-	-	-		909	909
Beginning fund balance-----	-	-	-		909	909
ENDING FUND BALANCE						
Ending fund balance-----	\$ -	\$ -	\$ -		689	\$689
RECONCILIATION OF FUND BALANCE NON-GAAP BUDGETARY BASIS TO GENERALLY ACCEPTED ACCOUNTING PRINCIPLES						
Revenue and transfer accruals-----					397	
Fund balance, ending -----					\$1,086	

**SCHEDULE OF REVENUES, EXPENDITURES,
ENCUMBRANCES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
For the Year Ended June 30, 2014
(dollars are in thousands)**

CITY OF OKLAHOMA CITY, OKLAHOMA

	Court Administration and Training Fund						
	Original Budget	Revisions	Revised Budget	Expenditures	Encumbrances	Total Actual	Variance
REVENUES							
LICENSES, PERMITS AND FEES							
CLEET fees (1)-----	\$681	\$ -	\$681			\$743	\$62
AFIS fees (2)-----	479	-	479			522	43
Training fees-----	180	-	180			197	17
Forensic fees-----	462	-	462			504	42
Other police fees-----	50	-	50			55	5
Other fees-----	22	-	22			26	4
Investment income-----	4	-	4			5	1
OTHER REVENUE							
Other revenue-----	-	-	-			17	17
Total revenues -----	1,878	-	1,878			2,069	191
EXPENDITURES							
GENERAL GOVERNMENT							
Municipal counselor:							
Other services and charges-----	15	-	15	\$5	\$ -	5	10
Supplies-----	8	-	8	4	-	4	4
PUBLIC SAFETY							
Municipal courts:							
Other services and charges-----	1,890	-	1,890	1,808	-	1,808	82
Supplies-----	28	-	28	-	-	-	28
Police:							
Other services and charges-----	147	33	180	160	-	160	20
Supplies-----	178	53	231	91	24	115	116
Total expenditures -----	2,266	86	2,352	2,068	24	2,092	260
PRIOR YEAR ENCUMBRANCES							
ENTER FOOTNOTE NUMBER	-	-	-	(86)	-	(86)	86
Related to current year budgets-----	-	-	-	-	(24)	(24)	24
Net expenditures and encumbrances -----	2,266	86	2,352	\$1,982	\$ -	1,982	370
Excess (deficiency) of revenues over (under) expenditures -----	(388)	(86)	(474)			87	(179)
FUND BALANCE (NON-GAAP BUDGETARY BASIS)							
BEGINNING FUND BALANCE							
Appropriated for current year budget-----	388	-	388			388	-
Reappropriated for prior year encumbrances-----	-	86	86			86	-
Not appropriated-----	-	-	-			465	465
Beginning fund balance-----	388	86	474			939	465
ENDING FUND BALANCE							
Before encumbrances-----	-	-	-			1,026	1,026
Less: current year encumbrances-----	-	-	-			(24)	(24)
Ending fund balance -----	\$ -	\$ -	\$ -			1,002	\$1,002
RECONCILIATION OF FUND BALANCE NON-GAAP BUDGETARY BASIS TO GENERALLY ACCEPTED ACCOUNTING PRINCIPLES							
Current year encumbrances included in expenditures-----						24	
Revenue and transfer accruals-----						158	
Expenditure and transfer accruals-----						(134)	
Fund balance, ending -----						\$1,050	

(1) "CLEET" is the acronym for Council on Law Enforcement, Education, and Training.

(2) "AFIS" is the acronym for Automated Fingerprint Identification System

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

**SCHEDULE OF REVENUES, EXPENDITURES,
ENCUMBRANCES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
For the Year Ended June 30, 2014
(dollars are in thousands)**

CITY OF OKLAHOMA CITY, OKLAHOMA

	Police Fund							
	Original Budget	Revisions	Revised Budget	Expenditures	Encumbrances	Total Actual	Variance	
REVENUES								
TAXES								
Sales taxes-----	\$40,297	\$ -	\$40,297			\$39,881	(\$416)	
Investment income-----	29	-	29			57	28	
Charges for services-----	20	-	20			-	(20)	
OTHER REVENUE								
Other revenue-----	-	-	-			208	208	
Total revenues -----	40,346	-	40,346			40,146	(200)	
EXPENDITURES								
PUBLIC SAFETY								
Police:								
Personal services-----	33,308	200	33,508	\$32,973	\$ -	32,973	535	
Other services and charges-----	5,006	(379)	4,627	3,039	22	3,061	1,566	
Supplies-----	426	262	688	598	23	621	67	
PRIOR YEAR ENCUMBRANCES								
Related to prior year budgets (1)-----	-	-	-	(83)	-	(83)	83	
Related to current year budgets-----	-	-	-	-	(45)	(45)	45	
Net expenditures and encumbrances-----	38,740	83	38,823	\$36,527	\$ -	36,527	2,296	
Excess (deficiency) of revenues over (under) expenditures-----	1,606	(83)	1,523			3,619	(2,496)	
OTHER FINANCING SOURCES (USES)								
TRANSFERS TO OTHER FUNDS								
Public safety:								
Police Fund (project-length budget) (2)----	(2,000)	-	(2,000)			(2,000)	-	
Excess (deficiency) of revenues over expenditures and other uses-----	(394)	(83)	(477)			1,619	(2,496)	
FUND BALANCE (NON-GAAP BUDGETARY BASIS)								
BEGINNING FUND BALANCE								
Appropriated for current year budget-----	394	-	394			394	-	
Reappropriated for prior year encumbrances----	-	83	83			83	-	
Not appropriated-----	-	-	-			7,597	7,597	
Beginning fund balance-----	394	83	477			8,074	7,597	
ENDING FUND BALANCE								
Before encumbrances-----	-	-	-			9,693	9,693	
Less: current year encumbrances-----	-	-	-			(45)	(45)	
Ending fund balance-----	\$ -	\$ -	\$ -			9,648	\$9,648	
RECONCILIATION OF FUND BALANCE NON-GAAP BUDGETARY BASIS TO GENERALLY ACCEPTED ACCOUNTING PRINCIPLES								
Current year encumbrances included in expenditures-----						45		
Revenue and transfer accruals-----						5,619		
Expenditure and transfer accruals-----						(3)		
Project length budgeted activity-----						5,141		
Fund balance, ending-----						\$20,450		

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

**SCHEDULE OF REVENUES, EXPENDITURES,
ENCUMBRANCES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
For the Year Ended June 30, 2014
(dollars are in thousands)**

CITY OF OKLAHOMA CITY, OKLAHOMA

	Fire Fund						
	Original Budget	Revisions	Revised Budget	Expenditures	Encumbrances	Total Actual	Variance
REVENUES							
TAXES							
Sales taxes-----	\$40,297	\$ -	\$40,297			\$39,881	(\$416)
Investment income-----	21	-	21			52	31
OTHER REVENUE							
Rental income-----	12	-	12			12	-
Other revenue-----	-	-	-			27	27
Total revenues -----	40,330	-	40,330			39,972	(358)
EXPENDITURES							
PUBLIC SAFETY							
Fire:							
Personal services-----	33,952	-	33,952	\$33,522	\$ -	33,522	430
Other services and charges-----	2,778	110	2,888	1,264	8	1,272	1,616
Supplies-----	1,555	3,638	5,193	4,810	17	4,827	366
Capital outlay-----	2,045	507	2,552	1,530	251	1,781	771
Total expenditures-----	40,330	4,255	44,585	41,126	276	41,402	3,183
PRIOR YEAR ENCUMBRANCES							
Related to prior year budgets (1)-----	-	-	-	(779)	-	(779)	779
Related to current year budgets-----	-	-	-	-	(276)	(276)	276
Net expenditures and encumbrances-----	40,330	4,255	44,585	\$40,347	\$ -	40,347	4,238
Excess (deficiency) of revenues over (under) expenditures-----	-	(4,255)	(4,255)			(375)	(4,596)
OTHER FINANCING SOURCES (USES)							
TRANSFERS FROM OTHER FUNDS							
OCMFA General Purpose Fund-----	-	-	-			1,500	1,500
TRANSFERS TO OTHER FUNDS							
Culture and recreation:							
Special Purpose Fund-----	-	(24)	(24)			(24)	-
OTHER FINANCING SOURCES							
Sale of assets-----	-	-	-			27	27
Excess (deficiency) of revenues and other sourc expenditures and other uses-----	-	(4,279)	(4,279)			1,128	(3,069)
FUND BALANCE (NON-GAAP BUDGETARY BASIS)							
BEGINNING FUND BALANCE							
Appropriated for current year budget-----	-	3,500	3,500			3,500	-
Reappropriated for prior year encumbrances-----	-	779	779			779	-
Not appropriated-----	-	-	-			1,830	1,830
Beginning fund balance-----	-	4,279	4,279			6,109	1,830
ENDING FUND BALANCE							
Before encumbrances-----	-	-	-			7,237	7,237
Less: current year encumbrances-----	-	-	-			(276)	(276)
Ending fund balance-----	\$ -	\$ -	\$ -			6,961	\$6,961

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

Current year encumbrances included in expenditures-----	276
Revenue and transfer accruals-----	5,608
Expenditure and transfer accruals-----	(17)
Fund balance, ending-----	\$12,828

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

**STATEMENT OF REVENUES, EXPENDITURES,
ENCUMBRANCES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
For the Year Ended June 30, 2014
(dollars are in thousands)**

CITY OF OKLAHOMA CITY, OKLAHOMA

	Asset Forfeiture Fund						Total Actual	Variance
	Original Budget	Revisions	Revised Budget	Expenditures	Encumbrances			
REVENUES								
Investment income-----	\$14	\$ -	\$14				\$18	\$4
Charges for services-----	1,420	-	1,420				1,000	(420)
OTHER REVENUE								
Other revenue-----	-	-	-				1	1
Total revenues -----	1,434	-	1,434				1,019	(415)
EXPENDITURES								
PUBLIC SAFETY								
Police:								
Personal services-----	\$306	132	438	\$334	\$ -		334	104
Other services and charges-----	800	(180)	620	411	26		437	183
Supplies-----	1,439	335	1,774	985	487		1,472	302
Capital outlay-----	160	50	210	179	-		179	31
Total expenditures-----	2,705	337	3,042	1,909	513		2,422	620
PRIOR YEAR ENCUMBRANCES								
Related to prior year budgets (1)-----	-	-	-	(155)	-		(155)	155
Related to current year budgets-----	-	-	-	-	(513)		(513)	513
Net expenditures and encumbrances-----	2,705	337	3,042	\$1,754	\$ -		1,754	1,288
Deficiency of revenues under expenditures-----	(1,271)	(337)	(1,608)				(735)	(1,703)
OTHER FINANCING SOURCES (USES)								
TRANSFERS TO OTHER FUNDS								
Public services:								
OCMFA General Purpose Fund-----	(200)	100	(100)				-	100
OTHER FINANCING SOURCES								
Sale of assets-----	6	-	6				14	8
Excess (deficiency) of revenues over expenditures and other uses-----	(1,465)	(237)	(1,702)				(721)	(1,595)
FUND BALANCE (NON-GAAP BUDGETARY BASIS)								
BEGINNING FUND BALANCE								
Appropriated for current year budget-----	1,465	82	1,547				1,547	-
Reappropriated for prior year encumbrances-----	-	155	155				155	-
Not appropriated-----	-	-	-				1,971	1,971
Beginning fund balance-----	1,465	237	1,702				3,673	1,971
ENDING FUND BALANCE								
Before encumbrances-----	-	-	-				2,952	2,952
Less: current year encumbrances-----	-	-	-				(513)	(513)
Ending fund balance-----	\$ -	\$ -	\$ -				2,439	\$2,439
RECONCILIATION OF FUND BALANCE NON-GAAP BUDGETARY BASIS TO GENERALLY ACCEPTED ACCOUNTING PRINCIPLES								
Current year encumbrances included in expenditures-----							513	
Revenue and transfer accruals-----							18	
Expenditure and transfer accruals-----							266	
Fund balance, ending-----							\$3,236	

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

**SCHEDULE OF REVENUES, EXPENDITURES
ENCUMBRANCES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
For the Year Ended June 30, 2014
(dollars are in thousands)**

CITY OF OKLAHOMA CITY, OKLAHOMA

	Zoo Fund					
	Original Budget	Revisions	Revised Budget		Total Actual	Variance
<u>REVENUES</u>						
<u>TAXES</u>						
Sales taxes-----	\$13,542	\$ -	\$13,542		\$13,294	(\$248)
Investment income-----	10	-	10		1	(9)
Total revenues -----	13,552	-	13,552		13,295	(257)
<u>CULTURE AND RECREATION</u>						
Non-departmental:						
Other services and charges-----	13,552	(11,362)	2,190	2,189	-	2,189
Total expenditures and encumbrances-----	13,552	(11,362)	2,190	2,189	-	2,189
Excess of revenues over expenditures-----	-	11,362	11,362		11,106	(258)
<u>OTHER FINANCING SOURCES (USES)</u>						
<u>TRANSFERS TO COMPONENT UNITS</u>						
Culture and recreation:						
Oklahoma City Zoological Trust-----	-	(11,362)	(11,362)		(11,104)	258
Excess (deficiency) of revenues over expenditures and other uses-----	-	-	-		2	-
<u>FUND BALANCE (NON-GAAP BUDGETARY BASIS)</u>						
<u>BEGINNING FUND BALANCE</u>						
Not appropriated-----	-	-	-		6	6
Beginning fund balance-----	-	-	-		6	6
<u>ENDING FUND BALANCE</u>						
Before encumbrances-----	-	-	-		8	8
Ending fund balance-----	\$ -	\$ -	\$ -		8	\$8
<u>RECONCILIATION OF FUND BALANCE NON-GAAP BUDGETARY BASIS TO GENERALLY ACCEPTED ACCOUNTING PRINCIPLES</u>						
Revenue and transfer accruals-----					1,873	
Expenditure and transfer accruals-----					(1,875)	
Fund balance, ending-----					\$6	

**SCHEDULE OF REVENUES, EXPENDITURES
ENCUMBRANCES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
For the Year Ended June 30, 2014
(dollars are in thousands)**

CITY OF OKLAHOMA CITY, OKLAHOMA

	MAPS Operations Fund							
	Original		Revised		Expenditures	Encumbrances	Total	Variance
	Budget	Revisions	Budget				Actual	
REVENUES								
Investment income-----	\$37	\$ -	\$37				\$36	(\$1)
Total revenues -----	37	-	37				36	(1)
EXPENDITURES								
CULTURE AND RECREATION								
Parks:								
Personal services-----	759	-	759	\$685	\$ -		685	74
Other services and charges-----	200	48	248	108	-		108	140
Capital outlay-----	300	18	318	5	2		7	311
Total expenditures -----	1,259	66	1,325	798	2		800	525
PRIOR YEAR ENCUMBRANCES								
Related to prior year budgets (1)-----	-	-	-	(66)	-		(66)	66
Related to current year budgets-----	-	-	-	-	(2)		(2)	2
Net expenditures and encumbrances -----	1,259	66	1,325	\$732	\$ -		732	593
Deficiency of revenues under expenditures -----	(1,222)	(66)	(1,288)				(696)	(594)
OTHER FINANCING SOURCES (USES)								
TRANSFERS TO OTHER FUNDS								
Culture and recreation:								
MAPS Operations Fund (project-length budget) (2)--	(632)	-	(632)				(632)	-
OTHER FINANCING SOURCES								
Sale of assets-----	-	-	-				5	5
Excess (deficiency) of revenues and other sources over expenditures and other uses -----	(1,854)	(66)	(1,920)				(1,323)	(589)
FUND BALANCE (NON-GAAP BUDGETARY BASIS)								
BEGINNING FUND BALANCE								
Appropriated for current year budget-----	1,854	-	1,854				1,854	-
Reappropriated for prior year encumbrances-----	-	66	66				66	-
Not appropriated-----	-	-	-				6,287	6,287
Beginning fund balance-----	1,854	66	1,920				8,207	6,287
ENDING FUND BALANCE								
Before encumbrances-----	-	-	-				6,884	6,884
Less: current year encumbrances-----	-	-	-				(2)	(2)
Ending fund balance -----	\$ -	\$ -	\$ -				6,882	\$6,882
RECONCILIATION OF FUND BALANCE NON-GAAP BUDGETARY BASIS TO GENERALLY ACCEPTED ACCOUNTING PRINCIPLES								
Current year encumbrances included in expenditures-----							2	
Revenue and transfer accruals-----							(7)	
Project length budgeted activity-----							3,102	
Fund balance, ending -----							\$9,979	

- (1) Expenditures paid against prior year encumbrances are reported with current year expenditures in the schedule shown. Prior year encumbrances reduce beginning budgetary fund balance. Therefore, prior year encumbrances are subtracted from current year expenditures to appropriately report the amount of beginning fund balance.
- (2) Transfers within the same legal fund do not require budgetary authority.

**SCHEDULE OF REVENUES, EXPENDITURES
ENCUMBRANCES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
For the Year Ended June 30, 2014
(dollars are in thousands)**

CITY OF OKLAHOMA CITY, OKLAHOMA

	Special Purpose Fund				Total Actual	Variance
	Original Budget	Revisions	Revised Budget	Expenditures		
REVENUES						
<u>LICENSES, PERMITS AND FEES</u>						
Other fees-----	\$ -	\$ -	\$ -		\$52	\$52
Investment income-----	50	-	50		1	(\$49)
<u>OTHER REVENUE</u>						
Rental income-----	-	-	-		6	6
Other revenue-----	200	-	200		-	(200)
Total revenues -----	250	-	250		59	(191)
EXPENDITURES						
<u>GENERAL GOVERNMENT</u>						
Non-departmental:						
Other services and charges-----	250	-	250	-	-	250
<u>PUBLIC SERVICES</u>						
Planning:						
Other services and charges-----	25	33	58	58	58	-
<u>CULTURE AND RECREATION</u>						
Parks:						
Other services and charges-----	14	(1)	13	1	1	12
Supplies-----	12	1	13	1	1	12
Total expenditures-----	301	33	334	60	60	274
Deficiency of revenues under expenditures---	(51)	(33)	(84)		(1)	(465)
FUND BALANCE (NON-GAAP BUDGETARY BASIS)						
<u>BEGINNING FUND BALANCE</u>						
Appropriated for current year budget-----	51	33	84		84	-
Not appropriated-----	-	-	-		66	66
Beginning fund balance-----	51	33	84		150	66
<u>ENDING FUND BALANCE</u>						
Before encumbrances-----	-	-	-		149	149
Ending fund balance-----	\$ -	\$ -	\$ -		149	\$149
RECONCILIATION OF FUND BALANCE NON-GAAP BUDGETARY BASIS TO GENERALLY ACCEPTED ACCOUNTING PRINCIPLES						
Project length budgeted activity-----					5,894	
Fund balance, ending-----					\$6,043	

(1) Transfers within the same legal fund do not require budgetary authority

**SCHEDULE OF REVENUES, EXPENDITURES
ENCUMBRANCES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
For the Year Ended June 30, 2014
(dollars are in thousands)**

CITY OF OKLAHOMA CITY, OKLAHOMA

	Special Districts Fund					
	Original Budget	Revisions	Revised Budget	Expenditures	Total Actual	Variance
REVENUES						
Investment income-----	\$10	\$ -	\$10		\$139	\$129
Charges for services-----	1,977	-	1,977		1,991	14
Total revenues -----	1,987	-	1,987		2,130	143
EXPENDITURES						
CULTURE AND RECREATION						
Non-departmental:						
Other services and charges-----	39	-	39	2	-	37
Total expenditures and encumbrances -----	39	-	39	\$2	2	37
Excess of revenues over expenditures -----	1,948	-	1,948		2,128	106
OTHER FINANCING SOURCES (USES)						
TRANSFERS TO OTHER FUNDS						
Public services:						
OCPPA General Purpose Fund-----	(1,948)	-	(1,948)		(1,877)	71
Excess (deficiency) of revenues over expenditures and other uses -----	-	-	-		251	177
FUND BALANCE (NON-GAAP BUDGETARY BASIS)						
BEGINNING FUND BALANCE						
Not appropriated-----	-	-	-		458	458
Beginning fund balance-----	-	-	-		458	458
ENDING FUND BALANCE						
Before encumbrances-----	-	-	-		709	709
Ending fund balance -----	\$ -	\$ -	\$ -		709	\$709
RECONCILIATION OF FUND BALANCE NON-GAAP BUDGETARY BASIS TO GENERALLY ACCEPTED ACCOUNTING PRINCIPLES						
Revenue and transfer accruals-----					481	
Fund balance, ending -----					\$1,190	

**SCHEDULE OF REVENUES, EXPENDITURES
ENCUMBRANCES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
For the Year Ended June 30, 2014
(dollars are in thousands)**

CITY OF OKLAHOMA CITY, OKLAHOMA

	Medical Services Fund					
	Original		Revised		Total	
	Budget	Revisions	Budget	Expenditures	Actual	Variance
REVENUES						
Investment income-----	\$2	\$ -	\$2		\$3	\$1
Charges for services-----	6,800	-	6,800		6,877	77
Total revenues -----	6,802	-	6,802		6,880	78
EXPENDITURES						
CULTURE AND RECREATION						
Non-departmental:						
Other services and charges-----	7,325	(1,719)	5,606	\$4,816	4,834	772
Capital outlay-----	-	1,719	1,719	1,719	1,719	-
Total expenditures-----	7,325	-	7,325	\$6,535	6,553	772
PRIOR YEAR ENCUMBRANCES						
Related to current year budgets-----	-	-	-	-	(18)	18
Net expenditures and encumbrances-----	7,325	-	7,325	\$6,535	6,535	790
Excess (deficiency) of revenues over (under) expenditures-----	(523)	-	(523)		345	(712)
FUND BALANCE (NON-GAAP BUDGETARY BASIS)						
BEGINNING FUND BALANCE						
Appropriated for current year budget-----	523	-	523		523	-
Not appropriated-----	-	-	-		210	210
Beginning fund balance-----	523	-	523		733	210
ENDING FUND BALANCE						
Before encumbrances-----	-	-	-		1,078	1,078
Less: current year encumbrances-----	-	-	-		(18)	(18)
Ending fund balance-----	\$ -	\$ -	\$ -		1,060	\$1,060
RECONCILIATION OF FUND BALANCE NON-GAAP BUDGETARY BASIS TO GENERALLY ACCEPTED ACCOUNTING PRINCIPLES						
Current year encumbrances included in expenditures-----					18	
Revenue and transfer accruals-----					424	
Fund balance, ending-----					\$1,502	

**SCHEDULE OF REVENUES, EXPENDITURES
ENCUMBRANCES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
For the Year Ended June 30, 2014
(dollars are in thousands)**

CITY OF OKLAHOMA CITY, OKLAHOMA

	Hotel/Motel Tax Fund				Total	
	Original		Revised		Actual	Variance
	Budget	Revisions	Budget	Expenditures		
REVENUES						
TAXES						
Hotel/Motel taxes-----	\$14,019	\$ -	\$14,019		\$14,097	\$78
Investment income-----	25	-	25		40	15
Total revenues -----	14,044	-	14,044		14,137	93
EXPENDITURES						
CULTURE AND RECREATION						
Non-departmental:						
Other services and charges-----	6,136	345	6,481	6,394	6,394	87
Total expenditures-----	6,136	345	6,481	\$6,394	6,394	87
Excess (deficiency) of revenues						
OTHER FINANCING SOURCES (USES)						
TRANSFERS FROM OTHER FUNDS						
OCPPA Fairgrounds Fund-----	6,328	-	6,328		6,377	49
TRANSFERS TO OTHER FUNDS						
Culture and recreation:						
OCPPA Fairgrounds Fund-----	(14,297)	(655)	(14,952)		(14,823)	129
Total other financing sources (uses)-----	(7,969)	(655)	(8,624)		(8,446)	178
Excess (deficiency) of revenues over						
 expenditures and other uses-----	(61)	(1,000)	(1,061)		(703)	184
FUND BALANCE (NON-GAAP						
 BUDGETARY BASIS)						
BEGINNING FUND BALANCE						
Appropriated for current year budget-----	61	1,000	1,061		1,061	-
Not appropriated-----	-	-	-		6,294	6,294
Beginning fund balance-----	61	1,000	1,061		7,355	6,294
Before encumbrances-----	-	-	-		6,652	6,652
Ending fund balance-----	\$ -	\$ -	\$ -		6,652	\$6,652
RECONCILIATION OF FUND BALANCE NON-GAAP BUDGETARY BASIS TO						
 GENERALLY ACCEPTED ACCOUNTING PRINCIPLES						
Revenue and transfer accruals-----					1,286	
Fund balance, ending-----					\$7,938	

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Non-Major Enterprise Funds

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

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

**COMBINING STATEMENT OF FUND NET POSITION
NON-MAJOR ENTERPRISE FUNDS
June 30, 2014
(dollars are in thousands)**

CITY OF OKLAHOMA CITY, OKLAHOMA

	<u>Airports</u>	<u>Solid Waste Management</u>	<u>Stormwater Drainage</u>	<u>Transportation</u>	<u>Parking</u>	<u>Total Non-Major Enterprise Funds</u>
ASSETS						
CURRENT ASSETS						
Pooled cash-----	\$3	\$7	\$42	\$ -	\$ -	\$52
Investments-----	1,732	1,891	10,274	19	47	13,963
Accounts receivable, net-----	-	-	1,463	-	-	1,463
Interest, dividends, and royalties receivable-----	5	6	31	-	-	42
Due from other funds-----	-	193	82	39	-	314
Receivable from component units-----	-	-	2	70	-	72
Inventories-----	956	-	64	-	14	1,034
Prepays-----	-	1	197	-	-	198
Total current assets-----	2,696	2,098	12,155	128	61	17,138
NON-CURRENT ASSETS						
Advance from other funds-----	-	1,962	-	-	-	1,962
Receivable from component units-----	1,350	-	-	627	97	2,074
Capital assets:						
Land, art, and construction in progress-----	16,115	-	3,339	-	-	19,454
Other capital assets, net of accumulated depreciation-----	2,042	-	44,398	-	5	46,445
Capital assets, net-----	18,157	-	47,737	-	5	65,899
Total non-current assets-----	19,507	1,962	47,737	627	102	69,935
Total assets-----	22,203	4,060	59,892	755	163	87,073
LIABILITIES						
CURRENT LIABILITIES						
Accounts payable and accrued expenses-----	268	138	1,002	-	11	1,419
Wages and benefits payable-----	271	248	235	49	11	814
Due to other funds-----	3	54	338	-	1	396
Interest payable-----	-	-	1	-	-	1
Compensated absences-----	469	446	386	79	22	1,402
Notes, lease obligations, and estimated claims payable-----	-	-	28	-	-	28
Total current liabilities-----	1,011	886	1,990	128	45	4,060
NON-CURRENT LIABILITIES						
Compensated absences-----	930	830	667	209	33	2,669
Notes, lease obligations, and estimated claims payable-----	-	-	318	-	-	318
Net other post-employment benefit obligation-----	2,105	2,344	1,160	418	80	6,107
Total non-current liabilities-----	3,035	3,174	2,145	627	113	9,094
Total liabilities-----	4,046	4,060	4,135	755	158	13,154
NET POSITION (DEFICIT)						
Net investment in capital assets-----	18,157	-	47,384	-	5	65,546
Unrestricted-----	-	-	8,373	-	-	8,373
Total net position (deficit)-----	\$18,157	\$ -	\$55,757	\$ -	\$5	\$73,919

**COMBINING STATEMENT OF REVENUES,
EXPENSES, AND CHANGES IN FUND NET POSITION
NON-MAJOR ENTERPRISE FUNDS
For the Year Ended June 30, 2014
(dollars are in thousands)**

CITY OF OKLAHOMA CITY, OKLAHOMA

	<u>Airports</u>	<u>Solid Waste Management</u>	<u>Stormwater Drainage</u>	<u>Transportation</u>	<u>Parking</u>	<u>Total Non-Major Enterprise Funds</u>
<u>OPERATING REVENUES</u>						
<u>CHARGES FOR SERVICES</u>						
Drainage charges-----	\$ -	\$ -	\$15,822	\$ -	\$ -	\$15,822
Other charges-----	-	-	45	-	-	45
Total charges for services-----	-	-	15,867	-	-	15,867
Payments from component units-----	-	-	-	2,391	226	2,617
Other-----	-	-	141	-	-	141
Total operating revenues-----	-	-	16,008	2,391	226	18,625
<u>OPERATING EXPENSES</u>						
Personal services-----	9,802	-	8,582	1,933	377	20,694
Maintenance, operations, and contractual services-----	5,821	-	5,568	2,286	308	13,983
Materials and supplies-----	553	-	1,108	-	8	1,669
Depreciation-----	436	-	3,422	-	6	3,864
Total operating expenses-----	16,612	-	18,680	4,219	699	40,210
Operating loss-----	(16,612)	-	(2,672)	(1,828)	(473)	(21,585)
<u>NON-OPERATING REVENUE (EXPENSES)</u>						
Investment income-----	4	-	51	1	1	57
Interest on torts, bonds, notes, commercial paper, and lease obligations-----	-	-	(11)	-	-	(11)
Payments from component units-----	16,657	-	-	1,788	153	18,598
Other revenue-----	68	-	152	-	-	220
Net non-operating revenue-----	16,729	-	192	1,789	154	18,864
Income (loss) before transfers-----	117	-	(2,480)	(39)	(319)	(2,721)
<u>TRANSFERS</u>						
Transfers from other funds-----	-	61	-	39	314	414
Transfers to other funds-----	(3)	(61)	(42)	-	-	(106)
Total transfers-----	(3)	-	(42)	39	314	308
Changes in net position (deficit)-----	114	-	(2,522)	-	(5)	(2,413)
<u>NET POSITION (DEFICIT)</u>						
Total net assets, beginning-----	18,043	-	58,279	-	10	76,332
Total net position (deficit), ending-----	\$18,157	\$ -	\$55,757	\$ -	\$5	\$73,919

**COMBINING STATEMENT OF CASH FLOWS
NON-MAJOR ENTERPRISE FUNDS
For the Year Ended June 30, 2014
(dollars are in thousands)**

CITY OF OKLAHOMA CITY, OKLAHOMA

	<u>Airports</u>	<u>Solid Waste Management</u>	<u>Stormwater Drainage</u>	<u>Transportation</u>	<u>Parking</u>	<u>Non-Major Enterprise Funds</u>
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>						
Cash received from customers-----	\$ -	\$ -	\$16,187	\$ -	\$ -	\$16,187
Cash payments to suppliers for goods and services-----	(6,336)	(952)	(3,151)	-	(92)	(10,531)
Cash payments to employees and professional contractors for services-----	(9,395)	(7,975)	(8,354)	(1,969)	(389)	(28,082)
Cash payments for internal services-----	-	(1,329)	(2,280)	(2,286)	(227)	(6,122)
Operating payments to component units-----	-	-	(784)	-	-	(784)
Cost reimbursements from (to) other funds-----	16,614	10,300	-	4,147	393	31,454
Other cash receipts-----	-	-	132	-	-	132
Net cash provided (used) by operating activities-----	883	44	1,750	(108)	(315)	2,254
<u>CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES</u>						
Transfers received from other funds-----	(10)	(61)	-	-	314	243
Transfers paid to other funds-----	-	-	(42)	(1)	-	(43)
Net cash provided (used) by non-capital financing activities-----	(10)	(61)	(42)	(1)	314	200
<u>CASH FLOWS FROM CAPITAL AND CAPITAL RELATED FINANCING ACTIVITIES</u>						
Payments for acquisition and construction of capital assets-----	(517)	-	(90)	-	-	(607)
Principal paid on long-term debt-----	-	-	(27)	-	-	(27)
Interest paid on long-term debt-----	-	-	(11)	-	-	(11)
Proceeds from sale of assets-----	33	-	20	-	-	53
Net cash used by capital and related financing activities-----	(484)	-	(108)	-	-	(592)
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>						
Changes in pooled investments-----	(449)	(67)	(1,968)	101	(2)	(2,385)
Investment income received-----	12	16	73	3	1	105
Purchased interest-----	-	-	(2)	-	-	(2)
Net cash provided (used) by investing activities-----	(437)	(51)	(1,897)	104	(1)	(2,282)
Net increase (decrease) in cash-----	(48)	(68)	(297)	(5)	(2)	(420)
Cash, beginning-----	51	75	339	5	2	472
Cash, ending-----	\$3	\$7	\$42	\$ -	\$ -	\$52
<u>RECONCILIATION OF OPERATING LOSS TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</u>						
Operating loss-----	(\$16,612)	\$ -	(\$2,672)	(\$1,828)	(\$473)	(\$21,585)
<u>ADJUSTMENTS TO RECONCILE OPERATING LOSS TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</u>						
Depreciation-----	436	-	3,422	-	6	3,864
Other revenue (expense)-----	-	50	132	-	-	182
Changes in assets and liabilities:						
(Increase) decrease in accounts receivable-----	-	-	185	-	-	185
(Increase) decrease in due from other funds-----	1	(122)	(138)	-	1	(258)
(Increase) decrease in receivable from component units-----	16,614	-	(3)	1,756	167	18,534
(Increase) decrease in inventories-----	12	-	(179)	-	(9)	(176)
(Increase) decrease in prepaid assets-----	-	(1)	(24)	-	-	(25)
Increase (decrease) in Accounts payable and accrued expenses-----	25	15	396	-	4	440
Increase (decrease) in wages and benefits payable-----	(39)	(32)	(85)	(14)	(1)	(171)
Increase (decrease) in due to other funds-----	-	40	401	-	1	442
Increase (decrease) in payable to component unit-----	-	-	2	-	-	2
Increase (decrease) in compensated absences-----	116	49	41	(82)	(20)	104
Increase (decrease) in intergovernmental payable-----	-	(239)	-	-	-	(239)
Increase (decrease) in net other post-employment benefit obligation-----	330	284	272	60	9	955
Total adjustments-----	17,495	44	4,422	1,720	158	23,839
Net cash provided (used) by operating activities-----	\$883	\$44	\$1,750	(\$108)	(\$315)	\$2,254
<u>NON-CASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES</u>						
Net increase (decrease) in fair value of investments-----	\$ -	(\$3)	(\$19)	(\$1)	\$ -	(\$23)
Total non-cash investing, capital, and financing activities-----	\$ -	(\$3)	(\$19)	(\$1)	\$ -	(\$23)

Internal Service Funds

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

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

**COMBINING STATEMENT OF
FUND NET POSITION
INTERNAL SERVICE FUNDS
June 30, 2014
(dollars are in thousands)**

CITY OF OKLAHOMA CITY, OKLAHOMA

	Fleet Services	Risk Management	Information Technology	Print Shop	OCMFA Services	OCPPA Services	Total Internal Service Funds
ASSETS							
CURRENT ASSETS							
Pooled cash-----	\$3	\$7	\$9	\$ -	\$4,623	\$34	\$4,676
Investments-----	1,349	533	4,681	195	37,642	47	44,447
Accounts receivable, net-----	-	-	9	-	6,785	-	6,794
Interest, dividends, and royalties receivable-----	4	2	14	1	132	-	153
Due from other funds-----	363	5,675	40	25	1,126	67	7,296
Receivable from component units-----	9	-	-	1	8	3	21
Intergovernmental receivables-----	-	-	-	-	156	-	156
Inventories-----	36	-	100	23	-	-	159
Prepays-----	-	-	479	-	993	-	1,472
Total current assets-----	1,764	6,217	5,332	245	51,465	151	65,174
NON-CURRENT ASSETS							
Prepays, non-current-----	-	-	6	-	-	-	6
Advance to other funds-----	-	4,377	1,370	-	15,546	-	21,293
Capital assets:							
Land and construction in progress-----	928	-	-	-	-	-	928
Other capital assets, net of accumulated depreciation-----	122	8	65	138	2,295	-	2,628
Capital assets, net-----	1,050	8	65	138	2,295	-	3,556
Total non-current assets-----	1,050	4,385	1,441	138	17,841	-	24,855
Total assets-----	2,814	10,602	6,773	383	69,306	151	90,029
LIABILITIES							
CURRENT LIABILITIES							
Accounts payable and accrued expenses-----	1,184	6	275	13	2,701	135	4,314
Wages and benefits payable-----	82	30	291	8	-	-	411
Due to other funds-----	-	-	2	80	453	-	535
Payable to component units-----	-	-	-	-	1,773	-	1,773
Interest payable-----	-	88	-	-	-	-	88
Compensated absences-----	197	46	535	8	-	-	786
Notes, lease obligations, and estimated claims payable-----	5	2,583	20	13	19,454	-	22,075
Total current liabilities-----	1,468	2,753	1,123	122	24,381	135	29,982
NON-CURRENT LIABILITIES							
Compensated absences-----	364	17	929	14	-	-	1,324
Notes, lease obligations, and estimated claims payable-----	-	3,000	27	-	28,563	-	31,590
Advance from other funds-----	-	15,546	-	-	5,747	-	21,293
Net other post-employment benefit obligation-----	1,377	220	1,824	86	-	-	3,507
Total non-current liabilities-----	1,741	18,783	2,780	100	34,310	-	57,714
Total liabilities-----	3,209	21,536	3,903	222	58,691	135	87,696
NET POSITION (DEFICITS)							
Net investment in capital assets-----	1,055	8	58	152	2,295	-	3,568
Unrestricted-----	(1,450)	(10,942)	2,812	9	8,320	16	(1,235)
Total net position (deficits)-----	(\$395)	(\$10,934)	\$2,870	\$161	\$10,615	\$16	\$2,333

COMBINING STATEMENT OF REVENUES,
EXPENSES, AND CHANGES IN FUND NET POSITION
INTERNAL SERVICE FUNDS
For the Year Ended June 30, 2014
(dollars are in thousands)

CITY OF OKLAHOMA CITY, OKLAHOMA

	<u>Fleet Services</u>	<u>Risk Management</u>	<u>Information Technology</u>	<u>Print Shop</u>	<u>OCMFA Services</u>	<u>OCPPA Services</u>	<u>Total Internal Service Funds</u>
<u>OPERATING REVENUES</u>							
<u>CHARGES FOR SERVICES</u>							
Internal service charges-----	\$9,821	\$16,451	\$21,816	\$839	\$39,908	\$1,194	\$90,029
Other charges-----	-	-	64	-	-	-	64
Total charges for services-----	9,821	16,451	21,880	839	39,908	1,194	90,093
Forfeitures-----	-	-	-	-	15	-	15
Payments from component units-----	40	-	-	-	-	-	40
Other-----	-	182	-	1	-	-	183
Total operating revenues-----	9,861	16,633	21,880	840	39,923	1,194	90,331
<u>OPERATING EXPENSES</u>							
Personal services-----	3,105	1,063	10,086	284	-	-	14,538
Maintenance, operations, and contractual services---	837	19,283	8,274	423	39,521	1,210	69,548
Materials and supplies-----	6,666	20	650	69	4	-	7,409
Depreciation-----	14	4	69	28	1,833	-	1,948
Total operating expenses-----	10,622	20,370	19,079	804	41,358	1,210	93,443
Operating income (loss)-----	(761)	(3,737)	2,801	36	(1,435)	(16)	(3,112)
<u>NON-OPERATING REVENUE (EXPENSES)</u>							
Investment income-----	8	118	36	1	49	-	212
Interest on torts and lease obligations-----	-	(88)	(2)	(2)	-	-	(92)
Other revenue (expenses)-----	8	6,278	92	-	(218)	-	6,160
Net non-operating revenue (expenses)-----	16	6,308	126	(1)	(169)	-	6,280
Income (loss) before transfers-----	(745)	2,571	2,927	35	(1,604)	(16)	3,168
<u>TRANSFERS</u>							
Transfers from other funds-----	128	2,898	30	-	664	1	3,721
Transfers to other funds-----	-	(9)	(3,577)	(172)	(383)	-	(4,141)
Total transfers-----	128	2,889	(3,547)	(172)	281	1	(420)
Changes in net position-----	(617)	5,460	(620)	(137)	(1,323)	(15)	2,748
<u>NET POSITION (DEFICITS)</u>							
Total net position (deficits), beginning-----	222	(16,394)	3,490	298	11,938	31	(415)
Total net position (deficits), ending-----	(\$395)	(\$10,934)	\$2,870	\$161	\$10,615	\$16	\$2,333

**COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
For the Year Ended June 30, 2014
(dollars are in thousands)**

CITY OF OKLAHOMA CITY, OKLAHOMA

	Fleet Services	Risk Management	Information Technology	Print Shop	OCMFA Services	OCPPA Services	Total Internal Service Funds
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>							
Cash received from customers-----	\$9,808	\$32,309	\$24,796	\$873	\$39,930	\$1,181	\$108,897
Cash payments to suppliers for goods and services-----	(7,239)	(19,825)	(7,939)	(415)	(54,119)	(1,180)	(90,717)
Cash payments to employees and professional contractors for services-----	(2,880)	(1,025)	(9,801)	(273)	-	-	(13,979)
Cash payments for internal services-----	(19)	(615)	(1,005)	(92)	(2)	-	(1,733)
Cost reimbursements from (to) other funds-----	-	(14,668)	(2,712)	-	17,380	-	-
Other cash receipts-----	17	-	119	-	3,355	-	3,491
Net cash provided (used) by operating activities-----	(313)	(3,824)	3,458	93	6,544	1	5,959
<u>CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES</u>							
Interest paid on torts-----	-	(134)	-	-	-	-	(134)
Transfers received from other funds-----	135	4,081	(3,578)	-	430	1	1,069
Transfers paid to other funds-----	(7)	-	-	(1)	(30)	-	(38)
Net cash provided (used) by non-capital financing activities-----	128	3,947	(3,578)	(1)	400	1	897
<u>CASH FLOWS FROM CAPITAL AND CAPITAL RELATED FINANCING ACTIVITIES</u>							
Payments for acquisition and construction of capital assets-----	-	-	-	(56)	-	-	(56)
Principal paid on long-term debt-----	(6)	-	(22)	(13)	-	-	(41)
Interest paid on long-term debt-----	(1)	-	(2)	(2)	-	-	(5)
Net cash used by capital and related financing activities-----	(7)	-	(24)	(71)	-	-	(102)
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>							
Changes in pooled investments-----	119	(173)	(87)	(31)	(7,122)	(20)	(7,314)
Investment income received-----	16	31	53	3	215	(1)	317
Purchased interest-----	-	-	(1)	-	(11)	-	(12)
Net cash provided (used) by investing activities-----	135	(142)	(35)	(28)	(6,918)	(21)	(7,009)
Net increase (decrease) in cash-----	(57)	(19)	(179)	(7)	26	(19)	(255)
Cash, beginning-----	60	26	188	7	4,597	53	4,931
Cash, ending-----	\$3	\$7	\$9	\$-	\$4,623	\$34	\$4,676
<u>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</u>							
Operating income (loss)-----	(\$761)	(\$3,737)	\$2,801	\$36	(\$1,435)	(\$16)	(\$3,112)
<u>ADJUSTMENTS TO RECONCILE OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:</u>							
Depreciation-----	14	4	69	28	1,833	-	1,948
Other revenue (expense)-----	8	6,365	126	-	(219)	-	6,280
Changes in assets and liabilities:							
(Increase) decrease in accounts receivable-----	9	-	19	3	(2,814)	-	(2,783)
(Increase) decrease in due from other funds-----	(59)	(1,253)	147	29	2,798	(7)	1,655
(Increase) decrease in receivable from component units-----	6	-	-	1	(3)	(2)	2
(Increase) decrease in inventories-----	21	-	41	(12)	-	-	50
(Increase) decrease in prepaid assets-----	1	-	(34)	-	(194)	-	(227)
Increase (decrease) in accounts payable and accrued expenses-----	94	3	6	(2)	628	30	759
Increase (decrease) in wages and benefits payable-----	(17)	(1)	(35)	-	-	-	(53)
Increase (decrease) in due to other funds-----	128	(4,099)	(2)	-	1,905	-	(2,068)
Increase (decrease) in payable to component unit-----	-	-	-	-	1,773	(4)	1,769
Increase (decrease) in compensated absences-----	(23)	9	67	2	-	-	55
Increase (decrease) in long-term debt-----	-	-	-	-	2,272	-	2,272
Increase (decrease) in notes, lease and estimated claims payable-----	-	(1,146)	-	-	-	-	(1,146)
Increase (decrease) in net other post-employment benefit obligation-----	266	31	253	8	-	-	558
Total adjustments-----	448	(87)	657	57	7,979	17	9,071
Net cash provided (used) by operating activities-----	(\$313)	(\$3,824)	\$3,458	\$93	\$6,544	\$1	\$5,959
<u>NON-CASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES</u>							
Net increase (decrease) in fair value of investments-----	(\$6)	(\$1)	(\$20)	(\$1)	(\$21)	\$1	(\$48)
Other-----	-	-	(37)	-	-	-	(37)
Total non-cash investing, capital, and financing activities-----	(\$6)	(\$1)	(\$57)	(\$1)	(\$21)	\$1	(\$85)

Fiduciary Funds

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

Pension Trust Funds

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

Other Post-Employment Benefit Trust Fund

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

Agency Fund

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

COMBINING STATEMENT OF
 FIDUCIARY NET POSITION
 PENSION AND OTHER POST-EMPLOYMENT
 BENEFIT TRUST FUNDS
 June 30, 2014
 (dollars are in thousands)

CITY OF OKLAHOMA CITY, OKLAHOMA

	OCERS	COTPA Retirement	OCPEBT	Total Pension and Other Post-employment Benefit Trust Funds
ASSETS				
Non-pooled cash-----	\$460	\$ -	\$26	\$486
RECEIVABLES				
Interest and dividends-----	395	4	19	418
Employer-----	239	23	803	1,065
Plan members-----	223	17	794	1,034
Other receivables-----	31	-	-	31
Total receivables-----	888	44	1,616	2,548
INVESTMENTS, AT FAIR VALUE				
Domestic common stock-----	226,606	6,373	18,178	251,157
Passive domestic stock funds-----	81,170	1,097	-	82,267
Preferred stock-----	997	-	-	997
Government securities/fixed income-----	57,158	177	-	57,335
Passive bond fund-----	71,624	2,279	8,866	82,769
International stock-----	166,366	1,127	2,917	170,410
Passive international bond funds-----	5,833	-	-	5,833
Treasury money market fund-----	13,259	153	5,040	18,452
Real estate-----	39,769	100	-	39,869
Oklahoma City judgments-----	2,576	-	-	2,576
Total investments-----	665,358	11,306	35,001	711,665
Total assets-----	666,706	11,350	36,643	714,699
LIABILITIES				
Accounts payable and accrued expenses-----	355	37	1,609	2,001
Due to broker-----	7,769	-	-	7,769
Wages and benefits payable-----	7	-	-	7
Compensated absences, current-----	17	-	-	17
Estimated claims payable-----	-	-	969	969
Compensated absences, non-current-----	58	-	-	58
Net other post-employment benefits obligation-----	42	-	-	42
Total liabilities-----	8,248	37	2,578	10,863
NET POSITION HELD IN TRUST				
Pension benefits-----	658,458	11,313	-	669,771
Other post-employment benefits-----	-	-	34,065	34,065
Net position held in trust-----	\$658,458	\$11,313	\$34,065	\$703,836

COMBINING STATEMENT OF CHANGES
 IN FIDUCIARY NET POSITION
 PENSION AND OTHER POST-EMPLOYMENT
 BENEFIT TRUST FUNDS
 June 30, 2014
 (dollars are in thousands)

CITY OF OKLAHOMA CITY, OKLAHOMA

	COTPA			Total Pension and Post-employment Benefit Trust Funds
	OCERS	Retirement	OCPEBT	
<u>ADDITIONS</u>				
Contributions:				
Employer-----	\$8,872	\$508	\$19,619	\$28,999
Plan members-----	7,422	428	9,973	17,823
Total contributions-----	<u>16,294</u>	<u>936</u>	<u>29,592</u>	<u>46,822</u>
Investment income:				
Net appreciation in fair value of investments-----	89,808	1,497	2,991	94,296
Interest-----	2,180	46	1	2,227
Dividends-----	4,222	104	613	4,939
	<u>96,210</u>	<u>1,647</u>	<u>3,605</u>	<u>101,462</u>
Less: investment expense-----	(1,553)	(40)	(28)	(1,621)
Net investment income-----	<u>94,657</u>	<u>1,607</u>	<u>3,577</u>	<u>99,841</u>
Other-----	96	1	-	97
Total additions-----	<u>111,047</u>	<u>2,544</u>	<u>33,169</u>	<u>146,760</u>
<u>DEDUCTIONS</u>				
Benefits paid-----	26,311	639	25,377	52,327
Refunds of contributions-----	1,037	128	-	1,165
Administrative expenses-----	462	41	43	546
Total deductions-----	<u>27,810</u>	<u>808</u>	<u>25,420</u>	<u>54,038</u>
Change in net position-----	<u>83,237</u>	<u>1,736</u>	<u>7,749</u>	<u>92,722</u>
<u>NET POSITION HELD IN TRUST FOR</u>				
<u>PENSION BENEFITS AND</u>				
<u>OTHER POST-EMPLOYMENT BENEFITS</u>				
Beginning of year-----	575,221	9,577	26,316	611,114
End of year-----	<u>\$658,458</u>	<u>\$11,313</u>	<u>\$34,065</u>	<u>\$703,836</u>

STATEMENT OF CHANGES IN
ASSETS AND LIABILITIES
AGENCY FUND
June 30, 2014
(dollars are in thousands)

CITY OF OKLAHOMA CITY, OKLAHOMA

	Beginning Balance	Additions	Deletions	Ending Balance
<u>ASSETS</u>				
Pooled cash-----	\$154	\$25,882	(\$25,863)	\$173
Non-pooled cash-----	559	1,118	(1,291)	386
Interest and dividends-----	8	15	(17)	6
Other receivables-----	295	4,770	(4,825)	240
Pooled investments-----	2,018	3,333	(3,402)	1,949
Total assets-----	<u>\$3,034</u>	<u>\$35,118</u>	<u>(\$35,398)</u>	<u>\$2,754</u>
<u>LIABILITIES</u>				
Accounts payable and accrued expenses-----	\$812	\$868	(\$867)	\$813
Due to depositors-----	2,222	22,231	(22,512)	1,941
Total liabilities-----	<u>\$3,034</u>	<u>\$23,099</u>	<u>(\$23,379)</u>	<u>\$2,754</u>

Component Unit

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

STATEMENT OF CASH FLOWS
PORT AUTHORITY
For the Year Ended June 30, 2014
(dollars are in thousands)

CITY OF OKLAHOMA CITY, OKLAHOMA

<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>	
Cash received from customers-----	\$20
Cash payments to suppliers for goods and services-----	(4)
Net cash provided by operating activities-----	16
Net increase in cash-----	16
Cash, beginning-----	21
Cash, ending-----	\$37
<u>RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES</u>	
Operating income-----	\$7
<u>ADJUSTMENTS TO RECONCILE OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES</u>	
Increase (decrease) in deferred revenue-----	9
Total adjustments-----	9
Net cash provided by operating activities-----	\$16

CAPITAL ASSETS
SCHEDULE BY FUND AND COMPONENT UNIT
June 30, 2014
(dollars are in thousands)

CITY OF OKLAHOMA CITY, OKLAHOMA

	NOT DEPRECIATED		DEPRECIATED				Total
	Land, Art & Water Storage Rights	Construction In Progress	Buildings	Infrastructure & Improvements Other Than Buildings	Furniture, Machinery, and Equipment	Accumulated Depreciation	
Primary Government							
<i>Governmental Activities</i>							
Non fund-related-----	\$114,408	\$191,546	\$496,182	\$1,519,728	\$228,063	(\$969,221)	\$1,580,706
<u>Internal service funds</u>							
Fleet Services Fund-----	928	-	783	75	184	(920)	1,050
Risk Management Fund-----	-	-	-	-	24	(16)	8
Information Technology Fund----	-	-	33	-	279	(247)	65
Print Shop Fund-----	-	-	-	-	281	(143)	138
OCMFA Services Fund-----	-	-	219	-	23,124	(21,048)	2,295
	<u>928</u>	<u>-</u>	<u>1,035</u>	<u>75</u>	<u>23,892</u>	<u>(22,374)</u>	<u>3,556</u>
	<u>115,336</u>	<u>191,546</u>	<u>497,217</u>	<u>1,519,803</u>	<u>251,955</u>	<u>(991,595)</u>	<u>1,584,262</u>
<i>Business-type Activities</i>							
<u>Major enterprise funds</u>							
Water Utilities Fund-----	9,378	-	44,033	549,522	35,242	(390,788)	247,387
OCEAT-----	-	557	2,246	1,950	23,799	(13,625)	14,927
OCZT-----	-	5,612	77,246	10,584	5,949	(35,062)	64,329
OCPPA Fairgrounds-----	2,004	845	30,917	62,993	2,785	(34,923)	64,621
OCPPA Golf Courses-----	-	3,726	1,934	20,895	4,513	(21,864)	9,204
	<u>11,382</u>	<u>10,740</u>	<u>156,376</u>	<u>645,944</u>	<u>72,288</u>	<u>(496,262)</u>	<u>400,468</u>
<u>Non-major enterprise funds</u>							
Airports Fund-----	16,115	-	8,637	30,453	6,046	(43,094)	18,157
Solid Waste Management Fund---	-	-	1	2	-	(3)	-
Stormwater Drainage Fund-----	3,167	172	1,392	98,295	5,085	(60,374)	47,737
Transportation Fund-----	-	-	-	-	-	-	-
Parking Fund-----	-	-	-	120	365	(480)	5
	<u>19,282</u>	<u>172</u>	<u>10,030</u>	<u>128,870</u>	<u>11,496</u>	<u>(103,951)</u>	<u>65,899</u>
	<u>30,664</u>	<u>10,912</u>	<u>166,406</u>	<u>774,814</u>	<u>83,784</u>	<u>(600,213)</u>	<u>466,367</u>
Total primary government-	<u>\$146,000</u>	<u>\$202,458</u>	<u>\$663,623</u>	<u>\$2,294,617</u>	<u>\$335,739</u>	<u>(\$1,591,808)</u>	<u>\$2,050,629</u>
Component Units							
OCAT-----	\$14,634	\$31,474	\$493,349	\$266,163	\$20,659	(\$423,331)	\$402,948
OCRRA-----	32	-	-	3,225	193	(622)	2,828
OCICF-----	3,003	-	2,550	-	-	-	5,553
OCWUT-----	165,627	120,286	89,638	1,073,960	97,070	(451,240)	1,095,341
COTPA-----	4,907	26,796	39,182	8,546	29,654	(39,341)	69,744
OCMAPS-----	-	73,936	-	-	-	-	73,936
OCRA-----	507	-	8,616	-	-	(2,383)	6,740
OCEDT-----	4,202	16,899	2,628	10,010	-	(551)	33,188
Total component units-----	<u>\$192,912</u>	<u>\$269,391</u>	<u>\$635,963</u>	<u>\$1,361,904</u>	<u>\$147,576</u>	<u>(\$917,468)</u>	<u>\$1,690,278</u>

**LONG-TERM DEBT SUPPORTING
GENERAL GOVERNMENT SERVICES
SCHEDULE OF GENERAL OBLIGATION
BONDS OUTSTANDING BY ISSUE (1)**

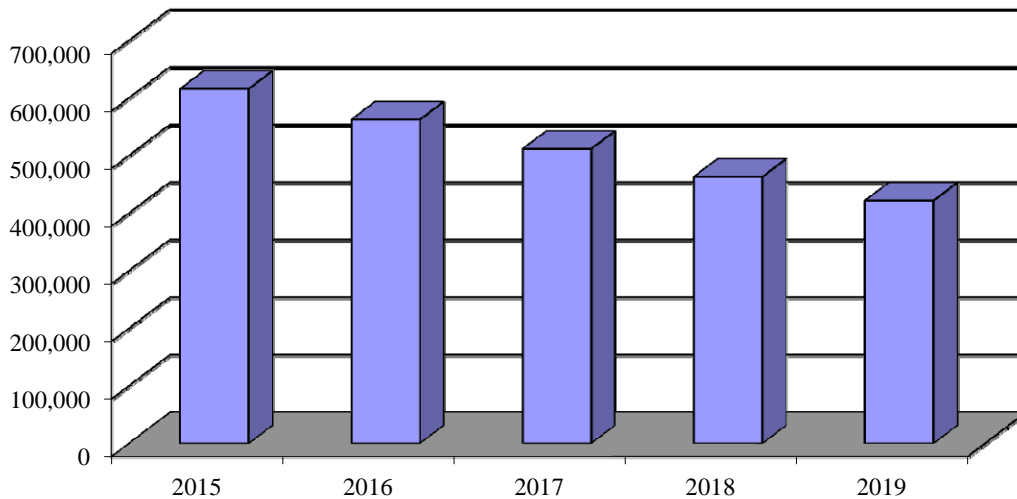
CITY OF OKLAHOMA CITY, OKLAHOMA

June 30, 2014

(dollars are in thousands)

<u>Fiscal Year</u>	<u>Issue</u>	<u>Issued</u>	<u>Maturity Date</u>	<u>Amount Issued</u>	<u>Amount Outstanding</u>
2005	Combined Purpose 2005 (2)	03/01/05	03/01/15	\$47,000	\$2,475
2005	Refunding 2005 (3)	05/05/05	09/01/21	91,325	47,395
2006	Combined Purpose 2006	03/01/06	03/01/26	80,000	50,530
2007	Combined Purpose 2007	03/01/07	03/01/27	72,000	49,260
2008	Combined Purpose 2008	03/01/08	03/01/28	60,560	44,635
2008	Economic Development 2008	03/01/08	03/01/28	7,000	5,175
2009	Combined Purpose 2009	04/01/09	03/01/29	47,485	37,485
2010	Combined Purpose 2010	03/01/10	03/01/30	64,420	54,235
2010	Economic Development 2010	04/01/10	03/01/30	29,000	24,410
2011	Combined Purpose 2011	03/01/11	03/01/31	43,000	38,470
2012	Combined Purpose 2012	04/01/12	03/01/32	50,000	50,000
2012	Refunding 2012 (2)	01/11/12	03/01/25	80,110	62,320
2013	Combined Purpose 2013	03/01/13	03/01/33	90,000	90,000
2014	Combined Purpose 2014	03/01/14	03/01/34	92,185	92,185
2014	Economic Development 2014	03/01/14	03/01/34	<u>15,000</u>	<u>15,000</u>
				<u>\$869,085</u>	<u>\$663,575</u>

- (1) The graph below illustrates general obligation bond principal outstanding for the current fiscal year and projected over the next five fiscal years assuming no new bonds are issued.
- (2) The 2005 Refunding issue refunded portions of the 1996, 1998, 1999, and 2001 general obligation bonds. Maturity dates on remaining issues are changed to reflect provisions of the 2005 Refunding.
- (3) The 2012 Refunding issue refunded portions of the 2002, 2003, 2004, 2005, and 2002 refunding general obligation bonds. Maturity dates on remaining issues are changed to reflect provisions of the 2012 Refunding.



**LONG-TERM DEBT SUPPORTING
GENERAL GOVERNMENT SERVICES
DEBT SERVICE TO MATURITY BY TYPE OF DEBT
June 30, 2014
(dollars are in thousands)**

CITY OF OKLAHOMA CITY, OKLAHOMA

Fiscal Year	General Obligation Bonds			Notes Payable			Capital Lease			Total Debt Service
	Principal	Interest	Total	Principal	Interest	Total	Principal	Interest	Total	
2015	\$47,860	\$27,713	\$75,573	\$992	\$45	\$1,037	\$66	\$14	\$80	\$76,690
2016	53,340	25,558	78,898	384	34	418	348	5	353	79,669
2017	50,955	23,315	74,270	357	23	380	14	-	14	74,664
2018	48,395	21,165	69,560	225	11	236	-	-	-	69,796
2019	41,270	17,821	59,091	225	10	235	-	-	-	59,326
2020	45,755	17,418	63,173	300	9	309	-	-	-	63,482
2021	42,985	15,507	58,492	300	8	308	-	-	-	58,800
2022	40,995	13,694	54,689	300	6	306	-	-	-	54,995
2023	38,900	11,949	50,849	350	5	355	-	-	-	51,204
2024	37,645	10,240	47,885	350	3	353	-	-	-	48,238
2025	36,255	8,592	44,847	350	2	352	-	-	-	45,199
2026	35,060	7,171	42,231	325	-	325	-	-	-	42,556
2027	30,185	5,783	35,968	-	-	-	-	-	-	35,968
2028	26,515	4,570	31,085	-	-	-	-	-	-	31,085
2029	22,840	3,487	26,327	-	-	-	-	-	-	26,327
2030	20,200	2,551	22,751	-	-	-	-	-	-	22,751
2031	15,395	1,732	17,127	-	-	-	-	-	-	17,127
2032	13,125	1,127	14,252	-	-	-	-	-	-	14,252
2033	10,325	610	10,935	-	-	-	-	-	-	10,935
2034	5,575	228	5,803	-	-	-	-	-	-	5,803
	<u>\$663,575</u>	<u>\$220,231</u>	<u>\$883,806</u>	<u>\$4,458</u>	<u>\$156</u>	<u>\$4,614</u>	<u>\$428</u>	<u>\$19</u>	<u>\$447</u>	<u>\$888,867</u>

**SCHEDULE OF RECEIVABLES AND PAYABLES
WITHIN THE REPORTING ENTITY
BY FUND
June 30, 2014
(dollars are in thousands)**

Due to Other Funds
Governmental Activities

	Major Funds				Other Governmental Funds								
	General	Grants	General	OCPPA	Emergency	Police	Fire	OCMFA			Capital	City	
		Management	Obligation	General				General	MAPS	Special	Medical	Improvements	Schools
		Bonds	Purpose	Management			Purpose	Operations	Purpose	Services	Fund	Use Tax	
DUE FROM													
<i>Governmental Activities</i>													
<u>Major Governmental Funds</u>													
General	\$ -	\$ -	\$ -	\$ -	\$400	\$ -	\$ -	\$77	\$ -	\$ -	\$ -	\$ -	\$441
Debt Service	-	-	-	-	-	-	-	-	-	-	-	-	-
Grants Management	7,680	-	48	-	-	32	65	-	-	-	-	-	-
MAPS3 Sales Tax	135	-	-	-	-	-	-	-	-	-	-	-	-
General Obligation Bonds	742	-	-	-	-	-	-	-	-	322	-	-	-
OCPPA General Purpose	209	-	-	-	-	-	-	-	9	-	-	-	-
<u>Other Governmental Funds</u>													
Police	704	-	-	-	-	-	-	-	-	47	-	-	-
Fire	695	-	-	-	-	-	-	-	-	-	-	-	-
Asset Forfeiture	43	-	-	-	-	24	-	-	-	-	-	-	-
Zoo	-	-	-	-	-	-	-	-	-	-	-	-	-
OCMFA General Purpose	-	-	-	-	-	-	-	-	-	-	-	-	-
MAPS Operations	5	-	-	-	-	-	-	-	-	-	-	-	-
MAPS3 Use Tax	33	-	-	-	-	-	-	-	-	104	-	-	-
Special Purpose	1,470	356	-	-	-	-	-	-	-	-	-	-	-
Special Districts	-	-	-	100	-	-	-	-	-	-	-	-	-
Medical Services	6	-	-	-	-	-	-	-	-	-	-	-	-
Hotel/Motel Tax	-	-	-	-	-	-	-	-	-	-	-	-	-
Capital Improvement	866	639	-	1,134	-	-	-	-	-	-	-	-	-
Street and Alley	21	-	-	-	-	-	-	-	-	-	-	-	-
Police/Fire Equipment Use Tax	1	-	-	-	-	-	-	-	-	-	-	-	-
City Schools Sales Tax	21	-	-	-	-	-	-	-	-	-	-	-	-
Sports Facility Sales Tax	297	-	-	-	-	-	-	-	-	-	-	-	-
Sports Facility Use Tax	72	-	-	-	-	-	-	-	-	-	-	-	-
<u>Internal Service Funds</u>													
Information Technology	2	-	-	-	-	-	-	-	-	-	-	-	-
Print Shop	-	-	-	-	-	-	-	-	-	-	-	80	-
OCMFA Services	-	-	-	-	-	-	-	171	-	-	-	282	-
	<u>\$13,002</u>	<u>\$995</u>	<u>\$48</u>	<u>\$1,234</u>	<u>\$400</u>	<u>\$56</u>	<u>\$65</u>	<u>\$248</u>	<u>\$9</u>	<u>\$473</u>	<u>\$-</u>	<u>\$362</u>	<u>\$441</u>
<u>Major Enterprise Funds</u>													
Water and Wastewater	\$188	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$17	\$ -	\$ -
OCEAT	140	-	-	-	-	-	-	-	-	-	-	-	-
OCPPA Fairgrounds	52	-	-	-	-	-	-	-	-	-	-	-	-
OCPPA Golf Courses	-	-	-	-	-	-	-	-	-	-	-	-	-
<u>Other Enterprise Funds</u>													
Airports	1	-	-	-	-	-	-	-	-	-	-	-	-
Solid Waste Management	48	-	-	-	-	-	-	-	-	-	-	-	-
Stormwater Drainage	15	288	-	-	-	-	-	-	-	-	-	-	-
Parking	<u>1</u>	-	-	-	-	-	-	-	-	-	-	-	-
	<u>\$445</u>	<u>\$288</u>	<u>\$-</u>	<u>\$-</u>	<u>\$-</u>	<u>\$-</u>	<u>\$-</u>	<u>\$-</u>	<u>\$-</u>	<u>\$-</u>	<u>\$17</u>	<u>\$-</u>	<u>\$-</u>

Due to Other Funds															
Governmental Activities						Business-type Activities									
Internal Service Funds						Major Funds					Other Enterprise Funds				
Fleet Services	Risk Management	Information Technology	Print Shop	OCMFA Services	OCPPA Services	Water and Wastewater	OCEAT	OCZT	OCPPA Fairgrounds	OCPPA Golf Courses	Solid Waste Management	Stormwater Drainage	Transportation	Total	
\$224	\$ -	\$ -	\$23	\$4	\$61	\$ -	\$ -	\$ -	\$ -	\$120	\$ -	\$ -	\$39	\$1,389	
-	5,670	-	-	-	-	-	-	-	-	-	-	-	-	5,670	
-	5	7	1	1,119	-	156	149	-	-	-	193	-	-	9,455	
-	-	-	-	-	-	-	-	-	-	-	-	1	-	136	
-	-	-	-	-	-	-	-	-	-	-	-	16	-	1,080	
-	-	-	-	-	-	-	-	-	-	-	-	-	-	218	
95	-	-	-	-	-	-	-	-	-	-	-	-	-	846	
-	-	-	-	-	-	-	-	-	-	-	-	-	-	695	
-	-	-	-	-	-	-	-	-	-	-	-	-	-	67	
-	-	-	-	-	-	-	-	1,875	-	-	-	-	-	1,875	
-	-	33	-	-	-	-	-	-	-	-	-	3	-	36	
-	-	-	-	-	-	-	-	-	-	-	-	-	-	5	
-	-	-	-	-	-	-	-	-	-	-	-	-	-	137	
-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,826	
-	-	-	-	-	-	-	-	-	-	-	-	-	-	100	
-	-	-	-	-	-	-	-	-	-	-	-	-	-	6	
-	-	-	-	-	-	-	-	-	1,000	-	-	-	-	1,000	
-	-	-	-	-	-	-	-	-	-	-	-	-	-	2,639	
-	-	-	-	-	-	-	-	-	-	-	-	-	-	21	
-	-	-	-	-	-	-	-	-	-	-	-	-	-	1	
-	-	-	-	-	-	-	-	-	-	-	-	-	-	21	
-	-	-	-	-	-	-	-	-	-	-	-	-	-	297	
-	-	-	-	-	-	-	-	-	-	-	-	-	-	72	
-	-	-	-	-	-	-	-	-	-	-	-	-	-	2	
-	-	-	-	-	-	-	-	-	-	-	-	-	-	80	
-	-	-	-	-	-	-	-	-	-	-	-	-	-	453	
\$319	\$5,675	\$40	\$24	\$1,123	\$61	\$156	\$149	\$1,875	\$1,000	\$120	\$193	\$20	\$39	\$28,127	
\$8	\$ -	\$ -	\$1	\$2	\$ -	\$ -	\$231	\$ -	\$ -	\$ -	\$ -	\$62	\$ -	\$509	
-	-	-	-	-	4	-	-	-	-	-	-	-	-	144	
-	-	-	-	-	-	-	-	-	-	-	-	-	-	52	
-	-	-	-	1	-	-	-	-	-	-	-	-	-	1	
-	-	-	-	-	2	-	-	-	-	-	-	-	-	3	
1	-	-	-	-	-	-	5	-	-	-	-	-	-	54	
35	-	-	-	-	-	-	-	-	-	-	-	-	-	338	
-	-	-	-	-	-	-	-	-	-	-	-	-	-	1	
\$44	\$ -	\$ -	\$1	\$3	\$6	\$ -	\$236	\$ -	\$ -	\$ -	\$ -	\$62	\$ -	\$1,102	

**SCHEDULE OF TRANSFERS
WITHIN THE REPORTING ENTITY
BY FUND
June 30, 2014
(dollars are in thousands)**

**Transfers From Other Funds
Governmental Activities**

	Major Funds					Other Governmental Funds								
	General	Debt Service	MAPS3 Sales Tax	General Obligation Bonds	OCPPA General Purpose	Police	Fire	Zoo	OCMFA General Purpose	MAPS Operations	Special Purpose	Hotel/Motel Tax	Capital Improvements Fund	Street and Alley
TRANSFERS TO														
<i>Governmental Activities</i>														
Major Governmental Funds														
General	\$ -	\$225	\$ -	\$ -	\$ -	\$13	\$17	\$ -	\$ -	\$17	\$11	\$22	\$ -	\$25
Grants Management	380	-	-	1,417	-	-	-	-	-	-	666	-	180	-
MAPS3 Sales Tax Fund	235	-	-	-	-	-	-	-	-	-	-	-	-	-
General Obligation Bonds	-	107,185	-	-	-	-	-	-	-	-	-	-	-	-
OCPPA General Purpose	3,599	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Governmental Funds														
Emergency Management	2,798	-	-	-	-	-	-	-	-	-	-	-	-	-
Zoo	10	-	-	-	-	-	-	-	-	-	-	-	-	-
OCMFA General Purpose	927	-	-	-	-	-	-	-	-	-	-	-	-	-
MAPS3 Use Tax	77	-	-	-	-	-	-	-	-	-	-	-	-	-
Special Purpose	-	-	834	340	-	47	24	-	500	-	-	-	-	-
Special Districts	2	-	-	-	45	-	-	-	-	-	-	-	-	-
Capital Improvement	31,714	-	-	-	925	-	-	-	-	-	-	-	-	44
City Schools Use Tax	45	-	-	-	-	-	-	-	-	-	-	-	-	-
Internal Service Funds														
Fleet Services	128	-	-	-	-	-	-	-	-	-	-	-	-	-
Risk Management	-	2,877	-	-	-	-	-	-	-	-	-	-	-	-
Information Technology	-	-	-	-	-	-	-	-	-	-	-	-	-	-
OCMFA Services	664	-	-	-	-	-	-	-	-	-	-	-	-	-
OCPPA Services	-	-	-	-	1	-	-	-	-	-	-	-	-	-
	\$40,579	\$110,287	\$834	\$1,757	\$971	\$60	\$41	\$-	\$500	\$17	\$677	\$22	\$180	\$69
Major Enterprise Funds														
OCEAT	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$19	\$ -
OCZT	-	-	-	-	-	-	-	13,400	-	-	-	-	-	-
OCPPA Fairgrounds	-	-	-	-	13	-	-	-	-	-	-	8,447	-	-
OCPPA Golf Courses	1,022	-	-	-	4	-	-	-	-	-	-	-	-	-
Other Enterprise Funds														
Solid Waste Management	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transportation	39	-	-	-	-	-	-	-	-	-	-	-	-	-
Parking	314	-	-	-	-	-	-	-	-	-	-	-	-	-
	\$1,375	\$-	\$-	\$-	\$17	\$-	\$-	\$13,400	\$-	\$-	\$-	\$8,447	\$19	\$-

CITY OF OKLAHOMA CITY, OKLAHOMA

<u>Transfers From Other Funds</u>															
<i>Governmental Activities</i>					<i>Business-type Activities</i>										
Other Governmental Funds					Internal Service Funds			Major Enterprise Funds							
Police/Fire Equipment Sales Tax	City Schools Sales Tax	Sports Facility Sales Tax	Sports Facility Use Tax	MAPS3 Use Tax	Information Technology	Print Shop	OCMFA Services	Water and Wastewater	OCEAT	OCPPA Golf Courses	Airports	Solid Waste Management	Stormwater Drainage	Total	
\$32	\$30	\$302	\$60	\$ -	\$26	\$2	\$ -	\$39	\$863	\$ -	\$ -	\$5	\$24	\$1,722	
-	-	-	-	-	-	-	314	-	-	-	3	56	18	3,034	
-	-	-	-	-	-	-	-	-	-	-	-	-	-	235	
-	-	-	-	-	-	-	-	-	-	-	-	-	-	107,185	
-	-	25	-	-	76	-	-	-	-	-	-	-	-	3,700	
-	-	-	-	-	-	-	-	-	-	-	-	-	-	2,798	
-	-	-	-	-	-	-	-	-	-	-	-	-	-	10	
-	-	-	-	-	1,673	-	18	-	-	-	-	-	-	2,618	
-	-	-	-	-	-	-	-	-	-	-	-	-	-	77	
-	-	-	-	105	-	-	-	-	-	57	-	-	-	1,907	
-	-	-	-	-	-	-	-	-	-	-	-	-	-	47	
-	-	-	-	-	1,802	170	-	-	-	-	-	-	-	34,655	
-	-	-	-	-	-	-	-	-	-	-	-	-	-	45	
-	-	-	-	-	-	-	-	-	-	-	-	-	-	128	
-	-	-	-	-	-	-	21	-	-	-	-	-	-	2,898	
-	-	-	-	-	-	-	30	-	-	-	-	-	-	30	
-	-	-	-	-	-	-	-	-	-	-	-	-	-	664	
-	-	-	-	-	-	-	-	-	-	-	-	-	-	1	
<u>\$32</u>	<u>\$30</u>	<u>\$327</u>	<u>\$60</u>	<u>\$105</u>	<u>\$3,577</u>	<u>\$172</u>	<u>\$383</u>	<u>\$39</u>	<u>\$863</u>	<u>\$57</u>	<u>\$3</u>	<u>\$61</u>	<u>\$42</u>	<u>\$161,754</u>	
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$19	
-	-	-	-	-	-	-	-	-	-	-	-	-	-	13,400	
-	-	-	-	-	-	-	-	-	-	-	-	-	-	8,460	
-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,026	
-	-	-	-	-	-	-	-	-	61	-	-	-	-	61	
-	-	-	-	-	-	-	-	-	-	-	-	-	-	39	
-	-	-	-	-	-	-	-	-	-	-	-	-	-	314	
<u>\$-</u>	<u>\$-</u>	<u>\$-</u>	<u>\$-</u>	<u>\$-</u>	<u>\$-</u>	<u>\$-</u>	<u>\$-</u>	<u>\$-</u>	<u>\$61</u>	<u>\$-</u>	<u>\$-</u>	<u>\$-</u>	<u>\$-</u>	<u>\$23,319</u>	

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Statistical

This section of the City's CAFR presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information say about the City's overall financial health. This information has not been audited by the independent auditor.

- * **Financial Trends** – These schedules contain trend information to help the reader understand how the City's financial performance and well-being changed over time.*
- * **Revenue Capacity** – These schedules contain information to help the reader assess the City's significant local revenue sources, the sales tax and the property tax, as well as other revenue sources.*
- * **Debt Capacity** – These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.*
- * **Economic and Demographic Information** – These schedules offer economic and demographic indicators to help the reader understand the environment within which the City's financial activities take place and to help make comparisons over time and with other governments.*
- * **Operating Information** – These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.*

***Sources:** Unless otherwise noted, the information in these schedules is derived from the City's comprehensive annual financial reports for the relevant year.*

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**PRIMARY GOVERNMENT
NET POSITION BY COMPONENT (1) (2)**

**CITY OF OKLAHOMA CITY, OKLAHOMA
TABLE 1**

**Last Ten Fiscal Years
(dollars are in thousands)**

	Fiscal Year									
	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
<i>Governmental Activities:</i>										
Net investment in capital assets	\$864,518	\$888,639	\$917,055	\$1,004,827	\$1,020,619	\$774,069	\$685,791	\$632,004	\$613,911	\$586,785
Restricted for:										
Capital projects	609,920	487,134	363,150	159,669	103,661	222,521	269,293	240,197	207,276	180,188
Debt service	82,876	68,277	52,171	51,305	39,562	48,049	52,294	43,397	42,996	43,709
Public safety	20,206	22,682	18,850	17,246	17,221	-	-	-	1,548	26,881
Public services	16,144	8,859	6,849	6,698	5,638	9,249	-	-	-	-
Culture and recreation	11,630	11,284	12,519	10,240	56,152	23,921	12,215	12,613	13,279	7,016
Education	-	-	-	-	6,205	7,073	311	207	274	970
Unrestricted	<u>156,212</u>	<u>169,684</u>	<u>169,928</u>	<u>130,372</u>	<u>52,086</u>	<u>174,027</u>	<u>162,941</u>	<u>172,429</u>	<u>155,209</u>	<u>126,613</u>
	<u>1,761,506</u>	<u>1,656,559</u>	<u>1,540,522</u>	<u>1,380,357</u>	<u>1,301,144</u>	<u>1,258,909</u>	<u>1,182,845</u>	<u>1,100,847</u>	<u>1,034,493</u>	<u>972,162</u>
% change from prior year	27.61%	27.32%	11.60%	9.65%	3.35%	6.43%	7.45%	6.41%	6.41%	9.34%
<i>Business-type Activities: (3)</i>										
Net investment in capital assets	376,582	373,819	1,088,470	1,032,890	1,023,777	965,156	909,153	890,848	792,391	737,647
Restricted for:										
Capital projects	1	1	863	1,573	2,140	11,449	27,388	24,683	48,703	1,078
Debt service	4,467	4,156	54,363	51,358	39,287	35,595	36,046	40,496	38,024	41,086
Public services	-	16	-	-	162,286	98,856	77,274	63,609	108,744	106,554
Culture and recreation	256	232	-	-	-	-	229	-	-	1,870
Maintenance	-	-	19,840	17,421	17,482	19,348	19,964	16,914	13,535	16,801
Unrestricted	<u>(5,430)</u>	<u>(9,863)</u>	<u>186,221</u>	<u>176,014</u>	<u>(37,526)</u>	<u>(50,867)</u>	<u>(47,948)</u>	<u>(47,076)</u>	<u>(59,281)</u>	<u>(9,678)</u>
	<u>375,876</u>	<u>368,361</u>	<u>1,349,757</u>	<u>1,279,256</u>	<u>1,207,446</u>	<u>1,079,537</u>	<u>1,022,106</u>	<u>989,474</u>	<u>942,116</u>	<u>895,358</u>
% change from prior year	(70.62)%	(69.49)%	5.51%	18.50%	11.85%	5.62%	3.30%	5.03%	5.22%	4.12%
Primary Government										
Net investment in capital assets	1,241,100	1,262,458	2,005,525	2,037,717	2,044,396	1,739,225	1,594,944	1,522,852	1,406,302	1,324,432
Restricted for:										
Capital projects	609,921	487,135	364,013	161,242	105,801	233,970	296,681	264,880	255,979	181,266
Debt service	87,343	72,433	106,534	102,663	78,849	83,644	88,340	83,893	81,020	84,795
Public safety	20,206	22,682	18,850	17,246	17,221	-	-	-	1,548	26,881
Public services (4)	16,144	8,875	6,849	6,698	167,924	108,105	77,274	63,609	108,744	106,554
Culture and recreation	11,886	11,516	12,519	10,240	56,152	23,921	12,444	12,613	13,279	8,886
Education	-	-	-	-	6,205	7,073	311	207	274	970
Maintenance	-	-	19,840	17,421	17,482	19,348	19,964	16,914	13,535	16,801
Unrestricted	<u>150,782</u>	<u>159,821</u>	<u>356,149</u>	<u>306,386</u>	<u>14,560</u>	<u>123,160</u>	<u>114,993</u>	<u>125,353</u>	<u>95,928</u>	<u>116,935</u>
Total primary government (5)	<u>\$2,137,382</u>	<u>\$2,024,920</u>	<u>\$2,890,279</u>	<u>\$2,659,613</u>	<u>\$2,508,590</u>	<u>\$2,338,446</u>	<u>\$2,204,951</u>	<u>\$2,090,321</u>	<u>\$1,976,609</u>	<u>\$1,867,520</u>
% change from prior year	5.55%	(29.94)%	8.67%	13.73%	7.28%	6.05%	5.48%	5.75%	5.84%	6.77%

- (1) This schedule reports using the accrual basis of accounting.
- (2) Reporting standards require that net position be reported in three components in the financial statements: net investment in capital assets; restricted; and unrestricted. Net position is considered restricted when (1) an external party, such as the state or Federal government, places a restriction on how the resources may be used, or (2) enabling legislation is enacted by the City, as is the case with several special revenue funds restricted to the purposes of the fund. Public trust net position is restricted by applicable trust and bond indentures to the purposes of the trust, appropriately reported in separate funds at the fund reporting level. However, as with certain special revenue funds, the requirement for additional restriction arises in the government-wide statements where business-type activities are consolidated. Therefore, trust net position comprise the primary differences between the restricted net position reported in the proprietary statement of fund net position and the government-wide business-type activities restricted net position.
- (3) In 2013, the City implemented Governmental Accounting Standards Board statement number 61 which resulted in adding and removing certain business activities related to reclassification of certain trusts and authorities.
- (4) Net position of public trusts were reported as restricted for public services until 2011.
- (5) See Table 2 for changes in net position from year to year.

**PRIMARY GOVERNMENT
CHANGES IN NET POSITION (1)
Last Ten Fiscal Years
(dollars are in thousands)**

CITY OF OKLAHOMA CITY, OKLAHOMA

**TABLE 2
page 1 of 2**

	Fiscal Year									
	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
PROGRAM EXPENSES (2)										
<i>Governmental Activities</i>										
General government	\$40,258	\$26,863	\$31,257	\$29,501	\$44,301	\$42,737	\$27,544	\$45,049	\$20,084	\$14,098
Public safety:										
Police	173,665	177,062	158,950	143,367	160,889	171,042	156,015	140,947	131,985	123,014
Fire	153,724	153,482	137,017	124,945	132,709	127,573	135,838	127,187	119,742	111,056
Other	25,455	35,419	26,993	26,785	18,318	17,865	26,527	14,488	21,866	26,898
Public services	153,260	137,685	127,218	146,034	129,972	102,201	106,925	77,266	94,323	77,897
Culture and recreation	85,197	79,813	87,379	77,107	72,664	74,320	56,778	50,816	51,051	38,734
Education	1,543	2,059	1,571	1,327	1,224	41,322	89,826	85,369	82,288	75,953
Economic development	3,382	1,271	5,335	4,902	-	-	-	-	-	-
Interest on long-term debt	<u>22,608</u>	<u>22,389</u>	<u>20,824</u>	<u>25,882</u>	<u>22,617</u>	<u>24,124</u>	<u>21,413</u>	<u>20,279</u>	<u>16,949</u>	<u>15,673</u>
	<u>659,092</u>	<u>636,043</u>	<u>596,544</u>	<u>579,850</u>	<u>582,694</u>	<u>601,184</u>	<u>620,866</u>	<u>561,401</u>	<u>538,288</u>	<u>483,323</u>
<i>Business-type Activities (3)</i>										
Airports	16,503	16,204	52,824	54,103	53,011	52,570	54,500	54,158	52,718	50,215
Water and wastewater utilities	94,257	92,007	159,659	140,631	142,496	138,135	136,938	130,819	127,702	119,455
Solid waste management	40,705	39,147	37,150	35,213	34,467	33,613	32,993	32,373	30,416	27,760
Stormwater drainage	18,725	17,409	16,113	15,933	13,495	13,791	12,790	14,277	10,850	9,780
Golf courses	9,901	10,956	10,811	9,160	11,944	10,405	9,444	9,257	8,745	8,786
Fairgrounds	10,325	9,873	10,063	6,652	2,363	2,516	2,197	2,080	2,503	617
Ground transportation and parking	4,769	4,892	4,741	5,253	2,258	2,472	2,182	1,890	1,740	1,719
Zoo operations	<u>21,529</u>	<u>20,522</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>216,714</u>	<u>211,010</u>	<u>291,361</u>	<u>266,945</u>	<u>260,034</u>	<u>253,502</u>	<u>251,044</u>	<u>244,854</u>	<u>234,674</u>	<u>218,332</u>
Total program expenses	<u>875,806</u>	<u>847,053</u>	<u>887,905</u>	<u>846,795</u>	<u>842,728</u>	<u>854,686</u>	<u>871,910</u>	<u>806,255</u>	<u>772,962</u>	<u>701,655</u>
PROGRAM REVENUES										
<i>Governmental Activities</i>										
CHARGES FOR SERVICES										
General government	761	2,464	1,883	2,220	2,143	2,413	2,452	1,500	1,312	1,062
Public safety:										
Police	4,487	2,516	3,730	3,765	3,118	2,814	1,972	2,000	2,474	2,290
Fire	991	13	8	12	11	4	20	24	13	15
Other	34,006	34,429	30,530	30,572	28,573	21,588	21,526	21,156	21,645	21,745
Public services	22,282	21,774	18,429	17,552	19,054	19,131	20,315	18,686	18,346	16,449
Culture and recreation	22,933	20,413	18,519	18,127	15,801	15,640	16,494	7,756	7,909	5,351
Education	240	224	205	204	9	-	71	-	-	-
Economic development	257	-	2	1	-	-	-	-	-	-
Operating grants and contributions	64,019	65,711	65,844	73,965	57,725	73,350	74,426	57,342	64,487	63,895
Capital grants and contributions	<u>13,114</u>	<u>64,783</u>	<u>16,504</u>	<u>12,003</u>	<u>30,761</u>	<u>24,093</u>	<u>30,780</u>	<u>14,152</u>	<u>21,459</u>	<u>38,664</u>
	<u>163,090</u>	<u>212,327</u>	<u>155,654</u>	<u>158,421</u>	<u>157,195</u>	<u>159,033</u>	<u>168,056</u>	<u>122,616</u>	<u>137,645</u>	<u>149,471</u>
<i>Business-type Activities (3)</i>										
CHARGES FOR SERVICES										
Airports	67	6	60,136	60,647	56,105	54,089	57,978	55,107	49,885	48,858
Water and wastewater utilities	84,249	81,031	198,646	184,370	163,063	146,534	132,576	130,103	129,545	115,412
Solid waste management	46,398	43,622	41,418	39,933	38,459	37,067	32,143	31,789	30,950	28,768
Stormwater drainage	16,160	14,923	14,540	12,715	11,204	11,000	10,495	9,820	8,856	8,065
Golf courses	8,533	9,061	9,063	8,481	8,222	9,027	8,150	7,396	7,570	7,442
Fairgrounds	-	-	5	-	-	97	-	11	10	10
Ground transportation and parking	2,617	2,464	2,202	2,245	-	-	-	-	1,681	-
Zoo operations	<u>10,432</u>	<u>11,530</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total charges for services	<u>168,456</u>	<u>162,637</u>	<u>326,010</u>	<u>308,391</u>	<u>277,053</u>	<u>257,814</u>	<u>241,342</u>	<u>234,226</u>	<u>228,497</u>	<u>208,555</u>
Operating grants and contributions	19,592	17,990	11,172	11,237	10,855	13,871	24,988	21,526	19,681	16,648
Capital grants and contributions	<u>13,715</u>	<u>9,364</u>	<u>18,706</u>	<u>29,978</u>	<u>26,029</u>	<u>32,708</u>	<u>15,251</u>	<u>35,719</u>	<u>34,406</u>	<u>31,401</u>
	<u>201,763</u>	<u>189,991</u>	<u>355,888</u>	<u>349,606</u>	<u>313,937</u>	<u>304,393</u>	<u>281,581</u>	<u>291,471</u>	<u>282,584</u>	<u>256,604</u>
Total program revenues	<u>364,853</u>	<u>402,318</u>	<u>511,542</u>	<u>508,027</u>	<u>471,132</u>	<u>463,426</u>	<u>449,637</u>	<u>414,087</u>	<u>420,229</u>	<u>406,075</u>

**PRIMARY GOVERNMENT
CHANGES IN NET POSITION (1)**
Last Ten Fiscal Years
(dollars are in thousands)

CITY OF OKLAHOMA CITY, OKLAHOMA
TABLE 2
page 2 of 2

	Fiscal Year									
	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
NET (EXPENSES) REVENUES (3)										
<i>Governmental Activities</i>	(496,002)	(423,716)	(440,890)	(421,429)	(425,499)	(442,151)	(452,785)	(438,785)	(400,643)	(333,852)
<i>Business-type Activities (3)</i>	<u>(14,951)</u>	<u>(21,019)</u>	<u>64,527</u>	<u>82,661</u>	<u>53,903</u>	<u>50,891</u>	<u>46,617</u>	<u>46,617</u>	<u>47,910</u>	<u>38,272</u>
Net expenses	<u>(510,953)</u>	<u>(444,735)</u>	<u>(376,363)</u>	<u>(338,768)</u>	<u>(371,596)</u>	<u>(391,260)</u>	<u>(406,168)</u>	<u>(392,168)</u>	<u>(352,733)</u>	<u>(295,580)</u>
GENERAL REVENUES,										
CONTRIBUTIONS										
AND TRANSFERS										
<i>Governmental Activities</i>										
TAXES:										
Sales taxes:										
General	214,282	205,542	198,383	186,414	169,105	178,462	179,504	171,065	164,579	151,717
Police	40,185	38,761	37,710	35,367	31,919	33,462	33,657	32,074	30,859	28,447
Fire	40,185	38,761	37,707	35,367	31,919	33,462	33,657	32,074	30,859	28,447
Public services	685	655	3,343	2,210	1,132	674	-	-	-	-
Culture and recreation	120,443	116,604	112,726	105,055	90,566	52,155	11,219	10,692	10,286	9,482
Education	-	-	-	-	-	48,065	89,678	85,288	82,240	75,936
Total sales taxes	<u>415,780</u>	<u>400,323</u>	<u>389,869</u>	<u>364,413</u>	<u>324,641</u>	<u>346,280</u>	<u>347,715</u>	<u>331,193</u>	<u>318,823</u>	<u>294,029</u>
Use taxes	49,923	45,406	52,470	44,735	37,976	38,221	36,610	34,239	30,916	27,488
Hotel/Motel taxes	13,885	13,321	12,177	10,858	10,319	10,653	10,830	9,704	8,623	5,391
Property taxes	79,153	76,756	73,778	76,581	60,935	62,093	61,372	52,812	43,231	45,464
Franchise taxes (fees)	43,641	42,109	42,410	39,912	40,216	39,902	31,707	31,358	30,677	25,903
Emergency telephone taxes	4,749	4,779	4,598	4,546	4,777	4,678	4,376	-	-	-
Other taxes	<u>5,761</u>	<u>6,028</u>	<u>6,401</u>	<u>6,076</u>	<u>5,329</u>	<u>5,518</u>	<u>5,742</u>	<u>9,614</u>	<u>8,248</u>	<u>4,447</u>
Total taxes	<u>612,892</u>	<u>588,722</u>	<u>581,703</u>	<u>547,121</u>	<u>484,193</u>	<u>507,345</u>	<u>498,352</u>	<u>468,920</u>	<u>440,518</u>	<u>402,722</u>
Oil and gas royalties	1,290	892	1,074	1,066	1,178	823	1,014	782	826	733
Unrestricted investment income	1,307	412	2,182	2,669	5,409	17,503	27,174	24,836	15,373	8,176
Miscellaneous	8,134	7,754	7,953	5,319	7,221	1,515	4,820	11,342	5,105	2,402
Transfers	(22,192)	(20,674)	(453)	(6,832)	(1,066)	(6,540)	(2,095)	(741)	1,152	2,847
Special item	-	-	7,497	-	-	-	-	-	-	-
	<u>601,431</u>	<u>577,106</u>	<u>599,956</u>	<u>549,343</u>	<u>496,935</u>	<u>520,646</u>	<u>529,265</u>	<u>505,139</u>	<u>462,974</u>	<u>416,880</u>
<i>Business-type Activities (3)</i>										
Unrestricted investment income	274	153	1,180	1,371	-	-	-	-	-	-
Transfers	22,192	20,674	453	6,832	1,066	6,540	2,095	741	(1,152)	(2,847)
Special item	-	-	(2,872)	-	-	-	-	-	-	-
	<u>22,466</u>	<u>20,827</u>	<u>(1,239)</u>	<u>8,203</u>	<u>1,066</u>	<u>6,540</u>	<u>2,095</u>	<u>741</u>	<u>(1,152)</u>	<u>(2,847)</u>
Total general revenues, contributions, transfers, and special items	<u>623,897</u>	<u>597,933</u>	<u>598,717</u>	<u>557,546</u>	<u>498,001</u>	<u>527,186</u>	<u>531,360</u>	<u>505,880</u>	<u>461,822</u>	<u>414,033</u>
CHANGES IN NET POSITION										
<i>Governmental Activities</i>	105,429	153,390	159,066	127,914	71,436	78,495	76,455	66,354	62,331	83,028
<i>Business-type Activities (3)</i>	<u>7,515</u>	<u>(192)</u>	<u>63,288</u>	<u>90,864</u>	<u>54,969</u>	<u>57,431</u>	<u>32,632</u>	<u>47,358</u>	<u>46,758</u>	<u>35,425</u>
Total primary government	<u>\$112,944</u>	<u>\$153,198</u>	<u>\$222,354</u>	<u>\$218,778</u>	<u>\$126,405</u>	<u>\$135,926</u>	<u>\$109,087</u>	<u>\$113,712</u>	<u>\$109,089</u>	<u>\$118,453</u>

- (1) This schedule reports using the accrual basis of accounting.
- (2) Expenses include allocated indirect expenses.
- (3) In 2013, the City implemented Governmental Accounting Standards Board statement number 61 which resulted in adding and removing certain business activities related to reclassification of certain trusts and authorities.
- (4) Net (expenses) revenues is the difference between expenses and program revenues. It indicates the degree to which a function or program is supported with its own fees and program-specific grants versus its reliance upon funding from taxes and other general revenues. A number in parentheses indicates that expenses were greater than program revenues and therefore general revenues were needed to finance that function or program. Numbers without parentheses indicate that program revenues were more than sufficient to cover expenses.

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**GOVERNMENTAL FUNDS
FUND BALANCES (1)
Last Ten Fiscal Years
(dollars are in thousands)**

**CITY OF OKLAHOMA CITY, OKLAHOMA
TABLE 3**

	Fiscal Year									
	2014	2013	2012 (2)	2011	2010	2009	2008	2007	2006	2005
<u>GENERAL FUND</u>										
Non-spendable	\$8,180	\$8,984	\$10,376	\$8,714	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted	664	465	275	183	-	-	-	-	-	-
Assigned	1,564	2,321	1,687	1,239	-	-	-	-	-	-
Unassigned	120,480	125,836	103,749	89,177	-	-	-	-	-	-
<u>RESERVED FOR</u>										
Encumbrances	-	-	-	-	1,144	1,872	1,944	4,068	1,988	2,750
Restricted purposes	-	-	-	-	515	508	442	410	291	197
Non-current receivables and other assets	-	-	-	-	3,311	-	-	-	-	-
Unreserved:										
Designated	-	-	-	-	5,000	5,000	5,000	5,000	5,000	5,000
Undesignated	-	-	-	-	<u>53,730</u>	<u>74,112</u>	<u>83,179</u>	<u>79,347</u>	<u>80,265</u>	<u>64,800</u>
Total General Fund	<u>130,888</u>	<u>137,606</u>	<u>63,700</u>	<u>81,492</u>	<u>90,565</u>	<u>88,825</u>	<u>87,544</u>	<u>72,747</u>	<u>56,782</u>	<u>58,629</u>
% change from prior year	(4.9%)	55.9%	(21.8%)	(10.0%)	2.0%	1.5%	20.3%	28.1%	(3.2%)	(12.8%)
<u>OTHER GOVERNMENTAL FUNDS</u>										
Non-spendable	19,713	20,659	9,865	14,765	-	-	-	-	-	-
Restricted	732,549	617,104	462,583	407,211	-	-	-	-	-	-
Committed	54,600	49,709	42,897	19,381	-	-	-	-	-	-
Assigned	68,456	65,194	84,935	79,602	-	-	-	-	-	-
Unassigned	(14,841)	(31,513)	(4,537)	(6,487)	-	-	-	-	-	-
<u>RESERVED FOR</u>										
Encumbrances	-	-	-	-	87,632	84,906	99,990	84,560	63,686	51,368
Restricted purposes	-	-	-	-	3,105	11,369	11,480	11,786	12,660	-
Non-current receivables and other assets	-	-	-	-	24,934	8,492	8,935	4,781	5,095	-
<u>UNRESERVED, REPORTED IN</u>										
Debt Service Fund	-	-	-	-	47,823	46,850	48,205	36,425	36,448	38,577
Special revenue funds:										
Designated	-	-	-	-	-	-	-	-	-	400
Undesignated	-	-	-	-	171,880	151,985	93,157	89,945	77,570	81,282
Capital Projects Fund	-	-	-	-	<u>151,691</u>	<u>157,387</u>	<u>186,138</u>	<u>190,284</u>	<u>177,711</u>	<u>166,826</u>
Total other governmental funds	<u>860,477</u>	<u>721,153</u>	<u>487,065</u>	<u>460,989</u>	<u>447,905</u>	<u>417,781</u>	<u>373,170</u>	<u>338,453</u>	<u>328,266</u>	<u>359,836</u>
% change from prior year	19.3%	5.6%	5.7%	2.9%	7.2%	12.0%	10.3%	3.1%	(8.8%)	(1.7%)
Total	<u>\$991,365</u>	<u>\$858,759</u>	<u>\$550,765</u>	<u>\$542,481</u>	<u>\$538,470</u>	<u>\$506,606</u>	<u>\$460,714</u>	<u>\$411,200</u>	<u>\$385,048</u>	<u>\$418,465</u>
% change from prior year	15.4%	11.4%	1.5%	0.7%	6.3%	10.0%	12.0%	6.8%	(8.0%)	(3.4%)

(1) This schedule reports using the modified accrual basis of accounting.

(2) The City of Oklahoma City implemented GASB 54 in fiscal year 2011 which changed fund balance classifications.

**GOVERNMENTAL FUNDS
CHANGES IN FUND BALANCES (1)
Last Ten Fiscal Years
(dollars are in thousands)**

**CITY OF OKLAHOMA CITY, OKLAHOMA
TABLE 4
page 1 of 2**

	Fiscal Year									
	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
REVENUE										
Taxes (2)	\$612,540	\$589,227	\$583,252	\$544,492	\$486,023	\$506,571	\$501,233	\$468,497	\$439,102	\$403,038
Licenses and permits	23,578	23,068	21,894	21,718	18,033	12,427	12,905	11,926	12,680	11,653
Oil and gas royalties	1,259	893	1,073	1,066	1,178	823	1,014	782	826	733
Fines and forfeitures	27,872	27,901	24,035	23,617	21,316	20,127	20,150	19,645	20,215	20,219
Investment income	5,093	1,930	4,994	6,599	4,952	15,519	26,154	23,636	14,362	7,657
Charges for services	41,536	38,568	35,944	35,823	37,322	38,813	38,763	28,516	26,234	23,582
Rental income	2,541	1,668	1,273	1,025	1,286	1,986	3,401	2,997	3,303	2,402
Payments from component units	6,382	6,083	314	579	2,558	20,793	26	26	-	-
Intergovernmental programs	62,063	61,325	63,044	67,597	53,359	59,788	64,782	58,019	64,629	64,937
Other	<u>3,457</u>	<u>3,279</u>	<u>9,668</u>	<u>3,338</u>	<u>7,221</u>	<u>1,515</u>	<u>3,974</u>	<u>11,057</u>	<u>6,470</u>	<u>2,452</u>
Total revenue	<u>786,321</u>	<u>753,942</u>	<u>745,491</u>	<u>705,854</u>	<u>633,248</u>	<u>678,362</u>	<u>672,402</u>	<u>625,101</u>	<u>587,821</u>	<u>536,673</u>
% change from prior year	4.3%	1.1%	5.6%	11.5%	(6.7%)	0.9%	7.6%	6.3%	9.5%	7.2%
EXPENDITURES										
CURRENT										
General government	55,569	29,244	46,567	46,755	53,125	49,391	65,180	38,145	41,934	37,753
Public safety	329,657	330,932	295,757	273,504	291,388	293,857	304,332	270,313	273,632	254,365
Public services	107,823	109,789	91,134	88,076	102,257	77,072	146,166	131,049	127,493	100,956
Culture and recreation	56,900	55,088	63,772	66,493	56,898	56,107	55,451	56,413	51,579	42,402
Education	1,504	1,991	1,519	1,242	1,245	41,331	89,766	85,365	82,270	75,964
Economic development	<u>970</u>	<u>1,049</u>	<u>7,198</u>	<u>4,861</u>	-	-	-	-	-	-
Total current	552,423	528,093	505,947	480,931	504,913	517,758	660,895	581,285	576,908	511,440
Capital outlay (3)	126,053	83,642	123,236	132,207	136,879	138,795	-	-	-	-
DEBT SERVICE										
Principal	43,363	44,510	46,700	44,071	38,933	38,780	35,641	32,039	28,345	25,965
Interest	25,580	24,598	22,851	25,542	23,630	24,391	21,402	19,429	16,192	16,042
Other	<u>531</u>	<u>1,025</u>	<u>14,146</u>	<u>464</u>	<u>860</u>	<u>414</u>	<u>359</u>	<u>361</u>	<u>558</u>	<u>892</u>
Total debt service	<u>69,474</u>	<u>70,133</u>	<u>83,697</u>	<u>70,077</u>	<u>63,423</u>	<u>63,585</u>	<u>57,402</u>	<u>51,829</u>	<u>45,095</u>	<u>42,899</u>
Total expenditures	<u>747,950</u>	<u>681,868</u>	<u>712,880</u>	<u>683,215</u>	<u>705,215</u>	<u>720,138</u>	<u>718,297</u>	<u>633,114</u>	<u>622,003</u>	<u>554,339</u>
% change from prior year	9.7%	(4.4%)	4.3%	(3.1%)	(2.1%)	0.3%	13.5%	1.8%	12.2%	2.2%
Excess (deficiency) of revenues over expenditures	<u>38,371</u>	<u>72,074</u>	<u>32,611</u>	<u>22,639</u>	<u>(71,967)</u>	<u>(41,776)</u>	<u>(45,895)</u>	<u>(8,013)</u>	<u>(34,182)</u>	<u>(17,666)</u>

**GOVERNMENT FUNDS
CHANGES IN FUND BALANCES (1)
Last Ten Fiscal Years
(dollars are in thousands)**

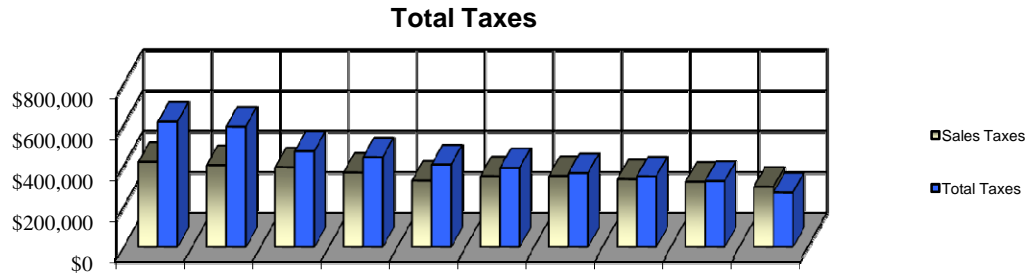
**CITY OF OKLAHOMA CITY, OKLAHOMA
TABLE 4
page 2 of 2**

	Fiscal Year									
	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
<u>OTHER FINANCING</u>										
<u>SOURCES (USES)</u>										
Transfers from other funds	158,033	114,411	97,883	84,744	148,665	54,526	29,734	38,237	59,490	39,589
Transfers to other funds	(179,806)	(137,560)	(99,011)	(90,765)	(154,706)	(61,780)	(29,750)	(60,639)	(76,293)	(49,946)
Capital financing	34	844	405	-	-	111	320	75	2,482	236
Sale of assets	607	574	458	576	731	1,298	1,718	1,077	3,225	1,473
Insurance recoveries	-	-	-	-	-	-	-	-	11	-
Premium on bonds	7,870	6,484	19,407	2,826	3,167	1,127	2,013	2,300	2,121	9,400
Long-term debt issued	107,185	90,000	130,110	43,000	93,969	49,345	68,980	72,855	92,660	47,000
Proceeds of refunding bonds	-	-	-	-	-	-	-	-	-	91,325
Grant capital	533	1	-	-	101	-	-	-	-	91,325
Payment to refunded bonds										
Escrow agent	-	-	(91,315)	-	-	-	-	-	-	(95,259)
Net other financing										
sources	<u>94,456</u>	<u>74,754</u>	<u>57,937</u>	<u>40,381</u>	<u>91,927</u>	<u>44,627</u>	<u>73,015</u>	<u>53,905</u>	<u>83,696</u>	<u>135,143</u>
Net change in fund balances (4)	<u>\$132,827</u>	<u>\$146,828</u>	<u>\$90,548</u>	<u>\$63,020</u>	<u>\$19,960</u>	<u>\$2,851</u>	<u>\$27,120</u>	<u>\$45,892</u>	<u>\$49,514</u>	<u>\$117,477</u>
Capital outlay (3)	<u>\$-</u>	<u>\$-</u>	<u>\$-</u>	<u>\$-</u>	<u>\$-</u>	<u>\$-</u>	<u>\$103,535</u>	<u>\$96,628</u>	<u>\$110,496</u>	<u>\$94,087</u>
Debt service as a percentage of										
non-capital expenditures	11.1%	11.6%	11.8%	12.6%	11.0%	10.9%	9.3%	9.6%	8.7%	9.4%

- (1) This schedule reports using the modified accrual basis of accounting.
- (2) See Table 5 for additional detail for taxes.
- (3) Beginning in 2009, the City of Oklahoma City opted to report capital outlay separately from current expenditures.
- (4) See Table 3 for ending fund balances for reported years.

TAX REVENUES BY SOURCE (1)
June 30, 2014
(dollars are in thousands)

CITY OF OKLAHOMA CITY, OKLAHOMA
TABLE 5



Fiscal Year	Sales Taxes (2)	Property Taxes (3)	Use Taxes (4)	Franchise Taxes/Fees (5)	Hotel/Motel Taxes (6)
2014	\$415,780	\$78,773	\$49,922	\$43,765	\$13,876
2013	400,322	77,260	45,406	42,110	13,324
2012	389,869	75,141	52,469	42,433	12,342
2011	364,416	72,406	44,734	41,506	10,809
2010	324,641	64,343	37,976	38,720	10,237
2009	346,280	61,727	38,221	39,574	10,615
2008	347,714	64,257	36,610	31,704	10,830
2007	331,193	52,389	34,239	31,358	9,704
2006	318,823	41,815	30,916	30,677	8,623
2005	294,029	45,780	27,488	25,903	5,391
% change over 10 years	41.4%	72.1%	81.6%	69.0%	157.4%

Fiscal Year	Emergency Telephone Tax (7)	Tobacco Excise Tax (5)(8)	State Alcoholic Beverage Taxes (5)	Other Taxes (5)(9)	Total
2014	\$4,744	\$4,851	\$829	\$ -	\$612,540
2013	4,777	5,146	882	-	589,227
2012	4,597	5,567	834	-	468,497
2011	4,545	5,298	778	-	439,102
2010	4,777	4,583	746	-	403,038
2009	4,678	4,730	746	-	386,200
2008	4,376	4,893	849	-	361,355
2007	4,193	4,767	654	-	345,157
2006	2,894	4,721	612	21	322,405
2005	2,243	1,581	599	24	267,120
% change over 10 years	111.5%	100.0%	38.4%	(100.0%)	129.3%

- (1) This schedule reports using the modified accrual basis of accounting.
- (2) Sales taxes are reported in the General, Police, Fire, Zoo, Police/Fire Equipment Sales Tax, City and Schools Sales Tax, Sports Facility Sales Tax, MAPS3 Sales Tax and Tax Increment Financing Funds. City of Oklahoma City (City) voters approved a special purpose sales tax for the improvement of public school systems serving students residing within the corporate limits of the City effective January 1, 2002 through December 31, 2008. Effective January 1, 2009 and continuing to March 31, 2010, City voters approved a special purpose tax to fund capital improvements to the Oklahoma City Arena and NBA Practice Facility. Effective April 1, 2010, City voters approved a one-cent sales tax for the MAPS3 projects, which consists of eight public projects and expires on December 31, 2017.
- (3) These revenues are reported in the Debt Service Fund and the OCPPA General Purpose Fund. The City does not levy property taxes for operations. Property taxes are used to service general obligation debt.
- (4) General, Police/Fire Equipment Use Tax, City and Schools Use Tax, Sports Facility Use Tax, and MAPS3 Use Tax Funds report use tax. Use tax is collected with sales taxes. See Note (2).
- (5) These revenues are reported in the General Fund.
- (6) These revenues are reported in the General Fund to fiscal year 2004. In fiscal year 2005, (effective January 1, 2005), the hotel/motel tax was increased from 2% to 5.5% and separately reported in the Hotel/Motel Tax Fund, thereafter.
- (7) The emergency telephone tax is designated to fund "911" emergency services and is reported in the Emergency Management Fund.
- (8) In fiscal year 2005, state law changed the taxation of tobacco products and exempted them from sales tax, but implemented a new Excise Tax.
- (9) As of November 21, 2005, Remington Park became an operating registered racino and no longer charges admission and therefore has no reported admission taxes.

SALES TAX RATES OF DIRECT AND OVERLAPPING GOVERNMENTS

**CITY OF OKLAHOMA CITY, OKLAHOMA
TABLE 6**

June 30, 2014

(dollars are in thousands)

OKLAHOMA CITY	Fiscal Year									
	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
General fund	2.000%	2.000%	2.000%	2.000%	2.000%	2.000%	2.000%	2.000%	2.000%	2.000%
Public safety-police	0.375	0.375	0.375	0.375	0.375	0.375	0.375	0.375	0.375	0.375
Public safety-fire	0.375	0.375	0.375	0.375	0.375	0.375	0.375	0.375	0.375	0.375
Oklahoma City zoo	0.125	0.125	0.125	0.125	0.125	0.125	0.125	0.125	0.125	0.125
MAPS for kids (1)	0.000	0.000	0.000	0.000	0.000	0.000	1.000	1.000	1.000	1.000
MAPS3 (1)	1.000	1.000	1.000	1.000	1.000	0.000	0.000	0.000	0.000	0.000
Sports facility (1)	<u>0.000</u>	<u>0.000</u>	<u>0.000</u>	<u>0.000</u>	<u>0.000</u>	<u>1.000</u>	<u>0.000</u>	<u>0.000</u>	<u>0.000</u>	<u>0.000</u>
Oklahoma City (2)	<u>3.875</u>	<u>3.875</u>	<u>3.875</u>	<u>3.875</u>	<u>3.875</u>	<u>3.875</u>	<u>3.875</u>	<u>3.875</u>	<u>3.875</u>	<u>3.875</u>
State of Oklahoma (3)	<u>4.500</u>	<u>4.500</u>	<u>4.500</u>	<u>4.500</u>	<u>4.500</u>	<u>4.500</u>	<u>4.500</u>	<u>4.500</u>	<u>4.500</u>	<u>4.500</u>
Total	<u>8.375%</u>	<u>8.375%</u>	<u>8.375%</u>	<u>8.375%</u>	<u>8.375%</u>	<u>8.375%</u>	<u>8.375%</u>	<u>8.375%</u>	<u>8.375%</u>	<u>8.375%</u>

(1) Temporary sales taxes (see notes to table 5).

(2) The source for the Oklahoma City sales tax rates is the City of Oklahoma City Annual Budget. Oklahoma City sales tax increases must be approved by voters.

(3) The source for other sales tax rates is the State of Oklahoma Tax Commission.

(4) Certain counties in which Oklahoma City is located also levy an additional sales tax. These counties also with their rates are as follows: Cleveland 0.25%, Canadian 0.35% Pottawatomie 1.0%

TAXABLE SALES BY CATEGORY (1)

TABLE 7

Last Ten Fiscal Years

(dollars are in thousands)

	Fiscal Year										
	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005	
Retail:											
General merchandise	\$50,733	12.21%	\$51,565	\$49,806	\$48,655	\$47,995	\$50,261	\$50,409	\$49,909	\$49,565	\$47,789
Building materials and lawn & garden	33,017	7.94	28,034	24,146	28,431	21,592	23,987	23,490	22,853	23,433	22,353
Food stores	26,031	6.26	26,043	24,437	22,320	19,203	18,792	17,483	16,568	15,804	16,937
Apparel & accessories	22,470	5.41	18,629	17,002	14,159	13,166	13,338	13,629	13,429	12,374	11,885
Auto parts & supplies	11,283	2.71	12,397	11,374	10,236	9,091	10,180	10,530	10,401	9,619	9,239
Electronics & appliances (2)	18,776	4.52	-	-	-	-	-	-	-	-	-
Furniture & home (2)	11,630	2.80	26,662	25,827	25,637	22,524	24,792	25,535	24,899	22,510	21,340
Miscellaneous retail (2)	13,863	3.34	39,069	36,606	33,259	31,218	32,630	32,319	32,765	27,147	27,299
Sporting goods & hobby stores (2)	9,527	2.29	-	-	-	-	-	-	-	-	-
Pharmacies & health stores (2)	8,375	2.02	-	-	-	-	-	-	-	-	-
Convenient stores (2)	4,537	1.09	-	-	-	-	-	-	-	-	-
Direct sales (2)	1,347	0.32	-	-	-	-	-	-	-	-	-
Accommodations & Food:											
Hotels & motels	10,040	2.42	9,680	8,893	8,571	7,611	8,263	8,016	7,015	6,135	5,959
Eating & drinking establishments	51,740	12.45	50,586	46,829	43,743	39,831	40,868	39,721	37,171	35,722	32,660
Services	45,393	10.92	47,684	47,949	47,840	44,243	45,982	45,918	43,633	41,052	40,338
Wholesale trade	41,488	9.98	41,529	42,819	37,560	27,970	36,835	36,303	33,295	29,739	26,127
Public utilities	28,741	6.92	28,008	28,579	26,478	27,173	27,040	24,571	25,802	25,112	20,914
Manufacturing	18,362	4.42	18,283	16,406	13,814	11,792	14,078	13,871	11,854	11,585	9,408
All other categories	<u>8,252</u>	<u>1.99</u>	<u>6,691</u>	<u>7,417</u>	<u>6,630</u>	<u>3,811</u>	<u>5,622</u>	<u>6,176</u>	<u>5,051</u>	<u>6,370</u>	<u>3,748</u>
	<u>\$415,605</u>	<u>100.00%</u>	<u>\$404,860</u>	<u>\$388,090</u>	<u>\$367,333</u>	<u>\$327,220</u>	<u>\$352,668</u>	<u>\$347,971</u>	<u>\$334,645</u>	<u>\$316,167</u>	<u>\$295,996</u>

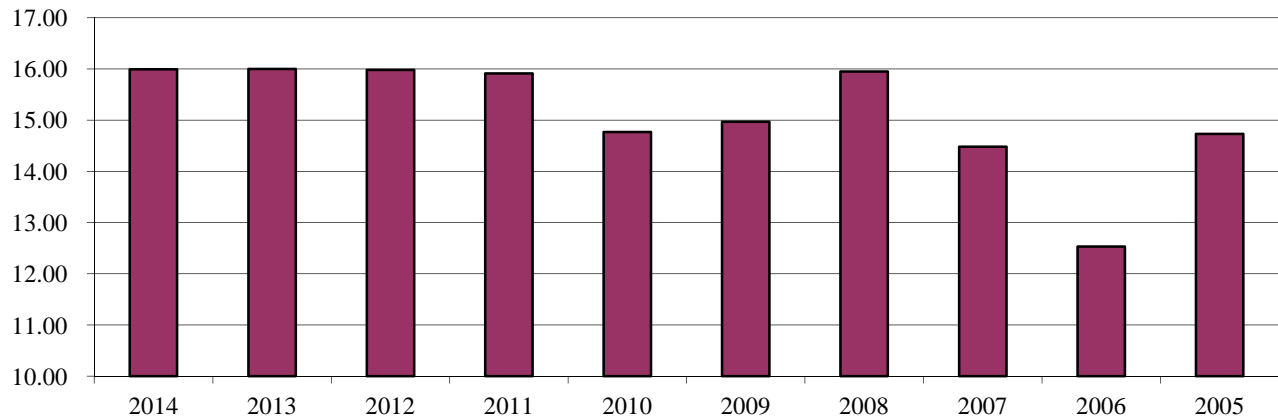
(1) The source for taxable sales by category is the Oklahoma Tax Commission. The City is prohibited by law from reporting individual sales taxpayers.

(2) In 2014, the table was reformatted to conform to the current data format. Prior to 2014, electronics and appliances were reported with furniture and home and miscellaneous retail included sporting goods & hobby stores, pharmacies & health stores, convenience stores, and direct sales.

**TAXABLE ASSESSED VALUE AND ESTIMATED FAIR
MARKET (ACTUAL) VALUE OF PROPERTY (1)**
June 30, 2014
(dollars are in thousands)

CITY OF OKLAHOMA CITY, OKLAHOMA
TABLE 8

Oklahoma City Tax Rates Per \$1,000 of Net Valuation



Fiscal Year	Real Property	Personal Property	Public Service Property	Less Tax Exempt Property	Total Taxable Assessed Value	Estimated Fair Market Value of	City Property Tax Rate (3)
						City Taxable Property (2)	
2014	\$3,954,590	\$824,248	\$265,482	\$125,794	\$4,918,526	\$41,963,614	15.99
2013	3,789,765	779,897	335,269	124,599	4,780,332	40,458,929	16.00
2012	3,682,904	741,028	354,531	123,272	4,655,191	39,301,143	15.98
2011	3,571,276	728,731	337,232	120,792	4,516,447	38,143,749	15.91
2010	3,435,800	742,922	344,152	115,543	4,407,331	37,093,359	14.77
2009	3,264,719	667,971	332,611	113,845	4,151,456	34,957,908	14.97
2008	3,028,840	631,729	352,063	111,641	3,900,991	32,655,141	15.95
2007	2,785,193	619,684	407,247	109,950	3,702,174	30,609,446	14.48
2006	2,531,790	594,479	433,662	98,730	3,461,201	28,340,075	12.53
2005	2,336,794	579,680	329,367	97,797	3,148,044	25,936,521	14.73

(1) Property taxes are collected for the City of Oklahoma City (City) by four counties: Pottawatomie, Canadian, Cleveland, and Oklahoma. The determination of the net assessed valuation is made annually by each County. The source of property value information and conversion factors were provided by the Oklahoma County Assessor's Office.

(2) The relationship (%) of total taxable assessed value to estimated fair market value is shown below:

Fiscal Year	Real	Personal	Public
	Estate	Property	Service Property
2014	11.0%	13.75%	22.85%
2013	11.0	13.75	22.85
2012	11.0	13.75	22.85
2011	11.0	13.75	22.85
2010	11.0	13.75	22.85
2009	11.0	13.75	22.85
2008	11.0	13.75	22.85
2007	11.0	13.75	22.85
2006	11.0	13.75	22.85
2005	11.0	14.00	22.85

(3) The City property tax rate is per \$1,000 of assessed value. Voter approval is required to increase property tax rates. City property tax is levied to service general obligation debt.

POTTAWATOMIE COUNTY

<u>Fiscal Year</u>	<u>Oklahoma City</u>	<u>Pottawatomie County</u>	<u>McLoud Schools</u>	<u>Gordon Cooper Vo-Tech</u>
2014	15.99	22.81	50.73	15.18
2013	16.00	22.81	51.34	15.18
2012	15.98	22.81	46.95	15.18
2011	15.91	22.81	47.69	15.18
2010	14.77	22.81	52.75	15.18
2009	14.97	22.81	50.14	15.18
2008	15.95	20.81	49.83	15.18
2007	14.48	20.81	50.77	15.18
2006	12.53	20.81	51.71	15.18
2005	14.73	20.81	53.15	15.18

CANADIAN COUNTY

<u>Fiscal Year</u>	<u>Oklahoma City</u>	<u>Canadian County</u>	<u>Banner Schools</u>	<u>Mustang Schools</u>	<u>Piedmont Schools</u>	<u>Union City Schools</u>	<u>Yukon Schools</u>
2014	15.99	16.11	41.28	66.30	74.08	56.11	70.79
2013	16.00	16.11	41.28	65.25	76.15	55.67	70.16
2012	15.98	16.11	43.51	65.07	73.71	55.64	71.34
2011	15.91	16.11	43.37	65.20	72.18	61.50	71.38
2010	14.77	16.11	43.64	66.47	73.01	61.33	68.79
2009	14.97	16.11	44.38	66.96	73.54	62.10	68.52
2008	15.95	16.11	44.57	66.80	74.51	55.34	68.40
2007	14.48	16.11	41.28	67.34	69.75	64.02	67.65
2006	12.53	16.11	41.28	58.58	61.29	54.93	66.96
2005	14.73	16.11	41.28	64.40	63.01	64.88	66.59

- (1) The source for property tax rates of all Oklahoma jurisdictions is the Oklahoma State Board of Equalization. Also, see Notes to Table 8.
 (2) Total tax rate for a location may be determined by adding the tax rate for the appropriate school district to the rate for Oklahoma City and the County.

CLEVELAND COUNTY

Fiscal Year	Oklahoma City	Cleveland County	Little Axe Schools	McLoud Schools	Midwest City Schools	Moore Schools	Mustang Schools
2014	15.99	23.07	65.29	50.73	64.96	69.39	66.30
2013	16.00	23.07	63.86	51.34	66.55	66.23	65.25
2012	15.98	23.07	55.44	46.95	64.64	64.66	65.07
2011	15.91	23.07	64.15	47.69	65.60	66.24	65.20
2010	14.77	23.07	65.65	52.75	65.83	67.86	66.47
2009	14.97	23.07	54.33	50.14	65.05	67.11	66.96
2008	15.95	21.07	57.31	49.83	64.31	68.19	66.80
2007	14.48	21.07	60.15	50.77	62.79	60.52	67.34
2006	12.53	21.07	60.18	51.71	59.96	60.83	58.58
2005	14.73	21.07	62.96	53.15	61.11	57.72	64.40

Fiscal Year	Norman Schools	Robin Hill Schools	Rose State College	Moore-Norman Vo-Tech	Gordon Cooper Vo-Tech
2014	66.41	67.04	17.02	15.38	15.18
2013	67.05	70.12	17.10	14.38	15.18
2012	67.02	70.15	17.18	14.38	15.18
2011	66.15	52.78	17.32	14.38	15.18
2010	66.41	59.16	17.40	14.38	15.18
2009	65.42	61.72	17.30	14.38	15.18
2008	67.08	61.36	17.67	14.38	15.18
2007	62.80	65.43	18.29	14.38	15.18
2006	62.03	65.53	16.35	14.38	15.18
2005	65.55	60.55	16.50	14.38	15.18

(1) The source for property tax rates of all Oklahoma jurisdictions is the Oklahoma State Board of Equalization. Also, see Notes to Table 8.

(2) Total tax rate for a location may be determined by adding the tax rate for the appropriate school district to the rate for Oklahoma City and the County.

OKLAHOMA COUNTY

Fiscal Year	Oklahoma City	Oklahoma County	Oklahoma City Schools	Choctaw Schools	Crooked Oak Schools	Crutcho Schools	Deer Creek Schools	Edmond Schools	Harrah Schools
2014	15.99	23.87	60.39	76.19	62.61	59.95	75.84	66.25	51.04
2013	16.00	23.97	59.29	72.49	64.28	63.87	78.68	66.47	63.60
2012	15.98	24.06	62.09	70.22	65.84	62.01	78.09	66.28	61.01
2011	15.91	24.27	58.70	69.41	65.10	64.02	74.52	66.96	59.99
2010	14.77	25.05	58.43	68.50	67.40	46.96	77.67	66.66	61.11
2009	14.97	23.18	52.48	66.66	57.90	48.14	76.08	66.23	57.60
2008	15.95	22.29	56.73	63.11	64.17	48.14	73.05	66.35	58.56
2007	14.48	22.81	57.07	62.60	65.37	47.56	74.19	65.86	56.07
2006	12.53	22.99	58.02	62.33	66.73	48.60	75.92	65.95	57.08
2005	14.73	22.99	57.84	61.33	66.85	46.68	74.75	66.51	58.36

Midwest

Fiscal Year	Jones Schools	Luther Schools	McLoud Schools	Midwest City Schools	Millwood Schools	Moore Schools	Mustang Schools	Oakdale Schools	Piedmont Schools
2014	67.69	55.44	50.73	64.96	55.19	69.39	66.30	67.41	74.08
2013	67.98	53.49	51.34	66.55	55.41	66.23	65.25	65.24	76.15
2012	63.42	53.51	46.95	64.64	56.98	64.66	65.07	66.41	73.71
2011	65.26	55.45	47.69	65.60	56.80	66.24	65.20	68.42	72.18
2010	60.50	55.46	52.75	65.83	58.81	67.86	66.47	67.22	73.01
2009	64.30	56.19	50.14	65.05	59.55	67.11	66.96	59.52	73.54
2008	52.11	57.55	49.83	64.31	55.18	68.19	66.80	61.52	74.51
2007	58.15	44.08	50.77	62.79	57.54	60.52	67.34	59.96	69.75
2006	59.90	44.58	51.71	59.96	56.79	60.83	58.58	60.07	61.29
2005	55.40	46.70	53.15	61.11	55.59	57.72	64.40	62.93	63.01

Fiscal Year	Putnam City Schools	Western Heights Schools	Oklahoma City Community College	Rose State College	Eastern Oklahoma County Vo-Tech	Francis Tuttle Vo-Tech	Metro-Tech Vo-Tech	Moore-Norman Vo-Tech	Gordon Cooper Vo-Tech
2014	62.99	64.17	5.08	17.02	16.15	15.69	15.45	15.38	15.18
2013	61.64	60.07	5.08	17.10	16.15	15.69	15.00	14.38	15.18
2012	62.43	62.28	5.08	17.18	16.16	15.69	15.45	14.38	15.18
2011	61.20	61.57	5.08	17.32	16.20	15.69	15.45	14.38	15.18
2010	61.52	63.53	5.08	17.40	16.09	15.46	15.45	14.38	15.18
2009	60.72	57.92	5.08	17.30	16.24	15.69	15.45	14.38	15.18
2008	56.90	60.48	5.08	17.67	16.30	15.69	15.45	14.38	15.18
2007	55.96	59.52	5.08	18.29	16.41	15.69	15.45	14.38	15.18
2006	55.14	59.98	5.08	16.35	16.43	15.69	15.45	14.38	15.18
2005	55.71	60.12	5.08	16.50	16.53	15.69	15.45	14.38	15.18

(1) The source for property tax rates of all Oklahoma jurisdictions is the Oklahoma State Board of Equalization. Also, see Notes to Table 8.
(2) Total tax rate for a location may be determined by adding the tax rate for the appropriate school district to the rate for Oklahoma City and Oklahoma County.

PRINCIPAL PROPERTY TAXPAYERS
June 30, 2014
(dollars are in thousands)

CITY OF OKLAHOMA CITY, OKLAHOMA
TABLE 10

Fiscal Year					
2014			2005		
Principal Taxpayers	Taxable Assessed Value (1)	Percentage of Total City Taxable Assessed Property Value	Principal Taxpayers	Taxable Assessed Value (1)	Percentage of Total City Taxable Assessed Property Value
	OG&E	\$185,825		3.78%	Southwestern Bell Telephone Company
Devon Headquarters LLC	53,564	1.09	OG&E	102,229	3.25
Oklahoma Natural Gas Co.	36,380	0.74	Redbud Energy	56,919	1.81
Hobby Lobby Stores Inc.	32,428	0.66	General Motors Corporation	53,122	1.69
Southwestern Bell	28,446	0.58	Oklahoma Natural Gas Co.	28,827	0.92
Quad Graphics Inc.	27,515	0.56	Cox Oklahoma Telecom, LLC.	24,218	0.77
Chesapeake Land Company LLC	15,845	0.32	AT&T	16,875	0.54
Cox Com Inc.	14,663	0.30	AT&T Wireless Services, Inc.	16,734	0.53
OU Medical Center	13,837	0.28	Southwestern Bell Wireless	15,416	0.49
Penn Square LLC	11,214	0.23	Hertz Car Rental	14,960	0.48
	<u>\$419,717</u>	<u>8.54%</u>		<u>\$434,525</u>	<u>13.82%</u>
Total Assessed Valuation	<u>\$5,044,320</u>		Total Assessed Valuation	<u>\$3,245,841</u>	
Taxable Assessed Value	<u>\$4,918,526</u>		Taxable Assessed Value	<u>\$3,148,044</u>	

(1) The source for property value information is the Oklahoma County Assessor's Office. Total Assessed Value represents amounts assessed in August 2013 and 2003 for amounts recognized in fiscal year 2014 and 2004.

PROPERTY TAX LEVIES AND COLLECTIONS
Last Ten Fiscal Years
(dollars are in thousands)

TABLE 11

Fiscal Year	Tax Levied for the Fiscal Year (1)	Collection within the Fiscal Year of the Levy (2)		Collections in Subsequent Years (2)	Total Collections to Date	
		Amount	Percent of Levy		Amount	Percent of Levy
2014	\$78,664	\$75,333	95.8%	\$ -	\$75,333	95.8%
2013	76,478	73,322	95.9	1,183	74,505	97.4
2012	74,379	70,893	95.3	3,049	73,942	99.4
2011	71,850	68,114	94.8	2,595	70,709	98.4
2010	65,113	61,804	94.9	2,616	64,420	98.9
2009	62,150	59,411	95.6	2,329	61,740	99.3
2008	62,229	59,557	95.7	2,534	62,091	99.8
2007	53,602	49,611	92.6	3,145	52,756	98.4
2006	43,366	39,296	90.6	3,549	42,845	98.8
2005	46,360	43,396	93.6	1,863	45,259	97.6

(1) The source for this information is the Oklahoma City Statements of Debt Service Fund and Requirements from Ad Valorem Tax Levy for respective fiscal years.
(2) The sources for this information are the respective County property tax collections for Oklahoma City (see Table 9).

**PRIMARY GOVERNMENT
PRINCIPAL PROPERTY TAXPAYERS
RATIOS OF OUTSTANDING DEBT BY TYPE
June 30, 2014
(dollars are in thousands)**

**CITY OF OKLAHOMA CITY, OKLAHOMA
TABLE 12**

<i>Governmental Activities</i>						
Fiscal Year	Governmental Funds			Internal Service Funds		Total Governmental Activities
	General Obligation Bonds	Lease Obligations	Notes Payable	Revenue Bonds	Lease Obligations	
2014	\$663,575	\$428	\$4,458	\$ -	\$65	\$668,526
2013	599,460	506	4,790	-	70	604,826
2012	553,445	299	5,077	-	39	558,860
2011	565,670	8	7,256	-	50	572,984
2010	561,740	111	12,256	-	13	574,120
2009	505,780	287	11,487	-	20	517,574
2008	495,015	332	44,580	1,000	29	540,956
2007	460,555	163	14,504	1,950	90	477,262
2006	418,865	248	15,378	2,850	147	437,488
2005	367,210	411	236	3,705	137	371,699

<i>Business-Type Activities</i>						
Fiscal Year	Revenue Bonds (1)	Lease Obligations	Total Business-type Activities	Total Primary Government (2)	Percent of Personal Income (3)	Per Capita
2014	\$94,085	\$347	\$94,432	\$762,958	1.36%	\$1,249
2013	98,480	374	98,854	703,680	1.32	1,183
2012	554,032	1,066	555,098	1,113,958	2.31	1,898
2011	577,475	1,999	579,474	1,152,458	2.50	1,987
2010	543,114	3,598	546,712	1,120,832	2.26	2,001
2009	507,000	4,729	511,729	1,029,303	2.28	1,878
2008	485,981	5,822	491,803	1,032,759	2.34	1,864
2007	493,962	508	494,470	971,732	2.44	1,776
2006	502,413	525	502,938	940,426	2.55	1,738
2005	521,806	1,656	523,462	895,161	2.59	1,683

- (1) Beginning in 2013, revenue bonds do not include outstanding bonds for OCWUT and MCA which have been reclassified from business-type activities to component units.
- (2) Outstanding debt balances shown in the table include the current portion reported as current liabilities in the financial statements and exclude advances, compensated absences, net other post-employment benefit obligation, estimated claims payable, commercial paper, and estimated rebatable arbitrage. Therefore, the total primary government amount will not tie to the financial statements.
- (3) Personal income and population data are available on Table 17.

**RATIOS OF GENERAL BONDED DEBT TO TAXABLE
ASSESSED AND ESTIMATED FAIR MARKET (ACTUAL)
VALUES AND BONDED DEBT PER CAPITA
June 30, 2014
(dollars are in thousands)**

**CITY OF OKLAHOMA CITY, OKLAHOMA
TABLE 13**

<u>Fiscal Year</u>	<u>General Obligation Bonded Debt</u>	<u>Net Bonded Debt (1)</u>	<u>Net Assessed Valuation</u>	<u>Ratio of Net Bonded Debt to Net Assessed Valuation</u>
2014	\$663,575	\$615,715	\$4,918,526	12.5
2013	599,460	556,390	4,780,332	11.6
2012	553,445	509,460	4,655,191	10.9
2011	565,670	521,260	4,516,447	11.5
2010	561,740	522,670	4,407,331	11.9
2009	505,780	468,320	4,151,456	11.3
2008	495,015	458,295	3,900,991	11.7
2007	460,555	427,455	3,702,174	11.5
2006	418,865	388,555	3,461,201	11.2
2005	367,210	338,865	3,148,044	10.8

<u>Fiscal Year</u>	<u>Estimated Fair Market Value of City Taxable Property (2)</u>	<u>Ratio of Net Bonded Debt to Estimated Fair Market Value of City Taxable Property</u>	<u>Estimated Population (in thousands) (3)</u>	<u>Per Capita Bonded Debt</u>	<u>Per Capita Net Bonded Debt</u>
2014	\$41,963,614	1.6	611	\$1,086	\$1,008
2013	40,458,929	1.5	595	1,007	935
2012	39,301,143	1.4	587	943	868
2011	38,143,749	1.5	580	975	899
2010	37,093,359	1.5	560	1,003	933
2009	34,957,908	1.4	548	923	855
2008	32,655,141	1.5	554	894	827
2007	30,609,446	1.5	547	842	781
2006	28,340,075	1.5	541	774	718
2005	25,936,521	1.4	532	690	637

(1) See Tables 4 and 12 for information regarding changes in City debt levels and notes to Table 14 for discussion of restricted reserves.

(2) The source of this information is the Oklahoma County Assessor's Office.

(3) Population estimates are obtained from the Oklahoma Employment Security Commission, Oklahoma Department of Commerce, and the U.S. Census Bureau.

DIRECT AND OVERLAPPING DEBT (1)
June 30, 2014
(dollars are in thousands)

CITY OF OKLAHOMA CITY, OKLAHOMA
TABLE 14

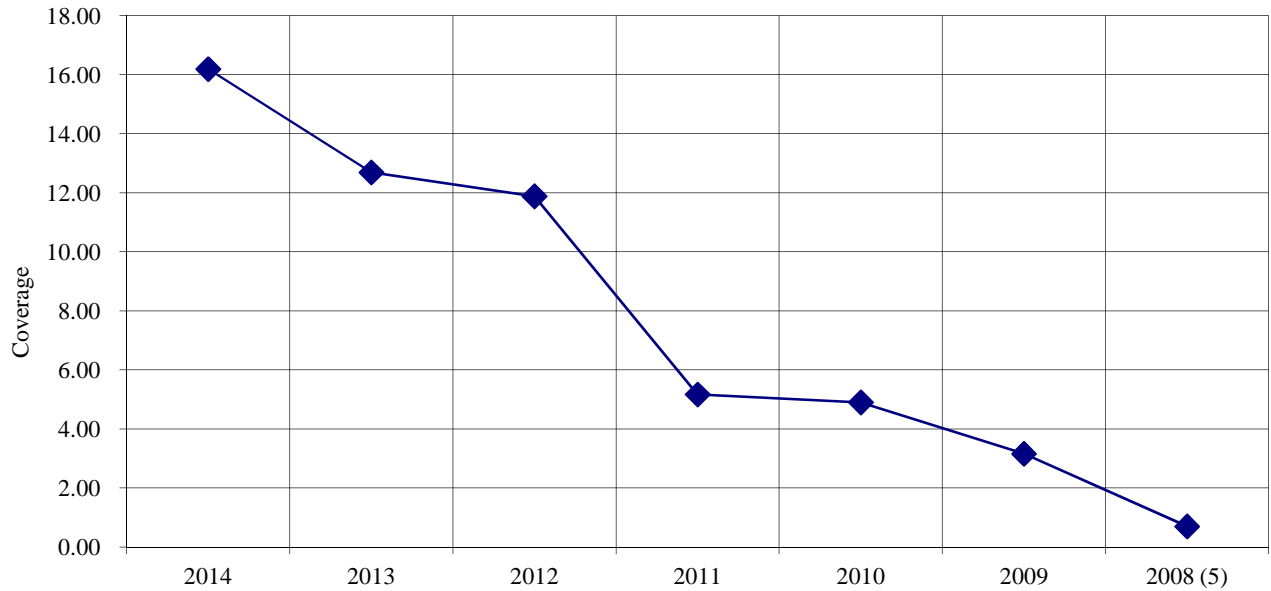
	Net Governmental Activities Debt Outstanding (2)(3)	Percentage Applicable to Oklahoma City (4)	Amount Applicable to Oklahoma City
Banner Schools	\$ -	15.23%	\$ -
Canadian County	-	38.98	-
Choctaw Schools	18,408	12.48	2,297
Cleveland County	-	25.22	-
Crooked Oak Schools	1,200	100.00	1,200
Crutcho Schools	650	4.86	32
Deer Creek Schools	9,650	64.77	6,250
Eastern Oklahoma County Vo-Tech	456	13.78	63
Edmond Schools	89,665	40.00	35,866
Francis Tuttle Vo-tech	-	61.40	-
Harrah Schools	1,875	4.94	93
Jones Schools	860	35.31	304
Little Axe Schools	470	20.07	94
Luther Schools	985	5.15	51
McLoud Schools	1,431	34.18	489
Midwest City Schools	26,050	39.85	10,381
Millwood Schools	565	89.75	507
Moore Schools	54,775	54.76	29,995
Mustang Schools	27,792	79.49	22,092
Norman Schools	52,725	0.00	-
Oakdale Schools	4,950	99.62	4,931
Oklahoma City Schools	118,618	86.50	102,605
Oklahoma County	59,708	64.88	38,739
Piedmont Schools	8,905	35.70	3,179
Putnam City Schools	53,250	85.50	45,529
Robin Hill Schools	350	18.43	65
Rose State College	1,700	30.69	522
Union City Schools	1,000	1.92	19
Western Heights Schools	17,038	99.73	16,992
Yukon Schools	<u>19,750</u>	<u>34.96</u>	<u>6,905</u>
	572,826		329,200
Oklahoma City	<u>668,526</u>	100.00%	<u>668,526</u>
Total direct and overlapping debt	<u>\$1,241,352</u>		<u>\$997,726</u>

- (1) Other overlapping jurisdictions identified in Table 9 have no net debt for the period shown.
- (2) Net debt outstanding is the total outstanding debt less the reserves restricted for the repayment of principal in the Debt Service Fund. The outstanding debt balance and debt service fund restricted reserves used in this table are for the 2013-2014 tax year levy. Therefore, the net debt outstanding for the City of Oklahoma City (City) does not agree with the June 30, 2014, financial statements. Restricted reserves are created and accumulated through the property tax levy (per applicable Oklahoma Statutes) to insure that funds are on hand when debt service payments are due.
- (3) The source for bonded debt outstanding for jurisdictions other than Oklahoma City is the Oklahoma State Board of Equalization.
- (4) The percent applicable to Oklahoma City is determined by the School district's proportionate share of the total City assessed valuation as provided by the Oklahoma State Board of Equalization.

PLEDGED-REVENUE BOND COVERAGE
June 30, 2014
(dollars are in thousands)

CITY OF OKLAHOMA CITY, OKLAHOMA
TABLE 15
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OKLAHOMA CITY ENVIRONMENTAL ASSISTANCE TRUST - SOLID WASTE MANAGEMENT BONDS (1)



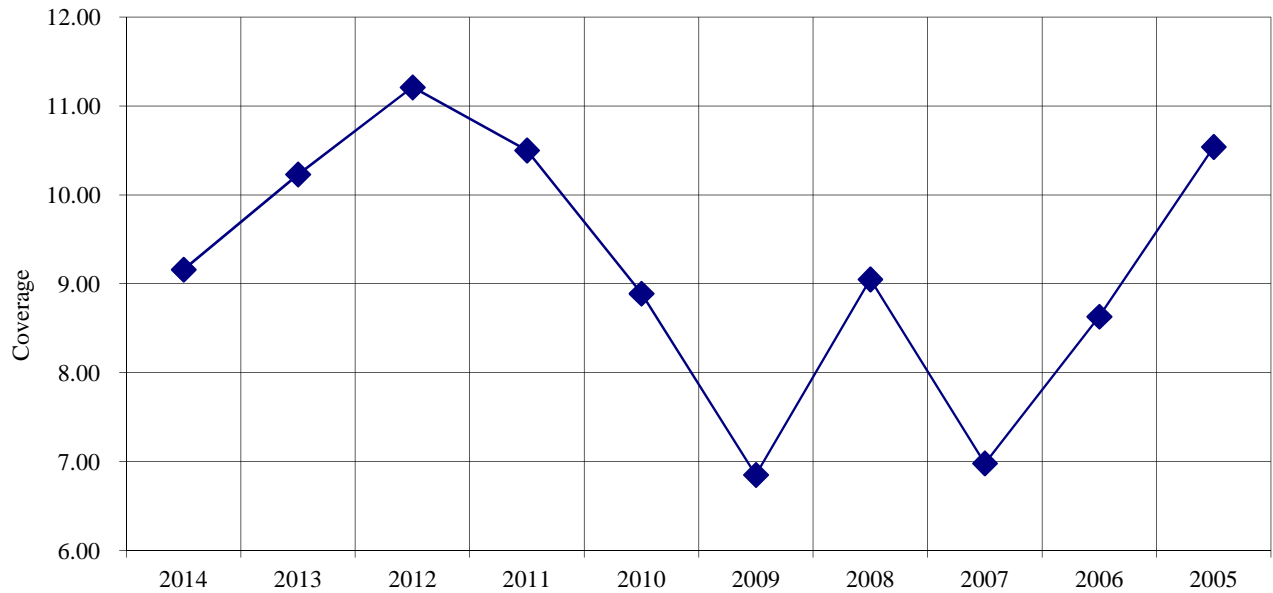
Fiscal Year	Gross Revenue (2)	Direct Expenses (3)	Net Revenue Available for Debt Service	Debt Service Requirements			Coverage (4)
				Principal	Interest	Total	
2014	\$46,197	\$38,551	\$7,646	\$360	\$112	\$472	16.19
2013	43,439	37,422	6,017	350	124	474	12.69
2012	41,282	35,613	5,669	340	137	477	11.88
2011	39,948	33,761	6,187	1,035	161	1,196	5.17
2010	38,272	32,383	5,889	1,005	196	1,201	4.90
2009	37,126	33,335	3,791	970	229	1,199	3.16
2008 (5)	32,529	31,682	847	940	259	1,199	0.70
2007	32,468	30,279	2,189	750	284	1,034	N/A
2006	31,541	28,009	3,532	-	93	93	N/A

- (1) Bonds were issued in fiscal year 2006. The City of Oklahoma City has no obligation for repayment of revenue bond debt. Repayment of debt is the responsibility of the Oklahoma City Environmental Assistance Trust.
- (2) Gross revenues include operating revenues, transfers and investment income.
- (3) Direct operating expenses include operating expenses less depreciation, amortization, and transfers to other funds. Costs paid from bond proceeds are not included with direct operating expenses.
- (4) The bond covenant coverage ratio is 1.20.
- (5) Gross revenues for 2008 have been restated for a prior error in presentation.

PLEGGED-REVENUE BOND COVERAGE
June 30, 2014
(dollars are in thousands)

CITY OF OKLAHOMA CITY, OKLAHOMA
TABLE 15
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OKLAHOMA CITY ZOOLOGICAL TRUST - ZOO BONDS (1)



Fiscal Year	Gross Revenue (2)	Direct Expenses (3)	Net Revenue Available for Debt Service	Debt Service Requirements			Coverage (4)
				Principal	Interest	Total	
2014	\$24,884	\$18,403	\$6,481	\$680	\$27	\$707	9.16
2013	24,562	17,325	7,237	680	27	707	10.23
2012	24,135	16,204	7,931	680	27	707	11.21
2011	22,301	14,875	7,426	680	27	707	10.50
2010	19,813	13,527	6,286	680	27	707	8.89
2009	20,054	15,208	4,846	680	27	707	6.85
2008	19,808	13,404	6,404	680	27	707	9.05
2007	18,356	13,420	4,936	680	27	707	6.98
2006	19,806	13,698	6,108	680	27	707	8.63
2005	19,805	12,347	7,458	680	27	707	10.54

(1) The City of Oklahoma City (City) has no obligation for repayment of revenue bond debt. Repayment of debt is the responsibility of the Oklahoma City Zoo Trust. The sales tax payments from the City are designated for the Zoo and pledged for repayment.

(2) Gross revenues include operating revenues, donations, investment income, and payments from the City. Gross revenues for 2009 have been restated for a prior error in presentation.

(3) Direct expenses include operating expenses less depreciation.

(4) Bond covenants requires maximum debt service paid in any year for covenants coverage compliance. The bond covenants coverage ratio is 1.25.

PLEDGED-REVENUE BOND COVERAGE

CITY OF OKLAHOMA CITY, OKLAHOMA

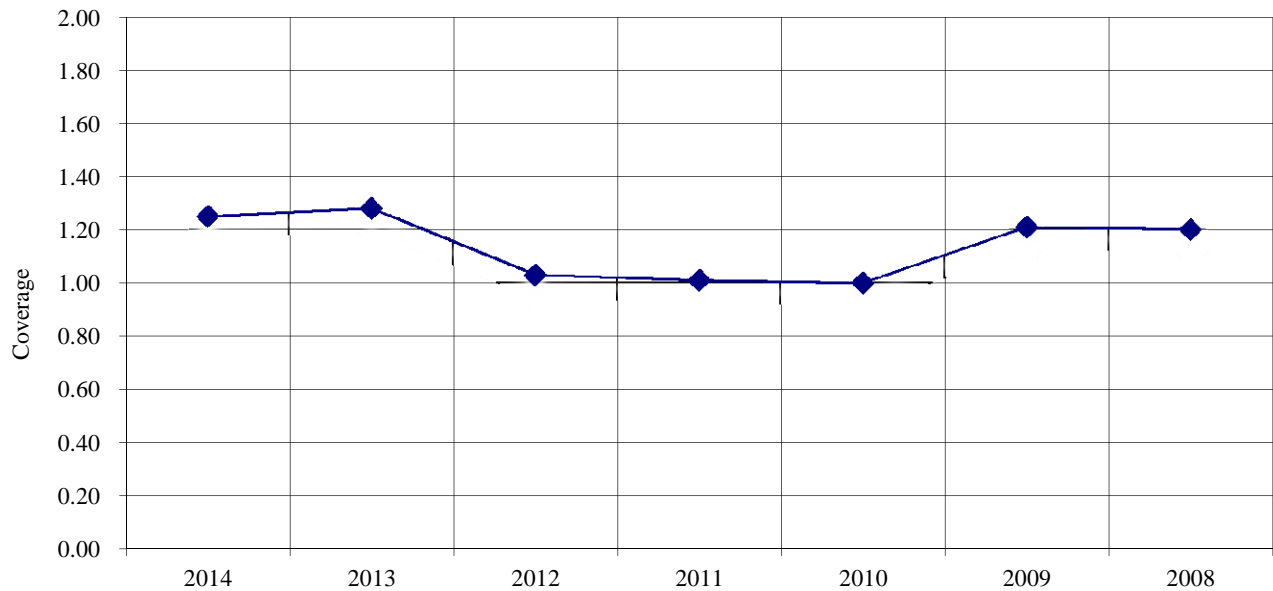
June 30, 2014

TABLE 15

(dollars are in thousands)

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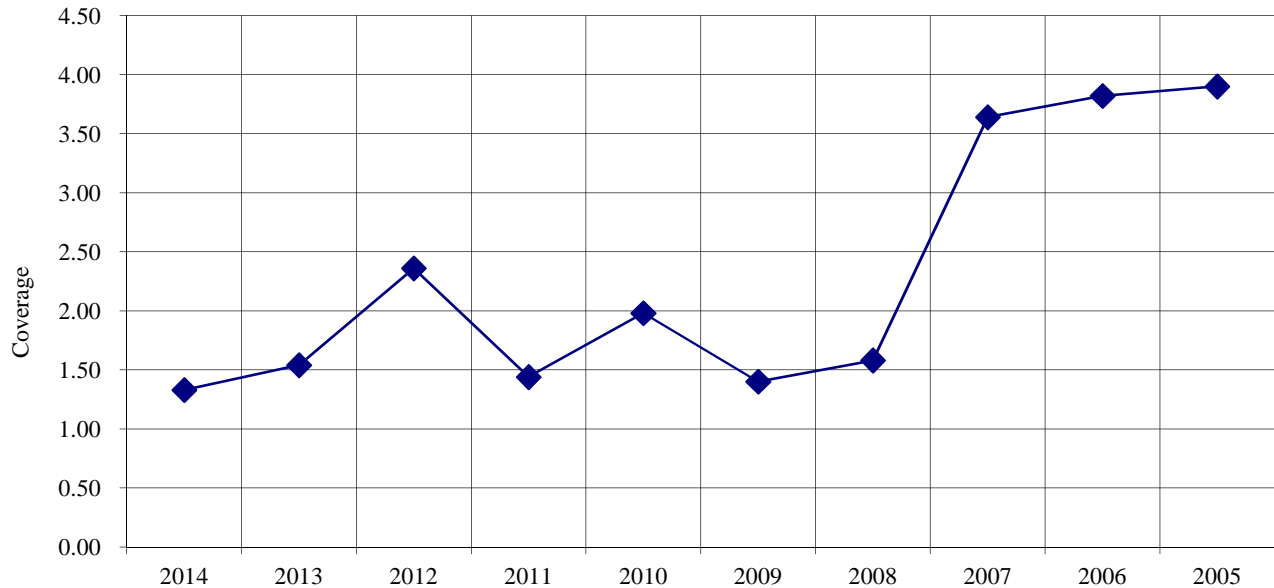
OKLAHOMA CITY PUBLIC PROPERTY AUTHORITY - FAIRGROUNDS 2005 AND 2007A BOND ISSUE (1)



Fiscal Year	Gross Revenue (2)	Direct Expenses (3)	Net Revenue Available for Debt Service	Debt Service Requirements			Coverage (4)
				Principal	Interest	Total	
2014	\$8,465	\$464	\$8,001	\$2,755	\$3,603	\$6,358	1.25
2013	7,530	123	7,407	2,045	3,697	5,742	1.28
2012	6,194	570	5,624	1,835	3,574	5,409	1.03
2011	5,287	7	5,280	1,745	3,476	5,221	1.01
2010	5,254	5	5,249	1,665	3,544	5,209	1.00
2009	5,203	78	5,125	630	3,590	4,220	1.21
2008	4,661	110	4,551	465	3,306	3,771	1.20
2007	4,951	97	4,854	-	2,745	2,745	N/A
2006	5,403	131	5,272	-	2,745	2,745	N/A
2005	1,105	32	1,073	-	-	-	N/A

- (1) Bonds were issued in fiscal years 2005 and 2008. The City has no obligation for repayment of revenue bond debt. Repayment of debt is the responsibility of the Oklahoma City Public Property Authority Fairgrounds. Transfers of hotel/motel tax revenues are pledged for repayment.
- (2) Gross revenues include operating revenues, transfers from other funds, and investment income.
- (3) Direct operating expenses include operating expenses less depreciation and transfers to other funds. Costs paid from bond proceeds are not included with direct operating expenses.
- (4) The bond covenants do not specify a coverage requirement.

OKLAHOMA CITY PUBLIC PROPERTY AUTHORITY - GOLF COURSE BONDS (1)



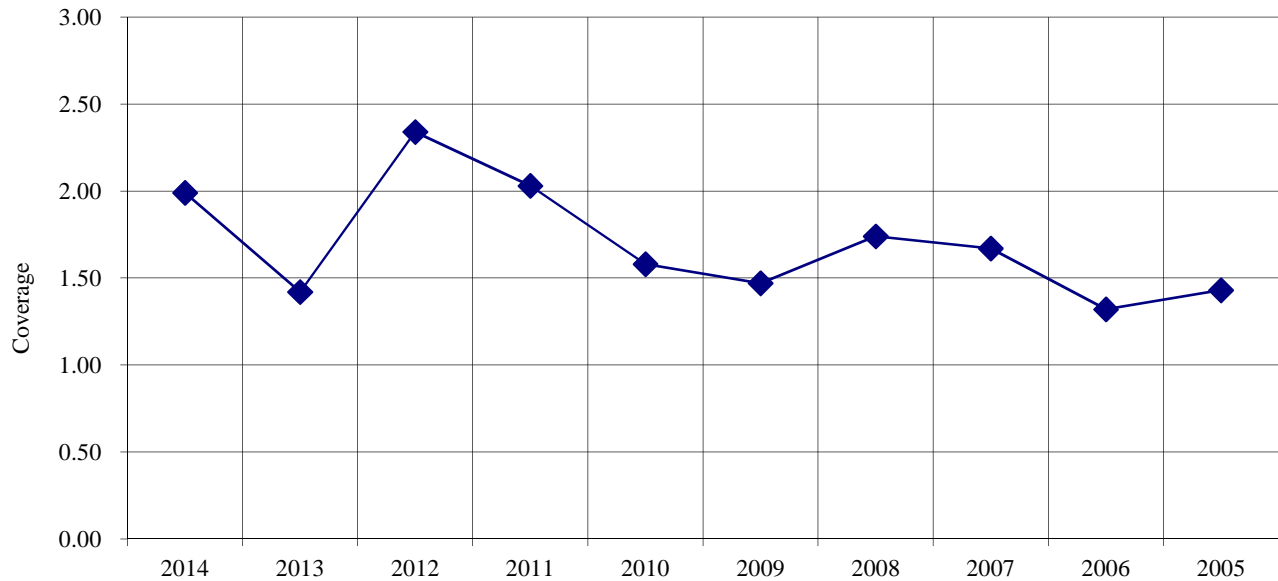
Fiscal Year	Gross Revenue (2)	Direct Expenses (3)	Net Revenue Available for Debt Service	Debt Service Coverage Requirements (4)			Coverage (5)
				Principal	Interest	Total	
2014	\$8,975	\$7,366	\$1,609	\$825	\$383	\$1,208	1.33
2013	9,802	7,930	1,872	825	383	1,208	1.54
2012	9,716	7,936	1,780	525	228	753	2.36
2011 (6)	9,021	7,650	1,371	310	638	948	1.44
2010	8,994	7,108	1,886	310	638	948	1.98
2009	9,331	8,001	1,330	310	638	948	1.40
2008	7,835	6,333	1,502	310	638	948	1.58
2007	9,329	5,876	3,453	310	638	948	3.64
2006	9,328	5,701	3,627	310	638	948	3.82
2005	9,327	5,629	3,698	310	638	948	3.90

- (1) Repayment of debt is the responsibility of the Oklahoma City Public Property Authority Golf Courses. The bonds are secured principally by revenues earned by the Golf Courses and by revenues pledged by the City under an agreement of support. The agreement provides for financial support from legally available funds of the City, as required.
- (2) Gross Revenues include operating revenues, investment income, other revenue, and transfers from other funds. Jimmy Stewart revenues are excluded.
- (3) Direct expenses include operating expenses less depreciation for all golf courses excluding Jimmy Stewart. Beginning fiscal 2012 direct expenses exclude OPEB expenses as the Golf Courses do not fund this cost. Beginning in 2010 direct expenses did not include chargebacks. Chargebacks are paid to the general fund and include administrative charges, risk management, and salaries.
- (4) Principal and interest is the maximum debt service paid in any year for bond covenant coverage calculations. The final term bond principal payment is not considered in determining the maximum debt service paid. Therefore, principal and interest will not correlate to annual bond payment amounts.
- (5) The bond covenants coverage ratio is 1.10.
- (6) 2011 has been restated.

PLEGGED-REVENUE BOND COVERAGE
June 30, 2014
(dollars are in thousands)

CITY OF OKLAHOMA CITY, OKLAHOMA
TABLE 15
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OKLAHOMA CITY AIRPORT TRUST - AIRPORT BONDS (1)



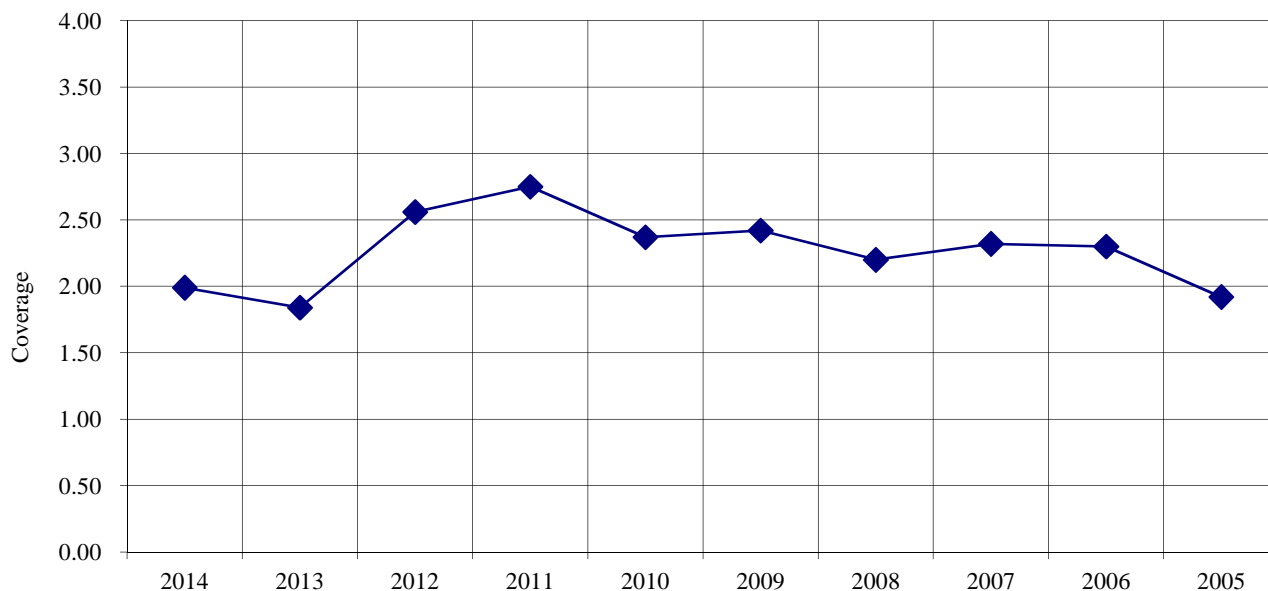
Fiscal Year	Gross Revenue (2)	Direct Expenses	Net Revenue Available for Debt Service	Debt Service Requirements			Coverage (5)				
							Senior Lien		Junior Lien		Combined (6)
							Gross	Net	Gross	Net	
2014 (7)	\$66,878	\$27,560	\$39,318	\$13,370	\$6,291	\$19,661	N/A	N/A	6.86	4.04	1.99
2013 (8)	62,714	26,733	35,981	19,215	6,087	25,302	11.47	6.08	5.47	2.94	1.42
2012	56,073	24,463	31,610	11,025	2,463	13,488	10.16	5.24	5.05	2.63	2.34
2011	57,370	23,090	34,280	11,370	5,510	16,880	9.41	5.19	4.52	2.51	2.03
2010	51,488	22,729	28,759	12,025	6,174	18,199	7.43	3.85	3.80	1.89	1.58
2009	51,584	22,718	28,866	12,700	6,879	19,579	7.26	3.64	3.42	1.70	1.47
2008	56,788	20,997	35,791	13,240	7,285	20,525	8.07	4.86	3.56	2.11	1.74
2007	54,168	20,358	33,810	12,420	7,708	20,128	7.65	4.55	3.47	2.03	1.67
2006	50,845	19,383	31,462	15,180	8,516	23,696	5.49	3.23	2.76	1.54	1.32
2005	48,094	17,462	30,632	13,675	7,613	21,288	4.92	2.99	3.13	1.78	1.43

- (1) The City of Oklahoma City has no obligation for repayment of revenue bond debt. The debt will be paid from revenues earned by the Oklahoma City Airport Trust and accumulated reserves required for certain senior lien debt.
- (2) Facility charge revenue is included in gross revenue, excluded to calculate senior lien coverage, then added back to calculate junior lien coverage.
- (3) Direct expenses include operating expenses and transfers to other funds less depreciation.
- (4) Interest requirements exclude interest paid from bond proceeds.
- (5) Senior lien and junior lien coverage ratios reflect the net coverage on junior lien debt after calculating debt service coverage on senior lien debt. Therefore, these coverage ratios will not calculate from the table. Gross coverage is calculated before operating expense. Combined coverage calculates by dividing net revenue available for debt service by total debt service requirements.
- (6) Combined bond coverage includes principal and interest requirements for all bonded debt.
- (7) Senior lien debt was fully repaid in 2013.
- (8) 2013 has been restated

PLEGGED-REVENUE BOND COVERAGE
June 30, 2014
(dollars are in thousands)

CITY OF OKLAHOMA CITY, OKLAHOMA
TABLE 15
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OKLAHOMA CITY WATER UTILITIES TRUST - WATER BONDS (1)



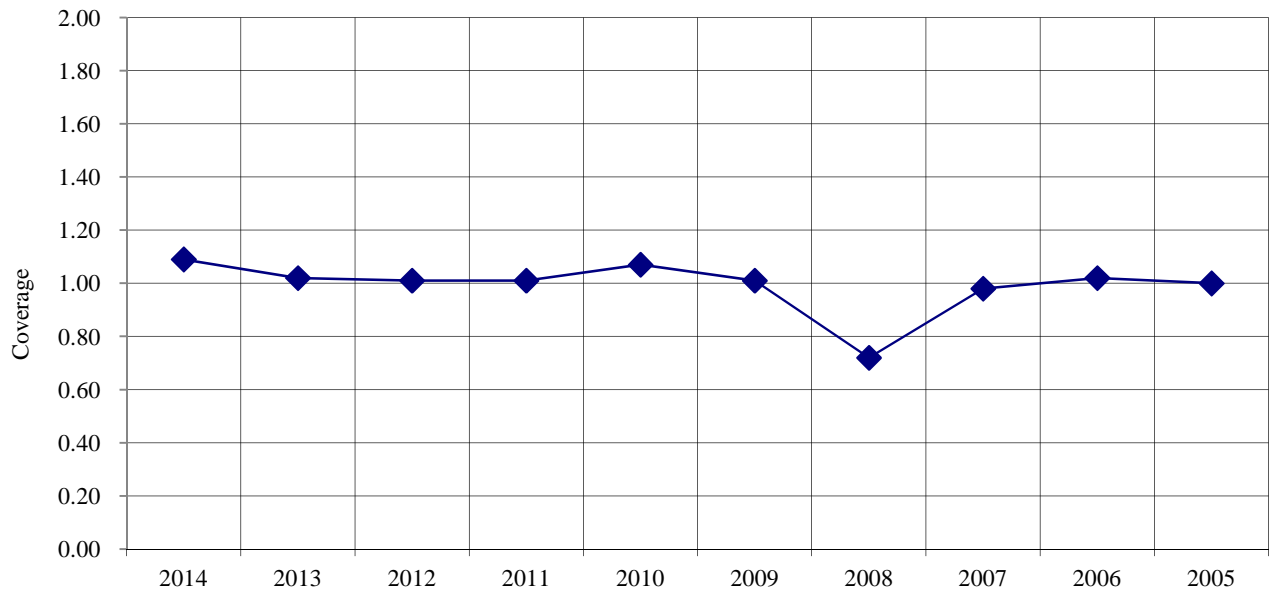
Fiscal Year	Gross Revenue (2)	Direct Expenses (3)	Net Revenue Available for Debt Service	Debt Service Requirements (4)			Coverage (5)
				Principal	Interest	Total	
2014	\$199,328	\$123,478	\$75,850	\$14,910	\$23,189	\$38,099	1.99
2013	192,715	122,240	70,475	14,910	23,188	38,098	1.84
2012	197,476	113,464	84,012	10,434	22,367	32,801	2.56
2011	190,075	99,749	90,326	10,434	22,367	32,801	2.75
2010	165,699	98,531	67,168	9,144	19,181	28,325	2.37
2009	152,868	91,675	61,193	9,385	15,890	25,275	2.42
2008 (6)	137,738	89,417	48,321	8,390	13,496	21,886	2.20
2007 (6)	135,200	84,300	50,900	8,390	13,496	21,886	2.32
2006 (6)	136,079	85,716	50,363	8,390	13,496	21,886	2.30
2005 (6)	119,794	77,682	42,112	8,390	13,496	21,886	1.92

- (1) The City of Oklahoma City has no obligation for repayment of revenue bond debt. The debt will be paid from revenues earned by Oklahoma City Water Utilities Trust.
- (2) Gross revenues include operating revenues, investment income, other revenue, and transfers from other funds.
- (3) Direct expenses include operating expenses and transfers out less depreciation and amortization.
- (4) Principal and interest is the maximum debt service paid in any year for bond covenant coverage calculations. Therefore, principal and interest will not correlate to annual bond payment amounts. Final year debt service reduced by reserves held to pay debt services in that year.
- (5) The bond covenants coverage ratio is 1.20.
- (6) Gross revenues and direct expenses have been restated.

PLEDGED-REVENUE BOND COVERAGE
June 30, 2014
(dollars are in thousands)

CITY OF OKLAHOMA CITY, OKLAHOMA
TABLE 15
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McGEE CREEK AUTHORITY - WATER BONDS (1)



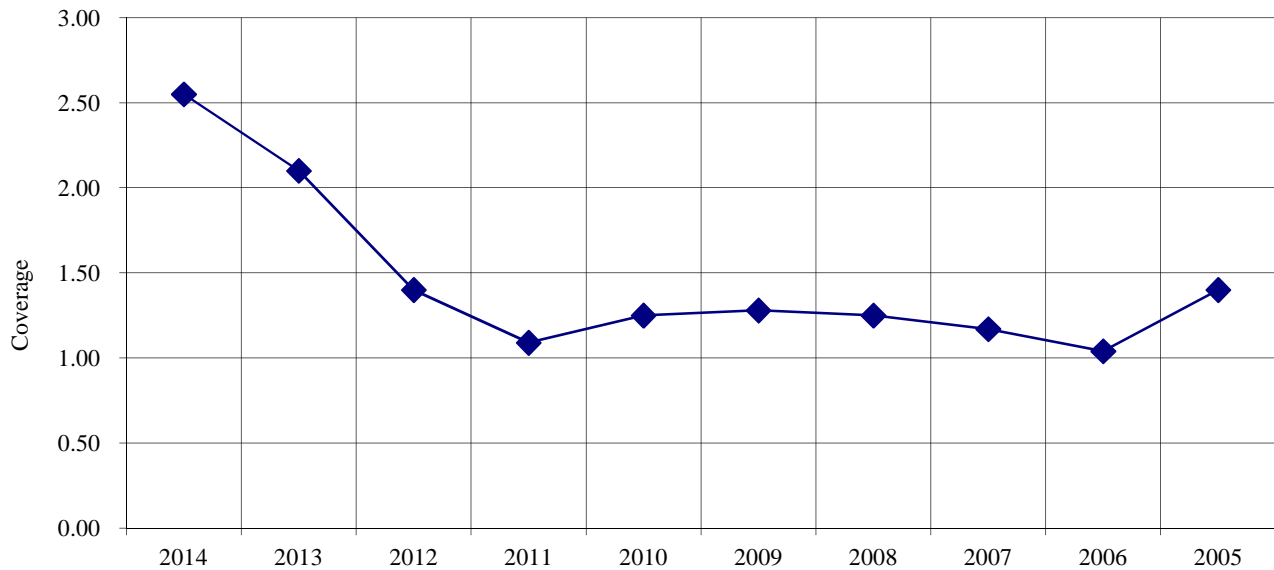
Fiscal Year	Gross Revenue (2)	Direct Expenses (3)	Net Revenue Available for Debt Service	Debt Service Requirements			Coverage (4)
				Principal	Interest	Total	
2014	\$7,962	\$673	\$7,289	\$3,715	\$2,937	\$6,652	1.09
2013	7,463	669	6,794	3,505	3,147	6,652	1.02
2012	7,384	644	6,740	3,305	3,345	6,650	1.01
2011	7,146	422	6,724	3,120	3,532	6,652	1.01
2010	7,545	393	7,152	2,940	3,709	6,649	1.07
2009	7,154	406	6,748	2,775	3,875	6,650	1.01
2008	5,025	197	4,828	2,615	4,032	6,647	0.72
2007	7,152	617	6,535	2,470	4,181	6,651	0.98
2006	7,151	324	6,827	2,330	4,318	6,648	1.02
2005	7,150	461	6,689	2,205	4,446	6,651	1.00

- (1) The City of Oklahoma City has no obligation for repayment of revenue bond debt. The debt is secured by an agreement of support between the Oklahoma City Water Utilities Trust and the McGee Creek Authority granting a security interest in Oklahoma City Water Utilities Trust gross revenues.
- (2) Gross revenues include operating revenues, investment income, other revenue, transfers from other funds, and excludes amounts receivable from Participants.
- (3) Direct expenses include operating expenses less depreciation and amortization.
- (4) The bond covenants coverage ratio is 1.00. Cash balances accumulated from transfers in prior fiscal years are used to meet July 1 interest payments. Taking into consideration these balances held in the principal and interest accounts, sufficient funds were available to meet debt service requirements.

PLEDGED-REVENUE BOND COVERAGE
June 30, 2014
(dollars are in thousands)

CITY OF OKLAHOMA CITY, OKLAHOMA
TABLE 15
page 8 of 9

CENTRAL OKLAHOMA TRANSPORTATION AND PARKING AUTHORITY - PARKING BONDS (1)



Fiscal Year	Gross Revenue (2)	Direct Expenses (3)	Net Revenue Available for Debt Service	Debt Service Requirements (4)			Coverage (5)
				Principal	Interest	Total	
2014	\$7,127	\$3,362	\$3,765	\$610	\$864	\$1,474	2.55
2013	6,219	3,112	3,107	610	864	1,474	2.10
2012	6,155	3,014	3,141	1,635	593	2,228	1.40
2011	7,143	2,954	4,189	2,421	1,417	3,838	1.09
2010	9,119	3,274	5,845	2,390	2,249	4,639	1.25
2009	9,107	3,172	5,935	2,260	2,350	4,610	1.28
2008	8,906	2,796	6,110	2,725	2,135	4,860	1.25
2007	8,542	3,106	5,436	1,870	2,748	4,618	1.17
2006	7,728	2,737	4,991	1,770	3,005	4,775	1.04
2005	7,509	2,624	4,885	1,685	1,780	3,465	1.40

- (1) Repayment of debt is the responsibility of the Central Oklahoma Transportation and Parking Authority (COTPA). The parking bonds are secured principally by net revenues of the parking system and revenues pledged by the City under an agreement of support. The agreement provides for financial support of COTPA's parking system from legally available funds of the City, as required.
- (2) Gross Revenues include operating revenues, investment income, other revenue, and payments and transfers from other funds.
- (3) Direct expenses include operating expenses less depreciation and transfers to Parking Enterprise.
- (4) In 2013, the bond indenture was amended. Principal and interest is the maximum debt service paid in any year for bond covenant coverage calculations. Therefore, principal and interest will not correlate to annual bond payment amounts. Final year debt service reduced by reserves held to pay debt services in that year.
- (5) The bond covenants coverage ratio is 1.00.

PLEDGED-REVENUE BOND COVERAGE
June 30, 2014
(dollars are in thousands)

CITY OF OKLAHOMA CITY, OKLAHOMA
TABLE 15
page 9 of 9

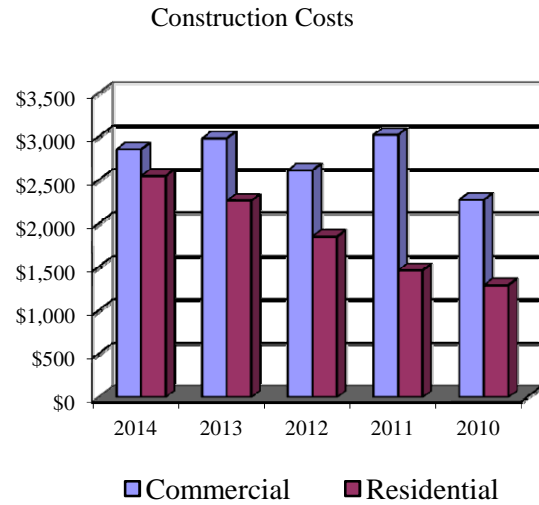
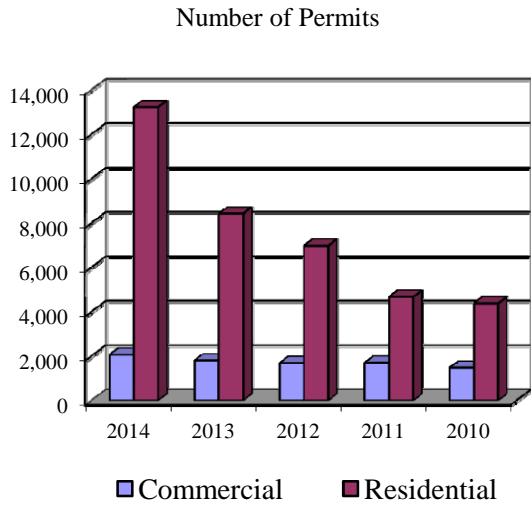
OKLAHOMA CITY ECONOMIC DEVELOPMENT TRUST - TAX APPORTIONMENT BONDS (1)

Fiscal Year	Gross Revenue (2)	Direct Expenses (3)	Net Revenue Available for Debt Service	Debt Service Requirements			Coverage (4)
				Principal	Interest	Total	
2014	\$17,128	\$6,300	\$10,828	\$9,535	\$477	\$10,012	1.08
2013	7,958	5,393	2,565	-	-	-	N/A

- (1) Repayment of debt is the responsibility of the Oklahoma City Economic Development Trust. The tax apportionment bonds are secured principally by revenues pledged by the City under an agreement of support. The agreement provides for financial support from legally available funds of the City, as required.
- (2) Gross Revenues include operating revenues, investment income, other revenue, and payments and transfers from other funds.
- (3) Direct expenses include operating expenses less depreciation and amortization.
- (4) The bond covenants coverage ratio is 1.05.

CONSTRUCTION PERMITS (1)
June 30, 2014
(dollars are in thousands)

CITY OF OKLAHOMA CITY, OKLAHOMA
TABLE 16



Fiscal Year	Commercial Construction		Residential Construction	
	Number of Permits	Construction Cost	Number of Permits	Construction Cost
2014	2,063	\$2,854	13,220	\$2,548
2013	1,803	2,981	8,424	2,264
2012	1,685	2,613	6,978	1,851
2011	1,700	3,022	4,672	1,461
2010	1,475	2,274	4,377	1,291
2009	1,537	2,332	3,695	1,098
2008	1,797	1,981	4,560	1,507
2007	1,851	1,860	5,423	1,596
2006	1,850	1,583	7,299	1,878
2005	1,817	1,404	7,242	1,796

(1) The source of this information is the City of Oklahoma City Public Works Department Annual Building Permit Report.

(2) This report has been adjusted in 2014 due to prior year numbers being reported incorrectly.

DEMOGRAPHIC STATISTICS
June 30, 2014
(dollars are in thousands)

CITY OF OKLAHOMA CITY, OKLAHOMA
TABLE 17

<u>Fiscal Year</u>	<u>Estimated Population (in thousands) (1)(2)</u>	<u>Personal Income (1)</u>	<u>Per Capita Personal Income (1)</u>	<u>Median Age (1)</u>	<u>Education Level in Years of Schooling (3)</u>	<u>Oklahoma City Public School District Enrollment (in thousands) (4)</u>	<u>Unemployment Rate (5)</u>
2014	611	\$56,197,416	\$43	34.6	85.0%	41	4.9
2013	595	53,223,054	40	34.9	84.8	43	5.2
2012	587	48,194,761	25	34.1	84.4	44	5.4
2011	580	46,093,925	39	34.0	85.4	42	5.9
2010	560	49,679,545	40	34.9	84.8	41	6.2
2009	548	45,206,671	40	34.9	83.9	42	4.8
2008	554	44,190,609	39	35.2	83.6	36	4.0
2007	547	39,777,063	37	35.1	84.1	37	4.6
2006	541	36,868,737	35	35.5	85.4	35	4.1
2005	532	34,626,213	32	30.5	83.5	37	4.4

- (1) Population estimates, Personal Income, Per Capita Personal Income, and Median Age are obtained from the Oklahoma City Chamber of Commerce.
- (2) Estimated population is for the City of Oklahoma City (City) only, while personal income and per capita personal income apply to the metropolitan statistical area. These amounts will not compute from the table.
- (3) This column shows the percent of the City population 25 years and older who are high school graduates or higher which is obtained through the U.S. Census Bureau (American Community Survey).
- (4) The source of this information is the Oklahoma City Public Schools' Public Relations Office.
- (5) Unemployment information was obtained from the Bureau of Labor Statistics.

MAJOR EMPLOYERS - PRIVATE AND PUBLIC (1)

June 30, 2014

Current Year and Nine Years Ago

Employer	2014			2005		
	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment
Local Governments (2)	55,000	1	8.94%	40,800	1	7.39%
State Government (2)	43,900	2	7.14	38,400	2	6.95
Federal Government (2)	27,346	3	4.45	27,400	3	4.96
Tinker Air Force Base (2)	27,000	4	4.39	26,000	4	4.71
OU - Norman Campus	11,900	5	1.94	-		
FAA Mike Monroney Aeronautical Center	7,500	6	1.22	5,600	7	1.01
INTEGRIS Health (3)	6,000	7	0.98	5,850	6	1.06
Oklahoma City Public Schools	-		0.00	5,900	5	1.07
City of Oklahoma City	4,500	8	0.73	4,535	8	0.82
OU - Health Science Center	4,200	9	0.68	-		0.00
Hobby Lobby Stores Inc.	4,000	10	0.65	-		0.00
SBC Communications	-		0.00	3,560	9	0.64
Chesapeake Energy	3,500	11	0.57	-		0.00
General Motors Corporation	-		0.00	2,700	13	0.49
Mercy Health Center	3,500	12	0.57	-		0.00
OG&E Energy Corporation	3,400	13	0.55	-		0.00
Devon Energy Corporation	3,100	14	0.50	-		0.00
AT&T	3,000	15	0.49	-		0.00
SSM Healthcare of Oklahoma	2,900	16	0.47	3,000	12	0.54
Norman Regional Hospital	2,800	17	0.46	-		0.68
OU - Medical Center	2,600	18	0.42	3,200	10	0.58
Sonic Corp.	2,000	19	0.33	-		0.00
LSB Industries Inc.	1,880	20	0.31	-		0.00
Dell	1,700	21	0.28	-		0.00
Hertz Corporation	1,700	22	0.28	3,100	11	0.56
UPS	1,550	23	0.25	-		0.00
Farmers Insurance Group	1,500	24	0.24	-		0.00
Great Plains Coca-Cola Bottling Co.	1,500	25	0.24	-		0.00
Cox Communications	1,400	26	0.23	-		0.00
The Boeing Company	1,400	27	0.23	-		0.00
Deaconess Hospital	1,300	28	0.21	-		0.00
Johnson Controls	1,200	29	0.20	-		0.00
Midfirst Bank	1,150	30	0.19	-		0.00
	234,426		37.95%	170,045		31.46%

(1) Information was provided by the Greater OKC Chamber and the Bureau of Labor Statistics.

(2) Local, State and Federal Government, as well as Tinker Air Force Base include both civilian and non-civilian employees.

(3) INTEGRIS Health includes INTEGRIS Southwest Medical Center and INTEGRIS Baptist Medical Center.

EMPLOYEES BY FUNCTION
June 30, 2014
Last Ten Fiscal Years

CITY OF OKLAHOMA CITY, OKLAHOMA
TABLE 19

	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>
<u>PRIMARY GOVERNMENT</u>										
<i>Governmental Activities</i>										
<u>Governmental funds</u>										
General government	248	237	219	215	223	240	245	225	275	237
Public safety:										
Police	1,479	1,364	1,426	1,386	1,420	1,419	1,328	1,382	1,405	1,367
Fire	975	971	971	975	959	990	973	946	961	947
Other	76	71	76	76	67	78	83	83	81	88
Public services	571	562	519	524	521	572	574	579	592	530
Culture and recreation	554	525	667	677	658	695	608	605	637	644
Education	<u>14</u>	<u>14</u>	<u>14</u>	<u>14</u>	<u>9</u>	<u>8</u>	<u>7</u>	<u>7</u>	<u>7</u>	<u>7</u>
Total governmental funds	<u>3,917</u>	<u>3,744</u>	<u>3,892</u>	<u>3,867</u>	<u>3,857</u>	<u>4,002</u>	<u>3,818</u>	<u>3,827</u>	<u>3,958</u>	<u>3,820</u>
<u>Internal service funds</u>										
Fleet services	37	36	35	34	33	36	37	33	33	36
Risk management	10	10	11	11	11	11	9	9	9	8
Print shop	4	4	4	4	4	5	5	4	4	5
Information technology	<u>95</u>	<u>92</u>	<u>83</u>	<u>83</u>	<u>85</u>	<u>96</u>	<u>94</u>	<u>93</u>	<u>82</u>	<u>82</u>
Total internal service funds	<u>146</u>	<u>142</u>	<u>133</u>	<u>132</u>	<u>133</u>	<u>148</u>	<u>145</u>	<u>139</u>	<u>128</u>	<u>131</u>
	<u>4,063</u>	<u>3,886</u>	<u>4,025</u>	<u>3,999</u>	<u>3,990</u>	<u>4,150</u>	<u>3,963</u>	<u>3,966</u>	<u>4,086</u>	<u>3,951</u>
<i>Business-type Activities</i>										
Airports	112	110	100	102	99	100	99	98	93	92
Water utilities	615	610	585	591	574	593	577	579	469	579
Solid waste management	106	107	109	117	107	113	107	113	112	112
Stormwater drainage	65	65	63	76	62	71	77	91	110	83
Golf courses	230	237	239	233	228	188	244	243	266	246
Transportation and parking	<u>22</u>	<u>26</u>	<u>23</u>	<u>24</u>	<u>24</u>	<u>24</u>	<u>24</u>	21	21	<u>21</u>
	<u>1,150</u>	<u>1,155</u>	<u>1,119</u>	<u>1,143</u>	<u>1,094</u>	<u>1,089</u>	<u>1,128</u>	<u>1,145</u>	<u>1,071</u>	<u>1,133</u>
Total primary government	<u>5,213</u>	<u>5,041</u>	<u>5,144</u>	<u>5,142</u>	<u>5,084</u>	<u>5,239</u>	<u>5,091</u>	<u>5,111</u>	<u>5,157</u>	<u>5,084</u>
<u>FIDUCIARY FUNDS</u>										
OCERS	<u>2</u>	<u>2</u>	<u>2</u>	<u>2</u>	<u>2</u>	<u>2</u>	<u>2</u>	<u>2</u>	<u>2</u>	<u>2</u>
Total	<u>5,215</u>	<u>5,043</u>	<u>5,146</u>	<u>5,144</u>	<u>5,086</u>	<u>5,241</u>	<u>5,093</u>	<u>5,113</u>	<u>5,159</u>	<u>5,086</u>

OPERATING INDICATORS BY FUNCTION (1) (2)
June 30, 2014

CITY OF OKLAHOMA CITY, OKLAHOMA
TABLE 20
page 1 of 2

	Fiscal Year									
	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
<u>GENERAL</u>										
<u>GOVERNMENT</u>										
Occupation and Business										
business licenses										
issued (3)	26,540	26,159	26,879	13,653	28,196	36,914	34,504	34,598	31,000	30,917
Investment Portfolio Return										
(TRR-Book Value Method) (4)	0.51%	0.26%	1.04%	1.07%	2.11%	3.19%	4.41%	4.73%	3.66%	2.15%
Benchmark index (CMT) (5)	0.58%	0.29%	0.21%	0.19%	0.32%	0.56%	2.36%	4.91%	5.21%	3.45%
<u>PUBLIC SAFETY</u>										
<u>POLICE</u>										
Physical arrests	23,715	26,043	23,157	24,000	25,279	27,659	21,906	20,304	20,483	19,974
Parking violations	50,336	32,176	42,523	42,048	48,540	47,005	55,545	61,608	60,719	61,990
Traffic violations	114,377	133,809	132,862	104,993	101,094	83,911	81,946	83,993	93,477	110,841
<u>FIRE</u>										
Fire responses	67,710	71,746	88,055	86,350	80,858	75,750	74,833	67,920	65,062	59,785
Fire responses in less than										
than five minutes	59.87%	55.26%	61.22%	53.41%	56.95%	67.04%	52.34%	70.57%	65.20%	71.00%
Fire inspections	13,435	15,342	8,769	7,499	7,859	7,995	3,912	3,071	3,916	2,892
<u>OTHER</u>										
Court cases heard	137,168	127,886	114,028	120,339	123,103	122,981	111,929	142,111	135,000	127,321
Warrants cleared										
and served										
(monthly average)	4,473	3,904	3,686	3,922	3,580	3,805	4,323	4,018	2,553	2,320
<u>PUBLIC SERVICES</u>										
Houses removed/secured	413	400	458	578	453	410	399	422	529	400
Zoning inspections	60,859	57,183	53,615	51,336	49,782	26,524	27,488	28,746	38,246	23,000
Street panels										
repaired (sq ft)	13,439	18,653	17,123	12,563	13,109	19,919	20,274	30,264	22,135	22,114
<u>CULTURE AND RECREATION</u>										
<u>RECREATION</u>										
Youth enrolled in athletic										
leagues	1,402	1,698	1,808	1,120	1,382	1,455	1,554	1,268	1,265	1,425
Public education workshops (6)	2,528	-	-	-	40	47	56	67	70	70
<u>AIRPORTS</u>										
Average number										
of daily flights	68	72	71	71	68	75	85	79	79	86
Annual number of										
passengers boarding	1,847,283	1,845,055	1,824,313	1,748,379	1,694,060	1,730,874	1,913,747	1,799,119	1,809,354	1,736,722
<u>WATER UTILITIES</u>										
Sewer lines construction										
or repair (lnr feet) (7)	94,409	98,522	120,645	106,790	4,810	4,379	9,612	8,580	8,600	8,804
Water line										
construction or										
repair (lnr feet)	84,663	134,456	96,725	118,840	103,560	144,784	121,057	130,308	75,344	80,991
Water consumption										
(1,000,000 gal)	29,048	31,065	33,795	31,336	29,914	29,658	29,238	30,591	31,000	27,400
Wastewater										
consumption										
(1,000,000 gal)	21,360	21,462	21,184	26,474	20,940	19,112	19,214	18,769	19,090	18,583

OPERATING INDICATORS BY FUNCTION (1) (2)
June 30, 2014

CITY OF OKLAHOMA CITY, OKLAHOMA
TABLE 20
page 2 of 2

	Fiscal Year									
	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
<u>SOLID WASTE</u>										
<u>MANAGEMENT (8)</u>										
Street sweeping (lane miles)	21,760	21,878	19,390	18,558	18,434	18,979	19,009	18,988	19,021	18,884
Refuse collected (tons/day)	1,390	1,349	1,029	1,058	1,085	1,104	1,164	1,048	1,173	1,176
Recyclables collected in tons per in tons per day	44	42	33	35	39	40	36	33	33	34
<u>STORMWATER</u>										
<u>DRAINAGE</u>										
Construction erosion inspections	5,597	5,856	5,581	9,445	7,345	9,600	8,184	12,798	10,980	7,589
Stormwater discharge permits issued	676	829	748	773	1,054	1,330	848	964	752	672
<u>GOLF COURSES</u>										
Rounds of golf	236,662	255,495	276,472	268,524	267,489	277,827	299,104	290,739	304,806	307,783
<u>FAIRGROUNDS (9)</u>										
Events	203	190	185	191	191	211	204	198	200	202
Event days	2,713	2,375	2,327	2,213	2,131	2,491	2,576	2,115	2,299	1,964
<u>GROUND</u>										
<u>TRANSPORTATION</u>										
Daily motor bus passengers (avg) (10)	11,474	10,109	9,928	9,657	9,729	9,493	8,881	9,893	9,291	8,310
<u>PARKING (11)</u>										
Average monthly occupancy rate (%)	118.25%	111.72%	94.90%	89.00%	91.00%	88.45%	85.20%	79.65%	80.90%	83.60%

- (1) Sources include the City of Oklahoma City (City) Annual Budget, Supplemental Disclosure-Outstanding Bonded Debt, and City Departments.
- (2) Ten years of data was not available for all operating indicators, but will be accumulated as it becomes available. Indicated with *.
- (3) Prior years included residential sales and vehicle for hire vehicles. New management guidelines in fiscal year 2011 exclude residential sales and vehicle for hire vehicles from the total number of business and occupational licenses.
- (4) In fiscal year 2013 the Treasury Department changed the method of reporting from the Total Rate of Return - Book Value Method to the Total Rate of Return Market Value Method.
- (5) In fiscal year 2013 the Treasury Department changed the portfolio's benchmark from the Constant Maturity Treasury (CMT) to the Merrill Lynch 0-3 Year U.S. Treasury benchmark.
- (6) In 2007 the City included all City sponsored public education workshops. In prior years only workshops held only at the Myriad Botanical Gardens were reported.
- (7) The reporting for sewer lines construction or repair (lnr feet) changed in 2011 to include construction whereas previous years include only repairs.
- (8) The source of this information is the Solid Waste Management Division of the Water/Wastewater Utilities Department of the City. Solid waste collection is provided by both the City and privately contracted crews. Refuse and recyclables collected are based on 252 working days.
- (9) The management of the fairgrounds is privately contracted.
- (10) Daily average for weekday service, Monday through Friday.
- (11) The Broadway-Kerr garage was sold on January 11th, 2012. Since that sale, occupancy is over 100%.

CAPITAL ASSET AND INFRASTRUCTURE (1) (2)
June 30, 2014
Last Ten Fiscal Years

CITY OF OKLAHOMA CITY, OKLAHOMA
TABLE 21

	Fiscal Year									
	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
<u>POLICE</u>										
Stations	1	1	1	1	1	1	1	1	1	1
Sub-Stations	5	5	5	5	5	5	5	5	5	5
Patrol Units	530	546	548	577	581	580	576	573	585	574
<u>FIRE</u>										
Stations	35	35	35	35	35	35	35	35	35	35
Fire emergency apparatus (3)	96	87	84	85	84	81	79	79	*	*
<u>SOLID WASTE MANAGEMENT</u>										
Collection vehicles (4)	125	131	117	113	108	114	114	114	67	67
<u>STREETS AND HIGHWAYS</u>										
Streets (miles) (5)	8,177	8,151	7,862	7,800	7,775	7,772	7,603	7,546	12,680	12,385
New traffic signals installed	7	7	10	6	11	20	12	20	4	7
<u>PARKS AND RECREATION</u>										
Parks Acres	4,590	4,590	4,590	4,590	4,590	4,230	4,545	4,377	4,291	4,291
Lake acres - land & water recreation	14,312	14,229	14,229	14,229	14,229	14,229	*	*	*	*
Oklahoma River & Bricktown	507	507	507	507	507	507	*	*	*	*
Playgrounds	109	111	109	109	108	104	109	96	95	95
Baseball/softball/practice fields	88	80	84	84	92	92	135	135	135	135
Soccer/football fields (6)	42	-	-	-	-	-	-	-	-	-
Community/special activity centers	31	30	30	30	26	26	26	26	26	26
<u>WATER</u>										
Water main miles	3,649	3,583	3,518	3,269	3,225	3,189	3,307	3,216	2,992	2,860
Fire hydrants (7)	22,547	22,473	21,527	21,527	21,147	20,441	19,713	19,194	18,373	17,506
Storage capacity (1000 gal)	75,000	70,000	70,000	70,000	70,000	70,000	70,000	70,000	70,000	70,000
<u>WASTEWATER</u>										
Sanitary sewer miles (8)	2,806	2,784	2,755	2,711	2,689	2,636	2,585	2,600	2,430	2,410
Treatment capacity (1000 gal/day)	111,000	111,000	111,000	106,000	106,000	106,000	106,000	106,000	106,000	106,000
<u>STORMWATER DRAINAGE</u>										
Storm sewer miles	830.42	821.22	811.70	806.80	793.00	779.20	775.20	764.40	765.50	751.80
<u>TRANSIT</u>										
Buses	59	58	58	58	58	58	57	60	65	65
Trolleys (9)	-	-	10	10	12	12	13	11	14	14
Van lifts	22	22	20	23	23	18	16	21	21	21

(1) Information is provided by City of Oklahoma City departments.

(2) Ten years of data were not available for all capital assets and infrastructure, but will be accumulated as it becomes available. Indicated with *.

(3) Fire emergency apparatus includes emergency vehicles that respond to emergency calls for service only.

(4) Collection vehicles changed in 2006 to include small side loaders, large side loaders, rear loaders, cherry pickers, and brush trucks.

(5) The methodology for street miles changed in 2010 from a factor used to estimate the number of lanes to actual number of lanes used in the overall estimate of street miles. Fiscal years 2007-2009 have been restated for comparison purposes.

(6) In 2014 it was determined that previously reported amounts were incorrect. Historical data will be presented going forward from 2014.

(7) Hydrants were under-reported from 2004-2006 due to lack of information.

(8) Sanitary sewers were not correctly reported prior to 2008.

(9) Trolley service was discontinued in 2012.

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The City of Oklahoma City, Oklahoma

Single Audit Reports

Year Ended June 30, 2014



The City of Oklahoma City, Oklahoma
Year Ended June 30, 2014

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The City of Oklahoma City, Oklahoma
Schedule of Expenditures of Federal and State Awards
Year Ended June 30, 2014

Federal Grantor/Pass-Through Entity/Program Title	Federal CFDA Number	Grant Number or Pass-Through Entity Identifying Number	Expenditures
U.S. Department of Agriculture			
Direct Programs			
Emergency Watershed Protection Program	10.923	69-33A7-13-13	\$ 91,340
Total U.S. Department of Agriculture			91,340
U.S. Department of Housing and Urban Development			
<i>CDBG – Entitlement Grants Cluster</i>			
Direct Programs			
Community Development Block Grant/Entitlement Grant	14.218	B-10-MC-40-0003 CDBG	12
Community Development Block Grant/Entitlement Grant	14.218	CDBG-CPD-FY11	130,954
Community Development Block Grant/Entitlement Grant	14.218	B-12-MC-40-0003 CDBG	1,158,697
Community Development Block Grant/Entitlement Grant	14.218	B-13-MC-40-0003 CDBG	1,824,541
<i>Total CDBG – Entitlement Grants Cluster</i>			3,114,204
<i>CDBG – State-Administered CDBG Cluster</i>			
Pass-Through Oklahoma Department of Commerce			
Community Development Block Grants/State’s Program	14.228	14003 NSP 08	2,802
Community Development Block Grants/State’s Program	14.228	13555 NSP 08	663,739
Community Development Block Grants/State’s Program	14.228	14526 NSP 11	291,799
<i>Total CDBG – State-Administered CDBG Cluster</i>			958,340
Direct Programs			
Emergency Shelter Grants Program	14.231	E-12-MC-40-0002 ESG	29,836
Emergency Shelter Grants Program	14.231	ESG S-13-MC-40-0203	294,000
<i>Total Emergency Shelter Grants Program</i>			323,836
Direct Programs			
Supportive Housing Program	14.235	OK0022B6I021104	1,738
Supportive Housing Program	14.235	OK0061B6I021102	5,860
Supportive Housing Program	14.235	OK0068B6I021000	19,463
Supportive Housing Program	14.235	OK0067B6I021000	21,954
Supportive Housing Program	14.235	OK0079B6I021100	26,941
Supportive Housing Program	14.235	OK0068L6I021201	30,328
Supportive Housing Program	14.235	OK020B6I021102	32,876
Supportive Housing Program	14.235	OK0061L6I021203	43,586
Supportive Housing Program	14.235	OK0026B6I021102	50,217
Supportive Housing Program	14.235	OK0022L6I021205	51,260
Supportive Housing Program	14.235	OK0063L6I021203	55,312
Supportive Housing Program	14.235	OK0067L6I021201	56,713
Supportive Housing Program	14.235	OK0079L6I021201	64,520
Supportive Housing Program	14.235	OK0078B6I021100	66,922
Supportive Housing Program	14.235	OK0045L6I021204	70,391
Supportive Housing Program	14.235	OK0026L6I021204	80,379
Supportive Housing Program	14.235	OK0020L6I021203	113,774
Supportive Housing Program	14.235	OK0053B6I021101	121,054
Supportive Housing Program	14.235	OK-502-REN-Permanent Supportive	132,193
Supportive Housing Program	14.235	OK005L6I012102 Hope	144,683
Supportive Housing Program	14.235	OK0019B6I021102	152,794
Supportive Housing Program	14.235	OK004B6I021103	162,425
Supportive Housing Program	14.235	OK0019L6I021203	192,286
Supportive Housing Program	14.235	OK0062L6I021203	197,538
Supportive Housing Program	14.235	OK-0052B6I020900	245,345
Supportive Housing Program	14.235	OK0027L6I021204	301,389
<i>Total Supportive Housing Program</i>			2,441,941

The City of Oklahoma City, Oklahoma
Schedule of Expenditures of Federal and State Awards
Year Ended June 30, 2014

Federal Grantor/Pass-Through Entity/Program Title	Federal CFDA Number	Grant Number or Pass-Through Entity Identifying Number	Expenditures
Direct Programs			
Shelter Plus Care	14.238	OK0025C61021104	\$ 4,182
Shelter Plus Care	14.238	OK0025L61021205	14,050
Shelter Plus Care	14.238	OK0054C61020900	57,770
Shelter Plus Care	14.238	OK0024L61021205 Hope	300,401
<i>Total Shelter Plus Care</i>			<u>376,403</u>
Direct Programs			
HOME Investment Partnerships Act Program	14.239	M-09-MC-40-0203	196,166
HOME Investment Partnerships Act Program	14.239	M-12-MC-40-0203 HOME	197,917
HOME Investment Partnerships Act Program	14.239	M-13-MC-40-0203	228,126
HOME Investment Partnerships Act Program	14.239	M-10-MC-40-0203	535,471
HOME Investment Partnerships Act Program	14.239	M-11-MC-40-0203	880,620
<i>Total HOME Investment Partnerships Act Program</i>			<u>2,038,300</u>
Direct Programs			
Housing Opportunities for Persons with AIDS	14.241	OKH14-F001	(16)
Housing Opportunities for Persons with AIDS	14.241	OK-H11-F001	30,376
Housing Opportunities for Persons with AIDS	14.241	OKH-13-F001 HOWPA	39,462
Housing Opportunities for Persons with AIDS	14.241	OK-H12-F001	318,985
<i>Total Housing Opportunities for Persons with AIDS</i>			<u>388,807</u>
Direct Program			
Community Planning & Development	14.246	B-98-ED-40-0006	490,248
Pass-Through Oklahoma Department of Energy Community Challenge Planning Grants	14.704	CCPOK-0020-10	146,171
Total U.S. Department of Housing and Urban Development			<u>10,278,250</u>
U.S. Department of the Interior			
Pass-Through Oklahoma Historical Society Historic Preservation Fund Grants-In-Aid	15.904	12-607	6,823
Historic Preservation Fund Grants-In-Aid	15.904	13-607	17,514
Total U.S. Department of the Interior			<u>24,337</u>
U.S. Department of Justice			
Crime Victim Assistance	16.575	2013-VA-GX-VOCA-OPPC-207	26,417
<i>JAG Program Cluster</i>			
Edward Byrne Memorial Justice Assistance Grant Program	16.738	2010-DJ-BX-0819	267
Edward Byrne Memorial Justice Assistance Grant Program	16.738	2013-DJ-BX-1120	154,443
Edward Byrne Memorial Justice Assistance Grant Program	16.738	2012-DJ-BX-1090	255,955
Edward Byrne Memorial Justice Assistance Grant Program	16.738	2011-DJ-BX-3149	286,803
<i>Total JAG Program Cluster</i>			<u>697,468</u>
Direct Programs			
DNA Backlog Reduction Program	16.741	2011-DN-BX-K405	45,000
DNA Backlog Reduction Program	16.741	2013-DN-BX-0055	48,146
DNA Backlog Reduction Program	16.741	2012-DN-BX-0026	69,409
<i>Total DNA Backlog Reduction Program</i>			<u>162,555</u>
Equitable Sharing Program	16.922		171,791
Total U.S. Department of Justice			<u>1,058,231</u>

The City of Oklahoma City, Oklahoma
Schedule of Expenditures of Federal and State Awards
Year Ended June 30, 2014

Federal Grantor/Pass-Through Entity/Program Title	Federal CFDA Number	Grant Number or Pass-Through Entity Identifying Number	Expenditures
U.S. Department of Transportation			
Direct Programs			
Airport Improvement Program	20.106	AIP3-40-0072-063-2012	\$ 371
Airport Improvement Program	20.106	AIP3-40-0072-059-2010	8,172
Airport Improvement Program	20.106	AIP3-40-0071-011-2012	251,929
Airport Improvement Program	20.106	AIP3-40-0072-062-2012	597,899
<i>Total Airport Improvement Program</i>			<u>858,371</u>
<i>Highway Planning and Construction Cluster</i>			
Pass-Through Association of Central Oklahoma Governments			
Highway Planning and Construction	20.205	2014 ACOG Traffic Mgmt	55,928
Highway Planning and Construction	20.205	2013-R1-Oklahoma City	120,296
Pass-Through Oklahoma Department of Transportation			
Highway Planning and Construction	20.205	24563(04) STP-155E(623)EH	(20,000)
Highway Planning and Construction	20.205	26888 (04) STP-155E(745)EH	(238)
<i>Total Highway Planning and Construction Cluster</i>			<u>155,986</u>
<i>Federal Transit Cluster</i>			
Direct Programs			
Federal Transit – Capital Assistance	20.500	OK-03-0029	10,538
Federal Transit – Capital Assistance	20.500	OK-03-0037	32,462
Federal Transit – Capital Assistance	20.500	OK-04-0015	320,563
Federal Transit – Capital Assistance	20.500	OK-04-0012	2,042,500
Federal Transit – Formula Grants	20.507	OK-90-X073	15,619
Federal Transit – Formula Grants	20.507	OK-90-X107	15,857
Federal Transit – Formula Grants	20.507	OK-90-X094	34,777
Federal Transit – Formula Grants	20.507	OK-90-X085	45,540
Federal Transit – Formula Grants	20.507	OK-95-X007	85,056
Federal Transit – Formula Grants	20.507	OK-90-X102	183,645
Federal Transit – Formula Grants	20.507	OK-90-X098	199,983
Federal Transit – Formula Grants	20.507	OK-90-X071	227,619
Federal Transit – Formula Grants	20.507	OK-90-X067	785
ARRA – Federal Transit – Formula Grants	20.507	OK-96-X004	960,667
Federal Transit – Formula Grants	20.507	OK-90-X112	1,733,123
Federal Transit – Formula Grants	20.507	OK-90-X116	4,735,643
<i>Total Federal Transit Cluster</i>			<u>10,644,377</u>
<i>Transit Services Programs Cluster</i>			
Direct Programs			
Job Access – Reverse Commute	20.516	OK-37-X028	2,527
Job Access – Reverse Commute	20.516	OK-37-X036	9,460
Job Access – Reverse Commute	20.516	OK-37-X044	11,196
Job Access – Reverse Commute	20.516	OK-37-X048	420,039
New Freedom Program	20.521	OK-57-X010	2,749
New Freedom Program	20.521	OK-57-X015	18,001
New Freedom Program	20.521	OK-57-X021	20,901
New Freedom Program	20.521	OK-57-X017	39,721
New Freedom Program	20.521	OK-57-X006	72,967
New Freedom Program	20.521	OK-57-X025	202,573
<i>Total Transit Services Programs Cluster</i>			<u>800,134</u>
<i>Highway Safety Cluster</i>			
Direct Programs			
Alcohol-Impaired Driving Countermeasures Incentive Grants I	20.601	K813-03-21-09/OP-13-03-04-09/CE-13-03-23-	80,179
<i>Total Highway Safety Cluster</i>			<u>80,179</u>
Direct Programs			
Minimum Penalties for Repeat Offenders for Driving While Intoxicated	20.608	OHSO-2014-OCPPD-00022	140,941
National Infrastructure Investments	20.933	OK-79-1000	321,905
Total U.S. Department of Transportation			<u>13,001,893</u>

The City of Oklahoma City, Oklahoma
Schedule of Expenditures of Federal and State Awards
Year Ended June 30, 2014

Federal Grantor/Pass-Through Entity/Program Title	Federal CFDA Number	Grant Number or Pass-Through Entity Identifying Number	Expenditures
Environmental Protection Agency			
Pass-Through Oklahoma Water Resource Board Capitalization Grants for Drinking Water State Revolving Funds	66.468	ORF-10-0010-DW	\$ 1,196,760
Direct Programs			
Brownsfield Assessment and Cleanup Cooperative Agreements	66.818	BF-00F24401-0	17,313
Brownsfield Assessment and Cleanup Cooperative Agreements	66.818	BF-00F71501-0	38,108
Brownsfield Assessment and Cleanup Cooperative Agreements	66.818	BF-00F58701-0	45,378
Brownsfield Assessment and Cleanup Cooperative Agreements	66.818	BF-00F71601-0	89,098
Brownsfield Assessment and Cleanup Cooperative Agreements	66.818	BF-96679701-0	1,078,670
<i>Total Brownsfield Assessment and Cleanup Cooperative Agreements</i>			<u>1,268,567</u>
Total Environmental Protection Agency			<u>2,465,327</u>
U.S. Department of Energy			
Pass-Through Oklahoma Department of Energy ARRA – State Energy Program	81.041	15837 SEECBG 09	39,720
Total U.S. Department of Energy			<u>39,720</u>
National Archives and Records Administration			
Direct Program National Historical Publications and Records Grant	89.003	2014 Preservation Assistance Grant	2,610
Total National Archives and Records Administration			<u>2,610</u>
U.S. Department of Health and Human Services			
<i>Aging Cluster</i>			
Pass-Through Oklahoma Department of Human Services Cooperative Agreements to Improve the Health Status of Minority Populations	93.004	34-0801-40	287,523
<i>Total Aging Cluster</i>			<u>287,523</u>
Pass-Through Oklahoma Department of Human Services Community Transformation Grants and National Dissemination	93.531	OCCHD 982-13	46,665
Total U.S. Department of Health and Human Services			<u>334,188</u>
U.S. Department of Homeland Security			
Pass-Through Oklahoma Office of Homeland Security			
Non-Profit Security Program	97.008	290.032	124,280
Non-Profit Security Program	97.008	290.062	141,309
<i>Total Non-Profit Security Program</i>			<u>265,589</u>
Pass-Through Oklahoma Department of Emergency Management			
Disaster Grants – Public Assistance (Presidentially Declared Disasters)	97.036	PW-OKC012E	(407,348)
Disaster Grants – Public Assistance (Presidentially Declared Disasters)	97.036	OKC007B	(206,538)
Disaster Grants – Public Assistance (Presidentially Declared Disasters)	97.036	Risk Mgmt May 2013 disasters	(187,500)
Disaster Grants – Public Assistance (Presidentially Declared Disasters)	97.036	Mutual Aid – OCSO	(58,806)
Disaster Grants – Public Assistance (Presidentially Declared Disasters)	97.036	Fire Category E	(7,571)
Disaster Grants – Public Assistance (Presidentially Declared Disasters)	97.036	OKC 008B	(5,400)
Disaster Grants – Public Assistance (Presidentially Declared Disasters)	97.036	PW-OKC002B Animal Welfare	361
Disaster Grants – Public Assistance (Presidentially Declared Disasters)	97.036	Category C Projects	3,746
Disaster Grants – Public Assistance (Presidentially Declared Disasters)	97.036	PW-OKC013B PubWrks	9,295
Disaster Grants – Public Assistance (Presidentially Declared Disasters)	97.036	OKC2A87	13,301
Disaster Grants – Public Assistance (Presidentially Declared Disasters)	97.036	PW-OKC005B	14,831
Disaster Grants – Public Assistance (Presidentially Declared Disasters)	97.036	PW-OKC4117 PARKS CAT_G	16,672
Disaster Grants – Public Assistance (Presidentially Declared Disasters)	97.036	PW-OKC4A82	17,002
Disaster Grants – Public Assistance (Presidentially Declared Disasters)	97.036	PA-06-OK-4117-PW-00680-OKC165E	17,678
Disaster Grants – Public Assistance (Presidentially Declared Disasters)	97.036	PW-OKC003B	18,824
Disaster Grants – Public Assistance (Presidentially Declared Disasters)	97.036	4117 DR OK Category G PWs	19,311
Disaster Grants – Public Assistance (Presidentially Declared Disasters)	97.036	PW OKC6A75	20,940

The City of Oklahoma City, Oklahoma
Schedule of Expenditures of Federal and State Awards
Year Ended June 30, 2014

Federal Grantor/Pass-Through Entity/Program Title	Federal CFDA Number	Grant Number or Pass-Through Entity Identifying Number	Expenditures
Disaster Grants – Public Assistance (Presidentially Declared Disasters)	97.036	PA-06-OK-4117-PW-00590(0)	\$ 107,738
Disaster Grants – Public Assistance (Presidentially Declared Disasters)	97.036	4117 Airports Cat E	125,491
Disaster Grants – Public Assistance (Presidentially Declared Disasters)	97.036	PW OKC5A75	144,139
Disaster Grants – Public Assistance (Presidentially Declared Disasters)	97.036	4117-DR-OK Category D	158,901
Disaster Grants – Public Assistance (Presidentially Declared Disasters)	97.036	OKC1A87	234,661
Disaster Grants – Public Assistance (Presidentially Declared Disasters)	97.036	4117 Category F	296,711
Disaster Grants – Public Assistance (Presidentially Declared Disasters)	97.036	PW-OKC3A82	2,112,991
<i>Total Disaster Grants – Public Assistance</i>			<u>2,459,430</u>
Pass-Through Oklahoma Department of Emergency Management Hazard Mitigation Grants	97.039	FEMA 4117 DR OK ISR	<u>524,261</u>
Direct Programs			
State Homeland Security Program (SHSP)	97.073	260.117	3,748
Pass-Through Oklahoma Office of Homeland Security			
State Homeland Security Program (SHSP)	97.073	240.012	20,397
State Homeland Security Program (SHSP)	97.073	440.012	52,385
State Homeland Security Program (SHSP)	97.073	340.012	137,184
<i>Total State Homeland Security Program</i>			<u>213,714</u>
Pass-Through Oklahoma Office of Homeland Security OTA – Checked Baggage Inspection System	97.118	HSTS04-10-H-CT1190	<u>2,976,044</u>
Direct Programs			
Law Enforcement Officer Reimbursement Agreement Program	97.090	HST0208HSLR333	<u>241,200</u>
Assistance to Firefighters Grant	97.044	EMW-2010-FH-01081	<u>4,535</u>
Total U.S. Department of Homeland Security			<u>6,684,773</u>
Total Federal Assistance			<u>33,980,669</u>
<u>Oklahoma Department of Corrections</u>			
FY2013 Second Chance Interlocal Cooperative Agreement		DOC – 2nd Chance 2	<u>145,222</u>
			<u>145,222</u>
<u>Oklahoma Office of Juvenile Affairs</u>			
FY2012 Contract for Community Intervention Center: an Interlocal Agreement		PO 4009018584	<u>245,087</u>
<i>Total Disaster Grants – State Portion</i>			<u>245,087</u>
Total State Assistance			<u>390,309</u>
Total Federal and State Assistance			<u>\$ 34,370,978</u>

The City of Oklahoma City, Oklahoma
Notes to Schedule of Expenditures of Federal and State Awards
Year Ended June 30, 2014

Note 1: Basis of Presentation and Accounting Policies

General

The accompanying Schedule of Expenditures of Federal and State Awards (the Schedule) presents the activity of all federal and state award programs of the City of Oklahoma City, Oklahoma (the City), for the year ended June 30, 2014. The City's reporting entity is described in *Note 1* in the City's Consolidated Annual Financial Report (CAFR). Federal financial awards received directly from federal agencies as well as federal financial awards, if any, passed through other government agencies are included on the Schedule. Required matching contributions, program income (except certain revolving loan fund program expenditures), private grants and other nonfederal grants and awards are not included in the Schedule.

Basis of Accounting

The accompanying Schedule is presented using the following methods:

- a. For the City's governmental funds, expenditures of federal funds reported in this Schedule are reported on the modified accrual basis of accounting.
- b. For the Oklahoma City Airport Trust (OCAT), the Central Oklahoma Transportation and Parking Authority (COTPA) and the Oklahoma City Water Utilities Trust (OCWUT), expenditures of federal funds are reported using the cash basis of accounting.
- c. For the year ended June 30, 2014, expenditures awarded from the Federal Emergency Management Agency (FEMA) under CFDA Number 97.036 must be presented on the schedule of expenditures of federal awards (SEFA) when: 1) FEMA has approved the City's Project Worksheet (PW) and 2) the City has incurred the eligible expenditures. Federal awards expended in years subsequent to the fiscal year in which the PW is approved are to be recorded on the City's SEFA in those subsequent years.

For the year ended June 30, 2013, approximately \$3,582,265 of eligible expenditures were presented in that fiscal year's SEFA but the PW was not approved until the fiscal year ended June 30, 2014. Those expenditures were not reported again in the current year SEFA as they were audited as a major program in the previous year. Except for the amounts previously reported as included above, the eligible expenditures reported on the SEFA for the year ended June 30, 2014, are reported in accordance with the new guidance described in the paragraph above.

In addition, the accompanying Schedule reflects certain adjustments resulting from transfers of funds between grants and grant refunds. As a result, certain grants show negative expenditures.

Note 2: Federal CFDA Numbers

Federal CFDA numbers or other identifying numbers listed on the Schedule were obtained from the respective grant/contract agreement.

The City of Oklahoma City, Oklahoma
Notes to Schedule of Expenditures of Federal and State Awards
Year Ended June 30, 2014

Note 3: Outstanding Loan Balance

The City participates in the Community Development Block Grant Section 108 Loan Guarantee Program (CFDA No. 14.248). The activity of the City's Section 108 loans guaranteed by the U.S. Department of Housing and Urban Development is as follows:

Project	Balance, Beginning of Year	Increase During Year	Decrease During Year	Balance, End of Year
Micro-Enterprise and Small Business Loan Program	\$ 3,475,000	\$ -	\$ 150,000	\$ 3,325,000

The City also participates in the Environmental Protection Agency's (EPA) Brownsfield Assessment and Cleanup Cooperative Agreements (CFDA No. 66.818). The activity of the loans issued as part of that program is as follows:

Project	Balance, Beginning of Year	Increase During Year	Decrease During Year	Balance, End of Year
Dowell Properties	\$ 1,067,245	\$ -	\$ 124,345	\$ 942,900
Dowell Properties – ARRA	429,440	-	-	429,440
Shepherd Manor	50,000	-	-	50,000
	<u>\$ 1,546,685</u>	<u>\$ -</u>	<u>\$ 124,345</u>	<u>\$ 1,422,340</u>

Note 4: Subrecipients

Of the federal expenditures presented in the Schedule, the City provided federal awards to subrecipients as follows:

Federal CFDA Number	Program Title	Amount Provided to Subrecipients
14.218	Community Development Block Grant/Entitlement Grant	\$ 1,666,762
14.231	Emergency Shelter Grants Program	296,300
14.235	Supportive Housing Program	2,375,208
14.238	Shelter Plus Care	362,182
14.241	Housing Opportunities for Persons with AIDS	373,759
16.738	Edward Byrne Memorial Justice Assistance Grant Program	205,270
	Total federal awards provided to subrecipients	<u>\$ 5,279,481</u>

The City of Oklahoma City, Oklahoma
Notes to Schedule of Expenditures of Federal and State Awards
Year Ended June 30, 2014

**Note 5: Capitalization Grants for Drinking Water State Revolving Funds,
CFDA 66.468**

Expenditures presented in the accompanying schedules of expenditures of federal and state awards received from the Oklahoma Water Resources Board, totaling \$1,196,760, were awarded and expended during the year ended June 30, 2013. The amounts, if included on the prior year SEFA, would have had no effect on the major program determination in that year. However, for the year ended June 30, 2014, the program was audited as a major program.

**Independent Auditor's Report on Internal Control over
Financial Reporting and on Compliance and Other Matters
Based on an Audit of the Financial Statements Performed in
Accordance with *Government Auditing Standards***

The Honorable Mayor and City Council
The City of Oklahoma City, Oklahoma
Oklahoma City, 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 the City of Oklahoma City, Oklahoma (the City), as of and for the year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise the City's basic financial statements listed in the table of contents. We also have audited the financial statements of each of the City's nonmajor governmental, nonmajor enterprise, internal service and fiduciary funds and the discretely presented component units presented as supplementary information, as defined by the Government Accounting Standards Board, in the accompanying combining and individual fund statements and schedules as of and for the year ended June 30, 2014, which collectively comprise the City's combining and individual fund statements and have issued our report thereon dated December 12, 2014, which contained a reference to the reports of other auditors and an explanatory paragraph disclosing that the prior year financial statements have been restated. 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. Other auditors audited the financial statements of The Combined Operations of The Cox Convention Center and the Chesapeake Energy Arena, as managed by SMG, as described in our report on the City's financial statements. The financial statements of The Combined Operations of The Cox Convention Center and the Chesapeake Energy Arena, included in the OCPPA General Purpose Fund, were not audited in accordance with *Government Auditing Standards*.

Internal Control over Financial Reporting

Management of the City is responsible for establishing and maintaining effective internal control over financial reporting (internal control). In planning and performing our audit, we considered the City's internal control to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and, therefore, there can be no assurance that all material weaknesses or significant deficiencies have been identified. However, as discussed in the accompanying schedule of findings and questioned costs, we identified certain deficiencies in internal control that we consider to be material weaknesses and significant deficiencies.

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

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the City's financial statements will not be prevented or detected and corrected on a timely basis. We consider the deficiencies described in the accompanying schedule of findings and questioned costs as items 14-01 through 14-08 to be material weaknesses.

A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the deficiencies described in the accompanying schedule of findings and questioned costs as items 14-09 and 14-10 to be significant deficiencies.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

The City's Responses to the Findings

The City's responses to the findings identified in our audit are described in the accompanying schedule of findings and questioned costs. The City's responses were not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on them.

We also noted certain matters that we reported to the City's management in a separate letter dated December 12, 2014.

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control or compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

BKD, LLP

Oklahoma City, Oklahoma
December 12, 2014

**Independent Auditor's Report on Compliance for Each Major
Federal Program; Report on Internal Control over Compliance;
and Report on Schedule of Expenditures of Federal and
State Awards Required by OMB Circular A-133**

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

Report on Compliance for Each Major Federal Program

We have audited the compliance of the City of Oklahoma City, Oklahoma (the City) with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB), *Circular A-133 Compliance Supplement*, that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2014. The City's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of the City's management.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the City's major federal programs based on our audit of the types of compliance requirements referred to above.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the City's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination on the City's compliance.

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

Opinion on Each Major Federal Program

In our opinion, the City complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2014.

Report on Internal Control over Compliance

Management of the City is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the City's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing our opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions to prevent or detect and correct noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected and corrected on a timely basis. A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

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

Schedule of Expenditures of Federal and State Awards

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund and the aggregate remaining fund information of the City as of and for the year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise the City's basic financial statements. We have also audited the financial statements of each of the City's nonmajor governmental, enterprise, internal service, fiduciary funds and the discretely presented component units of the City as of and for the year ended June 30, 2014. We issued our report on the above mentioned financial statements and schedules dated December 12, 2014, which contained an unmodified opinion on those financial statements, a reference to the report of other auditors and an explanatory paragraph disclosing that the prior year financial statements have been restated. Our audit was performed for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements and combining and individual fund statements and schedules. The accompanying schedule of expenditures of federal and state awards is presented for purposes of additional analysis as required by OMB Circular A-133, *Audits of States, Local Governments and Non-Profit Organizations*, and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements as a whole.

BKD, LLP

Oklahoma City, Oklahoma
December 12, 2014

The City of Oklahoma City, Oklahoma
Schedule of Findings and Questioned Costs
Year Ended June 30, 2014

Summary of Auditor's Results

- 1. The opinions expressed in the independent auditor's report were:
 Unmodified Qualified Adverse Disclaimer
- 2. The independent auditor's report on internal control over financial reporting disclosed:
 - Significant deficiency(ies)? Yes None reported
 - Material weakness(es)? Yes No
- 3. Noncompliance considered material to the financial statements was disclosed by the audit? Yes No
- 4. The independent auditor's report on internal control over compliance with requirements that could have a direct and material effect on major federal awards programs disclosed:
 - Significant deficiency(ies)? Yes None reported
 - Material weakness(es)? Yes No
- 5. The opinion expressed in the independent auditor's report on compliance with requirements that could have a direct and material effect on major federal awards programs were:
 Unmodified Qualified Adverse Disclaimer
- 6. The audit disclosed findings required to be reported by OMB Circular A-133? Yes No
- 7. The City's major programs were:

Cluster/Program	CFDA Number
<i>CDBG – Entitlement Grants Cluster</i>	
Community Development Block Grants/Entitlement Grant	14.218
Community Development Block Grants – Section 108 – Loan Guarantees	14.248
Supportive Housing Program	14.235
<i>Federal Transit Cluster</i>	
Federal Transit – Capital Investment	20.500
Federal Transit – Formula Grants	20.507
ARRA – Federal Transit – Formula Grants	20.507
<i>Drinking Water State Revolving Fund Cluster</i>	
Capitalization Grants for Drinking Water State Revolving Fund	66.468

The City of Oklahoma City, Oklahoma
Schedule of Findings and Questioned Costs, continued
Year Ended June 30, 2014

8. The threshold used to distinguish between Type A and Type B programs as those terms are defined in OMB Circular A-133 was \$1,170,071. This amount was determined using total federal expenditures on the schedule of expenditures of federal and state awards plus the beginning of year loan balances for CFDA programs 14.248 and 66.818 in *Note 3* of the Notes to Schedule of Expenditures of Federal and State Awards.
9. The City qualified as a low-risk auditee as that term is defined in OMB Circular A-133? Yes No

The City of Oklahoma City, Oklahoma
Schedule of Findings and Questioned Costs, continued
Year Ended June 30, 2014

Findings Required to be Reported by *Government Auditing Standards*

Reference Number	Finding
14-01	<p>Criteria or Specific Requirement – Management of Oklahoma City Industrial and Cultural Facilities Trust (OCICF) is responsible for establishing and maintaining effective internal controls over financial reporting.</p> <p>Condition – During 2014, OCICF determined accrued interest relating to the Journal Record Building loan should be recorded as the interest was not waived as previously thought by the Trust’s management. The decision resulted in the restatement of previously issued financial statements.</p> <p>Context – Accurate financial statements are critical to managing operations and communicating financial position and results of operations to interested parties.</p> <p>Effect – A prior period adjustment was recognized to record the accrued costs and the accrued interest payable.</p> <p>Cause – The OCICF improperly concluded that the interest on the Journal Record Building loan from the City of Oklahoma City was being waived by the City of Oklahoma City.</p> <p>Recommendation – OCICF management should work with the counterparties to ensure that both parties have a common understanding of the formal agreements between the parties.</p> <p>Views of Responsible Officials and Planned Corrective Actions – Management agrees and has amended the financial statements to reflect the agreement. Future agreements will be reviewed by the chief financial officer for incorporation into the financial statement preparation process.</p>

The City of Oklahoma City, Oklahoma
Schedule of Findings and Questioned Costs, continued
Year Ended June 30, 2014

Reference Number	Finding
14-02	<p>Criteria or Specific Requirement – Management of Oklahoma City Economic Development Trust (OCEDT) is responsible for establishing and maintaining effective internal control over financial reporting.</p> <p>Condition – In February 2013, Devon Development agreed to make minimum annual ad valorem tax payments of \$11,300,000 to support the repayment of bonds issued by OCEDT in 2013. Devon Development further agreed that the entire Devon Development would go on the tax rolls on January 1, 2013. OCEDT did not initially record a receivable at June 30, 2013, for taxes receivable due to OCEDT and was, therefore, required to restate the 2013 trust-wide financial statements to correct for this error. In addition, in June 2010, OCEDT agreed to reimburse Horizon Group LP up to \$550,000 annually over a ten-year period for regional marketing expenses as long as expenses were offset by sales tax receipts. An audit adjustment of approximately \$302,000 was needed to record this estimated reimbursement for the period from February 2014 through June 2014.</p> <p>Context – Accurate financial statements are critical to managing operations and communicating financial position and results of operations to interested parties.</p> <p>Effect – As indicated above, a prior period adjustment was recognized in the current period financial statements to recognize that a tax receivable should have been recorded at June 30, 2013, for the proportionate share of the 2013 minimum annual ad valorem tax payment from the Devon Development for the calendar year ended December 31, 2013. Also, a current year audit entry was required to correct the liability to the Horizon Group LP.</p> <p>Cause – The accountants for OCEDT did not understand the need to record the tax receivable at June 30, 2013, and the additional payable at June 30, 2014, and did not have access to the agreements indicating the need to record this receivable and payable.</p> <p>Recommendation – We recommend management thoroughly review bond offering documents and related documents referenced therein to determine proper accounting is being accorded to transactions identified in the bond offering documents. We also recommend management become familiar with the other agreements which require the reporting of payables or receivables at year-end, which may not be identified by reviewing subsequent receipts and disbursements.</p> <p>Views of Responsible Officials and Planned Corrective Actions – We agree with the finding. Since OCEDT has very unique and complex contract stipulations, finance will assist by reviewing all of their contracts and this will enable us to make sure that proper accounting is done in accordance with the provisions of the bond covenant or other agreements.</p>

The City of Oklahoma City, Oklahoma
Schedule of Findings and Questioned Costs, continued
Year Ended June 30, 2014

Reference Number	Finding
14-03	<p>Criteria or Specific Requirement – Management of Oklahoma City Public Property Authority (OCPPA) is responsible for establishing and maintaining effective internal controls over financial reporting.</p> <p>Condition – OCPPA initially expensed a capital project related to the installation of a new elevator at the arena fairgrounds because the finance department had been informed that the new elevator had replaced an existing elevator. Upon further review by management at our request, it was determined the elevator was not a replacement of an existing elevator.</p> <p>Context – Accurate financial statements are critical to managing operations and communicating financial position and results of operations to interested parties.</p> <p>Effect – The cost of the new elevator and associated administrative costs were capitalized on the OCPPA’s statement of net position at year-end, resulting in a material adjustment to the Authority’s financial statements.</p> <p>Cause – Certain controls in the transaction review process were not in place or did not operate effectively to identify and correct this error.</p> <p>Recommendation – We recommend significant transactions for noncapital construction be properly reviewed by the appropriate personnel to ensure the proper accounting is accorded to these transactions and agreements.</p> <p>Views of Responsible Officials and Planned Corrective Actions – We agree with the finding. Finance will work with project managers to review the proper accounting treatment for significant noncapital construction to prevent future occurrences.</p>

The City of Oklahoma City, Oklahoma
Schedule of Findings and Questioned Costs, continued
Year Ended June 30, 2014

Reference Number	Finding
14-04	<p>Criteria or Specific Requirement – Management of OCPPA is responsible for establishing and maintaining effective internal control over financial reporting.</p> <p>Condition – During the course of the audit, we identified the need to make certain adjustments to capital assets and related depreciation accounts.</p> <p>Context – Accurate financial statements are critical to managing operations and communicating financial position and results of operations to interested parties.</p> <p>Effect – Misstatements in the financial statements resulting from errors that occurred and were not detected and/or corrected in a timely manner created the need to record an audit adjustment to correct the errors.</p> <p>Cause – Certain deficiencies in the overall review process of the financial statements were not in place to identify these errors timely.</p> <p>Recommendation – We recommend the finance department enhance their review of supporting documentation in an effort to limit errors in OCPPA’s financial statements. In addition, management should consider quarterly reviews of all construction projects to timely closeout projects and alleviate strains on the finance department at year-end.</p> <p>Views of Responsible Officials and Planned Corrective Actions – We agree with this finding. Existing assets policies and procedures will be updated to incorporate all phases of an asset’s life once it is entered into the system inclusive of an analysis of quarterly data so that construction projects can be closed out more timely.</p>

The City of Oklahoma City, Oklahoma
Schedule of Findings and Questioned Costs, continued
Year Ended June 30, 2014

Reference Number	Finding
14-05	<p>Criteria or Specific Requirement – Management of Oklahoma City Municipal Facilities Authority (OCMFA) is responsible for establishing and maintaining effective internal control over financial reporting.</p> <p>Condition – During the year, the City’s finance department identified that a receivable existed for nuisance abatement services that had not been reported in prior year’s financial statements. The City initially identified and recorded an adjustment to reflect this net receivable balance, but we noted the City had not taken into account payments received during the current year when creating the prior period adjustment. We also noted OCMFA’s allowance for uncollectible accounts for nuisance abatement receivables had not taken into account potential uncollectible accounts related to the last three years of nuisance abatement assessments.</p> <p>Context – Accurate financial information is critical to managing operations and communicating financial position and results of operations to interested parties.</p> <p>Effect – A prior period adjustment was recognized in the current period financial statements to recognize the nuisance abatement receivable from prior years and an audit adjustment was made to OCMFA’s initial prior period adjustment to account for payments received during the current year and provide an additional allowance for uncollectible accounts.</p> <p>Cause – The previous tracking system used for abatements did not have the capability to track open and unpaid abatements for financial reporting purposes. Also, OCMFA’s assumptions and methodology used to calculate the allowance for uncollectible accounts did not take into consideration the potential write-off related to uncollected assessments from the last three years.</p> <p>Recommendation – We recommend management annually review the information supporting the nuisance abatement receivable and the collection history for this receivable to ascertain if the receivable balance is properly reported and determine that the allowance for accounts receivable is sufficient to cover both old receivables and assessments during the last three years.</p> <p>Views of Responsible Officials and Planned Corrective Actions – We agree with this finding and the recommendation. Management will annually review the information supporting the nuisance abatement receivable as well as the collection history to determine the accuracy of the receivable and also review the allowance annually to make sure that it will cover old receivables and assessments during the last three years. Finance will also assist in future development of an interface of receivables to the general ledger.</p>

The City of Oklahoma City, Oklahoma
Schedule of Findings and Questioned Costs, continued
Year Ended June 30, 2014

Reference Number	Finding
14-06	<p>Criteria or Specific Requirement – Management of OCMFA is responsible for establishing and maintaining effective internal control over financial reporting.</p> <p>Condition – During the year, the City’s finance department identified certain pre-funded bond general obligation (GO) bond costs were not going to be reimbursed by the City’s GO Bond fund. The decision to not reimburse these costs was made prior to June 30, 2013, but the previously issued June 30, 2013, financial statements had not been adjusted for this matter. The City’s finance department also identified certain pre-funded GO bond costs were accrued as a receivable at June 30, 2013, in error. A prior period adjustment was required to correct this matter.</p> <p>Context – Accurate financial statements are critical to managing operations and communicating financial position and results of operations to interested parties.</p> <p>Effect – A prior period adjustment was recognized in the current year financial statements to recognize the write-off of certain pre-funded GO bond costs.</p> <p>Cause – OCMFA had pre-funded certain GO bond costs in prior years and the GO Bond Committee made a decision not to pursue these projects during the 2013 fiscal year. Also, OCMFA was not performing a detail reconciliation by bond project to the associated liability from the GO Bond fund, resulting in certain projects being erroneously recognized as a receivable when they had been reimbursed by the GO Bond fund in prior years.</p> <p>Recommendation – The City’s finance department should perform a detail reconciliation of pre-funded GO bond costs by project at least quarterly to the associated liability by the GO Bond fund. The City’s finance department should also periodically review the GO Bond Committee minutes for the removal of bond projects and compare that listing to the detail listing of pre-funded GO Bond costs by OCMFA to identify potential projects that should be written off.</p> <p>Views of Responsible Officials and Planned Corrective Actions – We agree with this finding and will publish a list of outstanding unfunded projects quarterly and send out to responsible parties to identify the projects that should be written off.</p>

The City of Oklahoma City, Oklahoma
Schedule of Findings and Questioned Costs, continued
Year Ended June 30, 2014

Reference Number	Finding
14-07	<p>Criteria or Specific Requirement – Management of OCMFA is responsible for establishing and maintaining effective internal control over financial reporting.</p> <p>Condition – During the current year, the City’s finance department identified certain costs paid in relation to a new software system and software upgrade in prior years that had been expensed instead of being capitalized. During the course of our audit, we also identified a contract for software maintenance had been improperly expensed in the prior fiscal year instead of being recognized as a prepaid asset and amortized into expense during the current fiscal year.</p> <p>Context – Timely and accurate financial statements are critical to managing operations and communicating financial position to interested parties.</p> <p>Effect – A prior period adjustment was recognized in the current year financial statements to recognize the costs related to the new software and software upgrade as a capital asset. A prior period adjustment was also recognized in the current year financial statements to recognize the software maintenance contract as a current year expense.</p> <p>Cause – The review process for distinguishing vouchers between capital outlay and noncapital expenditures failed to identify certain costs as capital outlay. Also, the review process for identifying the proper cut-off of expenditures at year-end failed to properly identify the software maintenance contract as an expense in 2014.</p> <p>Recommendation – We recommend management review their procedures for classifying expenditures between capital outlay and noncapital expenditures. We also recommend management review their policies for identifying proper cut-off of expenditures at year-end.</p> <p>Views of Responsible Officials and Planned Corrective Actions – We agree with this finding and the recommendation. Management will review both existing policy and procedures and amend it as needed and we will work directly with purchasing departments to ensure that a capitalized assets policy is understood and in place.</p>

The City of Oklahoma City, Oklahoma
Schedule of Findings and Questioned Costs, continued
Year Ended June 30, 2014

Reference Number	Finding
14-08	<p>Criteria or Specific Requirement – Management is responsible for establishing and maintaining effective internal control over financial reporting.</p> <p>Condition – While performing a search for unrecorded liabilities, we identified two invoices aggregating approximately \$318,000 for land fill expenses that were improperly excluded from the initial year-end accounts payable balance. An audit entry was proposed and recorded to report this liability at June 30, 2014.</p> <p>Context – Accurate financial statements are critical to managing operations and communicating financial position and results of operations to interested parties.</p> <p>Effect – Misstatements in the financial statements resulted from errors that occurred and were not detected and/or corrected in a timely manner which resulted in a material adjustment to the current financial statements.</p> <p>Cause – The review process failed to identify the proper accrual of expenditures and posting of liabilities to the general ledger.</p> <p>Recommendation – We recommend management review their procedures for ensuring expenditures are recognized and posted in the proper period.</p> <p>View of Responsible Officials and Planned Corrective Actions – We agree. We will continue to train and develop our professional staff to perform reviews effectively.</p>

The City of Oklahoma City, Oklahoma
Schedule of Findings and Questioned Costs, continued
Year Ended June 30, 2014

Reference Number	Finding
14-09	<p>Criteria or Specific Requirement – Management of the Oklahoma City Zoological Trust (OCZT) is responsible for establishing and maintaining effective internal control over financial reporting.</p> <p>Condition – During a portion of the year under audit, OCZT had segregation of duties lapses due to employee turnover in OCZT’s accounting department.</p> <p>Context – Timely and accurate financial statements are critical to managing operations and communicating financial position to interested parties.</p> <p>Effect – The potential for undetected fraud, omission or errors increases significantly when financial data and general ledger entries are not being reviewed.</p> <p>Cause – OCZT had significant turnover in the accounting department during the year.</p> <p>Recommendation – We recommend management evaluate its review processes and implement adequate monitoring controls over financial reporting.</p> <p>Views of Responsible Officials and Planned Corrective Actions – We agree. The Financial Assistant left and the position was vacant for a portion of fiscal year 2014. Recording of transactions and reconciliations were completed by the Accounting Manager and reviewed by the CFO during this period of time. The Finance Department was fully staffed in July of 2014.</p>

The City of Oklahoma City, Oklahoma
Schedule of Findings and Questioned Costs, continued
Year Ended June 30, 2014

Reference Number	Finding
14-10	<p>Criteria or Specific Requirement – Management of Oklahoma City Water Utilities Trust (OCWUT) is responsible for establishing and maintaining effective internal control over financial reporting.</p> <p>Condition – During the course of the audit, we identified certain adjustments related to the City’s and Oklahoma City Water Utilities Trust’s capital assets that were both made and not made because their aggregate effect is not currently material to the financial statements (passed adjustments).</p> <p>Context – Accurate financial statements are critical to managing operations and communicating financial position and results of operations to interested parties.</p> <p>Effect – Misstatements in the financial statements resulting from errors that occurred and were not detected and/or corrected in a timely manner created multiple audit adjustments that were not booked. The individual misstatements have been provided to the City’s finance department.</p> <p>Cause – Certain deficiencies in the overall review process of the financial statements were not in place to identify these errors timely.</p> <p>Recommendation – We recommend the City’s finance department enhance their review of supporting documentation in an effort to limit errors in OCWUT’s financial statements. In addition, management should consider quarterly reviews of all construction projects to more timely closeout projects and alleviate strains on the City’s finance department at year-end.</p> <p>Views of Responsible Officials and Planned Corrective Actions – We agree with this finding. Finance will provide a semiannual listing of construction projects to responsible parties and request updates on completed or closed projects.</p>

The City of Oklahoma City, Oklahoma
Schedule of Findings and Questioned Costs, continued
Year Ended June 30, 2014

Findings Required to be Reported by OMB Circular A-133

Reference Number	Finding	Known Questioned Costs
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No matters are reportable.

The City of Oklahoma City, Oklahoma
Summary Schedule of Prior Audit Findings
Year Ended June 30, 2014

Reference Number	Finding	Status
13-10	<p>Community Development Block Grants/Entitlement Grants (CDBG Entitlement Grants Cluster) and Supportive Housing Program CFDA Nos. 14.218 and 14.235 U.S. Department of Housing and Urban Development (HUD) Reporting</p> <p>Criteria or Specific Requirement – Pursuant to the passage of the <i>Federal Funding Accountability and Transparency Act (FFATA)</i>, the City is required to submit an accurate FFATA sub-award report by the end of the month following the month in which the City awards any sub-grant in excess of \$25,000.</p> <p>Condition – The City did not timely file the FFATA sub-award reports for any of its applicable HUD programs for the fiscal year ending September 30, 2013.</p> <p>Context – The FFATA sub-award report is required to be submitted by the end of the month following the month in which the City awards any sub-grant in excess of \$25,000.</p> <p>Effect – The FFATA program reporting requirements were not followed in the manner required by federal regulations.</p> <p>Cause – The City did not have adequate internal controls or procedures in place to ensure the reports were filed accurately and timely when applicable.</p> <p>Recommendation – It is recommended the City ensure controls relating to the timely and accurate completion of the FFATA sub-report be included in the City’s grant compliance manual procedures and ensure future completion is within the specified timeline in the FFATA sub-award reporting.</p> <p>Views of Responsible Officials and Planned Corrective Actions – We agree. We have completed all required filings for FFATA sub-awards of applicable HUD programs and will implement controls to ensure all FFATA required filings are met timely in the future. We will add procedures to the City’s Grant Compliance Manual and a requirement for verification to central oversight responsibilities.</p>	Resolved