



**Comprehensive
Annual Financial Report**

**For the Fiscal Year Ended
December 31, 2018**

CITY OF GUYMON, OKLAHOMA

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Introductory Section

SEAN LIVENGOOD, Mayor
KIM PETERSON, Vice Mayor
MITCH WAGNER, City Manager



LARRY SWAGER, Council Member
MITCH EGGER, Council Member
SERGIO ALVIDREZ, Council Member

June 30, 2019

To the Honorable Mayor Sean Livengood, 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, 2018. 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, the Guymon Airport Authority, and the Guymon Housing 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, the Guymon Airport Authority, and the Guymon Housing Authority.

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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)

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.

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 11,000 based on residential meters and the state's average household multiplier.

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. In 2017, the City sold thirty-five acres of land to Seaboard to help the company expand its existing bio-fuel operation. These investments will help increase production and make the process more efficient.

The Shawnee Tribe announced in late fall 2016 that the Bureau of Indian Affairs (BIA) approved taking approximately 102.98 acres of land in Texas County, located on Highway 54 about three and a half miles south of Guymon, into federal trust status for the purpose of making the property eligible for class II and III gaming. The Shawnee Tribe subsequently proposes to develop the trust parcel with a variety of uses including; the Golden Mesa Casino, retail, restaurant, and other supporting uses. The Casino is estimated to cost nearly \$25,000,000 and will generate approximately 180 jobs. The Shawnee Tribe is expected to partner with Global Gaming Solutions, gaming division of Chickasaw Nation, to finance and manage the 42,000 square foot facility.

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 returned to Guymon and completed phase one in late 2016, on a new development north of Wal-Mart with the intent of creating 50,000 square feet of retail space. That development included Dollar Tree, Cato, Sally Beauty Supplies and World Acceptance. 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 was 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 is considering additional capital improvement projects including renovating water well #23 and rebuilding several of the City's sewer collection lift stations.

In February of 2018 the hotel/motel tax was increased from 3% to 8% giving additional revenues for various events and projects going forward. The largest being the City of Guymon commitment of \$1.5 million over six years to help fund a state of the art soccer complex that will have the ability to host regional tournaments and provide quality of life and healthy living to residents.

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. Renovation and beautification of Main Street starting at the corner of Highway 54 to the railroad tracks was completed in 2016 and in late 2017, RFQs were sent out and reviewed for consulting services for the Guymon downtown Corridor Design Project which would extend the renovation and beautification of Main Street from Highway 54 to 12th Street.

The City selected Kimley Horn, as Design Consultant for the design of the new soccer complex located adjacent to Prairie Elementary School. A series of public meetings took place with concepts presented to receive feedback from the community. The City hopes to secure grants to assist with the construction costs of the soccer complex now that a five field conceptual master plan has been adopted by the City Council. The Nash Foundation has provided \$1.2 million in local funds to kick-start the design phase of the soccer field complex.

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 the city make huge progress. We saw the completion of a 31 unit subdivision by the end of June 2016. To date, eighteen of the newly completed single-family homes have been sold, with another six scheduled for sale in FY 2017. 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 2016 and are now on the Historical Register.

After months of work reviewing the preliminary draft of the Comprehensive Plan initially written by Gray Planning Services, IBTS rewrote, conducted public meetings and finalized the plan and the 2017 Comprehensive Plan was adopted in April, 2017 to be used as a guide for the City's future plans and further intentions of implementing a Council Strategic Plan, Capital Improvement Update, Parks Master Plan and Corridor Plans are being planned.

Long-term Financial Planning and Financial Policies that had a significant impact on the current period's financial statements

In October 2015, the city entered into an agreement with IBTS Community Services, LLC, to outsource certain city services related to administration, public works, utilities, community development including planning, zoning, code compliance, 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 \$9.4 million for these services during

calendar year 2017. The agreement may be renewed annually for an additional 5 years. While the agreement was renewed for the 2017 and 2018 calendar years, the City has notified IBTS of its intent to not renew the contract for the 2019 calendar year.

Independent Audit

The financial statements of the City and its component units for the fiscal year ended December 31, 2018, have been audited by a firm of Independent Public Accountants, and their opinion is included in the Financial Section of this report.

The financial statements are the responsibility of the City. The responsibility of the Independent Public Accountants is to express an opinion on the City's financial statements based on their audit. An audit is conducted in accordance with generally accepted auditing standards and Government Auditing Standards. Those standards require that the audit be planned and performed in a manner to obtain reasonable assurance as to whether the financial statements are free of material misstatement.

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, 2017. 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,



Mitchell Wagner
City Manager



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

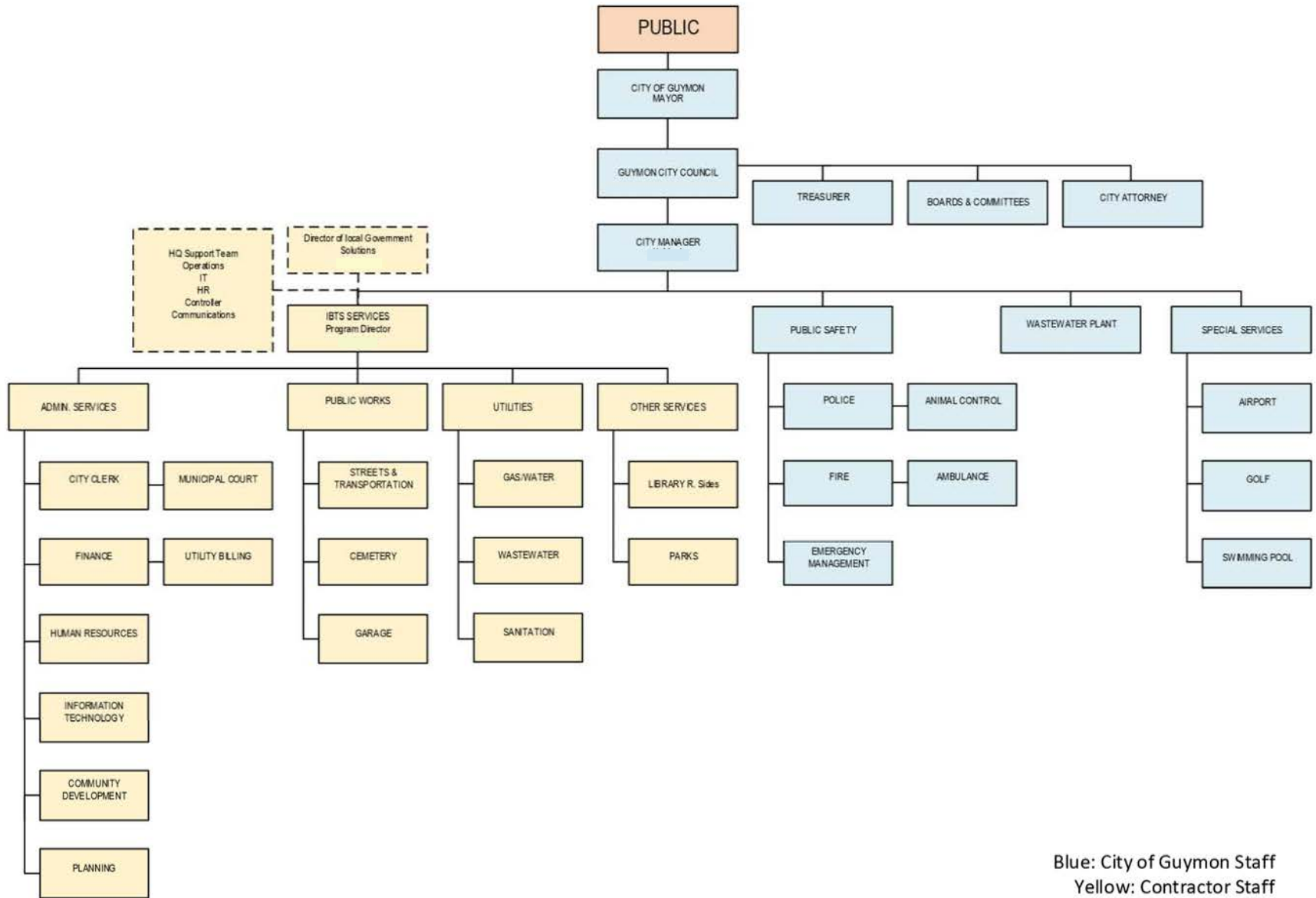
**City of Guymon
Oklahoma**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

December 31, 2017

Christopher P. Morrill

Executive Director/CEO



CITY OF GUYMON
LIST OF PRINCIPAL OFFICIALS

City Council

Sean Livengood	Mayor
Kim Peterson	Vice-Mayor
Larry Swager	Member
Sergio Alvidrez	Member
Mirch Egger	Member

City Manager/Finance Director

Mitchell Wagner

City Treasurer

Lynn Hoffman

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, 2018, 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, 2018, 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 Matters, 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 account, 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 June 28, 2019, 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.

Finley + Cook, PLLC

Shawnee, Oklahoma
June 28, 2019



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, 2018. Please read it in conjunction with the City's financial statements.

FINANCIAL HIGHLIGHTS

- ◆ Total net position of the City is \$36.8 million which is a \$1.2 million increase from the prior year.
- ◆ At the year ended December 31, 2018, the City's governmental funds reported a combined ending total fund balance of \$5.9 million.
- ◆ At the year ended December 31, 2018, unassigned fund balance for the General Fund was \$801,921.
- ◆ Fiscal year 2018 was last year the City outsourced many of their services to IBTS Community Services, LLC, with an annual contract for \$10 million initially effective March 1, 2016. The outsourced activities include finance, utility billing, human resources, information technology, community development, planning, municipal court (excluding court clerk), streets, transportation, cemetery, garage, gas, water, wastewater, sanitation, library, and parks. The remaining activities are managed by the City and include police, fire, ambulance, animal control, emergency management, wastewater plant, airport, golf, and pool along with the City Manager as the head administrator over all activities.

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 inflows 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 \$36.8 million. Explanations of increases and decreases in excess of 20% and \$200,000 are as follows:

Table 1
Net Position
December 31, 2018
(In Thousands)

	Governmental Activities		% Inc. (Dec.)	Business-type Activities		% Inc. (Dec.)	Total Primary Government		% Inc. (Dec.)
	2018	2017		2018	2017		2018	2017	
Current and other assets	\$ 8,307	\$ 7,887	5%	\$ 2,164	\$ 4,038	-46%	\$ 10,471	\$ 11,925	-12%
Capital assets	26,338	27,437	-4%	30,510	30,462	0%	56,848	57,899	-2%
Total assets	<u>34,645</u>	<u>35,324</u>	-2%	<u>32,674</u>	<u>34,500</u>	-5%	<u>67,319</u>	<u>69,824</u>	-4%
Deferred outflow s of resources:									
Deferred amount of pension	1,691	1,674	1%	36	39	-8%	1,727	1,713	1%
Long-term debt outstanding	11,634	13,846	-16%	14,298	16,069	-11%	25,932	29,915	-13%
Other liabilities	3,080	2,676	15%	2,467	3,061	-19%	5,547	5,737	-3%
Total liabilities	<u>14,714</u>	<u>16,522</u>	-11%	<u>16,765</u>	<u>19,130</u>	-12%	<u>31,479</u>	<u>35,652</u>	-12%
Deferred inflow s of resources:									
Deferred amount of pension	757	270	180%	1	3	-67%	758	273	178%
Net position:									
Net investment in capital assets	17,711	17,546	1%	15,056	15,014	0%	32,767	32,560	1%
Restricted	5,363	4,440	21%	268	294	-9%	5,631	4,734	19%
Unrestricted (deficit)	(2,209)	(1,780)	24%	620	98	533%	(1,589)	(1,682)	-6%
Total net position	<u>\$ 20,865</u>	<u>\$ 20,206</u>	3%	<u>\$ 15,944</u>	<u>\$ 15,406</u>	3%	<u>\$ 36,809</u>	<u>\$ 35,612</u>	3%

Governmental Activities:

Deferred inflows – pension – 180% increase of \$486,622 mostly related to fire pension increase of \$488,680.

Business-Type Activities:

Current and other assets – 46% decrease of \$1.9 million resulting mostly from the decrease of \$1.8 million in restricted cash and cash equivalents related to spending of 2015A bond proceeds.

Unrestricted net position – 533% increase of \$522 thousand related primarily to the decrease in long-term debt outstanding.

Changes in Net Position:

Overall, the City's total "Net Position" increased about \$1.2 million. 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, 2018
(In Thousands)

	Governmental Activities		% Inc. (Dec.)	Business-Type Activities		% Inc. (Dec.)	Total Primary Government		% Inc. (Dec.)
	2018	2017		2018	2017		2018	2017	
Revenues:									
Program revenues:									
Charges for services	\$ 1,210	\$ 1,146	6%	\$ 11,345	\$ 11,224	1%	\$ 12,555	\$ 12,370	1%
Operating grants	734	714	3%	-	-	-	734	714	3%
Capital grants	656	1,597	-59%	283	202	40%	939	1,799	-48%
General revenues:									
Sales and use taxes	6,976	6,651	5%	-	-	-	6,976	6,651	5%
Other taxes	2,087	2,651	-21%	-	-	-	2,087	2,651	-21%
Other general revenue	538	549	-2%	89	6	1383%	627	555	13%
Total revenues	12,201	13,308	-8%	11,717	11,432	2%	23,918	24,740	-3%
Program expenses:									
General government	1,422	1,402	1%	-	-	-	1,422	1,402	1%
Public safety and judiciary	5,190	5,622	-8%	-	-	-	5,190	5,622	-8%
Transportation	1,943	1,854	5%	-	-	-	1,943	1,854	5%
Cultural, parks and recreation	2,003	2,174	-8%	-	-	-	2,003	2,174	-8%
Community/economic development	1,171	2,467	-53%	-	-	-	1,171	2,467	-53%
Interest	229	300	-24%	-	-	-	229	300	-24%
Gas	-	-	-	3,585	4,069	-12%	3,585	4,069	-12%
Garage	-	-	-	59	67	-12%	59	67	-12%
Water	-	-	-	2,173	2,621	-17%	2,173	2,621	-17%
Sewer	-	-	-	3,360	3,498	-4%	3,360	3,498	-4%
Sanitation	-	-	-	1,586	1,860	-15%	1,586	1,860	-15%
Total expenses	11,958	13,819	-13%	10,763	12,115	-11%	22,721	25,934	-12%
Excess (deficiency) before transfers and special iter	243	(511)	148%	954	(683)	240%	1,197	(1,194)	200%
Transfers	416	548	-24%	(416)	(548)	24%	-	-	-
Increase (decrease) in net position	659	37	1681%	538	(1,231)	144%	1,197	(1,194)	200%
Beginning net position	20,206	20,169	0%	15,406	16,637	-7%	35,612	36,806	-3%
Ending net position	20,865	20,206	3%	15,944	15,406	3%	36,809	35,612	3%

Governmental Activities

Capital grants – 59% decrease of about \$941,000 mainly due to net effect of decrease in FAA airport grant of \$953,000, Police grant of \$116,000, Park grant of \$180,000, increase in Streets capital grant revenue of \$130,000 and Public Transportation grant of \$175,000.

Other taxes – 21% decrease of \$564,000 – mainly due to an increase in TIF revenues resulting from underpayment by the county of prior years' TIF revenues

Community/economic development expenses – 53% decrease of about \$1.3 million related primarily to the reduction in TIF revenue transfers.

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 \$659,000.

Table 3
Governmental Activities
For the Year Ended December 31, 2018
(In Thousands)

	Total Cost of Services		%	Net Revenue (Expense) of Services		%
	2018	2017		2018	2017	
	Police Dept.	\$ 2,239		\$ 1,951	15%	
Economic Development	440	1,650	-73%	(440)	(1,650)	73%
Fire Dept.	2,590	2,968	-13%	(2,217)	(2,600)	15%
Street Dept.	1,212	1,182	3%	(979)	(1,079)	9%
Golf Dept.	567	659	-14%	(258)	(337)	23%
General Government Dept.	646	658	-2%	(570)	(618)	8%
Community Development	703	549	28%	(703)	(543)	-29%
All others	3,561	4,202	-15%	(2,413)	(2,087)	-16%
Totals	<u>\$ 11,958</u>	<u>\$ 13,819</u>	-13%	<u>\$ (9,358)</u>	<u>\$ (10,361)</u>	10%

Explanations for significant changes in Table 3 are noted after Table 2.

Business-type Activities

Overall, total change in net position for the city’s business-type activities increased by approximately \$538,000. 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 that were not explained after Table 2:

Gas Net Revenue – 780% increase of \$624,000 related primarily to decreased expenses of \$484,000 related to decrease in IBTS payments and gas purchases.

Water Net Revenue – 26% increase of \$287,000 related primarily to decreased engineering expenses.

Sanitation Net Revenue – 337% increase of \$462,000 primarily related to decrease in IBTS payments.

Table 4
Business-Type Activities
For the Year Ended December 31, 2018
(In Thousands)

	Total Cost of Services		%	Net Revenue (Expense) of Services		%
	2018	2017		2018	2017	
Gas	\$ 3,585	\$ 4,069	-12%	\$ 704	\$ 80	780%
Garage	59	67	-12%	(59)	(67)	12%
Water	2,173	2,621	-17%	1,375	1,088	26%
Sewer	3,360	3,498	-4%	(1,547)	(1,752)	12%
Sanitation	1,586	1,860	-15%	325	(137)	337%
Farm	-	-	-	67	98	-32%
Totals	\$ 10,763	\$ 12,115	-11%	\$ 865	\$ (690)	225%

THE CITY'S FUNDS

The City's total governmental fund balance increased by \$12,405. The General Fund's total fund balance decreased \$499,843. The major cause for that decrease relates to the final settlement payable to IBTS. The Guymon Development Fund reports an increase of \$486,649, which is primarily the result of another donation to the soccer field project.

GENERAL FUND BUDGETARY HIGHLIGHTS

For the year ended December 31, 2018, the General Fund reported actual budgetary basis revenues below final estimates by approximately \$298,703 for a 4.3% negative variance. The original revenue budget was amended to increase estimated revenues by \$232,616 or 3.5%. The increases were mainly due to grants and miscellaneous revenues not originally budgeted. At the end of the fiscal year, General Fund total actual expenditures were under final estimates by \$581,738 for a 6.0% positive variance.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

At the end of December 31, 2018, the City had \$111.5 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, 2018
(In Thousands)

	Governmental Activities		Business-Type Activities		Totals	
	2018	2017	2018	2017	2018	2017
Land	\$ 435	\$ 435	\$ 2,134	\$ 2,134	\$ 2,569	\$ 2,569
Buildings	18,247	18,247	836	836	19,083	19,083
Improvements	13,985	14,012	2,684	2,684	16,669	16,696
Equipment	10,415	10,563	4,079	4,410	14,494	14,973
Infrastructure	7,277	7,277	-	-	7,277	7,277
Utility Property	-	-	49,386	47,722	49,386	47,722
Construction in Progress	1,091	876	943	994	2,034	1,870
Totals	\$ 51,450	\$ 51,410	\$ 60,062	\$ 58,780	\$ 111,512	\$ 110,190

This period's major additions included:

8' Force Main and Lift Station	\$ 887,330
Lift Station Rehab	\$ 858,350
Golf Carts	\$ 230,000
Soccer Field Complex	\$ 112,425

Debt

At the year ended December 31, 2018, the City had \$24.3 million in outstanding notes and capital leases. Other long-term obligations of the City include accrued compensated absences and the customer deposit liability. Further detailed information can be found in Note 3.E.

Table 6
Long-term Debt
December 31, 2018
(In Thousands)

	Governmental Activities		Business-Type Activities		Totals	
	2018	2017	2018	2017	2018	2017
Revenue notes (backed by fee and tax revenues)	\$ 8,248	\$ 9,384	\$ 15,583	\$ 17,341	\$ 23,831	\$ 26,725
Capital lease obligations (backed by City and GUA)	378	659	139	211	517	870
Totals	\$ 8,626	\$ 10,043	\$ 15,722	\$ 17,552	\$ 24,348	\$ 27,595

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The 2019 budget was prepared to reflect the discontinuation of IBTS Community Services, LLC contract for outsourced services. The General Fund 2019 budget anticipates that revenues and transfers in will be nearly sufficient to cover expenses and transfers out. The ending fund balance is estimated to be about 19% of estimated annual revenues. Estimated revenues and transfers in are about \$1.3 million (or 15.8%) higher than was estimated in the 2018 budget. This is mainly from an increase in the transfer from GUA of \$1 million and anticipated sale of buildings of about \$0.3

million. Expenses and transfers out are expected to increase about \$1.1 million (or 13%) mainly due to sales tax transfers of \$0.8 million back to GUA and an increase in fire expenditures of \$0.3 million.

The Enterprise Fund (GUA) is budgeting for an increase in revenues of about \$0.6 million mainly due to the sales tax transfers from the General Fund of \$0.8 million. Utility revenues are estimated to remain about the same. Expenditures and transfers out are estimated to increase slightly at \$0.3 million (or 2.5%). These estimates are projected to increase fund balance by about \$0.5 million. That would cause the projected ending fund balance to be about 19% of annual revenues.

This will be the first year for operations to reflect the City managing and operating most utility and governmental services. The 2019 budget was based off of the 2016 budget which was the last year in which the city was in charge of all operations. As the year progresses, the budget may be adjusted once actual expenses are known.

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 424 N. Main 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, 2018

	<u>Governmental</u> <u>Activities</u>	<u>Business-type</u> <u>Activities</u>	<u>Total</u>
ASSETS			
Current Assets:			
Cash, including time deposits	\$ 2,409,112	\$ 100	\$ 2,409,212
Restricted cash, including time deposits	1,277,446	267,135	1,544,581
Restricted investments	959,393	-	959,393
Accounts receivable, net	1,007,005	1,761,775	2,768,780
Internal Balances	501,755	(501,755)	-
Due from other governments	1,631,046	-	1,631,046
Total current assets	<u>7,785,757</u>	<u>1,527,255</u>	<u>9,313,012</u>
Noncurrent Assets:			
Restricted cash, including time deposits	5,123	367,882	373,005
Net pension asset	516,093	268,942	785,035
Capital Assets:			
Nondepreciable	1,525,988	3,076,534	4,602,522
Depreciable, net	<u>24,811,642</u>	<u>27,433,782</u>	<u>52,245,424</u>
Total noncurrent assets	<u>26,858,846</u>	<u>31,147,140</u>	<u>58,005,986</u>
Total Assets	<u>34,644,603</u>	<u>32,674,395</u>	<u>67,318,998</u>
Deferred outflows of resources:			
Deferred amounts related to pensions	<u>1,690,942</u>	<u>36,247</u>	<u>1,727,189</u>
LIABILITIES			
Current liabilities:			
Accounts payable	1,260,668	523,656	1,784,324
Retainage payable	-	6,467	6,467
Accrued interest payable	70,575	145,765	216,340
Refundable court bonds	57,740	-	57,740
Current portion of long-term:			
Capital lease obligation	220,042	62,742	282,784
Notes payable	1,177,634	1,728,754	2,906,388
Accrued compensated absences	292,889	-	292,889
Total current liabilities	<u>3,079,548</u>	<u>2,467,384</u>	<u>5,546,932</u>
Noncurrent liabilities:			
Customer deposits payable	-	367,882	367,882
Capital lease obligation	158,012	76,249	234,261
Notes payable, net	7,070,789	13,854,138	20,924,927
Net pension liability	4,183,099	-	4,183,099
Accrued compensated absences	222,454	-	222,454
Total noncurrent liabilities	<u>11,634,354</u>	<u>14,298,269</u>	<u>25,932,623</u>
Total Liabilities	<u>14,713,902</u>	<u>16,765,653</u>	<u>31,479,555</u>
Deferred inflows of resources:			
Deferred amounts related to pensions	<u>756,555</u>	<u>1,047</u>	<u>757,602</u>
NET POSITION			
Net investment in capital assets	17,711,153	15,055,468	32,766,621
Restricted for:			
Capital projects/debt service	1,653,775	-	1,653,775
Pensions	512,211	267,895	780,106
Public safety	628,491	-	628,491
Convention/tourism	307,653	-	307,653
Other	2,152,401	100	2,152,501
Permanent fund purposes:			
Permanent fund - nonexpendable	4,300	-	4,300
Permanent fund - expendable	104,128	-	104,128
Unrestricted (deficit)	<u>(2,209,024)</u>	<u>620,479</u>	<u>(1,588,545)</u>
Total net position	<u>\$ 20,865,088</u>	<u>\$ 15,943,942</u>	<u>\$ 36,809,030</u>

See accompanying notes to the basic financial statements.

City of Guymon, Oklahoma
Statement of Activities
For the Year Ended December 31, 2018

Functions/Programs	Expenses	Indirect Expense Allocation	Program Revenue			Net (Expense) Revenue and Changes in Net Position		
			Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		Total
						Governmental Activities	Business-type Activities	
Primary government								
Governmental Activities								
General government:								
City clerk	\$ 166,352	\$ -	\$ -	\$ -	\$ -	\$ (166,352)	\$ -	\$ (166,352)
City treasurer	21,689	-	-	-	-	(21,689)	-	(21,689)
Human resources	135,163	-	-	-	-	(135,163)	-	(135,163)
Information technology	453,142	-	-	-	-	(453,142)	-	(453,142)
General government	645,807	-	64,253	-	11,747	(569,607)	-	(569,607)
Total General Government	1,421,953	-	64,253	-	11,747	(1,345,953)	-	(1,345,953)
Public Safety and Judiciary:								
City attorney	100,078	-	-	-	-	(100,078)	-	(100,078)
Ambulance	160,307	-	399,909	-	-	239,602	-	239,602
Police	2,238,624	-	366,336	89,708	4,464	(1,778,116)	-	(1,778,116)
Municipal court	84,191	-	-	-	-	(84,191)	-	(84,191)
Fire	2,589,675	-	-	372,957	-	(2,216,718)	-	(2,216,718)
Civil emergency management	17,576	-	-	48,568	-	30,992	-	30,992
Total Public Safety and Judiciary	5,190,451	-	766,245	511,233	4,464	(3,908,509)	-	(3,908,509)
Transportation:								
Airport	301,575	-	-	-	80,092	(221,483)	-	(221,483)
Streets	1,212,105	-	-	103,899	129,665	(978,541)	-	(978,541)
Public transportation	429,768	-	39,483	116,908	174,491	(88,886)	-	(88,886)
Total Transportation	1,943,448	-	39,483	220,807	384,248	(1,286,910)	-	(1,286,910)
Cultural, Parks, and Recreation:								
Golf	567,054	-	309,000	-	-	(258,054)	-	(258,054)
Library	552,886	-	6,765	378	5,776	(539,967)	-	(539,967)
Cemetery	158,859	-	10,665	-	-	(148,194)	-	(148,194)
Swimming pool	89,544	-	14,158	-	-	(75,386)	-	(75,386)
Parks	523,692	-	-	-	250,000	(273,692)	-	(273,692)
Tourism	110,715	-	16	1,444	-	(109,255)	-	(109,255)
Total Cultural, Parks, and Recreation	2,002,750	-	340,604	1,822	255,776	(1,404,548)	-	(1,404,548)
Community/Economic Development:								
Community development	702,855	-	-	-	-	(702,855)	-	(702,855)
Business incubator	28,005	-	-	-	-	(28,005)	-	(28,005)
Economic development	440,255	-	-	-	-	(440,255)	-	(440,255)
Total Community/Economic Development	1,171,115	-	-	-	-	(1,171,115)	-	(1,171,115)
Interest on Long-term Debt	228,615	-	-	-	-	(228,615)	-	(228,615)
Total governmental activities	11,958,332	-	1,210,585	733,862	656,235	(9,357,650)	-	(9,357,650)
Business-type activities:								
Gas	2,976,690	608,276	4,288,961	-	-	-	703,995	703,995
Garage	59,051	-	-	-	-	-	(59,051)	(59,051)
Water	1,670,788	501,860	3,538,628	-	9,271	-	1,375,251	1,375,251
Sewer	3,103,242	257,217	1,813,643	-	-	-	(1,546,816)	(1,546,816)
Sanitation	1,344,377	241,687	1,637,461	-	273,731	-	325,128	325,128
Farm	-	-	66,685	-	-	-	66,685	66,685
Administration	1,609,040	(1,609,040)	-	-	-	-	-	-
Total business-type activities	10,763,188	-	11,345,378	-	283,002	-	865,192	865,192
Total primary government	22,721,520	-	12,555,963	733,862	939,237	(9,357,650)	865,192	(8,492,458)
General revenues:								
Taxes:								
Sales and use taxes						6,975,826	-	6,975,826
Franchise and public service taxes						1,030,564	-	1,030,564
E-911 taxes, dedicated for emergency services						204,046	-	204,046
Hotel/Motel taxes, dedicated for tourism						407,013	-	407,013
Tax apportionment taxes, dedicated for economic development						439,045	-	439,045
Airport fuel tax						6,248	-	6,248
Intergovernmental, unrestricted						235,138	-	235,138
Unrestricted investment earnings						27,298	4,882	32,180
Miscellaneous						275,805	83,825	359,630
Transfers						415,690	(415,690)	-
Total general revenues and transfers						10,016,673	(326,983)	9,689,690
Change in net position						659,023	538,209	1,197,232
Net position - beginning						20,206,065	15,405,733	35,611,798
Net position - ending						\$ 20,865,088	\$ 15,943,942	\$ 36,809,030

See accompanying notes to the basic financial statements.

**City of Guymon, Oklahoma
Balance Sheet
Governmental Funds
December 31, 2018**

	<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>
ASSETS					
Cash, including time deposits	\$ 486,340	\$ 502,086	\$ 860,913	\$ 1,842,342	\$ 3,691,681
Investments	-	-	-	959,393	959,393
Receivable from other governments	759,869	215,344	215,344	440,489	1,631,046
Accounts receivable, net	941,166	-	-	65,839	1,007,005
Due from other funds	576,222	-	-	-	576,222
Total assets	<u>2,763,597</u>	<u>717,430</u>	<u>1,076,257</u>	<u>3,308,063</u>	<u>7,865,347</u>
LIABILITIES, DEFERRED INFLOWS AND FUND BALANCE					
Liabilities:					
Accounts payable	817,791	-	-	442,877	1,260,668
Due to other funds	-	72,723	1,744	-	74,467
Refundable bonds	32,740	-	-	25,000	57,740
Total liabilities	<u>850,531</u>	<u>72,723</u>	<u>1,744</u>	<u>467,877</u>	<u>1,392,875</u>
Deferred inflows of resources:					
Unavailable revenue	607,921	-	-	1,444	609,365
Fund balances:					
Nonspendable	-	-	-	4,300	4,300
Restricted	268,187	644,707	1,074,513	2,840,988	4,828,395
Assigned	235,037	-	-	-	235,037
Unassigned (deficit)	801,921	-	-	(6,546)	795,375
Total fund balance	<u>1,305,145</u>	<u>644,707</u>	<u>1,074,513</u>	<u>2,838,742</u>	<u>5,863,107</u>
Total liabilities, deferred inflows and fund balance	<u>\$ 2,763,597</u>	<u>\$ 717,430</u>	<u>\$ 1,076,257</u>	<u>\$ 3,308,063</u>	<u>\$ 7,865,347</u>

See accompanying notes to the basic financial statements.

City of Guymon, Oklahoma
Reconciliation of the Governmental Funds Balance Sheet to the Statement of
Net Position
December 31, 2018

Total fund balance, governmental funds	\$	5,863,107
<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 \$25,111,585</p>		
		26,337,630
<p>Other long-term assets are not available to pay for current period expenditures and therefore they, along with certain pension related deferrals, are deferred in the funds:</p>		
Accounts receivable, net of allowance for doubtful accounts		609,365
Net pension asset		516,093
Pension related deferred outflows		1,690,942
<p>Certain liabilities are not due and payable in the current period from current financial resources, and therefore they, along with certain pension related deferrals, are not reported in the funds:</p>		
Capital lease obligations		(378,054)
Net pension liability		(4,183,099)
Pension related deferred inflows		(756,555)
Notes payable		(8,248,423)
Accrued interest payable		(70,575)
Accrued compensated absences		(515,343)
Net Position of Governmental Activities	\$	<u><u>20,865,088</u></u>

City of Guymon, Oklahoma
Statement of Revenues, Expenditures and Changes in Fund Balance
Governmental Funds
For the Year Ended December 31, 2018

	<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>
REVENUES					
Taxes	\$ 4,895,536	\$ 1,559,140	\$ 1,559,140	\$ 1,050,104	\$ 9,063,920
Intergovernmental	1,246,502	-	-	27,180	1,273,682
Charges for services	697,126	-	-	2,499	699,625
Fines and forfeitures	230,579	-	-	16	230,595
Licenses and permits	64,231	-	-	-	64,231
Investment earnings	6,984	4,743	2,827	12,878	27,432
Miscellaneous	292,694	-	459	410,391	703,544
Total revenues	<u>7,433,652</u>	<u>1,563,883</u>	<u>1,562,426</u>	<u>1,503,068</u>	<u>12,063,029</u>
EXPENDITURES					
Current:					
General Government:					
City clerk	144,262	-	-	-	144,262
City treasurer	22,640	-	-	-	22,640
Human resources	135,670	-	-	-	135,670
Information technology	428,935	-	-	-	428,935
General government	544,970	-	-	-	544,970
Total General Government	<u>1,276,477</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,276,477</u>
Public Safety and Judiciary:					
City attorney	100,078	-	-	-	100,078
Ambulance	113,810	-	-	-	113,810
Police	1,902,531	-	-	163,155	2,065,686
Municipal court	82,450	-	-	-	82,450
Fire	2,543,739	-	-	-	2,543,739
Civil emergency management	16,000	-	-	-	16,000
Total Public Safety and Judiciary	<u>4,758,608</u>	<u>-</u>	<u>-</u>	<u>163,155</u>	<u>4,921,763</u>
Transportation:					
Airport	53,202	-	-	-	53,202
Street	896,218	-	-	-	896,218
Public Transportation	431,624	-	-	-	431,624
Total Transportation	<u>1,381,044</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,381,044</u>
Cultural, Parks, and Recreation:					
Golf	487,763	-	-	-	487,763
Library	377,509	-	-	12,859	390,368
Cemetery	148,874	-	-	-	148,874
Swimming pool	55,349	-	-	-	55,349
Parks	478,375	-	-	-	478,375
Tourism	-	-	-	83,830	83,830
Total Cultural, Parks and Recreation	<u>1,547,870</u>	<u>-</u>	<u>-</u>	<u>96,689</u>	<u>1,644,559</u>
Community/Economic Development:					
Community development	610,725	-	-	347	611,072
Planning	790	-	-	-	790
Economic development	-	-	-	440,255	440,255
Total Community/Economic Development	<u>611,515</u>	<u>-</u>	<u>-</u>	<u>440,602</u>	<u>1,052,117</u>
Debt Service:					
Principal	268,431	1,233,002	-	-	1,501,433
Interest and other charges	11,026	203,648	-	-	214,674
Capital Outlay	459,565	-	1,888	165,335	626,788
Total Expenditures	<u>10,314,536</u>	<u>1,436,650</u>	<u>1,888</u>	<u>865,781</u>	<u>12,618,855</u>
Excess (deficiency) of revenues over expenditures	<u>(2,880,884)</u>	<u>127,233</u>	<u>1,560,538</u>	<u>637,287</u>	<u>(555,826)</u>
OTHER FINANCING SOURCES (USES)					
Issuance of debt	152,541	-	-	-	152,541
Transfers in	2,298,500	-	421,800	250,000	2,970,300
Transfers out	(70,000)	-	(2,234,610)	(250,000)	(2,554,610)
Total other financing sources and uses	<u>2,381,041</u>	<u>-</u>	<u>(1,812,810)</u>	<u>-</u>	<u>568,231</u>
Net change in fund balance	(499,843)	127,233	(252,272)	637,287	12,405
Fund balances - beginning	1,804,988	517,474	1,326,785	2,201,455	5,850,702
Fund balances - ending	<u>\$ 1,305,145</u>	<u>\$ 644,707</u>	<u>\$ 1,074,513</u>	<u>\$ 2,838,742</u>	<u>\$ 5,863,107</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, 2018

Net change in fund balance - total governmental funds: \$ 12,405

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	610,072
Depreciation expense	(1,682,080)
Capital assets donated	11,747
Book value of disposed capital assets	(38,693)

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.

575,544

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

Proceeds from debt issuance	(152,541)
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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 unavailable revenue	125,423
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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	1,416,800
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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	(228,270)
Change in accrued interest payable	8,616

Change in net position of governmental activities	\$ 659,023
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See accompanying notes to the basic financial statements.

City of Guymon, Oklahoma
Statement of Net Position
Proprietary Fund
December 31, 2018

	Enterprise Fund
	Guymon Utility Authority
ASSETS	
Current assets:	
Cash, including time deposits	\$ 100
Restricted cash, including time deposits	267,135
Receivables	
Utility billing, net of allowance for uncollectible accounts	1,760,150
Other receivables	1,625
Total current assets	2,029,010
Non-current assets:	
Restricted assets:	
Cash, including time deposits	367,882
Net Pension Asset	268,942
Capital Assets:	
Non-depreciable	3,076,534
Depreciable, net	27,433,782
Total non-current assets	31,147,140
Total assets	\$ 33,176,150
DEFERRED OUTFLOW OF RESOURCES:	
Deferred amounts related to pensions	36,247
LIABILITIES	
Current liabilities:	
Accounts payable and accrued liabilities	523,656
Retainage payable	6,467
Accrued interest payable	145,765
Notes payable	1,728,754
Capital lease payable	62,742
Due to other funds	501,755
Total current liabilities	2,969,139
Non-current liabilities:	
Customer deposits payable	367,882
Notes payable, net	13,854,138
Capital lease payable	76,249
Total non-current liabilities	14,298,269
Total liabilities	17,267,408
DEFERRED INFLOW OF RESOURCES:	
Deferred amounts related to pensions	1,047
NET POSITION	
Net investment in capital assets	15,055,468
Restricted for pensions	267,895
Restricted for other	100
Unrestricted	620,479
Total net position	\$ 15,943,942

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, 2018

	Enterprise Fund
	Guymon Utility Authority
OPERATING REVENUES	
Charges for services:	
Gas charges	\$ 4,238,332
Water charges	3,533,439
Sewer charges	1,801,839
Sanitation charges	1,910,680
Penalties	50,320
Agriculture revenue	66,685
Total charges for services	11,601,295
Miscellaneous	101,639
Total operating revenues	11,702,934
OPERATING EXPENSES	
Cost of goods sold	1,367,141
Personal services	(26,391)
Materials and supplies	121,740
Other services and charges	7,024,012
Depreciation	1,672,724
Total Operating Expenses	10,159,226
Operating income	1,543,708
NON-OPERATING REVENUES (EXPENSES)	
Investment income	4,882
Interest expense	(468,084)
Gain (loss) on sale of capital assets	(135,878)
Total non-operating revenue (expenses)	(599,080)
Income before transfers and capital contributions	944,628
TRANSFERS AND CAPITAL CONTRIBUTIONS	
Contributed capital	9,271
Interfund transfers in	2,234,610
Interfund transfers out	(2,650,300)
Net transfers and capital contributions	(406,419)
Change in net position	538,209
Total net position - beginning	15,405,733
Total net position - ending	\$ 15,943,942

See accompanying notes to the basic financial statements.

City of Guymon, Oklahoma
Statement of Cash Flows
Proprietary Fund
For the Year Ended December 31, 2018

	Enterprise Fund Guymon Utilities Authority
CASH FLOWS FROM OPERATING ACTIVITIES	
Receipts from customers	\$ 12,018,683
Payments to suppliers	(9,030,040)
Receipts of customer meter deposits	145,822
Refunds of customer meter deposits	(124,925)
Interfund receipts/payments	(286,430)
Net cash provided by operating activities	2,723,110
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES	
Transfers from other funds	2,234,610
Transfers to other funds	(2,650,300)
Net cash provided by (used in) noncapital financing activities	(415,690)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Purchases of capital assets	(1,882,268)
Principal paid on debt	(1,830,871)
Contributed capital revenue	9,271
Interest and fiscal agent fees paid on debt	(480,165)
Net cash provided by (used in) capital and related financing activities	(4,184,033)
CASH FLOWS FROM INVESTING ACTIVITIES	
Interest and dividends	4,882
Net cash provided by investing activities	4,882
Net increase (decrease) in cash and cash equivalents	(1,871,731)
Balances - beginning of year	2,506,848
Balances - end of year	\$ 635,117
Reconciliation to Statement of Net Position:	
Cash and cash equivalents	100
Restricted cash and cash equivalents - current	267,135
Restricted cash and cash equivalents - noncurrent	367,882
Total cash and cash equivalents, end of year	\$ 635,117
Reconciliation of operating income to net cash provided by operating activities:	
Operating income	\$ 1,543,708
Adjustments to reconcile operating income to net cash provided by operating activities:	
Depreciation expense	1,672,724
Net pension liability/asset and deferrals	(26,391)
Change in assets and liabilities:	
Due to other funds	(286,430)
Due from other governments	
Accounts receivable	315,749
Accounts payable	(517,147)
Deposits subject to refund	20,897
Net cash provided by operating activities	\$ 2,723,110
Noncash activities:	
Contributed capital assets	\$ 9,271
	\$ 9,271

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, 2018**

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, 2018

<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) and management of the City also manages the trust. Any issuances of debt would require a two-thirds approval of the City Council.	Major 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) and management of the City also manages the trust. 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) and management of the City also manages the trust. 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.

**CITY OF GUYMON, OKLAHOMA
 NOTES TO BASIC FINANCIAL STATEMENTS
 DECEMBER 31, 2018**

The funds of the financial reporting entity are described below:

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>
Major:	
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.

**CITY OF GUYMON, OKLAHOMA
 NOTES TO BASIC FINANCIAL STATEMENTS
 DECEMBER 31, 2018**

Proprietary Fund: Guymon Utilities Authority	Accounts for activities of the public trust and provides water, wastewater, sanitation, and gas services to the public.
<i>Non-Major:</i>	
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: Guymon Industrial Authority	A special revenue fund that accounts for revenues and expenditures of promoting industrial economic development.
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.
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.

**CITY OF GUYMON, OKLAHOMA
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2018**

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

- a. All governmental funds utilize a "current financial resources" measurement focus. Only current financial assets, liabilities, deferred outflows and deferred 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 deferred 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, 2018**

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 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 acquisition 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 \$2,500 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, 2018**

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 union 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).

Effective January 1, 2019 the City will use a Paid Time Off policy for vacation, personal or family leave replacing all existing vacation and sick leave time policies. Employees will accrue time off based on their number of years of service and may carry 80 hours of leave over to the new calendar year. The City approved a buyback of leave hours based on leave balances at December 31, 2018. The buyback is included in the current portion of the long term leave balance.

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, 2018**

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. The general fund is the only fund that reports a positive unassigned fund balance amount. However, in governmental funds other than the General Fund, if expenditures incurred for specific purposes exceed the amounts that are restricted, committed, or assigned to those purposes, it may be necessary to report a negative unassigned fund balance in that 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".

**CITY OF GUYMON, OKLAHOMA
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2018**

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.

Tax Abatements

The City enters into sales tax rebate agreements with local businesses as allowed in the Oklahoma State Constitution, Article 10, Section 14. Under this law, the City may establish economic development programs and provide sales tax increments for development as part of its economic development plan.

The sales tax rebate program allows a retail store business or developer to receive rebated sales tax in an amount equal to 50% of the incremental increase over a baseline sales tax amount determined at the beginning of the project and adjusted up (but not down) each year during the term of the agreement by the annual change in the Consumer Price Index for All Urban Customers. To be eligible for this program, the project area should be occupied by occupants operating a retail store of a requisite quality which are either existing businesses or new businesses. The sales tax rebate period varies with each agreement.

Due to confidentiality laws in Oklahoma statutes Title 68, Section 1354.11, the amounts of sales taxes rebated will not be disclosed. The following businesses had rebate agreements with the City as of December 31, 2018:

Land Run Commercial Real Estate Advisors, LLC, entered into a sales tax rebate agreement on November 25, 2014 for a project located at 2602 North Highway 64. Businesses located within the project area are: Dollar Tree, Cato, Sally's Beauty Supply, and World Acceptance. This sales tax rebate period is for seven years. If the developer commences construction for a subsequent phase within two years from the time construction is completed for the previous phase, then the sales tax rebate period will be reset for all phases for an additional seven years once construction has been completed for the subsequent phase. If the developer fails to commence construction of Phase 1 on or before December 31, 2015 or fails to remit sales tax from businesses in Phase 1 on or before December 31, 2016, the agreement will be null and void. The sales tax rebated cannot exceed 25% of total development cost. This agreement was assigned to Guymon WMOP in January 2016. This agreement will terminate on December 31, 2021.

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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
Ambulance	Ambulance run charges; EMS HPP operating grant.
Police	Fines and 911 county charges for services, individual donations, state on-behalf payments are categorized as operating grants, and district attorney forfeitures and Oklahoma Highway Safety Office capital grant 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 and FAA capital grant.
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 donations.
Cemetery	Grave opening/closing fees and lot sales.
Swimming pool	Swimming fees.
Parks	Fishing licenses and private donations for capital.
Tourism	State operating grant
Community development	Operating grants include state Oklahoma Arts Council grants and private donations, and 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.

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 \$16,400,000 Series 2008B OWRB CWSRF 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, \$3,240,000 of Series 2015B Sales Tax Revenue Note, \$650,000 of Series 2016A Sales Tax Revenue Note, and \$3,090,000 of Series 2016B 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 2027, 2030, 2025, 2018, 2018, 2025, 2023, 2030, and 2027 respectively. The total principal and interest payable for the remainder of the life of these notes is \$26,520,951. Each year, if the net utility revenues are sufficient to service the debt on the 2013, 2015A, 2015B Series Notes, these pledged sales taxes are transferred back to the General Fund. Total pledged sales taxes received in the

**CITY OF GUYMON, OKLAHOMA
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year were \$3,093,650. Debt service payments for the year of \$3,552,763 were 114.84% of the pledged sales taxes.

Utility Net Revenues Pledge – The City has also pledged future water, sewer, and gas net revenues to repay \$26,335,000 of 2008B, 2009B Series Oklahoma Water Resources Board Notes Payable, the 2013 Utility System and Sales Tax Revenue Note, and the 2015A Utility System and 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, 2018, and 2025 respectively. The total principal and interest payable for the remainder of the life of these notes is \$17,026,821. The bonds are payable from the above-mentioned utility net revenues and pledged sales taxes for the 2008B, 2009B Series, 2013 Series Notes, and 2015A Series Notes. The debt service payments on the notes for the year were \$2,179,355 which was 66.48% of pledged net utility revenues of \$3,278,140.

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.

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.

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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 and net pension asset, 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), 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.

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

**CITY OF GUYMON, OKLAHOMA
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Sales Tax CIF
 GUA Sales Tax CIF

State Law
 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.
- 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, 2018, 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

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Hotel/Motel Tax
 Tax Increment Revenue
 Airport Operations Revenue
 CDBG

Convention and Tourism
 Economic Development
 Airport Operations and Maintenance
 Grant Program Expenditures

For the year ended December 31, 2018, 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, 2018, 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 beyond the current fiscal year revenue, without first obtaining voter approval. For the year ended December 31, 2018, 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, 2018.

<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, 2018, net operating revenues and pledged sales taxes are \$6,371,790 and the maximum annual debt service is \$2,179,355. Actual coverage is 2.92 times.

**CITY OF GUYMON, OKLAHOMA
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2018**

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, 2018 are as follows:

Type	Credit Rating	Fair Value Valuation Level	Fair Value
Deposits:			
Demand deposits			\$ 2,570,849
Time deposits			2,208,674
Total deposits			\$ 4,779,523
Investments:			
Cavanal Hill Govt Sec Mmkt-Admin 001	AAA	Level I	147,354
Cavanal Hill Govt Sec Mmkt-Admin 002	AAA	Level I	18,168
Goldman Sachs Fin Sq Treas Instr-Prem#3515	AAA	Level I	125,530
Goldman Sachs Fin Sq Govt -Prem #3511	AAA	Level I	118,642
Mutual Funds - equity		Level I	96,974
Total deposits and investments			\$ 5,286,191
Reconciliation to Statement of Net Position:			
Cash, including time deposits			\$ 2,409,212
Restricted cash, including time deposits, current			1,544,581
Restricted investments			959,393
Restricted cash, including time deposits, noncurrent			373,005
			\$ 5,286,191

Custodial Credit Risk – Deposits - Deposits in financial institutions, reported as components of cash, cash equivalents, and investments, had a bank balance of \$6,423,938 at December 31, 2018. 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, 2018.

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.

CITY OF GUYMON, OKLAHOMA
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Concentration of Investment Credit Risk - the City places no limit on the amount it may invest in any one issuer.

The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

The City has the following recurring fair value measurements as of December 31, 2018:

- Money Market Mutual Funds of \$409,694 are valued using quoted market prices (Level 1 inputs).
- Equity Mutual Funds of \$96,974 are valued using quoted market prices (Level 1 inputs).

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, 2018 are as follows:

<u>Type of Restricted Assets</u>	<u>Cash including time deposits</u>
Meter Deposits	\$ 367,882
Hotel/Motel Tax Bond	25,000
Emergency Drought Relief	100
Dale Fund Investments	96,974
Nash Foundation Donation Investments	862,419
Note Payable Trustee Accounts:	
2008 Series Principal Fund	402,685
2009B Series Principal Fund	19,105
2010 Sales Tax Principal Fund	92,517
2010 Sales Tax Interest Fund	33,014
2012 Sales Tax Construction Fund	5
2015A Series Project Fund	267,035
2015A Series Principal Fund	420,955
2015B Series Interest Fund	16,361
2015B Series Principal Fund	130,993
2016A Series Principal Fund	13,974
2016A Series Interest Fund	4,194
2016B Series Principal Fund	26,325
2016B Series Interest Fund	92,318
USDA Debt Service Reserve	5,123
Net Pension Asset	785,035
Total	<u>\$ 3,662,014</u>
Reconciliation to Statement of Net Position:	
Current cash, including time deposits	1,544,581
Current investments	959,393
Noncurrent cash	373,005
Net pension asset	785,035
	<u>\$ 3,662,014</u>

CITY OF GUYMON, OKLAHOMA
NOTES TO BASIC FINANCIAL STATEMENTS
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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, 2018:

	Governmental Activities	Business-Type Activities	Total
Accounts Receivable:			
Police Fines	601,083	\$ -	\$ 601,083
Ambulance	256,824	-	256,824
E-911 Tax	31,486	-	31,486
Franchise Tax	289,416	-	289,416
Hotel/Motel Tax	34,353	-	34,353
Utilities	-	2,720,964	2,720,964
Miscellaneous	6,204	1,949	8,153
Allowance for doubtful accounts	<u>(212,361)</u>	<u>(961,138)</u>	<u>(1,173,499)</u>
Net accounts receivable	<u>\$ 1,007,005</u>	<u>\$ 1,761,775</u>	<u>\$ 2,768,780</u>

3.D. CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2018 was as follows:

	Balance at January 01, 2018	Additions	Transfers	Disposals	Balance at December 31, 2018
Governmental activities:					
Non-depreciable:					
Land	\$ 434,732	\$ -	\$ -	\$ -	\$ 434,732
Construction-in-progress	875,899	252,247	-	(36,890)	1,091,256
Total non-depreciable assets at historical cost	<u>1,310,631</u>	<u>252,247</u>	<u>-</u>	<u>(36,890)</u>	<u>1,525,988</u>
Depreciable:					
Buildings	18,246,719	-	-	-	18,246,719
Improvements	14,012,466	-	-	(27,471)	13,984,995
Machinery and equipment	10,562,637	369,572	-	(517,475)	10,414,734
Infrastructure	7,276,779	-	-	-	7,276,779
Total depreciable assets at historical cost	<u>50,098,601</u>	<u>369,572</u>	<u>-</u>	<u>(544,946)</u>	<u>49,923,227</u>
Less accumulated depreciation					
Buildings	(2,761,550)	(355,337)	-	-	(3,116,887)
Improvements	(7,990,402)	(444,049)	-	27,471	(8,406,980)
Machinery and equipment	(8,394,584)	(704,355)	-	515,672	(8,583,267)
Infrastructure	(4,826,112)	(178,339)	-	-	(5,004,451)
Total accumulated depreciation	<u>(23,972,648)</u>	<u>(1,682,080)</u>	<u>-</u>	<u>543,143</u>	<u>(25,111,585)</u>
Net depreciable assets	<u>26,125,953</u>	<u>(1,312,508)</u>	<u>-</u>	<u>(1,803)</u>	<u>24,811,642</u>
Governmental activities capital assets, net	<u>27,436,584</u>	<u>(1,060,261)</u>	<u>-</u>	<u>(38,693)</u>	<u>26,337,630</u>
Business-type activities					
Non-depreciable:					
Land	2,133,799	-	-	-	2,133,799
Construction-in-progress	994,117	1,880,007	-	(1,931,389)	942,735
Total non-depreciable assets at historical cost	<u>3,127,916</u>	<u>1,880,007</u>	<u>-</u>	<u>(1,931,389)</u>	<u>3,076,534</u>
Depreciable:					
Buildings	836,226	-	-	-	836,226
Improvements	2,683,749	-	-	-	2,683,749
Machinery and equipment	4,410,222	9,271	-	(340,114)	4,079,379
Utility property	47,722,432	1,899,049	-	(235,654)	49,385,827
Totals depreciable assets at historical cost	<u>55,652,629</u>	<u>1,908,320</u>	<u>-</u>	<u>(575,768)</u>	<u>56,985,181</u>
Less accumulated depreciation					
Buildings	(448,528)	(20,034)	-	-	(468,562)
Improvements	(271,347)	(66,579)	-	-	(337,926)
Machinery and equipment	(3,686,042)	(313,176)	-	317,776	(3,681,442)
Utility property	(23,912,648)	(1,272,935)	-	122,114	(25,063,469)
Total accumulated depreciation	<u>(28,318,565)</u>	<u>(1,672,724)</u>	<u>-</u>	<u>439,890</u>	<u>(29,551,399)</u>
Net depreciable assets	<u>27,334,064</u>	<u>235,596</u>	<u>-</u>	<u>(135,878)</u>	<u>27,433,782</u>
Business-type capital assets, net	<u>\$ 30,461,980</u>	<u>\$ 2,115,603</u>	<u>\$ -</u>	<u>\$ (2,067,267)</u>	<u>\$ 30,510,316</u>

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Depreciation expense was charged to governmental activities as follows:

General Government:	
General Government	94,926
Human Resources	791
Information Technology	26,400
Total General Government	<u>122,117</u>
Public safety and judiciary:	
Ambulance	53,180
911	20,017
Police	118,139
Fire	385,213
Civil emergency management	1,576
Total Public safety and judiciary	<u>578,125</u>
Transportation:	
Airport	244,083
Public transportation	2,281
Streets	319,789
Total Transportation	<u>566,153</u>
Cultural, parks and recreation:	
Golf	61,769
Library	112,471
Cemetery	11,329
Swimming pool	34,329
Parks	49,303
Tourism	24,363
Total cultural, parks and recreation	<u>293,564</u>
Community/economic development:	
Business incubator	29,378
Community development	92,743
Total Community/economic development	<u>122,121</u>
Total depreciation expense	<u><u>\$ 1,682,080</u></u>

Depreciation was charged to business-type activities as follows:

Water	\$ 424,386
Wastewater	1,010,717
Sanitation	155,487
Gas	55,965
Garage	64
Administration	26,105
Total Depreciation Expense	<u><u>\$ 1,672,724</u></u>

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.

**CITY OF GUYMON, OKLAHOMA
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2018**

Governmental Activities:

As of December 31, 2018, the governmental long-term debt of the financial reporting entity consisted of the following:

Capital Lease Obligations:

\$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%	\$	175,575
\$152,541 capital lease for golf carts dated July 2018; Payable in monthly installments of 3,393, final payment due July 2022. Stated interest rate of 3.25%		137,558
\$36,033 capital lease for turf gang mower dated July 11, 2016; Payable in monthly installments of \$646, final payment due July 16, 2021. Stated interest rate of 2.85%		19,292
\$77,500 capital lease for 2014 case backhoe dated May 13, 2016; Payable in monthly installments of \$1,165, final payment due May 15, 2022. Stated interest rate of 2.58%		45,629
Total Capital Leases Payable	\$	<u>378,054</u>
Current portion	\$	220,042
Noncurrent portion		158,012
Total Capital Leases Payable	\$	<u>378,054</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.	\$	2,990,000
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 Branch Bank and Trust, 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.		2,225,000
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.		393,423
Series 2016B Sales Tax Revenue Note original issue amount of \$3,090,000, dated October 6, 2016 issued by Guymon Utilities Authority payable to the Bank of Oklahoma, secured by a 1 cent sales tax, interest rate of 2.98% with final maturity dated March 1, 2027; proceeds used to reimburse the City for improvements to the city hall complex and the municipal pool.		2,640,000
Total Notes Payable	\$	<u>8,248,423</u>
Current portion		1,177,634
Noncurrent portion		7,070,789
Total Capital Leases Payable	\$	<u>8,248,423</u>

**CITY OF GUYMON, OKLAHOMA
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Accrued Compensated Absences:

	Current portion	\$	292,889
	Noncurrent portion		222,454
Total Accrued Compensated Absences		\$	<u>515,343</u>

Business-Type Activities:

As of December 31, 2018, 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 Branch Bank and Trust, 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.	\$	5,070,000	
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.		9,399,322	
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.		558,570	
Series 2016A Sales Tax Revenue Note original issue amount of \$650,000, dated June 6, 2016 issued by Guymon Utilities Authority payable to the Branch Banking & Trust, secured by a 1 cent sales tax, interest rate of 2.26% with final maturity dated March 1, 2030; proceeds used to refund prior notes whose purposes were for construction of a 12" water main and two new water wells, and retrofitting one existing well.		555,000	
Total Notes Payable	\$	<u>15,582,892</u>	
	Current portion	\$	1,728,754
	Noncurrent portion		13,854,138
Total Notes Payable	\$	<u>15,582,892</u>	

CITY OF GUYMON, OKLAHOMA
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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%	\$	11,837
\$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%		20,538
\$181,957 capital lease for 2016 sanitation truck, dated May 13, 2016; Payable in monthly installments of \$2,704, final payment due May 15, 2022. Stated interest rate of 2.24%		106,616
Total Capital Leases Payable	\$	<u>138,991</u>
	Current portion	\$ 62,742
	Noncurrent portion	76,249
Total Capital Leases Payable	\$	<u>138,991</u>

Non-Commitment Debt:

<u>Original Debt</u>	<u>Project</u>	<u>Remaining Principal</u>
Guymon Industrial Authority:		
\$4,500,000	(1) Seaboard Farms of Oklahoma, Inc Tax Apportionment Bonds dated December 1, 1993	\$11,516,049
	Total GIA Non-Commitment Debt	<u>\$11,516,049</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 were not made for the first five years because Seaboard Farms of Oklahoma, Inc. elected to claim a five-year property tax abatement allowed by state statutes. The interest accruing during that five-year period was added to the principal balance and at December 31, 2018 the total accrued interest is \$7,016,049. 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 June 2020.

**CITY OF GUYMON, OKLAHOMA
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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, 2018:

Type of Debt	Balance			Balance		Amounts Due Within One Year
	January 01, 2018	Additions	Deductions	December 31, 2018		
Governmental Activities:						
Notes Payable	\$ 9,384,195	\$ -	\$ (1,135,772)	\$ 8,248,423	\$ 1,177,634	
Capital Lease Obligations	506,541	152,541	(281,028)	378,054	220,042	
Accrued Compensated Absences	287,073	374,371	(146,101)	515,343	292,889	
Total Governmental Long-Term Debt	<u>\$ 10,043,277</u>	<u>\$ 526,912</u>	<u>\$ (1,562,901)</u>	<u>\$ 9,141,820</u>	<u>\$ 1,690,565</u>	
Business-Type Activities:						
Notes Payable	\$ 17,341,268	\$ -	\$ (1,758,376)	\$ 15,582,892	\$ 1,728,754	
Capital Lease Obligations	211,486	-	(72,495)	138,991	62,742	
Total Business-Type Long-Term Debt	<u>\$ 17,552,754</u>	<u>\$ -</u>	<u>\$ (1,830,871)</u>	<u>\$ 15,721,883</u>	<u>\$ 1,791,496</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	\$ 1,339,581	\$ (1,105,505)	\$ 234,076
Machinery & Equipment	Business-Type Activities	426,034	(316,860)	109,174
Total		<u>\$ 1,765,615</u>	<u>\$ (1,422,365)</u>	<u>\$ 343,250</u>

Annual Debt Service Requirements

The annual debt service requirements to maturity, including principal and interest, for long-term debt as of December 31, 2018 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
2019	220,042	8,247	1,177,634	246,044	1,728,754	432,431	62,742	2,508
2020	71,355	3,688	1,204,533	212,256	1,779,277	384,551	31,050	1,394
2021	57,389	1,837	1,246,468	177,412	1,831,297	333,687	31,757	687
2022	29,268	287	1,274,788	141,412	1,885,544	282,107	13,442	75
2023	-	-	1,215,000	104,226	1,939,809	229,001	-	-
2024-2028	-	-	2,130,000	124,460	6,253,675	411,266	-	-
2029-2030	-	-	-	-	164,536	4,207	-	-
Total	<u>\$ 378,054</u>	<u>\$ 14,059</u>	<u>\$ 8,248,423</u>	<u>\$ 1,005,810</u>	<u>\$ 15,582,892</u>	<u>\$ 2,077,250</u>	<u>\$ 138,991</u>	<u>\$ 4,664</u>

3.F. INTERFUND TRANSFERS AND BALANCES

Interfund Transfers

Transfers between funds of the primary government for the year ended December 31, 2018, were as follows:

**CITY OF GUYMON, OKLAHOMA
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<u>Transfer From</u>	<u>Transfer To</u>	<u>Amount</u>	<u>Purpose of Transfer</u>
GUA	General Fund	2,000,000	Operating
General Fund	GUA Sales Tax CIF	70,000	Return of unsued 2007 Series 1/2 cent sales tax
GUA	General Fund - Golf Course	200,000	Operating
GUA	General Fund - Pool	45,000	Operating
GUA	General Fund - Airport	53,500	Operating
GUA	GUA Sales Tax CIF	351,800	To cover negative fund balance
GUA Sales Tax CIF	GUA	2,234,610	Debt service payments
Hotel/Motel Tax Fund	Guymon Development Fund	250,000	Operating
Total		<u>\$ 5,204,910</u>	

	<u>Transfers In</u>	<u>Transfers Out</u>	<u>Net Transfers/ Internal Activity</u>
Reconciliation to Fund Financial Statements:			
Governmental Funds	\$ 2,970,300	\$ (2,554,610)	\$ 415,690
Enterprise Funds	2,234,610	(2,650,300)	(415,690)
Total Transfers	<u>\$ 5,204,910</u>	<u>\$ (5,204,910)</u>	<u>\$ -</u>

Interfund Balances:

Balances between funds of the primary government for the year ended December 31, 2018, were as follows:

<u>Due To</u>	<u>Due From</u>	<u>Amount</u>	<u>Purpose of Interfund Balance</u>
General Fund	General CIF	72,723	To clear negative shares of pooled cash
General Fund	GUA	501,755	To clear negative shares of pooled cash
General Fund	GUA Sales Tax CIF	1,744	To clear negative shares of pooled cash
Total		<u>\$ 576,222</u>	

	<u>Due From</u>	<u>Due To</u>	<u>Net Transfers/ Internal Activity</u>
Reconciliation to Fund Financial Statements:			
Governmental Funds	\$ 576,222	\$ (74,467)	\$ 501,755
Enterprise Funds	-	(501,755)	(501,755)
Total Transfers	<u>\$ 576,222</u>	<u>\$ (576,222)</u>	<u>\$ -</u>

**CITY OF GUYMON, OKLAHOMA
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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:

	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	-	644,707	-	-	644,707
Employee leave buyback	268,187	-	-	-	268,187
Water & Wastewater ODEQ required improvements	-	-	1,074,513	-	1,074,513
Cemetery capital	-	-	-	30,612	30,612
E-911	-	-	-	605,994	605,994
Fire Equipment	-	-	-	2,459	2,459
Police	-	-	-	25,983	25,983
Library Building	-	-	-	16,165	16,165
Fireworks	-	-	-	201	201
Ennis Cemetery	-	-	-	11,549	11,549
Police Bike Program	-	-	-	384	384
Fire/Life Safety Education	-	-	-	38	38
Cultural Symposium	-	-	-	3,729	3,729
Park Benches	-	-	-	150	150
Rodeo Grounds	-	-	-	7,768	7,768
Park Improvements	-	-	-	1,065	1,065
Leadership Oklahoma	-	-	-	855	855
Animal Shelter	-	-	-	6,008	6,008
Christmas Lights	-	-	-	10,541	10,541
Sweet Cemetery Trust	-	-	-	1,221	1,221
Soccer Field	-	-	-	973,184	973,184
Soccer Field - Match required	-	-	-	405,024	405,024
Main Street Beautification - Match required	-	-	-	239,611	239,611
Oklahoma Beautiful Program	-	-	-	94	94
Library Operations	-	-	-	21,639	21,639
Grant Programs	-	-	-	11,717	11,717
Tourism	-	-	-	307,653	307,653
Industrial development	-	-	-	48,086	48,086
Dale Trust - Cemetery	-	-	-	15,862	15,862
Dale Trust - Citizenship	-	-	-	20,307	20,307
Dale Trust - Library	-	-	-	45,283	45,283
Dale Trust - Dale Park	-	-	-	22,676	22,676
Library Debt Service	-	-	-	5,130	5,130
Sub-total Restricted	268,187	644,707	1,074,513	2,840,988	4,828,395
Assigned to:					
Calendar year 2019 budget	3,695	-	-	-	3,695
Swimming pool	12,386	-	-	-	12,386
Airport	218,956	-	-	-	218,956
Sub-total Assigned	235,037	-	-	-	235,037
Unassigned (deficit)	801,921	-	-	(6,546)	795,375
TOTAL FUND BALANCES	\$ 1,305,145	\$ 644,707	\$ 1,074,513	\$ 2,838,742	\$ 5,863,107

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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

The aggregate total for all pension related items for three defined benefit plans are as follows:

	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Plan Totals</u>
Pension Expense:			
Employee Retirement System	\$ (40,893)	\$ (26,963)	\$ (67,856)
Police	73,260	-	73,260
Firefighters	97,225	-	97,225
	<u>\$ 129,592</u>	<u>\$ (26,963)</u>	<u>\$ 102,629</u>
Net Pension Liability:			
Firefighters	\$ 4,183,099	\$ -	\$ 4,183,099
	<u>\$ 4,183,099</u>	<u>\$ -</u>	<u>\$ 4,183,099</u>
Net Pension Asset:			
Employee Retirement System	\$ 407,882	\$ 268,942	\$ 676,824
Police	108,211	-	108,211
	<u>\$ 516,093</u>	<u>\$ 268,942</u>	<u>\$ 785,035</u>
Deferred Outflow:			
Employee Retirement System	\$ 54,439	\$ 36,247	\$ 90,686
Police	153,291	-	153,291
Firefighters	1,483,212	-	1,483,212
	<u>\$ 1,690,942</u>	<u>\$ 36,247</u>	<u>\$ 1,727,189</u>
Deferred Inflow:			
Employee Retirement System	\$ 1,941	\$ 1,047	\$ 2,988
Police	120,749	-	120,749
Firefighters	633,865	-	633,865
	<u>\$ 756,555</u>	<u>\$ 1,047</u>	<u>\$ 757,602</u>

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.

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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.

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 \$89,639. The State of Oklahoma also made on-behalf contributions to OPPRS in the amount of \$89,222 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 \$88,658. These on-behalf payments did not meet the criteria of a special funding situation.

Pension Assets, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions - At December 31, 2018, the City reported an asset of \$108,211 for its proportionate share of the net pension asset. The net pension asset was measured as of June 30, 2018, and the total pension asset used to calculate the net pension asset was determined by an actuarial valuation as of July 1, 2018. The City's proportion of the net pension asset 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, 2018. Based upon this information, the City's proportion was 0.2272 percent.

For the year ended December 31, 2018, the City recognized pension expense of \$73,260. At December 31, 2018, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

\$43,603 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, 2019. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

CITY OF GUYMON, OKLAHOMA
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	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 639	\$ 101,393
Changes of assumptions	47,260	-
Net difference between projected and actual earnings on pension plan investments	56,349	-
Changes in proportion	4,183	12,933
City contributions during the measurement date	1,257	6,423
Sub-total Deferrals amortized	109,688	120,749
City contributions subsequent to the measurement date	43,603	-
Total	<u>\$ 153,291</u>	<u>\$ 120,749</u>

Year ended December 31:

2019	\$ 53,377
2020	18,460
2021	(64,177)
2022	(20,984)
2023	2,263
	<u>\$ (11,061)</u>

Actuarial Assumptions-The total pension liability was determined by an actuarial valuation as of July 1, 2018, using the following actuarial assumptions, applied to all prior periods included in the measurement:

Inflation:	2.75%
Salary increases:	3.5% to 10% average, including inflation
Investment rate of return:	7.5% net of pension plan investment expense
Cost-of-living adjustments	Police officers eligible to receive increased benefits according to repealed Section 50-120 of Title 11 of the Oklahoma Statutes pursuant to a court order receive an adjustment of 1/3 to 1/2 of the increase or decrease of any adjustment to the base salary of a regular police officer, based on an increase in base salary.
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 (Fully generational using Scale AA). Disabled pensioners: RP-2000 Blue Collar Healthy Combined table with age set forward 4 years.

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The actuarial assumptions used in the July 1, 2018, valuation were based on the results of an actuarial experience study for the period July 1, 2012, to June 30, 2017.

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, 2018, are summarized in the following table:

<u>Asset Class</u>	<u>Long-Term Expected Real Rate of Return</u>
Fixed income	4.53%
Domestic equity	5.86%
International equity	9.70%
Real estate	6.58%
Private Equity	9.21%
Commodities	5.06%

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.

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 (Asset) to Changes in the Discount Rate-The following presents the net pension liability (asset) of the employers calculated using the discount rate of 7.5%, as well as what the Plan's net pension liability (asset) 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:

	<u>1% Decrease (6.5%)</u>	<u>Current Discount Rate (7.5%)</u>	<u>1% Increase (8.5%)</u>
Employers' net pension liability (asset)	\$ 501,955	\$ (108,211)	\$ (624,036)

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.

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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.

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 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 \$153,410. The State of Oklahoma also made on-behalf contributions to FPRS in the amount of \$368,890 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 \$372,857. 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, 2018, the City reported a net pension liability of \$4,183,099 for its proportionate share of the total net pension liability. The net pension liability was measured as of June 30, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2018. 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, 2018. Based upon this information, the City's proportion was 0.371619 percent.

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For the year ended December 31, 2018, the City recognized pension expense of \$97,225. At December 31, 2018, 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	\$ 873,732	\$ -
Changes of assumptions	-	-
Net difference between projected and actual earnings on pension plan investments	-	347,582
Changes in proportion	531,438	283,075
City contributions during the measurement date	4,239	3,208
Sub-total Deferrals amortized	<u>1,409,409</u>	<u>633,865</u>
City contributions subsequent to the measurement date	73,804	-
Total	<u>\$ 2,892,622</u>	<u>\$ 1,267,730</u>

\$73,804 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, 2019. 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:		
2019	\$	280,828
2020		235,188
2021		78,516
2022		130,423
2023		50,589
Total	<u>\$</u>	<u>775,544</u>

Actuarial Assumptions- The total pension liability was determined by an actuarial valuation as of July 1, 2018, 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, 2018, valuation were based on the results of an actuarial experience study for the period July 1, 2012, to June 30, 2017.

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

**CITY OF GUYMON, OKLAHOMA
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2018**

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, 2018, 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%	4.37%
Domestic equity	47%	7.01%
International equity	15%	8.83%
Real estate	10%	6.58%
Other assets	8%	5.70%

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.

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:

	<u>1% Decrease (6.5%)</u>	<u>Current Discount Rate (7.5%)</u>	<u>1% Increase (8.5%)</u>
Employers' net pension liability	\$ 5,479,048	\$ 4,183,099	\$ 3,094,726

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.

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 Voya Financial. 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 4.25% of covered payroll for 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, 2018, the following amounts related to the defined contribution plan:

Payroll for covered employees	\$580,492
Employer (City) contributions made	\$23,742

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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 Voya Financial. 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 4.25% of covered payroll. The employee is fully vested upon employment. The authority to establish and amend the provisions of the plan rests with the City Council. Contributions to the plan for the year ended December 31, 2018, for the employer were \$6,617 on a covered payroll of \$161,794.

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 Voya Financial. 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, 2018 were \$0 on a covered payroll of \$0. There have not been any contributions made to this plan since 2016.

City Manager Individual Retirement Account – The City is contributing 15% of covered payroll into an individual retirement account for the City Manager in accordance with his contract. Total contributions for 2018 are \$15,260.

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. Benefits are established or amended by the City Council in accordance with O.S. Title 11, Section 48-101-102. This plan was closed as of March 1, 2016.

B. Summary of Significant Accounting Policies

For purposes of measuring the net pension liability (asset), 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.

**CITY OF GUYMON, OKLAHOMA
 NOTES TO BASIC FINANCIAL STATEMENTS
 DECEMBER 31, 2018**

C. Eligibility Factors and Benefit Provisions

<u>Provision</u>	<u>As of 07/01/18 OkMRF Plan</u>
a. Eligible to participate	Full-time employees hired before March 1, 2016 except police, firefighters and other employees who are covered under an approved system.
b. Period Required to Vest	7 years of credited service except for employees employed as of February 29, 2016 who shall be 100% vested
c. Eligibility for Distribution	-Normal retirement at age 65 with 7 years of service -Effective March 1, 2016 all participants shall cease accrual of service for purposes of calculating pension benefits -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
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 except for those employed as of February 29, 2016 which shall be 100% vested
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.

**CITY OF GUYMON, OKLAHOMA
 NOTES TO BASIC FINANCIAL STATEMENTS
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<i>D. Employees Covered by Benefit Terms</i>	
Active Employees	11
Deferred Vested Former Employees	54
Retirees or Retiree Beneficiaries	<u>39</u>
Total	<u>104</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. As of 3-1-16 there were no contributions made to the plan since the plan is closed. For the year ended December 31, 2018, the City recognized \$0 of employer contributions to the plan which equals the actuarially determined contribution. 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, 2018
a. Actuarial cost method	Entry age normal
b. Rate of Return on Investments and Discount Rate	7.50%
c. Projected Salary Increase based on age	Varies between 7.50% and 4.50%
d. Post Retirement cost-of-Living Increase	None
e. Inflation Rate	2.75%
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: 225
	Year 2: 140
	Year 3: 100
	Year 4: 70
	Year 5: 40
j. Date of last experience study	September 2017 for fiscal years 2012 thru 2016

CITY OF GUYMON, OKLAHOMA
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2018

- G. *Discount Rate* – The discount rate used to value benefits was the long-term expected rate of return on plan investments, 7.50% 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 (2.75%). 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, 2018 are summarized in the following table:

	<u>Target Allocation</u>	<u>Real Return</u>	<u>Weighted Return</u>
Large cap stocks S&P 500	25%	5.80%	1.45%
Small/mid cap stocks Russell 2500	10%	6.40%	0.64%
Long/short equity MSCI ACWI	10%	5.00%	0.50%
International stocks MSCI EAFE	20%	6.20%	1.24%
Fixed income bonds Barclay's Capital Aggregate	30%	2.30%	0.69%
Real estate NCREIF	5%	4.60%	0.23%
Cash equivalents 3 month Treasury	0%	0.00%	0.00%
	<hr/>		<hr/>
TOTAL	<u>100%</u>		
Average Real Return			4.75%
Inflation			<u>2.75%</u>
Long-term expected return			<u>7.50%</u>

- H. *Changes in Net Pension Liability (Asset)*– The total pension liability was determined based on an actuarial valuation performed as of July 1, 2018 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, 2018 and the City’s report ending date of December 31, 2018, that would have had a significant impact on the net pension liability (asset). The following table reports the components of changes in net pension liability (asset):

**CITY OF GUYMON, OKLAHOMA
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2018**

SCHEDULE OF CHANGES IN NET PENSION LIABILITY/(ASSET)

	Increase (Decrease)		
	Total Pension Liability	Plan Net Position	Net Pension Liability (Asset)
	(a)	(b)	(a) - (b)
Balances Beginning of Year	\$ 5,379,129	\$ 5,986,850	\$ (607,721)
Changes for the Year:			
Service cost	94,618	-	94,618
Interest expense	391,318	-	391,318
Benefit changes	-	-	-
Experience losses (gains) -	(130,842)	-	(130,842)
Changes of assumptions	-	-	-
Contributions--City	-	-	-
Contributions--members	-	-	-
Net investment income	-	436,345	(436,345)
Benefit payments, including refunds of ee contributions	(329,066)	(329,066)	-
Plan administrative expenses	-	(12,148)	12,148
Net Changes	<u>26,028</u>	<u>95,131</u>	<u>(69,103)</u>
Balances End of Year	<u>\$ 5,405,157</u>	<u>\$ 6,081,981</u>	<u>\$ (676,824)</u>

Sensitivity of the net pension liability (asset) to changes in the discount rate. The following presents the net pension liability (asset) of the City, calculated using the discount rate of 7.50 percent, as well as what the City's net pension liability (asset) would be if it were calculated using a discount rate that is 1-percentage-point lower (6.50 percent) or 1-percentage-point higher (8.50 percent) than the current rate:

	1% Decrease (6.50%)	Current Discount Rate (7.50%)	1% Increase (8.50%)
Net Pension Liability (Asset)	\$ (98,288)	\$ (676,824)	\$ (1,164,896)

The City reported a negative \$67,856 in pension expense for the year ended December 31, 2018. At December 31, 2018, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflow: of Resources
Differences between expected and actual experience	\$ -	\$ 2,635
Changes of assumptions	-	-
Experience gains/losses	-	-
Change in proportion	353	353
Net difference between projected and actual earnings on pension plan investments	90,333	-
City contributions subsequent to the measurement date	-	-
Total	<u>\$ 90,686</u>	<u>\$ 2,988</u>

**CITY OF GUYMON, OKLAHOMA
 NOTES TO BASIC FINANCIAL STATEMENTS
 DECEMBER 31, 2018**

The 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:

2019	\$	101,089
2020		37,461
2021		(50,872)
2022		20
	\$	<u>87,698</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)
b. Injuries to employees (workers compensation)	Purchased insurance with commercial carrier.	None
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.

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

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

At the end of 2018, the City of Guymon and IBTS were in dispute over the amount owed under the contract for services. IBTS filed a suit in the United States District Court, in April 2019 the case was settled for \$715,108. This amount was accrued in the fiscal year 2018 financial statements.

In 2018, the City of Guymon noticed that Tri-County Electric had not been remitting the correct amount of franchise fees based on Ordinance No. 756 from January 11, 2011. The estimate underpayment is between \$2,000,000 and \$2,300,000. Tri-County has failed to respond to the City's request to allow the City to inspect Tri-County's books to verify amount of underpayment. The City is prepared to file a petition in district court to pursue this matter.

Construction Commitments

The City had construction commitments outstanding for the following projects:

Project	Total Contract	Remaining Contract
Soccer Complex	396,500	241,725
Runway Lighting - Engineering	186,760	86,373
Lift Station Renovations	147,795	18,462
	<u>\$ 731,055</u>	<u>\$ 346,560</u>

**CITY OF GUYMON, OKLAHOMA
NOTES TO BASIC FINANCIAL STATEMENTS
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Contract for Outsourced Services

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 \$9.4 million annually for these services. The agreement is for the 2018 calendar year and may be renewed annually for an additional 5 years. The City gave notification in March 2018 that they would not be renewing the contract for the 2019 calendar year.

4.D. SUBSEQUENT EVENTS

Effective January 1, 2019 the City will use a Paid Time Off policy for vacation, personal or family leave replacing all existing vacation and sick leave time policies. Employees will accrue time off based on their number of years of service and may carry 80 hours of leave over to the new calendar year.

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
 - 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, 2018**

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 Four Fiscal Years***

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
City's proportion of the net pension liability (asset)	0.2723%	0.2860%	0.2361%	0.2178%	0.2272%
City's proportionate share of the net pension liability (asset)	\$ (91,690)	\$ 11,661	\$361,514	\$ 16,754	\$ (108,211)
City's covered payroll	\$ 788,315	\$844,578	\$699,819	\$651,523	\$ 701,437
City's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	-11.63%	1.38%	51.66%	2.57%	-15.43%
Plan fiduciary net position as a percentage of the total pension liability	101.53%	99.82%	93.50%	99.68%	101.89%

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

Notes to Schedule:

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

Exhibit 2

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

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Statutorially required contribution	\$ 103,317	\$ 98,579	\$ 91,527	\$ 89,733	\$ 89,639
Contributions in relation to the statutorially required contribution	<u>103,317</u>	<u>98,579</u>	<u>91,527</u>	<u>89,733</u>	<u>89,639</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's covered payroll	\$ 794,746	\$ 758,312	\$704,054	\$690,254	\$689,531
Contributions as a percentage of covered payroll	13.00%	13.00%	13.00%	13.00%	13.00%

Notes to Schedule:

Only five 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 Four Fiscal Years*

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
City's proportion of the net pension liability	0.316073%	0.343387%	0.361267%	0.402416%	0.371619%
City's proportionate share of the net pension liability	\$ 3,250,330	\$ 3,644,722	\$ 4,414,019	\$ 5,061,274	\$ 4,183,099
City's covered payroll	\$ 858,367	\$ 928,985	\$ 988,503	\$ 1,147,180	\$ 1,126,343
City's proportionate share of the net pension liability as a percentage of its covered payroll	379%	392%	447%	441%	371%
Plan fiduciary net position as a percentage of the total pension liability	68.12%	68.27%	64.87%	66.61%	70.73%

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

Notes to Schedule:

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

Exhibit 4

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

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Statutorially required contribution	\$ 123,303	\$ 143,060	\$ 153,301	\$ 155,577	\$ 153,410
Contributions in relation to the statutorially required contribution	<u>123,303</u>	<u>143,060</u>	<u>153,301</u>	<u>155,577</u>	<u>153,410</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's covered payroll	\$ 880,736	\$ 1,021,851	\$ 1,095,007	\$ 1,111,264	\$ 1,095,786
Contributions as a percentage of covered payroll	14.00%	14.00%	14.00%	14.00%	14.00%

Notes to Schedule:

Only five 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 Five Fiscal Years

	2014	2015	2016	2017	2018
Total pension liability					
Service cost	\$ 200,866	\$ 218,613	\$ 228,135	\$ 89,924	\$ 94,618
Interest	493,213	515,474	507,623	367,942	391,318
Differences between expected and actual experience	-	(19,632)	(1,374,980)	234,852	(130,842)
Changes of assumptions	-	-	(241,359)	132,328	-
Benefit payments, including refunds of member contributions	(201,215)	(210,906)	(1,443,634)	(380,019)	(329,066)
Net change in total pension liability	<u>492,864</u>	<u>503,549</u>	<u>(2,324,215)</u>	<u>445,027</u>	<u>26,028</u>
Total pension liability - beginning	6,261,904	6,754,768	7,258,317	4,934,102	5,379,129
Total pension liability - ending (a)	<u>\$ 6,754,768</u>	<u>\$ 7,258,317</u>	<u>\$ 4,934,102</u>	<u>\$ 5,379,129</u>	<u>\$ 5,405,157</u>
Plan fiduciary net position					
Contributions - employer	\$ 296,299	\$ 300,167	\$ 207,834	\$ -	\$ -
Contributions - member	-	-	-	-	-
Net investment income	935,509	188,242	31,018	681,135	436,345
Benefit payments, including refunds of member contributions	(201,215)	(210,906)	(1,443,634)	(380,019)	(329,066)
Administrative expense	(13,849)	(13,915)	(13,228)	(12,019)	(12,148)
Net change in plan fiduciary net position	<u>1,016,744</u>	<u>263,588</u>	<u>(1,218,010)</u>	<u>289,097</u>	<u>95,131</u>
Plan fiduciary net position - beginning	5,635,431	6,652,175	6,915,763	5,697,753	5,986,850
Plan fiduciary net position - ending (b)	<u>\$ 6,652,175</u>	<u>\$ 6,915,763</u>	<u>\$ 5,697,753</u>	<u>\$ 5,986,850</u>	<u>\$ 6,081,981</u>
Net pension liability (asset) - ending (a) - (b)	<u>\$ 102,593</u>	<u>\$ 342,554</u>	<u>\$ (763,651)</u>	<u>\$ (607,721)</u>	<u>\$ (676,824)</u>
Plan fiduciary net position as a percentage of the total pension liability	98.48%	95.28%	115.48%	111.30%	112.52%
Covered payroll	\$ 3,022,893	\$ 3,250,640	\$ 2,329,939	\$ -	\$ -
Net pension liability (asset) as a percentage of covered payroll	3.39%	10.54%	-32.78%	0.00%	0.00%

Notes to Schedule:

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

This plan was closed effective March 2016.

Exhibit 6

**Required Supplementary Information
Oklahoma Municipal Retirement Fund**

Schedule of Employer Contributions	Last Five Fiscal Years				
	2014	2015	2016	2017	2018
Actuarially determined contribution	\$ 299,374	\$ 302,976	\$ 56,843	\$ -	\$ -
Contributions in relation to the actuarially determined contribution	299,374	302,976	56,843	-	-
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -
Covered payroll	\$ 3,228,742	\$ 3,335,926	\$ 635,320	\$ -	\$ -
Contributions as a percentage of covered payroll	9.27%	9.08%	8.95%	0.00%	0.00%

Notes to Schedule:

1. Only five 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, 2015 for the current year January 2016 through February 2016 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%
5. The plan closed as of March 2016. Therefore, no contributions will be made after that date.

City of Guymon, Oklahoma
Budgetary Comparison Schedule (Budgetary Basis)
General Fund
For the Year ended December 31, 2018

	<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>
REVENUES				
Taxes	\$ 4,260,800	\$ 4,260,800	\$ 4,684,228	\$ 423,428
Intergovernmental	669,476	864,352	627,474	(236,878)
Charges for services	928,050	928,050	676,942	(251,108)
Fines and forfeitures	232,000	232,000	219,589	(12,411)
Licenses and permits	38,225	38,225	64,231	26,006
Investment earnings	1,400	1,400	5,184	3,784
Miscellaneous	507,000	544,740	293,216	(251,524)
Total revenues	<u>6,636,951</u>	<u>6,869,567</u>	<u>6,570,864</u>	<u>(298,703)</u>
EXPENDITURES				
Departmental:				
City attorney	80,050	100,129	100,078	51
City clerk	142,016	148,464	144,034	4,430
City treasurer	98,200	51,673	22,640	29,033
Community development	546,661	556,564	516,563	40,001
General government	545,417	563,658	523,283	40,375
Human resources	167,452	127,248	114,564	12,684
Planning department	-	920	790	130
Information Technology	379,700	390,025	359,462	30,563
Library	340,313	318,463	314,200	4,263
Ambulance	332,133	165,148	145,078	20,070
Police	1,759,500	1,858,275	1,809,344	48,931
Municipal court	84,654	84,654	82,749	1,905
Fire	2,074,601	2,380,390	2,340,380	40,010
Civil emergency management	17,600	17,600	16,000	1,600
Cemetery	131,338	133,938	124,869	9,069
Parks	426,018	432,018	400,610	31,408
Golf	547,700	736,891	713,119	23,772
Pool	65,160	65,160	55,349	9,811
Street	786,931	787,631	766,381	21,250
Airport	220,590	220,590	154,878	65,712
Transportation - Administration	34,437	34,437	31,567	2,870
Transportation - Operations	354,629	505,713	361,913	143,800
Total Expenditures	<u>9,135,100</u>	<u>9,679,589</u>	<u>9,097,851</u>	<u>581,738</u>
Excess (deficiency) of revenues over expenditures	<u>(2,498,149)</u>	<u>(2,810,022)</u>	<u>(2,526,987)</u>	<u>283,035</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	2,298,500	2,298,500	2,298,500	-
Debt proceeds	-	152,541	152,541	-
Transfers out	-	(70,000)	(70,000)	-
Total other financing sources and uses	<u>2,298,500</u>	<u>2,381,041</u>	<u>2,381,041</u>	<u>-</u>
Net change in fund balances	(199,649)	(428,981)	(145,946)	283,035
Fund balances - beginning	1,748,677	1,748,677	1,804,988	56,311
Fund balances - ending	<u>\$ 1,549,028</u>	<u>\$ 1,319,696</u>	<u>\$ 1,659,042</u>	<u>\$ 339,346</u>

City of Guymon, Oklahoma
Budgetary Comparison Schedule (Budgetary Basis)
Guymon Industrial Authority
For the Year ended December 31, 2018

	Budgeted Amounts		Actual Amounts, Budgetary Basis	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Taxes	\$ 700,000	\$ 700,000	\$ 439,045	\$ (260,955)
Investment earnings	135	135	1,025	890
Total revenues	<u>700,135</u>	<u>700,135</u>	<u>440,070</u>	<u>(260,065)</u>
EXPENDITURES				
Departmental:				
Economic development	700,000	700,000	440,255	259,745
Total Expenditures	<u>700,000</u>	<u>700,000</u>	<u>440,255</u>	<u>259,745</u>
Excess (deficiency) of revenues over expenditures	<u>135</u>	<u>135</u>	<u>(185)</u>	<u>(320)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources and uses	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	135	135	(185)	(320)
Fund balances - beginning	47,871	47,871	48,271	400
Fund balances - ending	<u>\$ 48,006</u>	<u>\$ 48,006</u>	<u>\$ 48,086</u>	<u>\$ 80</u>

**CITY OF GUYMON, OKLAHOMA
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
ON BUDGETARY ACCOUNTING AND CONTROL
FOR THE YEAR ENDED DECEMBER 31, 2018**

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 9, (Continued)

The following is a reconciliation of those differences:

	Per Statement of Revenues, Expenditures, and Changes in Fund Balance	Revenue Accrual	Non-Cash On Behalf Activity	Per Budgetary Comparison Schedule
General Fund:				
Total Revenues	\$ 7,433,652	\$ (404,676)	(458,112)	\$ 6,570,864
Transfers In	2,298,500	-	-	2,298,500
Issuance of debt	152,541	-	-	152,541
Total Revenues and Other Financing Sources	<u>9,884,693</u>	<u>(404,676)</u>	<u>(458,112)</u>	<u>9,021,905</u>
Total Expenditures	10,314,536	(758,573)	(458,112)	9,097,851
Transfers Out	70,000	-	-	70,000
Total Expenditures and Other Financing Uses	<u>10,384,536</u>	<u>(758,573)</u>	<u>(458,112)</u>	<u>9,167,851</u>
Net Change in Fund Balance	<u>\$ (499,843)</u>	<u>\$ 353,897</u>	<u>\$ -</u>	<u>\$ (145,946)</u>
Guymon Industrial Authority:				
Total Revenues	\$ 440,070	\$ -	\$ -	\$ 440,070
Transfers In	-	-	-	-
Issuance of debt	-	-	-	-
Total Revenues and Other Financing Sources	<u>440,070</u>	<u>-</u>	<u>-</u>	<u>440,070</u>
Total Expenditures	440,255	-	-	440,255
Transfers Out	-	-	-	-
Total Expenditures and Other Financing Uses	<u>440,255</u>	<u>-</u>	<u>-</u>	<u>440,255</u>
Net Change in Fund Balance	<u>\$ (185)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (185)</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, 2018**

	SPECIAL REVENUE FUNDS					
	E-911 Fund	<u>Guymon</u>	Library Fund	Grant Fund	<u>Guymon</u>	Hotel/Motel Tax Fund
		Fund			Development Fund	
ASSETS						
Cash and cash equivalents	578,046	816,964	21,639	10,467	48,086	298,447
Investments	-	862,419	-	-	-	-
Accounts receivable, net	31,486	-	-	-	-	34,353
Receivable from other governments	-	1,444	-	-	439,045	-
Total assets	<u>609,532</u>	<u>1,680,827</u>	<u>21,639</u>	<u>10,467</u>	<u>487,131</u>	<u>332,800</u>
LIABILITIES, DEFERRED INFLOWS AND FUND BALANCE						
Liabilities:						
Accounts payable	3,538	147	-	-	439,045	147
Refundable bonds	-	-	-	-	-	25,000
Total liabilities	<u>3,538</u>	<u>147</u>	<u>-</u>	<u>-</u>	<u>439,045</u>	<u>25,147</u>
Deferred inflows of resources:						
Unavailable revenue	-	1,444	-	-	-	-
Fund Balances:						
Nonspendable	-	1,000	-	-	-	-
Restricted	605,994	1,683,532	21,639	11,717	48,086	307,653
Unassigned (deficit)	-	(5,296)	-	(1,250)	-	-
Total fund balance	<u>605,994</u>	<u>1,679,236</u>	<u>21,639</u>	<u>10,467</u>	<u>48,086</u>	<u>307,653</u>
Total liabilities, deferred inflows and fund balance	<u>\$ 609,532</u>	<u>\$ 1,680,827</u>	<u>\$ 21,639</u>	<u>\$ 10,467</u>	<u>\$ 487,131</u>	<u>\$ 332,800</u>

**Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2018**

	SPECIAL REVENUE FUND	CAPITAL PROJECT FUND		PERMANENT FUND	Total Governmental Funds
	Police Fund	<u>Cemetery Care</u>	<u>Library Capital</u>	Dale Funds	
		Fund	Fund		
ASSETS					
Cash and cash equivalents	22,497	30,612	5,130	10,454	\$ 1,842,342
Investments	-	-	-	96,974	959,393
Accounts receivable, net	-	-	-	-	65,839
Receivable from other governments	-	-	-	-	440,489
Total assets	<u>22,497</u>	<u>30,612</u>	<u>5,130</u>	<u>107,428</u>	<u>3,308,063</u>
LIABILITIES, DEFERRED INFLOWS AND FUND BALANCE					
Liabilities:					
Accounts payable	-	-	-	-	442,877
Refundable court bonds	-	-	-	-	25,000
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>467,877</u>
Deferred inflows of resources:					
Unavailable revenue	-	-	-	-	1,444
Fund Balances:					
Nonspendable	-	-	-	3,300	4,300
Restricted	22,497	30,612	5,130	104,128	2,840,988
Unassigned (deficit)	-	-	-	-	(6,546)
Total fund balance	<u>22,497</u>	<u>30,612</u>	<u>5,130</u>	<u>107,428</u>	<u>2,838,742</u>
Total liabilities, deferred inflows and fund balance	<u>\$ 22,497</u>	<u>\$ 30,612</u>	<u>\$ 5,130</u>	<u>\$ 107,428</u>	<u>\$ 3,308,063</u>

City of Guymon, Oklahoma
Combining Statement of Revenues, Expenditures and Changes in Fund Balance
Nonmajor Governmental Funds
For the Year Ended December 31, 2018

	SPECIAL REVENUE FUNDS					
	E-911 Fund	Guymon Development Fund	Library Fund	Grant Fund	Guymon Industrial Authority	Hotel/Motel Tax Fund
REVENUES						
Taxes	\$ 204,046	\$ -	\$ -	\$ -	\$ 439,045	\$ 407,013
Intergovernmental	20,799	4,714	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-	16
Investment earnings	5,400	9,805	218	38	1,025	3,518
Miscellaneous	22,917	381,320	6,154	-	-	-
Total revenues	<u>253,162</u>	<u>395,839</u>	<u>6,372</u>	<u>38</u>	<u>440,070</u>	<u>410,547</u>
EXPENDITURES						
Current:						
Community development	-	300	-	-	-	-
Economic development	-	-	-	-	440,255	-
Library	-	-	12,859	-	-	-
Police	161,013	2,142	-	-	-	-
Tourism	-	1,887	-	-	-	81,943
Capital Outlay	1,234	154,861	-	-	-	2,522
Total Expenditures	<u>162,247</u>	<u>159,190</u>	<u>12,859</u>	<u>-</u>	<u>440,255</u>	<u>84,465</u>
Excess (deficiency) of revenues over expenditures	90,915	236,649	(6,487)	38	(185)	326,082
OTHER FINANCING SOURCES (USES)						
Transfers in	-	250,000	-	-	-	-
Transfers out	-	-	-	-	-	(250,000)
Total other financing sources and uses	<u>-</u>	<u>250,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(250,000)</u>
Net change in fund balance	90,915	486,649	(6,487)	38	(185)	76,082
Fund balances - beginning	515,079	1,192,587	28,126	10,429	48,271	231,571
Fund balances - ending	<u>\$ 605,994</u>	<u>\$ 1,679,236</u>	<u>\$ 21,639</u>	<u>\$ 10,467</u>	<u>\$ 48,086</u>	<u>\$ 307,653</u>

City of Guymon, Oklahoma
Combining Statement of Revenues, Expenditures and Changes in Net Position
Nonmajor Governmental Funds
For the Year Ended December 31, 2018

	SPECIAL REVENUE FUNDS			CAPITAL PROJECT FUND	PERMANENT FUND	Total-Other Governmental Funds
	Police Fund	Cemetery Care Fund	Library Capital Improvement Fund	-	Dale Funds	
REVENUES						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,050,104
Intergovernmental	1,667	-	-	-	-	27,180
Charges for services	-	2,499	-	-	-	2,499
Fines and forfeitures	-	-	-	-	-	16
Investment earnings	235	303	1	-	(7,665)	12,878
Miscellaneous	-	-	-	-	-	410,391
Total revenues	<u>1,902</u>	<u>2,802</u>	<u>1</u>	<u>-</u>	<u>(7,665)</u>	<u>1,503,068</u>
EXPENDITURES						
Current:						
Community development	-	-	-	-	47	347
Economic development	-	-	-	-	-	440,255
Library	-	-	-	-	-	12,859
Police	-	-	-	-	-	163,155
Tourism	-	-	-	-	-	83,830
Capital Outlay	6,718	-	-	-	-	165,335
Total Expenditures	<u>6,718</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>47</u>	<u>865,781</u>
Excess (deficiency) of revenues over expenditures	(4,816)	2,802	1	-	(7,712)	637,287
OTHER FINANCING SOURCES (USES)						
Transfers in	-	-	-	-	-	250,000
Transfers out	-	-	-	-	-	(250,000)
Total other financing sources and uses	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	(4,816)	2,802	1	-	(7,712)	637,287
Fund balances - beginning	27,313	27,810	5,129	-	115,140	2,201,455
Fund balances - ending	<u>\$ 22,497</u>	<u>\$ 30,612</u>	<u>\$ 5,130</u>	<u>\$ -</u>	<u>\$ 107,428</u>	<u>\$ 2,838,742</u>

**City of Guymon, Oklahoma
Combining Balance Sheet
General Fund Accounts
December 31, 2018**

	<u>General Fund</u>	<u>Golf Course Account</u>	<u>Pool/Recreation Account</u>	<u>Airport Authority Account</u>	<u>TOTAL</u>
ASSETS					
Cash, including time deposits	\$ 243,086	\$ 7,848	\$ 12,543	\$ 222,863	\$ 486,340
Receivable from other governments	672,685	-	-	87,184	759,869
Accounts receivable, net	940,774	-	-	392	941,166
Due from other funds	576,222	-	-	-	576,222
Total assets	<u>2,432,767</u>	<u>7,848</u>	<u>12,543</u>	<u>310,439</u>	<u>2,763,597</u>
LIABILITIES, DEFERRED INFLOWS AND FUND BALANCE					
Liabilities:					
Accounts payable	792,982	20,353	157	4,299	817,791
Refundable court bonds	32,740	-	-	-	32,740
Total liabilities	<u>825,722</u>	<u>20,353</u>	<u>157</u>	<u>4,299</u>	<u>850,531</u>
Deferred inflows of resources:					
Unavailable revenue	520,737	-	-	87,184	607,921
	<u>520,737</u>	<u>-</u>	<u>-</u>	<u>87,184</u>	<u>607,921</u>
Fund balance:					
Nonspendable	-	-	-	-	-
Restricted	268,187	-	-	-	268,187
Assigned	3,695	-	12,386	218,956	235,037
Unassigned (deficit)	814,426	(12,505)	-	-	801,921
Total fund balance	<u>1,086,308</u>	<u>(12,505)</u>	<u>12,386</u>	<u>218,956</u>	<u>1,305,145</u>
Total liabilities, deferred inflows and fund balance	<u>\$ 2,432,767</u>	<u>\$ 7,848</u>	<u>\$ 12,543</u>	<u>\$ 310,439</u>	<u>\$ 2,763,597</u>

See accompanying notes to the basic financial statements.

City of Guymon, Oklahoma
Combining Schedule of Revenues, Expenditures and Changes in Fund Balance
General Fund Accounts
For the Year Ended December 31, 2018

	<u>General Fund</u>	<u>Golf Course Account</u>	<u>Pool/Recreation Account</u>	<u>Airport Authority Account</u>	<u>TOTAL</u>
REVENUES					
Taxes	\$ 4,889,288	\$ -	\$ -	\$ 6,248	\$ 4,895,536
Intergovernmental	1,146,873	-	-	99,629	1,246,502
Charges for services	412,408	270,560	14,158	-	697,126
Fines and forfeitures	230,579	-	-	-	230,579
Licenses and permits	64,231	-	-	-	64,231
Investment earnings	4,679	21	134	2,150	6,984
Miscellaneous	254,254	38,440	-	-	292,694
Total revenues	<u>7,002,312</u>	<u>309,021</u>	<u>14,292</u>	<u>108,027</u>	<u>7,433,652</u>
EXPENDITURES					
Current:					
General Government:					
City clerk	144,262	-	-	-	144,262
City treasurer	22,640	-	-	-	22,640
Human resources	135,670	-	-	-	135,670
Information technology	428,935	-	-	-	428,935
General government	544,970	-	-	-	544,970
Total General Government	<u>1,276,477</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,276,477</u>
Public Safety and Judiciary:					
City attorney	100,078	-	-	-	100,078
Ambulance	113,810	-	-	-	113,810
Police	1,902,531	-	-	-	1,902,531
Municipal court	82,450	-	-	-	82,450
Fire	2,543,739	-	-	-	2,543,739
Civil emergency management	16,000	-	-	-	16,000
Total Public Safety and Judiciary	<u>4,758,608</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,758,608</u>
Transportation:					
Airport	-	-	-	53,202	53,202
Street	896,218	-	-	-	896,218
Public Transportation	431,624	-	-	-	431,624
Total Transportation	<u>1,327,842</u>	<u>-</u>	<u>-</u>	<u>53,202</u>	<u>1,381,044</u>
Cultural, Parks, and Recreation:					
Golf	-	487,763	-	-	487,763
Library	377,509	-	-	-	377,509
Cemetery	148,874	-	-	-	148,874
Swimming pool	-	-	55,349	-	55,349
Parks	478,375	-	-	-	478,375
Tourism	-	-	-	-	-
Total Cultural, Parks and Recreation	<u>1,004,758</u>	<u>487,763</u>	<u>55,349</u>	<u>-</u>	<u>1,547,870</u>
Community/Economic Development:					
Community development	610,725	-	-	-	610,725
Planning	790	-	-	-	790
Total Community/Economic Development	<u>611,515</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>611,515</u>
Debt Service:					
Principal	199,968	68,463	-	-	268,431
Interest and other charges	7,791	3,235	-	-	11,026
Capital Outlay	205,284	152,605	-	101,676	459,565
Total Expenditures	<u>9,392,243</u>	<u>712,066</u>	<u>55,349</u>	<u>154,878</u>	<u>10,314,536</u>
Excess (deficiency) of revenues over expenditures	<u>(2,389,931)</u>	<u>(403,045)</u>	<u>(41,057)</u>	<u>(46,851)</u>	<u>(2,880,884)</u>
OTHER FINANCING SOURCES (USES)					
Proceeds of debt	-	152,541	-	-	152,541
Transfers in	2,000,000	250,000	45,000	53,500	2,348,500
Transfers out	(120,000)	-	-	-	(120,000)
Total other financing sources and uses	<u>1,880,000</u>	<u>402,541</u>	<u>45,000</u>	<u>53,500</u>	<u>2,381,041</u>
Net change in fund balance	(509,931)	(504)	3,943	6,649	(499,843)
Fund balances - beginning	1,596,239	(12,001)	8,443	212,307	1,804,988
Fund balances - ending	<u>\$ 1,086,308</u>	<u>\$ (12,505)</u>	<u>\$ 12,386</u>	<u>\$ 218,956</u>	<u>\$ 1,305,145</u>

See accompanying notes to the basic financial statements.

City of Guymon, Oklahoma
Schedule of Departmental Operating Revenues and Expenses
Enterprise Fund (Guymon Utilities Authority)
For the Year Ended December 31, 2018

Operating Revenues:	
Charges for services:	
Gas charges	\$ 4,238,332
Water charges	3,533,439
Sewer charges	1,801,839
Sanitation charges	1,910,680
Penalties	50,320
Agricultural revenue	66,685
Total Charges for services	<u>11,601,295</u>
Miscellaneous:	
Gas	309
Water	4,257
Sewer	932
Sanitation	512
Administrative	11,804
Other	83,825
Total Miscellaneous	<u>101,639</u>
Total Operating Revenues	<u>11,702,934</u>
Operating Expenses:	
Gas Department:	
Cost of goods sold	1,367,141
Personal Services	(5,163)
Materials and Supplies	11,349
Other Services and Charges	1,547,398
Depreciation	55,965
Total Gas Operating Expenses	<u>2,976,690</u>
Garage Department:	
Personal Services	(886)
Materials and Supplies	247
Other Services and Charges	59,626
Depreciation	64
Total Garage Operating Expenses	<u>59,051</u>
Water Department:	
Personal Services	(3,985)
Materials and Supplies	30,148
Other Services and Charges	1,039,227
Depreciation	424,386
Total Water Operating Expenses	<u>1,489,776</u>
Sewer Department:	
Personal Services	(3,336)
Materials and Supplies	42,911
Other Services and Charges	1,633,931
Depreciation	1,010,717
Total Sewer Operating Expenses	<u>2,684,223</u>
Sanitation Department:	
Personal Services	(8,729)
Materials and Supplies	35,702
Other Services and Charges	1,157,986
Depreciation	155,487
Total Sanitation Operating Expenses	<u>1,340,446</u>
Administration Department:	
Personal Services	(4,292)
Materials and Supplies	1,383
Other Services and Charges	1,585,844
Depreciation	26,105
Total Administration Operating Expenses	<u>1,609,040</u>
Total Operating Expenses	<u>10,159,226</u>
Net Operating Income	<u>\$ 1,543,708</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, 2018

	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)
REVENUES						
Taxes	\$ 1,550,000	\$ 1,559,140	\$ 9,140	\$ 1,550,000	\$ 1,559,140	\$ 9,140
Intergovernmental	-	-	-	-	-	-
Investment earnings	-	4,743	4,743	-	2,827	2,827
Miscellaneous	-	-	-	-	459	459
Total revenues	<u>1,550,000</u>	<u>1,563,883</u>	<u>13,883</u>	<u>1,550,000</u>	<u>1,562,426</u>	<u>12,426</u>
EXPENDITURES						
Departmental:						
City clerk	-	-	-	-	-	-
General government	282,359	265,000	17,359	-	-	-
Library	370,016	339,158	30,858	-	-	-
Police	134,294	163,131	(28,837)	-	-	-
Fire	465,417	466,231	(814)	-	-	-
Swimming pool	70,000	84,633	(14,633)	-	-	-
Street	88,590	13,974	74,616	-	-	-
Water	-	-	-	741,100	1,860	739,240
Wastewater	-	-	-	1,517,359	28	1,517,331
Administration	104,523	104,523	-	-	-	-
Total Expenditures	<u>1,515,199</u>	<u>1,436,650</u>	<u>78,549</u>	<u>2,258,459</u>	<u>1,888</u>	<u>2,256,571</u>
Excess (deficiency) of revenues over expenditures	<u>34,801</u>	<u>127,233</u>	<u>92,432</u>	<u>(708,459)</u>	<u>1,560,538</u>	<u>2,268,997</u>
OTHER FINANCING SOURCES (USES)						
Proceeds of long-term debt	-	-	-	-	-	-
Transfers in	-	-	-	421,800	421,800	-
Transfers out	-	-	-	-	(2,234,610)	(2,234,610)
Total other financing sources and uses	<u>-</u>	<u>-</u>	<u>-</u>	<u>421,800</u>	<u>(1,812,810)</u>	<u>(2,234,610)</u>
Net change in fund balances	34,801	127,233	92,432	(286,659)	(252,272)	34,387
Fund balances - beginning	510,888	517,474	6,586	1,222,362	1,326,785	104,423
Fund balances - ending	<u>\$ 545,689</u>	<u>\$ 644,707</u>	<u>\$ 99,018</u>	<u>\$ 935,703</u>	<u>\$ 1,074,513</u>	<u>\$ 138,810</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, 2018

	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)
REVENUES						
Taxes	\$ 39,000	\$ 35,137	\$ (3,863)	\$ -	\$ -	\$ -
Intergovernmental	26,000	20,799	(5,201)	4,714	4,714	-
Charges for services	95,000	168,909	73,909	-	-	-
Investment income	700	5,400	4,700	200	9,805	9,605
Miscellaneous	-	22,917	22,917	-	381,320	381,320
Total revenues	<u>160,700</u>	<u>253,162</u>	<u>92,462</u>	<u>4,914</u>	<u>395,839</u>	<u>390,925</u>
EXPENDITURES						
Departmental:						
Community development	-	-	-	69,122	42,736	26,386
Library	-	-	-	-	-	-
Police	453,500	162,247	291,253	2,192	2,142	50
Fire	-	-	-	-	-	-
Parks	-	-	-	116,350	112,425	3,925
Tourism	-	-	-	5,000	1,887	3,113
Total Expenditures	<u>453,500</u>	<u>162,247</u>	<u>291,253</u>	<u>192,664</u>	<u>159,190</u>	<u>33,474</u>
Excess (deficiency) of revenues over expenditures	<u>(292,800)</u>	<u>90,915</u>	<u>383,715</u>	<u>(187,750)</u>	<u>236,649</u>	<u>424,399</u>
OTHER FINANCING SOURCES (USES)						
Proceeds from capital leases	-	-	-	-	-	-
Transfers in	-	-	-	250,000	250,000	500,000
Transfers out	-	-	-	-	-	-
Total other financing sources and uses	<u>-</u>	<u>-</u>	<u>-</u>	<u>250,000</u>	<u>250,000</u>	<u>500,000</u>
SPECIAL ITEM						
Proceeds from sale capital assets	-	-	-	-	-	-
Net change in fund balances	<u>(292,800)</u>	<u>90,915</u>	<u>383,715</u>	<u>62,250</u>	<u>486,649</u>	<u>424,399</u>
Fund balances - beginning	458,060	515,079	57,019	944,933	1,192,587	247,654
Fund balances - ending	<u>\$ 165,260</u>	<u>\$ 605,994</u>	<u>\$ 440,734</u>	<u>\$ 1,007,183</u>	<u>\$ 1,679,236</u>	<u>\$ 672,053</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, 2018

	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)
REVENUES						
Intergovernmental	\$ 16,000	\$ -	\$ (16,000)	\$ -	\$ -	\$ -
Investment income	-	218	218	-	38	38
Miscellaneous	-	6,154	6,154	-	-	-
Total revenues	<u>16,000</u>	<u>6,372</u>	<u>(9,628)</u>	<u>-</u>	<u>38</u>	<u>38</u>
EXPENDITURES						
Departmental:						
Community development	-	-	-	-	-	-
Library	33,861	12,859	21,002	-	-	-
Total Expenditures	<u>33,861</u>	<u>12,859</u>	<u>21,002</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	<u>(17,861)</u>	<u>(6,487)</u>	<u>11,374</u>	<u>-</u>	<u>38</u>	<u>38</u>
OTHER FINANCING SOURCES (USES)						
Proceeds from capital leases	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total other financing sources and uses	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
SPECIAL ITEM						
Proceeds from sale capital assets	-	-	-	-	-	-
Net change in fund balances	<u>(17,861)</u>	<u>(6,487)</u>	<u>11,374</u>	<u>11,662</u>	<u>10,429</u>	<u>(1,233)</u>
Fund balances - beginning	17,863	28,126	10,263	-	-	-
Fund balances - ending	<u>\$ 2</u>	<u>\$ 21,639</u>	<u>\$ 21,637</u>	<u>\$ 11,662</u>	<u>\$ 10,467</u>	<u>\$ (1,195)</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, 2018

	Hotel/Motel Tax Fund			Police Fund		
	Final	Actual Amounts, Budgetary Basis	Variance with Final Budget - Positive (Negative)	Final	Actual Amounts, Budgetary Basis	Variance with Final Budget - Positive (Negative)
REVENUES						
Taxes	\$ 210,000	\$ 407,013	\$ 197,013	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-	1,667	1,667
Fines and forfeitures	-	16	16	-	-	-
Investment income	7,000	3,518	(3,482)	-	235	235
Total revenues	<u>217,000</u>	<u>410,547</u>	<u>193,547</u>	<u>-</u>	<u>1,902</u>	<u>1,902</u>
EXPENDITURES						
Departmental:						
Police	-	-	-	16,368	6,718	9,650
Tourism	152,672	84,465	68,207	-	-	-
Total Expenditures	<u>152,672</u>	<u>84,465</u>	<u>68,207</u>	<u>16,368</u>	<u>6,718</u>	<u>9,650</u>
Excess (deficiency) of revenues over expenditures	<u>64,328</u>	<u>326,082</u>	<u>261,754</u>	<u>(16,368)</u>	<u>(4,816)</u>	<u>11,552</u>
OTHER FINANCING SOURCES (USES)						
Proceeds from capital leases	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-
Transfers out	(250,000)	(250,000)	-	-	-	-
Total other financing sources and uses	<u>(250,000)</u>	<u>(250,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	(185,672)	76,082	261,754	(16,368)	(4,816)	11,552
Fund balances - beginning	216,660	231,571	14,911	27,224	27,313	89
Fund balances - ending	<u>\$ 30,988</u>	<u>\$ 307,653</u>	<u>\$ 276,665</u>	<u>\$ 10,856</u>	<u>\$ 22,497</u>	<u>\$ 11,641</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, 2018

	Library Capital Improvement Fund			Cemetery Care Fund		
	Final	Actual Amounts, Budgetary Basis	Variance with Final Budget - Positive (Negative)	Final	Actual Amounts, Budgetary Basis	Variance with Final Budget - Positive (Negative)
REVENUES						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Charges for services	-	-	-	2,500	2,499	(1)
Investment income	-	1	1	50	303	253
Miscellaneous	-	-	-	-	-	-
Total revenues	<u>-</u>	<u>1</u>	<u>1</u>	<u>2,550</u>	<u>2,802</u>	<u>252</u>
EXPENDITURES						
Departmental:						
Economic development	-	-	-	-	-	-
Cemetery	-	-	-	27,465	-	27,465
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>27,465</u>	<u>-</u>	<u>27,465</u>
Excess (deficiency) of revenues over expenditures	<u>-</u>	<u>1</u>	<u>1</u>	<u>(24,915)</u>	<u>2,802</u>	<u>27,717</u>
OTHER FINANCING SOURCES (USES)						
Proceeds from capital leases	-	-	-	-	-	-
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	-	1	1	(24,915)	2,802	27,717
Fund balances - beginning	5,129	5,129	-	28,131	27,810	(321)
Fund balances - ending	<u>\$ 5,129</u>	<u>\$ 5,130</u>	<u>\$ 1</u>	<u>\$ 3,216</u>	<u>\$ 30,612</u>	<u>\$ 27,396</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, 2018

	Dale Funds		
	<u>Final</u>	<u>Actual Amounts, Budgetary Basis</u>	<u>Variance with Final Budget - Positive (Negative)</u>
REVENUES			
Investment income	\$ 950	\$ (7,665)	\$ (8,615)
Total revenues	<u>950</u>	<u>(7,665)</u>	<u>(8,615)</u>
EXPENDITURES			
Departmental:			
Community development	550	47	503
Total Expenditures	<u>550</u>	<u>47</u>	<u>503</u>
Excess (deficiency) of revenues over expenditures	<u>400</u>	<u>(7,712)</u>	<u>(8,112)</u>
OTHER FINANCING SOURCES (USES)			
Proceeds from capital leases	-	-	-
Transfers in	-	-	-
Transfers out	-	-	-
Total other financing sources and uses	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	400	(7,712)	(8,112)
Fund balances - beginning	8,957	115,140	106,183
Fund balances - ending	<u>\$ 9,357</u>	<u>\$ 107,428</u>	<u>\$ 98,071</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, 2018
TABLE 1

	June		December				
	2010	2011	2011	2012	2013	2014	2015
Governmental activities							
Invested in capital assets, net of related debt	\$ 10,318,848	\$ 11,429,614	\$ 11,866,330	\$ 13,602,985	\$ 15,988,928	\$ 15,961,670	\$ 19,445,495
Restricted	2,770,010	2,513,832	2,796,118	2,496,565	2,812,080	2,846,427	2,266,222
Unrestricted	<u>2,723,068</u>	<u>3,597,085</u>	<u>2,689,445</u>	<u>3,883,436</u>	<u>3,170,218</u>	<u>(1,311,270)</u>	<u>(2,270,106)</u>
Total governmental activities net assets	<u>\$ 15,811,926</u>	<u>\$ 17,540,531</u>	<u>\$ 17,351,893</u>	<u>\$ 19,982,986</u>	<u>\$ 21,971,226</u>	<u>\$ 17,496,827</u>	<u>\$ 19,441,611</u>
Business-type activities							
Invested in capital assets, net of related debt	\$ 13,408,159	\$ 13,583,566	\$ 14,419,222	\$ 14,120,431	\$ 14,495,150	\$ 14,717,042	\$ 15,281,183
Restricted	305,603	258,734	155,468	111,480	-	-	-
Unrestricted	<u>3,434,744</u>	<u>3,877,249</u>	<u>4,855,106</u>	<u>4,600,823</u>	<u>5,135,596</u>	<u>5,419,512</u>	<u>2,895,417</u>
Total business-type activities net assets	<u>\$ 17,148,506</u>	<u>\$ 17,719,549</u>	<u>\$ 19,429,796</u>	<u>\$ 18,832,734</u>	<u>\$ 19,630,746</u>	<u>\$ 20,136,554</u>	<u>\$ 18,176,600</u>
Primary government							
Invested in capital assets, net of related debt	\$ 23,727,007	\$ 25,013,180	\$ 26,285,552	\$ 27,723,416	\$ 30,484,078	\$ 30,678,712	\$ 34,726,678
Restricted	3,075,613	2,772,566	2,951,586	2,608,045	2,812,080	2,846,427	2,266,222
Unrestricted	<u>6,157,812</u>	<u>7,474,334</u>	<u>7,544,551</u>	<u>8,484,259</u>	<u>8,305,814</u>	<u>4,108,242</u>	<u>625,311</u>
Total primary government net assets	<u>\$ 32,960,432</u>	<u>\$ 35,260,080</u>	<u>\$ 36,781,689</u>	<u>\$ 38,815,720</u>	<u>\$ 41,601,972</u>	<u>\$ 37,633,381</u>	<u>\$ 37,618,211</u>
	2016	2017	2018				
Governmental activities							
Net investment in capital assets	\$ 16,428,649	\$ 17,545,848	\$ 17,711,153				
Restricted	3,592,056	4,440,571	5,362,959				
Unrestricted	<u>148,032</u>	<u>(1,780,353)</u>	<u>(2,209,024)</u>				
Total governmental activities net position	<u>\$ 20,168,737</u>	<u>\$ 20,206,066</u>	<u>\$ 20,865,088</u>				
Business-type activities							
Net investment in capital assets	\$ 15,075,754	\$ 15,013,793	\$ 15,055,468				
Restricted	-	293,944	267,995				
Unrestricted	<u>1,561,789</u>	<u>97,995</u>	<u>620,479</u>				
Total business-type activities net position	<u>\$ 16,637,543</u>	<u>\$ 15,405,732</u>	<u>\$ 15,943,942</u>				
Primary government							
Net investment in capital assets	\$ 31,504,403	\$ 32,559,641	\$ 32,766,621				
Restricted	3,592,056	4,734,515	5,630,954				
Unrestricted	<u>1,709,821</u>	<u>(1,682,358)</u>	<u>(1,588,545)</u>				
Total primary government net position	<u>\$ 36,806,280</u>	<u>\$ 35,611,798</u>	<u>\$ 36,809,030</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, 2018
TABLE 2

	June		December							
	2010	2011	2011	2012	2013	2014	2015	2016	2017	2018
Expenses										
Government activities:										
General government	\$ 533,855	\$ 585,283	\$ 314,839	\$ 950,649	\$ 1,066,014	\$ 1,115,480	\$ 1,303,427	\$ 1,493,147	\$ 1,401,905	\$ 1,421,953
Public Safety and judiciary	3,749,612	4,247,097	2,294,433	4,670,878	5,123,567	5,277,346	5,359,260	5,520,412	5,621,980	5,190,451
Transportation	1,736,197	1,906,821	997,726	2,097,571	2,090,125	2,123,278	1,964,604	1,935,502	1,853,757	1,943,448
Cultural, parks and recreation	1,522,697	1,596,450	862,393	1,859,047	2,149,328	2,179,559	2,376,998	2,196,520	2,173,726	2,002,750
Community/economic development	1,058,400	1,238,241	248,604	850,819	1,182,657	1,022,750	1,083,569	1,776,341	2,467,480	1,171,115
Interest on long-term debt	25,407	137,763	119,388	240,868	321,362	223,190	206,786	210,399	299,672	228,615
Total governmental activities expenses	<u>8,626,168</u>	<u>9,711,655</u>	<u>4,837,383</u>	<u>10,669,832</u>	<u>11,933,053</u>	<u>11,941,603</u>	<u>12,294,644</u>	<u>13,132,321</u>	<u>13,818,520</u>	<u>11,958,332</u>
Business-type activities:										
Gas	3,316,002	3,454,958	1,568,544	3,068,031	3,453,145	3,451,728	2,996,399	3,750,873	4,069,045	3,584,966
Garage	59,517	66,103	35,330	76,596	68,341	75,595	74,636	64,329	66,745	59,051
Water	1,301,576	1,842,426	975,671	1,785,569	1,790,967	1,757,108	1,907,561	2,739,091	2,620,813	2,172,648
Sewer	1,239,383	2,635,956	1,367,417	2,883,636	2,981,056	3,256,649	3,463,338	3,479,524	3,497,956	3,360,459
Sanitation	1,205,294	1,274,943	651,930	1,304,024	1,360,683	1,487,160	1,552,932	1,781,112	1,860,827	1,586,064
Farm	10,372	145	72	348	145	38,598	7,944	145	121	-
Total business-type activities expenses	<u>7,132,144</u>	<u>9,274,531</u>	<u>4,598,964</u>	<u>9,118,204</u>	<u>9,654,337</u>	<u>10,066,838</u>	<u>10,002,810</u>	<u>11,815,074</u>	<u>12,115,507</u>	<u>10,763,188</u>
Total primary government expenses	<u>\$ 15,758,312</u>	<u>\$ 18,986,186</u>	<u>\$ 9,436,347</u>	<u>\$ 19,788,036</u>	<u>\$ 21,587,390</u>	<u>\$ 22,008,441</u>	<u>\$ 22,297,454</u>	<u>\$ 24,947,395</u>	<u>\$ 25,934,027</u>	<u>\$ 22,721,520</u>
Program Revenues										
Government activities:										
Charges for services:										
General government	\$ 32,474	\$ 38,073	\$ 15,098	\$ 37,694	\$ 31,176	\$ 36,619	\$ 52,933	\$ 26,486	\$ 40,096	\$ 64,253
Public Safety and judiciary	654,426	598,833	349,443	611,512	604,812	843,787	748,148	550,505	702,633	766,245
Transportation	61,885	54,967	23,867	43,555	42,317	47,279	37,090	34,170	48,906	39,483
Cultural, parks and recreation	389,030	395,181	160,409	405,623	438,898	369,346	377,645	374,340	354,787	340,604
Community/economic development	35,410	33,551	15,079	4,438	1,462	-	-	-	-	-
Operating grants and contributions	417,306	693,102	316,527	676,432	740,908	774,872	910,520	762,557	714,338	733,862
Capital grants and contributions	342,442	720,250	128,996	959,760	2,472,554	109,417	891,721	976,862	1,596,729	656,235
Total governmental activities program revenues	<u>1,932,973</u>	<u>2,533,957</u>	<u>1,009,419</u>	<u>2,739,014</u>	<u>4,332,127</u>	<u>2,181,320</u>	<u>3,018,057</u>	<u>2,724,920</u>	<u>3,457,489</u>	<u>2,600,682</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							
	2010	2011	2011	2012	2013	2014	2015	2016	2017	2018
Business-type activities:										
Charges for services:										
Gas	\$ 4,214,364	\$ 4,219,989	\$ 2,048,839	\$ 4,396,764	\$ 4,861,156	\$ 5,588,264	\$ 4,401,583	\$ 4,161,722	\$ 4,148,633	\$ 4,288,961
Water	2,146,935	2,617,876	1,714,337	3,276,153	3,116,643	3,130,031	2,938,477	3,121,139	3,507,180	3,538,628
Sewer	975,814	1,071,762	767,508	1,307,904	1,328,896	1,314,637	1,287,212	1,498,068	1,745,595	1,813,643
Sanitation	1,182,018	1,193,833	760,982	1,537,617	1,533,224	1,534,646	1,529,538	1,522,887	1,724,078	1,637,461
Farm	147,562	167,879	72,109	163,980	75,714	181,435	109,863	35,068	98,167	66,685
Operating grants and contributions	-	-	-	-	-	-	-	-	-	-
Capital grants and contributions	-	47,059	-	-	47,809	-	47,320	-	201,505	283,002
Total business-type activities program revenues	<u>8,666,693</u>	<u>9,318,398</u>	<u>5,363,775</u>	<u>10,682,418</u>	<u>10,963,442</u>	<u>11,749,013</u>	<u>10,313,993</u>	<u>10,338,884</u>	<u>11,425,158</u>	<u>11,628,380</u>
Total primary government program revenues	<u>\$ 11,200,650</u>	<u>\$ 10,327,817</u>	<u>\$ 8,102,789</u>	<u>\$ 15,014,545</u>	<u>\$ 13,144,762</u>	<u>\$ 14,767,070</u>	<u>\$ 13,038,913</u>	<u>\$ 13,063,804</u>	<u>\$ 14,882,647</u>	<u>\$ 14,229,062</u>
Net (Expense)/Revenue										
Government activities:	\$ (7,177,698)	\$ (3,827,964)	\$ (7,930,818)	\$ (7,600,926)	\$ (9,760,283)	\$ (9,276,587)	\$ (10,407,401)	\$ (10,407,401)	\$ (10,361,031)	\$ (9,357,650)
Business-type activities:	(607,838)	4,719,434	(3,754,429)	1,028,081	896,604	1,746,203	(1,501,081)	(1,476,190)	(690,349)	865,192
Total primary government net expense	<u>\$ (7,785,536)</u>	<u>\$ 891,470</u>	<u>\$ (11,685,247)</u>	<u>\$ (6,572,845)</u>	<u>\$ (8,863,679)</u>	<u>\$ (7,530,384)</u>	<u>\$ (11,908,482)</u>	<u>\$ (11,883,591)</u>	<u>\$ (11,051,380)</u>	<u>\$ (8,492,458)</u>
General Revenues and Other Changes in Net Assets/Position										
Government activities:										
Taxes:										
Sales and use taxes	\$ 2,964,238	\$ 4,727,544	\$ 3,434,361	\$ 6,915,657	\$ 7,255,970	\$ 6,943,727	\$ 7,239,891	\$ 6,799,317	\$ 6,650,832	\$ 6,975,826
Franchise and public service taxes	446,475	501,663	263,454	555,531	534,014	613,155	591,399	559,156	625,995	1,030,564
E-911 taxes, dedicated fire emergency services	64,377	66,459	71,207	128,805	129,317	132,792	138,370	132,823	192,268	204,046
Hotel/Motel taxes, dedicated for tourism	156,614	167,979	91,141	184,725	197,882	221,165	209,142	173,494	176,455	407,013
Tax apportionment taxes,dedicated for enomic devel	464,451	470,782	386,095	519,942	623,954	336,838	364,738	849,321	1,649,305	439,045
Airport fuel tax	5,465	4,833	2,523	4,889	6,339	6,730	7,018	6,610	7,175	6,248
Intergovernmental	145,141	175,326	123,124	226,684	217,062	218,147	237,867	226,762	235,852	235,138
Investment income	38,488	33,410	13,061	33,407	43,052	18,421	9,274	32,302	37,855	27,298
Miscellaneous	85,952	82,931	126,606	88,935	57,015	149,759	144,425	938,143	275,021	275,805
Special Item	-	-	-	-	-	-	-	806,909	-	-
Transfers-Internal activity	1,398,800	981,102	(872,245)	1,653,221	524,560	992,164	2,279,247	609,690	547,602	415,690
Total governmental activities	<u>5,770,001</u>	<u>7,212,029</u>	<u>3,639,327</u>	<u>10,311,796</u>	<u>9,589,165</u>	<u>9,632,898</u>	<u>11,221,371</u>	<u>11,134,527</u>	<u>10,398,360</u>	<u>10,016,673</u>
Business-type activities:										
Investment earnings	102,587	61,146	15,534	20,263	13,467	11,213	8,110	9,371	6,140	4,882
Miscellaneous	-	-	57,657	-	-	-	-	-	-	83,825
Special Items	60,851	-	-	-	-	-	-	537,452	-	-
Transfers	(1,398,800)	(981,102)	872,245	(1,653,221)	(524,560)	(992,164)	(2,279,247)	(609,690)	(547,602)	(415,690)
Total business-type activities	<u>(1,235,362)</u>	<u>(919,956)</u>	<u>945,436</u>	<u>(1,632,958)</u>	<u>(511,093)</u>	<u>(980,951)</u>	<u>(2,271,137)</u>	<u>(62,867)</u>	<u>(541,462)</u>	<u>(326,983)</u>
Total primary government	<u>\$ 4,534,639</u>	<u>\$ 6,292,073</u>	<u>\$ 4,584,763</u>	<u>\$ 8,678,838</u>	<u>\$ 9,078,072</u>	<u>\$ 8,651,947</u>	<u>\$ 8,950,234</u>	<u>\$ 11,071,660</u>	<u>\$ 9,856,898</u>	<u>\$ 9,689,690</u>
Change in Net Assets/Position										
Government activities	\$ (1,407,697)	\$ 3,384,065	\$ (4,291,491)	\$ 2,710,870	\$ (171,118)	\$ 356,311	\$ 813,970	\$ 727,126	\$ 37,329	\$ 659,023
Business-type activities	(1,843,200)	3,799,478	(2,808,993)	(604,877)	385,511	765,252	(3,772,218)	(1,539,057)	(1,231,811)	538,209
Total primary government	<u>\$ (3,250,897)</u>	<u>\$ 7,183,543</u>	<u>\$ (7,100,484)</u>	<u>\$ 2,105,993</u>	<u>\$ 214,393</u>	<u>\$ 1,121,563</u>	<u>\$ (2,958,248)</u>	<u>\$ (811,931)</u>	<u>\$ (1,194,482)</u>	<u>\$ 1,197,232</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, 2018
TABLE 3

	<u>June</u>		<u>December</u>							
	<u>2010</u>	<u>2011</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
General Fund										
Restricted	\$ 55,596	\$ 138,095	\$ 125,304	\$ -	\$ -	\$ -	\$ 200,000	\$ -	\$ -	\$ 268,187
Assigned	81,175	1,422,679	256,345	1,412,616	233,346	791,105	2,056,747	1,251,533	421,999	235,037
Unassigned	<u>2,508,487</u>	<u>1,926,501</u>	<u>2,415,914</u>	<u>2,261,086</u>	<u>2,981,681</u>	<u>2,416,235</u>	<u>-</u>	<u>1,730,519</u>	<u>1,382,989</u>	<u>801,921</u>
Total general fund	<u>\$ 2,645,258</u>	<u>\$ 3,487,275</u>	<u>\$ 2,797,563</u>	<u>\$ 3,673,702</u>	<u>\$ 3,215,027</u>	<u>\$ 3,207,340</u>	<u>\$ 2,256,747</u>	<u>\$ 2,982,052</u>	<u>\$ 1,804,988</u>	<u>\$ 1,305,145</u>
All Other Governmental Funds										
Nonspendable	\$ 4,300	\$ 4,300	\$ 4,300	\$ 4,300	\$ 4,300	\$ 4,300	\$ 4,300	\$ 4,300	\$ 4,300	\$ 4,300
Restricted	2,710,114	7,745,940	7,787,980	4,738,180	2,362,890	2,396,154	1,382,286	3,665,949	4,045,156	4,560,208
Assigned	4,307	336	200	-	-	-	-	-	-	-
Unassigned	<u>(21,485)</u>	<u>-</u>	<u>(61,302)</u>	<u>(629,587)</u>	<u>(460,273)</u>	<u>(464,939)</u>	<u>(676,145)</u>	<u>-</u>	<u>(3,742)</u>	<u>(6,546)</u>
Total all other governmental funds	<u>\$ 2,697,236</u>	<u>\$ 7,750,576</u>	<u>\$ 7,731,178</u>	<u>\$ 4,112,893</u>	<u>\$ 1,906,917</u>	<u>\$ 1,935,515</u>	<u>\$ 710,441</u>	<u>\$ 3,670,249</u>	<u>\$ 4,045,714</u>	<u>\$ 4,557,962</u>
 GRAND TOTAL	 <u>\$ 5,342,494</u>	 <u>\$ 11,237,851</u>	 <u>\$ 10,528,741</u>	 <u>\$ 7,786,595</u>	 <u>\$ 5,121,944</u>	 <u>\$ 5,142,855</u>	 <u>\$ 2,967,188</u>	 <u>\$ 6,652,301</u>	 <u>\$ 5,850,702</u>	 <u>\$ 5,863,107</u>

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, 2018
TABLE 4

	<u>June</u> <u>2010</u>	<u>2011</u>	<u>December</u> <u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Revenues										
Taxes	\$ 7,150,089	\$ 7,735,689	\$ 4,287,544	\$ 8,309,549	\$ 8,742,474	\$ 8,252,682	\$ 8,557,286	\$ 8,520,721	\$ 9,295,358	\$ 9,063,920
Intergovernmental	880,850	1,572,711	434,641	920,045	3,010,672	1,574,295	1,728,069	1,787,844	2,010,747	1,273,682
Charges for services	914,140	823,405	371,706	681,940	669,864	758,990	749,569	675,436	852,426	699,625
Fines and forfeitures	356,957	203,418	170,179	311,927	384,665	389,974	346,454	237,859	214,855	230,595
Licences and permits	32,677	45,109	15,158	42,007	34,299	41,657	57,127	29,250	42,432	64,231
Investment Income	70,095	62,048	13,230	33,813	43,290	18,468	9,311	32,305	37,883	27,432
Miscellaneous	229,449	356,273	230,560	411,884	176,417	246,911	297,440	1,939,734	600,586	703,544
Total Revenues	\$ 9,634,257	\$ 10,798,653	\$ 5,523,018	\$ 10,711,165	\$ 13,061,681	\$ 11,282,977	\$ 11,745,256	\$ 13,223,149	\$ 13,054,287	\$ 12,063,029
Expenditures:										
General government	\$ 513,827	\$ 494,389	\$ 299,864	\$ 901,768	\$ 997,604	\$ 1,085,426	\$ 1,080,659	\$ 1,454,903	\$ 1,222,134	\$ 1,276,477
Public safety and Judiciary	3,605,465	3,904,168	2,123,912	4,130,671	4,608,162	4,706,443	5,042,659	4,717,864	4,683,749	4,921,763
Transportation	1,244,309	1,386,854	725,875	1,372,631	1,375,032	1,445,379	1,266,277	1,285,010	1,258,571	1,381,044
Cultural, Parks and Recreation	1,422,850	1,453,963	791,509	1,589,604	1,696,065	1,763,726	1,873,269	1,766,405	1,732,681	1,644,559
Community/Economic Development	1,054,203	1,219,834	244,781	834,666	1,142,522	1,012,075	1,718,723	1,651,620	2,323,963	1,052,117
Public Works	-	-	-	-	-	-	150,376	-	-	-
Debt service:										
Principal	271,701	379,795	222,442	637,425	1,008,132	945,281	4,094,193	1,085,477	1,486,970	1,501,433
Interest and other charges	5,915	14,757	120,879	231,331	208,740	361,771	294,376	276,104	115,945	214,674
Capital Outlay	2,094,634	2,277,221	1,003,236	10,245,002	7,304,162	1,825,855	3,931,550	1,113,876	1,579,475	626,788
Total Expenditures	\$ 10,212,904	\$ 11,130,981	\$ 5,532,498	\$ 19,943,098	\$ 18,340,419	\$ 13,145,956	\$ 19,452,082	\$ 13,351,259	\$ 14,403,488	\$ 12,618,855
Excess of revenues over/under expenditures	\$ (578,647)	\$ (332,328)	\$ (9,480)	\$ (9,231,933)	\$ (5,278,738)	\$ (1,862,979)	\$ (7,706,826)	\$ (128,110)	\$ (1,349,201)	\$ (555,826)
Other financing sources(uses)										
Transfers in	\$ 3,475,498	\$ (3,244,353)	\$ 559,644	\$ 4,687,407	\$ 2,862,625	\$ 3,767,196	\$ 5,736,639	\$ 5,022,032	\$ 3,343,394	\$ 2,970,300
Transfers out	(3,335,722)	(141,688)	(1,259,274)	(2,497,882)	(2,342,268)	(2,798,803)	(3,445,480)	(4,412,342)	(2,795,792)	(2,554,610)
Issuance of long-term debt	-	5,535,000	-	3,918,045	2,093,750	915,500	3,240,000	3,203,533	-	152,541
Proceeds from short-term debt	-	4,078,726	-	-	-	-	-	-	-	-
Total other financing sources(uses)	\$ 139,776	\$ 6,227,685	\$ (699,630)	\$ 6,107,570	\$ 2,614,107	\$ 1,883,893	\$ 5,531,159	\$ 3,813,223	\$ 547,602	\$ 568,231
Net change in fund balances	\$ (438,871)	\$ 5,895,357	\$ (709,110)	\$ (3,124,363)	\$ (2,664,631)	\$ 20,914	\$ (2,175,667)	\$ 3,685,113	\$ (801,599)	\$ 12,405
Debt service as a percentage of noncapital expenditures	3.4%	4.5%	7.6%	9.0%	11.0%	11.5%	28.3%	11.1%	12.6%	14.3%

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, 2018
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>
June	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
December	2011	2,523	2,993,992	263,454	91,141	440,369	71,207	386,095	-	-	4,248,781
	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
	2016	6,610	6,179,637	559,156	173,494	619,680	132,823	849,321	-	-	8,520,721
	2017	7,175	6,084,569	615,495	176,455	566,263	192,268	1,649,305	-	10,500	9,302,030
	2018	6,248	6,236,559	1,030,564	407,013	739,267	204,046	439,045	-	-	9,062,742

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>June</u> <u>2010</u>	<u>2011</u>	<u>December</u> <u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Commercial	\$ 824,270	\$ 891,816	\$ 288,724	\$ 770,698	\$ 963,270	\$ 1,053,383	\$ 897,437	\$ 744,472	\$ 784,740	\$ 875,661
Governmental	114,972	108,911	68,833	250,521	295,245	319,126	276,529	242,736	238,139	240,391
Industrial	444,392	493,302	248,938	599,382	546,038	551,844	501,528	429,960	406,023	473,728
Municipal	68,859	65,887	20,014	65,332	100,263	103,677	88,455	71,851	75,847	88,444
Institutional	255,007	248,715	34,895	84,992	102,636	113,770	99,998	81,071	82,234	97,618
Residential	2,465,297	2,606,700	918,568	1,846,650	2,073,036	2,240,113	2,576,221	1,741,238	1,721,624	2,003,971
Totals	\$ 4,172,797	\$ 4,415,331	\$ 1,579,972	\$ 3,617,575	\$ 4,080,488	\$ 4,381,913	\$ 4,440,168	\$ 3,311,328	\$ 3,308,607	\$ 3,779,813

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

SOURCE: U.S. Consumption Profile Report (Incode Report)

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

	Rank	2018	% of Total	Rank	2010	% of Total
Guymon Extract Plant	1	\$ 295,660	7.82%	1	\$ 350,380	8.40%
SPF-USA	2	134,620	3.56%	--	--	--
Guymon Schools	3	57,330	1.52%	2	168,625	4.04%
YMCA	4	48,170	1.27%	4	38,687	0.93%
Wal-Mart	5	40,740	1.08%	--	--	--
Garland Square of Guymon	6	38,560	--	5	35,599	0.85%
Memorial Hospital of Texas County	7	31,410	0.83%	6	35,443	0.85%
Dunaway Manor	8	22,830	0.60%	--	--	--
Farmers Country Market	9	21,670	0.57%	--	--	--
City of Guymon	10	21,620	--	3	53,186	1.27%
Cargill Animal Nutrition		-	--	7	28,462	0.68%
Bio Tech Fuels & Chemicals LLC		--	--	8	23,711	0.57%
Panhandle Natural Gas		--	--	9	21,836	0.52%
Townsman Motel		--	--	10	19,823	0.48%
Totals		<u>\$ 712,610</u>	18.9%		<u>\$ 775,752</u>	18.6%
Total Gas Revenue (See Table 6)		<u>\$ 3,779,813</u>			<u>\$ 4,172,797</u>	

SOURCE: U.S. Customer Ranking Report (Incode Report)

CITY OF GUYMON, OKLAHOMA
GAS RATES
Last Ten 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>
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	15.71	n/a	8.53	8.53
1/1/2018	17.28	n/a	9.38	9.38

CITY OF GUYMON, OKLAHOMA
TAXABLE SALES BY CATEGORY
Last Ten Fiscal Years
December 31, 2018
TABLE 9

	June 2010	2011	December 2011	2012		
Agriculture, forestry, and fishing	\$ 802	\$ 546	\$ 179	\$ 1,557		
Mining, Quarrying, and Oil and Gas Extraction	401	2,241	-	366		
Construction	8,176	10,392	8,585	8,662		
Manufacturing	19,334	37,698	69,359	91,129		
Transportation and Warehousing	7,834	10,183	3,029	6,823		
Information and utilities:						
Information	158,962	139,553	71,978	173,097		
Electric, gas, and sanitary services	140,944	147,803	38,121	163,236		
Wholesale trade	406,382	350,161	213,085	410,981		
Retail trade:						
Building materials, hardware, garden supply and mobile home dealer	154,650	171,963	84,718	177,262		
General merchandise stores	1,861,714	1,956,486	1,047,517	2,178,905		
Food stores	543,998	541,382	281,588	549,593		
Automotive dealers and gasoline service stations	208,255	243,471	138,741	270,610		
Apparel and accessory stores	118,517	129,349	61,972	120,162		
Furniture, home furnishings and equipment stores	191,779	247,467	125,699	235,272		
Eating and drinking places	626,549	680,178	362,618	733,207		
Miscellaneous retail	319,011	354,967	188,091	405,591		
Finance, insurance, and real estate	734	1,575	10,903	411		
Services:						
Hotels and motels	120,295	162,066	122,991	296,603		
Personal services	28,068	27,064	17,890	31,014		
Business services	204,094	158,153	76,930	304,158		
Automotive repair services and garages	64,135	64,505	35,377	74,752		
Miscellaneous repair services	7,148	7,531	5,157	3,847		
Motion pictures	69,380	60,671	32,572	62,808		
Other services	17,847	20,258	2,863	6,357		
Nonclassifiable establishments	102,603	109,048	7,239	35,679		
	<u>\$ 5,381,612</u>	<u>\$ 5,634,711</u>	<u>\$ 3,007,199</u>	<u>\$ 6,342,082</u>		
**	2013	2014	2015	2016	2017	2018
Agriculture, forestry, Fishing, and Hunting	\$ 8,185	\$ 6,822	\$ 1,059	\$ 756	\$ 124	\$ 419
Mining, Quarrying, and Oil and Gas Extraction	574	429	213	423	1,171	4,512
Construction	37,908	30,125	35,340	16,843	16,104	16,612
Manufacturing	209,132	168,760	156,904	117,433	107,517	112,894
Transportation and Warehousing	7,093	5,618	4,678	4,157	5,136	5,907
Information and utilities:						
Information	208,583	158,296	153,944	170,522	129,188	125,520
Electric, gas, and sanitary services	189,094	160,253	153,411	132,995	140,693	136,306
Wholesale trade	547,882	459,325	440,562	382,789	336,245	383,510
Retail trade:						
Automotive Dealers,Parts, Accessories, and Tire Stores	293,595	243,909	271,141	231,867	226,088	231,695
Furniture, home furnishings and equipment stores	450,250	345,664	479,398	366,039	348,782	398,223
Food stores	507,488	377,813	401,296	428,000	409,498	393,969
Pharmacies , Drug Stores , Health and Personal Care Stores	38,837	29,574	129,280	41,176	38,550	40,710
Gasoline Stations with Convenience Stores	175,511	138,302	127,416	100,988	119,610	141,935
Apparel and accessory stores	164,178	124,047	133,547	134,925	125,245	122,203
General merchandise stores	258,574	192,762	198,684	39,448	33,972	35,325
Department Stores	2,551,029	1,935,813	2,209,382	2,068,256	2,029,549	2,087,633
Miscellaneous retail	334,971	250,997	255,603	230,040	214,220	220,240
Finance, insurance, and real estate	131,978	104,797	158,251	156,499	107,463	94,510
Services:						
Professional, Scientific, and Technical Services	54,621	42,613	30,108	13,640	7,011	15,481
Administrative and Support and Waste Management and remediation Services	2,880	2,334	987	1,753	1,969	2,184
Educational Services	1	1	600	10	1,179	3
Health Care and Social Assistance	152	115	38	169	303	346
Arts, Entertainment, and Recreation	76,012	59,183	70,637	59,822	33,537	42,258
Accommodation and Food Services	1,227,596	937,319	1,095,905	903,061	946,679	949,985
Public Administration	75	63	71	60	53	11
Other services	112,570	86,931	98,474	89,166	83,008	63,396
Nonclassifiable establishments	46,148	47,523	73,699	86,010	31,129	45,126
	<u>\$ 7,634,917</u>	<u>\$ 5,909,388</u>	<u>\$ 6,680,628</u>	<u>\$ 5,776,847</u>	<u>\$ 5,494,023</u>	<u>\$ 5,670,913</u>

** 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, 2018
TABLE 10

	<u>2010</u>	<u>2011</u>	<u>December 2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
City	2.00%	4.00%	4.00%	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%	9.50%	9.50%	9.50%	9.50%	9.50%	9.50%	9.50%	9.50%	9.50%

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, 2018
TABLE 11

	Fiscal Year	Population	Net Assessed Value	Gross Bonded Debt (1)	Less Debt Service Funds	Net Bonded Debt	Ratio of Net Bonded Debt to Assessed Value	Net Bonded Debt Per Capita
June	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%	-
	2016	11,703	61,405,843	-	-	-	0.00%	-
	2017	11,934	61,787,772	-	-	-	0.00%	-
	2018	13,721	65,888,383	-	-	-	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, 2018
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	\$ 11,960,519	100.00%	11,960,519
Overlapping: Guymon Public Schools	-	0.00%	-
Texas County	-	0.00%	-
 Total	 <u><u>\$11,960,519</u></u>		 <u><u>\$11,960,519</u></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, 2018
TABLE 13**

	June <u>2010</u>	<u>2011</u>	December <u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Debt limit	\$ 5,240,370	\$ 5,447,219	\$ 5,447,219	\$ 5,701,995	\$ 5,763,390	\$ 5,758,225	\$ 5,758,225	\$ 6,140,584	\$ 6,178,777	\$ 6,588,838
Total net debt applicable to limit	-	-	-	-	-	-	-	-	-	-
Legal debt margin	<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>	<u>\$ 6,140,584</u>	<u>\$ 6,178,777</u>	<u>\$ 6,588,838</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 2018

Net assessed valuation	\$ 65,888,383
Debt limit (10% of total assess value)	\$ 6,588,838
Debt applicable to limit:	
General obligation bonds	\$ -
Less: Street bonds outstanding	-
Total net debt applicable to limit	-
Legal debt margin	<u>\$ 6,588,838</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
PLEGGED REVENUE COVERAGE
Last Ten Fiscal Years
December 31, 2018
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>
June	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
December	2011	(2)	5,272,978	2,789,172	2,483,806	995,014	2.50
	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
	2016	(2)	11,766,281	7,809,538	3,956,743	2,179,355	1.81
	2017	(2)	12,361,034	8,177,843	4,183,191	2,179,355	1.92
	2018	(2)	13,405,488	7,033,698	6,371,790	2,179,355	2.92

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

(2) - coverage for 2008B, 2009B OWRB, 2015A Utility and Sales Tax Revenue, and 2013 Sales Tax notes only. Collateralized revenues include water and two cents 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			
June	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
December	2011	-	5,260,000	212,853	-	21,536,140	92,154	27,101,147	3.72%	2,292
	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	3.73%	2,452
	2014	-	8,769,667	1,130,305	-	17,432,539	196,368	27,528,879	4.42%	2,243
	2015	-	8,155,295	890,768	-	20,859,430	157,007	30,062,500	3.03%	2,479
	2016	-	10,418,141	745,979	-	19,110,163	281,976	30,556,259	3.09%	2,611
	2017	-	9,384,195	506,541	-	17,341,268	211,486	27,443,490	2.78%	2,300
	2018	-	8,248,423	378,054	-	15,582,892	138,991	24,348,360	2.60%	1,775

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, 2018
 TABLE 16

	<u>Calendar Year</u>	<u>Population (1)</u>	<u>Personal Income (in thousands) (2)</u>	<u>Per Capita Personal Income (1)</u>	<u>Median Age of Population (3)</u>	<u>School Enrollment (4)</u>	<u>Unemployment Rate (5)</u>
June	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%
December	2011	11,823	729,167	34,214	36.4	2,829	4.5%
	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%
	2016	11,703	987,675 (7)	20,861	30.8	3,009	3.1%
	2017	11,934	987,675 (8)	21,832	31.1	3,100	2.7%
	2018	13,721	937,587 (7)	22,340	27.8	3,181	1.8%

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
- (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 and Nine Fiscal Years Ago
 December 31, 2018
 TABLE 17

Employer	Product/Business	2018			2010		
		Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment	Employees
Seaboard Farms of Oklahoma	Pork Processing	1	56.12%	3,600	1	30.17%	2,750
Guymon Public Schools District I-8	Education	2	6.02%	386	3	4.66%	425
Hitch Enterprises Inc/Hitch Pork	Cattle and Hogs	3	4.68%	300	4	3.02%	275
Wal-Mart Stores, Inc.	Retail	4	3.20%	205	5	2.47%	225
Panhandle Telephone	Communications	5	2.71%	174	6	1.92%	175
Oklahoma Panhandle State University	Education	6	2.67%	171			
City of Guymon	State Government	7	2.59%	166	8	1.37%	125
County of Texas	County Government	8	2.40%	154			
Heritage Community-Elderly Care/ Dunaway Nursing Home	Health Care	9	1.61%	103	9	0.82%	75
Memorial Hospital	Medical	10	1.53%	98	7	1.92%	175
Seaboard Farms of Oklahoma	Pork Processing (Farm)				2	4.66%	425
Tri-County Electric Cooperative	Utility				10	0.82%	75
Totals			<u>84%</u>	<u>5,357</u>		<u>52%</u>	<u>4,725</u>

Source: Oklahoma Department of Commerce

CITY OF GUYMON, OKLAHOMA
Capital Asset Statistics by Function/Program
Last Nine Fiscal Years
December 31, 2018
TABLE 18A

Function/Program	Fiscal Year	Fiscal Year	Fiscal Year	Fiscal Year	Fiscal Year	Fiscal Year	Fiscal Year	Fiscal Year	Fiscal Year	Fiscal Year
	2010	2011	December 2011	2012	2013	2014	2015	2016	2017	2018
General Government										
Buildings	3	3	3	3	3	3	3	3	2	8
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol units	21	23	23	23	24	24	22	20	20	20
Fire										
Stations	2	2	2	2	3	2	2	2	2	2
Trucks	8	5	5	5	5	6	6	6	6	8
Ambulance										4
Vehicles	4	4	4	5	5	4	4	4	4	6
Refuse Collection										
Collection trucks	3	3	3	3	3	4	4	5	5	4
Transfer station	1	1	1	1	1	1	1	1	1	1
Transfer trailers	0	0	0	0	0	0	0	0	0	2
Transfer trucks	2	2	2	2	2	2	3	3	3	3
Streets										
Street miles	82.9	82.9	82.9	82.9	82.9	82.9	82.9	90	90	90
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	13	13	13	13	13	13	13	13	13
Airport										
Runways	1	1	1	1	1	1	1	2	2	2
Terminals	1	1	1	1	1	1	1	1	1	1
Parks and recreation										
Playgrounds	13	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	12	9	9	9	9	9	8	8	8	8
Library										
Building	1	1	1	1	1	1	1	1	1	1
Cemetery										
Plots	18,308	23,268	23,268	23,268	23,268	23,268	23,268	23,268	23,268	23,306
Vehicles	6	6	6	6	6	4	5	3	3	3
Gas										
Gas mains (miles)	75	77	77	77	77	77	77	75	75	75
Gates	3	3	3	3	3	3	3	3	3	3
Regulators	34	34	34	34	34	34	34	33	34	34
Water										
Water mains (miles)	84	84	84	84	84	84	85	85	90	90
Fire hydrants	362	410	410	410	410	410	410	414	414	414
Storage capacity (thousands of gallons)	5,375	5,375	5,375	5,375	5,375	5,375	5,375	4,265	5,375	5,375
Wastewater										
Sanitary sewers (miles)	80	80	80	80	80	80	80	90	80	95
Storm sewers (miles)	17	17	17	17	17	17	17	17	17	17
Treatment capacity (thousands of gallons)	6,400	6,400	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000

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 Ten Fiscal Years
 December 31, 2018
TABLE 18B

Function/Program	Fiscal Year	Fiscal Year	Fiscal Year	Fiscal Year	Fiscal Year	Fiscal Year	Fiscal Year	Fiscal Year	Fiscal Year	Fiscal Year
	2010	2011	December 2011	2012	2013	2014	2015	2016	2017	2018
General Government:										
City clerk	1.00	1.00	1.00	1.00	1.00	2.00	2.00	1.00	2.00	2.00
City treasurer	1.25	1.75	1.75	1.75	1.75	1.75	1.75	1.00	0.50	1.00
General government	2.00	2.00	2.00	3.50	3.50	4.00	2.00	-	-	1.00
Human Resources	-	-	-	-	1.00	1.00	1.00	-	-	-
Information Technology	-	-	-	-	1.00	1.00	2.00	-	-	-
Total General Government	4.25	4.75	4.75	6.25	8.25	9.75	8.75	2.00	2.50	4.00
Public Safety and Judiciary:										
City attorney	-	-	-	-	-	-	-	-	-	-
Ambulance	1.50	1.50	1.50	1.50	1.50	1.00	1.00	1.00	1.00	1.00
Police	28.00	27.00	26.00	24.00	27.00	26.00	23.00	22.00	24.00	24.00
Municipal court	2.00	2.00	2.00	2.00	2.00	2.00	2.00	1.00	1.00	1.00
Fire	15.50	15.50	15.50	15.50	15.50	18.00	21.00	23.00	23.00	23.00
Emergency management	-	-	-	-	-	-	-	-	-	-
Civil defense	-	-	-	-	-	-	-	-	-	-
Total Public Safety and Judiciary	47.00	46.00	45.00	43.00	46.00	47.00	47.00	47.00	49.00	49.00
Transportation:										
Airport	-	-	-	-	-	-	-	-	-	-
Streets	8.00	8.25	7.25	8.25	8.25	8.00	8.00	-	-	-
Public transportation	12.00	10.75	9.75	7.75	8.50	7.00	7.00	-	-	-
Total Transportation	20.00	19.00	17.00	16.00	16.75	15.00	15.00	-	-	-
Cultural, Parks and Recreation:										
Golf	6.00	6.00	6.00	6.00	4.50	4.00	5.00	5.00	5.00	5.00
Library	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	-	-	-
Swimming pool	-	-	-	-	-	-	-	-	-	-
Parks	5.00	5.00	4.00	3.00	3.00	6.00	6.00	-	-	-
Tourism	-	-	-	-	-	-	-	-	-	-
Total Cultural, Parks and Recreation	18.00	16.00	16.00	15.00	13.50	17.00	18.00	5.00	5.00	5.00
Community/Economic Development:										
Community development	1.50	2.33	2.33	2.33	2.33	1.00	1.00	-	-	-
Economic development	-	-	-	-	-	-	2.00	-	-	-
Arts Council CR Grant	-	-	-	-	-	-	-	-	-	-
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	-	-	-	-	-
Total Community/Economic Development	1.50	4.00	5.00	5.00	5.00	1.00	3.00	-	-	-
Administration	8.00	9.00	13.00	8.50	5.75	7.00	7.00	-	-	1.00
Gas	6.00	7.00	7.00	7.00	7.00	7.00	7.00	-	-	-
Garbage	1.00	1.00	1.00	1.00	0.75	1.00	1.00	-	-	-
Water	5.00	5.00	5.00	4.00	4.00	5.00	6.00	-	-	-
Sewer	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	11.00	11.00	11.00	11.00	11.00	13.00	12.00	-	-	-
Farm Administration	-	-	-	-	-	-	-	-	-	-
Total	127.75	129.75	131.75	125.75	127.00	126.75	129.75	54.00	56.50	59.00

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, 2018
TABLE 18C

	<u>Fiscal Year</u>	<u>Fiscal Year</u>	<u>Fiscal Year</u>	<u>Fiscal Year</u>	<u>Fiscal Year</u>	<u>Fiscal Year</u>	<u>Fiscal Year</u>	<u>Fiscal Year</u>	<u>Fiscal Year</u>	<u>Fiscal Year</u>
	2010	2011	December 2011	2012	2013	2014	2015	2016	2017	2018
Police										
Physical arrests	100	250	236	492	496	542	722	528	497	416
Parking violations	63	16	49	166	155	133	149	13	143	130
Traffic violations	2,195	1,158	1,400	1,450	2,278	2,660	4,756	3,729	3,906	5,372
Fire										
Emergency responses	1,154	1,185	594	1,296	1,283	1,285	1,301	1,290	1,223	1,263
Fires extinguished	74	146	35	54	93	28	32	56	48	68
Sanitation										
Refuse collected (tons per day)	36	38	19	38	36	38	37	35	58	46
Library										
Volumes in collection	36,969	32,494	32,861	36,517	50,304	63,125	40,006	40,516	41,797	43,404
Total volumes borrowed	53,733	45,346	21,398	39,293	36,791	39,345	37,000	29,478	22,977	29,237
Street										
Street resurfacing (in miles)	6.75	6.25	7	0	13.13	15	-	-	-	-
Potholes repaired	400	600	800	1,157	685	790	935	934	958	1,010
Transportation										
Total route miles	134,690	127,083	55,163	115,192	97,127	132,572	128,661	110,427	72,663	69,577
Passengers	74,618	75,069	31,584	65,968	56,957	43,585	44,888	30,977	26,994	25,472
Water										
Average daily consumption (thousands of gallons)	4,717	4,963	5,007	5,462	5,220	4,235	4,168	5,003	4,323	4,181
Water main breaks	8	12	3	7	5	18	15	7	4	10
Wastewater										
Average daily treatment	4,000	3,400	1,200,000	1,200,000	1,200,000	1,200,000	1,000,000	1,163,000	1,000,000	1,100,000
Gas										
Service taps	4,201	3,748	3,731	3,736	3,734	4,226	4,249	4,253	4,256	4,256
Residential average daily consumption (thousand cubic feet)	699	603	340	540	610	654	565	533	525	600
Commercial average daily consumption (thousand cubic feet)	435	367	209	341	417	464	366	339	344	390
Industrial average daily consumption (thousand cubic feet)	140	157	143	175	159	161	146	126	119	129
Total annual consumption (thousand cubic feet)	464,901	412,062	127,348	385,669	432,883	467,164	393,146	364,083	360,343	408,341

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, 2018, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated June 28, 2019. 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 no instances of noncompliance or other matter that is required to be reported under *Government Auditing Standards*.

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the 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.

Finley + Cook, PLLC

Shawnee, Oklahoma
June 28, 2019