



Comprehensive Annual Financial Report

The City of Oklahoma City, Oklahoma | for the Fiscal Year ended June 30, 2017

Oklahoma City, Oklahoma

Comprehensive Annual Financial Report

For the Fiscal Year Ended June 30, 2017



The City of
OKLAHOMA CITY

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



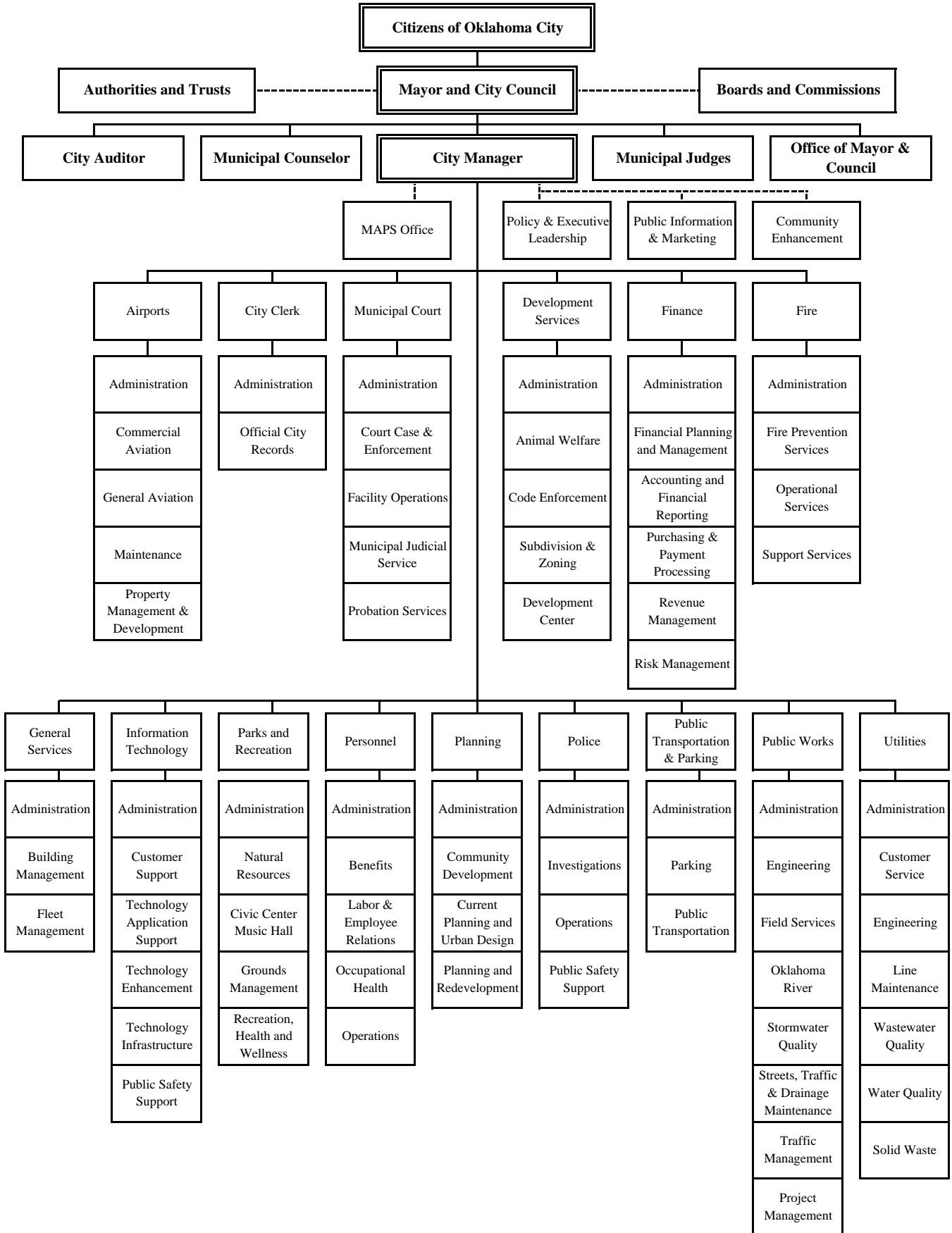
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City of Oklahoma City Organization Chart





The City of **OKLAHOMA CITY**

November 17, 2017

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

The City of Oklahoma City (City) fiscal year 2017 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, 2017, 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 AGH, L.C. 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, 2017. The independent auditor's report is presented as the first component of the financial section of this report. AGH, L.C. 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 653,421 citizens. Historically, the City has pursued a policy of annexation, and at 620.34 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 citizens 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

Oklahoma City is emerging from the recent downturn in the local economy caused by the impact of low oil and natural gas prices in the energy industry. Oil and natural gas prices have stabilized and energy companies have improved their processes and technology such that they have stabilized even though the price of oil remains in the \$45-\$50 per barrel range. While Oklahoma City has a diverse economic base, the energy industry still has a major impact on the health of the local economy. Going forward, Oklahoma City has a number of factors in its favor. The cost of living and the cost of doing business are consistently rated among the best in the country. In addition, low commuting times, convenient airline travel, and excellent entertainment and sports opportunities make Oklahoma City a great place for businesses and residents.

According to the website Glassdoor, Oklahoma City came in at No. 10 on their 2016 list of "Best Cities for Jobs" and No. 3 in their study for "Best Large Cities to Start a Business." The list for best cities for jobs was based on factors such as hiring opportunity, cost of living and job satisfaction while the list for best large cities to start a business was focused on metrics such as office-space affordability and educational attainment of the local labor force. American City and County placed Oklahoma City at #21 on its list of the 25 best run cities in America. Other recent accolades for Oklahoma City include #7 "Best City to Raise a Family" according to SmartAsset, a top ten city for housing affordability among big cities according to Demographia, and #2 "Best City for First Time Homebuyers" .

In his February 7, 2017, report Dr. Russel Evans, Executive Director of the Steven C. Agee Economic Research & Policy Institute of Oklahoma City University, provided his economic forecast to the City Council during the annual budget workshop. He reviewed the depth of the energy industry contraction in 2015 and 2016, the exacerbating effect of the national inventory cycle from the second quarter of 2015 through the second quarter of 2016, and the recessionary impact they had on the state economy. Dr. Evans' forecast for the U.S. economy was for average Gross Domestic Product (GDP) growth of about 2% through 2018, growth in nonfarm jobs of about 175,000 per month through 2017 and very gradual increases in interest rates. For Oklahoma, Dr. Evans projects 2017 to be "a year of recovery and economic improvement." Looking specifically at Oklahoma City, Dr. Evans stated "Both metro product and personal income are expected to resume solid growth in 2017 with gross metro product climbing by 3.0% to \$73.5 billion and personal income growing by 3.9% to \$66 billion. Both measures are expected to maintain strength into 2018." On the population front, Oklahoma City is expected to continue growing at an average annual rate of 1.6% reaching 1.4 million in the metropolitan area in 2018. Dr. Evans' forecast for sales tax were for growth in the range of 3.8% to 4.2% for fiscal year 2018.

Fiscal year 2017 sales tax revenue declined 3.1%. This was the second year in a row of decline in sales tax. The last time that happened in Oklahoma City was fiscal years 1986 and 1987. That was also a time of significant contraction in the oil and gas sector. While the declines in sales tax were not as deep as they have been in other years, the fact that the decline lasted for such a prolonged period made it very difficult.

The City seeks to regularly engage citizens to determine how we are meeting their expectations. Chris Tatham, president of ETC Institute, presented on July 15, 2017, the results of the annual Citizen Satisfaction Survey that was conducted in May and June of 2017. The report showed that among large U.S. cities, Oklahoma City's rating for the overall quality of City services and customer service are among the best. The City's police, fire and ambulance services continue to maintain high levels of satisfaction. The top priority for improvement continues to be maintenance of City streets. Overall, Oklahoma City residents have a very positive perception of the City with 79% of residents responding that Oklahoma City is an excellent or good place to live and 67% think the City is moving in the right direction.

Since 2007, City Council has periodically adopted a set of priorities to guide the City in subsequent years. The City Council voted to update the priorities on January 31, 2017, and maintaining strong financial management was once again one of the top priorities. This focus on strong financial management is reflected in the top ratings 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 \$674.8 million for infrastructure improvement and \$75 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 all City related public improvements 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 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 2017-2021 CIP, approved by Council on November 8, 2017, lists projects to be implemented or continued during the years of the CIP. The City's 2016 and 2017 expenditures and 2018 capital budget by function are summarized in the following table (dollars are in thousands).

	2016 CIP Project Expenditures	2017 CIP Project Expenditures	2018 CIP Budget (1)
General government	\$55,760	\$30,418	\$19,803
Public safety	55,489	73,525	56,897
Public services (includes infrastructure)	472,975	417,813	407,465
Culture and recreation	330,255	358,860	568,799
Education	<u>1,392</u>	<u>4,963</u>	<u>3,341</u>
	<u>\$915,871</u>	<u>\$885,579</u>	<u>\$1,056,305</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. Public trusts of which the City is the beneficiary are encouraged to use the independent auditors selected competitively by the City Council. 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; along with performance audits; 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 2017 annual budget was awarded the Government Finance Officers Association of the United States and Canada (GFOA) Distinguished Budget Presentation Award. This is the 30th 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. EMMA is 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

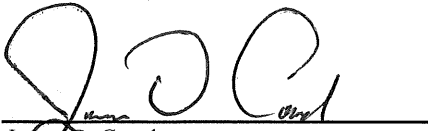
The GFOA awarded a Certificate of Achievement for Excellence in Financial Reporting to the City for its CAFR for the fiscal year ended June 30, 2016. This was the 34th consecutive year that the City has achieved this prestigious award.

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

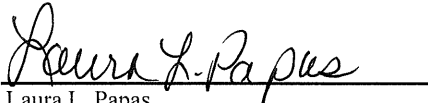
The dedicated work of the entire Finance Department, Accounting Services Division staff made possible the preparation of the City's CAFR. Other accountants and administrators at various sites throughout the City provided additional valuable help. The City also acknowledges our professional independent auditors, AGH, L.C. Finally, 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
Todd Stone	Ward 4
David Greenwell	Ward 5
Margaret S. "Meg" Salyer	Ward 6
John A. Pettis Jr.	Ward 7
Mark K. Stonecipher	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 A. Freeman	Finance Director
Eric J. Wenger	Public Works Director
Chris Browning	Utilities Director
Paul Bronson	General Services Director
Mark Kranenburg	Airports Director
LaShawn Thompson	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 McDermid	Planning Director
Schad Meldrum	Information Technology Director
Dwight Lawson	Oklahoma City Zoo Director
William Citty	Police Chief

SELECTED MANAGERS

Steve Hill	Assistant to the Mayor
Matt Weller	Assistant City Auditor
Melinda McMillan-Miller	Assistant Parks Director
Debbie Miller	Assistant Public Works Director
Doug Dowler	Budget Director
Kenton E. Tsoodle	Assistant Finance Director
Laura L. Papas	Controller
Amy Simpson	Purchasing Agent
Robert Ponkilla	City Treasurer
Brent Bryant	Economic Development Program Manager
Kim Sotomayor	Airports Business Manager
Michael Stroope	Police Business Manager
Clint Regier	Fire Business Manager
Bret Weingart	Assistant Director of Utilities



Government Finance Officers Association

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

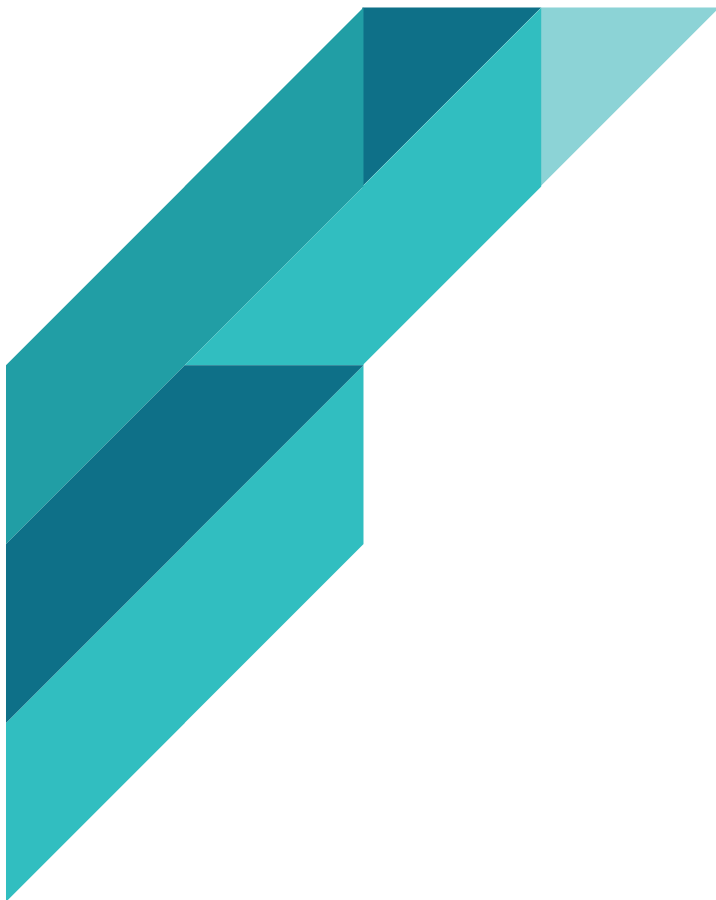
Presented to

**The City of Oklahoma City
Oklahoma**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2016

Executive Director/CEO



Financial

INDEPENDENT AUDITOR'S REPORT

The Honorable Mayor and City Council
The City of 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 (City), as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the City's basic financial statements 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 Oklahoma City Industrial and Cultural Facilities Trust (OCICF) and the Oklahoma City Redevelopment Authority (OCRA), which are discretely presented component units comprising 0.25% and 1.28% respectively, of total assets and deferred outflows of resources, 0.02% and 1.07% respectively, of net position and 0.13% and 2.10% respectively, of revenues of the City's aggregate discretely presented component units. Those statements were audited by other auditors, whose report has been furnished to us, and our opinions, insofar as it relates to the amounts included in OCICF and OCRA, are 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, except for The Combined Operations of the Cox Convention Center and the Chesapeake Energy Arena, as managed by SMG, which are reported within the Oklahoma City Public Property Authority's governmental activities and general purpose fund financial statements, 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.

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, 2017, and the respective changes in financial position and, where applicable, cash flows thereof and the general fund budgetary comparisons for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in *Note IV.A.* to the financial statements, adjustments were made to the beginning net positions and fund balances to correct errors in the prior year financial statements. Our opinions are not modified with respect to this matter.

As discussed in *Note IV.A.* to the financial statements, the City has elected to change its method of accounting for reporting judgment activity in the Debt Service Fund rather than in an internal service fund as allowed by Government Accounting Standards Board Statement No. 66, *Technical Corrections - 2012*. Our opinions are not modified with respect to this matter.

As discussed in *Note XI.* to the financial statements, in 2017, the City adopted Government Accounting Standards Board Statement No. 77, *Tax Abatement Disclosures*. 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 and required supplementary 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 audit 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.

Supplementary and Other 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 combining and individual fund statements and schedules and the introductory and statistical sections as listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual fund statements and schedules are the responsibility of management and were derived from and related directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the 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, such information is fairly stated, in all material respects, in relation to the financial statements as a whole.

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

The introductory and statistical sections have 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 them.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated November 17, 2017, 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 solely 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 effectiveness of the City's 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.

Allen, Gibbs & Houlik, L.C.
CERTIFIED PUBLIC ACCOUNTANTS

November 17, 2017
Wichita, KS

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, 2017. The City's financial performance is discussed and analyzed within the context of the accompanying financial statements and disclosures 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 and deferred outflows of resources exceeded its liabilities and deferred inflows of resources by \$2,268,723 (net position) for 2017. This compares to the previous year when assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$2,101,355.
- Total liabilities of the City increased by \$156,282 to \$1,760,465 during the fiscal year. General obligation bonds issued for capital improvements during the fiscal year were \$129,429. General obligation bonds repaid during the year were \$95,877.
- Total net position is comprised of the following:
 - (1) Net investment in capital assets of \$1,804,045 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 \$596,472 is restricted by constraints imposed from outside the City such as debt covenants, grantors, laws, or regulations.
 - (3) Unrestricted net deficit is \$131,794 compared to unrestricted net deficit of \$125,369 last year.
- The City's governmental funds reported total ending fund balance of \$1,078,868 this year. This compares to the prior year ending fund balance of \$1,095,086 showing a decrease of \$16,218 during the current year. Unassigned fund balance is \$101,741 for fiscal year 2017.
- At the end of the current fiscal year, unassigned fund balance for the General Fund was \$106,088 or 26.7% of total General Fund expenditures including transfers and 27.0% 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 to which 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. Increases or decreases in net position over time may serve as a useful indicator of whether the financial position of the City as a whole is improving or deteriorating, identify financial strengths and weaknesses, and provide an assessment of 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 to 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. These financial statements 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: 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 external city customers 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 are reported 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 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, 2017 is \$2,268,723. This is a \$163,160 increase compared to June 30, 2016 net position, as restated, of \$2,105,563. Net position increased \$144,450 for governmental activities and \$18,710 for business-type activities. The City's overall financial position improved during fiscal year 2017. Reclassifications have been made to 2016 amounts reported on the Summary of Net Position to conform with current year presentation. The 2016 financial statements were not restated for the prior period adjustment in business-type activities of \$4,208.

	Summary of Net Position						Amount of Change	% Change
	Governmental Activities		Business-type Activities		Totals			
	2017	2016	2017	2016	2017	2016		
Assets								
Current assets	\$1,274,733	\$1,268,475	\$105,614	\$80,520	\$1,380,347	\$1,348,995	\$31,352	2.3%
Capital assets, net	1,998,387	1,799,140	497,219	487,970	2,495,606	2,287,110	208,496	9.1
Other non-current assets	<u>33,255</u>	<u>59,722</u>	<u>13,410</u>	<u>26,752</u>	<u>46,665</u>	<u>86,474</u>	<u>(39,809)</u>	(46.0)
Total assets	<u>3,306,375</u>	<u>3,127,337</u>	<u>616,243</u>	<u>595,242</u>	<u>3,922,618</u>	<u>3,722,579</u>	<u>200,039</u>	5.4
Deferred outflows of resources	<u>125,490</u>	<u>58,588</u>	<u>22,550</u>	<u>3,172</u>	<u>148,040</u>	<u>61,760</u>	<u>86,280</u>	139.7
Liabilities								
Current liabilities	199,210	178,227	25,040	24,648	224,250	202,875	21,375	10.5
Non-current liabilities	<u>1,381,782</u>	<u>1,260,614</u>	<u>154,433</u>	<u>140,694</u>	<u>1,536,215</u>	<u>1,401,308</u>	<u>134,907</u>	9.6
Total liabilities	<u>1,580,992</u>	<u>1,438,841</u>	<u>179,473</u>	<u>165,342</u>	<u>1,760,465</u>	<u>1,604,183</u>	<u>156,282</u>	9.7
Deferred inflows of resources	<u>29,878</u>	<u>70,539</u>	<u>11,592</u>	<u>8,262</u>	<u>41,470</u>	<u>78,801</u>	<u>(37,331)</u>	(47.4)
Net position								
Net investment								
in capital assets	1,391,501	985,962	412,544	401,278	1,804,045	1,387,240	416,805	30.0
Restricted	592,807	835,474	3,665	4,010	596,472	839,484	(243,012)	(28.9)
Unrestricted (deficit)	<u>(163,313)</u>	<u>(144,891)</u>	<u>31,519</u>	<u>19,522</u>	<u>(131,794)</u>	<u>(125,369)</u>	<u>(6,425)</u>	(5.1)
Total net position	<u>\$1,820,995</u>	<u>\$1,676,545</u>	<u>\$447,728</u>	<u>\$424,810</u>	<u>\$2,268,723</u>	<u>\$2,101,355</u>	<u>\$167,368</u>	8.0

Total assets increased 5.4% or \$200,039 during the year. Current assets in governmental activities increased \$6,258 and increased \$25,094 in business-type activities primarily for increased cash and investments of \$7,515 and \$18,075 related to net proceeds from the issuance of general obligation bonds and Series 2017 Solid Waste Management System Bonds, respectively. In addition, business-type activities intergovernmental receivable decreased \$3,244 for amounts received from the Federal Emergency Management Agency (FEMA) for reimbursement of storm debris removal costs due to OCEAT. Capital assets increased \$208,496 for capital expenditures of \$315,562 and net transfers of \$29,839, offset by depreciation of \$132,574 and retirements of \$4,331. Other non-current assets decreased \$39,809 primarily related to the change in the actuarially calculated net pension asset in the prior year to a net pension liability in the current year of \$27,389 and \$19,408 in governmental and business-type activities, respectively. Deferred outflows of resources increased \$86,280 related mainly to actuarially calculated pension deferred outflows of resources.

Total liabilities increased 9.7% or \$156,282 during the year. Current liabilities in governmental activities increased \$20,983 related to an increase in accounts payable and accrued expenses of \$11,724 related to timing of vendor payments and an increase in unearned revenue of \$5,111 mostly related to increases in arena and convention center event sales. Current liabilities in business-type activities remained constant. Non-current liabilities increased \$121,168 in governmental activities primarily for changes in bonds payable of \$32,192, an increase in notes payable of \$6,223 related to a note for the new P25 radio system, increased actuarially determined net pension liability of \$72,588 and actuarially determined net other post-employment obligation (OPEB) of \$14,051, offset by a decrease in the actuarially determined workers compensation estimated claims. Non-current liabilities increased \$13,739 in business-type activities related primarily to changes in bonds payable of \$8,607 and an increase in the actuarially determined net OPEB obligation of \$4,836. Deferred inflows of resources decreased \$37,331 mainly related to actuarially determined pension deferred inflows.

Summary of Changes in Net Position

	Governmental Activities		Business-type Activities		Totals		Amount of Change	% Change
	2017	2016	2017	2016	2017	2016		
Revenues								
Program revenues								
Charges for services	\$93,532	\$84,625	\$92,303	\$89,709	\$185,835	\$174,334	\$11,501	6.6%
Operating grants and contributions	75,729	74,673	3,086	8,301	78,815	82,974	(4,159)	(5.0)
Capital grants and contributions	96,778	55,248	20,712	35,905	117,490	91,153	26,337	28.9
General revenues								
Sales taxes	404,518	412,578	-	-	404,518	412,578	(8,060)	(2.0)
Use taxes	48,566	41,914	-	-	48,566	41,914	6,652	15.9
Property taxes	83,305	83,898	-	-	83,305	83,898	(593)	(0.7)
Franchise taxes (fees)	41,530	41,419	-	-	41,530	41,419	111	0.3
Other taxes	25,453	25,031	-	-	25,453	25,031	422	1.7
Other	870	12,130	384	570	1,254	12,700	(11,446)	(90.1)
Total revenues	870,281	831,516	116,485	134,485	986,766	966,001	20,765	2.1
Expenses								
General government	64,330	36,846	-	-	64,330	36,846	27,484	74.6
Public safety	335,296	335,228	-	-	335,296	335,228	68	0.0
Public services	177,509	177,854	-	-	177,509	177,854	(345)	(0.2)
Culture and recreation	99,818	89,891	-	-	99,818	89,891	9,927	11.0
Education	412	546	-	-	412	546	(134)	(24.5)
Economic development	3,263	3,736	-	-	3,263	3,736	(473)	(12.7)
Interest on long-term debt	23,606	23,481	-	-	23,606	23,481	125	0.5
Airports	-	-	98	-	98	-	98	100.0
Water and wastewater utilities	-	-	9,193	9,488	9,193	9,488	(295)	(3.1)
Solid waste management	-	-	46,192	48,676	46,192	48,676	(2,484)	(5.1)
Stormwater drainage	-	-	18,023	16,893	18,023	16,893	1,130	6.7
Golf courses	-	-	10,707	10,406	10,707	10,406	301	2.9
Fairgrounds	-	-	12,296	11,665	12,296	11,665	631	5.4
Ground transportation and parking	-	-	605	831	605	831	(226)	(27.2)
Zoo operations	-	-	22,258	21,360	22,258	21,360	898	4.2
Total expenses	704,234	667,582	119,372	119,319	823,606	786,901	36,705	4.7
Increase in net position before transfers	166,047	163,934	(2,887)	15,166	163,160	179,100	(15,940)	(8.9)
Transfers	(21,597)	(21,758)	21,597	21,758	-	-	-	0.0
Change in net position	144,450	142,176	18,710	36,924	163,160	179,100	(15,940)	(8.9)
Beginning net position								
As originally reported	1,676,545	1,522,761	424,810	387,886	2,101,355	1,910,647	190,708	10.0
Prior period adjustment	-	11,608	4,208	-	4,208	11,608	(7,400)	(63.7)
Beginning net position, as restated	1,676,545	1,534,369	429,018	387,886	2,105,563	1,922,255	183,308	9.5
Ending net position	\$1,820,995	\$1,676,545	\$447,728	\$424,810	\$2,268,723	\$2,101,355	\$167,368	8.0

Total revenues increased by \$20,765 or 2.1% in 2017. Charges for services in governmental activities increased \$8,907 related primarily to a \$4,931 increase in performance and box office charges at the Civic Center. Charges for services in business-type activities increased by \$2,594 related primarily to increased solid waste residential charges of \$2,625 related to a 3.5% rate increase and a 1.46% increase in the number of customers served. Operating grants and contributions remained relatively constant in governmental activities and there was a decrease in business-type activities of \$5,215 related to a decrease in FEMA tornado damage reimbursements of \$6,088. Capital grants and contributions in governmental activities increased \$41,530 related primarily to a capital contribution to the City from OCEDT of \$29,839 and increased capital grant revenue of \$15,944 primarily related to increased receipts from Department of Housing and Urban Development grants. Capital grants and contributions decreased \$15,193 in business-type activities for a decrease in capital donations from developers. General revenues decreased \$12,914 related primarily to a decrease in the market value of investments of \$6,764, and \$1,160 miscellaneous revenue recorded for property sold.

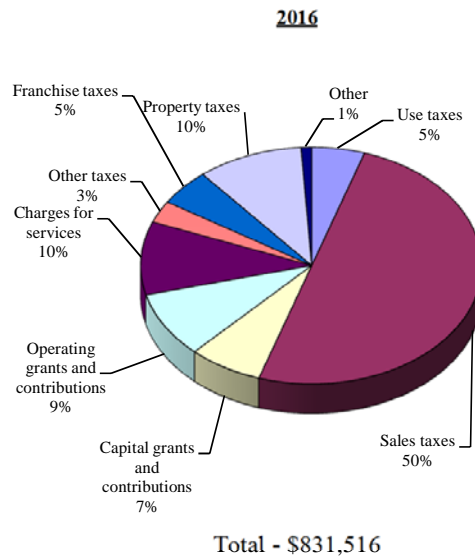
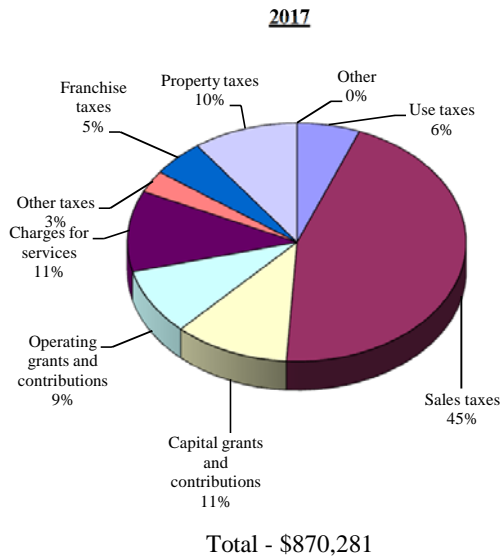
Overall expenses increased \$36,705 or 4.7% in 2017. Program expenses reported in governmental activities increased \$36,652. General government expenses increased \$27,484 due to increased actuarially determined pension and OPEB expense. Culture and recreation expenses increased \$9,927 primarily due to an increase in depreciation expense of \$5,461 and an increase in expenses related to performance and box office for activities at the Civic Center of \$3,151. Business-type activities expenses remained constant overall. Solid waste reported lower expenses in fiscal 2017 related to increased storm debris removal costs in the prior year which was offset by an increased pension and OPEB actuarially determined personnel expenses in stormwater drainage and an increase in non capital construction at the fairgrounds.

In 2017 a prior year restatement is reported in business-type activities of \$4,208 for unbilled solid waste collection revenues for OCEAT. In 2016 a prior year restatement is reported in governmental activities of \$11,608 for the recognition of previously reported unearned revenues related to revolving loans in the Grants Management Fund.

Graphic presentations of the Summary of Changes in Net Position follows to assist in the analysis of the City's activities for fiscal years 2017 and 2016.

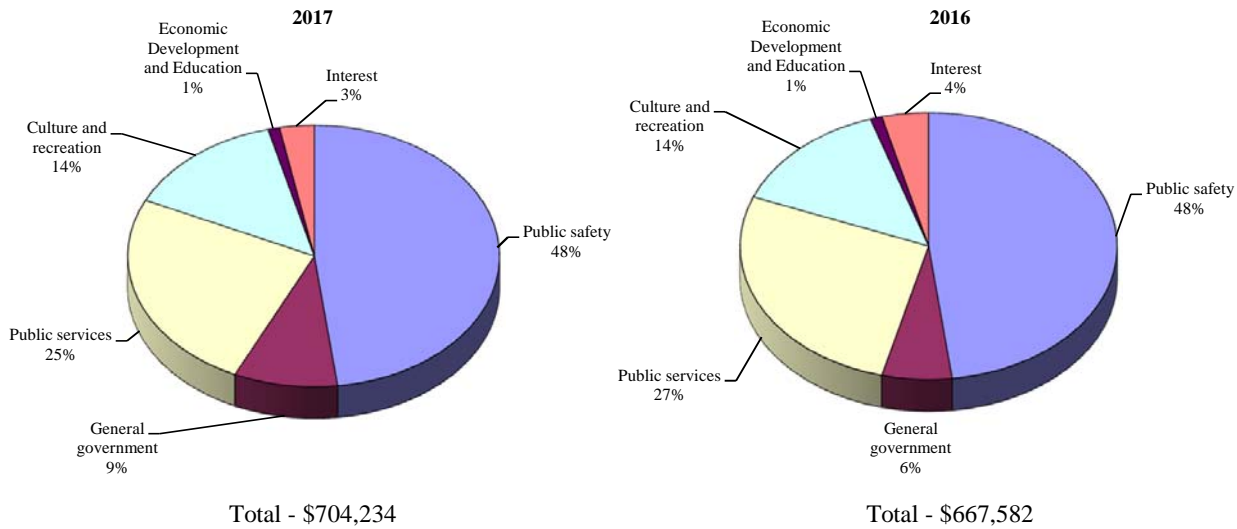
Governmental Activities

REVENUES



Overall revenues from governmental activities increased \$38,765. Charges for services increased 10.5%. Operating grants and contributions increased 1.4% and capital grants and contributions increased 75.2%. Sales taxes provided 45% and 50% of the City's total governmental revenues in fiscal years 2017 and 2016, respectively. Sales tax revenues decreased \$8,060 particularly as a result of a continued economic downturn. Use tax increased \$6,652. Property tax levy collections for fiscal years 2017 and 2016 were \$83,305 and \$83,898, respectively.

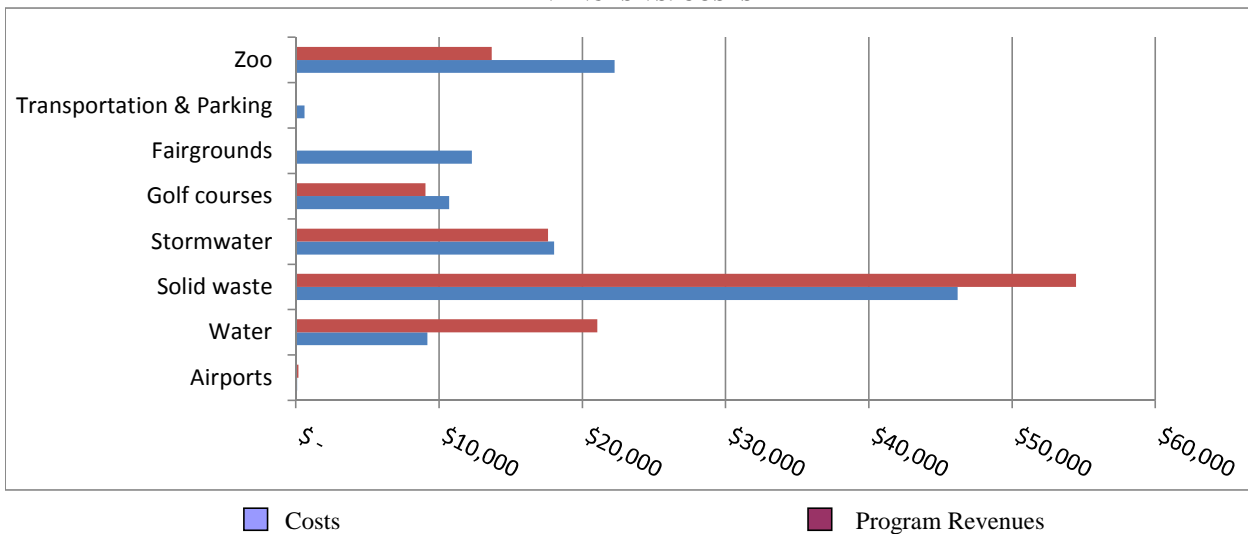
FUNCTIONAL EXPENSES



The graph shows the total governmental activities expenses of \$704,234 for 2017. Public safety, with \$174,615 in cost for police and \$129,630 in cost for fire, was the largest operating service cost, at 48.0% of total cost of services in 2017. These costs, as well as all governmental activities expenses, were primarily funded by taxes. Public safety expenses used \$262,795 in taxes and other general revenues. Other governmental activities with significant tax-based funding include public services of \$39,633 and culture and recreation activities of \$67,570.

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 been subsidized by the City. The zoo is partially funded by dedicated sales taxes.

Charges for services for business-type activities increased \$2,594. Operating grants and contributions decreased \$5,215 and capital grants decreased \$15,193. Business-type activities expenses increased \$53 and reflect only slight changes 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 \$1,078,868. Of this year-end total, \$101,741 is unassigned indicating availability for continuing City service requirements. The total ending restated fund balances of governmental funds show a decrease of \$21,566 over the prior year.

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 \$4,204 during fiscal year 2017. While sales tax revenues were down, use tax increased resulting in overall tax collections remaining relatively constant. Amendments to the budget mid year were made to reduce expenditures for personnel as a result of the reduction in sales tax. A key factor in the decrease of fund balance was the decrease in investment income of \$6,420 due to a decline in market valuation of investments. See Statistical Table 20, General Government, Investment Portfolio Return and Benchmark index for additional information on year to year rates of investment return. See General Fund Budgetary Highlights for more information.

The Debt Service Fund has a restated fund balance of \$106,793 which was a net increase of \$3,641. 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 2017 the Grants Management Fund reported a \$4,961 decrease in fund balance. The change in the Grants Management Fund's fund balance is primarily a result of an increase in reimbursable grant amounts and timing of payments received of \$3,505 and an increase in accounts payable and accrued expenses due to the timing of vendor payments of \$1,377.

In fiscal year 2017 the MAPS3 Sales Tax Fund reported a \$2,433 decrease 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 decreased as project spending has increased and has exceeded tax revenue collections.

The General Obligation Bond Fund has a fund balance of \$226,821, a net increase of \$5,612. Fund balance increased as a result of proceeds from bond issuance in excess of expenditures for bond projects during the year.

The Oklahoma City Public Property Authority (OCPPA) General Purpose Fund accounts for the general government activities of OCPPA. In fiscal year 2017 the OCPPA General Purpose Fund reported a \$747 increase in fund balance.

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 reports the capital asset activity of the City's water and wastewater utilities. Net position for the Water and Wastewater Fund increased by \$10,732 for an ending net position of \$291,204. Major revenues include donated assets from developers. Expenses include depreciation. Contributions from developers decreased \$15,193 during the year.

OCEAT reports the financing and operations of the City's solid waste disposal program. OCEAT's restated net position increased \$7,275 during the current year. Operating revenues increased 5.5% and operating expenses decreased 5.1% primarily related to scheduled increases in rates for amounts charged and decreases in 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 \$4,620 to \$89,582. During 2017 operating revenues decreased 3.3% due to outsourcing of concessions mid-year even though there was a 4.5% increase in attendance. Operating expenses increased 4.2% due to the outsourcing of concessions to a third party. Sales tax payments from the City decreased 1.7% due to adverse economic conditions. Investment income increased 57.5% due to an increased cash balance during the 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 deficit increased to a deficit of \$17,142 as expenses exceeded revenues and transfers by \$4,718. The deficit increased primarily due to depreciation on capital assets.

The OCPPA Golf Courses Fund accounts for the finances of five municipal golf courses. The current year net deficit increased \$297 resulting in a net deficit of \$2,217. Operating revenues decreased \$187 due to a decrease in golf rounds played. Expenses increased \$347 primarily due to increases in personnel costs and maintenance.

General Fund Budgetary Highlights

The original adopted General Fund budget for fiscal year June 30, 2017, was \$414,197. This was a decrease of \$21,372 over the previous year budget. A decrease in sales tax revenue and a reduction in budgeted fund balance were the primary drivers in the revenue decrease. The reduction in revenue resulted in a decrease of 44 positions affecting most departments.

The General Fund adopted budget was amended twice during the 2017 fiscal year. The amendments decreased the budget by \$8,751. The first amendment increased the use of prior year's fund balance by \$499 thousand for valid prior year encumbrances rolled over to the current fiscal year. The second amendment was necessary to reduce the budget mid-year due to significantly lower than projected sales tax collections. The mid-year cuts to the General Fund reduced the budget \$9,250 and affected all departments. This mid-year cut reduced an additional 39 positions from the budget bringing the total number of authorized full-time positions to 4,660. The final amended General Fund budget was \$405,446. 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, 2017, was \$1,998,387 and \$497,219, respectively. The total increase in net capital assets was 11.1% for governmental activities and the total increase for business-type activities was 1.9%. The overall increase was 9.1% for the City as a whole.

	Capital Assets, Net of Accumulated Depreciation						Amount of Change	% Change
	Governmental Activities		Business-type Activities		Totals			
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>		
Non-Depreciable Assets								
Land and water storage rights	\$168,564	\$139,730	\$30,664	\$30,664	\$199,228	\$170,394	\$28,834	16.9%
Construction in progress	<u>362,685</u>	<u>274,673</u>	<u>6,897</u>	<u>2,061</u>	<u>369,582</u>	<u>276,734</u>	<u>92,848</u>	33.6
Total non-depreciable assets	<u>531,249</u>	<u>414,403</u>	<u>37,561</u>	<u>32,725</u>	<u>568,810</u>	<u>447,128</u>	<u>121,682</u>	27.2
Depreciable Assets								
Buildings	321,414	351,068	102,589	104,460	424,003	455,528	(31,525)	(6.9)
Infrastructure and improvements other than buildings	1,066,732	962,013	337,216	328,829	1,403,948	1,290,842	113,106	8.8
Furniture, machinery, and equipment	<u>78,992</u>	<u>71,656</u>	<u>19,853</u>	<u>21,956</u>	<u>98,845</u>	<u>93,612</u>	<u>5,233</u>	5.6
Total depreciable assets	<u>1,467,138</u>	<u>1,384,737</u>	<u>459,658</u>	<u>455,245</u>	<u>1,926,796</u>	<u>1,839,982</u>	<u>86,814</u>	4.7
Total	<u>\$1,998,387</u>	<u>\$1,799,140</u>	<u>\$497,219</u>	<u>\$487,970</u>	<u>\$2,495,606</u>	<u>\$2,287,110</u>	<u>\$208,496</u>	9.1

General obligation and revenue bonds provided the major funding for the construction and acquisition of capital assets in governmental activities during the year. Construction projects in governmental activities during the current year included the Senior Health and Wellness Center, procurement of the Modern Streetcar equipment, street improvements, the Central Maintenance Facility, and the Downtown City Park. The increase of land includes the acquisition of the new Convention Center Site. Construction in business-type activities included the Oklahoma River Maintenance Facility, State Fair complex enhancements, and improvements at the Zoo. See Note II. A. 5. for additional information about capital assets.

Debt Administration

Other Long-term Debt

The City issued \$13,845 and retired \$3,007 of notes payable and added lease obligations of \$257 and retired \$928. Estimated claims payable decreased a net amount of \$2,744. 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 \$932,367. Of this amount, \$820,338 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 \$112,029 is supported by pledged revenues generated primarily by business-type activities of the City (revenue bonds). During the current year, the City issued \$129,429 in general obligation bonds under the voter authorization discussed earlier in this report. Revenue bonds in the amount of \$15,418 were issued. 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>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>		
Other long-term debt	\$65,537	\$57,902	\$207	\$419	\$65,744	\$58,321	\$7,423	12.7%
General obligation bonds	820,338	786,786	-	-	820,338	786,786	33,552	4.3
Revenue bonds	-	-	<u>112,029</u>	<u>103,232</u>	<u>112,029</u>	<u>103,232</u>	<u>8,797</u>	8.5
	<u>\$885,875</u>	<u>\$844,688</u>	<u>\$112,236</u>	<u>\$103,651</u>	<u>\$998,111</u>	<u>\$948,339</u>	<u>\$49,772</u>	5.2

Changes in long-term debt are related to issuances and payments of current principal requirements. Issuances included the Series 2017 Non-Taxable General Obligation Bonds that will be used to fund infrastructure improvements, Series 2017 Non-Taxable General Obligation Refunding Bonds which were used to defease the Series 2008 General Obligation Bonds in governmental activities and the Series 2017A Solid Waste Management System Non-Taxable Revenue Refunding and Improvement Bonds which were used to defease the Series 2005 Solid Waste Management System Revenue Bonds and will be used to expand maintenance bays used in operations and establish a reserve fund, and the Series 2017B Solid Waste Management System Taxable Revenue Bonds will be used to finance the costs of recycling carts and establish a reserve fund. See Note III. A. 9. for additional information about changes in long-term debt.

Economic Environment and Fees and Rates

Economic Environment

Tax revenues continued to decline in the early half of the year due to muted national economy growth and the downturn in the oil and natural gas industry. This trend did however show improvement in the later half of the year.

Fees and Rates

In September 2016 the City approved an ordinance that adjusts the collection of solid waste service fees by 3.5 percent annually effective October 1, 2016 through October 1, 2019.

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 N. Walker, Suite 300, Oklahoma City, Oklahoma 73102.

OVERVIEW OF COMPONENT UNITS

<u>BLENDDED 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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Basic Financial Statements

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

CITY OF OKLAHOMA CITY, OKLAHOMA

June 30, 2017

(dollars are in thousands)

	Primary Government			Component Units
	Governmental Activities	Business-Type Activities	Total	
ASSETS				
CURRENT ASSETS				
Cash-----	\$117,482	\$32,842	\$150,324	\$74,143
Investments-----	1,003,651	89,716	1,093,367	376,157
Sales and use taxes receivable-----	63,656	-	63,656	-
Property taxes receivable-----	4,317	-	4,317	6,021
Accounts receivable, net-----	13,971	10,115	24,086	33,261
Interest, dividends, and royalties receivable-----	2,898	208	3,106	874
Internal balances-----	40,099	(40,099)	-	-
Receivable from component units-----	3,178	55	3,233	327
Receivable from primary government-----	-	-	-	5,592
Intergovernmental receivables-----	14,311	2,403	16,714	9,489
Notes, service concession arrangements, and economic incentives receivable-----	1,481	545	2,026	2,432
Inventories and prepaids-----	9,689	9,829	19,518	1,512
Total current assets-----	<u>1,274,733</u>	<u>105,614</u>	<u>1,380,347</u>	<u>509,808</u>
NON-CURRENT ASSETS				
Investments-----	-	3,281	3,281	77,259
Prepaids, non-current-----	609	320	929	198
Notes, service concession arrangements, and economic incentives receivable-----	14,405	3,581	17,986	30,929
Receivable from primary government-----	-	-	-	2,800
Receivable from component units-----	4,255	6,228	10,483	-
Equity interest in joint venture-----	13,986	-	13,986	-
Other-----	-	-	-	79,326
Capital assets:				
Land, art, water storage rights, and construction in progress-----	531,249	37,561	568,810	385,009
Other capital assets, net of accumulated depreciation-----	1,467,138	459,658	1,926,796	1,414,805
Capital assets, net-----	<u>1,998,387</u>	<u>497,219</u>	<u>2,495,606</u>	<u>1,799,814</u>
Total non-current assets-----	<u>2,031,642</u>	<u>510,629</u>	<u>2,542,271</u>	<u>1,990,326</u>
Total assets-----	<u>3,306,375</u>	<u>616,243</u>	<u>3,922,618</u>	<u>2,500,134</u>
DEFERRED OUTFLOWS OF RESOURCES				
	<u>125,490</u>	<u>22,550</u>	<u>148,040</u>	<u>13,763</u>
LIABILITIES				
CURRENT LIABILITIES				
Accounts payable and accrued expenses-----	56,632	10,745	67,377	38,234
Wages and benefits payable-----	13,396	3,825	17,221	243
Payable to component units-----	5,135	457	5,592	327
Payable to primary government-----	-	-	-	3,233
Interest payable-----	179	-	179	1,044
Compensated absences-----	23,702	3,901	27,603	212
Tax anticipation debt-----	-	-	-	17,066
Notes, lease obligations, and estimated claims payable-----	17,925	13	17,938	72,867
Commercial paper-----	-	-	-	4,500
Unearned revenue-----	14,189	551	14,740	1,108
Bond interest payable-----	9,797	1,153	10,950	15,386
Bonds payable-----	57,215	4,395	61,610	31,835
Intergovernmental payable-----	1,040	-	1,040	10,091
Total current liabilities-----	<u>199,210</u>	<u>25,040</u>	<u>224,250</u>	<u>196,146</u>
NON-CURRENT LIABILITIES				
Compensated absences-----	52,423	6,641	59,064	256
Payable to primary government-----	-	-	-	10,483
Payable to component units-----	2,800	-	2,800	-
Intergovernmental payable-----	-	-	-	12,500
Tax anticipation debt-----	-	-	-	14,375
Notes, lease obligations, and estimated claims payable-----	47,612	194	47,806	54,447
Unearned revenue-----	662	2,169	2,831	572
Bonds payable, net-----	763,123	107,634	870,757	699,864
Net pension liability-----	377,885	526	378,411	4,600
Net other post-employment benefit obligation-----	137,277	37,269	174,546	192
Total non-current liabilities-----	<u>1,381,782</u>	<u>154,433</u>	<u>1,536,215</u>	<u>797,289</u>
Total liabilities-----	<u>1,580,992</u>	<u>179,473</u>	<u>1,760,465</u>	<u>993,435</u>
DEFERRED INFLOWS OF RESOURCES				
	<u>29,878</u>	<u>11,592</u>	<u>41,470</u>	<u>1,911</u>
NET POSITION				
Net investment in capital assets-----	1,391,501	412,544	1,804,045	990,436
Restricted for:				
Capital projects-----	466,553	21	466,574	9,183
Debt service-----	86,938	3,644	90,582	67,249
Public safety-----	11,128	-	11,128	-
Public services-----	18,464	-	18,464	35,162
Culture and recreation-----	9,724	-	9,724	-
Education-----	-	-	-	21,802
Maintenance-----	-	-	-	35,418
Unrestricted-----	(163,313)	31,519	(131,794)	359,301
Total net position-----	<u>\$1,820,995</u>	<u>\$447,728</u>	<u>\$2,268,723</u>	<u>\$1,518,551</u>

See accompanying notes to financial statements.

STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2017
(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-----	\$70,990	(\$6,660)	\$12,225	\$10,740	\$21	(\$41,344)	\$ -	(\$41,344)	\$ -
Public safety:									
Police-----	174,615	-	2,017	10,365	-	(162,233)	-	(162,233)	-
Fire-----	129,630	-	14	25,364	6	(104,246)	-	(104,246)	-
Other-----	31,051	-	32,430	2,034	271	3,684	-	3,684	-
Public services-----	177,078	431	22,077	21,409	94,390	(39,633)	-	(39,633)	-
Culture and recreation-----	95,243	4,575	24,769	5,389	2,090	(67,570)	-	(67,570)	-
Education-----	308	104	-	2	-	(410)	-	(410)	-
Economic development-----	3,263	-	-	426	-	(2,837)	-	(2,837)	-
Interest on long-term debt-----	23,606	-	-	-	-	(23,606)	-	(23,606)	-
Total governmental activities-----	705,784	(1,550)	93,532	75,729	96,778	(438,195)	-	(438,195)	-
<i>Business-type activities</i>									
Airports-----	98	-	22	157	-	-	81	81	-
Water and wastewater utilities-----	9,193	-	-	337	20,712	-	11,856	11,856	-
Solid waste management-----	45,386	806	54,446	28	-	-	8,282	8,282	-
Stormwater drainage-----	17,361	662	17,617	-	-	-	(406)	(406)	-
Golf courses-----	10,625	82	9,047	3	-	-	(1,657)	(1,657)	-
Fairgrounds-----	12,296	-	5	47	-	-	(12,244)	(12,244)	-
Transportation and parking-----	605	-	-	-	-	-	(605)	(605)	-
Zoo operations-----	22,258	-	11,166	2,514	-	-	(8,578)	(8,578)	-
Total business-type activities-----	117,822	1,550	92,303	3,086	20,712	-	(3,271)	(3,271)	-
Total primary government-----	\$823,606	\$ -	\$185,835	\$78,815	\$117,490	(438,195)	(3,271)	(441,466)	-
Component units									
Airports-----	\$70,730	\$ -	\$60,334	\$7,517	\$7,583	-	-	-	4,704
Water and wastewater utilities-----	194,594	-	261,078	1,010	-	-	-	-	67,494
Riverfront development-----	174	-	4	-	-	-	-	-	(170)
Foreign trade zone operations-----	24	-	19	-	-	-	-	-	(5)
Transportation and parking-----	36,337	-	11,990	25,819	2,220	-	-	-	3,692
Education-----	9,019	-	-	50	-	-	-	-	(8,969)
Economic development-----	50,826	-	78	10,310	-	-	-	-	(40,438)
Total component units-----	\$361,704	\$ -	\$333,503	\$44,706	\$9,803	-	-	-	26,308
GENERAL REVENUES									
Taxes:									
Sales taxes:									
General-----						207,790	-	207,790	-
Police-----						39,266	-	39,266	-
Fire-----						39,266	-	39,266	-
Culture and recreation-----						117,771	-	117,771	-
Tax incremental financing-----						425	-	425	-
Total sales tax-----						404,518	-	404,518	-
Use taxes-----						48,566	-	48,566	-
Hotel/Motel taxes-----						14,221	-	14,221	-
Property taxes-----						83,305	-	83,305	19,922
Franchise taxes-----						41,530	-	41,530	-
Emergency telephone taxes-----						5,334	-	5,334	-
Other taxes-----						5,898	-	5,898	-
Total taxes-----						603,372	-	603,372	19,922
Oil and gas royalties-----						339	-	339	33
Unrestricted investment income-----						(2,381)	384	(1,997)	310
Miscellaneous-----						2,912	-	2,912	244
Total general revenues-----						604,242	384	604,626	20,509
Transfers-----						(21,597)	21,597	-	-
Total general revenues and transfers-----						582,645	21,981	604,626	20,509
Changes in net position-----						144,450	18,710	163,160	46,817
NET POSITION BEGINNING									
As previously reported-----						1,676,545	424,810	2,101,355	1,474,301
Prior period adjustment-----						-	4,208	4,208	(2,567)
As restated-----						1,676,545	429,018	2,105,563	1,471,734
Net position-ending-----						\$1,820,995	\$447,728	\$2,268,723	\$1,518,551

See accompanying notes to financial statements.

**BALANCE SHEET
GOVERNMENTAL FUNDS
June 30, 2017
(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>
ASSETS								
Pooled cash-----	\$2,185	\$3,270	\$94	\$13,906	\$ -	\$3,291	\$9,221	\$31,967
Non-pooled cash-----	-	-	-	-	46,403	13,865	985	61,253
Investments-----	65,115	102,462	8,235	434,733	201,471	9,612	142,159	963,787
Sales and use taxes receivable-----	34,047	-	-	14,554	-	-	15,055	63,656
Property taxes receivable-----	-	4,315	-	-	-	2	-	4,317
Accounts receivable-----	7,277	-	39	-	-	1,165	5,454	13,935
Interest, dividends, and royalties receivable-----	198	303	54	1,294	473	18	432	2,772
Due from other funds-----	15,570	-	1,762	-	-	193	7,554	25,079
Receivable from component units-----	2,541	-	471	-	-	9	84	3,105
Intergovernmental receivables-----	1,372	-	10,245	-	1,181	163	1,256	14,217
Notes receivable, current-----	8	-	1,473	-	-	-	-	1,481
Inventories-----	6,333	-	-	-	-	173	-	6,506
Prepays-----	65	-	7	-	-	148	469	689
Notes receivable, non-current-----	5	-	14,400	-	-	-	-	14,405
Prepays, non-current-----	5	-	10	-	-	235	316	566
Advance to other funds-----	1,222	-	-	-	-	-	5,153	6,375
Receivable from component units, non-current-----	-	-	4,255	-	-	-	-	4,255
Total assets-----	\$135,943	\$110,350	\$41,045	\$464,487	\$249,528	\$28,874	\$188,138	\$1,218,365
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES								
LIABILITIES								
Accounts payable and accrued expenditures-----	\$3,373	\$ -	\$5,611	\$19,626	\$17,337	\$2,909	\$5,679	\$54,535
Wages and benefits payable-----	10,689	-	85	-	-	-	2,084	12,858
Due to other funds-----	4,890	-	11,346	1,558	3,907	1,176	4,433	27,310
Payable to component units, current-----	1,601	-	13	-	-	-	3,444	5,058
Unearned revenue-----	208	-	1,386	-	-	10,157	2,438	14,189
Intergovernmental payable, current-----	-	-	12	-	849	-	179	1,040
Payable to component units, non-current-----	-	-	-	-	-	-	2,500	2,500
Advance from other funds-----	-	-	-	-	422	4,457	2,867	7,746
Unearned revenue, non-current-----	-	-	-	-	-	662	-	662
Total liabilities-----	20,761	-	18,453	21,184	22,515	19,361	23,624	125,898
DEFERRED INFLOWS OF RESOURCES-----								
	278	3,557	5,844	503	192	384	2,841	13,599
FUND BALANCES								
Non-spendable-----	7,371	-	17	-	1,181	719	1,290	10,578
Restricted-----	-	106,793	16,731	442,800	225,640	2,311	60,203	854,478
Committed-----	-	-	-	-	-	535	49,910	50,445
Assigned-----	1,445	-	-	-	-	5,564	54,617	61,626
Unassigned-----	106,088	-	-	-	-	-	(4,347)	101,741
Total fund balances-----	114,904	106,793	16,748	442,800	226,821	9,129	161,673	1,078,868
Total liabilities, deferred outflows of resources and fund balances-----	\$135,943	\$110,350	\$41,045	\$464,487	\$249,528	\$28,874	\$188,138	\$1,218,365

See accompanying notes to financial statements.

**RECONCILIATION OF THE BALANCE
SHEET OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
June 30, 2017
(dollars are in thousands)**

CITY OF OKLAHOMA CITY, OKLAHOMA

Total fund balance -- total governmental funds \$1,078,868

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	\$531,249	
Capital assets	2,694,115	
Less: Accumulated depreciation	<u>(1,226,977)</u>	1,998,387
Less: Internal service fund net capital assets included in net assets above		(3,999)

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. 13,986

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)		13,599
---	--	--------

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	\$17,564	
Business-type activities internal liabilities to governmental fund activities	<u>42,561</u>	60,125

Long-term liabilities and debt and pension related deferred inflows and outflows are not due and payable in the current period and are not reported in the funds.

	Government Wide		<i>Deferred Outflows (Inflows)</i>	<i>Internal Service Funds</i>	
	<i>Current</i>	<i>Non-Current</i>			
Notes, lease obligations, estimated claims payable	(\$17,925)	(\$47,612)	\$ -	\$46,419	
Bonds payable, net	(57,215)	(763,123)	-	-	
Deferred amounts on refunding	-	-	5,034	-	
Compensated absences	(23,702)	(52,423)	-	1,991	
Interest payable	(179)	-	-	-	
Bonds interest payable	(9,797)	-	-	-	
Net pension liability	-	(377,885)	-	76	
Pension deferred outflows	-	-	120,456	(3,245)	
Pension deferred inflows	-	-	(29,878)	1,052	
Net other post-employment benefit obligation	-	<u>(137,277)</u>	-	5,262	(1,339,971)

Net position of governmental activities \$1,820,995

**STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
For the Year Ended June 30, 2017
(dollars are in thousands)**

CITY OF OKLAHOMA CITY, OKLAHOMA

	General	Debt Service	Grants Management	MAPS3 Sales Tax	General Obligation Bonds	OCPPA General Purpose	Other Governmental Funds	Total Governmental Funds
REVENUES								
Sales taxes-----	\$207,790	\$ -	\$ -	\$104,682	\$ -	\$ -	\$92,046	\$404,518
Use taxes-----	36,011	-	-	-	-	-	12,555	48,566
Hotel/Motel taxes-----	-	-	-	-	-	-	14,171	14,171
Property taxes-----	-	83,366	-	-	-	63	-	83,429
Emergency telephone taxes-----	-	-	-	-	-	-	5,334	5,334
Other taxes-----	5,898	-	-	-	-	-	-	5,898
Franchise taxes-----	41,537	-	-	-	-	-	-	41,537
Licenses and permits-----	13,119	-	-	-	-	509	11,305	24,933
Oil and gas royalties-----	41	-	-	-	-	-	291	332
Fines and forfeitures-----	22,054	-	-	-	-	-	1,330	23,384
Investment income-----	(4,209)	1,543	28	4,309	845	23	1,391	3,930
Charges for services-----	26,373	-	-	-	-	18,879	2,672	47,924
Rental income-----	2,412	-	-	4	-	1,546	27	3,989
Payments from component units-----	4,321	-	3,788	-	-	-	968	9,077
Intergovernmental programs-----	34,248	-	37,896	-	-	-	9,300	81,444
Capital grants-----	-	-	-	-	-	-	882	882
Other-----	1,900	368	39	-	1	646	3,760	6,714
Total revenues-----	391,495	85,277	41,751	108,995	846	21,666	156,032	806,062
EXPENDITURES								
CURRENT								
General government-----	51,332	4,443	-	-	-	10	144	55,929
Public safety:								
Police-----	128,939	-	-	-	-	-	41,351	170,290
Fire-----	100,321	-	-	-	-	-	41,917	142,238
Other-----	10,464	-	-	-	-	-	17,813	28,277
Public services-----	60,906	-	20,089	-	24,653	-	12,155	117,803
Culture and recreation-----	24,759	-	-	76	-	27,181	13,106	65,122
Education-----	-	-	-	-	-	-	388	388
Economic development-----	-	-	-	-	-	-	850	850
Capital outlay-----	209	-	31,962	110,778	60,702	2,447	34,686	240,784
DEBT SERVICE								
Principal-----	43	58,128	228	-	-	169	-	58,568
Interest-----	4	28,851	-	-	-	92	6	28,953
Bond issuance costs-----	-	489	-	-	240	-	-	729
Other debt service-----	4	-	-	-	-	-	-	4
Total expenditures-----	376,981	91,911	52,279	110,854	85,595	29,899	162,416	909,935
Excess (deficiency) of revenues over (under) expenditures-----	14,514	(6,634)	(10,528)	(1,859)	(84,749)	(8,233)	(6,384)	(103,873)
OTHER FINANCING SOURCES (USES)								
Transfers from other funds-----	1,011	-	4,837	-	90,500	8,887	10,856	116,091
Transfers to other funds-----	(19,802)	(90,500)	-	(2,123)	(139)	-	(26,448)	(139,012)
Capital financing-----	37	-	-	-	-	-	-	37
Sale of assets-----	36	-	-	1,549	-	93	2,008	3,686
Premium on bonds-----	-	10,284	-	-	-	-	-	10,284
Long-term debt issued-----	-	94,943	730	-	-	-	-	95,673
Refunding debt issued-----	-	28,645	-	-	-	-	-	28,645
Payment to bond escrow agent-----	-	(33,097)	-	-	-	-	-	(33,097)
Net other financing sources (uses)--	(18,718)	10,275	5,567	(574)	90,361	8,980	(13,584)	82,307
Net change in fund balances-----	(4,204)	3,641	(4,961)	(2,433)	5,612	747	(19,968)	(21,566)
FUND BALANCES								
Fund balances, beginning:								
As previously reported-----	119,108	97,804	21,709	445,233	221,209	8,382	181,641	1,095,086
Change in accounting principle-----	-	5,348	-	-	-	-	-	5,348
Fund balances, beginning, as restated-----	119,108	103,152	21,709	445,233	221,209	8,382	181,641	1,100,434
Fund balances, ending-----	\$114,904	\$106,793	\$16,748	\$442,800	\$226,821	\$9,129	\$161,673	\$1,078,868

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, 2017
(dollars are in thousands)

Net change in fund balances – total governmental funds			(\$21,566)
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		\$240,784	
Capital assets transfers		29,839	
Depreciation expense		<u>(105,340)</u>	165,283
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		(\$3,686)	
Loss on disposal of assets - government-wide		<u>183</u>	(3,503)
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.			
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	\$13,599	(\$11,365)	
EMSA joint venture equity interest	<u>13,986</u>	<u>(12,744)</u>	3,476
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		(\$124,318)	
Premium on bonds		(10,284)	
Capital financing		(37)	
Other debt issued		(10)	
Debt principal		58,102	
Payment to bond escrow agent		33,097	
Interest on debt - governmental funds		28,953	
Capital lease principal payments		466	
Other debt service		4	
Internal service funds debt activity			
Interest on long-term debt		(86)	
Capital lease principal payments		(30)	
Debt activity recognized in the statement of activities			
Pollution remediation identified/adjusted in current year		533	
Disposal of capital lease		479	
Amortization of deferred amount on refunding		(184)	
Interest on long-term debt		<u>(23,606)</u>	(36,921)
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	(\$76,125)	\$76,756	
Compensated absences - internal service funds	1,991	(2,104)	
Pension asset, liability, deferred inflows and outflows	(287,307)	295,077	
Pension asset, liability, deferred inflows and outflows - internal service funds	(2,117)	2,452	
Other post-employment benefit liability	(137,277)	123,226	
Other post-employment benefit liability - internal service funds	<u>5,262</u>	<u>(4,689)</u>	(4,855)
Internal service funds are used by management to charge the costs of internal activities.			
Internal service fund changes in net position		\$7,937	
Business-type activities net activities due to governmental type activities		<u>(1,839)</u>	6,098
Change in net position of governmental activities			<u><u>\$144,450</u></u>

See accompanying notes to financial statements.

**STATEMENT OF REVENUES, EXPENDITURES,
ENCUMBRANCES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**

CITY OF OKLAHOMA CITY, OKLAHOMA

For the Year Ended June 30, 2017

(dollars are in thousands)

	General Fund						Total Actual	Variance
	Original Budget	Revisions	Revised Budget	Expenditures	Encumbrances			
REVENUES								
TAXES								
Sales taxes-----	\$218,207	(\$9,247)	\$208,960			\$208,087	(\$873)	
Use taxes-----	37,900	-	37,900			35,218	(2,682)	
Commercial vehicle taxes-----	4,594	-	4,594			4,328	(266)	
Motor fuel taxes-----	1,142	-	1,142			1,144	2	
Excise taxes-----	5,335	-	5,335			4,826	(509)	
Alcoholic beverage taxes-----	1,053	-	1,053			973	(80)	
Utility taxes-----	5,100	-	5,100			5,314	214	
LICENSES, PERMITS AND FEES								
Licenses-----	1,749	-	1,749			1,707	(42)	
Permits-----	11,449	-	11,449			10,419	(1,030)	
Franchise fees-----	36,832	-	36,832			35,823	(1,009)	
Other police fees-----	592	-	592			469	(123)	
Other fees-----	749	-	749			629	(120)	
Fines and forfeitures-----	22,999	-	22,999			22,103	(896)	
Investment income-----	955	-	955			544	(411)	
Charges for services-----	8,574	-	8,574			7,784	(790)	
Administrative charges-----	19,743	2,912	22,655			23,244	589	
OTHER REVENUE								
Rental income-----	2,050	-	2,050			2,158	108	
Other revenue-----	31,915	-	31,915			29,880	(2,035)	
Total revenues -----	410,938	(6,335)	404,603			394,650	(9,953)	
EXPENDITURES								
GENERAL GOVERNMENT								
Juvenile justice - Municipal Counselor:								
Personal services-----	118	3	121	\$121	\$ -	121	-	
Supplies-----	5	-	5	1	3	4	1	
Mayor and Council:								
Personal services-----	843	50	893	867	-	867	26	
Other services and charges-----	150	-	150	103	-	103	47	
Supplies-----	10	-	10	6	-	6	4	
City manager:								
Personal services-----	2,768	60	2,828	2,796	-	2,796	32	
Other services and charges-----	345	34	379	340	-	340	39	
Supplies-----	23	8	31	16	3	19	12	
Municipal counselor:								
Personal services-----	6,089	137	6,226	6,148	-	6,148	78	
Other services and charges-----	472	64	536	493	23	516	20	
Supplies-----	147	(12)	135	113	-	113	22	
Personnel:								
Personal services-----	2,447	103	2,550	2,514	-	2,514	36	
Other services and charges-----	424	(29)	395	384	-	384	11	
Supplies-----	16	3	19	19	-	19	-	
City clerk:								
Personal services-----	746	(60)	686	680	-	680	6	
Other services and charges-----	241	(12)	229	212	-	212	17	
Supplies-----	5	-	5	5	-	5	-	

**STATEMENT OF REVENUES, EXPENDITURES,
ENCUMBRANCES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
For the Year Ended June 30, 2017
(dollars are in thousands)**

CITY OF OKLAHOMA CITY, OKLAHOMA

	General Fund						
	Original Budget	Revisions	Revised Budget	Expenditures	Encumbrances	Total Actual	Variance
Finance:							
Personal services-----	6,735	(273)	6,462	6,409	-	6,409	53
Other services and charges-----	1,601	(12)	1,589	1,400	3	1,403	186
Supplies-----	109	(10)	99	27	-	27	72
City auditor:							
Personal services-----	1,077	(84)	993	984	-	984	9
Other services and charges-----	64	-	64	51	-	51	13
Supplies-----	10	-	10	1	-	1	9
General services:							
Personal services-----	3,104	171	3,275	3,245	-	3,245	30
Other services and charges-----	1,584	33	1,617	1,480	-	1,480	137
Supplies-----	137	328	465	373	10	383	82
Non-departmental:							
Personal services-----	22,312	(2,023)	20,289	19,486	-	19,486	803
Other services and charges-----	18,386	(6,475)	11,911	7,527	124	7,651	4,260
Supplies-----	8	250	258	8	-	8	250
Debt service-----	10	-	10	-	-	-	10
<u>PUBLIC SAFETY</u>							
Juvenile justice - Court administration:							
Personal services-----	684	71	755	749	-	749	6
Other services and charges-----	163	-	163	110	13	123	40
Supplies-----	12	-	12	4	-	4	8
Municipal courts:							
Personal services-----	5,085	(677)	4,408	4,353	-	4,353	55
Other services and charges-----	2,920	(15)	2,905	2,515	3	2,518	387
Supplies-----	197	27	224	115	37	152	72
Police:							
Personal services-----	111,170	3,023	114,193	113,221	-	113,221	972
Other services and charges-----	17,667	(772)	16,895	16,287	59	16,346	549
Supplies-----	899	(116)	783	706	21	727	56
Fire:							
Personal services-----	85,915	51	85,966	85,223	-	85,223	743
Other services and charges-----	5,833	(127)	5,706	5,296	49	5,345	361
Supplies-----	1,253	(51)	1,202	1,111	19	1,130	72
Capital outlay-----	-	30	30	30	-	30	-
<u>PUBLIC SERVICES</u>							
Development services:							
Personal services-----	14,542	(307)	14,235	14,119	-	14,119	116
Other services and charges-----	2,937	8	2,945	814	-	814	2,131
Supplies-----	709	(42)	667	627	3	630	37
Planning:							
Personal services-----	2,739	(184)	2,555	2,517	-	2,517	38
Other services and charges-----	1,107	179	1,286	1,198	66	1,264	22
Supplies-----	15	(2)	13	10	-	10	3
Public works:							
Personal services-----	19,704	(1,112)	18,592	18,366	-	18,366	226
Other services and charges-----	5,672	315	5,987	5,496	-	5,496	491
Supplies-----	2,815	(204)	2,611	1,696	68	1,764	847
Capital outlay-----	-	37	37	37	-	37	-

(continued)

**STATEMENT OF REVENUES, EXPENDITURES,
ENCUMBRANCES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
For the Year Ended June 30, 2017
(dollars are in thousands)**

CITY OF OKLAHOMA CITY, OKLAHOMA

	General Fund						
	Original Budget	Revisions	Revised Budget	Expenditures	Encumbrances	Total Actual	Variance
<u>CULTURE AND RECREATION</u>							
Parks:							
Personal services-----	15,068	(1,143)	13,925	13,806	-	13,806	119
Other services and charges-----	8,203	(97)	8,106	7,007	2	7,009	1,097
Supplies-----	2,042	(312)	1,730	1,456	31	1,487	243
Capital outlay-----	-	96	96	90	6	96	-
Total expenditures and encumbrances---	377,337	(9,070)	368,267	352,768	543	353,311	14,956
<u>PRIOR YEAR ENCUMBRANCES</u>							
Related to prior year budgets (1)-----	-	-	-	(496)	-	(496)	496
Related to current year budgets-----	-	-	-	-	(543)	(543)	543
Net expenditures and encumbrances-----	377,337	(9,070)	368,267	\$352,272	\$ -	352,272	15,995
Excess of revenues over expenditures-----	33,601	2,735	36,336			42,378	6,042
<u>OTHER FINANCING SOURCES (USES)</u>							
<u>TRANSFERS FROM OTHER FUNDS</u>							
OCPA General Purpose Fund-----	3,387	(2,910)	477			230	(247)
<u>TRANSFERS FROM COMPONENT UNITS</u>							
OCEDT-----	409	-	409			409	-
<u>TRANSFERS TO OTHER FUNDS</u>							
General government:							
Grants Management Fund-----	(23)	-	(23)			(23)	-
OCPA General Purpose Fund-----	(8,600)	(276)	(8,876)			(8,876)	-
OCMFA General Purpose Fund-----	(405)	-	(405)			(405)	-
Capital Improvement Fund-----	(5,415)	(426)	(5,841)			(5,841)	-
OCMFA Services Fund-----	(178)	-	(178)			(178)	-
Public safety:							
Emergency Management Fund-----	(3,566)	369	(3,197)			(3,197)	-
Public services:							
Parking Fund-----	(330)	12	(318)			(318)	-
Transportation Fund-----	(616)	-	(616)			(616)	-
Culture and recreation:							
OCPA Golf Courses Fund-----	(1,327)	-	(1,327)			(1,327)	-
Total transfers to other funds-----	(20,460)	(321)	(20,781)			(20,781)	-
<u>TRANSFERS TO COMPONENT UNITS</u>							
General government:							
OCEDT-----	(2,612)	-	(2,612)			(2,612)	-
Public services:							
COTPA-----	(15,300)	-	(15,300)			(15,300)	-
Culture and recreation:							
OCEDT-----	(1,875)	-	(1,875)			(1,875)	-
<u>OTHER FINANCING SOURCES</u>							
Sale of assets-----	100	-	100			36	(64)
Total other financing sources (uses)-----	(36,351)	(3,231)	(39,582)			(39,893)	(311)
Excess (deficiency) of revenues and other sources over expenditures and other uses----	(2,750)	(496)	(3,246)			2,485	5,731

**STATEMENT OF REVENUES, EXPENDITURES,
ENCUMBRANCES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
For the Year Ended June 30, 2017
(dollars are in thousands)**

CITY OF OKLAHOMA CITY, OKLAHOMA

	<u>General Fund</u>						
	<u>Original Budget</u>	<u>Revisions</u>	<u>Revised Budget</u>	<u>Expenditures</u>	<u>Encumbrances</u>	<u>Total Actual</u>	<u>Variance</u>
<u>FUND BALANCE (NON-GAAP BUDGETARY BASIS)</u>							
<u>BEGINNING FUND BALANCE</u>							
Appropriated for current year budget-----	2,750	-	2,750			2,750	-
Reappropriated for prior year encumbrances-----	-	496	496			496	-
Not appropriated-----	-	-	-			60,472	60,472
Beginning fund balance-----	<u>2,750</u>	<u>496</u>	<u>3,246</u>			<u>63,718</u>	<u>60,472</u>
<u>ENDING FUND BALANCE</u>							
Before encumbrances-----	-	-	-			66,203	66,203
Less: current year encumbrances-----	-	-	-			(543)	(543)
Ending fund balance-----	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>			<u>65,660</u>	<u>\$65,660</u>
<u>RECONCILIATION OF FUND BALANCE NON-GAAP BUDGETARY BASIS TO GENERALLY ACCEPTED ACCOUNTING PRINCIPLES</u>							
Current year encumbrances included in expenditures-----						543	
Inventories -----						6,333	
Revenue and transfer accruals-----						39,810	
Expenditure and transfer accruals-----						2,558	
Fund balance, ending-----						<u>\$114,904</u>	

- (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.

See accompanying notes to the financial statements

**STATEMENT OF FUND NET POSITION
PROPRIETARY FUNDS**

CITY OF OKLAHOMA CITY, OKLAHOMA

June 30, 2017

(dollars are in thousands)

	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-----	\$299	\$ -	\$ -	\$338	\$275	\$616	\$1,528	\$13,690
Non-pooled cash-----	-	7,739	22,494	-	1,081	-	31,314	10,572
Investments-----	8,718	41,388	-	18,582	1,677	19,351	89,716	39,864
Accounts receivable, net-----	-	7,816	666	-	5	1,628	10,115	36
Interest, dividends, and royalties receivable-----	26	114	-	8	2	58	208	126
Due from other funds-----	-	377	1,820	1,140	-	198	3,535	237
Receivable from component units-----	-	-	-	-	-	55	55	73
Intergovernmental receivables-----	-	2,403	-	-	-	-	2,403	94
Service concession arrangements receivable-----	-	-	545	-	-	-	545	-
Inventories-----	7,011	575	876	-	338	961	9,761	685
Prepays-----	15	1	23	19	8	2	68	1,809
Total current assets-----	<u>16,069</u>	<u>60,413</u>	<u>26,424</u>	<u>20,087</u>	<u>3,386</u>	<u>22,869</u>	<u>149,248</u>	<u>67,186</u>
NON-CURRENT ASSETS								
Investments-----	-	1,309	738	778	456	-	3,281	-
Prepays, non-current-----	-	-	-	313	-	7	320	43
Service concession arrangements receivable-----	-	-	3,581	-	-	-	3,581	-
Advance to other funds-----	-	-	390	-	-	2,334	2,724	24,914
Receivable from component units-----	4,872	-	-	-	-	1,356	6,228	-
Capital assets:								
Land, art, water storage rights and construction in progress-----	9,378	47	5,899	2,699	-	19,538	37,561	928
Other capital assets, net of accumulated depreciation--	282,031	14,954	68,153	44,135	11,445	38,940	459,658	3,071
Capital assets, net-----	<u>291,409</u>	<u>15,001</u>	<u>74,052</u>	<u>46,834</u>	<u>11,445</u>	<u>58,478</u>	<u>497,219</u>	<u>3,999</u>
Total non-current assets-----	<u>296,281</u>	<u>16,310</u>	<u>78,761</u>	<u>47,925</u>	<u>11,901</u>	<u>62,175</u>	<u>513,353</u>	<u>28,956</u>
Total assets-----	<u>312,350</u>	<u>76,723</u>	<u>105,185</u>	<u>68,012</u>	<u>15,287</u>	<u>85,044</u>	<u>662,601</u>	<u>96,142</u>
DEFERRED OUTFLOWS OF RESOURCES								
	<u>11,889</u>	<u>24</u>	<u>2,302</u>	<u>-</u>	<u>873</u>	<u>7,462</u>	<u>22,550</u>	<u>3,245</u>
LIABILITIES								
CURRENT LIABILITIES								
Accounts payable and accrued expenses-----	2,093	4,037	2,678	697	301	939	10,745	2,096
Wages and benefits payable-----	1,928	-	470	-	220	1,207	3,825	538
Due to other funds-----	831	176	-	83	140	123	1,353	188
Payable to component units-----	456	-	-	-	-	1	457	77
Compensated absences-----	2,101	-	161	-	75	1,564	3,901	755
Notes, lease obligations and estimated claims payable----	13	-	-	-	-	-	13	12,338
Unearned revenue-----	-	-	551	-	-	-	551	-
Bond interest payable-----	-	120	4	930	99	-	1,153	-
Bonds payable-----	-	195	650	2,725	825	-	4,395	-
Total current liabilities-----	<u>7,422</u>	<u>4,528</u>	<u>4,514</u>	<u>4,435</u>	<u>1,660</u>	<u>3,834</u>	<u>26,393</u>	<u>15,992</u>
NON-CURRENT LIABILITIES								
Compensated absences-----	3,558	-	-	-	123	2,960	6,641	1,236
Payable to component units-----	-	-	-	-	-	-	-	300
Notes, lease obligations and estimated claims payable----	194	-	-	-	-	-	194	34,081
Advance from other funds-----	-	1,847	-	-	597	-	2,444	23,824
Unearned revenue-----	-	-	2,169	-	-	-	2,169	-
Bonds payable, net-----	-	15,206	693	80,535	11,200	-	107,634	-
Net pension liability-----	279	-	52	-	20	175	526	76
Net other post-employment benefit obligation-----	17,726	-	5,628	-	4,494	9,421	37,269	5,262
Total non-current liabilities-----	<u>21,757</u>	<u>17,053</u>	<u>8,542</u>	<u>80,535</u>	<u>16,434</u>	<u>12,556</u>	<u>156,877</u>	<u>64,779</u>
Total liabilities-----	<u>29,179</u>	<u>21,581</u>	<u>13,056</u>	<u>84,970</u>	<u>18,094</u>	<u>16,390</u>	<u>183,270</u>	<u>80,771</u>
DEFERRED INFLOWS OF RESOURCES								
	<u>3,856</u>	<u>-</u>	<u>4,849</u>	<u>184</u>	<u>283</u>	<u>2,420</u>	<u>11,592</u>	<u>1,052</u>
NET POSITION								
Net investment in capital assets-----	291,204	13,053	71,181	(21,416)	303	58,219	412,544	3,610
Restricted for:								
Capital projects-----	-	20	-	-	1	-	21	-
Debt service-----	-	197	5	2,821	621	-	3,644	-
Unrestricted-----	-	41,896	18,396	1,453	(3,142)	15,477	74,080	13,954
Total net position-----	<u>\$291,204</u>	<u>\$55,166</u>	<u>\$89,582</u>	<u>(\$17,142)</u>	<u>(\$2,217)</u>	<u>\$73,696</u>		<u>\$17,564</u>
Adjustment to reflect consolidation of applicable internal service fund activities to business-type activities-----							(42,561)	
Net position business-type activities-----								<u>\$447,728</u>

See accompanying notes to financial statements.

**STATEMENT OF REVENUES, EXPENSES,
AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
For the Year Ended June 30, 2017
(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
OPERATING REVENUES								
CHARGES FOR SERVICES								
Drainage charges-----	\$ -	\$ -	\$ -	\$ -	\$ -	\$17,456	\$17,456	\$ -
Sanitation charges-----	-	53,765	-	-	-	-	53,765	-
Green fees-----	-	-	-	-	5,054	-	5,054	-
Concessions-----	-	-	2,341	-	1,450	-	3,791	-
Internal service charges-----	-	-	-	-	-	-	-	99,527
Other charges-----	-	-	7,376	-	23	50	7,449	103
Total charges for services-----	-	53,765	9,717	-	6,527	17,506	87,515	99,630
Lease and rental income-----	-	-	1,449	-	2,407	-	3,856	-
Other-----	-	-	-	-	1	111	112	42
Total operating revenues-----	-	53,765	11,166	-	8,935	17,617	91,483	99,672
OPERATING EXPENSES								
Personal services-----	-	8,704	12,033	-	5,222	9,234	35,193	14,720
Maintenance, operations, and contractual services----	-	31,434	4,319	3,473	2,458	5,342	47,026	74,136
Materials and supplies-----	-	2,445	2,884	33	1,727	730	7,819	4,421
Depreciation-----	10,317	3,100	2,914	5,709	907	4,064	27,011	223
Total operating expenses-----	10,317	45,683	22,150	9,215	10,314	19,370	117,049	93,500
Operating income (loss)-----	(10,317)	8,082	(10,984)	(9,215)	(1,379)	(1,753)	(25,566)	6,172
NON-OPERATING REVENUES (EXPENSES)								
Non-capital contributions-----	-	-	2,514	-	-	-	2,514	-
Grant operating-----	-	16	-	-	-	-	16	-
Investment income-----	-	134	105	48	11	158	456	532
Bond issue costs-----	-	(280)	-	-	-	-	(280)	-
Bond insurance-----	-	(12)	-	(18)	-	-	(30)	-
Interest on torts, bonds, notes, commercial paper, and lease obligations-----	-	(139)	(107)	(3,063)	(417)	-	(3,726)	(86)
Amortization-----	-	-	-	-	3	-	3	-
Payments from component units-----	337	-	-	-	-	157	494	-
Other revenues (expenses)-----	-	477	-	5	95	104	681	(5)
Net non-operating revenues (expenses)-----	337	196	2,512	(3,028)	(308)	419	128	441
Income (loss) before contributions and transfers---	(9,980)	8,278	(8,472)	(12,243)	(1,687)	(1,334)	(25,438)	6,613
CONTRIBUTIONS AND TRANSFERS								
Capital contributions from developers-----	20,712	-	-	-	-	-	20,712	-
Transfers from other funds-----	-	-	13,092	7,525	1,391	615	22,623	4,811
Transfers to other funds-----	-	(1,003)	-	-	(1)	(22)	(1,026)	(3,487)
Total contributions and transfers-----	20,712	(1,003)	13,092	7,525	1,390	593	42,309	1,324
Changes in net assets-----	10,732	7,275	4,620	(4,718)	(297)	(741)	16,871	7,937
NET POSITION								
Net assets, beginning:								
As previously reported-----	280,472	43,683	84,962	(12,424)	(1,920)	74,437		9,627
Prior period adjustment-----	-	4,208	-	-	-	-		-
Net assets, beginning, as restated-----	280,472	47,891	84,962	(12,424)	(1,920)	74,437		9,627
Total net position, ending-----	\$291,204	\$55,166	\$89,582	(\$17,142)	(\$2,217)	\$73,696		\$17,564
Adjustment to reflect the consolidation of applicable internal service fund activities to business-type activities-----							1,839	
Changes in net assets of business-type activities-----							\$18,710	

See accompanying notes to financial statements.

**STATEMENT OF CASH FLOWS
 PROPRIETARY FUNDS
 For the Year Ended June 30, 2017
 (dollars are in thousands)**

CITY OF OKLAHOMA CITY, OKLAHOMA

	Water and Wastewater Fund	OCEAT	OCZT	OCPPA Fairgrounds	OCPPA Golf Courses	Other Enterprise Funds	Total Enterprise Funds	Internal Service Funds
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>								
Cash received from customers-----	\$ -	\$53,295	\$10,357	\$ -	\$9,028	\$17,571	\$90,251	\$100,202
Cash payments to suppliers for goods and services-----	(21,996)	(28,216)	(7,409)	(3,665)	(3,923)	(9,351)	(74,560)	(78,868)
Cash payments to employees and professional contractors for services-----	(47,313)	-	(10,818)	-	(4,627)	(30,154)	(92,912)	(13,979)
Cash payments for internal services-----	(10,345)	(3,159)	-	-	(204)	(4,454)	(18,162)	(2,235)
Operating payments from component units-----	-	-	-	-	-	15,821	15,821	-
Cost reimbursements from (to) other funds-----	79,440	(10,200)	-	-	-	13,015	82,255	(783)
Other cash receipts-----	(150)	-	-	-	-	-	(150)	2,599
Net cash provided (used) by operating activities-----	(364)	11,720	(7,870)	(3,665)	274	2,448	2,543	6,936
<u>CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES</u>								
Cash received from operating grants and donations-----	-	3,261	1,398	-	-	-	4,659	-
Transfers received from other funds-----	-	-	13,009	13,796	1,391	830	29,026	4,718
Transfers received paid to other funds-----	-	(986)	-	(6,410)	(302)	-	(7,698)	(5,448)
Net cash provided (used) by non-capital financing activities-----	-	2,275	14,407	7,386	1,089	830	25,987	(730)
<u>CASH FLOWS FROM CAPITAL AND CAPITAL RELATED FINANCING ACTIVITIES</u>								
Proceeds from issuance of long-term debt-----	-	15,138	-	-	-	-	15,138	13,115
Payments for acquisition and construction of capital assets-----	-	(4,541)	(8,347)	(1,036)	(167)	(2,365)	(16,456)	(2,553)
Principal paid on long-term debt-----	(13)	(160)	(630)	(2,620)	(795)	-	(4,218)	(2,645)
Interest paid on long-term debt-----	-	(74)	(82)	(3,761)	(407)	-	(4,324)	(161)
Payments to defease bonds-----	-	(1,760)	-	-	-	-	(1,760)	-
Proceeds from sale of assets-----	-	-	-	-	7	69	76	5
Capital grants and contributions received-----	-	-	1,116	-	-	-	1,116	-
Net cash provided (used) by capital and related financing activities-----	(13)	8,603	(7,943)	(7,417)	(1,362)	(2,296)	(10,428)	7,761
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>								
Payments for purchase of investments-----	-	(100,115)	13,728	(44,442)	(1,223)	-	(132,052)	-
Proceeds from sale of investments-----	-	77,788	(13,253)	48,702	1,217	-	114,454	-
Changes in pooled investments-----	87	-	-	(502)	(139)	(1,449)	(2,003)	(1,386)
Investment income received-----	138	(67)	106	45	7	194	423	507
Purchased interest-----	4	(28)	-	-	-	7	(17)	(4)
Net cash provided (used) by investing activities-----	229	(22,422)	581	3,803	(138)	(1,248)	(19,195)	(883)
Net increase (decrease) in cash-----	(148)	176	(825)	107	(137)	(266)	(1,093)	13,084
Cash, beginning-----	447	7,563	23,319	231	1,493	882	33,935	11,178
Cash, ending-----	\$299	\$7,739	\$22,494	\$338	\$1,356	\$616	\$32,842	\$24,262

**STATEMENT OF CASH FLOWS
 PROPRIETARY FUNDS
 For the Year Ended June 30, 2017
 (dollars are in thousands)**

CITY OF OKLAHOMA CITY, OKLAHOMA

	Water and Wastewater Fund	OCEAT	OCZT	OCPPA Fairgrounds	OCPPA Golf Courses	Other Enterprise Funds	Total Enterprise Funds	Internal Service Funds
<u>RECONCILIATION OF OPERATING INCOME</u>								
<u>(LOSS) TO NET CASH PROVIDED (USED) BY</u>								
<u>OPERATING ACTIVITIES</u>								
Operating income (loss)-----	(\$10,317)	\$8,082	(\$10,984)	(\$9,215)	(\$1,379)	(\$1,753)	(\$25,566)	\$6,172
<u>ADJUSTMENTS TO RECONCILE</u>								
<u>OPERATING INCOME (LOSS) TO NET CASH</u>								
<u>PROVIDED (USED) BY OPERATING ACTIVITIES</u>								
Depreciation-----	10,317	3,100	2,914	5,709	907	4,064	27,011	223
Other revenue (expense)-----	(325)	334	-	(13)	102	(322)	(224)	(402)
Changes in assets and liabilities:								
(Increase) decrease in accounts receivable-----	-	(593)	(420)	-	(5)	(33)	(1,051)	2,579
(Increase) decrease in due from other funds-----	200	(35)	(390)	-	-	(662)	(887)	(7,544)
(Increase) decrease in receivable from component units-----	(1,069)	-	-	-	-	257	(812)	(53)
(Increase) decrease in inventories-----	(591)	(5)	27	-	(18)	134	(453)	(334)
(Increase) decrease in prepaid assets-----	28	1	10	18	4	(8)	53	(113)
(Increase) decrease in intergovernmental receivable-----	-	-	-	-	-	-	-	9
(Increase) decrease in net pension asset-----	10,196	-	1,959	-	829	6,424	19,408	3,300
(Increase) decrease in deferred outflows-----	(10,277)	-	(1,924)	-	(740)	(5,960)	(18,901)	(2,723)
Increase (decrease) in accounts payable and accrued expenses-----	(402)	1,279	(249)	(164)	50	(197)	317	(425)
Increase (decrease) in wages and benefits payable-----	166	-	161	-	11	125	463	(67)
Increase (decrease) in due to other funds-----	(125)	(443)	-	-	18	(815)	(1,365)	9,901
Increase (decrease) in payable to component unit-----	36	-	-	-	-	(3)	33	411
Increase (decrease) in compensated absences-----	(131)	-	(46)	-	10	95	(72)	(113)
Increase (decrease) in long-term debt-----	-	-	-	-	-	-	-	(4,093)
Increase (decrease) in notes, lease and estimated claims payable-----	-	-	47	-	-	-	47	(123)
Increase (decrease) in net pension liability-----	279	-	52	-	20	175	526	76
Increase (decrease) in net other post-employment benefit obligation-----	2,031	-	1,102	-	527	1,176	4,836	573
Increase (decrease) in unearned revenue-----	-	-	(40)	-	-	-	(40)	-
Increase (decrease) in deferred inflows-----	(380)	-	(89)	-	(62)	(249)	(780)	(318)
Total adjustments-----	9,953	3,638	3,114	5,550	1,653	4,201	28,109	764
Net cash provided (used) by operating activities-----	(\$364)	\$11,720	(\$7,870)	(\$3,665)	\$274	\$2,448	\$2,543	\$6,936
<u>NON-CASH INVESTING, CAPITAL, AND FINANCING</u>								
<u>ACTIVITIES</u>								
Net increase (decrease) in fair value of investments-----	\$ -	\$209	\$ -	\$ -	\$ -	\$ -	\$209	\$ -
Donated assets-----	20,712	-	-	-	-	-	20,712	-
Issuance of capital leases-----	219	-	-	-	-	-	219	-
Total non-cash investing, capital, and financing activities-----	\$20,931	\$209	\$ -	\$ -	\$ -	\$ -	\$21,140	\$ -

See accompanying notes to financial statements.

STATEMENT OF FIDUCIARY NET POSITION

CITY OF OKLAHOMA CITY, OKLAHOMA

June 30, 2017

(dollars are in thousands)

	Pension and Other Post-employment Benefit Trust Funds	Agency Fund
ASSETS		
Pooled cash-----	\$ -	\$51
Non-pooled cash-----	4,712	510
Total cash-----	<u>4,712</u>	<u>561</u>
RECEIVABLES		
Interest and dividends-----	1,242	5
Employer-----	56	-
Plan members-----	685	-
Other receivables-----	33	280
Total receivables-----	<u>2,016</u>	<u>285</u>
INVESTMENTS, AT FAIR VALUE		
Pooled investments-----	-	1,522
Domestic common stock-----	245,231	-
Passive domestic stock funds-----	92,541	-
Government securities/fixed income-----	54,932	-
Passive bond fund-----	90,741	-
International stock-----	175,175	-
Treasury money market fund-----	19,397	-
Commodities-----	23,917	-
Real estate-----	60,457	-
Oklahoma City judgments-----	4,258	-
Total investments-----	<u>766,649</u>	<u>1,522</u>
Total assets-----	<u>773,377</u>	<u>2,368</u>
DEFERRED OUTFLOWS OF RESOURCES		
	<u>70</u>	<u>-</u>
LIABILITIES		
Accounts payable and accrued expenses-----	1,537	164
Due to broker-----	7,238	-
Wages and benefits payable-----	9	-
Due to depositors-----	-	2,204
Compensated absences, current-----	21	-
Estimated claims payable-----	743	-
Compensated absences, non-current-----	68	-
Net pension liability-----	2	-
Net other post-employment benefits obligation-----	59	-
Total liabilities-----	<u>9,677</u>	<u>2,368</u>
DEFERRED OUTFLOWS OF RESOURCES		
	<u>23</u>	<u>-</u>
NET POSITION		
Restricted for:		
Pension benefits-----	714,615	-
Other post-employment benefits-----	49,132	-
Net position held in trust-----	<u>\$763,747</u>	<u>\$ -</u>

See accompanying notes to financial statements.

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
For the Year Ended June 30, 2017
(dollars are in thousands)

CITY OF OKLAHOMA CITY, OKLAHOMA

	Pension and Other Post- employment Benefit Trust Funds
<u>ADDITIONS</u>	
<u>CONTRIBUTIONS</u>	
Employer-----	\$23,617
Plan members-----	20,264
Total contributions-----	43,881
<u>INVESTMENT INCOME</u>	
Net appreciation in fair value of investments-----	68,168
Interest-----	10,247
Dividends-----	2,546
	80,961
Less: investment expense-----	(2,358)
Net investment income-----	78,603
Other-----	97
Total additions-----	122,581
<u>DEDUCTIONS</u>	
Benefits paid-----	59,677
Refunds of contributions-----	1,481
Administrative expenses-----	603
Total deductions-----	61,761
Change in net position-----	60,820
<u>NET POSITION RESTRICTED FOR PENSION BENEFITS AND OTHER POST-EMPLOYMENT BENEFITS</u>	
Beginning of year-----	702,927
End of year-----	\$763,747

See accompanying notes to financial statements.

**COMBINING STATEMENT OF NET POSITION
COMPONENT UNITS**

CITY OF OKLAHOMA CITY, OKLAHOMA

June 30, 2017

(dollars are in thousands)

	OCAT	OCRRA	OCICF	OCWUT	Port Authority	COTPA	OCMAPS	OCRA	OCEDT	Total
ASSETS										
CURRENT ASSETS										
Pooled cash-----	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$1,687	\$1,687
Non-pooled cash-----	159	5	416	48,020	40	4,622	8,567	9,564	1,063	72,456
Investments-----	126,827	148	500	164,419	-	25,983	118	6,110	52,052	376,157
Property taxes receivable-----	-	-	-	-	-	-	-	140	5,881	6,021
Accounts receivable, net-----	3,049	10	15	29,907	-	186	-	94	-	33,261
Interest, dividends, and royalties receivable-----	110	-	22	562	-	-	-	36	144	874
Receivable from component units-----	-	-	-	-	-	-	-	327	-	327
Receivable from primary government-----	54	-	-	542	-	1,553	-	-	3,443	5,592
Intergovernmental receivables-----	1,936	-	-	6,025	-	680	22	22	804	9,489
Notes and economic incentives receivable-----	-	-	-	-	-	-	-	226	2,206	2,432
Inventories and prepaids-----	35	-	5	507	1	964	-	-	-	1,512
Total current assets-----	132,170	163	958	249,982	41	33,988	8,707	16,519	67,280	509,808
NON-CURRENT ASSETS										
Investments-----	23,364	-	-	42,638	-	1,482	-	-	9,775	77,259
Prepaids, non-current-----	40	-	-	158	-	-	-	-	-	198
Notes and economic incentives receivable-----	-	-	4,255	-	-	-	-	9,590	17,084	30,929
Receivable from primary government-----	-	-	-	-	-	300	-	-	2,500	2,800
Other-----	91	-	-	57,068	-	65	21,802	300	-	79,326
Capital assets:										
Land and construction in progress-----	52,620	32	953	311,586	-	7,357	1,541	507	10,413	385,009
Other capital assets, net of accumulated depreciation-----	407,451	2,558	-	921,269	-	69,889	-	5,199	8,439	1,414,805
Capital assets, net-----	460,071	2,590	953	1,232,855	-	77,246	1,541	5,706	18,852	1,799,814
Total non-current assets-----	483,566	2,590	5,208	1,332,719	-	79,093	23,343	15,596	48,211	1,990,326
Total assets-----	615,736	2,753	6,166	1,582,701	41	113,081	32,050	32,115	115,491	2,500,134
DEFERRED OUTFLOWS OF RESOURCES-										
	390	-	-	11,793	-	1,580	-	-	-	13,763
LIABILITIES										
CURRENT LIABILITIES										
Accounts payable and accrued expenses-----	6,324	-	4	27,384	2	1,675	212	145	2,488	38,234
Wages and benefits payable-----	-	-	-	11	-	232	-	-	-	243
Payable to component units-----	-	-	-	-	-	-	-	-	327	327
Payable to primary government-----	1	35	-	2,165	-	301	2	-	729	3,233
Interest payable-----	-	-	-	1,044	-	-	-	-	-	1,044
Compensated absences-----	-	-	-	18	-	194	-	-	-	212
Tax anticipation debt-----	-	-	-	-	-	-	-	-	17,066	17,066
Notes and estimated claims payable-----	156	-	-	71,907	-	-	-	804	-	72,867
Commercial paper-----	-	-	-	4,500	-	-	-	-	-	4,500
Unearned revenue-----	692	2	-	109	6	299	-	-	-	1,108
Bond interest payable-----	2,279	-	-	11,214	-	427	-	-	1,466	15,386
Bonds payable-----	7,420	-	-	18,370	-	625	-	-	5,420	31,835
Intergovernmental payable-----	-	-	-	10,091	-	-	-	-	-	10,091
Total current liabilities-----	16,872	37	4	146,813	8	3,753	214	949	27,496	196,146
NON-CURRENT LIABILITIES										
Compensated absences-----	-	-	-	47	-	209	-	-	-	256
Payable to primary government-----	904	-	4,255	4,872	-	452	-	-	-	10,483
Intergovernmental payable-----	-	-	-	12,500	-	-	-	-	-	12,500
Tax anticipation debt-----	-	-	-	-	-	-	-	-	14,375	14,375
Notes and estimated claims payable payable-----	-	-	-	51,039	-	-	-	3,408	-	54,447
Unearned revenue-----	-	-	-	5	-	567	-	-	-	572
Bonds payable, net-----	77,468	-	-	487,068	-	19,570	-	-	115,758	699,864
Net pension liability-----	-	-	-	-	-	4,600	-	-	-	4,600
Net other post-employment benefit obligation-----	-	-	-	-	-	192	-	-	-	192
Total non-current liabilities-----	78,372	-	4,255	555,531	-	25,590	-	3,408	130,133	797,289
Total liabilities-----	95,244	37	4,259	702,344	8	29,343	214	4,357	157,629	993,435
DEFERRED INFLOWS OF RESOURCES										
	1	-	-	-	-	1,910	-	-	-	1,911
NET POSITION										
Net investment in capital assets-----	371,839	2,590	953	611,828	-	57,286	1,328	2,825	(58,213)	990,436
Restricted for:										
Capital projects-----	477	-	-	-	-	-	8,706	-	-	9,183
Debt service-----	25,090	-	-	35,206	-	2,108	-	1,075	3,770	67,249
Public services-----	-	-	-	-	-	-	-	-	35,162	35,162
Education-----	-	-	-	-	-	-	21,802	-	-	21,802
Maintenance-----	35,418	-	-	-	-	-	-	-	-	35,418
Unrestricted-----	88,057	126	954	245,116	33	24,014	-	23,858	(22,857)	359,301
Total net position-----	\$520,881	\$2,716	\$1,907	\$892,150	\$33	\$83,408	\$31,836	\$27,758	(\$42,138)	\$1,518,551

See accompanying notes to financial statements.

**COMBINING STATEMENT OF ACTIVITIES
COMPONENT UNITS
For the Year Ended June 30, 2017
(dollars are in thousands)**

CITY OF OKLAHOMA CITY, OKLAHOMA

	<u>OCAT</u>	<u>OCRRA</u>	<u>OCICF</u>	<u>OCWUT</u>	<u>Port Authority</u>	<u>COTPA</u>	<u>OCMAPS</u>	<u>OCRA</u>	<u>OCEDT</u>	<u>Total</u>
<u>PROGRAM EXPENSES</u>										
Airports-----	\$70,730	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$70,730
Water utilities-----	-	-	-	194,594	-	-	-	-	-	194,594
Riverfront development-----	-	174	-	-	-	-	-	-	-	174
Foreign trade zone operations-----	-	-	-	-	24	-	-	-	-	24
Transportation and parking-----	-	-	-	-	-	36,337	-	-	-	36,337
Education-----	-	-	-	-	-	-	9,019	-	-	9,019
Economic development-----	-	-	91	-	-	-	-	1,140	49,595	50,826
Total expenses-----	70,730	174	91	194,594	24	36,337	9,019	1,140	49,595	361,704
<u>PROGRAM REVENUES</u>										
<u>CHARGES FOR SERVICES</u>										
Airports-----	60,334	-	-	-	-	-	-	-	-	60,334
Water utilities-----	-	-	-	261,078	-	-	-	-	-	261,078
Riverfront development-----	-	4	-	-	-	-	-	-	-	4
Foreign trade zone operations-----	-	-	-	-	19	-	-	-	-	19
Transportation and parking-----	-	-	-	-	-	11,990	-	-	-	11,990
Economic development-----	-	-	77	-	-	-	-	-	1	78
Total charges for services-----	60,334	4	77	261,078	19	11,990	-	-	1	333,503
<u>OPERATING GRANTS AND CONTRIBUTIONS</u>										
Airports-----	7,517	-	-	-	-	-	-	-	-	7,517
Water utilities-----	-	-	-	1,010	-	-	-	-	-	1,010
Transportation and parking-----	-	-	-	-	-	25,819	-	-	-	25,819
Education-----	-	-	-	-	-	-	50	-	-	50
Economic development-----	-	-	-	-	-	-	-	788	9,522	10,310
Total operating grants and contributions-----	7,517	-	-	1,010	-	25,819	50	788	9,522	44,706
<u>CAPITAL GRANTS AND CONTRIBUTIONS</u>										
Airports-----	7,583	-	-	-	-	-	-	-	-	7,583
Transportation and parking-----	-	-	-	-	-	2,220	-	-	-	2,220
Total capital grants and contributions-----	7,583	-	-	-	-	2,220	-	-	-	9,803
Total program revenues-----	75,434	4	77	262,088	19	40,029	50	788	9,523	388,012
Net program revenues (expenses)-----	4,704	(170)	(14)	67,494	(5)	3,692	(8,969)	(352)	(40,072)	26,308
Property taxes-----	-	-	-	-	-	-	-	3,573	16,349	19,922
Oil and gas royalties-----	-	33	-	-	-	-	-	-	-	33
Unrestricted investment income-----	(198)	1	23	366	-	111	-	-	7	310
Miscellaneous-----	-	-	-	-	-	-	-	-	244	244
Total general revenues-----	(198)	34	23	366	-	111	-	3,573	16,600	20,509
Changes in net position-----	4,506	(136)	9	67,860	(5)	3,803	(8,969)	3,221	(23,472)	46,817
<u>NET POSITION BEGINNING</u>										
Net position-beginning										
As previously reported-----	516,375	2,852	1,898	824,290	38	79,605	43,372	24,537	(18,666)	1,474,301
Prior period adjustment-----	-	-	-	-	-	-	(2,567)	-	-	(2,567)
Net position-beginning, as restated-----	516,375	2,852	1,898	824,290	38	79,605	40,805	24,537	(18,666)	1,471,734
Net position-ending-----	\$520,881	\$2,716	\$1,907	\$892,150	\$33	\$83,408	\$31,836	\$27,758	(\$42,138)	\$1,518,551

See accompanying notes to financial statements.

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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, 2017.

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. Specific revenues include box office and event ticket sales, lease revenues, and tax increment ad valorem income which are designated to finance activities such as general government, public services, parks, and public events including economic development projects.

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 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 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 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 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.

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 three City Council members serve with five 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. OCMAPS's net position represents unspent sales tax collections received from the City.

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 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 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 from 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 Atoka County governing body. 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 OCMGF reports independently. 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 CCF reports independently. 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 July 1, 2016, through June 30, 2021. 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. 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 reported in governmental financial statements susceptible to accrual includes 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 funds, 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 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. Cash deposits are reported at carrying amount which reasonably estimates fair value.

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability (i.e., the "exit price") in an orderly transaction between market participants at the measurement date.

Accounting guidance establishes a consistent framework for measuring fair value and establishes a fair value hierarchy based on the observability of inputs used to measure fair value. These different levels of valuation hierarchy are described as follows:

Level 1 - Quoted prices in active markets for identical assets or liabilities.

Level 2 - Quoted prices for similar assets or liabilities in active markets or inputs other than quoted prices that are observable.

Level 3 - Significant unobservable prices or inputs.

An investment's categorization within the valuation hierarchy is based upon the lowest level of input that is significant to the fair value measurement.

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 are reported at cost and recorded as an expense at the time individual inventory items are used.

	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	Weighted Average	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
Information Technology	First-in, First Out	Installation and repair parts
<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, and repair parts
Line maintenance warehouse	Weighted Average	Materials and hand tools
	Component Unit	
	<u>Method</u>	<u>Description</u>
COTPA - Transportation	Weighted Average	Fuel, vehicle parts and supplies
COTPA - Parking	First-in, First Out	Parking meter receipt rolls

Prepays

Prepays are payments to vendors that benefit future reporting periods and are reported on the consumption basis. Non-current prepays benefit periods beyond the following 12 month period. Payments to vendors that are less than \$500 are considered *di minimus* and are reported with expenses/expenditures in the year of payment.

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 capital assets, donated works of art and similar items and capital assets received as part of a service concession arrangement are reported at acquisition value. All other donated assets are valued at donor's acquisition cost which approximates fair value on the date donated. The City generally capitalizes assets with a cost of \$7.5 thousand or more as purchase and construction outlays occur, with the exception of golf carts used for golf operations. 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 development 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 advance fundings. In addition, non-current assets which will eventually be converted to cash are reported where unassigned fund balance would otherwise be reported.

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 includes unspent debt proceeds legally restricted for capital outlays. Restricted net position also includes 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.

I. G. PENSION AND POST-EMPLOYMENT PLANS

Pension Plans

The City provides two single-employer, defined benefit, public retirement systems, OCERS and COTPA Retirement, and two statewide, cost-sharing, multiple-employer defined benefit plans, Oklahoma Police Pension and Retirement System (Police Pension) and Oklahoma Firefighters Pension and Retirement System (Firefighters Pension).

In addition, the City provides two defined contribution single employer plans to City Council and management personnel, one defined contribution single-employer plan to COTPA administrative employees, and a deferred compensation, defined contribution plan for MCA employees.

Post-Employment Plans

The City provides two single-employer, defined benefit OPEB plans, City OPEB administered through OCPEBT and COTPA OPEB administered through COTPA.

II. ASSETS AND DEFERRED OUTFLOWS OF RESOURCES

II. A. ASSETS

II. A. 1. DEPOSITS AND INVESTMENTS

Pooled and Non-pooled Cash

	Primary Government			Component Units
	Governmental Activities	Business-Type Activities	Total	
Pooled cash	\$45,657	\$1,528	\$47,185	\$1,687
Non-pooled cash	<u>71,825</u>	<u>31,314</u>	<u>103,139</u>	<u>72,456</u>
	<u>\$117,482</u>	<u>\$32,842</u>	<u>\$150,324</u>	<u>\$74,143</u>

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 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 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 based on evaluation by the City Treasurer of the institutions' financial strength in accordance with the investment policy. 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. However, a balance of \$13.615 million is held by OCPA that is not collateralized and exceeds the Federal deposit insurance.

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.

	Primary Government							
	Cost	Fair Value/ Carrying	Level 1	Level 2	Level 3	Measured at	Average	Weighted Average/
		Amount	Inputs	Inputs	Inputs	NAV (1)	Credit Quality/ Ratings (2)	Effective Duration (months) (3)
<u>POOLED</u>								
<u>INVESTMENTS (4)</u>								
Money market (5)(6)	\$22,614	\$22,614	\$22,614	\$ -	\$ -	\$ -	AAA/Aaa	1.47
U.S. Treasury notes	196,510	195,832	-	195,832	-	-	AAA/Aaa	16.10
Fannie Mae	233,156	232,415	-	232,415	-	-	AA/Aaa	16.17
Federal obligations	329,491	327,132	-	327,132	-	-	AA/Aaa	49.63
Commercial paper	<u>52,812</u>	<u>52,926</u>	-	<u>52,926</u>	-	-	F1/P1	3.43
Total pooled investments	<u>834,583</u>	<u>830,919</u>	<u>22,614</u>	<u>808,305</u>	-	-		
Less agency fund (4)(5)	<u>(1,522)</u>	<u>(1,522)</u>	-	-	-	-		

(continued)

NOTES TO FINANCIAL STATEMENTS
June 30, 2017

CITY OF OKLAHOMA CITY, OKLAHOMA

Investments (continued)

		Primary Government					Average	Weighted Average/
	Cost	Fair Value/ Carrying Amount	Level 1 Inputs	Level 2 Inputs	Level 3 Inputs	Measured at NAV (1)	Credit Quality/ Ratings (2)	Effective Duration (months) (3)
<u>NON-POOLED INVESTMENTS</u>								
U.S. Treasury notes	35,020	34,960	-	34,960	-	-	AAA/Aaa	15.30
U.S. Treasury bills	12,198	12,195	-	12,195	-	-	N/A	6.05
Federal obligations	118,514	118,201	-	118,201	-	-	AA/Aaa	34.82
Fannie Mae	54,758	54,666	-	54,666	-	-	AA/Aaa	25.63
Money market (5)(6)	47,218	47,218	47,218	-	-	-	AAA/Aaa	1.38
Domestic								
common stock	4	4	-	-	-	-	N/A	N/A
Certificates of								
deposit (5)	7	7	-	-	-	-	N/A	5.87
Total								
non-pooled								
investments	<u>267,719</u>	<u>267,251</u>	<u>47,218</u>	<u>220,022</u>	<u>-</u>	<u>-</u>		
Total primary government investments								
	<u>\$1,100,780</u>	<u>\$1,096,648</u>	<u>\$69,832</u>	<u>\$1,028,327</u>	<u>\$-</u>	<u>\$-</u>		
		Pension Trust Funds					Average	Weighted Average/
	Cost	Fair Value/ Carrying Amount	Level 1 Inputs	Level 2 Inputs	Level 3 Inputs	Measured at NAV (1)	Credit Quality/ Ratings (2)	Effective Duration (months) (3)
<u>COMMON STOCK</u>								
Domestic	\$129,119	\$172,547	\$165,231	\$7,316	\$-	\$-	N/A	N/A
International	3,545	4,550	4,550	-	-	-	N/A	N/A
<u>GOVERNMENT SECURITIES</u>								
U.S. Treasury bonds	13,668	13,857	-	13,857	-	-	*	16.90
U.S. Treasury TIPS	2,780	2,829	-	2,829	-	-	*	7.70
Federal agency notes	14,444	14,017	-	14,017	-	-	*	3.80
Ginnie Mae	3,357	3,284	-	3,284	-	-	*	4.50
Small Business								
Administration Loans	43	43	-	43	-	-	*	4.60
<u>CORPORATE OBLIGATIONS</u>								
Domestic	13,250	14,156	-	14,156	-	-	*	8.10
International	4,265	4,432	-	4,432	-	-	*	6.60

(continued)

NOTES TO FINANCIAL STATEMENTS
June 30, 2017

CITY OF OKLAHOMA CITY, OKLAHOMA

Investments (continued)

	Pension Trust Funds							
	Cost	Fair Value/	Level 1 Inputs	Level 2 Inputs	Level 3 Inputs	Measured at NAV (1)	Average	Weighted Average/
		Carrying Amount					Credit Quality/ Ratings (2)	Effective Duration (months) (3)
<u>MUTUAL FUNDS/</u>								
<u>COMMINGLED FUNDS</u>								
Equity	123,149	191,297	58,219	32,818	-	100,260	N/A	N/A
Bond	65,382	75,878	-	-	-	75,878	*	5.80
Passive Bond	123,354	135,043	2,934	6,032	-	126,077	0.00	1.26
Real estate investment trusts	47,817	60,457	194	-	-	60,263	N/A	N/A
<u>OTHER</u>								
<u>INVESTMENTS</u>								
Asset backed obligations	8,656	8,508	-	8,508	-	-	*	3.50
Money market (5)(6)	9,675	9,675	9,675	-	-	-	AAA/Aaa	2.13
Foreign government obligations	1,607	1,728	-	1,728	-	-	*	9.90
Oklahoma City judgments (5)	<u>4,258</u>	<u>4,258</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	N/A	4.00
Total pension trust fund investments	<u>\$568,369</u>	<u>\$716,559</u>	<u>\$240,803</u>	<u>\$109,020</u>	<u>\$-</u>	<u>\$362,478</u>		

	OPEB Trust Funds							
	Cost	Fair Value/	Level 1 Inputs	Level 2 Inputs	Level 3 Inputs	Measured at NAV (1)	Average	Weighted Average/
		Carrying Amount					Credit Quality/ Ratings (2)	Effective Duration (months) (3)
Passive stock funds	\$25,311	\$28,653	\$28,653	\$-	\$-	\$-	N/A	N/A
International stock	4,022	4,726	4,726	-	-	-	N/A	N/A
Passive bond funds	12,187	11,949	11,949	-	-	-	Not Rated	50.60
Money market (5)(6)	<u>4,762</u>	<u>4,762</u>	<u>4,762</u>	<u>-</u>	<u>-</u>	<u>-</u>	AAA/Aaa	1.27
Total OPEB trust fund investments	<u>\$46,282</u>	<u>\$50,090</u>	<u>\$50,090</u>	<u>\$-</u>	<u>\$-</u>	<u>\$-</u>		

(continued)

NOTES TO FINANCIAL STATEMENTS
June 30, 2017

CITY OF OKLAHOMA CITY, OKLAHOMA

Investments (continued)

	Component Units							
	Cost	Fair Value/ Carrying Amount	Level 1 Inputs	Level 2 Inputs	Level 3 Inputs	Measured at NAV (1)	Average Credit Quality/ Ratings (2)	Weighted Average/ Effective Duration (months) (3)
<u>POOLED</u>								
<u>INVESTMENTS</u>								
U.S. Treasury notes	\$10,179	\$10,083	\$ -	\$10,083	\$ -	\$ -	AAA	7.17
Money market (5)(6)	<u>30,879</u>	<u>30,879</u>	<u>30,879</u>	-	-	-	AAA/Aaa	1.47
Total pooled investments	<u>41,058</u>	<u>40,962</u>	<u>30,879</u>	<u>10,083</u>	-	-		
<u>NON-POOLED</u>								
<u>INVESTMENTS</u>								
U.S. Treasury notes	47,778	47,889	-	47,889	-	-	AAA/Aaa	31.93
U.S. Treasury bills	26,287	26,326	-	26,326	-	-	N/A	3.00
Federal obligations	67,339	67,166	-	67,166	-	-	AA/Aaa	20.99
Fannie Mae	31,815	31,960	-	31,960	-	-	AA/AAA	28.17
Money market (5)(6)	123,141	123,141	123,141	-	-	-	AAA/Aaa	1.21
U.S. Treasury Strips	102,374	102,307	-	102,307	-	-	N/A	31.13
U.S. Treasury bonds	390	402	-	402	-	-	N/A	6.13
Guaranteed investment contract (4)	6,653	6,653	-	-	-	-	N/A	67.07
Certificate of deposit (4)	<u>6,610</u>	<u>6,610</u>	-	-	-	-	N/A	7.60
Total non-pooled investments	<u>412,387</u>	<u>412,454</u>	<u>123,141</u>	<u>276,050</u>	-	-		
Total component unit investments	<u>\$453,445</u>	<u>\$453,416</u>	<u>\$154,020</u>	<u>\$286,133</u>	<u>\$-</u>	<u>\$-</u>		

- (1) The net asset value (NAV) is used as a practical expedient to estimate fair value. NAV is explained further in the paragraphs below.
- (2) Ratings are provided where applicable to indicate associated credit risk. See pension trust fund credit risk for minimum quality credit ratings indicated with an *.
- (3) 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.
- (4) City pooled investments include \$1,522 reported in the City's Agency Fund.
- (5) Cost approximates fair value.
- (6) Consists solely of U.S. Treasury securities.

Fair Value Measurement

The following is a description of the valuation methodologies used for assets measured at fair value in the tables above. There have been no changes in the methodologies used at June 30, 2017, from the prior year.

An investment's categorization within the valuation hierarchy is based upon the lowest level of input that is significant to the fair value measurement. Valuation techniques maximize the use of relevant observable inputs and minimize the use of unobservable inputs.

Money market funds are reported at cost which approximates fair value, are traded on active markets at quoted prices, and are valued at level 1. Judgments, and certificates of deposit fair value approximates cost and therefore do not report a fair value measurement. The City's guaranteed investment contract securities are valued at cost. They are considered nonparticipating contracts with redemption terms that do not consider market rates and therefore do not report a fair value measurement.

Federal obligations consist of Federal Agricultural Mortgage Corporation, Federal Farm Credit Bank, Federal Home Loan Bank, Federal Home Loan Mortgage Corporation (Freddie Mac), and Federal National Mortgage Association (Fannie Mae) notes. Government securities consists of U.S. Treasury strips, U.S. Treasury bonds, U.S. Treasury notes, U.S. Treasury TIPS, Federal agency notes, Government National Mortgage Association (Ginnie Mae) notes, and Small Business Administration Loans. These securities use pricing models that maximize the use of observable inputs for similar securities and are valued at level 2.

Commercial paper is priced at amortized cost. Although amortized cost may approximate fair market value, it does not meet the definition of a level 1 asset as it is not a listed price or a broker quote in an active market and therefore, is valued at level 2.

Domestic common stock are valued using prices quoted in active markets for those securities and are classified as level 1.

Corporate obligations consist of domestic and international corporate bonds and are valued using pricing models maximizing the use of observable inputs for similar securities which includes basing value on yields currently available on comparable securities of issuers with similar credit ratings. Corporate bonds are valued at level 2.

Mutual funds are valued at the daily closing price as reported by the fund. Mutual funds held by the City's Pension and OPEB Trust Funds include open-end mutual funds and are required to publish their daily value and to transact at that price. The mutual funds held by the City's Pension and OPEB Trust Funds are deemed to be actively traded. Investments in various mutual funds include equity funds, bond funds, and outside common trust funds.

OCERS invests in commingled funds and limited partnerships which are valued at net asset value (NAV). The NAV, as provided by the trustee, is used as a practical expedient to estimate fair value. The NAV is based on the fair value of the underlying investments held by the fund and other various methods are used to value these securities. The investment objectives are described in the tables and paragraphs in greater detail below.

Other investments consist of foreign government obligations and asset backed obligations. Foreign government obligations and asset backed obligations are valued at level 2 and are valued by the use of inputs of quoted prices of similar securities.

Investments measured at the NAV

	Fair Value	Unfunded Commitments	Redemption Frequency (if currently eligible)	Redemption Notice Period
<u>COMMINGLED FUNDS</u>				
U.S. Large Cap Core	\$71,727	\$ -	Daily	T/D-2
Long/Short Equity	68,703	-	Quarterly	91 days
Emerging Markets Local Debt	1,771	-	Daily	N/A
Floating Rate High Income	2,853	-	Daily	N/A
Non-Dollar Hedged	664	-	Daily	N/A
Opportunistic US\$				
High Yield Securities	2,699	-	Daily	N/A
Core Fixed Income	21,219	-	Daily	T/D-2
Absolute Return	33,456	-	Quarterly	90 days
Global Opportunistic Fixed Income	46,672	-	Daily	10 days
Core Real Estate	56,072	-	Quarterly	90 days
Commodities	23,917	-	Daily	N/A
<u>LIMITED PARTNERSHIPS</u>				
<u>- PRIVATE EQUITY</u>				
Warburg Pincus	10,125	-	Not Eligible	Not Eligible
Siguler Guff	1,308	-	Not Eligible	Not Eligible
Mesirow	17,101	-	Not Eligible	Not Eligible
<u>LIMITED PARTNERSHIPS</u>				
<u>- REAL ESTATE</u>				
TA Realty	4,191	-	Not Eligible	Not Eligible
	<u>\$362,478</u>	<u>\$-</u>		

Commingled Funds

SSgA S&P Flagship Fund Non-Lending (U.S. Large Cap Core):

The investment objective of the fund is to approximate as closely as practicable, before expenses, the performance of the S&P 500 Index over the long term. The fund invests primarily in long term common stocks. Other investments include government issues, derivatives, and futures contracts.

K2 Overseas Fund (Long/Short Equity):

The investment objective of the fund is to achieve superior investment returns with less volatility than the Standard & Poor's 500 Composite Stock Index over a full market cycle by investing in a broadly diversified portfolio of hedge funds, other investment entities, and/or separate accounts, which engage in a variety of investment strategies that include long/short equity, equity market neutral, catalyst driven equity, or other similar hedge fund strategies. If redemption requests are received as of any redemption date for more than 20% of the net asset value of the fund as of such redemption date, the directors may, at their sole discretion; (i) satisfy all of such redemptions, or (ii) reduce all redemption requests pro-rata so that no more than 20% of the net asset value of the fund is redeemed as of such redemption date. The fund was formed on May 1, 2003, and commenced operations on March 1, 2004.

Western Asset Management (Emerging Markets Local Debt):

The investment strategy of the fund, under normal market conditions, is to invest all or substantially all of its assets in lower-rated debt and other fixed income securities of non-U.S. issuers. Although the fund may invest in any country, it generally expects to invest a significant portion of its assets in the non-U.S. dollar denominated sovereign debt issued by emerging market countries, and in fixed income securities of other issuers (including corporate issuers) located in such countries, and supranational issuers that issue fixed income securities in the currency of such countries. The objective of the fund is to maximize total return, consistent with prudent investment management. The fund reserves the right to implement a redemption notice period. A notice period is currently not in place. The fund was incepted on May 30, 2006, and a termination date has not been determined.

Western Asset Management (Floating Rate High Income):

The investment strategy of the fund, under normal market conditions, is to invest at least 80% of its total assets in U.S. dollar denominated loans, loan participations and fixed income securities that are rated below investment grade at the time of purchase by one or more nationally recognized statistical organizations or are of a comparable quality as determined by the investment manager. The objective of the fund is to maximize total return. The fund reserves the right to implement a redemption notice period. A notice period is currently not in place. The fund was incepted on August 12, 2003, and a termination date has not been determined.

Western Asset Management (Non-Dollar Hedged):

The investment strategy of the fund, under normal market conditions, is to invest substantially all of its assets in non-U.S. dollar denominated debt and fixed income securities of foreign issuers, while hedging at least 75% of its foreign currency exposure. The objective of the fund is to maximize total return. The fund reserves the right to implement a redemption notice period. A notice period is currently not in place. The fund was incepted on September 3, 1997, and a termination date has not been determined.

Western Asset Management (Opportunistic US\$ High Yield Securities):

The investment strategy of the fund, under normal market conditions, is to invest at least 90% of its total assets in U.S. dollar denominated debt or fixed income securities that are rated below investment grade at the time of purchase by one or more nationally recognized statistical organizations or are of comparable quality as determined by the investment manager. The objective of the fund is to maximize total return. The fund reserves the right to implement a 15 day redemption notice period. A notice period is currently not in place. The fund was incepted on September 15, 1999, and a termination date has not been determined.

SSgA Bond Market Non-Lending Fund (Core Fixed Income):

The investment objective of the fund is to approximate as closely as practicable, before expenses, the performance of the Barclays U.S. Aggregate Bond Index over the long term. The fund attempts to achieve its investment objective by investing in other collective investment funds, each an underlying fund, managed by the trustee, which have characteristics consistent with the fund's overall investment objective.

PAAMCO (Absolute Return):

PAAMCO consists of Pacific Hedged Strategies, LLC, which on June 1, 2004, transferred substantially all of its investment holdings to the Pacific Atlantic Master Fund, L.P. (Master Fund) in exchange for an ownership percentage in that fund. A related party, Pacific Alternative Asset Management Company, LLC serves as the investment manager of the company and the Master Fund. The objective, through its investment in the Master Fund, is to seek capital appreciation with an attractive risk-adjusted rate of return over a complete market cycle. In pursuit of the objective, the Master Fund may allocate substantially all of its assets across a variety of private investment vehicles (hedge funds), generally with fixed income and equity orientations, covering many different investment styles. Pacific Hedged Strategies, LLC was incepted April 25, 2000, and commenced operations on November 1, 2011. A termination date of the fund has not been established.

Brandywine (Global Opportunistic Fixed Income):

The investment objective of the fund is to achieve interest income and long-term capital appreciation by investing in U.S. fixed income instruments and non-U.S. developed and emerging markets sovereign debt securities. The fund concentrates its investments in bonds of countries having the best value in the form of high real interest rates. The Brandywine Global Investment Management Trust was organized on May 1, 2006, with an agreement permitting the investment advisor to create multiple funds. The fund is currently one of eight active funds in the investment trust. The trust will continue until May 1, 2056, unless sooner terminated upon the occurrence of any of the following: (1) resignation or removal of the trustee when no successor trustee is appointed, (2) termination of all the funds of the trust.

Prime Property Fund (Core Real Estate):

The fund is a core commingled real estate investment fund. The fund invests in high quality, well leased and strategically located U.S. properties. The fund seeks to achieve an aggregate long term annual return on investment equity of 8-10% with the majority of the return being realized from income, with modest appreciation, and using leverage when appropriate. Morgan Stanley Real Estate Advisor, Inc. serves as the sponsor and advisor of the fund. Redemptions are subject to available cash.

Gresham TAP Fund (Commodities):

The investment objectives of the fund are to provide an investor's portfolio of financial investments a partial inflation hedge, with an attractive risk/return profile as compared to other products using a commodity index or a pool of commodities. The fund commenced operations on March 1, 2011. A termination date of the fund has not been established.

Limited Partnerships - Private Equity

Warburg Pincus:

Investments consist of Warburg Pincus Private Equity XI, operations effective May 9, 2012, and Warburg Pincus Private Equity XII, operations effective December 1, 2015, both with the purpose to make private equity investments and help build durable companies with sustainable value and related investments. Each fund provides for a 12 year partnership life. The general partner of each fund may extend the partnership term up to two additional years with the approval of the respective advisory committee. Each fund may be dissolved earlier upon specific events, as provided for in the respective partnership agreement.

Siguler Guff:

The purpose of the Siguler Guff Distressed Opportunities Fund III is to invest in pooled investment vehicles and direct investments consisting of direct or indirect securities of companies undergoing financial distress, operating difficulties and significant restructuring. The partnership's portfolio investments are generally illiquid. The partnership was formed on October 18, 2007. The term of the fund will continue until December 31, 2018, unless dissolved earlier in accordance with fund agreements. The term may be extended for up to three additional years with the consent of the advisory board.

Mesirow:

The purpose of the Mesirow Financial Private Equity Partnership Fund V is to invest in private equity limited partnerships. The fund was formed on November 5, 2008, and terminates on November 5, 2020. Provisions allow for three one-year extensions to provide for orderly liquidation of remaining assets.

Limited Partnerships - Real Estate

TA Realty:

The fund is organized for the purpose of investing in a diversified portfolio of income-producing real estate investment properties. The fund extends seven years from October 7, 2014, the date when the capital commitments were substantially invested, unless extended longer or terminated earlier, as provided in the amended and restated partnership agreement dated January 10, 2013. The fund has invested in a geographically diversified portfolio of real estate investments, principally office, industrial, multifamily and retail properties. There are no further capital commitments to the fund.

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, 2017.

	<u>AAA</u>	<u>AA</u>	<u>A</u>	<u>BBB</u>	<u>BB</u>	<u>B</u>	<u>CCC</u>	<u>CC</u>	<u>D</u>	<u>Not Rated</u>	<u>Not Available</u>
<u>GOVERNMENT SECURITIES</u>											
U.S. Treasury bonds	0%	100%	0%	0%	0%	0%	0%	0%	0%	0%	0%
U.S. Treasury TIPS	0	100	0	0	0	0	0	0	0	0	0
Federal agency notes (1)	0	0	100	0	0	0	0	0	0	0	0
Ginnie Mae	0	4	96	0	0	0	0	0	0	0	0
Small Business Administration Loans	0	0	100	0	0	0	0	0	0	0	0
<u>CORPORATE OBLIGATIONS</u>											
Domestic	3	8	26	59	4	0	0	0	0	0	0
International	0	2	59	36	3	0	0	0	0	0	0
<u>MUTUAL FUNDS</u>											
Bond-Active	0	28	62	2	7	0	0	0	0	0	1
<u>OTHER INVESTMENTS</u>											
Asset backed obligations	41	26	14	12	1	0	1	5	0	0	0
Real estate investment trusts	0	0	0	0	0	0	0	0	0	0	100
Money market fund	100	0	0	0	0	0	0	0	0	0	0
Foreign government obligations	0	0	0	76	24	0	0	0	0	0	0

(1) Below is the list of agencies in which the government is currently invested

Federal Home Loan Mortgage Corporation	\$4,986
Fannie Mae	9,031
Ginnie Mae	3,284
Small Business Administration Guaranteed Development	43
U.S. Treasury	16,686

Foreign Investments (1)

	<u>OCERS</u>	<u>COTPA Pension</u>	<u>OCPEBT</u>
International mutual funds and similar securities	<u>\$168,373</u>	<u>\$2,076</u>	<u>\$4,726</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)

Investment Type Limitations Percentage of Total Invested Principal		Maturity Limitations Percentage of Total Invested Principal	
	<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 U.S. government obligations 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 Ginnie Mae, Fannie Mae, or Freddie Mac, 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, OCWUT 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 subject to bond indenture restrictions.

OCRA Investment Policy

Trustees for OCRA adopted a separate investment policy. The policy provides that 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) bonds or other legally created general obligations of the State of Oklahoma or an agency or political subdivision of the State of Oklahoma; (3) Federal agency or U.S. government-sponsored enterprise obligations, participations, or other instruments including those issued by or fully guaranteed as to principal and interest by Federal agencies or U.S. government-sponsored enterprises; (4) collateralized or insured certificates of deposit; (5) fully insured savings accounts. No more than 75% of the total funds available to invest may be placed in any one authorized institution. Of the funds invested, up to 100% may be invested with a maturity date of 2 years or less, up to 30% may be invested with a maturity date of 2-3 years, up to 10% may be invested with a maturity date of 3-5 years, and up to 5% may be invested with a maturity date of 5-30 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				
	Bond Principal and Interest	Project and Construction	Bond Reserve	Other	Total
	<u>Accounts</u>	<u>Accounts</u>	<u>Accounts</u>		
<i>Governmental Activities</i>					
Governmental funds					
General Obligation Bonds Fund	\$ -	\$247,874	\$ -	\$ -	\$247,874
Debt Service	105,732	-	-	-	105,732
Grants Management Fund	8,329	-	-	-	8,329
OCPPA General Purpose Fund	-	-	-	918	918
Special Purpose Fund	-	-	-	<u>6,657</u>	<u>6,657</u>
Total governmental funds	<u>114,061</u>	<u>247,874</u>	<u>-</u>	<u>7,575</u>	<u>369,510</u>
Internal service funds					
OCMFA Services Fund	-	<u>10,572</u>	-	-	<u>10,572</u>
<i>Business-Type Activities</i>					
OCEAT	315	12,221	1,309	-	13,845
OCZT	100	-	638	291	1,029
OCPPA Fairgrounds Fund	2,974	14,715	778	-	18,467
OCPPA Golf Courses Fund	<u>720</u>	<u>230</u>	<u>456</u>	-	<u>1,406</u>
Total business-type activities	<u>4,109</u>	<u>27,166</u>	<u>3,181</u>	<u>291</u>	<u>34,747</u>
Total primary government	<u>\$118,170</u>	<u>\$285,612</u>	<u>\$3,181</u>	<u>\$7,866</u>	<u>\$414,829</u>

	Component Units				
	Bond Principal and Interest	Construction	Bond Reserve	Other	Total
	<u>Accounts</u>	<u>Accounts</u>	<u>Accounts</u>		
OCAT	\$3,116	\$ -	\$ -	\$ -	\$3,116
OCWUT	28,428	302	42,638	-	71,368
COTPA	1,052	-	1,482	97	2,631
OCEDT	<u>2,206</u>	<u>6,648</u>	<u>9,775</u>	-	<u>18,629</u>
Total component units	<u>\$34,802</u>	<u>\$6,950</u>	<u>\$53,895</u>	<u>\$97</u>	<u>\$95,744</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. In February, 2017, the COTPA Pension Committee approved updates to the COTPA Retirement investment policy. 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 %	53.9 %	40.0 %	55.0 %	70.0 %	45.9 %
International	5.0	10.0	15.0	8.4	10.0	15.0	20.0	16.7
Alternatives	N/A	N/A	N/A	N/A	0.0	15.0	25.0	8.9
Fixed income (1)	20.0	25.0	30.0	25.6	10.0	25.0	40.0	28.5
Real assets	10.0	15.0	20.0	12.1	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 \$470.874 million in common stock or stock funds. Of this amount \$146.904 million 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 considered "investment grade" by at least one major rating agency at the time of purchase. Cash equivalents can include U.S. Treasury bills, money market mutual funds, repurchase agreements, certificates of deposit or FDIC insured deposits. Alternative investments shall be restricted to mutual funds and/or exchange traded funds with daily liquidity.

Interest rate risk is addressed by the policy requiring the active fixed income managers to 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, or collective investment funds (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, property type, and the number of properties.

Securities Lending Transactions:

City ordinance and the Board of Trustees permit the OCERS to lend securities with a simultaneous agreement to return collateral for the same securities in the future with agent indemnification in the event of borrower default. Securities lent may consist of both equity and fixed income securities. Collateral may consist of cash or securities issued or guaranteed by the U.S. government or its agencies or letters of credit. The OCERS may use or invest cash collateral at its own risk. However, collateral other than cash may not be pledged, sold, or otherwise transferred without borrower default.

During fiscal year 2017, OCERS had no securities lending amounts invested.

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.

Judgments:

Judgments may be purchased by the City Treasurer for the benefit of the OCERS. 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 Oklahoma State Treasurer on the first regular day following publication in January of each year, plus two percent (2%).

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%	55%	65%	63.2%
International equities	5	10	15	10.4
Fixed income	12	21	65	26.4

- (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, 2017, the amount of funds temporarily invested by the OCPEBT Trust Treasurer in money market funds was \$4,761.

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 rating agencies 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 OCPEBT. 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 Oklahoma 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

Sales and Use Taxes Receivable

Governmental activities report sales and use taxes receivable of \$63.656 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, 2017, receivables of \$4.315 million represent delinquent and escrowed paid-under-protest taxes. Approximately \$207 thousand of the receivable is comprised of payments to the counties made under protest. If paid under protest and delinquent taxes are not paid within 60 days of year-end, they are recorded as unavailable revenue in governmental funds.

Governmental fund property taxes receivable related to TIF at June 30, 2017, is \$2 thousand reported in the OCPPA General Purpose Fund.

NOTES TO FINANCIAL STATEMENTS
June 30, 2017

CITY OF OKLAHOMA CITY, OKLAHOMA

Accounts Receivable

Governmental funds report taxes receivable other than sales and property taxes as part of accounts receivable. In addition, governmental funds report court fees receivable, nuisance abatement receivable, and other receivable including naming rights receivable, event sales receivable, special assessments receivable, and oil & gas royalties receivables.

	Hotel/ Motel Taxes Receivable	Emergency Telephone Taxes Receivable	Franchise Fees Receivable	Nuisance Abatement Receivable (1)	Utility Receivable (1)	Courts Receivable	Other Receivables	Total Accounts Receivable
Governmental Funds								
General fund	\$ -	\$ -	\$4,522	\$118	\$15	\$1,728	\$894	\$7,277
Grants management fund	-	-	-	37	-	-	2	39
OCPPA general purpose	-	-	-	-	-	-	1,165	1,165
Other governmental funds	<u>1,480</u>	<u>905</u>	<u>-</u>	<u>1,961</u>	<u>346</u>	<u>164</u>	<u>598</u>	<u>5,454</u>
Total governmental funds	1,480	905	4,522	2,116	361	1,892	2,659	13,935
Internal service funds	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>36</u>	<u>36</u>
Total governmental activities	<u>\$1,480</u>	<u>\$905</u>	<u>\$4,522</u>	<u>\$2,116</u>	<u>\$361</u>	<u>\$1,892</u>	<u>\$2,695</u>	<u>\$13,971</u>

(1) Receivables are reported net of the allowance for uncollectible receivables.

	Nuisance abatement receivable			Utility receivable		
	Receivable	Allowance for Uncollectible	Net Receivable	Receivable	Allowance for Uncollectible	Net Receivable
General Fund	\$146	(\$28)	\$118	\$125	(\$110)	\$15
Grants Management Fund	119	(82)	37	-	-	-
Other Governmental Funds	<u>4,380</u>	<u>(2,419)</u>	<u>1,961</u>	<u>513</u>	<u>(167)</u>	<u>346</u>
	<u>\$4,645</u>	<u>(\$2,529)</u>	<u>\$2,116</u>	<u>\$638</u>	<u>(\$277)</u>	<u>\$361</u>

Proprietary Accounts Receivable

	Major Enterprise Funds				
	OCEAT	OCZT	OCPPA Golf Courses Fund	Other Enterprise Funds	Total
Accounts receivable	\$14,004	\$674	\$5	\$3,159	\$17,842
Less: allowance for uncollectible accounts	<u>(6,188)</u>	<u>(8)</u>	<u>-</u>	<u>(1,531)</u>	<u>(7,727)</u>
Net accounts receivable	<u>\$7,816</u>	<u>\$666</u>	<u>\$5</u>	<u>\$1,628</u>	<u>\$10,115</u>

Component Unit Property Taxes and Accounts Receivable

Property Taxes Receivable

Component unit property taxes receivable related to TIF at June 30, 2017, is \$140 thousand reported in OCRA and \$5.881 million reported in OCEDT.

NOTES TO FINANCIAL STATEMENTS
June 30, 2017

CITY OF OKLAHOMA CITY, OKLAHOMA

Accounts Receivable

Customer Accounts Receivable

	<u>OCAT</u>	<u>OCRRA</u>	<u>OCICF</u>	<u>OCWUT</u>	<u>COTPA</u>	<u>OCRA</u>	<u>Total</u>
Accounts receivable	\$3,049	\$ -	\$ -	\$30,530	\$191	\$ -	\$33,770
Less: allowance for uncollectible accounts	<u>-</u>	<u>-</u>	<u>-</u>	<u>(810)</u>	<u>(70)</u>	<u>-</u>	<u>(880)</u>
Net accounts receivable	<u>\$3,049</u>	<u>\$-</u>	<u>\$-</u>	<u>\$29,720</u>	<u>\$121</u>	<u>\$-</u>	<u>\$32,890</u>

Other Accounts Receivable

Oil and gas royalties	\$ -	\$8	\$ -	\$14	\$ -	\$ -	\$22
Other	<u>-</u>	<u>2</u>	<u>15</u>	<u>173</u>	<u>65</u>	<u>94</u>	<u>349</u>
Net accounts receivable	<u>\$-</u>	<u>\$10</u>	<u>\$15</u>	<u>\$187</u>	<u>\$65</u>	<u>\$94</u>	<u>\$371</u>

Fiduciary Receivables

Pension and OPEB Receivables

	<u>Contributions Receivable</u>		<u>Other</u>	<u>Total</u>
	<u>Plan</u>			
	<u>Employer</u>	<u>Members</u>		
OCERS	\$18	\$21	\$33	\$72
COTPA Retirement	30	24	-	54
OCPEBT	<u>8</u>	<u>640</u>	<u>-</u>	<u>648</u>
	<u>\$56</u>	<u>\$685</u>	<u>\$33</u>	<u>\$774</u>

Agency Fund Receivables

The Agency Fund reports \$269 thousand in amounts receivable from property owners for special improvement district assessments and \$11 thousand in amounts receivable from other City funds.

Intergovernmental Receivables and Advance Funding

Intergovernmental Receivables

Governmental Activities

Governmental Funds

General Fund	Commercial vehicle, excise, motor fuel and alcoholic beverage taxes receivable	\$1,372
Grants Management Fund	Grant revenues receivable	10,245
Special Purpose Fund	State matching emergency management funds receivable	174
Tax Incremental Financing Fund	State matching TIF revenues receivable	577

Internal Service Funds

OCMFA Services Fund	State matching emergency management funds receivable	<u>94</u>
Total governmental activities		<u>12,462</u>

Business-Type Activities

OCEAT	State matching emergency management funds receivable	<u>2,403</u>
Total primary government		<u>\$14,865</u>

(continued)

Intergovernmental Receivables (continued)

Component Units

OCAT	Grant revenues receivable	\$1,936
OCWUT	Federal and state emergency management matching funds	969
	Atoka and Sardis conservation projects receivable	5,000
	Federal Bureau of Reclamation funds receivable	56
COTPA	Grant revenues receivable	680
OCRA	Grant revenues receivable	<u>22</u>
Total component units		<u>\$8,663</u>

Advance Funding

ODOT Advance Funding

Periodically, the City enters into agreements with ODOT for cost sharing on projects funded with Federal grants awarded to ODOT. These agreements require the City to fund the match requirement of the grant in advance of any construction. Amounts which have been paid to ODOT but not yet spent on construction projects are reported as advance fundings.

General Obligation Bond Fund	\$1,181
Special Purpose Fund	93
Capital Improvement Fund	<u>412</u>
	<u>\$1,686</u>

OCPPA General Purpose Fund Advance Funding

OCPPA advances funds to allow the management company to operate for the City's business improvement districts (BID) until payment is received from the business owners for services and improvements. As of June 30, 2017, \$163 thousand was unexpended.

OCMAPS Suburban Schools Advance Funding

OCMAPS provides advance funding to suburban school districts for on-going projects. As of June 30, 2017, \$22 thousand has been paid but not expended by suburban school districts.

OCEDT Oklahoma County Advance Funding

On January 18, 2013, OCEDT approved the Board of County Commissioners of Oklahoma County Annex Building renovation for \$4 million to be funded from TIF district #8 funds. On December 9, 2013, OCEDT approved a \$2 million advance distribution. As of June 30, 2017, \$804 thousand is unexpended.

Notes, Service Concession Arrangements and Economic Incentives Receivable

Notes Receivable

General Fund

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, 2017, is \$13 thousand.

Grants Management Fund

Notes Receivable reported in the grants management fund include loans of \$15.873 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.

OCICF

In July 2015 OCICF sold the Journal Record Building for approximately \$4.4 million through multiple transactions. As part of the sale, OCICF established a note receivable of \$4.255 million from the buyer, which bears interest at rates established in the note agreement and matures in 2045. Future principal payments from the note receivable will be used to pay the principal due on the payable to the City. Interest earned from the note receivable will remain with OCICF and is required to be used for future economic development. The balance at June 30, 2017 is \$4.255 million.

OCRA

Skirvin Hotel:

OCRA loaned \$10.654 million for renovation costs for the Skirvin Hotel. The note bears interest at 3% payable semi-annually in June 1 and December 1. Principal of \$200 thousand is due annually on December 1. At June 30, 2017, \$9.816 million is outstanding.

Oklahoma Health Center Project:

In 2016 OCRA entered into a development financing and subordinated loan agreement for \$5.650 million with Page Woodson Development, LLC. to provide for eligible project costs under the amended Oklahoma Health Center Economic Development Project Plan. The note bears interest of .25% and is payable annually. The note has a term of 35 years. Principal is due on the maturity date and there is no penalty for prepayment in whole or in part. An additional contingent standby loan was approved on February 10, 2016, to Page Woodson Development, LLC. not to exceed \$3.5 million for this project, which would be funded only in the event that certain specific conditions prevent the funding of one of the contemplated private loans. As of June 30, 2017, no funds were advanced under this loan agreement.

OCEDT

Steelyard Residential and Commercial Building Project:

During fiscal year 2015 the Trust provided \$1 million to Bricktown Apartments, LLC in the form of a low-interest, non-forgivable loan to rehabilitate infrastructure that is necessary for the development of the residential and commercial project to make possible investment, development and economic growth in the area, thereby reversing economic stagnation and decline. Interest on the note will accrue at 2.5% and the length of the note will not exceed 10 years. The balance of the funding plan, including capitalized interest, is \$1.055 million at June 30, 2017.

Midtown HC:

In 2013 a loan agreement for \$1 million was established between OCEDT and Bricktown Midtown HC, LLC to construct a multi-story parking garage on property located at 123 N.W. 10th Street, Oklahoma City. The project advances the goals and objectives of the Downtown/MAPS Project Plan by developing and redeveloping vacant and unproductive property in the Midtown area. Repayment of the loan began in June 2015. The balance, including capitalized interest, is \$919 thousand at June 30, 2017.

21c Museum Hotel Redevelopment Project:

In 2014 a loan agreement for \$3.300 million was established between OCEDT and 21c Museum Hotels, LLC to aide in the redevelopment and renovation of approximately 150,000 square feet within the area of the Downtown/Maps Project Plan. The result includes a hotel, a museum, and a restaurant to be known as the 21c Museum Hotel Oklahoma City. The \$3.300 million non-forgivable, low-interest loan was drawn in June 2015 with repayment to begin upon completion of the project. The project was completed in 2016. The balance at June 30, 2017, is \$2.323 million.

Century Center Mixed Use Redevelopment Project:

During fiscal year 2016 OCEDT provided \$800,000 to 100 Main, LLC in the form of a low-interest, non-forgivable loan for renovation of commercial, restaurant, retail and office space to make possible investment, development and economic growth in the area, thereby reversing economic stagnation and decline. The balance is \$724 thousand at June 30, 2017.

Economic Incentives Receivable

OCEDT provides assistance in development financing to various developers, in anticipation of generating increased property tax value in TIF district #2. The developer agrees to make a minimum annual property tax payment. The minimum payments, less the base tax, continue until the total, including finance charges, is reached or TIF district #2 expires or terminates.

	<u>Loan Date</u>	<u>Loan Amount</u>	<u>Finance Charges</u>	<u>Minimum Tax</u>	<u>Base Tax</u>	<u>Outstanding Balance</u>
Midtown HC #1 mixed use project	4/29/2013	\$1,000	\$309	\$210	\$23	\$553
Midtown HC #2 mixed use project	7/7/2014	1,100	382	201	13	936
4th Street residential project	10/13/2014	1,000	365	191	8	791
Carnegie Centre mixed use project	2/12/2015	370	95	85	11	242
City Center residential project	2/16/2015	1,250	231	229	18	583
10th Street parking garage and mixed use project	4/9/2015	2,000	611	260	22	2,136
Edge Apartments residential redevelopment project	2/2/2016	1,500	298	363	-	1,442
	12/15/2016	400				
Mideke Commercial Office Building redevelopment project	3/10/2016	1,000	210	191	38	917
Century Center mixed use redevelopment project	9/8/2015	1,250	316	184	24	1,246
Level West (Mosaic) Residential Apartments project	9/9/2016	1,150	291	172	7	1,277
21c Hotel & Museum project	10/21/2016	2,000	1,404	214	23	3,400
Sunshine Cleaners mixed use project	3/17/2017	550	196	31	9	746
						<u>\$14,269</u>

Service Concession Arrangement Receivable

OCZT

Lancer Corporation

On January 5, 2017, OCZT entered into an arrangement with Lancer Hospitality Oklahoma, LLC (Lancer), under which Lancer will operate and collect revenue from food and beverage sales and services, along with room rentals. Lancer is to pay the OCZT a commission based on adjusted gross receipts on retail sales with guaranteed minimum payments of \$700 thousand annually for the first five years and \$750 thousand for years six and seven of arrangement. The OCZT recognized a service concession arrangement receivable for the present value of the minimum guaranteed payments discounted at 4% which will be amortized over the 7 years of the agreement. As of June 30, 2017, the unamortized service concession arrangement receivable for this agreement is \$4.126 million.

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 \$91 thousand, 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, 2017, OCWUT reported \$54.896 million receivable from MCA Participants.

OCWUT Receivable from Gaillardia Golf Course, LLC

An agreement between OCWUT and Gaillardia Golf Course, LLC (Gaillardia) to construct, operate and maintain a recycled water system to irrigate the Gaillardia Golf Course was entered into in 1996. Prior to completing the construction, the agreement was amended to a recycled water sales contract and the related asset, valued at \$618 thousand, was donated to the City and OCWUT. A new agreement was entered into in 2008 between Gaillardia and OCWUT to recover the additional costs to OCWUT for constructing ultraviolet and chlorination treatment facilities needed to comply with changes in the environmental regulations. On April 16, 2013, a new agreement between OCWUT and Gaillardia was made for the sale and purchase of recycled water and settled all prior claims for an amount of \$277 thousand. The agreement was made effective January 1, 2013, for financial purposes, and effectively terminated all prior agreements and obligations. At June 30, 2017, the remaining balance receivable from Gaillardia was \$277 thousand.

Advanced Funded Costs

OCWUT Tinker Air Force Base Advance Funded Costs

On May 8, 2014, OCWUT contracted with MWH America's, Inc. to provide consulting services for the municipalization of Tinker Air Force Base's water and wastewater utilities. OCWUT does not anticipate any fund usage in the next 12 months. The balance at June 30, 2017, is \$1.895 million.

Security Deposit and Debt Reserve

COTPA

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

OCRA

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

Assets Held for Donation

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 \$21.802 million and recognized as a donation when the transfer is made to the Oklahoma City Independent School District.

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.

NOTES TO FINANCIAL STATEMENTS
June 30, 2017

CITY OF OKLAHOMA CITY, OKLAHOMA

	Capital Interests		Total			
	Oklahoma City		Net Position			
	Tulsa Area	Area	Net Position		Liabilities	
July 1, 2016, capital	\$11,161	\$12,744	Assets	\$41,060	Short-term	\$13,113
Changes in net position	<u>(1,506)</u>	<u>1,242</u>	Liabilities	<u>17,419</u>	Long-term	<u>4,306</u>
June 30, 2017, capital	<u>\$9,655</u>	<u>\$13,986</u>	Net position	<u>\$23,641</u>		<u>\$17,419</u>

II. A. 5. CAPITAL ASSETS

Changes in Capital Assets

	Primary Government							
	Capital Assets, not depreciated			Capital Assets, depreciated				
	Land, Art, and			Infrastructure and			Total	Total
	Water	Construction	Total	Improvements	Furniture,	Total	Total	
Storage	In Progress	Capital	Other Than	Machinery, and	Capital	Capital		
Rights		Assets	Buildings	Buildings	Equipment	Assets,	Assets,	
						Depreciable	Net	
<i>Governmental Activities</i>								
CAPITAL ASSETS (1)								
Balance, June 30, 2016	\$139,730	\$274,673	\$414,403	\$542,642	\$1,723,319	\$256,429	\$2,522,390	\$2,936,793
Increases	29,864	184,514	214,378	765	72,182	24,948	97,895	312,273
Decreases	(1,320)	(12)	(1,332)	(901)	(2,242)	(19,227)	(22,370)	(23,702)
Transfers	290	(96,490)	(96,200)	(19,323)	113,182	2,341	96,200	-
Balance, June 30, 2017	<u>168,564</u>	<u>362,685</u>	<u>531,249</u>	<u>523,183</u>	<u>1,906,441</u>	<u>264,491</u>	<u>2,694,115</u>	<u>3,225,364</u>
ACCUMULATED DEPRECIATION								
Balance, June 30, 2016				191,574	761,306	184,773	1,137,653	1,137,653
Increases				11,599	79,092	17,876	108,567	108,567
Decreases				(1,404)	(689)	(17,150)	(19,243)	(19,243)
Balance, June 30, 2017				<u>201,769</u>	<u>839,709</u>	<u>185,499</u>	<u>1,226,977</u>	<u>1,226,977</u>
Total governmental activities	<u>168,564</u>	<u>362,685</u>	<u>531,249</u>	<u>321,414</u>	<u>1,066,732</u>	<u>78,992</u>	<u>1,467,138</u>	<u>1,998,387</u>
<i>Business-Type Activities</i>								
CAPITAL ASSETS								
Balance, June 30, 2016	30,664	2,061	32,725	180,742	830,832	84,846	1,096,420	1,129,145
Increases	-	7,131	7,131	4	26,665	2,820	29,489	36,620
Decreases	-	-	-	-	(465)	(4,669)	(5,134)	(5,134)
Transfers	-	(2,295)	(2,295)	1,729	397	169	2,295	-
Balance, June 30, 2017	<u>30,664</u>	<u>6,897</u>	<u>37,561</u>	<u>182,475</u>	<u>857,429</u>	<u>83,166</u>	<u>1,123,070</u>	<u>1,160,631</u>
ACCUMULATED DEPRECIATION								
Balance, June 30, 2016				76,282	502,003	62,890	641,175	641,175
Increases				3,604	18,675	4,732	27,011	27,011
Decreases				-	(465)	(4,309)	(4,774)	(4,774)
Balance, June 30, 2017				<u>79,886</u>	<u>520,213</u>	<u>63,313</u>	<u>663,412</u>	<u>663,412</u>
Total business-type activities	<u>30,664</u>	<u>6,897</u>	<u>37,561</u>	<u>102,589</u>	<u>337,216</u>	<u>19,853</u>	<u>459,658</u>	<u>497,219</u>
Total	<u>\$199,228</u>	<u>\$369,582</u>	<u>\$568,810</u>	<u>\$424,003</u>	<u>\$1,403,948</u>	<u>\$98,845</u>	<u>\$1,926,796</u>	<u>\$2,495,606</u>

(continued)

Changes in Capital Assets (continued)

	Component Units							Total Capital Assets, Net
	Capital Assets, not depreciated			Capital Assets, depreciated				
	Land, Art, and Water Storage Rights	Construction In Progress	Total Capital Assets	Infrastructure and Improvements Other Than Buildings	Furniture, Machinery, and Equipment	Total Capital Assets, Depreciable	Total Capital Assets, Net	
CAPITAL ASSETS								
Balance, June 30, 2016	\$146,313	\$223,770	\$370,083	\$686,274	\$1,568,821	\$169,970	\$2,425,065	\$2,795,148
Increases	1,344	137,327	138,671	6,294	25,656	13,461	45,411	184,082
Decreases	(30)	(43,388)	(43,418)	(4,795)	(35,620)	(7,161)	(47,576)	(90,994)
Transfers	-	(80,327)	(80,327)	(325)	79,135	1,517	80,327	-
Balance, June 30 2017	<u>147,627</u>	<u>237,382</u>	<u>385,009</u>	<u>687,448</u>	<u>1,637,992</u>	<u>177,787</u>	<u>2,503,227</u>	<u>2,888,236</u>
ACCUMULATED DEPRECIATION								
Balance, June 30, 2016				338,848	585,797	102,238	1,026,883	1,026,883
Increases				15,622	47,537	12,185	75,344	75,344
Decreases				(2,310)	(4,452)	(7,043)	(13,805)	(13,805)
Balance, June 30, 2017				<u>352,160</u>	<u>628,882</u>	<u>107,380</u>	<u>1,088,422</u>	<u>1,088,422</u>
Total	<u>\$147,627</u>	<u>\$237,382</u>	<u>\$385,009</u>	<u>\$335,288</u>	<u>\$1,009,110</u>	<u>\$70,407</u>	<u>\$1,414,805</u>	<u>\$1,799,814</u>

(1) Capitalized pollution remediation was \$1.347 million.

Decreases in construction in progress include completed OCMAPS projects which are expected be donated to the Oklahoma City Public Schools and are reported with other non-current assets.

Approximately \$252.158 million (cost of \$548.948 million and accumulated depreciation of \$296.790 million) of airport property is leased or held for lease to others as of June 30, 2017.

Depreciation Expense

Primary Government				Component Units	
<i>Governmental Activities</i>		<i>Business-Type Activities</i>			
General government	\$3,413	Airport	\$497	Airports	\$25,542
Public safety: Police	1,214	Water and wastewater	10,317	Riverfront redevelopment	79
Fire	2,001	Solid waste management	3,100	Water utilities	43,106
Other	3,527	Stormwater drainage	3,567	Parking	1,574
Public services	60,652	Golf courses	907	Transit	3,043
Economic Development	2,412	Zoo	2,914	Economic development	<u>2,000</u>
Culture and recreation	<u>32,121</u>	Fairgrounds	<u>5,709</u>		
Subtotal	105,340				
Allocated internal service fund depreciation	<u>223</u>				
Total governmental activities	<u>\$105,563</u>	Total business-type activities	<u>\$27,011</u>	Total component unit activities	<u>\$75,344</u>

Transfer of Capital Assets

	<u>Transfer From</u>			<u>Transfer To</u>		
	Capital Assets	Accumulated Depreciation	Capital Assets, Net	Capital Assets	Accumulated Depreciation	Capital Assets, Net
Primary Government						
<i>Governmental Activities</i>						
Governmental Activities	\$ -	\$ -	\$ -	\$32,843	(\$3,004)	\$29,839
OCEDT	32,843	(3,004)	29,839	-	-	-

Capitalized Interest

	<u>Total Interest Costs Incurred</u>	<u>Interest Revenue Used to Offset</u>	<u>Capitalized Interest</u>
Primary Government			
<i>Business-type Activities</i>			
OCPFA Fairgrounds Fund	\$3,741	\$ -	\$8
Component Units			
OCAT	4,500	-	1,990
OCWUT	<u>28,195</u>	<u>-</u>	<u>6,662</u>
	<u>\$36,436</u>	<u>\$-</u>	<u>\$8,660</u>

II. B. DEFERRED OUTFLOWS OF RESOURCES

II. B. 1. DEFERRED AMOUNT ON REFUNDING

Deferred charges on refunding of bonds result 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.

NOTES TO FINANCIAL STATEMENTS
June 30, 2017

CITY OF OKLAHOMA CITY, OKLAHOMA

	Debt Issue	Debt Issue Refunded	Deferred Amount	Accumulated Amortization	Net Amount
Primary Government					
<i>Governmental Activities</i>					
General obligation bonds	Series 2012 Refunding	Series 2002, 2002 Refunding, 2003, 2004, and 2005	\$3,695	\$547	\$3,148
General obligation bonds	Series 2015 Refunding	Series 2005 Refunding and 2006	845	80	765
General obligation bonds	Series 2016 Refunding	Series 2007	616	53	563
General obligation bonds	Series 2017 Refunding		<u>572</u>	<u>14</u>	<u>558</u>
			5,728	694	5,034
<i>Business-Type Activities</i>					
OCEAT	Series 2017 Refunding	Series 2005	25	1	24
OCZT	2005 Refunding	Series 1999	475	406	69
OCPPA Golf Courses	Series 2010 Refunding	Series 1998	<u>1</u>	<u>-</u>	<u>1</u>
			<u>501</u>	<u>407</u>	<u>94</u>
			<u>\$6,229</u>	<u>\$1,101</u>	<u>\$5,128</u>
Component Unit					
OCEAT	Junior Lien Series 29B	Junior Lien Series	\$7,475	\$7,085	\$390
OCWUT	Series 2013 Refunding	Series 2004 and 2008	8,152	299	7,853
OCWUT	Series 2016	Series 2009A	<u>4,019</u>	<u>79</u>	<u>3,940</u>
			<u>\$19,646</u>	<u>\$7,463</u>	<u>\$12,183</u>

II. B. 2. PENSION DEFERRED OUTFLOWS

Differences are deferred when the pension system's actuarial estimate of the plan's experience costs for a given period differ from the actual experience costs. Deferred outflows that result from plan experience differences and changes in assumptions are divided by the beginning expected remaining service life of its members and amortized over that period, with the current year amount included in the determination of pension expense. Differences are also calculated and recorded as deferred outflows when actual investment earnings exceed estimated investment earnings. This amount is amortized over a fixed 5 year period for each unique fiscal year. Current year employee contributions are deferred and included in the following year net pension liability calculation.

	Primary Government				<i>Business-Type Activity</i>	Component Unit	Fiduciary Funds
	<i>Governmental Activities</i>						
	OCERS	Police Pension	Fire Pension	Total			
Current year contributions - Employer	\$3,771	\$11,031	\$10,638	\$25,440	\$3,073	COTPA Retirement	\$545
Differences between expected and actual pension plan experience	-	139	8,949	9,088	-	-	282
Investment projected vs actual	20,369	41,719	20,425	82,513	16,600	-	753
Change in assumption	<u>3,415</u>	<u>-</u>	<u>-</u>	<u>3,415</u>	<u>2,783</u>	OCERS	<u>9</u>
	<u>\$27,555</u>	<u>\$52,889</u>	<u>\$40,012</u>	<u>\$120,456</u>	<u>\$22,456</u>	<u>\$1,580</u>	<u>\$70</u>

III. LIABILITIES AND DEFERRED INFLOWS OF RESOURCES

III. A. LIABILITIES

III. A. 1. UNEARNED REVENUES

	Primary Government		Total	Component Units
	Governmental Activities	Business-Type Activities		
<u>CURRENT</u>				
Grant revenues	\$1,386	\$ -	\$1,386	\$ -
Event sales	9,557	-	9,557	-
Charges for services	384	504	888	167
Advance construction costs	2,430	-	2,430	-
Naming rights	298	-	298	-
Rent	134	47	181	935
Other advance revenues	-	-	-	6
	<u>\$14,189</u>	<u>\$551</u>	<u>\$14,740</u>	<u>\$1,108</u>
<u>NON-CURRENT</u>				
Rent	<u>\$662</u>	<u>\$2,169</u>	<u>\$2,831</u>	<u>\$572</u>

III. A. 2. INTERGOVERNMENTAL PAYABLES

Payable to the Federal Emergency Management Agency (FEMA)

The amount payable to FEMA from the Grants Management Fund for advance funded disaster relief projects where costs were less than the amount funded is \$12 thousand.

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 \$67 thousand are reported with component units.

Payable to ODOT

Periodically, the City enters into agreements with ODOT for cost sharing on projects funded with Federal grants awarded to ODOT. These agreements require the City to fund the match requirement of the grant. The amount payable as of June 30, 2017, is \$1.052 million which is reported in the General Obligation Bond Fund, Special Purpose Fund, and Capital Improvement Fund and OCWUT for \$849 thousand, \$126 thousand, \$53 thousand, and \$24 thousand, respectively.

Payable to the Oklahoma Water Resources Board (OWRB)

During fiscal year 2010 OCWUT entered into an agreement with the 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. This was paid in 2010. An additional amount of \$12.500 million is payable to reimburse the OWRB for certain costs for 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.

Advance Funded Costs

On December 8, 2016, the Federal government enacted the Water Infrastructure Improvements for the Nation Act which required OCWUT, the State of Oklahoma, the Choctaw Nation, and the Chickasaw Nation to contribute a total of \$10 million to establish the Atoka and Sardis Conservation Projects Board and Fund (Conservation Fund). The funding will be used to construct lake improvements and recreation facilities at Atoka and Sardis Lakes. At June 30, 2017 the balance of unspent funding is \$10.000 million.

III. A. 3. COMPENSATED ABSENCES

Compensated absences balances changed from 2016 to 2017 by accruals of \$37.170 million and usages of \$37.908 million.

	General Fund	Grants Management Fund	Other Governmental Funds	Total
Compensated absences	<u>\$62,506</u>	<u>\$204</u>	<u>\$11,424</u>	<u>\$74,134</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. In April 2012, the City Council approved a joint resolution with the OCEDT authorizing the assignment of TIF district #2 and #3 LOC, from OCPPA to OCEDT and the transfer of any TIF district #2 and #3 assets along with any outstanding obligations.

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. As of June 30, 2017, \$15.910 million is outstanding. Of the amount due, \$14.375 million is reported with non-current liabilities.

On April 16, 2014, OCEDT issued Private Placement Tax Anticipation Note 2014 from JP Morgan Chase Bank, N.A. in the amount of \$10 million. On April 26, 2016, the maximum amount was changed from \$18 million to \$25 million. On May 16, 2017, the due date of the note was extended to March 31, 2018. As of June 30, 2017, \$13.080 million is outstanding and reported with 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. 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. On June 21, 2011, OCPPA decreased the maximum amount of the LOC to \$11 million and increased the interest rate to LIBOR plus 115 basis points.

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 and the transfer of any TIF district #4 and #5 assets along with any outstanding obligations. On June 25, 2013, OCEDT changed the interest rate to LIBOR plus 85 basis points. On May 16, 2017, OCEDT authorized the extension of the maturity date to June 30, 2018, and reduced the maximum principal amount to \$3.5 million. As of June 30, 2017, \$2.173 million is outstanding and reported with current liabilities.

Changes in Tax Anticipation Debt

	Component Unit			Effective Interest	
	Balance July 1, 2016	Issued/ Transferred	Retired	Balance June 30, 2017	Rate, June 30, 2017
OCEDT					
2008 TIF district #2 and #3	\$17,345	\$ -	\$1,435	\$15,910	6.99%
2014 TIF district #2 and #3	13,080	-	-	13,080	1.70
TIF district #4 and #5	3,617	-	1,444	2,173	1.86
TIF interest payable	<u>313</u>	<u>1,125</u>	<u>1,160</u>	<u>278</u>	
	<u>\$34,355</u>	<u>\$1,125</u>	<u>\$4,039</u>	<u>\$31,441</u>	

Tax Anticipation Debt Payment Requirements to Maturity

	Component Unit					
	OCEDT					
	TIF district #2 and #3		TIF district #4 and #5		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
2018	\$14,615	\$1,059	\$2,173	\$ -	\$16,788	\$1,059
2019	1,650	947	-	-	1,650	947
2020	1,770	829	-	-	1,770	829
2021	1,895	699	-	-	1,895	699
2022	2,035	562	-	-	2,035	562
2023-2025	<u>7,025</u>	<u>760</u>	<u>-</u>	<u>-</u>	<u>7,025</u>	<u>760</u>
	<u>\$28,990</u>	<u>\$4,856</u>	<u>\$2,173</u>	<u>\$-</u>	<u>\$31,163</u>	<u>\$4,856</u>

Pledged Revenues

OCEDT TIF Revenues

The OCEDT issued tax anticipation notes to support its economic development activities. The OCEDT TIF Fund reports revenue-supported debt. In 2017, OCEDT recognized \$12.359 million in property taxes and \$850 thousand in payments from the City for sales tax restricted to repay tax anticipation debt.

OCEDT 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 of tax-exempt commercial paper notes with letter of credit security. On May 17, 2016 OCWUT approved a resolution authorizing the commercial paper program to an amount not to exceed \$275 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.

	Balance July 1, 2016	Issued	Retired	Balance June 30, 2017	Effective Interest Rate
<u>COMMERCIAL PAPER</u>					
OCWUT	<u>\$50,500</u>	<u>\$9,500</u>	<u>\$55,500</u>	<u>\$4,500</u>	0.94%

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 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. 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, 2017, are \$2.725 million and \$6 thousand in accrued interest. This loan activity is reported in the government-wide financial statements.

The City facilitated a Section 108 loan, administered by the U.S. Department of Housing and Urban Development (HUD), for the 21c Museum Hotel. This loan is secured by HUD guarantees of future Federal grant allocations for repayment through the Community Development Block Grant (CDBG) program. This loan bears interest of 0.8519% and matures on August 1, 2034. Outstanding loans at June 30, 2017, are \$6.900 million and \$16 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. This loan was paid in full on January 4, 2017.

OCMFA Services P25 Radio System Note Payable

On March 30, 2017, OCMFA entered into a master lease/purchase agreement with Banc of America Public Capital Corporation for a new P25 Phase II trunked radio system to replace the existing emergency communications system serving the City. The note bears interest at 2.57% and matures on October 1, 2031. As of June 30, 2017, the balance of the note is \$10.500 million and there was no accrued interest.

OCWUT OWRB 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, 2017, \$9.285 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, 2017, \$42.583 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.

On June 30, 2015, OCWUT finalized a revolving loan for a maximum of \$800 thousand for wastewater improvements. As of June 30, 2017, \$598 thousand is outstanding. The effective interest rate of the loan is 2.71% payable on March 15 and September 15 for the term of the loan. Principal payments began on September 15th, 2015, and will continue semiannually for the term of the loan. The loan expires on September 15, 2046. On June 30, 2015, OCWUT approved a revolving loan for a maximum of \$36 million for water line improvements. As of June 30, 2017, \$34.780 million is outstanding. The interim effective interest rate of the loan is 2.93%. Principal payments will commence on the earlier of March 15 or September 15 following the completion of the construction projects and will continue semiannually for the term of the loan.

On April 19, 2016, OCWUT approved a revolving loan for a maximum of \$64.750 million for station and facility improvements and \$800 thousand for water line improvements. As of June 30, 2017, \$35.700 million is outstanding. The effective interest rate of the loan is 2.55% payable on March 15 and September 15 for the term of the loan.

On November 15, 2016, the OCWUT approved a revolving loan for a maximum of \$57.300 million for water line improvements. As of June 30, 2017, there have been no draws on the loan leaving no outstanding balance. The interim effective interest rate for this loan will not exceed 2.98%, payable on March 15 and September 15 for the term of the loan.

OCRA Bio-Pharmaceutical Manufacturing Facility

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, 2017, the balance due is \$2.882 million. The interest rate at June 30, 2017, is 2.22%.

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, 2017, the balance of the note is \$1.330 million. The interest rate at June 30, 2017, is 2.22%.

Capital Leases

The City has outstanding capital lease agreements of \$275 thousand. These capital leases were used to finance the acquisition of copiers and office and printing equipment at a cost of \$177 thousand and ground equipment at a cost of \$1.095 million.

Estimated Claims Payable

The City's risk management activities reported with governmental activities are recorded in the Risk Management Fund, the OCMFA Services Fund 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 OCPEBT 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, 2017, is \$46.243 million, including \$743 thousand reported with fiduciary funds.

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, 2017, is \$33.586 million. Claims are discounted at 1.8%. 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.

Other Liabilities

Planned Unit Development

Landfill owner, Waste Connections, established a trust fund with the City to ensure completion of construction of Phase One and Phase Two Planned Unit Development improvements and maintenance of improvements during the 30 year post closure period. As improvements and maintenance are completed, the landfill owner can withdraw funds from the trust and withdraw the remaining balance upon the conclusion of the 30 year maintenance period. A liability has been recorded in the Special Purpose Fund in the amount of \$1.120 million which includes \$134 thousand of interest earnings.

Pollution Remediation Obligations

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.

Downtown Park

During the cleanup of land purchased for the new Downtown Park, several sources of pollution were discovered. Costs incurred through June 30, 2017 total \$575 thousand and the estimated cost of remaining obligations is \$893 thousand. These costs are required to prepare the property for use and were known or suspected at the time of purchase. The costs are included in the cost of the land. The Federal Environmental Protection Agency has awarded the City \$600 thousand in grant funds which will be used to mitigate the cost of the remediation. At June 30, 2017, a liability of \$205 thousand has been recorded in the Grants Management Fund.

Convention Center

During the cleanup of land purchased for the new MAPS 3 Convention Center, several sources of pollution were discovered. Environmental assessment reports and plans are expected to be completed within the next twelve months. At June 30, 2017, potential future obligations are not estimable.

Intermodal Transportation Hub

The Intermodal Transportation Hub was polluted with barrels of oil and other suspect materials, including hydraulic elevator drums. Lead-based paint is also present on all handrails at this site. Remediation estimates totaled \$40 thousand, of which \$30 thousand has been paid. The remaining \$10 thousand was determined to be unrequired. There is no remaining obligation as of June 30, 2017.

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 Station. After testing, it was determined that there was mold and asbestos pollution. The building was closed by the Police Department and has not been used. On June 7, 2016, a Joint Resolution was signed to repurpose the building as determined by OCWUT. The department engineers estimated that it would cost \$70 thousand to remediate the pollution as necessary in order to utilize the building for temporary office space. Costs incurred during 2017 were \$41 thousand and the remaining \$29 thousand was determined to be unrequired. There is no remaining obligation as of June 30, 2017.

Police Facilities

During 2017, several police facilities required remediation. Mold remediation was performed at the Police DNA lab at a cost of \$3 thousand. In the police training center, the air ducts were cleaned due to pollutants at a cost of \$4 thousand. At 701 Colcord, the sewer backed up into the lower level of the parking garage and was mitigated for \$1 thousand. The Police property room basement also required \$4 thousand in structure repairs and cleanup. There are no remaining obligations for any of these sites as of June 30, 2017.

City Hall Offices

During 2017, the Print Shop located at City Hall experienced water damage and required mold remediation at a cost of \$3 thousand. As of June 30, 2017, there is no estimated remaining obligation.

Old Jail Building

In 2013, employees of the City Marshal's Office filed claims with the Oklahoma State Department of Labor for conditions in the old jail building. The building was evacuated of employees and has remained empty since that time. In 2013 the Oklahoma State Department of Labor confirmed reports of mold, water damage and the presence of vermin. At this time the building is not in use and it is not known when the City Council will determine the outcome of the building. Once an outcome is determined, remediation and abatement work will be necessary, but there is no estimate at June 30, 2017.

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. As of June 30, 2017, the remaining estimated obligation is \$156 thousand.

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.

	Estimate Method and <u>Assumption</u>	Total Estimated <u>Obligation</u>	Estimated <u>Recoveries</u>	Pollution Remediation <u>Obligation</u>
Primary Government				
<i>Governmental Activities</i>				
Downtown Park	Engineer report	<u>\$893</u>	<u>\$ -</u>	<u>\$893</u>
Component Unit				
OCAT Fund				
Gulfstream Maintenance Facility	Vendor estimate	<u>\$156</u>	<u>\$ -</u>	<u>\$156</u>

Estimated Claims Aggregate Liabilities

	Primary Government						Component	Fiduciary
	<i>Governmental Activities</i>						Unit	Fund
	Health Care	Workers' Compensation	Risk	Tort	Pollution	Other	OCAT Pollution Remediation	OCPEBT Health Care
Liability balance, July 1, 2015	\$1,589	\$40,398	\$6,066	\$6,675	\$1,461	\$943	\$31	\$962
Claims and changes in estimates	17,393	5,620	(1,128)	2,116	230	167	44	19,549
Claims payments	<u>(17,610)</u>	<u>(7,735)</u>	<u>(4,494)</u>	<u>(3,338)</u>	<u>(265)</u>	-	-	<u>(19,637)</u>
Liability balance, July 1, 2016	1,372	38,283	444	5,453	1,426	1,110	75	874
Claims and changes in estimates	17,169	1,442	1,282	4,297	99	10	81	19,725
Claims payments	<u>(17,289)</u>	<u>(6,139)</u>	<u>(677)</u>	<u>(2,306)</u>	<u>(632)</u>	-	-	<u>(19,856)</u>
Liability balance, June 30, 2017	<u>\$1,252</u>	<u>\$33,586</u>	<u>\$1,049</u>	<u>\$7,444</u>	<u>\$893</u>	<u>\$1,120</u>	<u>\$156</u>	<u>\$743</u>
Assets available to pay claims	<u>\$5,688</u>	<u>\$29,642</u>	<u>\$4,456</u>	<u>\$106,793</u>	<u>\$114,904</u>	<u>\$1,120</u>	<u>\$89,118</u>	<u>\$49,875</u>

NOTES TO FINANCIAL STATEMENTS
June 30, 2017

CITY OF OKLAHOMA CITY, OKLAHOMA

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)		Internal Service Funds		Governmental Funds		Internal Service Funds		Governmental Funds	Internal Service Funds
Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Principal	
2018	\$225	\$135	\$668	\$198	\$25	\$1	\$19	\$-	\$5,337	\$11,651
2019	548	128	618	249	10	-	13	-	4,120	24,236
2020	629	119	634	233	1	-	-	-	-	-
2021	636	110	650	216	-	-	-	-	-	-
2022	642	101	667	200	-	-	-	-	-	-
2023-2027	3,192	359	3,603	730	-	-	-	-	-	-
2028-2032	2,006	189	3,660	239	-	-	-	-	-	-
2033-2037	1,747	44	-	-	-	-	-	-	-	-
	\$9,625	\$1,185	\$10,500	\$2,065	\$36	\$1	\$32	\$-	\$9,457	\$35,887
Range of interest rates	0.85%-6.47%		2.57%		2.25% - 7.99%		2.05%			
Cost of assets					\$615		\$95			
Accumulated depreciation					\$103		\$28			

	Primary Government				Component Unit				OPEB Trust	
	<i>Business-Type Activities</i>								Funds	
					Estimated Claims Payable	Notes Payable		Notes Payable (1)		Estimated Claims Payable (3)
	Proprietary Funds				OCAT	OCWUT		OCRA		OCPEBT
Principal	Interest	Principal	Interest	Principal	Principal	Interest	Principal	Interest	Principal	
2018	\$13	\$5	\$156	\$156	\$71,907	\$2,339	\$804	\$56	\$743	
2019	13	4	-	-	1,477	1,797	815	44	-	
2020	181	-	-	-	1,524	1,750	827	32	-	
2021	-	-	-	-	1,582	1,692	840	20	-	
2022	-	-	-	-	1,637	1,636	852	8	-	
2023-2027	-	-	-	-	9,081	7,286	74	-	-	
2028-2032	-	-	-	-	10,374	5,584	-	-	-	
2033-2037	-	-	-	-	10,577	3,747	-	-	-	
2038-2042	-	-	-	-	12,201	1,682	-	-	-	
2043-2047	-	-	-	-	2,586	75	-	-	-	
	\$207	\$9	\$156	\$156	\$122,946	\$27,588	\$4,212	\$160	\$743	
Range of interest rates	2.35%				2.55% - 3.74%		1.47%			
Cost of assets	\$657									
Accumulated depreciation	\$-									

- (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

	Primary Government			Component Units
	<i>Governmental Activities</i>	<i>Business-Type Activities</i>	Total	
Bonds payable	\$769,505	\$105,875	\$875,380	\$682,340
Unamortized bond discount/premium	<u>50,833</u>	<u>6,154</u>	<u>56,987</u>	<u>49,359</u>
Bonds payable, net	<u>\$820,338</u>	<u>\$112,029</u>	<u>\$932,367</u>	<u>\$731,699</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

2017 Non-Taxable General Obligation Bonds

On May 10, 2017, the City issued \$90.500 million in City general obligations bonds, dated March 1, 2017 with an average interest rate of 3.47%. Total proceeds of \$96.453 million included \$5.544 million in premiums and \$623 thousand in accrued interest. Issuance costs were \$214 thousand. Proceeds of \$90.500 million will be used to fund infrastructure improvements and premium and accrued interest of \$6.167 million will be used to reduce the ad valorem tax levy in the year of issuance. The bonds mature on March 1, 2037.

2017 Non-Taxable General Obligation Refunding Bonds

On May 10, 2017, the City issued \$28.645 million in City general obligations bonds, dated March 1, 2017 with an average interest rate of 4.65%. Total proceeds included \$4.740 million in premiums. Issuance costs were \$284 thousand. Net proceeds of \$33.101 million will be used to defease \$33.097 million in principal and interest for Series 2007 General Obligation Bonds. The bonds mature on March 1, 2028.

General Obligation Bonds Authorized But Unissued

	2007 Authorization
Streets	\$62,485
Bridges	5,905
Traffic control	2,350
Drainage control	2,055
Parks & recreational facilities	21,085
Police facilities	<u>280</u>
Total	<u>\$94,160</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.

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.

Issuances

OCEAT Series 2017A Non-Taxable Revenue Refunding and Improvement Bonds

On April 6, 2017, OCEAT issued \$2.885 million in revenue refunding bonds with an average interest rate of 3.99%. Total proceeds included \$284 thousand in premiums and \$142 thousand in reserve funds transferred from the refunded debt. Issuance costs were \$91 thousand. Net proceeds of \$3.220 million will be used to expand maintenance bays to be used in the operation of the solid waste management system and to establish a reserve fund. The Series 2017A bonds defeased \$1.760 million of OCEAT Solid Waste Management System Revenue Bonds, Series 2005. The bonds mature on July 1, 2031.

OCEAT Series 2017B Taxable Revenue Bonds

On April 6, 2017, OCEAT issued \$12.085 million in revenue bonds with an average interest rate of 3.02%. Total proceeds included \$164 thousand in premiums. Issuance costs were \$189 thousand. Net proceeds of \$12.060 million will be used to finance the costs of recycling carts and to establish a reserve fund. The bonds mature on July 1, 2031.

OCWUT Non-Taxable Revenue Refunding Bonds

On November 17, 2016, OCWUT issued \$97.135 million in revenue refunding bonds with an average interest rate of 4.41%. Total proceeds included \$17.983 million in premiums and \$779 thousand in reserve funds transferred from extinguished debt. Issuance costs were \$602 thousand. Net proceeds of \$115.295 million will be used to defease a portion of the Water and Sewer System Revenue Bonds, Series 2009A and \$55.500 million of OCWUT Water and Sewer commercial paper. The bonds mature on July 1, 2046.

Tax Apportionment Bonds

Bond Indentures and Covenants

Tax apportionment bonds outstanding consist of debt issued by OCEDT. 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. The debt of this trust does not constitute debt of the City and is payable solely from resources of OCEDT. Property taxes and special assessments are pledged for the payment of bond debt service. Debt is issued for economic development.

Bond indentures contain significant requirements for annual debt service and flow of funds through various restricted 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.

Bonded Debt Service Requirements To Maturity

	Primary Government									
	<i>Governmental Activities</i>		<i>Business-Type Activities</i>							
	General Obligation Bonds		Revenue Bonds							
	<u>Principal</u>	<u>Interest</u>	<u>OCEAT</u>		<u>OCZT</u>		<u>Fairgrounds</u>		<u>Golf Courses</u>	
		<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>	
2018	\$57,215	\$29,463	\$195	\$371	\$650	\$52	\$2,725	\$3,655	\$825	\$383
2019	61,365	27,837	965	481	680	27	2,860	3,519	845	357
2020	58,145	25,501	1,010	439	-	-	3,005	3,376	870	330
2021	53,980	23,179	1,055	394	-	-	3,155	3,225	900	303
2022	53,835	20,980	1,095	352	-	-	3,315	3,067	925	275
2023-2027	240,390	72,375	5,225	1,196	-	-	19,250	12,651	3,550	963
2028-2032	170,755	29,450	5,425	416	-	-	24,560	7,331	1,655	612
2033-2037	73,820	5,575	-	-	-	-	14,850	2,062	1,980	282
2038-2042	-	-	-	-	-	-	<u>3,860</u>	<u>296</u>	<u>445</u>	<u>9</u>
Totals	<u>\$769,505</u>	<u>\$234,360</u>	<u>\$14,970</u>	<u>\$3,649</u>	<u>\$1,330</u>	<u>\$79</u>	<u>\$77,580</u>	<u>\$39,182</u>	<u>\$11,995</u>	<u>\$3,514</u>

	Component Unit							
	Revenue Bonds						Tax Apportionment Bonds	
	<u>OCA</u>		<u>OCWUT</u>		<u>COTPA</u>		<u>OCEDT</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2018	\$7,420	\$4,387	\$18,370	\$21,593	\$625	\$849	\$5,420	\$4,399
2019	8,115	4,029	19,550	20,154	635	837	5,515	4,311
2020	8,505	3,640	19,505	19,208	650	823	5,635	4,201
2021	8,910	3,229	19,660	18,278	665	806	5,770	4,076
2022	9,330	2,796	19,080	17,339	680	787	5,935	3,924
2023-2027	11,920	11,601	86,270	72,062	3,755	3,563	32,685	16,733
2028-2032	5,815	9,286	81,955	53,148	4,615	2,675	39,675	10,043
2033-2037	7,925	7,093	89,665	33,528	5,820	1,431	18,605	1,407
2038-2042	11,020	3,889	72,090	14,652	2,750	138	-	-
2043-2047	<u>5,535</u>	<u>386</u>	<u>32,265</u>	<u>3,132</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Totals	<u>\$84,495</u>	<u>\$50,336</u>	<u>\$458,410</u>	<u>\$273,094</u>	<u>\$20,195</u>	<u>\$11,909</u>	<u>\$119,240</u>	<u>\$49,094</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	\$1,054,715	2017 - 2036	1.18 - 5.63	\$769,505
<i>Business-Type Activities</i>				
Revenue bonds - major enterprise funds				
OCEAT	23,380	2031	2.80 - 5.00	14,970
OCZT	5,660	2019	3.88 - 4.00	1,330
OCPPA Fairgrounds Fund	87,590	2019 - 2040	2.50 - 5.00	77,580
OCPPA Golf Courses Fund	16,030	2025 - 2038	0.45 - 3.85	11,995
Component Units				
Revenue bonds				
O CAT	\$121,470	2017-2043	0.99 - 6.86	\$84,495
OCWUT	610,890	2025-2047	0.60 - 6.00	458,410
COTPA	22,000	2039	0.71 - 4.97	20,195
O CEDT	140,285	2032 - 2034	0.40 - 5.00	119,240

Bond Defeasance

Current Year Defeasance

Series 2008 General Obligation Bonds

On May 10, 2017 the City issued \$28.645 million in general obligation bonds, with an average interest rate (coupon) of 4.65%. Total proceeds include \$4.740 million in premium. Issuance costs were \$129 thousand. Net proceeds of \$33.256 million were used to defease \$33.097 million in principal for Series 2008 General Obligation Bonds. Subsequent debt service payments on the refunded bond issues will be paid from an irrevocable trust. As a result, Series 2008, in the amount disclosed, is considered to be defeased as of the issuance date and the liability for the bonds removed from the financial statements in the period of the defeasance. The City advance refunded these bonds for the recent decline in interest rates. Cash flow associated with the refunding debt of \$36.970 million and of the refunded debt of \$41.813 million resulted in a savings of \$4.843 million. The savings calculated with a present value of 1.798% achieves a net savings of \$4.380 million. The net savings along with cash on hand of \$3 thousand resulted in an economic gain of approximately \$4.383 million.

OCEAT Series 2005 Solid Waste Management System Revenue Bonds

On April 6, 2017 OCEAT issued \$2.885 million in revenue bonds, with an average interest rate (coupon) of 3.99% to advance refund \$1.760 million of Solid Waste Management System Revenue Bonds, Series 2005. Total proceeds include \$284 thousand in premium. As a result, Series 2005, in the amount disclosed, is considered to be defeased as of the issuance date and the liability for the bonds removed from the financial statements in the period of the defeasance. The Trust advance refunded these bonds for the recent decline in interest rates. Cash flow associated with the refunding debt of \$1.916 million and of the refunded debt of \$2.078 million resulted in a savings of \$162 thousand. The savings calculated with a present value of 2.082% achieves a net savings of \$115 thousand. The net savings along with cash on hand of \$5 thousand resulted in an economic gain of approximately \$120 thousand. These bonds were called on May 8, 2017.

OCWUT Series 2009A Water and Sewer System Revenue Bonds and Commercial Paper

On November 17, 2016 OCWUT issued \$97.135 million in revenue bonds, with an average interest rate (coupon) of 4.413% to advance refund \$51.030 million of Water and Sewer System Revenue Bonds Series 2009A and refunded \$55.500 million of outstanding tax-exempt commercial paper notes. Total proceeds include \$17.983 million in premium. As a result, series 2009A, in the amount disclosed, is considered to be partially defeased as of the issuance date and a portion of the liability for the bonds removed from the financial statements in the period of the defeasance. The Trust advance refunded these bonds for the recent decline in interest rates. The liability for the commercial paper has also been removed from the financial statements and the available borrowing capacity restored under the commercial paper program. Cash flow associated with the refunding debt of \$83.306 million and of the refunded debt of \$88.976 million resulted in a savings of \$5.670 million. The savings calculated with a present value of 2.472% achieves a net savings and approximate economic gain of \$4.030 million.

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

		Primary Government		
	<u>Purpose</u>	<u>Bond Series</u>	<u>Defeased Balance</u>	<u>Outstanding Balance</u>
<i>Governmental Activities</i>				
General obligation bonds	Combined Purpose	2005 Refunding	\$29,075	\$22,185
General obligation bonds	Combined Purpose	2006	42,110	37,900
General obligation bonds	Combined Purpose	2007	37,890	37,890
General obligation bonds	Combined Purpose	2008	31,895	31,895
<i>Business-Type Activities</i>				
OCEAT	Solid waste	Series 2005	1,735	1,735
OCPPA Fairgrounds	Fairgrounds	Series 2005	<u>43,860</u>	<u>39,820</u>
			<u>\$186,565</u>	<u>\$171,425</u>
		Component Unit		
OCWUT	Water and wastewater	1977 Series F	\$6,565	\$400
OCWUT	Water and wastewater	1978 Series G	1,890	165
OCWUT	Water and wastewater	Series 2009A	<u>51,030</u>	<u>51,030</u>
			<u>\$59,485</u>	<u>\$51,595</u>

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 Fairgrounds Fund. OCAT financial information for revenue bonds is also included within the component unit combining financial statements 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. OCEDT TIF district #8 is a segment of OCEDT. TIF district #8 is located in downtown Oklahoma City.

Condensed Statement of Net Position

	Primary Government				Activity With Revenue Supported Debt
	<u>Business-Type Activities</u>	Component Units			
	OCPPA Golf Courses (1)	Segment Information		COTPA Parking	
Oklahoma City Water Utilities Trust		MCA			
ASSETS					
Current assets	\$3,304	\$246,184	\$3,798	\$15,432	\$24,477
Non-current assets	<u>11,573</u>	<u>1,251,339</u>	<u>136,605</u>	<u>47,229</u>	<u>22,556</u>
Total assets	<u>14,877</u>	<u>1,497,523</u>	<u>140,403</u>	<u>62,661</u>	<u>47,033</u>
DEFERRED OUTFLOWS	<u>778</u>	<u>11,793</u>	<u>-</u>	<u>-</u>	<u>-</u>
LIABILITIES					
Current liabilities	1,810	141,036	5,775	1,690	7,662
Non-current liabilities	<u>15,710</u>	<u>527,660</u>	<u>83,096</u>	<u>19,623</u>	<u>115,758</u>
Total liabilities	<u>17,520</u>	<u>668,696</u>	<u>88,871</u>	<u>21,313</u>	<u>123,420</u>
DEFERRED INFLOWS	<u>252</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET POSITION					
Net investment in capital assets	(14)	567,702	44,127	25,815	(60,179)
Restricted	622	26,703	8,503	2,108	5,831
Unrestricted	<u>(2,725)</u>	<u>246,215</u>	<u>(1,098)</u>	<u>13,425</u>	<u>(22,039)</u>
Total net position	<u>(\$2,117)</u>	<u>\$840,620</u>	<u>\$51,532</u>	<u>\$41,348</u>	<u>(\$76,387)</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				Activity With Revenue Supported Debt
	<u>Business-Type Activities</u>	Component Units			
	OCPPA Golf Courses (1)	Segment Information		COTPA Parking	
Oklahoma City Water Utilities Trust		MCA			
OPERATING INCOME					
Operating revenues	\$8,612	\$250,836	\$7,201	\$8,365	\$11,440
Depreciation expense	(839)	(42,358)	(748)	(1,574)	(1,338)
Other operating expenses	<u>(8,632)</u>	<u>(119,974)</u>	<u>(683)</u>	<u>(4,010)</u>	<u>(33,367)</u>
Operating income (loss)	(859)	88,504	5,770	2,781	(23,265)
NON-OPERATING REVENUES					
(EXPENSES)					
Interest expense	(417)	(11,336)	(2,158)	(854)	-
Other	60	(13,791)	873	525	-
Transfers	<u>980</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Changes in net position	(236)	63,377	4,485	2,452	(23,265)
Beginning net position	<u>(1,881)</u>	<u>777,243</u>	<u>47,047</u>	<u>38,896</u>	<u>(53,122)</u>
Ending net position	<u>(\$2,117)</u>	<u>\$840,620</u>	<u>\$51,532</u>	<u>\$41,348</u>	<u>(\$76,387)</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	
	<i>Business-Type Activities</i>			
	Segment Information			
	OCPPA Golf Courses (1)	Oklahoma City Water Utilities Trust	MCA	COTPA Parking
NET CASH PROVIDED (USED) BY				
Operating activities	\$604	\$127,794	\$6,468	\$4,426
Non-capital financing activities	679	(7,341)	-	50
Capital and related financing activities	(1,286)	(80,441)	(7,058)	(1,885)
Investing activities	<u>(135)</u>	<u>(47,819)</u>	<u>395</u>	<u>(1,942)</u>
Net increase (decrease) in cash	(138)	(7,807)	(195)	649
Beginning cash	<u>1,445</u>	<u>54,714</u>	<u>1,308</u>	<u>2,469</u>
Ending cash	<u>\$1,307</u>	<u>\$46,907</u>	<u>\$1,113</u>	<u>\$3,118</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. NET PENSION LIABILITIES

A net pension liability is reported when a plan's total pension liability exceeds the plan's net position, or the employer's proportionate share of the plan's net total pension liability exceeds the plan's proportionate share of net assets for cost sharing, multiple employer plans. OCERS reported a net pension liability of \$1.173 million. The OCERS net pension liability was measured as of June 30, 2016, and the total pension liability was determined by an actuarial valuation as of December 31, 2015, which was rolled forward to June 30, 2016. COTPR reported a net pension liability of \$4.600 million. The COTPR net pension liability was measured as of June 30, 2016, and the total pension liability was determined by an actuarial valuation as of July 1, 2015, which was rolled forward to June 30, 2016. The Police Pension reported a net pension liability of \$153.144 million, of which the City's proportionate share was \$43.420 million. The Police Pension net pension liability was measured as of June 30, 2016, and the total pension liability was determined by an actuarial valuation as of July 1, 2016. The Firefighters Pension reported a net pension liability of \$1.222 billion, of which the City's proportionate share was \$333.820 million at June 30, 2017. The Firefighters Pension net pension liability was measured as of June 30, 2016, and the total pension liability was determined by an actuarial valuation as of July 1, 2016.

	Primary Government			Component Unit	Fiduciary Funds	Total
	<i>Governmental Activities</i>	<i>Business-Type Activities</i>	<i>Total</i>			
OCERS	\$645	\$526	\$1,171	\$ -	\$2	\$1,173
COTPR	-	-	-	4,600	-	4,600
Police Pension	43,420	-	43,420	-	-	43,420
Fire Pension	333,820	-	333,820	-	-	333,820
	<u>\$377,885</u>	<u>\$526</u>	<u>\$378,411</u>	<u>\$4,600</u>	<u>\$2</u>	<u>\$383,013</u>

III. A. 9. CHANGES IN LONG-TERM LIABILITIES

	Primary Government					
	Balance July 1, 2016	Issued	Retired	Balance June 30, 2017	Due Within One Year	Due After One Year
<i>Governmental Activities</i>						
<u>COMPENSATED ABSENCES</u>						
Governmental funds	\$74,652	\$29,784	\$30,302	\$74,134	\$22,947	\$51,187
Internal service funds	<u>2,104</u>	<u>1,052</u>	<u>1,165</u>	<u>1,991</u>	<u>755</u>	<u>1,236</u>
	<u>76,756</u>	<u>30,836</u>	<u>31,467</u>	<u>76,125</u>	<u>23,702</u>	<u>52,423</u>
<u>NOTES, LEASE OBLIGATIONS, AND ESTIMATED CLAIMS PAYABLE</u>						
Governmental funds:						
Notes payable	9,287	730	392	9,625	225	9,400
Lease obligations payable	465	37	466	36	25	11
Estimated claims payable (1)	7,989	4,406	2,938	9,457	5,337	4,120
Internal service funds:						
Notes payable	-	13,115	2,615	10,500	668	9,832
Lease obligations payable	62	-	30	32	19	13
Estimated claims payable (1)	<u>40,099</u>	<u>19,893</u>	<u>24,105</u>	<u>35,887</u>	<u>11,651</u>	<u>24,236</u>
	<u>57,902</u>	<u>38,181</u>	<u>30,546</u>	<u>65,537</u>	<u>17,925</u>	<u>47,612</u>
<u>BONDS PAYABLE (2)</u>						
Governmental funds-general obligation bonds	<u>786,786</u>	<u>129,429</u>	<u>95,877</u>	<u>820,338</u>	<u>57,215</u>	<u>763,123</u>
<u>NET OPEB OBLIGATION</u>						
Governmental funds	118,537	24,357	10,879	132,015	-	132,015
Internal service funds	<u>4,689</u>	<u>1,069</u>	<u>496</u>	<u>5,262</u>	<u>-</u>	<u>5,262</u>
	<u>123,226</u>	<u>25,426</u>	<u>11,375</u>	<u>137,277</u>	<u>-</u>	<u>137,277</u>
<u>NET PENSION LIABILITY (3)</u>						
Governmental funds	305,297	166,550	94,038	377,809	-	377,809
Internal service funds	<u>-</u>	<u>557</u>	<u>481</u>	<u>76</u>	<u>-</u>	<u>76</u>
	<u>305,297</u>	<u>167,107</u>	<u>94,519</u>	<u>377,885</u>	<u>-</u>	<u>377,885</u>
<i>Business-Type Activities</i>						
<u>COMPENSATED ABSENCES</u>						
Water and Wastewater Fund	5,790	3,265	3,396	5,659	2,101	3,558
OCZT	207	161	207	161	161	-
OCPPA Golf Courses	188	127	117	198	75	123
Other enterprise funds	<u>4,429</u>	<u>2,392</u>	<u>2,297</u>	<u>4,524</u>	<u>1,564</u>	<u>2,960</u>
	<u>10,614</u>	<u>5,945</u>	<u>6,017</u>	<u>10,542</u>	<u>3,901</u>	<u>6,641</u>
<u>NOTES AND LEASE OBLIGATIONS</u>						
Lease obligations payable-						
Water and Wastewater Fund	-	220	13	207	13	194
Stormwater Drainage Fund	<u>419</u>	<u>-</u>	<u>419</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>419</u>	<u>220</u>	<u>432</u>	<u>207</u>	<u>13</u>	<u>194</u>
<u>BONDS PAYABLE (2)</u>						
OCEAT	1,896	15,418	1,913	15,401	195	15,206
OCZT	1,979	-	636	1,343	650	693
OCPPA Fairgrounds Fund	86,535	-	3,275	83,260	2,725	80,535
OCPPA Golf Courses	<u>12,822</u>	<u>-</u>	<u>797</u>	<u>12,025</u>	<u>825</u>	<u>11,200</u>
	<u>103,232</u>	<u>15,418</u>	<u>6,621</u>	<u>112,029</u>	<u>4,395</u>	<u>107,634</u>

(continued)

III. A. 9. CHANGES IN LONG-TERM LIABILITIES (continued)

	Primary Government					
	Balance	Issued	Retired	Balance	Due Within	Due After
	July 1, 2016			June 30, 2017	One Year	One Year
<u>NET OPEB OBLIGATION</u>						
Water and Wastewater Fund	15,695	4,795	2,764	17,726	-	17,726
OCZT	4,526	1,102	-	5,628	-	5,628
OCPPA Golf Courses	3,967	527	-	4,494	-	4,494
Other enterprise funds	<u>8,245</u>	<u>2,846</u>	<u>1,670</u>	<u>9,421</u>	<u>-</u>	<u>9,421</u>
	<u>32,433</u>	<u>9,270</u>	<u>4,434</u>	<u>37,269</u>	<u>-</u>	<u>37,269</u>
<u>NET PENSION LIABILITY (3)</u>						
Water and Wastewater Fund	-	2,041	1,762	279	-	279
OCZT	-	384	332	52	-	52
OCPPA Golf Courses	-	150	130	20	-	20
Other enterprise funds	<u>-</u>	<u>1,281</u>	<u>1,106</u>	<u>175</u>	<u>-</u>	<u>175</u>
	<u>-</u>	<u>3,856</u>	<u>3,330</u>	<u>526</u>	<u>-</u>	<u>526</u>
Total primary government (4) (5)	<u>\$1,496,665</u>	<u>\$425,688</u>	<u>\$284,618</u>	<u>\$1,637,735</u>	<u>\$107,151</u>	<u>\$1,530,584</u>
<u>Component Units</u>						
	Balance	Issued	Retired	Balance	Due Within	Due After
	July 1, 2016			June 30, 2017	One Year	One Year
<u>COMPENSATED ABSENCES</u>						
OCWUT	\$62	\$20	\$16	\$66	\$18	\$48
COTPA	<u>444</u>	<u>347</u>	<u>389</u>	<u>402</u>	<u>194</u>	<u>208</u>
	<u>506</u>	<u>367</u>	<u>405</u>	<u>468</u>	<u>212</u>	<u>256</u>
<u>INTERGOVERNMENTAL PAYABLE (6)</u>						
OCWUT	<u>15,053</u>	<u>-</u>	<u>2,553</u>	<u>12,500</u>	<u>-</u>	<u>12,500</u>
<u>NOTES, LEASE OBLIGATIONS, AND ESTIMATED CLAIMS PAYABLE</u>						
Estimated claims payable-OCAT	75	81	-	156	156	-
Notes payable-OCWUT	77,604	47,318	1,976	122,946	71,907	51,039
Notes payable-OCRA	<u>5,004</u>	<u>-</u>	<u>792</u>	<u>4,212</u>	<u>804</u>	<u>3,408</u>
	<u>82,683</u>	<u>47,399</u>	<u>2,768</u>	<u>127,314</u>	<u>72,867</u>	<u>54,447</u>
<u>BONDS PAYABLE (2)</u>						
OCAT	92,829	-	7,941	84,888	7,420	77,468
OCWUT	458,993	115,118	68,673	505,438	18,370	487,068
COTPA	20,810	-	615	20,195	625	19,570
OCEDT	<u>126,635</u>	<u>-</u>	<u>5,457</u>	<u>121,178</u>	<u>5,420</u>	<u>115,758</u>
	<u>699,267</u>	<u>115,118</u>	<u>82,686</u>	<u>731,699</u>	<u>31,835</u>	<u>699,864</u>

(continued)

III. A. 9. CHANGES IN LONG-TERM LIABILITIES (continued)

	Component Units					
	Balance July 1, 2016	Issued	Retired	Balance June 30, 2017	Due Within One Year	Due After One Year
NET OPEB OBLIGATION						
COTPA	393	171	372	192	-	192
NET PENSION LIABILITY (3)						
COTPA	5,466	1,573	2,439	4,600	-	4,600
Total component units	\$803,368	\$164,628	\$91,223	\$876,773	\$104,914	\$771,859

- (1) The balance at July 1, 2016 has been increased for governmental funds and decreased for internal service funds \$5,273 related to the change in reporting of judgments from the Risk Management Fund to the Debt Service Fund.
- (2) Bonds payable does not include deferred amounts on refunding.
- (3) Retired amounts for net pension liability may include amounts reported in prior years as net pension assets.
- (4) Fiduciary fund liabilities are detailed below:

	Balance July 1, 2016	Issued	Retired	Balance June 30, 2017	Due Within One Year	Due After One Year
Pension Trust Fund						
Compensated absences - OCERS	\$86	\$22	\$19	\$89	\$21	\$68
Net pension liability - OCERS	-	78	76	2	-	2
Net OPEB obligation - OCERS	53	14	8	59	-	59
	\$139	\$114	\$103	\$150	\$21	\$129
OPEB Trust Fund						
Estimated claims payable - OCPEBT	\$874	\$19,725	\$19,856	\$743	\$743	\$ -

- (5) Long-term payable to/from the primary government/component units are not included.
- (6) Intergovernmental payable does not include amounts payable within one year.

III. A. 10. GUARANTEED DEBT

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 intact 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>Business-Type Activities</i>		
OCPPA Golf Courses bonded debt	\$1,208	\$11,995
<i>Component Units</i>		
COTPA Parking bonded debt	1,474	20,195
OCEDT tax anticipation debt	17,847	31,441
OCEDT tax apportionment bonded debt	<u>9,819</u>	<u>119,240</u>
	<u>\$30,348</u>	<u>\$182,871</u>

- (1) The amount guaranteed is only the amount of debt service due on or before June 30, 2018, and covered under the guarantee effective July 1, 2017. It is anticipated that the guarantees will be renewed annually.
- (2) The amount outstanding does not include interest.

III. B. DEFERRED INFLOWS OF RESOURCES

III. B. 1. UNAVAILABLE REVENUE

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, 2017, revenues earned but unavailable by governmental funds are \$13.599 million.

	General <u>Fund</u>	Debt <u>Service</u>	Grants <u>Management</u>	MAPS3 <u>Sales Tax</u>	General Obligation <u>Bonds</u>	OCPPA General <u>Purpose Fund</u>	Other Governmental <u>Funds</u>
Investment income	\$73	\$119	\$8	\$503	\$192	\$5	\$168
Grants and donations	-	-	5,836	-	-	-	173
Property taxes	-	3,438	-	-	-	2	-
Other taxes	-	-	-	-	-	-	508
Franchise fees	74	-	-	-	-	-	-
Special assessments	-	-	-	-	-	-	290
Oil and gas revenues	-	-	-	-	-	-	17
Nuisance abatement revenues	-	-	-	-	-	-	1,485
Other revenues	<u>131</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>377</u>	<u>200</u>
	<u>\$278</u>	<u>\$3,557</u>	<u>\$5,844</u>	<u>\$503</u>	<u>\$192</u>	<u>\$384</u>	<u>\$2,841</u>

III. B. 2. DEFERRED AMOUNT ON REFUNDING

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

	<u>Debt Issue</u>	<u>Debt Issue Refunded</u>	<u>Deferred Amount</u>	<u>Accumulated Amortization</u>	<u>Net Amount</u>
Primary Government					
<i>Business-Type Activities</i>					
OCPPA Fairgrounds	Series 2015 Refunding	Series 2015 Hotel Tax	<u>\$199</u>	<u>\$15</u>	<u>\$184</u>
Component Unit					
OCAT	Junior Lien Series 30	Junior Lien Series 22B and 27B	<u>\$189</u>	<u>\$188</u>	<u>\$1</u>

III. B. 3. PENSION DEFERRED INFLOWS

Differences are deferred when the pension system's actuarial estimate of the plan's experience costs for a given period differ from the actual experience costs. Deferred inflows that result from plan experience differences are divided by the beginning expected remaining service life of its members and amortized over that period, with the current year amount included in the determination of pension expense. Differences are also calculated and recorded as deferred inflows when actual investment earnings exceed estimated investment earnings. This amount is amortized over a fixed 5 year period for each unique fiscal year.

	<u>Primary Government</u>				<u>Business-Type Activity</u>	<u>Component Unit</u>	<u>Fiduciary Funds</u>
	<u>Governmental Activities</u>			<u>Total</u>			
	<u>OCERS</u>	<u>Police Pension</u>	<u>Fire Pension</u>				
Differences between expected and actual pension plan experience	\$8,938	\$4,877	\$ -	\$13,815	\$7,282	\$204	\$23
Change in assumptions	-	-	-	-	-	1,706	-
Changes in proportion and differences between employer contributions and proportion share of contributions	-	294	15,769	16,063	-	-	-
	<u>\$8,938</u>	<u>\$5,171</u>	<u>\$15,769</u>	<u>\$29,878</u>	<u>\$7,282</u>	<u>\$1,910</u>	<u>\$23</u>

III. B. 4. SERVICE CONCESSION ARRANGEMENT

OCZT reported \$4.126 million in deferred inflows related to a service concession arrangement.

IV. NET POSITION AND FUND BALANCE

IV. A. PRIOR PERIOD ADJUSTMENT

OCMAPS Administration Building

In 2011, OCMAPS purchased a building (Administration Building). The purchase was recorded as a construction in progress capital asset. Project administration costs were allocated to the Administration Building. The Administration Building was deeded to the Oklahoma City Public School District at the time of purchase. A prior period adjustment has been recorded to reduce the amount of construction in progress capital assets and recognize donated assets for both the cost of the Administration Building and the amount of project management costs allocated to the Administration Building.

	<u>OCMAPS</u>
<u>Restatement of beginning net position - component units</u>	
Construction in progress capital assets	<u>(\$2,567)</u>
<u>Effect on previously reported changes in fund balance/net position</u>	
Assets donated to others	<u>\$79</u>

OCEAT Unbilled Revenues

In 2017, it was determined that the utility billings reported for OCEAT for 2016 did not include unbilled amounts for the month of June. This error caused both accounts receivable and charges for services to be understated. A prior period adjustment has been made to restate beginning net position.

	<u>OCEAT</u>
<u>Restatement of beginning net position - proprietary funds</u>	
Accounts Receivable, net	<u>\$4,208</u>
<u>Effect on 2016 previously reported changes in fund balance</u>	
Charges for Services	<u>\$149</u>

Change in Accounting Principle

Judgements and torts liability were previously reported with estimated claims payable in the Risk Management Fund, an internal service fund. Per GASB Statement No. 66, the City has elected to report judgment activity in the Debt Service Fund rather than in an internal service fund. A prior period adjustment has been recorded in the governmental fund financial statements. This resulted in a restatement of previously reported fund balance. There is no impact to the government-wide financial statements as both funds are reported within governmental activities.

	<u>Debt Service Fund</u>	<u>Risk Management Fund</u>
<u>Restatement of beginning fund balance</u>		
Due from other funds	\$ -	(\$5,348)
Due to other funds	5,348	-
Interest payable	-	75
Notes, lease obligations and estimated claims payable		
Current	-	2,273
Non-current	-	<u>3,000</u>
	<u>\$5,348</u>	<u>\$-</u>

NOTES TO FINANCIAL STATEMENTS
June 30, 2017

CITY OF OKLAHOMA CITY, OKLAHOMA

**Effect on 2016 previously reported
changes in fund balance**

Maintenance, operations, and contractual services	\$ -	(\$2,283)
Interest on torts, bonds, notes, commercial paper, and lease obligations	-	(135)
Transfers from (to) other funds	(2,418)	2,418
General government expenditures	2,283	-
Debt service principal	3,347	-
Debt service interest	166	-
Long-term debt issued	<u>(2,283)</u>	<u>-</u>
	<u>\$1,095</u>	<u>\$ -</u>

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	\$6,333	\$ -	\$ -	\$ -	\$ -	\$173	\$ -	\$6,506
Prepays	70	-	17	-	-	383	785	1,255
Intergovernmental advances	-	-	-	-	1,181	163	505	1,849
Non-current receivables	5	-	-	-	-	-	-	5
Advances to other funds								
non-current portion	<u>963</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>963</u>
Total non-spendable	<u>7,371</u>	<u>-</u>	<u>17</u>	<u>-</u>	<u>1,181</u>	<u>719</u>	<u>1,290</u>	<u>10,578</u>
<u>RESTRICTED</u>								
Public safety								
Police	-	-	-	-	-	-	21,460	21,460
Fire	-	-	-	-	-	-	19,347	19,347
Other	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>6,700</u>	<u>6,700</u>
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>47,507</u>	<u>47,507</u>
Public services								
Grant projects	-	-	16,731	-	-	-	1	16,732
Economic development	-	-	-	-	-	3	-	3
Other	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>5</u>	<u>986</u>	<u>991</u>
	<u>-</u>	<u>-</u>	<u>16,731</u>	<u>-</u>	<u>-</u>	<u>8</u>	<u>987</u>	<u>17,726</u>
Culture and recreation								
Parks	-	-	-	-	-	-	392	392
Other	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,191</u>	<u>7,745</u>	<u>8,936</u>
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,191</u>	<u>8,137</u>	<u>9,328</u>
Capital projects								
Bond projects	-	-	-	-	225,640	-	356	225,996
Sales tax projects	-	-	-	442,800	-	525	333	443,658
Other capital projects	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>587</u>	<u>2,883</u>	<u>3,470</u>
	<u>-</u>	<u>-</u>	<u>-</u>	<u>442,800</u>	<u>225,640</u>	<u>1,112</u>	<u>3,572</u>	<u>673,124</u>
Debt service								
Total restricted	<u>-</u>	<u>106,793</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>106,793</u>
	<u>-</u>	<u>106,793</u>	<u>16,731</u>	<u>442,800</u>	<u>225,640</u>	<u>2,311</u>	<u>60,203</u>	<u>854,478</u>

(continued)

NOTES TO FINANCIAL STATEMENTS
June 30, 2017

CITY OF OKLAHOMA CITY, OKLAHOMA

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
COMMITTED								
Public safety-other	-	-	-	-	-	-	7,606	7,606
Public services-other	-	-	-	-	-	-	2,472	2,472
Culture and recreation								
MAPS support	-	-	-	-	-	535	38,802	39,337
Other	-	-	-	-	-	-	525	525
	-	-	-	-	-	535	39,327	39,862
Capital projects								
Other capital projects	-	-	-	-	-	-	505	505
Total committed	-	-	-	-	-	535	49,910	50,445
ASSIGNED								
General government	-	-	-	-	-	124	48	172
Public safety-other	902	-	-	-	-	-	-	902
Public services								
Economic development	-	-	-	-	-	-	8	8
OCMFA general purposes	-	-	-	-	-	-	1,949	1,949
Other	-	-	-	-	-	-	94	94
	-	-	-	-	-	-	2,051	2,051
Culture and recreation								
Oklahoma River improvements	-	-	-	-	-	339	-	339
Parks	-	-	-	-	-	2,206	21	2,227
Other	-	-	-	-	-	5,095	8	5,103
	-	-	-	-	-	7,640	29	7,669
Capital projects								
Sales/use tax projects	-	-	-	-	-	523	172	695
Bond capital projects	-	-	-	-	-	-	8,137	8,137
Parks	-	-	-	-	-	-	4,531	4,531
Other capital projects	-	-	-	-	-	-	39,649	39,649
	-	-	-	-	-	523	52,489	53,012
Encumbrances	543	-	-	-	-	-	-	543
Allocation to unassigned	-	-	-	-	-	(2,723)	-	(2,723)
Total assigned	1,445	-	-	-	-	5,564	54,617	61,626
UNASSIGNED	106,088	-	-	-	-	-	(4,347)	101,741
Total fund balance	\$114,904	\$106,793	\$16,748	\$442,800	\$226,821	\$9,129	\$161,673	\$1,078,868
ENCUMBRANCES	\$543	\$-	\$7,848	\$159,279	\$43,290	\$1,270	\$20,205	\$232,435

IV. C. NET POSITION

	<u>Primary Government</u>		<u>Total</u>	<u>Component Units</u>
	<u>Governmental Activities</u>	<u>Business-Type Activities</u>		
<u>NET INVESTMENT IN</u>				
<u>CAPITAL ASSETS</u>				
Capital assets, net	\$1,998,387	\$497,219	\$2,495,606	\$1,799,814
Related Debt				
Tax anticipation debt (1)	-	-	-	(4,078)
Capital related notes and leases payable	(10,568)	(207)	(10,775)	(122,946)
Commercial paper	-	-	-	(4,500)
Bonds payable, net (2)	(820,338)	(112,029)	(932,367)	(694,133)
Deferred amount on refunding, net	5,034	(90)	4,944	12,182
Capital related intergovernmental payable	-	-	-	(12,500)
Payable to OCEDT	(3,323)	-	(3,323)	-
Retainages and capital accounts payable	(42,367)	(3,134)	(45,501)	(23,058)
Unspent proceeds				
Deposits restricted for bond reserve	-	2,401	2,401	34,986
Deposits restricted for capital projects	258,446	27,141	285,587	302
Issuance costs paid from bond proceeds	<u>6,230</u>	<u>1,243</u>	<u>7,473</u>	<u>4,367</u>
Total net investment in capital assets	<u>\$1,391,501</u>	<u>\$412,544</u>	<u>\$1,804,045</u>	<u>\$990,436</u>
<u>RESTRICTED</u>				
Capital projects				
Bond projects	\$ -	\$21	\$21	\$477
Sales tax projects	463,309	-	463,309	8,706
Other capital projects	<u>3,244</u>	<u>-</u>	<u>3,244</u>	<u>-</u>
Total capital projects	<u>466,553</u>	<u>21</u>	<u>466,574</u>	<u>9,183</u>
Debt service				
	<u>86,938</u>	<u>3,644</u>	<u>90,582</u>	<u>67,249</u>
Public safety				
Police	4,259	-	4,259	-
Fire	28	-	28	-
Other	<u>6,841</u>	<u>-</u>	<u>6,841</u>	<u>-</u>
Total public safety	<u>11,128</u>	<u>-</u>	<u>11,128</u>	<u>-</u>
Public services				
Grant projects	16,308	-	16,308	-
Economic development	6	-	6	35,162
Other	<u>2,150</u>	<u>-</u>	<u>2,150</u>	<u>-</u>
Total public services	<u>18,464</u>	<u>-</u>	<u>18,464</u>	<u>35,162</u>
Culture and recreation				
Parks	393	-	393	-
Other	<u>9,331</u>	<u>-</u>	<u>9,331</u>	<u>-</u>
Total culture and recreation	<u>9,724</u>	<u>-</u>	<u>9,724</u>	<u>-</u>
Education				
OCMAPS assets held for donation	-	-	-	21,802
Maintenance				
	<u>-</u>	<u>-</u>	<u>-</u>	<u>35,418</u>
Total restricted	<u>\$592,807</u>	<u>\$3,665</u>	<u>\$596,472</u>	<u>\$168,814</u>

(continued)

IV. C. NET POSITION (continued)

	<u>Primary Government</u>		<u>Total</u>	<u>Component Units</u>
	<u>Governmental Activities</u>	<u>Business-Type Activities</u>		
<u>UNRESTRICTED</u>				
Total net position	<u>(\$163,313)</u>	<u>\$31,519</u>	<u>(\$131,794)</u>	<u>\$359,301</u>

- (1) Tax anticipation debt is issued for economic development. Only the portion of this debt that was used to purchase capital assets is considered capital related.
- (2) Bonds payable issued for economic development only includes the portion that was used to purchase capital assets.

IV. D. 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 \$17.142 million is the result of depreciation of capital assets as construction projects are completed.

OCPPA Golf Courses

Deficit net position of \$2.217 million is the result of significant debt financing of capital assets with tight operating budgets.

OCEDT

Deficit net position of \$42.138 million is the result of tax anticipation and bonded debt which is used to fund economic development including the construction or purchase of capital assets.

Deficit Fund Balance

Tax Incremental Financing Fund

Deficit fund balance of \$422 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

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 five BIDs: Downtown, Stockyards, Western Avenue, Adventure, and Capitol Hill.

Special Improvement District (SID)

The City has created special assessments to provide funding for major capital renovations to the property owners in a SID. The City has several SIDs created to provide funding for street improvements, other capital improvements, and enhancements throughout the City. The City does not provide any funding beyond the assessment collections.

Water and Wastewater Utilities Special Assessments

Special assessments are levied against a group of homes to pay for construction or extension of water and wastewater 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 2017, OCWUT collected less than one thousand.

OCRA Economic Development Special Assessment

The University of Oklahoma, a component unit of the State of Oklahoma, has agreed to pay a minimum annual amount of ad valorem property taxes to OCRA. In 2017, OCRA recognized \$1.087 million in excess property taxes from the University of Oklahoma.

In October, 2011, a Supplemental Redevelopment Agreement was entered into by and among The Oklahoma City Urban Renewal Authority, The Presbyterian Health Foundation (PHF) and The Toby Keith Foundation (TKF) for the development of OK Kids Korral. PHF later reassigned this supplemental redevelopment agreement and the ground lease for the OK Kids Korral to the University of Oklahoma. As part of these agreements, TKF is subject to payments in lieu of ad valorem taxes to OCRA. In 2017 OCRA recognized \$133 thousand of property tax revenue from TKF.

OCEDT Economic Development Special Assessment

OCEDT is a third party beneficiary of an agreement between OCURA and Devon Energy Corporation (Devon) in which Devon has agreed to pay a minimum annual amount of ad valorem property taxes of \$11.300 million to cover OCEDT's debt service for the tax anticipation bonds. The payment will be made on December 31 of each year until December 31, 2034. In 2017, OCEDT recognized \$5.228 million in excess property taxes from Devon. Additionally, OCEDT provides economic incentives to developers. The developers agree to pay an annual minimum property tax in excess of assessed amounts which is used to recover the amount originally provided. OCEDT received \$2.082 million in special assessments for finance charges related to economic incentives receivables.

V. A. 2. LEASE REVENUES

Cancelable and Short-Term Leases

	Primary Government		Total	Component Units
	Governmental Activities	Business-Type Activities		
<u>CURRENT</u>				
Land and property rentals	\$244	\$ -	\$244	\$308
Communication tower rentals	13	-	13	134
Parking rentals	53	-	53	1
Golf cart rentals	-	2,403	2,403	-
Facility venue rentals	73	-	73	-
	<u>\$383</u>	<u>\$2,403</u>	<u>\$2,786</u>	<u>\$443</u>

Non-cancelable Leases

General Fund

In 2002, the City loaned OCURA \$17 million to fund leasehold improvements at the Bass Pro Shop. The OCURA held the lease with the Bass Pro Shop. The City leases the building and land to OCURA. Lease revenues were used to pay the loan. The loan was paid off in 2016. Lease revenue was \$229 thousand in 2017.

A water infrastructure lease agreement dated August 1, 1960, amended July 1, 1986, and a separate wastewater infrastructure lease agreement July 1, 1986, between OCWUT and the City provide that all City-owned water and wastewater system assets (as of the date of the lease, as well as property acquired thereafter) would be leased to OCWUT. The lease also provides that all revenue generated by these assets will accrue to the OCWUT. Pursuant to a lease extension dated May 20, 2003, the water and wastewater infrastructure lease term continues until September 30, 2050, or until all indebtedness authorized by the general bond indenture has been paid or provision has been made for it to be paid, whichever is later. In connection with the lease extension, OCWUT is required to transfer an annual lease payment of one percent of gross revenue receipts from residential and commercial utilities sales. Lease revenue of \$2.155 million was recognized in 2017.

OCPPA General Purpose Fund

OCPPA leases digital antenna system sectors in the Cox Convention Center and the Chesapeake Energy Arena to various mobile data coverage providers. The providers pay an annual license fee per each sector leased inside of the building to enhance the data coverage for the facility. The leases are paid annually under an initial five year agreement with an additional renewal agreement of five years available at the commencement of the first agreement. Rental income in 2017 related to these leases was \$545 thousand.

In July 2009 OCPPA and the Professional Basketball Club, LLC entered into a fifteen year lease agreement for the use of a National Basketball Association practice facility. There are five renewal terms of three years each. The annual rental income is \$100 thousand which is subject to adjustment beginning with the commencement of the sixth operating year. Adjustments are based upon increases in the consumer price index capped at 3% annually.

In October 1997 OCPPA and the OKC Athletic Club Limited Partnership entered into a ten-year sublease agreement for certain real property consisting of a baseball park and related parking facilities. The lease was extended to 2022. This sublease agreement was assigned to the OKC Athletic Club, LLC, in June 2010. On September 24, 2014, The OKC TransitionCO acquired the rights and responsibilities of the sublease from the Oklahoma City Athletic Club and changed the name of the organization to the Oklahoma City Dodgers baseball team. Annual rent is equal to the greater of 7% of paid admissions for all events or \$150 thousand. In 2017, rental income of \$348 thousand was recorded for this lease.

Atrium TRS II, LP(Atrium) and OCPPA entered into a third amended and restated Catering and Event Services Agreement with an effective date of April 1, 2012, and an end date of April 2020, with a five year option thereafter. For the exclusive right to provide catering and event services in the Cox Convention Center, Atrium shall pay to OCPPA annual lease revenue based upon 10% for the first \$2 million of all revenue generated in the convention facilities, 12% for revenues generated between \$2 million and \$3 million, and 14% of revenues generated greater than \$3 million. Rental income related to this lease of \$64 thousand was recorded in 2017.

OCZT

OCZT has various agreements whereby land is leased by the OCZT from the City, the Oklahoma Zoological Society, Inc. (Society), and the City of Nichols Hills. The Nichols Hills lease is a 25-year renewable operating lease at an expense of \$21 thousand per year. This leased property is subleased under an operating lease to Global Gaming RP, LLC through December 31, 2023, with four renewal options for 10 years each through calendar year 2063. OCZT received an advance rental of \$4 million and incurred initial cost of \$557 thousand. The net amount less income earned to date is recorded as unearned lease revenue and is being amortized to income over the term of the lease period, including the renewal options. In addition, OCZT is entitled to receive one-half of 1% of Global Gaming RP, LLC's total annual handle that exceeds \$187 million and 1% of the gaming revenues in excess of \$60 million. Contingent rental revenue earned during 2017 was \$350 thousand.

On February 5, 2013, OCZT entered into a sublease agreement with 3Horse Productions, LLC (3Horse) in which 3Horse will lease and operate the Zoo Amphitheater through November 27, 2017, with a five-year optional extension. The contract stipulated that 3Horse invest \$100 thousand in improvements to the Zoo Amphitheatre before April 1, 2013. In addition, 3Horse will pay \$258 thousand in rent, adjusted by the greater of \$3 thousand or the Consumer Price Index rate annually, and \$1 per ticket sold for concerts held at the amphitheater.

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.

OCICF

In July 2015, OCICF entered into a lease agreement with JRB Parking, LLC. for the right to lease the Journal Record Building parking lot with an option to purchase. The term of the lease is ninety-nine (99) years with annual payments due to OCICF in the amount of \$61 thousand.

OCWUT

OCWUT leases wet and dry boat stalls at various locations with annual lease terms ranging from April 1st to March 31st. Rental income related to these leases in was \$191 thousand.

OCWUT has a surface use lease with Sunoco Pipeline LP to use the Deer Creek Wastewater Treatment Plant property to operate and maintain a crude oil pipeline compressor station with related facilities. The lease is in effect until 2019 with annual payments of \$2 thousand.

OCWUT leases a section of land at Lake Stanley Draper to the Cleveland County Public Facilities Authority. The lease is in effect until 2034 with annual payments of \$250.

OCWUT allows the City to utilize an area of Southeast Park otherwise known as Kitchen Lake Park for recreational and park purposes for the benefit of its citizens for an annual lease payment of \$2,736. The current lease term continues until October 31, 2052.

COTPA

COTPA leases retail space at the Santa Fe and Arts District parking garages to various establishments. Most of these leases are at least two years with multi-year renewal options. At June 30, 2017, 23,511 square feet of garage retail space was leased. In addition, COTPA leased out approximately 4,000 square feet of retail space at the Santa Fe Depot. COTPA reported \$277 thousand in lease revenues in 2017.

OCRA

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) and are contingent upon all fees, expenses and obligations paid first from disburseable cash flow as defined in the lease agreement. At June 30, 2017, no rental income was recognized and rent was due to be reimbursed to Skirvin Partners, LLC in the amount of \$122 thousand. Skirvin Partners, LLC has the option to purchase the land at the end of the lease.

OCRA has an undivided interest of 1.89% ownership in the former Presbyterian Health Foundation Research Park Mobile Incubator (PHF Research Park) buildings. The ownership interest provides for OCRA to receive rental of \$1 per year, plus net cash flow derived from the subleases. During the year ended June 30, 2017, there was no tenant.

Future Minimum Rentals on Non-Cancelable Leases
Primary Government

	<i>Governmental Activities</i>		<i>Business-Type Activities</i>	Component Units					Total
	General	OCPPA							
	Fund (1)	Purpose General	OCZT	OCAT (2)	OCICF	OCWUT	COTPA		
2018	\$2,885	\$846	\$971	\$28,921	\$61	\$145	\$223	\$34,052	
2019	2,885	832	835	11,581	61	4	184	16,382	
2020	2,885	341	835	11,362	61	4	167	15,655	
2021	2,885	237	835	10,335	61	4	168	14,525	
2022	3,250	194	835	8,702	61	4	151	13,197	
2023 - 2027	10,777	100	4,175	29,667	303	20	457	45,499	
2028 - 2032	10,777	-	4,175	2,434	303	22	-	17,711	
2033 - 2037	10,777	-	4,175	1,465	303	19	-	16,739	
2038 - 2042	10,777	-	4,175	231	303	14	-	15,500	
2043 - 2047	10,777	-	4,175	147	303	14	-	15,416	
2048 - 2052	7,005	-	4,175	160	303	1	-	11,644	
2053 - 2057	-	-	4,175	6	303	-	-	4,484	
2058 - 2062	-	-	4,175	-	303	-	-	4,478	
2063 - 2067	-	-	1,670	-	303	-	-	1,973	
2068 - 2072	-	-	-	-	303	-	-	303	
2073 - 2077	-	-	-	-	303	-	-	303	
2078 - 2082	-	-	-	-	303	-	-	303	
2083 - 2087	-	-	-	-	303	-	-	303	
2088 - 2092	-	-	-	-	303	-	-	303	
2093 - 2097	-	-	-	-	303	-	-	303	
2098 - 2102	-	-	-	-	303	-	-	303	
2103 - 2107	-	-	-	-	303	-	-	303	
2108 - 2112	-	-	-	-	303	-	-	303	
2113 - 2117	-	-	-	-	182	-	-	182	
	<u>\$75,680</u>	<u>\$2,550</u>	<u>\$39,381</u>	<u>\$105,011</u>	<u>\$5,941</u>	<u>\$251</u>	<u>\$1,350</u>	<u>\$230,164</u>	
Rental income	<u>\$2,384</u>	<u>\$1,540</u>	<u>\$1,582</u>	<u>\$13,702</u>	<u>\$5,454</u>	<u>\$202</u>	<u>\$277</u>	<u>\$17,303</u>	

(1) Lease amounts are recalculated annually based on formulas defined in the lease agreements. The General Fund water and wastewater infrastructure lease amount is based on a percentage of revenues and changes annually. Future minimum rentals for these leases are based on rates in effect at fiscal year-end.

(2) 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 has 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.

V. A. 3. STATE ON BEHALF PAYMENTS

The State of Oklahoma contributed estimated payments on behalf of City employees to the Police Pension of \$10.326 million and the Firefighters Pension of \$31.470 million. The City recognized these prior year on behalf amounts in revenues and expenditures in the General Fund in the current year. State contributions are funded by allocations of the state's insurance premium tax. The City is not legally responsible for these contributions.

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 2017 rentals approximated \$990 thousand for government and \$3.206 million for component unit activities.

Future Minimum Lease Payments for Operating Leases

	Primary Government			Component Units
	<i>Governmental Activities</i>	<i>Business-Type Activities</i>	Total	
2018	\$458	\$135	\$593	\$13
2019	188	133	321	14
2020	54	130	184	14
2021	23	130	153	14
2022	21	130	151	15
2023-2027	107	654	761	43
2028-2032	120	654	774	-
2033-2037	133	654	787	-
2038-2042	147	654	801	-
2043-2047	160	654	814	-
2048-2052	173	654	827	-
2053-2057	-	654	654	-
2058-2062	-	482	482	-
2063-2067	-	193	193	-
	<u>\$1,584</u>	<u>\$5,911</u>	<u>\$7,495</u>	<u>\$113</u>
Approximate 2017 rentals	<u>\$726</u>	<u>\$264</u>	<u>\$990</u>	<u>\$3,206</u>

V. B. 2. PENSION EXPENSE

Primary Government				<i>Business-Type Activity</i>	Component Unit	Fiduciary Funds
<i>Governmental Activities</i>						
	Police	Fire	Total		COTPA	
<u>OCERS</u>	<u>Pension</u>	<u>Pension</u>	<u>Total</u>	<u>OCERS</u>	<u>Retirement</u>	<u>OCERS</u>
<u>\$4,947</u>	<u>\$15,550</u>	<u>\$34,472</u>	<u>\$54,969</u>	<u>\$4,032</u>	<u>\$690</u>	<u>\$13</u>

Deferred Outflows and Deferred Inflows of Resources to be Recognized in Future Pension Expense

	<u>OCERS</u>	<u>COTPA Retirement</u>	<u>Police Pension</u>	<u>Firefighters Pension</u>
2018 (1)	\$10,045	\$367	\$17,012	\$10,094
2019	3,192	(183)	5,981	(544)
2020	13,581	11	14,520	10,089
2022	8,914	(100)	10,224	6,733
2023	(1,308)	(272)	(19)	(1,735)
Thereafter	(586)	(153)	-	(394)
	<u>\$33,838</u>	<u>(\$330)</u>	<u>\$47,718</u>	<u>\$24,243</u>

(1) Amounts include deferred employer contributions made in 2017.

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>										
Primary Government										
<i>Governmental Activities</i>										
General Fund	\$ -	\$ -	\$ 11,337	\$ 85	\$ 1,359	\$ 1,011	\$ 929	\$ 14,721	\$ 73	\$ 14,794
Grants Management	-	-	-	1,470	17	-	160	1,647	94	1,741
OCPPA General Purpose	-	-	-	-	-	-	187	187	-	187
Other governmental funds	4,793	-	9	-	2,455	156	120	7,533	-	7,533
Total governmental funds	4,793	-	11,346	1,555	3,831	1,167	1,396	24,088	167	24,255
Internal service funds	89	-	-	-	-	6	70	165	21	186
Total	4,882	-	11,346	1,555	3,831	1,173	1,466	24,253	188	24,441
<i>Business Type Activities</i>										
OCZT	-	-	-	-	-	-	1,820	1,820	-	1,820
OCPPA Fairgrounds	-	-	-	-	-	-	1,140	1,140	-	1,140
Other enterprise funds	8	-	-	3	76	3	7	97	-	97
Total	8	-	-	3	76	3	2,967	3,057	-	3,057
Total due from other funds	4,890	-	11,346	1,558	3,907	1,176	4,433	27,310	188	27,498
<u>ADVANCE TO (1)</u>										
Primary Government										
<i>Governmental Activities</i>										
General Fund	-	-	-	-	-	1,194	-	1,194	28	1,222
Other governmental funds	-	-	-	-	422	3,263	-	3,685	1,468	5,153
Total governmental funds	-	-	-	-	422	4,457	-	4,879	1,496	6,375
Internal service funds	-	-	-	-	-	-	2,867	2,867	21,451	24,318
Total	-	-	-	-	422	4,457	2,867	7,746	22,947	30,693
<i>Business Type Activities</i>										
OCZT	-	-	-	-	-	-	-	-	390	390
Other enterprise funds	-	-	-	-	-	-	-	-	487	487
Total	-	-	-	-	-	-	-	-	877	877
Total advance to other funds	-	-	-	-	422	4,457	2,867	7,746	23,824	31,570
	\$ 4,890	\$ -	\$ 11,346	\$ 1,558	\$ 4,329	\$ 5,633	\$ 7,300	\$ 35,056	\$ 24,012	\$ 59,068

(continued)

NOTES TO FINANCIAL STATEMENTS
June 30, 2017

CITY OF OKLAHOMA CITY, OKLAHOMA

Within the Primary Government (continued)

	Primary Government								
	Business-type Activities								
	Major Enterprise Funds								
	Water and Wastewater	OCEAT	OCPPA Fairgrounds	OCPPA Golf Courses	Other Enterprise Funds	Business Type Activities	Total	Internal Activities	Total Primary Government
DUE FROM									
Primary Government									
<i>Governmental Activities</i>									
General Fund	\$311	\$176	\$73	\$132	\$84	\$776	\$15,570	(\$4,890)	\$10,680
Grants Management	-	-	-	-	21	21	1,762	(11,346)	(9,584)
MAPS3 Sales Tax	-	-	-	-	-	-	-	(1,558)	(1,558)
General Obligation Bonds	-	-	-	-	-	-	-	(3,907)	(3,907)
OCPPA General Purpose	-	-	6	-	-	6	193	(1,176)	(983)
Other governmental funds	21	-	-	-	-	21	7,554	(4,433)	3,121
Total governmental funds	332	176	79	132	105	824	25,079	(27,310)	(2,231)
Internal service funds	25	-	-	8	18	51	237	(468)	(231)
Internal activity allocation	-	-	-	-	-	-	-	42,561	42,561
Total	357	176	79	140	123	875	25,316	14,783	40,099
<i>Business Type Activities</i>									
Water and Wastewater Fund	-	-	-	-	-	-	-	(831)	(831)
OCEAT	377	-	-	-	-	377	377	(176)	201
OCZT	-	-	-	-	-	-	1,820	-	1,820
OCPPA Fairgrounds	-	-	-	-	-	-	1,140	(83)	1,057
OCPPA Golf Courses	-	-	-	-	-	-	-	(140)	(140)
Other enterprise funds	97	-	4	-	-	101	198	(123)	75
Total business type activities	474	-	4	-	-	478	3,535	(1,353)	2,182
Internal activity allocation	-	-	-	-	-	-	-	(42,561)	(42,561)
Total	474	-	4	-	-	478	3,535	(43,914)	(40,379)
Total due from other funds	831	176	83	140	123	1,353	28,851	(29,131)	(280)
ADVANCE TO (1)									
Primary Government									
<i>Governmental Activities</i>									
General Fund	-	-	-	-	-	-	1,222	(1,222)	-
Other governmental funds	-	-	-	-	-	-	5,153	(5,153)	-
Total governmental funds	-	-	-	-	-	-	6,375	(6,375)	-
Internal service funds	-	-	-	597	-	597	24,915	(25,512)	(597)
Total	-	-	-	597	-	597	31,290	(31,887)	(597)
<i>Business Type Activities</i>									
OCZT	-	-	-	-	-	-	390	-	390
Other enterprise funds	-	1,847	-	-	-	1,847	2,334	(1,847)	487
Total	-	1,847	-	-	-	1,847	2,724	(1,847)	877
Total advance to other funds	-	1,847	-	597	-	2,444	34,014	(33,734)	280
	\$831	\$2,023	\$83	\$737	\$123	\$3,797	\$62,865	(\$62,865)	\$-

(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 the General Fund and Maps Operations Fund to the OCPPA General Purpose Fund

On February 25, 2013, \$900 thousand was transferred from the General Fund and \$710 thousand was transferred from the MAPS Operations Fund to finance digital antenna system (DAS) improvements. The loan is non-interest bearing and will be repaid over seven years. The loans will be repaid with DAS revenues. The balance in the General Fund and the MAPS Operations Fund are \$325 thousand and \$310 thousand, respectively.

Advance From the General Fund and the City and Schools Use Tax Fund to the 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 was repaid by the General Fund and OCPPA General Purpose Fund over a seven year period at an interest rate of 2%. The OCPPA General Purpose Fund will now repay the General Fund over the next fourteen years with an interest rate of 0.25%. The amount due to the General Fund is \$867 thousand in principal and \$17 thousand in accrued interest.

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

On February 16, 2010, the OCPPA received \$3.200 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% by 2036. The balance of the advance at June 30, 2017, is \$2.047 million which includes the loan balance of \$2.042 million and accrued interest of \$5 thousand.

Advance From the OCMFA General Purpose Fund to the City General Obligation Bond Fund

The OCMFA General Purpose Fund 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 OCMFA General Purpose Fund for the cost of the prefunded fees. Any amounts outstanding are reported as an advance to the City. At June 30, 2017, OCMFA reported an advance to the General Obligation Bond Fund of \$422 thousand, of which \$134 thousand is budgeted to be repaid in 2017.

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 in prior years, the OCZT chose to leave an amount in the City Zoo Fund. The OCZT requested and received the residual balance in 2016.

Advance From the OCMFA Services Fund to the OCPPA Golf Courses Fund

On January 13, 2015, a loan for \$1.089 million from the OCMFA Services Fund workers compensation reserves to the OCPPA Golf Courses Fund was approved for the purchase of new golf carts. The loan was made to 2 golf courses as follows:

Lake Hefner	\$463
Lincoln Park Golf Course	626

The loan will be repaid over six years at an annual rate of 2.26% beginning March 1, 2015, with the final payment made on February 1, 2020. The principal due at June 30, 2017, is \$596 thousand of which \$220 thousand is reported as a current receivable including accrued interest of \$1 thousand.

Annual Debt Service Requirements to Maturity for Advances Between City Funds

Fiscal Year	General Fund & MAPS Operation Fund		General Fund & City and Schools Use Tax Fund			City/Schools Use Tax Fund		
	OCPPA General Purpose Fund		OCPPA General Purpose Fund			OCPPA General Purpose Fund		
	Principal	Principal	Interest	Total	Principal	Interest	Total	
	2018	\$485	\$54	\$2	\$56	\$76	\$86	\$162
2019	150	56	2	58	80	82	162	
2020	-	57	2	59	83	79	162	
2021	-	58	2	60	86	76	162	
2022	-	59	2	61	90	72	162	
2023-2027	-	318	6	324	510	300	810	
2028-2032	-	265	2	267	626	184	810	
2033-2036	-	-	-	-	491	46	537	
	<u>\$635</u>	<u>\$867</u>	<u>\$18</u>	<u>\$885</u>	<u>\$2,042</u>	<u>\$925</u>	<u>\$2,967</u>	

	OCMFA General Purpose Fund	OCMFA Services Fund		
	City General Obligation Bond Fund	OCPPA Golf Course Fund		
	Principal	Principal	Interest	Total
2018	\$422	\$219	\$11	\$230
2019	-	224	6	230
2020	-	153	1	154
	<u>\$422</u>	<u>\$596</u>	<u>\$18</u>	<u>\$614</u>

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.

Costs Expended Fund	Costs Reimbursed Fund	Advance Balance
Solid Waste Management Fund	OCEAT	\$1,847
General Fund	OCMFA Services	28
Information Technology Fund	OCMFA Services	2,407
Risk Management Fund	OCMFA Services	58
Special Districts	OCPPA General Purpose	906

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			Component Units
	Governmental Activities		Total Primary Government	
	General	Other Governmental Funds		
RECEIVABLE TO FIDUCIARY FUNDS				
<i>Pension Trust Funds</i>				
OCERS	\$ -	\$ -	\$ -	\$39
COTPA Retirement	-	-	-	54
Total Pension Trust Funds	\$-	\$-	\$-	\$93
<i>Agency Funds</i>	\$11	\$-	\$11	\$-
PAYABLE FROM FIDUCIARY FUNDS				
<i>Pension Trust Funds</i>				
OCERS	\$75	\$31	\$106	\$ -
COTPA Retirement	-	-	-	7
Total Pension Trust Funds	\$75	\$31	\$106	\$7
<i>Agency Fund</i>	\$157	\$-	\$157	\$-

Between Component Units and the Primary Government

Payable to Primary Government

	Component Units							Total
	OCAT	OCRRA	OCICF	OCWUT	COTPA	OCMAPS	OCEDT	
Primary Government								
CURRENT								
<i>Governmental Activities</i>								
General Fund	\$1	\$35	\$ -	\$1,647	\$129	\$1	\$728	\$2,541
Grants Management	-	-	-	458	13	-	-	471
OCPPA General Purpose	-	-	-	-	9	-	-	9
Other governmental funds	-	-	-	-	84	-	-	84
Internal service funds	-	-	-	56	16	1	-	73
Total governmental activities	1	35	-	2,161	251	2	728	3,178
<i>Business Type Activities</i>								
Other enterprise funds	-	-	-	4	50	-	1	55
Total business-type activities	-	-	-	4	50	-	1	55
Total current	1	35	-	2,165	301	2	729	3,233
NON-CURRENT								
<i>Governmental Activities</i>								
Grants Management	-	-	4,255	-	-	-	-	4,255
<i>Business Type Activities</i>								
Water and Wastewater	-	-	-	4,872	-	-	-	4,872
Other enterprise funds	904	-	-	-	452	-	-	1,356
Total business-type activities	904	-	-	4,872	452	-	-	6,228
Total non-current	904	-	4,255	4,872	452	-	-	10,483
Total	\$905	\$35	\$4,255	\$7,037	\$753	\$2	\$729	\$13,716

Receivable from Primary Government

	Component Units				Total
	OCAT	OCWUT	COTPA	OCEDT	
Primary Government					
<u>CURRENT</u>					
<i>Governmental Activities</i>					
General Fund	\$ -	\$83	\$1,517	\$1	\$1,601
Grants management	-	-	13	-	13
Other governmental funds	-	2	-	3,442	3,444
Internal service funds	<u>54</u>	<u>-</u>	<u>23</u>	<u>-</u>	<u>77</u>
Total governmental activities	<u>54</u>	<u>85</u>	<u>1,553</u>	<u>3,443</u>	<u>5,135</u>
<i>Business Type Activities</i>					
Water and Wastewater	-	456	-	-	456
Other enterprise funds	<u>-</u>	<u>1</u>	<u>-</u>	<u>-</u>	<u>1</u>
Total business-type activities	<u>-</u>	<u>457</u>	<u>-</u>	<u>-</u>	<u>457</u>
Total current	<u>54</u>	<u>542</u>	<u>1,553</u>	<u>3,443</u>	<u>5,592</u>
<u>NON-CURRENT</u>					
<i>Governmental Activities</i>					
Other governmental funds	-	-	-	2,500	2,500
Internal service funds	<u>-</u>	<u>-</u>	<u>300</u>	<u>-</u>	<u>300</u>
Total non-current	<u>-</u>	<u>-</u>	<u>300</u>	<u>2,500</u>	<u>2,800</u>
Total	<u>\$54</u>	<u>\$542</u>	<u>\$1,853</u>	<u>\$5,943</u>	<u>\$8,392</u>

Current Receivables/Payables

Outstanding balances in which a component unit is a party are captioned as receivables/payables for both the current and non-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, grant matching funds, software licensing, streetcar operations planning, boat repair, economic development construction projects, 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.

Costs Expended Fund	Costs Reimbursed		Balance
	Fund		
Airports Fund	OCAT		\$904
Water Utilities Fund	OCWUT		4,872
Transportation Fund	COTPA Transportation		399
Parking Fund	COTPA Parking		53

Payable from OCICF to City General Fund

During the sales negotiations of the Journal Record Building, the OCICF received a contribution of \$400 thousand from the City to continue operations. In December, 2016, the unspent portion of \$123 thousand was returned to the City.

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. OCICF manages the operations of the building. The required funding for this project was provided by the City through a 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. A new amendment was signed July 9, 2015, the day of the sale of the Journal Record Building and the note payable was written down to the amount of principal required to be paid to the City of \$4.255 million. The loan has a balance as of June 30, 2017, of \$4.255 million, is interest free, and matures in 2045.

Long-term Payable to OCEDT from the Special Purpose Fund

On September 10, 2013, OCEDT entered into an agreement to transfer proceeds up to \$8 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, 2017, is \$3.000 million of which \$500 thousand is reported as a current payable.

Receivable from/Payable to Component Units

OCEDT has reported a payable to OCRA for \$327 thousand for grant matching funds.

VI. B. INTERFUND TRANSFERS AND PAYMENTS

Transfers Within the Primary Government

Transfers within the Primary Government primarily represent operating subsidies and transfers for capital projects. The Zoo Fund transfers sales tax collections to OCZT for debt service. The Hotel/Motel Tax Fund transfers tax collections to the OCPPA Fairgrounds for debt service. Upon issuance, bond receipts are recorded in the Debt Service Fund and transferred to the General Obligation Bond Fund for expenditure.

	<i>Governmental Activities</i>							
	Major Governmental						Internal Service	Total Governmental
	General	Grants	General Obligation Bonds	OCPPA General Purpose	Other Governmental Funds	Total Governmental Funds		
<u>General</u>	<u>Grants</u>	<u>Bonds</u>	<u>Purpose</u>	<u>Funds</u>	<u>Funds</u>	<u>Funds</u>	<u>Activities</u>	
TRANSFERS TO								
<i>Governmental Activities</i>								
General Fund	\$ -	\$37	\$ -	\$8,142	\$9,681	\$17,860	\$ -	\$17,860
Debt Service	-	-	90,500	-	-	90,500	-	90,500
MAPS3 Sales Tax	-	2,123	-	-	-	2,123	-	2,123
General Obligation Bonds	-	139	-	-	-	139	-	139
OCPPA General Purpose	-	-	-	-	-	-	-	-
Other governmental funds	-	2,469	-	745	80	3,294	2,473	5,767
Total governmental funds	-	4,768	90,500	8,887	9,761	113,916	2,473	116,389
Government wide transfers	-	-	-	-	-	-	-	-
Internal service funds	8	46	-	-	1,095	1,149	2,338	3,487
Total governmental activities	8	4,814	90,500	8,887	10,856	115,065	4,811	119,876

(continued)

Transfers Within the Primary Government (continued)

	<i>Governmental Activities</i>							<i>Total Governmental Activities</i>
	<i>Major Governmental</i>						<i>Internal Service Funds</i>	
	<i>General</i>	<i>Grants</i>	<i>General Obligation Bonds</i>	<i>OCPPA General Purpose</i>	<i>Other Governmental Funds</i>	<i>Total Governmental Funds</i>		
<i>Business Type Activities</i>								
OCEAT	1,003	-	-	-	-	1,003	-	1,003
OCPPA Golf Courses	-	1	-	-	-	1	-	1
Other enterprise funds	-	22	-	-	-	22	-	22
Total business-type activities	1,003	23	-	-	-	1,026	-	1,026
	<u>\$1,011</u>	<u>\$4,837</u>	<u>\$90,500</u>	<u>\$8,887</u>	<u>\$10,856</u>	<u>\$116,091</u>	<u>\$4,811</u>	<u>\$120,902</u>

	<i>Business-type Activities</i>					<i>Total</i>
	<i>Major Enterprise</i>				<i>Enterprise</i>	
	<i>OCZT</i>	<i>OCPPA Fairgrounds</i>	<i>OCPPA Golf Courses</i>	<i>Other Enterprise Funds</i>		
<u>TRANSFERS TO</u>						
<i>Governmental Activities</i>						
General Fund	\$ -	\$ -	\$1,327	\$615	\$1,942	\$19,802
Debt Service	-	-	-	-	-	90,500
MAPS3 Sales Tax	-	-	-	-	-	2,123
General Obligation Bonds	-	-	-	-	-	139
Other governmental funds	13,092	7,525	64	-	20,681	26,448
Total governmental funds	13,092	7,525	1,391	615	22,623	139,012
Internal service funds	-	-	-	-	-	3,487
Total governmental activities	13,092	7,525	1,391	615	22,623	142,499
<i>Business Type Activities</i>						
OCEAT	-	-	-	-	-	1,003
OCPPA Golf Courses	-	-	-	-	-	1
Other enterprise funds	-	-	-	-	-	22
Total business-type activities	-	-	-	-	-	1,026
	<u>\$13,092</u>	<u>\$7,525</u>	<u>\$1,391</u>	<u>\$615</u>	<u>\$22,623</u>	<u>\$143,525</u>

Payments Between Component Units and the Primary Government

Payments to the Primary Government

Payments to the City include payments to the General Fund from OCWUT for payments in lieu of franchise fees, payments to the Grants Management Fund from OCWUT for grant match, and payments to the City Water and Wastewater Fund and the Airport Fund from OCWUT and OCAT, respectively, to fund capital related costs. In addition, OCEDT transferred capital assets to the City.

	<u>Component Units</u>			<u>Total</u>
	<u>OCAT</u>	<u>OCWUT</u>	<u>OCEDT</u>	
<u>PAYMENTS TO</u>				
<u>PRIMARY GOVERNMENT</u>				
<i>Governmental Activities</i>				
General	\$ -	\$4,311	\$10	\$4,321
Grants Management	-	3,788	-	3,788
Other governmental funds	-	-	968	968
Total governmental funds	-	8,099	978	9,077
Government-wide activities	-	-	29,839	29,839
Total governmental activities	-	8,099	30,817	38,916
<i>Business-Type Activities</i>				
Water and Wastewater Fund	-	337	-	337
Other enterprise funds	157	-	-	157
Total business-type activities	157	337	-	494
	<u>\$157</u>	<u>\$8,436</u>	<u>\$30,817</u>	<u>\$39,410</u>

Payments to Component Units

Payments to COTPA from the General Fund are for operating subsidies. Payments to OCEDT include payments from the General Fund for administrative subsidies and payments from the Tax Incremental Financing Fund for TIF sales tax collections restricted for debt service.

	<u>Primary Government</u>			<u>Component</u>	
	<u>Governmental Activities</u>			<u>Units</u>	
	<u>General</u>	<u>Other</u> <u>Governmental</u> <u>Funds</u>	<u>Total</u> <u>Governmental</u> <u>Activities</u>	<u>OCRA</u>	<u>OCEDT</u>
<u>PAYMENTS TO</u>					
<u>COMPONENT UNITS</u>					
COTPA	\$15,509	\$770	\$16,279	\$25	\$ -
OCRA	-	-	-	-	327
OCEDT	1,000	850	1,850	-	-
	<u>\$16,509</u>	<u>\$1,620</u>	<u>\$18,129</u>	<u>\$25</u>	<u>\$327</u>

VI. C. OTHER TRANSACTIONS WITHIN THE ENTITY

Purchased Judgments

As of June 30, 2017, the OCERS' investments include purchased judgments against the City in the amount of \$4.258 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 2017 other City funds reimbursed the General Fund \$6.660 million for these services.

For fiscal year ending June 30, 2017, OCEDT reported payments to the City to reimburse for the cost of providing administrative and operational services of \$409 thousand.

For 2017 OCERS reported \$105 thousand and OCPEBT reported less than one thousand for City financial and administrative services.

Utility Billing and Collection

OCWUT manages billings and collections for City utilities. During 2017 the Medical Services Fund, Stormwater Drainage Fund and OCEAT Fund reimbursed OCWUT \$213 thousand, \$904 thousand, and \$1.861 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 2017 the OCERS reported income for these services of \$90 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

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, 2015, rolled forward to June 30, 2016. Actuarial valuations are performed annually.

Component Unit

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, 2015, rolled forward to June 30, 2016. Actuarial valuations are performed annually.

Reporting

The required supplementary information schedules of funding progress immediately following the notes to the financial statements presents certain ten-year trend information for as many years for which information measured in conformity with the requirements of GASB 68 is available. Detailed information about the OCERS and COTPA Retirement Plans' fiduciary net position is available in the separately issued OCERS report and COTPA annual report. A copy of the actuarial report referred to in this note may be obtained from the City Finance Department, Account Services Division, 100 N. Walker, Suite 300, Oklahoma City, OK 73102.

Funding Policies, Contribution Methods, and Benefit Provisions

	OCERS	COTPA Retirement
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	5.88% 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 20 years (Pre 3/67 hires); or 25 years of credited service regardless of age or age 55 with 5 years (Post 3/67 hires)	Earlier of age 65 with 10 years or age 60 with 30 years of service; age 62 with 10 years on a reduced basis

Funding Policy

OCERS

Contribution requirements are actuarially determined and established by City Council ordinance. Beginning July 1, 2015, the employer contribution rate changed from 6.44% of covered payroll to 5.88% of covered payroll. Beginning July 1, 2016, the employer contribution rate changed from 5.88% of covered payroll to 5.33% of covered payroll. The employee contributes 6.00% of covered payroll. Administrative costs are funded with investment earnings.

COTPA Retirement

Contribution requirements are negotiated and established pursuant to union contract. The employer contributes \$55.04 per week and the employee contributes \$44.13 per week of covered payroll. Administrative costs are funded with investment earnings.

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 age 60 with 30 years of full time employment are entitled to receive monthly pension benefits equal to the sum of \$57 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 (1)

	<u>OCERS</u>	<u>COTPA Retirement</u>	<u>Totals</u>
Non-vested active members	968	53	1,021
Fully-vested active members	1,618	131	1,749
Retirees and beneficiaries currently receiving benefits	1,422	67	1,489
Terminated plan members entitled to but not yet receiving benefits	<u>89</u>	<u>4</u>	<u>93</u>
	<u>4,097</u>	<u>255</u>	<u>4,352</u>

(1) The number of members are reported as of the actuarial statement valuation dates of December 31, 2015 for OCERS and July 01, 2015 for COTPA Retirement.

Actuarial Assumptions

	OCERS	COTPA Retirement
Valuation date	12/31/15	7/1/15
Provisions for:		
Disability benefits	Yes	Yes
Death benefits	Yes	Yes
Actuarial cost method	Individual entry age	Individual entry age normal
Amortization method	Level % of payroll	Level % of payroll
Amortization period	27 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
Post-retirement increases (maximum)	2.0%	None
Inflation	2.8%	2.5%
Source of mortality assumptions	RP 2000 mortality table projected to 2010	SOA RP 2000 combined mortality table projected to 2010
Experience study	Actuarial assumptions were based upon results of an experience study covering the period January 1, 2008, through December 31, 2012.	An experience study was issued November 16, 2015, covering the past five years of plan experience.

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, 2015, OCERS actuarial valuation, the inflation rate decreased from 3.0% to 2.8%.

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 about the future.

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

Annual Pension Cost and Trend Information

Fiscal Year	OCERS			COTPA Retirement		
	Actuarially Determined Contribution	Employer Contribution	Percentage Contributed	Actuarially Determined Contribution	Employer Contribution	Percentage Contributed
2017	\$6,854	\$6,854	100.0%	\$380	\$545	143.4%
2016	7,411	7,411	100.0	298	954	320.1
2015	8,231	8,207	99.7	317	518	163.4

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OCERS					COTPA Retirement				
Actuarial Valuation Date	Actuarial Accrued Liability	Actuarial Value of Assets	Unfunded Liability	Funded Ratio	Actuarial Valuation Date	Actuarial Accrued Liability	Actuarial Value of Assets	Unfunded Liability	Funded Ratio
12/31/16	\$661,212	\$692,359	\$31,147	104.7%	7/1/16	\$16,140	\$12,430	(\$3,710)	77.0%
12/31/15	633,958	665,077	31,119	104.9	7/1/15	14,833	11,553	(3,280)	77.9
12/31/14	607,295	628,686	21,391	103.5	7/1/14	14,349	10,495	(3,854)	73.1

Reserves

There are no assets legally reserved for purposes other than the payment of plan member benefits for either plan.

Concentrations

OCERS

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.

COTPA Retirement

The pension plan does not hold any individual securities, but invests in mutual funds. The Plan holds investments exceeding 5% of the total plan market value in the American Beacon Large Cap Value Fund, Fidelity Contrafund, JP Morgan Large Cap Growth, Vanguard 500 Index Fund, and PIMCO Total Return Fund. The Plan held no individual investments (other than U.S. government and U.S. government guaranteed obligations) whose market value exceeds 5% or more of net assets available for benefits. There are no long-term contracts for contributions.

VII. A. 3. NET PENSION ASSET (LIABILITY)

	<u>OCERS</u>	<u>COTPA Retirement</u>
Total pension liability	\$650,296	\$16,123
Fiduciary net position	<u>649,123</u>	<u>11,523</u>
Net pension asset (liability)	<u>(\$1,173)</u>	<u>(\$4,600)</u>
Plan fiduciary net position as a percentage of the total pension liability	99.82%	71.47%

	Total Pension Liability		Plan Fiduciary Net Position		Net Pension Asset (Liability)	
	OCERS	COTPA	OCERS	COTPA	OCERS	COTPA
Beginning balance	\$623,306	\$16,989	\$670,164	\$11,523	\$46,858	(\$5,466)
Service cost	16,478	516	-	-	(16,478)	(516)
Interest	46,209	967	-	-	(46,209)	(967)
Changes of benefits terms	-	469	-	-	-	(469)
Differences between expected and actual experience	(12,125)	(240)	-	-	12,125	240
Changes of assumptions	7,272	(1,547)	-	-	(7,272)	1,547
Contributions - employer	-	-	7,411	954	7,411	954
Contributions - employee	-	-	7,562	401	7,562	401
Net investment income	-	-	(4,840)	(189)	(4,840)	(189)
Benefit payments and refunds	(30,844)	(1,031)	(30,844)	(1,031)	-	-
Administrative expense	-	-	(398)	(135)	(398)	(135)
Other changes	-	-	68	-	68	-
Net changes	26,990	(866)	(21,041)	-	(48,031)	866
	<u>\$650,296</u>	<u>\$16,123</u>	<u>\$649,123</u>	<u>\$11,523</u>	<u>(\$1,173)</u>	<u>(\$4,600)</u>

VII. A. 4. RATE OF RETURN AND DISCOUNT RATE

Rate of Return

The annual money-weighted rate of return on pension plan investments, net of pension plan investment expense was -.78% for OCERS and -1.62% for COTPA. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested. The annual money-weighted rate of return on pension plan investments for June 30, 2015, was 4.1% for OCERS and 1.99% for COTPA.

Long-term Expected Rate of Return and Target Allocations

OCERS

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation. See **Note II. A. 1. DEPOSITS AND INVESTMENTS, Investments, Pension Trust Policies, Asset Allocation Guidelines** for target allocation of investments.

COTPA Retirement

The long-term expected rate of return on pension plan investments was determined using a geometric basis and a time horizon of 20 years. The capital market expectations are initially developed by combining historical risk, return, and correlation data with state-of-the-art techniques and tools that mitigate the limitations of traditional optimization methods. The asset allocation committee at Bank of Oklahoma Financial then employs a qualitative overlay to determine the long-term expected returns. See **Note II. A. 1. DEPOSITS AND INVESTMENTS, Investments, Pension Trust Policies, Asset Allocation Guidelines** for target allocation of investments.

<u>OCERS</u>		<u>COTPA Retirement</u>	
	<u>Long-term Expected Rate of Return</u>		<u>Long-term Expected Real Rate of Return (1)</u>
Core Bonds	2.80%	Cash	0.24%
Core Plus	3.07	U.S. core fixed income	0.77
Global Bonds	2.69	U.S. high yield fixed income	3.72
Absolute Return	4.42	Developed international fixed	2.85
U.S. Large Cap Equity	7.55	Emerging markets fixed income	4.91
U.S. Small Cap Equity	8.76	U.S. Large cap	7.05
International Developed Equity	8.51	U.S. Mid Cap	8.06
Emerging Market Equity	9.78	U.S. Small Cap	8.46
Long/Short Equity	7.46	Developed international	8.81
Private Equity	10.49	Emerging Markets	11.11
Core Real Estate	5.77	Diversified alternatives	2.34
Opportunistic Real Estate	9.11	Hedged equities	4.11
Commodities	3.96	Low correlation alternatives	1.56
		Real estate investment trusts	7.21
		Infrastructure	5.29
		Commodities	4.61
		Private equity	11.01

(1) The long-term expected inflation rate is assumed to be 2.5%.

Discount Rate

OCERS

A single discount rate of 7.4% was used to measure the total pension liability. This single discount rate was based on the expected rate of return on pension plan investments of 7.4%. The projections of cash flows used to determine this single discount rate assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between the actuarially determined contributions rates and the member rate. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

COTPA Retirement

The discount rate used to measure the total pension liability was 7%. The projection of cash flows used to determine the discount rate assumes that the Plan and members contributions will be made at the current contribution rates specified in the union contract (\$55.04 per employee per week for employer and \$44.13 per employee per week for the participants). Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members through the year 2038 (or 25 years out). Therefore, the plan no longer experiences a cross-over and no benefit payments are required to be discounted at the 20-year municipal bond rate.

Sensitivity of Net Pension Liability to Changes in the Discount Rate

	<u>OCERS</u>			<u>COTPA Retirement</u>		
	<u>Rate</u>	<u>Total Pension Liability</u>	<u>Net Pension Asset(Liability)</u>	<u>Rate</u>	<u>Total Pension Liability</u>	<u>Net Pension Asset(Liability)</u>
1% decrease	6.40%	\$730,425	(\$81,302)	6.00%	\$17,852	(\$6,330)
Current single discount rate	7.40%	650,296	(1,173)	7.00%	16,123	(4,600)
1% increase	8.40%	582,744	66,379	8.00%	14,654	(3,132)

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.

Under Title 36-312.1 of the State of Oklahoma Statutes, 14% and 34% of taxes collected for insurance premium taxes is allocated and distributed to the Oklahoma Police Pension and Retirement System and the Oklahoma Firefighters Pension and Retirement System, respectively. This provides ear-marked state taxes to help with the financing burden for the police and fire plans. The expected employer contributions expected to be funded by the State are not considered in the calculations of the net pension asset/liability and related deferred inflows, deferred outflows and pension expense.

Reporting

The required supplementary information schedules of funding progress immediately following the notes to the financial statements presents certain ten-year trend information for as many years for which information measured in conformity with the requirements of GASB 68 is available. Detailed information about the Oklahoma Police and Firefighter Plans' fiduciary net position is available in the separately issued Oklahoma Police Pension report and the Oklahoma Firefighters Pension report. 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 Firefighters Pension and Retirement System at 4545 N. Lincoln Blvd. Suite 265, Oklahoma City, OK 73105.

Funding Policies, Contribution Methods, and Benefit Provisions

	Police Pension	Firefighters Pension
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
Authority establishing contribution obligations and benefit provisions	State Statute	State Statute
Plan members' contribution rate	8% of covered payroll	9% of covered payroll
City's contribution rate	13% of covered payroll	14% 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 additional option to participate in deferred option plan for a maximum of 5 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.

Actuarial Assumptions

	Police Pension	Firefighters Pension
Valuation date	7/1/16	7/1/16
Provisions for:		
Disability benefits	Yes	Yes
Death benefits	Yes	Yes
Actuarial cost method	Entry age	Entry age
Amortization method	Level dollar, Open	Level dollar, Closed
Amortization period	5 years	30 years
Actuarial asset valuation method	5-year smoothed	An expected actuarial value is determined equal to the prior year's actuarial value of assets plus cash flow (excluding realized and unrealized gains and losses) for the year ended on the valuation date and assuming a 7.5% interest return. Twenty percent (20%) of any (gain) loss is amortized over 5 years. The result is constrained to a value of 80% to 120% of the fair value at the valuation.
Investment rate of return	7.5%	7.5%
Projected salary increases	4.5% to 17% average, including inflation	3.5% to 9.0%
Cost of living increases (maximum)	Up to 1/2 of the increase of any adjustment to the base salary of a regular police officer, based on an increase in base salary.	As of May 26, 1983, firefighters with 20 years of service are entitled to post retirement benefits equal to 1/2 the increase or decrease for top step firefighters. Pensions are not adjusted below the level at which the firefighter retired.
Inflation	3.0%	3.0%
Source of mortality assumptions	RP-2000 Blue Collar Healthy Combined table with fully generational improvement using scale AA.	RP-2000 Blue Collar Healthy Combined table with fully generational improvement using scale AA.
Experience study	Actuarial assumptions were based upon results of an experience study covering the period July 1, 2007 through June 30, 2012.	Actuarial assumptions were based upon results of an experience study covering the period July 1, 2007 through June 30, 2012.

VII. B. 2. TREND INFORMATION

	Police Pension					Firefighters Pension				
	Actuarially Determined Contribution	City Proportionate Share	City Contribution	% Contributed	State Contribution	Actuarially Determined Contribution	City Proportionate Share	City Contribution	% Contributed	State Contribution
2016	\$45,054	\$12,773	\$38,533	85.53%	\$35,915	\$139,226	\$38,037	\$39,174	28.14%	\$92,330
2015	63,908	18,616	37,261	58.30	35,490	142,495	40,825	38,876	27.28	91,236
2014	90,283	-	35,547	39.37	31,329	162,103	47,123	36,104	22.27	79,545

Police Pension					Firefighters Pension				
Actuarial Valuation Date	Actuarial Accrued Liability	Actuarial Value of Assets	Unfunded Liability	Funded Ratio	Actuarial Valuation Date	Actuarial Accrued Liability	Actuarial Value of Assets	Unfunded Liability	Funded Ratio
7/1/16	\$2,355	\$2,323	(\$32)	98.6%	7/1/16	\$3,478	\$2,293	(\$1,185)	65.9%
7/1/15	2,269	2,229	(40)	98.2	7/1/15	3,345	2,176	(1,169)	65.1
7/1/14	2,205	2,086	(119)	94.6	7/1/14	3,226	2,002	(1,224)	62.1

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 Firefighters Pension and Retirement System at 4545 N. Lincoln Blvd. Suite 265, Oklahoma City, OK 73105.

VII. B. 3. NET PENSION ASSET (LIABILITY)

Proportionate Share

Police Pension

The Police Pension's net pension liability was allocated proportionately to the City of Oklahoma City based on the ratio of the City's actual contributions to the Police pension, relative to the total contributions of the Police pension. The City's proportion for 2016 was 28.35% and 29.13% for 2015.

Firefighters Pension

The Firefighters Pension's net pension liability was allocated proportionately to the City of Oklahoma City based on the ratio of the City's actual contributions, relative to the total contributions. The City's proportion for 2016 was 27.32% and 28.65% for 2015.

Net Pension Asset (Liability)

	Police Pension		Firefighters Pension	
	Total	Proportionate Share	Total	Proportionate Share
Total pension liability	\$2,354,815	\$667,594	\$3,477,474	\$950,181
Fiduciary net position	<u>2,201,671</u>	<u>624,174</u>	<u>2,255,759</u>	<u>616,361</u>
Net pension asset (liability)	<u>(\$153,144)</u>	<u>(\$43,420)</u>	<u>(\$1,221,715)</u>	<u>(\$333,820)</u>
Plan fiduciary net position as a percentage of the total pension liability	93.50%	93.50%	64.87%	64.87%

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	Total Pension Liability (Proportionate Share)		Plan Fiduciary Net Position (Proportionate Share)		Net Pension Asset (Liability) (Proportionate Share)	
	<u>POLICE</u>	<u>FIRE</u>	<u>POLICE</u>	<u>FIRE</u>	<u>POLICE</u>	<u>FIRE</u>
	Beginning balance (1)	\$643,282	\$910,683	\$642,126	\$620,706	(\$1,156)
Service cost	16,644	16,664	-	-	(16,644)	(16,664)
Interest	46,799	67,776	-	-	(46,799)	(67,776)
Differences between expected and actual experience	169	5,377	-	-	(169)	(5,377)
Contributions - employer	-	-	10,924	10,702	10,924	10,702
Contributions - employee	-	-	6,744	6,702	6,744	6,702
Contributions - State of Oklahoma	-	-	10,182	25,225	10,182	25,225
Net investment income	-	-	(5,983)	3,890	(5,983)	3,890
Benefit payments, including refund	(39,300)	(50,319)	(39,300)	(50,319)	-	-
Administrative expense	-	-	(519)	(545)	(519)	(545)
Net changes	<u>24,312</u>	<u>39,498</u>	<u>(17,952)</u>	<u>(4,345)</u>	<u>(42,264)</u>	<u>(43,843)</u>
	<u>\$667,594</u>	<u>\$950,181</u>	<u>\$624,174</u>	<u>\$616,361</u>	<u>(\$43,420)</u>	<u>(\$333,820)</u>

(1) Represents the beginning balance based on current year proportionate shares therefore, amounts will not equal amounts reported in required supplementary information for the prior year.

VII. B. 4. RATE OF RETURN AND DISCOUNT RATE

Rate of Return

Police Pension

The annual money-weighted rate of return on pension plan investments, net of pension plan investment expense was -.94%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Firefighters Pension

The annual money-weighted rate of return on pension plan investments, net of pension plan investment expense was 1.05%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Long-term Expected Rate of Return and Target Allocations

Police Pension

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation.

Firefighters Pension

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation.

Police Pension		Firefighters Pension	
	Long-term Expected Rate of Return		Long-term Expected Rate of Return
Fixed income	3.27%	Fixed income	5.18%
Domestic equity	5.16	Domestic equity	8.70
International equity	8.61	International equity	10.87
Real estate	4.97	Real estate	7.23
Private equity	8.32	Other assets	6.24
Commodities	2.42		
	<u>Target Allocation</u>		<u>Target Allocation</u>
US Large Cap Equity	15.00%	Equity	62.00%
Long/Short Equity	15.00	Fixed Income	20.00
Private Equity	10.00	Real Estate	18.00
US Small/Mid Cap Equity	5.00		
Emerging Markets Equity	5.00		
Int'l Developed Markets Equity	10.00		
Absolute Return	7.50		
Global Fixed Income	15.00		
Commodities	5.00		
Core Real Estate	5.00		
Opportunistic Real Estate	5.00		

Discount Rate

Police Pension

The discount rate used to measure the total pension liability was 7.50%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rate and that contributions from employers will be made at contractually required rates, determined by State statutes. Projected cash flows also assume the State of Oklahoma will continue contributing 14% of the insurance premium, as established by statute. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Firefighters Pension

The discount rate used to measure the total pension liability was 7.50%. The projection of cash flows used to determine the discount rate assumed that the Fund's contributions will continue to follow the current funding policy. Total covered employee payroll is assumed to grow at 4% per year. The total statewide insurance premium tax is assumed to grow at 3% per year. In addition, the allocation of the tax to the System is assumed to be 36% for the entire projection period. The Normal Cost Rate for future members is assumed to be 20.82% for all years. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members for all future years and hence, the blended GASB discount rate is equal to the long-term rate of return. Therefore, the long-term expected rate of return on pension plan investments of 7.50% was applied to all periods of projected benefit payments to determine the total pension liability. The long-term expected rate of return remained at 7.50% to reflect the expected asset allocation.

Sensitivity of Net Pension Liability to Changes in the Discount Rate

	Police Pension			Firefighters Pension		
	<u>Rate</u>	<u>Total Pension Liability</u>	<u>Net Pension Asset(Liability)</u>	<u>Rate</u>	<u>Total Pension Liability</u>	<u>Net Pension Asset(Liability)</u>
1% decrease	6.50%	\$1,811,604	(\$113,920)	6.50%	\$1,038,954	(\$422,588)
Current single discount rate	7.50%	667,594	(43,420)	7.50%	950,181	(333,820)
1% increase	8.50%	624,734	16,106	8.50%	875,760	(259,396)

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, 2017, actual contributions by the City and plan participants were \$800 thousand and \$532 thousand, respectively.

These two plans include 93 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 53 participants. For fiscal year 2017, actual contributions by plan participants were \$48 thousand with a \$17 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, 2017, 4 employees were participating in the Plan. For fiscal year ending June 30, 2017, contributions made by MCA and participants were \$12 thousand and \$9 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

Plan Descriptions

The City provides post-employment benefits to employees in two single-employer, defined benefit OPEB plans through OCPEBT. 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 age 65 and older and all MCA retirees 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 that is available for post 64 aged participants. 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.

Effective July 1, 2016, all COTPA eligible retirees, and their eligible dependents are covered under selected the City's health and welfare plans managed by OCPEBT.

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	54% of premium/Subsidy based on years of service	Subsidy based on years of service
Plan members	46% of premium/Remainder of unsubsidized premium costs	Remainder of unsubsidized premium costs
Funding of administrative costs	Investment earnings	Investment earnings
Period required to vest	5 years/10 years	10 years
Eligibility for distribution	<p>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 if hired before January 1, 2017. General employees hired before January 1, 2017 are eligible for membership if they retire on or after age 60 with 15 years of service or 25 years of service regardless of age. Police officers are eligible for benefits under the Plan if they retire from the City on or after age 55 with 5 years of service or at any age with 20 years of service.</p> <p>Firefighters with 20 years of service retiring before January 1, 2003, are eligible for membership. Participation may only be elected at the time of retirement.</p>	<p>COTPA general employees over the age of 65 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.</p>

Funding Policies

City OPEB

Beginning January 1, 2017, the employer contribution rate changed from 56% of premium to 54% of premium.

COTPA OPEB

COTPA contributes a subsidy towards medical coverage of retirees based on years of service. The retirees were responsible for paying the remaining balance of the premium.

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. Additional benefits for dental, life and vision are available with no subsidy from the City. Coverage for dependents can continue upon the death of the retiree. Spouses and eligible dependents 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 general employees. COTPA provides medical benefits through a fully insured health plan. Benefits include general inpatient and outpatient medical services and prescription drug coverage. For retirees over age 65, COTPA provides supplemental Medicare coverage through a fully insured health plan. Benefits include general inpatient and outpatient medical services and prescription drug coverage.

Membership (1)

	<u>City OPEB</u>	<u>COTPA OPEB</u>
Active members	3,381	205
Retirees and beneficiaries currently receiving benefits	<u>2,175</u>	<u>12</u>
	<u>5,556</u>	<u>217</u>

(1) The number of members is reported as of July 1, 2016, the valuation date of the actuarial report.

Annual Required Contributions - Actuarial Assumptions

Valuation date	7/1/2016	
Provisions for:	<u>City OPEB</u>	<u>COTPA OPEB</u>
Disability benefits	Yes	No
Death benefits	Yes	No
Valuation date	7/1/2016	7/1/2016
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%	4.5%
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
Projected salary increases	3.0%	None
Inflation rate	3.0%	3.0%
Health care trend rate	8.5% (6.0% for Medicare age)	8.5% (6.0% for Medicare age)
Mortality table	RP 2000 combined mortality table projected to 2010 using scale AA	RP-2000 Fully Generational Combined Male and Female Mortality Table with projection scale AA

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.

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, 2016, actuarial valuation, the health care trend rate was increased to 8.5% from 8.0% for pre-65 retirees and to 6.0% from 5.75% for post-65 retirees.

Eligibility for plan enrollment changed for employees beginning January 1, 2017. City employees hired on or after January 1, 2017 are no longer eligible for a subsidy from the City for retiree health coverage. For all general employees hired before January 1, 2017, retirement eligibility requirements have been changed from the earlier of age 55 with 5 years of service or 25 years of service regardless of age to the earlier of age 60 with 15 years of service or 25 years of service regardless of age.

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>	<u>Total</u>
Annual required contribution	\$34,083	\$169	\$34,252
Interest on net OPEB obligation	7,646	19	7,665
Adjustment to annual required contribution	<u>(7,020)</u>	<u>(17)</u>	<u>(7,037)</u>
Annual OPEB cost	34,709	171	34,880
Contributions made	<u>(15,817)</u>	<u>(372)</u>	<u>(16,189)</u>
Increase in net OPEB obligation	18,892	(201)	18,691
Net OPEB obligation, beginning of year	<u>155,713</u>	<u>393</u>	<u>156,106</u>
Net OPEB obligation, end of year	<u>\$174,605</u>	<u>\$192</u>	<u>\$174,797</u>

(1) Includes net OPEB obligation reported in OCERS of \$59 thousand.

Governmental Funds Net OPEB Obligation

	General <u>Fund</u>	Other Governmental <u>Funds</u>	<u>Total</u>
Net OPEB Obligation	<u>\$103,493</u>	<u>\$28,522</u>	<u>\$132,015</u>

Trend Information

Fiscal Year <u>Ended</u>	<u>City OPEB</u>			
	Annual OPEB <u>Cost</u>	Employer <u>Contributions</u>	Percentage of Annual OPEB <u>Cost Contributed</u>	Net OPEB <u>Obligation</u>
2017	\$34,709	\$15,817	45.6%	\$174,605
2016	33,901	17,800	52.5	155,713
2015	36,412	18,816	51.7	139,612
Fiscal Year <u>Ended</u>	<u>COTPA OPEB</u>			
	Annual OPEB <u>Cost</u>	Employer <u>Contributions</u>	Percentage of Annual OPEB <u>Cost Contributed</u>	Net OPEB <u>Obligation</u>
2017	\$171	\$372	217.5%	\$192
2016	121	36	29.8	393
2015	80	21	26.3	308

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>	<u>Total</u>
Actuarial value of plan assets (AVA)	\$42,233	\$ -	\$42,233
Actuarial accrued liability (AAL)	467,909	1,597	469,506
Unfunded actuarial accrued liability (UAAL)	425,676	1,597	427,273
Funded ratio (AVA/AAL)	9%	0%	9%
Covered payroll (active plan members)	224,808	9,500	234,308
UAAL as a percentage of covered payroll	189.4%	16.8%	182.4%

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.

VII. E. TERMINATION BENEFITS

At June 30, 2017, the City's reporting entity had 5 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, 2017, include \$133.927 million for OCEAT solid waste management service contracts funded by charges to users; \$48.976 million for OCWUT wastewater treatment services funded by charges to users; \$3.330 million for operation of a City employee health clinic to be funded by OCMFA and OCPEBT; \$1.800 million for natural gas purchases and supply management services to be funded by the OCPPA internal service fund; and \$17.275 million for service contracts related to the streetcar project funded with COTPA general revenues.

Construction Commitments

Primary Government	
<i>Governmental Activities</i>	
General government	\$26
Public safety:	
Police	263
Fire	90
Other	1,537
Public services	22,544
Culture and recreation	<u>145,124</u>
Total governmental activities	169,584
<i>Business-Type Activities</i>	
Fairgrounds	3,185
Stormwater drainage	<u>90</u>
Total business-type activities	3,275
Total primary government	<u>\$172,859</u>
Component Units	
Airports	\$14,711
Education	1,675
Economic development	3,788
Water utilities	67,103
Transportation and parking	<u>557</u>
Total component units	<u>\$73,123</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. The City currently has approximately \$7.444 million accrued in the Debt Service 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, 2017, is approximately \$925 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, 2017, the City collected approximately \$150 thousand on behalf of the City-County Board. Of this amount, \$42 thousand is still payable at June 30, 2017.

Civic Center Foundation

CCF is a non-profit organization whose purpose is to enhance and support the Oklahoma City Civic Center. CCF entered into an amended and restated Civic Center Improvement and Support Agreement with OCPPA with a term of July 1, 2015 through June 30, 2040 for CCF to engage in fundraising activities and assist the City and OCPPA in planning and funding improvements and in facilitating activities and utilization of the Civic Center for the benefit of the public. At June 30, 2017, CCF had net assets of \$1.825 million. These amounts are not reflected on the City's financial statements.

XI. TAX ABATEMENTS

The City has designated OCEDT to manage economic development including incentives. OCEDT provides economic development incentives in the form of development financing or performance based incentives that reduce ad valorem increment allocated to the City under an approved economic development project plan adopted pursuant to the Local Development Act, Title 62 of the Oklahoma Statutes, Sections 850, et seq, or sales tax revenues for the City. It is noted that these incentives do not meet the criteria of tax abatement as defined in the Oklahoma Local Development Act.

Assistance in Development Financing

Pursuant to the Local Development Act, Section 850, the City has adopted and approved the Downtown/MAPS Economic Development Project Plan (Economic Development Project Plan) and has established ad valorem tax TIF districts #2 and #8. The Downtown/MAPS Project Area has been declared to be an area where investment, development and economic growth is difficult. To advance the goals and objectives of the Economic Development Project Plan through the development and redevelopment of vacant and unproductive property in the Downtown area, the City and OCEDT provide assistance in development financing to multiple developers thereby creating opportunities for further development and by expanding the tax base in the area. Development financing is provided after a review committee considers any proposed development and budgetary allocation in light of the project objectives, feasibility, priorities and funding availability and submits its recommendation to the City Council prior to implementation of the project and execution of an economic development agreement.

The assistance in development financing is funded by the tax incremental funding which is anticipated to be generated from the project's increased property tax value in the TIF district. Prior to receiving payment, developers are typically required to provide verification of the amount of investment in the property, acknowledgement of the assistance in development financing provided by the City and OCEDT in the form of a plaque or monument attached to the property, and documentation that a certain percentage of any rentable area is occupied. If the agreement provides for a lump-sum payment, the developer is required to pay a minimum amount of annual ad valorem taxes or a payment in lieu of taxes, if the taxable market value of the project does not meet the amount specified in the agreement, until the ad valorem taxes received by the City less the baseline amount has reached the amount of the incentive paid plus any associated financing charges. If the agreement provides for an installment payment, payment will be made for a specific number of years and amount after proof of the prior year's property tax payment has been verified. Developers are required to pay back the total incentive received if they sell, transfer or otherwise dispose of the property usually within three to five years after the date of completion of the project.

In addition to the assistance in development financing incentives, the City or OCEDT have committed to making several non-forgivable low-interest loans and the City has agreed to provide public infrastructure improvements in the development areas.

On February 24, 2016, City Council adopted ordinance 25,325 which amended and restated the Downtown/MAPS Economic Development Project Plan and created TIF district #10. As of June 30, 2017, The City and OCEDT have entered into a memorandum of agreement for the redevelopment and rehabilitation of a national historic building in downtown Oklahoma City. Upon completion of the first phase of the redevelopment which is for a parking garage and retail and commercial space, a loan may be provided by OCEDT to the developer to pay off a private loan that was secured for the construction of the garage component of the project. The potential OCEDT loan will be paid off from the ad valorem tax increment generated by the garage and any required minimum payments required in lieu of ad valorem taxes.

Performance-Based Incentives

On October 14, 2008, the City Council adopted a joint resolution with OCEDT to approve the City's Retail Incentives Policy to be utilized for the development of new sales taxes in the City and to support under-served areas. Prospective retail developers and retailers complete an application, pay a non-refundable application fee, and make a formal request to OCEDT. Applications are evaluated by the Retail Advisory Panel based upon the impact on the City's tax base, the quality of life for citizens, attraction for other types of development, as well as the costs of the incentive and impact on City services and infrastructure. A recommendation is made to the City Manager regarding the eligibility of the project and the amount and type of incentive. Upon approval by the City Manager, an economic development agreement is developed and forwarded for approval by OCEDT and then to the City Council. The agreements are typically structured to require a specific level of investment by the developer and provide an annual incentive for a specified number of years based upon the amount of sales taxes generated with attainment of specific sales levels sometimes being required. The City has committed to making public infrastructure improvements for one of the retail developments.

Pursuant to the Local Development Act, Section 850, the City has adopted and approved the Northeast Renaissance Redevelopment Project Plan and has established ad valorem TIF district #9. The Northeast Renaissance Project Area has been declared to be an area where investment, development and economic growth is difficult. To advance the goals and objectives of the Northeast Renaissance Plan through the development and redevelopment of vacant and unproductive property in the project area, the City and OCEDT have approved an annual installment incentive based upon the sales taxes generated and the increase in ad valorem taxes generated from the development. Development financing is provided after a review committee reviews any proposed development and budgetary allocation in light of the project objectives, feasibility, priorities, and funding availability. The developer is required to provide verification of a specific level of investment, acknowledgement of the assistance in development financing provided by the City and OCEDT in the form of a plaque or monument attached to the property, and documentation that a certain percentage of any rentable area is occupied.

Reduction in Reported Tax Revenues

Economic Development Project Plan property tax collections in OCEDT are reported as a reduction in economic incentive receivables. Sales tax collections are used to fund Retail Incentive Policy payments and no revenue or expense is recognized for the collection or payment. When these projects are completed and economic incentive receivables have been repaid, the taxes will be reported with governmental general revenues in the statement of activities.

<u>Economic Development Program</u>	<u>Tax Type</u>	<u>Reduction in Tax Revenues</u>
Economic Development Project Plan	Property taxes	\$2,045
Retail Incentive Policy	Sales taxes	812
		<u>\$2,857</u>

XII. ENDOWMENTS

North Canadian/Oklahoma River Corridor Foundation Endowment Fund (ORFE)

On December 13, 2004, OCRRA entered into an agreement with the Oklahoma City Community Foundation (OCCF) to establish the ORFE. The purpose of the ORFE is to support the public uses of the OCRRA leasehold. The ORFE was established with the net proceeds of the Downtown Oklahoma City, Inc. 2004 Holiday Boat Parade; however the ORFE may receive future donations and investment earnings. Distributions are recommended by an advisory committee composed of three members: the Chairman of OCRRA, or a designee; and two members separately appointed by the Foundation Trustees and the Mayor of Oklahoma City, respectively. All distributions from the Foundation are subject to the final approval of the Foundation Trustees.

As of June 30, 2017, the market value of the ORFE investment was \$1.026 million. There was no spendable balance available to OCRRA at June 30, 2017. To date no distributions have been approved and all earnings have been reinvested, however the OCRRA Board of Trustees have conveyed an interest in taking annual allocations of the spendable balance now that the \$1 million fund balance goal has been reached. Available amounts are not reflected in the City's financial statements.

Oklahoma City Fire Department Project Life Activity Fund and Endowment Fund

On July 1, 2014, the Oklahoma City Fire Department entered into an agreement with the OCCF to establish the OKC Fire Department Project Life Activity Fund (Fire Activity Fund) and the OKC Fire Department Project Life Endowment Fund (Fire Endowment Fund). The Fire Activity Fund receives annual earnings from the Fire Endowment Fund and other contributions which may be earmarked for the specific purposes such as purchase of smoke alarms and other equipment, support of fund-raising activities for the benefit of Project Life programs and programs that are beneficial to the quality of life for the citizens of Oklahoma City. The Fire Endowment Fund was initially established with the net proceeds of Project Life fundraisers and may receive the net proceeds from the International Association of Firefighters, Local 157 and other event sponsors for events held to promote the City of Oklahoma City Fire Department Project Life.

Distributions are approved by majority vote of an advisory committee composed of three members: the Chief of the Oklahoma City Fire Department, or a designee; and two members separately appointed by the Foundation Trustees and the Mayor of Oklahoma City, respectively. Any spendable amount not distributed will remain and be designated as spendable unless designated as permanent endowment at which time it is no longer available for distribution. As of June 30, 2017, the balance of the Fire Endowment Fund was \$25 thousand and the spendable balance of the Fire Activity Fund was \$1 thousand. Available amounts are not reflected in the City's financial statements.

Oklahoma City Myriad Gardens Foundation (OCMGF)

OCMGF was established in 1981 to support the Myriad Botanical Gardens (Gardens), located in downtown Oklahoma City, by providing capital and operating funding, increasing public awareness and promoting the highest horticultural, educational and administrative standards. In July 2011, OCMGF assumed management and operations of the Gardens for the benefit of the City. At June 30, 2017, OCMGF had net assets of \$2.730 million.

OCMGF is the grantee recipient of distributions from three permanent endowments located at OCCF. Distributions are approved by the Executive Director with the authorization of the Myriad Board of Directors. Estimated disbursements are included in the annual operating budget that is approved by the Myriad Board of Directors each year. At June 30, 2017, distributions in the amount of \$25 thousand were received from multiple endowments held at the OCCF. Available amounts are not reflected in the City's financial statements.

The Oklahoma Zoological Society Zoo Friends (Zoo Friends)

Zoo Friends was established in 1954 to support and promote the Oklahoma City Zoo (Zoo) and its four purposes of education, conservation, zoological research and recreation. Zoo Friends works in partnership with the Zoo in raising funds for special programs, exhibits, animal welfare, conservation initiatives locally and worldwide and research projects. A volunteer board of directors serves as the governing body for Zoo Friends. Zoo Friends has two permanent endowments for which the earnings are sent each year to the Zoo in the form of support. Distributions are approved by the Oklahoma Zoological Society (OZS) Board of Directors in accordance with approved policy.

One endowment, which is held at the OCCF, distributed earnings of \$45 thousand in 2017 to the Zoo as support for Zoo Fund for Kids and had a permanent endowment balance of \$397 thousand at June 30, 2017. A second endowment, held at the Communities Foundation of Oklahoma, distributed \$2 thousand in earnings to the Zoo as support for animal enrichment and had a permanent endowment balance at June 30, 2017, of \$43 thousand. Available amounts are not reflected in the City's financial statements.

XIII. SUBSEQUENT EVENTS

Issuance of Debt

OCEDT seeks to issue bonds not to exceed \$75 million in order to refund the existing long-term and short-term indebtedness associated with the TIF district #2 and to provide additional funds for downtown improvements. The bonds will be secured by the annual ad valorem revenues received within TIF district #2 as TIF revenues. In addition, it is anticipated that the City will provide an agreement of support to further enhance the marketability of the bonds and thus lowering the interest rate.



**Required Supplementary
Information**

Required Supplementary Information

Provides information mandated by the Governmental Accounting Standards Board designed to provide operational, economic, or historical context for the financial statements or the notes to the financial statements.

Pension Plans

- * ***Defined Benefit Single Employer Plans*** – Reports information regarding the Oklahoma City Employee Retirement System (OCERS) and the Central Oklahoma Transportation and Parking Authority Retirement System (COTPR)
- * ***Defined Benefit Cost Sharing Plans*** – Reports information regarding the Oklahoma Police Pension and Retirement System (Police Pension) and the Oklahoma Firefighters Pension and Retirement System (Firefighters Pension).

Other Post-Employment Benefit Plans

Reports information regarding the Oklahoma City Post-Employment Benefits Trust (OCPEBT) and the Central Oklahoma Transportation and Parking Authority Other Post-Employment Benefit Plan (COTPA OPEB).

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

CITY OF OKLAHOMA CITY, OKLAHOMA

I. SCHEDULE OF NET PENSION LIABILITY (ASSET)

I. A. SCHEDULE OF NET PENSION LIABILITY (ASSET) FOR SINGLE EMPLOYER PLANS (1)

	2017		2016		2015	
	OCERS	COTPR	OCERS	COTPR	OCERS	COTPR
Total pension liability						
Service cost	\$16,478	\$516	\$15,803	\$537	\$14,860	\$510
Interest	46,209	967	44,281	885	42,403	853
Changes of benefit terms	-	469	-	126	-	-
Differences between expected and actual experience	(12,125)	(240)	(4,745)	419	(4,485)	-
Changes of assumptions	7,272	(1,547)	-	(596)	-	-
Benefit payments, including refunds	(30,844)	(1,031)	(29,080)	(831)	(27,348)	(767)
Net change in total pension liability	26,990	(866)	26,259	540	25,430	596
Total pension liability, beginning	623,306	16,989	597,046	16,448	571,616	15,852
Total pension liability, ending	650,296	16,123	623,305	16,988	597,046	16,448
Total fiduciary net position						
Contributions - employer	\$7,411	\$954	\$8,207	\$518	\$8,872	\$506
Contributions - employee	7,562	401	7,668	413	7,422	429
Net investment income	(4,840)	(189)	25,207	225	94,658	1,644
Benefit payments, including refunds	(30,844)	(1,031)	(29,080)	(831)	(27,348)	(767)
Administrative expenses	(398)	(135)	(445)	(114)	(462)	(63)
Other	68	-	148	-	95	(1)
Net change in fiduciary net position	(21,041)	-	11,705	211	83,237	1,748
Total fiduciary net position, beginning	670,164	11,523	658,459	11,311	575,222	9,563
Total fiduciary net position, ending	649,123	11,523	670,164	11,522	658,459	11,311
Total net pension liability (asset)	1,173	\$4,600	(\$46,859)	\$5,466	(\$61,413)	\$5,137
Covered payroll	126,036	9,947	127,806	9,557	124,957	9,458
Net pension liability as a percentage of covered payroll	0.93%	46.25%	-36.66%	57.19%	-49.15%	54.31%
Plan fiduciary net position as a percentage of total pension liability	99.82%	71.47%	107.52%	67.82%	110.29%	68.77%
Actuarial assumptions:						
Valuation date	12/31/15	7/1/15	12/31/14	7/1/14	12/31/13	7/1/13
Actuarial cost method	Individual entry age	Individual entry age normal	Individual entry age	Individual entry age normal	Individual entry age	Individual entry age normal
Amortization method	Level % of payroll	Level % of payroll	Level % of payroll	Level dollar	Level % of payroll	Level dollar
Amortization period	27 years, closed	30 years, open	28 years, closed	30 years, open	28 years, closed	30 years, open
Actuarial asset valuation method	4-year smoothed market	5-year smoothed market	4-year smoothed market	5-year smoothed market	4-year smoothed market	5-year smoothed market
Investment rate of return	7.50%	7.00%	7.50%	5.69%	7.50%	5.34%
Cost of living benefit increases (maximum)	2%	N/A	2%	N/A	2%	N/A
Inflation	2.80%	2.5%	3.00%	2.3%	3.80%	2.5%
Projected salary increases	3.75% to 7.25%	N/A	3.75% to 7.25%	N/A	3.75% to 7.25%	N/A
Mortality table	RP 2000 mortality table projected to 2010	SOA RP 2000 combined mortality table projected to 2010	RP 2000 mortality table projected to 2010	1983 group annuity mortality tables, scale 355 withdrawal rates	RP 2000 mortality table projected to 2010	1983 group annuity mortality tables, scale 355 withdrawal rates
Experience study	Actuarial assumptions were based upon results of an experience study covering the period January 1, 2008, through December 31, 2012.	An experience study was issued November 16, 2015, covering the past five years of plan experience.	Actuarial assumptions were based upon results of an experience study covering the period January 1, 2008, through December 31, 2012.	An experience study will be conducted in advance of the next fiscal year end.	Actuarial assumptions were based upon results of an experience study covering the period January 1, 2008, through December 31, 2012.	An experience study will be performed in advance of 2016 fiscal year end.

(1) This schedule is presented to illustrate the requirement to show information for 10 years. However, results for measurement years before June 30, 2014, are not available. This information will be developed prospectively beginning in 2014 until eventually 10 years of information is available.

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

CITY OF OKLAHOMA CITY, OKLAHOMA

I. B. SCHEDULE OF PROPORTIONATE SHARES OF NET PENSION LIABILITY (ASSET) FOR COST SHARING PLANS (1)(2)

	2017		2016		2015	
	<u>Police Pension</u>	<u>Firefighters Pension</u>	<u>Police Pension</u>	<u>Firefighters Pension</u>	<u>Police Pension</u>	<u>Firefighters Pension</u>
Proportionate Share	28.35%	27.32%	29.13%	28.65%	29.16%	29.07%
Proportionate share of the net pension liability (asset)	\$43,420	\$333,820	\$1,188	\$304,093	(\$9,818)	\$298,941
Proportionate share of the net pension liability (asset) of the State and other municipalities	<u>109,724</u>	<u>887,895</u>	<u>2,889</u>	<u>757,315</u>	<u>(23,851)</u>	<u>729,407</u>
Total net pension liability (asset)	<u>\$153,144</u>	<u>\$1,221,715</u>	<u>\$4,077</u>	<u>\$1,061,408</u>	<u>(\$33,669)</u>	<u>\$1,028,348</u>
Covered payroll	\$83,615	\$77,707	\$63,677	\$79,557	\$79,738	\$80,731
Net pension liability as a percentage of covered payroll	51.93%	429.59%	1.87%	382.23%	-12.31%	370.29%
Plan fiduciary net position as a percentage of total pension liability	93.50%	64.87%	99.82%	68.27%	101.53%	68.12%

- (1) Amounts presented above represent the City's proportionate share presented in Note VII. B. DEFINED BENEFIT COST-SHARING,
(2) This schedule is presented to illustrate the requirement to show information for 10 years. However, results for measurement years before June 30, 2014, are not available. This information will be developed prospectively beginning in 2014 until eventually 10 years of information is available.

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

CITY OF OKLAHOMA CITY, OKLAHOMA

II. SCHEDULE OF EMPLOYER CONTRIBUTIONS

II. A. SCHEDULE OF EMPLOYER CONTRIBUTIONS FOR SINGLE EMPLOYER PLANS

OCERS (1)

<u>June 30,</u>	Actuarially Determined Contribution <u>(ADC)</u>	Contributions in Relation to <u>ADC (2)</u>	Contributions Deficiency <u>(Excess)</u>	Covered Payroll	Actual Contribution As a Percentage of <u>Covered Payroll</u>
2017 (3)	\$6,854	\$6,854	\$ -	\$114,233	6%
2016	7,411	7,411	-	126,036	6
2015	8,231	8,207	24	127,806	6
2014	8,872	8,872	-	124,957	7
2013	11,320	11,320	-	114,933	10
2012	9,615	9,615	-	109,293	9
2011	7,133	7,133	-	102,915	7
2010	5,586	5,586	-	110,408	5
2009	5,464	5,464	-	105,566	5
2008	7,212	7,212	-	99,574	7

(1) The amounts reported represent amounts paid and covered payroll for the fiscal year indicated.

(2) Contributions are deferred in the fiscal year reported and recognized in the financial statements in the subsequent year.

(3) The actuarially determined contribution for 2017 is estimated and may change upon receipt of the actuarial report.

COTPR (1)

<u>June 30,</u>	Actuarially Determined Contribution <u>(ADC)</u>	Contributions in Relation to <u>ADC (2)</u>	Contributions Deficiency <u>(Excess)</u>	Covered Payroll	Actual Contribution As a Percentage of <u>Covered Payroll</u>
2017	\$380	\$545	(\$165)	\$9,810	6%
2016	298	954	(656)	9,947	10
2015	317	518	(201)	9,557	5
2014	333	506	(173)	9,458	5
2013	359	504	(145)	9,458	5
2012	380	499	(119)	6,930	7
2011	414	466	(52)	7,595	6
2010	419	471	(52)	7,150	7
2009	416	416	-	7,464	6
2008	327	327	-	6,700	5

(1) The amounts reported represent amounts paid and covered payroll for the fiscal year indicated.

(2) Contributions are deferred in the fiscal year reported and recognized in the financial statements in the subsequent year.

(3) The actuarially determined contribution for is estimated and may change upon receipt of the actuarial report.

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

CITY OF OKLAHOMA CITY, OKLAHOMA

II. B. SCHEDULE OF EMPLOYER CONTRIBUTIONS FOR COST SHARING PLANS

Police Pension (1)

<u>June 30,</u>	Contractually Required Contribution <u>(CRC) (2)</u>	Contributions in Relation to <u>CRC (3)</u>	Contributions Deficiency <u>(Excess)</u>	Covered <u>Payroll</u>	Actual Contribution As a Percentage of <u>Covered Payroll</u>
2017 (4)	\$11,031	\$11,031	\$ -	\$84,854	13%
2016	10,870	10,870	-	83,615	13
2015	8,278	8,278	-	63,677	13
2014	10,366	10,366	-	79,738	13
2013	10,024	10,024	-	77,108	13
2012	9,419	9,419	-	74,531	13
2011	9,192	9,192	-	72,931	13
2010	9,494	9,494	-	71,685	13
2009	9,308	9,308	-	72,238	13
2008	8,554	8,554	-	72,623	12

- (1) The amounts reported represent amounts paid and covered payroll for the fiscal year indicated.
- (2) Contractually required contribution amounts presented do not include amounts provided by the State of Oklahoma.
- (3) Contributions are deferred in the fiscal year reported and recognized in the financial statements in the subsequent year.
- (4) The contractually required contribution for 2017 is estimated and may change upon receipt of the actuarial report.

Firefighters Pension (1)

<u>June 30,</u>	Contractually Required Contribution <u>(CRC) (2)</u>	Contributions in Relation to <u>CRC (3)</u>	Contributions Deficiency <u>(Excess)</u>	Covered <u>Payroll</u>	Actual Contribution As a Percentage of <u>Covered Payroll</u>
2017 (4)	\$10,638	\$10,638	\$ -	\$75,986	14%
2016	10,879	10,879	-	77,707	14
2015	11,138	11,138	-	79,557	14
2014	10,495	10,495	-	80,731	13
2013	9,689	9,689	-	74,531	13
2012	9,481	9,481	-	72,931	13
2011	9,319	9,319	-	71,685	13
2010	9,351	9,351	-	71,931	13
2009	9,441	9,441	-	72,623	13
2008	8,924	8,924	-	68,646	13

- (1) The amounts reported represent amounts paid and covered payroll for the fiscal year indicated.
- (2) Contractually required contribution amounts presented do not include amounts provided by the State of Oklahoma.
- (3) Contributions are deferred in the fiscal year reported and recognized in the financial statements in the subsequent year.
- (4) The contractually required contribution for 2017 is estimated and may change upon receipt of the actuarial report.

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

CITY OF OKLAHOMA CITY, OKLAHOMA

IV. SCHEDULE OF FUNDING PROGRESS

OCPEBT

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Liability (AAL) (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
7/1/16	\$42,233	\$469,506	\$427,273	9%	\$234,308	182%
7/1/15	39,337	439,922	400,585	9	219,484	183
7/1/14	34,028	474,681	440,653	7	213,091	207

COTPA OPEB

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Liability (AAL) (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
7/1/15	\$ -	\$1,209	\$1,209	0%	\$9,275	13%
7/1/14	-	745	745	0	9,004	8

V. SCHEDULE OF EMPLOYER CONTRIBUTIONS

OCPEBT

Fiscal Year	Employer Contributions	Annual Required Contribution	Percentage Contributed
2017	\$16,189	\$34,252	47%
2016	17,800	33,339	53
2015	18,816	35,920	52

COTPA OPEB

Fiscal Year	Employer Contributions	Annual Required Contribution	Percentage Contributed
2016	\$36	\$121	30%
2015	21	86	24

VI. 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.

Effective July 1, 2017, the Central Oklahoma Transportation and Parking Authority (COTPA) designated OCPEBT as the administrator of the other post-employment plans for COTPA.



**Combining & Individual
Fund Statements &
Schedules**



Non-Major Governmental Funds

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.
- * **Impact Fees Fund** – Established by City ordinance to account for development impact fees. These impact fees are one-time charges on new development that are assessed and spent for the purpose of constructing infrastructure that serves the new expanded development.

Capital Projects Funds

- * **City and Schools Sales Tax Fund** – Established 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, 2017
(dollars are in thousands)

	Special Revenue Funds									
	Court				OCMFA					
	Emergency Management	Administration and Training	Police	Fire	Asset Forfeiture	Zoo	General Purpose	MAPS Operations	Special Purpose	Special Districts
ASSETS										
Pooled cash-----	\$30	\$36	\$510	\$342	\$66	\$ -	\$5,019	\$176	\$206	\$2
Non-pooled cash-----	-	-	-	-	6	-	31	-	-	-
Investments-----	938	1,131	16,028	10,355	2,050	-	10,652	5,509	6,451	44
Sales and use taxes receivable-----	-	-	5,459	5,459	-	1,820	-	-	-	-
Accounts receivable-----	905	164	-	-	3	-	2,014	-	176	325
Interest, dividends, and royalties receivable-----	3	3	48	31	6	-	35	16	24	1
Due from other funds-----	-	-	9	3,092	204	-	2,546	-	-	-
Receivable from component units-----	-	-	-	-	-	-	-	40	-	-
Intergovernmental receivable-----	-	-	-	-	-	-	-	-	267	-
Prepays-----	-	-	58	66	131	-	129	-	-	-
Prepays, non-current-----	-	-	-	159	-	-	16	-	-	-
Advance to other funds-----	-	-	-	1,383	-	-	422	310	-	906
Total assets-----	\$1,876	\$1,334	\$22,112	\$20,887	\$2,466	\$1,820	\$20,864	\$6,051	\$7,124	\$1,278
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES										
LIABILITIES										
Accounts payable and accrued expenditures-----	\$ -	\$178	\$195	\$627	\$62	\$ -	\$265	\$ -	\$425	\$ -
Wages and benefits payable-----	255	-	1,019	702	3	-	-	15	-	-
Due to other funds-----	-	5	542	-	-	1,820	204	1	229	153
Payable to component units, current-----	-	2	-	-	-	-	-	-	500	-
Unearned revenue-----	-	-	-	4	-	-	2	-	2,432	-
Intergovernmental payable, current-----	-	-	-	-	-	-	-	-	126	-
Payable to component units, non-current-----	-	-	-	-	-	-	-	-	2,500	-
Advance from other funds-----	-	-	-	-	-	-	2,867	-	-	-
Total liabilities-----	255	185	1,756	1,333	65	1,820	3,338	16	6,212	153
DEFERRED INFLOWS OF RESOURCES	1	1	19	12	2	-	1,516	6	358	290
FUND BALANCE										
Non-spendable-----	-	-	58	225	131	-	145	-	93	-
Restricted-----	-	1,148	20,279	19,317	2,268	-	1,583	-	2,198	835
Committed-----	1,620	-	-	-	-	-	-	6,029	1,669	-
Assigned-----	-	-	-	-	-	-	14,282	-	519	-
Unassigned-----	-	-	-	-	-	-	-	-	(3,925)	-
Total fund balances-----	1,620	1,148	20,337	19,542	2,399	-	16,010	6,029	554	835
Total liabilities, deferred inflows of resources and fund balances-----	\$1,876	\$1,334	\$22,112	\$20,887	\$2,466	\$1,820	\$20,864	\$6,051	\$7,124	\$1,278

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	Impact Fees	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
\$ -	\$185	\$236	\$1,103	\$9	\$ -	\$127	\$55	\$1	\$91	\$2	\$6	\$1,019	\$9,221
948	-	-	-	-	-	-	-	-	-	-	-	-	985
3	5,753	7,497	34,503	295	308	3,975	1,773	24	2,815	61	189	31,805	142,159
424	-	-	-	-	-	-	-	-	-	-	-	1,893	15,055
-	346	1,517	-	-	4	-	-	-	-	-	-	-	5,454
-	17	22	103	1	-	12	6	-	8	-	1	95	432
-	21	-	1,515	-	-	11	-	-	47	-	-	109	7,554
-	-	-	-	-	-	-	-	-	-	-	-	44	84
577	-	-	412	-	-	-	-	-	-	-	-	-	1,256
-	-	-	79	-	-	4	-	-	2	-	-	-	469
-	-	-	141	-	-	-	-	-	-	-	-	-	316
-	-	-	-	-	-	85	-	-	2,047	-	-	-	5,153
\$1,952	\$6,322	\$9,272	\$37,856	\$305	\$312	\$4,214	\$1,834	\$25	\$5,010	\$63	\$196	\$34,965	\$188,138
\$ -	\$299	\$291	\$1,226	\$2	\$49	\$5	\$ -	\$ -	\$29	\$ -	\$25	\$2,001	\$5,679
-	-	-	-	-	-	-	-	10	-	-	-	80	2,084
-	5	1,146	243	-	9	3	-	-	-	-	-	73	4,433
1,949	-	-	993	-	-	-	-	-	-	-	-	-	3,444
-	-	-	-	-	-	-	-	-	-	-	-	-	2,438
-	-	-	53	-	-	-	-	-	-	-	-	-	179
-	-	-	-	-	-	-	-	-	-	-	-	-	2,500
-	-	-	-	-	-	-	-	-	-	-	-	-	2,867
1,949	304	1,437	2,515	2	58	8	-	10	29	-	25	2,154	23,624
425	32	92	40	-	-	5	2	-	3	-	-	37	2,841
-	-	-	632	-	-	4	-	-	2	-	-	-	1,290
-	-	7,743	-	303	254	4,197	-	15	-	63	-	-	60,203
-	5,986	-	-	-	-	-	1,832	-	-	-	-	32,774	49,910
-	-	-	34,669	-	-	-	-	-	4,976	-	171	-	54,617
(422)	-	-	-	-	-	-	-	-	-	-	-	-	(4,347)
(422)	5,986	7,743	35,301	303	254	4,201	1,832	15	4,978	63	171	32,774	161,673
\$1,952	\$6,322	\$9,272	\$37,856	\$305	\$312	\$4,214	\$1,834	\$25	\$5,010	\$63	\$196	\$34,965	\$188,138

**COMBINING STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES
NON-MAJOR GOVERNMENTAL FUNDS**

For the Year Ended June 30, 2017

(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-----	\$ -	\$ -	\$39,266	\$39,266	\$ -	\$13,089	\$ -	\$ -	\$ -	\$ -
Use taxes-----	-	-	-	-	-	-	-	-	-	-
Hotel/Motel taxes-----	-	-	-	-	-	-	-	-	-	-
Emergency telephone taxes-----	5,334	-	-	-	-	-	-	-	-	-
Licenses and permits-----	205	1,995	-	-	-	-	217	-	180	-
Oil and gas royalties-----	-	-	-	-	-	-	291	-	-	-
Fines and forfeitures-----	-	1	-	-	-	-	1,329	-	-	-
Investment income-----	15	11	163	142	21	3	(235)	61	137	18
Charges for services-----	-	-	-	-	-	-	-	-	-	2,672
Rental income-----	-	-	-	13	3	-	5	-	6	-
Payments from component units--	-	-	-	-	-	-	-	-	-	-
Intergovernmental programs-----	-	-	1,935	4,793	1,798	-	-	-	15	-
Capital grants-----	-	-	-	-	-	-	-	-	882	-
Other-----	-	-	1	-	-	-	484	-	3,234	-
Total revenues-----	5,554	2,007	41,365	44,214	1,822	13,092	2,091	61	4,454	2,690
General government-----	-	-	-	-	-	-	142	-	2	-
Police-----	-	-	41,333	-	-	-	-	-	18	-
Fire-----	-	-	-	41,916	-	-	-	-	1	-
Other-----	8,325	1,946	-	-	1,547	-	83	-	-	-
Public services-----	-	-	-	-	-	-	2,007	-	977	2,922
Culture and recreation-----	-	-	-	-	-	-	-	728	227	-
Education-----	-	-	-	-	-	-	-	-	-	-
Economic development-----	-	-	-	-	-	-	-	-	-	-
Capital outlay-----	-	-	681	910	28	-	1,563	2,190	907	-
Interest-----	-	-	-	-	-	-	-	-	-	6
Total expenditures-----	8,325	1,946	42,014	42,826	1,575	-	3,795	2,918	2,132	2,928
Excess (deficiency) of revenues over (under) expenditures-----	(2,771)	61	(649)	1,388	247	13,092	(1,704)	(2,857)	2,322	(238)
OTHER FINANCING SOURCES (USES)										
Transfers from other funds-----	3,198	-	-	-	-	-	459	-	34	-
Transfers to other funds-----	-	(1)	(22)	-	-	(13,092)	(2,497)	-	(2,443)	(203)
Sale of assets-----	-	-	1	7	11	-	1,531	-	-	-
Net other financing sources (uses)-----	3,198	(1)	(21)	7	11	(13,092)	(507)	-	(2,409)	(203)
Net change in fund balances-----	427	60	(670)	1,395	258	-	(2,211)	(2,857)	(87)	(441)
FUND BALANCES										
Fund balances, beginning-----	1,193	1,088	21,007	18,147	2,141	-	18,221	8,886	641	1,276
Fund balances, ending-----	\$1,620	\$1,148	\$20,337	\$19,542	\$2,399	\$ -	\$16,010	\$6,029	\$554	\$835

CITY OF OKLAHOMA CITY, OKLAHOMA

Special Revenue Funds			Capital Projects Funds										Total
Incremental	Medical	Hotel/	Capital	Street	Metropolitan	Police/Fire	Impact	City and	City and	Sports	Sports	MAPS3	Non-Major
Financing	Services	Motel Tax	Improvement	and	Projects	Equipment	Fees	Schools	Schools	Facilities	Facilities	Use Tax	Governmental
				Alley	Tax	Sales Tax		Sales Tax	Use Tax	Sales Tax	Use Tax	Use Tax	Funds
\$425	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$92,046
-	-	-	-	-	-	-	-	-	-	-	-	12,555	12,555
-	-	14,171	-	-	-	-	-	-	-	-	-	-	14,171
-	-	-	-	-	-	-	-	-	-	-	-	-	5,334
-	6,878	-	-	-	-	-	1,830	-	-	-	-	-	11,305
-	-	-	-	-	-	-	-	-	-	-	-	-	291
-	-	-	-	-	-	-	-	-	-	-	-	-	1,330
1	49	65	408	3	2	42	2	2	115	2	2	362	1,391
-	-	-	-	-	-	-	-	-	-	-	-	-	2,672
-	-	-	-	-	-	-	-	-	-	-	-	-	27
-	-	-	968	-	-	-	-	-	-	-	-	-	968
634	-	125	-	-	-	-	-	-	-	-	-	-	9,300
-	-	-	-	-	-	-	-	-	-	-	-	-	882
-	-	-	15	-	7	-	-	19	-	-	-	-	3,760
1,060	6,927	14,361	1,391	3	9	42	1,832	21	115	2	2	12,917	156,032
-	-	-	-	-	-	-	-	-	-	-	-	-	144
-	-	-	-	-	-	-	-	-	-	-	-	-	41,351
-	-	-	-	-	-	-	-	-	-	-	-	-	41,917
-	4,871	-	-	-	-	220	-	-	821	-	-	-	17,813
-	-	-	6,189	60	-	-	-	-	-	-	-	-	12,155
-	-	7,150	-	-	94	-	-	-	-	98	24	4,785	13,106
-	-	-	-	-	-	-	-	388	-	-	-	-	388
850	-	-	-	-	-	-	-	-	-	-	-	-	850
-	564	-	11,324	4	228	735	-	-	-	221	371	14,960	34,686
-	-	-	-	-	-	-	-	-	-	-	-	-	6
850	5,435	7,150	17,513	64	322	955	-	388	821	319	395	19,745	162,416
210	1,492	7,211	(16,122)	(61)	(313)	(913)	1,832	(367)	(706)	(317)	(393)	(6,828)	(6,384)
-	-	-	7,165	-	-	-	-	-	-	-	-	-	10,856
-	-	(7,525)	(665)	-	-	-	-	-	-	-	-	-	(26,448)
-	-	-	193	-	-	155	-	-	106	-	-	4	2,008
-	-	(7,525)	6,693	-	-	155	-	-	106	-	-	4	(13,584)
210	1,492	(314)	(9,429)	(61)	(313)	(758)	1,832	(367)	(600)	(317)	(393)	(6,824)	(19,968)
(632)	4,494	8,057	44,730	364	567	4,959	-	382	5,578	380	564	39,598	181,641
(\$422)	\$5,986	\$7,743	\$35,301	\$303	\$254	\$4,201	\$1,832	\$15	\$4,978	\$63	\$171	\$32,774	\$161,673

**SCHEDULE OF REVENUES, EXPENDITURES,
ENCUMBRANCES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
For the Year Ended June 30, 2017
(dollars are in thousands)**

CITY OF OKLAHOMA CITY, OKLAHOMA

	Debt Service Fund					
	Original Budget	Revisions	Revised Budget	Expenditures	Total Actual	Variance
REVENUES						
Property taxes-----	\$84,327	(\$236)	\$84,091		\$83,306	(\$785)
Investment income-----	600	-	600		1,550	950
OTHER REVENUE						
Other revenue-----	6,000	-	6,000		368	(5,632)
Total revenues -----	90,927	(236)	90,691		85,224	(5,467)
EXPENDITURES						
Redemption of debt-----	84,664	966	85,630	\$58,128	58,128	27,502
Interest-----	25,991	38	26,029	28,851	28,851	(2,822)
Bond issue cost-----	1,000	(560)	440	200	200	240
Total expenditures-----	111,655	444	112,099	\$87,179	87,179	24,920
Deficiency of revenues under expenditures-----	(20,728)	(680)	(21,408)		(1,955)	19,453
OTHER FINANCING SOURCES						
Premium on sale of bonds-----	-	-	-		5,544	5,544
Total other financing sources-----	-	-	-		5,544	5,544
Excess (deficiency) of revenues and other sources over expenditures and other uses-----	(20,728)	(680)	(21,408)		3,589	24,997
FUND BALANCE (NON-GAAP BUDGETARY BASIS)						
BEGINNING FUND BALANCE						
Appropriated for current year budget-----	20,728	680	21,408		21,407	(1)
Not appropriated-----	-	-	-		81,040	81,040
Beginning fund balance-----	20,728	680	21,408		102,447	81,039
ENDING FUND BALANCE						
Before encumbrances-----	-	-	-		106,036	106,036
Ending fund balance-----	\$ -	\$ -	\$ -		106,036	\$106,036
RECONCILIATION OF FUND BALANCE NON-GAAP BUDGETARY BASIS TO GENERALLY ACCEPTED ACCOUNTING PRINCIPLES						
Revenue and transfer accruals-----					757	
Fund balance, ending-----					\$106,793	

**STATEMENT OF REVENUES, EXPENDITURES,
ENCUMBRANCES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
For the Year Ended June 30, 2017
(dollars are in thousands)**

CITY OF OKLAHOMA CITY, OKLAHOMA

	Emergency Management Fund				Total Actual	Variance
	Original Budget	Revisions	Revised Budget	Expenditures		
REVENUES						
TAXES						
Emergency telephone taxes-----	\$4,495	\$ -	\$4,495		\$5,058	\$563
LICENSES, PERMITS AND FEES						
Other fees-----	412	-	412		205	(207)
Investment income-----	10	-	10		15	5
Total revenues -----	4,917	-	4,917		5,278	361
EXPENDITURES						
PUBLIC SAFETY						
Police:						
Personal services-----	6,761	-	6,761	\$5,987	5,987	774
Other services and charges-----	2,610	-	2,610	2,333	2,333	277
Supplies-----	7	-	7	5	5	2
Total expenditures-----	9,378	-	9,378	\$8,325	8,325	1,053
Excess (deficiency) of revenues over (under) expenditures-----	(4,461)	-	(4,461)		(3,047)	1,414
OTHER FINANCING SOURCES (USES)						
TRANSFERS FROM OTHER FUNDS						
General Fund-----	3,998	-	3,998		3,198	(800)
Excess (deficiency) of revenues and other sources over expenditures-----	(463)	-	(463)		151	614
FUND BALANCE (NON-GAAP BUDGETARY BASIS)						
BEGINNING FUND BALANCE						
Appropriated for current year budget-----	463	-	463		463	-
Not appropriated-----	-	-	-		102	102
Beginning fund balance-----	463	-	463		565	102
ENDING FUND BALANCE						
Ending fund balance-----	\$ -	\$ -	\$ -		716	\$716
RECONCILIATION OF FUND BALANCE NON-GAAP BUDGETARY BASIS TO GENERALLY ACCEPTED ACCOUNTING PRINCIPLES						
Revenue and transfer accruals-----					904	
Fund balance, ending-----					\$1,620	

**SCHEDULE OF REVENUES, EXPENDITURES,
ENCUMBRANCES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**

CITY OF OKLAHOMA CITY, OKLAHOMA

For the Year Ended June 30, 2017

(dollars are in thousands)

	Court Administration and Training Fund						
	Original Budget	Revisions	Revised Budget	Expenditures	Encumbrances	Total Actual	Variance
REVENUES							
LICENSES, PERMITS AND FEES							
CLEET fees (1)-----	\$667	\$ -	\$667			\$724	\$57
AFIS fees (2)-----	467	-	467			509	42
Training fees-----	177	-	177			192	15
Forensic fees-----	451	-	451			491	40
Other police fees-----	50	-	50			51	1
Other fees-----	25	-	25			29	4
Investment income-----	10	-	10			11	1
Total revenues -----	1,847	-	1,847			2,007	160
EXPENDITURES							
GENERAL GOVERNMENT							
Municipal counselor:							
Other services and charges-----	11	-	11	\$7	\$ -	7	4
Supplies-----	2	-	2	-	-	-	2
PUBLIC SAFETY							
Municipal courts:							
Other services and charges-----	1,903	-	1,903	1,672	13	1,685	218
Supplies-----	178	-	178	-	145	145	33
Police:							
Other services and charges-----	167	1	168	104	7	111	57
Supplies-----	82	3	85	62	5	67	18
Total expenditures -----	2,343	4	2,347	1,845	170	2,015	332
PRIOR YEAR ENCUMBRANCES							
Related to prior year budgets (3)-----	-	-	-	(4)	-	(4)	4
Related to current year budgets-----	-	-	-	-	(170)	(170)	170
Net expenditures and encumbrances -----	2,343	4	2,347	\$1,841	\$ -	1,841	506
Excess (deficiency) of revenues over (under) expenditures -----	(496)	(4)	(500)			166	666
FUND BALANCE (NON-GAAP BUDGETARY BASIS)							
BEGINNING FUND BALANCE							
Appropriated for current year budget-----	496	-	496			496	-
Reappropriated for prior year encumbrances-----	-	4	4			4	-
Not appropriated-----	-	-	-			489	489
Beginning fund balance-----	496	4	500			989	489
ENDING FUND BALANCE							
Before encumbrances-----	-	-	-			1,155	1,155
Less: current year encumbrances-----	-	-	-			(170)	(170)
Ending fund balance -----	\$ -	\$ -	\$ -			985	\$985

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

Current year encumbrances included in expenditures-----	170
Revenue and transfer accruals-----	163
Expenditure and transfer accruals-----	(170)
Fund balance, ending -----	\$1,148

- (1) "CLEET" is the acronym for Council on Law Enforcement, Education, and Training.
- (2) "AFIS" is the acronym for Automated Fingerprint Identification System
- (3) 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, 2017
(dollars are in thousands)**

CITY OF OKLAHOMA CITY, OKLAHOMA

	Police Fund						
	<u>Original Budget</u>	<u>Revisions</u>	<u>Revised Budget</u>	<u>Expenditures</u>	<u>Encumbrances</u>	<u>Total Actual</u>	<u>Variance</u>
REVENUES							
TAXES							
Sales taxes-----	\$40,914	\$ -	\$40,914			\$39,016	(\$1,898)
Investment income-----	136	-	136			127	(9)
OTHER REVENUE							
Other revenue-----	124	-	124			205	81
Total revenues -----	41,174	-	41,174			39,348	(1,826)
EXPENDITURES							
PUBLIC SAFETY							
Police:							
Personal services-----	35,230	175	35,405	\$35,278	\$10	35,288	117
Other services and charges-----	4,346	(143)	4,203	2,610	62	2,672	1,531
Supplies-----	2,171	277	2,448	1,418	72	1,490	958
Capital outlay-----	-	109	109	109	-	109	-
Total expenditures-----	41,747	418	42,165	39,415	144	39,559	2,606
PRIOR YEAR ENCUMBRANCES							
Related to prior year budgets (1)-----	-	-	-	(418)	-	(418)	418
Related to current year budgets-----	-	-	-	-	(144)	(144)	144
Net expenditures and encumbrances-----	41,747	418	42,165	\$38,997	\$ -	38,997	3,168
Excess (deficiency) of revenues over (under) expenditures-----	(573)	(418)	(991)			351	1,342
OTHER FINANCING SOURCES (USES)							
OTHER FINANCING SOURCES							
Sales of assets-----	-	-	-			1	1
Excess (deficiency) of revenues and other sources over expenditures-----	(573)	(418)	(991)			352	1,343
FUND BALANCE (NON-GAAP BUDGETARY BASIS)							
BEGINNING FUND BALANCE							
Appropriated for current year budget-----	573	-	573			573	-
Reappropriated for prior year encumbrances---	-	418	418			418	-
Not appropriated-----	-	-	-			10,434	10,434
Beginning fund balance-----	573	418	991			11,425	10,434
ENDING FUND BALANCE							
Before encumbrances-----	-	-	-			11,777	11,777
Less: current year encumbrances-----	-	-	-			(144)	(144)
Ending fund balance-----	\$ -	\$ -	\$ -			11,633	\$11,633
RECONCILIATION OF FUND BALANCE NON-GAAP BUDGETARY BASIS TO GENERALLY ACCEPTED ACCOUNTING PRINCIPLES							
Current year encumbrances included in expenditures-----						144	
Revenue and transfer accruals-----						5,447	
Expenditure and transfer accruals-----						57	
Project length budgeted activity-----						3,056	
Fund balance, ending-----						\$20,337	

(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, 2017
(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-----	\$40,914	\$ -	\$40,914			\$39,016	(\$1,898)
Investment income-----	122	-	122			139	17
OTHER REVENUE							
Rental income-----	13	-	13			13	-
Other revenue-----	1	-	1			22	21
Total revenues -----	41,050	-	41,050			39,190	(1,860)
EXPENDITURES							
PUBLIC SAFETY							
Fire:							
Personal services-----	35,124	-	35,124	\$33,543	\$ -	33,543	1,581
Other services and charges-----	4,087	(758)	3,329	1,932	278	2,210	1,119
Supplies-----	1,800	136	1,936	1,635	103	1,738	198
Capital outlay-----	3,120	-	3,120	910	850	1,760	1,360
Total expenditures-----	44,131	(622)	43,509	38,020	1,231	39,251	4,258
PRIOR YEAR ENCUMBRANCES							
Related to prior year budgets (1)-----	-	-	-	(179)	-	(179)	179
Related to current year budgets-----	-	-	-	-	(1,231)	(1,231)	1,231
Net expenditures and encumbrances-----	44,131	(622)	43,509	\$37,841	\$ -	37,841	5,668
Excess (deficiency) of revenues over (under) expenditures-----	(3,081)	622	(2,459)			1,349	3,808
OTHER FINANCING SOURCES (USES)							
TRANSFERS TO OTHER FUNDS							
Public safety:							
OCMFA Services Fund-----	-	(1,400)	(1,400)			(1,400)	-
OTHER FINANCING SOURCES							
Sales of assets-----	-	-	-			7	7
Excess (deficiency) of revenues over expenditures and other uses-----	(3,081)	(778)	(3,859)			(44)	3,815
FUND BALANCE (NON-GAAP BUDGETARY BASIS)							
BEGINNING FUND BALANCE							
Appropriated for current year budget-----	3,081	599	3,680			3,681	1
Reappropriated for prior year encumbrances-----	-	179	179			179	-
Not appropriated-----	-	-	-			8,804	8,804
Beginning fund balance-----	3,081	778	3,859			12,664	8,805
ENDING FUND BALANCE							
Before encumbrances-----	-	-	-			12,620	12,620
Less: current year encumbrances-----	-	-	-			(1,231)	(1,231)
Ending fund balance-----	\$ -	\$ -	\$ -			11,389	\$11,389
RECONCILIATION OF FUND BALANCE NON-GAAP BUDGETARY BASIS TO GENERALLY ACCEPTED ACCOUNTING PRINCIPLES							
Current year encumbrances included in expenditures-----						1,231	
Revenue and transfer accruals-----						5,442	
Expenditure and transfer accruals-----						1,480	
Fund balance, ending-----						\$19,542	

(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, 2017
(dollars are in thousands)**

CITY OF OKLAHOMA CITY, OKLAHOMA

	Asset Forfeiture Fund						
	Original Budget	Revisions	Revised Budget	Expenditures	Encumbrances	Total Actual	Variance
REVENUES							
Fines and forfeitures-----	\$1,169	\$ -	\$1,169			\$1,798	\$629
Investment income-----	25	-	25			21	(4)
Other revenue-----	17	-	17			-	(17)
Total revenues -----	1,211	-	1,211			1,819	608
EXPENDITURES							
PUBLIC SAFETY							
Police:							
Personal services-----	\$130	-	130	\$73	\$ -	73	57
Other services and charges-----	735	173	908	610	22	632	276
Supplies-----	1,227	(5)	1,222	862	10	872	350
Capital outlay-----	200	-	200	28	27	55	145
Total expenditures-----	2,292	168	2,460	1,573	59	1,632	828
PRIOR YEAR ENCUMBRANCES							
Related to prior year budgets (1)-----	-	-	-	(168)	-	(168)	168
Related to current year budgets-----	-	-	-	-	(59)	(59)	59
Net expenditures and encumbrances-----	2,292	168	2,460	\$1,405	\$ -	1,405	1,055
Excess (deficiency) of revenues over (under) expenditures-----	(1,081)	(168)	(1,249)			414	1,663
OTHER FINANCING SOURCES (USES)							
TRANSFERS TO OTHER FUNDS							
Public services:							
OCMFA General Purpose Fund-----	(100)	-	(100)			-	100
OTHER FINANCING SOURCES							
Sale of assets-----	-	-	-			11	11
Excess (deficiency) of revenues over expenditures and other uses-----	(1,181)	(168)	(1,349)			425	1,774
FUND BALANCE (NON-GAAP BUDGETARY BASIS)							
BEGINNING FUND BALANCE							
Appropriated for current year budget-----	1,181	-	1,181			1,181	-
Reappropriated for prior year encumbrances-----	-	168	168			168	-
Not appropriated-----	-	-	-			507	507
Beginning fund balance-----	1,181	168	1,349			1,856	507
ENDING FUND BALANCE							
Before encumbrances-----	-	-	-			2,281	2,281
Less: current year encumbrances-----	-	-	-			(59)	(59)
Ending fund balance-----	\$ -	\$ -	\$ -			2,222	\$2,222
RECONCILIATION OF FUND BALANCE NON-GAAP BUDGETARY BASIS TO GENERALLY ACCEPTED ACCOUNTING PRINCIPLES							
Current year encumbrances included in expenditures-----						59	
Revenue and transfer accruals-----						1	
Expenditure and transfer accruals-----						117	
Fund balance, ending-----						\$2,399	

(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, 2017
(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-----	\$13,911	\$ -	\$13,911	\$13,005	(\$906)
Investment income-----	-	-	-	4	4
Total revenues -----	13,911	-	13,911	13,009	(902)
Excess of revenues over expenditures-----	13,911	-	13,911	13,009	(902)
<u>OTHER FINANCING SOURCES (USES)</u>					
<u>TRANSFERS TO OTHER FUNDS</u>					
Culture and recreation:					
OKZT-----	(14,189)	-	(14,189)	(13,009)	1,180
Excess (deficiency) of revenues over expenditures and other uses-----	(278)	-	(278)	-	278
<u>FUND BALANCE (NON-GAAP BUDGETARY BASIS)</u>					
<u>BEGINNING FUND BALANCE</u>					
Appropriated for current year budget-----	278	-	278	278	-
Not appropriated-----	-	-	-	(278)	(278)
Beginning fund balance-----	278	-	278	-	(278)
<u>ENDING FUND BALANCE</u>					
Ending fund balance-----	\$ -	\$ -	\$ -	-	\$ -
<u>RECONCILIATION OF FUND BALANCE NON-GAAP BUDGETARY BASIS TO GENERALLY ACCEPTED ACCOUNTING PRINCIPLES</u>					
Revenue and transfer accruals-----				1,820	
Expenditure and transfer accruals-----				(1,820)	
Fund balance, ending-----				\$ -	

**SCHEDULE OF REVENUES, EXPENDITURES
ENCUMBRANCES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
For the Year Ended June 30, 2017
(dollars are in thousands)**

CITY OF OKLAHOMA CITY, OKLAHOMA

	MAPS Operations Fund				Total Actual	Variance
	Original Budget	Revisions	Revised Budget	Expenditures		
REVENUES						
Investment income-----	\$71	\$ -	\$71		\$36	(\$35)
Total revenues -----	71	-	71		36	(35)
EXPENDITURES						
CULTURE AND RECREATION						
Parks:						
Personal services-----	452	-	452	\$374	374	78
Other services and charges-----	-	15	15	7	7	8
Supplies-----	-	25	25	-	-	25
Capital outlay-----	300	(40)	260	-	-	260
Total expenditures -----	752	-	752	\$381	381	371
Excess (deficiency) of revenues over (under) expenditures -----	(681)	-	(681)		(345)	336
OTHER FINANCING SOURCES (USES)						
TRANSFERS FROM OTHER FUNDS						
MAPS Operations Fund (1)-----	(691)	-	(691)		(691)	-
Excess (deficiency) of revenues and other sources over expenditures and other uses -----	(1,372)	-	(1,372)		(1,036)	336
FUND BALANCE (NON-GAAP BUDGETARY BASIS)						
BEGINNING FUND BALANCE						
Appropriated for current year budget-----	1,372	-	1,372		1,372	-
Not appropriated-----	-	-	-		3,268	3,268
Beginning fund balance-----	1,372	-	1,372		4,640	3,268
ENDING FUND BALANCE						
Before encumbrances-----	-	-	-		3,604	3,604
Ending fund balance -----	\$ -	\$ -	\$ -		3,604	\$3,604
RECONCILIATION OF FUND BALANCE NON-GAAP BUDGETARY BASIS TO GENERALLY ACCEPTED ACCOUNTING PRINCIPLES						
Revenue and transfer accruals-----					308	
Project length budgeted activity-----					2,117	
Fund balance, ending -----					\$6,029	

(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, 2017
(dollars are in thousands)**

CITY OF OKLAHOMA CITY, OKLAHOMA

	Special Purpose Fund				Total Actual	Variance
	Original Budget	Revisions	Revised Budget	Expenditures		
REVENUES						
LICENSES, PERMITS AND FEES						
Other fees-----	\$65	\$ -	\$65		\$161	\$96
Investment income-----	-	-	-		1	1
OTHER REVENUE						
Other revenue-----	162	-	162		-	(162)
Total revenues -----	227	-	227		162	(65)
EXPENDITURES						
PUBLIC SERVICES						
Development services:						
Personal services-----	8	-	8	8	8	-
Other services and charges-----	154	-	154	93	93	61
Planning:						
Other services and charges-----	131	3	134	65	65	69
Supplies-----	1	-	1	-	-	1
Total expenditures -----	294	3	297	166	166	131
PRIOR YEAR ENCUMBRANCES						
Related to prior year budgets (1)-----	-	-	-	(3)	(3)	3
Deficiency of revenues under expenditures -----	(67)	(3)	(70)		(1)	69
FUND BALANCE (NON-GAAP BUDGETARY BASIS)						
BEGINNING FUND BALANCE						
Appropriated for current year budget-----	67	-	67		67	-
Reappropriated for prior year encumbrances-----	-	3	3		-	(3)
Beginning fund balance-----	67	3	70		67	(3)
ENDING FUND BALANCE						
Before encumbrances-----	-	-	-		66	66
Ending fund balance -----	\$ -	\$ -	\$ -		66	\$66
RECONCILIATION OF FUND BALANCE NON-GAAP BUDGETARY BASIS TO GENERALLY ACCEPTED ACCOUNTING PRINCIPLES						
Project length budgeted activity-----					488	
Fund balance, ending -----					\$554	

- (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, 2017
(dollars are in thousands)**

CITY OF OKLAHOMA CITY, OKLAHOMA

	Special Districts Fund					
	Original Budget	Revisions	Revised Budget	Expenditures	Total Actual	Variance
<u>REVENUES</u>						
Investment income-----	\$8	\$ -	\$8		\$4	(\$4)
Charges for services-----	3,497	-	3,497		2,927	(570)
Other revenue-----	232	-	232		-	(232)
Total revenues -----	3,737	-	3,737		2,931	(806)
<u>EXPENDITURES</u>						
<u>GENERAL GOVERNMENT</u>						
Non-departmental:						
Other services and charges-----	68	3	71	\$44	44	27
<u>CULTURE AND RECREATION</u>						
Total expenditures and encumbrances-----	68	3	71	\$44	44	27
Excess (deficiency) of revenues over (under) expenditures-----	3,669	(3)	3,666		2,887	(779)
<u>OTHER FINANCING SOURCES (USES)</u>						
<u>TRANSFERS TO OTHER FUNDS</u>						
Public services:						
OCPPA General Purpose Fund-----	(3,669)	3	(3,666)		(3,412)	254
Excess (deficiency) of revenues over expenditures and other uses-----	-	-	-		(525)	(525)
<u>FUND BALANCE (NON-GAAP BUDGETARY BASIS)</u>						
<u>BEGINNING FUND BALANCE</u>						
Not appropriated-----	-	-	-		870	870
Beginning fund balance-----	-	-	-		870	870
<u>ENDING FUND BALANCE</u>						
Before encumbrances-----	-	-	-		345	345
Ending fund balance-----	\$ -	\$ -	\$ -		345	\$345
<u>RECONCILIATION OF FUND BALANCE NON-GAAP BUDGETARY BASIS TO GENERALLY ACCEPTED ACCOUNTING PRINCIPLES</u>						
Revenue and transfer accruals-----					(335)	
Expenditure and transfer accruals-----					825	
Fund balance, ending-----					\$835	

**SCHEDULE OF REVENUES, EXPENDITURES
ENCUMBRANCES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
For the Year Ended June 30, 2017
(dollars are in thousands)**

CITY OF OKLAHOMA CITY, OKLAHOMA

	Medical Services Fund					
	Original Budget	Revisions	Revised Budget	Expenditures	Total Actual	Variance
<u>REVENUES</u>						
<u>LICENSES, PERMITS AND FEES</u>						
Other fees-----	\$6,811	\$ -	\$6,811		\$6,869	\$58
Investment income-----	33	-	33		50	17
Total revenues -----	6,844	-	6,844		6,919	75
<u>EXPENDITURES</u>						
<u>GENERAL GOVERNMENT</u>						
Non-departmental:						
Other services and charges-----	6,844	(736)	6,108	\$5,239	5,239	869
Capital outlay-----	-	1,146	1,146	606	606	540
Total expenditures-----	6,844	410	7,254	5,845	5,845	1,409
<u>PRIOR YEAR ENCUMBRANCES</u>						
Related to prior year budgets (1)-----	-	-	-	(410)	(410)	410
Net expenditures and encumbrances-----	6,844	410	7,254	\$5,435	5,435	1,819
Excess (deficiency) of revenues over (under) expenditures-----	-	(410)	(410)		1,484	1,894
<u>FUND BALANCE (NON-GAAP BUDGETARY BASIS)</u>						
<u>BEGINNING FUND BALANCE</u>						
Reappropriated for prior year encumbrance	-	410	410		410	-
Not appropriated-----	-	-	-		3,762	3,762
Beginning fund balance-----	-	410	410		4,172	3,762
<u>ENDING FUND BALANCE</u>						
Before encumbrances-----	-	-	-		5,656	5,656
Ending fund balance-----	\$ -	\$ -	\$ -		5,656	\$5,656
<u>RECONCILIATION OF FUND BALANCE NON-GAAP BUDGETARY BASIS TO GENERALLY ACCEPTED ACCOUNTING PRINCIPLES</u>						
Revenue and transfer accruals-----					335	
Expenditure and transfer accruals-----					(5)	
Fund balance, ending-----					\$5,986	

(1) Expenditures paid against prior year encumbrances are reported with current year expenditures in the schedule shown. Prior year encumbrances

**SCHEDULE OF REVENUES, EXPENDITURES
ENCUMBRANCES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
For the Year Ended June 30, 2017
(dollars are in thousands)**

CITY OF OKLAHOMA CITY, OKLAHOMA

	<u>Hotel/Motel Tax Fund</u>					
	<u>Original</u>		<u>Revised</u>		<u>Total</u>	
	<u>Budget</u>	<u>Revisions</u>	<u>Budget</u>	<u>Expenditures</u>	<u>Actual</u>	<u>Variance</u>
<u>REVENUES</u>						
<u>TAXES</u>						
Hotel/Motel taxes-----	\$14,284	\$ -	\$14,284		\$14,140	(\$144)
Investment income-----	75	-	75		65	(10)
<u>OTHER REVENUE</u>						
Other revenue-----	-	-	-		125	125
Total revenues -----	14,359	-	14,359		14,330	(29)
<u>EXPENDITURES</u>						
<u>GENERAL GOVERNMENT</u>						
Non-departmental:						
Other services and charges-----	7,055	127	7,182	\$7,150	7,150	32
Total expenditures-----	7,055	127	7,182	\$7,150	7,150	32
Excess (deficiency) of revenues						
over (under) expenditures-----	7,304	(127)	7,177		7,180	3
<u>OTHER FINANCING SOURCES (USES)</u>						
<u>TRANSFERS FROM OTHER FUNDS</u>						
OCPPA Fairgrounds Fund-----	6,546	-	6,546		6,410	(136)
<u>TRANSFERS TO OTHER FUNDS</u>						
General government:						
OCPPA Fairgrounds Fund-----	(15,358)	127	(15,231)		(13,935)	1,296
Total other financing sources (uses)-----	(8,812)	127	(8,685)		(7,525)	1,160
Excess (deficiency) of revenues over						
expenditures and other uses-----	(1,508)	-	(1,508)		(345)	1,163
<u>FUND BALANCE (NON-GAAP BUDGETARY BASIS)</u>						
<u>BEGINNING FUND BALANCE</u>						
Appropriated for current year budget-----	1,508	-	1,508		1,508	-
Not appropriated-----	-	-	-		5,191	5,191
Beginning fund balance-----	1,508	-	1,508		6,699	5,191
Before encumbrances-----	-	-	-		6,354	6,354
Ending fund balance-----	\$ -	\$ -	\$ -		6,354	\$6,354
<u>RECONCILIATION OF FUND BALANCE NON-GAAP BUDGETARY BASIS TO</u>						
<u>GENERALLY ACCEPTED ACCOUNTING PRINCIPLES</u>						
Revenue and transfer accruals-----					1,389	
Fund balance, ending-----					\$7,743	

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Non-Major Enterprise Funds

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**

CITY OF OKLAHOMA CITY, OKLAHOMA

June 30, 2017

(dollars are in thousands)

	<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-----	\$39	\$57	\$510	\$9	\$1	\$616
Investments-----	1,233	1,820	16,046	216	36	19,351
Accounts receivable, net-----	-	-	1,628	-	-	1,628
Interest, dividends, and royalties receivable-----	4	5	48	1	-	58
Due from other funds-----	-	-	190	-	8	198
Receivable from component units-----	-	-	5	50	-	55
Inventories-----	918	-	37	-	6	961
Prepays-----	-	-	2	-	-	2
Total current assets-----	2,194	1,882	18,466	276	51	22,869
NON-CURRENT ASSETS						
Prepays, non-current-----	-	-	7	-	-	7
Advance from other funds-----	487	1,847	-	-	-	2,334
Receivable from component units-----	904	-	-	399	53	1,356
Capital assets:						
Land, art, and construction in progress-----	16,115	-	3,423	-	-	19,538
Other capital assets, net of accumulated depreciation-----	1,821	-	37,119	-	-	38,940
Capital assets, net-----	17,936	-	40,542	-	-	58,478
Total non-current assets-----	19,327	1,847	40,549	399	53	62,175
Total assets-----	21,521	3,729	59,015	675	104	85,044
DEFERRED OUTFLOWS OF RESOURCES-----	2,634	1,983	2,169	551	125	7,462
LIABILITIES						
CURRENT LIABILITIES						
Accounts payable and accrued expenses-----	8	18	906	-	7	939
Wages and benefits payable-----	415	324	352	97	19	1,207
Due to other funds-----	20	37	66	-	-	123
Payable to component units-----	-	-	1	-	-	1
Compensated absences-----	589	461	398	100	16	1,564
Total current liabilities-----	1,032	840	1,723	197	42	3,834
NON-CURRENT LIABILITIES						
Compensated absences-----	1,075	886	677	289	33	2,960
Net pension liability-----	62	46	51	13	3	175
Net other post-employment benefit obligation-----	3,196	3,297	2,270	548	110	9,421
Total non-current liabilities-----	4,333	4,229	2,998	850	146	12,556
Total liabilities-----	5,365	5,069	4,721	1,047	188	16,390
DEFERRED INFLOWS OF RESOURCES-----	854	643	703	179	41	2,420
NET POSITION (DEFICIT)						
Net investment in capital assets-----	17,936	-	40,283	-	-	58,219
Unrestricted-----	-	-	15,477	-	-	15,477
Total net position (deficit)-----	\$17,936	\$ -	\$55,760	\$ -	\$ -	\$73,696

**COMBINING STATEMENT OF REVENUES,
EXPENSES, AND CHANGES IN FUND NET POSITION
NON-MAJOR ENTERPRISE FUNDS
For the Year Ended June 30, 2017
(dollars are in thousands)**

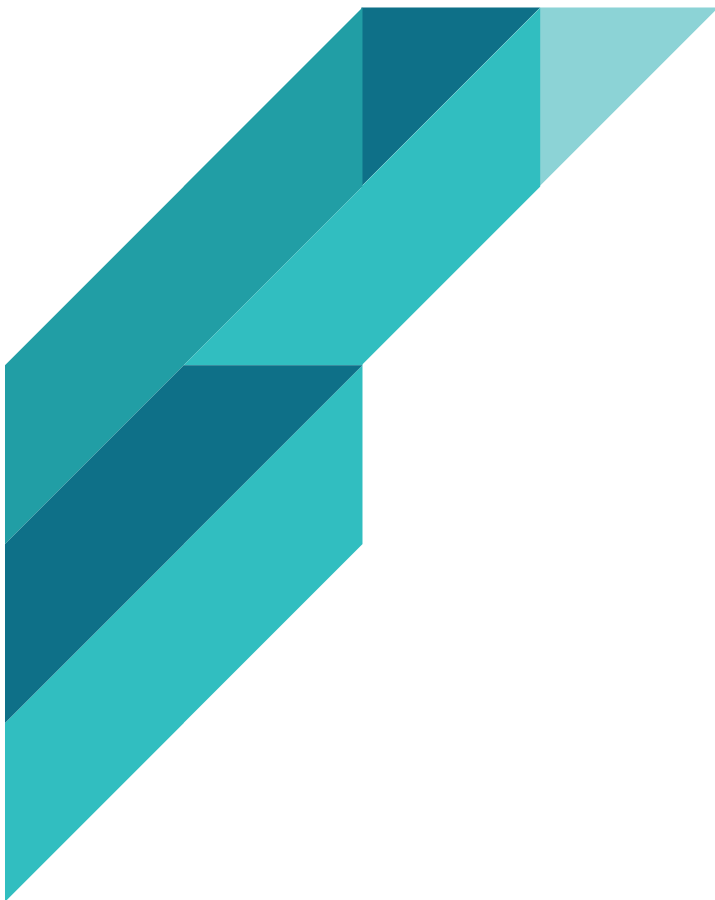
CITY OF OKLAHOMA CITY, OKLAHOMA

	<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-----	\$ -	\$ -	\$17,456	\$ -	\$ -	\$17,456
Other charges-----	-	-	50	-	-	50
Total charges for services-----	-	-	17,506	-	-	17,506
Other-----	-	-	111	-	-	111
Total operating revenues-----	-	-	17,617	-	-	17,617
<u>OPERATING EXPENSES</u>						
Personal services-----	-	-	9,234	-	-	9,234
Maintenance, operations, and contractual services-----	-	-	4,727	615	-	5,342
Materials and supplies-----	-	-	730	-	-	730
Depreciation-----	497	-	3,567	-	-	4,064
Total operating expenses-----	497	-	18,258	615	-	19,370
Operating loss-----	(497)	-	(641)	(615)	-	(1,753)
<u>NON-OPERATING REVENUE</u>						
Investment income-----	-	-	158	-	-	158
Payments from component units-----	157	-	-	-	-	157
Other revenue-----	22	-	82	-	-	104
Net non-operating revenue-----	179	-	240	-	-	419
Loss before transfers-----	(318)	-	(401)	(615)	-	(1,334)
<u>TRANSFERS</u>						
Transfers from other funds-----	-	-	-	615	-	615
Transfers to other funds-----	-	-	(22)	-	-	(22)
Total transfers-----	-	-	(22)	615	-	593
Changes in net position (deficit)-----	(318)	-	(423)	-	-	(741)
<u>NET POSITION (DEFICIT)</u>						
Total net assets, beginning-----	18,254	-	56,183	-	-	74,437
Total net position (deficit), ending-----	\$17,936	\$ -	\$55,760	\$ -	\$ -	\$73,696

COMBINING STATEMENT OF CASH FLOWS
NON-MAJOR ENTERPRISE FUNDS
For the Year Ended June 30, 2017
(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-----	\$ -	\$ -	\$17,571	\$ -	\$ -	\$17,571
Cash payments to suppliers for goods and services-----	(5,958)	(378)	(2,280)	(615)	(120)	(9,351)
Cash payments to employees and professional contractors for services-----	(10,516)	(8,311)	(8,515)	(2,386)	(426)	(30,154)
Cash payments for internal services-----	-	(1,242)	(3,070)	29	(171)	(4,454)
Operating payments from component units-----	15,821	-	-	-	-	15,821
Cost reimbursements from (to) other funds-----	-	10,200	-	2,415	400	13,015
Net cash provided (used) by operating activities-----	(653)	269	3,706	(557)	(317)	2,448
<u>CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES</u>						
Transfers received from other funds-----	-	-	(67)	615	282	830
Net cash provided (used) by non-capital financing activities-----	-	-	(67)	615	282	830
<u>CASH FLOWS FROM CAPITAL AND CAPITAL RELATED FINANCING ACTIVITIES</u>						
Payments for acquisition and construction of capital assets-----	(181)	-	(2,184)	-	-	(2,365)
Proceeds from sale of assets-----	69	-	-	-	-	69
Net cash used by capital and related financing activities-----	(112)	-	(2,184)	-	-	(2,296)
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>						
Changes in pooled investments-----	682	(305)	(1,795)	(61)	30	(1,449)
Investment income received-----	28	17	143	4	2	194
Purchased interest-----	-	1	6	-	-	7
Net cash provided (used) by investing activities-----	710	(287)	(1,646)	(57)	32	(1,248)
Net increase (decrease) in cash-----	(55)	(18)	(191)	1	(3)	(266)
Cash, beginning-----	94	75	701	8	4	882
Cash, ending-----	\$39	\$57	\$510	\$9	\$1	\$616
<u>RECONCILIATION OF OPERATING LOSS TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</u>						
Operating loss-----	(\$497)	\$ -	(\$641)	(\$615)	\$ -	(\$1,753)
<u>ADJUSTMENTS TO RECONCILE OPERATING LOSS TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</u>						
Depreciation-----	497	-	3,567	-	-	4,064
Other revenue (expense)-----	-	-	-	(4)	(318)	(322)
Changes in assets and liabilities:						
(Increase) decrease in accounts receivable-----	8	-	(41)	-	-	(33)
(Increase) decrease in due from other funds-----	(842)	15	185	-	(20)	(662)
(Increase) decrease in receivable from component units-----	157	-	(1)	79	22	257
(Increase) decrease in inventories-----	116	-	18	-	-	134
(Increase) decrease in prepaid assets-----	-	-	(8)	-	-	(8)
(Increase) decrease in net pension asset-----	2,277	1,790	1,856	412	89	6,424
(Increase) decrease in deferred outflows-----	(2,274)	(1,700)	(1,875)	-	(111)	(5,960)
Increase (decrease) in accounts payable and accrued expenses-----	-	(45)	340	(486)	(6)	(197)
Increase (decrease) in wages and benefits payable-----	23	26	49	20	7	125
Increase (decrease) in due to other funds-----	(513)	(93)	(209)	-	-	(815)
Increase (decrease) in payable to component unit-----	-	-	(3)	-	-	(3)
Increase (decrease) in compensated absences-----	44	(10)	25	30	6	95
Increase (decrease) in net other pension liability-----	62	46	51	13	3	175
Increase (decrease) in net other post-employment benefit obligation-----	381	340	461	(13)	7	1,176
Increase (decrease) in deferred inflows-----	(92)	(100)	(68)	7	4	(249)
Total adjustments-----	(156)	269	4,347	58	(317)	4,201
Net cash provided (used) by operating activities-----	(\$653)	\$269	\$3,706	(\$557)	(\$317)	\$2,448



Internal Service Funds

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**

CITY OF OKLAHOMA CITY, OKLAHOMA

June 30, 2017

(dollars are in thousands)

	Fleet Services	Risk Management	Information Technology	Print Shop	OCMFA Services	OCPPA Services	Total Internal Service Funds
ASSETS							
CURRENT ASSETS							
Pooled cash-----	\$67	\$132	\$160	\$10	\$13,283	\$38	\$13,690
Non-pooled cash-----	-	-	-	-	10,572	-	10,572
Investments-----	2,074	4,147	4,919	311	28,314	99	39,864
Accounts receivable, net-----	-	-	30	2	4	-	36
Interest, dividends, and royalties receivable-----	6	12	15	1	92	-	126
Due from other funds-----	146	-	6	39	46	-	237
Receivable from component units-----	8	-	1	3	61	-	73
Intergovernmental receivables-----	-	-	-	-	94	-	94
Inventories-----	26	-	635	24	-	-	685
Prepays-----	-	-	475	2	1,332	-	1,809
Total current assets-----	2,327	4,291	6,241	392	53,798	137	67,186
NON-CURRENT ASSETS							
Prepays, non-current-----	-	-	12	-	31	-	43
Advance to other funds-----	-	3,408	15,216	-	6,290	-	24,914
Capital assets:							
Land and construction in progress-----	928	-	-	-	-	-	928
Other capital assets, net of accumulated depreciation-----	77	-	15	113	2,866	-	3,071
Capital assets, net-----	1,005	-	15	113	2,866	-	3,999
Total non-current assets-----	1,005	3,408	15,243	113	9,187	-	28,956
Total assets-----	3,332	7,699	21,484	505	62,985	137	96,142
DEFERRED OUTFLOWS OF RESOURCES							
	586	135	2,464	60	-	-	3,245
LIABILITIES							
CURRENT LIABILITIES							
Accounts payable and accrued expenses-----	394	9	130	11	1,471	81	2,096
Wages and benefits payable-----	90	33	406	9	-	-	538
Due to other funds-----	-	4	48	-	136	-	188
Payable to component units-----	-	-	-	-	77	-	77
Compensated absences-----	162	34	555	4	-	-	755
Notes, lease obligations, and estimated claims payable-----	-	-	-	19	12,319	-	12,338
Total current liabilities-----	646	80	1,139	43	14,003	81	15,992
NON-CURRENT LIABILITIES							
Compensated absences-----	360	34	839	3	-	-	1,236
Payable to component units-----	-	-	-	-	300	-	300
Notes, lease obligations, and estimated claims payable-----	-	-	-	13	34,068	-	34,081
Advance from other funds-----	-	3,350	12,809	-	7,665	-	23,824
Net pension liability-----	14	3	58	1	-	-	76
Net other post-employment benefit obligation-----	2,163	316	2,702	81	-	-	5,262
Total non-current liabilities-----	2,537	3,703	16,408	98	42,033	-	64,779
Total liabilities-----	3,183	3,783	17,547	141	56,036	81	80,771
DEFERRED INFLOWS OF RESOURCES							
	190	44	799	19	-	-	1,052
NET POSITION (DEFICITS)							
Net investment in capital assets-----	1,005	-	16	80	2,509	-	3,610
Unrestricted-----	(460)	4,007	5,586	325	4,440	56	13,954
Total net position (deficits)-----	\$545	\$4,007	\$5,602	\$405	\$6,949	\$56	\$17,564

COMBINING STATEMENT OF REVENUES,
EXPENSES, AND CHANGES IN FUND NET POSITION
INTERNAL SERVICE FUNDS

CITY OF OKLAHOMA CITY, OKLAHOMA

For the Year Ended June 30, 2017

(dollars are in thousands)

	<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-----	\$8,139	\$14,141	\$23,580	\$844	\$52,107	\$716	\$99,527
Other charges-----	-	-	103	-	-	-	103
Total charges for services-----	8,139	14,141	23,683	844	52,107	716	99,630
Other-----	42	-	-	-	-	-	42
Total operating revenues-----	8,181	14,141	23,683	844	52,107	716	99,672
<u>OPERATING EXPENSES</u>							
Personal services-----	2,866	1,069	10,543	242	-	-	14,720
Maintenance, operations, and contractual services---	1,243	7,351	10,928	417	53,457	740	74,136
Materials and supplies-----	3,876	19	471	51	4	-	4,421
Depreciation-----	12	-	2	34	175	-	223
Total operating expenses-----	7,997	8,439	21,944	744	53,636	740	93,500
Operating income (loss)-----	184	5,702	1,739	100	(1,529)	(24)	6,172
<u>NON-OPERATING REVENUE (EXPENSES)</u>							
Investment income-----	20	352	90	3	66	1	532
Interest on torts and lease obligations-----	-	-	(85)	(1)	-	-	(86)
Other revenue (expenses)-----	-	(51)	83	(37)	-	-	(5)
Net non-operating revenue (expenses)-----	20	301	88	(35)	66	1	441
Income (loss) before transfers-----	204	6,003	1,827	65	(1,463)	(23)	6,613
<u>TRANSFERS</u>							
Transfers from other funds-----	-	-	2,473	-	2,338	-	4,811
Transfers to other funds-----	-	(46)	(3,387)	-	(54)	-	(3,487)
Total transfers-----	-	(46)	(914)	-	2,284	-	1,324
Changes in net position-----	204	5,957	913	65	821	(23)	7,937
<u>NET POSITION (DEFICITS)</u>							
Total net position (deficits), beginning-----	341	(1,950)	4,689	340	6,128	79	9,627
Total net position (deficits), ending-----	\$545	\$4,007	\$5,602	\$405	\$6,949	\$56	\$17,564

COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
For the Year Ended June 30, 2017
(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-----	\$8,568	\$14,155	\$23,627	\$892	\$52,150	\$810	\$100,202
Cash payments to suppliers for goods and services-----	(5,079)	(290)	(3,648)	(385)	(68,736)	(730)	(78,868)
Cash payments to employees and professional contractors for services-----	(2,579)	(940)	(10,227)	(233)	-	-	(13,979)
Cash payments for internal services-----	(125)	(800)	(1,204)	(94)	(12)	-	(2,235)
Cost reimbursements from (to) other funds-----	-	(8,713)	(5,302)	-	13,232	-	(783)
Other cash receipts-----	-	252	-	-	2,347	-	2,599
Net cash provided (used) by operating activities-----	785	3,664	3,246	180	(1,019)	80	6,936
<u>CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES</u>							
Transfers received from other funds-----	-	5,488	(3,296)	-	2,526	-	4,718
Transfers paid to other funds-----	-	(5,448)	-	-	-	-	(5,448)
Net cash provided (used) by non-capital financing activities-----	-	40	(3,296)	-	2,526	-	(730)
<u>CASH FLOWS FROM CAPITAL AND CAPITAL RELATED FINANCING ACTIVITIES</u>							
Proceeds from issuance of long-term debt-----	-	-	-	-	13,115	-	13,115
Payments for acquisition and construction of capital assets-----	-	-	(10)	-	(2,543)	-	(2,553)
Principal paid on long-term debt-----	-	-	(11)	(19)	(2,615)	-	(2,645)
Interest paid on long-term debt-----	-	(76)	-	(1)	(84)	-	(161)
Proceeds from sale of assets-----	-	-	-	-	5	-	5
Net cash provided (used) by capital and related financing activities-----	-	(76)	(21)	(20)	7,878	-	7,761
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>							
Changes in pooled investments-----	(802)	(3,584)	(62)	(160)	3,286	(64)	(1,386)
Investment income received-----	18	32	48	2	406	1	507
Purchased interest-----	1	-	2	-	(7)	-	(4)
Net cash provided (used) by investing activities-----	(783)	(3,552)	(12)	(158)	3,685	(63)	(883)
Net increase (decrease) in cash-----	2	76	(83)	2	13,070	17	13,084
Cash, beginning-----	65	56	243	8	10,785	21	11,178
Cash, ending-----	\$67	\$132	\$160	\$10	\$23,855	\$38	\$24,262
<u>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</u>							
Operating income (loss)-----	\$184	\$5,702	\$1,739	\$100	(\$1,529)	(\$24)	\$6,172
<u>ADJUSTMENTS TO RECONCILE OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:</u>							
Depreciation-----	12	-	2	34	175	-	223
Other revenue (expense)-----	-	(226)	94	-	(270)	-	(402)
Changes in assets and liabilities:							
(Increase) decrease in accounts receivable-----	-	-	(22)	5	2,596	-	2,579
(Increase) decrease in due from other funds-----	346	1,574	(7)	39	(9,588)	92	(7,544)
(Increase) decrease in receivable from component units-----	(1)	-	(1)	2	(55)	2	(53)
(Increase) decrease in inventories-----	(2)	-	(323)	(9)	-	-	(334)
(Increase) decrease in prepaid assets-----	-	-	(124)	(2)	13	-	(113)
(Increase) decrease in intergovernmental receivable-----	9	-	-	-	-	-	9
(Increase) decrease in net pension asset-----	619	253	2,348	80	-	-	3,300
(Increase) decrease in deferred outflows-----	(488)	(95)	(2,093)	(47)	-	-	(2,723)
Increase (decrease) in accounts payable and accrued expenses-----	(29)	5	25	(3)	(433)	10	(425)
Increase (decrease) in wages and benefits payable-----	(8)	(7)	(51)	(1)	-	-	(67)
Increase (decrease) in due to other funds-----	(22)	(3,520)	1,566	-	11,877	-	9,901
Increase (decrease) in payable to component unit-----	-	-	-	-	411	-	411
Increase (decrease) in compensated absences-----	(27)	7	(82)	(11)	-	-	(113)
Increase (decrease) in long-term debt-----	-	-	-	-	(4,093)	-	(4,093)
Increase (decrease) in notes, lease and estimated claims payable-----	-	-	-	-	(123)	-	(123)
Increase (decrease) in net pension liability-----	14	3	58	1	-	-	76
Increase (decrease) in net other post-employment benefit obligation-----	245	29	293	6	-	-	573
Increase (decrease) in deferred inflows-----	(67)	(61)	(176)	(14)	-	-	(318)
Total adjustments-----	601	(2,038)	1,507	80	510	104	764
Net cash provided (used) by operating activities-----	\$785	\$3,664	\$3,246	\$180	(\$1,019)	\$80	\$6,936



Fiduciary Funds

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

CITY OF OKLAHOMA CITY, OKLAHOMA

June 30, 2017

(dollars are in thousands)

	OCERS	COTPA Retirement	OCPEBT	Total Pension and Other Post-employment Benefit Trust Funds
ASSETS				
Non-pooled cash-----	\$4,712	\$ -	\$ -	\$4,712
RECEIVABLES				
Interest and dividends-----	1,213	8	21	1,242
Employer-----	18	30	8	56
Plan members-----	21	24	640	685
Other receivables-----	33	-	-	33
Total receivables-----	1,285	62	669	2,016
INVESTMENTS, AT FAIR VALUE				
Domestic common stock-----	230,774	4,819	9,638	245,231
Passive domestic stock funds-----	71,727	1,798	19,016	92,541
Government securities/fixed income-----	54,932	-	-	54,932
Passive bond fund-----	75,878	2,914	11,949	90,741
International stock-----	168,373	2,076	4,726	175,175
Treasury money market fund-----	14,011	625	4,761	19,397
Commodities-----	23,917	-	-	23,917
Real estate-----	60,263	194	-	60,457
Oklahoma City judgments-----	4,258	-	-	4,258
Total investments-----	704,133	12,426	50,090	766,649
Total assets-----	710,130	12,488	50,759	773,377
DEFERRED OUTFLOWS OF RESOURCES				
	70	-	-	70
LIABILITIES				
Accounts payable and accrued expenses-----	653	-	884	1,537
Due to broker-----	7,238	-	-	7,238
Wages and benefits payable-----	9	-	-	9
Compensated absences, current-----	21	-	-	21
Estimated claims payable-----	-	-	743	743
Compensated absences, non-current-----	68	-	-	68
Net pension liability-----	2	-	-	2
Net other post-employment benefits obligation-----	59	-	-	59
Total liabilities-----	8,050	-	1,627	9,677
DEFERRED INFLOWS OF RESOURCES				
	23	-	-	23
NET POSITION				
Restricted for:				
Pension benefits-----	702,127	12,488	-	714,615
Other post-employment benefits-----	-	-	49,132	49,132
Net position held in trust-----	\$702,127	\$12,488	\$49,132	\$763,747

COMBINING STATEMENT OF CHANGES
IN FIDUCIARY NET POSITION
PENSION AND OTHER POST-EMPLOYMENT
BENEFIT TRUST FUNDS

CITY OF OKLAHOMA CITY, OKLAHOMA

For the Year Ended June 30, 2017
(dollars are in thousands)

	OCERS	COTPA Retirement	OCPEBT	Total Pension and Post-employment Benefit Trust Funds
<u>ADDITIONS</u>				
Contributions:				
Employer-----	\$6,871	\$555	\$16,191	\$23,617
Plan members-----	7,732	412	12,120	20,264
Total contributions-----	14,603	967	28,311	43,881
Investment income:				
Net appreciation in fair value of investments-----	62,159	1,105	4,904	68,168
Interest-----	10,210	3	34	10,247
Dividends-----	2,096	191	259	2,546
	74,465	1,299	5,197	80,961
Less: investment expense-----	(2,255)	(48)	(55)	(2,358)
Net investment income-----	72,210	1,251	5,142	78,603
Other-----	97	-	-	97
Total additions-----	86,910	2,218	33,453	122,581
<u>DEDUCTIONS</u>				
Benefits paid-----	32,208	983	26,486	59,677
Refunds of contributions-----	1,237	244	-	1,481
Administrative expenses-----	459	75	69	603
Total deductions-----	33,904	1,302	26,555	61,761
Change in net position-----	53,006	916	6,898	60,820
<u>NET POSITION RESTRICTED FOR</u>				
<u>PENSION BENEFITS AND</u>				
<u>OTHER POST-EMPLOYMENT BENEFITS</u>				
Beginning of year-----	649,121	11,572	42,234	702,927
End of year-----	\$702,127	\$12,488	\$49,132	\$763,747

STATEMENT OF CHANGES IN
ASSETS AND LIABILITIES
AGENCY FUND

CITY OF OKLAHOMA CITY, OKLAHOMA

June 30, 2017

(dollars are in thousands)

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
<u>ASSETS</u>				
Pooled cash-----	\$82	\$32,996	(\$33,027)	\$51
Non-pooled cash-----	386	1,744	(1,620)	510
Interest and dividends receivable-----	5	33	(33)	5
Other receivables-----	244	8,984	(8,948)	280
Pooled investments-----	1,595	6,905	(6,978)	1,522
Total assets-----	\$2,312	\$50,662	(\$50,606)	\$2,368
<u>LIABILITIES</u>				
Accounts payable and accrued expenses-----	\$172	\$3,995	(\$4,003)	\$164
Due to depositors-----	2,140	27,690	(27,626)	2,204
Total liabilities-----	\$2,312	\$31,685	(\$31,629)	\$2,368



Component Unit

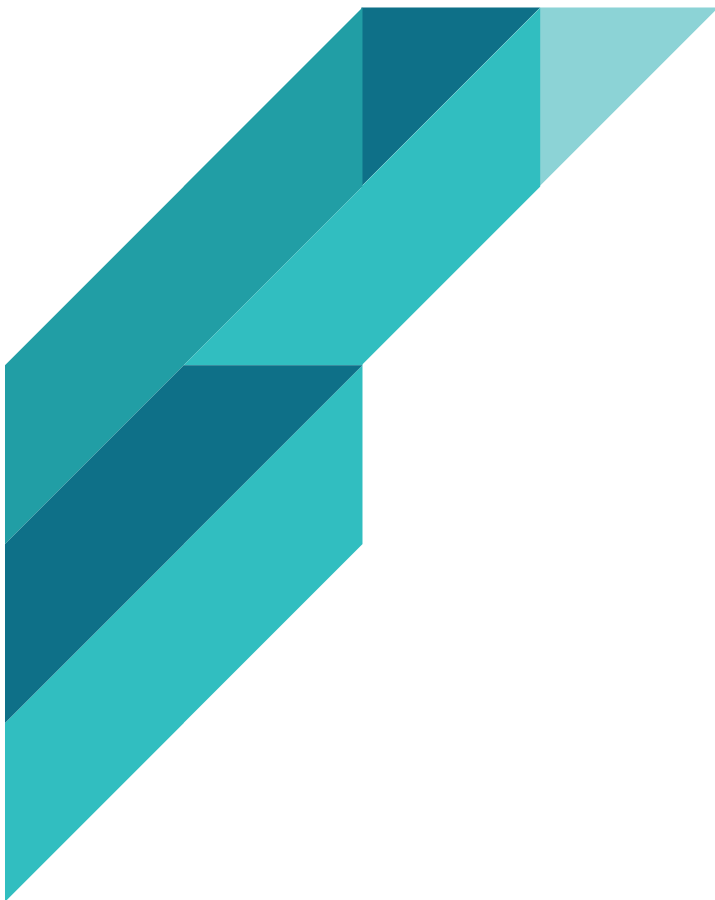
Component Unit

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, 2017
(dollars are in thousands)

CITY OF OKLAHOMA CITY, OKLAHOMA

<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>	
Cash received from customers-----	\$17
Cash payments to suppliers for goods and services-----	(23)
Net cash used by operating activities -----	(6)
Net decrease in cash -----	(6)
Cash, beginning-----	46
Cash, ending -----	\$40
<u>RECONCILIATION OF OPERATING LOSS TO NET</u>	
<u>CASH USED BY OPERATING ACTIVITIES</u>	
Operating loss-----	(\$5)
<u>ADJUSTMENTS TO RECONCILE OPERATING LOSS TO</u>	
<u>NET CASH USED BY OPERATING ACTIVITIES</u>	
Increase (decrease) in unearned revenue-----	(1)
Total adjustments-----	(1)
Net cash used by operating activities -----	(\$6)



Other Supplementary Information

CAPITAL ASSETS
SCHEDULE BY FUND AND COMPONENT UNIT
June 30, 2017
(dollars are in thousands)

CITY OF OKLAHOMA CITY, OKLAHOMA

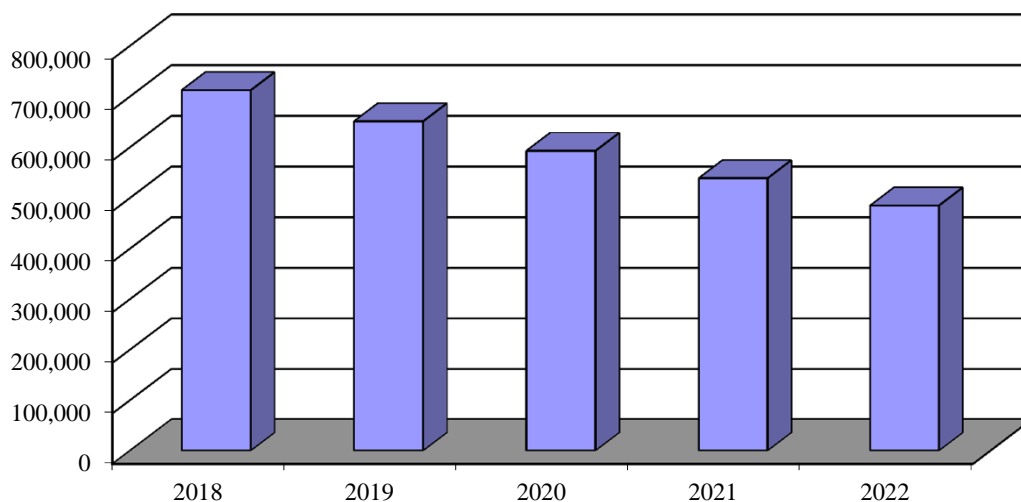
	NOT DEPRECIATED		DEPRECIATED				Total
	Land, Art & Water Storage Rights	Construction In Progress	Buildings	Infrastructure & Improvements Other Than Buildings	Furniture, Machinery, and Equipment	Accumulated Depreciation	
Primary Government							
<i>Governmental Activities</i>							
Non fund-related-----	\$167,636	\$362,685	\$522,242	\$1,906,366	\$237,867	(\$1,202,408)	\$1,994,388
<u>Internal service funds</u>							
Fleet Services Fund-----	928	-	722	75	62	(782)	1,005
Risk Management Fund-----	-	-	-	-	20	(20)	-
Information Technology Fund----	-	-	-	-	271	(256)	15
Print Shop Fund-----	-	-	-	-	196	(83)	113
OCMFA Services Fund-----	-	-	219	-	26,075	(23,428)	2,866
	<u>928</u>	<u>-</u>	<u>941</u>	<u>75</u>	<u>26,624</u>	<u>(24,569)</u>	<u>3,999</u>
	168,564	362,685	523,183	1,906,441	264,491	(1,226,977)	1,998,387
<i>Business-type Activities</i>							
<u>Major enterprise funds</u>							
Water Utilities Fund-----	9,378	-	43,540	623,154	31,889	(416,552)	291,409
OCEAT-----	-	47	2,247	2,796	25,237	(15,326)	15,001
OCZT-----	-	5,899	85,679	17,944	6,517	(41,987)	74,052
OCPPA Fairgrounds-----	2,005	694	30,267	63,758	3,597	(53,487)	46,834
OCPPA Golf Courses-----	-	-	9,012	20,931	5,035	(23,533)	11,445
	<u>11,383</u>	<u>6,640</u>	<u>170,745</u>	<u>728,583</u>	<u>72,275</u>	<u>(550,885)</u>	<u>438,741</u>
<u>Non-major enterprise funds</u>							
Airports Fund-----	16,115	-	8,637	30,442	6,127	(43,385)	17,936
Stormwater Drainage Fund-----	3,166	257	3,093	98,404	4,764	(69,142)	40,542
	<u>19,281</u>	<u>257</u>	<u>11,730</u>	<u>128,846</u>	<u>10,891</u>	<u>(112,527)</u>	<u>58,478</u>
	30,664	6,897	182,475	857,429	83,166	(663,412)	497,219
Total primary government-	<u>\$199,228</u>	<u>\$369,582</u>	<u>\$705,658</u>	<u>\$2,763,870</u>	<u>\$347,657</u>	<u>(\$1,890,389)</u>	<u>\$2,495,606</u>
Component Units							
OCAT-----	\$14,916	\$37,704	\$519,079	\$328,994	\$40,872	(\$481,494)	\$460,071
OCRRA-----	32	-	-	3,225	193	(860)	2,590
OCICF-----	953	-	-	-	-	-	953
OCWUT-----	121,009	190,577	86,320	1,283,910	104,069	(553,030)	1,232,855
COTPA-----	5,850	1,507	70,802	14,590	32,653	(48,156)	77,246
OCMAPS-----	-	1,541	-	-	-	-	1,541
OCRA-----	507	-	8,619	46	-	(3,466)	5,706
OCEDT-----	4,360	6,053	2,628	7,227	-	(1,416)	18,852
Total component units-----	<u>\$147,627</u>	<u>\$237,382</u>	<u>\$687,448</u>	<u>\$1,637,992</u>	<u>\$177,787</u>	<u>(\$1,088,422)</u>	<u>\$1,799,814</u>

**LONG-TERM DEBT SUPPORTING
GENERAL GOVERNMENT SERVICES
SCHEDULE OF GENERAL OBLIGATION
BONDS OUTSTANDING BY ISSUE (1)
June 30, 2017
(dollars are in thousands)**

CITY OF OKLAHOMA CITY, OKLAHOMA

<u>Fiscal Year</u>	<u>Issue</u>	<u>Issued</u>	<u>Maturity Date</u>	<u>Amount Issued</u>	<u>Amount Outstanding</u>
2008	Combined Purpose 2008 (2)	03/01/08	03/01/28	\$60,560	\$3,185
2008	Economic Development 2008	03/01/08	03/01/28	7,000	4,080
2009	Combined Purpose 2009	04/01/09	03/01/29	47,485	29,985
2010	Combined Purpose 2010	03/01/10	03/01/30	64,420	44,050
2010	Economic Development 2010	04/01/10	03/01/30	29,000	19,820
2011	Combined Purpose 2011	03/01/11	03/01/31	43,000	31,675
2012	Refunding 2012	01/11/12	03/01/25	80,110	35,420
2012	Combined Purpose 2012	04/01/12	03/01/32	50,000	41,660
2013	Combined Purpose 2013	03/01/13	03/01/33	90,000	75,780
2014	Combined Purpose 2014	03/01/14	03/01/34	92,185	82,475
2014	Economic Development 2014	03/01/14	03/01/34	15,000	13,420
2014	Economic Development 2014A	09/01/14	09/01/34	12,000	11,365
2015	Combined Purpose 2015	03/01/15	03/01/35	85,595	81,090
2015	Refunding 2015	03/05/15	03/01/26	65,190	54,330
2016	Combined Purpose 2016	03/01/16	03/01/36	77,500	77,500
2016	Economic Development 2016	03/01/16	03/01/36	12,000	12,000
2016	Refunding 2016	03/01/16	03/01/27	32,525	32,525
2017	Combined Purpose 2017	03/01/17	03/01/37	90,500	90,500
2017	Refunding 2017	03/01/17	03/01/28	<u>28,645</u>	<u>28,645</u>
				<u>\$982,715</u>	<u>\$769,505</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 2017 Refunding issue refunded portions of the 2008 general obligation bonds. Maturity dates on remaining issues are changed to reflect provisions of the 2017 Refunding.



**LONG-TERM DEBT SUPPORTING
GENERAL GOVERNMENT SERVICES
DEBT SERVICE TO MATURITY BY TYPE OF DEBT
June 30, 2017
(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	
2018	\$57,215	\$29,463	\$86,678	\$225	\$135	\$360	\$25	\$1	\$26	\$87,064
2019	61,365	27,837	89,202	548	128	676	10	-	10	89,888
2020	58,145	25,501	83,646	629	119	748	1	-	1	84,395
2021	53,980	23,179	77,159	636	110	746	-	-	-	77,905
2022	53,835	20,980	74,815	642	101	743	-	-	-	75,558
2023	51,030	18,711	69,741	699	91	790	-	-	-	70,531
2024	49,555	16,521	66,076	706	81	787	-	-	-	66,863
2025	48,310	14,355	62,665	713	71	784	-	-	-	63,449
2026	47,630	12,373	60,003	696	61	757	-	-	-	60,760
2027	43,865	10,415	54,280	378	55	433	-	-	-	54,713
2028	40,715	8,684	49,399	386	49	435	-	-	-	49,834
2029	37,460	7,145	44,605	393	44	437	-	-	-	45,042
2030	34,820	5,732	40,552	401	38	439	-	-	-	40,991
2031	30,015	4,469	34,484	409	32	441	-	-	-	34,925
2032	27,745	3,420	31,165	417	26	443	-	-	-	31,608
2033	24,945	2,446	27,391	426	20	446	-	-	-	27,837
2034	20,195	1,602	21,797	434	14	448	-	-	-	22,245
2035	14,555	914	15,469	443	8	451	-	-	-	15,920
2036	9,395	459	9,854	444	2	446	-	-	-	10,300
2037	4,730	154	4,884	-	-	-	-	-	-	4,884
	<u>\$769,505</u>	<u>\$234,360</u>	<u>\$1,003,865</u>	<u>\$9,625</u>	<u>\$1,185</u>	<u>\$10,810</u>	<u>\$36</u>	<u>\$1</u>	<u>\$37</u>	<u>\$1,014,712</u>

**SCHEDULE OF RECEIVABLES AND PAYABLES
WITHIN THE REPORTING ENTITY
BY FUND
June 30, 2017
(dollars are in thousands)**

Due to Other Funds

Governmental Activities

	Major Funds			Other Governmental Funds								
	General	Grants Management	OCPPA General Purpose	Police	Fire	Asset Forfeiture	OCMFA General Purpose	Medical Services	Capital Improvements Fund	Police/Fire Equipment Sales Tax	City Schools Use Tax	MAPS3 Use Tax
<u>DUE FROM</u>												
<i>Governmental Activities</i>												
<u>Major Governmental Funds</u>												
General	\$ -	\$ -	\$ -	\$ -	\$3,092	\$204	\$ -	\$ -	\$1,497	\$ -	\$ -	\$ -
Grants Management	11,337	-	-	9	-	-	-	-	-	-	-	-
MAPS3 Sales Tax	85	1,470	-	-	-	-	-	-	-	-	-	-
General Obligation Bonds	1,359	17	-	-	-	-	2,455	-	-	-	-	-
OCPPA General Purpose	1,011	-	-	-	-	-	-	-	-	-	47	109
<u>Other Governmental Funds</u>												
Court Administration and Training	5	-	-	-	-	-	-	-	-	-	-	-
Police	480	-	-	-	-	-	-	-	-	-	-	-
Zoo	-	-	-	-	-	-	-	-	-	-	-	-
OCMFA General Purpose	184	-	-	-	-	-	-	-	-	11	-	-
MAPS Operations	1	-	-	-	-	-	-	-	-	-	-	-
MAPS3 Use Tax	68	-	-	-	-	-	-	-	-	-	-	-
Special Purpose	50	160	-	-	-	-	-	-	18	-	-	-
Special Districts	118	-	35	-	-	-	-	-	-	-	-	-
Medical Services	5	-	-	-	-	-	-	-	-	-	-	-
Hotel/Motel Tax	6	-	-	-	-	-	-	-	-	-	-	-
Capital Improvement	-	-	152	-	-	-	91	-	-	-	-	-
Metropolitan Projects Tax	9	-	-	-	-	-	-	-	-	-	-	-
Police/Fire Equipment Sales Tax	3	-	-	-	-	-	-	-	-	-	-	-
<u>Internal Service Funds</u>												
Risk Management	4	-	-	-	-	-	-	-	-	-	-	-
Information Technology	30	-	-	-	-	-	-	-	-	-	-	-
OCMFA Services	39	94	-	-	-	-	-	-	-	-	-	-
	<u>\$14,794</u>	<u>\$1,741</u>	<u>\$187</u>	<u>\$9</u>	<u>\$3,092</u>	<u>\$204</u>	<u>\$2,546</u>	<u>\$-</u>	<u>\$1,515</u>	<u>\$11</u>	<u>\$47</u>	<u>\$109</u>
<u>Major Enterprise Funds</u>												
Water and Wastewater	\$311	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$21	\$ -	\$ -	\$ -	\$ -
OCEAT	176	-	-	-	-	-	-	-	-	-	-	-
OCPPA Fairgrounds	73	-	6	-	-	-	-	-	-	-	-	-
OCPPA Golf Courses	132	-	-	-	-	-	-	-	-	-	-	-
<u>Other Enterprise Funds</u>												
Airports	20	-	-	-	-	-	-	-	-	-	-	-
Solid Waste Management	37	-	-	-	-	-	-	-	-	-	-	-
Stormwater Drainage	27	21	-	-	-	-	-	-	-	-	-	-
	<u>\$776</u>	<u>\$21</u>	<u>\$6</u>	<u>\$-</u>	<u>\$-</u>	<u>\$-</u>	<u>\$-</u>	<u>\$21</u>	<u>\$-</u>	<u>\$-</u>	<u>\$-</u>	<u>\$-</u>

CITY OF OKLAHOMA CITY, OKLAHOMA

<i>Governmental Activities</i>				<i>Due to Other Funds</i>					
				<i>Business-type Activities</i>					
<i>Internal Service Funds</i>				<i>Major Funds</i>			<i>Other Enterprise Funds</i>		
<u>Fleet Services</u>	<u>Information Technology</u>	<u>Print Shop</u>	<u>OCMFA Services</u>	<u>OCEAT</u>	<u>OCZI</u>	<u>OCPPA Fairgrounds</u>	<u>Stormwater Drainage</u>	<u>Parking</u>	<u>Total</u>
\$55	\$ -	\$34	\$ -	\$ -	\$ -	\$ -	\$ -	\$8	\$4,890
-	-	-	-	-	-	-	-	-	11,346
-	-	-	-	-	-	-	3	-	1,558
-	-	-	-	-	-	-	76	-	3,907
-	6	-	-	-	-	-	3	-	1,176
-	-	-	-	-	-	-	-	-	5
60	-	-	-	-	-	-	2	-	542
-	-	-	-	-	1,820	-	-	-	1,820
-	-	-	8	-	-	-	1	-	204
-	-	-	-	-	-	-	-	-	1
-	-	1	1	-	-	-	3	-	73
-	-	-	-	-	-	-	1	-	229
-	-	-	-	-	-	-	-	-	153
-	-	-	-	-	-	-	-	-	5
-	-	-	-	-	-	1,140	-	-	1,146
-	-	-	-	-	-	-	-	-	243
-	-	-	-	-	-	-	-	-	9
-	-	-	-	-	-	-	-	-	3
-	-	-	-	-	-	-	-	-	4
-	-	-	18	-	-	-	-	-	48
-	-	3	-	-	-	-	-	-	136
<u>\$115</u>	<u>\$6</u>	<u>\$38</u>	<u>\$27</u>	<u>\$-</u>	<u>\$1,820</u>	<u>\$1,140</u>	<u>\$89</u>	<u>\$8</u>	<u>\$27,498</u>
\$14	\$ -	\$1	\$10	\$377	\$ -	\$ -	\$97	\$ -	\$831
-	-	-	-	-	-	-	-	-	176
-	-	-	-	-	-	-	4	-	83
-	-	-	8	-	-	-	-	-	140
-	-	-	-	-	-	-	-	-	20
-	-	-	-	-	-	-	-	-	37
17	-	-	1	-	-	-	-	-	66
<u>\$31</u>	<u>\$-</u>	<u>\$1</u>	<u>\$19</u>	<u>\$377</u>	<u>\$-</u>	<u>\$-</u>	<u>\$101</u>	<u>\$-</u>	<u>\$1,353</u>

**SCHEDULE OF TRANSFERS
 WITHIN THE REPORTING ENTITY
 BY FUND
 June 30, 2017
 (dollars are in thousands)**

	<u>Transfers From Other Funds</u>								
	<i>Governmental Activities</i>								
	Major Funds				Other Governmental Funds				
<u>General</u>	<u>Debt Service</u>	<u>MAPS3 Sales Tax</u>	<u>General Obligation Bonds</u>	<u>Court Administration and Training</u>	<u>Police</u>	<u>Zoo</u>	<u>OCMFA General Purpose</u>	<u>Special Purpose</u>	
TRANSFERS TO									
<i>Governmental Activities</i>									
<u>Major Governmental Funds</u>									
General	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Grants Management	37	-	2,123	139	1	22	-	-	2,443
General Obligation Bonds	-	90,500	-	-	-	-	-	-	-
OCPPA General Purpose	8,142	-	-	-	-	-	-	-	-
<u>Other Governmental Funds</u>									
Emergency Management	3,198	-	-	-	-	-	-	-	-
OCMFA General Purpose	405	-	-	-	-	-	-	-	-
Special Purpose	8	-	-	-	-	-	24	-	-
Capital Improvement	6,070	-	-	-	-	-	-	-	-
<u>Internal Service Funds</u>									
Information Technology	-	-	-	-	-	-	2,473	-	-
OCMFA Services	-	-	-	-	-	-	-	-	-
	<u>\$17,860</u>	<u>\$90,500</u>	<u>\$2,123</u>	<u>\$139</u>	<u>\$1</u>	<u>\$22</u>	<u>\$-</u>	<u>\$2,497</u>	<u>\$2,443</u>
<u>Major Enterprise Funds</u>									
OCZT	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$13,092	\$ -	\$ -
OCPPA Fairgrounds	-	-	-	-	-	-	-	-	-
OCPPA Golf Courses	1,327	-	-	-	-	-	-	-	-
<u>Other Enterprise Funds</u>									
Transportation	<u>615</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>\$1,942</u>	<u>\$-</u>	<u>\$-</u>	<u>\$-</u>	<u>\$-</u>	<u>\$-</u>	<u>\$13,092</u>	<u>\$-</u>	<u>\$-</u>

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 Fund	Other Enterprise Funds		
Special Districts	Hotel/Motel Tax	Capital Improvements Fund	Risk Management	Information Technology	OCMFA Services	OCEAT	OCPPA Golf Courses	Stormwater Drainage	Total
\$ -	\$ -	\$ -	\$ -	\$ -	\$8	\$1,003	\$ -	\$ -	\$1,011
-	-	3	-	-	46	-	1	22	4,837
-	-	-	-	-	-	-	-	-	90,500
203	-	542	-	-	-	-	-	-	8,887
-	-	-	-	-	-	-	-	-	3,198
-	-	54	-	-	-	-	-	-	459
-	-	2	-	-	-	-	-	-	34
-	-	-	-	1,095	-	-	-	-	7,165
-	-	-	-	-	-	-	-	-	2,473
-	-	-	46	2,292	-	-	-	-	2,338
\$203	\$-	\$601	\$46	\$3,387	\$54	\$1,003	\$1	\$22	\$120,902
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$13,092
-	7,525	-	-	-	-	-	-	-	7,525
-	-	64	-	-	-	-	-	-	1,391
-	-	-	-	-	-	-	-	-	615
\$-	\$7,525	\$64	\$-	\$-	\$-	\$-	\$-	\$-	\$22,623

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Statistical

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									
	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
<i>Governmental Activities:</i>										
Net investment in capital assets	\$1,391,501	\$985,962	\$887,305	\$864,518	\$888,639	\$917,055	\$1,004,827	\$1,020,619	\$774,069	\$685,791
Restricted for:										
Capital projects	466,553	694,741	661,245	609,920	487,134	363,150	159,669	103,661	222,521	269,293
Debt service	86,938	91,874	90,647	82,876	68,277	52,171	51,305	39,562	48,049	52,294
Public safety	11,128	17,921	22,432	20,206	22,682	18,850	17,246	17,221	-	-
Public services	18,464	20,096	6,829	16,144	8,859	6,849	6,698	5,638	9,249	-
Culture and recreation	9,724	10,842	11,125	11,630	11,284	12,519	10,240	56,152	23,921	12,215
Education	-	-	-	-	-	-	-	6,205	7,073	311
Unrestricted	<u>(163,313)</u>	<u>(144,891)</u>	<u>(156,822)</u>	<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>1,820,995</u>	<u>1,676,545</u>	<u>1,522,761</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>
% change from prior year	8.62%	10.10%	(13.55)%	6.34%	7.53%	11.60%	6.09%	3.35%	6.43%	7.45%
<i>Business-type Activities: (3)</i>										
Net investment in capital assets	412,544	401,278	379,694	376,582	373,819	1,088,470	1,032,890	1,023,777	965,156	909,153
Restricted for:										
Capital projects	21	1	1	1	1	863	1,573	2,140	11,449	27,388
Debt service	3,644	4,009	4,664	4,467	4,156	54,363	51,358	39,287	35,595	36,046
Public services	-	-	-	-	16	-	-	162,286	98,856	77,274
Culture and recreation	-	-	81	256	232	-	-	-	-	229
Maintenance	-	-	-	-	-	19,840	17,421	17,482	19,348	19,964
Unrestricted	<u>31,519</u>	<u>19,522</u>	<u>3,446</u>	<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>447,728</u>	<u>424,810</u>	<u>387,886</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>
% change from prior year	5.39%	9.52%	3.20%	2.04%	(72.71)%	5.51%	5.95%	11.85%	5.62%	3.30%
Primary Government										
Net investment in capital assets	1,804,045	1,387,240	1,266,999	1,241,100	1,262,458	2,005,525	2,037,717	2,044,396	1,739,225	1,594,944
Restricted for:										
Capital projects	466,574	694,742	661,246	609,921	487,135	364,013	161,242	105,801	233,970	296,681
Debt service	90,582	95,883	95,311	87,343	72,433	106,534	102,663	78,849	83,644	88,340
Public safety	11,128	17,921	22,432	20,206	22,682	18,850	17,246	17,221	-	-
Public services (4)	18,464	20,096	6,829	16,144	8,875	6,849	6,698	167,924	108,105	77,274
Culture and recreation	9,724	10,842	11,206	11,886	11,516	12,519	10,240	56,152	23,921	12,444
Education	-	-	-	-	-	-	-	6,205	7,073	311
Maintenance	-	-	-	-	-	19,840	17,421	17,482	19,348	19,964
Unrestricted	<u>(131,794)</u>	<u>(125,369)</u>	<u>(153,376)</u>	<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>
Total primary government (5)	<u>\$2,268,723</u>	<u>\$2,101,355</u>	<u>\$1,910,647</u>	<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>
% change from prior year	7.96%	9.98%	(10.61)%	5.55%	(29.94)%	8.67%	6.02%	7.28%	6.05%	5.48%

- (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									
	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
PROGRAM EXPENSES (2)										
<i>Governmental Activities</i>										
General government	\$64,330	\$36,846	\$41,599	\$40,258	\$26,863	\$31,257	\$29,501	\$44,301	\$42,737	\$27,544
Public safety:										
Police	174,615	168,154	161,809	173,665	177,062	158,950	143,367	160,889	171,042	156,015
Fire	129,630	139,416	144,589	153,724	153,482	137,017	124,945	132,709	127,573	135,838
Other	31,051	27,658	24,808	25,455	35,419	26,993	26,785	18,318	17,865	26,527
Public services	177,509	177,854	182,861	153,260	137,685	127,218	146,034	129,972	102,201	106,925
Culture and recreation	99,818	89,891	88,698	85,197	79,813	87,379	77,107	72,664	74,320	56,778
Education	412	546	1,245	1,543	2,059	1,571	1,327	1,224	41,322	89,826
Economic development	3,263	3,736	2,863	3,382	1,271	5,335	4,902	-	-	-
Interest on long-term debt	<u>23,606</u>	<u>23,481</u>	<u>26,470</u>	<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>704,234</u>	<u>667,582</u>	<u>674,942</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>
<i>Business-type Activities (3)</i>										
Airports	98	0	15,809	16,503	16,204	52,824	54,103	53,011	52,570	54,500
Water and wastewater utilities	9,193	9,488	87,249	94,257	92,007	159,659	140,631	142,496	138,135	136,938
Solid waste management	46,192	48,676	43,231	40,705	39,147	37,150	35,213	34,467	33,613	32,993
Stormwater drainage	18,023	16,893	16,982	18,725	17,409	16,113	15,933	13,495	13,791	12,790
Golf courses	10,707	10,406	10,112	9,901	10,956	10,811	9,160	11,944	10,405	9,444
Fairgrounds	12,296	11,665	12,712	10,325	9,873	10,063	6,652	2,363	2,516	2,197
Ground transportation and parking	605	831	2,305	4,769	4,892	4,741	5,253	2,258	2,472	2,182
Zoo operations	<u>22,258</u>	<u>21,360</u>	<u>21,900</u>	<u>21,529</u>	<u>20,522</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>119,372</u>	<u>119,319</u>	<u>210,300</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>
Total program expenses	<u>823,606</u>	<u>786,901</u>	<u>885,242</u>	<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>
PROGRAM REVENUES										
<i>Governmental Activities</i>										
CHARGES FOR SERVICES										
General government	12,225	4,530	3,302	761	2,464	1,883	2,220	2,143	2,413	2,452
Public safety:										
Police	2,017	2,673	2,088	4,487	2,516	3,730	3,765	3,118	2,814	1,972
Fire	14	14	14	991	13	8	12	11	4	20
Other	32,430	33,493	36,341	34,006	34,429	30,530	30,572	28,573	21,588	21,526
Public services	22,077	23,088	24,552	22,282	21,774	18,429	17,552	19,054	19,131	20,315
Culture and recreation	24,769	20,693	21,619	22,933	20,413	18,519	18,127	15,801	15,640	16,494
Education	-	74	149	240	224	205	204	9	-	71
Economic development	<u>-</u>	<u>60</u>	<u>(112)</u>	<u>257</u>	<u>-</u>	<u>2</u>	<u>1</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total charges for services	<u>93,532</u>	<u>84,625</u>	<u>87,953</u>	<u>85,957</u>	<u>81,833</u>	<u>73,306</u>	<u>72,453</u>	<u>68,709</u>	<u>61,590</u>	<u>62,850</u>
Operating grants and contributions	75,729	74,673	69,445	64,019	65,711	65,844	73,965	57,725	73,350	74,426
Capital grants and contributions	<u>96,778</u>	<u>55,248</u>	<u>26,805</u>	<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>266,039</u>	<u>214,546</u>	<u>184,203</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>
<i>Business-type Activities (3)</i>										
CHARGES FOR SERVICES										
Airports	22	0	38	67	6	60,136	60,647	56,105	54,089	57,978
Water and wastewater utilities	-	0	12	84,249	81,031	198,646	184,370	163,063	146,534	132,576
Solid waste management	54,446	51,663	49,090	46,398	43,622	41,418	39,933	38,459	37,067	32,143
Stormwater drainage	17,617	17,296	17,250	16,160	14,923	14,540	12,715	11,204	11,000	10,495
Golf courses	9,047	9,203	8,752	8,533	9,061	9,063	8,481	8,222	9,027	8,150
Fairgrounds	5	-	-	-	-	5	-	-	97	-
Ground transportation and parking	-	-	-	2,617	2,464	2,202	2,245	-	-	-
Zoo operations	<u>11,166</u>	<u>11,547</u>	<u>10,999</u>	<u>10,432</u>	<u>11,530</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total charges for services	<u>92,303</u>	<u>89,709</u>	<u>86,141</u>	<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>
Operating grants and contributions	3,086	8,301	93,417	19,592	17,990	11,172	11,237	10,855	13,871	24,988
Capital grants and contributions	<u>20,712</u>	<u>35,905</u>	<u>16,312</u>	<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>116,101</u>	<u>133,915</u>	<u>195,870</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>
Total program revenues	<u>382,140</u>	<u>348,461</u>	<u>380,073</u>	<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>

**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									
	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
<u>NET (EXPENSES) REVENUES (3)</u>										
<i>Governmental Activities</i>	(438,195)	(453,036)	(490,739)	(496,002)	(423,716)	(440,890)	(421,429)	(425,499)	(442,151)	(452,785)
<i>Business-type Activities (4)</i>	<u>(3,271)</u>	<u>14,596</u>	<u>(14,430)</u>	<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>
Net expenses	<u>(441,466)</u>	<u>(444,449)</u>	<u>(505,169)</u>	<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>GENERAL REVENUES, CONTRIBUTIONS AND TRANSFERS</u>										
<i>Governmental Activities</i>										
<u>TAXES:</u>										
Sales taxes:										
General	207,790	212,368	217,699	214,282	205,542	198,383	186,414	169,105	178,462	179,504
Police	39,266	39,938	40,944	40,185	38,761	37,707	35,367	31,919	33,462	33,657
Fire	39,266	39,938	40,944	40,185	38,761	37,707	35,367	31,919	33,462	33,657
Public services	425	634	669	685	655	3,343	2,210	1,132	674	-
Culture and recreation	117,771	119,700	122,775	120,443	116,604	112,729	105,055	90,566	52,155	11,219
Education	-	-	-	-	-	-	-	-	48,065	89,678
Total sales taxes	<u>404,518</u>	<u>412,578</u>	<u>423,031</u>	<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>
Use taxes	48,566	41,914	48,570	49,923	45,406	52,470	44,735	37,976	38,221	36,610
Hotel/Motel taxes	14,221	14,615	14,722	13,885	13,321	12,177	10,858	10,319	10,653	10,830
Property taxes	83,305	83,898	79,750	79,153	76,756	73,778	76,581	60,935	62,093	61,372
Franchise taxes (fees)	41,530	41,419	45,054	43,641	42,109	42,410	39,912	40,216	39,902	31,707
Emergency telephone taxes	5,334	4,517	4,659	4,749	4,779	4,598	4,546	4,777	4,678	4,376
Other taxes	<u>5,898</u>	<u>5,899</u>	<u>5,928</u>	<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>
Total taxes	<u>603,372</u>	<u>604,840</u>	<u>621,714</u>	<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>
Oil and gas royalties	339	336	564	1,290	892	1,074	1,066	1,178	823	1,014
Unrestricted investment income	(2,381)	4,381	2,465	1,307	412	2,182	2,669	5,409	17,503	27,174
Miscellaneous	2,912	7,413	8,212	8,134	7,754	7,953	5,319	7,221	1,515	4,820
Transfers	(21,597)	(21,758)	(20,799)	(22,192)	(20,674)	(453)	(6,832)	(1,066)	(6,540)	(2,095)
Special item	-	-	-	-	-	7,497	-	-	-	-
	<u>582,645</u>	<u>595,212</u>	<u>612,156</u>	<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>
<i>Business-type Activities (4)</i>										
Unrestricted investment income	384	570	347	274	153	1,180	1,371	-	-	-
Transfers	21,597	21,758	20,799	22,192	20,674	453	6,832	1,066	6,540	2,095
Special item	-	-	-	-	-	(2,872)	-	-	-	-
	<u>21,981</u>	<u>22,328</u>	<u>21,146</u>	<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>
Total general revenues, contributions, transfers, and special items	<u>604,626</u>	<u>617,540</u>	<u>633,302</u>	<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>CHANGES IN NET POSITION</u>										
<i>Governmental Activities</i>	144,450	142,176	121,417	105,429	153,390	159,066	127,914	71,436	78,495	76,455
<i>Business-type Activities (4)</i>	<u>18,710</u>	<u>36,924</u>	<u>6,716</u>	<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>
Total primary government	<u>\$163,160</u>	<u>\$179,100</u>	<u>\$128,133</u>	<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>

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

(2) Expenses include allocated indirect expenses.

(3) 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.

(4) 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.

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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									
	2017	2016	2015	2014	2013	2012	2011 (2)	2010	2009	2008
<u>GENERAL FUND</u>										
Non-spendable	\$7,371	\$8,126	\$7,462	\$8,180	\$8,984	\$10,376	\$8,714	\$ -	\$ -	\$ -
Restricted	-	904	760	664	465	275	183	-	-	-
Assigned	1,445	496	1,065	1,564	2,321	1,687	1,239	-	-	-
Unassigned	106,088	109,582	130,537	120,480	125,836	103,749	89,177	-	-	-
<u>RESERVED FOR</u>										
Encumbrances	-	-	-	-	-	-	-	1,144	1,872	1,944
Restricted purposes	-	-	-	-	-	-	-	515	508	442
Non-current receivables and other assets	-	-	-	-	-	-	-	3,311	-	-
Unreserved:										
Designated	-	-	-	-	-	-	-	5,000	5,000	5,000
Undesignated	-	-	-	-	-	-	-	<u>53,730</u>	<u>74,112</u>	<u>83,179</u>
Total General Fund	<u>114,904</u>	<u>119,108</u>	<u>139,824</u>	<u>130,888</u>	<u>137,606</u>	<u>116,087</u>	<u>99,313</u>	<u>63,700</u>	<u>81,492</u>	<u>90,565</u>
% change from prior year	(3.5%)	(14.8%)	6.8%	(4.9%)	18.5%	16.9%	55.9%	(21.8%)	(10.0%)	2.0%
<u>OTHER GOVERNMENTAL FUNDS</u>										
Non-spendable	3,207	25,045	22,980	19,713	20,659	9,865	14,765	-	-	-
Restricted	854,478	834,466	788,672	732,549	617,104	462,583	407,211	-	-	-
Committed	50,445	56,566	56,954	54,600	49,709	42,897	19,381	-	-	-
Assigned	60,181	66,929	65,447	68,456	65,194	84,935	79,602	-	-	-
Unassigned	(4,347)	(7,028)	(16,547)	(14,841)	(31,513)	(4,537)	(6,487)	-	-	-
<u>RESERVED FOR</u>										
Encumbrances	-	-	-	-	-	-	-	87,632	84,906	99,990
Restricted purposes	-	-	-	-	-	-	-	3,105	11,369	11,480
Non-current receivables and other assets	-	-	-	-	-	-	-	24,934	8,492	8,935
<u>UNRESERVED, REPORTED IN</u>										
Debt Service Fund	-	-	-	-	-	-	-	47,823	46,850	48,205
Special revenue funds:										
Undesignated	-	-	-	-	-	-	-	171,880	151,985	93,157
Capital Projects Fund	-	-	-	-	-	-	-	<u>151,691</u>	<u>157,387</u>	<u>186,138</u>
Total other governmental funds	<u>963,964</u>	<u>975,978</u>	<u>917,506</u>	<u>860,477</u>	<u>721,153</u>	<u>595,743</u>	<u>514,472</u>	<u>487,065</u>	<u>460,989</u>	<u>447,905</u>
% change from prior year	(1.2%)	6.4%	6.6%	19.3%	21.1%	15.8%	5.6%	5.7%	2.9%	7.2%
Total	<u>\$1,078,868</u>	<u>\$1,095,086</u>	<u>\$1,057,330</u>	<u>\$991,365</u>	<u>\$858,759</u>	<u>\$711,830</u>	<u>\$613,785</u>	<u>\$550,765</u>	<u>\$542,481</u>	<u>\$538,470</u>
% change from prior year	(1.5%)	3.6%	6.7%	15.4%	20.6%	16.0%	11.4%	1.5%	0.7%	6.3%

(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									
	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
REVENUE										
Taxes (2)	\$603,453	\$604,323	\$621,429	\$612,540	\$589,227	\$583,252	\$544,492	\$486,023	\$506,571	\$501,233
Licenses and permits	24,933	23,443	24,899	23,578	23,068	21,894	21,718	18,033	12,427	12,905
Oil and gas royalties	332	337	584	1,259	893	1,073	1,066	1,178	823	1,014
Fines and forfeitures	23,384	24,512	27,080	27,872	27,901	24,035	23,617	21,316	20,127	20,150
Investment income	3,930	10,229	6,130	5,093	1,930	4,994	6,599	4,952	15,519	26,154
Charges for services	47,924	41,228	41,983	41,536	38,568	35,944	35,823	37,322	38,813	38,763
Rental income	3,989	2,491	2,107	2,541	1,668	1,273	1,025	1,286	1,986	3,401
Payments from component units	9,077	9,059	8,494	6,382	6,083	314	579	2,558	20,793	26
Intergovernmental programs	81,444	74,490	61,975	62,063	61,325	63,044	67,597	53,359	59,788	64,782
Other	<u>7,596</u>	<u>10,599</u>	<u>9,286</u>	<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>
Total revenue	<u>806,062</u>	<u>800,711</u>	<u>803,967</u>	<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>
% change from prior year	0.7%	(0.4%)	2.2%	4.3%	1.1%	5.6%	11.5%	(6.7%)	0.9%	7.6%
EXPENDITURES										
CURRENT										
General government	55,929	57,927	59,534	55,569	29,244	46,567	46,755	53,125	49,391	65,180
Public safety	340,805	349,406	335,108	329,657	330,932	295,757	273,504	291,388	293,857	304,332
Public services	117,803	121,814	137,845	107,823	109,789	91,134	88,076	102,257	77,072	146,166
Culture and recreation	65,122	60,238	59,765	56,900	55,088	63,772	66,493	56,898	56,107	55,451
Education	388	699	1,312	1,504	1,991	1,519	1,242	1,245	41,331	89,766
Economic development	<u>850</u>	<u>1,324</u>	<u>451</u>	<u>970</u>	<u>1,049</u>	<u>7,198</u>	<u>4,861</u>	-	-	-
Total current	580,897	591,408	594,015	552,423	528,093	505,947	480,931	504,913	517,758	660,895
Capital outlay (3)	240,784	183,716	153,522	126,053	83,642	123,236	132,207	136,879	138,795	-
DEBT SERVICE										
Principal	58,568	53,761	48,770	43,363	44,510	46,700	44,071	38,933	38,780	35,641
Interest	28,953	28,247	28,130	25,580	24,598	22,851	25,542	23,630	24,391	21,402
Other	<u>733</u>	<u>895</u>	<u>1,770</u>	<u>531</u>	<u>1,025</u>	<u>14,146</u>	<u>464</u>	<u>860</u>	<u>414</u>	<u>359</u>
Total debt service	<u>88,254</u>	<u>82,903</u>	<u>78,670</u>	<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>
Total expenditures	<u>909,935</u>	<u>858,027</u>	<u>826,207</u>	<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>
% change from prior year	6.0%	3.9%	10.5%	9.7%	(4.4%)	4.3%	(3.1%)	(2.1%)	0.3%	13.5%
Excess (deficiency) of revenues over expenditures	<u>(103,873)</u>	<u>(57,316)</u>	<u>(22,240)</u>	<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>

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

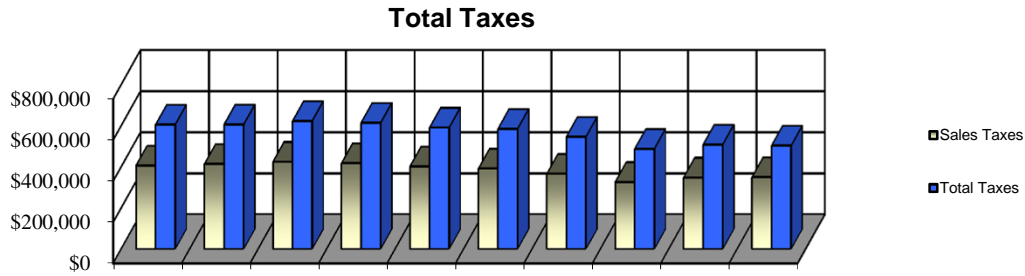
**CITY OF OKLAHOMA CITY, OKLAHOMA
TABLE 4
page 2 of 2**

	Fiscal Year									
	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
OTHER FINANCING										
SOURCES (USES)										
Transfers from other funds	116,091	134,994	127,907	158,033	114,411	97,883	84,744	148,665	54,526	29,734
Transfers to other funds	(139,012)	(154,195)	(148,182)	(179,806)	(137,560)	(99,011)	(90,765)	(154,706)	(61,780)	(29,750)
Capital financing	37	463	23	34	844	405	-	-	111	320
Sale of assets	3,686	644	3,100	607	574	458	576	731	1,298	1,718
Premium on bonds	10,284	12,622	15,610	7,870	6,484	19,407	2,826	3,167	1,127	2,013
Long-term debt issued	95,673	95,671	97,595	107,185	90,000	50,000	43,000	93,969	49,345	68,980
Refunding debt issued	28,645	32,525	65,190	-	-	80,110	-	-	-	-
Capital grants	-	-	-	-	1	-	-	101	-	-
Payment to refunded bonds escrow agent	(33,097)	(39,260)	(73,038)	-	-	(91,315)	-	-	-	-
Net other financing sources	82,307	83,464	88,205	93,923	74,754	57,937	40,381	91,927	44,627	73,015
Special item	-	-	-	-	-	7,497	-	-	-	-
Net change in fund balances (4)	(\$21,566)	\$26,148	\$65,965	\$132,294	\$146,828	\$98,045	\$63,020	\$19,960	\$2,851	\$27,120
Capital outlay (3)	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$103,535
Debt service as a percentage of non-capital expenditures	13.1%	12.2%	11.4%	11.1%	11.6%	11.8%	12.6%	11.0%	10.9%	9.3%

- (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, 2017
(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)
2017	\$404,518	\$83,429	\$48,566	\$41,537	\$14,171
2016	412,579	83,401	41,914	41,425	14,587
2015	423,035	79,371	48,570	45,051	14,727
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
% change over 10 years	16.3%	29.8%	32.7%	31.0%	30.8%

Fiscal Year	Emergency Telephone Tax (7)	Tobacco Excise Tax (5)	State Alcoholic Beverage Taxes (5)	Total
2017	\$5,334	\$4,928	\$970	\$603,453
2016	4,518	4,956	943	604,323
2015	4,667	4,993	1,015	621,429
2014	4,744	4,851	829	612,540
2013	4,777	5,146	882	589,227
2012	4,597	5,567	834	583,252
2011	4,545	5,298	778	544,492
2010	4,777	4,583	746	486,023
2009	4,678	4,730	746	506,571
2008	4,376	4,893	849	501,233
% change over 10 years	21.9%	0.7%	14.3%	20.4%

- (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 Hotel/Motel Tax Fund.
- (7) The emergency telephone tax is designated to fund "911" emergency services and is reported in the Emergency Management Fund.

SALES TAX RATES OF DIRECT AND OVERLAPPING GOVERNMENTS (1)

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

June 30, 2017

(dollars are in thousands)

OKLAHOMA CITY	Fiscal Year									
	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
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 (2)	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	1.000
MAPS3 (2)	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	0.000
Sports facility (2)	<u>0.000</u>	<u>0.000</u>	<u>0.000</u>	<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>
Oklahoma City (3)	<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 (4)	<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) 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%
- (2) Temporary sales taxes (see notes to table 5).
- (3) 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.
- (4) The source for other sales tax rates is the State of Oklahoma Tax Commission.

TAXABLE SALES BY CATEGORY (1)

TABLE 7

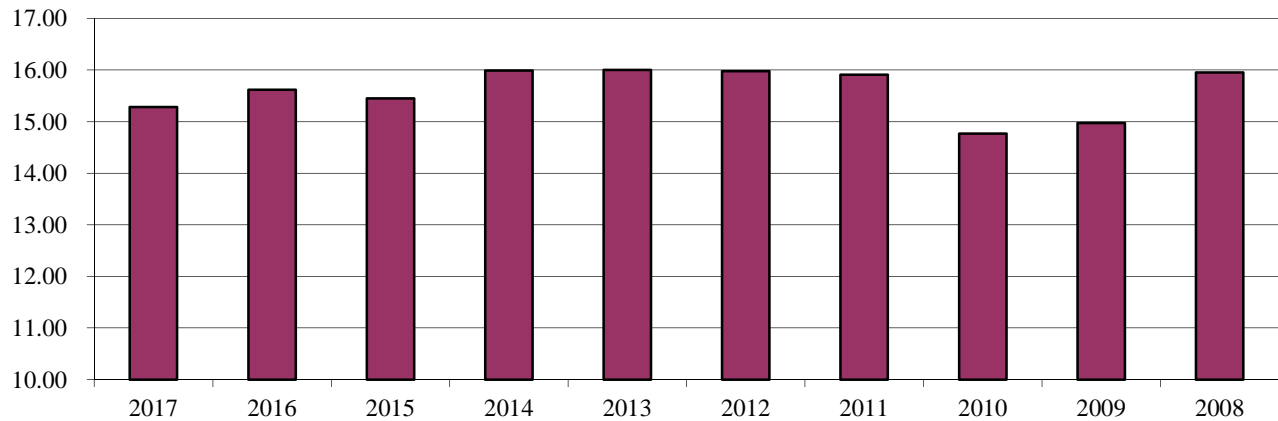
Last Ten Fiscal Years

(dollars are in thousands)

	Fiscal Year										
	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008	
Retail:											
General merchandise	\$50,132	12.36%	\$50,646	\$50,424	\$50,733	\$51,565	\$49,806	\$48,655	\$47,995	\$50,261	\$50,409
Building materials and lawn & garden	29,953	7.40	31,674	30,306	33,017	28,034	24,146	28,431	21,592	23,987	23,490
Food stores	26,144	6.46	27,829	27,563	26,031	26,043	24,437	22,320	19,203	18,792	17,483
Apparel & accessories	22,172	5.48	22,924	23,811	22,470	18,629	17,002	14,159	13,166	13,338	13,629
Auto parts & supplies	11,518	2.84	11,611	11,559	11,283	12,397	11,374	10,236	9,091	10,180	10,530
Electronics & appliances (2)	16,710	4.13	17,522	19,227	18,776	-	-	-	-	-	-
Furniture & home (2)	9,202	2.27	9,696	10,166	11,630	26,662	25,827	25,637	22,524	24,792	25,535
Miscellaneous retail (2)	10,943	2.70	11,440	14,166	13,863	39,069	36,606	33,259	31,218	32,630	32,319
Sporting goods & hobby stores (2)	9,436	2.33	10,116	9,687	9,527	-	-	-	-	-	-
Pharmacies & health stores (2)	10,227	2.53	10,125	9,554	8,375	-	-	-	-	-	-
Convenient stores (2)	6,257	1.55	6,653	6,694	4,537	-	-	-	-	-	-
Direct sales (2)	1,638	0.40	1,495	1,481	1,347	-	-	-	-	-	-
Accommodations & Food:											
Hotels & motels	10,268	2.54	10,427	9,774	10,040	9,680	8,893	8,571	7,611	8,263	8,016
Eating & drinking establishments	58,054	14.34	57,844	55,637	51,740	50,586	46,829	43,743	39,831	40,868	39,721
Services	44,607	11.02	46,640	47,584	45,393	47,684	47,949	47,840	44,243	45,982	45,918
Wholesale trade	37,077	9.16	39,722	42,668	41,488	41,529	42,819	37,560	27,970	36,835	36,303
Public utilities	27,881	6.89	26,843	29,486	28,741	28,008	28,579	26,478	27,173	27,040	24,571
Manufacturing	16,462	4.07	18,118	19,645	18,362	18,283	16,406	13,814	11,792	14,078	13,871
All other categories	<u>6,203</u>	<u>1.53</u>	<u>6,694</u>	<u>8,514</u>	<u>8,252</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>\$404,884</u>	<u>100.00%</u>	<u>\$418,019</u>	<u>\$427,946</u>	<u>\$415,605</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>

- (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.

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



Fiscal Year	Real Property	Personal Property	Public Service Property	Less Tax Exempt Property	Net Taxable Assessed Value	Estimated Fair Market Value of	
						City Taxable Property (2)	City Property Tax Rate (3)
2017	\$4,673,556	\$883,077	\$259,438	\$136,827	\$5,679,244	\$48,800,765	15.28
2016	4,394,480	890,614	250,917	130,752	5,405,259	46,336,461	15.62
2015	4,160,012	854,381	248,606	128,028	5,134,971	43,956,071	15.45
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

(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 Estate	Personal Property	Public Service Property
2017	11.0%	13.75%	22.85%
2016	11.0	13.75	22.85
2015	11.0	13.75	22.85
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

(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>
2017	15.28	22.81	53.74	15.18
2016	15.62	22.81	55.15	15.18
2015	15.45	22.81	54.94	15.18
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

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>
2017	15.28	16.11	44.46	68.48	72.07	66.77	71.53
2016	15.62	16.11	41.28	68.26	70.60	58.20	71.20
2015	15.45	16.11	41.28	68.77	67.04	59.27	71.34
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

- (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
2017	15.28	23.07	67.03	53.74	70.64	71.58	68.48
2016	15.62	23.07	65.10	55.15	71.03	64.54	68.26
2015	15.45	23.07	65.00	54.94	70.32	66.71	68.77
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

Fiscal Year	Norman Schools	Robin Hill Schools	Rose State College	Moore-Norman Vo-Tech	Gordon Cooper Vo-Tech
2017	64.46	68.81	19.65	18.92	15.18
2016	67.78	67.57	19.88	15.38	15.18
2015	66.75	69.11	20.33	15.38	15.18
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

(1) The source for property tax rates of all Oklahoma jurisdictions is the Oklahoma State Board of Equalization (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
2017	14.81	23.76	59.36	76.17	66.19	60.51	78.78	66.34	63.86
2016	15.62	23.72	59.71	76.17	71.34	58.90	75.95	66.30	62.88
2015	15.45	23.58	59.36	76.18	75.87	59.02	77.31	66.30	62.76
2014	15.99	23.87	60.39	76.19	62.61	59.95	75.84	66.25	51.04
2013	16.0	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

Midwest

Fiscal Year	Jones Schools	Luther Schools	McLoud Schools	City Schools	Millwood Schools	Moore Schools	Mustang Schools	Oakdale Schools	Piedmont Schools
2017	75.99	54.81	53.74	70.64	68.64	71.58	68.48	62.10	72.07
2016	70.79	56.23	55.15	71.03	68.50	64.54	68.26	60.94	70.60
2015	72.56	56.48	54.94	70.32	54.70	66.71	68.77	62.78	67.04
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

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
2017	65.72	63.77	5.08	19.65	16.06	15.69	15.45	18.92	15.18
2016	66.42	63.99	5.08	19.88	16.09	15.69	15.45	15.38	15.18
2015	62.12	63.56	5.08	20.33	16.11	15.69	15.45	15.38	15.18
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	15.0	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	15.46	15.45	14.38	15.18
2010	61.52	63.53	5.08	17.40	16.09	15.69	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

- (1) The source for property tax rates of all Oklahoma jurisdictions is the Oklahoma State Board of Equalization (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, 2017
(dollars are in thousands)

CITY OF OKLAHOMA CITY, OKLAHOMA
TABLE 10

Principal Taxpayers	Fiscal Year				
	2017		2008		
	Taxable Assessed Value (1)	Percentage of Total City Taxable Assessed Property Value	Taxable Assessed Value (1)	Percentage of Total City Taxable Assessed Property Value	
OG&E	\$189,247	3.33%	OG&E	\$117,690	3.02%
Devon Headquarters LLC	73,661	1.30	Southwestern Bell	105,482	2.70
Hobby Lobby Stores Inc.	38,435	0.68	Redbud Energy	58,715	1.51
Chesapeake Land Company LLC	28,735	0.51	Oklahoma Natural Gas Co.	30,895	0.79
Oklahoma Natural Gas Co	28,223	0.50	Cox Oklahoma Telecom LLC	26,275	0.67
Southwestern Bell Telephone Co	23,707	0.42	AT&T Mobility LLC	25,880	0.66
AT&T Mobility	16,105	0.28	General Motors	13,642	0.35
Cox Com Inc.	14,705	0.26	Cox Communications, Inc.	12,261	0.31
Quad Graphics Inc.	14,372	0.25	Sprint Spectrum L.P.	11,932	0.31
OU Medical Center 33608	13,426	0.24	Chesapeake Land Co. LLC	10,856	0.28
	\$440,616	7.77%		\$413,628	10.60%
Total Assessed Valuation	\$5,816,071		Total Assessed Valuation	\$4,012,632	
Taxable Assessed Value	\$5,679,244		Taxable Assessed Value	\$3,900,991	

(1) The source for property value information is the Oklahoma County Assessor's Office. Total Assessed Value represents amounts assessed in August 2016 for amounts recognized in fiscal year 2017.

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
2017	\$84,091	\$80,475	95.7%	\$ -	\$80,475	95.7%
2016	84,407	80,824	95.8	2,054	82,878	98.2
2015	79,322	76,168	96.0	2,440	78,608	99.1
2014	78,664	75,333	95.8	2,211	77,544	98.6
2013	76,478	73,322	95.9	3,229	76,551	100.1
2012	74,379	70,893	95.3	2,429	73,322	98.6
2011	71,850	68,114	94.8	2,591	70,705	98.4
2010	65,113	61,804	94.9	2,375	64,179	98.6
2009	62,150	59,411	95.6	2,562	61,973	99.7
2008	62,229	59,557	95.7	3,146	62,703	100.8

(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, 2017
(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	Notes Payable	
2017	\$820,338	\$36	\$9,625	\$ -	\$32	\$10,500	\$840,531
2016	786,786	465	9,287	-	62	-	796,600
2015	750,825	382	3,466	-	26	-	754,699
2014	698,352	429	4,458	-	65	-	703,304
2013	631,037	506	4,790	-	70	-	636,403
2012	575,407	299	5,077	-	39	-	580,822
2011	577,557	8	7,256	-	50	-	584,871
2010	572,054	111	12,256	-	13	-	584,434
2009	513,964	287	11,487	-	20	-	525,758
2008	503,950	332	44,580	1,000	29	-	549,891

<i>Business-Type Activities (1)</i>						
Fiscal Year	Revenue Bonds	Lease Obligations	Total Business-type Activities	Total Primary Government (2)	Percent of Personal Income (3)	Per Capita
2017	\$112,029	\$207	\$112,236	\$952,767	1.53%	\$1,459
2016	96,845	419	97,264	893,864	1.44	1,394
2015	89,510	318	89,828	844,527	1.45	1,343
2014	94,085	347	94,432	797,736	1.42	1,306
2013	98,480	374	98,854	735,257	1.38	1,236
2012	554,032	1,066	555,098	1,135,920	2.36	1,935
2011	577,475	1,999	579,474	1,164,345	2.53	2,007
2010	543,114	3,598	546,712	1,131,146	2.28	2,020
2009	507,000	4,729	511,729	1,037,487	2.29	1,893
2008	485,981	5,822	491,803	1,041,694	2.36	1,880

- (1) Beginning in 2013, revenue bonds do not include outstanding bonds for OCAT, 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**

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

June 30, 2017

(dollars are in thousands)

Fiscal Year	General Obligation Bonded Debt (1)	Net Bonded Debt (2)	Net Assessed Valuation	Ratio of Net Bonded Debt to Net Assessed Valuation
2017	\$820,338	\$763,123	\$5,679,244	13.4
2016	786,786	682,255	5,405,259	12.6
2015	750,825	653,975	5,134,971	12.7
2014	698,352	615,715	4,918,526	12.5
2013	631,037	556,390	4,780,332	11.6
2012	575,407	509,460	4,655,191	10.9
2011	577,557	521,260	4,516,447	11.5
2010	572,054	522,670	4,407,331	11.9
2009	513,964	468,320	4,151,456	11.3
2008	503,950	458,295	3,900,991	11.7

Fiscal Year	Estimated Fair Market Value of City Taxable Property (3)	Ratio of Net Bonded Debt to Estimated Fair Market Value of City Taxable Property	Estimated Population (in thousands) (4)	Per Capita Bonded Debt	Per Capita Net Bonded Debt
2017	\$48,800,765	1.7	653	\$1,256	\$1,169
2016	46,336,461	1.7	641	1,227	1,064
2015	43,956,071	1.7	629	1,194	1,040
2014	41,963,614	1.7	611	1,143	1,008
2013	40,458,929	1.6	595	1,061	935
2012	39,301,143	1.5	587	980	868
2011	38,143,749	1.5	580	996	899
2010	37,093,359	1.5	560	1,022	933
2009	34,957,908	1.5	548	938	855
2008	32,655,141	1.5	554	910	827

(1) General obligation bonded debt is reported net of unamortized discounts (premiums) and deferred amount on refunding. Deferred amount on refunding was reclassified to deferred outflows (inflows) in 2013 due to change in accounting principle.

Fiscal Year	Gross General Obligation Debt	Unamortized Discount (Premium)	Deferred Amount on Refunding	General Obligation Debt	Ratio of Gross Bonded Debt to Net Assessed Valuation
2017	\$769,505	\$50,833	\$ -	\$820,338	13.5
2016	738,110	48,676	-	786,786	13.7
2015	707,314	43,511	-	750,825	13.8
2014	663,575	34,777	-	698,352	13.5
2013	599,460	31,577	-	631,037	12.5
2012	553,445	29,499	(7,537)	575,407	11.9
2011	565,669	14,777	(2,889)	577,557	12.5
2010	561,740	13,985	(3,671)	572,054	12.7
2009	505,780	12,717	(4,533)	513,964	12.2
2008	496,015	13,399	(5,464)	503,950	12.7

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

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

(4) 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, 2017
(dollars are in thousands)

CITY OF OKLAHOMA CITY, OKLAHOMA
TABLE 14

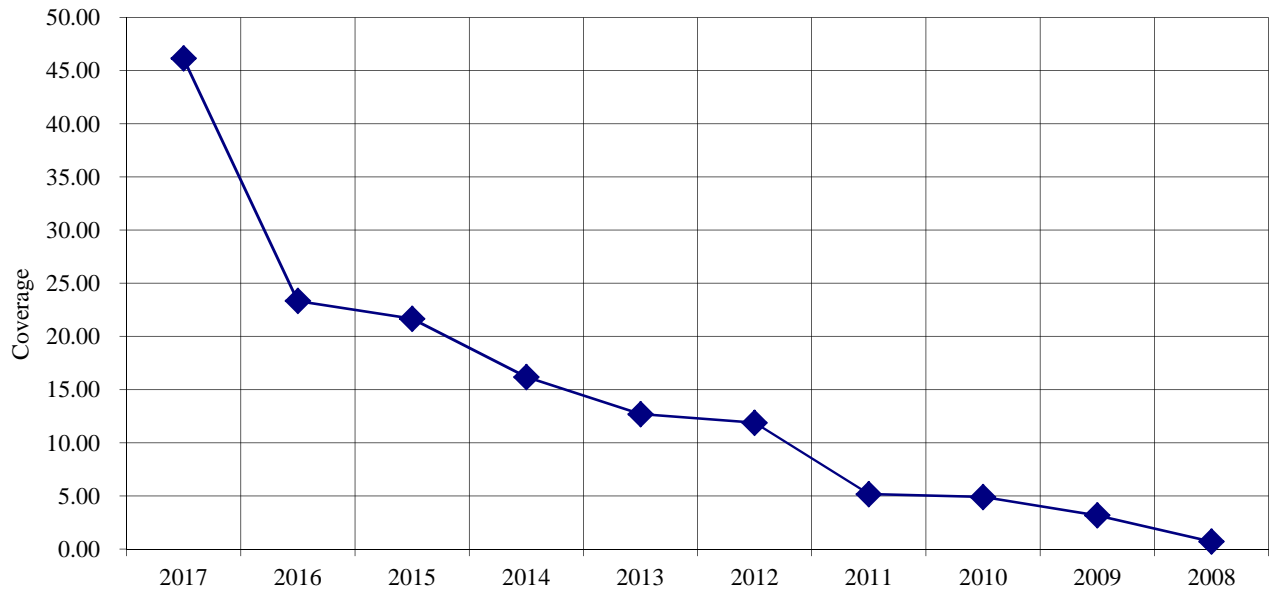
	Net Governmental Activities Debt Outstanding (2)(3)	Percentage Applicable to Oklahoma City (4)	Amount Applicable to Oklahoma City
Banner Schools	\$2,000	11.44%	\$22,880
Canadian County	-	41.40	-
Choctaw Schools	19,380	14.00	2,713
Cleveland County	-	26.23	-
Crooked Oak Schools	3,755	100.00	3,755
Crutcho Schools	825	4.25	35
Deer Creek Schools	17,430	75.14	13,097
Eastern Oklahoma County Vo-Tech	760	15.19	115
Edmond Schools	108,225	42.06	45,519
Francis Tuttle Vo-tech	-	60.91	-
Harrah Schools	5,090	5.73	292
Jones Schools	2,530	34.87	882
Little Axe Schools	1,530	22.78	349
Luther Schools	1,580	5.41	85
McLoud Schools	1,218	72.96	889
Midwest City Schools	29,970	40.54	12,150
Millwood Schools	2,805	88.81	2,491
Moore Schools	64,955	61.12	39,700
Mustang Schools	38,084	90.51	34,470
Norman Schools	52,030	0.00	-
Oakdale Schools	7,113	99.71	7,092
Oklahoma City Schools	131,757	86.20	113,575
Oklahoma County	40,999	67.36	27,617
Piedmont Schools	13,596	46.21	6,283
Putnam City Schools	59,445	86.08	51,170
Robin Hill Schools	585	19.88	116
Rose State College	20,290	32.66	6,627
Union City Schools	770	2.19	17
Western Heights Schools	24,743	99.96	24,733
Yukon Schools	<u>25,599</u>	<u>38.31</u>	<u>9,807</u>
	677,064		426,459
Oklahoma City	<u>840,531</u>	100.00%	<u>840,531</u>
Total direct and overlapping debt	<u>\$1,517,595</u>		<u>\$1,266,990</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 2016-2017 tax year levy. Therefore, the net debt outstanding for the City of Oklahoma City (City) does not agree with the June 30, 2017, 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, 2017
(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)



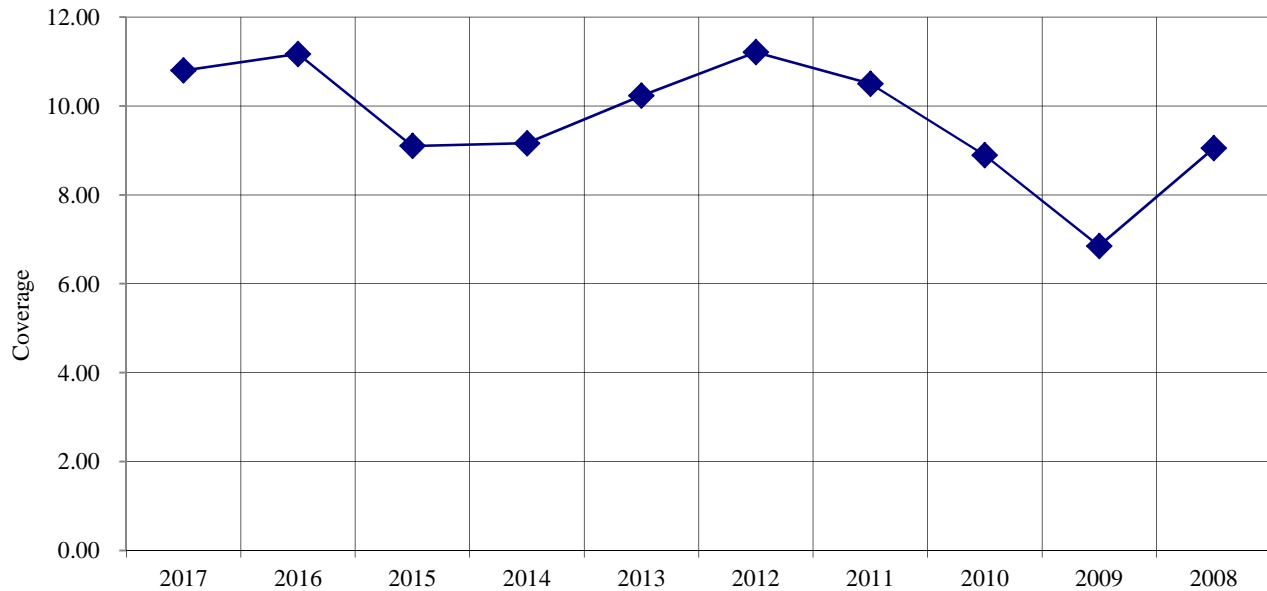
Fiscal Year	Gross Revenue (2)	Direct Expenses (3)	Net Revenue Available for Debt Service	Debt Service Requirements			Coverage (4)
				Principal	Interest	Total	
2017	\$54,388	\$43,588	\$10,800	\$160	\$74	\$234	46.15
2016	57,471	46,380	11,091	390	85	475	23.34
2015	48,818	38,551	10,267	375	99	474	21.66
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	32,529	31,682	847	940	259	1,199	0.70

- (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.

PLEDGED-REVENUE BOND COVERAGE
June 30, 2017
(dollars are in thousands)

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



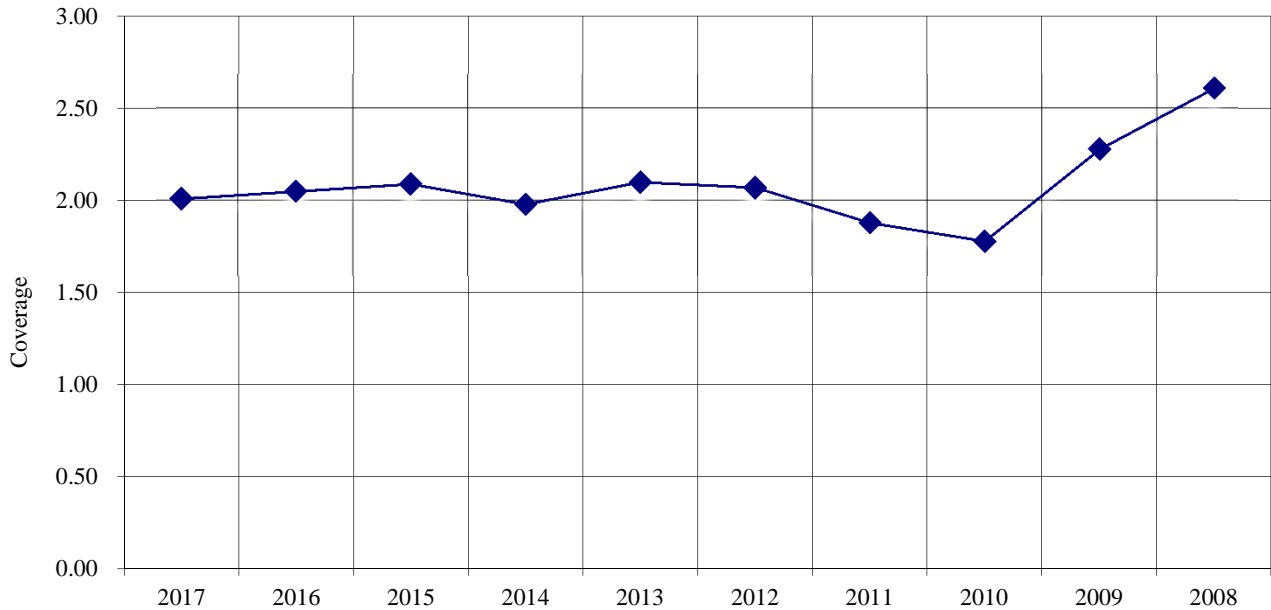
Fiscal Year	Gross Revenue (2)	Direct Expenses (3)	Net Revenue Available for Debt Service	Debt Service Requirements			Coverage (4)
				Principal	Interest	Total	
2017	\$26,878	\$19,237	\$7,641	\$680	\$27	\$707	10.80
2016	26,279	18,377	7,902	680	27	707	11.17
2015	25,542	19,106	6,436	680	27	707	9.10
2014	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

- (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
June 30, 2017
(dollars are in thousands)

CITY OF OKLAHOMA CITY, OKLAHOMA
TABLE 15
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OKLAHOMA CITY PUBLIC PROPERTY AUTHORITY - FAIRGROUNDS BONDS (1)



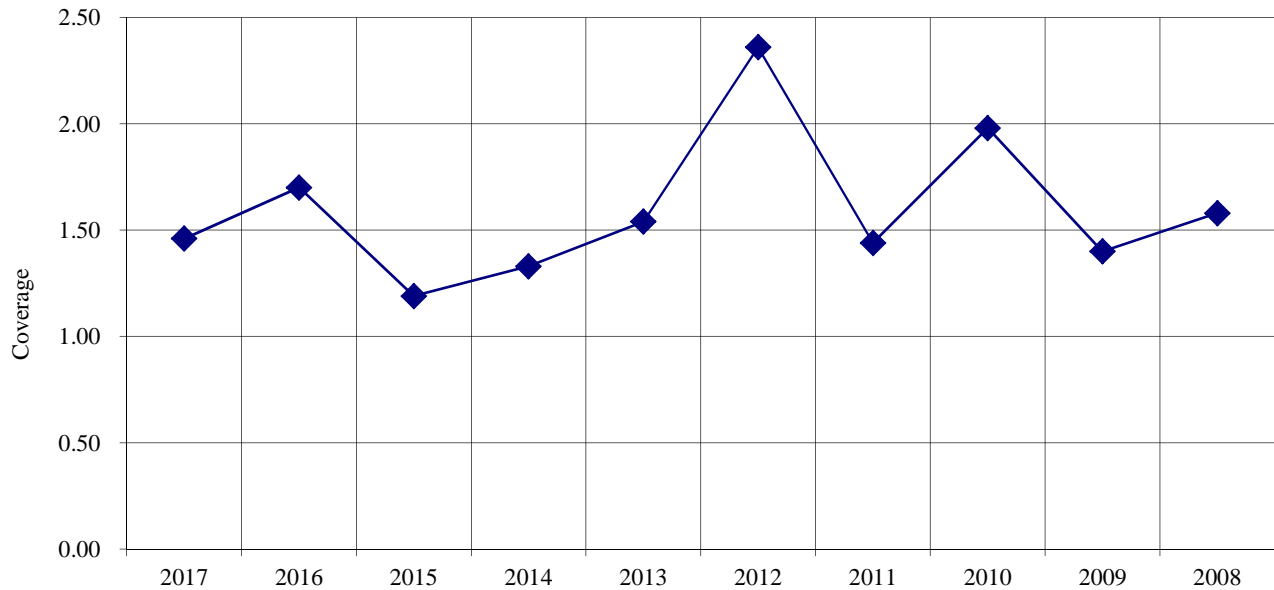
Fiscal Year	Gross Revenue (2)	Direct Expenses (3)	Net Revenue Available for Debt Service (4)	Debt Service Requirements			Coverage (4)
				Principal	Interest	Total	
2017	\$12,883	\$ -	\$12,883	\$2,620	\$3,761	\$6,381	2.01
2016	13,261	-	13,261	3,540	2,928	6,468	2.05
2015	13,388	-	13,388	2,870	3,512	6,382	2.09
2014	12,615	-	12,615	2,755	3,603	6,358	1.98
2013	12,113	-	12,113	2,045	3,697	5,742	2.10
2012	11,220	-	11,220	1,835	3,574	5,409	2.07
2011	9,826	-	9,826	1,745	3,476	5,221	1.88
2010	9,306	-	9,306	1,665	3,544	5,209	1.78
2009	9,650	-	9,650	630	3,590	4,220	2.28
2008	9,845	-	9,845	465	3,306	3,771	2.61

- (1) 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 are 10/11ths of recognized hotel/motel taxes.
- (3) There are no direct expenses related to the gross revenues reported.
- (4) The bond covenants do not specify a coverage requirement.

PLEGGED-REVENUE BOND COVERAGE
June 30, 2017
(dollars are in thousands)

CITY OF OKLAHOMA CITY, OKLAHOMA
TABLE 15
page 4 of 9

OKLAHOMA CITY PUBLIC PROPERTY AUTHORITY - GOLF COURSE BONDS (1)



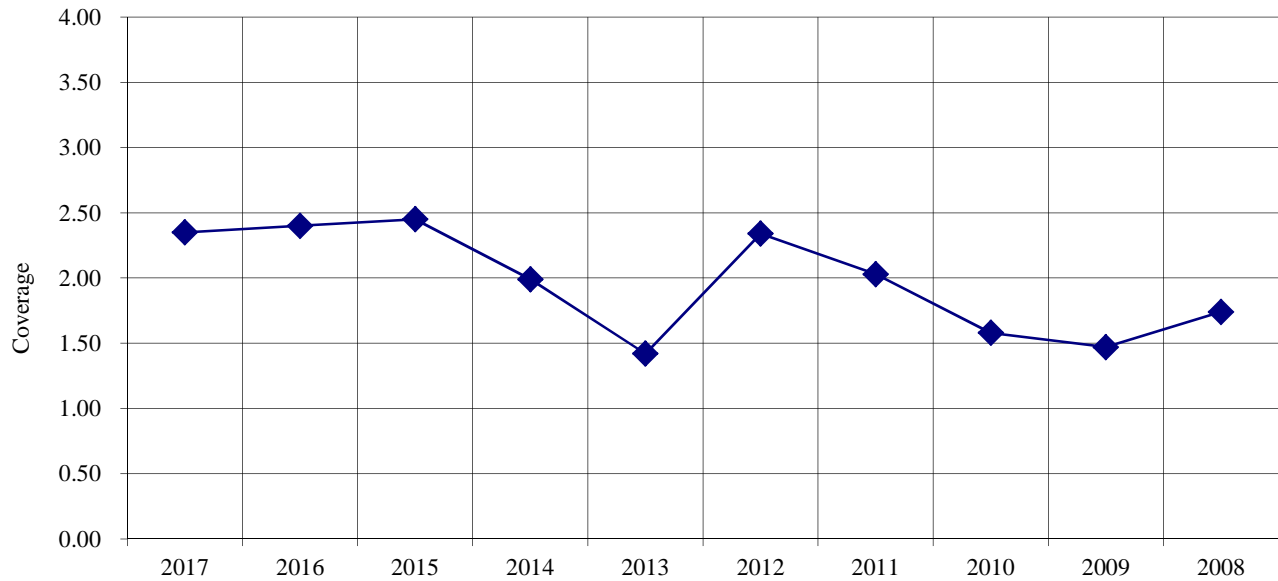
Fiscal Year	Gross Revenue (2)	Direct Expenses (3)	Net Revenue Available for Debt Service	Debt Service Coverage Requirements (4)			Coverage (5)
				Principal	Interest	Total	
2017	\$9,634	\$7,869	\$1,765	\$825	\$383	\$1,208	1.46
2016	9,597	7,539	2,058	825	383	1,208	1.70
2015	8,885	7,438	1,447	825	383	1,208	1.19
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	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

- (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.

PLEGGED-REVENUE BOND COVERAGE
June 30, 2017
(dollars are in thousands)

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



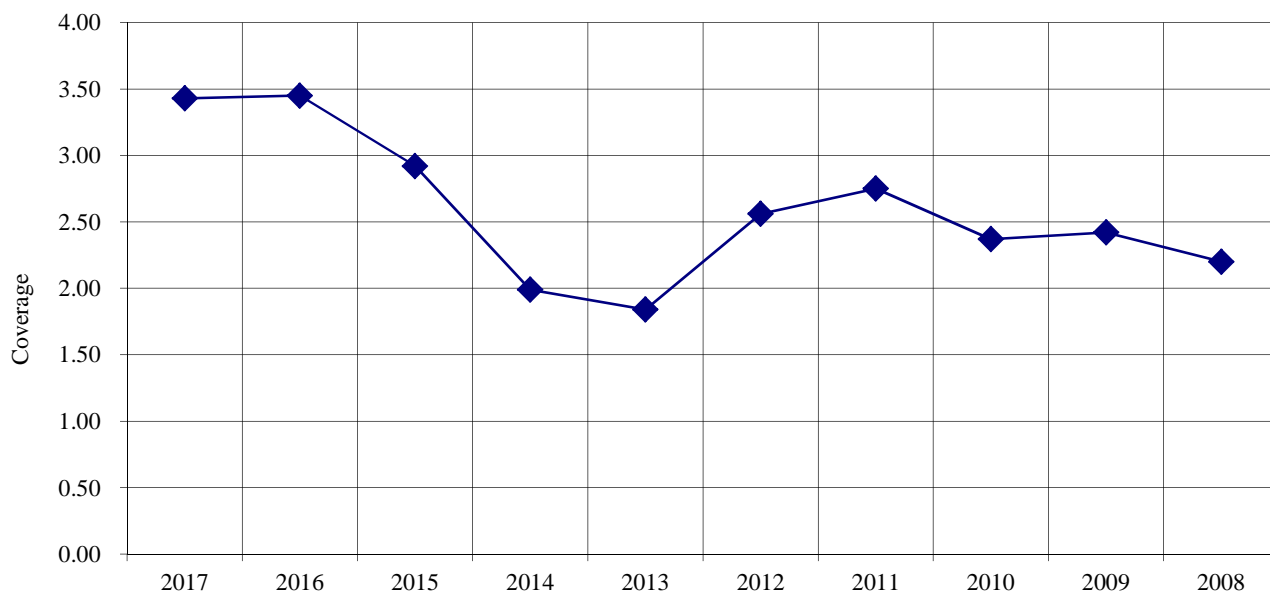
Fiscal Year	Gross Revenue (2)	Direct Expenses (3)	Net Revenue Available for Debt Service	Debt Service Requirements			Coverage (5)				
				Principal	Interest (4)	Total	Senior Lien (6)		Junior Lien		
							Gross	Net	Gross	Net	Combined (7)
2017	\$59,224	\$31,422	\$27,802	\$7,420	\$4,387	\$11,807	N/A	N/A	5.26	2.79	2.35
2016	58,945	28,924	30,021	7,745	4,733	12,478	N/A	N/A	5.18	2.87	2.40
2015	57,803	27,193	30,610	7,410	5,078	12,488	N/A	N/A	5.02	2.88	2.45
2014	66,878	27,560	39,318	13,370	6,291	19,661	N/A	N/A	6.86	4.04	1.99
2013	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

- (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) Senior lien debt was fully repaid in 2013.
- (7) Combined bond coverage includes principal and interest requirements for all bonded debt.

PLEGGED-REVENUE BOND COVERAGE
June 30, 2017
(dollars are in thousands)

CITY OF OKLAHOMA CITY, OKLAHOMA
TABLE 15
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OKLAHOMA CITY WATER UTILITIES TRUST - WATER BONDS (1)



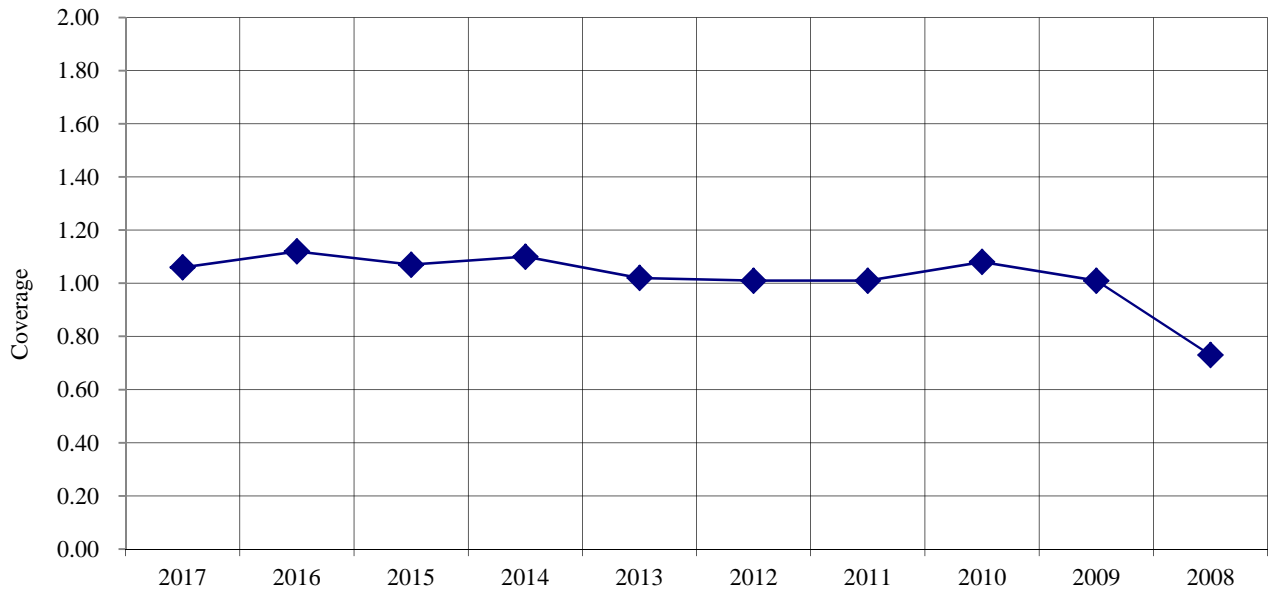
Fiscal Year	Gross Revenue (2)	Direct Expenses (3)	Net Revenue Available for Debt Service	Debt Service Requirements (4)			Coverage (5)
				Principal	Interest	Total	
2017	\$251,747	\$134,071	\$117,676	\$20,010	\$14,267	\$34,277	3.43
2016	238,348	118,270	120,078	8,370	26,402	34,772	3.45
2015	216,524	114,775	101,749	8,370	26,402	34,772	2.92
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	137,738	89,417	48,321	8,390	13,496	21,886	2.20

- (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.

PLEDGED-REVENUE BOND COVERAGE
June 30, 2017
(dollars are in thousands)

CITY OF OKLAHOMA CITY, OKLAHOMA
TABLE 15
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McGEE CREEK AUTHORITY - WATER BONDS (1)



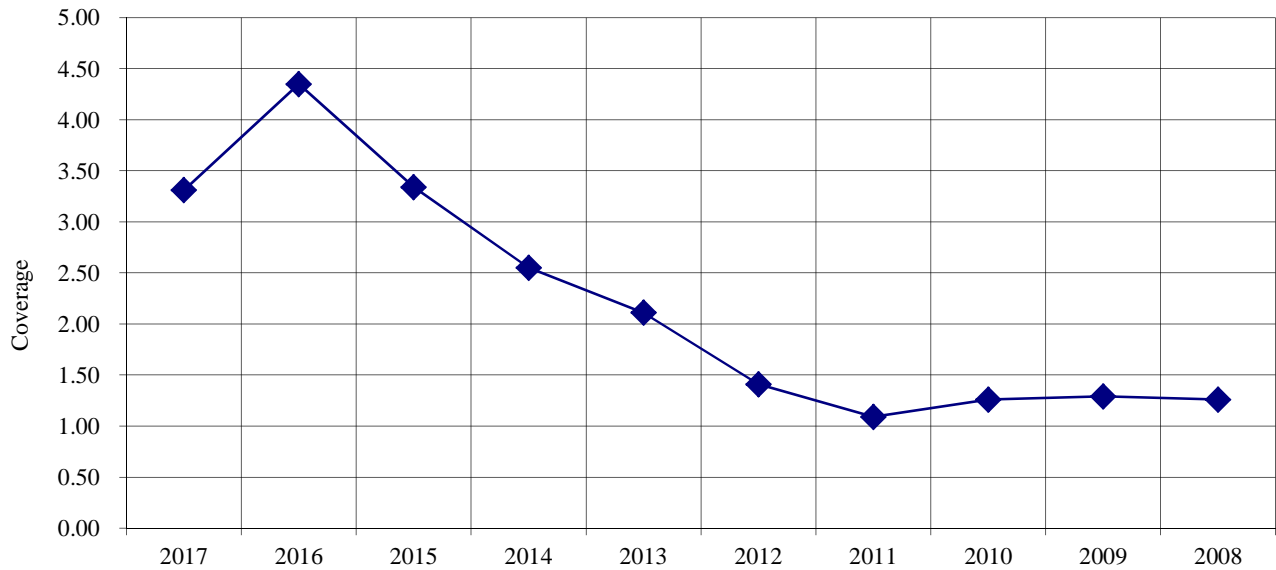
Fiscal Year	Gross Revenue (2)	Direct Expenses (3)	Net Revenue Available for Debt Service	Debt Service Requirements			Coverage (4)
				Principal	Interest	Total	
2017	\$7,781	\$735	\$7,046	\$4,420	\$2,228	\$6,648	1.06
2016	7,978	501	7,477	4,170	2,478	6,648	1.12
2015	8,056	919	7,137	3,935	2,714	6,649	1.07
2014	7,962	673	7,289	3,715	2,937	6,652	1.10
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	1.08
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	0.73

- (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.

PLEGGED-REVENUE BOND COVERAGE
June 30, 2017
(dollars are in thousands)

CITY OF OKLAHOMA CITY, OKLAHOMA
TABLE 15
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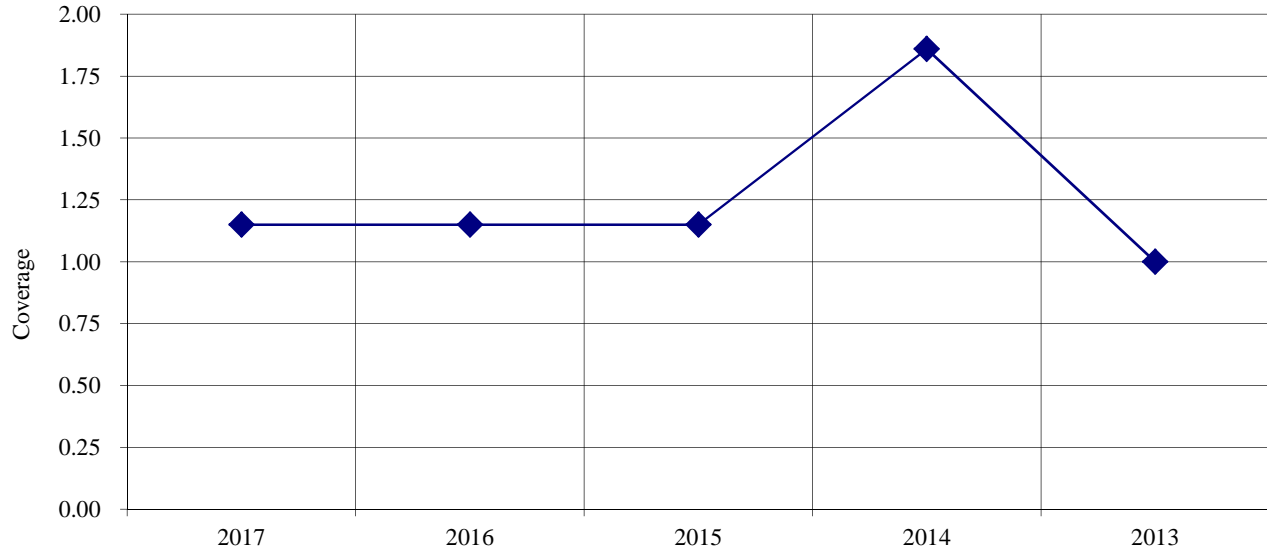
CENTRAL OKLAHOMA TRANSPORTATION AND PARKING AUTHORITY - PARKING BONDS (1)



Fiscal Year	Gross Revenue (2)	Direct Expenses (3)	Net Revenue Available for Debt Service	Debt Service Requirements (4)			Coverage (5)
				Principal	Interest	Total	
2017	\$8,891	\$4,010	\$4,881	\$625	\$849	\$1,474	3.31
2016	9,889	3,478	6,411	610	864	1,474	4.35
2015	9,674	4,748	4,926	610	864	1,474	3.34
2014	7,127	3,362	3,765	610	864	1,474	2.55
2013	6,219	3,112	3,107	610	864	1,474	2.11
2012	6,155	3,014	3,141	1,635	593	2,228	1.41
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	1.26
2009	9,107	3,172	5,935	2,260	2,350	4,610	1.29
2008	8,906	2,796	6,110	2,725	2,135	4,860	1.26

- (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 outstanding 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 is reduced by reserves held to pay debt services in that year.
- (5) The bond covenants coverage ratio is 1.25.

OKLAHOMA CITY ECONOMIC DEVELOPMENT TRUST - TAX APPORTIONMENT BONDS (1)

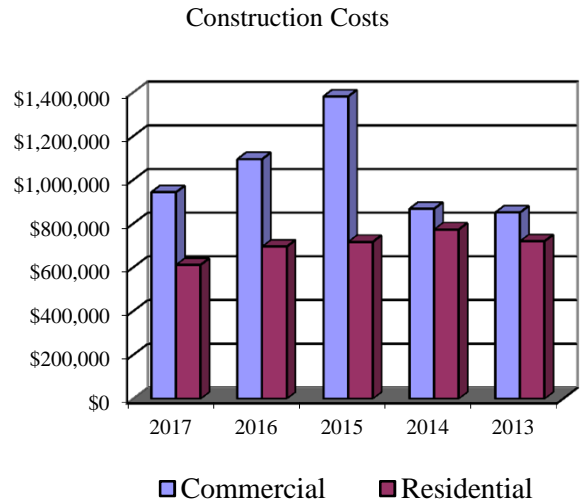
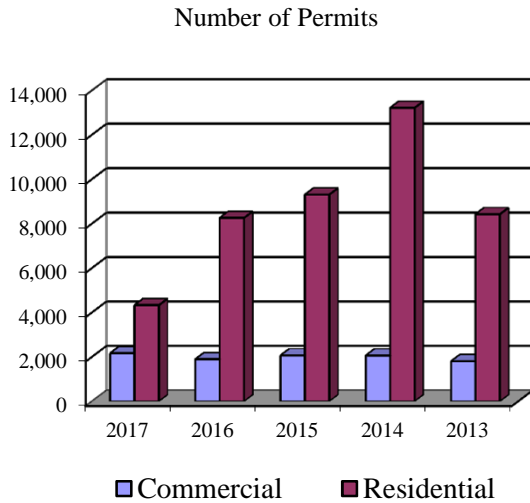


Fiscal Year	Gross Revenue (2)	Direct Expenses (3)	Net Revenue Available for Debt Service	Debt Service Requirements			Coverage (4)
				Principal	Interest	Total	
2017	\$11,316	\$ -	\$11,316	\$5,335	\$4,473	\$9,808	1.15
2016	11,316	-	11,316	5,275	4,524	9,799	1.15
2015	11,305	-	11,305	5,230	4,558	9,788	1.15
2014	17,128	-	17,128	5,205	3,994	9,199	1.86
2013	7,958	-	7,958	-	-	-	1.00

- (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) The bond indenture requires the payment of principal and interest from Incremental Revenues. Increment Revenues are revenues derived from the ad valorem taxes apportioned within Oklahoma City Increment District #8.
- (3) Direct expenses are excluded as they do not affect funds available for debt service.
- (4) The bond covenants do not specify a coverage requirement.
- (5) Gross revenues and debt service requirements for 2015 have been restated for a prior error in presentation.
- (5) Debt service requirements for 2014 have been restated for a prior error in presentation. This resulted in a change to the bond coverage for 2014.

CONSTRUCTION PERMITS (1)
June 30, 2017
(dollars are in thousands)

CITY OF OKLAHOMA CITY, OKLAHOMA
TABLE 16



Commercial Construction

Residential Construction

Fiscal Year	Number of Permits	Construction Cost
2017	2,163	\$944,305
2016	1,895	1,095,538
2015	2,065	1,382,474
2014	2,062	868,878
2013	1,803	851,718
2012	1,685	673,075
2011	1,700	860,646
2010	1,475	947,880
2009	1,537	795,767
2008	1,797	763,026

Fiscal Year	Number of Permits	Construction Cost
2017	4,325	\$612,210
2016	8,255	695,723
2015	9,303	717,511
2014	13,212	773,993
2013	8,423	720,670
2012	6,978	585,898
2011	4,672	524,798
2010	4,377	486,076
2009	3,695	456,753
2008	4,560	610,712

(1) The source of this information is the City of Oklahoma City Public Works Department Annual Building Permit Report.

DEMOGRAPHIC STATISTICS
June 30, 2017
(dollars are in thousands)

CITY OF OKLAHOMA CITY, OKLAHOMA
TABLE 17

Fiscal Year	Estimated Population (in thousands) (1)(2)	Personal Income (1)	Per Capita Personal Income (1)	Median Age (1)	Education Level in Years of Schooling (3)	Oklahoma City Public School District Enrollment (in thousands) (4)	Unemployment Rate (5)
2017	653	\$62,358,314	\$46	33.7	85.0%	40	4.1
2016	641	62,113,957	46	33.8	85.0	46	3.8
2015	629	58,435,470	44	34.6	84.8	46	3.7
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

- (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.

CITY OF OKLAHOMA CITY, OKLAHOMA

TABLE 18

MAJOR EMPLOYERS - PRIVATE AND PUBLIC (1)

June 30, 2017

Current Year and Nine Years Ago

Employer	2017			2008		
	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment
Local Governments (2)	55,200	1	8.76%	50,695	1	8.72%
State Government (2)	46,700	2	7.41	41,388	2	7.12
Federal Government (2)	28,800	3	4.57	27,100	3	4.66
Tinker Air Force Base (2)	24,000	4	3.81	27,000	4	4.64
University of Oklahoma - Norman	12,700	5	2.02			
U.S. Postal Service				8,700	5	1.50
FAA Mike Monroney Aeronautical Center	7,000	6	1.11	5,600	8	0.96
INTEGRIS Health (3)	6,000	7	0.95	7,000	6	1.20
Oklahoma City Public Schools				5,900	7	1.01
Hobby Lobby Stores Inc.	5,100	8	0.81	2,522	17	0.43
University of Oklahoma Health Sciences	5,000	9	0.79	4,200	10	0.72
City of Oklahoma City	4,700	10	0.75	4,700	9	0.81
Mercy Hospital	4,500	11	0.71	2,750	15	0.47
OGE Energy Corp	3,400	12	0.54	3,123	12	0.54
OU Medical Center	3,200	13	0.51	3,250	11	0.56
SSM Health Care of Oklahoma, Inc.	3,000	14	0.48	1,500	25	0.26
University of Central Oklahoma	3,000	15	0.48			
Norman Regional Hospital	2,950	16	0.47			
AT&T	2,700	17	0.43	3,000		0.52
The Boeing Company	2,600	18	0.41			
Devon Energy Corp	2,500	19	0.40	1,700		0.29
Putnam City Schools				2,600	16	0.45
Chesapeake Energy Corp	2,500	20	0.40	2,800	14	0.48
Sonic Corp	2,460	21	0.39			
Dobson Communications						
Oklahoma City Community College	2,100	22	0.33			
LSB Industries, Inc.						
Dell	1,800	23	0.29	2,100	20	0.36
UPS	1,800	24	0.29	2,300	19	0.40
Hertz Corporation	1,700	25	0.27	2,300	18	0.40
Love's Travel Stops and Country Store	1,700	18	0.27			
American Fidelity	1,650	27	0.26			
Cox Communications	1,400	28	0.22	2,000	21	0.34
Great Plains Coca-Cola Bottling Company	1,300	29	0.21			
Farmers Insurance Group	1,300	30	0.21			
Midfirst Bank	1,150	31	0.18			
Bank of OK	1,100	32	0.17			
Dolese Bros Co	1,100	33	0.17			
Continental Resources	1,000	34	0.16			
Deaconess	1,000	35	0.16	1,900	22	0.33
Oklahoma County				1,800	23	0.31
	248,110		39.39%	217,928		37.48%

(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 (1)
June 30, 2017
Last Ten Fiscal Years

CITY OF OKLAHOMA CITY, OKLAHOMA
TABLE 19

	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
<u>PRIMARY GOVERNMENT</u>										
<i>Governmental Activities</i>										
<u>Governmental funds</u>										
General government	203	246	253	248	237	219	215	223	240	245
Public safety:										
Police	1,409	1,525	1,474	1,479	1,364	1,426	1,386	1,420	1,419	1,328
Fire	954	970	982	975	971	971	975	959	990	973
Other	97	80	76	76	71	76	76	67	78	83
Public services	452	545	590	571	562	519	524	521	572	574
Culture and recreation	458	511	524	554	525	667	677	658	695	608
Education	8	15	14	14	14	14	14	9	8	7
Total governmental funds	<u>3,581</u>	<u>3,892</u>	<u>3,913</u>	<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>Internal service funds</u>										
Fleet services	27	36	36	37	36	35	34	33	36	37
Risk management	9	11	12	10	10	11	11	11	11	9
Print shop	5	4	4	4	4	4	4	4	5	5
Information technology	93	95	95	95	92	83	83	85	96	94
Total internal service funds	<u>134</u>	<u>146</u>	<u>147</u>	<u>146</u>	<u>142</u>	<u>133</u>	<u>132</u>	<u>133</u>	<u>148</u>	<u>145</u>
	<u>3,715</u>	<u>4,038</u>	<u>4,060</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>
<i>Business-type Activities</i>										
Airports	122	117	113	112	110	100	102	99	100	99
Water utilities	628	627	625	615	610	585	591	574	593	577
Solid waste management	115	110	111	106	107	109	117	107	113	107
Stormwater drainage	135	72	68	65	65	63	76	62	71	77
Golf courses	230	241	230	230	237	239	233	228	188	244
Transportation and parking	23	27	24	22	26	23	24	24	24	24
Zoo operations (2)	416	401	477	445	477	-	-	-	-	-
	<u>1,669</u>	<u>1,595</u>	<u>1,648</u>	<u>1,595</u>	<u>1,632</u>	<u>1,119</u>	<u>1,143</u>	<u>1,094</u>	<u>1,089</u>	<u>1,128</u>
Total primary government	<u>5,384</u>	<u>5,633</u>	<u>5,708</u>	<u>5,658</u>	<u>5,518</u>	<u>5,144</u>	<u>5,142</u>	<u>5,084</u>	<u>5,239</u>	<u>5,091</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>5,386</u>	<u>5,635</u>	<u>5,710</u>	<u>5,660</u>	<u>5,520</u>	<u>5,146</u>	<u>5,144</u>	<u>5,086</u>	<u>5,241</u>	<u>5,093</u>

(1) Employees by function are full-time and part-time employees who received pay as of June 30.

(2) Prior to 2013, zoo employees were not part of the primary government.

OPERATING INDICATORS BY FUNCTION (1)
June 30, 2017

CITY OF OKLAHOMA CITY, OKLAHOMA
TABLE 20
page 1 of 2

	Fiscal Year									
	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
<u>GENERAL</u>										
<u>GOVERNMENT</u>										
Occupation and Business										
business licenses										
issued (2)	25,041	26,304	25,606	26,540	26,159	26,879	13,653	28,196	36,914	34,504
Investment Portfolio Return										
(TRR-Market Value Method) (3)	0.35%	1.06%	0.58%	0.51%	0.26%	1.04%	1.07%	2.11%	3.19%	4.41%
Benchmark index (Merrill Lynch)										
0-3 Year U.S. Treasury Index (5)	0.10%	1.01%	0.65%	0.58%	0.29%	0.21%	0.19%	0.32%	0.56%	2.36%
<u>PUBLIC SAFETY</u>										
<u>POLICE</u>										
Physical arrests	23,175	28,630	29,006	23,715	26,043	23,157	24,000	25,279	27,659	21,906
Parking violations	42,334	42,176	52,559	50,336	32,176	42,523	42,048	48,540	47,005	55,545
Traffic violations	106,032	144,282	149,998	114,377	133,809	132,862	104,993	101,094	83,911	81,946
<u>FIRE</u>										
Fire responses	79,266	73,699	72,672	67,710	71,746	88,055	86,350	80,858	75,750	74,833
Fire responses in less than										
than five minutes	56.30%	57.66%	57.52%	59.87%	55.26%	61.22%	53.41%	56.95%	67.04%	52.34%
Fire inspections	10,744	11,859	11,714	13,435	15,342	8,769	7,499	7,859	7,995	3,912
<u>OTHER</u>										
Court cases heard	109,150	150,931	139,900	137,168	127,886	114,028	120,339	123,103	122,981	111,929
Warrants cleared										
and served										
(monthly average)	3,856	5,576	5,085	4,473	3,904	3,686	3,922	3,580	3,805	4,323
<u>PUBLIC SERVICES</u>										
Houses removed/secured	549	776	842	413	400	458	578	453	410	399
Zoning inspections	64,135	60,911	53,213	60,859	57,183	53,615	51,336	49,782	26,524	27,488
Street panels										
repaired (sq yd)	17,743	11,717	15,922	13,439	18,653	17,123	12,563	13,109	19,919	20,274
<u>CULTURE AND RECREATION</u>										
<u>RECREATION</u>										
Youth enrolled in athletic										
leagues (5)	2,930	4,343	266	1,402	1,698	1,808	1,120	1,382	1,455	1,554
Public education workshops (6)	2,226	2,025	2,107	2,528	-	-	0	40	47	56
<u>AIRPORTS</u>										
Average number										
of daily flights	65	65	65	68	72	71	71	68	75	85
Annual number of										
passengers boarding	1,880,480	1,867,286	1,886,219	1,847,283	1,845,055	1,824,313	1,748,379	1,694,060	1,730,874	1,913,747
<u>WATER UTILITIES</u>										
Sewer lines construction										
or repair (lnr feet) (7)	25,828	74,357	99,869	94,409	98,522	120,645	106,790	4,810	4,379	9,612
Water line										
construction or										
repair (lnr feet)	62,382	47,395	65,486	84,663	134,456	96,725	118,840	103,560	144,784	121,057
Water consumption										
(1,000,000 gal)	30,669	29,469	27,766	29,048	31,065	33,795	31,336	29,914	29,658	29,238
Wastewater										
consumption										
(1,000,000 gal)	19,198	22,739	21,500	21,360	21,462	21,184	26,474	20,940	19,112	19,214

OPERATING INDICATORS BY FUNCTION (1) (2)
June 30, 2017

CITY OF OKLAHOMA CITY, OKLAHOMA
TABLE 20
page 2 of 2

	Fiscal Year									
	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
<u>SOLID WASTE</u>										
<u>MANAGEMENT (8)</u>										
Street sweeping										
(lane miles)	21,660	21,741	21,909	21,760	21,878	19,390	18,558	18,434	18,979	19,009
Refuse collected										
(tons/day)	1,435	1,445	1,389	1,390	1,349	1,029	1,058	1,085	1,104	1,164
Recyclables collected in tons per										
in tons per day	40	41	40	44	42	33	35	39	40	36
<u>STORMWATER</u>										
<u>DRAINAGE</u>										
Construction erosion										
inspections	8,434	8,156	7,976	5,597	5,856	5,581	9,445	7,345	9,600	8,184
Stormwater discharge										
permits issued	714	655	750	676	829	748	773	1,054	1,330	848
<u>GOLF COURSES</u>										
Rounds of golf	245,905	250,299	244,639	236,662	255,495	276,472	268,524	267,489	277,827	299,104
<u>FAIRGROUNDS (9)</u>										
Events	136	180	186	203	190	185	191	191	211	204
Event days	2,665	2,463	2,559	2,713	2,375	2,327	2,213	2,131	2,491	2,576
<u>GROUND</u>										
<u>TRANSPORTATION</u>										
Daily motor bus										
passengers (avg) (10)	11,245	11,418	11,064	11,474	10,109	9,928	9,657	9,729	9,493	8,881
<u>PARKING (11)</u>										
Average monthly										
occupancy rate (%)	93.76%	106.80%	110.30%	118.25%	111.72%	94.90%	89.00%	91.00%	88.45%	85.20%

- (1) Sources include the City of Oklahoma City (City) Annual Budget, Supplemental Disclosure-Outstanding Bonded Debt, and City Departments.
- (2) 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.
- (3) 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.
- (4) 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.
- (5) The reporting for youth enrolled in athletic leagues rose significantly in 2016 due to increased staffing for the program.
- (6) The Myriad Gardens underwent construction during fiscal years 2011 through 2013, public education workshops began again in fiscal year 2014.
- (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, 2017
Last Ten Fiscal Years

CITY OF OKLAHOMA CITY, OKLAHOMA
TABLE 21

	Fiscal Year									
	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
<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	647	593	589	530	546	548	577	581	580	576
<u>FIRE</u>										
Stations	36	36	36	35	35	35	35	35	35	35
Fire emergency apparatus (2)	156	139	138	96	87	84	85	84	81	79
<u>SOLID WASTE MANAGEMENT</u>										
Collection vehicles	114	125	125	125	131	117	113	108	114	114
<u>STREETS AND HIGHWAYS</u>										
Streets (miles)	8,388	8,322	8,229	8,177	8,151	7,862	7,800	7,775	7,772	7,603
New traffic signals installed	15	8	7	7	7	10	6	11	20	12
<u>PARKS AND RECREATION</u>										
Parks Acres	4,277	4,590	4,590	4,590	4,590	4,590	4,590	4,590	4,230	4,545
Lake acres - land & water recreation (3)	14,725	14,312	14,312	14,312	14,229	14,229	14,229	14,229	14,229	N/A
Oklahoma River & Bricktown	507	507	507	507	507	507	507	507	507	N/A
Playgrounds	116	110	110	109	111	109	109	108	104	109
Baseball/softball/practice fields	106	89	89	88	80	84	84	92	92	135
Soccer/football fields (4)	61	60	59	42	-	-	-	-	-	-
Community/special activity centers	31	31	31	31	30	30	30	26	26	26
<u>WATER</u>										
Water main miles	3,850	3,774	3,703	3,649	3,583	3,518	3,269	3,225	3,189	3,307
Fire hydrants	24,054	23,498	22,743	22,547	22,473	21,527	21,527	21,147	20,441	19,713
Storage capacity (1000 gal) (5)	61,870	61,870	75,000	75,000	70,000	70,000	70,000	70,000	70,000	70,000
<u>WASTEWATER</u>										
Sanitary sewer miles	2,918	2,871	2,839	2,806	2,784	2,755	2,711	2,689	2,636	2,585
Treatment capacity (1000 gal/day)	111,000	111,000	111,000	111,000	111,000	111,000	106,000	106,000	106,000	106,000
<u>STORMWATER DRAINAGE</u>										
Storm sewer miles	875.49	863.14	843.10	830.42	821.22	811.70	806.80	793.00	779.20	775.20
<u>TRANSIT</u>										
Buses	59	61	59	59	58	58	58	58	58	57
Trolleys (6)	-	-	-	-	-	10	10	12	12	13
Van lifts	24	24	21	22	22	20	23	23	18	16

(1) Information is provided by City of Oklahoma City departments.

(2) Fire emergency apparatus includes emergency vehicles that respond to emergency calls for service only.

(3) Data for lake acres is not available prior to 2009.

(4) In 2014 it was determined that previously reported amounts were incorrect. Historical data will be presented going forward from 2014.

(5) During fiscal year 2016 several assets were removed due to failing conditions or projected inactivity.

(6) Trolley service was discontinued in 2012.

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THE CITY OF OKLAHOMA CITY, OKLAHOMA

SINGLE AUDIT REPORT

YEAR ENDED JUNE 30, 2017

WITH

INDEPENDENT AUDITOR'S REPORT



THE CITY OF OKLAHOMA CITY, OKLAHOMA
SINGLE AUDIT REPORT
YEAR ENDED JUNE 30, 2017
WITH
INDEPENDENT AUDITOR'S REPORT

THE CITY OF OKLAHOMA CITY, OKLAHOMA

SINGLE AUDIT REPORT

Year Ended June 30, 2017

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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 Awards Required by the Uniform Guidance.	3 – 5
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INDEPENDENT AUDITOR'S REPORT
ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE
AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS
PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

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

We have audited, in accordance with the 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, 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 of Oklahoma City, Oklahoma (City) as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the City's basic financial statements and have issued our report thereon dated November 17, 2017, which contained a reference to the reports of other auditors and *Emphasis of Matter* paragraphs regarding a restatement and change in accounting principles.

Our report includes a reference to other auditors who also audited the financial statements of the Oklahoma City Industrial and Cultural Facilities Trust (OCICF) and the Oklahoma City Redevelopment Authority (OCRA), as described in our report on the City's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

The financial statements of the Combined Operations of the Cox Convention Center and the Chesapeake Energy Arena, included in the Oklahoma City Public Property Authority (OCPPA) General Purpose Fund, were not audited in accordance with *Government Auditing Standards*.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (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.

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 combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. 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.

Our consideration of the internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are free from 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*.

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 result of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Allen, Gibbs & Houlik, L.C.
CERTIFIED PUBLIC ACCOUNTANTS

November 17, 2017
Wichita, Kansas

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
AWARDS REQUIRED BY THE UNIFORM GUIDANCE

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

Report on Compliance for Each Major Federal Program

We have audited The City of Oklahoma City, Oklahoma's (City) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the City's major federal programs for the year ended June 30, 2017. 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

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

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 the audit requirements of Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance 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 of the City's compliance.

Opinion on Each Major Federal Program

In our opinion, the City complied, in all material respects, with the types of 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, 2017.

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 an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, 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 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 or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist which 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 the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

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, 2017, and the related notes to the financial statements, which collectively comprise the City's basic financial statements. We issued our report thereon dated November 17, 2017, which contained unmodified opinions on those financial statements, references to the reports of other auditors and *Emphasis of Matter* paragraphs regarding a restatement and change in accounting principles.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance 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 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 schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

Allen, Gibbs & Houlik, L.C.
CERTIFIED PUBLIC ACCOUNTANTS

November 17, 2017
Wichita, KS

THE CITY OF OKLAHOMA CITY, OKLAHOMA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Year ended June 30, 2017

SECTION I – SUMMARY OF AUDITOR'S RESULTS

FINANCIAL STATEMENTS

Type of report the auditor issued on whether the financial statements audited were prepared in accordance with GAAP:

Unmodified

Internal control over financial reporting:

- Material weaknesses identified? Yes No
- Significant deficiencies identified? Yes none reported
- Noncompliance material to financial statements noted? Yes No

FEDERAL AWARDS

Internal control over major federal programs:

- Material weaknesses identified? Yes No
- Significant deficiencies identified? Yes none reported

Type of auditor's report issued on compliance for major federal programs:

See below

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?

Yes No

Identification of major federal programs and type of auditor's report issued on compliance for major federal programs:

CFDA NUMBER	NAME OF FEDERAL PROGRAM	OPINION
14.248	CDBG Section 108 Loan Guarantees	Unmodified
14.267	Continuum of Care	Unmodified
20.933	State-Local Hazard Mitigation	Unmodified
97.047	National Infrastructure Investments	Unmodified

Dollar threshold used to distinguish between type A and type B programs:

\$ 2,364,671

Auditee qualified as low-risk auditee?

Yes No

THE CITY OF OKLAHOMA CITY, OKLAHOMA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year ended June 30, 2017

SECTION II – FINANCIAL STATEMENT FINDINGS

No matters were reported.

SECTION III – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

No matters were reported.

THE CITY OF OKLAHOMA CITY, OKLAHOMA
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
Year ended June 30, 2017

No matters were reported.

THE CITY OF OKLAHOMA CITY, OKLAHOMA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

YEAR ENDED JUNE 30, 2017

Federal Grantor/Pass-Through Entity/Program Title	Federal CFDA Number	Project Identification	Grant Number or Pass-Through Entity Identifying Number	Expenditures	Subrecipient Amounts
U.S. Department of Commerce					
Direct Programs					
Economic Adjustment Assistance	11.307			\$ 47,534	\$ -
Total U.S. Department of Commerce				47,534	-
U.S. Department of Housing and Urban Development					
Direct Programs					
Community Development Block Grant/Entitlement Grant	14.218	G80159	B-12-MC-40-0003	419,148	-
Community Development Block Grant/Entitlement Grant	14.218	G80165	B-13-MC-40-0003	63,502	-
Community Development Block Grant/Entitlement Grant	14.218	G80185	B-14-MC-40-0003	898,047	305,104
Community Development Block Grant/Entitlement Grant	14.218	G80212	B-15-MC-40-0003	753,519	371,935
Community Development Block Grant/Entitlement Grant	14.218	G80241	B-16-MC-40-0003	2,788,966	870,569
Total CDBG - Entitlement Grants				<u>4,923,182</u>	<u>1,547,608</u>
Direct Programs					
Emergency Solutions Grants Program	14.231	G80215	ESG-E-15-MC-40-0002	29,046	29,046
Emergency Solutions Grants Program	14.231	G80243	ESG E-16-MC-40-0003	330,679	330,679
Total Emergency Solutions Grants Program				<u>359,725</u>	<u>359,725</u>
Direct Programs					
HOME Investment Partnerships Program	14.239	G80104	M-10-MC-40-0203	86,712	-
HOME Investment Partnerships Program	14.239	G80121	M-11-MC-40-0203	153,600	-
HOME Investment Partnerships Program	14.239	G80160	M-12-MC-40-0203	199,456	-
HOME Investment Partnerships Program	14.239	G80166	M-13-MC-40-0203	458,044	-
HOME Investment Partnerships Program	14.239	G80186	M-14-MC-40-0203	825,649	-
HOME Investment Partnerships Program	14.239	G80213	M-15-MC-40-0203	867,151	-
HOME Investment Partnerships Program	14.239	G80242	M-16-MC-40-0203	288,776	-
Total HOME Investment Partnerships Program				<u>2,879,388</u>	<u>-</u>
Direct Programs					
Housing Opportunities for Persons with AIDS	14.241	G80168	OKH-13-F001 HOPWA	155	-
Housing Opportunities for Persons with AIDS	14.241	G80188	OKH-14-F001 HOPWA	292,465	292,465
Housing Opportunities for Persons with AIDS	14.241	G80214	HOPWA FY16	235,676	196,700
Housing Opportunities for Persons with AIDS	14.241	G80244	OKH16F001 HOPWA	13,980	-
Total Housing Opportunities for Persons with AIDS				<u>542,276</u>	<u>489,165</u>
Direct Programs					
Community Development Block Grant/Entitlement Grant - Section 108 Loan Guarantees	14.248	N/A	N/A	9,850,000	-
Direct Program					
Continuum of Care Program	14.267	G80216	OK0019L6I021405	239,333	219,883
Continuum of Care Program	14.267	G80217	OK0061L6I021405	2,937	2,937
Continuum of Care Program	14.267	G80218	OK0087L6I021401	7,668	6,867
Continuum of Care Program	14.267	G80219	OK0078L6I021402	44,533	42,347
Continuum of Care Program	14.267	G80221	OK0068L6I021403	30,391	28,143
Continuum of Care Program	14.267	G80222	OK0022L6I021407	945	945
Continuum of Care Program	14.267	G80223	OK0104L6I021400	40,352	40,352
Continuum of Care Program	14.267	G80225	OK0020L6I021405	22,292	17,982
Continuum of Care Program	14.267	G80226	OK0053L6I021404	61,641	53,846
Continuum of Care Program	14.267	G80227	OK0054L6I021401	30,481	28,583
Continuum of Care Program	14.267	G80228	OK0024L6I021407	28,521	28,521
Continuum of Care Program	14.267	G80229	OK0025L6I021407	6,591	5,984
Continuum of Care Program	14.267	G80230	OK0026L6I021406	5,514	1,514
Continuum of Care Program	14.267	G80231	OK0079L6I021403	11,110	11,110
Continuum of Care Program	14.267	G80232	OK0067L6I021403	16,776	15,074
Continuum of Care Program	14.267	G80234	OK0046L6I021406	4	-
Continuum of Care Program	14.267	G80235	OK0027L6I021406	81,839	81,839
Continuum of Care Program	14.267	G80236	OK0062L6I021405	31,649	31,649
Continuum of Care Program	14.267	G80245	OK0019L6I021506	280,205	280,205
Continuum of Care Program	14.267	G80246	OK0061L6I021506	84,037	84,037
Continuum of Care Program	14.267	G80247	OK0087L6I021502	13,732	13,732
Continuum of Care Program	14.267	G80249	OK0052L6I021503	364,530	356,872
Continuum of Care Program	14.267	G80250	OK0022L6I021508	52,992	52,992
Continuum of Care Program	14.267	G80251	OK0104L6I021501	29,389	29,389
Continuum of Care Program	14.267	G80252	OK0044L6I021506	298,145	288,760
Continuum of Care Program	14.267	G80253	OK0053L6I021505	125,285	125,285
Continuum of Care Program	14.267	G80254	OK0024L6I021508	314,888	305,368
Continuum of Care Program	14.267	G80255	OK0026L6I021507	75,921	75,921
Continuum of Care Program	14.267	G80256	OK0045L6I021507	74,183	71,969
Continuum of Care Program	14.267	G80257	OK0046L6I021507	138,938	134,912
Continuum of Care Program	14.267	G80258	OK0027L6I021507	305,715	295,715
Continuum of Care Program	14.267	G80259	OK0062L6I021506	197,182	190,990
Continuum of Care Program	14.267	G80261	OK0020L6I021506	105,046	105,046
Continuum of Care Program	14.267	G80262	OK0067L6I021504	42,187	42,187
Continuum of Care Program	14.267	G80263	OK0054L6I021502	32,948	32,948
Continuum of Care Program	14.267	G80264	OK0025L6I021508	14,845	14,845
Continuum of Care Program	14.267	G80265	OK0068L6I021504	46,812	46,812
Continuum of Care Program	14.267	G80266	OK0120L6I021500	152,864	137,670
Continuum of Care Program	14.267	G80271	OK0052L6I021604	110,134	109,534
Continuum of Care Program	14.267	G80275	OK0044L6I021607	117,792	117,792
Continuum of Care Program	14.267	G80279	OK0024L6I021609	50,206	50,206
Continuum of Care Program	14.267	G80284	OK0045L6I021608	27,319	27,319
Total Continuum of Care Program				<u>3,717,872</u>	<u>3,608,082</u>

The accompanying notes are an integral part of this schedule

THE CITY OF OKLAHOMA CITY, OKLAHOMA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

YEAR ENDED JUNE 30, 2017

Federal Grantor/Pass-Through Entity/Program Title	Federal CFDA Number	Project Identification	Grant Number or Pass-Through Entity Identifying Number	Expenditures	Subrecipient Amounts
Pass-Through Oklahoma Department of Commerce					
Hurricane Sandy Community Development Block Grant Disaster Recovery Grants (CDBG-DR)	14.269	G80210	16235 CDBG DR 13	103,507	-
Hurricane Sandy Community Development Block Grant Disaster Recovery Grants (CDBG-DR)	14.269	G80211	16224 CDBG DR 13	1,825,790	-
Hurricane Sandy Community Development Block Grant Disaster Recovery Grants (CDBG-DR)	14.269	G80238	16356 CDBG DR 13	648,219	-
Hurricane Sandy Community Development Block Grant Disaster Recovery Grants (CDBG-DR)	14.269	G80239	16514 CDBG DR 13	4,534,961	-
Hurricane Sandy Community Development Block Grant Disaster Recovery Grants (CDBG-DR)	14.269	G80240	16583 CDBG DR 13	9,045,990	-
Hurricane Sandy Community Development Block Grant Disaster Recovery Grants (CDBG-DR)	14.269	G80260	16640 CDBG DR 13	3,110,270	-
Hurricane Sandy Community Development Block Grant Disaster Recovery Grants (CDBG-DR)	14.269	G80267	16870 CDBG DR 13	70,739	-
Total CDBG-DR Program				<u>19,339,476</u>	<u>-</u>
Total U.S. Department of Housing and Urban Development				41,611,919	6,004,580
U.S. Department of Interior					
Pass-Through Oklahoma Historical Society Historic Preservation Fund Grants-In-Aid	15.904	G92016	CLG 15-607	10,081	-
Historic Preservation Fund Grants-In-Aid	15.904	G92017	CLG 16-607	14,552	-
Total U.S. Department of Interior				24,633	-
U.S. Department of Justice					
Pass-Through District Attorney's Council Crime Victim Assistance	16.575	G93703	16-VOCA-Oklahoma City-PD-027	79,047	-
Crime Victim Assistance	16.575	G93704	16-VOCA-Oklahoma City-PD-275	380,095	129,132
				<u>459,142</u>	<u>129,132</u>
Direct Programs					
Edward Byrne Memorial Justice Assistance Grant Program	16.738	G93128	2013-DJ-BX-1120	35,868	-
Edward Byrne Memorial Justice Assistance Grant Program	16.738	G93129	2014-DJ-BX-0985	9,619	906
Edward Byrne Memorial Justice Assistance Grant Program	16.738	G93130	2015-DJ-BX-0771	202,389	12,257
Edward Byrne Memorial Justice Assistance Grant Program	16.738	G93131	2016-DJ-BX-0928	34,348	21,273
Total JAG Program				<u>282,224</u>	<u>34,436</u>
Direct Programs					
DNA Backlog Reduction Program	16.741	G93602	2015-DN-BX-0052	22,000	-
DNA Backlog Reduction Program	16.741	G93603	2016-DN-BX-0133	75,077	-
Total DNA Backlog Reduction Program				<u>97,077</u>	<u>-</u>
Direct Programs					
Body Worn Camera Policy and Implementation Program	16.835	G93132	2016-BC-BX-K065	2,586	-
Total U.S. Department of Justice				841,029	163,568
U.S. Department of Transportation					
Direct Programs					
Airport Improvement Program	20.106	N/A	AIP3-40-0072-066-2014	4,531	-
Airport Improvement Program	20.106	N/A	AIP3-40-0072-067-2015	3,674,783	-
Airport Improvement Program	20.106	N/A	AIP3-40-0073-022-2015	566,075	-
Airport Improvement Program	20.106	N/A	AIP3-40-0072-068-2016	835,844	-
Airport Improvement Program	20.106	N/A	AIP3-40-0073-023-2016	1,138,982	-
Total Airport improvement Program				<u>6,220,215</u>	<u>-</u>
Highway Planning and Construction Cluster					
Pass-Through Association of Central Oklahoma Governments Highway Planning and Construction	20.205	G96012	2015-RI-CITYOFOKC	(2,730)	-
Highway Planning and Construction	20.205	G94116	2017 ACOG Traffic Mgmt	84,350	-
Highway Planning and Construction	20.205	G94114	CMAQ2014-01	1,361	-
Highway Planning and Construction	20.205	G96013	2017-R1-OKC (ACOG)	2,311	-
Ferry Boat Restoration Refurbishment	20.205	N/A	OK-70-X003	21,416	-
Ferry Boat Restoration Refurbishment	20.205	N/A	OK-70-X004	100,835	-
Pass-Through Oklahoma Department of Transportation Highway Planning and Construction	20.205	G94216	STP-155E(744)EH 26887(04)	6,812	-
Total Highway Planning and Construction Cluster				<u>214,355</u>	<u>-</u>
Federal Transit Cluster					
Direct Programs					
Federal Transit - Capital Investment Grants	20.500	N/A	OK-03-0037	67,529	-
Federal Transit - Capital Investment Grants	20.500	N/A	OK-04-0015	507,876	-
Federal Transit - Formula Grants	20.507	N/A	OK-90-X067	16,032	-
Federal Transit - Formula Grants	20.507	N/A	OK-90-X071	21,554	-
Federal Transit - Formula Grants	20.507	N/A	OK-90-X102	43,428	-
Federal Transit - Formula Grants	20.507	N/A	OK-90-X112	40,573	-
Federal Transit - Formula Grants	20.507	N/A	OK-90-X116	61,466	-
Federal Transit - Formula Grants	20.507	N/A	OK-90-X121	535,876	-
Federal Transit - Formula Grants	20.507	N/A	OK-90-X126	2,635,557	121,196
Federal Transit - Formula Grants	20.507	N/A	OK-90-X132	4,662,809	500,625
Federal Transit - Formula Grants	20.507	N/A	OK-95-X009	568,259	-
Bus and Bus Facilities Formula Program	20.526	N/A	OK-34-0003	1,571,892	-
Total Federal Transit Cluster				<u>10,732,851</u>	<u>621,821</u>

The accompanying notes are an integral part of this schedule

THE CITY OF OKLAHOMA CITY, OKLAHOMA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

YEAR ENDED JUNE 30, 2017

Federal Grantor/Pass-Through Entity/Program Title	Federal CFDA Number	Project Identification	Grant Number or Pass-Through Entity Identifying Number	Expenditures	Subrecipient Amounts
<i>Transit Services Programs Cluster</i>					
Direct Programs					
New Freedom Program	20.521	N/A	OK-57-X017	5,673	-
New Freedom Program	20.521	N/A	OK-57-X021	19,149	-
New Freedom Program	20.521	N/A	OK-57-X025	71,418	-
Total Transit Services Programs Cluster				<u>96,240</u>	-
Pass-Through Oklahoma Highway Safety Office					
State Community Highway Safety	20.600	G94313	OHSO-FFY16-OKCPD-00032	66,269	-
State Community Highway Safety	20.600	G94314	AL-17-03-09-13	157,741	-
Total State Community Highway Safety				<u>224,010</u>	-
Direct Programs					
National Infrastructure Investments	20.933	G98900	OCK Intermodal Transportation Hub (TIGER)	2,322,415	-
Total U.S. Department of Transportation				<u>19,810,086</u>	<u>621,821</u>
Environmental Protection Agency					
Direct Programs					
Drinking Water State Revolving Fund	66.468	WT-0097/WT-0113	ORF-16-0006-DW	2,469,528	-
Total Drinking Water Revolving Fund				<u>2,469,528</u>	-
Direct Programs					
Brownsfield Assessment and Cleanup Cooperative Agreements	66.818	G95006	BF-96679701-0	105,816	-
Brownsfield Assessment and Cleanup Cooperative Agreements	66.818	G95019	BF-01F09801-0	84,843	-
Brownsfield Assessment and Cleanup Cooperative Agreements	66.818	G95020	BF-01F09901-0	9,788	-
Brownsfield Assessment and Cleanup Cooperative Agreements	66.818	G95018	BF-01F09701-0	72,042	-
Brownsfield Assessment and Cleanup Cooperative Agreements	66.818	G95017	BF-00F71501-0	17,931	-
Brownsfield Assessment and Cleanup Cooperative Agreements	66.818	G95015	BF-00F58701-0	343	-
Brownsfield Assessment and Cleanup Cooperative Agreements Loans	66.818	N/A	N/A	2,386,919	-
Total Brownsfield Assessment and Cleanup Cooperative Agreements				<u>2,677,682</u>	-
Total Environmental Protection Agency				<u>5,147,210</u>	-
Department of Energy					
Pass-Through The Solar Foundation					
Energy Efficiency and Renewable Energy Information	81.117	G96014	Solar Advisor Host Community	28,750	-
Total for Department of Energy				<u>28,750</u>	-
National Archives and Records Administration					
Direct Program					
National Historical Publications and Records Grant	89.003	G96501	RH 50092	45,501	-
Total National Archives and Records Administration				<u>45,501</u>	-
U.S. Department of Health and Human Services					
Pass-Through State of Oklahoma Areawide Aging Agency					
Special Programs for the Aging Title III, Part B Grants for Supportive Services and Senior Citizens	93.044	N/A	34-0801-40	254,566	-
Total U.S. Department of Health and Human Services				<u>254,566</u>	-
U.S. Department of Homeland Security					
Pass-Through Oklahoma Department of Emergency Management					
Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	G4222G569	PA-06-OK-4222-PW-00569	8,374	-
Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	G4222D435	PA-06-OK-4222-PW-00435	16,137	-
Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	G4222D354	PA-06-OK-4222-PW-00354	2,155	-
Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	G4222G439	PA-06-OK-4222-PW-00439	9,313	-
Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	G4222D437	PA-06-OK-4222-PW-00437	26,007	-
Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	G4222G350	PA-06-OK-4222-PW-00350	14,827	-
Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	G4222G349	PA-06-OK-4222-PW-00349	5,116	-
Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	G4222G348	PA-06-OK-4222-PW-00348	18,170	-
Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	G4222G347	PA-06-OK-4222-PW-00347	3,022	-
Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	G4222D440	PA-06-OK-4222-PW-00440	27,277	-
Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	G4222F438	PA-06-OK-4222-PW-00438	755	-
Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	G4222D939	PA-06-OK-4222-PW-00939	17,607	-
Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	G4222G529	PA-06-OK-4222-PW-00529	5,408	-
Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	G97059	FEMA Risk Mgmt May 2013 disasters	139,179	-
Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	G97056	FEMA PW-OKC1A87	(3,226)	-
Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	G97051	FEMA Fire Category E	8,756	-
Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	G97050_F	FEMA 4117 Category F	(19)	-
Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	G97049	FEMA Police PW-OKC012E	564	-
Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	G4222C493	PA-06-OK-4222-PW-00493	221	-
Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	WC-0886	UOK008F Repair of Support to Overhead 60" Water Line	1,103,883	-
Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	WC-0886	OKU001A-PAAP Debris Removal	6,407,615	-
Total Disaster Grants-Public Assistance				<u>7,811,141</u>	-
Pass-Through Oklahoma Department of Emergency Management					
Hazard Mitigation Grant	97.039	G97063	FEMA 4117 DR OK ISR Project #001	44,028	-
Direct Programs					
Emergency Management Performance Grants	97.042	G97070	2016 EMPG	50,844	-
Emergency Management Performance Grants	97.042	G97071	2017 EMPG	34,459	-
Total Emergency Management Performance Grants				<u>85,303</u>	-

The accompanying notes are an integral part of this schedule

THE CITY OF OKLAHOMA CITY, OKLAHOMA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

YEAR ENDED JUNE 30, 2017

Federal Grantor/Pass-Through Entity/Program Title	Federal CFDA Number	Project Identification	Grant Number or Pass-Through Entity Identifying Number	Expenditures	Subrecipient Amounts
Pass-Through Oklahoma Department of Emergency Management					
Fire Management Assistance Grant	97.046	GFMAG5168	Fire Management Assistance Grants 5168	25,744	-
Fire Management Assistance Grant	97.046	GFMAG5177	Fire Management Assistance Grants 5177	751	-
Total Fire Management Assistant Grant				<u>26,495</u>	<u>-</u>
Pass-Through Oklahoma Department of Emergency Management Pre-Disaster Mitigation	97.047	G97519	PDMC-PL06-OK-2014-002	2,999,000	-
Direct Programs					
Law Enforcement Officer Reimbursement Agreement Program	97.090	TSA-LEO	HST0208HSLR333	270,160	-
Total U.S. Department of Homeland Security				<u>11,236,127</u>	<u>-</u>
Total Federal Assistance				<u>\$ 79,047,355</u>	<u>\$ 6,789,969</u>
Oklahoma Department of Corrections					
FY2013 Second Chance Interlocal Cooperative Agreement	N/A	G99501	DOC- 2nd Chance 2	25,930	-
Oklahoma Office of Juvenile Affairs					
16.2 Safe Oklahoma	N/A	G99604	2016.2 Safe Oklahoma	216,369	-
16 Safe Oklahoma	N/A	G99603	2016 Safe Oklahoma	323,777	-
2015 Safe Oklahoma	N/A	G99602	2015 Safe Oklahoma	106,003	-
Total Oklahoma Office of Juvenile Affairs				<u>646,149</u>	<u>-</u>
Total State Assistance				<u>672,079</u>	<u>-</u>
Total Federal and State Assistance				<u>\$ 79,719,434</u>	<u>\$ 6,789,969</u>

The accompanying notes are an integral part of this schedule

THE CITY OF OKLAHOMA CITY, OKLAHOMA

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Year ended June 30, 2017

The accompanying schedule of expenditures of federal awards (Schedule) includes the federal award activity of the City of Oklahoma City, Oklahoma (City) under programs of the federal government for the year ended June 30, 2017. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the City, it is not intended to and does not present the financial position, changes in net position, or cash flows of the City.

Note 2. Summary of Significant Accounting Policies

Expenditures in the Schedule are recognized, as applicable, either as the cost principles contained in OMB Circular A-87, *Cost Principles for State, Local, and Indian Tribal Governments*, or the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. The accompanying Schedule is presenting using the following methods:

1. For the City's governmental funds, expenditures of federal funds in the Schedule are reported on the modified accrual basis of accounting.
2. 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 in the Schedule are reported using the cash basis of accounting.
3. For the year ended June 30, 2017, 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.

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 3. Federal CFDA Numbers

Federal CFDA numbers or other identifying numbers listed on the Schedule were obtained from the respective grant/contract agreement.

Note 4. Indirect Cost Rate

The City has elected not to use the 10-percent de minimis cost rate allowed under Section 200.414(f) of the Uniform Guidance.

THE CITY OF OKLAHOMA CITY, OKLAHOMA

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Year ended June 30, 2017

Note 5. Outstanding Loan Balances

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:

<u>Project</u>	<u>Balance Beginning of Year</u>	<u>Increases During Year</u>	<u>Decreases During Year</u>	<u>Balance End of Year</u>
Micro-Enterprise and Small Business Loan Program	\$ 9,120,000	\$ 730,000	\$ 225,000	\$ 9,625,000

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 the program is as follows:

<u>Project</u>	<u>Balance Beginning of Year</u>	<u>Increases During Year</u>	<u>Decreases During Year</u>	<u>Balance End of Year</u>
Dowell Properties	\$ 686,701	\$ --	\$ 686,701	\$ --
Dowell Properties – ARRA	350,218	--	40,805	309,413
Shepherd Manor	50,000	--	50,000	--
Bricktown	1,300,000	--	--	1,300,000
Total	\$ 2,386,919	\$ --	\$ 777,506	\$ 1,609,413