



**Comprehensive  
Annual Financial Report  
For the Fiscal Year Ended  
December 31, 2015**

**The City of  
Guymon, Oklahoma**



**Comprehensive  
Annual Financial Report**

**For the Fiscal Year Ended December 31, 2015**

# CITY OF GUYMON, OKLAHOMA

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# **Introductory Section**

KIM PETERSON, Mayor  
LARRY SWAGER, Vice Mayor  
KIMBERLY MEEK, City Manager



WILLIAM KING, Council Member  
CHET KRONE, Council Member  
SERGIO ALVIDREZ, Council Member

July 30, 2016

To the Honorable Mayor Kim Peterson, Members of the City Council and Citizens:

We are pleased to submit the Comprehensive Annual Financial Report (CAFR) of the City of Guymon for the fiscal year ended December 31, 2015. We believe the information, as presented, is accurate in all material aspects and that all disclosures necessary to enable the reader to gain an adequate understanding of the City's financial affairs have been included. The Management's Discussion and Analysis provides additional narrative and detailed analysis of the City's financial affairs. The City's MD&A can be found immediately following the independent auditor's report. It is the responsibility of the management of the City to prepare the CAFR.

Responsibility for the accuracy, completeness and fairness of the presentation, including all disclosures, rests with management. Management is responsible for establishing and maintaining an internal control structure to ensure that the assets of the City are protected from loss, theft or misuse and that adequate accounting data is compiled for preparation of financial statements in conformity with generally accepted accounting principles. The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. We believe the information, as presented, is accurate in all material aspects and that all disclosures necessary to enable the reader to gain an adequate understanding of the City's financial activities have been included.

The City of Guymon provides many municipal services including public safety, streets, parks, general administration, and public utilities. For financial reporting purposes, all funds, agencies, boards, commissions, trusts and authorities involved in providing these services are included. Those included in this financial report are the Guymon Utilities Authority, the Guymon Industrial Authority, and the Guymon Airport Authority as well as all funds of the City.

### **Governmental Structure**

The City operates as a statutory council-manager form of government. The legislative authority of the City is vested in a five member elected council, consisting of one council member from each of four wards and one council member elected at-large. The mayor is elected from among the council members. The City Council also serves as trustees of the Guymon Utilities Authority, the Guymon Industrial Authority, and the Guymon Airport Authority. The Mayor and Council appoint the City Treasurer and a City Manager, who is the chief executive officer of the City. Responsibility for the day-to-day operations of the City rests with the City Manager.

CITY HALL . 219 NW FOURTH STREET . GUYMON, OKLAHOMA 73942  
580/338-3396 . FAX 580/338-6889 . TDD/TTY #1-800-722-0353

[www.guymonok.org](http://www.guymonok.org)

\*City of Guymon is an equal opportunity employer.\*  
To file a complaint of discrimination write USDA, Director, Office of Civil Rights, Room 326-W, Whitten Building, 14th and Independence Avenue, SW, Washington, DC 20250-9410 or call (202) 720-5964 (voice or TDD)

## **Economic Condition and Outlook**

Guymon, originally incorporated in 1905, is situated in the heart of the Oklahoma Panhandle among productive oil and gas fields and rich agricultural land. Guymon is home to one of the largest pork exporters in the United States, Seaboard Foods, which processes over 6 million hogs per year. Over \$5.8 billion dollars in cattle are produced in the region each year. Texas County consistently ranks in the top ten highest ranking gross agriculture producing counties in the United States and ranks first in the state. The estimated population of Guymon is 14,000 based on residential meters and the state's average household multiplier.

The City has also been working with developers that will put Guymon in the center of the renewable energy economy. In March of 2010 we started working with Clean Line Energy, a Houston-based private company that will be investing \$2.5 billion in an eight-hundred mile wind energy transmission line from Texas County to the Tennessee Valley Authority in Tennessee. They will invest approximately \$1.7 billion in Oklahoma. Their plans will start with spending approximately \$250 million in Texas County to build an AC to DC converter station. Thousands of construction jobs will be created to build the converter stations and the transmission line. Installation of this transmission line will open up the doors for 3500 MW of wind energy to build out across the region, creating over 700 permanent, high quality, technician jobs to service these turbines. The three counties in the Oklahoma Panhandle have approximately 10,000 MW of untapped clean energy potential. Since May, multiple teams have been conducting field surveys to gather information along the right-of-way for the transmission line. This work focuses on the identification of aquatic, biological, and cultural resources. Multiple contractors and subcontractors are working across the project area in Oklahoma, Arkansas and Tennessee to support this effort. Land agents for Plains & Eastern have contacted landowners to obtain survey permission, provide notification of survey activities, and answer questions. Clean Line is only surveying parcels where voluntary, written survey consent was granted. Over the next several months, representatives of Plains & Eastern will be contacting landowners in order to negotiate easement agreements on the right-of-way for the transmission line. They are working with multiple contractors, including companies based in Oklahoma and Arkansas, to support the one-on-one conversations with landowners. Clean Line is committed to ensuring that all of their interactions with landowners are respectful, productive, and follow their code of conduct. Clean Line has designed a market-leading compensation package for easements that includes the option of annual payments for landowners that grant easements. Based on their current schedule, they expect construction activities to begin in late 2017, with a target in-service date for the project of mid-2020. Clean Line is looking forward to contributing taxes and other payments to the local communities where the transmission line is located. They are especially proud that millions of dollars annually will go towards supporting education.

Seaboard Foods has invested over \$107 Million back into their operations, including additional finishing barns, feed mill improvements and a new feed mill, pork processing plant expansions, High Plains Bioenergy plant modifications and investments in compressed natural gas. These investments will help increase production and make the process more efficient.

Oklahoma communities have to rely on sales tax and utility revenues for operations. In 2011 Land Run Commercial Real Estate purchased and renovated the former Homeland Shopping Center and has invested over \$1.5 million to renovate the facility. This brought in six new retailers, new jobs and new sales tax revenue for the citizens of Guymon. It also included a new, larger Dollar General.

That same developer has returned to Guymon and completed phase one in late 2015, on a new development north of Wal-Mart with the intent of creating 50,000 square feet of retail space. Guymon continues to focus on quality of life projects such as placement of a double helix slide at the swimming pool, that will attract sales tax revenue, keep people shopping at home and strengthen our economic base.

The use of a two-cent increase in sales tax passed by voters in October of 2007 and will continue to be dedicated for capital assets and improvements. Five million dollars in tax exempt bonds were issued to complete a 24 inch sewer main and to repair and replace deteriorating infrastructure.

The City was awarded a \$400,000 Sidewalk Enhancement and Beautification grant from the Department of Transportation that was matched by a \$129,000 grant from the local Nash Foundation. The process of renovating and beautifying our Main Street corridor starting at the corner of Highway 54 and Main Street attracting visitors into the downtown district was completed in 2015.

Housing continues to be an issue that hinders our growth. In response to the housing situation, the City Council established a Housing Authority through which housing incentives can be offered. These incentives, coupled with support from OHFA, have helped us make huge progress. We saw the completion of a 31 unit subdivision by the end of June 2015. In addition, MRE Capital completed their project to renovate the historical Dale hotel and erect an additional building creating 48 units of living space in downtown Guymon in December 2015 and are now on the Historical Register.

The City contracted with Gray Planning Services for the development of a Comprehensive Plan to provide for guidance in future land use, for planning both infrastructure rehabilitation and growth, for implementation of beautification and for providing Quality of Life Amenities most desired by residents. The plan was completed in December 2015.

### **Awards**

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Guymon for its Comprehensive Annual Financial Report (CAFR) for the year ended December 31, 2014. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government financial reports.

In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized Comprehensive Annual Financial Report, the contents of which conform to program standards. The CAFR 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 our current report continues to conform to the Certificate of Achievement program requirements, and we are submitting it to GFOA.

### **Acknowledgment**

We would like to thank our consultants, Crawford & Associates, P.C., for their professional guidance and our auditors, Finley and Cook for their assistance in this process.

Finally, to the Guymon City Council we extend heartfelt thanks for their support. It is their commitment to financial reporting excellence that allows the citizens of Guymon to be fully informed about their municipal government finances. We are proud to convey the Council's commitment to our citizens and to all readers of this CAFR.

Respectfully submitted,



Lavoana Martinez  
City Clerk



Government Finance Officers Association

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

Presented to

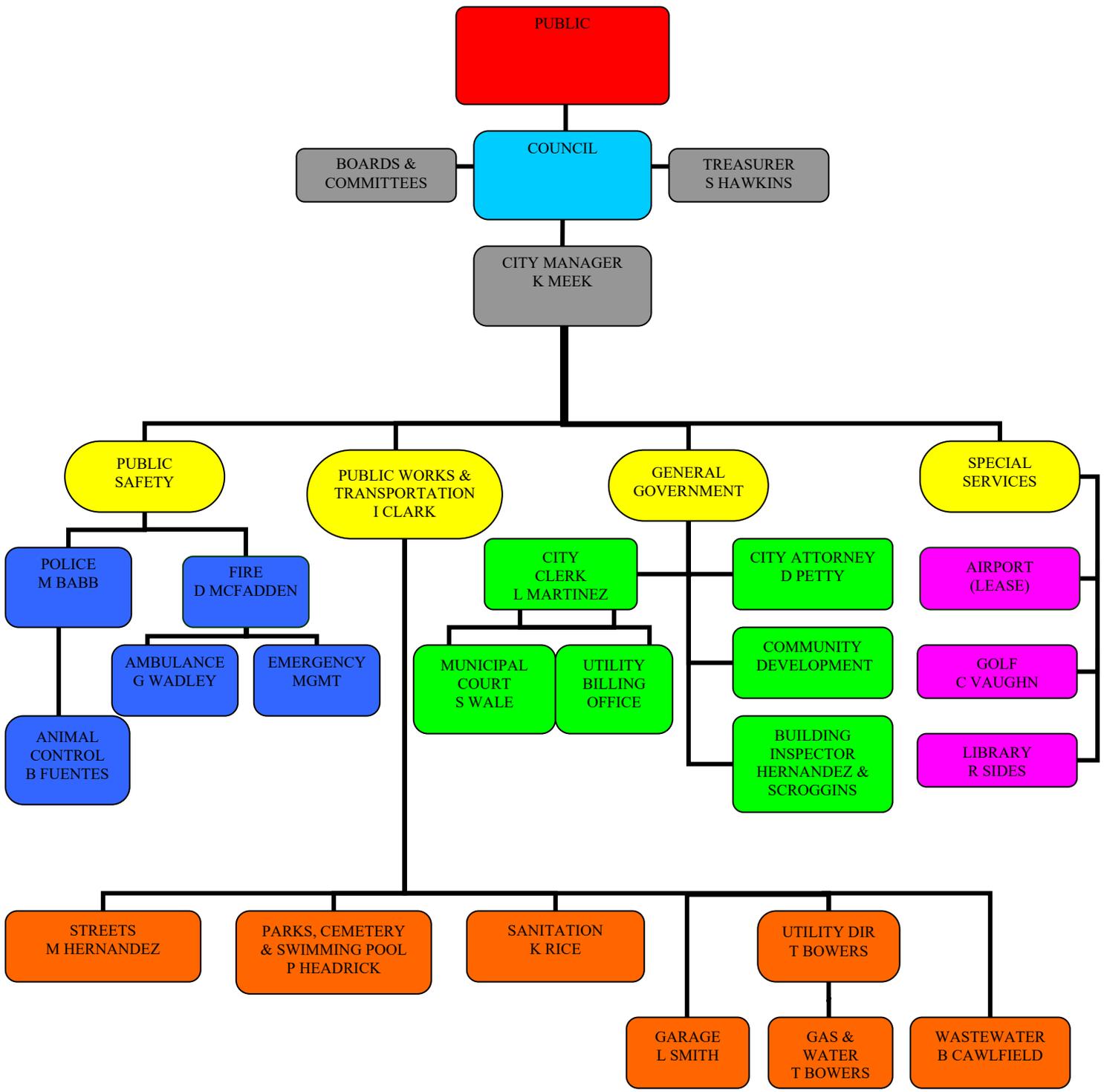
**City of Guymon  
Oklahoma**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**December 31, 2014**

Executive Director/CEO

# CITY OF GUYMON, OKLAHOMA ORGANIZATIONAL CHART



**CITY OF GUYMON**  
**LIST OF PRINCIPAL OFFICIALS**

**City Council**

Kim Peterson	Mayor
Larry Swager	Vice-Mayor
William King	Member
Sergio Alvidrez	Member
Chet Krone	Member

**City Manager/Finance Director**

Kimberly Meek

**City Treasurer**

Sally Hawkins

**City Clerk**

Lavoana Martinez



## **Financial Section**



## **INDEPENDENT AUDITORS' REPORT**

To the Users of the City of Guymon, Oklahoma,  
Annual Financial Report

### **Report on the Financial Statements**

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Guymon, Oklahoma (the "City"), as of and for the year ended December 31, 2015, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

### **Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States; 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.

### **Auditors' Responsibility**

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States 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 auditors' 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 auditors consider 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.

(Continued)

## **INDEPENDENT AUDITORS' REPORT, CONTINUED**

### **Opinions**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City as of December 31, 2015, 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.

### **Other Matters**

#### *Required Supplementary Information*

Accounting principles generally accepted in the United States require that the management's discussion and analysis, the schedule of proportionate share of net pension liability (asset)—Oklahoma Police Pension and Retirement System, schedule of City contributions—Oklahoma Police Pension and Retirement System, schedule of proportionate share of net pension liability—Oklahoma Firefighters Pension and Retirement System, schedule of City contributions—Oklahoma Firefighters Pension and Retirement System, schedule of changes in net pension liability and related ratios—Oklahoma Municipal Retirement Fund, schedule of employer contributions—Oklahoma Municipal Retirement Fund, and budgetary comparison information on pages 5–12 and pages 64–71, respectively, 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 have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States, 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 the City's basic financial statements. The introductory section, other supplementary information, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

(Continued)

**INDEPENDENT AUDITORS' REPORT, CONTINUED**

*Other Information, Continued*

The combining statements of non-major governmental funds, combining schedules—general fund accounts, schedule of departmental operating revenues and expenses enterprise fund—operating accounts, and the schedule of revenues, expenditures and changes in fund balance—budget and actual—non-major governmental funds and major governmental capital project funds 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. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements taken 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 July 27, 2016, on our consideration of the City'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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

Handwritten signature in black ink that reads "Finley + Cook, PLLC". The signature is written in a cursive, flowing style.

Shawnee, Oklahoma  
July 27, 2016



## MANAGEMENT'S DISCUSSION AND ANALYSIS

Our discussion and analysis of the City of Guymon's financial performance provides an overview of the City's financial activities for the year ended December 31, 2015. Please read it in conjunction with the City's financial statements.

### FINANCIAL HIGHLIGHTS

- ◆ Net position of the City is \$37.6 million which remained about the same as the prior year.
- ◆ At the year ended December 31, 2015, the City's governmental funds reported a combined ending fund balance of \$6.7 million.
- ◆ At the year ended December 31, 2015, unassigned fund balance for the General Fund was \$0.
- ◆ New debt of \$5.2 million was issued for water and wastewater projects
- ◆ Notable capital asset additions placed in service this year include:
  - ◆ City hall project \$2.2 million
  - ◆ Northeast Storage & Pump Station \$1.1 million
  - ◆ Pool bathhouse \$0.6 million
  - ◆ Airport runway rehabilitation \$0.3 million

### USING THIS REPORT

This report consists of a series of financial statements. The Statement of Net Position and the Statement of Activities provide information about the activities of the City as a whole and present a longer-term view of the City's finances. For governmental activities and business-type activities, these statements tell how these services were financed in the short term as well as what remains for future spending. Fund financial statements also report the City's operations in more detail than the government-wide statements by providing information about the City's most significant funds.

#### Reporting the City as a Whole

##### The Statement of Net Position and the Statement of Activities

One of the most important questions asked about the City's finances is, "Is the City as a whole better off or worse off financially as a result of the period's activities?" The Statement of Net Position and the Statement of Activities report information about the City as a whole and about its activities in a way that helps answer this question. These statements include *all* assets, deferred outflows, liabilities and deferred outflows using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. All of the current period's revenues and expenses are taken into account regardless of when cash is received or paid. These two statements report the City's net position and changes to it. You can think of the City's net position—the difference between assets, deferred outflows, liabilities and deferred inflows—as one way to measure the City's financial health, or financial position. Over time, increases or decreases in the City's net position is one

indicator of whether its financial health is improving or deteriorating. You will need to consider other non-financial factors, however, such as changes in the City's sales tax base and the condition of the City's roads, to assess the overall health of the City.

In the Statement of Net Position and the Statement of Activities, we divide the City into two kinds of activities:

- ◆ Governmental activities—Most of the City's basic services are reported here, including the police, fire, general administration, streets, parks, and ambulance. Sales taxes, franchise fees, fines, and state and federal grants finance most of these activities.
- ◆ Business-type activities—The City charges a fee to customers to help it cover all or most of the cost of certain services it provides. The City's water, sewer, sanitation, and natural gas systems are reported here.

## **Reporting the City's Most Significant Funds**

### **Fund Financial Statements**

The fund financial statements provide detailed information about the most significant funds—not the City as a whole. Some funds are required to be established by State law and by bond covenants. However, the City Council establishes many other funds to help it control and manage money for particular purposes (like the Guymon Development Fund) or to show that it is meeting legal responsibilities for using certain taxes, grants, and other money (like grants received from the Oklahoma Department of Commerce). The City's two fund categories—governmental and proprietary—use different accounting approaches.

- ◆ Governmental funds—Most of the City's basic services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at period-end that are available for spending. These funds are reported using an accounting method called modified accrual accounting and a current financial resources measurement focus, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the City's general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the City's programs. We illustrate the relationship (or differences) between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds with a reconciliation at the bottom of the fund financial statements.
- ◆ Proprietary funds—When the City charges customers for the services it provides, these services are generally reported in proprietary funds. Proprietary funds are reported in the same way that all activities are reported in the Statement of Net Position and the Statement of Activities. In fact, the City's enterprise fund is the same as the business-type activities we report in the government-wide statements but provide more detail and additional information, such as cash flows.

# THE CITY AS A WHOLE

## Net Position

As shown on Table 1, the City's *combined* net positions were \$37.6 million. Explanations of increases and decreases in excess of 20% and \$200,000 are as follows:

**Table 1**  
**Net Position**  
**December 31, 2015**  
**(In Thousands)**

	Governmental Activities		% Inc. (Dec.)	Business-type Activities		% Inc. (Dec.)	Total Primary Government		% Inc. (Dec.)
	2015	2014		2015	2014		2015	2014	
Current and other assets	\$ 4,737	\$ 6,517	-27%	\$ 7,789	\$ 6,612	18%	\$ 12,526	\$ 13,129	-5%
Capital assets	28,491	25,862	10%	32,572	32,346	1%	61,063	58,208	5%
Total assets	33,228	32,379	3%	40,361	38,958	4%	73,589	71,337	3%
Deferred outflows of resources:									
Deferred amount of pension	1,052	279	277%	174	60	190%	1,226	339	262%
Long-term debt outstanding	12,088	12,528	-4%	19,614	16,093	22%	31,702	28,621	11%
Other liabilities	1,845	1,543	20%	2,617	2,628	0%	4,462	4,171	7%
Total liabilities	13,933	14,071	-1%	22,231	18,721	19%	36,164	32,792	10%
Deferred inflows of resources:									
Deferred amount of pension	906	1,088	-17%	128	160	-20%	1,034	1,248	-17%
Net position:									
Net investment in									
capital assets	19,445	15,962	22%	15,281	14,717	4%	34,726	30,679	13%
Restricted	2,266	2,846	-20%	-	-	0%	2,266	2,846	-20%
Unrestricted	(2,270)	(1,311)	-73%	2,895	5,419	-47%	625	4,108	-85%
Total net position	\$ 19,441	\$ 17,497	11%	\$ 18,176	\$ 20,136	-10%	\$ 37,617	\$ 37,633	0%

### Governmental Activities:

Current and other assets – 27% decrease of \$1.8 million related primarily to capital outlay paid from current resources.

Deferred outflows of resources – 277% increase of \$773,000 related primarily to a shortfall in actual investment earnings versus projected investment earnings in all three defined benefit retirement plans of about \$603,000.

Net investment in capital assets – 22% increase of \$3.5 million related primarily to new city hall project additions of \$2.2 million, pool bathhouse renovation project additions of \$556,000, and Main Street Beautification project additions of \$733,000.

Restricted net position – 27% decrease of \$780,000 million related primarily to spending down restricted sales tax for capital items.

Unrestricted net position – 73% decrease of \$959,000 due mainly to capital items paid from General Fund and Pool Fund of \$1.2 million.

## Business-Type Activities:

Long-term debt – 22% increase of \$3.5 million resulting from the net effect of the issuance of new debt of \$5.5 million and normal principal payments of \$1.7 million.

Unrestricted net position – 47% decrease of \$2.5 million related primarily to unrestricted expenses exceeding unrestricted revenues of \$2.0 million.

## Changes in Net Position:

Overall, the City’s total “Net Position” remained about the same. However, explanations are given for individual items in excess of 20% change and in excess of \$200,000 change as follows:

**Table 2**  
**Changes in Net Position**  
**For the Year Ended December 31, 2015**  
**(In Thousands)**

	Governmental Activities		% Inc. (Dec.)	Business-Type Activities		% Inc. (Dec.)	Total Primary Government		% Inc. (Dec.)
	2015	2014		2015	2014		2015	2014	
Revenues:									
Program revenues:									
Charges for services	\$ 1,216	\$ 1,297	-6%	\$ 10,267	\$ 11,749	-13%	\$ 11,483	\$ 13,046	-12%
Operating grants	911	775	18%	-	-	-	911	775	18%
Capital grants	892	109	718%	47	-	-100%	939	109	761%
General revenues:									
Sales and use taxes	7,240	6,944	4%	-	-	-	7,240	6,944	4%
Other taxes	1,310	1,311	0%	-	-	-	1,310	1,311	0%
Other general revenue	391	386	1%	8	11	-27%	399	397	0%
Total revenues	11,960	10,822	11%	10,322	11,760	-12%	22,282	22,582	-1%
Program expenses:									
General government	1,303	1,115	17%	-	-	-	1,303	1,115	17%
Public safety and judiciary	5,359	5,277	2%	-	-	-	5,359	5,277	2%
Transportation	1,965	2,123	-7%	-	-	-	1,965	2,123	-7%
Cultural, parks and recreation	2,377	2,180	9%	-	-	-	2,377	2,180	9%
Community/economic development	1,084	1,023	6%	-	-	-	1,084	1,023	6%
Interest	207	223	-7%	-	-	-	207	223	-7%
Gas	-	-	-	2,996	3,451	-13%	2,996	3,451	-13%
Garage	-	-	-	75	76	-1%	75	76	-1%
Water	-	-	-	1,908	1,757	9%	1,908	1,757	9%
Sewer	-	-	-	3,463	3,257	6%	3,463	3,257	6%
Sanitation	-	-	-	1,553	1,487	4%	1,553	1,487	4%
Farm	-	-	-	8	39	100%	8	39	100%
Total expenses	12,295	11,941	3%	10,003	10,067	-1%	22,298	22,008	1%
Excess (deficiency) before transfers	(335)	(1,119)	-70%	319	1,693	-81%	(16)	574	-103%
Transfers	2,279	992	130%	(2,279)	(992)	-130%	-	-	-
<b>Increase (decrease) in net position</b>	1,944	(127)	-1635%	(1,960)	701	-380%	(16)	574	-103%
Beginning net position	17,497	17,624	-1%	20,136	19,435	4%	37,633	37,059	2%
Ending net position	19,441	17,497	11%	18,176	20,136	-10%	37,617	37,633	0%

## Governmental Activities

Capital grants – 718% increase of approximately \$783,000 related to receipt of \$200,000 OWRB Drought Relief grant used for a pump station, \$300,000 FAA grant used for runway 18-36 rehabilitation, and \$404,000 Greenway Project grant used for industrial road construction.

Transfers – 130% increase of approximately \$1.3 million mainly due to \$688,000 start-up funding for the Housing Authority and increased transfer from GUA for capital projects of \$800,000.

To aid in the understanding of the Statement of Activities some additional explanation is given. Of particular interest is the format that is significantly different than a typical Statement of Revenues, Expenses, and Changes in Fund Balance. You will notice that expenses are listed in the first column with revenues from that particular program reported to the right. The result is a Net (Expense)/Revenue. The reason for this kind of format is to highlight the relative financial burden of each of the functions on the City’s taxpayers. It also identifies how much each function draws from the general revenues or if it is self-financing through fees and grants. Table 3 presents the cost of each of the City’s seven largest programs—police, economic development, fire, street, golf, general government, and community development—as well as each program’s net cost (total cost less revenues generated by the activities). The net cost shows the financial burden that was placed on the City’s taxpayers by each of these functions.

The City’s governmental activities had an increase in net position of approximately \$1.9 million.

Table 3  
Governmental Activities  
For the Year Ended December 31, 2015  
(In Thousands)

	Total Cost of Services		%	Net Revenue (Expense) of Services		%
	2015	2014		2015	2014	
Police Dept.	\$ 2,133	\$ 2,289	-7%	\$ (1,636)	\$ (1,610)	-2%
Economic Development	366	339	8%	(366)	(306)	-20%
Fire Dept.	2,582	2,332	11%	(2,268)	(2,075)	-9%
Street Dept.	1,184	1,265	-6%	(1,071)	(1,151)	7%
Golf Dept.	705	639	10%	(363)	(314)	-16%
General Government Dept.	647	612	6%	(394)	(576)	32%
Community Development	534	682	-22%	(17)	(584)	97%
All others	4,144	3,783	10%	(3,162)	(3,144)	-1%
Totals	<u>\$ 12,295</u>	<u>\$ 11,941</u>	3%	<u>\$ (9,277)</u>	<u>\$ (9,760)</u>	5%

Community Development Net Revenue – 97% increase of \$567,000 related to capital grant for Greenway Project of \$404,000. Explanations for other significant changes in Table 3 are noted after Table 2.

## Business-type Activities

Overall, total cost of services for the city’s business-type activities decreased by approximately \$1.9 million. Explanations for significant changes for Total Cost of Services or Net Revenue (Expense) of Services that exceeded 20% and \$200,000 as shown in Table 4:

Gas Net Revenue – 34% decrease of \$732,000 related primarily to decreased revenue of \$1.2 million.

Water Net Revenue – 25% decrease of \$342,000 related primarily to decreased revenue of \$234,000.

Table 4  
Business-Type Activities  
For the Year Ended December 31, 2015  
(In Thousands)

	Total Cost of Services		%	Net Revenue (Expense) of Services		%
	2015	2014		2015	2014	
Gas	\$ 2,996	\$ 3,451	-13%	\$ 1,405	\$ 2,137	-34%
Garage	75	76	-1%	(75)	(76)	1%
Water	1,908	1,757	9%	1,031	1,373	-25%
Sewer	3,463	3,257	6%	(2,176)	(1,943)	-12%
Sanitation	1,553	1,487	4%	24	47	-49%
Farm	8	39	-	102	143	-29%
Totals	<u>\$ 10,003</u>	<u>\$ 10,067</u>	-1%	<u>\$ 311</u>	<u>\$ 1,681</u>	-81%

## THE CITY’S FUNDS

The City’s total governmental fund balance decreased by \$2,175,667. The only fund that reported an increase was the new Guymon Housing Authority Fund which was set up with \$688,000 of transfers from other funds. Most other governmental funds report decreases in fund balances mainly related to capital outlay projects—including the General Fund which reported a decrease in fund balance of about \$1 million.

## GENERAL FUND BUDGETARY HIGHLIGHTS

For the year ended December 31, 2015, the General Fund reported actual budgetary basis revenues below final estimates by approximately \$472,000 for a 7.3% negative variance. This variance is primarily due to use taxes being \$277,000 less than budgeted which is a 33% negative variance. Additionally, proceeds from the sale of capital assets was \$180,000 less than budgeted. General Fund total expenditures were under final estimates by \$1.2 million for a 10.2% positive variance. Departments reporting the greatest positive variances were: Housing Authority - \$788,000; Transportation Operations - \$76,000 (personal services-wages, overtime, and benefits; fuel, and equipment maintenance); Planning department - \$55,000 (personal services-wages, worker’s comp, and retirement); and Cemetery - \$40,000 thousand (personal services-wages and overtime, chemicals, fuel, and grounds maintenance).

## CAPITAL ASSET AND DEBT ADMINISTRATION

### Capital Assets

At the end of December 31, 2015, the City had \$106.3 million invested in capital assets including police and fire equipment, buildings, park facilities, roads, and water, sewer, and gas lines (See Table 5). Further detailed information can be found in the notes to the financial statements (Notes 1.D. and 3.D.).

**Table 5**  
**Capital Assets**  
**December 31, 2015**  
**(In Thousands)**

	Governmental Activities		Business-Type Activities		Totals	
	2015	2014	2015	2014	2015	2014
Land	\$ 290	\$ 290	\$ 2,245	\$ 2,245	\$ 2,535	\$ 2,535
Buildings	15,428	15,374	980	980	16,408	16,354
Improvements	12,530	12,314	3,533	1,970	16,063	14,284
Equipment	9,851	9,290	4,276	3,939	14,127	13,229
Infrastructure	7,273	6,639	-	-	7,273	6,639
Utility Property	-	-	46,268	46,254	46,268	46,254
Construction in Progress	3,401	253	228	75	3,629	328
Totals	<u>\$ 48,773</u>	<u>\$ 44,160</u>	<u>\$ 57,530</u>	<u>\$ 55,463</u>	<u>\$ 106,303</u>	<u>\$ 99,623</u>

This period's major additions included:

City hall project	\$2.2 million
Northeast Storage & Pump Station	\$1.1 million
Pool bathhouse	\$0.6 million
Airport runway rehabilitation	\$0.3 million

### Debt

At the year ended December 31, 2015, the City had \$30.1 million in outstanding notes and capital leases. Other long-term obligations of the City include accrued compensated absences and customer deposit liability. The City also issued an additional \$5.2 million of debt for water and wastewater projects. Additionally, the USDA debt used to construct the library was refinanced. Further detailed information can be found in Note 3.E.

**Table 6**  
**Long-term Debt**  
**December 31, 2015**  
**(In Thousands)**

	Governmental Activities		Business-Type Activities		Totals	
	2015	2014	2015	2014	2015	2014
Revenue notes (backed by fee and tax revenues)	\$ 8,155	\$ 8,770	\$ 20,859	\$ 17,433	\$ 29,014	\$ 26,203
Capital lease obligations (backed by City and GUA)	891	1,130	157	196	1,048	1,326
Totals	<u>\$ 9,046</u>	<u>\$ 9,900</u>	<u>\$ 21,016</u>	<u>\$ 17,629</u>	<u>\$ 30,062</u>	<u>\$ 27,529</u>

## **ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES**

The General Fund 2016 budget reflects a use of \$2,810 thousand of fund balance. Estimated revenues increased 2% from 2015 while estimated expenditures increased 17% the difference is funded by use of fund balance. However, even with the use of fund balance, the ending fund balance amount is 40% of estimated annual revenues.

The enterprise fund is budgeting for an increase in revenues of 4% and a decrease in expenditures of 60% due to fewer transfers to other funds and construction of a new city hall in 2015. The GUA ending budgetary unrestricted net position is estimated to be 32% of annual revenues.

## **CONTACTING THE CITY'S FINANCIAL MANAGEMENT**

This financial report is designed to provide our citizens, taxpayers, customers and creditors with a general overview of the City's finances and to show the City's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the City Clerk's Office at 219 N.W. 4<sup>th</sup> Street, Guymon, Oklahoma or telephone at 580-338-3396.

## BASIC FINANCIAL STATEMENTS

The basic financial statements include integrated sets of financial statements as required by the GASB. The sets of statements include:

- Government-wide financial statements
- Fund financial statements:
  - Governmental funds
  - Proprietary fund (enterprise)

In addition, the notes to the financial statements are included to provide information that is essential to a user's understanding of the basic financial statements.

**City of Guymon, Oklahoma**  
**Statement of Net Position**  
**December 31, 2015**

	<u>Governmental</u> <u>Activities</u>	<u>Business-type</u> <u>Activities</u>	<u>Total</u>
<b>ASSETS</b>			
<b>Current Assets:</b>			
Cash, including time deposits	\$ 2,237,862	\$ 893,033	\$ 3,130,895
Restricted cash, including time deposits	1,278,396	3,790,368	5,068,764
Investments	80,021	-	80,021
Accounts receivable, net	634,757	1,646,916	2,281,673
Internal Balances	(1,272,765)	1,272,765	-
Due from other governments	1,774,024	-	1,774,024
Total current assets	<u>4,732,295</u>	<u>7,603,082</u>	<u>12,335,377</u>
<b>Noncurrent Assets:</b>			
Restricted cash, including time deposits	5,123	185,947	191,070
Capital Assets:			
Nondepreciable	3,691,555	2,473,107	6,164,662
Depreciable, net	24,800,003	30,099,131	54,899,134
Total noncurrent assets	<u>28,496,681</u>	<u>32,758,185</u>	<u>61,254,866</u>
Total Assets	<u>33,228,976</u>	<u>40,361,267</u>	<u>73,590,243</u>
<b>Deferred outflows of resources:</b>			
Deferred amounts related to pensions	<u>1,051,509</u>	<u>174,130</u>	<u>1,225,639</u>
<b>LIABILITIES</b>			
<b>Current liabilities:</b>			
Accounts payable	596,840	607,873	1,204,713
Retainage payable	63,950	-	63,950
Accrued interest payable	61,186	184,494	245,680
Due to other governmental agencies	946	-	946
Refundable court bonds	20,595	-	20,595
Current portion of long-term:			
Capital lease obligation	245,794	40,293	286,087
Notes payable	827,154	1,774,841	2,601,995
Accrued compensated absences	28,578	9,425	38,003
Total current liabilities	<u>1,845,043</u>	<u>2,616,926</u>	<u>4,461,969</u>
<b>Noncurrent liabilities:</b>			
Customer deposits payable	-	185,947	185,947
Capital lease obligation	644,974	116,714	761,688
Notes payable, net	7,328,141	19,084,589	26,412,730
Net pension liability	3,857,267	141,672	3,998,939
Accrued compensated absences	257,198	84,847	342,045
Total noncurrent liabilities	<u>12,087,580</u>	<u>19,613,769</u>	<u>31,701,349</u>
Total Liabilities	<u>13,932,623</u>	<u>22,230,695</u>	<u>36,163,318</u>
<b>Deferred inflows of resources:</b>			
Deferred amounts related to pensions	<u>906,251</u>	<u>128,102</u>	<u>1,034,353</u>
<b>NET POSITION</b>			
Net investment in capital assets	19,445,495	15,281,183	34,726,678
Restricted for:			
Capital projects/debt service	521,054	-	521,054
Public safety	445,349	-	445,349
Convention/tourism	286,696	-	286,696
Other	925,352	-	925,352
Permanent fund purposes:			
Permanent fund - nonexpendable	4,300	-	4,300
Permanent fund - expendable	83,471	-	83,471
Unrestricted (deficit)	(2,270,106)	2,895,417	625,311
Total net position	<u>\$ 19,441,611</u>	<u>\$ 18,176,600</u>	<u>\$ 37,618,211</u>

See accompanying notes to the basic financial statements.

**City of Guymon, Oklahoma**  
**Statement of Activities**  
**For the Year Ended December 31, 2015**

Functions/Programs	Expenses	Program Revenue				Net (Expense) Revenue and Changes in Net Position		
		Indirect Expense Allocation	Charges for Services	Operating Grants and Contributions		Primary Government		Total
				Operating Grants	Capital Grants and Contributions	Governmental Activities	Business-type Activities	
<b>Primary government</b>								
<b>Governmental Activities</b>								
General government:								
City clerk	\$ 134,785	\$ -	\$ -	\$ -	\$ -	\$ (134,785)	\$ -	\$ (134,785)
City treasurer	70,107	-	-	-	-	(70,107)	-	(70,107)
Human resources	185,881	-	-	-	-	(185,881)	-	(185,881)
Information technology	265,624	-	-	-	-	(265,624)	-	(265,624)
General government	647,030	-	52,933	-	200,000	(394,097)	-	(394,097)
Total General Government	1,303,427	-	52,933	-	200,000	(1,050,494)	-	(1,050,494)
<b>Public Safety and Judiciary:</b>								
City attorney	91,487	-	-	-	-	(91,487)	-	(91,487)
Ambulance	387,724	-	390,372	4,300	-	6,948	-	6,948
Police	2,133,455	-	357,776	122,749	17,062	(1,635,868)	-	(1,635,868)
Municipal court	143,391	-	-	-	-	(143,391)	-	(143,391)
Fire	2,582,053	-	-	313,392	1,146	(2,267,515)	-	(2,267,515)
Civil emergency management	21,150	-	-	6,708	-	(14,442)	-	(14,442)
Total Public Safety and Judiciary	5,359,260	-	748,148	447,149	18,208	(4,145,755)	-	(4,145,755)
<b>Transportation:</b>								
Airport	381,023	-	9,450	-	300,570	(71,003)	-	(71,003)
Streets	1,184,464	-	-	113,229	-	(1,071,235)	-	(1,071,235)
Public transportation	399,117	-	27,640	148,483	-	(222,994)	-	(222,994)
Total Transportation	1,964,604	-	37,090	261,712	300,570	(1,365,232)	-	(1,365,232)
<b>Cultural, Parks, and Recreation:</b>								
Golf	704,719	-	342,036	-	-	(362,683)	-	(362,683)
Library	736,361	-	7,639	39,907	-	(688,815)	-	(688,815)
Cemetery	137,228	-	13,442	-	100	(123,686)	-	(123,686)
Swimming pool	60,988	-	10,229	-	-	(50,759)	-	(50,759)
Parks	578,905	-	4,299	-	16,043	(558,463)	-	(558,463)
Tourism	158,897	-	-	2,224	-	(156,673)	-	(156,673)
Total Cultural, Parks, and Recreation	2,376,998	-	377,645	42,131	16,143	(1,941,079)	-	(1,941,079)
<b>Community/Economic Development:</b>								
Community development	533,688	-	-	159,528	356,800	(17,360)	-	(17,360)
Business incubator	183,882	-	-	-	-	(183,882)	-	(183,882)
Economic development	365,999	-	-	-	-	(365,999)	-	(365,999)
Total Community/Economic Development	1,083,569	-	-	159,528	356,800	(567,241)	-	(567,241)
<b>Interest on Long-term Debt</b>	206,786	-	-	-	-	(206,786)	-	(206,786)
Total governmental activities	12,294,644	-	1,215,816	910,520	891,721	(9,276,587)	-	(9,276,587)
<b>Business-type activities:</b>								
Gas	2,644,264	352,135	4,401,583	-	-	-	1,405,184	1,405,184
Garage	74,636	-	-	-	-	-	(74,636)	(74,636)
Water	1,672,477	235,084	2,938,477	-	-	-	1,030,916	1,030,916
Sewer	3,360,359	102,979	1,287,212	-	-	-	(2,176,126)	(2,176,126)
Sanitation	1,430,566	122,366	1,529,538	-	47,320	-	23,926	23,926
Farm	7,944	-	109,863	-	-	-	101,919	101,919
Administration	812,564	(812,564)	-	-	-	-	-	-
Total business-type activities	10,002,810	-	10,266,673	-	47,320	-	311,183	311,183
Total primary government	22,297,454	-	11,482,489	910,520	939,041	(9,276,587)	311,183	(8,965,404)
<b>General revenues:</b>								
Taxes:								
Sales and use taxes						7,239,891	-	7,239,891
Franchise and public service taxes						591,399	-	591,399
E-911 taxes, dedicated for emergency services						138,370	-	138,370
Hotel/Motel taxes, dedicated for tourism						209,142	-	209,142
Tax apportionment taxes, dedicated for economic development						364,738	-	364,738
Airport fuel tax						7,018	-	7,018
Intergovernmental, unrestricted						237,867	-	237,867
Unrestricted investment earnings						9,274	8,110	17,384
Miscellaneous						144,425	-	144,425
Transfers						2,279,247	(2,279,247)	-
Total general revenues and transfers						11,221,371	(2,271,137)	8,950,234
Change in net position						1,944,784	(1,959,954)	(15,170)
Net position - beginning						17,496,827	20,136,554	37,633,381
Net position - ending						\$ 19,441,611	\$ 18,176,600	\$ 37,618,211

See accompanying notes to the basic financial statements.

**City of Guymon, Oklahoma  
Balance Sheet  
Governmental Funds  
December 31, 2015**

	<u>General Fund</u>	<u>General Sales Tax CIF</u>	<u>GUA Sales Tax CIF</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>ASSETS</b>					
Cash, including time deposits	\$ 1,572,833	\$ 272,446	\$ 1,005,950	\$ 670,152	\$ 3,521,381
Investments	-	-	-	80,021	80,021
Receivable from other governments	945,370	214,327	214,327	400,000	1,774,024
Accounts receivable, net	592,505	-	-	42,252	634,757
Due from other funds	781,453	-	-	-	781,453
Total assets	<u>3,892,161</u>	<u>486,773</u>	<u>1,220,277</u>	<u>1,192,425</u>	<u>6,791,636</u>
<b>LIABILITIES, DEFERRED INFLOWS AND FUND BALANCE</b>					
Liabilities:					
Accounts payable	525,766	2,986	1	68,087	596,840
Due to other funds	336,258	248,378	878,574	591,008	2,054,218
Retainage payable	63,950	-	-	-	63,950
Due to other governments	946	-	-	-	946
Refundable court bonds	20,595	-	-	-	20,595
Total liabilities	<u>947,515</u>	<u>251,364</u>	<u>878,575</u>	<u>659,095</u>	<u>2,736,549</u>
Deferred inflows of resources:					
Deferred revenue	687,899	-	-	400,000	1,087,899
Fund balances:					
Nonspendable	-	-	-	4,300	4,300
Restricted	200,000	235,409	341,702	805,175	1,582,286
Assigned	2,056,747	-	-	-	2,056,747
Unassigned (deficit)	-	-	-	(676,145)	(676,145)
Total fund balance	<u>2,256,747</u>	<u>235,409</u>	<u>341,702</u>	<u>133,330</u>	<u>2,967,188</u>
Total liabilities, deferred inflows and fund balance	<u>\$ 3,892,161</u>	<u>\$ 486,773</u>	<u>\$ 1,220,277</u>	<u>\$ 1,192,425</u>	<u>\$ 6,791,636</u>

**City of Guymon, Oklahoma**  
**Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net**  
**Position**  
**December 31, 2015**

Total fund balance, governmental funds	\$	2,967,188
<p>Amounts reported for governmental activities in the Statement of Net Position are different because:</p>		
<p>Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds, net of accumulated depreciation of \$20,304,076</p>		
		28,491,558
<p>Other long-term assets are not available to pay for current period expenditures and they, along with certain pension related deferrals, are deferred in the funds:</p>		
Accounts receivable, net of allowance for doubtful accounts		1,087,899
Pension related deferred outflows		1,051,509
<p>Certain liabilities are not due and payable in the current period from current financial resources, and they, along with certain pension related deferrals, are not reported in the funds:</p>		
Capital lease obligations		(890,768)
Net pension liability		(3,857,267)
Pension related deferred inflows		(906,251)
Notes payable		(8,155,295)
Accrued interest payable		(61,186)
Accrued compensated absences		(285,776)
Net Position of Governmental Activities	\$	<u><u>19,441,611</u></u>

**City of Guymon, Oklahoma**  
**Statement of Revenues, Expenditures and Changes in Fund Balance**  
**Governmental Funds**  
**For the Year Ended December 31, 2015**

	<u>General Fund</u>	<u>General Sales Tax CIF</u>	<u>GUA Sales Tax CIF</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>REVENUES</b>					
Taxes	\$ 4,507,724	\$ 1,665,292	\$ 1,665,292	\$ 718,978	\$ 8,557,286
Intergovernmental	1,021,247	-	200,000	506,822	1,728,069
Charges for services	746,132	-	-	3,437	749,569
Fines and forfeitures	346,454	-	-	-	346,454
Licenses and permits	57,127	-	-	-	57,127
Investment earnings	5,515	1,115	4,358	(1,677)	9,311
Miscellaneous	137,144	-	-	160,296	297,440
Total revenues	<u>6,821,343</u>	<u>1,666,407</u>	<u>1,869,650</u>	<u>1,387,856</u>	<u>11,745,256</u>
<b>EXPENDITURES</b>					
Current:					
General Government:					
City clerk	135,790	-	-	-	135,790
City treasurer	71,693	-	-	-	71,693
Human resources	180,645	-	-	-	180,645
Information technology	232,557	-	-	-	232,557
General government	459,974	-	-	-	459,974
Total General Government	<u>1,080,659</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,080,659</u>
Public Safety and Judiciary:					
City attorney	91,487	-	-	-	91,487
Ambulance	309,689	-	-	-	309,689
Police	1,990,608	90,400	-	132,417	2,213,425
Municipal court	146,355	-	-	-	146,355
Fire	2,262,219	-	-	-	2,262,219
Civil emergency management	19,484	-	-	-	19,484
Total Public Safety and Judiciary	<u>4,819,842</u>	<u>90,400</u>	<u>-</u>	<u>132,417</u>	<u>5,042,659</u>
Transportation:					
Airport	74,799	-	-	-	74,799
Street	795,693	-	-	-	795,693
Public Transportation	395,785	-	-	-	395,785
Total Transportation	<u>1,266,277</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,266,277</u>
Cultural, Parks, and Recreation:					
Golf	610,493	-	-	-	610,493
Library	420,546	-	-	18,393	438,939
Cemetery	124,796	-	-	-	124,796
Swimming pool	52,133	-	-	-	52,133
Parks	520,206	-	-	-	520,206
Tourism	-	-	-	126,702	126,702
Total Cultural, Parks and Recreation	<u>1,728,174</u>	<u>-</u>	<u>-</u>	<u>145,095</u>	<u>1,873,269</u>
Community/Economic Development:					
Community development	289,438	-	-	894,728	1,184,166
Planning	168,558	-	-	-	168,558
Economic development	-	-	-	365,999	365,999
Total Community/Economic Development	<u>457,996</u>	<u>-</u>	<u>-</u>	<u>1,260,727</u>	<u>1,718,723</u>
Public Works					
	<u>-</u>	<u>-</u>	<u>150,376</u>	<u>-</u>	<u>150,376</u>
Debt Service:					
Principal	239,538	3,854,655	-	-	4,094,193
Interest and other charges	27,404	266,972	-	-	294,376
Capital Outlay	1,592,046	2,157,875	11,914	169,715	3,931,550
Total Expenditures	<u>11,211,936</u>	<u>6,369,902</u>	<u>162,290</u>	<u>1,707,954</u>	<u>19,452,082</u>
Excess (deficiency) of revenues over expenditures	<u>(4,390,593)</u>	<u>(4,703,495)</u>	<u>1,707,360</u>	<u>(320,098)</u>	<u>(7,706,826)</u>
<b>OTHER FINANCING SOURCES (USES)</b>					
Proceeds of long-term debt	-	3,240,000	-	-	3,240,000
Transfers in	4,555,544	1,171,095	-	10,000	5,736,639
Transfers out	(1,115,544)	-	(1,973,220)	(356,716)	(3,445,480)
Total other financing sources and uses	<u>3,440,000</u>	<u>4,411,095</u>	<u>(1,973,220)</u>	<u>(346,716)</u>	<u>5,531,159</u>
Net change in fund balance	(950,593)	(292,400)	(265,860)	(666,814)	(2,175,667)
Fund balances - beginning	3,207,340	527,809	607,562	800,144	5,142,855
Fund balances - ending	<u>\$ 2,256,747</u>	<u>\$ 235,409</u>	<u>\$ 341,702</u>	<u>\$ 133,330</u>	<u>\$ 2,967,188</u>

See accompanying notes to the basic financial statements.

**City of Guymon, Oklahoma**  
**Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balance of**  
**Governmental Funds to the Statement of Activities**  
**For the Year Ended December 31, 2015**

Net change in fund balance - total governmental funds: \$ (2,175,667)

Amounts reported for Governmental Activities in the Statement of Activities are different because:

Governmental funds report capital outlays as expenditures while governmental activities report depreciation expense to allocate those expenditures over the life of the assets:

Capital asset purchases capitalized	4,635,853
Depreciation expense	(2,005,936)

In the Statement of Activities, the net cost of pension benefits earned is calculated and reported as pension expense. The fund financial statements report pension contributions as pension expenditures. This amount represents the difference between pension contributions and calculated pension expense.

316,727

In the Statement of Activities, the proceeds of long-term capital leases is recognized as an increase in long-term debt. The fund financial statements recognize proceeds as revenue.

Proceeds from debt issuance	(3,240,000)
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Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds:

Change in deferred revenue	295,878
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Repayment of debt principal and note issue costs is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position:

Long-term debt principal payments	4,093,909
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Some expenses reported in the statement of activities do not require the use of current financial resources and these are not reported as expenditures in governmental funds:

Change in accrued compensated absences	36,774
Change in accrued interest payable	(12,754)

Change in net position of governmental activities	\$ 1,944,784
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See accompanying notes to the basic financial statements.

**City of Guymon, Oklahoma**  
**Statement of Net Position**  
**Proprietary Fund**  
**December 31, 2015**

	<b>Enterprise Fund</b>
	<b>Guymon Utility Authority</b>
<b>ASSETS</b>	
Current assets:	
Cash, including time deposits	\$ 893,033
Restricted cash, including time deposits	3,790,368
Receivables	
Utility billing, net of allowance for uncollectible accounts	1,645,291
Due from other funds	1,272,765
Other receivables	1,625
Total current assets	7,603,082
Non-current assets:	
Restricted assets:	
Cash, including time deposits	185,947
Capital Assets:	
Non-depreciable	2,473,107
Depreciable, net	30,099,131
Total non-current assets	32,758,185
Total assets	\$ 40,361,267
<b>DEFERRED OUTFLOW OF RESOURCES:</b>	
Deferred amounts related to pensions	174,130
<b>LIABILITIES</b>	
Current liabilities:	
Accounts payable and accrued liabilities	607,873
Accrued interest payable	184,494
Notes payable	1,774,841
Capital lease payable	40,293
Accrued compensated absences	9,425
Total current liabilities	2,616,926
Non-current liabilities:	
Customer deposits payable	185,947
Notes payable, net	19,084,589
Capital lease payable	116,714
Accrued compensated absences	84,847
Net pension liability	141,672
Total non-current liabilities	19,613,769
Total liabilities	22,230,695
<b>DEFERRED INFLOW OF RESOURCES:</b>	
Deferred amounts related to pensions	128,102
<b>NET POSITION</b>	
Net investment in capital assets	15,281,183
Unrestricted	2,895,417
Total net position	\$ 18,176,600

See accompanying notes to the basic financial statements.

**City of Guymon, Oklahoma**  
**Statement of Revenues, Expenses and Changes in Fund Net Position**  
**Proprietary Fund**  
**For the Year Ended December 31, 2015**

	<b>Enterprise Fund</b>
	<b>Guymon Utility</b>
	<b>Authority</b>
<b>OPERATING REVENUES</b>	
Charges for services:	
Gas charges (net of \$8,095 bad debt)	\$ 4,358,414
Water charges (net of \$4,910 bad debt)	2,931,862
Sewer charges (net of \$1,636 bad debt)	1,269,772
Sanitation charges (net of \$1,831 bad debt)	1,526,910
Penalties	39,821
Agriculture revenue	109,863
Total charges for services	10,236,642
Miscellaneous	30,031
Total operating revenues	10,266,673
<b>OPERATING EXPENSES</b>	
Cost of goods sold	1,965,374
Personal services	2,099,951
Materials and supplies	238,000
Other services and charges	3,260,585
Depreciation	1,840,090
Total Operating Expenses	9,404,000
Operating income	862,673
<b>NON-OPERATING REVENUES (EXPENSES)</b>	
Investment income	8,110
Interest expense	(586,898)
Total non-operating revenue (expenses)	(578,788)
Income before transfers and contributions	283,885
<b>TRANSFERS AND CONTRIBUTIONS:</b>	
Contributed capital	47,320
Transfers in	2,872,480
Transfers out	(5,163,639)
Net Transfers and Contributions	(2,243,839)
Change in net position	(1,959,954)
Total net position - beginning	20,136,554
Total net position - ending	\$ 18,176,600

See accompanying notes to the basic financial statements.

**City of Guymon, Oklahoma**  
**Statement of Cash Flows**  
**Proprietary Fund**  
**For the Year Ended December 31, 2015**

	<b>Enterprise Fund</b>
	<b>Guymon Utilities Authority</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	
Receipts from customers	\$ 9,595,043
Payments to suppliers	(5,563,436)
Payments to employees	(2,134,423)
Receipts of customer meter deposits	109,658
Refunds of customer meter deposits	(38,329)
<b>Net cash provided by operating activities</b>	<b>1,968,513</b>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>	
Transfers from other funds	2,800,764
Transfers to other funds	(5,091,923)
<b>Net cash provided by (used in) noncapital financing activities</b>	<b>(2,291,159)</b>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>	
Purchases of capital assets	(2,066,378)
Proceeds from long-term debt	5,155,000
Principal paid on debt	(1,767,471)
Contributed capital revenue	47,320
Interest and fiscal agent fees paid on debt	(547,733)
<b>Net cash provided by capital and related financing activities</b>	<b>820,738</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>	
Interest and dividends	8,110
<b>Net cash provided by investing activities</b>	<b>8,110</b>
<b>Net increase in cash and cash equivalents</b>	506,202
<b>Balances - beginning of year</b>	<b>4,363,146</b>
<b>Balances - end of year</b>	<b>\$ 4,869,348</b>
<b>Reconciliation to Statement of Net Position:</b>	
Cash and cash equivalents	893,033
Restricted cash and cash equivalents - current	3,790,368
Restricted cash and cash equivalents - noncurrent	185,947
<b>Total cash and cash equivalents, end of year</b>	<b>\$ 4,869,348</b>
<b>Reconciliation of operating income to net cash provided by operating activities:</b>	
Operating income	\$ 862,673
Adjustments to reconcile operating income to net cash provided by operating activities:	
Depreciation expense	1,840,090
Net pension liability	(45,182)
Due from other governments	(930,067)
Accounts receivable	258,437
Accounts payable	(99,477)
Deposits subject to refund	71,329
Accrued compensated absences	10,710
<b>Net cash provided by operating activities</b>	<b>\$ 1,968,513</b>

See accompanying notes to the basic financial statements

**CITY OF GUYMON, OKLAHOMA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**

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**CITY OF GUYMON, OKLAHOMA  
 NOTES TO BASIC FINANCIAL STATEMENTS  
 DECEMBER 31, 2015**

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The City complies with generally accepted accounting principles (GAAP). GAAP includes all relevant Governmental Accounting Standards Board (GASB) pronouncements. The accounting and reporting framework and the more significant accounting policies are discussed in subsequent subsections of this Note.

**1.A. FINANCIAL REPORTING ENTITY**

The City's financial reporting entity is comprised of the following:

Primary Government:	City of Guymon
Blended Component Units:	Guymon Utilities Authority Guymon Industrial Authority Guymon Airport Authority

In determining the financial reporting entity, the City complies with the provisions of Governmental Accounting Standards Board Statement No. 14, as amended by GASB statement 61, "The Financial Reporting Entity" and includes all component units of which the City is financially accountable.

*Blended Component Units*

Blended component units are separate legal entities that meet the component unit criteria described above. These component units' funds are blended into those of the City's by appropriate activity type to comprise the primary government presentation.

**Blended Component Units**

Component units that are blended into the reporting activity types of the City's report are presented below:

<u>Component Unit</u>	<u>Brief Description/Inclusion Criteria</u>	<u>Reporting</u>
Guymon Utilities Authority (GUA)	Created February 1, 1961, to finance, develop and operate the water and sewer activities, amended in subsequent years to include the gas and sanitation activities. The current City Council serves as entire governing body (Trustees) and management of the City also manages the trust. Any issuances of debt would require a two-thirds approval of the City Council .	Major Enterprise Fund

**CITY OF GUYMON, OKLAHOMA  
 NOTES TO BASIC FINANCIAL STATEMENTS  
 DECEMBER 31, 2015**

<u>Component Unit</u>	<u>Brief Description/Inclusion Criteria</u>	<u>Reporting</u>
Guymon Industrial Authority (GIA)	Created December 1, 1965, to finance and promote the development of industry within and around the City. The current City Council serves as entire governing body (Trustees). Any issuances of debt would require a two-thirds approval of the City Council.	Nonmajor Special Revenue Fund
Guymon Airport Authority (GAA)	Created April 7, 1965, to finance and develop the municipal airport. The current City Council serves as entire governing body (Trustees). Any issuances of debt would require a two-thirds approval of the City Council. Currently, the GAA is inactive. The airport operations are accounted for by the City as a function of the General Fund.	N/A
Guymon Housing Authority (GHA)	Created March 27, 2014, to promote the development of adequate housing within the City. The current City Council serves as entire governing body (trustees). Any issuances of debt would require a two-thirds approval of the City Council.	Account of General Fund

**1.B. BASIS OF PRESENTATION**

*Government-Wide Financial Statements:*

The statement of net position and statement of activities display information about the reporting government as a whole. They include all funds of the reporting entity. The statements distinguish between governmental and business-type activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange revenues. Business-type activities are financed in whole or in part by fees charged to external parties for goods or services.

*Fund Financial Statements:*

Fund financial statements of the reporting entity are organized into funds each of which is considered to be separate accounting entities. Each fund is accounted for by providing a separate set of self-balancing accounts which constitute its assets, deferred outflows, liabilities, deferred inflows, fund equity, revenues, and expenditure/expenses. Funds are organized into two major categories: governmental and proprietary. An emphasis is placed on major funds within the governmental and proprietary categories. A fund is considered major if it is the primary operating fund of the City or meets the following criteria:

- a. Total assets and deferred outflows, liabilities and deferred inflows, revenues, or expenditures/expenses of that individual governmental or enterprise fund are at least 10 percent of the corresponding total for all funds of that category or type, and
- b. Total assets and deferred outflows, liabilities and deferred inflows, revenues, or expenditures/expenses of the individual governmental fund or enterprise fund are at least 5 percent of the corresponding total for all governmental and enterprise funds combined.

The funds of the financial reporting entity are described below:

**CITY OF GUYMON, OKLAHOMA  
 NOTES TO BASIC FINANCIAL STATEMENTS  
 DECEMBER 31, 2015**

**Governmental Funds**

*General Fund*

The General Fund is the primary operating fund of the City and always classified as a major fund. It is used to account for all financial resources not accounted for and reported in another fund. Accounts reported within the General Fund include: Golf Course, Swimming Pool, Airport, and Guymon Housing Authority.

*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 expenditures for specified purposes other than debt service or capital projects.

*Capital Projects Funds*

Capital projects 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

*Permanent Fund*

The Permanent Fund accounts for and reports resources that are restricted to the extent that only earnings, and not principal, may be used for purposes that support the City’s programs.

**Proprietary Fund**

*Enterprise Fund*

Enterprise funds are used to account for business-like activities provided to the general public. These activities are financed primarily by user charges and the measurement of financial activity focuses on net income measurement similar to the private sector. The reporting entity includes the Guymon Utilities Authority enterprise fund. This fund accounts for activities of the public trust and provides water, wastewater, sanitation, and gas services to the public.

**Major and Non-Major Funds**

The funds are further classified as major or non-major as follows:

<u>Fund</u>	<u>Brief Description</u>
<b><i>Major:</i></b>	
General	See above for description
General Sales Tax CIF	A capital projects fund that accounts for one cent sales tax restricted for capital items.
GUA Sales Tax CIF	A capital projects fund that accounts for one cent sales tax restricted for specific water and wastewater projects.
Proprietary Fund:	
Guymon Utilities Authority	Accounts for activities of the public trust and provides water, wastewater, sanitation, and gas services to the public.

**CITY OF GUYMON, OKLAHOMA  
 NOTES TO BASIC FINANCIAL STATEMENTS  
 DECEMBER 31, 2015**

***Non-Major:***

Capital Project Fund:

Cemetery Care Accounts for 15 percent of cemetery revenue restricted by State law for cemetery capital improvements.

Library CIF A capital projects fund that accounts for the construction of the new library.

Special Revenue Funds:

E-911 Accounts for revenues and expenditures of E-911 service that are legally restricted for public safety use.

Guymon Development Accounts for donations on specific projects which are restricted for each individual project.

Library Accounts for revenues and expenditures of library grant funds.

Grant Accounts for revenues and expenditures of various grant funds.

Hotel/Motel Tax Accounts for revenues and expenditures of hotel/motel tax restricted by local ordinance for the promotion of convention and tourism.

Police Accounts for drug forfeiture funds received from the district attorney to be used for specified police activities.

Guymon Industrial Authority Accounts for revenues and expenditures of promoting industrial economic development.

Permanent Fund:

Dale Accounts for monies donated by F. Hiner Dale to be used for maintaining his cemetery plots, providing for books to be placed in the city library, providing for expenses incurred in recognizing a "Citizen of the Year", and maintaining Dale Park No. 1.

**1.C. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING**

Measurement focus is a term used to describe "how" transactions are recorded within the various financial statements. Basis of accounting refers to "when" transactions are recorded regardless of the measurement focus applied.

**Measurement Focus**

On the government-wide Statement of Net Position and the Statement of Activities both governmental and business-like activities are presented using the economic resources measurement focus as defined in item b. below.

In the fund financial statements, the "current financial resources" measurement focus or the "economic resources" measurement focus is used as appropriate:

**CITY OF GUYMON, OKLAHOMA  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2015**

a. All governmental funds utilize a "current financial resources" measurement focus. Only current financial assets, liabilities, deferred outflows and inflows are generally included on their balance sheets. Their operating statements present sources and uses of available spendable financial resources during a given period. These funds use fund balance as their measure of available spendable financial resources at the end of the period.

b. The proprietary fund utilizes an "economic resources" measurement focus. The accounting objectives of this measurement focus are the determination of operating income, changes in net position (or cost recovery), financial position, and cash flows. All assets, liabilities (whether current or noncurrent), deferred outflows and inflows associated with their activities are reported. Proprietary fund equity is classified as net position.

**Basis of Accounting**

In the government-wide Statement of Net Position and Statement of Activities both governmental and business-type activities are presented using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

In the fund financial statements, governmental funds are presented on the modified accrual basis of accounting. Under this modified accrual basis of accounting, revenues are recognized when "measurable and available". Measurable means knowing or being able to reasonably estimate the amount. Available means collectible within the current period or soon enough thereafter (within 60 days of period end) to pay current liabilities. Expenditures (including capital outlay) are recorded when the related fund liability is incurred, except for general obligation bond principal and interest which are reported when due.

All proprietary funds utilize the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used.

**1.D. ASSETS, LIABILITIES, DEFERRED INFLOWS, DEFERRED OUTFLOWS AND EQUITY**

**Cash and Investments**

For the purpose of the Statement of Net Position, "cash, including time deposits" includes all demand, savings accounts and certificates of deposits of the City. For the purposes of the proprietary fund Statement of Cash Flows, "cash and cash equivalents" includes all demand and savings accounts, and certificates of deposits or short-term investments with an original maturity of three months or less. Investments of the promissory note trustee accounts are not considered cash equivalents.

Investments are carried at fair value except for short-term U.S. Treasury obligations with a remaining maturity at the time of purchase of one year or less. Those investments are reported at amortized cost. Fair value is based on quoted market price. Additional cash and investment disclosures are presented in Note 2.B. and Note 3.A.

**CITY OF GUYMON, OKLAHOMA  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2015**

**Receivables and Related Deferred Inflows**

In the government-wide statements, receivables consist of all revenues earned at period-end and not yet received. Allowances for uncollectible accounts receivable are based upon historical trends and the periodic aging of accounts receivable. Major receivable balances for the governmental activities include sales and use taxes, franchise taxes, grants, police fines, and ambulance fees. Business-type activities report utilities as its major receivables.

In the fund financial statements, material receivables in governmental funds include revenue accruals such as sales tax, franchise tax, tax increment revenue, and grants and other similar intergovernmental revenues since they are usually both measurable and available. Non-exchange transactions collectible but not available are deferred in the fund financial statements in accordance with the modified accrual, but not deferred in the government-wide financial statements in accordance with the accrual basis. Interest and investment earnings are recorded when earned only if paid within 60 days since they would be considered both measurable and available. Proprietary fund material receivables consist of all revenues earned at period-end and not yet received. Utility accounts receivable (such as gas, water, wastewater, and sanitation revenues) comprise the majority of proprietary fund receivables. Allowances for uncollectible accounts receivable are based upon historical trends and the periodic aging of accounts receivable.

**Capital Assets**

The accounting treatment over property, plant and equipment (capital assets) depends on whether the assets are used in governmental fund operations or proprietary fund operations and whether they are reported in the government-wide or fund financial statements.

*Government-Wide Statements*

In the government-wide financial statements, capital assets are accounted for as capital assets. All capital assets are valued at historical cost, or estimated historical cost if actual is unavailable, except for donated capital assets which are recorded at their estimated fair value at the date of donation. Estimated historical cost was used to value the majority of the assets acquired prior to June 30, 1993.

Prior to July 1, 1998, governmental funds' infrastructure assets were not capitalized. These assets (back to July 1, 1980) have been valued at estimated historical cost.

Depreciation of all exhaustible capital assets is recorded as an allocated expense in the Statement of Activities, with accumulated depreciation reflected in the Statement of Net Position. Depreciation is provided over the assets' estimated useful lives using the straight-line method of depreciation. A capitalization threshold of \$1,000 is used to report capital assets. The range of estimated useful lives by type of asset is as follows:

- Buildings	25-50 years
- Improvements	10-50 years
- Machinery and Equipment	3-20 years
- Utility System	25-50 years
- Infrastructure	25-50 years

*Fund Financial Statements*

In the fund financial statements, capital assets used in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition. Capital assets used in proprietary fund operations are accounted for the same as in the government-wide statements.

**CITY OF GUYMON, OKLAHOMA  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2015**

**Restricted Assets**

Restricted assets include cash and investments of the proprietary fund/business-type activities and governmental activities that are legally restricted as to their use. The primary restricted assets are related to promissory note trustee accounts and utility meter deposits.

**Long-Term Debt**

The accounting treatment of long-term debt depends on whether the assets are used in governmental fund operations or proprietary fund operations and whether they are reported in the government-wide or fund financial statements.

All long-term debt to be repaid from governmental and business-type resources are reported as liabilities in the government-wide statements. The long-term debt consists of notes payable, capital leases, and accrued compensated absences.

Long-term debt for governmental funds is not reported as liabilities in the fund financial statements. The debt proceeds are reported as other financing sources and payment of principal and interest reported as expenditures. The accounting for the proprietary fund is the same in the fund statements as it is in the government-wide statements.

**Compensated Absences**

The City's policies regarding vacation time permit employees to accumulate earned but unused vacation leave. The liability for these compensated absences is recorded as long-term debt in the government-wide statements. The current portion of this debt is estimated based on historical trends. In the fund financial statements, governmental funds report only the compensated absence liability payable from expendable available financial resources, while the proprietary funds report the liability as it is incurred. Compensated absences are reported in governmental funds only if they have matured (i.e. unused reimbursable leave still outstanding following an employee's resignation or retirement).

**Equity Classifications**

*Government-Wide Statements*

Equity is classified as net position and displayed in three components:

- a. Net investment in capital assets – Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- b. Restricted net position – Consists of net position with constraints placed on the use either by 1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments, or 2) law through constitutional provisions or enabling legislation.
- c. Unrestricted net position – All other net position that does not meet the definition of “restricted” or “net investment in capital assets”.

It is the City's policy to first use restricted net position prior to the use of unrestricted net position when an expense is incurred for purposes for which both restricted and unrestricted net position are available.

**CITY OF GUYMON, OKLAHOMA  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2015**

*Fund Statements*

Governmental fund equity is classified as fund balance. Fund balance is further classified as nonspendable, restricted, committed, assigned and unassigned. These classifications are defined as:

- a. Nonspendable – includes amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact.
- b. Restricted – consists of fund balance with constraints placed on the use of resources either by 1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments, or 2) law through constitutional provisions or enabling legislation.
- c. Committed – includes amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the city's highest level of decision-making authority. The City's highest level of decision-making authority is made by ordinance while the GIA's highest level of decision-making authority is made by resolution. The City and GIA currently have no committed fund balance.
- d. Assigned – includes amounts that are constrained by the city's intent to be used for specific purposes but are neither restricted nor committed. Assignments of fund balance may be made by city council action or management decision when the city council has delegated that authority. The City Council has retained the authority for assigning fund balance. Assignments for transfers and interest income for governmental funds are made through the budgetary process.
- e. Unassigned – represents fund balance that has not been assigned to other funds and has not been restricted, committed, or assigned to specific purposes within the general fund.

It is the City's policy to first use restricted fund balance prior to the use of unrestricted fund balance when an expense is incurred for purposes for which both restricted and unrestricted fund balance are available. The City's policy for the use of unrestricted fund balance amounts require that committed amounts would be reduced first, followed by assigned amounts and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of those unrestricted fund balance classifications could be used. The only exception to this policy is for assigned interest income in governmental funds other than the General Fund. In those funds, interest income is used first before other revenues.

Proprietary fund equity is classified the same as in the government-wide statements. See Note 3.G. for additional disclosures.

**1.E. REVENUES, EXPENDITURES, AND EXPENSES**

**Sales Tax**

Since March 2008, the City levies a four-cent sales tax on taxable sales within the City. The sales tax is collected by the Oklahoma Tax Commission and remitted to the City in the month following receipt by the Tax Commission. The Tax Commission receives the sales tax approximately one-half month after collection by vendors. Two cents is recorded entirely in the General Fund initially. Then one cent is transferred to the Guymon Utilities Authority to be used for debt service. Any remaining unused sales tax after payment of debt service is then transferred back to the General Fund. An additional one cent is deposited into the General Sales Tax CIF Fund to be used for capital purposes and another one cent is recorded in the GUA Sales Tax CIF to be used for specific water and wastewater capital projects. Sales taxes collected by the State in December and January (which represent sales for the last half of November and December) and received by the City in January has been accrued. Half of February collections by the City have also been accrued and are included under the caption "Due from other governments".

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**Use Tax**

The City levies a four-cent use tax on personal property purchased outside the city limits but stored, used or consumed within the city. The use tax is collected by the Oklahoma Tax Commission and remitted to the City in the month following receipt by the Tax Commission, which is one-half month after the tax is received from the vendors. The use taxes are allocated entirely to the General Fund. Use taxes collected by the State in December and January and received by the City in January and February are included under the caption "Due from other governments".

**Property Tax**

Under State law, municipalities are limited in their ability to levy a property tax. Such tax may only be levied to repay principal and interest on general obligation bonded debt approved by voters and any court-assessed judgments. Property taxes attach as an enforceable lien on property as of January 1. Taxes are levied annually on November 1 and are due one-half by December 31 and one-half by March 31. The Office of Texas County bills and collects the property taxes and remits to the City its portion. In the fund financial statements, property taxes are recorded as revenue in the period levied to the extent they are collected within 60 days of year-end.

**Program Revenues**

In the Statement of Activities, revenues that are derived directly from each activity or from parties outside the city's taxpayers are reported as program revenue. The City has the following program revenues in each activity:

General government	Building permits, alley cut permits, occupational licenses, plumbing/electric inspections, and miscellaneous licenses and permits; drought relief capital grant
Ambulance	Ambulance run charges; EMS HPP operating grant.
Police	Fines and 911 county charges for services, individual donations, state on-behalf payments, and DA Justice Assistance grant for operations are categorized as operating grants, and district attorney forfeitures are categorized as capital grants.
Fire	State on-behalf payments and private donations are classified as operating grants and a Homeland Security capital grant.
Civil Emergency Management	Grants for disaster recovery.
Airport	Hangar lease charges.
Streets	Commercial vehicle and gasoline excise tax granted by the State.
Public Transportation	Bus fares, Federal and State operating grants.
Golf	Golf fees.
Library	Fines, operating grants include State and private foundation grants.
Cemetery	Grave opening/closing fees and lot sales.
Swimming pool	Swimming fees.
Parks	Fishing licenses and private donations for capital.
Tourism	Private operating donations.
Community development	Building rent, operating grants include federal and state grants and private donations, federal capital grant payment.

All other governmental revenues are reported as general. It is important to note that all taxes are classified as general revenue even if restricted for a specific purpose.

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**Operating Revenues and Expenses**

Operating revenues and expenses for proprietary funds are those that result from providing services and producing and delivering goods and/or services. It also includes all revenue and expenses not related to capital and related financing, noncapital financing, or investing activities.

**Pledge of Future Revenues**

Sales Tax Pledge - The City has pledged two cents (or 50%) of future sales tax revenues to repay \$1,345,000 of Series 2007 Sales Tax Revenue Notes; \$16,400,000 Series 2008B OWRB CWSRF Note, \$1,255,000 Series 2009A OWRB DWSRF Note, \$1,335,000 Series 2009B OWRB CWSRF Note, \$5,535,000 Series 2010 Sales Tax Revenue Note, \$755,000 of Series 2012 Sales Tax Revenue Note, \$3,445,000 of Series 2013 Sales Tax and Utility System Revenue Note, \$5,155,000 of Series 2015A Utility System and Sales Tax Revenue Note, and \$3,240,000 of Series 2015B Sales Tax Revenue Note. Proceeds from the notes provided financing for utility capital assets, public safety and library buildings. The notes are payable from water, sewer, and gas net revenues and are payable through 2017, 2027, 2030, 2030, 2025, 2018, 2018, 2025, and 2023 respectively. The total principal and interest payable for the remainder of the life of these notes is \$27,933,335. Each year, if the net utility revenues are sufficient to service the debt on the 2007, 2013, 2015A, 2015B Series Notes, these pledged sales taxes are transferred back to the General Fund. Total pledged sales taxes received in the year were \$3,314,175. Pledged sales taxes of \$827,544 were transferred back to the General Fund for the current fiscal year. Debt service payments for the year of \$3,106,391 were 93.73% of the pledged sales taxes.

Utility Net Revenues Pledge - The City has also pledged future water, sewer, and gas net revenues to repay \$27,590,000 of 2008B, 2009A and 2009B Series Oklahoma Water Resources Board Notes Payable, the 2013 Utility System and Sales Tax Revenue Note, the 2015A Utility System and Sales Tax Revenue Note, and the 2015B Sales Tax Revenue Note. Proceeds from the bonds and notes provided financing for utility system capital assets and library buildings. The bonds are payable through 2027, 2030, 2030, 2018, 2025, and 2023 respectively. The total principal and interest payable for the remainder of the life of these notes is \$27,667,829. The bonds are payable from the above-mentioned utility net revenues and pledged sales taxes for the 2008B, Series and 2009A and B Series, 2013 Series Notes, 2015A Series Notes, and 2015B Series Notes. The debt service payments on the notes for the year were \$2,301,069 which was 92.45% of pledged net utility revenues of \$2,489,061.

**Expenditures/Expenses**

In the government-wide financial statements, expenses are classified by function for both governmental and business-type activities.

In the fund financial statements, expenditures are classified as follows:

Governmental Funds - By Character:	Current (further classified by function)
	Debt Service
	Capital Outlay
Proprietary Fund	- By Operating and Non-Operating

In the fund financial statements, governmental funds report expenditures of financial resources. Proprietary funds report expenses relating to use of economic resources.

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**1.F. INTERNAL AND INTERFUND BALANCES AND ACTIVITIES**

In the process of aggregating the financial information for the government-wide Statement of Net Position and Statement of Activities, some amounts reported as interfund activity and balances in the fund financial statements have been eliminated or reclassified.

*Fund Financial Statements:*

Interfund activity, if any, within and among the governmental and proprietary fund categories is reported as follows in the fund financial statements:

1. Interfund loans - amounts provided with a requirement for repayment are reported as interfund receivables and payables.
2. Interfund services - sales or purchases of goods and services between funds are reported as revenues and expenditures/expenses.
3. Interfund reimbursements - repayments from funds responsible for certain expenditures/expenses to the funds that initially paid for them are not reported as reimbursements but as adjustments to expenditures/expenses in the respective funds.
4. Interfund transfers - flow of assets from one fund to another where repayment is not expected are reported as transfers in and out.

*Government-Wide Financial Statements:*

Interfund activity and balances, if any, are eliminated or reclassified in the government-wide financial statements as follows:

1. Internal balances - amounts reported in the fund financial statements as interfund receivables and payables are eliminated in the governmental and business-type activities columns of the Statement of Net Position, except for the net residual amounts due between governmental and business-type activities, which are reported as Internal Balances.
2. Internal activities - amounts reported as interfund transfers in the fund financial statements are eliminated in the government-wide Statement of Activities except for the net amount of transfers between governmental and business-type activities, which are reported as Transfers - Internal Activities. The effect of interfund services between funds, if any, are not eliminated in the Statement of Activities.

**1.G. USE OF ESTIMATES**

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

**1.H. PENSIONS**

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 fiduciary net position of the Oklahoma Firefighters Pension & Retirement System (OFPRS), Oklahoma Police Pension & Retirement System (OPPRS) and Oklahoma Municipal Retirement Fund (OkMRF),

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and additions to/deductions from OFPRS, OPPRS and OkMRF's fiduciary net position, have been determined on the same basis as they are reported by OFPRS, OPPRS and OkMRF. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments held by these funds are reported at fair value.

During the fiscal year ended December 31, 2015, the City early implemented GASB 82, *Pension Issues—an amendment of GASB Statements No. 67, No. 68, and No. 73*, which clarified the requirements for reporting the amounts of covered payroll for pensions.

**NOTE 2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY**

By its nature as a local government unit, the City and its component units are subject to various federal, state and local laws and contractual regulations. An analysis of the City's compliance with significant laws and regulations and demonstration of its stewardship over City resources follows.

**2.A. FUND ACCOUNTING REQUIREMENTS**

The City complies with all state and local laws and regulations requiring the use of separate funds. The legally required funds used by the City include the following:

<u>Fund</u>	<u>Required By</u>
Cemetery Care Fund	State Law
Grant Fund	Grant Agreements
Airport Fund	State Law
Utility Authority Fund	Trust Indenture
Industrial Authority Fund	Trust Indenture
Housing Authority Fund	Trust Indenture
Dale Fund	Trust Indenture
Sales Tax CIF	State Law
GUA Sales Tax CIF	State Law

**2.B. DEPOSITS AND INVESTMENTS LAWS AND REGULATIONS**

In accordance with state law, all uninsured deposits of municipal funds in financial institutions must be secured with acceptable collateral valued at the lower of market or par. Acceptable collateral includes certain U.S. Government or Government Agency securities, certain State of Oklahoma or political subdivision debt obligations, surety bonds, or certain letters of credit. As required by 12 U.S.C.A., Section 1823 (e), all financial institutions pledging collateral to the City must have a written collateral agreement approved by the board of directors or loan committee. As reflected in Note 3A., all deposits were fully insured or collateralized.

Investments of the City (excluding Public Trusts) are limited by state law to the following:

- a. Direct obligations of the U.S. Government or its agencies or instrumentalities to which the full faith and credit of the U.S. Government is pledged, or obligations to the payment of which the full faith and credit of the State of Oklahoma is pledged.
- b. Certificates of deposit or savings accounts that are either insured or secured with acceptable collateral with in-state financial institutions, and fully insured certificates of deposit or savings accounts in out-of-state financial institutions.

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- c. With certain limitation, negotiable certificates of deposits, prime bankers acceptances, prime commercial paper and repurchase agreements.
- d. County, municipal or school district tax supported debt obligations, bond or revenue anticipation notes, money judgments, or bond or revenue anticipation notes of public trusts whose beneficiary is a county, municipality or school district.
- e. Notes or bonds secured by mortgage or trust deed insured by the Federal Housing Administrator and debentures issued by the Federal Housing Administrator, and in obligation of national mortgage associations.
- f. Money market funds regulated by the SEC and in which investments consist of the investments mentioned in the previous paragraphs a., b., c., and d.

Public trusts created under O.S. Title 60, are not subject to the above noted investment limitations and are primarily governed by any restrictions in their trust or bond indentures. For the year ended December 31, 2015, the City and its public trusts complied, in all material respects, with these investment restrictions.

**2.C. REVENUE RESTRICTIONS**

The City has various restrictions placed over certain revenue sources from state or local requirements. The primary restricted revenue sources include:

<u>Revenue Source</u>	<u>Legal Restrictions of Use</u>
Sales Tax	See Note 1.E.
Gasoline Excise & Commercial Vehicle Tax	Street and Alley Purposes
Police Drug Forfeiture Funds	Police Activities
E-911 Revenue	E-911 Emergency Services Purposes
Water, Sewer and Gas Revenue	Debt Service and Utility Operations
Cemetery Revenue (15%)	Cemetery Capital Improvements
Hotel/Motel Tax	Convention and Tourism
Tax Increment Revenue	Economic Development
Airport Operations Revenue	Airport Operations and Maintenance
CDBG	Grant Program Expenditures

For the year ended December 31, 2015, the City complied, in all material respects, with these revenue restrictions.

**2.D. DEBT RESTRICTIONS AND COVENANTS**

**General Obligation Debt**

Article 10, Sections 26 and 27 of the Oklahoma Constitution limits the amount of outstanding general obligation bonded debt of the municipality for non-utility or non-street purposes to no more than 10% of net assessed valuation. For the year ended December 31, 2015, the City had no outstanding general obligation debt.

**Other Long-Term Debt**

Except as noted in the following paragraph, as required by the Oklahoma State Constitution, the City (excluding Public Trusts) may not incur any indebtedness that would require payment from resources

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beyond the current fiscal year revenue, without first obtaining voter approval. For the year ended December 31, 2015, the City incurred no such indebtedness.

**Notes Payable**

The loan agreement relating to the notes payable issuance of the Guymon Utilities Authority contains some restrictions or covenants that are financial related. These include covenants such as debt service coverage requirement and required reserve account balances. The following schedule presents a brief summary of the most significant requirements and the Authority's level of compliance thereon as of December 31, 2015.

<u>Requirement</u>	<u>Level of Compliance</u>
a. Note Payable Coverage:	
1. Net water, sewer and gas operating revenues (excluding depreciation and amortization) plus pledged sales taxes of the Authority must equal 1.25 times the maximum annual debt service on all OWRB notes.	For the year ended December 31, 2015, net operating revenues and pledged sales taxes are \$5,803,236 and the maximum annual debt service is \$1,320,847. Actual coverage is 4.39 times.

**2.E. FUND EQUITY RESTRICTIONS**

**Deficit Prohibition**

Title 11, Section 17-211 of the Oklahoma Statutes prohibits the creation of a deficit fund balance in any individual fund (excluding public trusts). At December 31, 2015, the City reported a fund balance deficits in the following funds:

Grant Fund	\$625,658
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**NOTE 3. DETAIL NOTES ON TRANSACTION CLASSES/ACCOUNTS**

The following notes present detail information to support the amounts reported in the basic financial statements for its various assets, liabilities, equity, revenues and expenditures/expenses.

**3.A. CASH AND INVESTMENTS**

**Deposits**

The City of Guymon is governed by the deposit and investment limitations of state law (See Note 2.B.). The deposits and investments held at December 31, 2015 are as follows:

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Type	Credit Rating	Fair Value
<b>Deposits:</b>		
Demand deposits		6,618,245
Time deposits		1,550,631
<b>Total deposits</b>		<b>\$ 8,168,876</b>
<b>Investments:</b>		
Invesco Tst Prem-Inst Fd #1947	AAAm	221,853
Mutual Funds - equity		80,021
<b>Total deposits and investments</b>		<b>\$ 8,470,750</b>
<b>Reconciliation to Statement of Net Position:</b>		
Cash, including time deposits		\$ 3,130,895
Restricted cash, including time deposits, current		5,068,764
Investment, current		80,021
Restricted cash, including time deposits, noncurrent		191,070
		<b>\$ 8,470,750</b>

*Custodial Credit Risk – Deposits* - Deposits in financial institutions, reported as components of cash, cash equivalents, and investments, had a bank balance of \$8,116,904 at December 31, 2015. The entire balance is fully insured by depository insurance or secured with collateral held by the City’s agent in its name at December 31, 2015.

*Investment Interest Rate Risk* - the City does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

*Investment Credit Risk* - The City has no investment policy that limits its investment choices other than the limitation of state law.

*Concentration of Investment Credit Risk* - the City places no limit on the amount it may invest in any one issuer.

**3.B. RESTRICTED ASSETS**

The amounts reported as restricted assets are comprised of cash, investments and accrued interest held by the trustee bank on behalf of the various public trusts (Authorities) related to their required note payable accounts as described in Note 2.D., and amounts held in trust for customer utility meter deposits.

The restricted assets as of December 31, 2015 are as follows:

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<u>Type of Restricted Assets</u>	<u>Cash including time deposits</u>
Meter Deposits	185,947
Note Payable Trustee Accounts:	
2007 Debt Service Principal Fund	61,118
2007 Debt Service Interest Fund	3,868
2008 Series Principal Fund	403,200
2009A Series Principal Fund	18,818
2009B Series Principal Fund	19,127
2010 Sales Tax Principal Fund	82,521
2010 Sales Tax Interest Fund	43,046
2012 Sales Tax Construction Fund	5
2012 Sales Tax Principal Fund	29,819
2012 Sales Tax Interest Fund	1,476
2013 Series Principal Fund	303,338
2015A Series Project Fund	3,725,382
2015A Series Principal Fund	61,367
2015B Series Interest Fund	22,244
2015B Series Principal Fund	93,335
OWRB Drought Grant Account	200,100
USDA Debt Service Reserve	5,123
Total	<u>\$ 5,259,834</u>
Reconciliation to Statement of Net Position:	
Current cash, including time deposits	5,068,764
Noncurrent cash, including time deposits	191,070
	<u>\$ 5,259,834</u>

**3.C. ACCOUNTS RECEIVABLE**

Accounts receivable of the business-type activities consist of utilities receivable. Accounts receivable of the governmental activities consist of the following at December 31, 2015:

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
Accounts Receivable:			
Police Fines	264,345	\$ -	\$ 264,345
Ambulance	232,209	-	232,209
E-911 Tax	27,431	-	27,431
Franchise Tax	165,343	-	165,343
Hotel/Motel Tax	13,571	-	13,571
Utilities	-	2,514,254	2,514,254
Miscellaneous	34,002	49,613	83,615
Allowance for doubtful accounts	<u>(102,144)</u>	<u>(916,951)</u>	<u>(1,019,095)</u>
Net accounts receivable	<u>\$ 634,757</u>	<u>\$ 1,646,916</u>	<u>\$ 2,281,673</u>

**3.D. CAPITAL ASSETS**

Capital asset activity for the year ended December 31, 2015 was as follows:

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	Balance at January 01, 2015	Additions	Transfers	Disposals	Balance at December 31, 2015
<b>Governmental activities:</b>					
Non-depreciable:					
Land	\$ 290,132	\$ -	\$ -	\$ -	\$ 290,132
Construction-in-progress	252,776	3,791,989	-	(643,342)	3,401,423
Total non-depreciable assets at historical cost	<u>542,908</u>	<u>3,791,989</u>	<u>-</u>	<u>(643,342)</u>	<u>3,691,555</u>
Depreciable:					
Buildings	15,374,258	53,377	-	-	15,427,635
Improvements	12,313,852	216,515	-	-	12,530,367
Machinery and equipment	9,289,993	583,265	-	(22,515)	9,850,743
Infrastructure	6,638,771	634,048	-	-	7,272,819
Total depreciable assets at historical cost	<u>43,616,874</u>	<u>1,487,205</u>	<u>-</u>	<u>(22,515)</u>	<u>45,081,564</u>
Less accumulated depreciation					
Buildings	(1,782,672)	(315,467)	-	-	(2,098,139)
Improvements	(6,450,479)	(568,246)	-	-	(7,018,725)
Machinery and equipment	(5,860,043)	(945,146)	-	22,515	(6,782,674)
Infrastructure	(4,204,946)	(177,077)	-	-	(4,382,023)
Total accumulated depreciation	<u>(18,298,140)</u>	<u>(2,005,936)</u>	<u>-</u>	<u>22,515</u>	<u>(20,281,561)</u>
Net depreciable assets	<u>25,318,734</u>	<u>(518,731)</u>	<u>-</u>	<u>-</u>	<u>24,800,003</u>
Governmental activities capital assets, net	<u>25,861,642</u>	<u>3,273,258</u>	<u>-</u>	<u>(643,342)</u>	<u>28,491,558</u>
<b>Business-type activities</b>					
Non-depreciable:					
Land	2,244,799	-	-	-	2,244,799
Construction-in-progress	75,389	1,706,027	-	(1,553,108)	228,308
Total non-depreciable assets at historical cost	<u>2,320,188</u>	<u>1,706,027</u>	<u>-</u>	<u>(1,553,108)</u>	<u>2,473,107</u>
Depreciable:					
Buildings	980,135	-	-	-	980,135
Improvements	1,970,246	1,563,199	-	-	3,533,445
Machinery and equipment	3,939,288	337,020	-	-	4,276,308
Utility property	46,253,974	13,241	-	-	46,267,215
Totals depreciable assets at historical cost	<u>53,143,643</u>	<u>1,913,460</u>	<u>-</u>	<u>-</u>	<u>55,057,103</u>
Less accumulated depreciation					
Buildings	(504,022)	(23,724)	-	-	(527,746)
Improvements	(137,988)	(37,222)	-	-	(175,210)
Machinery and equipment	(2,566,444)	(402,231)	-	-	(2,968,675)
Utility property	(19,909,428)	(1,376,913)	-	-	(21,286,341)
Total accumulated depreciation	<u>(23,117,882)</u>	<u>(1,840,090)</u>	<u>-</u>	<u>-</u>	<u>(24,957,972)</u>
Net depreciable assets	<u>30,025,761</u>	<u>73,370</u>	<u>-</u>	<u>-</u>	<u>30,099,131</u>
Business-type capital assets, net	<u>\$ 32,345,949</u>	<u>\$ 1,779,397</u>	<u>\$ -</u>	<u>\$ (1,553,108)</u>	<u>\$ 32,572,238</u>

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Depreciation expense was charged to governmental activities as follows:

General Government:	
City clerk	381
Treasurer	25
General Government	43,268
Human Resources	5,099
Information Technology	35,108
Total General Government	<u>83,881</u>
Public safety and judiciary:	
Ambulance	78,482
911	70,895
Police	138,114
Municipal court	303
Fire	474,520
Civil emergency management	1,666
Total Public safety and judiciary	<u>763,980</u>
Transportation:	
Airport	301,324
Public transportation	9,800
Streets	395,081
Total Transportation	<u>706,205</u>
Cultural, parks and recreation:	
Golf	102,988
Library	132,903
Cemetery	14,272
Swimming pool	8,892
Parks	62,220
Tourism	28,192
Total cultural, parks and recreation	<u>349,467</u>
Community/economic development:	
Business incubator	14,861
Community development	87,542
Total Community/economic development	<u>102,403</u>
Total depreciation expense	<u><u>\$ 2,005,936</u></u>

Depreciation was charged to business-type activities as follows:

Water	\$ 466,846
Wastewater	1,069,127
Sanitation	157,041
Farm	145
Gas	100,792
Garage	613
Administration	45,526
Total Depreciation Expense	<u><u>\$ 1,840,090</u></u>

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**3.E. LONG-TERM DEBT**

**Long-Term Debt**

The reporting entity's long-term debt is segregated between the amounts to be repaid from governmental activities and amounts to be repaid from business-type activities.

**Governmental Activities:**

As of December 31, 2015, the governmental long-term debt of the financial reporting entity consisted of the following:

**Capital Lease Obligations:**

149,029 capital lease for turf equipment dated January 2012; Payable in monthly installments of 2,662, final payment due February 2017. Stated interest rate of 2.75%	\$	34,060
79,002 capital lease for fire bunker gear dated January 2013; Payable in monthly installments of 1,164, final payment due January 2019. Stated interest rate of 1.97%		40,666
158,008 capital lease for an ambulance dated January 2013; Payable in monthly installments of 2,329, final payment due January 2019. Stated interest rate of 1.97%		81,333
915,500 capital lease for a ladder truck dated February 13, 2014; Payable in monthly installments of \$13,820, final payment due February 15, 2020. Stated interest rate of 2.74%		638,136
149,700 capital lease for golf carts dated October 2013; Payable in monthly installments of 2,270, final payment due October 2019. Stated interest rate of 2.95%		96,573
Total Capital Leases Payable	\$	<u>890,768</u>
	\$	245,794
Current portion		644,974
Noncurrent portion	\$	<u>890,768</u>
Total Capital Leases Payable	\$	<u>890,768</u>

**Notes Payable:**

Series 2010 Sales Tax Revenue Note original issue amount of 5,535,000, dated December 21, 2010 issued by Guymon Utilities Authority payable to the Bank of Oklahoma, secured by 3/4 cent sales tax, interest rate of 4.26% with final maturity dated October 1, 2025; proceeds used to construct animal shelter and fire station.	\$	4,040,000
Series 2012 Sales Tax Revenue Note original issue amount of 755,000, dated June 28, 2012 issued by Guymon Utilities Authority payable to the Bank of Oklahoma, secured by a 1 cent sales tax, interest rate of 1.6% with final maturity dated October 1, 2018; proceeds used to construct animal shelter, fire station and library.		365,000
Series 2015B Sales Tax Revenue Note original issue amount of \$3,240,000, dated March 3, 2015 issued by Guymon Utilities Authority payable to the Bank of Oklahoma, secured by a 1 cent sales tax, interest rate of 2.17% with final maturity dated October 1, 2023; proceeds used to refund prior notes whose purposes were to construct a library.		3,075,000
Promissory Note original issue amount of 950,000, dated December 27, 2012 issued by Guymon Utilities Authority payable to City National Bank & Trust, interest rate of 1.927% with final maturity dated December 1, 2022; proceeds used to purchase a building.		675,295
Total Notes Payable	\$	<u>8,155,295</u>
		827,154
Current portion		7,328,141
Noncurrent portion	\$	<u>8,155,295</u>
Total Capital Leases Payable	\$	<u>8,155,295</u>

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Accrued Compensated Absences:

	Current portion	\$	28,578
	Noncurrent portion		257,198
Total Accrued Compensated Absences		\$	<u>285,776</u>

**Business-Type Activities:**

As of December 31, 2015, the long-term debt payable from proprietary fund resources consisted of the following:

Notes Payable:

Series 2015A Utility System and Sales Tax Revenue Note Payable original issue amount of 5,155,000, dated March 3, 2015, issued by Guymon Utilities Authority payable to City National Bank, secured by gross revenues and 1% sales tax, interest rate of 2.38% with final maturity dated February 1, 2025; proceeds used for water/wastewater improvements.	\$	5,155,000	
Series 2013 Utility System and Sales Tax Revenue Note Payable original issue amount of 3,445,000, dated July 24, 2013, issued by Guymon Utilities Authority payable to City National Bank, secured by gross revenues and 1% sales tax, interest rate of 1.49% with final maturity dated August 1, 2018; proceeds used to refund prior notes whose purposes were for wastewater improvements.		2,135,000	
Series 2007 Sales Tax Revenue Note original issue amount of 1,345,000, dated February 1, 2007 issued by Guymon Utilities Authority payable to the Bank of Oklahoma, secured by ½ cent sales tax, interest rate of 4.12% with final maturity dated February 1, 2017; proceeds used to purchase capital equipment.		255,000	
Series 2008B Clean Water SRF Note Payable original issue amount of 16,400,000, dated September 2008 issued by Guymon Utilities Authority payable to the Oklahoma Water Resources Board (OWRB), secured by water, sewer, gas and sales tax revenues, interest rate of 3.10% with final maturity dated September 2027; proceeds used to construct wastewater improvements.		11,989,547	
Series 2009A Drinking Water SRF Note Payable original issue amount of 1,255,000, dated November 2009 issued by Guymon Utilities Authority payable to the Oklahoma Water Resources Board (OWRB), secured by water, sewer, gas and sales tax revenues, interest rate of 3.19% with final maturity dated March 2030.		648,048	
Series 2009B Clean Water SRF Note Payable original issue amount of 1,335,000, dated November 2009 issued by Guymon Utilities Authority payable to the Oklahoma Water Resources Board (OWRB), secured by water, sewer, gas and sales tax revenues, interest rate of 2.80% with final maturity dated March 2030; proceeds used to construct wastewater system improvements.		676,835	
Total Notes Payable	\$	<u>20,859,430</u>	
	Current portion	\$	1,774,841
	Noncurrent portion		19,084,589
Total Notes Payable	\$	<u>20,859,430</u>	

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Capital Lease Obligations:

\$90,000 capital lease for a backhoe, dated September 2013; Payable in monthly installments of \$1,336, final payment due October 2019. Stated interest rate of 2.22%	\$	57,658
\$154,077 capital lease for a backhoe, dated September 2013; Payable in monthly installments of \$2,329, final payment due October 2019. Stated interest rate of 2.81%		99,349
Total Capital Leases Payable	<u>\$</u>	<u>157,007</u>
	Current portion	\$ 40,293
	Noncurrent portion	116,714
Total Capital Leases Payable	<u>\$</u>	<u>157,007</u>

Accrued Compensated Absences:

	Current portion	\$ 9,425
	Noncurrent portion	84,847
Total Accrued Compensated Absences	<u>\$</u>	<u>94,272</u>

**Non-Commitment Debt:**

<u>Original Debt</u>	<u>Project</u>	<u>Remaining Principal</u>
<b>Guymon Industrial Authority:</b>		
\$4,500,000	(1) Seaboard Farms of Oklahoma, Inc Tax Apportionment Bonds dated December 1, 1993	\$11,356,789
	Total GIA Non-Commitment Debt	<u>\$11,356,789</u>

*(1) Seaboard Farms of Oklahoma, Inc. Tax Apportionment Bonds*

The Tax Apportionment Bonds were issued to partially fund the construction of a pork processing plant. The bonds were purchased by a subsidiary of Seaboard Corporation and are secured by incremental ad valorem taxes on the processing plant property. The only commitment the Guymon Industrial Authority has is remittance to a trustee bank of these incremental taxes received from the county. Principal and interest payments will not be made for the first five years because Seaboard Farms of Oklahoma, Inc. has elected to claim a five-year property tax abatement allowed by state statutes. The interest accruing during that five-year period is added to the principal balance and at December 31, 2015 the total accrued interest is \$6,856,789. The City began receiving incremental taxes in 2005. These are paid to the trustee bank to be applied to the debt. If the incremental taxes are insufficient to service the debt, the GIA has no further liability. In accordance with state law and local ordinance, the incremental ad valorem taxes will cease effective December 2017.

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**Changes in Long-Term Debt**

The following is a summary of changes in long-term debt for the year ended December 31, 2015:

Type of Debt	Balance			Balance December 31, 2015	Amounts Due Within One Year
	January 01, 2015	Additions	Deductions		
<b>Governmental Activities:</b>					
Notes Payable	\$ 8,769,667	\$ 3,240,000	\$ (3,854,372)	\$ 8,155,295	\$ 827,154
Capital Lease Obligations	1,130,305	-	(239,537)	890,768	245,794
Accrued Compensated Absences	322,551	947,843	(984,618)	285,776	28,578
Total Governmental Long-Term Debt	<u>\$ 10,222,523</u>	<u>\$ 4,187,843</u>	<u>\$ (5,078,527)</u>	<u>\$ 9,331,839</u>	<u>\$ 1,101,526</u>
<b>Business-Type Activities:</b>					
Notes Payable	\$ 17,432,539	\$ 5,155,000	\$ (1,728,109)	\$ 20,859,430	\$ 1,774,841
Capital Lease Obligations	196,368	-	(39,361)	157,007	40,293
Accrued Compensated Absences	83,562	394,289	(383,579)	94,272	9,425
Total Business-Type Long-Term Debt	<u>\$ 17,712,469</u>	<u>\$ 5,549,289</u>	<u>\$ (2,151,049)</u>	<u>\$ 21,110,709</u>	<u>\$ 1,824,559</u>

The governmental capital lease obligations are paid by the general fund. Governmental accrued compensated absences will be liquidated by the general fund.

Capital assets purchased with capital leases are as follows:

		Cost	Accumulated Depreciation	Net Book Value
		Machinery & Equipment	Governmental Activities	\$ 1,426,864
Machinery & Equipment	Business-Type Activities	244,077	(118,835)	125,242
Total		<u>\$ 1,670,941</u>	<u>\$ (760,821)</u>	<u>\$ 910,120</u>

**Annual Debt Service Requirements**

The annual debt service requirements to maturity, including principal and interest, for long-term debt as of December 31, 2015 are as follows:

Year Ended December 31,	Governmental Activities				Business-Type Activities			
	Capital Lease Obligations		Notes Payable		Notes Payable		Capital Lease Obligations	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2016	245,794	21,221	827,154	251,594	1,774,841	571,692	40,293	3,689
2017	222,856	14,813	848,946	227,298	1,764,737	524,361	41,361	2,621
2018	226,105	8,889	870,773	202,272	1,754,418	481,286	42,445	1,537
2019	183,582	3,145	902,634	176,273	1,725,037	437,192	32,908	431
2020	12,431	32	924,533	148,855	1,775,796	389,059	-	-
2021-2025	-	-	3,781,255	324,125	9,267,366	1,154,640	-	-
2026-2030	-	-	-	-	2,797,235	128,520	-	-
Total	<u>\$ 890,768</u>	<u>\$ 48,100</u>	<u>\$ 8,155,295</u>	<u>\$ 1,330,417</u>	<u>\$ 20,859,430</u>	<u>\$ 3,686,750</u>	<u>\$ 157,007</u>	<u>\$ 8,278</u>

In March 2015, the City issued \$3,240,000 of Series2015B Sales Tax Revenue Note to refund the outstanding debt obligation of the USDA Promissory Note and pay certain expenses related to the issuance of the Note. The refunding did not result in an accounting loss or gain. However, the present value economic gain was \$120,693.

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**3.F. INTERFUND TRANSFERS AND BALANCES**

**Interfund Transfers**

Transfers between funds of the primary government for the year ended December 31, 2015, were as follows:

<u>Transfer From</u>	<u>Transfer To</u>	<u>Amount</u>	<u>Purpose of Transfer</u>
GUA	General Fund	2,300,000	Operating
GUA	General Fund	827,544	Return of unsued 2007 Series 1/2 cent sales tax
GUA	General Sales Tax CIF	1,171,095	Capital projects
General Fund	GUA	827,544	Required 2007 Series 1/2 cent sales tax
GUA	General Fund - Golf Course	165,000	Operating
GUA	General Fund - Pool	200,000	Operating
GUA	General Fund - Airport	300,000	Operating
Hotel/Motel Tax Fund	Guymon Development Fund	10,000	Grant projects
Hotel/Motel Tax Fund	General Fund - Pool	75,000	Operating
General Fund	General Fund - Housing Authority	288,000	Operating
Hotel/Motel Tax Fund	General Fund - Housing Authority	200,000	Operating
GUA	General Fund - Housing Authority	200,000	Operating
Library CIF	GUA	71,716	Debt service payments
GUA Sales Tax CIF	GUA	1,973,220	Debt service payments
Total		<u>\$ 8,609,119</u>	

	<u>Transfers In</u>	<u>Transfers Out</u>	<u>Net Transfers/ Internal Activity</u>
<b>Reconciliation to Fund Financial Statements:</b>			
Governmental Funds	\$ 5,736,639	\$ (3,445,480)	\$ 2,291,159
Enterprise Funds	2,872,480	(5,163,639)	(2,291,159)
Total Transfers	<u>\$ 8,609,119</u>	<u>\$ (8,609,119)</u>	<u>\$ -</u>

	<u>Transfers to Other Funds</u>	<u>Transfers from Other Funds</u>	<u>Transfer of Capital Assets</u>	<u>Net Transfers</u>
<b>Reconciliation to Statement of Activities:</b>				
Net transfers for governmental activities:				
Governmental Funds	\$ (3,445,480)	\$ 5,736,639	\$ (11,912)	\$ 2,279,247
Total Net transfers for governmental activities	<u>(3,445,480)</u>	<u>5,736,639</u>	<u>(11,912)</u>	<u>2,279,247</u>
Net transfers for business-type activities:				
Enterprise Funds	\$ (5,163,639)	\$ 2,872,480	11,912	\$ (2,279,247)
Total Net transfers for business-type activities	<u>(5,163,639)</u>	<u>2,872,480</u>	<u>11,912</u>	<u>(2,279,247)</u>

**Interfund Balances**

<u>Due To</u>	<u>Due From</u>	<u>Amount</u>	<u>Purpose of Interfund Balance</u>
General Fund	General Fund - Golf	14,419	To clear negative shares of pooled cash
General Fund	General Fund - Pool	321,839	To clear negative shares of pooled cash
General Fund	Grant Fund	445,195	To clear negative shares of pooled cash
GUA Sales Tax CIF	Grant Fund	145,813	To clear negative shares of pooled cash
GUA	General Sales Tax CIF	248,378	To clear negative shares of pooled cash
GUA	GUA Sales Tax CIF	878,574	To clear negative shares of pooled cash
Total		<u>\$ 2,054,218</u>	

	<u>Due From</u>	<u>Due To</u>	<u>Net Transfers/ Internal Activity</u>
<b>Reconciliation to Fund Financial Statements:</b>			
Governmental Funds	\$ 781,453	\$ (2,054,218)	\$ (1,272,765)
Enterprise Funds	1,272,765	-	1,272,765
Total Transfers	<u>\$ 2,054,218</u>	<u>\$ (2,054,218)</u>	<u>\$ -</u>

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**3.G. FUND EQUITY**

**Fund Balance:**

The following table shows the fund balance classifications as shown on the Governmental Funds Balance Sheet in accordance with GASB Statement 54:

	Major Capital Project Funds			Other Governmental Funds	TOTAL
	General Fund	General Sales Tax CIF	GUA Sales Tax CIF		
Fund Balances:					
Nonspendable:					
Dale Fund Principal	\$ -	\$ -	\$ -	\$ 3,300	\$ 3,300
Sweet Cemetery Trust	-	-	-	1,000	1,000
Sub-total Nonspendable	-	-	-	4,300	4,300
Restricted for:					
Capital outlay	-	235,409	-	-	235,409
Water & Wastewater ODEQ required improvements	-	-	341,702	-	341,702
Cemetery capital	-	-	-	22,427	22,427
E-911	-	-	-	409,240	409,240
Fire Equipment	-	-	-	2,430	2,430
Fiesta Days	-	-	-	9,962	9,962
Police	-	-	-	36,516	36,516
Library Building	-	-	-	15,953	15,953
Ennis Cemetery	-	-	-	11,411	11,411
Police Bike Program	-	-	-	380	380
Fire/Life Safety Education	-	-	-	38	38
Cultural Symposium	-	-	-	4,369	4,369
Rodeo Grounds	-	-	-	7,676	7,676
Park Improvements	-	-	-	1,052	1,052
Leadership Oklahoma	-	-	-	846	846
Animal Shelter	-	-	-	4,419	4,419
Sweet Cemetery Trust	-	-	-	2,195	2,195
Library Operations	-	-	-	39,333	39,333
Grant Programs	-	-	-	11,662	11,662
Tourism	200,000	-	-	86,696	286,696
Industrial development	-	-	-	49,970	49,970
Dale Trust - Cemetery	-	-	-	13,875	13,875
Dale Trust - Citizenship	-	-	-	15,000	15,000
Dale Trust - Library	-	-	-	36,762	36,762
Dale Trust - Dale Park	-	-	-	17,834	17,834
Library Debt Service	-	-	-	5,129	5,129
Sub-total Restricted	200,000	235,409	341,702	805,175	1,582,286
Assigned to:					
Calendar year 2015 budget	2,056,747	-	-	-	2,056,747
Swimming pool	-	-	-	-	-
Golf Course	-	-	-	-	-
Airport	-	-	-	-	-
Housing Authority	-	-	-	-	-
Sub-total Assigned	2,056,747	-	-	-	2,056,747
Unassigned (deficit):	-	-	-	(676,145)	(676,145)
<b>TOTAL FUND BALANCES</b>	<b>\$ 2,256,747</b>	<b>\$ 235,409</b>	<b>\$ 341,702</b>	<b>\$ 133,330</b>	<b>\$ 2,967,188</b>

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**NOTE 4. OTHER NOTES**

**4A. EMPLOYEE PENSION AND OTHER BENEFIT PLANS**

The City participates in four employee pension systems as follows:

<u>Names of Plan/System</u>	<u>Type of Plan</u>
Oklahoma Police Pension and Retirement Fund	Cost Sharing Multiple Employer - Defined Benefit Plan
Oklahoma Firefighters Pension and Retirement Fund	Cost Sharing Multiple Employer - Defined Benefit Plan
Oklahoma Municipal Retirement Fund (OkMRF)	Agent Multiple Employer - Defined Contribution Plans
Oklahoma Municipal Retirement Fund (OkMRF)	Agent Multiple Employer - Defined Benefit Plan

**Oklahoma Police Pension and Retirement System**

**Plan description** - The City of Guymon, as the employer, participates in the Oklahoma Police Pension and Retirement Plan—a cost-sharing multiple-employer defined benefit pension plan administered by the Oklahoma Police Pension and Retirement System (OPPRS). Title 11 of the Oklahoma State Statutes, through the Oklahoma Legislature, grants the authority to establish and amend the benefit terms to the OPPRS. OPPRS issues a publicly available financial report that can be obtained at [www.ok.gov/OPPRS](http://www.ok.gov/OPPRS).

**Benefits provided** - OPPRS provides retirement, disability, and death benefits to members of the plan. The normal retirement date under the Plan is the date upon which the participant completes 20 years of credited service, regardless of age. Participants become vested upon completing 10 years of credited service as a contributing participant of the Plan. No vesting occurs prior to completing 10 years of credited service. Participants’ contributions are refundable, without interest, upon termination prior to normal retirement. Participants who have completed 10 years of credited service may elect a vested benefit in lieu of having their accumulated contributions refunded. If the vested benefit is elected, the participant is entitled to a monthly retirement benefit commencing on the date the participant reaches 50 years of age or the date the participant would have had 20 years of credited service had employment continued uninterrupted, whichever is later.

Monthly retirement benefits are calculated at 2.5% of the final average salary (defined as the average paid base salary of the officer over the highest 30 consecutive months of the last 60 months of credited service) multiplied by the years of credited service, with a maximum of 30 years of credited service considered.

Monthly benefits for participants due to permanent disability incurred in the line of duty are 2.5% of the participants’ final average salary multiplied by 20 years. This disability benefit is reduced by stated percentages for partial disability based on the percentage of impairment. After 10 years of credited service, participants who retire due to disability incurred from any cause are eligible for a monthly benefit based on 2.5% of their final average salary multiplied by the years of service. This disability benefit is also reduced by stated percentages for partial disability based on the percentage of impairment. Effective July 1, 1998, once a disability benefit is granted to a participant, that participant is no longer allowed to apply for an increase in the dollar amount of the benefit at a subsequent date.

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Survivor's benefits are payable in full to the participant's beneficiary upon the death of a retired participant. The beneficiary of any active participant killed in the line of duty is entitled to a pension benefit.

**Contributions** - The contributions requirements of the Plan are at an established rate determine by Oklahoma Statute and are not based on actuarial calculations. Employees are required to contribute 8% percent of their annual pay. Participating cities are required to contribute 13% of the employees' annual pay. Contributions to the pension plan from the City were \$98,579. The State of Oklahoma also made on-behalf contributions to OPPRS in the amount of \$100,809 during the calendar year and this is reported as both a revenue and an expenditure in the General Fund Statement of Revenues, Expenditures, and Changes in Fund Balance. In the government-wide Statement of Activities, revenue is recognized for the state's on-behalf contributions on an accrual basis of \$101,499. These on-behalf payments did not meet the criteria of a special funding situation.

**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions** - At December 31, 2015, the City reported a liability of \$11,661 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2015, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2015. The City's proportion of the net pension liability was based on the City's contributions received by the pension plan relative to the total contributions received by pension plan for all participating employers as of June 30, 2015. Based upon this information, the City's proportion was 0.2860 percent.

For the year ended December 31, 2015, the City recognized pension expense of 45,762. At December 31, 2015, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 64,482
Changes of assumptions	-	-
Net difference between projected and actual earnings on pension plan investments	208,963	253,834
Changes in proportion and differences between City contributions and proportionate share of contributions	11,275	-
City contributions during the measurement date	-	1,252
City contributions subsequent to the measurement date	46,136	-
Total	<u>\$ 266,374</u>	<u>\$ 319,568</u>

\$46,136 reported as deferred outflows of resources related to pensions resulting from City contributions subsequent to the measurement date will be recognized as an increase of the net pension asset in the year ended December 31, 2015. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

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Year ended December 31:		
2016	\$	(45,553)
2017		(45,553)
2018		(45,553)
2019		40,581
2020		(3,252)
	\$	<u>(99,330)</u>

**Actuarial Assumptions**-The total pension liability was determined by an actuarial valuation as of July 1, 2015, using the following actuarial assumptions, applied to all prior periods included in the measurement:

Inflation:	3%
Salary increases:	4.5% to 17% average, including inflation
Investment rate of return:	7.5% net of pension plan investment expense
Mortality rates:	Active employees (pre-retirement) RP-2000 Blue Collar Healthy Combined table with age set back 4 years with fully generational improvement using Scale AA.
	Active employees (post-retirement) and nondisabled pensioners: RP-2000 Blue Collar Healthy Combined table with fully generational improvement using scale AA.
	Disabled pensioners: RP-2000 Blue Collar Healthy Combined table with age set forward 4 years with fully generational improvement using Scale AA.

The actuarial assumptions used in the July 1, 2015, valuation were based on the results of an actuarial experience study for the period July 1, 2007, to June 30, 2012.

The long-term expected rate of return on pension plan investments was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense, and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of June 30, 2015, are summarized in the following table:

<u>Asset Class</u>	<u>Long-Term Expected Real Rate of Return</u>
Fixed income	2.24%
Domestic equity	4.87%
International equity	7.68%
Real estate	5.47%
Private Equity	5.80%
Commodities	2.96%

The current allocation policy is that approximately 60% of assets in equity instruments, including public equity, long-short hedge, venture capital, and private equity strategies; approximately 25% of assets in fixed income to include investment grade bonds, high yield and non-dollar denominated bonds, convertible bonds, and low volatility hedge fund strategies; and 15% of assets in real assets to include real estate, commodities, and other strategies.

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**Discount Rate**-The discount rate used to measure the total pension liability was 7.5%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rate and that contributions from employers will be made at contractually required rates, determined by State statutes. Projected cash flows also assume the State of Oklahoma will continue contributing 14% of the insurance premium, as established by statute. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

**Sensitivity of the Net Pension Liability to Changes in the Discount Rate**-The following presents the net pension liability of the employers calculated using the discount rate of 7.5%, as well as what the Plan's net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower (6.5%) or 1-percentage-point higher (8.5%) than the current rate:

	1% Decrease (6.5%)	Current Discount Rate (7.5%)	1% Increase (8.5%)
Employers' net pension liability (asset)	\$ 700,688	\$ 11,661	\$ (569,236)

**Pension plan fiduciary net position** - Detailed information about the pension plan's fiduciary net position is available in the separately issued financial report of the OPPRS; which can be located at [www.ok.gov/OPPRS](http://www.ok.gov/OPPRS).

**Oklahoma Firefighter's Pension and Retirement System**

**Plan description** - The City of Guymon, as the employer, participates in the Firefighters Pension & retirement—a cost-sharing multiple-employer defined benefit pension plan administered by the Oklahoma Firefighters Pension & Retirement System (FPRS). Title 11 of the Oklahoma State Statutes grants the authority to establish and amend the benefit terms to the FPRS. FPRS issues a publicly available financial report that can be obtained at [www.ok.gov/FPRS](http://www.ok.gov/FPRS).

**Benefits provided** - FPRS provides retirement, disability, and death benefits to members of the plan. Benefits for members hired prior to November 1, 2013 are determined as 2.5 percent of the employee's final average compensation times the employee's years of service and have reached the age of 50 or have complete 20 years of service, whichever is later. For volunteer firefighters, the monthly pension benefit for normal retirement is \$150.60 per month. Benefits vest with 10 years or more of service.

Benefits for members hired after November 1, 2013 are determined as 2.5 percent of the employee's final average compensation times the employee's years of service and have reached the age of 50 or have complete 22 years of service, whichever is later. For volunteer firefighters, the monthly pension benefit for normal retirement is \$165.66 per month. Benefits vest with 11 years or more of service.

All firefighters are eligible for immediate disability benefits. For paid firefighters, the disability in-the-line-of-duty benefit for firefighters with less than 20 years of service is equal to 50% of final average monthly compensation, based on the most recent 30 months of service. For firefighters with over 20 years of service, a disability in-the-line-of-duty is calculated based on 2.5% of final average monthly compensation, based on the most recent 30 months, per year of service, with a maximum of 30 years of service. For disabilities not-in-the-line-of-duty, the benefit is limited to only those with less than 20 years of service and is 50% of final average monthly compensation, based on the most recent 60-month salary as opposed to 30 months. For volunteer firefighters, the not-in-line-of-duty disability is also limited to only those with less than 20 years of service and is \$7.53 per year of service. For volunteer firefighters, the in-line-of-duty

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pension is \$150.60 with less than 20 years of service, or \$7.53 per year of service, with a maximum of 30 years.

A \$5,000 lump sum death benefit is payable to the qualified spouse or designated recipient upon the participant's death. The \$5,000 death benefit does not apply to members electing the vested benefit.

**Contributions** - The contributions requirements of the Plan are at an established rate determined by Oklahoma Statute and are not based on actuarial calculations. Employees are required to contribute 9% percent of their annual pay. Participating cities are required to contribute 14% of the employees' annual pay. Contributions to the pension plan from the City were \$143,060. The State of Oklahoma also made on-behalf contributions to FPRS in the amount of \$401,587 during the calendar year and this is reported as both a revenue and an expenditure in the General Fund Statement of Revenues, Expenditures, and Changes in Fund Balance. In the government-wide Statement of Activities, revenue is recognized for the state's on-behalf contributions on an accrual basis of \$313,292. These on-behalf payments did not meet the criteria of a special funding situation.

**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions** - At June 30, 2015, the City reported a net pension liability of \$3,644,722 for its proportionate share of the total net pension liability. The net pension liability was measured as of June 30, 2015, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2015. The City's proportion of the net pension liability was based on the City's contributions received by the pension plan relative to the total contributions received by pension plan for all participating employers as of June 30, 2015. Based upon this information, the City's proportion was 0.343387 percent.

For the year ended December 31, 2015, the City recognized pension expense of \$359,397. At December 31, 2015, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 71,873	\$ -
Changes of assumptions	-	-
Net difference between projected and actual earnings on pension plan investments	129,207	400,895
Changes in proportion and differences between City contributions and proportionate share of contributions	266,507	-
City contributions during the measurement date	-	2,076
City contributions subsequent to the measurement date	73,574	-
Total	\$ 541,161	\$ 402,971

**CITY OF GUYMON, OKLAHOMA  
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\$73,574 reported as deferred outflows of resources related to pensions resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2015. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended December 31:

2016	\$	(34,510)
2017		(34,510)
2018		(34,510)
2019		99,122
2020		53,516
Thereafter		15,645
Total	\$	<u>64,753</u>

**Actuarial Assumptions**- The total pension liability was determined by an actuarial valuation as of July 1, 2014, using the following actuarial assumptions, applied to all prior periods included in the measurement:

Inflation:	3%
Salary increases:	3.5% to 9.0% average, including inflation
Investment rate of return:	7.5% net of pension plan investment expense

Mortality rates were based on the RP2000 combined healthy with blue collar adjustment as appropriate, with adjustments for generational mortality improvement using scale AA for healthy lives and no mortality improvement for disabled lives.

The actuarial assumptions used in the July 1, 2014, valuation were based on the results of an actuarial experience study for the period July 1, 2007, to June 30, 2012.

The long-term expected rate of return on pension plan investments was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense, and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of June 30, 2014, are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Fixed income	20%	5.13%
Domestic equity	37%	8.02%
International equity	20%	9.94%
Real estate	10%	7.47%
Other assets	13%	6.25%

**Discount Rate**- The discount rate used to measure the total pension liability was 7.5%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rate and that contributions from employers will be made at contractually required rates, determined by State statutes. Projected cash flows also assume the State of Oklahoma will continue contributing 36% of the insurance premium, as established by statute. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

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**Sensitivity of the Net Pension Liability to Changes in the Discount Rate**-The following presents the net pension liability of the employers calculated using the discount rate of 7.5%, as well as what the Plan's net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower (6.5%) or 1-percentage-point higher (8.5%) than the current rate:

	1% Decrease (6.5%)	Current Discount Rate (7.5%)	1% Increase (8.5%)
Employers' net pension liability	\$ 4,732,306	\$ 3,644,722	\$ 2,732,584

**Pension plan fiduciary net position** - Detailed information about the pension plan's fiduciary net position is available in the separately issued financial report of the FPRS which can be located at [www.ok.gov/FPRS](http://www.ok.gov/FPRS).

**Defined Contribution Plans - Oklahoma Municipal Retirement Fund**

The City has also provided effective March 1, 1992, a defined contribution plan with the Oklahoma Municipal Retirement Fund. The plan is administered by JP Morgan Chase Bank of Oklahoma City, Oklahoma. According to state law, the authority for establishing or amending the plan's provisions rests with the city council. The defined contribution plan is available to all full-time employees not already participating in another plan. In a defined contribution plan, benefits depend solely on amounts contributed to the plan, investment earnings, and forfeitures of other participants' benefits that may be allocated to such participant's account. Benefits vest after 7 years of service. The City is currently contributing to two types of defined contribution plans. Under the Trust Money Purchase Pension plan, the participants are required to contribute from 3% of their compensation and the city is required to match 100% of the mandatory employee contribution. Under the Trust Profit Sharing plan, the city contributed 3.74% of covered payroll for the first six months of the calendar year and 4.09% for the last six months of the calendar year. This percentage can vary from year to year. Participants are permitted to make voluntary deductible contributions to the plan.

For the year ended December 31, 2015, the following amounts related to the defined contribution plan:

Payroll for covered employees	\$2,604,373
Employer (City) contributions made	\$101,969

**Department Head and City Manager Plans (the DH and CMO Plan)**

**DH Plan Description** – Effective December 1, 2007, the City has also provided a defined contribution plan and trust known as the City of Guymon Department Head Retirement Plan and Trust (the DH Plan) in the form of The Oklahoma Municipal Retirement Fund Master Defined Contribution Plan (OkMRF). The plan is administered by JP Morgan Chase Bank of Oklahoma City, Oklahoma. The defined contribution plan is available to all full-time employees defined as Department Head or City Manager except for the fire chief. Separate audited GAAP – basis financial statements are not available.

**Funding Policy** – Benefits depend solely on amounts contributed to the plan plus investment earnings. Employees are eligible to participate upon employment, and must make a mandatory minimum pre-tax contribution of 6%. Employees are allowed to contribute in excess of the 6%. The employer makes variable contributions to the fund. For the current year, the employer contribution rate was 3.74% of covered payroll for the first six months of the calendar year and 4.09% for the last six months of the calendar year. The employee is fully vested upon employment. The authority to establish and amend the provisions of the plan rests with the City

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Council. Contributions to the plan for the year ended December 31, 2015, for the employer were \$28,725.29 on a covered payroll of \$731,553.

CMO Plan Description and Funding Policy – Effective October 1, 2006, the City has also provided a defined contribution plan and trust known as the City of Guymon City Manager Retirement Plan and Trust (CMO Plan). The plan is administered by JP Morgan Chase Bank of Oklahoma City, Oklahoma. According to state law, the authority for establishing or amending the plan’s provisions and contribution requirements rests with the city council. This plan is similar to the Department Head with the following exceptions: This plan is available only to the City Manager. The employee does not contribute to the plan and the employer makes variable contributions to the fund. For the current year, the employer contribution rate is 15%. Contributions to the plan for the year ended December 31, 2015 were \$17,385 on a covered payroll of \$115,385.

**Defined Benefit Plan - Oklahoma Municipal Retirement Fund**

*A. Plan Description*

The City contributes to the OkMRF for all eligible employees except for those covered by the Police and Firefighter Pension Systems. The plan is an agent multiple employer - defined benefit plan administered by OkMRF. The OkMRF plan issues a separate financial report and can be obtained from OkMRF or from their website: [www.okmrf.org/reports.html](http://www.okmrf.org/reports.html). Benefits are established or amended by the City Council in accordance with O.S. Title 11, Section 48-101-102.

*B. Summary of Significant Accounting Policies*

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 fiduciary net position of the City’s plan and additions to/deductions from the City’s fiduciary net position have been determined on the same basis as they are reported by OkMRF. For this purpose, benefit payments are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value based on published market prices. Detailed information about the OkMRF plans’ fiduciary net position is available in the separately issued OkMRF financial report.

*C. Eligibility Factors and Benefit Provisions*

<u>Provision</u>	As of 07/01/15 <u>OkMRF Plan</u>
a. Eligible to participate	Full-time employees except police, firefighters and other employees who are covered under an approved system.
b. Period Required to Vest	7 years of credited service
c. Eligibility for Distribution	-Normal retirement at age 65 with 7 years of service -Early retirement at age 55 with 7 years of service -Disability retirement upon disability with 7 years of service -Death benefit with 7 years of service for married employees

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d. Benefit Determination Base	Final average salary - the average of the five highest consecutive annual salaries out of the last 10 calendar years of service
e. Benefit Determination Methods:	
Normal Retirement	-1.875% of final average salary multiplied by credited years of service
Early Retirement	-Actuarially reduced benefit based upon age, final average salary, and years of service at termination
Disability Retirement	-Same as normal retirement
Death Benefit	-50% of employees accrued benefit, but terminates upon spouse re-marriage
Prior to 7 Years Service	-No benefits
f. Benefit Authorization	-Benefits are established and amended by City Council adoption of an ordinance in accordance with O.S. Title, 11, Section 48-101-102
g. Form of Benefit Payments	Normal form is a 60 months certain and life thereafter basis. Employee may elect, with City consent, option form based on actuarial equivalent.

<i>D. Employees Covered by Benefit Terms</i>	
Active Employees	90
Deferred Vested Former Employees	24
Retirees or Retiree Beneficiaries	<u>26</u>
Total	<u>140</u>

*E. Contribution Requirements*

The City Council has the authority to set and amend contribution rates by ordinance for the OkMRF defined benefit plan in accordance with O.S. Title 11, Section 48-102. The contribution rates for the current fiscal year have been made in accordance with an actuarially determined rate. The actuarially determined rate is 8.91% of covered payroll as of 7-1-15 and 9.26% of covered payroll as of 7-1-14. For the year ended December 31, 2015, the City recognized \$302,976 of employer contributions to the plan which equals the actuarially determined amount based on covered payroll of \$3,335,926. Employees cannot contribute to the plan in accordance with the plan provisions adopted by the City Council.

*F. Actuarial Assumptions*

Date of Last Actuarial Valuation	July 1, 2015
a. Actuarial cost method	Entry age normal
b. Rate of Return on Investments and Discount Rate	7.75%
c. Projected Salary Increase based on age	Varies between 7.42% and 4%

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d. Post Retirement cost-of-Living Increase	None
e. Inflation Rate	3%
f. Mortality Table	UP 1994, with projected mortality improvement
g. Percent of married employees	100%
h. Spouse age difference	3 years (female spouses younger)
i. Turnover	Select and ultimate rates Ultimate rates are age-related as shown
	Additional rates per thousand are added during the first 5 years:
	Year 1: 215
	Year 2: 140
	Year 3: 95
	Year 4: 65
	Year 5: 40
j. Date of last experience study	September 2012 for fiscal years 2007 thru 2011

G. *Discount Rate* – The discount rate used to value benefits was the long-term expected rate of return on plan investments, 7.75% since the plan’s net fiduciary position is projected to be sufficient to make projected benefit payments.

The City has adopted a funding method that is designed to fund all benefits payable to participants over the course of their working careers. Any differences between actual and expected experience are funded over a fixed period to ensure all funds necessary to pay benefits have been contributed to the trust before those benefits are payable. Thus, the sufficiency of pension plan assets was made without a separate projection of cash flows.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation (3.0%). Best estimates of arithmetic real rates of return for each major asset class included in the pension plan’s target asset allocation as of July 1, 2015 are summarized in the following table:

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	Target Allocation	Real Return	Weighted Return
Large cap stocks S&P 500	25%	5.40%	1.35%
Small/mid cap stocks Russell 2500	10%	7.50%	0.75%
Long/short equity MSCI ACWI	10%	6.10%	0.61%
International stocks MSCI EAFE	20%	5.10%	1.02%
Fixed income bonds Barclay's Capital Aggregate	30%	2.60%	0.78%
Real estate NCREIF	5%	4.80%	0.24%
Cash equivalents 3 month Treasury	0%	0.00%	0.00%
<b>TOTAL</b>	<b>100%</b>		
Average Real Return			4.75%
Inflation			3.00%
Long-term expected return			7.75%

- H. *Changes in Net Pension Liability* – The total pension liability was determined based on an actuarial valuation performed as of July 1, 2015 which is also the measurement date. There were no changes in assumptions or changes in benefit terms that affected measurement of the total pension liability. There were also no changes between the measurement date of July 1, 2015 and the City's report ending date of December 31, 2015, that would have had a significant impact on the net pension liability. The following table reports the components of changes in net pension liability:

<b>SCHEDULE OF CHANGES IN NET PENSION LIABILITY</b>			
	Increase (Decrease)		
	Total Pension Liability (a)	Plan Net Position (b)	Net Pension Liability (a) - (b)
<b>Balances Beginning of Year</b>	\$ 6,754,768	\$ 6,652,175	\$ 102,593
<b>Changes for the Year:</b>			
Service cost	218,613	-	218,613
Interest expense	515,474	-	515,474
Benefit changes	-	-	-
Experience losses (gains) - (amortized over avg remain svc period of actives & inactives)	(19,632)	-	(19,632)
Changes of assumptions	-	-	-
Contributions--City	-	300,167	(300,167)
Contributions--members	-	-	-
Net investment income	-	188,242	(188,242)
Expected return on plan investments	-	-	-
Expensed portion of current-period differences between actual and expected returns on plan investments	-	-	-
Non expensed portion of earnings on plan investments above expectation	-	-	-
Refunds of contributions (amortized over closed 5-year period)	-	-	-
Benefits paid	(210,906)	(210,906)	-
Plan administrative expenses	-	(13,915)	13,915
Change in deferred contributions made subsequent to the measurement date	-	-	-
<b>Net Changes</b>	<b>503,549</b>	<b>263,588</b>	<b>239,961</b>
<b>Balances End of Year</b>	<b>\$ 7,258,317</b>	<b>\$ 6,915,763</b>	<b>\$ 342,554</b>

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*Sensitivity of the net pension liability to changes in the discount rate.* The following presents the net pension liability of the City, calculated using the discount rate of 7.75 percent, as well as what the City’s net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.75 percent) or 1-percentage-point higher (8.75 percent) than the current rate:

	<u>1% Decrease (6.75%)</u>	<u>Current Discount Rate (7.75%)</u>	<u>1% Increase (8.75%)</u>
Net Pension Liability (Asset)	\$ 1,196,535	\$ 342,554	\$ (377,547)

The City reported \$192,345 in pension expense for the year ended December 31, 2015. At December 31, 2015, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ -	\$ -
Changes of assumptions	-	-
Experience gains/losses	-	15,383
Change in proportion	2,069	2,069
Net difference between projected and actual earnings on pension plan investments	265,044	294,362
City contributions subsequent to the measurement date	150,991	-
Total	<u>\$ 418,104</u>	<u>\$ 311,814</u>

\$150,991 reported as deferred outflows of resources related to pensions resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2016. Any other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

**Year ended December 31:**

2016	\$ (36,109)
2017	(36,109)
2018	(36,109)
2019	63,626
	<u>\$ (44,701)</u>

**4.B. RISK MANAGEMENT**

The City is exposed to various risks of loss related to torts, theft of, damage to, or destruction of assets; errors and omissions; injuries to employees; employees health and life; and natural disasters. The City manages these various risks of loss as follows:

<u>Type of Loss</u>	<u>Method Managed</u>	<u>Risk Retained</u>
a. Torts, errors and omissions, health and life	Purchased insurance with Oklahoma Municipal Assurance Group.	(1)

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b. Injuries to employees (workers compensation)	Participates in OMAG risk entity pool. Participation fee includes an actuarially determined amount held by OMAG as the loss reserve fund, to pay claims incurred. Claims are administered by Consolidated Benefits Resources, Inc.	(2)
c. Physical property loss and natural disasters	Purchased insurance with Oklahoma Municipal Assurance Group.	(1)
d. Health and life	Purchased insurance with commercial carrier	None

Management believes such coverage is sufficient to preclude any significant uninsured losses to the City. Settled claims have not exceeded this insurance coverage in any of the past three fiscal years.

**Risk Entity Pools**

The City participates in the Oklahoma Municipal Assurance Group Liability Protection Plan and Worker's Compensation Plan (risk entity pools).

*(1) Liability Protection Plan*

The basic insurance agreements cover claims against municipalities for all government functions, utilities, and services covered in the Plan. These include bodily injury, property damage, wrongful acts, personal injury, and related torts under the state tort claims law and federal civil rights laws. All public officials, employees, services, and municipal functions are covered unless they are specifically listed as exclusions in the Plan.

The title to all assets acquired by the Plan are vested in the Group. In the event of termination of the Group, such property shall belong to the then members of the Group in equal shares. Each participating City pays all costs, premiums, or other fees attributable to its respective participation in the Plan, and is responsible for its obligation under any contract entered into with the Plan.

Reserves for claim losses include provisions for reported claims on a case basis and an estimate of claims incurred but not reported limited by aggregate and individual loss levels as specified by the Plan's reinsurance contracts. These credits, if any, represent contingent liabilities of the Plan if the reinsurer was unable to meet its obligations under the reinsurance agreement.

The Plan's insurance agreements are reinsured for excess losses based upon the contract year. The significant components of each reinsurance contract can be obtained from the Plan's annual financial report.

*(2) Worker's Compensation*

The title to all assets acquired by the Plan are vested in the Plan. In the event of termination of the Plan, such property shall belong to the then members of the Plan in equal shares. Each participating city pays for all costs, premiums, or other fees attributable to its respective participation in the Plan, policy or service established under the agreement establishing the Oklahoma Municipal Assurance Group, and is responsible for its obligations under any contract entered into with the Plan.

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Specific aggregate stop loss coverage is provided by the State Insurance Fund and covers all claims above the loss reserve fund. The loss reserve fund amount for June 30, 2014 was \$318,477.

Reserves for policy and contract claims provide for reported claims on a case basis and a provision for incurred but not reported claims limited to specific retention levels for each member as outlined in the Plan's reinsurance agreement.

The Plan worker's compensation coverage is reinsured for losses in excess of respective retention levels. The reinsurance agreement covers losses incurred within the effective period of the agreement. Each Plan member's liability for claims losses is limited to their individual retention levels as outlined in the Plan's reinsurance agreement.

#### **4.C. COMMITMENTS AND CONTINGENCIES**

##### **Contingencies**

###### *Grant Program Involvement*

In the normal course of operations, the City participates in various federal or state grant/loan programs from year to year. The grant/loan programs are often subject to additional audits by agents of the granting or loaning agency, the purpose of which is to ensure compliance with the specific conditions of the grant or loan. Any liability for reimbursement which may arise as a result of these audits cannot be reasonably determined at this time, although it is believed the amount, if any, would not be material.

###### *Litigation*

The City is party to various legal proceedings which normally occur in the course of governmental operations. The financial statements do not include accrual or provisions for loss contingencies that may result from these proceedings. State statutes provide for the levy of an ad valorem tax over a three-year period by a City "Sinking Fund" for the payment of any court assessed judgment rendered against the City. This statutory taxing ability is not available to the City's public trusts (Authorities).

While the outcome of the above noted proceedings cannot be predicted, due to the insurance coverage maintained by the City and the State statute relating to judgment, the City feels that any settlement or judgment not covered by insurance would not have a material adverse effect on the financial condition of the City.

#### **4.D. SUBSEQUENT EVENTS**

The City entered into an agreement on October 29, 2015, with IBTS Community Services, LLC to outsource certain city services related to administration, public works, utilities, community development including planning, zoning, code compliance, and building service, parks and recreation, and library. In accordance with this agreement, these services will be provided by IBTS effective March 1, 2016. The City agreed to pay approximately \$10 million annually for these services. The agreement is for the 2016 calendar year and may be renewed annually for an additional 5 years.

## **REQUIRED SUPPLEMENTARY INFORMATION**

Required supplementary information includes financial information and disclosures that are required by the GASB but are not considered a part of the basic financial statements. Such information includes:

- Defined Benefit Cost Sharing Plans:
  - Police
    - Schedule of the City's proportionate share of the net pension liability (asset)
    - Schedule of City contributions
  - Fire
    - Schedule of the City's proportionate share of the net pension liability (asset)
    - Schedule of City contributions
- Defined Benefit Agent Multi-Employer Plan
  - OkMRF
    - Schedule of change in net pension liability & related ratios
    - Schedule of employer contributions
- Budgetary Comparison Schedule – General Fund

**CITY OF GUYMON, OKLAHOMA  
 REQUIRED SUPPLEMENTARY INFORMATION  
 ON PENSION PLAN FUNDING PROGRESS  
 FOR THE YEAR ENDED DECEMBER 31, 2015**

**Exhibit 1**

**Schedules of Required Supplementary Information  
 SCHEDULE OF THE CITY OF GUYMON PROPORTIONATE SHARE OF THE NET PENSION LIABILITY (ASSET)  
 OKLAHOMA POLICE PENSION & RETIREMENT SYSTEM  
 Last Two Fiscal Years\***

	<u>2014</u>	<u>2015</u>
City's proportion of the net pension liability (asset)	0.2723%	0.2860%
City's proportionate share of the net pension liability (asset)	\$ (91,690)	\$ 11,661
City's covered-employee payroll	\$ 788,315	\$ 844,578
City's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	-11.63%	1.38%
Plan fiduciary net position as a percentage of the total pension liability (asset)	101.53%	99.82%

\*The amounts present for each fiscal year were determined as of 6/30

**Notes to Schedule:**

Only two years are presented because 10-year data is not yet available.

**Exhibit 2**

**SCHEDULE OF CITY CONTRIBUTIONS  
OKLAHOMA POLICE PENSION & RETIREMENT SYSTEM  
Last Two Fiscal Years**

	<u>2014</u>	<u>2015</u>
Statutorially required contribution	\$ 103,317	\$ 98,579
Contribuions in relation to the statutorially required contribution	<u>103,317</u>	<u>98,579</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>
City's covered-employee payroll	\$ 794,746	\$ 758,312
Contribuions as a percentage of covered-employee payroll	13.00%	13.00%

**Notes to Schedule:**

Only two fiscal years are presented because 10-year data is not yet available.

**Exhibit 3**

**Schedules of Required Supplementary Information  
SCHEDULE OF THE CITY OF GUYMON'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY  
OKLAHOMA FIREFIGHTERS PENSION & RETIREMENT SYSTEM  
Last Two Fiscal Years\***

	<u>2014</u>	<u>2015</u>
City's proportion of the net pension liability	0.316073%	0.343387%
City's proportionate share of the net pension liability	\$ 3,250,330	\$ 3,644,722
City's covered-employee payroll	\$ 858,367	\$ 928,985
City's proprotionate share of the net pension liability as a percentage of its covered-employee payroll	379%	392%
Plan fiduciary net position as a percentage of the total pension liability	68.12%	68.27%

\*The amounts present for each fiscal year were determined as of 6/30

**Notes to Schedule:**

Only two years are presented because 10-year data is not yet available.

**SCHEDULE OF CITY CONTRIBUTIONS  
OKLAHOMA FIREFIGHTERS PENSION & RETIREMENT SYSTEM  
Last Two Fiscal Years\***

	<u>2014</u>	<u>2015</u>
Statutorially required contribution	\$ 123,303	\$ 143,060
Contributions in relation to the statutorially required contribution	<u>123,303</u>	<u>143,060</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>
City's covered-employee payroll	\$ 880,736	\$ 1,021,851
Contributions as a percentage of covered-employee payroll	14.00%	14.00%

**Notes to Schedule:**

Only two years are presented because 10-year data is not yet available.

**Exhibit 5**

**Required Supplementary Information  
Oklahoma Municipal Retirement Fund**

**Schedule of Changes in Net Pension Liability and Related Ratios**

**Last Two Fiscal Years**

	2014	2015
<b>Total pension liability</b>		
Service cost	\$ 200,866	\$ 218,613
Interest	493,213	515,474
Changes of benefit terms	-	-
Differences between expected and actual experience	-	(19,632)
Changes of assumptions	-	-
Benefit payments, including refunds of member contributions	(201,215)	(210,906)
<b>Net change in total pension liability</b>	<u>492,864</u>	<u>503,549</u>
<b>Total pension liability - beginning</b>	6,261,905	6,754,768
<b>Total pension liability - ending (a)</b>	<u>\$ 6,754,769</u>	<u>\$ 7,258,317</u>
<b>Plan fiduciary net position</b>		
Contributions - employer	\$ 296,299	\$ 300,167
Contributions - member	-	-
Net investment income	935,509	188,242
Benefit payments, including refunds of member contributions	(201,215)	(210,906)
Administrative expense	(13,849)	(13,915)
Other	-	-
<b>Net change in plan fiduciary net position</b>	<u>1,016,744</u>	<u>263,588</u>
<b>Plan fiduciary net position - beginning</b>	5,635,431	6,652,175
<b>Plan fiduciary net position - ending (b)</b>	<u>\$ 6,652,175</u>	<u>\$ 6,915,763</u>
<b>Net pension liability - ending (a) - (b)</b>	<u>\$ 102,594</u>	<u>\$ 342,554</u>
<b>Plan fiduciary net position as a percentage of the total pension liability</b>	98.48%	95.28%
<b>Covered employee payroll</b>	\$ 3,022,893	\$ 3,250,640
<b>Net pension liability as a percentage of covered-employee payroll</b>	3.39%	10.54%

**Notes to Schedule:**

Only two years are presented because 10-year data is not yet available.

**Exhibit 6**

**Required Supplementary Information  
Oklahoma Municipal Retirement Fund**

Schedule of Employer Contributions	Last Two Fiscal Years	
	2014	2015
Actuarially determined contribution	\$ 299,374	\$ 302,976
Contributions in relation to the actuarially determined contribution	299,374	302,976
Contribution deficiency (excess)	\$ -	\$ -
Covered employee payroll	\$ 3,228,742	\$ 3,335,926
Contributions as a percentage of covered-employee payroll	9.27%	9.08%

**Notes to Schedule:**

1. Only two fiscal years are presented because 10-year data is not yet available.
2. Latest Valuation Date: July 1, 2015
3. Actuarially determined contribution rate is calculated as of July 1, 2014 and July 1, 2015 for the current year  
 January 2015 through June 2015 contributions were at a rate of 9.26%.  
 July 2015 through December 2015 contributions were at a rate of 8.91%
4. Methods and assumptions used to determine contribution rates:
  - Actuarial cost method - Entry age normal
  - Amortization method - Level percent of payroll, closed
  - Remaining amortization period - 28 years
  - Asset valuation method - Actuarial:
    - Smoothing period - 4 years starting 1/1/2013
    - Recognition method - Non-asymptotic
    - Corridor - 70% - 130%
    - Salary increases - 4.00% to 7.42% (varies by attained age)
    - Investment rate of return - 7.50%

**City of Guymon, Oklahoma**  
**Budgetary Comparison Schedule (Budgetary Basis)**  
**General Fund**  
**For the Year ended December 31, 2015**

	<u>Budgeted Amounts</u>		<u>Actual Amounts,</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Budgetary Basis</u>	<u>Final Budget -</u>
				<u>Positive</u>
				<u>(Negative)</u>
<b>REVENUES</b>				
Taxes	\$ 4,751,930	\$ 4,751,930	\$ 4,507,724	\$ (244,206)
Intergovernmental	828,800	828,800	518,851	(309,949)
Charges for services	810,910	773,278	746,132	(27,146)
Fines and forfeitures	389,000	389,000	346,454	(42,546)
Licenses and permits	45,000	45,000	57,127	12,127
Investment earnings	6,450	6,450	5,515	(935)
Miscellaneous	405,950	405,950	137,144	(268,806)
Total revenues	<u>7,238,040</u>	<u>7,200,408</u>	<u>6,318,947</u>	<u>(881,461)</u>
<b>EXPENDITURES</b>				
Departmental:				
City attorney	90,050	91,537	91,487	50
City clerk	137,837	137,837	135,790	2,047
City treasurer	70,504	71,504	71,693	(189)
Community development	1,159,433	1,112,398	289,438	822,960
General government	430,573	459,073	459,974	(901)
Human resources	141,041	184,441	184,599	(158)
Planning department	412,627	412,627	357,898	54,729
Information Technology	329,420	329,420	295,974	33,446
Library	448,650	448,650	433,561	15,089
Ambulance	365,443	365,443	343,222	22,221
Police	1,937,773	1,937,773	1,919,041	18,732
Municipal court	152,220	152,220	146,355	5,865
Fire	1,960,874	2,022,074	2,044,648	(22,574)
Civil emergency management	17,600	19,500	19,484	16
Cemetery	164,995	164,995	124,796	40,199
Parks	663,015	663,015	631,663	31,352
Golf	580,821	690,221	682,931	7,290
Pool	280,160	636,137	608,110	28,027
Street	1,054,329	1,054,329	1,046,967	7,362
Airport	498,465	498,465	426,124	72,341
Transportation - Administration	36,582	36,582	25,211	11,371
Transportation - Operations	446,438	446,438	370,574	75,864
Total Expenditures	<u>11,378,850</u>	<u>11,934,679</u>	<u>10,709,540</u>	<u>1,225,139</u>
Excess (deficiency) of revenues over expenditures	<u>(4,140,810)</u>	<u>(4,734,271)</u>	<u>(4,390,593)</u>	<u>343,678</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	4,463,000	4,928,377	4,555,544	(372,833)
Capital lease proceeds	200,000	200,000	-	(200,000)
Transfers out	(1,113,000)	(1,116,600)	(1,115,544)	1,056
Total other financing sources and uses	<u>3,550,000</u>	<u>4,011,777</u>	<u>3,440,000</u>	<u>(571,777)</u>
Net change in fund balances	(590,810)	(722,494)	(950,593)	(228,099)
Fund balances - beginning	3,409,260	3,409,260	3,207,340	(201,920)
Fund balances - ending	<u>\$ 2,818,450</u>	<u>\$ 2,686,766</u>	<u>\$ 2,256,747</u>	<u>\$ (430,019)</u>

**CITY OF GUYMON, OKLAHOMA  
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION  
ON BUDGETARY ACCOUNTING AND CONTROL  
FOR THE YEAR ENDED DECEMBER 31, 2015**

**BUDGETARY ACCOUNTING AND CONTROL**

**Budget Law**

The City prepares its annual operating budget under the provisions of the Oklahoma Municipal Budget Act of 1979 (the "Budget Act"). In accordance with those provisions, the following process is used to adopt the annual budget:

- a. Prior to December 1, the City Manager submits to the City Council a proposed operating budget for the calendar year commencing the following January 1. The operating budget includes proposed expenditures and the means of financing them.
- b. Public hearings are conducted at regular Council meetings to obtain taxpayer comments. Public hearings are held no later than 15 days prior to the beginning of the budget year.
- c. Subsequent to the public hearings but no later than seven days prior to January 1, the budget is legally enacted through the passage of a resolution by the City Council.
- d. Subsequent to City Council enactment, the adopted budget is filed with the office of the State Auditor and Inspector.

All funds with revenues and/or expenditures/expenses as defined by State law are required to have annual budgets under this section of state law, except funds of public trusts or authorities. The legal level of control at which expenditures may not legally exceed appropriations is the department level within a fund.

All supplemental appropriations require the approval of the City Council. All transfers of appropriation between department and object categories require the approval of the City Manager. The City prepared and adopted a legal annual budget for all governmental funds.

In accordance with Title 60 of the Oklahoma State Statutes, the Guymon Utilities Authority, Guymon Industrial Authority, the Guymon Housing Authority, and Guymon Airport Authority (if active) are required to prepare an annual budget and submit a copy to the city as beneficiary. However, there are no further requirements such as form of budget, approval of the budget or definition of a legal spending limit.

**Budgetary Accounting**

The annual operating budgets of the General Fund are prepared and presented on a budgetary basis of accounting which differs from the modified accrual basis in the following areas:

Operating grants that do not result in cash flow and the related operating expense are not budgeted.

**Exhibit 8, (Continued)**

The following is a reconciliation of those differences:

	Per Statement of Revenues, Expenditures, and Changes in Fund Balance	Capital Lease Activity	Non-Cash On Behalf Activity	Per Budgetary Comparison Schedule
General Fund:				
Total Revenues	\$ 6,821,343	\$ -	\$ (502,396)	\$ 6,318,947
Transfers In	4,555,544	-	-	4,555,544
Issuance of debt	-	-	-	-
Total Revenues and Other Financing Sources	<u>11,376,887</u>	<u>-</u>	<u>(502,396)</u>	<u>10,874,491</u>
Total Expenditures	11,211,936	-	(502,396)	10,709,540
Transfers Out	1,115,544	-	-	1,115,544
Total Expenditures and Other Financing Uses	<u>12,327,480</u>	<u>-</u>	<u>(502,396)</u>	<u>11,825,084</u>
Net Change in Fund Balance	<u>\$ (950,593)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (950,593)</u>

The City utilizes encumbrance accounting under which purchase orders, contracts, and other commitments for the expenditure of funds are recorded in order to reserve a portion of the applicable appropriation. The City considers all appropriations to lapse at year-end; any open purchase orders to be honored in the subsequent budget year are reappropriated in the new year's budget. As a result, encumbrances are not treated as the equivalent of expenditures in the budget and actual financial statements.

## **OTHER SUPPLEMENTARY INFORMATION**

Other supplementary information includes financial statements and schedules not required by the GASB, nor a part of the basic financial statements, but are presented for purposes of additional analysis.

Such statements and schedules include:

- Combining Statements – Nonmajor governmental funds
- Combining Schedules – General fund accounts
- Enterprise Fund – Operating Account (Guymon Utilities Authority)
- Major Governmental Capital Project Funds – Budget and Actual
- Nonmajor Governmental Funds – Budget and Actual

Combining Balance Sheet  
Nonmajor Governmental Funds  
December 31, 2015

	SPECIAL REVENUE FUNDS				
	E-911 Fund	Guymon Development Fund	Library Fund	Grant Fund	Hotel/Motel Tax Fund
	<b>ASSETS</b>				
Cash and cash equivalents	381,918	23,313	40,308	-	102,968
Investments	-	-	-	-	-
Accounts receivable, net	27,431	-	-	1,250	13,571
Receivable from other governments	-	-	-	400,000	-
Total assets	<u>409,349</u>	<u>23,313</u>	<u>40,308</u>	<u>401,250</u>	<u>116,539</u>
<b>LIABILITIES, DEFERRED INFLOWS AND FUND BALANCE</b>					
Liabilities:					
Accounts payable	109	-	975	35,900	29,843
Due to other funds	-	-	-	591,008	-
Total liabilities	<u>109</u>	<u>-</u>	<u>975</u>	<u>626,908</u>	<u>29,843</u>
Deferred inflows of resources:					
Deferred revenue	-	-	-	400,000	-
Fund Balances:					
Nonspendable	-	1,000	-	-	-
Restricted	409,240	61,138	39,333	11,662	86,696
Unassigned (deficit)	-	(38,825)	-	(637,320)	-
Total fund balance	<u>409,240</u>	<u>23,313</u>	<u>39,333</u>	<u>(625,658)</u>	<u>86,696</u>
Total liabilities, deferred inflows and fund balance	<u>\$ 409,349</u>	<u>\$ 23,313</u>	<u>\$ 40,308</u>	<u>\$ 401,250</u>	<u>\$ 116,539</u>

Combining Balance Sheet  
Nonmajor Governmental Funds  
December 31, 2015

	SPECIAL REVENUE FUNDS		CAPITAL PROJECT FUND		PERMANENT FUND	Total Governmental Funds
	Police Fund	Guymon Industrial Authority	Cemetery Care Fund	Library Capital Improvement Fund	Dale Funds	
	<b>ASSETS</b>					
Cash and cash equivalents	36,109	51,230	22,427	5,129	6,750	\$ 670,152
Investments	-	-	-	-	80,021	80,021
Accounts receivable, net	-	-	-	-	-	42,252
Receivable from other governments	-	-	-	-	-	400,000
Total assets	<u>36,109</u>	<u>51,230</u>	<u>22,427</u>	<u>5,129</u>	<u>86,771</u>	<u>1,192,425</u>
<b>LIABILITIES, DEFERRED INFLOWS AND FUND BALANCE</b>						
Liabilities:						
Accounts payable	-	1,260	-	-	-	68,087
Due to other funds	-	-	-	-	-	591,008
Total liabilities	<u>-</u>	<u>1,260</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>659,095</u>
Deferred inflows of resources:						
Deferred revenue	-	-	-	-	-	400,000
Fund Balances:						
Nonspendable	-	-	-	-	3,300	4,300
Restricted	36,109	49,970	22,427	5,129	83,471	805,175
Unassigned (deficit)	-	-	-	-	-	(676,145)
Total fund balance	<u>36,109</u>	<u>49,970</u>	<u>22,427</u>	<u>5,129</u>	<u>86,771</u>	<u>133,330</u>
Total liabilities, deferred inflows and fund balance	<u>\$ 36,109</u>	<u>\$ 51,230</u>	<u>\$ 22,427</u>	<u>\$ 5,129</u>	<u>\$ 86,771</u>	<u>\$ 1,192,425</u>

City of Guymon, Oklahoma  
Combining Statement of Revenues, Expenditures and Changes in Fund Balance  
Nonmajor Governmental Funds  
For the Year Ended December 31, 2015

	<b>SPECIAL REVENUE FUNDS</b>				
	<u>E-911 Fund</u>	<u>Guymon Development Fund</u>	<u>Library Fund</u>	<u>Grant Fund</u>	<u>Hotel/Motel Tax Fund</u>
<b>REVENUES</b>					
Taxes	\$ 138,370	\$ -	\$ -	\$ -	\$ 215,870
Intergovernmental	26,678	18,443	40,609	404,225	-
Charges for services	-	-	-	-	-
Investment earnings	806	44	88	-	443
Miscellaneous	-	7,398	298	152,500	-
Total revenues	<u>165,854</u>	<u>25,885</u>	<u>40,995</u>	<u>556,725</u>	<u>216,313</u>
<b>EXPENDITURES</b>					
Current:					
Community development	-	9,225	-	885,456	-
Economic development	-	-	-	-	-
Library	-	-	18,393	-	-
Police	132,417	-	-	-	-
Tourism	-	2,224	-	-	124,478
Capital Outlay	-	21,245	-	-	29,479
Total Expenditures	<u>132,417</u>	<u>32,694</u>	<u>18,393</u>	<u>885,456</u>	<u>153,957</u>
Excess (deficiency) of revenues over expenditures	33,437	(6,809)	22,602	(328,731)	62,356
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers in	-	10,000	-	-	-
Transfers out	-	-	-	-	(285,000)
Total other financing sources and uses	<u>-</u>	<u>10,000</u>	<u>-</u>	<u>-</u>	<u>(285,000)</u>
Net change in fund balance	33,437	3,191	22,602	(328,731)	(222,644)
Fund balances - beginning	375,803	20,122	16,731	(296,927)	309,340
Fund balances - ending	<u>\$ 409,240</u>	<u>\$ 23,313</u>	<u>\$ 39,333</u>	<u>\$ (625,658)</u>	<u>\$ 86,696</u>

City of Guymon, Oklahoma  
Combining Statement of Revenues, Expenditures and Changes in Net Position  
Nonmajor Governmental Funds  
For the Year Ended December 31, 2015

	SPECIAL REVENUE FUNDS		CAPITAL PROJECT FUND		PERMANENT FUND	Total-Other Governmental Funds
	Police Fund	Guymon Industrial Authority	Cemetery Care Fund	Library Capital Improvement Fund	Dale Funds	
<b>REVENUES</b>						
Taxes	\$ -	\$ 364,738	\$ -	\$ -	\$ -	\$ 718,978
Intergovernmental	16,867	-	-	-	-	506,822
Charges for services	-	-	3,437	-	-	3,437
Investment earnings	204	133	52	-	(3,447)	(1,677)
Miscellaneous	-	-	100	-	-	160,296
Total revenues	<u>17,071</u>	<u>364,871</u>	<u>3,589</u>	<u>-</u>	<u>(3,447)</u>	<u>1,387,856</u>
<b>EXPENDITURES</b>						
Current:						
Community development	-	-	-	-	47	894,728
Economic development	-	365,999	-	-	-	365,999
Library	-	-	-	-	-	18,393
Police	-	-	-	-	-	132,417
Tourism	-	-	-	-	-	126,702
Capital Outlay	118,991	-	-	-	-	169,715
Total Expenditures	<u>118,991</u>	<u>365,999</u>	<u>-</u>	<u>-</u>	<u>47</u>	<u>1,707,954</u>
Excess (deficiency) of revenues over expenditures	(101,920)	(1,128)	3,589	-	(3,494)	(320,098)
<b>OTHER FINANCING SOURCES (USES)</b>						
Transfers in	-	-	-	-	-	10,000
Transfers out	-	-	-	(71,716)	-	(356,716)
Total other financing sources and uses	<u>-</u>	<u>-</u>	<u>-</u>	<u>(71,716)</u>	<u>-</u>	<u>(346,716)</u>
Net change in fund balance	(101,920)	(1,128)	3,589	(71,716)	(3,494)	(666,814)
Fund balances - beginning	138,029	51,098	18,838	76,845	90,265	800,144
Fund balances - ending	<u>\$ 36,109</u>	<u>\$ 49,970</u>	<u>\$ 22,427</u>	<u>\$ 5,129</u>	<u>\$ 86,771</u>	<u>\$ 133,330</u>

City of Guymon, Oklahoma  
Combining Balance Sheet  
General Fund Accounts  
December 31, 2015

	<u>General Fund</u>	<u>Golf Course Account</u>	<u>Pool/Recreation Account</u>	<u>Airport Authority Account</u>	<u>Guymon Housing Authority Account</u>	<u>TOTAL</u>
<b>ASSETS</b>						
Cash, including time deposits	\$ 609,606	\$ -	\$ -	\$ 274,287	\$ 688,940	\$ 1,572,833
Receivable from other governments	604,548	-	-	340,822	-	945,370
Accounts receivable, net	577,363	4,500	-	10,642	-	592,505
Due from other funds	781,453	-	-	-	-	781,453
Deposit with insurance pool	-	-	-	-	-	-
Total assets	<u>2,572,970</u>	<u>4,500</u>	<u>-</u>	<u>625,751</u>	<u>688,940</u>	<u>3,892,161</u>
<b>LIABILITIES, DEFERRED INFLOWS AND FUND BALANCE</b>						
Liabilities:						
Accounts payable	221,684	15,580	12	288,490	-	525,766
Due to other funds	-	14,419	321,839	-	-	336,258
Retainage payable	-	-	-	63,950	-	63,950
Due to other governments	-	-	-	946	-	946
Refundable court bonds	20,595	-	-	-	-	20,595
Total liabilities	<u>242,279</u>	<u>29,999</u>	<u>321,851</u>	<u>353,386</u>	<u>-</u>	<u>947,515</u>
Deferred inflows of resources:						
Deferred revenue	347,077	-	-	340,822	-	687,899
	<u>347,077</u>	<u>-</u>	<u>-</u>	<u>340,822</u>	<u>-</u>	<u>687,899</u>
Fund balance:						
Restricted	-	-	-	-	200,000	200,000
Assigned	2,056,747	-	-	-	-	2,056,747
Unassigned	(73,133)	(25,499)	(321,851)	(68,457)	488,940	-
Total fund balance	<u>1,983,614</u>	<u>(25,499)</u>	<u>(321,851)</u>	<u>(68,457)</u>	<u>688,940</u>	<u>2,256,747</u>
Total liabilities, deferred inflows and fund balance	<u>\$ 2,572,970</u>	<u>\$ 4,500</u>	<u>\$ -</u>	<u>\$ 625,751</u>	<u>\$ 688,940</u>	<u>\$ 3,892,161</u>

**City of Guymon, Oklahoma**  
**Combining Schedule of Revenues, Expenditures and Changes in Fund Balance**  
**General Fund Accounts**  
**For the Year Ended December 31, 2015**

	<u>General Fund</u>	<u>Golf Course Account</u>	<u>Pool/Recreation Account</u>	<u>Airport Authority Account</u>	<u>Guymon Housing Authority Account</u>	<u>TOTAL</u>
<b>REVENUES</b>						
Taxes	\$ 4,500,706	\$ -	\$ -	\$ 7,018	\$ -	\$ 4,507,724
Intergovernmental	1,021,247	-	-	-	-	1,021,247
Charges for services	384,826	341,639	10,217	9,450	-	746,132
Fines and forfeitures	346,454	-	-	-	-	346,454
Licenses and permits	57,127	-	-	-	-	57,127
Investment earnings	3,583	198	37	757	940	5,515
Miscellaneous	136,735	397	12	-	-	137,144
Total revenues	<u>6,450,678</u>	<u>342,234</u>	<u>10,266</u>	<u>17,225</u>	<u>940</u>	<u>6,821,343</u>
<b>EXPENDITURES</b>						
Current:						
General Government:						
City clerk	135,790	-	-	-	-	135,790
City treasurer	71,693	-	-	-	-	71,693
Human resources	180,645	-	-	-	-	180,645
Information technology	232,557	-	-	-	-	232,557
General government	459,974	-	-	-	-	459,974
Total General Government	<u>1,080,659</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,080,659</u>
Public Safety and Judiciary:						
City attorney	91,487	-	-	-	-	91,487
Ambulance	309,689	-	-	-	-	309,689
Police	1,990,608	-	-	-	-	1,990,608
Municipal court	146,355	-	-	-	-	146,355
Fire	2,262,219	-	-	-	-	2,262,219
Civil emergency management	19,484	-	-	-	-	19,484
Total Public Safety and Judiciary	<u>4,819,842</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,819,842</u>
Transportation:						
Airport	-	-	-	74,799	-	74,799
Street	795,693	-	-	-	-	795,693
Public Transportation	395,785	-	-	-	-	395,785
Total Transportation	<u>1,191,478</u>	<u>-</u>	<u>-</u>	<u>74,799</u>	<u>-</u>	<u>1,266,277</u>
Cultural, Parks, and Recreation:						
Golf	-	610,493	-	-	-	610,493
Library	420,546	-	-	-	-	420,546
Cemetery	124,796	-	-	-	-	124,796
Swimming pool	-	-	52,133	-	-	52,133
Parks	520,206	-	-	-	-	520,206
Total Cultural, Parks and Recreation	<u>1,065,548</u>	<u>610,493</u>	<u>52,133</u>	<u>-</u>	<u>-</u>	<u>1,728,174</u>
Community/Economic Development:						
Community development	289,438	-	-	-	-	289,438
Planning	168,558	-	-	-	-	168,558
Total Community/Economic Development	<u>457,996</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>457,996</u>
Debt Service:						
Principal	184,979	54,559	-	-	-	239,538
Interest and other charges	22,780	4,624	-	-	-	27,404
Capital Outlay	671,489	13,255	555,977	351,325	-	1,592,046
Total Expenditures	<u>9,494,771</u>	<u>682,931</u>	<u>608,110</u>	<u>426,124</u>	<u>-</u>	<u>11,211,936</u>
Excess (deficiency) of revenues over expenditures	<u>(3,044,093)</u>	<u>(340,697)</u>	<u>(597,844)</u>	<u>(408,899)</u>	<u>940</u>	<u>(4,390,593)</u>
<b>OTHER FINANCING SOURCES (USES)</b>						
Transfers in	3,127,544	165,000	275,000	300,000	688,000	4,555,544
Transfers out	(1,115,544)	-	-	-	-	(1,115,544)
Total other financing sources and uses	<u>2,012,000</u>	<u>165,000</u>	<u>275,000</u>	<u>300,000</u>	<u>688,000</u>	<u>3,440,000</u>
Net change in fund balance	(1,032,093)	(175,697)	(322,844)	(108,899)	688,940	(950,593)
Fund balances - beginning	3,015,707	150,198	993	40,442	-	3,207,340
Fund balances - ending	<u>\$ 1,983,614</u>	<u>\$ (25,499)</u>	<u>\$ (321,851)</u>	<u>\$ (68,457)</u>	<u>\$ 688,940</u>	<u>\$ 2,256,747</u>

**City of Guymon, Oklahoma**  
**Schedule of Departmental Operating Revenues and Expenses**  
**Enterprise Fund (Guymon Utilities Authority)**  
**For the Year Ended December 31, 2015**

Operating Revenues:	
Charges for services:	
Gas charges	\$ 4,358,414
Water charges	2,931,862
Sewer charges	1,269,772
Sanitation charges	1,526,910
Penalties	39,821
Agricultural revenue	109,863
Total Charges for services	<u>10,236,642</u>
Miscellaneous:	
Gas	3,348
Water	4,623
Sewer	19,432
Sanitation	2,628
Total Miscellaneous	<u>30,031</u>
Total Operating Revenues	<u>10,266,673</u>
Operating Expenses:	
Gas Department:	
Cost of goods sold	1,965,374
Personal Services	456,085
Materials and Supplies	31,495
Other Services and Charges	90,518
Depreciation	100,792
Total Gas Operating Expenses	<u>2,644,264</u>
Garage Department:	
Personal Services	63,184
Materials and Supplies	4,355
Other Services and Charges	6,484
Depreciation	613
Total Garage Operating Expenses	<u>74,636</u>
Water Department:	
Personal Services	284,501
Materials and Supplies	48,644
Other Services and Charges	773,510
Depreciation	466,846
Total Water Operating Expenses	<u>1,573,501</u>
Sewer Department:	
Personal Services	257,392
Materials and Supplies	66,081
Other Services and Charges	1,472,546
Depreciation	1,069,127
Total Sewer Operating Expenses	<u>2,865,146</u>
Sanitation Department:	
Personal Services	642,328
Materials and Supplies	79,368
Other Services and Charges	547,208
Depreciation	157,041
Total Sanitation Operating Expenses	<u>1,425,945</u>
Farm Department:	
Other Services and Charges	7,799
Depreciation	145
Total Farm Operating Expenses	<u>7,944</u>
Administration Department:	
Personal Services	396,461
Materials and Supplies	8,057
Other Services and Charges	362,520
Depreciation	45,526
Total Administration Operating Expenses	<u>812,564</u>
Total Operating Expenses	<u>9,404,000</u>
Net Operating Income	<u>\$ 862,673</u>

City of Guymon, Oklahoma  
 Schedule of Revenues, Expenditures, and Changes in Fund Balance - (Budgetary Basis)  
 Budget and Actual - Major Governmental Capital Project Funds  
 For the Year ended December 31, 2015

	General Capital Improvement Fund			GUA Sales Tax CIF		
	Final	Actual Amounts. Budgetary Basis	Variance with Final Budget - Positive (Negative)	Final	Actual Amounts. Budgetary Basis	Variance with Final Budget - Positive (Negative)
<b>REVENUES</b>						
Taxes	\$ 1,650,000	\$ 1,665,292	\$ 15,292	\$ 1,650,000	\$ 1,665,292	\$ 15,292
Intergovernmental	-	-	-	-	200,000	200,000
Investment earnings	2,200	1,115	(1,085)	600	4,358	3,758
Total revenues	<u>1,652,200</u>	<u>1,666,407</u>	<u>14,207</u>	<u>1,650,600</u>	<u>1,869,650</u>	<u>219,050</u>
<b>EXPENDITURES</b>						
Departmental:						
Library	354,455	3,478,860	(3,124,405)	-	-	-
Police	139,977	205,784	(65,807)	-	-	-
Fire	488,882	422,860	66,022	-	-	-
Public Works	-	-	-	-	150,376	(150,376)
Water	-	-	-	3,358,336	4,675	3,353,661
Wastewater	-	-	-	3,898,346	7,239	3,891,107
Administration	2,543,248	2,262,398	280,850	-	-	-
Total Expenditures	<u>3,526,562</u>	<u>6,369,902</u>	<u>(2,843,340)</u>	<u>7,256,682</u>	<u>162,290</u>	<u>7,094,392</u>
Excess (deficiency) of revenues over expenditures	<u>(1,874,362)</u>	<u>(4,703,495)</u>	<u>(2,829,133)</u>	<u>(5,606,082)</u>	<u>1,707,360</u>	<u>7,313,442</u>
<b>OTHER FINANCING SOURCES (USES)</b>						
Issuance of long-term debt	-	3,240,000	3,240,000	5,155,000	-	(5,155,000)
Transfers in	1,171,095	1,171,095	-	-	-	-
Transfers out	-	-	-	-	(1,973,220)	(1,973,220)
Total other financing sources and uses	<u>1,171,095</u>	<u>4,411,095</u>	<u>3,240,010</u>	<u>5,155,000</u>	<u>(1,973,220)</u>	<u>(7,128,220)</u>
Net change in fund balances	(703,277)	(292,400)	410,877	(451,082)	(265,860)	185,222
Fund balances - beginning	707,467	527,809	(179,658)	589,405	607,562	18,157
Fund balances - ending	<u>\$ 4,190</u>	<u>\$ 235,409</u>	<u>\$ 231,219</u>	<u>\$ 138,323</u>	<u>\$ 341,702</u>	<u>\$ 203,379</u>

City of Guymon, Oklahoma  
 Schedule of Revenues, Expenditures, and Changes in Fund Balance - (Budgetary Basis)  
 Budget and Actual - Nonmajor Governmental Funds  
 For the Year ended December 31, 2015

	E-911 Fund			Guymon Development Fund		
	Final	Actual Amounts, Budgetary Basis	Variance with Final Budget - Positive (Negative)	Final	Actual Amounts, Budgetary Basis	Variance with Final Budget - Positive (Negative)
<b>REVENUES</b>						
Taxes	\$ 44,000	\$ 42,405	\$ (1,595)	\$ -	\$ -	\$ -
Intergovernmental	28,000	26,678	(1,322)	18,918	18,443	(475)
Charges for services	88,000	95,965	7,965	-	-	-
Investment income	700	806	106	120	44	(76)
Miscellaneous	-	-	-	11,500	7,398	(4,102)
Total revenues	<u>160,700</u>	<u>165,854</u>	<u>5,154</u>	<u>30,538</u>	<u>25,885</u>	<u>(4,653)</u>
<b>EXPENDITURES</b>						
Departmental:						
Community development	-	-	-	10,000	9,225	775
Police	177,500	132,417	45,083	4,327	4,327	-
Fire	-	-	-	1,195	-	1,195
Parks	-	-	-	16,918	16,918	-
Tourism	-	-	-	-	2,224	(2,224)
Total Expenditures	<u>177,500</u>	<u>132,417</u>	<u>45,083</u>	<u>32,440</u>	<u>32,694</u>	<u>(254)</u>
Excess (deficiency) of revenues over expenditures	<u>(16,800)</u>	<u>33,437</u>	<u>50,237</u>	<u>(1,902)</u>	<u>(6,809)</u>	<u>(4,907)</u>
<b>OTHER FINANCING SOURCES (USES)</b>						
Transfers in	-	-	-	-	10,000	10,000
Total other financing sources and uses	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>10,000</u>	<u>10,000</u>
Net change in fund balances	(16,800)	33,437	50,237	(1,902)	3,191	5,093
Fund balances - beginning	376,988	375,803	(1,185)	17,958	20,122	2,164
Fund balances - ending	<u>\$ 360,188</u>	<u>\$ 409,240</u>	<u>\$ 49,052</u>	<u>\$ 16,056</u>	<u>\$ 23,313</u>	<u>\$ 7,257</u>

City of Guymon, Oklahoma  
 Schedule of Revenues, Expenditures, and Changes in Fund Balance - (Budgetary Basis)  
 Budget and Actual - Nonmajor Governmental Funds  
 For the Year ended December 31, 2015

	Library Fund			Community Development Block Grant Fund		
	Final	Actual Amounts, Budgetary Basis	Variance with Final Budget - Positive (Negative)	Final	Actual Amounts, Budgetary Basis	Variance with Final Budget - Positive (Negative)
<b>REVENUES</b>						
Intergovernmental	\$ 39,658	\$ 40,609	\$ 951	\$ 798,200	\$ 404,225	\$ (393,975)
Investment income	60	88	28	-	-	-
Miscellaneous	300	298	(2)	157,500	152,500	(5,000)
Total revenues	<u>40,018</u>	<u>40,995</u>	<u>977</u>	<u>955,700</u>	<u>556,725</u>	<u>(398,975)</u>
<b>EXPENDITURES</b>						
Departmental:						
Community development	-	-	-	981,700	885,456	96,244
Library	39,658	18,393	21,265	-	-	-
Total Expenditures	<u>39,658</u>	<u>18,393</u>	<u>21,265</u>	<u>981,700</u>	<u>885,456</u>	<u>96,244</u>
Excess (deficiency) of revenues over expenditures	<u>360</u>	<u>22,602</u>	<u>22,242</u>	<u>(26,000)</u>	<u>(328,731)</u>	<u>(302,731)</u>
<b>OTHER FINANCING SOURCES (USES)</b>						
Transfers in	-	-	-	-	-	-
Total other financing sources and uses	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	360	22,602	22,242	(26,000)	(328,731)	(302,731)
Fund balances - beginning	17,682	16,731	(951)	267,368	(296,927)	(564,295)
Fund balances - ending	<u>\$ 18,042</u>	<u>\$ 39,333</u>	<u>\$ 21,291</u>	<u>\$ 241,368</u>	<u>\$ (625,658)</u>	<u>\$ (867,026)</u>

City of Guymon, Oklahoma  
Schedule of Revenues, Expenditures, and Changes in Fund Balance - (Budgetary Basis)  
Budget and Actual - Nonmajor Governmental Funds  
For the Year ended December 31, 2015

	Hotel/Motel Tax Fund			Police Fund			(Continued)
	Final	Actual Amounts, Budgetary Basis	Variance with Final Budget -	Final	Actual Amounts, Budgetary Basis	Variance with Final Budget -	
			Positive (Negative)			Positive (Negative)	
<b>REVENUES</b>							
Taxes	\$ 210,000	\$ 215,870	\$ 5,870	\$ -	\$ -	\$ -	
Intergovernmental	-	-	-	-	16,867	16,867	
Investment income	700	443	(257)	300	204	(96)	
Total revenues	<u>210,700</u>	<u>216,313</u>	<u>5,613</u>	<u>300</u>	<u>17,071</u>	<u>16,771</u>	
<b>EXPENDITURES</b>							
Departmental:							
Police	-	-	-	120,000	118,991	1,009	
Tourism	142,692	153,957	(11,265)	-	-	-	
Total Expenditures	<u>142,692</u>	<u>153,957</u>	<u>(11,265)</u>	<u>120,000</u>	<u>118,991</u>	<u>1,009</u>	
Excess (deficiency) of revenues over expenditures	<u>68,008</u>	<u>62,356</u>	<u>(5,652)</u>	<u>(119,700)</u>	<u>(101,920)</u>	<u>17,780</u>	
<b>OTHER FINANCING SOURCES (USES)</b>							
Transfers out	(275,000)	(285,000)	(10,000)	-	-	-	
Total other financing sources and uses	<u>(275,000)</u>	<u>(285,000)</u>	<u>(10,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>	
Net change in fund balances	(206,992)	(222,644)	(15,652)	(119,700)	(101,920)	17,780	
Fund balances - beginning	340,564	309,340	(31,224)	138,033	138,029	(4)	
Fund balances - ending	<u>\$ 133,572</u>	<u>\$ 86,696</u>	<u>\$ (46,876)</u>	<u>\$ 18,333</u>	<u>\$ 36,109</u>	<u>\$ 17,776</u>	

City of Guymon, Oklahoma  
Schedule of Revenues, Expenditures, and Changes in Fund Balance - (Budgetary Basis)  
Budget and Actual - Nonmajor Governmental Funds  
For the Year ended December 31, 2015

	Guymon Industrial Authority			Cemetery Care Fund			(Continued)
	Final	Actual Amounts, Budgetary Basis	Variance with Final Budget -	Final	Actual Amounts, Budgetary Basis	Variance with Final Budget -	
			Positive (Negative)			Positive (Negative)	
<b>REVENUES</b>							
Taxes	\$ 740,000	\$ 364,738	\$ (375,262)	\$ -	\$ -	\$ -	
Charges for services	-	-	-	4,300	3,437	(863)	
Investment income	100	133	33	30	52	22	
Miscellaneous	-	-	-	-	100	100	
Total revenues	<u>740,100</u>	<u>364,871</u>	<u>(375,229)</u>	<u>4,330</u>	<u>3,589</u>	<u>(741)</u>	
<b>EXPENDITURES</b>							
Departmental:							
Economic development	740,000	365,999	374,001	-	-	-	
Cemetery	-	-	-	15,000	-	15,000	
Total Expenditures	<u>740,000</u>	<u>365,999</u>	<u>374,001</u>	<u>15,000</u>	<u>-</u>	<u>15,000</u>	
Excess (deficiency) of revenues over expenditures	<u>100</u>	<u>(1,128)</u>	<u>(1,228)</u>	<u>(10,670)</u>	<u>3,589</u>	<u>14,259</u>	
<b>OTHER FINANCING SOURCES (USES)</b>							
Transfers in	-	-	-	-	-	-	
Transfers out	-	-	-	-	-	-	
Total other financing sources and uses	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	
Net change in fund balances	100	(1,128)	(1,228)	(10,670)	3,589	14,259	
Fund balances - beginning	51,099	51,098	(1)	19,616	18,838	(778)	
Fund balances - ending	<u>\$ 51,199</u>	<u>\$ 49,970</u>	<u>\$ (1,229)</u>	<u>\$ 8,946</u>	<u>\$ 22,427</u>	<u>\$ 13,481</u>	

**City of Guymon, Oklahoma**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance - (Budgetary Basis)**  
**Budget and Actual - Nonmajor Governmental Funds**  
**For the Year ended December 31, 2015**

(Continued)

	<u>Dale Funds</u>		<u>Variance with</u>
	<u>Final</u>	<u>Actual Amounts,</u> <u>Budgetary Basis</u>	<u>Final Budget -</u> <u>Positive</u> <u>(Negative)</u>
<b>REVENUES</b>			
Investment income	\$ 624	\$ (3,447)	\$ (4,071)
Total revenues	<u>624</u>	<u>(3,447)</u>	<u>(4,071)</u>
<b>EXPENDITURES</b>			
Departmental:			
Community development	550	47	503
Total Expenditures	<u>550</u>	<u>47</u>	<u>503</u>
Excess (deficiency) of revenues over expenditures	<u>74</u>	<u>(3,494)</u>	<u>(3,568)</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in	-	-	-
Transfers out	-	-	-
Total other financing sources and uses	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	74	(3,494)	(3,568)
Fund balances - beginning	4,898	90,265	85,367
Fund balances - ending	<u>\$ 4,972</u>	<u>\$ 86,771</u>	<u>\$ 81,799</u>

**City of Guymon, Oklahoma**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance - (Budgetary Basis)**  
**Budget and Actual - Nonmajor Governmental Funds**  
**For the Year ended December 31, 2015**

	<u>Library Capital Improvement Fund</u>		<u>Variance with</u>
	<u>Final</u>	<u>Actual Amounts,</u> <u>Budgetary Basis</u>	<u>Final Budget -</u> <u>Positive</u> <u>(Negative)</u>
<b>REVENUES</b>			
Investment earnings	\$ -	\$ -	\$ -
Total revenues	<u>-</u>	<u>-</u>	<u>-</u>
<b>EXPENDITURES</b>			
Departmental:			
Library	-	-	-
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	<u>-</u>	<u>-</u>	<u>-</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in	30,736	-	(30,736)
Transfers out	-	(71,716)	(71,716)
Total other financing sources and uses	<u>30,736</u>	<u>(71,716)</u>	<u>(102,452)</u>
Net change in fund balances	30,736	(71,716)	(102,452)
Fund balances - beginning	-	76,845	76,845
Fund balances - ending	<u>\$ 30,736</u>	<u>\$ 5,129</u>	<u>\$ (25,607)</u>



**Statistical Section**

## STATISTICAL SECTION

This part of the City of Guymon'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 city's overall financial health

Such statistical information includes:

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

**CITY OF GUYMON, OKLAHOMA**  
**NET ASSETS/POSITION BY COMPONENT**  
**Last Ten Fiscal Years**  
**December 31, 2015**  
**TABLE 1**

	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2011</u>	<u>December</u> <u>2012</u>
<b>Governmental activities</b>							
Invested in capital assets, net of related debt	\$ 8,640,868	\$ 8,621,065	\$ 8,966,029	\$ 9,162,018	\$ 10,318,848	\$ 11,429,614	\$ 11,866,330
Restricted	520,762	730,026	903,470	3,698,645	2,770,010	2,513,832	2,796,118
Unrestricted	<u>1,049,550</u>	<u>1,892,074</u>	<u>2,931,393</u>	<u>2,246,199</u>	<u>2,723,068</u>	<u>3,597,085</u>	<u>2,689,445</u>
Total governmental activities net assets	<u>\$ 10,211,180</u>	<u>\$ 11,243,165</u>	<u>\$ 12,800,892</u>	<u>\$ 15,106,862</u>	<u>\$ 15,811,926</u>	<u>\$ 17,540,531</u>	<u>\$ 17,351,893</u>
<b>Business-type activities</b>							
Invested in capital assets, net of related debt	\$ 10,908,056	\$ 10,014,350	\$ 10,684,925	\$ 11,498,662	\$ 13,408,159	\$ 13,583,566	\$ 14,419,222
Restricted	423,278	466,272	491,281	388,271	305,603	258,734	155,468
Unrestricted	<u>1,827,964</u>	<u>2,161,375</u>	<u>2,231,176</u>	<u>2,095,644</u>	<u>3,434,744</u>	<u>3,877,249</u>	<u>4,855,106</u>
Total business-type activities net assets	<u>\$ 13,159,298</u>	<u>\$ 12,641,997</u>	<u>\$ 13,407,382</u>	<u>\$ 13,982,577</u>	<u>\$ 17,148,506</u>	<u>\$ 17,719,549</u>	<u>\$ 19,429,796</u>
<b>Primary government</b>							
Invested in capital assets, net of related debt	\$ 19,548,924	\$ 18,635,415	\$ 19,650,954	\$ 20,660,680	\$ 23,727,007	\$ 25,013,180	\$ 26,285,552
Restricted	944,040	1,196,298	1,394,751	4,086,916	3,075,613	2,772,566	2,951,586
Unrestricted	<u>2,877,514</u>	<u>4,053,449</u>	<u>5,162,569</u>	<u>4,341,843</u>	<u>6,157,812</u>	<u>7,474,334</u>	<u>7,544,551</u>
Total primary government net assets	<u>\$ 23,370,478</u>	<u>\$ 23,885,162</u>	<u>\$ 26,208,274</u>	<u>\$ 29,089,439</u>	<u>\$ 32,960,432</u>	<u>\$ 35,260,080</u>	<u>\$ 36,781,689</u>
<b>2013</b>							
<b>Governmental activities</b>							
Net investment in capital assets	\$ 15,988,928	\$ 15,961,670	\$ 19,445,495				
Restricted	2,812,080	2,846,427	2,266,222				
Unrestricted	<u>3,170,218</u>	<u>(1,311,270)</u>	<u>(2,270,106)</u>				
Total governmental activities net position	<u>\$ 21,971,226</u>	<u>\$ 17,496,827</u>	<u>\$ 19,441,611</u>				
<b>Business-type activities</b>							
Net investment in capital assets	\$ 14,495,150	\$ 14,717,042	\$ 15,281,183				
Restricted	-	-	-				
Unrestricted	<u>5,135,596</u>	<u>5,419,512</u>	<u>2,895,417</u>				
Total business-type activities net position	<u>\$ 19,630,746</u>	<u>\$ 20,136,554</u>	<u>\$ 18,176,600</u>				
<b>Primary government</b>							
Net investment in capital assets	\$ 30,484,078	\$ 30,678,712	\$ 34,726,678				
Restricted	2,812,080	2,846,427	2,266,222				
Unrestricted	<u>8,305,814</u>	<u>4,108,242</u>	<u>625,311</u>				
Total primary government net position	<u>\$ 41,601,972</u>	<u>\$ 37,633,381</u>	<u>\$ 37,618,211</u>				

NOTE: The City changed their year end from June 30th to December 31st in 2011.

**CITY OF GUYMON, OKLAHOMA**  
**CHANGES IN NET ASSETS/POSITION**  
**Last Ten Fiscal Years**  
**December 31, 2015**  
**TABLE 2**

	June					December				
	2007	2008	2009	2010	2011	2011	2012	2013	2014	2015
<b>Expenses</b>										
Government activities:										
Government government	\$ 374,727	\$ 401,164	\$ 565,327	\$ 717,083	\$ 643,553	\$ 533,855	\$ 585,283	\$ 314,839	\$ 1,115,480	\$ 1,303,427
Public Safety and judiciary	2,780,129	2,888,446	3,090,973	3,495,581	3,864,574	3,749,612	4,247,097	2,294,433	5,277,346	5,359,260
Transportation	1,316,595	1,352,916	1,469,875	1,658,416	1,764,056	1,736,197	1,906,821	997,726	2,123,278	1,964,604
Cultural, parks and recreation	1,202,851	1,219,565	1,301,120	1,435,348	1,635,588	1,522,697	1,596,450	862,393	2,179,559	2,376,998
Community/economic development	901,941	609,996	707,533	854,617	811,289	1,058,400	1,238,241	248,604	1,022,750	1,083,569
Interest on long-term debt	9,848	5,406	12,197	13,556	32,866	25,407	137,763	119,388	223,190	206,786
Total governmental activities expenses	<u>6,586,091</u>	<u>6,477,493</u>	<u>7,147,025</u>	<u>8,174,601</u>	<u>8,751,926</u>	<u>8,626,168</u>	<u>9,711,655</u>	<u>4,837,383</u>	<u>11,941,603</u>	<u>12,294,644</u>
Business-type activities:										
Gas	3,748,097	4,985,011	4,505,783	4,085,783	5,895,883	3,316,002	3,454,958	1,568,544	3,451,728	2,996,399
Garage	48,645	51,695	60,645	55,898	55,107	59,517	66,103	35,330	75,595	74,636
Water	1,126,723	1,195,418	1,227,412	1,348,690	1,333,705	1,301,576	1,842,426	975,671	1,757,108	1,907,561
Sewer	751,882	818,907	885,394	882,983	968,852	1,239,383	2,635,956	1,367,417	3,256,649	3,463,338
Sanitation	1,010,715	1,127,135	1,245,773	1,263,676	1,310,876	1,205,294	1,274,943	651,930	1,487,160	1,552,932
Farm	33,090	19,358	23,625	16,027	30,438	10,372	145	72	38,598	7,944
Total business-type activities expenses	<u>6,719,152</u>	<u>8,197,524</u>	<u>7,948,632</u>	<u>7,653,057</u>	<u>9,594,861</u>	<u>7,132,144</u>	<u>9,274,531</u>	<u>4,598,964</u>	<u>10,066,838</u>	<u>10,002,810</u>
Total primary government expenses	<u>\$ 13,305,243</u>	<u>\$ 14,675,017</u>	<u>\$ 15,095,657</u>	<u>\$ 15,827,658</u>	<u>\$ 18,346,787</u>	<u>\$ 15,758,312</u>	<u>\$ 18,986,186</u>	<u>\$ 9,436,347</u>	<u>\$ 22,008,441</u>	<u>\$ 22,297,454</u>
<b>Program Revenues</b>										
Government activities:										
Charges for services:										
General government	\$ 16,970	\$ 17,416	\$ 20,797	\$ 43,543	\$ 18,521	\$ 32,474	\$ 38,073	\$ 15,098	\$ 36,619	\$ 52,933
Public Safety and judiciary	599,635	608,372	508,798	593,836	647,377	654,426	598,833	349,443	843,787	748,148
Transportation	27,541	34,236	39,484	48,061	54,557	61,885	54,967	23,867	47,279	37,090
Cultural, parks and recreation	260,721	310,202	305,070	397,118	420,867	389,030	395,181	160,409	369,346	377,645
Community/economic development	-	-	-	-	9,082	35,410	33,551	15,079	-	-
Operating grants and contributions	575,608	472,379	801,544	608,414	599,845	417,306	693,102	316,527	774,872	910,520
Capital grants and contributions	239,337	82,093	707,335	829,327	167,926	342,442	720,250	128,996	109,417	891,721
Total governmental activities program revenues	<u>1,719,812</u>	<u>1,524,698</u>	<u>2,383,028</u>	<u>2,520,299</u>	<u>1,918,175</u>	<u>1,932,973</u>	<u>2,533,957</u>	<u>1,009,419</u>	<u>2,181,320</u>	<u>3,018,057</u>

NOTE: The City changed their year end from June 30th to December 31st in 2011, therefore, the December 2011 column represents 6 months.

(Continued)

**TABLE 2**  
(Continued)

	June					December				
	2007	2008	2009	2010	2011	2011	2012	2013	2014	2015
<b>Business-type activities:</b>										
Charges for services:										
Gas	\$ 3,692,192	\$ 4,835,967	\$ 4,214,364	\$ 4,219,989	\$ 6,114,725	\$ 4,175,688	\$ 4,270,139	\$ 2,048,839	\$ 5,588,264	\$ 4,401,583
Water	1,432,874	2,013,524	2,146,935	2,617,876	2,630,331	2,623,130	3,054,706	1,714,337	3,130,031	2,938,477
Sewer	800,039	815,237	975,814	1,071,762	1,218,920	1,189,168	1,383,503	767,508	1,314,637	1,287,212
Sanitation	737,566	966,339	1,182,018	1,193,833	1,317,995	1,320,341	1,372,532	760,982	1,534,646	1,529,538
Farm	112,209	128,180	147,562	167,879	209,121	60,628	102,474	72,109	181,435	109,863
Operating grants and contributions	-	-	-	-	-	-	-	-	-	-
Capital grants and contributions	-	-	-	47,059	-	650,038	143,241	-	-	47,320
Total business-type activities program revenues	<u>6,774,870</u>	<u>8,759,247</u>	<u>8,666,693</u>	<u>9,318,398</u>	<u>11,491,092</u>	<u>10,018,993</u>	<u>10,326,595</u>	<u>5,363,775</u>	<u>11,749,013</u>	<u>10,313,993</u>
Total primary government program revenues	<u>\$ 8,494,682</u>	<u>\$ 10,283,945</u>	<u>\$ 11,049,721</u>	<u>\$ 11,838,697</u>	<u>\$ 13,409,267</u>	<u>\$ 11,951,966</u>	<u>\$ 12,860,552</u>	<u>\$ 6,373,194</u>	<u>\$ 13,930,333</u>	<u>\$ 13,332,050</u>
<b>Net (Expense)/Revenue</b>										
Government activities:	\$ (4,866,279)	\$ (4,952,795)	\$ (4,763,997)	\$ (5,654,302)	\$ (6,833,751)	\$ (6,693,195)	\$ (7,177,698)	\$ (3,827,964)	\$ (9,760,283)	\$ (9,276,587)
Business-type activities:	55,718	561,723	718,061	1,665,341	1,896,231	2,886,849	1,052,064	764,811	1,682,175	311,183
Total primary government net expense	<u>\$ (4,810,561)</u>	<u>\$ (4,391,072)</u>	<u>\$ (4,045,936)</u>	<u>\$ (3,988,961)</u>	<u>\$ (4,937,520)</u>	<u>\$ (3,806,346)</u>	<u>\$ (6,125,634)</u>	<u>\$ (3,063,153)</u>	<u>\$ (8,078,108)</u>	<u>\$ (8,965,404)</u>
<b>General Revenues and Other Changes in Net Assets/Position</b>										
Government activities:										
Taxes:										
Sales and use taxes	\$ 3,004,400	\$ 2,617,568	\$ 2,964,238	\$ 4,727,544	\$ 6,219,525	\$ 5,780,043	\$ 6,051,511	\$ 3,434,361	\$ 6,943,727	\$ 7,239,891
Franchise and public service taxes	367,492	450,885	446,475	501,663	496,341	452,632	538,097	263,454	613,155	591,399
E-911 taxes, dedicated fire emergency services	70,273	66,643	64,377	66,459	59,045	171,040	129,895	71,207	132,792	138,370
Hotel/Motel taxes, dedicated for tourism	73,239	92,967	156,614	167,979	137,361	128,186	138,096	91,141	221,165	209,142
Tax apportionment taxes,dedicated for enomic devel	447,109	452,296	464,451	470,782	468,376	727,883	876,763	386,095	336,838	364,738
Airport fuel tax	5,485	6,053	5,465	4,833	5,182	4,164	3,376	2,523	6,730	7,018
Intergovernmental	122,222	138,385	145,141	175,326	192,261	196,462	209,269	123,124	218,147	237,867
Investment income	28,271	32,888	38,488	33,410	39,934	69,342	61,295	13,061	18,421	9,274
Miscellaneous	167,415	116,715	85,952	82,931	186,681	106,891	210,049	126,606	149,759	144,425
Transfers-Internal activity	618,732	190,129	1,398,800	981,102	1,335,015	(238,384)	563,464	(872,245)	992,164	2,279,247
Total governmental activities	<u>4,904,638</u>	<u>4,164,529</u>	<u>5,770,001</u>	<u>7,212,029</u>	<u>9,139,721</u>	<u>7,398,259</u>	<u>8,781,815</u>	<u>3,639,327</u>	<u>9,632,898</u>	<u>11,221,371</u>
Business-type activities:										
Investment earnings	26,160	54,156	102,587	61,146	33,979	40,696	34,123	15,534	11,213	8,110
Miscellaneous	-	-	-	-	-	-	48,320	57,657	-	-
Special Items	-	-	60,851	-	-	-	-	-	-	-
Transfers	(618,732)	(190,129)	(1,398,800)	(981,102)	(1,335,015)	238,384	(563,464)	872,245	(992,164)	(2,279,247)
Total business-type activities	<u>(592,572)</u>	<u>(135,973)</u>	<u>(1,235,362)</u>	<u>(919,956)</u>	<u>(1,301,036)</u>	<u>279,080</u>	<u>(481,021)</u>	<u>945,436</u>	<u>(980,951)</u>	<u>(2,271,137)</u>
Total primary government	<u>\$ 4,312,066</u>	<u>\$ 4,028,556</u>	<u>\$ 4,534,639</u>	<u>\$ 6,292,073</u>	<u>\$ 7,838,685</u>	<u>\$ 7,677,339</u>	<u>\$ 8,300,794</u>	<u>\$ 4,584,763</u>	<u>\$ 8,651,947</u>	<u>\$ 8,950,234</u>
<b>Change in Net Assets/Position</b>										
Government activities	\$ 38,359	\$ (788,266)	\$ 1,006,004	\$ 1,557,727	\$ 2,305,970	\$ 705,064	\$ 1,604,117	\$ (188,637)	\$ (127,385)	\$ 1,944,784
Business-type activities	(536,854)	425,750	(517,301)	745,385	595,195	3,165,929	571,043	1,710,247	701,224	(1,959,954)
Total primary government	<u>\$ (498,495)</u>	<u>\$ (362,516)</u>	<u>\$ 488,703</u>	<u>\$ 2,303,112</u>	<u>\$ 2,901,165</u>	<u>\$ 3,870,993</u>	<u>\$ 2,175,160</u>	<u>\$ 1,521,610</u>	<u>\$ 573,839</u>	<u>\$ (15,170)</u>

NOTE: The City changed their year end from June 30th to December 31st in 2011, therefore, the December 2011 column represents 6 months.

CITY OF GUYMON, OKLAHOMA  
**FUND BALANCES, GOVERNMENTAL FUNDS**  
 Last Ten Fiscal Years  
 December 31, 2015  
**TABLE 3**

	December									
	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
General Fund										
Reserved	\$ 156,275	\$ 168,754	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved	678,672	1,569,087	2,073,758	2,097,840	-	-	-	-	-	-
Nonspendable	-	-	-	-	-	-	-	-	-	-
Restricted	-	-	-	-	55,596	138,095	125,304	-	-	200,000
Assigned	-	-	-	-	81,175	1,422,679	256,345	233,346	791,105	2,056,747
Unassigned	-	-	-	-	<u>2,508,487</u>	<u>1,926,501</u>	<u>2,415,914</u>	<u>2,981,681</u>	<u>2,416,235</u>	-
Total general fund	<u>\$ 834,947</u>	<u>\$ 1,737,841</u>	<u>\$ 2,073,758</u>	<u>\$ 2,097,840</u>	<u>\$ 2,645,258</u>	<u>\$ 3,487,275</u>	<u>\$ 2,797,563</u>	<u>\$ 3,215,027</u>	<u>\$ 3,207,340</u>	<u>\$ 2,256,747</u>
All Other Governmental Funds										
Reserved	\$ 64,562	\$ 117,574	\$ 105,296	\$ 93,921	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved, reported in:										
Special revenue funds	506,062	653,721	1,667,316	3,589,604	-	-	-	-	-	-
Debt service funds	-	-	-	-	-	-	-	-	-	-
Capital project funds	-	-	-	-	-	-	-	-	-	-
Nonspendable	-	-	-	-	4,300	4,300	4,300	4,300	4,300	4,300
Restricted	-	-	-	-	2,710,114	7,745,940	7,787,980	2,362,890	2,396,154	1,382,286
Assigned	-	-	-	-	4,307	336	200	-	-	-
Unassigned	-	-	-	-	<u>(21,485)</u>	<u>-</u>	<u>(61,302)</u>	<u>(460,273)</u>	<u>(464,939)</u>	<u>(676,145)</u>
Total all other governmental funds	<u>\$ 570,624</u>	<u>\$ 771,295</u>	<u>\$ 1,772,612</u>	<u>\$ 3,683,525</u>	<u>\$ 2,697,236</u>	<u>\$ 7,750,576</u>	<u>\$ 7,731,178</u>	<u>\$ 1,906,917</u>	<u>\$ 1,935,515</u>	<u>\$ 710,441</u>
<b>GRAND TOTAL</b>	<u>\$ 1,405,571</u>	<u>\$ 2,509,136</u>	<u>\$ 3,846,370</u>	<u>\$ 5,781,365</u>	<u>\$ 5,342,494</u>	<u>\$ 11,237,851</u>	<u>\$ 10,528,741</u>	<u>\$ 5,121,944</u>	<u>\$ 5,142,855</u>	<u>\$ 2,967,188</u>

NOTE: GASB 54 was implemented in fiscal year 2010. Years prior to implementation of GASB 54 have not been restated.

The City changed their year end from June 30 to December 31 in 2011.

CITY OF GUYMON, OKLAHOMA  
**CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS**  
 Last Ten Fiscal Years  
 December 31, 2015  
**TABLE 4**

	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2011</u>	<u>December 2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
<b>Revenues</b>										
Taxes	\$ 4,100,304	\$ 5,938,227	\$ 7,388,142	\$ 7,150,089	\$ 7,735,689	\$ 4,287,544	\$ 8,309,549	\$ 8,742,474	\$ 8,252,682	\$ 8,557,286
Intergovernmental	1,093,536	1,401,429	886,449	880,850	1,572,711	434,641	920,045	3,010,672	1,574,295	1,728,069
Charges for services	669,346	760,172	762,729	914,140	823,405	371,706	681,940	669,864	758,990	749,569
Fines and forfeitures	164,642	180,524	331,529	356,957	203,418	170,179	311,927	384,665	389,974	346,454
Licences and permits	22,855	47,172	21,834	32,677	45,109	15,158	42,007	34,299	41,657	57,127
Investment Income	38,487	33,691	40,742	70,095	62,048	13,230	33,813	43,290	18,468	9,311
Miscellaneous	156,862	218,130	331,603	229,449	356,273	230,560	411,884	176,417	246,911	297,440
<b>Total Revenues</b>	<b>\$ 6,246,032</b>	<b>\$ 8,579,345</b>	<b>\$ 9,763,028</b>	<b>\$ 9,634,257</b>	<b>\$ 10,798,653</b>	<b>\$ 5,523,018</b>	<b>\$ 10,711,165</b>	<b>\$ 13,061,681</b>	<b>\$ 11,282,977</b>	<b>\$ 11,745,256</b>
<b>Expenditures:</b>										
General government	\$ 546,877	\$ 627,745	\$ 623,511	\$ 513,827	\$ 494,389	\$ 299,864	\$ 901,768	\$ 997,604	\$ 1,085,426	\$ 1,080,659
Public safety and Judiciary	2,833,004	3,228,355	3,635,038	3,605,465	3,904,168	2,123,912	4,130,671	4,608,162	4,706,443	5,042,659
Transportation	953,415	1,156,482	1,216,378	1,244,309	1,386,854	725,875	1,372,631	1,375,032	1,445,379	1,266,277
Cultural, Parks and Recreation	1,205,581	1,345,555	1,520,638	1,422,850	1,453,963	791,509	1,589,604	1,696,065	1,763,726	1,873,269
Community/Economic Development	703,086	853,910	804,293	1,054,203	1,219,834	244,781	834,666	1,142,522	1,012,075	1,718,723
Public Works	-	-	-	-	-	-	-	-	-	150,376
Debt service:										
Principal	95,970	66,234	309,223	271,701	379,795	222,442	637,425	1,008,132	945,281	4,094,193
Interest and other charges	12,197	13,556	30,729	5,915	14,757	120,879	231,331	208,740	361,771	294,376
Capital Outlay	428,136	1,964,507	1,350,559	2,094,634	2,277,221	1,003,236	10,245,002	7,304,162	1,825,855	3,931,550
<b>Total Expenditures</b>	<b>\$ 6,778,266</b>	<b>\$ 9,256,344</b>	<b>\$ 9,490,369</b>	<b>\$ 10,212,904</b>	<b>\$ 11,130,981</b>	<b>\$ 5,532,498</b>	<b>\$ 19,943,098</b>	<b>\$ 18,340,419</b>	<b>\$ 13,145,956</b>	<b>\$ 19,452,082</b>
Excess of revenues over(under) expenditures	\$ (532,234)	\$ (676,999)	\$ 272,659	\$ (578,647)	\$ (332,328)	\$ (9,480)	\$ (9,231,933)	\$ (5,278,738)	\$ (1,862,979)	\$ (7,706,826)
<b>Other financing sources(uses)</b>										
Transfers in	\$ 2,231,146	\$ 2,839,302	\$ 2,954,719	\$ 3,475,498	\$ (3,244,353)	\$ 559,644	\$ 4,687,407	\$ 2,862,625	\$ 3,767,196	\$ 5,736,639
Transfers out	(832,346)	(1,454,302)	(1,445,136)	(3,335,722)	(141,688)	(1,259,274)	(2,497,882)	(2,342,268)	(2,798,803)	(3,445,480)
Issuance of long-term debt	211,017	404,235	152,750	-	5,535,000	-	3,918,045	2,093,750	915,500	-
Note issuances costs	-	-	-	-	-	-	-	-	-	-
Proceeds from short-term debt	-	225,000	-	-	4,078,726	-	-	-	-	3,240,000
<b>Total other financing sources(uses)</b>	<b>\$ 1,609,817</b>	<b>\$ 2,014,235</b>	<b>\$ 1,662,333</b>	<b>\$ 139,776</b>	<b>\$ 6,227,685</b>	<b>\$ (699,630)</b>	<b>\$ 6,107,570</b>	<b>\$ 2,614,107</b>	<b>\$ 1,883,893</b>	<b>\$ 5,531,159</b>
<b>Net change in fund balances</b>	<b>\$ 1,077,583</b>	<b>\$ 1,337,236</b>	<b>\$ 1,934,992</b>	<b>\$ (438,871)</b>	<b>\$ 5,895,357</b>	<b>\$ (709,110)</b>	<b>\$ (3,124,363)</b>	<b>\$ (2,664,631)</b>	<b>\$ 20,914</b>	<b>\$ (2,175,667)</b>
Debt service as a percentage of noncapital expenditures	1.7%	1.1%	4.2%	3.4%	4.5%	7.6%	9.0%	11.0%	11.5%	28.3%

NOTE: The City changed their year end from June 30th to December 31st in 2011, therefore, the December 2011 column represents 6 months.

CITY OF GUYMON, OKLAHOMA  
 GOVERNMENTAL ACTIVITIES TAX REVENUES BY SOURCE  
 Last Ten Fiscal Years  
 December 31, 2015  
 TABLE 5

<u>Fiscal Year</u>	<u>Airport Fuel Tax</u>	<u>Sales Tax</u>	<u>Franchise Tax</u>	<u>Hotel/Motel Tax</u>	<u>Use Tax</u>	<u>Emergency Telephone Tax</u>	<u>Tax Apportionment Taxes</u>	<u>Property Tax</u>	<u>Abatement Tax</u>	<u>Totals</u>
2007	5,465	2,518,035	445,158	156,614	446,204	64,377	464,451	-	-	4,100,304
2008	4,833	4,204,920	501,663	167,979	522,624	66,459	470,782	-	-	5,939,260
2009	5,182	5,683,442	496,341	137,361	536,083	59,045	468,376	-	-	7,385,830
2010	4,164	5,332,959	452,632	128,186	447,084	171,040	727,883	-	-	7,263,948
2011	3,376	5,613,374	538,097	138,096	438,137	129,895	876,763	-	-	7,737,738
2011	2,523	2,993,992	302,217	91,141	440,369	71,207	386,095	-	-	4,287,544
December 2012	4,889	6,231,012	555,531	184,725	684,645	128,805	519,942	-	-	8,309,549
2013	6,339	6,395,568	534,014	197,882	860,402	129,317	623,954	-	-	8,747,476
2014	6,730	6,362,673	603,326	221,165	581,054	132,792	336,838	-	9,829	8,254,407
2015	7,018	6,661,168	591,945	209,142	578,723	138,370	364,738	-	(546)	8,550,558

NOTE: The City changed their year end from June 30th to December 31st in 2011, therefore, the December 2011 column represents 6 months.

**CITY OF GUYMON, OKLAHOMA  
 GAS REVENUE BY CUSTOMER TYPE  
 Last Ten Fiscal Years  
 TABLE 6**

	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2011</u>	<u>December</u> <u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
Commercial	\$ 1,044,760	\$ 1,128,412	\$ 1,441,442	\$ 824,270	\$ 891,816	\$ 288,724	\$ 770,698	\$ 963,270	\$ 1,053,383	\$ 897,437
Governmental	80,578	77,524	124,036	114,972	108,911	68,833	250,521	295,245	319,126	276,529
Industrial	32,852	261,757	635,605	444,392	493,302	248,938	599,382	546,038	551,844	501,528
Municipal	47,558	54,112	99,304	68,859	65,887	20,014	65,332	100,263	103,677	88,455
Institutional	303,603	305,176	418,963	255,007	248,715	34,895	84,992	102,636	113,770	99,998
Residential	2,414,738	2,496,547	3,643,542	2,465,297	2,606,700	918,568	1,846,650	2,073,036	2,240,113	2,576,221
Totals	\$ 3,924,089	\$ 4,323,528	\$ 6,362,892	\$ 4,172,797	\$ 4,415,331	\$ 1,579,972	\$ 3,617,575	\$ 4,080,488	\$ 4,381,913	\$ 4,440,168

NOTE: Data is presented only for years including and subsequent to implementation of GASB 44.

NOTE: The City changed their year end from June 30th to December 31st in 2011, therefore, the December 2011 column represents 6 months.

**CITY OF GUYMON, OKLAHOMA  
TOP TEN GAS CUSTOMERS  
Current and Eight Fiscal Years Ago  
TABLE 7**

	<b>Rank</b>	<b>2015</b>	<b>% of Total</b>	<b>Rank</b>	<b>2007</b>	<b>% of Total</b>
Guymon Extract Plant	1	\$ 424,650	9.56%	2	\$ 210,275	5.36%
Guymon Schools	2	75,083	1.69%	3	116,959	2.98%
SPF-USA	3	69,679	1.57%	--	--	--
Memorial Hospital of Texas County	4	52,596	1.18%	--	--	--
Wal-Mart	5	51,300	1.16%	5	62,787	1.60%
Garland Square of Guymon	6	39,488	0.89%	6	46,201	1.18%
Dunaway Manor	7	37,470	0.84%	7	42,655	1.09%
YMCA	8	33,967	0.76%	--	--	--
Landes Management Inc	9	29,784	0.67%	--	--	--
Carter's Market Place	10	25,054	0.56%	--	--	--
Texas County Feedyards		--	--	1	213,295	5.44%
Cargill Animal Nutrition		--	--	4	69,622	1.77%
Panhandle Natural Gas		--	--	8	19,805	0.50%
Quality Cleaners		--	--	9	15,035	0.38%
Texas County Warehouse		--	--	10	12,645	0.32%
Totals		<u>\$ 839,071</u>	18.9%		<u>\$ 809,279</u>	20.6%
Total Gas Revenue (See Table 6)		<u>\$ 4,440,168</u>			<u>\$ 3,924,089</u>	

NOTE: Data for nine years ago is not available.

**CITY OF GUYMON, OKLAHOMA  
GAS RATES  
Last Five Fiscal Years  
TABLE 8**

<u>Effective Date</u>	<u>Fixed Oper Cost</u>	<u>0 - 29 per MCF</u>	<u>1 - 29 per MCF</u>	<u>All Over 29 per MCF</u>
8/1/2005	\$ -	\$ 10.03	n/a	\$ 9.54
11/1/2005	-	13.99	n/a	13.50
1/1/2006	-	12.49	n/a	12.04
3/1/2006	11.00	n/a	12.62	12.16
8/1/2006	11.50	n/a	7.14	7.14
1/1/2007	11.50	n/a	8.41	8.41
7/1/2007	12.70	n/a	8.41	8.41
7/1/2008	15.40	n/a	13.57	13.57
8/14/2009	15.40	n/a	6.53	6.53
10/8/2009	15.40	n/a	7.53	7.53
7/1/2011	17.28		9.38	9.38

NOTE: Data is presented only for years including and subsequent to implementation of GASB 44.

CITY OF GUYMON, OKLAHOMA  
TAXABLE SALES BY CATEGORY  
Last Ten Fiscal Years  
December 31, 2015  
TABLE 9

	2007	2008	2009	2010	2011	December 2011	2012
Agriculture, forestry, and fishing	\$ 160	\$ 264	\$ 756	\$ 802	\$ 546	\$ 179	\$ 1,557
Mining, Quarrying, and Oil and Gas Extraction	333	406	689	401	2,241	-	366
Construction	5,428	4,747	9,990	8,176	10,392	8,585	8,662
Manufacturing	50,322	17,368	48,551	19,334	37,698	69,359	91,129
Transportation and Warehousing	5,762	2,972	7,879	7,834	10,183	3,029	6,823
Information and utilities:							
Information	73,522	109,668	264,091	158,962	139,553	71,978	173,097
Electric, gas, and sanitary services	101,127	43,846	198,523	140,944	147,803	38,121	163,236
Wholesale trade	219,359	215,602	414,040	406,382	350,161	213,085	410,981
Retail trade:							
Building materials, hardware, garden supply and mobile home dealer	90,673	75,027	168,822	154,650	171,963	84,718	177,262
General merchandise stores	512,740	792,048	1,960,854	1,861,714	1,956,486	1,047,517	2,178,905
Food stores	431,127	230,879	580,269	543,998	541,382	281,588	549,593
Automotive dealers and gasoline service stations	99,457	91,927	209,434	208,255	243,471	138,741	270,610
Apparel and accessory stores	56,737	43,371	114,132	118,517	129,349	61,972	120,162
Furniture, home furnishings and equipment stores	129,101	111,067	238,604	191,779	247,467	125,699	235,272
Eating and drinking places	277,277	266,222	642,923	626,549	680,178	362,618	733,207
Miscellaneous retail	230,149	126,012	331,391	319,011	354,967	188,091	405,591
Finance, insurance, and real estate	739	132	1,297	734	1,575	10,903	411
Services:							
Hotels and motels	100,694	92,112	186,718	120,295	162,066	122,991	296,603
Personal services	16,403	15,592	33,757	28,068	27,064	17,890	31,014
Business services	59,647	49,818	129,354	204,094	158,153	76,930	304,158
Automotive repair services and garages	35,093	33,293	68,494	64,135	64,505	35,377	74,752
Miscellaneous repair services	7,152	5,327	11,095	7,148	7,531	5,157	3,847
Motion pictures	29,512	23,853	63,772	69,380	60,671	32,572	62,808
Other services	5,100	10,275	15,060	17,847	20,258	2,863	6,357
Nonclassifiable establishments	16,852	6,724	44,873	102,603	109,048	7,239	35,679
	<u>\$ 2,554,466</u>	<u>\$ 2,368,551</u>	<u>\$ 5,745,568</u>	<u>\$ 5,381,612</u>	<u>\$ 5,634,711</u>	<u>\$ 3,007,199</u>	<u>\$ 6,342,082</u>
**	2013	2014	2015				
Agriculture, forestry, Fishing, and Hunting	\$ 8,185	6,822	1,059				
Mining, Quarrying, and Oil and Gas Extraction	574	429	213				
Construction	37,908	30,125	35,340				
Manufacturing	209,132	168,760	156,904				
Transportation and Warehousing	7,093	5,618	4,678				
Information and utilities:							
Information	208,583	158,296	153,944				
Electric, gas, and sanitary services	189,094	160,253	153,411				
Wholesale trade	547,882	459,325	440,562				
Retail trade:							
Automotive Dealers, Parts, Accessories, and Tire Stores	293,595	243,909	271,141				
Furniture, home furnishings and equipment stores	450,250	345,664	479,398				
Food stores	507,488	377,813	401,296				
Pharmacies , Drug Stores , Health and Personal Care Stores	38,837	29,574	129,280				
Gasoline Stations with Convenience Stores	175,511	138,302	127,416				
Apparel and accessory stores	164,178	124,047	133,547				
General merchandise stores	258,574	192,762	198,684				
Department Stores	2,551,029	1,935,813	2,209,382				
Miscellaneous retail	334,971	250,997	255,603				
Finance, insurance, and real estate	131,978	104,797	158,251				
Services:							
Professional, Scientific, and Technical Services	54,621	42,613	30,108				
Administrative and Support and Waste Management and remediation Services	2,880	2,334	987				
Educational Services	1	1	600				
Health Care and Social Assitance	152	115	38				
Arts, Entertainment, and Recreation	76,012	59,183	70,637				
Accommodation and Food Services	1,227,596	937,319	1,095,905				
Pubublic Administration	75	63	71				
Other services	112,570	86,931	98,474				
Nonclassifiable establishments	46,148	47,523	73,699				
	<u>\$ 7,634,919</u>	<u>\$ 5,909,388</u>	<u>\$ 6,680,628</u>				

\* - The sales tax rate decreased from 3 cents to 2 cents in March 2005

\*\* The OTC switch their classification system from SIC to NAICS in 2013

NOTE: The City changed their year end from June 30th to December 31st in 2011, therefore, the December 2011 column represents 6 months.

**CITY OF GUYMON, OKLAHOMA**  
**SALES TAX RATES OF DIRECT AND OVERLAPPING GOVERNMENTS**  
**Last Ten Fiscal Years**  
**December 31, 2015**  
**TABLE 10**

	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2011</u>	<u>2012</u>	<u>December</u> <u>2012</u>	<u>2014</u>	<u>2015</u>
City	2.00%	2.00%	2.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%
Texas County	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%
State of Oklahoma	4.50%	4.50%	4.50%	4.50%	4.50%	4.50%	4.50%	4.50%	4.50%	4.50%
Total	7.50%	7.50%	7.50%	9.50%	9.50%	9.50%	9.50%	9.50%	9.50%	9.50%

\* City sales tax rate changed in March of 2005.

\*\*City sales tax rate changed in March of 2008.

NOTE: The City changed their year end from June 30th to December 31st in 2011, therefore, the December 2011 column represents 6 months

CITY OF GUYMON, OKLAHOMA  
RATIO OF NET GENERAL BONDED DEBT TO ASSESSED  
VALUE AND NET BONDED DEBT PER CAPITA  
Last Ten Fiscal Years  
December 31, 2015  
TABLE 11

<b>Fiscal Year</b>	<b>Population</b>	<b>Net Assessed Value</b>	<b>Gross Bonded Debt (1)</b>	<b>Less Debt Service Funds</b>	<b>Net Bonded Debt</b>	<b>Ratio of Net Bonded Debt to Assessed Value</b>	<b>Net Bonded Debt Per Capita</b>
2007	10,574	54,332,886	-	-	-	0.00%	-
2008	10,574	49,595,484	-	-	-	0.00%	-
2009	10,702	51,511,458	-	-	-	0.00%	-
2010	11,117	52,403,701	-	-	-	0.00%	-
2011	11,442	52,403,701	-	-	-	0.00%	-
December 2011	11,823	52,403,701	-	-	-	0.00%	-
2012	11,823	57,019,951	-	-	-	0.00%	-
2013	11,930	57,633,900	-	-	-	0.00%	-
2014	12,272	57,582,245	-	-	-	0.00%	-
2015	12,128	57,582,245 (2)	-	-	-	0.00%	-

Note: The population amounts are estimates based on information from the US Census Bureau.

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

(1) Represents outstanding general obligation bonds financed through ad valorem and sales tax.

Note: The City changed their year end from June 30th to December 31st in 2011, therefore, the December 2011 column represents 6 months.

(2) Net assessed values for 2015 not available

**CITY OF GUYMON, OKLAHOMA**  
**COMPUTATION OF DIRECT AND OVERLAPPING DEBT**  
**December 31, 2015**  
**TABLE 12**

<u>Jurisdiction</u>	<u>Net (1) Debt Outstanding</u>	<u>Percentage (2) Applicable to City of Guymon</u>	<u>Amount Applicable to City of Guymon</u>
Direct - City of Guymon	\$ -	100.00%	-
Overlapping: Guymon Public Schools	500,000	50.52%	252,603
Texas County	-	29.96%	-
Total	<u>\$500,000</u>		<u>\$252,603</u>

(1) Gross general bonded debt outstanding less debt service reserves.

(2) Determined by ratio of assessed valuation of property subject to taxation in overlapping unit to valuation of property subject to taxation in the City of Guymon.

**CITY OF GUYMON, OKLAHOMA  
LEGAL DEBT MARGIN INFORMATION  
Last Ten Fiscal Years  
December 31, 2015  
TABLE 13**

	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2011</u>	December <u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
Debt limit	\$ 5,433,289	\$ 4,959,548	\$ 5,151,146	\$ 5,240,370	\$ 5,447,219	\$ 5,447,219	\$ 5,701,995	\$ 5,763,390	\$ 5,758,225	\$ 5,758,225
Total net debt applicable to limit	-	-	-	-	-	-	-	-	-	-
Legal debt margin	<u>\$ 5,433,289</u>	<u>\$ 4,959,548</u>	<u>\$ 5,151,146</u>	<u>\$ 5,240,370</u>	<u>\$ 5,447,219</u>	<u>\$ 5,447,219</u>	<u>\$ 5,701,995</u>	<u>\$ 5,763,390</u>	<u>\$ 5,758,225</u>	<u>\$ 5,758,225</u>
Total net debt applicable to the limit as a percentage of debt limit	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

**Legal Debt Margin Calculation for Fiscal Year 2015**

Net assessed valuation	\$ 57,582,245
Debt limit (10% of total assess value)	\$ 5,758,225
Debt applicable to limit:	
General obligation bonds	\$ -
Less: Street bonds outstanding	-
Total net debt applicable to limit	-
Legal debt margin	<u>\$ 5,758,225</u>

Note: Article 10, Section 26 of the Constitution of the State of Oklahoma limits municipal debt to 10% of net assessed valuation.  
Article 10, Section 27 of the Constitution of the State of Oklahoma limits municipal debt to non-utility or non-street purposes.

Note: The City changed their year end from June 30th to December 31st in 2011, therefore, the December 2011 column represents 6 months.

Note: Net assessed values for 2015 are not available.

CITY OF GUYMON, OKLAHOMA  
MUNICIPAL AUTHORITY  
PLEDGED REVENUE COVERAGE  
Last Ten Fiscal Years  
December 31, 2015  
TABLE 14

		<u>Gross Revenues</u>	<u>Direct Operating Expenses</u>	<u>Net Revenue Available for Debt Service</u>	<u>Maximum Annual Debt Service</u>	<u>Debt Service Coverage</u>
	2007	(1) 7,287,805	5,783,058	1,504,747	252,745	5.95
	2008	(1) 7,938,225	5,445,907	2,492,318	255,074	9.77
	2009	(1) 11,404,192	7,325,212	4,078,980	2,032,883	2.01
	2010	(1) 9,311,522	4,977,079	4,334,443	2,210,027	1.96
	2011	(2) 9,965,072	5,638,859	4,326,213	2,036,086	2.12
	2011	(2) 5,272,978	2,789,172	2,483,806	995,014	2.50
December	2012	(2) 12,073,555	5,485,914	6,587,641	1,990,028	3.31
	2013	(2) 12,488,548	5,998,588	6,489,960	1,320,847	4.91
	2014	(2) 12,878,575	6,176,143	6,702,432	1,320,847	5.07
	2015	(2) 11,888,864	6,085,628	5,803,236	1,320,847	4.39

(1) - coverage for 1993C and 1994 Notes only. Collateralized revenues include water, sewer, and gas.

(2) - coverage for 2008B, 2009A, and 2009B OWRB notes only. Collateralized revenues include water, sewer, gas, and one cent pledged sales taxes.

Note: The City changed their year end from June 30th to December 31st in 2011, therefore, the December 2011 column represents 6 months.

**CITY OF GUYMON, OKLAHOMA**  
**RATIO FOR OUTSTANDING DEBT BY TYPE**  
**Last Ten Fiscal Years**  
**TABLE 15**

Fiscal Year	Governmental Activities			Business-Type Activities			Total Primary Government	% of Total Debt to Personal Income	Per Capita
	General Obligation Bonds	Notes Payable	Capital Leases Payable	Refundable Grant Obligation	Notes Payable	Capital Leases Payable			
2007	-	-	318,136	33,542	3,916,777	57,734	4,326,189	0.75%	409
2008	-	-	656,137	16,042	3,224,670	28,111	3,924,960	0.63%	371
2009	-	77,644	647,020	-	18,186,826	208,135	19,119,625	3.07%	1,787
2010	-	-	474,593	-	22,767,196	163,166	23,404,955	3.76%	2,105
2011	-	5,400,000	295,294	-	22,315,946	116,500	28,127,740	4.51%	2,458
2011	-	5,260,000	212,853	-	21,536,140	92,154	27,101,147	3.72%	2,292
December 2012		8,790,209	277,652		20,329,296	42,674	29,438,831	4.04%	2,490
2013	-	9,480,482	474,825	-	19,063,611	234,725	29,253,643	4.01%	2,474
2014	-	8,769,667	1,130,305	-	17,432,539	196,368	27,528,879	3.51%	2,308
2015	-	8,155,295	890,768	-	20,859,430	157,007	30,062,500	3.03%	2,479

NOTE: The City changed their year end from June 30th to December 31st in 2011, therefore, the December 2011 column represents 6 months.

CITY OF GUYMON, OKLAHOMA  
 DEMOGRAPHIC AND ECONOMIC STATISTICS  
 Last Ten Calendar Years  
 December 31, 2015  
 TABLE 16

<u>Calendar Year</u>	<u>Population (1)</u>	<u>Personal Income (in thousands) (2)</u>	<u>Per Capita Personal Income</u>	<u>Median Age of Population (3)</u>	<u>School Enrollment (4)</u>	<u>Unemployment Rate (5)</u>
2007	10,574	553,263 (8)	52,323	30.0	2,462	3.6%
2008	10,574	553,263	52,323	30.0	2,500	3.4%
2009	10,702	577,854	44,775	32.1	2,503	3.8%
2010	11,117	623,090	30,287	30.3	2,702	5.5%
2011	11,442	623,090 (8)	30,287	30.4	2,777	5.5%
2011	11,823	729,167	34,214	36.4	2,829	4.5%
December 2012	11,823	729,167 (8)	34,214	36.4	2,829	4.5%
2013	11,930	784,760	36,504	31.1	2,831	5.0%
2014	12,272	622,583	28,118	34.0	2,800	3.9%
2015	12,128	992,496 (8)	22,557	31.4	2,998	3.4%

Note: Information was unavailable for the cells with N/A .

NOTE: The City changed their year end from June 30th to December 31st in 2011, therefore, the December 2011 column represents 6 months.

Sources:

- (1) From U.S. Census Data and ODOC
- (2) Oklahoma Department of Commerce
- (3) From U.S. Census Data
- (4) Guymon School District
- (5) Oklahoma Employment Security Commission, for the Guymon area.
- (6) OESC is now reporting only for the Texas County area and also changed its methodology to benchmark data.
- (7) Bureau of Economic Analysis. In previous years these amounts were estimated.
- (8) Updated information not yet available

CITY OF GUYMON, OKLAHOMA  
 PRINCIPAL EMPLOYERS  
 CURRENT YEAR AND TEN YEARS AGO  
 December 31, 2015  
 TABLE 17

Employer	Product/Business	2014			2006		
		Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment	Employees
Seaboard Farms of Oklahoma	Pork Processing	1	29.78%	2,200	1	16.74%	2,300
Guymon Public Schools	Education	2	4.62%	341	4	1.56%	215
Hitch Enterprises Inc/Hitch Pork	Cattle and Hogs	3	4.20%	310	3	1.89%	260
Wal-Mart	Retail	4	2.71%	200	8	0.71%	98
Texas County	Government	5	2.25%	166		0.00%	
Panhandle Telephone	Communications	6	2.25%	166	6	0.83%	114
Memorial Hospital	Medical	6	1.75%	129	7	0.77%	106
Pioneer Telephone	Communications	7	2.21%	163		0.00%	
Trunchbull Services	Construction	8	2.03%	150		0.00%	
Memorial Hospital	Medical	9	1.96%	145		0.00%	
City of Guymon	Government	10	1.84%	136	5	0.85%	117
Seaboard Farms of Oklahoma	Pork Processing (Farm)				2	7.28%	1,000
Philips Petroleum	Mining				9	0.70%	96
Behne Construction	Construction				10	0.40%	55
Totals			56%	4,106		31%	4,361

Source: Oklahoma Department of Commerce

CITY OF GUYMON, OKLAHOMA  
 Capital Asset Statistics by Function/Program  
 Last Nine Fiscal Years  
 December 31, 2015  
 TABLE 18A

Function/Program	Fiscal Year	Fiscal Year	Fiscal Year	Fiscal Year	Fiscal Year					
	2007	2008	2009	2010	2011	December 2011	2012	2013	2014	2015
General Government										
Buildings	2	3	3	3	3	3	3	3	3	3
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol units	20	20	21	21	23	23	23	24	24	22
Fire										
Stations	2	2	2	2	2	2	2	3	2	2
Trucks	4	6	7	8	5	5	5	5	6	6
Ambulance										
Vehicles	4	4	4	4	4	4	5	5	4	4
Refuse Collection										
Collection trucks	4	4	4	3	3	3	3	3	4	4
Transfer station	1	1	1	1	1	1	1	1	1	1
Transfer trucks	3	3	3	2	2	2	2	2	2	3
Streets										
Street miles	90	90	90	82.9	82.9	82.9	82.9	82.9	82.9	82.9
Highway miles	7.8	7.8	7.8	7.8	7.8	7.8	7.8	7.8	7.8	7.8
Traffic signals	12	12	12	12	13	13	13	13	13	13
Airport										
Runways	1	1	1	1	1	1	1	1	1	1
Terminals	1	1	1	1	1	1	1	1	1	1
Parks and recreation										
Playgrounds	12	13	13	13	13	13	13	13	13	13
Pool	1	1	1	1	1	1	1	1	1	1
Golf course	1	1	1	1	1	1	1	1	1	1
Public Transportation										
Buses	4	8	9	12	9	9	9	9	9	8
Library										
Building	1	1	1	1	1	1	1	1	1	1
Cemetery										
Plots	11,316	17,148	18,308	18,308	23,268	23,268	23,268	23,268	23,268	23,268
Vehicles	2	6	6	6	6	6	6	6	4	5
Gas										
Gas mains (miles)	75	75	75	75	77	77	77	77	77	77
Gates	3	3	3	3	3	3	3	3	3	3
Regulators	34	34	34	34	34	34	34	34	34	34
Water										
Water mains (miles)	80	80	84	84	84	84	84	84	84	85
Fire hydrants	309	314	362	362	410	410	410	410	410	410
Storage capacity (thousands of gallons)	4,375	4,375	5,375	5,375	5,375	5,375	5,375	5,375	5,375	5,375
Wastewater										
Sanitary sewers (miles)	69.7	80	80	80	80	80	80	80	80	80
Storm sewers (miles)	17	17	17	17	17	17	17	17	17	17
Treatment capacity (thousands of gallons)	6,400	6,400	6,400	6,400	6,400	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000

NOTE: Data is presented only for years including and subsequent to issuance of GASB 44  
 NOTE: The City changed their year end from June 30th to December 31st in 2011, therefore, the December 2011 column represents 6 months.  
 SOURCE: Internal City Records

CITY OF GUYMON, OKLAHOMA  
**FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION/PROGRAM**  
 Last Nine Fiscal Years  
 December 31, 2015  
**TABLE 18B**

Function/Program	Fiscal Year	Fiscal Year	Fiscal Year	Fiscal Year	Fiscal Year					
	2007	2008	2009	2010	2011	December 2011	2012	2013	2014	2015
<b>General Government:</b>										
City clerk	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	2.00	2.00
City treasurer	1.25	1.25	1.25	1.25	1.75	1.75	1.75	1.75	1.75	1.75
General government	2.00	2.00	2.00	2.00	2.00	2.00	3.50	3.50	4.00	2.00
Human Resources								1.00	1.00	1.00
Information Technology								1.00	1.00	2.00
<b>Total General Government</b>	<b>4.25</b>	<b>4.25</b>	<b>4.25</b>	<b>4.25</b>	<b>4.75</b>	<b>4.75</b>	<b>6.25</b>	<b>8.25</b>	<b>9.75</b>	<b>8.75</b>
<b>Public Safety and Judiciary:</b>										
City attorney	-	-	-	-	-	-	-	-	-	-
Ambulance	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.00	1.00
Police	22.00	24.00	30.00	28.00	27.00	26.00	24.00	27.00	26.00	23.00
Municipal court	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Fire	13.50	14.50	14.50	15.50	15.50	15.50	15.50	15.50	18.00	21.00
Emergency management	1.00	1.00	-	-	-	-	-	-	-	-
Civil defense	-	-	-	-	-	-	-	-	-	-
<b>Total Public Safety and Judiciary</b>	<b>40.00</b>	<b>43.00</b>	<b>48.00</b>	<b>47.00</b>	<b>46.00</b>	<b>45.00</b>	<b>43.00</b>	<b>46.00</b>	<b>47.00</b>	<b>47.00</b>
<b>Transportation:</b>										
Airport	-	-	-	-	-	-	-	-	-	-
Streets	8.50	8.50	8.00	8.00	8.25	7.25	8.25	8.25	8.00	8.00
Public transportation	8.50	10.50	12.00	12.00	10.75	9.75	7.75	8.50	7.00	7.00
<b>Total Transportation</b>	<b>17.00</b>	<b>19.00</b>	<b>20.00</b>	<b>20.00</b>	<b>19.00</b>	<b>17.00</b>	<b>16.00</b>	<b>16.75</b>	<b>15.00</b>	<b>15.00</b>
<b>Cultural, Parks and Recreation:</b>										
Golf	5.00	6.00	6.00	6.00	6.00	6.00	6.00	4.50	4.00	5.00
Library	5.00	5.00	5.00	5.00	3.00	4.00	4.00	4.00	5.00	5.00
Cemetery	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Swimming pool	-	-	-	-	-	-	-	-	-	-
Parks	4.00	6.00	6.00	5.00	5.00	4.00	3.00	3.00	6.00	6.00
Tourism	-	-	-	-	-	-	-	-	-	-
<b>Total Cultural, Parks and Recreation</b>	<b>16.00</b>	<b>19.00</b>	<b>19.00</b>	<b>18.00</b>	<b>16.00</b>	<b>16.00</b>	<b>15.00</b>	<b>13.50</b>	<b>17.00</b>	<b>18.00</b>
<b>Community/Economic Development:</b>										
Community development	2.50	1.00	1.50	1.50	2.33	2.33	2.33	2.33	1.00	1.00
Economic development	-	-	-	-	-	-	-	-	-	2.00
Arts Council CR Grant	0.50	1.00	0.50	-	-	-	-	-	-	-
PREDCI	-	-	-	-	0.67	1.67	1.67	1.67	-	-
Business Incubator	-	-	-	-	0.67	0.67	0.67	0.67	-	-
Business Enterprise Center	-	-	-	-	0.33	0.33	0.33	0.33	-	-
<b>Total Community/Economic Development</b>	<b>3.00</b>	<b>2.00</b>	<b>2.00</b>	<b>1.50</b>	<b>4.00</b>	<b>5.00</b>	<b>5.00</b>	<b>5.00</b>	<b>1.00</b>	<b>3.00</b>
Administration	9.00	7.00	8.00	8.00	9.00	13.00	8.50	5.75	7.00	7.00
Gas	7.00	7.00	7.00	6.00	7.00	7.00	7.00	7.00	7.00	7.00
Garbage	1.00	1.00	1.00	1.00	1.00	1.00	1.00	0.75	1.00	1.00
Water	4.00	4.00	4.00	5.00	5.00	5.00	4.00	4.00	5.00	6.00
Sewer	4.00	4.00	4.00	6.00	4.00	4.00	4.00	4.00	4.00	5.00
Wastewater Treatment Plant	-	-	-	-	3.00	3.00	5.00	5.00	-	-
Sanitation	12.00	12.00	12.00	11.00	11.00	11.00	11.00	11.00	13.00	12.00
Farm Administration	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>117.25</b>	<b>122.25</b>	<b>129.25</b>	<b>127.75</b>	<b>129.75</b>	<b>131.75</b>	<b>125.75</b>	<b>127.00</b>	<b>126.75</b>	<b>129.75</b>

NOTE: Data is presented only for years including and subsequent to issuance of GASB 4.  
 NOTE: The City changed their year end from June 30th to December 31st in 2011, therefore, the December 2011 column represents 6 months  
 SOURCE: Internal City Records

CITY OF GUYMON, OKLAHOMA  
 OPERATING INDICATORS BY FUNCTION/PROGRAM  
 Last Nine Fiscal Years  
 December 31, 2015  
 TABLE 18C

	Fiscal Year	Fiscal Year	Fiscal Year	Fiscal Year						
	2007	2008	2009	2010	2011	2011	December 2012	2013	2014	2015
Police										
Physical arrests	2,559	443	356	100	250	236	492	496	542	722
Parking violations	30	16	13	63	16	49	166	155	133	149
Traffic violations	5,708	1,757	1,948	2,195	1,158	1,400	1,460	2,278	2,660	4,756
Fire										
Emergency responses	949	1,035	1,042	1,154	1,185	594	1,296	1,283	1,285	1,301
Fires extinguished	118	172	114	74	146	35	54	93	28	32
Sanitation										
Refuse collected (tons per day)	43	38	36	36	38	19	38	36	38	37
Library										
Volumes in collection	34,457	32,700	34,127	36,969	32,494	32,861	36,517	50,304	63,125	40,006
Total volumes borrowed	45,115	44,452	53,047	53,733	45,346	21,398	39,293	36,791	39,345	37,000
Street										
Street resurfacing (in miles)	-	1.5	0.37	6.75	6.25	7	0.2	13	15	-
Potholes repaired	200	200	200	400	600	800	1,157	685	790	935
Transportation										
Total route miles	114,908	134,029	133,799	134,690	127,083	55,163	115,192	97,127	132,572	128,661
Passengers	64,465	74,830	76,550	74,618	75,069	31,584	65,968	56,957	43,585	44,888
Water										
Average daily consumption (thousands of gallons)	4,540	5,281	4,717	4,717	4,963	5,007	5,462	5,220	4,235	4,168
Water main breaks	17	7	8	8	12	3	7	5	18	15
Wastewater										
Average daily treatment	4,000	4,000	4,000	4,000	3,400	1,200,000	1,200,000	1,200,000	1,200,000	1,000,000
Gas										
Service taps	4,929	4,176	4,188	4,201	3,748	3,731	3,736	3,734	4,226	4,249
Residential average daily consumption (thousand cubic feet)	779	652	582	699	603	340	540	610	654	565
Commercial average daily consumption (thousand cubic feet)	333	430	380	435	367	209	341	417	464	366
Industrial average daily consumption (thousand cubic feet)	11	85	128	140	157	143	175	159	161	146
Total annual consumption (thousand cubic feet)	409,637	425,411	397,668	464,901	412,062	127,348	385,669	432,883	467,164	393,146

NOTE: Data is presented only for years including and subsequent to issuance of GASB 44  
 SOURCE: Internal City Records

NOTE: The City changed their year end from June 30th to December 31st in 2011, therefore, the December 2011 column represents 6 months.

# **Internal Control and Compliance**



**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER  
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS  
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN  
ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

To the Users of the City of Guymon, Oklahoma,  
Annual Financial Report

We have audited, in accordance with the auditing standards generally accepted in the United States and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Guymon, Oklahoma (the "City"), as of and for the year ended December 31, 2015, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated July 27, 2016. Our report includes an explanatory paragraph disclaiming an opinion on required supplementary information.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting ("internal control") to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

(Continued)

**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER  
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS  
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN  
ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS, CONTINUED**

**Internal Control Over Financial Reporting, Continued**

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

**Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the schedule of findings and questioned costs in a separate report dated July 27, 2016, as Finding 2015-001 and Finding 2015-002.

**City's Response to Findings**

The City's responses to the findings identified in our audit are described in the schedule of findings and questioned costs. The City's responses were not subjected to the auditing procedures applied in the audit of the financial statements, and accordingly, we express no opinion on them.

**Purpose of This Report**

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

A handwritten signature in black ink that reads "Finley + Cook, PLLC". The signature is written in a cursive, flowing style.

Shawnee, Oklahoma  
July 27, 2016

**City of Guymon**  
Guymon, Oklahoma

*Single Audit Report*

For the Year Ended December 31, 2015



**CITY OF GUYMON  
GUYMON, OKLAHOMA**

**SINGLE AUDIT REPORT  
FOR THE YEAR ENDED DECEMBER 31, 2015**

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**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER  
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS  
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN  
ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

To the Users of the City of Guymon, Oklahoma,  
Annual Financial Report

We have audited, in accordance with the auditing standards generally accepted in the United States and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Guymon, Oklahoma (the "City"), as of and for the year ended December 31, 2015, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated July 27, 2016. Our report includes an explanatory paragraph disclaiming an opinion on required supplementary information.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting ("internal control") to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

(Continued)

**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER  
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS  
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN  
ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*, CONTINUED**

**Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying schedule of findings and questioned costs as Finding 2015-001 and Finding 2015-002.

**City's Response to Findings**

The City's response to the findings identified in our audit is described in the accompanying schedule of findings and questioned costs. The City's response was not subjected to the auditing procedures applied in the audit of the financial statements, and accordingly, we express no opinion on it.

**Purpose of This Report**

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

A handwritten signature in black ink that reads "Finley + Cook, PLLC". The signature is written in a cursive, flowing style.

Shawnee, Oklahoma  
July 27, 2016



**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE**

To the Users of the City of Guymon, Oklahoma,  
Annual Financial Report

**Report on Compliance for Each Major Federal Program**

We have audited the City of Guymon, Oklahoma's (the "City") compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the City's major federal programs for the year ended December 31, 2015. The City's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

**Management's Responsibility**

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

**Auditors' Responsibility**

Our responsibility is to express an opinion on compliance for each of the City's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* ("Uniform Guidance"). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the City's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the City's compliance.

**Opinion on Each Major Federal Program**

In our opinion, the City complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2015.

(Continued)

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR  
EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER  
COMPLIANCE REQUIRED BY UNIFORM GUIDANCE, CONTINUED**

**Other Matters**

The results of our auditing procedures disclosed an instance of noncompliance, which is required to be reported in accordance with the Uniform Guidance and which is described in the accompanying schedule of findings and questioned costs as Finding 2015-004. Our opinion on each major program is not modified with respect to this matter.

The City's response to the noncompliance finding identified in our audit is described in the accompanying schedule of findings and questioned costs. The City's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

**Report on Internal Control Over Compliance**

Management of the City is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the City's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies and, therefore, material weaknesses or significant deficiencies may exist that were not identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, we identified a deficiency in internal control over compliance, as described in the accompanying schedule of findings and questioned costs as Finding 2015-003 that consider to be a significant deficiency.

(Continued)

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR  
EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER  
COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE, CONTINUED**

**Report on Internal Control Over Compliance, Continued**

The City's response to the internal control over compliance finding identified in our audit is described in the accompanying schedule of findings and questioned costs. The City's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

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

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City, as of and for the year ended December 31, 2015, and the related notes to the financial statements, which collectively comprise the City's basic financial statements. We issued our report thereon dated July 27, 2016, which contained unmodified opinions on those financial statements. Our report includes an explanatory paragraph disclaiming an opinion on required supplementary information. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the 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. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

*Finley + Cook, PLLC*

Shawnee, Oklahoma  
July 27, 2016

**CITY OF GUYMON  
GUYMON, OKLAHOMA**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**

*Year Ended December 31, 2015*

Federal Grantor/ Pass-Through Grantor/Program or Cluster Title	Federal CFDA Number	Pass-Through Entity Identifying Number	Passed- Through to Subrecipients	Total Federal Expenditures
Department of Transportation:				
Federal Aviation Administration:				
Airport Improvement Project	20.106	3-40-0037-015-2015	\$ -	300,570
Total Federal Aviation Administration			-	300,570
Passed through the Oklahoma Department of Transportation:				
Rural Transit Operation	20.509	FY15-16 and FY14-15	-	132,424
Sidewalk and Median Improvements	20.205	STP-170E(155)EH	-	400,000
Total Passed through the Oklahoma Department of Transportation			-	532,424
Total Department of Transportation			-	832,994
Department of Education:				
Passed through the Oklahoma State Regents for Higher Education:				
GEAR-UP	84.334	FY15	-	2,000
Total Department of Education			-	2,000
Department of Health and Human Services:				
Passed through the Oklahoma State Department of Health:				
Hospital Preparedness Program	93.074	18292 and 19008	-	4,300
Total Department of Health and Human Services			-	4,300
Total Federal Expenditures			\$ -	839,294

See Independent Auditors' Report on Compliance for Each Major Program and on Internal Control Over Compliance Required by the Uniform Guidance.

See accompanying notes to schedule of expenditures of federal awards.

**CITY OF GUYMON  
GUYMON, OKLAHOMA**

**NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**

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*Year Ended December 31, 2015*

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**(1) BASIS FOR PRESENTATION**

The accompanying schedule of expenditures of federal awards (the "Schedule") includes the federal grant activity of the City of Guymon and is presented in accordance with the basis for determining federal awards expended as defined by Title 2 Section 200 of the Uniform Guidance. Therefore, some amounts presented in this Schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements. Because the Schedule presents only a selected portion of the operations of the City of Guymon, it is not intended to and does not present the financial position, operations, or cash flows of the City of Guymon.

**(2) SUBRECIPIENTS**

Of the federal expenditures presented in the Schedule, the City of Guymon had no subrecipients that were provided federal awards.

See Independent Auditors' Report on Compliance for Each Major Program and on Internal Control Over Compliance Required by the Uniform Guidance.

**CITY OF GUYMON  
GUYMON, OKLAHOMA**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**

*Year Ended December 31, 2015*

**SECTION I—SUMMARY OF AUDITORS’ RESULTS**

**Financial Statements**

Type of auditors’ report issued on whether the financial statements audited were prepared in accordance with accounting principles generally accepted in the United States:

**Unmodified**

Internal control over financial reporting:

Material weakness(es) identified?

Yes  No

Significant deficiency(ies) identified?

Yes  None Reported

Noncompliance material to financial statements noted?

Yes  No

**Federal Awards**

Internal control over major programs:

Material weakness(es) identified?

Yes  No

Significant deficiency(ies) identified?

Yes  None Reported

Type of auditors’ report issued on compliance for the major programs:

**Unmodified**

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

Yes  No

Identification of major programs:

<b>Federal CFDA Number</b>	<b>Name of Federal Program or Cluster</b>
<b>20.205</b>	<b>U.S. Department of Transportation Sidewalk and Median Improvements</b>
<b>20.106</b>	<b>U.S. Department of Transportation Airport Improvement Project</b>

Dollar threshold used to distinguish between Type A and Type B programs: **\$750,000**

Auditee qualified as low-risk auditee?

Yes  No

**CITY OF GUYMON  
GUYMON, OKLAHOMA**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS, CONTINUED**

*Year Ended December 31, 2015*

**SECTION II—FINANCIAL STATEMENT FINDINGS**

**FINDINGS RELATED TO THE FINANCIAL STATEMENTS WHICH ARE REQUIRED TO  
BE REPORTED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

**Finding 2015-001: Budgetary Compliance**

*Criteria:*

The City is required to comply with the Municipal Budget Act of 1979.

*Condition:*

Expenditures exceeding appropriations at the legal level of control were as follows:

<u>Fund</u>	<u>Department</u>	<u>Expenditures Exceeding Appropriations</u>
General Fund	City Treasurer	\$ 189
General Fund	General Government	901
General Fund	Human Resources	158
General Fund	Fire	22,574
General Capital Improvement Fund	Library	3,124,405
General Capital Improvement Fund	Police	65,807
GUA Sales Tax CIF Fund	Public Works	150,376
Guymon Development Fund	Tourism	2,224
Hotel/Motel Tax Fund	Tourism	11,265

*Questioned Cost:*

None

*Context:*

This is a repeat finding.

*Cause:*

Management of the City did not implement a budget modification to prevent the above overages.

*Effect:*

The City was not in compliance with the Municipal Budget Act of 1979.

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS, CONTINUED**

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*Year Ended December 31, 2015*

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**SECTION II—FINANCIAL STATEMENT FINDINGS, CONTINUED**

**FINDINGS RELATED TO THE FINANCIAL STATEMENTS WHICH ARE REQUIRED TO  
BE REPORTED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*,  
CONTINUED**

**Finding 2015-001: Budgetary Compliance, Continued**

*Recommendation:*

Procedures should be in place to monitor and avoid such items.

*Views of Responsible Officials and Planned Corrective Actions:*

Management has put software controls in place whereby a warning is given and approval required by upper level management when an encumbrance exceeds available appropriations.

**CITY OF GUYMON  
GUYMON, OKLAHOMA**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS, CONTINUED**

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*Year Ended December 31, 2015*

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**SECTION II—FINANCIAL STATEMENT FINDINGS, CONTINUED**

**FINDINGS RELATED TO THE FINANCIAL STATEMENTS WHICH ARE REQUIRED TO  
BE REPORTED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*,  
CONTINUED**

**Finding 2015-002: Deficit Fund Balance**

*Criteria:*

The City is required to comply with the fund balance requirements prescribed by Title 11, Section 17-211 of the Oklahoma Statutes.

*Condition:*

At December 31, 2015, the City reported a fund balance deficit for the Grant Fund in the amount of \$625,658.

*Questioned Cost:*

None.

*Context:*

This is a repeat finding.

*Cause:*

Management of the City has not transferred monies to alleviate this situation.

*Effect:*

The City appears to be in violation of the fund balance requirements prescribed by Title 11, Section 17-211 of the Oklahoma Statutes.

*Recommendation:*

Management may want to consider approving a transfer of monies to alleviate this situation.

*Views of Responsible Officials and Planned Corrective Actions:*

The fund balance deficits were caused by building and grant project expenses reimbursable from other agencies and collected by the City in subsequent fiscal years.

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS, CONTINUED**

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*Year Ended December 31, 2015*

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**SECTION III—FEDERAL AWARD FINDINGS AND QUESTIONED COSTS**

**SIGNIFICANT DEFICIENCIES AND AUDIT FINDINGS**

**Finding 2015-003: Grant Monitoring**

**Department of Transportation**

Passed through the Oklahoma Department of Transportation

Program Name: Sidewalk and Median Improvements

CFDA Number: 20.205

Award Number: STP-170E(155)EH

*Criteria:*

Award STP-170E(155)EH is a Federal contract through the Department of Transportation which is required to comply with the internal control provisions of 2 CFR Part 200.303 of the Uniform Guidance.

*Condition:*

During testing, it was noted the City did not properly develop and implement a system to evaluate and monitor whether the City's grants were in compliance with statutes, regulations, and the terms and conditions of the Federal Awards.

*Questioned Cost:*

None

*Context:*

During 2015, the City did not properly monitor and evaluate grant compliance which resulted in non-compliance of certain statutes, regulations, and the terms and conditions of the Federal Awards (see Finding 2015-004).

*Cause:*

Management of the City did not establish and maintain a system of monitoring internal controls over Federal Awards grant compliance so that errors would be prevented, or detected, and corrected in a timely basis.

*Effect:*

Grant compliance was not properly monitored by the City.

**CITY OF GUYMON  
GUYMON, OKLAHOMA**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS, CONTINUED**

*Year Ended December 31, 2015*

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**SECTION III—FEDERAL AWARD FINDINGS AND QUESTIONED COSTS, CONTINUED**

**SIGNIFICANT DEFICIENCIES AND AUDIT FINDINGS, CONTINUED**

**Finding 2015-003: Grant Monitoring, Continued**

*Recommendation:*

We recommend management developing a process where knowledgeable individuals who are not directly involved in the grant process perform periodic evaluations of grants for compliance with the applicable statutes, regulations, terms and conditions.

*Views of Responsible Officials and Planned Corrective Actions:*

Management will establish and maintain a system of monitoring internal controls over Federal Awards grant compliance.

**CITY OF GUYMON  
GUYMON, OKLAHOMA**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS, CONTINUED**

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*Year Ended December 31, 2015*

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**SECTION III—FEDERAL AWARD FINDINGS AND QUESTIONED COSTS, CONTINUED**

**FINDINGS RELATED TO THE FINANCIAL STATEMENTS WHICH ARE REQUIRED TO  
BE REPORTED IN ACCORDANCE WITH SECTION 2 CFR 200-516(a)**

**Finding 2015-004: Wage Rate Requirement**

**Department of Transportation**

Passed through the Oklahoma Department of Transportation

Program Name: Sidewalk and Median Improvements

CFDA Number: 20.205

Award Number: STP-170E(155)EH

*Criteria:*

Award STP-170E(155)EH is a federally financed construction contract which is required to comply with the Wage Rate Requirements as set forth by 29 CFR part 5, *Labor Standards Provisions Applicable to Contracts Governing Federally Financed and Assisted Construction*.

*Condition:*

During testing, it was noted the contractors did not submit certified payrolls to the City during the construction phase of the project as required by 29 CFR part 5.5(a)(3)(ii)(A).

*Questioned Cost:*

None

*Context:*

During 2015, the City did not comply with 29 CFR part 5.5(a)(3)(ii)(A) of the Wage Rate Requirement for the grant tested.

*Cause:*

Management of the City was not aware of the Wage Rate Requirements.

*Effect:*

Grant compliance was not being properly monitored by the City; as such, there could be instances in which contractors are not properly compensating employees as specified by the Wage Rate Requirements.

**CITY OF GUYMON  
GUYMON, OKLAHOMA**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS, CONTINUED**

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*Year Ended December 31, 2015*

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**SECTION III—FEDERAL AWARD FINDINGS AND QUESTIONED COSTS, CONTINUED**

**FINDINGS RELATED TO THE FINANCIAL STATEMENTS WHICH ARE REQUIRED TO  
BE REPORTED IN ACCORDANCE WITH SECTION 2 CFR 200-516(a), CONTINUED**

**Finding 2015-004: Wage Rate Requirement, Continued**

*Recommendation:*

Adapt a system for employees to train, review, and understand the compliance requirements of each grant accepted by the City.

*Views of Responsible Officials and Planned Corrective Actions:*

Management will provide adequate training regarding compliance and monitoring of federal grants for staff who are responsible for federal grant administration.

**CITY OF GUYMON  
GUYMON, OKLAHOMA**

**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS**

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*Year Ended December 31, 2015*

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**SECTION II—FINANCIAL STATEMENT FINDINGS**

**Finding 2014-001: Budgetary Compliance**

*Auditors' Findings:*

For the year ended December 31, 2014, the City was not in compliance with the Municipal Budget Act of 1979 due to the fact that expenditures exceeded appropriations at the legal level of control for the General Fund as follows:

<u>Fund</u>	<u>Department</u>	<u>Expenditures Exceeding Appropriations</u>
General Fund	City Clerk	\$ 622
General Fund	Business Incubator	2,415
General Fund	Police	2,878
General Fund	Fire	4,686

*Auditors' Recommendation:*

Procedures should be in place to monitor and avoid such items.

*Management's Response:*

Management will continue to monitor expenditures and, when necessary, implement budget modifications to prevent the above.

*2015 Follow-Up:*

The finding was repeated during 2015.

**CITY OF GUYMON  
GUYMON, OKLAHOMA**

**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS, CONTINUED**

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*Year Ended December 31, 2015*

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**SECTION II—FINANCIAL STATEMENT FINDINGS, CONTINUED**

**Finding 2014-002: Deficit Unrestricted Fund Balance**

*Auditors' Findings:*

At December 31, 2014, the fund balance for the Grant Fund of the City had a deficit balance of \$296,927. This appears to be a violation of the fund balance requirements prescribed by Title 11, Section 17-211 of the Oklahoma Statutes.

*Auditors' Recommendation:*

Management may want to consider approving a transfer of monies to alleviate this situation.

*Management's Response:*

The fund balance deficits were caused by building and grant project expenses reimbursable from other agencies and collected by the City in subsequent fiscal years.

*2015 Follow-Up:*

The finding was repeated during 2015.