

Oklahoma County, Oklahoma

# Comprehensive Annual Financial Report



**For The Fiscal Year Ended June 2016**

**Prepared in the Office of David B. Hooten,  
County Clerk and Secretary to the Budget Board/Excise Board  
and Board of County Commissioners**

Photo Courtesy of Rick Buchanan



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

***FOR FISCAL YEAR ENDED JUNE 30, 2016***

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

***David B. Hooten, Oklahoma County Clerk***

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For the fiscal year ended June 30, 2016**

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*I - Introductory Section*





DAVID B. HOOTEN  
OKLAHOMA COUNTY CLERK

March 17, 2017

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

We hereby issue the 2016 Comprehensive Annual Financial Report (CAFR) of Oklahoma County for fiscal year ended June 30, 2016. The CAFR provides a comprehensive overview of the county's financial position and the results of operations for the past fiscal year. This report complies with requirements of state statutes. The Oklahoma County Clerk's Finance Department, prepared this report using generally accepted accounting principles (GAAP) and it has been audited by the Office of the State Auditor and Inspector in accordance with generally accepted auditing standards.

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

In accordance with Title 19.O.S. 2001 §171, the State Statute requires an annual audit for Oklahoma County. The audit is performed by the Oklahoma State Auditor and Inspector's Office. The audit is required to be performed in accordance with Generally Accepted Auditing Standards, which are established by the Auditing Standards Board and Government Auditing Standards issued by the Comptroller General of the United States. The independent auditor's report is located at the front of the financial section of this report. The auditors also perform a single audit according to the provisions of the "Single Audit Act Amendments of 1996", and Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). The findings and recommendations as a result of the audit, according to Uniform Guidance, are reported under separate cover.

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

## **PROFILE OF OKLAHOMA COUNTY**

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

Based on the U.S. Census Bureau, Oklahoma County has an estimated 2015 population of 776,864, making it the most populous county in the State of Oklahoma. The land area of Oklahoma County is 775 square miles. While Oklahoma is known for its oil and gas industry and its agricultural base, Oklahoma County has a diverse economy of manufacturing, aerospace, service, and industrial companies. Additionally, Oklahoma County is the home to Tinker Air Force Base, which is one of the largest depots for aircraft maintenance in the U.S. Department of Defense.

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

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

### ***Financial Reporting Entity***

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

### ***Component Units***

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

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

### ***Related Organizations***

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

### ***Accountability and Budgetary Controls***

The County has a comprehensive accounting and budgetary system. The County has a balanced budget and complies with requirements of the State Statutes and Oklahoma Constitution. The Budget Board of Oklahoma County has made every effort to comply with the guidelines for the Oklahoma County Budget Act as set out in Title 19, of the Oklahoma Statutes, Sections 1401-1421.

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

Additionally, the County maintains budgetary controls to ensure compliance with legal provisions incorporated in the annual appropriated budget. The County Budget Board and the County Excise Board approves annually appropriated budgets for the General Fund, the Debt Service Fund as well as the major special revenue funds Highway Cash and Resale Property along with all other special revenue funds. The level of budgetary control within the fund is by department and classification, described in Note II.A. of the financial statements.

### ***Financial Policies***

Oklahoma County follows the prescribed policies and procedures outlined in Oklahoma law to guide the budgeting and financial practices. The County maintains a financial and budgetary control system whereby expenditures and revenues are tracked in the County's financial system to ensure adherence to the budget. Monthly reports are prepared and presented to the County Budget Board that compare actual revenues and expenditures to budgeted amounts and provide a picture of the County's cash position.

## **FACTORS AFFECTING FINANCIAL CONDITION**

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

As the largest county in the state and the home of the State Capital, Oklahoma County accounts for 19 percent of the state's population, and 27 percent of the state's labor force. The availability of low-priced real estate, an abundant skilled labor force, a low cost of doing business, and a centralized geographical location make Oklahoma County a prime location for business. These assets continue to be the key to Oklahoma County's growth as reflected in its 4.7% unemployment rate compared to the national 4.9% rate as of June 30.

While the fate of the Oklahoma economy has long been linked to the energy sector, the Oklahoma City metropolitan area economy has become increasingly diverse over the past decade, largely the results of efforts by business and community leaders to better insulate the local economy from the "boom and bust" cycles of the oil industry. The metropolitan area economy is comprised of a dozen major sectors that include: education and health services; financial; information; professional and business services; wholesale and retail trade; construction;



government; manufacturing; mining; transportation, warehousing and utilities, and; leisure and hospitality. The local economy's stability is enhanced by the presence of Oklahoma state government, numerous federal agencies, and Tinker Air Force Base.

The City of Oklahoma City is the largest city in Oklahoma County, and as the hub of the increasingly vibrant, larger Oklahoma City metropolitan area, it continues to serve as an important source of economic stimulus for the county and surrounding region. The emergence of Oklahoma City onto the national scene is rapidly becoming a model for economic revitalization and public/private sector cooperation. The Oklahoma City Thunder continues to be a stunning success in their eight season adding to the national reputation of the City as it develops a larger presence on the national level. In 2015 the Thunder organization was named twenty fifth on ESPN's list the ultimate top franchises in all of pro sports.

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

In September 2015, Oklahoma City ranked No. 1 on Entrepreneur.com's list of 25 cities worth moving to if you want to launch a business. The article states "combine a strong small-business lending environment and a lower cost of living, you have a surprising startup haven. Oklahoma City also ranked No. 2 out of 25 of the healthiest housing markets largest cities on Wallethub's list of healthiest housing markets.

Other accolades include being added to USA Today's list of must-visit destinations in 2016, naming the Boathouse District, where Olympic kayakers and canoeists train, the new state-of-the-art \$45 million Riversport Rapids adventure facility as one of the only aquatic adventure facilities in the world that's fit for both Olympic athletes and families. This new facility was also touted the Chicago Tribune as one of 5 new national attractions to deliver big thrills.

In July 2016, Boeing opened a new 300,000 square foot engineering, research and development lab in Oklahoma City that will design, test and apply modernization technologies for aircraft such as the C-17 Globemaster and the AWACS providing 800 new jobs for a state with a long history in aerospace. This structure is the newest addition to Boeing's Oklahoma City site, headquarters to the company's Aircraft Modernization and Sustainment business.

The Center for Applied Economic Research (CAER) at Oklahoma State University reports that the dramatic decline in employment in sectors related to energy production caused Oklahoma employment to decline throughout 2016. Based on preliminary data through September 2016, growth in annual average Oklahoma employment is expected to reverse from 0.7 percent growth in 2015 to a -0.4 percent decline in 2016. Over the year, energy sector employment will have fallen over seventeen percent. Nearly proportionate declines also will have occurred over the year in manufacturing sectors that produce equipment for the energy sector. The declines in these high-paying sectors spilled over into numerous other support sectors in the economy. Despite the energy-induced declines, significant job growth during 2016 will have been registered in construction, educational services, leisure and hospitality services, retail trade services and the federal government sector.

Although oil and natural gas prices have begun to recover from their recent lows, reluctance of major oil producing nations to cut production in the face of increased U.S. energy activity will keep a lid on the rise in energy prices. Oklahoma employment in the mining sector will bottom-out at the end of 2016 but only increase less than one percent in 2017. Employment in other energy-related sectors also will begin to increase during the middle of 2017. Along with

forecasted continued expansion in the U.S. economy, the average level of total nonfarm employment in Oklahoma is forecast to grow 0.4 percent in 2017. Strongest growth will continue to be in the construction sector, with forecasted growth of 4.1 percent. Significant growth in employment also is forecast for business support services, educational services and transportation and public utilities. Personal income growth is forecast to rebound from 0.9 percent in 2016 to approximately 5.6 percent in 2017. Unemployment is forecast to drop from an average of 4.5 percent in 2016 to approximately 4 percent in 2017.

At the local level, although slowing, employment growth remained positive in the Oklahoma City Metropolitan area during 2016 and is expected to have increased 0.7 percent during the year. Employment in Oklahoma County will have remained flat during the year. According to CAER, employment growth is forecast to rebound 1.2 percent in 2017 for both Oklahoma County and the Oklahoma City Metropolitan area, respectively. This puts forecasted employment growth above that in the rest of the state and approximately equal to that of the nation in 2017. Retail sales subject to sales tax in Oklahoma County are forecast to grow 1.6 percent in 2016 and 3 percent in 2017.

Although declines in the energy and related sectors slowed overall economic growth during 2016, the bottoming-out of the energy sector and continued robust U.S. growth will produce modest employment growth in both Oklahoma County and the Oklahoma City Metropolitan area during 2017. The Oklahoma City region continues to benefit from the Oklahoma City's Metropolitan Area Projects (MAPS) a favorable housing regulatory environment, and location on two major interstate highways. The area also contains a healthy aerospace cluster that includes the presence of Tinker Air Force Base and Boeing.

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

In December 2015 a 22-member criminal justice task force was created by the Greater Oklahoma City Chamber as a response to ongoing concerns about Oklahoma County's overcrowded jail facility. The taskforce, made up of private sector business leaders, Chamber leaders, the City Managers of Oklahoma City and Edmond, as well as the Oklahoma City Police Chief, the District Attorney, Public Defender, the Presiding Judge, Sheriff and a County Commissioner, was formed to evaluate Oklahoma County's criminal justice system head-to-toe, from booking procedures throughout the legal process. Their task was to make recommendations to reduce incarceration levels, increase efficiencies, help those with mental and addiction issues, along with improve safety for workers in the jail, as well as keeping the citizens of Oklahoma County safe. The taskforce partnered with the Vera Institute of Justice, a nationally recognized nonprofit justice reform organization from New York. VERA provided research, technical assistance, and demonstration projects to help the taskforce. The findings of their detailed data analysis will provide a useful roadmap for the taskforce to follow throughout the next few years. Their goal: to seek safe and smart justice reforms, thereby lowering the jail population, getting assistance to those with mental and addiction issues, while being smart on crime.

Oklahoma County's partnership with the Greater Oklahoma City Chamber has resulted in job-creating initiatives with the former Oklahoma City General Motors plant. The plant was purchased by the citizens of Oklahoma County in 2008 and turned over to Tinker Air Force Base to develop new jobs and create efficiencies for TAFB. To date approximately 1,800 aerospace manufacturing and engineering employees now work in the plant with an estimated impact of \$3.5 billion annually to the Oklahoma County economy. A large portion of the old GM plant is now home to a rapidly growing software engineering division at Tinker.

On September 1, 2014, the County issued \$10,000,000 of general obligation bonds to finance the purchase of the BNSF rail yard. This bond is the remaining \$10 million of the \$71.5 million

approved by voters in 2008. The land was purchased and is adjacent to Tinker Air Force and north of the old General Motors plant that was purchased by the County in 2008. The total cost of the land was \$44 million and was a joint purchase by the County, the City of Oklahoma City and the U.S. Air Force. The land will be used by Tinker Air Force to build maintenance hangars for the new KC46-A advanced tankers and will add an additional 1,300 jobs. As a result of a state incentive called the Quality Jobs Act, there will be a credit for those quality jobs and Oklahoma County will get repaid for approximately 95% of the cost over the life of the bonds. In July, Tinker Air Force Base broke ground on its KC-46A Sustainment Complex located on 158 acres of the land purchases with the bond funds. The new center will allow the U.S. Air Force to replace its aging tanker fleet with the modernized KC46A Pegasus. The KC-46A will provide aerial fueling support for the Air Force, Navy, Marine Corps and allied nation coalition force aircraft. The Boeing Company is the prime contractor for this project, and will provide the Air Mobility Command with an inventory of 179 KC-46 tankers.

In October 2015, the Oklahoma Turnpike Authority announced their plans to develop a Northeast Oklahoma County Loop Turnpike. The Loop Turnpike will connect I-40 to I-44 and will be comprised of 19 miles running north and south paralleling Luther Road. The Turnpike Authority has offered to purchase the necessary right-of-way to construct frontage roads along the route and then transfer the right-of-ways to Oklahoma County. In July 2016, Oklahoma County committed to construct frontage roads from SE 29<sup>th</sup> Street to Reno Avenue and U.S. 62 to I-44.

### ***Recently-Completed Capital Improvement Projects***

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

- Completion of the new Oklahoma State University Extension building at a total cost of \$1,258,418. The cost of the construction of the new building was paid with the proceeds of the sale of land and the old OSU Extension building in fiscal year 2012-2013.
- Completion of the jail sewer line project at the County Adult Detention Center at a total cost of \$1,404,813.
- Construction in progress of the County annex building space utilization project a total cost to date of \$1,810,931.
- Construction in progress of the Crutcho Flood Control Plain project to mitigate flooding conditions and related damage in east central Oklahoma County and the Crutcho Creek flood plain and floodway and surrounding area, which facilitate the construction of infrastructure improvements in those areas through the acquisition of certain real property and/or the provision of safe and adequate roads, bridges and drainage facilities in those areas. The total cost to date is \$6,508,787 and the project is funded with general obligation bond proceeds in the County Bond 2008 Fund.
- Construction in progress of the Deer Creek Flood Control Plain project to mitigate flooding conditions and related damage in east central Oklahoma County and the Deer Creek flood plain and floodway and surrounding area, which facilitate the construction of infrastructure improvements in those areas through the acquisition of certain real property and/or the provision of safe and adequate roads, bridges and drainage facilities in those areas. The total cost to date is \$811,473 and the project is funded with general obligation bond proceeds in the County Bond 2008 Fund.
- Construction of and improvements to approximately 51 miles of county roads and bridges at a total cost of approximately \$6.1 million dollars.

## **AWARDS AND ACKNOWLEDGMENTS**

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

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Oklahoma County for its comprehensive annual financial report (CAFR) for the fiscal year ended June 30, 2015. This was the twenty second consecutive year that Oklahoma County has received this prestigious award (fiscal years ended 1994-2015).

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

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

### ***Acknowledgements***

The dedicated work of the entire Finance Division of the County Clerk's office made possible the preparation of the County's Comprehensive Annual Financial Report. The County Treasurer and other staff and administrators at various sites throughout the County provided additional, valuable help. We would also like to express our appreciation to the Board of County Commissioners, the County Budget Board and Excise Board, for its leadership, encouragement and support to ensure the continued fiscal accountability and integrity of Oklahoma County.

Respectfully submitted:

A handwritten signature in black ink, appearing to read "D. B. Hooten". The signature is fluid and cursive, with the first letters of each name being capitalized and prominent.

David B. Hooten, Oklahoma County Clerk



Government Finance Officers Association

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

Presented to

**Oklahoma County  
Oklahoma**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**June 30, 2015**

Executive Director/CEO

## Oklahoma County Elected Officials



**Willa Johnson,  
Commissioner District 1**



**Brian Maughan,  
Commissioner District 2**



**Ray Vaughn,  
Commissioner District 3**



**David B. Hooten,  
County Clerk**



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



**John Whetsel,  
Sheriff**



**Leonard Sullivan,  
Assessor**



**Rick Warren,  
Court Clerk**



**David Prater,  
District Attorney**

## Oklahoma County Excise Board Members



**Randel Shadid, Chairman**

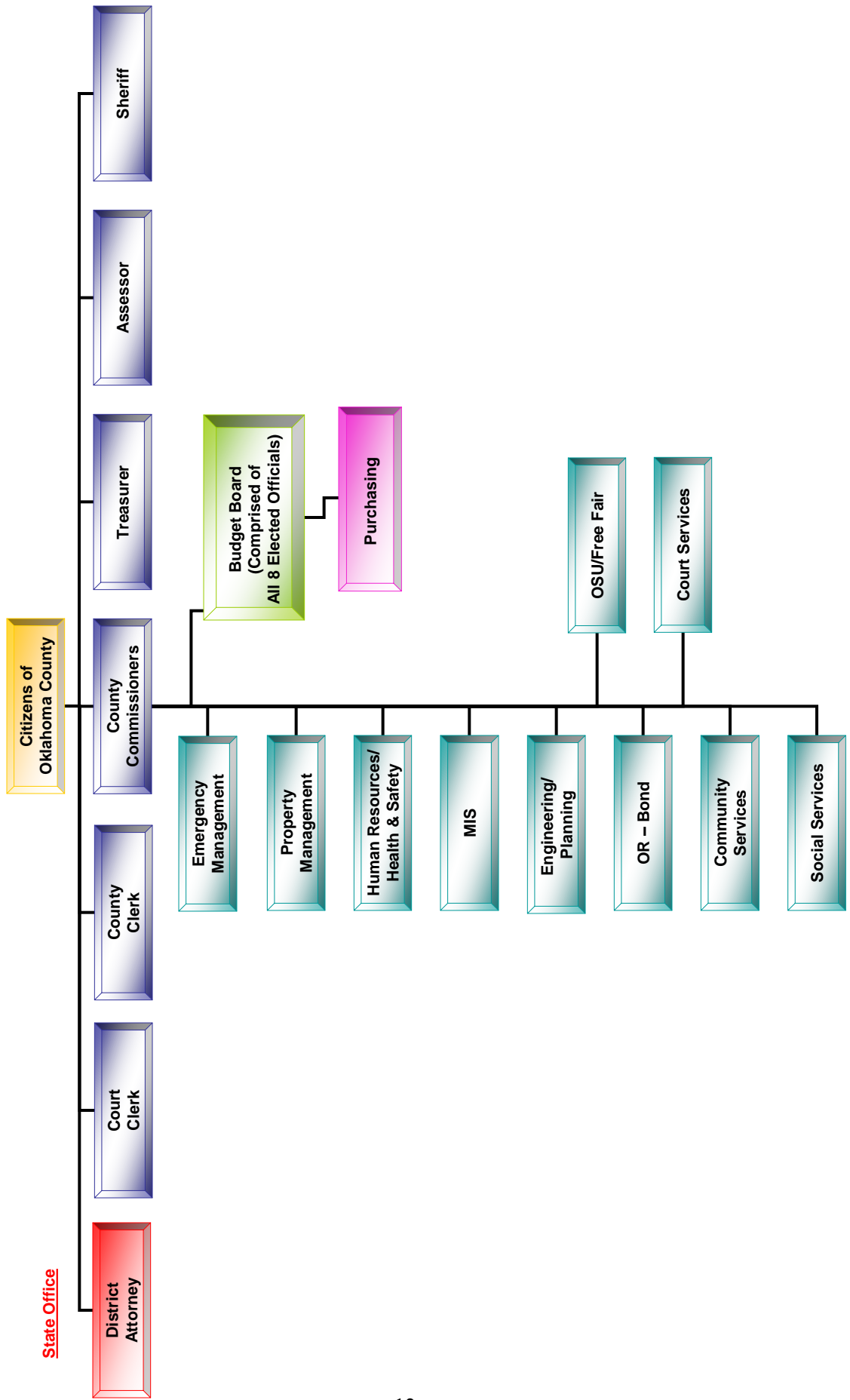


**Melvin Combs, Jr. - Vice-Chairman**



**Patrick Crawley - Memb**

# Oklahoma County Organizational Chart



## *II - Financial Section*







# Oklahoma State Auditor & Inspector

2300 N. Lincoln Blvd. • State Capitol, Room 100 • Oklahoma City, OK 73105 • Phone: 405.521.3495 • Fax: 405.521.3426

## Independent Auditor's Report

TO THE OFFICERS OF  
OKLAHOMA COUNTY, 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 unit, each major fund, and the aggregate remaining fund information of Oklahoma County, Oklahoma, as of and for the year ended June 30, 2016, and the related notes to the financial statements, which collectively comprise the County'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 County Public Buildings Authority, which is both a major fund and 100 percent of assets, net assets position, and revenues of the business-type activities;
- The financial statements of the Oklahoma County Finance Authority, which represents 100 percent of assets and revenues of the discretely presented component unit; and
- The financial statements of the defined benefit retirement plan of the Employees' Retirement System of Oklahoma County, which represents 4 percent of the assets presented in the statement of fiduciary net assets and 18 percent of the additions presented in the statement of changes in fiduciary net assets.

Those statements were audited by other auditors whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts included for the above-mentioned entities, is based solely on the reports of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free 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 reports 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 unit, each major fund, and the aggregate remaining fund information of Oklahoma County, Oklahoma, as of June 30, 2016, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### ***Other Matters***

#### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, Schedules of Funding Progress for the Employees' Defined Benefit Retirement Plan and Other Post Employment Benefits, Schedule of Employer Contributions-Employees' for the Defined Benefit Retirement Plan, and the General Fund Budgetary Comparison Information listed in the table of contents be presented to supplement the basic financial statements. Such information, although not a 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 and other auditors 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.

#### ***Other Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Oklahoma County's basic financial statements. The introductory section, supplemental combining and individual fund financial statements and schedules, and statistical section are presented for purposes of additional analysis and are not a required part of the financial statements.

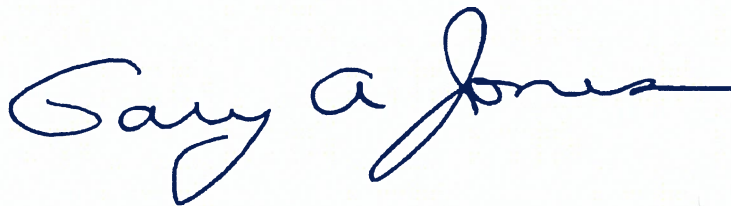
The supplemental combining and individual fund financial statements and schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures,

including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America by us and other auditors. In our opinion, based on our audit, the procedures performed as described above, and the reports of the other auditors, the supplemental combining and individual fund financial statements and schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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 March 1, 2017, on our consideration of Oklahoma County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Oklahoma County's internal control over financial reporting and compliance.

A handwritten signature in blue ink that reads "Gary A. Jones". The signature is written in a cursive style with a large, looped initial "G" and a long, horizontal flourish at the end.

GARY A. JONES, CPA, CFE  
OKLAHOMA STATE AUDITOR & INSPECTOR

March 1, 2017

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

Our discussion and analysis of Oklahoma County (the County) financial performance provides an overview of the County's financial activities for the fiscal year ended June 30, 2016. Please read it in conjunction with the financial statements which immediately follow this section.

### **FINANCIAL HIGHLIGHTS**

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

At June 30, 2016 the County reported a total net position of \$18,384,185. Of this amount, \$116,421,882 is net investment in capital assets, \$50,219,797 is restricted for specific purposes, thereby leaving a negative unrestricted net position in the amount of \$(148,257,494). The negative amount of unrestricted net position is primarily the result of three long-term obligations incurred that have no corresponding assets: (1) the issuance of long-term bonds whose proceeds were used to acquire property and facilities that were transferred to the federal government for economic development purposes, (2) long-term net obligations related to post-employment healthcare benefits for which no advance-funded plan assets have been set aside, and (3) due to the total pension liability exceeding fiduciary net position of the plan.

#### **Fund financial analysis**

Total fund balances for the County's governmental funds amounted to \$59,633,644 at June 30, 2016, a decrease of \$41,164 from the prior fiscal year. Approximately \$48,318,377 of this total, or 81%, is either nonspendable, restricted, committed or assigned for specific uses; and \$11,315,267 or 19%, is of this total is unassigned in the County's General Fund and available to meet the County's current and future needs.

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

The County's investment in capital assets has decreased by \$509,143 or 0.4% from \$130,166,534 to \$129,657,391. This balance consists of \$116,545,766 for the governmental activities and \$13,111,625 for the business-type activities.

The County's total long-term debt related to bonds, capital leases, judgments and compensated absences decreased by \$5,195,653, or 7.2% from \$71,713,562 to \$66,517,909. This decrease was the result of the scheduled retirement of outstanding bonds in the amount of \$6,535,000 and offset by an increase in capital leases of \$435,344, an increase in judgments payable of \$670,123 and an increase in compensated absences of \$233,880.

The County's total liabilities increased by \$8,689,089, or 4.8%, and the liabilities for the governmental activities increased by \$9,429,253 or 6%. The increase is due to a \$12.2 million increase in the Net OPEB Obligation, a \$3.5 million increase in Accounts Payable and offset by a \$1.5 million decrease in the Net Pension Liability and a decrease of \$5.9 million in Bonds Payable.

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

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

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

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

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

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

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

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

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

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

### **Fund Financial Statements**

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

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

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

The County has three kinds of funds:

- *Governmental funds* – Most of the County's basic services are included in governmental funds, which focus on (1) cash and other current financial resources that can be readily converted to cash and used to pay obligations and (2) the balances left at year-end that are available for spending. Governmental funds use the modified accrual basis of accounting and the current financial resource measurement focus. Under this basis of accounting and measurement focus, revenues are recognized when cash is received during or soon after the end of the year; expenditures are recognized when goods or services have been received and payment is due during the year or soon thereafter. Consequently, the governmental funds statements provide a short-term view that helps you determine whether there are more or less financial resources that can be spent in the near future to finance the County's programs. Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.
- *Proprietary funds* – Services for which the County charges customers a fee are generally reported in proprietary funds. Proprietary funds use the same basis of accounting and the same measurement focus as the government-wide statements. Proprietary funds provide both long and short-term financial information.
- *Fiduciary funds* – The County is the trustee, or fiduciary, for its employees' pension plan. It is also responsible for other assets that can only be used by the trust beneficiaries. The County is responsible for distributing the assets reported in these funds to the intended beneficiary. Fiduciary funds use the same basis of accounting and the same measurement focus as the government-wide statements. All of the County's fiduciary activities are reported in a separate statement of fiduciary net position and a statement of changes in fiduciary net position. These activities are excluded from the County's government-wide financial statements because the County cannot use these assets to finance its operations.

### **Notes to the financial statements**

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

### **Other information**

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

The combining and individual fund statements and schedules are presented immediately following the required supplementation information.

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

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

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of Oklahoma County, assets exceeded liabilities by \$18,384,185 at June 30, 2016. At the end of the current year, the County's net position is reported as follows:

**Oklahoma County's Net Position  
June 30, 2016  
(dollars are in thousands)**

	Governmental Activities		Business-type Activities		Totals	
	2016	2015	2016	2015	2016	2015
Total current and other assets	69,950	65,902	7,132	5,793	77,082	71,695
Capital assets, net	116,546	116,736	13,112	13,431	129,658	130,167
<b>Total Assets</b>	<b>186,496</b>	<b>182,638</b>	<b>20,244</b>	<b>19,224</b>	<b>206,740</b>	<b>201,862</b>
<b>Deferred outflows</b>						
<b>of resources</b>	374	253	892	944	1,266	1,197
Total current liabilities	25,684	21,220	710	820	26,394	22,040
Total noncurrent liabilities	153,162	148,197	10,065	10,695	163,227	158,892
<b>Total Liabilities</b>	<b>178,846</b>	<b>169,417</b>	<b>10,775</b>	<b>11,515</b>	<b>189,621</b>	<b>180,932</b>
<b>Net position:</b>						
Net investment in						
capital assets	113,113	107,829	3,308	3,055	116,421	110,884
Restricted	43,168	43,945	7,052	5,598	50,220	49,543
Unrestricted	(148,257)	(138,300)	-	-	(148,257)	(138,300)
<b>Total net position</b>	<b>\$ 8,024</b>	<b>\$ 13,474</b>	<b>\$ 10,360</b>	<b>\$ 8,653</b>	<b>\$ 18,384</b>	<b>\$ 22,127</b>

The largest portion of the County's net position \$116,421,882 reflects its investment in capital assets net of related debt (i.e. land, buildings, equipment, infrastructure). The county uses these assets to provide services to citizens; consequently, these assets are not available for future spending. Although the County's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

Another portion of the County's net position \$50,219,797 represents resources that are subject to external restrictions on how they may be used. The remaining balance of negative unrestricted net position is a total of \$(148,257,494).

The amount of negative Unrestricted Net Position reported for governmental activities is primarily a result of the \$44,049,570 of outstanding bonds, whose proceeds were used to acquire a capital facility that was transferred to the federal government, in addition to the net OPEB obligation of \$98,857,516 that have no corresponding plan assets held in trust and the Net Pension Liability of \$10,876,157. In both of these cases, the County is obligated for long-term debt and obligations for which no corresponding asset is reported, thereby creating a negative

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

amount reported for unrestricted net position. None of the restricted net position as reported above are restricted by enabling legislation, all restrictions are imposed by state statutes.

The negative amount of unrestricted net position is primarily the result of three long-term obligations incurred that have no corresponding assets: (1) the issuance of long-term bonds whose proceeds were used to acquire property and facilities that were transferred to the federal government for economic development purposes, (2) long-term net obligations related to post-employment healthcare benefits for which no advance-funded plan assets have been set aside, and (3) long-term net obligations related to a net pension liability due to the total pension liability exceeding fiduciary net position of the plan.

**Oklahoma County's Changes in Net Position  
June 30, 2016  
(dollars in thousands)**

	Governmental Activities		Business-type Activities		Totals	
	2016	2015	2016	2015	2016	2015
<b>Revenues:</b>						
Program revenues:						
Charges for services	\$ 32,994	\$ 35,065	\$ 4,109	\$ 4,032	\$ 37,103	\$ 39,097
Operating grants and contributions	15,111	16,344			15,111	16,344
Capital grants and contributions	3,827	5,049			3,827	5,049
General revenues:						
Property taxes	76,846	70,685			76,846	70,685
Other revenues	8,651	8,904	35	521	8,686	9,425
<b>Total revenue</b>	<b>137,429</b>	<b>136,047</b>	<b>4,144</b>	<b>4,553</b>	<b>141,573</b>	<b>140,600</b>
<b>Expenses:</b>						
General government	56,339	57,511			56,339	57,511
Public safety	65,643	64,287			65,643	64,287
Health and welfare	2,073	1,977			2,073	1,977
Culture and recreation	62	62			62	62
Education	467	465			467	465
Roads and highways	16,594	17,112			16,594	17,112
Economic development	-	12,501			-	12,501
Interest on long-term debt	1,874	1,988			1,874	1,988
Public Buildings Authority			2,264	2,165	2,264	2,165
<b>Total expenses</b>	<b>143,052</b>	<b>155,903</b>	<b>2,264</b>	<b>2,165</b>	<b>145,316</b>	<b>158,068</b>
Change in net position before transfers	(5,623)	(19,856)	1,880	2,388	(3,743)	(17,468)
Net Transfers	173	(371)	(173)	371	-	-
Change in net position	(5,450)	(20,227)	1,707	2,759	(3,743)	(17,468)
Net position - beginning	13,474	33,701	8,653	5,894	22,127	39,595
<b>Net position - ending</b>	<b>\$ 8,024</b>	<b>\$ 13,474</b>	<b>\$ 10,360</b>	<b>\$ 8,653</b>	<b>\$ 18,384</b>	<b>\$ 22,127</b>

**Governmental activities**

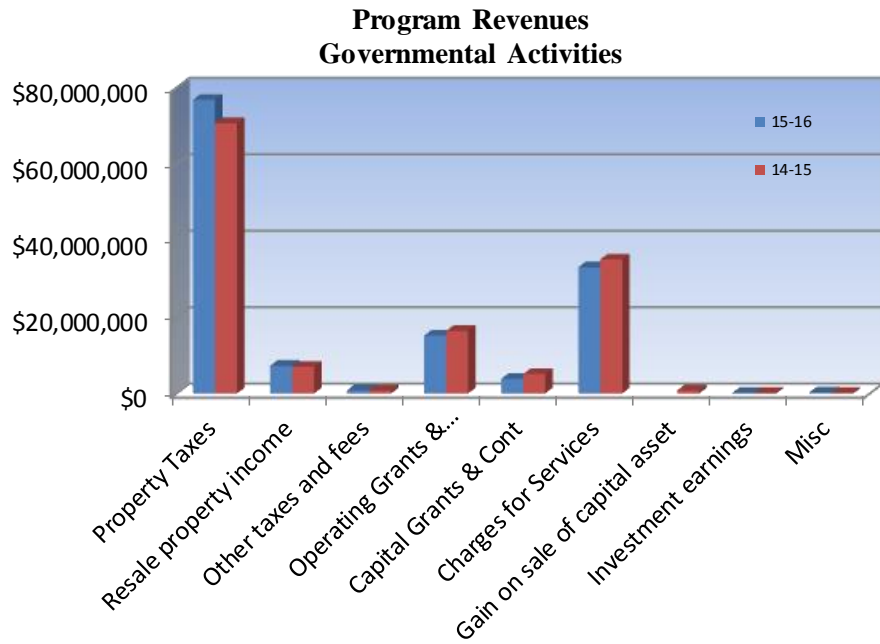
Net position for governmental activities decreased \$5.5 million (40.4%). The change in net position was the result of an increase of \$12.2 million for Net OPEB obligation. See footnote IV.D. for more information. There was also a net decrease of \$7.3 million in bonds payable as a the payment of principal on outstanding debt. Other significant items that resulted in a change in net position are as follows:

- Total revenues increased \$1.38 million, or 1.0%. The more significant increases were as follows:
  - Property taxes increased by approximately \$6.1 million, or 8.7%, as a result of a tax levy increase in General Fund of approximately \$4.5 million due to continued increases in assessed values offset along with an increase of \$1.6 million in tax levy for the Debt Service Fund. The Debt Service higher tax levy was due to the first levy of taxes for the \$10 million bond issue in FY 14-15.



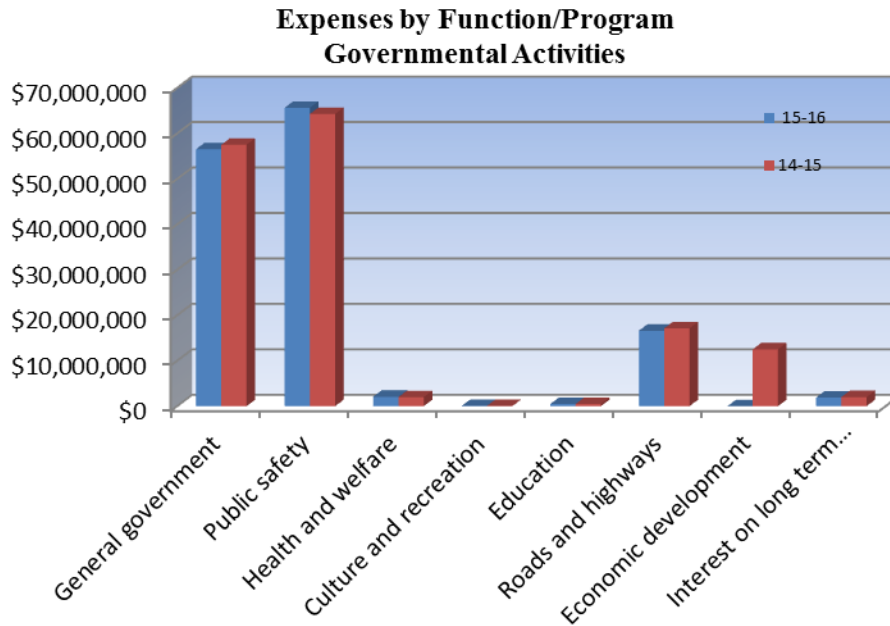
**OKLAHOMA COUNTY, OKLAHOMA  
MANAGEMENT’S DISCUSSION AND ANALYSIS**

- Operating grants and contributions decreased by \$1.2 million, or 7.5% primarily as a result of a \$991 thousand decrease from the state for the counties portion of fuel and gas taxes, gross production and motor vehicle collections in the Roads and Highways category.
- Capital grants and contributions decreased by \$1.2 million, or 24.2% as a result of an decrease of \$991 thousand in reimbursement from cities for road projects along with a \$771 thousand decrease in the Capital Project fund from TIF revenue for various capital projects. This was offset by a \$473 thousand increase in state funds for the County Bond 2008 Fund.
- Charges for services decreased \$2.1 million, or 5.9%, as a net result of a decrease of \$714 thousand from the State for the Community Sentencing program which no longer falls under the management of the County. The decrease was also attributed to a \$681 thousand reduction in revaluation revenue due to reduction in billing from the previous year when it was necessary purchase the Assessors new CAMA system. Charges for services also saw a reduction of \$120 thousand from the state for the Juvenile Detention services and a decrease of \$385 thousand in the Sheriff Special Revenue Fund from the reduction of city inmate boarding fees.
- Earnings on investment income increased \$64 thousand, or 53.6% as a result of the slight increased rates on investments.



- The increase in revenues was offset with a \$12.9 million, or 8.2% decrease in expenses. The more significant changes were as follows:
  - An increase of \$1.4 million, or 2.1%, in public safety expenses is due to the \$2.1 million decrease in the amount paid for the inmate medical contract during fiscal year 15-16. There was also an increase of \$212 thousand in inmate food expenses and a decrease of \$815 thousand in employee salary and benefits.
  - A decrease of \$12.5 million is attributable to economic development as a result of \$12.5 million paid to Oklahoma Industries Authority for the purchase of the BNSF railyard land for the expansion of Tinker Air Force base in the prior year.
  - A decrease of \$114 thousand, or 5.7%, is attributable to interest on long term debt as a result of interest payments on the 2008 General Obligation Bond issue.

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



**Business-type activities**

Rental revenues increased \$77,517, or 2% from fiscal year 2015. Non-operating expenses (interest payments and amortization of deferred amount of refunding) decreased approximately \$7,048 or 1.7% which was partially offset with a decrease in non-operating revenues of approximately \$34,680 from the earnings on unspent bond proceeds and FEMA awards. These factors along with a total net income of \$1,879,988, a decrease in capital contributions of \$521,341 and a decrease of net transfers of \$544,271 resulted in a \$1,707,182 increase in net position at year-end.

**FINANCIAL ANALYSIS OF THE GOVERNMENT’S FUNDS**

**Governmental funds**

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

As of the end of the current fiscal year, the County’s governmental funds reported combined ending fund balances of \$59,633,644, a decrease of \$41 thousand, or 0.1%, in comparison with the prior year. The decrease in fund balances was primarily the result of a total increase in revenue of \$162 thousand or 0.1%, a \$11.6 million or 7.8% decrease in expenditures and a \$10.9 million or 98.3% decrease in other financing sources (uses).

Approximately 69.3% of the fund balance total for governmental funds, or \$41,339,676 is restricted, \$2,524,781 is committed, \$2,947,208 is assigned and \$1,506,712 is nonspendable. The remaining fund balance of \$11,315,267 or 19.0% constitutes unassigned fund balance that is available to meet the County’s current and future needs.

The general fund is the chief operating fund of the County. As a measure of the general fund’s liquidity, it may be useful to compare both unassigned fund balance of \$11,315,267 and total fund

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

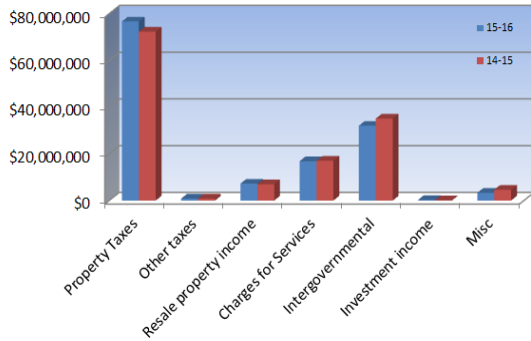
balance of \$15,473,934 to total fund expenditures. Unassigned fund balance represents 13.1% of the total general fund expenditures, while total fund balance represents 17.9% of that same amount.

For the fiscal years ended June 30, 2016 and 2015, revenues for the Governmental funds were distributed as follows:

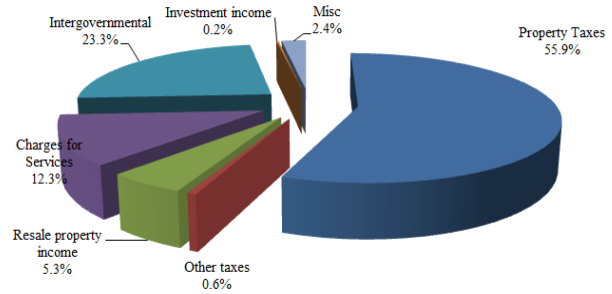
### Governmental Funds - Revenues by Source

Revenues by Source	FY 2016		FY 2015		Increase/(Decrease)	
	Amount	Percent of Total	Amount	Percent of Total	Amount	Percent of Total
Property taxes	\$ 76,607,949	55.9%	\$ 72,284,997	52.8%	\$ 4,322,952	2662.7%
Other taxes	838,935	0.6%	823,090	0.6%	15,845	9.8%
Resale property income	7,215,284	5.3%	6,952,221	5.1%	263,063	162.0%
Charges for services	16,839,554	12.3%	17,021,275	12.4%	(181,721)	-111.9%
Intergovernmental	32,010,364	23.3%	35,078,160	25.6%	(3,067,796)	-1889.6%
Investment income	279,899	0.2%	149,825	0.1%	130,074	80.1%
Miscellaneous	3,298,463	2.4%	4,618,528	3.4%	(1,320,065)	-813.1%
<b>Total</b>	<b>\$ 137,090,448</b>	<b>100.0%</b>	<b>\$ 136,928,097</b>	<b>100.0%</b>	<b>\$ 162,352</b>	<b>100.0%</b>

Revenue by Source - Governmental Funds



Revenues by Source - Governmental Funds



While revenues of the governmental funds increased by \$162,352, or 0.1%, the individual funds had more significant fluctuations as follows:

- General fund revenue increased \$2,235,443, or 2.6%. General fund property taxes increased by \$3.1 million, or 4.8%, as a result of increases in assessed property tax values. Intergovernmental revenue decreased by \$829 thousand or 8.2% primarily as a result of a \$681 thousand decrease from the Revaluation program as a result of a one-time increase last year for the purchase of a new property appraisal system. There was also a decrease of \$120 thousand from the state for the juvenile detention services in the intergovernmental revenue category.
- The Highway Cash fund revenue decreased \$1,585,588 million or 10% as a result of a \$921 thousand decrease from the state for the counties portion of fuel, gas and gross production and motor vehicle tax collections along with a \$733 thousand decrease in city road project reimbursements.
- The County Bonds 2008 fund revenue increased \$481,118 or 541% over the previous year as a result of \$563 thousand received from the Oklahoma Department of Commerce for the Crutcho flood plain control project.
- The Debt Service fund revenue increased \$1,243,343, or 15% as a result of an increase in tax required the outstanding bond and judgment balance obligations.

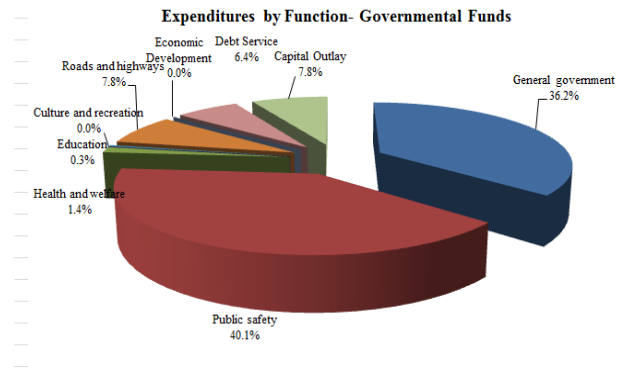
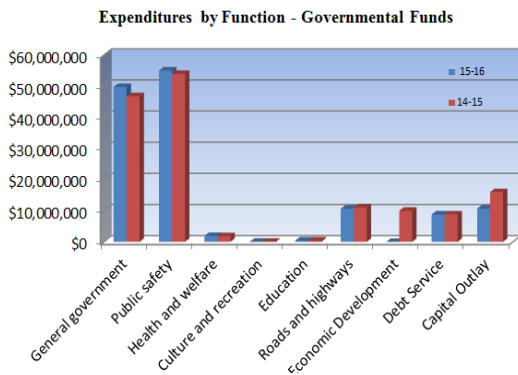
## OKLAHOMA COUNTY, OKLAHOMA MANAGEMENT'S DISCUSSION AND ANALYSIS

- Other Governmental funds revenue decreased \$2,475,028, or 12% as a result of a decrease of \$714 thousand from the State for the Community Sentencing program which no longer falls under the management of the County. The decrease was also attributed to a decrease of \$647 thousand received from the City of Oklahoma City in TIF reimbursement for capital projects. There was also a decrease of \$522 thousand received in federal and state grants for the Emergency Management program, and a \$385 thousand decrease in the Sheriff Special Revenue Fund from the reduction of city inmate boarding fees.

For the fiscal years ended June 30, 2016 and 2015, expenditures for the Governmental funds were distributed as follows:

### Governmental Funds - Expenditures by Function

Expenditures by Function	FY 2016		FY 2015		Increase/(Decrease)	
	Amount	Percent of Total	Amount	Percent of Total	Amount	Percent of Total
General government	\$ 49,749,912	36.2%	\$ 46,757,452	31.4%	\$ 2,992,460	-25.8%
Public safety	55,004,206	40.1%	53,909,346	36.2%	1,094,860	-9.4%
Health and welfare	1,927,757	1.4%	1,839,346	1.2%	88,411	-0.8%
Culture and recreation	62,122	0.0%	62,213	0.0%	(91)	0.0%
Education	445,916	0.3%	432,407	0.3%	13,509	-0.1%
Roads and highways	10,662,317	7.8%	11,117,090	7.5%	(454,773)	3.9%
Economic development	-	0.0%	10,000,000	6.7%	(10,000,000)	86.3%
Debt service	8,776,541	6.4%	8,820,760	5.9%	(44,218)	0.4%
Capital outlay	10,690,965	7.8%	15,968,198	10.7%	(5,277,232)	45.5%
<b>Total</b>	<b>\$ 137,319,737</b>	<b>100.0%</b>	<b>\$ 148,906,812</b>	<b>100.0%</b>	<b>\$ (11,587,075)</b>	<b>100.0%</b>



While expenditures of the governmental funds decreased by \$11,587,075, or 7.8%, the individual funds had more significant fluctuations as follows:

- The General fund expenditures increased \$3,541,510, or 4.3% as a result a \$3.2 million increase in the General government category. The expenses in the self-insured employee benefits health and workers compensation plans are included in this category and realized a total increase in total net costs of \$2.2 million in medical and prescription costs. The county departments included in the General Government category realized a \$721 thousand, or 3.8% increase in salary and benefits cost along with a \$230 thousand or 2.6% increase in operation costs.
- The Other Governmental Funds expenditures decreased \$15,673,244 or 44% as a result of a decrease of \$10,000,000 in economic development expenditures that was made last fiscal year from the BNSF Bond fund for the purchase of the BNSF railyard land for the expansion of Tinker Air Force. There was also a decrease of \$2.5 million

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

in the Tinker Clearing fund from last year when the County purchased the BNSF railroad land, a reduction of \$1.8 million in capital project regular fund for TIF projects and \$1.2 million less in the OSU Extension Building fund due to the purchase the building costs of the new OSU Extension building.

- The Highway Cash fund expenditures increased \$451,767, or 3% as a result of increased road construction projects in FY 15-16.
- The County Bonds 2008 Funds expenditures increased \$307,510 or 117% as a result of the purchase of land for the Crutchko flood plain control project
- The Debt Service fund expenditures increased \$398,884 or 4.8% as a result of an increase of \$1.5 million in judgment principal and interest payments offset by a \$1.1 million decrease in bond principal and interest payments on the general obligation bonds.

### **Proprietary funds**

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

### **GENERAL FUND BUDGETARY HIGHLIGHTS**

The 2015-2016 Budget was adopted under the Budget Board method in accordance with state statutes, which state that the County adopts and publishes an initial budget before June 30<sup>th</sup> of each fiscal year, disclosing that the plan is an estimate and cannot be finalized until the ad valorem levies for the general fund and debt service fund are presented for approval in September. Estimates of beginning unreserved fund balance, and other operating revenues are also adjusted and supplemental appropriations are made in September based on the revised figures. With conservative revenue projections, collections exceeded the budgeted revenues, enabling additional budget amendments later in the year.

The total 2015-2016 General Fund adopted department budgets were \$76,188,520 and we finished the year with total department budgets of \$80,194,444 for a total departmental increase of \$4,005,924. Transfers out to other funds totaling \$7,613,845 were also budgeted. The changes in the budget were appropriated when the final ad valorem values were certified in September. The more significant changes went to the following departments/funds:

- Departments were budgeted a one-time increase for the transition to the new payroll cycle in January 2016 for a total increase of \$1,307,409. The new pay cycle of paying for the 21<sup>st</sup> to 20<sup>th</sup> of each month from the previous 1<sup>st</sup> through 31<sup>st</sup> cycle. This transition required a one-time increase in budgets to account for the extra 10 days paid to employees in the month of January.
- The Sheriff's department was appropriated an additional \$1,439,180 during the fiscal year. \$589,852 was added to fund the increase in the inmate medical contract cost. An additional \$787,765 was added to cover the inmate medical cap coverage and \$61,563 for the reimbursement of the SCAAP grant.
- The Election Board received an additional \$309,220 to cover the cost of special municipal elections.
- An additional \$400,000 was appropriated to transfer to the Defined Benefit Retirement plan.

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

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

Actual expenditures were \$3,629,698 under budget while revenue collections were approximately \$4,007,601 higher than budget. Ad valorem tax collections (current and prior) of \$3,708,340 account for the majority of the revenue variance.

**CAPITAL ASSET AND DEBT ADMINISTRATION**

**Capital Assets**

At June 30, 2016, the County’s investment in capital assets for its governmental activities amounts to \$116,545,766 (net of accumulated depreciation) and \$13,111,625 (net of accumulated depreciation) for its business-type activities. The County owns various buildings in which county business is conducted. The buildings and building improvements are recorded at a net book value of \$45.2 million at June 30, 2016, comprising the largest class of assets.

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

- Construction in progress of the new OSU Extension building project at a total cost of \$1,258,418. The cost of the construction of the new building was paid with the proceeds of the sale of land and the old OSU Extension building in fiscal year 2012-2013.
- Construction in progress of the Crutchto Flood Control Plain project to mitigate flooding conditions and related damage in east central Oklahoma County and the Crutchto Creek flood plain and floodway and surrounding area, which facilitate the construction of infrastructure improvements in those areas through the acquisition of certain real property and/or the provision of safe and adequate roads, bridges and drainage facilities in those areas. The total cost to date is \$6,508,787 and the project is funded with general obligation bond proceeds in the County Bond 2008 Fund.
- Construction in progress of the Deer Creek Flood Control Plain project to mitigate flooding conditions and related damage in east central Oklahoma County and the Deer Creek flood plain and floodway and surrounding area, which facilitate the construction of infrastructure improvements in those areas through the acquisition of certain real property and/or the provision of safe and adequate roads, bridges and drainage facilities in those areas. The total cost to date is \$811,473 and the project is funded with general obligation bond proceeds in the County Bond 2008 Fund.
- Construction of and improvements to approximately 51 miles of county roads and bridges at a total cost of approximately \$6.1 million dollars.

For additional information on the county’s capital assets, see Note III.C.

**Long-term debt**

At the end of the current fiscal year, the County had a total outstanding debt of \$66,517,909. This is comprised of \$46,765,000 in general obligation bonds, \$11,412,002 in capital lease obligations, \$1,727,098 in judgments and \$6,613,808 in compensated absences. The County’s total debt decreased \$5,195,653, or 7.2% due to long-term debt payments made during the fiscal year.

	Governmental Activities		Business-type Activities		Total	
	2016	2015	2016	2015	2016	2015
General obligation bonds	\$46,765,000	\$52,675,000	\$ -	\$ -	\$46,765,000	\$52,675,000
Capital lease obligations	717,002	281,658	10,695,000	11,320,000	11,412,002	11,601,658
Judgments	1,727,098	1,056,975	-	-	1,727,098	1,056,975
Compensated absences	6,613,808	6,379,928	-	-	6,613,808	6,379,928
<b>Total</b>	<b>\$55,822,909</b>	<b>\$60,393,562</b>	<b>\$10,695,000</b>	<b>\$11,320,000</b>	<b>\$66,517,909</b>	<b>\$71,713,562</b>

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

State law limits the amount of general obligation debt the County can issue to 5% of the assessed value of all taxable property within the County's limits. Our outstanding debt less the amount available in the Debt Service Fund is \$40,194,655 leaving a legal debt margin of \$298,942,649. For additional information on the county's debt activity, see note III.F.

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

The total assessed valuation of property in Oklahoma County increased approximately 4.3% for FY 2016-2017.

The County's primary general fund revenue source is property taxes with its second largest single source being county clerk fees on documents filed in the Office of the County Clerk. Together they account for approximately 88% of the total general fund revenue collected in 15-16 and both sources are directly affected from the real estate economy. The housing market continues to thrive in Oklahoma County and assessed values continued to increase, and the number of real estate filings rose slightly during the fiscal year. The county general fund revenue from real estate filing fees remained level from the prior fiscal year which is a clear sign of strong housing market.

On the expense side of the finances, the economy is continuing to see health care costs rise to record levels. With over 1,600 employees, and 47% of the general fund budget allocated to salaries and wages (excluding benefits which represents another 17%), the impact is significant to the County. As a result of rising costs in healthcare, Oklahoma County saw the total net cost of its employee self-insured employee health benefits program increase from \$20.9 million in fiscal year 14-15 to \$22.2 million in fiscal year 15-16. That is a total increase of \$1.3 million, or 6.2%. The County has a specific and aggregate stop-loss insurance policy for medical claims and received reimbursement in the amount of \$965 thousand on its medical claims in FY 15-16 compared to \$4.3 million received in FY 14-15. The net effect of the decrease in stop-loss reimbursements this fiscal year accounted in part to the overall increase in costs.

In March of 2014, Oklahoma County Elected Officials approved a new stand-alone agreement with the Surgery Center of Oklahoma, for the Oklahoma County Health Benefit Plan. The Surgery Center's transparent pricing model is typically 1/6 to 1/10 less than what other surgical providers charge. The agreement incentivizes health plan members by waiving all the out of pocket costs if they choose to have their surgery there. The Surgery center offers a cost incentive alternative for quality care. It is estimated that the County Self Insurance medical plan realized a savings of over \$550,000 in FY 15-16 by utilizing the surgery center at no out of pocket cost to employees and family.

The County is estimating an industry standard increase of 3.3% in medical and prescription claims cost for the upcoming fiscal year. The County purchased an aggregate stop loss policy for its employee medical benefits plan as a safety net for the self-insured plan. County employees have also felt the burden as employee premiums increased again for the 2016 calendar year based on actuary projections. The rise in industry health care costs continue to impact operating costs of the jail to retain medical services for prisoners detained at the county jail and these costs are anticipated to continue to rise again in the coming year based on industry projections.

The County's General Fund supplemental adopted budget for FY 2016-17 is \$90,443,218 which is \$2,676,533 higher than the FY 2015-16 final budget of \$87,766,685. The FY 16-17 budget consists of \$82,046,218 for department budgets and \$8,397,000 in transfers to other funds. An increase of \$2.7 million in budgeted property tax revenue, a decrease of \$301 thousand in Revaluation and a decrease of \$184 thousand in Juvenile Detention revenue account for the major

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

changes in projected \$2.2 million revenue increase and make up 89% of the overall General Fund budgeted revenue. The General fund beginning fund balance for 16-17 was \$452 thousand more than the fund balance in 15-16 along with a \$2.2 million increase in revenue resulted in a net \$2.6 million, or 3.0% increase in funds available to budget in FY 16-17. The budget was balanced by budgeting most departments at their requested 16-17 budget level, less any requested raises and new position funding and fully funding the Employee Benefits Fund estimated expenditures with General Fund transfers. During the supplemental budget process in September 2016 an additional \$354,585 was allocated to Court Clerk’s office for salaries and benefits for new positions and the remaining \$1,264,367 was put in a reserve cost center to address shortfalls that may occur during the budget year.

**REQUESTING THE COUNTY’S FINANCIAL INFORMATION**

This financial report is designed to provide citizens, taxpayers, bondholders and other interested parties with a general overview of the County’s finances and to demonstrate the County’s accountability for the money it receives. Complete financial statements of the individual blended and discretely presented component units can be requested from the Oklahoma County Clerk’s office. If you have questions about this report or need additional financial information, contact the County Clerk’s Finance Division at 320 Robert S. Kerr, Room 206 Oklahoma City, OK 73102-3430.



*Basic  
Financial  
Statements*



**OKLAHOMA COUNTY, OKLAHOMA**  
**STATEMENT OF NET POSITION**  
**JUNE 30, 2016**

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	
<b><u>ASSETS</u></b>				
Current assets:				
Cash and cash equivalents	\$ 48,516,073	\$ 7,028,623	\$ 55,544,696	\$ 2,011,151
Investments	8,207,486	-	8,207,486	1,508,408
Property taxes receivable, net	4,910,931	-	4,910,931	-
Other taxes receivable	1,321,568	-	1,321,568	-
Interest receivable	7,859	-	7,859	3,340
Accounts receivable	1,769,510	103,461	1,872,971	66,400
Intergovernmental receivables	3,709,928	-	3,709,928	-
Accrued annual fees	-	-	-	115,340
Inventories	1,506,712	-	1,506,712	-
Total current assets	<u>69,950,067</u>	<u>7,132,084</u>	<u>77,082,151</u>	<u>3,704,639</u>
Noncurrent assets:				
Capital assets not being depreciated	38,382,398	2,275,936	40,658,334	-
Capital assets, net of accumulated depreciation	78,163,368	10,835,689	88,999,057	-
Total noncurrent assets	<u>116,545,766</u>	<u>13,111,625</u>	<u>129,657,391</u>	<u>-</u>
<b>Total Assets</b>	<u>\$ 186,495,833</u>	<u>\$ 20,243,709</u>	<u>\$ 206,739,542</u>	<u>\$ 3,704,639</u>
<b><u>DEFERRED OUTFLOWS OF RESOURCES</u></b>				
Deferred amount related to pensions	373,768	\$ -	\$ 373,768	-
Deferred amount on lease refinancing	-	891,924	891,924	-
Total deferred outflows of resources	<u>373,768</u>	<u>891,924</u>	<u>1,265,692</u>	<u>-</u>
<b><u>LIABILITIES</u></b>				
Current liabilities:				
Accounts payable and other current liabilities	\$ 5,961,694	\$ 37,152	\$ 5,998,846	\$ 4,837
Deferred revenue	-	-	-	-
Accrued interest payable	671,710	-	671,710	-
Compensated absences, current	4,626,849	-	4,626,849	-
Capital lease obligations, current	132,544	630,000	762,544	-
Judgments payable, current	801,210	-	801,210	-
Claims liability, current	6,245,353	-	6,245,353	-
Bonds payable, current	7,245,000	-	7,245,000	-
Accrued interest payable	-	32,653	32,653	-
Unearned revenue	-	10,347	10,347	-
Total current liabilities	<u>25,684,361</u>	<u>710,152</u>	<u>26,394,513</u>	<u>4,837</u>
Noncurrent liabilities:				
Compensated absences	1,986,959	-	1,986,959	-
Capital lease obligations	584,458	10,065,000	10,649,458	-
Judgments payable	925,888	-	925,888	-
Net OPEB obligation	98,857,516	-	98,857,516	-
Net pension liability	10,876,157	-	10,876,157	-
Bonds payable-net	39,930,558	-	39,930,558	-
Total noncurrent liabilities	<u>153,161,536</u>	<u>10,065,000</u>	<u>163,226,536</u>	<u>-</u>
<b>Total Liabilities</b>	<u>\$ 178,845,897</u>	<u>\$ 10,775,152</u>	<u>\$ 189,621,049</u>	<u>\$ 4,837</u>
<b><u>NET POSITION</u></b>				
Net investment in capital assets	113,113,333	3,308,549	116,421,882	-
Restricted for:				
General government				
Resale property	5,845,479	-	5,845,479	-
Records preservation	414,344	-	414,344	-
Public safety	6,373,938	-	6,373,938	-
Roads and highways	15,785,704	-	15,785,704	-
Capital improvements	7,480,921	-	7,480,921	-
Debt service	6,570,345	7,051,932	13,622,277	-
Other purposes	697,134	-	697,134	-
Unrestricted	(148,257,494)	-	(148,257,494)	3,699,802
<b>Total net position</b>	<u>\$ 8,023,704</u>	<u>\$ 10,360,481</u>	<u>\$ 18,384,185</u>	<u>\$ 3,699,802</u>

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

**OKLAHOMA COUNTY, OKLAHOMA  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2016**

Functions/Programs	Program Revenues					Net (Expense) Revenue and Changes in Net Position			
	Expenses	Indirect Expense Allocation	Charges for Services	Operating Grants and Contributions		Governmental Activities	Primary Government Business-type Activities	Total	Component Unit
				Operating Grants and Contributions	Capital Grants and Contributions				
<b>Primary government:</b>									
Governmental activities:									
General government	\$ 56,339,505	\$ (7,781,183)	\$ 17,168,504	\$ 1,141,222	\$ 362,744	\$ (29,885,853)	\$ -	\$ (29,885,853)	\$ -
Public safety	65,642,428	6,562,278	15,796,889	2,234,996	-	(54,172,821)	-	(54,172,821)	-
Health and welfare	2,073,301	141,104	27,071	-	-	(2,187,334)	-	(2,187,334)	-
Culture and recreation	62,122	-	-	-	-	(62,122)	-	(62,122)	-
Education	466,860	-	-	-	-	(466,860)	-	(466,860)	-
Roads and highways	16,594,355	1,077,801	-	11,734,648	3,026,432	(2,911,076)	-	(2,911,076)	-
Economic development	-	-	1,543	-	562,620	564,163	-	564,163	-
Interest on long term debt	1,873,996	-	-	-	-	(1,873,996)	-	(1,873,996)	-
Total governmental activities	143,052,567	-	32,994,006	15,110,866	3,951,796	(\$90,995,899)	-	(90,995,899)	-
<b>Business type activities:</b>									
Public Buildings Authority	2,263,666	-	\$ 4,109,244	-	34,258	-	1,879,836	1,879,836	-
Total primary government	\$ 145,316,233	\$ -	\$ 37,103,250	\$ 15,110,866	\$ 3,986,054	\$ (90,995,899)	\$ 1,879,836	\$ (89,116,063)	\$ -
<b>Component unit:</b>									
Finance Authority	\$ 67,846	\$ -	\$ 242,673	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 174,827
<b>General revenues:</b>									
Property taxes (net of estimated uncollectibles of \$237,712)						76,845,660	-	76,845,660	-
Resale property income						7,215,284	-	7,215,284	-
Other taxes and fees						838,935	-	838,935	-
Unrestricted investment earnings						184,080	152	184,232	10,470
Loss on sale of capital assets						(2,557)	-	(2,557)	-
Miscellaneous						291,379	-	291,379	-
Transfers-in (out)						172,806	(172,806)	-	-
Total general revenues and transfers						85,545,587	(172,654)	85,372,933	10,470
Change in net position						(5,450,311)	1,707,182	(3,743,130)	185,297
Net position - beginning						13,474,015	8,653,297	22,127,312	3,514,505
Net position - ending						\$ 8,023,704	\$ 10,360,481	\$ 18,384,185	\$ 3,699,802

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

**OKLAHOMA COUNTY, OKLAHOMA  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
JUNE 30, 2016**

	<u>General</u>	<u>Highway Cash</u>	<u>Resale Property</u>	<u>County Bonds 2008</u>	<u>Debt Service Fund</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>ASSETS</b>							
Cash and cash equivalents	\$ 12,853,206	\$ 8,934,701	\$ 4,008,392	\$ 3,539,038	\$ 5,520,825	\$ 13,659,911	\$ 48,516,073
Investments	2,174,655	1,511,418	678,071	598,673	933,920	2,310,749	8,207,486
Property taxes receivable (net)	4,283,404	-	-	-	627,527	-	4,910,931
Other taxes receivable	87,469	-	1,221,521	-	12,578	-	1,321,568
Interest receivable	-	2,188	-	1,296	2,133	2,242	7,859
Accounts receivable	1,432,244	-	-	-	-	337,266	1,769,510
Intergovernmental receivable	542,322	2,744,544	-	-	-	423,062	3,709,928
Inventory	305,459	889,851	-	-	-	311,402	1,506,712
Total assets	<u>\$ 21,678,759</u>	<u>\$ 14,082,702</u>	<u>\$ 5,907,984</u>	<u>\$ 4,139,007</u>	<u>\$ 7,096,983</u>	<u>\$ 17,044,632</u>	<u>\$ 69,950,067</u>
<b>LIABILITIES</b>							
Accounts payable	\$ 2,486,443	\$ 2,003,271	\$ 62,505	\$ 629	\$ -	\$ 1,408,846	\$ 5,961,694
Benefits and claims payable	159,189	-	-	-	-	-	159,189
Total liabilities	<u>2,645,632</u>	<u>2,003,271</u>	<u>62,505</u>	<u>629</u>	<u>-</u>	<u>1,408,846</u>	<u>6,120,883</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>							
Unavailable revenue-Property Taxes	3,559,193	-	-	-	526,638	-	4,085,831
Unavailable revenue-Intergovernmental	-	-	-	-	-	109,709	109,709
Total deferred inflows of resources	<u>3,559,193</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>526,638</u>	<u>109,709</u>	<u>4,195,540</u>
<b>FUND BALANCES</b>							
Nonspendable	\$ 305,459	\$ 889,851	\$ -	\$ -	\$ -	\$ 311,402	\$ 1,506,712
Restricted	-	11,189,580	5,845,479	3,963,985	6,570,345	13,770,287	41,339,676
Committed	2,350,388	-	-	174,393	-	-	2,524,781
Assigned	1,502,820	-	-	-	-	1,444,388	2,947,208
Unassigned	11,315,267	-	-	-	-	-	11,315,267
Total fund balances (See note III.G.)	<u>15,473,934</u>	<u>12,079,431</u>	<u>5,845,479</u>	<u>4,138,378</u>	<u>6,570,345</u>	<u>15,526,077</u>	<u>59,633,644</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 21,678,759</u>	<u>\$ 14,082,702</u>	<u>\$ 5,907,984</u>	<u>\$ 4,139,007</u>	<u>\$ 7,096,983</u>	<u>\$ 17,044,632</u>	<u>\$ 69,950,067</u>
Total fund balance - governmental funds							\$ 59,633,644
Amounts reported for governmental activities in the statement of net position are different because:							
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.							116,545,766
Other assets are not available to pay for current-period expenditures and, therefore, are deferred in the governmental funds, but not deferred in the statement of net position:							
Unavailable revenue- property tax and intergovernmental							4,195,540
Pension related deferred outflows							373,768
Long-term liabilities are not due and payable in the current period and therefore, are not reported in the funds.							
This includes bonds payable, net of unamortized premiums (\$47,175,558), leases payable (\$717,002), judgments payable (\$1,727,098), compensated absences (\$6,613,808), accrued interest payable (\$671,710), claims liability (\$6,245,353 less \$159,189 reported at fund level = \$6,086,164), Net OPEB obligation (\$98,857,516), and Net Pension Liability (\$10,876,157).							(172,725,014)
Net position of governmental activities							<u>\$ 8,023,704</u>

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

**OKLAHOMA COUNTY, OKLAHOMA**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2016**

	General	Highway Cash	Resale Property	County Bonds 2008	Debt Service Fund	Other Governmental Funds	Total Governmental Funds
<b>REVENUES</b>							
Property taxes	\$ 67,326,423	\$ -	\$ -	\$ -	\$ 9,281,526	\$ -	\$ 76,607,949
Other taxes	748,451	-	-	-	90,484	-	838,935
Resale property income	-	-	7,215,284	-	-	-	7,215,284
Charges for services	9,186,461	-	-	-	-	7,653,093	16,839,554
Intergovernmental revenues	9,271,232	11,778,653	-	562,620	-	10,397,859	32,010,364
Investment income	119,800	18,053	-	7,404	13,135	121,507	279,899
Miscellaneous revenue	297,811	2,662,668	-	-	-	337,984	3,298,463
Total revenues	<u>86,950,178</u>	<u>14,459,373</u>	<u>7,215,284</u>	<u>570,024</u>	<u>9,385,145</u>	<u>18,510,443</u>	<u>137,090,448</u>
<b>EXPENDITURES</b>							
Current:							
General government	40,784,988	-	5,575,294	-	-	3,389,630	49,749,912
Public safety	41,168,986	-	-	-	-	13,835,220	55,004,206
Health and welfare	1,927,757	-	-	-	-	-	1,927,757
Culture and recreation	62,122	-	-	-	-	-	62,122
Education	445,916	-	-	-	-	-	445,916
Roads and highways	1,239,194	9,174,217	-	-	-	248,906	10,662,317
Debt service:							
Principal	-	81,052	-	-	7,820,973	-	7,902,025
Interest	-	3,225	-	-	871,292	-	874,517
Capital outlay	987,105	6,138,764	301,801	571,087	-	2,692,208	10,690,965
Total expenditures	<u>86,616,068</u>	<u>15,397,258</u>	<u>5,877,095</u>	<u>571,087</u>	<u>8,692,265</u>	<u>20,165,964</u>	<u>137,319,737</u>
Excess (deficiency) of revenues over (under) expenditures	<u>334,110</u>	<u>(937,885)</u>	<u>1,338,189</u>	<u>(1,063)</u>	<u>692,880</u>	<u>(1,655,521)</u>	<u>(229,289)</u>
<b>OTHER FINANCING SOURCES (USES)</b>							
Transfers from other funds	1,260,000	-	-	-	-	566,596	1,826,596
Transfers to other funds	(50,000)	-	(1,260,000)	-	-	(343,790)	(1,653,790)
Sale of capital assets	-	-	-	-	-	15,319	15,319
Total other financing sources (uses)	<u>1,210,000</u>	<u>-</u>	<u>(1,260,000)</u>	<u>-</u>	<u>-</u>	<u>238,125</u>	<u>188,125</u>
Net change in fund balances	1,544,110	(937,885)	78,189	(1,063)	692,880	(1,417,396)	(41,164)
Fund balances-beginning	13,929,824	13,017,315	5,767,290	4,139,441	5,877,465	16,943,473	59,674,808
Fund balances - ending	<u>\$ 15,473,934</u>	<u>\$ 12,079,431</u>	<u>\$ 5,845,479</u>	<u>\$ 4,138,378</u>	<u>\$ 6,570,345</u>	<u>\$ 15,526,077</u>	<u>\$ 59,633,644</u>

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

**OKLAHOMA COUNTY, OKLAHOMA  
RECONCILIATION OF THE STATEMENT OF REVENUES  
EXPENDITURES AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS  
TO THE STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2016**

Net change in fund balances-total governmental funds	\$	(41,164)
Amounts reported for governmental activities in the statement of activities are different because:		
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays, that were added to capital assets (\$8,501,485) exceeded depreciation (\$8,386,647) in the current period.		114,838
In the statement of activities, the loss on disposal of assets is reported, whereas in the governmental funds, the proceeds from the sale increase financial resources. The change in net position differs from the cost of the assets sold, net of accumulated depreciation versus the proceeds from asset sales.		(305,001)
In the statement of activities, the cost of pension benefits earned net of employee contributions is reported as an element of pension expense. The fund financial statements report pension contributions as expenditures.		1,640,547
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. These include an increase in deferred property taxes of \$237,712 and a increase in intergovernmental receivables of \$103,852.		341,564
The issuance of long-term debt (e.g. bonds, leases ) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of issuance costs and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt. (Principal retirement on bonds payable of \$5,968,246 and a net decrease in capital lease obligations payable of \$435,344).		5,532,902
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds. These include the net increase in judgments payable (\$670,123), an increase in compensated absences (\$233,880), a decrease in claims liability (\$191,330) an decrease in accrued interest payable (\$186,617) and an increase in the Net OPEB obligation (\$12,207,939).		<u>(12,733,997)</u>
Change in net position of governmental activities	\$	<u><u>(5,450,311)</u></u>

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

**OKLAHOMA COUNTY, OKLAHOMA**  
**STATEMENT OF NET POSITION**  
**PROPRIETARY FUND**  
**JUNE 30, 2016**

	<b>Public Buildings Authority</b>
<b>ASSETS</b>	
Current assets:	
Restricted assets:	
Cash and cash equivalents	\$ 7,028,623
Accounts receivable	103,461
Total current assets	7,132,084
Capital assets:	
Land	2,275,936
Buildings and improvements	21,968,772
Equipment	151,835
Less accumulated depreciation	(11,284,918)
Total capital assets (net of accumulated depreciation)	13,111,625
Total noncurrent assets	13,111,625
Total assets	\$ 20,243,709
 <b>DEFERRED OUTFLOWS OF RESOURCES</b>	
Deferred amount on lease refinancing	\$ 891,924
 <b>LIABILITIES</b>	
Current liabilities payable from :	
restricted assets:	
Capital lease obligations-current	630,000
Accounts payable	37,152
Accrued interest payable	32,653
Unearned revenue	10,347
Total current liabilities	710,152
Noncurrent liabilities:	
Capital lease obligations	10,065,000
Total noncurrent liabilities	10,065,000
Total liabilities	10,775,152
 <b>NET POSITION</b>	
Net investment in capital assets	3,308,549
Restricted for debt service	7,051,932
Total net position	\$ 10,360,481

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

**OKLAHOMA COUNTY, OKLAHOMA**  
**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION**  
**PROPRIETARY FUND**  
**FOR THE YEAR ENDED JUNE 30, 2016**

	<b>Public Buildings Authority</b>
Operating revenues:	
Rental	\$ 4,109,244
Total operating revenues	\$ 4,109,244
Operating expenses:	
Costs of sales and services	745,871
Administration	335,990
Depreciation	725,642
Total operating expenses	1,807,503
Operating income	2,301,741
Nonoperating revenues (expenses):	
Investment income	152
Interest expense	(452,895)
Federal award - FEMA	34,258
Trustee and other expenses	(3,268)
Total nonoperating revenue (expenses)	(421,753)
Income before contributions and transfers	1,879,988
Capital contributions-TIF Reimbursements	-
Transfer from County Capital Regular Fund	307,255
Transfer to County Capital Regular Fund	(480,061)
Change in net position	1,707,182
Beginning net position	8,653,297
Total net position-ending	\$ 10,360,481

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



**OKLAHOMA COUNTY, OKLAHOMA  
STATEMENT OF CASH FLOWS  
PROPRIETARY FUND  
FOR THE YEAR ENDED JUNE 30, 2016**

	<b>Public Buildings Authority</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	
Receipts from customers and users	\$ 4,055,867
Payments to suppliers	(821,487)
Payments to employees	(335,990)
Net cash provided by operating activities	2,898,390
<b>CASH FLOWS FROM CAPITAL FINANCING ACTIVITIES</b>	
Trustee fees on capital debt	(3,268)
Principal paid on capital debt	(625,000)
Interest paid on capital debt	(401,210)
Proceeds from refunding debt	-
Accrued interest received on debt refunding	-
Capital contributions-TIF Reimbursements	-
Federal award	34,258
Payment for capital assets	(406,662)
Net cash provided (used) by capital financing activities	(1,401,882)
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>	
Transfer from governmental funds	307,255
Transfer to governmental funds	(480,061)
Net cash provided (used) by non-capital financing activities	(172,806)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>	
Interest earnings received	152
Net cash provided by investing activities	152
Net increase (decrease) in cash and cash equivalents	1,323,854
Beginning cash and cash equivalents	\$ 5,704,768
Ending cash and cash equivalents	\$ 7,028,622
<b>Reconciliation of operating income to net cash provided (used) by operating activities:</b>	
Operating Income	2,301,741
Adjustments to reconcile operating income to net cash provided (used) by operating activities:	
Depreciation expense	\$725,642
(Increase) decrease in accounts receivable	(14,611)
Increase (decrease) in payables	(75,617)
Increase (decrease) in unearned revenue	(38,766)
Total adjustments	596,649
Net cash provided by operating activities	\$ 2,898,390
Non-cash investing activity:	
Capital assets financed through payables	\$ -

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

**OKLAHOMA COUNTY, OKLAHOMA**  
**STATEMENT OF FIDUCIARY NET POSITION**  
**JUNE 30, 2016**

	Pension Trust Funds	Agency Funds
	<u>                    </u>	<u>                    </u>
<b>ASSETS</b>		
Cash and cash equivalents	\$ 4,526,244	\$ 29,318,857
Property taxes receivable, net	-	39,432,589
Interest receivable	13,877	-
Accounts receivable	-	-
Contributions receivable	-	1,449,803
Investments		
U.S. Government securities	-	-
Certificate of deposits	475,000	4,946,096
Judgments	1,607,098	-
Mutual funds	87,919,887	-
Loans to participants	9,236,368	-
Total investments	<u>99,238,354</u>	<u>4,946,096</u>
Total assets	<u>\$ 103,778,475</u>	<u>\$ 75,147,344</u>
<b>LIABILITIES</b>		
Due to Other Taxing Jurisdictions	\$ -	\$ 43,691,166
Due to Others	-	31,456,178
Total liabilities	<u>-</u>	<u>75,147,344</u>
<b>NET POSITION</b>		
Net position held in trust for pension benefits and other purposes	<u>\$ 103,778,475</u>	<u>\$ -</u>

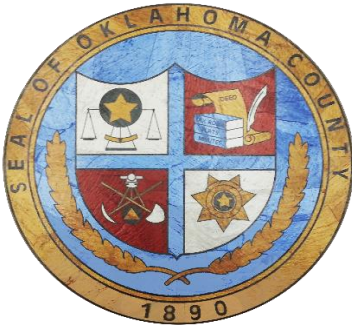
The notes to the financial statements are an integral part of this statement.

**OKLAHOMA COUNTY, OKLAHOMA**  
**STATEMENT OF CHANGES IN FIDUCIARY NET POSITION**  
**FOR THE YEAR ENDED JUNE 30, 2016**

	Pension Trust Funds
<b>ADDITIONS</b>	
Contributions:	
Employer	\$ 6,477,991
Investment earnings:	
Interest	418,846
Net increase (decrease) in the fair value of investments	625,819
Total investment earnings	1,044,665
Total additions	7,522,656
<b>DEDUCTIONS</b>	
Benefits	8,828,507
Administrative expenses	348,262
Total deductions	9,176,769
Change in net position	(1,654,114)
Net position restricted for pensions:	
Beginning of year	105,432,589
End of year	\$ 103,778,475

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

*Notes to the  
Financial  
Statements*



**OKLAHOMA COUNTY, OKLAHOMA**  
**Notes to the Financial Statements**  
**June 30, 2016**

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**OKLAHOMA COUNTY, OKLAHOMA**  
**Notes to the Financial Statements**  
**June 30, 2016**

**Note I. Summary of Significant Accounting Policies**

The financial statements of Oklahoma County are presented in conformity with accounting principles generally accepted in the United States of America as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

**New Accounting Pronouncements Adopted in Fiscal Year 2016:**

The County adopted the following new accounting pronouncement during the year ended June 30, 2016 as follows:

- Statement No 72, *Fair Value Measurement and Application* was issued in February 2016 and addresses accounting and financial reporting issues related to fair value measurements. It provides guidance for determining a fair value measurement for financial reporting purposes and also for applying fair value to certain investments and disclosures related to all fair value measurements. This statement is effective for periods beginning after June 15, 2016.
- Statement No. 73, *Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statements 67 and 68* was issued in June 2016 and establishes requirements for defined benefit pensions that are not within the scope of Statement No. 68, *Accounting and Financial Reporting for Pensions*, as well as for the assets accumulated for purposes of providing those pensions. In addition, it establishes requirements for defined contribution pensions that are not within the scope of Statement 68. It also amends certain provisions of Statement No. 67, *Financial Reporting for Pension Plans*, and Statement 68 for pension plans and pensions that are within their respective scopes. The requirements of this Statement that address accounting and financial reporting by employers and governmental nonemployer contributing entities for pensions that are not within the scope of Statement 68 are effective for financial statements for fiscal years beginning after June 15, 2016, and the requirements of this Statement that address financial reporting for assets accumulated for purposes of providing those pensions are effective for fiscal years beginning after June 15, 2015. The requirements of this Statement is for pension plans that are within the scope of Statement 67 or for pensions that are within the scope of Statement 68 are effective for fiscal years beginning after June 15, 2015.

The GASB has issued several new accounting pronouncements, which will be effective in subsequent years. A description of the new accounting pronouncements, the fiscal year in which they are effective, and the County's consideration of the impact of these pronouncements are described below:

Statement No. 74, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans* was issued in June 2016, and replaces Statements No. 43, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*, as amended, and No. 57, *OPEB Measurements by Agent Employers and Agent Multiple-Employer Plans*. It also includes requirements for defined contribution OPEB plans that replace the requirements for those OPEB plans in Statement No. 25, *Financial Reporting for Defined Benefit Pension Plans and Note Disclosures for Defined Contribution Plans*, as amended, Statement 43, and Statement No. 50, *Pension Disclosures*. This Statement is effective for financial statements for fiscal years beginning after June 15, 2016. The County has not yet determined the impact that implementation of GASB 74 will have on its net position.

Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions* was issued in June 2016, and addresses accounting and financial reporting for OPEB that is provided to the employees of state and local governmental employers. This Statement establishes standards for recognizing and measuring liabilities, deferred outflows of resources, deferred inflows of resources, and expense/expenditures. For a defined benefit OPEB, this Statement identifies the methods and assumptions that are required to be used to project

**OKLAHOMA COUNTY, OKLAHOMA**  
**Notes to the Financial Statements**  
**June 30, 2016**

benefit payments, discount projected benefit payments to their actuarial present value, and attribute that present value to periods of employee service. Note disclosure and required supplementary information requirements about defined benefit OPEB also are addressed. This Statement is effective for fiscal years beginning after June 15, 2017. The County has not yet determined the impact that implementation of GASB 75 will have on its net position.

GASB Statement No. 76, *The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments* was issued in June 2016, and was issued to identify the context of the current governmental financial reporting environment—the hierarchy of generally accepted accounting principles (GAAP). The “GAAP hierarchy” consists of the sources of accounting principles used to prepare financial statements of state and local governmental entities in conformity with GAAP and the framework for selecting those principles. This Statement reduces the GAAP hierarchy to two categories of authoritative GAAP and addresses the use of authoritative and nonauthoritative literature in the event that the accounting treatment for a transaction or other event is not specified within a source of authoritative GAAP. This Statement supersedes Statement No. 55, *The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments*. The requirements of this Statement are effective for financial statements for periods beginning after June 15, 2016. The County has not yet determined the impact that implementation of GASB 76 will have on its net position.

GASB Statement No. 77, *Tax Abatement Disclosures* was issued in August 2016, and establishes financial reporting standards for tax abatement agreements entered into by state and local governments. The disclosures required by this Statement encompass tax abatements resulting from both (a) agreements that are entered into by the reporting government and (b) agreements that are entered into by other governments and that reduce the reporting government’s tax revenues. The requirements of this Statement are effective for financial statements for periods beginning after December 15, 2016. The County has not yet determined the impact that implementation of GASB 77 will have on its net position.

GASB Statement No. 78, *Pensions Provided Through Certain Multiple-Employer Defined Benefit Pension Plans* GASB 78 was issued in December 2015, and amends the scope and applicability of Statement 68 to exclude pensions provided to employees of state or local governmental employers through a cost-sharing multiple employer defined benefit pension plan that (1) is not a state or local governmental pension plan, (2) is used to provide defined benefit pensions both to employees of state or local governmental employers and to employees of employers that are not state or local governmental employers, and (3) has no predominant state or local governmental employer (either individually or collectively with other state or local governmental employers that provide pensions through the pension plan). This Statement establishes requirements for recognition and measurement of pension expense, expenditures, and liabilities; note disclosures; and required supplementary information for pensions that have the characteristics described above. The requirements of this Statement are effective for reporting periods beginning after December 15, 2015. The statement does not affect the County’s financial statements.

GASB Statement No. 79, *Certain External Investment Pools and Pool Participants*

GASB 79 was issued in December 2015, and addresses accounting and financial reporting for certain external investment pools and pool participants. Specifically, it establishes criteria for an external investment pool to qualify for making the election to measure all of its investments at amortized cost for financial reporting purposes. An external investment pool qualifies for that reporting if it meets all of the applicable criteria established in this Statement. The specific criteria address (1) how the external investment pool transacts with participants; (2) requirements for portfolio maturity, quality, diversification, and liquidity; and (3) calculation and requirements of a shadow price. Significant noncompliance prevents the external investment pool from measuring all of its investments at amortized cost for financial reporting purposes. Professional judgment is required to determine if instances of noncompliance with the criteria established by this Statement during the reporting period, individually or in the aggregate, were significant. The requirements of this Statement are effective for reporting periods beginning after June 15, 2015, except for certain provisions on portfolio quality, custodial credit risk, and



**OKLAHOMA COUNTY, OKLAHOMA**  
**Notes to the Financial Statements**  
**June 30, 2016**

shadow pricing. Those provisions are effective for reporting periods beginning after December 15, 2015. At this time, the impact to the County's is unknown.

**GASB Statement No. 80, Blending Requirements for Certain Component Units**

An Amendment of GASB Statement No. 14 – GASB 80 was issued in January 2016, and amends the blending requirements for the financial statement presentation of component units of all state and local governments. The additional criterion requires blending of a component unit incorporated as a not-for profit corporation in which the primary government is the sole corporate member. The additional criterion does not apply to component units included in the financial reporting entity pursuant to the provisions of Statement No. 39, Determining Whether Certain Organizations Are Component Units. The requirements of this Statement are effective for reporting periods beginning after June 15, 2016. At this time, the impact to the County is unknown.

**GASB Statement No. 81, Irrevocable Split-Interest Agreements**

GASB 81 was issued in March 2016, to improve accounting and financial reporting for irrevocable split-interest agreements by providing recognition and measurement guidance for situations in which a government is a beneficiary of the agreement. The County does not believe that GASB No. 81 will have significant impact on its financial statements.

**A. Reporting entity**

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

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

**1. Blended Component Unit**

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

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

**OKLAHOMA COUNTY, OKLAHOMA**  
**Notes to the Financial Statements**  
**June 30, 2016**

writing. The OCPA issues a separate financial report that can be obtained by writing to the Oklahoma County Clerk's Office at 320 Robert S. Kerr, Room 201, Oklahoma City, Oklahoma 73102.

**2. Discretely Presented Component Unit**

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

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

The OCFA Board of Trustees is appointed by the County Commissioners of Oklahoma County. In addition, the County Commissioners ultimately approve all note and bond obligations issued by the OCFA. The OCFA issues a separate financial report that can be obtained by writing to the Oklahoma County Finance Authority at 105 N. Hudson, Suite 304, Oklahoma City, Oklahoma 73102.

**3. Jointly Governed Organization**

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

**4. Related Organizations**

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

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

Oklahoma Industries Authority - The Oklahoma Industries Authority (OIA) was created as a public trust under applicable Oklahoma Statutes on December 15, 1966, and amended May 4, 1981. It was created for the use and benefit of the Beneficiary, Oklahoma County, Oklahoma, to finance, promote and aid in the development of industry and commerce as set forth in the Trust Indenture. The County has no significant influence over the

**OKLAHOMA COUNTY, OKLAHOMA**  
**Notes to the Financial Statements**  
**June 30, 2016**

management, budget or policies of the OIA. On November 1, 1997, the Authority issued \$2,750,000 in lease revenue bonds to fund the expansion of the Oklahoma County Juvenile Detention Center project. In February 2001, the OIA issued \$4,765,000 in lease revenue bonds to fund heating and cooling upgrades and lighting, electrical and plumbing improvements to county buildings. On July 28, 2003, the Authority issued \$20,560,000 of lease revenue bonds to provide funds that will be used by the Public Buildings Authority to (1) acquire, construct and equip a parking garage, (2) advance refund the Public Building Authority Capital Improvement Bonds, Series 1997, (3) make improvements to the Metro Parking Garage, (4) make other County improvements, (5) fund capitalized interest, (6) purchase Surety Bonds in lieu of funding a Debt Service Reserve Fund, and (7) pay certain costs of issuing the Bonds.

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

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

**B. Government –wide and Fund Financial Statements**

The accompanying financial statements of the County have been prepared in conformity with generally accepted accounting principles as prescribed by the Governmental Accounting Standards Board (GASB). They present the financial position of the County and the various funds and fund types, the results of operations of the County and the various funds and fund types, and the cash flows of the proprietary fund. The financial statements are presented as of June 30, 2016, and for the year then ended.

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

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

The county operates each of the three self-insurance activities separately. However, all three are primarily funded through general fund revenues. Other revenues include premiums and interest income. Employee benefits and workers compensation expenses and claims are a result of the employment of workers hired to operate and manage the functions of the government. These expenses are reported by the general fund. Gross revenues totaled \$20,720,543 and gross expenses totaled \$26,308,292, resulting in net expenses of \$5,587,749.

**OKLAHOMA COUNTY, OKLAHOMA**  
**Notes to the Financial Statements**  
**June 30, 2016**

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

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

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

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

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

**Governmental Funds**

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

The County reports the following major governmental funds:

**General Fund** - The County's primary operating fund. The fund is used to account for and report all financial resources not accounted for and reported in another fund. The Employee Benefits, Worker's Compensation and Self Insurance activities are presented as part of the General Fund. Oklahoma County is self insured and the primary source of funding is from General Fund revenue.

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

**Resale Property** – Accounts for collection of interest and penalties on delinquent taxes and the expenditures incurred to sell abandoned property.

**County Bonds 2008** - Accounts for the proceeds of general obligation bonds issued in August 2008 to finance the purchase of the former General Motors Assembly plant, to provide funds for the capital improvements for the courthouse and annex buildings, and to improve and mitigate natural hazard damage and impact, including but not limited to flooding in east central Oklahoma County in and around Crutch Creek, and in northwest Oklahoma County in and around the Deer Creek area.

**Debt Service Fund** – Used to account for and report financial resources that are restricted, committed, or assigned to expenditure for principal and interest.

**OKLAHOMA COUNTY, OKLAHOMA**  
**Notes to the Financial Statements**  
**June 30, 2016**

**Proprietary Fund**

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

**Fiduciary Fund Types**

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

The County reports the following fiduciary funds:

Pension Trust Funds – Pension trust funds account for assets held by the County in a trustee capacity for current and retired employees. Pension trust funds are accounted for in essentially the same manner as proprietary funds.

The County has two pension trust funds:

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

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

**Revenue and Expense Classification**

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

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. Operating expenses for enterprise funds include cost of sales and services, administrative expenses and depreciation on capital. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

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

**D. Assets, Liabilities, and Net Position**

**1. Deposits and Investments**

Cash and cash equivalents include amounts in demand deposits as well as short-term investments with a maturity date within three months of the date acquired by the County. The majority of interest earned on investments is

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allocated to the general fund except for those investments made specifically for the debt service fund, trust fund and certain special revenue funds as required by state statute for which investment income is allocated to the investing fund.

The County adopted formal deposit and investments policies in June 2016. State statutes authorize the County to adopt a written investment policy directing the investment of the funds of the County and any of its public trusts or authorities. The County Treasurer manages the investments according to the investment policy. The written investment policy authorize the county to purchase and invest in U.S. Government obligations; certificates of deposit; savings accounts; general obligation bonds issued by counties, municipalities, or school districts; money judgments against counties, municipalities, or school districts; bonds and revenue notes issued by a public trust when the beneficiary of the trust is a county, municipality, or school district; negotiable certificates of deposit; prime bankers acceptances; prime commercial paper; repurchase agreements and money market funds.

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

## **2. Property Taxes Receivable**

All property tax receivables are shown net of an allowance for uncollectibles. Taxes are levied annually on October 1 with one-half due by December 31 and the remaining one-half due by March 31. If exactly one-half of the amount due is not received by December 31, the full amount is due and becomes delinquent January 1st. If the taxpayer opts for one-half payment by December 31 but does not make the remaining payment by March 31, the balance becomes delinquent. Delinquent tax payments are subject to interest assessments at 18% annual percentage rate. Major tax payments are received in the months December through April. Delinquent tax payments are received throughout the year. Governmental funds recognize revenue in the year levied to the extent they are received within 60 days of year-end. Current year tax collections for the year ended June 30, 2016 were 95.9% of the tax levy.

The County's property tax is levied each October 1 on the assessed value listed as of January 1 of the same year for all real and personal property located in the County, except certain exempt property. Assessed values are established by the State Tax Commission and the State Equalization Board. A revaluation of all property is required once every five years. Oklahoma Counties assessed property value as of January 1, 2016, was \$6,,782,746,073 after excluding homestead and veteran exemptions of \$162,052,896.

The County Excise Board levied 10.35 mills for General Fund operations, 2.59 mills for the City-County Health Department, 5.20 mills for Metropolitan Library Commission and 1.53 mills for Debt Service.

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

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

## **3. Receivables and Unavailable Revenues**

Receivables consist of intergovernmental receivables that are primarily amounts due from federal grants, and accounts receivable are primarily comprised of various charges for services, fees and employee health premiums earned by fiscal year end and not yet collected.

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

<b>Governmental Funds:</b>	<u>Unavailable</u>
Property taxes receivable – General Fund	\$3,559,193
Property taxes receivable – Debt Service Fund	526,638
Grant funds – Sheriff Grant Fund	<u>109,709</u>
Total deferred for governmental funds	<u>\$4,195,540</u>

**4. Inventories**

Inventory in governmental funds consists of expendable supplies held for consumption stated on a first-in first-out basis. They are recorded at cost, as an expenditure, at the time individual items are purchased. Unconsumed inventories in governmental funds are equally offset by nonspendable fund balance, which indicates that portion of fund balance is not in spendable form.

**5. Due to Other Taxing Units/Others**

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

**6. Capital Assets and Depreciation**

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

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

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

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**7. Compensated Absences**

Accrued vacation leave is payable upon layoff, resignation, retirement, or death. Amounts of vested or accumulated vacation leave are reported in the government-wide statements and not in the governmental fund statements as the liability is not expected to be paid from current resources. A liability for these amounts is reported in governmental funds only if they have matured as a result of employee resignations and retirements. At June 30, 2016 the accrued liability for annual and compensatory leave time was \$6,613,808.

There is no limitation on accruing unused sick leave. Sick leave does not vest, and therefore, is not reported. Unused sick leave shall contribute toward retirement eligibility for vested employees, 20 days being equivalent to one month. The maximum allowable is 130 days, which would allow an additional year.

**8. Long-Term Obligations**

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

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

**9. Defined Benefit Retirement Plan**

*Basis of Accounting*

The financial statements of the County's Defined Benefit Plan are prepared under the accrual method of accounting. Employer contributions to the plan are recognized when due. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan.

*Estimates*

The preparation of financial statements in conformity with generally accepted accounting principles requires the plan trustees to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results may differ from those estimates.

*Investment Valuation and Income Recognition*

The Plan's investments are stated at fair value. If available, quoted market prices are used to value investments. The amounts shown for securities that have no quoted market price represent estimated fair value. Purchases and sale of securities are recorded on a settlement date basis. Interest income is recorded on the accrual basis.

*Pension*

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the net position of the Employees' Retirement System of Oklahoma County and additions to/deductions from the System's net position have been determined on the same basis as they are reported by Employees' Retirement System of Oklahoma County. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.



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**10. Fund Balance and Net Position**

As prescribed by GASB Statement No. 54, governmental funds report fund balance in classifications based primarily on the extent to which the County is bound to honor constraints on the specific purposes for which amounts in the funds can be spent.

Fund balances are classified by level of constraint as follows:

- *Nonspendable Fund Balance* – includes amounts that are (a) not in spendable form, or (b) legally or contractually required to be maintained intact. The “not in spendable form” criterion includes items that are not expected to be converted to cash, for example: inventories, prepaid amounts, and long-term notes receivable.
- *Restricted Fund Balance* – includes amounts that can be spent only for the specific purposes stipulated by external resources providers, constitutionally or through enabling legislation. Restrictions may effectively be changed or lifted only with the consent of resource providers.
- *Committed Fund Balance* – includes amounts that can be used for the specific purposes determined by a formal action of the County’s highest level of decision making authority, the County’s Board of County Commissioners or the County Budget Board by resolution. Commitments may be changed or lifted only by the County taking the same formal action by resolution that imposed the constraint originally.
- *Assigned Fund Balance* – comprises amounts intended to be used by the County for specific purposes that are neither restricted nor committed. *Intent* is expressed by motion of the County’s Board of County Commissioners or County Budget Board pursuant to state law by action other than resolution.
- *Unassigned Fund Balance* – is the residual classification for the General Fund and includes all amounts not contained in the other classifications. Unassigned amounts are technically available for any purpose.

In circumstances when an expenditure is made for a purpose for which amounts are available in multiple fund balance classifications, fund balance is depleted in the order of restricted, committed, assigned, and unassigned.

The government-wide and the proprietary fund financial statements utilize a net position presentation. Net positions are categorized as net investment in capital assets, restricted, and unrestricted.

- Net investment in capital assets groups all capital assets into one component of net position. Accumulated depreciation and the outstanding balances of debt that are attributable to the acquisition, construction or improvement of these assets reduce the balance in this category.
- Restricted Net Position reflects net positions that are subject to constraints either by externally imposed by creditors, contributors, or laws or regulations of other governments or imposed by law through constitutional provisions or enabling legislation.
- Unrestricted Net Position represents the residual net positions of the County that are not restricted for any project or purpose.

When both restricted and unrestricted net positions are available for use, it is the County’s policy to use restricted net position or resources first.

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

**A. Budgetary Information**

Guidelines for the County Budget Act are set out in Title 19 Section 1401 of Oklahoma Statutes. At least thirty (30) days prior to the beginning of each fiscal year, a budget for each fund of the county for which a budget is required shall be completed by the county Budget Board. Each budget shall provide a complete financial plan for the budget year. The budget format shall be as prescribed by the Oklahoma State Auditor and Inspector. The format shall contain at least the following in tabular form for each fund, itemized by department and account within each fund:

1. Actual revenues and expenditures for the immediate prior fiscal year;
2. Estimated actual revenues and expenditures for the current fiscal year; and
3. Estimated revenues and proposed expenditures for the budget year.

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

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

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

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

**B. Legal and Contractual Obligations**

Under Oklahoma Law, the County may not obligate funds that require income and revenue from future fiscal years without voter approval, such as with the issuance of general obligation bonds. All lease and lease-purchase agreements, whether or not they are capitalized, must be re-approved at the beginning of each fiscal year. Federal and State grant revenues and expenditures are accounted for in accordance with applicable contract provisions. General obligation bonds, judgments and related interest are levied for and paid in accordance with appropriate State laws.

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**C. Continuous Inventory**

According to guidelines established by Title 19 Section 178.1 of Oklahoma statutes, the County maintains a continuous asset inventory of all assets purchased with a cost of \$500 or more. These items are generally purchases from the capital outlay accounts and recorded at cost.

**Note III. Detailed Notes on All Funds**

**A. Deposits and Investments**

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

*Deposits*

*Investments*

As of June 30, 2016, the County had the following investments:

<b>Primary Government</b>		Weighted Average	Credit	Fair Value
<u>Investment Type</u>	<u>Fair Value</u>	<u>Maturity (Years)</u>	<u>Ratings</u>	<u>Category</u>
Certificates of deposit	<u>\$13,153,067</u>	1.00	N/A	N/A
Total investments	<u>\$13,153,067</u>			
Portfolio weighted average maturity		1.00		
<b>Fiduciary Funds:</b>		Weighted Average	Credit	Fair Value
<u>Investment Type</u>	<u>Fair Value</u>	<u>Maturity (Years)</u>	<u>Ratings</u>	<u>Category</u>
Certificates of deposit	475,000	.74	N/A	N/A
Judgments	<u>1,607,098</u>	3.00	N/A	Level III
Total investments	<u>\$2,082,098</u>			
Portfolio weighted average maturity		2.48		

The County implemented GASB Statement No. 72, Fair Value Measurement and Application, during the fiscal year ended June 30, 2016. The County categorizes its fair value measurements within the fair value hierarchy established by generally accepted account principles. The hierarchy is based on the valuation inputs used to measure the fair value of an asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

Level 3 inputs were used for judgments purchases from other governmental agencies that are not actively traded and significant other observable inputs are not available. Judgments are valued at \$1,607,098 using the cost approach at June 30, 2016.

*Custodial credit risk* for deposits is the risk that in the event of a bank failure, the County may not be able to recover its deposits. The County's policy requires uninsured deposits with banks to be 110 percent secured by collateral valued at fair value. As of June 30, 2016, the County's bank balance of \$77,774,020 and its blended component unit bank balance of \$7,028,623 are fully insured or collateralized with securities held by the County or its blended component unit, or their agents in their respective names.

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

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

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

**Discretely Presented Component Unit**

<u>Investment Type</u>	<u>Fair Value</u>	<u>Weighted Average Maturity (Years)</u>	<u>Credit Ratings</u>
Certificates of deposit	\$1,508,408	0.83	N/A

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

*Investment Credit risk.* The Authority has no formal policy limiting investments based on credit rating, but discloses any such credit risk associated with their investments by reporting the credit quality ratings of investments in debt securities as determined by nationally recognized statistical rating organizations and agencies as of yearend. Unless there is information to the contrary, obligations of the U.S. government or obligations explicitly guaranteed by the U.S. government are not considered to have credit risk and do not require disclosure of credit quality. The Authority invests in certificates of deposit of local financial institutions, and that all deposits and investments in excess of amounts covered by federal deposit insurance, be fully collateralized, with a pledge of the U.S. Treasury obligations, by the entity holding the deposit or investments. At June 30, 2016, all the Authority's investments are in certificates of deposit.

*Custodial credit risk.* Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The Authority's deposit policy for custodial credit risk is that all deposits shall either be insured by Federal Deposit Insurance or collateralized by securities held by the cognizant Federal Reserve Bank, or invested in U.S. Government obligations, in the Authority's name. At June 30, 2016, the Authority's deposits were not exposed to custodial credit risk since all deposits were either insured by Federal Deposit Insurance or collateralized by securities held in the Authority's name.

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**B. Property Taxes Receivable**

The following is a summary of property and other tax amounts shown as receivable and amounts considered uncollectible by the taxing unit. In accordance with state statute, all tax liens on real and personal property are extinguished upon the expiration of seven (7) years. Therefore, the receivables date back to 2008, and the total outstanding represents less than 1% of the original tax levies for the same time period.

	Total Outstanding at June 30, 2016	Amount Considered Uncollectible	Amount Shown as Net Receivable
Governmental Funds	\$ 5,299,132	\$ (388,201)	\$ 4,910,931
Fiduciary Funds:			
Health Department	1,007,242	(5,036)	1,002,205
Cities and Library	6,594,563	(32,973)	6,561,590
Schools	32,028,938	(160,145)	31,868,793
Fiduciary Funds Total	39,630,743	(198,154)	39,432,589
Total	<u>\$ 44,929,875</u>	<u>\$ (586,355)</u>	<u>\$ 44,343,520</u>

**C. Capital Assets**

Capital assets activity for the year ended June 30, 2016 was as follows:

	Balance June 30, 2015	Increases	Decreases	Balance June 30, 2016
<b>Primary Government</b>				
<b>Governmental activities:</b>				
Capital assets not being depreciated:				
Land	\$ 26,901,303	\$ 318,742	\$ -	\$ 27,220,045
Artwork	24,500	-	-	24,500
Construction In Progress	11,953,803	3,157,091	(3,973,042)	11,137,853
Total capital assets, not being depreciated	38,879,606	3,475,833	(3,973,042)	38,382,398
Capital assets being depreciated:				
Buildings & building Improvements	96,482,708	2,663,231	-	99,145,939
Machinery and equipment	36,891,423	1,997,732	(1,138,493)	37,750,662
Infrastructure	62,194,256	4,418,411	(2,473,958)	64,138,710
Total capital assets being depreciated	195,568,387	9,079,374	(3,612,450)	201,035,311
Less accumulated depreciation for:				
Buildings & building Improvements	(51,277,989)	(2,696,490)	-	(53,974,479)
Machinery and equipment	(28,660,003)	(2,532,021)	1,123,306	(30,068,718)
Infrastructure	(37,774,072)	(3,158,137)	2,103,463	(38,828,746)
Total accumulated depreciation	(117,712,065)	(8,386,647)	3,226,769	(122,871,943)
Total capital assets being depreciated, net	77,856,322	692,727	(385,681)	78,163,368
Governmental activities, capital assets, net	<u>\$ 116,735,928</u>	<u>\$ 4,168,560</u>	<u>\$ (4,358,723)</u>	<u>\$ 116,545,766</u>

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**Business-type activities**

Capital assets not being depreciated:	June 30, 2015	Increases	Decreases	June 30, 2016
Land	\$ 2,275,936	\$ -	\$ -	\$ 2,275,936
Construction In Progress	88,392	-	(88,392)	-
Total capital assets, not being depreciated	2,364,328	-	(88,392)	2,275,936
Capital assets being depreciated:				
Buildings & building Improvements	21,489,318	479,454	-	21,968,772
Machinery and equipment	136,235	15,600	-	151,835
Total capital assets being depreciated	21,625,553	495,054	-	22,120,607
Less accumulated depreciation for:				
Buildings & building Improvements	(10,475,276)	(706,780)	-	(11,182,056)
Machinery and equipment	(84,000)	(18,862)	-	(102,862)
Total accumulated depreciation	(10,559,276)	(725,642)	-	(11,284,918)
Total capital assets being depreciated, net	11,066,277	(230,588)	-	10,835,689
Governmental activities, capital assets, net	\$ 13,430,605	\$ (230,588)	\$ (88,392)	\$ 13,111,625

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

Governmental activities:		
General government		\$ 1,613,655
Public safety		2,574,329
Health and welfare		1,915
Education		-
Roads and highways		4,196,748
Total depreciation expense-governmental activities		<u>\$8,386,647</u>
Business-type activities:		
Public Building Authority		<u>\$725,642</u>
Total depreciation expense-business-type activities		<u>\$725,642</u>

**D. Interfund transfers**

Following is a schedule of interfund transfers:

	<b>Transfers In:</b>				Total
	General Fund	Debt Service	Non-major Governmental	Enterprise Funds	
<b>Transfers Out:</b>					
General Fund	\$ -	\$ -	\$ 50,000	\$ -	\$ 50,000
Resale Property	1,260,000	-	-	-	1,260,000
Nonmajor governmental funds	-	-	-	307,255	307,255
Enterprise Funds	-	-	480,061	-	480,061
Proprietary funds	-	-	-	-	-
Total Transfers Out	<u>\$1,260,000</u>	<u>\$ -</u>	<u>\$ 530,061</u>	<u>\$ 307,255</u>	<u>\$2,097,316</u>

A transfer of \$1,260,000 was made from the resale property fund to the general fund to fulfill statutory requirements. Transfer in the amount of \$50,000 were made from the general fund to the capital projects regular

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fund for the county annex building asbestos abatement project. A cash transfer of \$307,255 was made from Capital Regular fund back to the PBA that was originally borrowed from the PBA in FY 2013-2014. The original transfer was made to cover the upfront cost of the jail sewer project that was paid by the County and then reimbursed with TIF funds received from the City of Oklahoma City.

The Public Buildings Authority transferred \$480,061 to Oklahoma County Capital Regular fund during the year for the cost of the replacement of the jail fire alarm control panel, the pipe repair in the alley between the annex and courthouse and the courthouse sally port repairs.

**E. Operating Leases**

Oklahoma County is committed under various leases for office equipment and road equipment. These leases are considered for accounting purposes to be operating leases. Oklahoma Statutes prohibit the County from entering into contracts of this nature beyond the end of the fiscal year. Operating lease expenditures for the year ended June 30, 2016 amounted to \$366,160.

**F. Long-term Debt**

**1. Governmental Activities**

General Obligation Bonds

Oklahoma County issued \$10,000,000 General Obligation Limited Tax Bonds of 2002, Series A dated October 1, 2002. The bonds were issued for the purpose of acquiring property in the vicinity of Tinker Air Force Base in order to provide for the safety of those citizens of the County as well as provide for the continued assurance of the economic wellbeing of Oklahoma County and its citizens. In March 2012, Oklahoma County refinanced its General Obligation Limited Tax 2002 Series A bonds for the purpose of reducing the interest costs on the debt and to achieve an economic savings. Over the life of the bonds, the refinancing will result in a debt service cash flow savings to Oklahoma County of \$303,563, a gross debt service present value savings of \$295,977, and a net economic present value benefit of \$299,797 after considering use of existing debt service funds. The remaining principal balance of the Series 2012A bond is \$3,935,000 and the interest balance of \$144,075 is payable semi-annually July 1 and January 1, with interest rates that vary from 1.0% to 1.5%. The bonds bear semi-annual interest (payable July 1, and January 1 of each year). The Bonds will be paid from ad valorem taxes levied and assessed on behalf of the Issuer and deposited to its Sinking Fund.

A summary of debt service requirements to maturity is as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>	<u>Interest Rate</u>
2017	785,000	11,775	796,775	1.50%
Total	<u>\$785,000</u>	<u>\$ 11,775</u>	<u>\$796,775</u>	

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

Summary of debt service requirements to maturity is as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>	<u>Interest Rate</u>
2017	820,000	32,800	852,800	4.000%
Total	<u>\$ 820,000</u>	<u>\$ 32,800</u>	<u>\$852,800</u>	

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Oklahoma statutes require the County to levy an additional ad valorem tax in amounts sufficient to meet sinking fund requirements as the principal and interest payments become due. During the 2006-2007 fiscal year, the Board of County Commissioners voted to transfer \$2,092,116 of unspent bond proceeds to the County Debt Service Fund.

On August 1, 2008, the County issued \$61,500,000 of general obligation bonds to finance the purchase of the former General Motors Assembly Plant, to provide funds for the capital improvements for the Oklahoma County courthouse and annex buildings, and to improve and mitigate natural hazard damage and impact, including but not limited to flooding in East Central Oklahoma County in and around Crutcho Creek, and in Northwest Oklahoma County in and around Deer Creek area. The interest rate on the bonds range from 3.50-4.00 percent and the maturity is August 1, 2023. Bond principal payments are \$4,390,000 beginning on the 1st day of August 2010 in each of the years 2012 through 2022 with the final payment of \$4,430,000 due August 1, 2023. Interest shall be payable on the 1<sup>st</sup> day of February and August of each year, beginning on the 1<sup>st</sup> day of February 2012. Summary of debt service requirements to maturity is as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>	<u>Interest Rate</u>
2017	4,390,000	1,340,550	5,730,550	3.50%
2018	4,390,000	1,153,975	5,543,975	5.00%
2019	4,390,000	961,913	5,351,913	3.75%
2020	4,390,000	791,800	5,181,800	4.00%
2021-2024	<u>17,600,000</u>	<u>1,410,400</u>	<u>19,010,400</u>	4.00%
Total	<u>\$ 35,160,000</u>	<u>\$ 5,658,638</u>	<u>\$40,818,638</u>	

On September 1, 2014, the County issued \$10,000,000 of general obligation bonds to help finance the purchase of the BNSF rail yard. This bond is the remaining \$10 million of the \$71.5 million approved by voters in 2008. The proceeds of the bond were transferred to the Oklahoma Industries Authority to purchase the land and therefore reported as an economic development expense to the County in the amount of \$10,000,000. The land being purchased is adjacent to Tinker Air Force and north of the old General Motors plant that was purchased by the County in 2008. The total cost of the land is \$44 million and will be a joint purchase by the County, the City of Oklahoma City and the U.S. Air Force. The land will be used by Tinker Air Force to build maintenance hangars for the new KC46-A advanced tankers and will add an additional 1,321 jobs. As a result of a state incentive called the Quality Jobs Act, there will be a credit for those quality jobs and Oklahoma County will get repaid for approximately 95% of the cost over the life of the bonds. The interest rate on the bond is 2.00 percent and the maturity is September 1, 2023. Bond principal payments are \$1,250,000 beginning on the 1st day of September 2016 in each of the years 2016 through 2023 with the final payment due September 1, 2023. Interest shall be payable on the 1<sup>st</sup> day of March of each year, beginning on the 1<sup>st</sup> day of March 2016. Summary of debt service requirements to maturity is as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>	<u>Interest Rate</u>
2017	1,250,000	187,500	1,437,500	2.00%
2018	1,250,000	162,500	1,412,500	2.00%
2019	1,250,000	137,500	1,387,500	2.00%
2020-2024	<u>6,250,000</u>	<u>312,500</u>	<u>6,562,500</u>	2.00%
Total	<u>\$ 10,000,000</u>	<u>\$ 800,000</u>	<u>\$10,800,000</u>	

**Capital Lease Obligations**

Oklahoma County has entered into various agreements as lessee for financing the acquisition of highway equipment. Oklahoma law prohibits the County from entering into contracts of this nature longer than one year. However, it is the County's intent to exercise its right to purchase this property; accordingly, the lease-purchase agreements have been capitalized to conform to generally accepted accounting principles. The unpaid portion of



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these agreements have been reported as an other non-current liability in the Statement of Net Position at an amount equal to the present value of all remaining payments to maturity.

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

Assuming that all capital leases are renewed each year by resolution of the Board of County Commissioners, minimum lease commitments under capitalized lease purchase agreements as of June 30, 2016 reported in the government-wide statements are as follows:

	<u>Capital Asset</u>	<u>Accumulated Depreciation</u>	<u>Total</u>
Leased Capital Assets:			
Equipment	<u>\$1,152,287</u>	<u>\$(261,118)</u>	<u>\$891,168</u>
Total	<u>\$1,152,287</u>	<u>\$(261,118)</u>	<u>\$891,168</u>

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

<u>Fiscal year ending June 30,</u>	<u>Governmental Activities</u>
2017	133,984
2018	138,329
2019	124,279
2020	106,019
2021-2025	<u>232,435</u>
Total minimum lease payments	735,043
Less: amount representing interest	<u>(18,041)</u>
Present value of future minimum lease payments	<u>\$717,002</u>

**2. Business-Type Activities**

Capital Leases Financing Obligations

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

The Oklahoma Industries Authority issued \$20,560,000 of lease revenue bonds for the benefit of the PBA on July 28, 2003 with interest rates that vary from 2.25% to 5.85%. In June 2012, the PBA refinanced its capital lease agreement with the OIA resulting from the issuance of OIA lease revenue refunding bonds related to the capital lease agreement between the OIA and the PBA. This OIA refunding and related PBA capital lease refinancing was done for the purpose of reducing the interest costs on the debt and to achieve an economic savings. Over the life of the capital lease agreement, the refinancing will result in a debt service cash flow savings to the PBA of \$3,273,365, a gross debt service present value savings of \$2,469,268, and a net economic present value benefit of \$1,151,539 after considering use of existing debt service funds. The principal balance of the 2012A lease is \$14,250,000 and the interest balance of \$5,773,960 is payable semi-annually June 1 and December 1, commencing December 1, 2012 with interest rates that vary from .7% to 4.6%.

The principal of and the interest on the bonds is payable from the lease payments made by the Oklahoma County Public Buildings Authority to the Oklahoma Industries Authority pursuant to terms of a Lease Purchase

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Agreement date as of June 1, 2012. The Bonds are limited obligation of the issuer, secured by a pledge of the Trust Estate. The Trust Estate consists of the Lease Payments, the Lease Agreement, Revenues, the Parking and Use Agreement, the parking agreements with the Corporate Users, and all funds and accounts established by the Indenture and the monies and investments therein, including any unexpended Bond Proceeds. The Bonds are special and limited obligations of the Issuer payable solely from the Lease Payments and other revenues pledged for payment thereof.

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

The following is the new schedule of the future minimum lease payments under this capital lease, and the present value of the net minimum lease as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Debt Service</u>
2017	630,000	391,835	1,021,835
2018	640,000	381,125	1,021,125
2019	655,000	368,325	1,023,325
2020	665,000	353,260	1,018,260
2021	685,000	335,305	1,020,305
2022-2026	2,675,000	1,387,485	4,062,485
2027-2031	3,240,000	796,030	4,036,030
2032-2033	<u>1,505,000</u>	<u>104,650</u>	<u>1,609,650</u>
	<u>\$ 10,695,000</u>	<u>\$ 4,118,015</u>	<u>\$ 14,813,015</u>

**3. Discretely Presented Component Unit**

Conduit Debt Obligations

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

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

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

	<u>Date of Issuance</u>	<u>Original Balance</u>	<u>2016 Balance</u>
GNMA ARM Mortgage Back Securities 1995 Housing Revenue Bonds Chapel Ridge of North Edmond Series 2003	11-01-95	\$13,000,000	\$690,369
Housing Revenue Bonds Chapel Ridge of Chapel Ridge of MWC Tinker Series 2004	05-01-03	8,250,000	7,585,684
Multifamily Housing Revenue Refunding Bonds Rockwell Villa Apartments Series 2004	06-01-04	7,800,000	7,243,804
Multifamily Housing Revenue Refunding Bonds London Square Apartments Project 2004	12-15-04	2,500,000	1,257,122
Revenue Refunding Bonds (Epworth Villa Project) Series 2004B	12-17-04	9,000,000	5,755,858
Retirement Facility Revenue Bonds: Concordia Life Care Community Series 2005A	1-5-05	5,040,000	3,500,000
Concordia Life Care Community Series 2005B-1	11-29-05	26,330,000	23,740,000
Concordia Life Care Community Series 2005B-2	11-29-05	3,500,000	3,500,000
Revenue Refunding Bonds (Epworth Villa Project) Series 2005A	11-29-05	4,000,000	4,000,000
Revenue Refunding Bonds (Epworth Villa Project) Series 2005B	12-07-05	11,460,000	9,895,000
Educational Facilities Lease Revenue Bonds (Millwood Schools Project) Series 2007	12-07-05	2,000,000	2,000,000
Educational Facilities Lease Revenue Bonds (Jones Schools Project) Series 2008	8-01-07	5,460,000	2,585,000
Educational Facilities Lease Revenue Bonds (Western Heights Schools Project) Series 2009	9-01-08	9,825,000	7,290,000
Educational Facilities Lease Revenue Bonds (Choctaw Public School Project) Series 2009B	6-01-09	43,840,000	23,670,000
Educational Facilities Lease Revenue Bonds (Crooked Oak Public School Project) Series 2009A	7-10-09	53,585,000	49,285,000
Educational Facilities Lease Revenue Bonds (Deer Creek Schools Project) Series 2010A	8-4-09	10,480,000	5,940,000
Lease Revenue Bonds (OKC County Health Department Project) Series 2012	4-1-10	51,800,000	30,250,000
Educational Facilities Lease Revenue Bonds (Midwest City-Del City Public Schools Project) Series 2011A	1-18-12	8,395,000	7,035,000
Lease Revenue Notes (Deer Creek Public Schools Project) Series 2012	2-22-12	72,620,000	34,440,000
Educational Facilities Lease Revenue Bonds (Luther Public Schools Project) Series 2012	6-13-12	15,705,000	12,919,730
Revenue Bonds (Epworth Villa Project) Series 2012A	Sep 2012	10,560,000	8,395,000
Educational Facilities Leave Revenue Bonds (Western Heights Public Schools Project) Series 2013	Dec 2012	72,765,000	69,405,000
	July 2013	14,265,000	12,400,000

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	<u>Date of Issuance</u>	<u>Original Balance</u>	<u>2016 Balance</u>
Educational Facilities Leave Revenue Bonds (Crooked Oak Public Schools Project)			
Series 2013A	Aug 2013	7,660,000	7,660,000
Series 2013B	Aug 2013	390,000	390,000
Revenue Note (Science Museum Oklahoma Project)	Dec 2014	3,000,000	2,772,042
Educational Facilities Leave Revenue Bonds (Bethany Public Schools Project)	Aug 2015	4,110,000	4,110,000
Lease Revenue Notes (Deer Creek Public Schools Project)	Oct 2015	45,860,000	45,860,000
Educational Facilities Leave Revenue Bonds (Harrah Public Schools Project)	Jun 2016	<u>13,945,000</u>	<u>13,945,000</u>
Total		<u>\$539,350,000</u>	<u>\$407,519,609</u>

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

#### 4. Judgments Payable

Under Oklahoma law, judgments against the County are payable over a three year period and bear annual interest at four percentage points above the average United States Treasury Bill rate for the preceding year, not to exceed 10% per annum. Advalorem taxes to retire judgments are levied against all taxable property within the County and are accumulated and paid out of the Debt Service Fund over a three year period. During the year, the County paid \$724,877 in judgments and \$146,415 in related interest on these judgments. At June 30, 2016, the total amount of unpaid judgment principal of \$1,727,098 is reflected in the Statement of Net Position.

A summary of judgments payable to maturity is as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>	<u>Interest Rate</u>
2017	\$801,210	\$94,991	\$896,201	5.5%
2018	752,555	50,924	803,479	5.5%
2019	<u>173,333</u>	<u>9,533</u>	<u>182,866</u>	5.5%
Total	<u>\$1,727,098</u>	<u>\$155,448</u>	<u>\$1,882,546</u>	

The interest rate on judgments varies annually based on state law but the future debt service requirements for interest have been determined by using the rate applicable to the current year.

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

Long-term liability activity for the year ended June 30, 2016 was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due within One Year</u>
<b>Governmental activities:</b>					
Bonds payable	\$52,675,000	\$ -	\$(5,910,000)	\$46,765,000	\$7,245,000
Capital leases	281,658	516,396	(81,052)	717,002	132,544
Judgments payable	1,056,975	1,395,000	(724,877)	1,727,098	801,210
Compensated absences	<u>6,379,928</u>	<u>5,623,944</u>	<u>(5,390,063)</u>	<u>6,613,809</u>	<u>4,626,849</u>
Governmental activity					
Long-term liabilities	<u>\$60,393,562</u>	<u>\$7,535,340</u>	<u>\$(12,105,992)</u>	<u>\$55,822,909</u>	<u>\$12,805,604</u>

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**Business-type activities:**

Capital lease obligations	<u>\$11,320,000</u>	<u>\$ -</u>	<u>(625,000)</u>	<u>\$10,695,000</u>	<u>\$630,000</u>
Long-term liabilities	<u>\$11,320,000</u>	<u>\$ -</u>	<u>\$(625,000)</u>	<u>\$10,695,000</u>	<u>\$630,000</u>

For governmental activities, bonds and judgments are liquidated by ad valorem taxes through the Debt Service Fund, while capital leases and compensated absences are primarily liquidated by General Fund, Highway Cash, and Sheriff Special Revenue.

For governmental activities, the bonds payable reflected in the statements are net of unamortized bond premium of \$410,558, or \$47,175,558.

**G. Net Position and Fund Balances**

At June 30, 2016, the government-wide net position categories are comprised of the following components:

*Net Investment in Capital Assets – Governmental Activities*

Capital Related Assets:

Capital Assets	\$239,417,709
Accumulated Depreciation	<u>(122,871,943)</u>
Capital Related Assets	\$116,545,766

Capital Related Debt:

Bonds-Outstanding Principal	\$46,765,000
Capital Lease obligations (principal)	717,002
Portion of bonds not capital related	<u>(44,049,570)</u>
Capital Related Debt	\$ 3,432,432

Net Investment in Capital Assets \$113,113,333

*Restricted Net Position- Governmental Activities*

General Government	
Resale Property	\$5,845,479
Records preservation	414,344
Public Safety	6,373,938
Roads & Highways	15,785,704
Capital Improvements	7,480,921
Debt Service	6,570,345
Other Purposes	<u>697,134</u>
Total Restricted	<u>\$43,167,865</u>

*Unrestricted Net Position* \$(148,257,494)

*Total Net Position* \$ 8,023,704

The amount of negative Unrestricted Net Position reported for governmental activities is primarily a result of the \$44,049,570 of outstanding bonds, whose proceeds were used to acquire a capital facility that was transferred to the federal government, in addition to the net OPEB obligation of \$98,857,516 that has no corresponding plan assets held in trust. In both of these cases, the County is obligated for long-term debt and obligations for which no

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corresponding asset is reported, thereby creating a negative amount reported for unrestricted net position. None of the restricted net position as reported above is restricted by enabling legislation. All restrictions are imposed by state statutes.

*Net Investment in Capital Assets – Business-type Activities*

Capital Related Assets:	
Capital Assets	\$24,396,543
Accumulated Depreciation	<u>(11,284,918)</u>
Capital Related Assets	\$13,111,625
Deferred amount on lease refinancing	\$891,924
Capital Related Debt:	
Capital lease obligations (principal)	(10,695,000)
Net Investment in Capital Assets	<u>\$3,308,549</u>

*Restricted Net Position- Business-type Activities*

Debt Service	<u>\$ 7,051,932</u>
Total Restricted	<u>\$ 7,051,932</u>
<i>Unrestricted Net Position</i>	\$ -
<i>Total Net Position</i>	<u>\$ 10,360,481</u>

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Fund balances for all the major and non-major funds as of June 30, 2016, were distributed as follows:

	Major Funds					Nonmajor Funds	Total
	General	Highway Cash	Resale Property	County Bonds	Debt Service Fund		
<b>Fund balances:</b>							
<b>Nonspendable:</b>							
Inventory	\$ 305,459	\$ 889,851	\$ -	\$ -	\$ -	\$ 311,402	\$ 1,506,712
<b>Restricted for:</b>							
Administration and records management			5,845,479			1,493,213	7,338,692
Road and bridge construction & repair		10,966,613				3,231,785	14,198,398
Highway equipment						-	-
Highway special projects		222,967				-	222,967
Emergency Management						272,496	272,496
Detention maintenance & operation						1,903,211	1,903,211
Law enforcement						2,967,221	2,967,221
Courthouse security						212,123	212,123
Court services						1,251,707	1,251,707
Debt service				188,603	6,570,345	-	6,758,948
Flood plain and hazard mitigation project				3,711,049		-	3,711,049
Graffiti and weed removal program						152,911	152,911
Capital projects				64,333		1,381,662	1,445,995
Land clearing and acquisition						903,953	903,953
Subtotal	-	11,189,580	5,845,479	3,963,985	6,570,345	13,770,287	41,339,676
<b>Committed to:</b>							
Economic development				94,749			94,749
Self Insurance claims	2,350,388						2,350,388
Capital projects				79,643			79,643
Subtotal	2,350,388	-	-	174,393	-	-	2,524,781
<b>Assigned to:</b>							
General Government	497,394						497,394
Public Safety	992,828						992,828
Education	9,061						9,061
Health & welfare	3,529						3,529
Culture and recreation	8						8
Capital projects	-					1,444,388	1,444,388
Subtotal	1,502,820	-	-	-	-	1,444,388	2,947,208
<b>Unassigned:</b>							
	11,315,267	-	-	-	-	-	11,315,267
<b>Total fund balances</b>	<b>\$ 15,473,934</b>	<b>\$ 12,079,431</b>	<b>\$ 5,845,479</b>	<b>\$ 4,138,378</b>	<b>\$ 6,570,345</b>	<b>\$ 15,526,077</b>	<b>\$ 59,633,644</b>

**Note IV. Other Information**

**A. Risk Management**

**Primary Government:**

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

The Health and Dental Plan was established by Oklahoma County to provide benefits for its employees, their dependents, eligible retirees and their survivors, participants covered under continuation of coverage, and employees on leave of absence as set forth in Title 11 O.S. 2001, §23-108. The majority of the cost of coverage for employees is paid by the County, and all other costs are intended to be an expense of the insured. Certain limitations are placed upon these benefits as to the amount of coverage and who may be covered in specific areas. Mutual Assurance Administrators, Incorporated is employed by Oklahoma County to administer the program. The administrator receives and pays claims from county funds based upon contract limitations. The administrator

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is responsible for insuring that claims are legitimate, based on enrollment information provided by the County and claims submitted by or on behalf of the claimant. The administrator receives a monthly fee for the services. The administrator also receives medical and life insurance premiums that are in turn remitted to Sunlife, the carrier of stop-loss and life insurance coverage for Oklahoma County employees, retirees and their survivors.

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

Tort Claims - Under the Oklahoma constitutional and related state law, losses resulting from tort claim judgments rendered by a court of competent jurisdiction are required to be paid, with interest on the unpaid balance, through a statutorily-required levy of ad valorem taxes levied against all taxable County property and payable over a three year period. Estimated liabilities from tort claims are recorded as claims liability, until they are converted to a court judgment, at which time they are reported as judgment liabilities for which property taxes will be levied and collections will be used for the retirement of this liability. Tort claims incurred but not reported (IBNR) are not considered material to the financial statement for the year ended June 30, 2016.

**Component Unit:**

OCPBA is exposed to various risks of losses related to torts; thefts of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. OCPBA manages this risk through the purchase of commercial insurance policies paid for by Oklahoma County and subject to the terms of a management contract with Oklahoma County that obligates Oklahoma County to defend and pay for any litigation expense or judgment against OCPBA or its property upon demand.

**Recognition and Measurement of Claims Loss Expenses and Liabilities**

Claims losses are recognized when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. In determining claims expenses and liabilities, events that might create claims, but for which none have been reported, are also considered. For most claims self insured risks, liabilities for unpaid claims are estimates determined by independent actuaries using actuarial methods as follows: incurred loss development, paid loss development, frequency/severity, exposure/loss rate (incurred loss), and exposure/loss rate (paid loss).

Unpaid Claims Liabilities

The following represent the changes in approximate aggregate liabilities for the County from July 1, 2015 to June 30, 2016:

<u>Health Care</u>	<u>2016</u>	<u>2015</u>
Unpaid Claims, beginning of fiscal year	\$2,386,000	\$ 2,484,000
Claims and changes in estimates	19,120,446	22,087,382
Claim payments	<u>(18,624,093)</u>	<u>(22,185,382)</u>
Unpaid claims, end of fiscal year	<u>\$ 2,882,353</u>	<u>\$ 2,386,000</u>



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Workers Compensation

Unpaid Claims, beginning of fiscal year	\$3,905,000	\$3,834,000
Claims and changes in estimates	90,901	971,076
Claim payments	<u>(632,901)</u>	<u>(900,076)</u>
Unpaid claims, end of fiscal year	<u>\$ 3,363,000</u>	<u>\$ 3,905,000</u>

Tort Claims

Unpaid Claims, beginning of fiscal year	\$ 0	\$ 0
Claims and changes in estimates	0	0
Conversion of claim to judgment	<u>0</u>	<u>0</u>
Unpaid claims, end of fiscal year	<u>\$ 0</u>	<u>\$ 0</u>

Total current claims liability, end of fiscal year	<u>\$ 6,245,353</u>	<u>\$ 6,291,000</u>
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Current liabilities	6,245,353	6,291,000
Noncurrent liabilities	<u>0</u>	<u>0</u>
Total claims liability	<u>\$ 6,245,353</u>	<u>\$ 6,291,000</u>

**B. Commitments and Contingent Liabilities**

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

Litigation. The County is contingently liable for lawsuits and other claims in the ordinary course of its operations. The settlement of such contingencies under the budgetary process would require appropriation of revenues yet to be realized and would not materially affect the financial position of the County at June 30, 2016. Any court approved judgments would be paid through a levy of a constitutionally required ad valorem tax over a three year period. At June 30, 2016, the County's contingent litigation and other claims approximate \$6.25 million, which is not accrued.

Encumbrances represent commitments related to unperformed contracts for goods or services. Encumbrance accounting under which purchase orders, contracts and other commitments for the expenditure of resources are recorded to reserve that portion of the applicable appropriation is utilized in the governmental funds. Encumbrances outstanding at year-end are not accounted for as expenditures and liabilities but rather as assigned if not already reported as restricted or committed fund balance. At June 30, 2016 the County had outstanding encumbrances in the following funds:

General Fund	\$1,713,908
Highway Cash	\$1,088,861
Resale	\$238,847
County Bonds	\$13,439
Non-major	<u>\$1,864,186</u>
Total	\$4,919,241

**C. Post Employment Benefits Other than Pensions**

Plan Description The County sponsors and administers a self-funded, single-employer defined health benefit plan providing medical, dental and vision plans for all eligible active and retired County employees and their

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dependents. This plan was established by the Oklahoma County Board of County Commissioners and the Budget Board who has the authority to establish and amend the benefits. A life insurance plan is offered to employees hired prior to February 1, 1987. The program is intended to offer comprehensive coverage of most life, medical with prescription drugs, dental and vision benefits. The pre Medicare medical claims are administered by HealthSmart Benefit Solutions. The dental coverage is provided through Delta Dental and the vision coverage is provided through Vision Service Plan.

Funding Policy. The County funds the benefits on a pay-as-you-go basis. Eligible employees are required to pay set premiums for a portion of the cost, with the County subsidizing the remaining costs. Contribution requirements are established and amended as needed by the Oklahoma County Budget Board on an annual basis. The premium rates are set and amended by the Budget Board and approved by the Board of County Commissioners. The required monthly contribution rates of the plan members for 2016 range from \$94 to \$394 for active employees and retirees and \$685 to \$1,609 for COBRA participants. In prior years the General Fund has been used to liquidate the Net OPEB Obligation.

Annual OPEB Cost and Net OPEB Obligation. The County's annual OPEB cost is equal to the annual required contribution (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 45, plus one year's interest on the beginning balance of the net OPEB obligation, and minus an adjustment to the ARC. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover the normal cost of each year and any unfunded actuarial liabilities amortized over thirty years.

The following table shows the components of the County's annual OPEB cost for the year, the amount contributed to the plan, and changes in the County's net OPEB obligation to the retiree health plan:

	<u>2016</u>
Annual required contribution	\$16,519,045
Interest on prior year net OPEB obligation	3,249,359
Adjustment to annual required contribution	<u>(3,322,500)</u>
Annual OPEB cost	\$16,445,904
Employer contributions	<u>(4,237,965)</u>
Increase in net OPEB obligation	\$12,207,939
Beginning Net OPEB obligation	<u>86,649,577</u>
Ending Net OPEB obligation	<u>\$98,857,516</u>

The County's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for the current and prior year's are as follows:

<u>Fiscal Year</u> <u>Ended</u>	<u>Annual</u> <u>OPEB Cost</u>	<u>Percentage of</u> <u>Annual OPEB</u> <u>Cost Contributed</u>	<u>Net OPEB</u> <u>Obligation</u>
6/30/2016	\$16,445,904	25.8%	\$98,857,516
6/30/2015	\$15,603,662	27.6%	\$86,649,577
6/30/2014	\$14,894,875	26.3%	\$75,351,544

Funded Status and Funding Progress. The unfunded actuarial accrued liability is being amortized as a level of percentage of expected payroll on an open group over thirty years, beginning July 1, 2013. As of July 1, 2016 the funded status of the retiree health plan was as follows:

Actuarial accrued liability (AAL)	\$233,716,526
Actuarial value of plan assets	<u>-</u>
Unfunded actuarial accrued liability (UAAL)	<u>\$233,716,526</u>

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Funded ratio (actuarial value of plan assets/AAL)	0.0%
Annual covered payroll (active plan members)	\$55,142,202
UAAL as a percentage of annual covered payroll	423.8%

Because the County has elected a pay-as-you-go funding policy for these post employment benefits, there are no plan assets set aside for future benefits. As a result, the UAAL and the AAL are the same amounts.

The AAL as reported in the most recent actuarial report increased from \$212.5 million on July 1, 2015 to \$233.7 million on July 1, 2016 as a result of a number of changes in actuarial assumptions and estimates including changes in withdrawal, disability and retirement rates, change in health care trend rates, lower than expected claims, and changes in plan demographics. The latest actuarial valuation for the OPEB plan was as of July 1, 2016.

The schedule of funding progress, presented as required supplementary information 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 liabilities for benefits.

Actuarial Methods and Assumptions. Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality and healthcare cost trends. Amounts determined regarding the funded status of the plan and the annual required contribution of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future.

The actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial liabilities, consistent with long-term perspective of the calculations.

In the actuarial valuation as of July 1, 2016, the projected unit credit (PUC) actuarial cost method was used to measure the actuarial liabilities of the plan. Under the principles of the PUC method, the cost of each individual's pension is prorated over the individuals working lifetime on a equal basis between their date of hire and assumed retirement date. The normal cost is the amount allocated for a given year and the actuarial liability is the accumulation of prior normal costs as of the determination date. The total actuarial liability for retirement benefits is the sum of the actuarial liability of all members. For actuarial purposes several significant assumptions affecting the valuation results including the medical claims costs assumptions, the medical trend assumptions and the discount rate. The 2016 ARC was based on a 3.75% discount rate, a 3.0% salary growth rate and a 2.5% rate of inflation. The medical trend rate is established using the Getzen Model with the trend rate beginning in 2017 at 8.5% pre and post-Medicare eligible, grading to 4.9% over 59 years. Dental and Vision Trend rate is assumed to be 5%. Retiree premiums are assumed to increase at the same trend as the respective expected claims cost. It was assumed that 75% of future retired participants would opt for retiree health care coverage, and 100% of current retired participants would continue coverage. It was also assumed that 45% of future retirees who opt for health care coverage would cover a spouse at retirement. Current retirees spousal coverage was based upon their current coverage status.

No separate audited financial statements are prepared for the plan.

Deferred Compensation Plan. The County offers its employees a deferred compensation plan created in accordance with Internal Revenue Code, Section 457. The plan, available to all County employees, permits them to defer a portion of their salary until future years. The County has no contribution requirements to the plan.

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Participation in the plan is optional. The deferred compensation is not available to employees until termination, retirement, death or an unforeseeable emergency.

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

**D. Employees' Retirement Plans**

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

**COMBINING STATEMENT OF PENSION TRUST FUNDS NET POSITION  
FOR THE YEAR ENDED JUNE 30, 2016**

	Defined Benefit Retirement Fund	Defined Contribution Retirement Fund	Total Pension Trust Funds
<b>ASSETS</b>			
Cash and cash equivalents	\$ 4,526,244	\$ -	\$ 4,526,244
Accounts receivable	-		-
Interest receivable	13,877	-	13,877
Investments, at fair value			
Certificate of deposits	475,000	-	475,000
Judgments	1,607,098	-	1,607,098
Mutual funds	-	87,919,887	87,919,887
Loans to participants	-	9,236,368	9,236,368
Total investments	2,082,098	97,156,256	99,238,354
Total assets	\$ 6,622,219	\$ 97,156,256	\$ 103,778,475
<b>LIABILITIES</b>			
Accounts Payable	\$ -	\$ -	\$ -
<b>NET POSITION</b>			
net position held in trust for pension benefits			
and other purposes	\$ 6,622,219	\$ 97,156,256	\$ 103,778,475

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**COMBINING STATEMENT OF CHANGES IN PENSION TRUST FUNDS NET POSITION  
FOR THE YEAR ENDED JUNE 30, 2016**

	Defined Benefit Retirement Fund	Defined Contribution Retirement Fund	Total Pension Trust Funds
<b>ADDITIONS</b>			
Contributions:			
Employer	\$ 1,227,012	\$ 5,250,979	\$ 6,477,991
Investment earnings:			
Interest	126,547	292,299	418,846
Net increase (decrease) in the fair value of investments	-	625,819	625,819
Total investment earnings	126,547	918,117	1,044,664
Less investment expense			
Net investment expense	126,547	918,117	1,044,664
Total additions	1,353,559	6,169,097	7,522,656
<b>DEDUCTIONS</b>			
Benefits	1,822,278	7,006,229	8,828,507
Administrative expenses	27,064	321,198	348,262
Total deductions	1,849,342	7,327,427	9,176,769
Change in net position	(495,783)	(1,158,331)	(1,654,114)
Net position-beginning	7,118,002	98,314,587	105,432,589
Net position-ending	\$ 6,622,219	\$ 97,156,256	\$ 103,778,475

**1. Defined Benefit Retirement Plan**

**General Information about the Pension Plan**

*Plan Description*

The County's defined benefit pension plan, Employees Retirement System of Oklahoma County, is a single-employer plan that covers employees of Oklahoma County, including all departments and agencies, that were employed by the County prior to the conversion date of the defined contribution plan in 1991, and who elected not to convert to the defined contribution plan. The Plan provides retirement, disability, and death benefits to plan members and their beneficiaries.

*Authority*

The Board of County Commissioners of Oklahoma County was authorized to establish, control and manage the Plan under Oklahoma statutes, and as such established the Board of Trustees for the Employees Retirement System of Oklahoma County to administer the Plan. The Board of County Commissioners has the authority to establish or amend benefit terms of the Plan. The Board of Trustees approves any cost-of-living adjustments to the Plan as well as changes contribution requirements.

*Benefits provided*

The Plan provides retirement, disability, and death benefits to plan members and their beneficiaries. Retirement benefits are calculated by adding 2 2/3% of average compensation times years of service, not to exceed 15 years, plus 2% of average compensation times years of service in excess of 15 years, but not over 15 years, plus 1% of average compensation times years of service in excess of 30 years, but not over 5 years. Surviving spouses are eligible for 66 2/3% of retirees benefits after their death. If an employee terminates with fewer than 8 years of service, he is entitled to receive only his actual contributions.

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Those persons eligible for retirement benefits are as follows:

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

*Employees covered by the benefit terms.*

At June 30, 2016, the following employees were covered by the benefit terms:

Retirees and beneficiaries currently receiving benefits	130
Terminated employees entitled to but not yet receiving benefits	13
Active plan participants	<u>3</u>
Total	<u>146</u>

*Disability Benefits*

- (1) Any employee of the County making an application for disability benefits may be required to provide the Board of Trustees sworn affidavits of at least two (2) physicians selected by the applicant at his own expense and showing that, in the opinion of such physicians, such disability is total and permanent in its nature.
- (2) The Board may, if it so desires, appoint two (2) licensed physicians of its own choosing to examine the employee and such employee shall consent to said examination, and after such examination, if the said four (4) physicians be equally divided in their opinion the Trustees shall appoint a fifth (5th) licensed physician, the employee consenting to such examination. The question of eligibility, by reason of total permanent disability, shall be decided by the Board of Trustees after evaluation of opinion of all examining physicians.

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

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

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

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

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*Death Benefits*

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

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

*Contributions*

As specified by the Plan, County officers contribute 12% of the annual compensation of their active employees salary to the Plan. During the year ended June 30, 2016 contributions were diverted from the defined contribution plan to the defined benefit plan in the amount of \$800,000 and additional contributions in the amount of \$200,000 were received from the Oklahoma County General Fund.

*Administrative Cost*

Administrative costs paid from the retirement fund include compensation of actuarial consultants, audit fees and bank fees.

**Net Pension Liability**

The net pension liability was measured as of June 30, 2016 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

*Actuarial Assumptions*

The total pension liability in the June 30, 2016 actuarial valuation was determined using the following actuarial assumptions:

Actuarial cost method	Entry Age Normal Method	
Amortization method	Level dollar, open	
Asset method	Fair Market Value of Assets	
Inflation	2.75 percent	
Annual pay increases	5.00 percent	
Interest rates	Discount rate	5.32%
	Expected long term rate of return	5.75%
	Municipal bond rate	3.80%

Mortality rates were based on the RP-2000 Combined Mortality Table, projected 20 years using Projection Scale AA, with separate tables for males and females.

The Municipal bond rate came from the 20-Bond Index spot rate for the business day of June 25 2016. The 20 Bond Index consists of 20 general obligation bonds that mature in 20 years.

The long-term expected rate of return on pension plan investments was determined using a 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 as of June 30, 2016 are summarized in the following table:

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<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Cash and short-term investments	99%	1.00%
Other investments	1%	3.00%

*Discount rate*

The discount rate used to measure the total pension liability was 5.32%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that contributions will be made at rates equal to the average ratio of the previous three year's contributions to actual benefit payments paid from the trust. Based on those assumptions, the pension plan's fiduciary net position was projected to be depleted by the current members during the 2038 fiscal year. Therefore, the long-term expected rate of return 5.75% was used to discount funded projected benefit payments and the municipal bond rate 3.80% was used to discount unfunded projected benefit payments to determine the total pension liability. The single effective discount rate used for the accounting valuation was 5.32%.

**Changes in the Net Pension Liability**

	<u>Increase (Decrease)</u>		
	<u>Total Pension Liability (a)</u>	<u>Plan Fiduciary Net Position (b)</u>	<u>Net Pension Liability (a)-(b)</u>
<b>Balances at 6/30/2015</b>	\$ 19,513,592	\$ 7,118,002	\$ 12,395,590
<b>Changes for the year:</b>			
Service cost	54,584		54,584
Interest	861,955		861,955
Differences between expected and actual experience	(88,516)		(88,516)
Changes of assumptions	(1,020,961)		(1,020,961)
Contributions-employer		1,227,012	(1,227,012)
Contributions-employee		-	-
Net investment income		126,547	(126,547)
Benefit payments, including refunds of member contributions	(1,822,278)	(1,822,278)	-
Administrative expenses		(27,064)	27,064
Other charges		-	-
<b>Net changes</b>	<u>(2,015,216)</u>	<u>(495,783)</u>	<u>(1,519,433)</u>
<b>Balances at 6/30/2016</b>	<u>\$ 17,498,376</u>	<u>\$ 6,622,219</u>	<u>\$ 10,876,157</u>

*Sensitivity of the net pension liability to changes in the discount rate*

The following presents the net pension liability, calculated using the discount rate of 5.23%, which came from 20 year municipal bond spot rate, as well as what the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (4.32%) or 1-percentage-point higher (6.32%) than the current rate:



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	1% Decrease (4.32%)	Current Discount Rate (5.32%)	1% Increase (6.32%)
A. Total Pension Liability	\$18,992,102	\$17,498,376	\$16,213,825
B. Plan Fiduciary Net Position	\$6,622,219	\$6,622,219	\$6,622,219
C. Net Pension Liability: A - B	\$12,369,883	\$10,876,157	\$9,591,606

For the year ended June 30, 2016, the County recognized pension expense of \$(413,535).

Since certain pension expense items are amortized over closed periods each year, the deferred portions of these items must be tracked annually. If the amounts increase the pension expense, they are labeled as deferred outflows and amounts that decrease the pension expense are labeled as deferred inflows. These outflows and inflows are amortized on a level dollar basis with no interest added for the deferral amounts. Deferred experience gains/losses and changes in assumptions are amortized over the average remaining service lives of all employees that are provided with pensions through the pension plan at the beginning of the measurement period. Investment gains/losses are amortized over a five year period. The following shows the summary of deferred outflows and inflows as of June 30, 2017

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
A. Difference between expected and actual experience	\$0	\$0
B. Changes in assumptions	\$0	\$0
C. Net difference between projected and actual Earnings on pension plan investments	\$373,768	\$0

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

<b>Year ended June 30:</b>	<b>Amounts</b>
2017	\$109,234
2018	109,234
2019	109,234
2020	46,070
2021	0
Thereafter	\$0

A copy of the Defined Benefit Plan audit report can be obtained from the Finance Department of the Oklahoma County Clerk, 320 Robert S. Kerr, Room 206, Oklahoma City, OK 73102. Also available on line at [www.countyclerk.oklahomacounty.org](http://www.countyclerk.oklahomacounty.org)

**2. Defined Contribution Retirement Plan**

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

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

Benefits of the Defined Contribution Plan are as follows:

- a. A Participant shall be entitled to receive the amount of their account, subject to vesting restrictions when their age plus years of service at least totals sixty (60), or if a participant’s employment is terminated at an earlier age as the result of a Total and Permanent Disability.
- b. If a participant shall continue in active employment following their Normal Retirement Date, they shall continue to participate in the Plan. Upon actual retirement, such participant shall be entitled to receive the entire amount of their contribution account as of their actual retirement date.
- c. Upon the death of a vested participant, their beneficiary shall be entitled to receive the entire amount of the participant’s vested contribution account.
- d. If a participant’s employment with the employer is terminated before their Normal Retirement Date for any reason other than Total and Permanent Disability or death, they shall be entitled to an amount equal to the “vested percentage” of their contribution account as set out in the Cash Out Policy.

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

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

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

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

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

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

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

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

1. A lump sum distribution of the entire Account Balance, payable immediately.
2. An installment distribution consisting of approximately equal installments for a term not extending beyond the joint life expectancy (as calculated in accordance with Internal Revenue Service's Regulations on the Initial Distribution Date) of the Participant and their spouse.
3. Systematic payments of specified amounts until account is exhausted.
4. A single lump sum, of a specified amount, payable immediately, and systematic payments of specified amounts until account is exhausted.
5. An installment distribution consisting of approximately equal installments for a term not extending beyond the life expectancy (as calculated in accordance with Internal Revenue Service's Regulations) on the Initial Distribution Date of the participant and their spouse.

Summary of Significant Accounting Policies

Accrual Method of Accounting

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

Investments

Investments are reported at fair value. At June 30, 2016, no investments in any one organization, excluding U.S. government securities, represents 5% or more of the net position available for pension benefits. There are no investments in loans to or leases with related parties.

Loans to Participants. During the 1998-99 fiscal year the Plan was amended to include a participant Loan Policy which states that each Plan Participant with a fully or partially vested account balance is eligible to participate. The maximum loan amount is the lesser of \$25,000 or 50% of the Participant's vested account balance. The minimum loan amount is \$1,000. The interest rate charged is the National Prime Rate of Interest and will be fixed for the life of the loan. During the current fiscal year a total of \$7,868,455 was loaned to participants, making total outstanding loans to participants at June 30, 2016 \$9,236,368

Contribution Requirements and Contributions Made. As specified by the Plan, Oklahoma County contributes an amount equal to 12% of the annual compensation of its participating employees' salary to the Plan. During the fiscal year ending June 30, 2016, County contributions were \$5,250,979 which is reflected as pension expense in the financial statements. The forfeiture account is a trust fund maintained by the Plan Administration and contains amounts previously contributed by the County but forfeited by terminated employees who had not become fully vested, or eligible to receive the total amount contributed by the County. The total amount forfeited during the fiscal year ending June 30, 2016 were \$1,002,443. Retirement benefits due to employees and beneficiaries at June 30, 2016 were \$97,156,255 at fair value, and are accounted for in a pension trust fund.

*Required  
Supplementary  
Information*



**OKLAHOMA COUNTY, OKLAHOMA**  
**SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS**  
**LAST 10 FISCAL YEARS**  
**JUNE 30, 2016**

	2016	2015	2014
<b>Total Pension Liability</b>			
Service cost	\$ 54,584	\$ 38,022	\$ 33,673
Interest	861,955	1,004,381	1,042,059
Changes of benefit terms	-	-	-
Differences between expected and actual experience	(88,516)	342,993	263,658
Changes of assumptions	(1,020,961)	1,668,014	-
Benefit payments, including refunds of member contributions	(1,822,278)	(1,938,597)	(2,059,412)
<b>Net change in total pension liability</b>	<b>(2,015,216)</b>	<b>1,114,813</b>	<b>(720,022)</b>
<b>Total pension liability - beginning</b>	<b>19,513,592</b>	<b>18,398,779</b>	<b>19,118,801</b>
<b>Total pension liability - ending (a)</b>	<b>17,498,376</b>	<b>19,513,592</b>	<b>18,398,779</b>
<b>Plan fiduciary net position</b>			
Contributions-employer	\$ 1,227,012	\$ 1,029,880	\$ 1,132,520
Contributions-member	-	-	-
Net investment income	126,547	85,829	130,656
Benefit payments, including refunds of member contributions	(1,822,278)	(1,938,597)	(2,059,412)
Administrative expense	(27,064)	(13,568)	(13,175)
Other	-	-	-
<b>Net change in plan fiduciary net position</b>	<b>\$ (495,783)</b>	<b>\$ (836,456)</b>	<b>\$ (809,411)</b>
<b>Plan fiduciary net position - beginning</b>	<b>7,118,002</b>	<b>7,954,458</b>	<b>8,763,869</b>
<b>Plan fiduciary net position - ending (b)</b>	<b>\$ 6,622,219</b>	<b>\$ 7,118,002</b>	<b>\$ 7,954,458</b>
<b>Net pension liability - ending (a) - (b)</b>	<b>\$ 10,876,157</b>	<b>\$ 12,395,590</b>	<b>\$ 10,444,321</b>
Plan fiduciary net position as a percentage of the total pension liability	37.84%	36.48%	43.23%
Covered - employee payroll	\$ 198,634	\$ 258,839	\$ 238,621
Net pension liability as a percentage of covered employee payroll	5475.48%	4788.92%	4376.95%

**Notes to Schedule:**

*Changes of assumptions.* In 2016, amounts reported as changes of assumptions resulted primarily from the change of the discount rate used to value plan liabilities from 4.62% to 5.32%.

This schedule is presented to illustrate the requirement to show information for 10 years. Only the three fiscal years are presented because 10-year data is not yet available.

**OKLAHOMA COUNTY, OKLAHOMA**  
**SCHEDULE OF EMPLOYER CONTRIBUTIONS**  
**LAST 10 FISCAL YEARS**  
**JUNE 30, 2016**

Fiscal year ending June 30,	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
Actuarially calculated employer contribution	\$ 811,130	\$ 777,390	\$ 777,390	\$ 692,283	\$ 793,248	\$ 740,206	\$ 701,105	\$ 771,560	\$ 665,111	\$ 833,669
Contributions in relation to the actuarially Contribution deficiency (excess)	1,227,012 \$ (415,882)	1,029,880 \$ (252,490)	1,132,520 \$ (355,130)	1,126,635 \$ (434,352)	830,192 \$ (36,944)	831,679 \$ (91,473)	709,032 \$ (7,927)	863,045 \$ (91,485)	740,281 \$ (75,170)	1,543,091 \$ (709,422)
Covered employee payroll	198,634	258,839	238,621	214,192	202,984	202,984	235,296	340,692	605,412	609,853
Actual Contributions as a percentage of covered-employee payroll	617.73%	397.88%	474.61%	525.99%	408.99%	409.73%	301.34%	253.32%	122.28%	253.03%

**Notes to Schedule**

Valuation date:  
Actuarially determined contribution rates are calculated as of July 1, 2016.

Methods and assumptions used to determine contribution rates:

Actuarial cost method  
Amortization method  
Actuarial value of assets  
Inflation  
Annual pay increases  
Investment rate of return  
Mortality

Entry Age Normal.  
The Unfunded Actuarial Accrued Liability (UAAL) is amortized over a 30-year period using based on a level dollar, open amount.  
Market value of assets  
2.75% per year  
5.00% per year  
5.75% per year, compounded annually, net of investment expenses.  
RP 2000 Combined Mortality Table, projected 20 years using Projection Scale AA, with separate tables for males and females. Sample rates are shown below:

Age	Male Rates	Female Rates	Age	Male Rates	Female Rates
20	0.024%	0.014%	55	0.247%	0.231%
25	0.031%	0.016%	60	0.489%	0.457%
30	0.040%	0.022%	65	0.961%	8.780%
35	0.070%	0.038%	70	1.641%	1.515%
40	0.092%	0.052%	75	2.854%	2.393%
45	0.116%	0.081%	80	5.265%	3.987%
50	0.149%	0.119%			

Cost of living adjustment  
Percent married

None assumed  
For active participants, it is based on their actual marital status on the valuation date. It is assumed that 50% of terminated vested participants are married. Males are assumed to be three years older than females if actual ages are not known.

Retirement Rates  
Expense load

For active members, the earlier of age 62 or age 55 with at least 30 years of service. Deferred vested participants are assumed to retire at age 62.

It is the 3-year average of actual expenses paid by the plan, rounded to the nearest \$1,000. For this valuation, the expense load is \$12,000 based on the following figures:

Plan Year	Expense
2015-16	\$ 10,265
2014-15	\$ 13,568
2013-14	\$ 13,175

Form of payment  
Withdrawal rates

Married participants are assumed to elect a 66 2/3% joint survivor annuity at retirement. Single participants are assumed to elect a life annuity at retirement.  
None assumed

**OKLAHOMA COUNTY, OKLAHOMA  
SCHEDULE OF INVESTMENT RETURNS  
LAST 10 FISCAL YEARS  
JUNE 30, 2016**

<b>Fiscal year ending June 30,</b>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Annual money-weighted rate of return, net of investment expenses	1.86%	1.18%	-0.87%

Information for prior years is unavailable.

<u>Actuarial Valuation, Methods and Assumptions</u>	
Valuation date	July 1, 2016
Actuarial cost method	Entry Age Normal
Amortization method	Level dollar amount
Remaining amortization periods	30 years
Actuarial value of assets	Equal to the fair market value of assets on the valuation date
Investment rate of return	5.75%
Annual pay increases	5.00% per year
Inflation	2.75% per year
Cost of living adjustment	None assumed

This schedule is presented to illustrate the requirement to show information for 10 years.  
Only the two fiscal years are presented because 10-year data is not yet available.

**OKLAHOMA COUNTY, OKLAHOMA  
OTHER POST EMPLOYMENT BENEFITS  
REQUIRED SUPPLEMENTARY INFORMATION  
JUNE 30, 2016**

**SCHEDULE OF FUNDING PROGRESS**

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability	Unfunded Actuarial Accrued Liability	Funded Ratio	Covered Payroll	UAAL as a percentage of Covered Payroll
7/1/2015	\$0	\$212,505,024	\$212,505,024	0.0%	\$ 55,795,663	380.9%
7/1/2013	\$0	\$183,331,002	\$183,331,002	0.0%	\$ 52,627,666	348.4%
7/1/2011	\$0	\$184,191,115	\$184,191,115	0.0%	\$ 51,121,341	360.3%

**NOTES TO THE SCHEDULE OF FUNDING PROGRESS**

Unfunded Actuarial Accrued Liability (UAAL), July 1, 2013	\$183,331,002
Expected UAAL, July 1, 2015	205,096,601
Changes:	
Change due to updated retirement, withdrawal and disability rates	644,512
Change in actual claims and premiums experience	(14,688,843)
Change do to reset health care trend rates	22,523,524
Demographic changes	(1,070,770)
Total Changes	<u>\$ 7,408,423</u>
UAAL, July 1, 2015	<u><u>\$ 212,505,024</u></u>

The AAL and UAAL as of the July 1, 2013 actuarial valuation changed significantly from the previous valuation as explained below.

The state pension system (PERS) updated their actuarial assumptions for withdrawal, disability and expected retirement rates. The assumptions have been updated for this valuation. The total changes to these rates resulted in a \$644,512 increase in liability.

There was a gain due to the lower actual claims than what was expected. This experience decreased the unfunded liability by \$14,688,843 for this valuation.

The health care trend rates from the prior valuation were updated to better reflect current trends which increased the unfunded liability by \$22,523,524.

Changes in the plan demographics from the July 1, 2014 valuation resulted in a \$1,070,770 decrease in the unfunded liability.



**OKLAHOMA COUNTY, OKLAHOMA  
GENERAL FUND  
BUDGET TO ACTUAL COMPARISON SCHEDULE  
FOR THE YEAR ENDED JUNE 30, 2016**

	<u>Budgeted Amounts</u>		<u>Actual Amounts/ Budgetary Basis</u>	<u>Variance with Final Budget- Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>REVENUES</b>				
<b>Property taxes</b>				
Advalorem Tax - Current	\$ 61,283,624	\$ 62,141,038	\$ 65,418,668	\$ 3,277,630
Advalorem Tax - Prior	1,930,566	1,936,311	1,933,078	(3,233)
Misc Property Taxes	253,146	298,957	732,900	433,943
<b>Total Property taxes</b>	<u>63,467,336</u>	<u>64,376,306</u>	<u>68,084,646</u>	<u>3,708,340</u>
<b>Charges for services</b>				
County Clerk Fees	4,286,360	4,310,667	4,778,458	467,791
County Treasurer Fees	8,118	6,476	6,251	(225)
Public Records	8,860	9,227	12,147	2,920
Miscellaneous Charge for Services	3,673	2,769	1,323	(1,446)
<b>Total Charges for Services</b>	<u>4,307,012</u>	<u>4,329,139</u>	<u>4,798,179</u>	<u>469,040</u>
<b>Intergovernmental revenues</b>				
Motor Vehicle Stamps	356,483	353,381	394,779	41,398
Motor Vehicle Collections	1,082,099	1,080,106	1,156,425	76,319
Revaluation - Cities & Schools	3,569,923	3,582,222	3,582,222	(0)
Juvenile Detention-Lunches	80,888	84,250	110,460	26,210
Juvenile Detention Services	2,534,454	2,534,454	2,470,197	(64,257)
Juv. Justice - Maintenance	57,466	57,466	52,677	(4,789)
Juv. Justice - DHS Rent	481,387	481,387	481,392	5
Juv. Justice - Alt Detention/Transportation	9,275	8,981	12,754	3,773
Juvenile - Link	1,897	2,228	2,630	402
Sheriff-SCAAP Grant	-	-	61,563	61,563
D A Revolving	150,000	150,000	109,079	(40,921)
Election Board - Salary	76,142	76,142	76,142	0
Election Board - Expense	27,641	30,633	52,137	21,504
Election Board - Municipality Reimb	-	41,604	29,392	(12,212)
Court Fund Maintenance	716,093	716,093	656,419	(59,674)
Court Revolving Fund reimb	200,000	200,000	-	(200,000)
Pharmacy Reimb	328,500	331,500	335,411	3,911
<b>Total Intergovernmental revenues</b>	<u>9,672,248</u>	<u>9,730,447</u>	<u>9,583,679</u>	<u>(146,768)</u>
<b>Interest income</b>	<u>50,000</u>	<u>50,000</u>	<u>125,733</u>	<u>75,733</u>
<b>Miscellaneous revenue</b>				
Public Building Authority Admin Overhead	50,000	50,000	50,000	-
Public Building Authority Utility Reimb	81,158	81,158	61,787	(19,371)
Royalty	81,286	74,352	41,576	(32,776)
Rental	71,366	71,366	61,497	(9,869)
Retirement Reimb for Bailiff's	4,172	4,172	5,563	1,391
911 Assoc	6,189	6,177	7,724	1,547
Remington Park - Admission Fees	52,841	56,139	55,430	(709)
Miscellaneous Reimbursements	61,298	74,970	36,014	(38,956)
<b>Total Miscellaneous revenues</b>	<u>408,310</u>	<u>418,334</u>	<u>319,591</u>	<u>(98,743)</u>
<b>Total revenues</b>	<u>\$ 77,904,907</u>	<u>\$ 78,904,226</u>	<u>\$ 82,911,827</u>	<u>\$ 4,007,601</u>

See the notes to the budgetary comparison schedules.

**OKLAHOMA COUNTY, OKLAHOMA  
GENERAL FUND  
BUDGET TO ACTUAL COMPARISON SCHEDULE  
FOR THE YEAR ENDED JUNE 30, 2016**

	Budgeted Amounts		Actual Amounts/ Budgetary Basis	Variance with Final Budget- Positive (Negative)
	Original	Final		
<b>EXPENDITURES</b>				
Current:				
<b>General government</b>				
General government:				
Salary and Wages	1,200	1,200	1,200	-
Fringe Benefits	4,300	4,300	4,264	36
Travel	-	-	-	-
Operating Expenditures	7,619,525	5,656,739	5,522,951	133,788
Capital Outlay	10,000	10,000	1,428	8,572
County commissioners:				
Salary and Wages	355,001	365,208	364,861	347
Fringe Benefits	109,046	111,785	111,677	108
Travel	21,650	21,650	21,600	50
Operating Expenditures	6,903	6,720	5,244	1,476
Capital Outlay	2,250	2,250	300	1,950
Assessor regular:				
Salary and Wages	1,523,820	1,560,539	1,558,455	2,084
Fringe Benefits	581,148	587,835	582,961	4,874
Travel	15,389	15,389	14,738	651
Operating Expenditures	158,812	155,812	153,558	2,254
Capital Outlay	19,432	19,432	19,228	204
Assessor revaluation:				
Salary and Wages	2,392,858	2,456,093	2,424,239	31,854
Fringe Benefits	965,895	978,436	939,195	39,241
Travel	98,050	98,050	74,828	23,222
Operating Expenditures	670,015	670,015	647,402	22,613
Capital Outlay	93,500	93,500	93,247	253
Treasurer:				
Salary and Wages	332,537	334,014	270,914	63,100
Fringe Benefits	118,407	119,586	81,650	37,936
Travel	4,800	4,800	4,800	-
Operating Expenditures	137,284	141,449	133,091	8,358
Capital Outlay	4,000	4,300	3,855	445
Court clerk:				
Salary and Wages	4,077,921	4,182,471	4,106,106	76,365
Fringe Benefits	1,698,572	1,719,307	1,670,446	48,861
Travel	10,000	10,000	3,201	6,799
Operating Expenditures	156,859	149,559	141,554	8,005
Capital Outlay	-	7,300	1,110	6,190
County clerk:				
Salary and Wages	1,918,946	1,991,154	1,989,790	1,364
Fringe Benefits	730,000	698,565	696,662	1,903
Travel	15,000	18,500	18,163	337
Operating Expenditures	160,000	170,000	153,741	16,259
Capital Outlay	42,035	42,535	38,866	3,669
Excise & equalization:				
Salary and Wages	27,525	27,525	16,725	10,800
Fringe Benefits	2,106	2,106	1,279	827
Travel	5,550	5,550	3,487	2,063
Operating Expenditures	6,580	6,580	1,428	5,152
Capital Outlay	7,000	7,000	4,349	2,651
County audit:				
Salary and Wages	546,430	-	-	-
Fringe Benefits	-	-	-	-
Travel	2,610	2,610	-	2,610
Operating Expenditures	36,650	612,200	566,079	46,121
Capital Outlay	6,600	6,600	1,590	5,010
District attorney - state:				
Salary and Wages	-	-	-	-
Fringe Benefits	-	-	-	-
Travel	-	-	-	-
Operating Expenditures	113,515	113,515	112,018	1,497
Capital Outlay	36,485	36,485	20,620	15,865

See the notes to the budgetary comparison schedules.

**OKLAHOMA COUNTY, OKLAHOMA  
GENERAL FUND  
BUDGET TO ACTUAL COMPARISON SCHEDULE  
FOR THE YEAR ENDED JUNE 30, 2016**

	Budgeted Amounts		Actual Amounts/ Budgetary Basis	Variance with Final Budget- Positive
	Original	Final		(Negative)
District attorney - county:				
Salary and Wages	-	-	-	-
Fringe Benefits	-	-	-	-
Travel	3,000	3,000	668	2,332
Operating Expenditures	64,398	64,398	60,282	4,116
Capital Outlay	5,000	5,000	2,774	-
Public defender:				
Salary and Wages	-	-	-	-
Fringe Benefits	-	-	-	-
Travel	-	-	-	-
Operating Expenditures	42,000	42,000	42,000	0
Capital Outlay	10,000	10,000	9,980	20
Purchasing:				
Salary and Wages	195,165	200,328	199,229	1,099
Fringe Benefits	90,277	92,701	92,520	181
Travel	1,050	430	425	5
Operating Expenditures	12,845	11,415	11,146	269
Capital Outlay	3,200	3,850	3,330	520
Election board:				
Salary and Wages	728,471	980,213	956,181	24,032
Fringe Benefits	275,692	269,165	262,778	6,387
Travel	37,278	24,454	20,770	3,683
Operating Expenditures	104,740	241,722	240,649	1,073
Capital Outlay	3,500	9,000	8,996	5
BOCC HR/Environmental Health & Safety:				
Salary and Wages	310,259	317,757	317,748	9
Fringe Benefits	125,848	127,335	120,044	7,291
Travel	4,500	4,500	3,004	1,496
Operating Expenditures	18,440	18,440	16,638	1,802
Capital Outlay	3,000	3,000	2,635	365
MIS				
Salary and Wages	1,145,427	932,943	923,288	9,655
Fringe Benefits	382,503	289,968	284,759	5,209
Travel	8,000	8,000	3,663	4,337
Operating Expenditures	1,204,843	1,412,843	1,404,074	8,769
Capital Outlay	220,118	344,118	338,541	5,577
Facilities Management:				
Salary and Wages	841,918	834,993	827,788	7,205
Fringe Benefits	304,839	321,120	320,043	1,077
Travel	3,000	-	-	-
Operating Expenditures	220,720	235,720	232,993	2,727
Capital Outlay	13,768	71,768	68,502	3,266
Facilities Management-Custodial				
Salary and Wages	-	-	-	-
Fringe Benefits	-	-	-	-
Travel	-	-	-	-
Operating Expenditures	248,309	248,309	247,302	1,007
Capital Outlay	-	-	-	-
Planning Commission				
Salary and Wages	113,000	117,651	117,072	579
Fringe Benefits	39,906	40,847	40,410	437
Travel	-	-	-	-
Operating Expenditures	2,250	2,340	2,340	-
Capital Outlay	-	-	-	-
Court Services				
Salary and Wages	445,000	429,351	429,351	-
Fringe Benefits	151,451	199,455	194,847	4,608
Travel	-	-	-	-
Operating Expenditures	1,440	1,440	1,380	60
Capital Outlay	-	-	-	-
Economic Development				
Salary and Wages	-	-	-	-
Fringe Benefits	-	-	-	-
Travel	-	-	-	-
Operating Expenditures	-	595,000	200,000	395,000
Capital Outlay	-	-	-	-

See the notes to the budgetary comparison schedules.

**OKLAHOMA COUNTY, OKLAHOMA  
GENERAL FUND  
BUDGET TO ACTUAL COMPARISON SCHEDULE  
FOR THE YEAR ENDED JUNE 30, 2016**

	Budgeted Amounts		Actual Amounts/ Budgetary Basis	Variance with Final Budget- Positive
	Original	Final		(Negative)
Reserve Fund				
Salary and Wages	-	-	-	-
Fringe Benefits	-	-	-	-
Travel	-	-	-	-
Operating Expenditures	-	2,345,588	-	2,345,588
Capital Outlay	-	-	-	-
Total General Governmental	<u>32,231,361</u>	<u>34,088,826</u>	<u>30,591,050</u>	<u>3,495,550</u>
<b>Public Safety</b>				
Sheriff:				
Salary and Wages	21,256,120	17,187,757	17,186,450	1,307
Fringe Benefits	8,337,741	7,093,499	7,079,822	13,677
Travel	-	-	-	-
Operating Expenditures	3,157,310	10,581,344	10,580,630	714
Capital Outlay	-	37,246	37,246	-
Juvenile Justice Center:				
Salary and Wages	4,397,959	4,420,142	4,409,533	10,609
Fringe Benefits	1,794,446	1,726,036	1,718,004	8,032
Travel	15,000	3,500	3,414	86
Operating Expenditures	783,396	714,117	686,204	27,913
Capital Outlay	59,104	322,604	317,628	4,976
Emergency Management:				
Salary and Wages	177,390	182,747	182,652	-
Fringe Benefits	58,449	60,993	60,847	146
Travel	4,000	4,000	2,455	1,545
Operating Expenditures	94,076	100,076	100,208	(132)
Capital Outlay	42,911	34,711	34,499	212
Total Public Safety	<u>40,177,902</u>	<u>42,468,772</u>	<u>42,399,591</u>	<u>69,086</u>
<b>Health &amp; Welfare</b>				
Social Services:				
Salary and Wages	614,330	640,747	639,263	1,484
Fringe Benefits	204,540	209,805	207,301	2,504
Travel	3,000	1,400	1,207	193
Operating Expenditures	1,071,289	1,053,644	1,053,510	134
Capital Outlay	4,644	18,389	18,355	34
Total Health and Welfare	<u>1,897,803</u>	<u>1,923,985</u>	<u>1,919,635</u>	<u>4,350</u>
<b>Culture &amp; Recreation</b>				
Free Fair:				
Salary and Wages	7,950	7,241	7,241	-
Fringe Benefits	877	554	554	-
Travel	-	-	-	-
Operating Expenditures	53,418	54,450	54,334	116
Capital Outlay	-	-	-	-
Total Culture and Recreation	<u>62,245</u>	<u>62,245</u>	<u>62,129</u>	<u>116</u>
<b>Education</b>				
OSU Extension:				
Salary and Wages	-	-	-	-
Fringe Benefits	-	-	-	-
Travel	2,550	2,550	2,548	2
Operating Expenditures	498,102	482,002	446,366	35,636
Capital Outlay	7,080	23,180	23,178	2
Total Education	<u>507,732</u>	<u>507,732</u>	<u>472,092</u>	<u>35,640</u>
<b>Road &amp; Highway</b>				
District #1:				
Salary and Wages	160,000	162,833	162,833	-
Fringe Benefits	50,000	48,844	48,815	29
Travel	3,000	-	-	-
Operating Expenditures	84,660	94,959	92,422	2,537
Capital Outlay	5,000	3,665	3,665	-
District #2:				
Salary and Wages	184,359	199,386	190,475	8,911
Fringe Benefits	47,000	47,597	42,618	4,979
Travel	5,000	-	-	-
Operating Expenditures	18,000	13,774	13,207	566

See the notes to the budgetary comparison schedules.

**OKLAHOMA COUNTY, OKLAHOMA  
GENERAL FUND  
BUDGET TO ACTUAL COMPARISON SCHEDULE  
FOR THE YEAR ENDED JUNE 30, 2016**

	<u>Budgeted Amounts</u>		<u>Actual Amounts/ Budgetary Basis</u>	<u>Variance with Final Budget- Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Capital Outlay	2,500	2,126	1,981	145
District #3:		-		
Salary and Wages	176,400	179,197	179,197	-
Fringe Benefits	51,550	59,906	59,906	-
Travel	6,422	2,357	2,357	-
Operating Expenditures	9,382	8,689	8,685	-
Capital Outlay	4,500	5,406	5,406	-
Engineer:				
Salary and Wages	327,000	337,214	336,182	1,032
Fringe Benefits	121,000	127,379	121,698	5,681
Travel	6,500	8,000	7,468	532
Operating Expenditures	35,000	28,350	27,805	545
Capital Outlay	14,204	13,204	10,748	-
Total Road and Highway	<u>1,311,477</u>	<u>1,342,885</u>	<u>1,315,469</u>	<u>24,957</u>
Capital Outlay				
Total expenditures	<u>76,188,522</u>	<u>80,394,445</u>	<u>76,759,966</u>	<u>3,629,698</u>
Excess of revenues over/(under) expenditures	<u>1,716,385</u>	<u>(1,490,219)</u>	<u>6,151,861</u>	<u>7,642,080</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers from other funds	-	-	1,260,000	1,260,000
Transfers to other funds	<u>(7,363,845)</u>	<u>(7,413,845)</u>	<u>(7,413,845)</u>	-
Total other financing sources (uses)	<u>(7,363,845)</u>	<u>(7,413,845)</u>	<u>(6,153,845)</u>	<u>1,260,000</u>
Net change in fund balances	<u>(5,647,460)</u>	<u>(8,904,064)</u>	<u>(1,984)</u>	<u>8,902,080</u>
Fund balances - beginning	<u>5,647,458</u>	<u>8,904,064</u>	<u>10,789,077</u>	<u>1,885,013</u>
Fund balances - ending	<u>\$ 0</u>	<u>\$ -</u>	<u>\$ 10,787,093</u>	<u>\$ 10,787,093</u>

**RECONCILIATION TO GAAP-BASIS FUND BALANCE**

Property taxes receivable	4,283,404
Accounts payable	(2,486,443)
Accrued interest	-
Accounts receivable	1,432,244
Intergovernmental receivable	542,322
Deferred revenue	(3,559,193)
Current year encumbrances	3,723,284
Adjustment to prior year reserve for encumbrances	(1,232,465)
Reserve for inventory	305,459
Self-insurance funds net activity (cash basis)	1,678,229
Total Reconciling items	<u>4,686,840</u>
Fund balance, June 30, 2016 (GAAP Basis)	<u>\$ 15,473,934</u>

**OKLAHOMA COUNTY, OKLAHOMA  
HIGHWAY CASH FUND  
BUDGET TO ACTUAL COMPARISON SCHEDULE  
FOR THE YEAR ENDED JUNE 30, 2016**

	<u>Budgeted Amounts</u>		<u>Actual Amounts/ Budgetary Basis</u>	<u>Variance with Final Budget- Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>REVENUES</b>				
Intergovernmental revenues	\$ 15,942,095	\$ 15,942,095	\$ 13,355,051	\$ (2,587,044)
Interest income	5,695	5,695	16,543	10,848
Miscellaneous revenue	493,053	493,053	772,587	279,534
Total revenues	<u>\$16,440,843</u>	<u>\$16,440,843</u>	<u>\$14,144,181</u>	<u>(\$2,296,662)</u>
<b>EXPENDITURES</b>				
Roads and highways	21,040,468	21,040,468	14,940,263	6,100,206
Debt Service				
Principal	81,052	81,052	81,052	-
Interest	3,225	3,225	3,225	-
Capital Outlay	2,185,401	2,185,401	1,133,073	1,052,328
Total expenditures and encumbrances	<u>23,310,146</u>	<u>23,310,146</u>	<u>16,157,612</u>	<u>7,152,534</u>
Excess of revenues over/(under) expenditures	<u>(6,869,303)</u>	<u>(6,869,303)</u>	<u>(2,013,431)</u>	<u>4,855,872</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Sale of capital assets	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	<u>(6,869,303)</u>	<u>(6,869,303)</u>	<u>(2,013,431)</u>	<u>4,855,872</u>
Fund balances - beginning	17,939,519	17,939,519	11,007,729	(6,931,790)
Fund balances - ending	<u>\$ 11,070,216</u>	<u>\$ 11,070,216</u>	<u>\$ 8,994,298</u>	<u>\$ (2,075,918)</u>
<b><u>RECONCILIATION TO GAAP-BASIS FUND BALANCE</u></b>				
Accounts payable			(2,003,271)	
Accrued interest			2,188	
Intergovernmental receivable			2,744,544	
Current year encumbrances			3,097,219	
Adjustment to prior year reserve for encumbrances			(1,645,398)	
Reserve for inventory			889,851	
Total Reconciling items			<u>3,085,133</u>	
Fund balance, June 30, 2016 (GAAP Basis)			<u>\$ 12,079,431</u>	

See the notes to these budgetary comparison schedules.

**OKLAHOMA COUNTY, OKLAHOMA  
RESALE PROPERTY FUND  
BUDGET TO ACTUAL COMPARISON SCHEDULE  
FOR THE YEAR ENDED JUNE 30, 2016**

	<u>Budgeted Amounts</u>		<u>Actual Amounts/ Budgetary Basis</u>	<u>Variance with Final Budget- Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>REVENUES</b>				
Resale property income	\$ 5,466,096	\$ 5,466,096	\$ 7,108,327	\$ 1,642,231
Total revenues	<u>\$ 5,466,096</u>	<u>\$ 5,466,096</u>	<u>\$ 7,108,327</u>	<u>\$ 1,642,231</u>
<b>EXPENDITURES</b>				
General government	3,801,422	3,801,422	3,168,461	632,961
Intergovernmental expenditures- apportionment to cities and schools	2,520,000	2,520,000	2,520,000	-
Capital Outlay	455,000	455,000	364,790	90,210
Total expenditures and encumbrances	<u>6,776,422</u>	<u>6,776,422</u>	<u>6,053,251</u>	<u>723,171</u>
Excess of revenues over/(under) expenditures	<u>(1,310,326)</u>	<u>(1,310,326)</u>	<u>1,055,076</u>	<u>2,365,402</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers to other funds	-	-	(1,260,000)	(1,260,000)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>(1,260,000)</u>	<u>(1,260,000)</u>
Net change in fund balances	(1,310,326)	(1,310,326)	(204,924)	1,105,402
Fund balances - beginning	6,581,144	6,581,144	4,655,650	(1,925,494)
Fund balances - ending	<u>\$ 5,270,818</u>	<u>\$ 5,270,818</u>	<u>\$ 4,450,725</u>	<u>\$ (820,092)</u>
<b><u>RECONCILIATION TO GAAP-BASIS FUND BALANCE</u></b>				
Accounts payable			(62,505)	
Other taxes receivable			1,221,521	
Current year encumbrances			238,847	
Adjustment to prior year reserve for encumbrances			(3,110)	
Total Reconciling items			<u>1,394,754</u>	
Fund balance, June 30, 2016 (GAAP Basis)			<u>\$ 5,845,479</u>	

See the notes to these budgetary comparison schedules.

**OKLAHOMA COUNTY, OKLAHOMA**  
**Notes to Budgetary Comparison Schedules**  
**June 30, 2016**

**Note I. Budgetary Data**

Budgets are submitted annually in accordance with the budget act and are prepared on a modified cash basis. Revenues are budgeted in the year receipt is expected. Expenditures, which include encumbrances, are budgeted in the year that the applicable purchase orders are expected to be issued. The budget and actual financial schedules are reported on this basis. Unencumbered appropriations for annually budgeted funds lapse ninety days after fiscal year-end. Budgets are adopted on a basis consistent with State legal requirements. Legally adopted annual budgets are adopted for the general fund, debt service fund, highway cash fund, the resale fund and other special revenue funds. Budgetary comparison schedules are presented as required supplementary information for the general fund as well as the highway cash and resale property funds which are reported as major special revenue funds.



*Combining and  
Individual Fund  
Financial  
Statements and  
Schedules*



# **NON-MAJOR GOVERNMENTAL FUNDS**

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## ***Special Revenue Funds***

*Special revenue funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specific purposes other than debt service or capital projects.*

***County Bridge and Road Improvement Fund*** – For the collection of fuel tax and gross production proceeds in to be used for the construction, replacement and repair of county roads and bridges including engineering and design services.

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

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

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

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

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

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

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

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

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

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

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

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

# **NON-MAJOR GOVERNMENTAL FUNDS**

*(Continued)*

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

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

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

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

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

**Mental Health Court Fund** – For the collection and expenditures of state funding for the county mental health program which include drug testing and participant incentives.

**Shine Program** – For the collection and expenditures of funding for the program established for court ordered low level offenders to remove graffiti, overgrowth of weeds and grass, and the pickup and hauling of trash and debris from public areas in Oklahoma County.

## **Capital Project Funds**

Capital project funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets.

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

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

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

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

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

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

*(Continued)*

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

***OSU Building Fund*** –Established to account for the funds received from the sale of property where there Oklahoma County Extension Service building was previously located. A portion of the proceeds will be used for to provide a suitable replacement facility for the OSU Extension Center.

OKLAHOMA COUNTY, OKLAHOMA  
 COMBINING BALANCE SHEET  
 NONMAJOR GOVERNMENTAL FUNDS  
 JUNE 30, 2016

	Special Revenue										
	County Bridge & Road Improvement	Treasurer's Mortgage Fee	County Clerk's Lien Fee	UCC Central Filing	Records Management & Preservation	Sheriff Service Fee	Sheriff Special Revenue	Sheriff Grant Fund	Assessor's Revolving Fee	Juvenile Probation Fee	
<b>ASSETS</b>											
Cash and cash equivalents	\$ 2,768,572	\$ 165,315	\$ 52,850	\$ 305,889	\$ 453,943	\$ 1,412,961	\$ 2,899,474	\$ 402,562	\$ 95,583	\$ 159,601	
Investments	468,339	27,965	8,940	51,745	76,790	239,020	490,483	68,098	16,169	26,999	
Interest receivable	-	-	-	69	132	381	592	-	-	-	
Accounts receivable	41,274	-	-	-	-	283,961	4,139	-	1,147	-	
Intergovernmental receivable	-	-	-	-	-	-	233,446	189,616	-	-	
Inventories	-	-	-	-	-	-	311,402	-	-	-	
Total assets	<u>\$ 3,278,185</u>	<u>\$ 193,280</u>	<u>\$ 61,790</u>	<u>\$ 357,703</u>	<u>\$ 530,865</u>	<u>\$ 1,936,323</u>	<u>\$ 3,939,536</u>	<u>\$ 660,276</u>	<u>\$ 112,899</u>	<u>\$ 186,600</u>	
<b>LIABILITIES</b>											
Accounts payable	\$ 46,401	\$ 13,535	\$ 4,697	\$ 19,302	\$ 116,521	\$ 337,921	\$ 680,365	\$ 30,652	\$ -	\$ 7,415	
Total Liabilities	<u>46,401</u>	<u>13,535</u>	<u>4,697</u>	<u>19,302</u>	<u>116,521</u>	<u>337,921</u>	<u>680,365</u>	<u>30,652</u>	<u>-</u>	<u>7,415</u>	
<b>DEFERRED INFLOWS OF RESOURCES</b>											
Unavailable revenue-Intergovernmental	-	-	-	-	-	-	-	109,709	-	-	
Total Deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>109,709</u>	<u>-</u>	<u>-</u>	
<b>FUND BALANCES</b>											
Nonspendable	-	-	-	-	-	-	311,402	-	-	-	
Restricted	3,231,784	179,745	57,093	338,401	414,344	1,598,402	2,947,769	519,915	112,899	179,185	
Assigned	-	-	-	-	-	-	-	-	-	-	
Total fund balances	<u>3,231,784</u>	<u>179,745</u>	<u>57,093</u>	<u>338,401</u>	<u>414,344</u>	<u>1,598,402</u>	<u>3,259,171</u>	<u>519,915</u>	<u>112,899</u>	<u>179,185</u>	
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 3,278,185</u>	<u>\$ 193,280</u>	<u>\$ 61,790</u>	<u>\$ 357,703</u>	<u>\$ 530,865</u>	<u>\$ 1,936,323</u>	<u>\$ 3,939,536</u>	<u>\$ 660,276</u>	<u>\$ 112,899</u>	<u>\$ 186,600</u>	

OKLAHOMA COUNTY, OKLAHOMA  
 COMBINING BALANCE SHEET  
 NONMAJOR GOVERNMENTAL FUNDS  
 JUNE 30, 2016

**Special Revenue**

	Local										Total	
	Juvenile Grant Fund	Planning Commission	Emergency Planning Comm	Emergency Management	Community Service Fee	Community Sentencing	Drug Court	Drug Court User Fee	Mental Health Court Fund	Shine Program		MIS Fund
<b>ASSETS</b>												
Cash and cash equivalents	\$ 105,165	\$ 338,783	\$ 9,522	\$ 223,547	\$ 73,576	\$ 306,974	\$ 251,382	\$ 151,127	\$ 63,419	\$ 128,628	\$ 4,567	\$ 10,373,440
Investments	17,790	57,310	1,611	37,816	12,446	51,929	42,525	25,565	10,728	21,759	773	1,754,800
Interest receivable	-	-	-	-	-	-	-	-	-	-	-	1,174
Accounts receivable	-	-	-	-	140	-	-	-	-	6,605	-	337,266
Intergovernmental receivable	-	-	-	-	-	-	-	-	-	-	-	423,062
Inventories	-	-	-	-	-	-	-	-	-	-	-	311,402
Total assets	\$ 122,955	\$ 396,093	\$ 11,133	\$ 261,363	\$ 86,162	\$ 358,903	\$ 293,907	\$ 176,692	\$ 74,147	\$ 156,992	\$ 5,340	\$ 13,201,144
<b>LIABILITIES</b>												
Accounts payable	\$ 5,185	\$ 10,699	\$ -	\$ -	\$ 3,017	\$ 31,517	\$ -	\$ -	\$ 523	\$ 4,081	\$ -	\$ 1,311,831
Total Liabilities	5,185	10,699	-	-	3,017	31,517	-	-	523	4,081	-	1,311,831
<b>DEFERRED INFLOWS OF RESOURCES</b>												
Unavailable revenue-Intergovernmental	-	-	-	-	-	-	-	-	-	-	-	109,709
Total Deferred inflows of resources	-	-	-	-	-	-	-	-	-	-	-	109,709
<b>FUND BALANCES</b>												
Nonspendable	-	-	-	-	-	-	-	-	-	-	-	311,402
Restricted	117,770	385,394	111,133	261,363	83,145	327,386	293,907	176,692	73,624	152,911	5,340	11,468,202
Assigned	-	-	-	-	-	-	-	-	-	-	-	-
Total fund balances	117,770	385,394	111,133	261,363	83,145	327,386	293,907	176,692	73,624	152,911	5,340	11,779,604
Total liabilities, deferred inflows of resources, and fund balances	\$ 122,955	\$ 396,093	\$ 11,133	\$ 261,363	\$ 86,162	\$ 358,903	\$ 293,907	\$ 176,692	\$ 74,147	\$ 156,992	\$ 5,340	\$ 13,201,144

**OKLAHOMA COUNTY, OKLAHOMA  
COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
JUNE 30, 2016**

	<b>Capital Projects</b>							Total Nonmajor Governmental Funds
	Capital Projects Regular	Capital Projects Districts	Capital Projects Tinker I	Jail Facility	Sale of Property	Tinker Clearing II	OSU Ext Building	Total
<b>ASSETS</b>								
Cash and cash equivalents	\$ 2,064,532	\$ 405,837	\$ 526,309	\$ 14,085	\$ 6,513	\$ 246,621	\$ 22,574	\$ 3,286,471
Investments	349,242	68,652	89,032	2,383	1,102	41,719	3,819	555,949
Interest receivable	785	-	194	-	2	79	8	1,068
Accounts receivable	-	-	-	-	-	-	-	-
Intergovernmental receivable	-	-	-	-	-	-	-	-
Inventories	-	-	-	-	-	-	-	-
Total assets	<u>\$ 2,414,559</u>	<u>\$ 474,489</u>	<u>\$ 615,535</u>	<u>\$ 16,468</u>	<u>\$ 7,617</u>	<u>\$ 288,419</u>	<u>\$ 26,401</u>	<u>\$ 3,843,488</u>
<b>LIABILITIES</b>								
Accounts payable	\$ 97,015	-	-	-	-	-	-	\$ 97,015
Total Liabilities	<u>97,015</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>97,015</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>								
Unavailable revenue-Intergovernmental	-	-	-	-	-	-	-	-
Total Deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCES</b>								
Nonspendable	-	-	-	-	-	-	-	-
Restricted	1,355,262	-	615,535	16,468	-	288,419	26,401	2,302,085
Assigned	962,282	474,489	-	-	7,617	-	-	1,444,388
Total fund balances	<u>2,317,544</u>	<u>474,489</u>	<u>615,535</u>	<u>16,468</u>	<u>7,617</u>	<u>288,419</u>	<u>26,401</u>	<u>3,746,473</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 2,414,559</u>	<u>\$ 474,489</u>	<u>\$ 615,535</u>	<u>\$ 16,468</u>	<u>\$ 7,617</u>	<u>\$ 288,419</u>	<u>\$ 26,401</u>	<u>\$ 3,843,488</u>
								<u>\$ 17,044,632</u>

**OKLAHOMA COUNTY, OKLAHOMA**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2016**

	Special Revenue										
	County Bridge & Road Improvement	Treasurer's Mortgage Fee	County Clerk's Lien Fee	UCC Central Filing	Records Management & Preservation	Sheriff Service Fee	Sheriff Special Revenue	Sheriff Grant Fund	Assessor's Revolving Fee	Juvenile Probation Fee	
<b>REVENUES</b>											
Charges for services	-	\$ 142,960	\$ 82,402	\$ 742,870	\$ 882,054	\$ 3,932,307	\$ 1,462,436	\$ -	\$ 19,113	\$ 27,651	
Intergovernmental revenues	543,085	-	-	-	-	391,622	7,391,464	649,794	-	-	
Investment income (loss)	-	-	-	501	1,388	3,275	7,503	-	-	-	
Miscellaneous revenue	-	-	-	-	2,212	-	260,772	-	-	-	
Total revenues	\$ 543,085	\$ 142,960	\$ 82,402	\$ 743,371	\$ 885,654	\$ 4,327,204	\$ 9,122,175	\$ 649,794	\$ 19,113	\$ 27,651	
<b>EXPENDITURES</b>											
Current:											
General government	-	117,848	129,235	704,904	1,219,276	-	-	-	-	-	
Public safety	-	-	-	-	-	3,839,831	8,774,193	338,394	-	37,495	
Roads and highways	248,906	-	-	-	-	-	-	-	-	-	
Economic development	-	-	-	-	-	-	-	-	-	-	
Capital outlay	117,642	37,079	1,176	176,802	68,428	118,809	321,009	316,957	-	-	
Total expenditures	366,548	154,927	130,411	881,706	1,287,704	3,958,640	9,095,202	655,351	-	37,495	
Excess(deficiency) of revenues over/(under) expenditures	176,537	(11,967)	(48,009)	(138,335)	(402,050)	368,564	26,973	(5,557)	19,113	(9,844)	
<b>OTHER FINANCING SOURCES (USES)</b>											
Transfers from other funds	-	-	-	-	-	-	-	36,535	-	-	
Transfers to other funds	-	-	-	-	-	-	(36,535)	-	-	-	
Sale of capital assets	-	-	-	-	-	15,319	-	-	-	-	
Total other financing sources (uses)	-	-	-	-	-	15,319	(36,535)	36,535	-	-	
Net change in fund balances	176,537	(11,967)	(48,009)	(138,335)	(402,050)	383,883	(9,562)	30,978	19,113	(9,844)	
Fund balances-beginning	3,055,247	191,712	105,102	476,736	816,394	1,214,519	3,268,733	488,937	93,786	189,029	
Fund balances-ending	\$ 3,231,784	\$ 179,745	\$ 57,093	\$ 338,401	\$ 414,344	\$ 1,598,402	\$ 3,259,171	\$ 519,915	\$ 112,899	\$ 179,185	

(continued)



**OKLAHOMA COUNTY, OKLAHOMA**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2016**

	Special Revenue										Total	
	Juvenile Grant Fund	Local Planning Commission	Emergency Planning Comm	Emergency Management	Community Service Fee	Community Sentencing	Drug Court	Drug Court User Fee	Mental Health Court Fund	Shine Program		MIS Fund
<b>REVENUES</b>												
Charges for services	\$ -	\$ 269,676	\$ -	\$ -	\$ 87,639	\$ -	\$ -	\$ -	\$ -	\$ 3,376	\$ -	\$ 7,652,484
Intergovernmental revenues	124,028	-	-	81,761	-	180,113	301,750	332,998	38,500	-	-	10,035,115
Investment income (loss)	-	-	-	-	-	-	-	-	-	100,000	-	112,667
Miscellaneous revenue	-	-	-	-	-	-	-	-	-	25,000	-	287,984
Total revenues	\$ 124,028	\$ 269,676	\$ -	\$ 81,761	\$ 87,639	\$ 180,113	\$ 301,750	\$ 332,998	\$ 38,500	\$ 128,376	\$ -	\$ 18,088,250
<b>EXPENDITURES</b>												
Current:												
General government	-	167,640	-	-	91,194	-	365,193	314,205	52,543	211,652	-	3,373,690
Public safety	240,239	-	-	344,718	-	260,350	-	-	-	-	-	13,835,220
Roads and highways	-	-	-	-	-	-	-	-	-	-	-	248,906
Economic development	-	3,834	1,249	83,114	4,370	1,432	1,728	-	1,680	-	-	1,255,309
Capital outlay	240,239	171,474	1,249	427,832	95,564	261,782	366,921	314,205	54,223	211,652	-	18,713,125
Excess(deficiency) of revenues over/(under) expenditures	(116,211)	98,202	(1,249)	(346,071)	(7,925)	(81,669)	(65,171)	18,793	(15,723)	(83,276)	-	(624,875)
<b>OTHER FINANCING SOURCES (USES)</b>												
Transfers from other funds	-	-	-	-	-	-	-	-	-	-	-	36,535
Transfers to other funds	-	-	-	-	-	-	-	-	-	-	-	(36,535)
Sale of capital assets	-	-	-	-	-	-	-	-	-	-	-	15,319
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-	-	-	15,319
Net change in fund balances	(116,211)	98,202	(1,249)	(346,071)	(7,925)	(81,669)	(65,171)	18,793	(15,723)	(83,276)	-	(609,556)
Fund balances-beginning	233,981	287,192	12,382	607,434	91,070	409,055	359,078	157,899	89,347	236,187	5,340	12,389,160
Fund balances-ending	\$ 117,770	\$ 385,394	\$ 11,133	\$ 261,363	\$ 83,145	\$ 327,386	\$ 293,907	\$ 176,692	\$ 73,624	\$ 152,911	\$ 5,340	\$ 11,779,604

(continued)

**OKLAHOMA COUNTY, OKLAHOMA**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2016**

	<b>Capital Projects</b>							Total Nonmajor Governmental Funds
	Capital Projects Regular	Capital Projects Districts	Capital Projects Tinker I	Jail Facility	Sale of Property	Tinker Clearing II	OSU Ext Building	
<b>REVENUES</b>								
Charges for services	\$ -	\$ -	\$ -	\$ 609	\$ -	\$ -	\$ -	\$ 609
Intergovernmental revenues	362,744	-	-	-	-	-	-	362,744
Investment income (loss)	6,708	-	1,543	-	19	442	128	8,840
Miscellaneous revenue	50,000	-	-	-	-	-	-	50,000
Total revenues	\$ 419,452	\$ -	\$ 1,543	\$ 609	\$ 19	\$ 442	\$ 128	\$ 422,193
<b>EXPENDITURES</b>								
Current:								
General government	15,940	-	-	-	-	-	-	15,940
Public safety	-	-	-	-	-	-	-	-
Roads and highways	-	-	-	-	-	-	-	-
Economic development	-	-	-	-	-	-	-	-
Capital outlay	1,353,180	-	-	-	-	-	83,719	1,436,899
Total expenditures	1,369,120	-	-	-	-	-	83,719	1,452,839
Excess(deficiency) of revenues over/(under) expenditures	(949,668)	-	1,543	609	19	442	(83,591)	(1,030,646)
<b>OTHER FINANCING SOURCES (USES)</b>								
Transfers from other funds	530,061	-	-	-	-	-	-	530,061
Transfers to other funds	(307,255)	-	-	-	-	-	-	(307,255)
Sale of capital assets	222,806	-	-	-	-	-	-	222,806
Total other financing sources (uses)	(726,862)	-	1,543	609	19	442	(83,591)	(807,840)
Net change in fund balances	3,044,406	474,489	613,992	15,859	7,598	287,977	109,992	4,554,313
Fund balances-beginning	\$ 2,317,544	\$ 474,489	\$ 615,535	\$ 16,468	\$ 7,617	\$ 288,419	\$ 26,401	\$ 3,746,473
Fund balances-ending	\$ 5,361,950	\$ 948,978	\$ 1,229,070	\$ 32,326	\$ 15,215	\$ 576,396	\$ 133,393	\$ 7,293,846

**OKLAHOMA COUNTY, OKLAHOMA  
DEBT SERVICE FUND  
BUDGET TO ACTUAL COMPARISON SCHEDULE  
FOR THE YEAR ENDED JUNE 30, 2016**

	<u>Budgeted Amounts</u>		<u>Actual Amounts/ Budgetary Basis</u>	<u>Variance with Final Budget- Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>REVENUES</b>				
Property taxes	\$ 9,431,878	\$ 9,431,878	\$ 9,368,309	\$ (63,569)
Investment income	-	-	11,090	11,090
Total revenues	<u>9,431,878</u>	<u>9,431,878</u>	<u>9,379,399</u>	<u>(52,479)</u>
<b>EXPENDITURES</b>				
Redemption of debt	12,797,284	12,797,284	7,820,973	4,976,311
Interest	1,953,066	1,953,066	871,292	1,081,774
Total expenditures	<u>14,750,350</u>	<u>14,750,350</u>	<u>8,692,265</u>	<u>6,058,085</u>
Excess(deficiency) of revenues over(under) expenditures	<u>(5,318,472)</u>	<u>(5,318,472)</u>	<u>687,134</u>	<u>6,005,606</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers from other funds	-	-	-	-
Net change in fund balances	<u>(5,318,472)</u>	<u>(5,318,472)</u>	<u>687,134</u>	<u>6,005,606</u>
Fund balance-beginning (Non-GAAP budgetary basis)	5,767,609	5,767,609	5,767,609	-
Fund balance-ending (Non-GAAP budgetary basis)	<u>\$ 449,137</u>	<u>\$ 449,137</u>	<u>\$ 6,454,743</u>	<u>\$ 6,005,606</u>
<b>ADJUSTMENTS TO GENERALLY ACCEPTED ACCOUNTING PRINCIPLES</b>				
Property tax receivable			627,527	
Other taxes receivable			12,578	
Interest receivable			2,133	
Deferred revenue			(526,638)	
<b>Fund balance-ending (GAAP basis)</b>			<u>\$ 6,570,345</u>	

# ***FIDUCIARY FUNDS***

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

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

**OKLAHOMA COUNTY, OKLAHOMA**  
**COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES - ALL AGENCY FUNDS**  
**Fiscal Year Ended June 30, 2016**

	Balance June 30, 2015	Additions	Deductions	Balance June 30, 2016
<b>SCHOOLS</b>				
<u>Assets:</u>				
Cash and investments	\$ 4,103,980	\$ 563,842,578	\$ 566,348,949	\$ 1,597,609
Property taxes receivable	30,834,712	31,868,793	30,834,712	31,868,793
Due from other governments	92,177	92,245	92,177	92,245
	<u>\$ 35,030,869</u>	<u>\$ 595,803,616</u>	<u>\$ 597,275,837</u>	<u>\$ 33,558,647</u>
Total Assets				
<u>Liabilities:</u>				
Due to other taxing units	35,030,869	595,803,616	597,275,837	33,558,647
	<u>\$ 35,030,869</u>	<u>\$ 595,803,616</u>	<u>\$ 597,275,837</u>	<u>\$ 33,558,647</u>
Total Liabilities				
<b>CITIES AND TOWNS</b>				
<u>Assets:</u>				
Cash and investments	\$ 2,329,411	\$ 119,865,971	\$ 121,573,376	\$ 622,006
Property taxes receivable	6,560,043	6,561,590	6,560,043	6,561,590
Due from other governments	1,359,105	1,357,557	1,359,105	1,357,557
	<u>\$ 10,248,559</u>	<u>\$ 127,785,118</u>	<u>\$ 129,492,523</u>	<u>\$ 8,541,154</u>
Total Assets				
<u>Liabilities:</u>				
Due to other taxing units	10,248,559	127,785,118	129,492,523	8,541,154
	<u>\$ 10,248,559</u>	<u>\$ 127,785,118</u>	<u>\$ 129,492,523</u>	<u>\$ 8,541,154</u>
Total Liabilities				
<b>OFFICIAL DEPOSITORY</b>				
<u>Assets:</u>				
Cash and investments	\$ 26,261,750	\$ 135,797,993	\$ 134,410,641	\$ 27,649,102
	<u>\$ 26,261,750</u>	<u>\$ 135,797,993</u>	<u>\$ 134,410,641</u>	<u>\$ 27,649,102</u>
Total Assets				
<u>Liabilities:</u>				
Accounts payable	-	-	-	-
Due to others	26,261,750	135,797,993	134,410,641	27,649,102
	<u>\$ 26,261,750</u>	<u>\$ 135,797,993</u>	<u>\$ 134,410,641</u>	<u>\$ 27,649,102</u>
Total Liabilities				

(Continued)

**OKLAHOMA COUNTY, OKLAHOMA**  
**COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES - ALL AGENCY FUNDS**  
**Fiscal Year Ended June 30, 2016**

	Balance June 30, 2015	Additions	Deductions	Balance June 30, 2016
<b>UNAPPORTIONED TAXES</b>				
<u>Assets:</u>				
Cash and investments	\$ 476,042	\$ 85,792,243	\$ 85,855,401	\$ 412,884
Total Assets	<u>\$ 476,042</u>	<u>\$ 85,792,243</u>	<u>\$ 85,855,401</u>	<u>\$ 412,884</u>
<u>Liabilities:</u>				
Due to other taxing units	476,042	85,792,243	85,855,401	412,884
Total Liabilities	<u>\$ 476,042</u>	<u>\$ 85,792,243</u>	<u>\$ 85,855,401</u>	<u>\$ 412,884</u>
<b>ALL OTHERS</b>				
<u>Assets:</u>				
Cash and investments	\$ 2,798,324	\$ 26,441,596	\$ 25,256,569	\$ 3,983,350
Property taxes receivable	980,262	1,002,205	980,262	1,002,206
Total Assets	<u>\$ 3,778,586</u>	<u>\$ 27,443,801</u>	<u>\$ 26,236,831</u>	<u>\$ 4,985,557</u>
<u>Liabilities:</u>				
Due to other taxing units	\$ 899,841	23,636,725	23,358,085	1,178,481
Due to others	2,878,745	3,807,076	2,878,745	3,807,076
Total Liabilities	<u>\$ 3,778,586</u>	<u>\$ 27,443,801</u>	<u>\$ 26,236,831</u>	<u>\$ 4,985,557</u>
<b>TOTALS - ALL AGENCY FUNDS</b>				
<u>Assets:</u>				
Cash and investments	\$ 35,969,508	\$ 931,740,380	\$ 933,444,935	\$ 34,264,951
Property taxes receivable	38,375,016	39,432,589	38,375,016	39,432,590
Due from other governments	1,451,281	1,449,803	1,451,283	1,449,803
Total Assets	<u>\$ 75,795,805</u>	<u>\$ 972,622,770</u>	<u>\$ 973,271,233</u>	<u>\$ 75,147,344</u>
<u>Liabilities:</u>				
Due to other taxing units	46,655,309	833,017,702	835,981,846	43,691,166
Due to others	29,140,495	139,605,069	137,289,387	31,456,178
Total Liabilities	<u>\$ 75,795,805</u>	<u>\$ 972,622,770</u>	<u>\$ 973,271,233</u>	<u>\$ 75,147,344</u>

# *Statistical Section*

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

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

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

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

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

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

**OKLAHOMA COUNTY, OKLAHOMA**  
**NET POSITION BY COMPONENT**  
**LAST TEN FISCAL YEARS**  
(accrual basis of accounting)  
(Unaudited)

	Fiscal Year					
	2007	2008	2009	2010	2011	2012
<b>Governmental activities</b>						
Invested in capital assets, net of related debt	\$85,593,856	\$87,587,580	84,857,959	\$86,125,280	\$92,931,482	\$100,057,236
Restricted	33,119,444	29,742,397	37,181,933	37,290,632	40,287,616	40,692,226
Unrestricted	15,841,626	147,993	(56,482,628)	(64,052,900)	(77,546,459)	(87,228,724)
Total governmental activities net position	\$134,554,926	\$117,477,969	\$65,557,264	\$59,363,011	\$55,672,639	\$53,520,738
<b>Business-type activities</b>						
Invested in capital assets, net of related debt	(\$3,272,337)	(\$3,175,999)	(2,915,551)	(2,627,035)	(2,419,362)	(1,562,896)
Restricted	3,317,831	3,815,997	3,779,001	4,077,912	4,388,390	3,365,420
Unrestricted						
Total business-type activities net position	\$45,494	\$639,998	\$863,450	\$1,450,877	\$1,969,028	\$1,802,524
<b>Primary government</b>						
Invested in capital assets, net of related debt	\$82,321,519	\$84,411,581	81,942,408	\$83,498,245	\$90,512,120	\$98,494,339
Restricted	36,437,275	33,558,394	40,960,934	41,368,544	44,676,006	44,057,647
Unrestricted	15,841,626	147,993	(56,482,628)	(64,052,900)	(77,546,459)	(87,228,724)
Total primary government net position	\$134,600,420	\$118,117,967	\$66,420,714	\$60,813,889	\$57,641,667	\$55,323,262
<b>Governmental activities</b>						
Net investment in capital assets	\$105,358,595	\$110,347,311	\$107,828,840	\$113,113,333		
Restricted	45,743,318	47,520,700	43,945,301	43,167,865		
Unrestricted	(100,661,362)	(109,368,111)	(138,300,126)	(148,257,494)		
Total governmental activities net position	\$50,440,551	\$48,499,900	\$13,474,015	\$8,023,704		
<b>Business-type activities</b>						
Net investment in capital assets	1,775,469	2,501,741	3,054,995	3,308,549		
Restricted	3,754,058	3,392,679	5,598,302	7,051,932		
Unrestricted						
Total business-type activities net position	\$5,529,527	\$5,894,419	\$8,653,297	\$10,360,481		
<b>Primary government</b>						
Net investment in capital assets	\$107,134,064	\$112,849,051	\$110,883,835	\$116,421,882		
Restricted	49,497,376	50,913,379	49,543,603	50,219,797		
Unrestricted	(100,661,362)	(109,368,111)	(138,300,126)	(148,257,494)		
Total primary government net position	\$55,970,078	\$54,394,319	\$22,127,312	\$18,384,185		

Notes:  
1. County's total unrestricted net position dropped in 2009 as a result of two long-term obligations incurred that have no corresponding assets;  
(1) the issuance of long-term bonds whose proceeds were used to acquire property and facilities that were transferred to the federal government for economic development purposes, and  
(2) long-term net obligations related to OPEB for which no advance-funded plan assets have been set aside.



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

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
<b>Expenses</b>										
Governmental activities:										
General government	\$ 35,160,374	\$ 39,928,638	\$42,098,305	\$ 43,403,066	\$ 48,946,551	\$ 48,036,278	\$ 52,166,556	\$ 51,860,024	\$ 57,511,635	\$ 56,339,505
Public safety	50,039,027	62,700,354	57,725,981	64,849,863	62,758,927	65,013,715	67,463,248	66,795,483	64,287,273	65,642,428
Health and welfare	3,896,513	3,948,433	2,598,846	1,779,424	1,753,349	1,853,745	1,892,392	1,934,678	1,976,388	2,073,301
Culture and recreation	48,967	48,504	64,352	63,253	62,154	62,149	62,201	62,061	62,213	62,122
Education	439,609	472,786	517,341	499,395	502,603	498,571	525,380	496,255	465,067	466,860
Roads and highways	14,450,276	14,643,189	16,287,910	15,393,193	14,793,383	14,579,322	15,124,244	17,666,192	17,111,585	16,594,355
Economic development	307,465	1,789,576	678,327	3,132,130	32,652	25,952	-	-	12,501,200	-
Interest on long term debt	1,024,368	926,593	3,458,033	3,262,711	3,145,155	2,780,831	2,382,629	2,096,881	1,987,523	1,873,996
Total governmental activities expenses	<u>105,366,599</u>	<u>\$ 124,458,073</u>	<u>\$123,429,095</u>	<u>\$132,383,035</u>	<u>\$131,994,774</u>	<u>\$132,850,563</u>	<u>\$139,616,651</u>	<u>\$140,911,574</u>	<u>\$155,902,884</u>	<u>\$143,052,567</u>
Business-type activities:										
Public Buildings Authority	2,652,389	2,611,712	2,688,836	2,626,200	2,543,343	2,977,375	2,260,912	2,307,974	2,165,386	2,263,666
Total business-type activities expenses	<u>2,652,389</u>	<u>2,611,712</u>	<u>2,688,836</u>	<u>2,626,200</u>	<u>2,543,343</u>	<u>2,977,375</u>	<u>2,260,912</u>	<u>2,307,974</u>	<u>2,165,386</u>	<u>2,263,666</u>
Total primary government expenses	<u>\$108,018,988</u>	<u>\$127,069,785</u>	<u>\$126,117,931</u>	<u>\$135,009,235</u>	<u>\$134,538,117</u>	<u>\$135,827,937</u>	<u>\$141,877,563</u>	<u>\$143,219,548</u>	<u>\$158,068,270</u>	<u>\$145,316,233</u>
<b>Program Revenues</b>										
Governmental activities:										
Charges for services:										
General government	12,897,993	12,208,568	11,165,132	10,952,500	10,573,232	15,731,465	16,368,890	16,773,977	17,950,059	17,168,504
Public safety	21,320,760	18,972,644	19,435,176	18,603,741	18,755,117	17,757,213	19,153,074	19,679,971	17,064,084	15,796,889
Other activities	42,923	327,907	185,270	60,475	83,312	87,276	58,586	54,382	51,776	28,614
Operating grants and contributions	16,704,541	16,662,647	15,982,729	15,073,208	15,116,433	15,735,854	15,387,416	15,996,244	16,344,366	15,110,866
Capital grants and contributions	1,591,477	3,380,775	5,157,852	4,802,292	5,825,459	3,419,666	4,529,963	4,938,396	5,048,759	3,951,796
Total governmental activities program revenues	<u>52,557,694</u>	<u>51,552,541</u>	<u>51,926,159</u>	<u>49,492,216</u>	<u>50,353,553</u>	<u>52,731,474</u>	<u>55,497,929</u>	<u>57,442,971</u>	<u>56,459,045</u>	<u>52,056,669</u>
Business-type activities:										
Charges for services:										
Public Buildings Authority	3,089,276	3,099,552	3,058,461	3,242,709	3,434,494	3,515,246	\$3,593,103	\$ 3,733,772	\$ 4,031,727	\$ 4,109,244
Capital grants and contributions	-	-	-	-	-	-	-	366,460	521,341	34,258
Total business-type activities program revenues	<u>3,089,276</u>	<u>3,099,552</u>	<u>3,058,461</u>	<u>3,242,709</u>	<u>3,434,494</u>	<u>3,515,246</u>	<u>3,593,103</u>	<u>4,100,232</u>	<u>4,553,068</u>	<u>4,143,502</u>
Total primary government program revenues	<u>\$55,646,970</u>	<u>\$54,652,093</u>	<u>\$54,984,620</u>	<u>\$52,734,925</u>	<u>\$53,788,047</u>	<u>\$56,246,721</u>	<u>\$59,091,032</u>	<u>\$61,543,203</u>	<u>\$61,012,112</u>	<u>\$56,200,170</u>

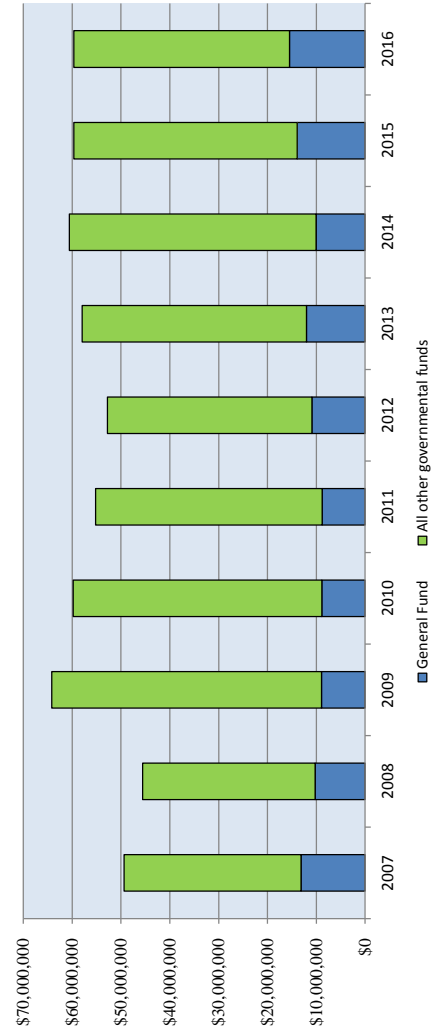
**OKLAHOMA COUNTY, OKLAHOMA**  
**CHANGES IN NET POSITION**  
**LAST TEN FISCAL YEARS**  
(accrual basis of accounting)  
(Unaudited)

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Net (expense)/revenue										
Governmental activities	(\$52,808,905)	(\$72,905,532)	(\$71,502,937)	(\$82,890,819)	(\$81,641,220)	(\$80,119,088)	(\$84,118,722)	(\$83,468,603)	(\$99,443,840)	(\$90,995,899)
Business-type activities	436,887	487,840	369,625	616,509	891,150	537,871	4,239,587	1,792,258	2,387,682	1,879,836
Total primary government net expense	(\$52,372,018)	(\$72,417,692)	(\$71,133,312)	(\$82,274,310)	(\$80,750,070)	(\$79,581,217)	(\$79,879,136)	(\$81,676,345)	(\$97,056,158)	(\$89,116,063)
<b>General Revenues and Other Changes in Net Position</b>										
Governmental activities:										
Taxes										
Property taxes	53,204,275	54,757,528	62,161,819	75,632,425	76,572,813	76,800,092	78,230,166	79,397,509	78,460,450	84,899,879
Investment earnings	2,583,612	2,592,880	1,024,023	375,896	280,008	196,776	171,170	179,565	119,814	184,080
Miscellaneous	347,468	341,572	270,990	145,920	724,963	870,320	269,699	173,078	198,796	291,379
Gain (Loss) on sale of capital assets							1,852,500	350,000	809,668	-2,557
Special and extraordinary items		(1,849,513)	(44,049,570)	-	-	-	-	-	-	-
Transfers	1,252,592	(13,892)	174,970	29,250	373,064	100,000	515,000	1,427,800	(371,465)	172,806
Total governmental activities	57,387,948	55,828,575	19,582,232	76,183,491	77,950,848	77,967,187	81,038,535	81,527,952	79,217,263	85,545,587
Business-type activities										
Investment earnings	95,144	92,772	28,797	168	65	14,057	2,416	434	-270	152
Miscellaneous										
Transfers	(1,252,592)	13,892	(174,970)	(29,250)	(373,064)	(100,000)	(515,000)	(1,427,800)	371,465	(172,806)
Total business-type activities	(1,157,448)	106,664	(146,173)	(29,082)	(372,999)	(85,943)	(512,584)	(1,427,366)	371,194	(172,654)
Total primary government	\$56,230,500	\$55,935,239	\$19,436,059	\$76,154,410	\$77,577,849	\$77,881,245	\$80,525,951	\$80,100,586	\$79,588,458	\$85,372,933
<b>Change in Net Position</b>										
Governmental activities	\$4,579,042	(\$17,076,957)	(\$51,920,705)	(\$6,707,328)	(\$3,690,372)	(\$2,151,901)	(\$3,080,187)	(\$1,940,651)	(\$20,226,577)	(\$5,450,311)
Business-type activities	(720,561)	594,504	223,452	587,428	518,151	451,929	3,727,003	364,892	2,758,876	1,707,182
Total primary government	\$3,858,481	(\$16,482,453)	(\$51,697,253)	(\$6,119,900)	(\$3,172,221)	(\$1,699,972)	\$646,816	(\$1,575,759)	(\$17,467,701)	(\$3,743,130)

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

	Fiscal Year				
	2007	2008	2009	2010	2011
<b>General Fund</b>					
Reserved	\$1,153,600	\$1,468,963	\$872,301	\$745,465	
Unreserved	11,955,593	8,773,423	8,066,981	8,156,277	
<b>Total general fund</b>	<b>\$13,109,193</b>	<b>\$10,242,386</b>	<b>\$8,939,282</b>	<b>\$8,901,742</b>	
<b>All Other Governmental Funds</b>					
Reserved	\$2,566,546	\$3,269,353	\$6,104,117	2,699,584	
Unreserved, reported in:					
Debt service	3,690,812	1,411,133	3,703,171	7,126,015	
Special revenue funds	24,974,734	26,060,481	26,622,211	23,256,977	
Capital projects funds	5,053,615	4,613,407	18,779,048	17,821,167	
<b>Total all other governmental funds</b>	<b>\$36,285,707</b>	<b>\$35,354,374</b>	<b>\$55,208,547</b>	<b>\$50,903,743</b>	
<b>General Fund</b>					
Nonspendable	\$ 283,544	\$ 261,644	\$ 259,950	\$ 330,715	\$ 348,195
Restricted	-	-	-	-	-
Committed	430,164	101,422	1,167,025	242,730	2,265,407
Assigned	251,316	332,076	309,840	267,415	351,307
Unassigned	7,873,577	10,186,020	10,284,244	9,199,799	10,964,914
<b>Total general fund</b>	<b>\$8,838,601</b>	<b>\$10,881,162</b>	<b>\$12,021,059</b>	<b>\$10,040,659</b>	<b>\$13,929,823</b>
<b>All Other Governmental Funds</b>					
Nonspendable	\$ 1,029,017	\$ 813,302	\$ 1,078,205	\$ 1,135,226	\$ 1,201,253
Restricted	43,156,901	39,144,842	43,295,149	43,236,644	41,018,659
Committed	608,992	783,445	584,159	384,282	184,281
Assigned	1,536,938	1,168,154	952,733	5,773,703	3,452,943
<b>Total all other governmental funds</b>	<b>\$46,331,848</b>	<b>\$41,909,743</b>	<b>\$45,910,246</b>	<b>\$50,529,855</b>	<b>\$45,744,987</b>

**Governmental Fund Balances**



Notes:  
The County implemented GASB Statement No. 54 in 2011, under which governmental fund balances are reported as nonspendable, restricted, committed, assigned, unassigned compared to reserved and unreserved reported in prior years.

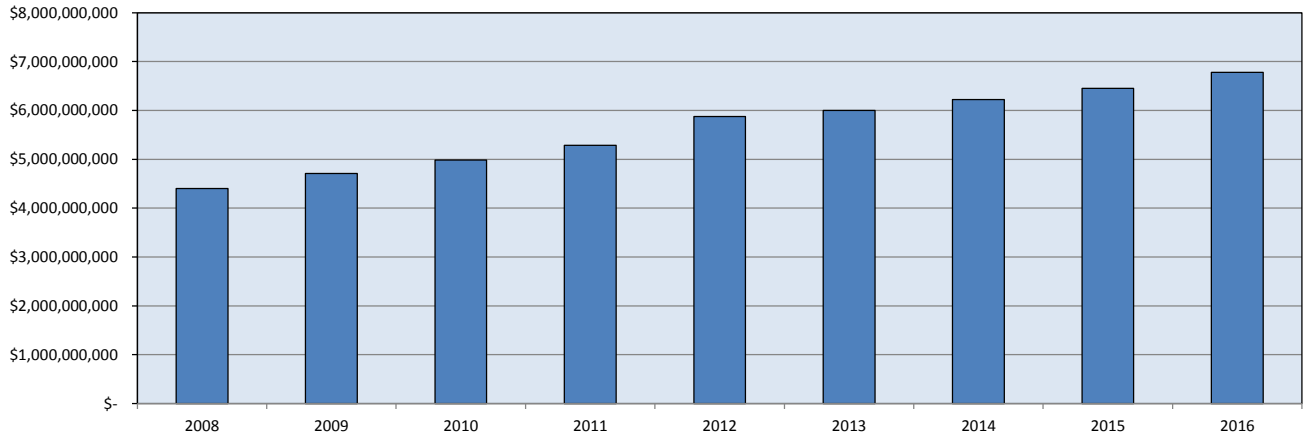
**OKLAHOMA COUNTY, OKLAHOMA**  
**CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS**  
**LAST TEN FISCAL YEARS**  
 (accrual basis of accounting)  
 (Unaudited)

	Fiscal Year									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
<b>Revenues</b>										
Property taxes, other and Resale	\$ 54,326,475	\$ 54,503,499	\$ 61,710,763	\$ 73,650,254	\$ 76,464,398	\$ 76,881,383	\$ 78,094,355	\$ 78,866,753	\$ 80,060,308	\$ 84,662,168
Charges for services	13,306,846	12,264,442	11,024,727	10,786,707	10,765,390	15,308,759	16,114,163	16,376,218	17,021,275	16,839,554
Intergovernmental revenues	34,779,561	36,614,321	36,280,130	33,885,542	36,208,379	33,439,219	35,505,187	39,618,012	35,078,160	32,010,364
Interest income	3,398,722	3,429,535	1,330,720	352,173	200,359	115,685	347,466	504,555	149,825	279,899
Miscellaneous revenue	3,496,017	2,786,809	4,576,297	4,327,499	4,253,184	3,867,324	3,774,218	3,443,204	4,618,528	3,298,463
Total revenues	109,307,621	109,598,606	114,922,637	123,002,174	127,891,710	129,612,370	133,835,389	138,808,742	136,928,097	137,090,448
<b>Expenditures</b>										
General government	33,791,588	35,618,168	35,309,715	36,992,245	38,983,624	41,335,407	44,497,408	47,347,182	46,757,452	49,749,912
Public safety	46,500,195	49,801,543	51,433,527	54,025,386	53,224,428	53,623,889	55,205,047	56,405,680	53,909,346	55,004,206
Health and welfare	3,787,258	3,634,676	2,446,114	1,657,075	1,622,572	1,700,134	1,708,935	1,795,454	1,839,346	1,927,757
Culture and recreation	48,967	48,504	64,352	63,253	62,154	62,149	62,201	62,061	62,213	62,122
Education	434,081	461,955	499,453	475,322	475,749	470,654	496,969	458,057	432,407	445,916
Roads and highways	10,612,993	10,112,200	11,451,960	10,788,048	10,611,098	9,735,196	10,408,226	12,491,425	11,117,090	10,662,317
Economic Development									10,000,000	0
Debt service	2,689,542	2,676,156	2,940,055	6,156,191	8,881,915	8,648,285	8,554,643	8,448,294	6,942,960	7,902,025
Principal	1,035,735	938,567	876,563	4,853,176	3,090,527	2,990,434	2,460,784	2,202,253	1,877,799	874,517
Bond issuance costs										
Capital outlay	8,334,770	10,437,419	9,476,185	12,447,903	16,018,085	13,592,283	7,821,985	8,631,855	15,968,198	10,690,965
Total expenditures	107,235,129	113,729,188	114,497,925	127,458,599	132,970,152	132,158,431	131,216,199	137,842,261	148,906,812	137,319,737
Excess of revenues over (under) expenditures	2,072,492	(4,130,582)	424,712	(4,456,425)	(5,078,442)	(2,546,061)	2,619,190	966,481	(11,978,715)	(229,289)
<b>Other financing sources (uses)</b>										
Transfers from other funds	2,992,116	1,268,527	1,139,327	829,250	2,187,293	1,279,260	2,129,866	4,724,600	2,488,283	1,826,596
Transfers to other funds	(2,992,116)	(1,268,527)	(964,357)	(800,000)	(1,814,229)	(1,179,260)	(1,614,866)	(3,296,800)	(2,859,747)	(1,653,790)
Bonds issued			61,500,000	-	-	-	-	-	10,000,000	-
Premiums on bonds			458,083	-	-	-	-	-	221,663	-
Capital leases	105,156	332,442	-	77,000	-	-	-	210,472	-	-
Sale of capital assets	79,253	-	42,877	7,828	70,343	66,516	2,006,424	34,452	1,232,807	15,319
Total other financing sources (uses)	184,409	332,442	62,175,930	114,078	443,407	166,516	2,521,424	1,672,724	11,083,006	188,125
Special Items			(44,049,570)	-	-	-	-	-	-	-
Net change in fund balances	\$ 2,256,901	(\$ 3,798,140)	\$ 18,551,072	(\$ 4,342,347)	(\$ 4,635,035)	(\$ 2,379,545)	\$ 5,140,613	\$ 2,639,205	(\$ 895,709)	(\$ 41,164)
Debt service as a percentage of noncapital expenditures	3.7%	3.4%	3.5%	9.2%	10.2%	9.7%	8.8%	8.1%	6.4%	6.8%

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

Fiscal Year Ended June 30		Personal	Public Service	Real Estate	Less: Homestead & Veteran Exemption	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Fair Market Value
07	(1)	768,997,958	464,014,119	3,625,312,282	147,052,858	4,711,271,501	10.88	41,963,275,324
08	(1)	795,279,333	400,529,628	3,937,136,936	150,215,255	4,402,465,529	10.36	44,752,175,528
09	(1)	825,796,573	378,859,225	4,231,912,893	152,193,840	4,711,271,501	11.25	44,694,504,267
10	(1)	869,238,323	436,404,632	4,437,891,015	154,362,175	4,982,730,642	12.86	47,190,168,123
11	(1)	852,825,729	437,178,045	4,594,517,965	158,120,796	5,284,374,851	12.34	48,447,517,976
12	(1)	860,053,911	454,657,634	4,725,251,667	160,743,225	5,879,219,987	12.13	49,740,217,771
13	(1)	898,461,848	427,892,429	4,831,887,091	160,571,420	5,997,669,948	12.04	50,873,388,654
14	(1)	976,782,450	340,700,447	5,066,271,299	160,309,389	6,223,444,807	11.94	53,194,556,494
15	(1)	986,613,751	324,447,133	5,301,843,212	160,339,162	6,452,564,934	11.65	55,336,218,569
16	(1)	1,025,670,373	325,605,684	5,593,522,912	162,052,896	6,782,746,073	11.88	58,261,391,211

**Total Taxable Assessed Value**



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

Source: Assessed Valuations and Rates Oklahoma County Assessor

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

	<b>Fiscal Year</b>									
	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
<b>County Direct Rates</b>										
General Fund	10.35	10.35	10.35	10.35	10.35	10.35	10.35	10.35	10.35	10.35
Sinking Fund	1.53	1.30	1.59	1.69	1.78	1.99	2.51	0.90	0.01	0.53
<b>Total Direct Rates</b>	<b>11.88</b>	<b>11.65</b>	<b>11.94</b>	<b>12.04</b>	<b>12.13</b>	<b>12.34</b>	<b>12.86</b>	<b>11.25</b>	<b>10.36</b>	<b>10.88</b>
<b>Overlapping Rates-County Wide</b>										
County Wide 4-Mill School Levy	4.14	4.14	4.14	4.14	4.14	4.14	4.14	4.14	4.14	4.14
City-County Health Dept	2.59	2.59	2.59	2.59	2.59	2.59	2.59	2.59	2.59	2.59
Metro Library Commission	5.20	5.20	5.20	5.20	5.20	5.20	5.20	5.20	5.20	5.20
<b>Total County-Wide Overlapping Rates</b>	<b>11.93</b>	<b>11.93</b>	<b>11.93</b>	<b>11.93</b>	<b>11.93</b>	<b>11.93</b>	<b>11.93</b>	<b>11.93</b>	<b>11.93</b>	<b>11.93</b>
<b>Overlapping Rates-Cities and Towns</b>										
Bethany	4.30	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Choctaw	1.62	3.13	3.42	3.66	3.57	4.23	5.21	1.80	2.09	2.41
Del City	5.77	6.02	7.52	9.01	1.17	9.90	9.21	10.48	8.69	10.08
Edmond	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.14	0.18
Harrah	0.00	0.00	0.00	0.00	0.00	0.00	3.07	3.28	5.94	0.00
Midwest City	0.96	5.44	5.78	6.09	6.62	6.81	7.24	7.29	8.32	9.25
Nichols Hills	29.14	26.27	23.70	26.09	29.37	26.54	26.99	23.81	26.97	30.75
Nicoma Park	0.00	0.00	0.00	0.00	0.00	0.00	0.20	1.08	6.60	5.96
Oklahoma City	14.81	15.45	15.99	16.00	15.98	15.91	14.77	14.97	15.95	14.48
Spencer	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Warr Acres	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.63
<b>Overlapping Rates-School Districts</b>										
Oklahoma City 89	59.36	59.36	60.39	59.29	62.09	58.70	58.43	52.48	56.73	57.07
Putnam City 1	65.72	62.12	62.99	61.64	62.43	61.20	61.52	60.72	56.90	55.96
Luther 3	54.81	56.48	55.44	53.49	53.51	55.45	55.46	56.19	57.55	44.08
Choctaw 4	76.17	76.18	76.19	72.49	70.22	69.41	68.50	66.66	63.11	62.60
Deer Creek 6	78.78	77.31	75.84	78.68	78.09	74.52	77.67	76.08	73.05	74.19
Harrah 7	63.86	62.76	51.04	63.60	61.01	59.99	61.11	57.60	58.56	56.07
Jones 9	75.99	72.56	67.69	67.98	63.42	65.26	60.50	64.30	52.11	58.15
Edmond 12	66.34	66.30	66.25	66.47	66.28	66.96	66.66	66.23	66.35	65.86
Oakdale 29	62.10	62.78	67.41	65.24	66.41	68.42	67.22	59.52	61.52	59.96
Millwood 37	68.64	54.70	55.19	55.41	56.98	56.80	58.81	59.55	55.18	57.54
Western Heights 41	63.77	63.56	64.17	60.07	62.28	61.57	63.53	57.92	60.48	59.52
Midwest City 52	70.64	70.32	64.96	66.55	64.64	65.60	65.83	65.05	64.31	62.79
Crooked Oak 53	66.19	75.87	62.61	64.28	65.84	65.10	67.40	57.90	64.17	65.37
Crutcho 74	60.51	59.02	59.95	63.87	62.01	64.02	46.96	48.18	48.14	47.56
Bethany 88	81.32	78.68	76.97	75.57	75.49	74.68	73.22	67.58	70.24	73.77
<b>Overlapping Rates-Vo-Tech Schools</b>										
Rose State College	19.65	20.33	17.02	17.10	17.18	17.32	17.40	17.30	17.67	18.29
Okla City Comm College	5.08	5.08	5.08	5.08	5.08	5.08	5.08	5.08	5.08	5.08
Francis Tuttle Career Tech 21	15.69	15.69	15.69	15.69	15.69	15.69	15.69	15.69	15.69	15.69
Metro Tech Career Tech 22	15.45	15.45	15.45	15.45	15.45	15.45	15.45	15.45	15.45	15.45
Eastern Ok Co Area C T 23	16.06	16.11	16.15	16.15	16.16	16.20	16.09	16.24	16.30	16.41
Canadian 22 - Piedmont	73.04	68.01	75.05	77.12	74.68	73.15	73.98	74.51	75.48	70.72
Canadian 69 - Mustang	69.94	70.23	67.76	66.71	66.53	66.66	67.93	68.42	68.26	68.80
Canadian Career Tech 6	16.59	16.56	15.72	15.72	15.72	15.72	15.72	15.72	15.72	15.72
Cleveland 2 - Moore	71.89	67.02	69.69	66.53	64.96	66.54	68.16	67.41	68.49	60.82
Cleveland Career Tech 17	19.09	15.57	15.58	14.58	14.58	14.58	14.58	14.58	14.58	14.58
Pottawatomie 1 - McCloud	54.53	55.73	51.52	52.13	74.74	48.48	52.75	50.93	50.62	51.56
Pottawatomie Career Tech 5	15.47	15.47	15.47	15.47	15.47	15.47	15.47	15.47	15.47	15.47

Source: Certified Levies-Oklahoma County Clerk's office

**OKLAHOMA COUNTY, OKLAHOMA  
PRINCIPAL PROPERTY TAXPAYERS  
JUNE 30, 2016 (Unaudited)**

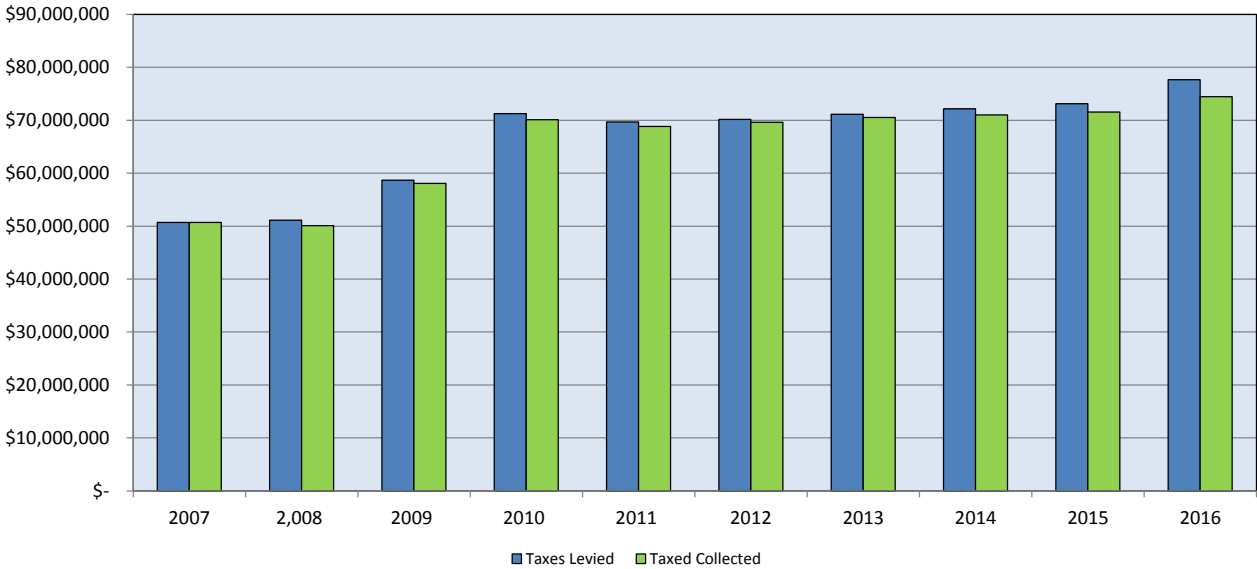
<u>Taxpayer</u>	<u>2016</u>			<u>2007</u>		
	<u>Taxable Assessed Value</u>	<u>Rank</u>	<u>Percentage of Total Taxable Assessed Value</u>	<u>Taxable Assessed Value</u>	<u>Rank</u>	<u>Percentage of Total Taxable Assessed Value</u>
Oklahoma Gas & Electric Company	\$189,247,032	1	2.67%	\$88,780,833	1	1.78%
Devon Headquarters LLC	\$73,661,073	2	1.04%			
Hobby Lobby Stores Inc.	38,434,887	3	0.54%			
Chesapeake Land Company LLC.	28,734,596	4	0.41%	10,856,071	10	0.22%
Oklahoma Natural Gas	28,222,616	5	0.40%	30,894,921	4	0.62%
Southwestern Bell Telephone Co.	23,707,408	6	0.34%	105,482,237	2	2.12%
A T & T Mobility	16,105,160	7	0.23%	25,880,355	6	0.52%
Cox Com Inc.	14,704,859	8	0.21%			
Quad Graphics Inc.	14,372,385	9	0.20%			
OU Medical Center 33608	13,245,770	10	0.19%			
Redbud Energy				58,715,002	3	1.18%
Cox Oklahoma Telecom LLC				26,274,724	5	0.53%
General Motors Corporation				13,642,044	7	0.27%
Cox Communications Ok City Inc.				12,261,467	8	0.25%
Sprint Spectrum L. P.				11,932,127	9	0.24%
	<u>\$440,435,786</u>		<u>6.22%</u>	<u>\$384,719,781</u>		<u>7.72%</u>

Source: Oklahoma County Assessor

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

Fiscal Year Ended June 30	Total Tax Levy for Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2007	50,679,386	46,489,646	91.7%	4,189,740	50,679,386	99.7%
2008	51,110,593	48,540,135	95.0%	1,557,967	50,098,103	98.0%
2009	58,682,431	56,261,016	95.9%	1,827,224	58,088,240	99.0%
2010	71,280,294	67,529,574	94.7%	2,601,540	70,131,114	98.4%
2011	69,667,491	66,347,246	95.2%	2,506,758	68,854,004	98.8%
2012	70,164,050	67,640,989	96.4%	1,976,856	69,617,845	99.2%
2013	71,137,529	68,580,470	96.4%	1,941,392	70,521,862	99.1%
2014	72,171,880	69,295,235	96.0%	1,699,634	70,994,870	98.4%
2015	73,099,520	70,140,433	96.0%	1,406,565	71,546,999	97.9%
2016	77,637,531	74,442,224	95.9%	n/a	74,442,224	95.9%

**Property Tax Levies and Collections**  
**General and Sinking Fund**

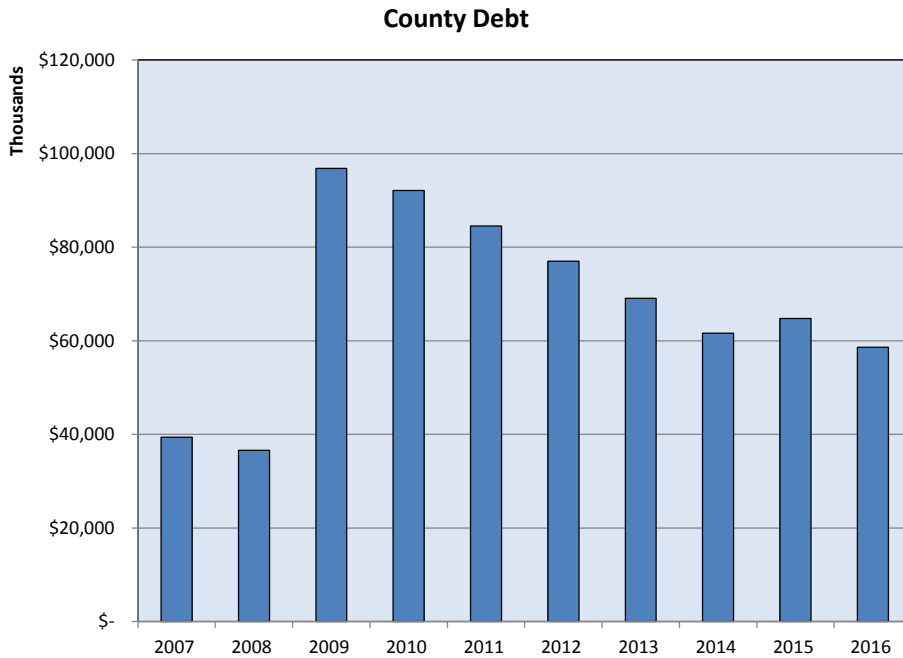


<sup>1</sup> This schedule is prepared on a cash basis and is, therefore, not necessarily comparable to GAAP-basis financial statements.



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

Fiscal Year Ended June 30	Governmental Activities		Business-Type Activities	Total Primary Government	Percentage of Personal Income <sup>1</sup>	Per Capita
	General Obligation Bonds	Capital Leases	Capital Leases			
2007	15,410,000	5,453,746	18,555,000	39,418,746	0.16%	\$58
2008	13,880,000	5,019,338	17,730,000	36,629,338	0.15%	\$54
2009	75,838,083	4,124,376	16,890,000	96,852,459	0.40%	\$146
2010	72,747,544	3,318,090	16,020,000	92,085,634	0.37%	\$136
2011	66,797,005	2,608,747	15,125,000	84,530,752	0.35%	\$129
2012	60,901,466	1,831,435	14,250,000	76,982,901	0.30%	\$110
2013	54,895,928	1,080,571	13,095,000	69,071,499	0.27%	\$99
2014	48,910,389	797,297	11,935,000	61,642,686	0.18%	\$81
2015	53,143,805	281,658	11,320,000	64,745,463	0.19%	\$86
2016	47,175,558	717,002	10,695,000	58,587,560	0.16%	\$76



Note: Details regarding the County's outstanding debt can be found in the notes to the financial statements.  
<sup>1</sup> See the Schedule of Demographic and Economic Statistics for personal income and population data.

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

<b>Fiscal Year</b>	<b>General Obligation Bonds</b>	<b>Less: Amounts Available in Debt Service Fund</b>	<b>Total</b>	<b>Percentage of Estimated Actual Taxable Value<sup>1</sup> of Property</b>	<b>Per Capita</b>
2007	15,410,000	3,690,812	11,719,188	0.22%	\$17
2008	13,880,000	1,411,133	12,468,867	0.24%	\$18
2009	75,838,083	3,703,171	72,134,912	1.28%	\$101
2010	72,747,544	7,126,015	65,621,529	1.17%	\$92
2011	66,797,005	7,579,651	59,217,354	1.05%	\$83
2012	60,901,466	7,097,555	53,803,912	0.96%	\$76
2013	54,895,928	6,538,041	48,357,887	0.80%	\$68
2014	48,910,389	5,931,192	42,979,197	0.69%	\$57
2015	53,143,805	5,877,462	47,266,343	0.73%	\$63
2016	47,175,558	6,570,345	40,605,213	0.60%	\$53

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

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

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

**OKLAHOMA COUNTY, OKLAHOMA**  
**DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT**  
**JUNE 30, 2016**  
(Unaudited)

	Debt Outstanding	Percent Applicable to Oklahoma County	Amount Applicable to Oklahoma County
<b>Oklahoma County</b>	\$47,175,558	100.00%	\$47,175,558
<b><u>Overlapping Districts</u></b>			
<b>CITIES</b>			
Bethany	8,180,000	100.00%	8,180,000
Choctaw	785,000	100.00%	785,000
Del City	2,370,000	100.00%	2,370,000
Midwest City	2,700,000	100.00%	2,700,000
Nichols Hills	27,665,000	100.00%	27,665,000
Oklahoma City	738,110,000	80.87%	596,909,557
<b>SCHOOL DISTRICTS</b>			
Oklahoma City	182,140,000	100.00%	182,140,000
Putnam City	79,915,000	100.00%	79,915,000
Luther	1,730,000	93.23%	1,612,879
Choctaw-Nicoma Park	22,040,000	100.00%	22,040,000
Deer Creek	28,605,000	91.68%	26,225,064
Harrah	6,260,000	88.83%	5,560,758
Jones	2,530,000	100.00%	2,530,000
Edmond	148,325,000	95.79%	142,080,518
Oakdale	10,020,000	100.00%	10,020,000
Millwood	3,930,000	100.00%	3,930,000
Western Heights	26,980,000	100.00%	26,980,000
Midwest City-Del City	43,775,000	97.12%	42,514,280
Crooked Oak	5,615,000	100.00%	5,615,000
Crutch	905,000	100.00%	905,000
Bethany	1,625,000	100.00%	1,625,000
Eastern Oklahoma County Votech #23	760,000	95.80%	728,080
Rose State College	21,980,000	97.66%	21,465,668
Piedmont (Canadian County)*	15,325,000	23.23%	3,559,998
Mustang (Canadian County)*	44,420,000	4.90%	2,176,580
Canadian Valley VT 6 (Canadian County)*	10,680,000	4.24%	452,832
Moore (Cleveland County)	81,900,000	8.00%	6,552,000
Moore -Norman VT 17 (Cleveland County)	60,000,000	1.23%	738,000
McCloud (Pottawatomie County)	1,835,000	17.96%	329,566
<b>Subtotal Overlapping Districts</b>	1,581,105,000	<b>77.69%</b>	1,228,305,779
<b>TOTAL</b>	<b>\$1,628,280,558</b>		<b>\$1,275,481,337</b>

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

(continued)

**OKLAHOMA COUNTY, OKLAHOMA**  
**DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT**  
**JUNE 30, 2016**  
(Unaudited)

<b>Governmental Unit</b>	<b>Debt Outstanding</b>	<b>Estimated Percentage Applicable<sup>1</sup></b>	<b>Estimated Share of Overlapping Debt</b>
Overlapping debt repaid with property taxes: County	\$1,581,105,000	77.7%	\$1,228,305,779
Oklahoma County direct debt	\$47,175,558	100.0%	<u>47,175,558</u>
Total direct and overlapping debt			<u><u>\$1,275,481,337</u></u>

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

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

The Oklahoma County direct debt consists of \$52,675,000 in outstanding bonds and \$281,658 in capital leases.

<sup>1</sup>The percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of the county's taxable assessed value that is within the government's boundaries and dividing it by the county's total taxable assessed value.

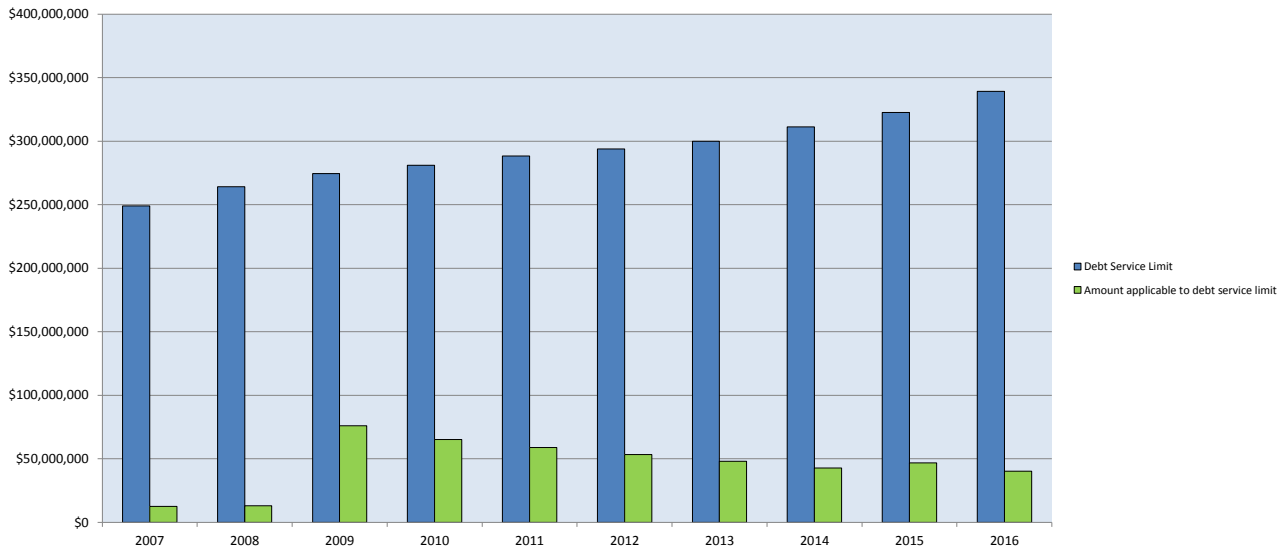
**OKLAHOMA COUNTY  
LEGAL DEBT MARGIN INFORMATION  
LAST TEN FISCAL YEARS  
(Unaudited)**

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Debt limit	\$249,136,532	\$264,218,743	\$274,552,566	\$281,035,596	\$288,354,786	\$293,873,234	\$299,883,497	\$311,172,240	322,628,247	339,137,304
Total net debt applicable to limit	<u>12,452,671</u>	<u>12,954,377</u>	<u>76,106,248</u>	<u>65,193,985</u>	<u>58,820,349</u>	<u>53,437,445</u>	<u>48,021,959</u>	<u>42,673,808</u>	<u>46,797,538</u>	<u>40,194,655</u>
Legal debt margin	<u>\$236,683,861</u>	<u>\$251,264,366</u>	<u>\$198,446,318</u>	<u>\$215,841,611</u>	<u>\$229,534,437</u>	<u>\$218,838,809</u>	<u>\$251,861,538</u>	<u>\$268,498,432</u>	<u>275,830,709</u>	<u>298,942,649</u>
Total net debt applicable to the limit as a percentage of debt limit	5.00%	4.90%	27.72%	23.20%	20.40%	18.18%	16.01%	13.71%	14.51%	11.85%

**Legal Debt Margin Calculation for Fiscal Year 2016**

Assessed value	\$6,944,798,969
Less: exempt real property	<u>(162,052,896)</u>
Total assessed value	<u>\$6,782,746,073</u>
Debt limit (5% of total assessed value)	339,137,304
Debt applicable to limit:	
General obligation bonds	46,765,000
Less: Amount available in Debt Service fund	<u>(6,570,345)</u>
Total net debt applicable to limit	<u>40,194,655</u>
Legal debt margin	<u>\$298,942,649</u>

**Legal Debt Limit**



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

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

Calendar Year	Population <sup>1</sup>	Personal Income	Personal Income <sup>2</sup>	Median Age <sup>3</sup>	Education Level in Years of Formal Schooling <sup>4,5</sup>	School Enrollment <sup>5</sup>	Unemployment Rate <sup>6</sup>
2004	679,498	\$ 22,409,844,040	\$ 32,980	34.3	83.4%	108,184	4.5%
2005	687,578	\$ 23,781,260,286	\$ 34,587	34.6	84.5%	109,256	4.4%
2006	693,567	\$ 25,190,353,440	\$ 36,320	34.2	83.5%	110,633	3.8%
2007	691,266	\$ 24,334,636,998	\$ 35,203	34.3	83.5%	104,264	4.8%
2008	701,807	\$ 27,354,331,439	\$ 38,977	34.9	83.4%	104,786	4.6%
2009	706,617	\$ 30,995,048,088	\$ 43,864	35.0	86.5%	106,880	5.8%
2010	716,704	\$ 29,478,752,224	\$ 41,131	33.8	85.3%	109,332	6.7%
2011	718,633	\$ 30,083,414,646	\$ 41,862	33.9	85.3%	111,637	5.5%
2012	732,371	\$ 31,413,589,303	\$ 42,893	34.8	85.4%	114,545	5.0%
2013	741,781	\$ 33,440,971,042	\$ 45,082	34.3	85.9%	118,030	5.4%
2014	755,245	\$ 34,047,955,090	\$ 45,082	34.3	85.9%	120,803	5.4%
2015	766,215	\$ 35,693,359,560	\$ 46,584	34.2	86.1%	120,049	4.1%
2016	776,864	\$36,515,715,456	\$47,004	33.9	86.1%	121,183	5.2%

Data Sources

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

<sup>2</sup>U. S. Census Bureau

<sup>3</sup>U. S. Census Bureau

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

<sup>5</sup>Data provided by State Department of Education.

<sup>6</sup>Bureau of Labor Statistics.

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

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

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

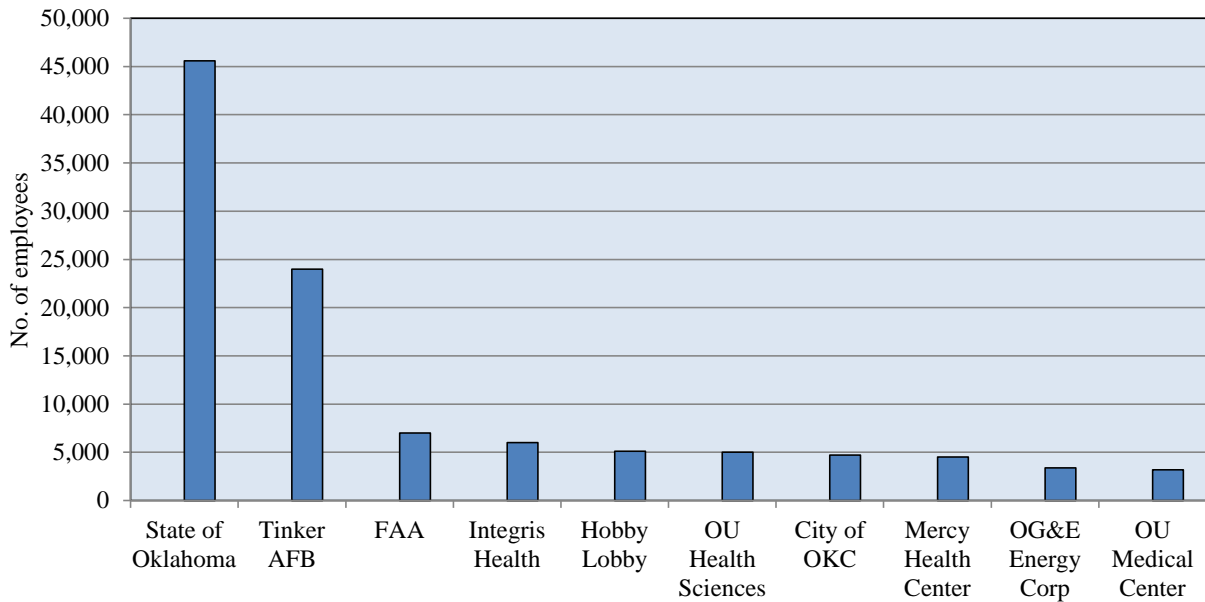
**OKLAHOMA COUNTY  
PRINCIPAL EMPLOYERS  
CURRENT YEAR AND TEN YEARS AGO  
(Unaudited)**

<u>Employer</u>	<u>2016</u>			<u>2007</u>		
	<u>Employees</u>	<u>Rank</u>	<u>% of Total County Employment<sup>1</sup></u>	<u>Employees</u>	<u>Rank</u>	<u>% of Total County Employment<sup>2</sup></u>
State of Oklahoma	45,600	1	6.09%			
Tinker AFB	24,000	2	3.21%	23,000	1	5.48%
FAA	7,000	3	0.94%	3,000	7	0.71%
Integrus Health	6,000	4	0.80%	5,600	2	1.33%
Hobby Lobby	5,100	5	0.68%			
OU Health Sciences	5,000	6	0.67%			
City of OKC	4,700	7	0.63%	5,000	3	1.19%
Mercy Health Center	4,500	8	0.60%			
OG&E Energy Corp	3,400	9	0.45%	2,800	9	0.67%
OU Medical Center	3,200	10	0.43%	3,300	6	0.79%
Okc School Dist				4,800	4	1.14%
Hertz Corp				3,400	5	0.81%
AT&T				2,900	8	0.69%
SSM Healthcare				2,750	10	0.65%

<sup>1</sup>(748,355) per State Department of Commerce

<sup>2</sup>(420,003) per State Department of Commerce

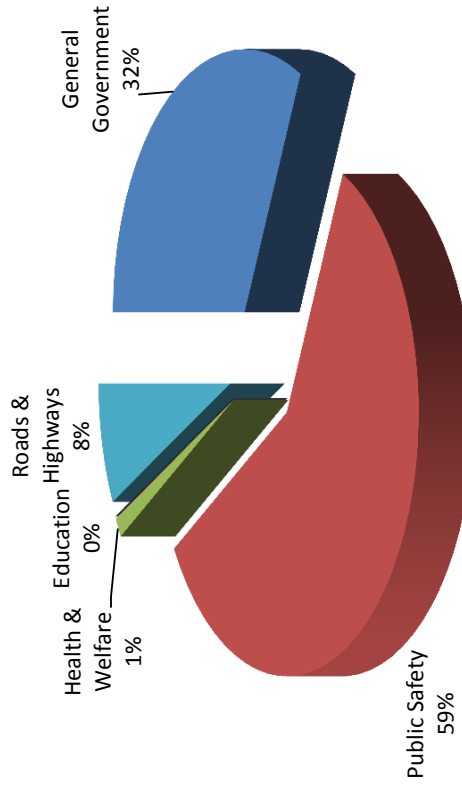
**Principal Employer  
2016**



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

<b>Function</b>	<b>As of June 30,</b>									
	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>
General Government	546	556	539	508	502	508	489	415	473	418
Public Safety	982	1,015	1,020	962	975	1,006	960	904	882	776
Health & Welfare	80	55	22	23	24	23	23	24	23	16
Education	1	1	1	1	1	1	1	1	0	0
Roads & Highways	125	113	121	118	106	111	106	103	99	97
<b>Total</b>	<b>1,734</b>	<b>1,740</b>	<b>1,703</b>	<b>1,612</b>	<b>1,608</b>	<b>1,649</b>	<b>1,579</b>	<b>1,447</b>	<b>1,477</b>	<b>1,307</b>

**Full-time Equivalent County Employees by Function**  
**FY 2015-2016**



Source: Oklahoma County Clerk Payroll Department



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

<b>Function</b>	<b>06/07</b>	<b>07/08</b>	<b>08/09</b>	<b>09/10</b>	<b>10/11</b>	<b>11/12</b>	<b>12/13</b>	<b>13/14</b>	<b>14/15</b>	<b>15/16</b>
<b>Public Safety</b>										
<b>Sheriff</b>										
Inmates Booked/Released	85,831	89,349	76,337	75,509	82,026	72,143	82,887	84,467	80,661	101,943
Dispatch - Total calls for all agencies	66,121	63,856	82,317	80,615	271,607	335,832	82,055	84,493	65,694	81,291
Civil process served	11,598	11,509	10,568	11,963	11,476	10,387	10,754	11,734	12,139	13,036
Patrol - Calls for service	18,898	20,789	37,890	31,624	8,504	9,592	5,628	7,575	42,352	42,987
Patrol - Miles	1,046,647	935,191	886,983	915,152	859,510	1,044,838	793,776	918,261	933,540	784,093
Warrants/Records Cleared	17,785	17,693	20,118	18,149	30,138	37,649	42,163	44,180	52,941	48,082
<b>Juvenile Bureau</b>										
Clients referred to probation	500	546	301	395	384	361	304	349	289	301
Juveniles referred to intake	1,698	1,616	1,577	1,800	2,632	1,882	1,050	1,185	986	802
Probations closed successfully	358	284	123	200	220	129	129	57	26	198
Admissions to Detention	1,731	1,760	1,189	1,600	1,525	990	1,184	1,111	815	1,160
Average daily population	82	74	68	68	63	66	69	49	53	57
<b>Conditional Bond</b>										
Clients interviewed	1,098	2,954	3,129	2,998	2,742	2,896	4,055	3,736	2,938	3,237
Clients released	303	599	497	466	415	403	562	560	330	461
<b>OR Bond</b>										
Clients interviewed	7,067	8,858	8,598	8,778	8,530	10,911	12,399	11,657	9,567	10,052
Clients released	1,391	1,086	1,380	1,188	956	853	819	1,029	801	790
<b>Community Service</b>										
New cases worked	3,558	2,924	6,558	2,335	2,484	2,606	2,600	2,573	2,337	1,768
<b>Health &amp; Welfare</b>										
<b>Social Services</b>										
Prescriptions filled	12,008	11,009	16,608	16,608	16,714	18,914	20,732	17,531	16,262	10,817
Burial/Cremations provided	192	168	163	121	132	133	197	192	136	104
<b>Culture &amp; Recreation</b>										
<b>Free Fair</b>										
County Fair & Livestock Show	10,000	14,000	14,000	13,000	14,000	13,500	11,000	11,000	12,000	12,000
<b>Education</b>										
<b>OSU Extension</b>										
Master Gardener Contacts	60,000	50,000	55,000	67,000	75,000	83,000	82,000	82,000	84,000	6,000
Horticulture Contacts	2,500	5,000	5,000	5,000	5,500	6,800	4,432	4,432	9,720	10,000
Family & Consumer Sciences Contacts	3,000	3,000	3,500	4,200	4,500	5,300	3,200	3,200	11,422	14,000
4H Contacts	20,000	21,000	21,000	22,000	22,000	23,000	31,800	31,800	19,438	20,000
Soil Samples & other tests	1,350	1,500	1,500	1,699	1,800	1,950	1,684	1,684	1,521	2,000
<b>Road &amp; Highway</b>										
Dist. 1										
Number of road miles constructed or rehabilitat	24	14	14	15	15	16	8	8	3	5
Number of bridges replaced or rehabilitated	3	5	4	4	5	4	3	4	-	2
Dist. 2										
Number of road miles constructed or rehabilitat	20	23	6	20	23	16	15	-	2	5
Number of bridges replaced or rehabilitated	5	6	0	0	0	3	4	5	5	5
Dist. 3										
Number of road miles constructed or rehabilitat	17	13	9	11	11	15	4	3	0.5	5
Number of bridges replaced or rehabilitated	1	0	2	1	1	2	2	2	2	1

Source: Oklahoma County Individual Departments

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

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

	06/07	07/08	08/09	09/10	10/11	11/12	12/13	13/14	14/15	15/16
<b>Public Safety</b>										
Sheriff										
Jail	1	1	1	1	1	1	1	1	1	1
Training Center	1	1	1	1	1	1	1	1	1	1
Sub-Station	1	1	1	1	1	1	1	1	1	1
Fleet-Patrol Units	223	263	172	180	187	216	217	232	240	196
Emergency Management Vehicles	42	50	43	39	37	36	36	36	38	40
Juvenile Bureau Vehicles	16	12	17	18	20	18	19	17	17	18
<b>Health &amp; Welfare</b>										
Social Services Vehicles	4	2	2	1	2	2	2	2	2	2
<b>Road &amp; Highway</b>										
Heavy Equipment	214	229	227	214	205	198	202	194	191	192
Other vehicles	75	81	78	86	89	124	115	113	113	118
County shops	3	3	3	3	3	3	3	3	3	3
Road miles (based on calendar year)	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
	591	594	596	596	596	598	549	549	549	549

Source: Oklahoma County Oracle Inventory Program