CITY OF ARDIORE,

OKLAHOMA

ANNUAL FINANCIAL STATEMENTS AND INDEPENDENT AUDITOR'S REPORTS

AS OF AND FOR THE FISCAL YEAR ENDED
JUNE 30, 2022

THE CITY OF ARDMORE, OKLAHOMA

ANNUAL FINANCIAL STATEMENTS AND INDEPENDENT AUDITOR'S REPORTS

AS OF AND FOR THE FISCAL YEAR ENDED JUNE 30, 2022

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CITY OF ARDMORE, OKLAHOMA ANNUAL FINANCIAL REPORT As of and for the Year Ended June 30, 2022

TABLE OF CONTENTS	
	D.
	Page
Independent Auditor's Report on Financial Statements	5-7
Required Supplementary Information:	
Management's Discussion and Analysis	9-17
Management's Discussion and Analysis	9-17
The Basic Financial Statements:	
Government-Wide Financial Statements:	
Statement of Net Position	19
Statement of Activities	
	20
Governmental Funds Financial Statements:	
Balance Sheet	22
Statement of Revenues, Expenditures, and Changes in Fund Balances	
Reconciliation of Governmental Fund and Government-Wide Financial Statements	
Proprietary Funds Financial Statements:	
Statement of Net Position.	2.7
Statement of Revenues, Expenses, and Changes in Net Position	
Statement of Cash Flows.	
Statement of Cash Flows	2) 30
Footnotes to the Basic Financial Statements	31-70
Required Supplementary Information:	
Budgetary Comparison Information (Budgetary Basis):	
Budgetary Comparison Schedule – General Fund	72
Budgetary Comparison Schedule – Community Enhancement Fund	72
Budgetary Comparison Schedule – FAA Grant Fund	/3
Budgetary Comparison Schedule – Library Trust Fund	
Budgetary Comparison Schedule – GAPS Tax City Fund	
Footnotes to Budgetary Comparison Schedules	75
Pension & OPEB Plan Information	
Pension & OPEB Plan Schedules.	76-79
Other Supplementary Information:	
General Fund Accounts Combining Schedules	
Combining Balance Sheet – General Fund Accounts	
Combining Schedule of Revenues, Expenditures and Changes in Fund Balance - Generation Accounts	
APWA Water Enterprise Fund Accounts Combining Schedules	
Combining Schedule of Net Position	85
Combining Schedule of Revenues, Expenses and Changes in Net Position	

CITY OF ARDMORE, OKLAHOMA ANNUAL FINANCIAL REPORT As of and for the Year Ended June 30, 2022

TABLE OF CONTENTS

Nonmajor Governmental Combining Statements	
Combining Balance Sheet – Nonmajor Governmental Funds	
Combining Statement of Revenues, Expenditures and Changes in Fund Balance	90-92
Nonmajor Enterprise Funds Combining Statements	
Combining Statement of Net Position	93
Combining Statement of Revenues, Expenses, and Changes in Net Position	93
Combining Statement of Cash Flows.	94
Internal Service Funds Combining Statements	
Combining Statement of Net Position	95
Combining Statement of Revenues, Expenses, and Changes in Net Position	95
Combining Statement of Cash Flows.	
State Awards Information	
Schedule of Expenditures of State Awards	97
Footnotes to Schedules of Expenditures of State Awards	97
Single Audit and Internal Control and Compliance Information:	
Independent Auditor's Report on Internal Control Over Financial Reporting and on Compand Other Matters Based on an Audit in Accordance with Government Auditing	•
Standards	99-100
Independent Auditor's Report on Compliance and Each Major Program and on Internal Control Over Compliance Required by the Uniform Guidance	101 102
Schedule of Expenditures of Federal Awards	
Schedule of Findings and Questioned Costs	
Schedule of Findings and Questioned Costs	104

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INDEPENDENT AUDITOR'S REPORT

To the Members of the City Commission City of Ardmore, Oklahoma

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Ardmore, Oklahoma, as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the City of Ardmore, Oklahoma's basic financial statements as listed in the table of contents.

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, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Ardmore, Oklahoma, as of June 30, 2022, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City of Ardmore, Oklahoma and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Emphasis of Matter

As discussed in Note 1.A., the financial statements referred to above include only the primary government of the City of Ardmore, Oklahoma, which consists of all funds, organizations, institutions, agencies, departments, and offices that comprise the City of Ardmore, Oklahoma's legal entity.

These primary government financial statements do not include financial data for six of the City of Ardmore, Oklahoma's legally separate component units, which accounting principles generally accepted in the United States of America require to be reported with the financial data of the City of Ardmore, Oklahoma's primary government. As a result, the primary government financial statements do not purport to, and do not, present fairly the financial position of the reporting entity of the City of Ardmore, Oklahoma, as of June 30, 2022, the changes in its financial position, or, where applicable, its cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America. Our opinions are not modified with respect to this matter.

We have audited, in accordance with auditing standards generally accepted in the United States of America, the financial statements of the reporting entity of the City of Ardmore, Oklahoma, as of and for the year ended June 30, 2022, and our report thereon, dated February 10, 2023 expressed unmodified opinions on those financial statements.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City of Ardmore, Oklahoma's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and Government Auditing Standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 City of Ardmore, Oklahoma's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City of Ardmore, Oklahoma's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages 9–17 and 70–77 be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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 of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Ardmore, Oklahoma's basic financial statements. The accompanying combining and individual nonmajor fund financial statements schedule of state awards and schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and the schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

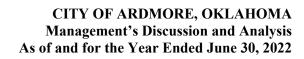
Other Reporting Required by Government Auditing Standards

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In accordance with *Government Auditing Standards*, we have also issued our report dated February 10, 2023, on our consideration of the City of Ardmore, Oklahoma'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 solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City of Ardmore, Oklahoma's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering City of Ardmore, Oklahoma's internal control over financial reporting and compliance.

Oklahoma City, Oklahoma February 10, 2023

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MANAGEMENT DISCUSSION AND ANALYSIS

Our discussion and analysis of the City of Ardmore's financial performance provides an overview of the City's financial activities for the fiscal year ended June 30, 2022. Please read it in conjunction with the City's financial statements, which follow this section.

FINANCIAL HIGHLIGHTS

- For the fiscal year ended June 30, 2022, the City's total net position increased by \$18,350,073 or 13.2% from the prior year.
- During the year, the City's expenses for governmental activities were \$43.8 million and were funded by program revenues of \$12.8 million and further funded with taxes and other general revenues that totaled \$44.5 million.
- In the City's business-type activities, utilities and other program revenues exceeded expenses by \$4.7 million.
- At June 30, 2022, unassigned fund balance for the General Fund was \$3.7 million or 15.5% of the total General Fund revenues for the year.
- For budgetary reporting purposes, the General Fund reported revenues over estimates (excluding transfers) of \$2,716,876 or 22.8%, while expenditures were under the final appropriations (excluding transfers) by \$1,153,546 or 5.2%.

OVERVIEW OF THE FINANCIAL STATEMENTS

Except as noted below, the financial statements presented herein include all of the activities of the City of Ardmore (the "City") and its component units using the integrated approach as prescribed by GASB Statements No. 14, 34, 39, and 61. Included in this report are government-wide statements for each of two categories of activities — governmental and business-type. Except as noted below, the government-wide financial statements present the complete financial picture of the City from the economic resources measurement focus using the accrual basis of accounting. They present governmental activities and business type activities separately and combined. These statements include all assets of the City (including infrastructure capital assets) and deferred outflows as well as all liabilities (including all long-term debt) and deferred inflows.

For various reasons, the City has elected to omit certain component units from this financial statement presentation. See Note 1 to the financial statements for further information.

Reporting the City as a Whole

The Statement of Net Position and the Statement of Activities

One of the most frequently asked questions about the City's finances is, "Has the City's overall financial condition improved, declined or remained steady over the past year?" 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. All of the current year'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 in them from the prior year. 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 condition, or position. Over time, increases or decreases in the City's net position are one indicator of whether its financial health is improving, deteriorating, or remaining steady. However, you must consider other nonfinancial factors, such as changes in the City's tax base, the condition of the City's roads, and the quality of services to assess the overall health and performance of the City.

As mentioned above, 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, and parks. 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 cover all or most of the cost of certain services it provides. The City's water, wastewater, sanitation and golf activities are reported here.

Normally, these statements would also include a third type of activity, discretely-presented component units for certain entities that do not meet the criteria for blending, specifically the Ardmore Main Street Authority, Hardy Murphy Coliseum Authority, Ardmore Development Authority, Ardmore Animal Care Trust, Ardmore Regional Park Trust Authority, and Ardmore Tourism Authority. However, these component units are excluded from the City's report because most of them report on a financial reporting framework which differs from the City's financial reporting framework as detailed in Note B to the financial statements.

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, management establishes many other funds to help it control and manage money for particular purposes or to show that it is meeting legal responsibilities for using certain taxes, grants and other money.

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 year-end that are available for spending. These funds are reported using an accounting method called modified accrual accounting, 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 service it provides. Governmental fund information helps determine whether there are more or fewer financial resources that can be spent in the near future to finance the City's programs. The differences of results in the Governmental Fund financial statements to those in the Government-Wide financial statements are explained in a reconciliation following each Governmental Fund financial statement.

Proprietary funds - When the City charges customers for the services it provides - whether to outside customers or to other units of the City - 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, the Statement of Revenues, Expenses and Changes in Fund Net Position and Statement of Cash Flows. In fact, the City's enterprise funds are essentially 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.

A FINANCIAL ANALYSIS OF THE CITY AS A WHOLE

Net Position

Net position may serve over time as a useful indicator of a government's financial position. In the case of the primary government, assets and deferred outflows exceeded liabilities and deferred inflows by approximately \$157.2 million at the close of the most recent fiscal year.

TABLE 1
NET POSITION (In Thousands)

	Governi Activ		% Inc. (Dec.)	Business-Type Activities		• • •		• •		% Inc. (Dec.)			% Inc. (Dec.)
	<u>2022</u>	<u>2021</u>		2022	<u>2021</u>		2022	<u>2021</u>					
Current assets	\$ 59,185	\$44,923	32%	\$35,101	\$ 28,015	25%	\$ 94,286	\$ 72,938	29%				
Capital assets, net	51,175	47,420	8%	49,784	53,170	-6%	100,959	100,590	0%				
Total assets	110,360	92,343	20%	84,885	81,185	5%	195,245	173,528	13%				
Deferred outflow of resources	3,918	4,962	-21%	690	1,048	-34%	4,608	6,010	-23%				
Current liabilities	3,163	3,030	4%	5,147	5,478	-6%	8,310	8,508	-2%				
Non-current liabilities	8,726	12,633	-31%	12,557	16,946	-26%	21,283	29,579	-28%				
Total liabilities	11,889	15,663	-24%	17,704	22,424	-21%	29,593	38,087	-22%				
Deferred inflow of resources	10,938	1,993	449%	2,150	637	238%	13,088	2,630	398%				
Net position													
Net investment in capital assets	50,944	47,420	7%	34,232	33,222	3%	85,176	80,642	6%				
Restricted	23,747	22,060	8%	-	-	-	23,747	22,060	8%				
Unrestricted	16,760	10,169	65%	31,489	25,950	21%	48,249	36,119	34%				
Total net position	\$ 91,451	\$ 79,649	15%	\$65,721	\$ 59,172	11%	\$157,172	\$138,821	13%				

The largest portion of the City's net position reflects its investment in capital assets (e.g., land, buildings, machinery, and equipment); less any related debt used to acquire those assets that is still outstanding. For 2022, this net investment in capital assets amounted to \$85.2 million. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

Net position of the City's governmental activities increased 15% to approximately \$91.5 million. Most of this net position is either restricted as to the purposes it can be used for, or is invested in capital assets (buildings, roads, bridges, vehicles and other items). Governmental unrestricted net position showed a balance of \$16.8 million at the end of this year. Net position of the business-type activities increased approximately 11% to approximately \$65.7 million. \$34.2 million of that net position is the net investment in capital assets. Consequently, unrestricted net position showed approximately \$31.5 million at the end of the year.

Changes in Net Position

For the year ended June 30, 2022, net position of the primary government changed as follows:

TABLE 2
CHANGES IN NET POSITION (In Thousands)

	Governmental Activities		% Inc. (Dec.)		ss-Type vities	% Inc. (Dec.)	To	% Inc. (Dec.)	
_	2022	2021		2022	2021		2022	2021	
Revenues	e 2.004	\$ 2,006	4%	\$ 18.095	6 17 107	60/	£ 20.170	6 10 112	6%
Charges for services	\$ 2,084	. ,		\$ 18,095	\$ 17,107	6%	\$ 20,179	\$ 19,113	
Operating grants and contributions Capital grants and contributions	2,213 4,133	3,360 4,098	-34% 1%	-	-	-100%	2,213 4,133	3,360 4,098	-34% 1%
			10%	-	-				10%
Taxes	39,950	36,484		-	-	-	39,950	36,484	
Intergovernmental revenue	4,751	424	1021%	-	-	-	4,751	424	1021%
Investment income	(136)	156	-187%	197	116	70%	61	272	-78%
Miscellaneous	4,265	2,139	99%	38	24	. 58%	4,303	2,163	99%
Total revenues	57,260	48,667	18%	18,330	17,247	6%	75,590	65,914	15%
Expenses									
General government	19,495	10,373	88%	-	-	-	19,495	10,373	88%
Public safety	9,380	11,573	-	-	-	-	9,380	11,573	-19%
Streets	4,283	4,174	3%	-	-	-	4,283	4,174	3%
Culture, parks and recreation	4,860	4,405	10%	-	-	-	4,860	4,405	10%
Cemetery	318	312	2%	-	_	-	318	312	2%
Airport	3,888	2,926	33%	-	_	-	3,888	2,926	33%
Economic development	1,616	1,079	50%	-	_	-	1,616	1,079	50%
Interest on long-term debt	3	2	50%	-	_	-	3	2	50%
Water	-	-	-	5,947	5,715	4%	5,947	5,715	4%
Wastewater	-	-	-	4,309	4,540	-5%	4,309	4,540	-5%
Sanitation	_	_	_	2,468	2,424	2%	2,468	2,424	2%
Golf			-	672	624	8%	672	624	8%
Total expenses	43,843	34,844	26%	13,396	13,303	1%	57,239	48,147	19%
Excess (deficiency) before									
transfers	13,417	13,823	-3%	4,934	3,944	25%	18,351	17,767	3%
Transfers	(1,615)	(654)	147%	1,615	654	147%			-
Change in net position	11,802	13,169	-10%	6,549	4,598	42%	18,351	17,767	3%
Beginning net position	79,649	66,480	20%	59,172	54,574	8%	138,821	121,054	15%
Ending net position	\$ 91,451	\$ 79,649	15%	\$ 65,721	\$ 59,172	11%	\$157,172	\$138,821	13%

Explanations for significant changes are as follows:

Governmental Activities:

Operating grants and contributions increased 93% mainly due to ARPA grant money received in the current year. Investment income increased 103% due to an increase in the fair market value of investments in the current year. Miscellaneous revenue increased 78% due primarily to reimbursements from the Ardmore Main Street Authority for matching costs related to the Depot Park project.

Business-Type Activities:

Investment income increased 70% due to an increase in the fair market value of investments in the current year. Miscellaneous revenue increased 58% primarily due to gain on disposal of city property and reimbursement income from AT&T.

Governmental Activities

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

Explanations for significant changes are listed above, under Table 2.

TABLE 3
Net Revenue (Expense) of Governmental Activities
(In Thousands)

	Total E		% Inc. (Dec.)	Net Ro (Exp of Se	% Inc. (Dec.)	
	<u>2022</u>	2021		<u>2022</u>	<u>2021</u>	
General government	\$ 19,495	10,373	88%	(\$18,463)	(9,934)	86%
Public safety	9,380	11,573	-19%	(7,922)	(6,521)	21%
Streets	4,283	4,174	3%	(4,036)	(3,951)	2%
Culture, parks and recreation	4,860	4,405	10%	(3,505)	(2,979)	18%
Cemetery	318	312	2%	(237)	(255)	-7%
Airport	3,888	2,926	33%	368	(659)	156%
Economic development	1,616	1,079	50%	(1,616)	(1,079)	50%
Interest on long-term debt	3	3 2		(3)	(2)	50%
Total	43,843	\$ 34,844	26%	(\$35,414)	(\$25,380)	40%

The City's business-type activities include utility services for water, wastewater, sanitation and golf.

TABLE 4
Net Revenue (Expense) of Business-Type Activities
(In Thousands)

		Expense rvices	% Inc.	% Inc. Dec.		
	<u>2022</u>	<u>2021</u>		<u>2022</u>	<u>2021</u>	
Water	\$ 5,947	\$ 5,715	4%	\$ 1,797	\$ 1,589	13%
Wastewater	4,309	4,540	-5%	859	383	124%
Sanitation	2,468	2,425	2%	2,126	1,951	9%
Golf	672	624	8%	(84)	(120)	-30%
Total	\$13,396	\$13,304	1%	\$ 4,698	\$ 3,803	24%

14

A FINANCIAL ANALYSIS OF THE CITY'S FUNDS

As the City completed its 2022 fiscal year, the governmental funds reported a combined fund balance of \$43.4 million, which is an increase of \$4,977,697 as compared with the prior year. The enterprise funds reported combined net position of \$65.7 million, which is an increase of \$6.5 million compared with the prior year.

Other fund highlights include:

- For the year ended June 30, 2022, the General Fund's total fund balance increased by \$2,630,503 or approximately 17.8%.
- There is \$13,709,463 of fund balance in the General Fund that is restricted and/or assigned for specific purposes.

General Fund Budgetary Highlights

• For the year ended June 30, 2022, the General Fund reported revenues over estimates (excluding transfers) of \$2,716,876 or 22.8%, while expenditures were under the final appropriations (excluding transfers) by \$1,153,546 or 5.2%.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

At the end of June 30, 2022, the City had \$101.0 million invested in capital assets, net of depreciation, including police and fire equipment, buildings, park facilities, streets, and water lines and sewer lines. (See Table 5). This represents a net increase of approximately \$0.4 million from last year.

TABLE 5
Capital Assets
(In Thousands)
(Net of accumulated depreciation)

	Govern	ment	al		Busine	ss-Ty	pe					
	<u>Activities</u>				Acti	vities		<u>Total</u>				
	2022		2021		2022	2021		2022			2021	
Land	\$ 6,827	\$	6,827	\$	449	\$	427	\$	7,276	\$	7,254	
Buildings	21,119		19,330		30,210		30,752		51,329		50,082	
Computers	2,075		2,172		111		26		2,186		2,198	
Furniture and fixtures	262		271		17		21		279		292	
Vehicles	1,602		1,598		1,131		995		2,733		2,593	
Machinery and equipment	862		730		740		948		1,602		1,678	
Infrastructure	18,197		16,492		17,127		20,001		35,324		36,493	
Intangible leased equipment	231		-		-		-		231		-	
Totals	\$ 51,175	\$	47,420	\$	49,785	\$	53,170	\$	100,960	\$	100,590	

This year's more significant capital asset additions include, but are not limited to:

Buidling, Depot Park	\$ 1,905,714
Sanitary & Storm Sewer Improvements	621,040
Street Construction Improvements	1,103,796
Building, Air-Evac	840,489
Airport Improvements	2,504,956
Water Plant Improvements	432,346

See Note 4 to the financial statements for more detail information on the City's capital assets and changes therein.

Long- Term Debt

At year-end, the City had \$17.8 million in long-term debt outstanding which represents a \$4.2 million or 40.8% decrease from the prior year. The City's changes in long-term debt by type of debt are as follows:

	Governmental <u>Activities</u>					Busine <u>Acti</u>		<u>To</u>	Total Percentage <u>Change</u>		
		2022		<u>2021</u>		2022		<u>2021</u>	2022	2021	2021-2022
Lease Obligations	\$	232	\$	-	\$	-	\$	-	\$ 232	\$ -	100.0%
Notes payable		-		-		15,552		19,949	15,552	19,949	-22.0%
Claims payable		257		421		-		-	257	421	-39.0%
Deposits subject to refund		-		-		386		336	386	336	14.9%
Accrued compensated absences		1,114		1,067		275		246	 1,389	1,313	5.8%
Totals	\$	1,603	\$	1,488	\$	16,213	\$	20,531	\$ 17,816	\$ 22,019	-19.1%

See Note 5 to the financial statements for more detail information on the City's long-term debt and changes therein.

The Economic Outlook

In the Fiscal Year 2022-2023, the City of Ardmore, Ardmore Public Works Authority, and Ardmore Solid Waste Authority developed the budget with defined goals and conservative revenue projections. The adopted budget for FY22-23 contains \$71,786,238 in estimated revenues, \$117,383,301 in estimated expenditures and \$16,118,498 in transfers between funds, and finally, \$61,003,523 in beginning fund balances to balance the budget. Estimated ending fund balances in all funds are estimated to be \$31,524,959. As in the past, the City's General fund is not keeping up with the increasing cost and demands for services. The FY22-23 General Fund has budgeted expenses exceeding budget revenues by \$11,021,152 before transfers-in of \$7,580,000 and transfers-out of \$976,000. The General Fund cannot meet the Commission's goal of maintaining a sufficient reserve without relying on transfers-in from the utility funds. We have a long way to go to attain that goal. Our budgeted transfers-in for FY 22-23 are \$1,611,354 less than the FY 21-22.

Contacting the City's Financial Management

This report is designed to provide our citizens, taxpayers, customers and creditors with an understanding of the City's finances and to demonstrate the City's accountability for the resources it receives. If you have questions about this report or need additional financial information, contact the City Clerk's office at 23 S. Washington, Ardmore, Oklahoma 73402 or telephone at 580-223-2934.



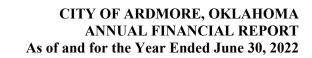
BASIC FINANCIAL STATEMENTS – GOVERNMENT-WIDE

Government-Wide Statement of Net Position- June 30, 2022

		vernmental Activities		ısiness-type Activities		Total
ASSETS						
Cash and cash equivalents	\$	38,321,389	\$	29,875,336	\$	68,196,725
Investments		4,846,298		-		4,846,298
Accounts receivable, net of allowance		-		2,021,313		2,021,313
Court fines receivable, net of allowance		214,370		-		214,370
Internal balances		(469,928)		469,928		- 000 500
Receivable from other governments		6,983,588		-		6,983,588
Other taxes receivable Other receivables		149,440 124,889		-		149,440
Inventories		,		299,273		124,889
Prepaid expenses		75,365 133,500		299,273		374,638 133,500
Lease receivables		245,950				245,950
Net pension asset		8,559,287		2,435,125		10,994,412
Capital Assets:		0,000,207		2,400,120		10,334,412
Land and construction in progress Intangible equipment, other capital assets, net of		6,826,854		448,526		7,275,380
depreciation and amortization		44,348,262		49,336,159		93,684,421
Total Assets	\$	110,359,264	\$	84,885,660	\$	195,244,924
Total Addets	Ψ	110,000,204	Ψ	04,000,000	Ψ	133,244,324
DEFERRED OUTFLOWS OF RESOURCES						
Deferred amount related to pensions		3,283,162		399,529		3,682,691
Deferred amount related to OPEB		634,985		288,265		923,250
Deferred amount on refunding				1,889		1,889
Total Deferred Outflows of Resources		3,918,147		689,683		4,607,830
LIABILITIES						
Accounts payable and accrued liabilities	\$	1,868,827	\$	432,149	\$	2,300,976
Accrued interest payable		-		93,122		93,122
Due to other governments		271,945		-		271,945
Due to bondholders		6,313		-		6,313
Due to employees		42,186		-		42,186
Other payables		804,853		15,078		819,931
Long-term liabilities:						
Due within one year		168,694		4,606,799		4,775,493
Due in more than one year		1,259,914		11,606,626		12,866,540
Total OPEB liability		3,043,340		950,038		3,993,378
Net pension liability		4,248,445		-		4,248,445
Lease obligations		174,261		47 700 040		174,261
Total liabilities		11,888,778		17,703,812	-	29,592,590
DEFERRED INFLOWS OF RESOURCES						
Deferred amount related to pensions		10,332,747		1,940,217		12,272,964
Deferred amount related to OPEB		359,154		210,221		569,375
Deferred amount related to leases		246,010		0.450.400		246,010
Total Deferred Inflows		10,937,911		2,150,438		13,088,349
NET POSITION						
Net investment in capital assets		50,944,027		34,232,227		85,176,254
Restricted for:						
Community enhancement		4,567,791		-		4,567,791
Streets		2,267,864		-		2,267,864
Culture and recreation		221		-		221
Capital projects		5,434,676		-		5,434,676
Public safety		349,348		-		349,348
Grant programs		2,525,593		-		2,525,593
Cemetery		118,039		-		118,039
Library capital improvement		128,778		-		128,778
Economic development		125,092		-		125,092
Donor provisions-library		4,761,110		-		4,761,110
Debt service		3,468,749		- 24 400 000		3,468,749
Unrestricted	_	16,759,434	•	31,488,866		48,248,300
Total net position	\$	91,450,722	\$	65,721,093	\$	157,171,815

Government-Wide Statement of Activities - Year Ended June 30, 2022

					Pro	gram Revenue)		Net (Expense)	Reven	ue and Chan	ges ir	Net Position
Functions/Programs Primary government	Expenses		Expenses		Charges for Operating Grants Capital Grants Expenses Services and Contributions and Contributions		•	Governmental Activities		usiness-type Activities		Total	
Governmental Activities													
General Government	\$	19,495,068	\$	490,081	\$	9,703	\$	533,693	\$ (18,461,591)	\$	_	\$	(18,461,591)
Public Safety	Ψ	9,380,036	Ψ	232,253	Ψ	932,765	Ψ	292,761	(7,922,257)	Ψ	_	Ψ	(7,922,257)
Streets		4,282,820		202,200		246,675		202,701	(4,036,145)		_		(4,036,145)
Culture and Recreation		4,860,301		1,262,161		71,963		21,196	(3,504,981)		_		(3,504,981)
Cemetery		318.474		81,151		- 1,000			(237,323)		_		(237,323)
Airport		3,887,835		18,777		951,879		3,284,987	367,808		_		367,808
Economic Development		1,615,775		-		-		-	(1,615,775)		_		(1,615,775)
Interest on Long-term debt		3,159		_		_		_	(3,159)		_		(3,159)
Total governmental activities		43,843,468		2,084,423	-	2,212,985		4,132,637	(35,413,423)		_		(35,413,423)
· ·										. —			
Business-Type Activities													
Water		5,946,814		7,744,010		-		-	-		1,797,196		1,797,196
Wastewater		4,308,788		5,167,886		-		-	-		859,098		859,098
Sanitation		2,468,435		4,594,624		-		-	-		2,126,189		2,126,189
Golf		672,059		588,364		-		-	-		(83,695)		(83,695)
Total business-type activities		13,396,096		18,094,884		-		_	-	_	4,698,788		4,698,788
Total primary government	\$	57,239,564	\$ 2	20,179,307	\$	2,212,985	\$	4,132,637	\$ (35,413,423)	\$	4,698,788	\$	(30,714,635)
		neral revenues	:										
		axes: Sales and use	axes						\$ 31,952,549	\$	_	\$	31,952,549
		Property taxes							4,301,150		=		4,301,150
		Franchise and	nisce	llaneous taxe	es				1,834,201		-		1,834,201
		911 taxes							242,620		-		242,620
		Hotel/motel tax	es						1,618,983		-		1,618,983
	ln	tergovernmental	rever	nue not restri	cted to s	specific program	ıs		4,750,710		-		4,750,710
	U	nrestricted inves	tmen	t earnings, in	cluding	change in fair n	narket	value of investmen	its (136,068)		196,626		60,558
	M	liscellaneous							4,265,338		38,599		4,303,937
	Tr	ransfers							(1,614,818)		1,614,818		-
		Total general	reven	ues and trans	sfers				47,214,665		1,850,043		49,064,708
		Change in	net po	sition					11,801,242		6,548,831		18,350,073
		position - begin							79,649,480		59,172,262		138,821,742
	Net	position - endin	g						\$ 91,450,722	\$	65,721,093	\$	157,171,815



Governmental Funds Balance Sheet - June 30, 2022

						Special Rev	/enue	Funds			Сар	oital Project Fund	De	ebt Service Fund				
	Ge	neral Fund	Community Enhancement Fund		FAA Grant Fund		Library Trust Fund		GAPS Tax City		Street Improvement Fund		TIF 2		Other Governmental Funds		Go	Total overnmental Funds
ASSETS Cash and cash equivalents	\$	16,738,787	•	4,424,563	\$	10,768	•	67,727	•	5,475,436	•	2,296,418	•	3,780,162	s	4,107,659	\$	36,901,520
Investments	Ф	154.915	Ф	4,424,563	Ф	10,766	Ф	4,691,383	Ф	5,475,436	Ф	2,290,410	Ф	3,760,162	Ф	4,107,659	Ф	4,846,298
Receivable from other governments		2,692,341		495,193		151,632		4,091,303		495, 193		495,193		-		2,654,036		6,983,588
Due from other funds		158,583		493, 193		131,032		-		495, 195		26,729		-		26.564		211.876
Other taxes receivable, net		156,565		-		-		-		-		20,729		-		149,440		149.440
Court fines receivable, net		214,370		-		-		_		_		_		_		143,440		214,370
Other receivables		23,509		-		-		_		_		_		_		_		23,509
Prepaid expenses		23,309		_						_		_				133,500		133,500
Inventories		_		-		-		_		_		_		_		51,045		51,045
Leases receivable		_		-		-		_		_		_		_		245,950		245,950
Total assets	•	19,982,505	\$	4,919,756	\$	162,400	\$	4,759,110	\$	5,970,629	\$	2,818,340	\$	3,780,162	\$	7,368,194	\$	49,761,096
		,		.,,		, , , , ,		.,,		2,010,000		_,,		5,: 55,:55	<u> </u>	.,,,,,,,,,	<u> </u>	,,
LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCES Liabilities:																		
Accounts payable and accrued liabilities	\$	966,972	\$	18,775	\$	130,749	\$	-	\$	347,607	\$	128,439	\$	345	\$	218,217	\$	1,811,104
Due to other funds		636,834		-		489		-		-		2,958		-		153,079		793,360
Due to bondholders		6,313		-		-		-		-		-		-		-		6,313
Due to other		-		-		-		-		-		-		-		11,392		11,392
Payable to other governments		-		-		-		-		-		-		-		271,945		271,945
Other payables		793,461																793,461
Total liabilities		2,403,580	_	18,775		131,238	_			347,607		131,397		345		654,633	_	3,687,575
Deferred Inflows of Resources:																		
Unavailable revenue		173,425		-		34,647		_		_		_		-		2,184,580		2,392,652
Deferred inflows related to leases		-		-		-		-		-		-		-		246,010		246,010
Total inflows of reaources		173,425		-		34,647		-		-						2,430,590		2,638,662
Fund balances:																		
Restricted		2,221		4,567,791		-		4,759,110		5,312,130		2,217,965		3,468,749		3,419,295		23,747,261
Assigned		13,707,242		333,190		-		-		310,892		468,978		311,068		1,011,342		16,142,712
Unassigned (deficit)		3,696,037		-		(3,485)		-		-		-		-		(147,666)		3,544,886
Total fund balances		17,405,500		4,900,981		(3,485)		4,759,110		5,623,022		2,686,943		3,779,817		4,282,971		43,434,859
Total liabilities, deferred inflows, and fund balances	\$	19,982,505	\$	4,919,756	\$	162,400	\$	4,759,110	\$	5,970,629	\$	2,818,340	\$	3,780,162	\$	7,368,194	\$	49,761,096

Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balances - Year Ended June 30, 2022

			Special Rev	enue Funds		Capital Project Fund	Debt Service Fund		
	General Fund	Community Enhancement Fund	FAA Grant Fund	Library Trust Fund	GAPS Tax City	Street Improvement Fund	TIF 2	Other Governmental Funds	Total Governmental Funds
REVENUES									
Taxes	\$ 20,901,935	\$ 3,750,696	\$ -	\$ -	\$ 3,750,696	\$ 3,750,696	\$ 4,265,855	\$ 3,529,625	\$ 39,949,503
Intergovernmental	1,436,554	-	1,780,885	-	-	18,139	-	5,626,270	8,861,848
Licenses and permits	418,938	-	-	-	-	-	-	-	418,938
Charges for services	212,631	-	-	-	-	-	-	1,232,781	1,445,412
Fines and forfeitures	217,363	-	-	-	-	-	-	-	217,363
Investment earnings including change in									
fair market value of investments	103,404	36,422	-	(413,255)	38,985	14,632	57,608	12,799	(149,405)
Miscellaneous	556,720	-	1,674,220	238,076	-	875	-	2,047,243	4,517,134
Total revenues	23,847,545	3,787,118	3,455,105	(175,179)	3,789,681	3,784,342	4,323,463	12,448,718	55,260,793
EXPENDITURES Current:									
General government	6,524,807	920,857	_	_	221	-	7,005,255	2,475,552	16,926,692
Public safety	10,926,943	-	_	_	_	-	_	29,774	10,956,717
Street	10,185	-	_	-	_	1,356,352	_	508,738	1,875,275
Culture and recreation	3,319,472	-	_	7,657	_	-	_	1,206,431	4,533,560
Cemetery	317,494	-	_	_	_	-	_	-	317,494
Airport	_	-	3,413,631	_	_	-	_	77,491	3,491,122
Economic development	_	-	_	-	_	-	_	1,615,775	1,615,775
Capital outlay	2,321,236	42,747	_	-	1,367,311	952,185	_	4,280,216	8,963,695
Debt service:									
Principal	57.355	_	_	_	-	-	_	33,051	90,406
Interest and other charges	1,423	_	_	_	-	-	_	1,736	3,159
Total expenditures	23,478,915	963,604	3,413,631	7,657	1,367,532	2,308,537	7,005,255	10,228,764	48,773,895
Excess (deficiency) of revenues over									
expenditures	368,630	2,823,514	41,474	(182,836)	2,422,149	1,475,805	(2,681,792)	2,219,954	6,486,898
OTHER FINANCING SOURCES (USES)									
Judgment proceeds	131,181	-	_	-	_	-	_	-	131,181
Lease proceeds	288,861	-	_	-	_	-	_	-	288,861
Transfers in	6,431,235	-	_	-	_	-	_	573,708	7,004,943
Transfers out	(4,589,404)	(1,500,000)	_	(225,000)	(1,305,630)	(250,000)	_	(1,064,152)	(8,934,186)
Total other financing sources and uses	2,261,873	(1,500,000)		(225,000)	(1,305,630)	(250,000)		(490,444)	(1,509,201)
Net change in fund balances	2,630,503	1,323,514	41,474	(407,836)	1,116,519	1,225,805	(2,681,792)	1,729,510	4,977,697
Fund balances - beginning	14,774,997	3,577,467	(44,959)	5,166,946	4,506,503	1,461,138	6,461,609	2,553,461	38,457,162
Fund balances - ending	\$ 17,405,500	\$ 4,900,981	\$ (3,485)	\$ 4,759,110	\$ 5,623,022	\$ 2,686,943	\$ 3,779,817	\$ 4,282,971	\$ 43,434,859

Reconciliation of Governmental Funds and Government-Wide Financial Statements:

Total fund balance, governmental funds	\$ 43,434,859
Amounts reported for governmental activities in the Statement of Net Position are different because:	
Capital assets used in governmental activities are not current financial resources and therefore are not reported in this fund financial statement, but are reported in the governmental activities of the Statement of Net Position, net of accumulated depreciation of \$94,995,798	50,944,027
Other long-term assets are not available to pay current period expenditures	30,344,021
and therefore are either not reported, or deferred in the funds:	
Grants receivable	2,219,227
Court fines receivable	173,425
Leases receivable	231,089
Net pension asset	8,559,287
Deferred outflows are not current financial resources and, therefore are not reported in the fund financial statement, but are included in the governmental activities of the Statement of Net Position:	
Pension related deferred outflows	3,283,162
OPEB related deferred outflows	601,508
Internal service funds are used by management to charge the costs of certain activities, such as insurance, to individual funds. A portion of the assets and liabilities of the internal service fund is included in governmental activities in the Statement of Net Position.	
Net position of the Internal Service Funds	1,195,447
Certain long-term liabilities are not due and payable from current resources, and therefore they, along with deferred inflows, are not reported in the funds:	
Net pension liability	(4,248,445)
Pension related deferred inflows	(10,332,747)
Total OPEB Liability	(2,946,726)
OPEB related deferred inflows	(349,384)
Lease liabilities	(231,506)
Accrued compensated absences	 (1,082,501)
Net Position of Governmental Activities in the Statement of Net Position	\$ 91,450,722

Reconciliation of Governmental Funds and Government-Wide Financial Statements:

Net change in fund balances - total governmental funds:

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

Governmental funds report outlays for capital assets as expenditures because such outlays use current financial resources. In contrast, the Statement of Activities reports only a portion of the outlay as expense. The outlay is allocated over the assets' estimated useful lives as depreciation

expense for the period.

Capital asset purchases capitalized 7,926,477

Depreciation expense (4,681,043)

Contributed capital 278,304

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 1,901,677

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.

2,863,086

4,977,697

Internal service funds are used by management to charge the costs of certain activities, such as insurance to individual funds. A portion of the change in net position of the internal service funds is included in governmental activities in the Statement of Activities.

Total change in net position of the internal service funds (1,306,521)

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 Total OPEB Liability	(115,545)
Change in accrued compensated absences	(42,473)
Change in Lease Liability	(417)
Change in net position of governmental activities	\$ 11,801,242



BASIC FINANCIAL STATEMENTS - PROPRIETARY FUNDS

Proprietary Funds Statement of Net Position - June 30, 2022

	Ardmore Solid Waste Authority	Ardmore Public	Works Authority	Other			
	Sanitation Enterprise	Wastewater Enterprise	Water Enterprise	Other Enterprise Funds	Total	Internal Service Funds	
ASSETS							
Current assets:							
Cash and cash equivalents	\$ 6,051,316	\$ 8,394,178	\$ 10,007,016	\$ 300,459	\$ 24,752,969	\$ 1,419,869	
Restricted cash and cash equivalents	-		5,122,367	-	5,122,367		
Accounts receivable, net of allowance	544,072	656,826	820,415	-	2,021,313	101,380	
Due from other funds	32,654	235,356	240,361	-	508,371	227,785	
Inventories			299,273		299,273	24,320	
Total current assets	6,628,042	9,286,360	16,489,432	300,459	32,704,293	1,773,354	
Non-current assets:		205 520	402.000		440 500		
Land and construction in progress	4 400 757	285,520	163,006	-	448,526	-	
Other capital assets, net of depreciation	1,190,757	22,397,596	25,079,267	668,539	49,336,159	-	
Net pension asset Total non-current assets	575,735 1,766,492	642,393 23,325,509	1,216,997 26,459,270	668,539	2,435,125 52,219,810		
Total assets	\$ 8,394,534	\$ 32,611,869	\$ 42,948,702	\$ 968,998	\$ 84,924,103	\$ 1,773,354	
Total assets	\$ 0,394,334	\$ 32,011,009	\$ 42,940,702	\$ 900,990	\$ 64,924,103	\$ 1,773,334	
DEFERRED OUTFLOWS OF RESOURCES							
Deferred amount related to pensions	100,989	104,362	194,178	-	399,529	-	
Deferred amount related to OPEB	58,827	101,286	128,152	-	288,265	33,477	
Deferred amount on refunding	· -		1,889	-	1,889		
Total Deferred Outflows of Resources	159,816	205,648	324,219	-	689,683	33,477	
LIABILITIES Current liabilities:							
Accounts payable and accrued liabilities	48,204	98,549	284,932	464	432,149	\$ 57,723	
Accounts payable and accorded habilities Accrued interest payable	40,204	30,343	93,122	404	93,122	φ 31,123	
Due to other funds	38.443	-	93, 122	-	38,443	116,229	
Other payables	30,443	-	15,078		15,078	110,229	
Due to employees			13,070		15,070	42,186	
Current portion of:						42,100	
Compensated absences	6,908	6,452	14,121	_	27,481	3,199	
Deposits subject to refund	0,000	0,402	77.231	_	77.231	0,100	
Notes payable	-		4,502,087		4,502,087		
Total current liabilities	93,555	105.001	4,986,571	464	5,185,591	219,337	
Non-current liabilities:	50,000	100,001	4,000,011		0,100,001	210,001	
Compensated absences	62,171	58.067	127,093	_	247,331	28,791	
Deposits subject to refund		-	308,924	_	308,924		
Total OPEB liability	225,433	273,740	450,865	_	950,038	96.614	
Claims payable	-	-	-	_	-	256.872	
Notes payable	_	_	11,050,371	_	11,050,371	-	
Total non-current liabilities	287,604	331,807	11,937,253		12,556,664	382,277	
Total liabilities	381,159	436,808	16,923,824	464	17,742,255	601,614	
DEFERRED INFLOWS OF RESOURCES							
Deferred amounts related to pensions	456,689	514,903	968,625	-	1,940,217	-	
Deferred amounts related to OPEB	62,219	76,667	71,335		210,221	9,770	
Total deferred inflows of resources	518,908	591,570	1,039,960		2,150,438	9,770	
NET POSITION							
Net investment in capital assets	1,190,757	22,683,116	9,689,815	668,539	34,232,227	_	
Unrestricted	6,463,526	9,106,023	15,619,322	299,995	31,488,866	1,195,447	
Total net position	\$ 7,654,283	\$ 31,789,139	\$ 25,309,137	\$ 968,534	\$ 65,721,093	\$ 1,195,447	

<u>Proprietary Funds Statement of Revenues, Expenses, and Changes in Net Position - Year Ended</u> <u>June 30, 2022</u>

	Ardmore Solid Waste Authority	Ardmore Public V				
	Sanitation Enterprise	Wastewater Enterprise	Water Enterprise	Other Enterprise Funds	Total	Internal Service Funds
REVENUES						
Water	-	-	7,744,010	-	\$ 7,744,010	-
Wastewater	-	5,167,886	-	-	5,167,886	-
Sanitation	4,594,624	-	-	-	4,594,624	-
Golf	-	-	-	588,364	588,364	-
Self insurance charges	-	-	-	-	-	5,286,592
Miscellaneous				13,298	13,298	<u>-</u> _
Total operating revenues	4,594,624	5,167,886	7,744,010	601,662	18,108,182	5,286,592
OPERATING EXPENSES						
Water	_	_	3,561,329	_	3,561,329	-
Wastewater	_	1,935,154	· · · · -	_	1,935,154	-
Sanitation	2,033,185	_	_	_	2,033,185	-
Administration	· · · · -	_	43,817	_	43,817	6,606,451
Golf operations	_	_	_	616,149	616,149	_
Depreciation	377,739	2,351,725	2,002,803	55,910	4,788,177	-
Total Operating Expenses	2,410,924	4,286,879	5,607,949	672,059	12,977,811	6,606,451
Operating income (loss)	2,183,700	881,007	2,136,061	(70,397)	5,130,371	(1,319,859)
NON-OPERATING REVENUES (EXPENSES)						
Interest and investment revenue	54,800	62,380	77.979	1.467	196.626	13,338
Grant revenue	3,281	· -	59,147	· -	62,428	· -
Miscellaneous revenue	6,503	9,809	8,989	-	25,301	-
Gain (loss) on sale of capital assets	(57,511)	· -		_	(57,511)	-
Interest expense	` ' '	-	(360,774)	-	(360,774)	-
Total non-operating revenue (expenses)	7,073	72,189	(214,659)	1,467	(133,930)	13,338
Income (loss) before contributions and transfers	2,190,773	953,196	1,921,402	(68,930)	4,996,441	(1,306,521)
Capital contributions	· · · · -	· -	149,453	` -	149,453	-
Transfers in	-	2,475,348	4,966,902	140,000	7,582,250	-
Transfers out	(2,083,333)	(3,262,647)	(833,333)	· <u>-</u>	(6,179,313)	_
Change in net position	107,440	165,897	6,204,424	71,070	6,548,831	(1,306,521)
Total net position - beginning	7,546,843	31,623,242	19,104,713	897,464	59,172,262	2,501,968
Total net position - ending	\$ 7,654,283	\$ 31,789,139	\$ 25,309,137	\$ 968,534	\$ 65,721,093	\$ 1,195,447

Proprietary Funds Statement of Cash Flows - Year Ended June 30, 2022

		more Solid ste Authority	A	rdmore Public	Work	s Authority					
	Sanitation Enterprise			Wastewater Enterprise		Water Enterprise		Other Enterprise Funds		Total	Internal Service Funds
CASH FLOWS FROM OPERATING ACTIVITIES											
Receipts from customers	\$	4,557,379	\$	5,110,824	\$	7,547,708	\$	601,662	\$	17,817,573	\$ 5,358,318
Receipts (payments) from (to) other funds		(8,797)		(621,549)		(31,863)		-		(662,209)	159,878
Payments to suppliers		(1,310,769)		(1,243,123)		(1,801,940)		(616,048)		(4,971,880)	(582, 122)
Payments to employees		(932,083)		(1,060,785)		(2,117,285)		-		(4,110,153)	(340,324)
Claims and judgements paid		-		-		-		-		-	(5,817,804)
Receipts of customer meter deposits		-		-		145,210		-		145,210	-
Refunds of customer meter deposits		-		-		(95,350)		-		(95,350)	-
Net cash provided by (used in) operating activities		2,305,730		2,185,367		3,646,480		(14,386)		8,123,191	(1,222,054)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES											
Transfers from other funds		_		2.475.348		4.966.902		140.000		7.582.250	_
Transfers to other funds		(2,083,333)		(3,262,647)		(833,333)				(6,179,313)	-
Net cash provided by (used in) noncapital financing activities		(2,083,333)		(787,299)		4,133,569		140,000		1,402,937	
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES Principal paid on debt Interest and fiscal agent fees paid on debt		-		:		(4,396,104) (384,037)		-		(4,396,104) (384,037)	- -
Purchase of capital assets		(488,300)		(46,383)		(776, 153)		-		(1,310,836)	-
Proceeds from sale of capital assets				-							
Net cash provided by (used in) capital and related financing activities		(488,300)		(46,383)		(5,556,294)				(6,090,977)	
CASH FLOWS FROM INVESTING ACTIVITIES Sale of investments		_		_		_		_		_	_
Interest and dividends		54,800		62,380		77,979		1,467		196,626	13,338
Net cash provided by investing activities		54,800		62,380		77,979		1,467		196,626	13,338
Net increase (decrease) in cash and cash equivalents		(211,103)		1,414,065		2,301,734		127,081		3,631,777	(1,208,716)
Balances - beginning of year		6,262,419		6,980,113		12,827,649		173,378	_	26,243,559	2,628,585
Balances - end of year	\$	6,051,316	\$	8,394,178	\$	15,129,383	\$	300,459	\$	29,875,336	\$ 1,419,869
Reconciliation to Statement of Net Position:											
Cash and cash equivalents	\$	6,051,316	\$	8,394,178	\$	10,007,016	\$	300,459	\$	24,752,969	\$ 1,419,869
Restricted cash and cash equivalents - current						5,122,367				5,122,367	
Total cash and cash equivalents, end of year	\$	6,051,316	\$	8,394,178	\$	15,129,383	\$	300,459	\$	29,875,336	\$ 1,419,869

Proprietary Funds Statement of Cash Flows - Year Ended June 30, 2022, (Continued)

		more Solid ste Authority	Aı	rdmore Public	Works	s Authority					Internal	
	Sanitation Enterprise			Wastewater Enterprise		Water Enterprise		Other Enterprise Funds		Total	Service Funds	
Reconciliation of operating income (loss) to net cash provided by (used in)												
Operating Activities:												
Operating income (loss)	\$	2,183,700	\$	881,007	\$	2,136,061	\$	(70,397)	\$	5,130,371	\$ (1,319,859)	
Adjustments to reconcile operating income (loss) to net cash provided by												
(used in) by operating activities:												
Depreciation expense		377,739		2,351,725		2,002,803		55,910		4,788,177	-	
Other non-operating revenues		9,784		9,809		68,136		-		87,729	-	
Change in assets and liabilities:												
Receivables, net		(47,029)		(66,871)		(264,438)		-		(378,338)	-	
Inventory		-		-		3,327		-		3,327	(5,740)	
Due from other funds		-		(13,523)		(31,863)		-		(45,386)	164,445	
Other receivables		-		-		-		-		-	71,726	
Accounts payable and accrued liabilities		(95,922)		(239,437)		(93,953)		101		(429,211)	19,572	
Customer meter deposits payable		-		-		49,860		-		49,860	-	
Due to other funds		(8,797)		(608,026)		-		-		(616,823)	(4,567)	
Due to employees		-		-		-		-		-	5,164	
Other payable		-		-		5,800		-		5,800	-	
Claims payable		-		-		-		-		-	(164,445)	
Total OPEB liability		12,950		(18,425)		52,459		-		46,984	30,213	
Accrued compensated absences		8,382		33		20,309		-		28,724	5,375	
Net pension liability		(571,731)		(637,480)		(1,208,424)		-		(2,417,635)	-	
Deferred outflows and inflows of resources		436,654		526,555		906,403		-		1,869,612	(23,938)	
Net cash provided by (used in) operating activities	\$	2,305,730	\$	2,185,367	\$	3,646,480	\$	(14,386)	\$	8,123,191	\$ (1,222,054)	
Noncash activities:												
Contributed capital assets	\$	-	\$		\$	149,453	\$		\$	149,453	\$ -	
	\$		\$	-	\$	149,453	\$		\$	149,453	\$ -	



FOOTNOTES TO THE BASIC FINANCIAL STATEMENTS

Footnotes to the Basic Financial Statements:

1. Summary of Significant Accounting Policies

A. Financial Reporting Entity

The City's financial reporting entity is comprised of the primary government (City of Ardmore), two blended component units, and six discretely presented component units as noted below.

In determining the financial reporting entity, except as noted below, the City complies with the provisions of Governmental Accounting Standards Board Statements No. 14, 34, and 39 and includes all component units for which the City is financially accountable.

The City of Ardmore – that provides the public safety, streets, culture and recreation, cemetery, airport, economic development and administrative activities.

The City of Ardmore, Oklahoma, is a charter city operating under a Commission-Manager form of government authorized by the charter and Title 11 of the Oklahoma statutes. The governing body of the City is the Commission comprised of five elected members who designate one member to serve as mayor. The appointed City Manager is the administrative head of the City.

The City of Ardmore has a population of approximately 24,725 located in southern Oklahoma. The City is a Commission/Manager form of government that provides for three branches of government:

- Legislative the City Commission is the governing body elected by the citizens
- Executive the City Manager is the Chief Executive Officer and is appointed by the City Commission
- Judicial the Municipal Judge is a practicing attorney appointed by the City Commission

The City and its Trusts provide typical municipal services such as public safety, street maintenance, culture, parks and recreation, airport, and certain utility services including water, wastewater, sanitation and golf.

Blended Component Units:

- The City of Ardmore Public Works Authority that operates the water and sewer services of the City.
- The Ardmore Solid Waste Authority that operates the sanitation services of the City.

Discretely Presented Component Unit (excluded from the reporting entity):

- Ardmore Animal Care Authority operates for the benefit of the Ardmore Animal Shelter. The City subsidizes the operations of the animal care authority. The component unit's financial activity is not included due to reporting on a different financial reporting framework than the City.
- Ardmore Regional Park Authority established for the development and operation of a regional park facility. The City provides significant funding of operations for the park authority.

The component unit's financial activity is not included due to reporting on a different financial reporting framework than the City.

- Hardy Murphy Coliseum Authority operates the activities of the Hardy Murphy Coliseum. The City provides significant funding for capital improvements and operations. The component unit's financial activity is not included due to reporting on a different financial reporting framework than the City.
- Ardmore Tourism Authority established for the development of tourism in the Ardmore area. The City receives and transfers to this Authority a hotel/motel tax of 5 percent. The component unit's financial activity is not included due to reporting on a different financial reporting framework than the City.
- Ardmore Development Authority established to promote industrial development in the Ardmore area. The City receives and transfers to this Authority a dedicated sales tax of ½ percent. The component unit's financial activity is not included due to reporting on a different financial reporting framework than the City.
- Ardmore Main Street Authority established to preserve and improve the historical value of the downtown Ardmore area. The component unit's financial activity is also excluded.

Discretely presented component units of the City issue separately audited Component Unit Financial Statements. Copies of those financial statements may be obtained from the City's accounting department.

Each of these component units are Public Trusts established pursuant to Title 60 of Oklahoma State law. Public Trusts (Authorities) have no taxing power. The Authorities are generally created to finance City services through issuance of revenue bonds or other non-general obligation debt and to enable the City Commission to delegate certain functions to the governing body (Trustees) of the Authority. The Authorities generally retain title to assets which are acquired or constructed with Authority debt or other Authority generated resources. In addition, the City has leased certain existing assets at the creation for the Authorities to the Trustees on a long-term basis. The City, as beneficiary of the Public Trusts, receives title to any residual assets when a Public Trust is dissolved.

B. Basis of Presentation and Accounting

Government-Wide Financial Statements:

The statements of net position and activities are reported on the accrual basis of accounting and economic resources measurement focus. Under the accrual basis of accounting, revenues are recognized when earned and expenses (including depreciation and amortization) are recorded when the liability is incurred or economic asset used.

Program revenues within the Statement of Activities are derived directly from each activity or from parties outside of the City's taxpayers. The City has the following program revenues in each activity:

- Public Safety Fire, Police, Animal Control, and Civil Emergency Management fines and forfeitures, fire run charges, on behalf payments made by the state, and restricted operating and capital grants.
- Airport rental fees, operating and capital grants.

- Streets Commercial vehicle and gasoline excise tax shared by the State, operating grants and other miscellaneous fees.
- Culture and recreation lake fees, pool fees, library fees, recreation fees, operating and capital grants.
- Cemetery cemetery revenues.
- General Government licenses and permits, service fees, and restricted operating and capital grants.
- Economic Development rental income.
- Utilities water, wastewater and sanitation.

All other governmental revenues are reported as general. All taxes are classified as general revenue even if restricted for a specific purpose.

Governmental Funds:

The City's governmental funds include:

Major Funds:

• General Fund – accounts for all financial resources of the general government, except those required to be accounted for in another fund.

Special Revenue Funds:

- Community Enhancement Fund accounts for a .50 cent sales tax to be used for police protection, fire safety, auditorium renovation, coliseum renovation, industrial growth, parks and recreation improvement and general government.
- FAA Grant Fund accounts for grant funds received from FAA for airport operations and capital projects.
- Library Trust Fund accounts for the activities of the bequests found in the wills of two Ardmore citizens.
- GAPS Tax City Fund accounts for a .25 cent sales tax to be used for the construction and rehabilitation of City owned streets, facilities, water and wastewater infrastructure and police and fire capital needs.

Capital Project Fund:

• Street Improvement Fund – accounts for a .50 cent sales tax to be used for street improvements for the City of Ardmore.

Debt Service Funds:

• TIF 2 Fund – accounts for the tax increment revenues used to pay debt service TIF revenue notes.

Aggregated Non-Major Funds (reported as Other Governmental Funds):

Special Revenue Funds:

- Other Police Grants Fund accounts for revenues received from various grants to be used for police purposes.
- Street and Alley Fund accounts for state shared gasoline excise and commercial vehicle taxes legally restricted for street and alley purposes.

- Library State Grant Fund accounts for revenues received from the State to be used for library activities.
- Historical Grant Fund accounts for grant revenues to be used for preservation, development, protection and maintenance of historical districts and structures.
- Pass Thru Grants Fund accounts for miscellaneous grant revenues and expenditures.
- Mayor's Anti-Crime Fund accounts for donations received from the Chickasaw Indian Nation to be used to combat crime and drug related crimes.
- Homeland Security Grant Fund accounts for grant revenues to be used for various homeland security activities.
- JAG LLEB Grant Fund accounts for various grants to be used for law enforcement activities.
- ADA Industrial Fund accounts for a .25 cent sales tax to be used for economic development activities to be administered by the Ardmore Development Authority.
- Convention Tourism Fund accounts for hotel/motel tax revenues set aside for the Ardmore Tourism Authority to be used for purposes of a conference center.
- Literacy Grant Fund accounts for grant funds received for library operations and capital expenditures.
- FEMA DR 4222 accounts for grant revenues received for disaster emergencies.

Capital Project Funds:

- Hazard Mitigation Fund accounts for grant monies received from FEMA for various projects.
- Fire Capital Fund accounts for donations and fire surcharges to be used for fire capital purchases.
- Downtown Executive Airport Fund accounts for hanger rent and airport grants to be used for maintenance of the airport and various airport capital projects.
- Capital Improvement Fund accounts for dividends paid on oil well leases to be used for various capital projects.
- Cemetery Care Fund accounts for the transfer of 25% of revenue from cemetery lot sales and interment fees, which, with the exception of interest earnings, may only be used to purchase additional land and for major capital improvements to the cemetery. Interest earnings in the fund can be used for improving, caring for and embellishing lots, walks, drives, parks and other necessary improvements.
- Library Capital Improvement Fund accounts for interest earned from investment of idle funds in various investments and any additional monies bequest to the library from citizens to be used for library capital improvements.
- Clubhouse Fund accounts for revenues and expenditures related to the construction of the new Family Entertainment Center.
- SW Park Project accounts for donations received to be used for park improvements.
- Valley Ranch Road Assessment Fund accounts for activities of a special assessment district.

Debt Service Fund:

• Debt Service Fund – accounts for ad-valorem taxes levied by the City for use in retiring court-assessed judgments and general obligation bonds and their related interest expense. In State Statutes this fund is referred to as the Sinking Fund.

The governmental funds are reported on the modified accrual basis of accounting and current financial resources measurement focus. On the modified accrual basis of accounting, revenues are recorded when

earned and measurable and available to pay current financial obligations, while expenditures are recorded when incurred and normally payable from current financial resources. The City defines revenue availability as collected within 60 days of period end.

The reconciliation of the governmental funds financial statements to the governmental activities presentation in the government-wide financial statements is the result of the use of the accrual basis of accounting and economic resources measurement focus at the government-wide level.

The General Fund, Community Enhancement Fund, FAA Grant Fund, Library Trust Fund, GAPS Tax City Fund, Street Improvement Fund and TIF 2 Fund are considered major funds and therefore are displayed in separate columns. All other governmental funds are considered non-major funds and are aggregated under the column titled Other Governmental Funds.

Proprietary Funds:

When the City charges customers for the services it provides, these services are generally reported in proprietary funds. Proprietary funds include enterprise funds and internal service funds. Enterprise funds are used to account for business-like activities provided to the general public. Internal service funds are used to account for business-type activities provided within the government. Proprietary funds are reported on the accrual basis of accounting and current financial resources measurement focus. For example, proprietary fund capital assets are capitalized and depreciated and principal payments on long-term debt are recorded as a reduction to the liability.

The City's enterprise funds include the following major funds:

Ardmore Solid Waste Authority:

• Sanitation Enterprise Fund – that operates the sanitation services.

Ardmore Public Works Authority:

- Wastewater Enterprise Fund that operates the wastewater services.
- Water Enterprise Fund that operates the water services.

The Lakeview Golf Course Fund and Golf Course Building Fund are considered non-major funds and are reported under a separate column entitled Other Enterprise Funds.

The City's internal service funds include the following:

- Garage Fund that accounts for the activities of providing automotive and machinery maintenance and repair services to the City.
- Employee Benefit Fund that accounts for the activities of providing payroll benefits to the employees of the City (health, dental and vision insurance coverage).

The proprietary funds are reported on the accrual basis of accounting and current financial resources measurement focus.

For purposes of the statement of revenues, expenses and changes in fund net position, operating revenues and expenses are considered those whose cash flows are related to operating activities, while revenues and expenses related to financing, capital and investing activities are reported as non-operating or transfers and contributions.

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 current financial resources measurement focus as defined in item b. below.

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

- a. All governmental funds utilize a "current financial resources" measurement focus. Only current financial assets and liabilities 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 and liabilities (whether current or noncurrent) 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.

D. Assets, Liabilities, Deferred Outflows/Inflows, and Equity

Cash and Investments

For the purposes of the statements of net position, balance sheets, and statement of cash flows, "cash and cash equivalents" includes all demand and savings accounts, certificates of deposit or short-term investments with an original maturity of three months or less. Revenue bond and promissory note trust account investments in open-ended mutual fund shares are also considered cash equivalents and are reported at the funds' current share prices.

The City has a written investment policy that limits its investment choices to the limitations stated in the *Oklahoma Statutes*. *Oklahoma Statutes* allow the City to invest in bonds of cities, school districts, or counties within the State of Oklahoma; public trust bonds whose beneficiary is a county, municipality or school district, except industrial development bonds; direct obligations of the United States; and certificates of deposit. Public trusts created under O.S. Title 60, are not subject to the above investment limitations and are primarily governed by any restrictions in their trust or note indenture and investment policy.

Investments consist of non-negotiable certificates of deposit whose original maturity term exceeds three months. These non-negotiable certificates of deposit are carried at cost. Marketable investments are carried at fair value.

Receivables

In the government-wide statements, receivables consist of all revenues earned at year-end and not yet received. Major receivable balances for the governmental activities include sales and use taxes, franchise taxes, grants, police fines, and hotel/motel taxes. 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, 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 year-end and not yet received. Utility accounts receivable comprise the majority of proprietary fund receivables. Allowances for uncollectible accounts receivable are based upon historical trends and the periodic aging of accounts receivable.

Inventories

All inventories are valued at cost using the first-in/first-out (FIFO) method. Inventories of governmental funds are recorded as expenditures when consumed rather than when purchased.

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.

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

- Buildings	50 years
- Building Improvements	20 years
- Public Domain Infrastructure	50 years
- System Infrastructure	30 years
- Vehicles	3-5 years
- Office and Computer Equipment	5 years
- Machinery and Equipment	10 years

Intangible leased assets are amortized over the life of the associated contract.

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.

Restricted Assets

Restricted assets include cash and investments of the proprietary funds 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 is reported as liabilities in the government-wide statements. The long-term debt consists of notes payable, capital lease obligations payable, claims payable, net pension liabilities, other post-employment benefits and accrued compensated absences. This long-term debt is reported net of unamortized premiums and discounts.

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

It is the government's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. The City buys back accumulations of sick leave over 720 hours for police and accumulations over 960 hours for fire at a discounted rate in July of each year. The City buys back accumulation of sick leave over 720 for non-exempt employees in December of each year. 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.

Deferred Outflows and Inflows

Deferred outflows and inflows are the consumption or acquisition of net position by the City that are applicable to a future reporting period. At June 30, 2022, the City's deferred outflows and deferred inflows of resources were comprised of pension, OPEB and lease related deferrals. As mentioned in Note 1.H., certain pension and OPEB amounts are deferred, some as outflows and other as inflows, amortized as a component of pension and insurance expense in future periods.

Lease-related amounts are recognized at the inception of leases in which the City is the lessor and are recorded in an amount equal to the corresponding lease receivable plus certain additional amounts received from the lessee at or before the commencement of the lease term that relate to future periods, less any lease incentives paid to, or on behalf of, the lessee at or before the commencement of the lease term. The inflow of resources is recognized in a systematic and rational manner over the term of the lease.

Leases

The City is a party as lessor and lessee for various noncancellable long-term leases of land, buildings and equipment. The corresponding lease receivable or lease liabilities, are recorded in an amount equal to the present value of the expected future minimum lease payments received or paid, respectively, discounted by an applicable interest rate.

Equity Classifications

Net Position:

Net position is normally reported in the government-wide and proprietary fund financial statements are 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 improvements 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 and 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.

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 place 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. The City currently reports 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. Assignments for transfers and interest income for governmental funds are made through the budgetary process.
- e. Unassigned represents fund balance that has not been assigned to other funds and has not been restricted, committed, or assigned to specific purposes within the general fund.

It is the City's policy to first use restricted fund balance prior to the use of unrestricted fund balance when an expense is incurred for purposes for which both restricted and unrestricted fund balance are available. The City's policy for the use of unrestricted fund balance amounts require that committed amounts would be reduced first, followed by assigned amounts and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of those unrestricted fund balance classifications could be used.

Proprietary fund equity is classified the same as in the government-wide statements.

E. Revenues, Expenditures, and Expenses

Sales Tax

Sales and use tax revenue represents a 3.75 cents tax on each dollar of taxable sales which is recorded as revenue within the respective funds. Upon receipt, the sales tax is recorded as follows:

- 2 cents is recorded in the General Fund and then ¼ cent transferred to the Wastewater Enterprise Fund for construction and rehabilitation of wastewater infrastructure and ¼ cent transferred to the Water Enterprise Fund for construction and rehabilitation of water infrastructure.
- ½ cent recorded in the Street Improvement Fund for capital projects related to street improvements.
- ½ cent recorded in the Community Enhancement Fund for police and fire, auditorium and coliseum renovation, industrial growth, and parks and recreation.
- ¼ cent, while in effect, recorded in the General Fund and transferred to the Ardmore Development Authority Fund for industrial development in the Ardmore area.

• ½ cent recorded in the GAPS Tax City Fund for capital expenditures and public safety operations.

Sales tax resulting from sales occurring prior to year-end and received by the City after year end have been accrued and is included under the caption *Due from Other Governments* because they represent taxes on sales occurring during the reporting period.

The ¼ cent for the Ardmore Development Authority Fund expired on September 30, 2013. However, the City failed to notify the Oklahoma Tax Commission this tax was expiring. Therefore, the City continued to receive these taxes from October 2013 thru December 2013 in error. The City deposited these taxes into a separate bank account and agreed to issue sales tax refunds to any citizen that provided receipts within three years of December 2013. The City had not issued any refunds as of June 30, 2022. The City has recorded a sales tax payable in the amount of \$350,980, and for FY 22-23, the City is planning to bring this amount in as revenue.

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. At the present time the City levies a property tax for court-assessed judgments.

The property tax levy, as determined by the City's debt service needs, is submitted to the County Excise Board for approval. County assessors, elected officials, determine the taxable value of real estate and personal property in the County. A State Board of Equalization hears complaints on real estate values with the power to equalize assessments. Under present State law, the ratio of assessed value to true value cannot be less than 11 percent or more than 13 ½ percent.

Property taxes levied by the City are billed and collected by the County Treasurer's office and remitted to the City in the month following collection. Property taxes are levied normally in October and are due in equal installments on December 31 and March 31. Property taxes unpaid for the fiscal year are attached by an enforceable lien on property in the following October.

For the year ended June 30, 2022, the City's net assessed valuation of taxable property was \$198,673,226. The taxes levied by the City per \$1,000 of net assessed valuation for the year ended June 30, 2022, was \$0.18.

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.

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.

F. Internal and Interfund Balances and Activities

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

Fund Financial Statements:

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

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

Government-Wide Financial Statements:

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

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

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. The City generally uses an estimate based on municipal bond rate yield curves as the discount rate for leases unless the rate that the lessor/vendor charges is known.

H. Pensions and OPEB

For purposes of measuring the net pension asset, net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Oklahoma Firefighters Pension & Retirement System (OFPRS), Oklahoma Police Pension & Retirement System (OPPRS) and Oklahoma Municipal Retirement Fund (OkMRF) 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.

For purposes of measuring the total OPEB liability, deferred outflows of resources, and deferred inflows and OPEB expense for the single employer other postemployment benefit plan the measurement has been prepared in accordance with GASB Statement No. 75.

2. Cash, Cash Equivalents, and Investments

At June 30, 2022, the reporting entity held the following deposits and investments:

Primary Government:

Туре	Maturities	Credit Rating		Carrying Value	Fair Value Hierarchy
					•
Deposits:					
Demand deposits				63,845,279	-
Cash on hand				6,200	-
			_	63,851,479	
Investments:					<u>-</u> '
Trustee accounts money market fund		AAA		4,736,212	-
Investment in Judgments		N/A		154,915	Level III
FFCB U.S. Government Securities	Maturity (0-5 Yrs)	AA+		573,096	Level II
FFCB U.S. Government Securities	Maturity (5-10 Yrs)	AA+		535,725	Level II
FHLB U.S. Government Securities	Maturity (0-5 Yrs)	AA+		1,568,621	Level II
FHLB U.S. Government Securities	Maturity (5-10 Yrs)	AA+		787,775	Level II
FFCB U.S. Government Securities	Maturity (10 Yrs & up)	AA+		835,200	Level II
				9,191,544	•
Total deposits and investments			\$	73,043,023	ı
Reconciliation to Statement of Net Position	:				
Cash and cash equivalents			\$	68,196,725	
Investments				4,846,298	
			\$	73,043,023	
See accompanyi	ng footnotes to this sched	lule		•	•

Custodial Credit Risk – Exposure to custodial credit risk related to deposits exists when the City holds deposits that are uninsured and uncollateralized; collateralized with securities held by the pledging

financial institution, or by its trust department or agent but not in the City's name; or collateralized without a written or approved collateral agreement. Exposure to custodial credit risk related to investments exists when the City holds investments that are uninsured and unregistered, with securities held by the counterparty or by its trust department or agent but not in the City's name.

The City's policy requires collateral for demand deposits and certificates of deposit for all amounts not covered by federal deposit insurance. At June 30, 2022 the City was not exposed to custodial credit risk.

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's investment policy limits its investment choices to that of the limitation of state law as follows:

- a. Direct obligations of the U. S. Government, its agencies and 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 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 deposit, prime bankers acceptances, prime commercial paper and repurchase agreements with certain limitations.
- 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 obligations of the National Mortgage Association.
- 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.

Concentration of Investment Credit Risk - the City places no limit on the amount it may invest in any one issuer. Since the City has all investments in certificates of deposit, government securities, or money market accounts, there is no concentration of investment credit risk exposure.

Restricted Cash and Investments – The amounts reported as restricted assets of the proprietary fund statement of net position are comprised of amounts restricted for utility deposits, debt service or construction purposes. The restricted assets as of June 30, 2022 are as follows:

	Current
	Cash and cash
	equivalents
Series 2009 Debt Service Account	\$ 15,953
Series 2012 Reserve Account	76,395
Series 2014 Note Revenue Account	811,242
Series 2015 Note Revenue Account	160,854
Series 2015 Construction Account	3,044,172
Series 2016 Note Revenue Account	75,439
Series 2016 Construction Account	552,157
Meter deposits	386,155
Total	\$ 5,122,367

3. Accounts, Notes and Leases Receivable

<u>Accounts Receivable</u> - Accounts receivable of the business-type activities consist of customers utilities services provided, both billed and unbilled, due at year end, reported net of allowance for uncollectible amounts. The governmental activities receivables include police fines receivables.

	-	Accounts eceivable	for U	: Allowance Incollectible	Net Accounts Receivable	
Governmental Activities: Court fines	\$	267,963	\$	(53,593)	\$ 214,370	
Business-Type Activities: Utilities	\$	2,273,530	\$	(252,217)	\$	2,021,313

<u>Lease Receivable</u> – The City as a lessor, has entered into lease agreements involving land and buildings. The total amount of inflows of resources, including lease revenue and interest revenue recognized during the fiscal year was \$34,077. Lease receivable balances at June 30th, 2022, were as follows:

Russell Noble Trust	\$ 20,112
Noble Research Institute	91,074
Air Evac EMS	35,072
Bulard Air Service	20,380
Hangar Village Associates	69,498
Butler Real Estate Holdings	9,814
Total Lease Receivable Governmental	\$ 245,950

4. Capital Assets and Depreciation

Capital Assets:

Capital assets consist of land, buildings, computers, furniture and fixtures, vehicles, machinery and equipment, infrastructure and intangibles. Capital assets are reported at actual or estimated historical cost. Donated capital assets are recorded at their fair value at the date of donation. For the year ended June 30, 2022, capital assets balances changed as follows:

	Balance at	Additions	Disposals	Balance at
	July 1, 2021	and Transfers	and Transfers	June 30, 2022
Governmental activities:				
Capital assets not being depreciated:		_	_	
Land	\$ 6,826,854	\$ -	\$ -	\$ 6,826,854
Total capital assets not being depreciated	6,826,854			6,826,854
Depreciable assets:	26 291 252	2 450 455		20 021 700
Buildings	26,381,253	2,450,455	22.720	28,831,708
Computers Furniture and fixtures	9,764,307	344,800	23,729	10,085,378 1,375,021
Vehicles	1,318,437	58,205	1,621	
	6,011,455	546,811 348,968	351,427	6,206,839
Machinery and equipment Infrastructure	5,309,393	4,486,439	-	5,658,361 86,955,663
Total depreciable assets at historical cost	82,469,224 131,254,069	8,235,678	376,777	139,112,970
Less accumulated depreciation for:	131,234,009	6,233,076	370,777	139,112,970
Buildings	7,051,250	661,187	_	7,712,437
Computers	7,591,908	442,496	23,729	8,010,675
Furniture and fixtures	1,047,821	66,733	1,621	1,112,933
Vehicles	4,412,988	527,480	335,400	4,605,068
Machinery and equipment	4,579,398	216,639	-	4,796,037
Infrastructure	65,977,269	2,781,378	-	68,758,647
Total accumulated depreciation	90,660,634	4,695,913	360,750	94,995,797
Other assets:	>0,000,00	1,000,013	200,720	,,,,,,,,,,,
Intangible leased equipment	_	288,861	_	288,861
Total other assets		288,861		288,861
Less accumulated amortization for:				,
Intangible leased equipment	_	57,772	_	57,772
Total accumulated amortization		57,772		57,772
Depreciable and other assets, net	40,593,435	3,770,854	16,027	44,348,262
Governmental activities capital assets, net	\$ 47,420,289	\$ 3,770,854	\$ 16,027	\$ 51,175,116
Business-type activities:				
Capital assets not being depreciated:				
Land	\$ 426,536	\$ 21,990	\$ -	\$ 448,5
Total capital assets not being depreciated	426,536	21,990		448,5
Depreciable assets:				
Buildings	48,894,071	432,346	8,032	49,318,3
Computers	298,156	100,030	1,440	396,7
Furniture and fixtures	92,097	-	2,550	89,5
Vehicles	3,966,292	578,816	475,353	4,069,7
Machinery and equipment	4,785,255	15,921	7,193	4,793,9
Infrastructure	123,723,963	311,185	_	124,035,1
Total depreciable assets at historical cost	181,759,834	1,438,298	494,568	182,703,5
Less accumulated depreciation for:	,,,,,	-,,	.,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	
Buildings	18,141,824	971,024	4,143	19,108,7
Computers	271,705	15,238	1,011	285,9
Furniture and fixtures	71,257	3,722	2,550	72,4
Vehicles				
	2,971,780	389,149	422,161	2,938,7
Machinery and equipment	3,837,432	223,722	7,192	4,053,9
Infrastructure	103,722,288	3,185,321	427.057	106,907,6
Total accumulated depreciation	129,016,286	4,788,176	437,057	133,367,4
Depreciable assets, net	52,743,548	(3,349,878)	57,511	49,336,1
Business-type activities capital assets, net	\$ 53,170,084	\$ (3,327,888)	\$ 57,511	\$ 49,784,6

Depreciation/amortization of capital assets is included in total expenses and is charged or allocated to the activities primarily benefiting from the use of the specific asset. Leased assets are amortized over the life of the associated contract. Depreciation/amortization expense has been allocated as follows:

377,739

4,788,176

55,909

Depr	eciation	/amortization	expense	charged to	governmental	activities:

Depreciation:		
General government	\$	783,903
Public safety		589,522
Street		2,489,994
Culture and recreation		396,637
Cemetery		24,275
Airport		411,582
Total depreciation expense	\$	4,695,913
Amortization:		
General government		57,772
Total amortization expense		57,772
Total depreciation/amortization expense	\$	4,753,685
		_
Depreciation/amortization expense charged to business	s-type	activities:
Depreciation:		
Water	\$	2,002,803
Wastewater		2,351,725

5. Long-Term Debt and Debt Service Requirements

Sanitation Golf

Total depreciation expense

For the year ended June 30, 2022, the reporting entity's long-term debt changed as follows:

T CD 14		Balance		1.1%	ь.	1 4		Balance		ue Within	
Type of Debt Governmental Activities:	Jur	y 1, 2021	<u> </u>	dditions	De	eductions	Ju	ne 30, 2022		One Year	
	\$		\$	288,861	\$	57,355	\$	221 506	\$	57 245	
Lease Obligations Claims payable	Э	421,317	Þ	5,658,523	Ф	5,822,968	Ф	231,506 256,872	Ф	57,245	
Accrued compensated absences		1,066,643		47,848		3,022,900		*		111,449	
Total Governmental Activities	\$	1,487,960	\$	5,995,232	\$	5,880,323	\$	1,114,491	\$	168,694	
	<u> </u>	1,467,900	Þ	3,993,232	4	3,000,323	D	1,002,009	Ф	100,094	
Business-Type Activities:	e e	10.040.560	ф		Ф	1 207 104	d)	15 550 450	ф	4 502 007	
Notes Payable-direct borrowings/placements	\$ \$	19,948,562	\$	145 210	\$	4,396,104	\$	15,552,458	\$	4,502,087	
Deposits subject to refund		336,295		145,210		95,350		386,155		77,231	
Accrued compensated absences	•	246,088	_	28,724	Φ.	4 401 454	Ф.	274,812	_	27,481	
Total Business-Type Activities	\$	20,530,945	\$	173,934	\$	4,491,454	\$	16,213,425	\$	4,606,799	
Reconciliation to Statement of Net Position:											
Governmental Activities:											
Due within one year							\$	168,694			
Due in more than one year								1,434,175			
Total OPEB liability								3,043,340			
Net pension liability								4,248,445			
Total Governmental Activities Long-Ten	m Liabil	lities					\$	8,894,654	•		
Business-Type Activities:											
Due within one year							\$	4,606,799			
Due in more than one year							Φ	11,606,626			
Total OPEB liability								950,038			
Total Business-Type Activities Long-Te			. C			:1	\$	17,163,463			
Total Business-Type Activities Long-Te			fro	om net re	even	nues incl		17,163,463	g:		
Total Business-Type Activities Long-Te			fro	om net re	even	nues incl	ude th	17,163,463	g:		
Total Business-Type Activities Long-Te			fro	om net re	even		ude th	17,163,463 ne following	g:		-
Total Business-Type Activities Long-Te			fro	om net re	even	No	ude th	17,163,463 ne following			
Total Business-Type Activities Long-Te			fro	om net re	even	No	ude th	17,163,463 ne following	g: 		
Total Business-Type Activities Long-Te Governmental activities long-term Claims Payable:			s fro	om net re	even	No	ude th	17,163,463 ne following			
Total Business-Type Activities Long-Te			s fro	om net re	even	No	Curre	17,163,463 ne following		25	6,87
Total Business-Type Activities Long-Te Governmental activities long-term Claims Payable:			s fro	om net re	even	No Tota	Curre oncurre al Clain	17,163,463 ne following ent portion ent portion ens Payable ent portion		25 11	6,87 1,44
Total Business-Type Activities Long-Te Governmental activities long-term Claims Payable:			s fro			No Tota N	Curre on Curre al Claim	17,163,463 ne following		25	6,87 1,44 3,04
Total Business-Type Activities Long-Te Governmental activities long-term Claims Payable: Accrued Compensated Absences:			s fro			No Tota N	Curre on Curre al Claim	17,163,463 ne following ent portion	\$	25 11 1,00	6,87 1,44 3,04
Total Business-Type Activities Long-Te Governmental activities long-term Claims Payable:			s fro			No Tota N	Curre concurred Claim	ne following the portion as Payable tent portion tent por	\$	11 1,000	6,87 1,44 3,04
Total Business-Type Activities Long-Te Governmental activities long-term Claims Payable: Accrued Compensated Absences:			s fro			No Tota N rued Comp	Curre	17,163,463 ne following the portion as Payable tent portion	\$	11 1,000 1,114	6,87 1,44 3,04 4,49
Total Business-Type Activities Long-Te Governmental activities long-term Claims Payable: Accrued Compensated Absences:			s fro			No Tota N rued Comp	Curre	ne following the portion are portion are portion are portion and portion are portion and Absences are portion are	\$	11 1,000 1,114 3,04	6,87 1,44 3,04 4,49
Total Business-Type Activities Long-Te Governmental activities long-term Claims Payable: Accrued Compensated Absences:			s fro			No Tota N rued Comp	Curre	17,163,463 ne following the portion as Payable tent portion	\$	11 1,000 1,114 3,04	6,87 1,44 3,04 4,49
Total Business-Type Activities Long-Te Governmental activities long-term Claims Payable: Accrued Compensated Absences:			: fro			No Tota N rued Comp	Curre	ne following the portion are portion are portion are portion and portion are portion and Absences are portion are	\$	11 1,000 1,114 3,04	6,87 1,44 3,04 4,49
Total Business-Type Activities Long-Te Governmental activities long-term Claims Payable: Accrued Compensated Absences: Total OPEB Liability:			s fre			No Tota N rued Comp	Curre	ne following the portion are portion are portion are portion and portion are portion and Absences are portion are	\$	11 1,000 1,114 3,04	1,449 1,449 3,042 4,49
Total Business-Type Activities Long-Te Governmental activities long-term Claims Payable: Accrued Compensated Absences: Total OPEB Liability:			s fro			No Tota N rued Comp No To	Curre	ent portion ent portion ent portion ent portion ent portion ent portion d Absences ent portion	\$	25 11 1,000 1,111 3,04 3,04	6,87. 1,44! 1,449 - - 3,34! 3,34!
Total Business-Type Activities Long-Te Governmental activities long-term Claims Payable: Accrued Compensated Absences: Total OPEB Liability:			s fro			No Tota No rued Comp No To	Curre	ne following ent portion ent portion ent portion ent portion dent portion dent portion dent portion dent portion ent portion ent portion ent portion ent portion ent portion EB liability	\$	3,04 3,04	

The City as a lessee,	has entered into a	lease agreement invo	lving equipment t	for city operations.

Current portion	\$ 57,245
Noncurrent portion	174,261
Total Capital Leases Payable	\$ 231,506

Business-type activities long-term debt payable from net revenues generated by and taxes pledged to the City's business-type activities include the following:

Notes Payable-Direct Placements:

2012 CW SRF Note Payable to Oklahoma Water Resources Board dated November 19, 2012 original amount of \$8,697,000 with an annual interest rate of 1.7% due in semi-annual installments of principal and interest beginning September 15, 2015, final installment due March 15, 2035, payable from and secured by utility revenues. In the event of default, the lender may: 1) file suit for specific performance of covenants; 2) accelerate maturity of principal and interest accrued; 3) appoint trustees to take over, operate, and maintain the System; 4) file suit to enforce or enjoin action or inaction of parties under provisions of the note.

\$ 6,475,897

2014 Series Utility System and Sales Tax Revenue Note through Bancfirst dated January 30, 2014, original amount of \$26,140,000 with an annual interest rate of 2.30% due in semi-annual installments of principal and interest beginning April 1, 2014, final installment due April 1, 2023, payable from and secured by utility revenues and 1/2 cent sales tax. In the event of default, the lender may: 1) file suit for specific performance of covenants; 2) accelerate maturity of principal and interest accrued; 3) appoint trustees to take over, operate, and maintain the System; 4) file suit to enforce or enjoin action or inaction of parties under provisions of the note or sales tax agreement.

2,745,000

2015 Series Utility System and Sales Tax Revenue Note through Bancfirst dated June 24, 2015, original amount of \$5,430,000 with an annual interest rate of 1.89% due in semi-annual installments of principal and interest beginning October 1, 2015, final installment due April 1, 2024, payable from and secured by utility revenues and 1/2 cent sales tax. In the event of default, the lender may: 1) file suit for specific performance of covenants; 2) accelerate maturity of principal and interest accrued; 3) appoint trustees to take over, operate, and maintain the System; 4) file suit to enforce or enjoin action or inaction of parties under provisions of the note or sales tax agreement.

3,805,000

2009 CW SRF Note Payable to Oklahoma Water Resources Board dated December 18, 2009, original amount of \$1,090,000 with an annual interest rate of 2.67% due in semi-annual installments of principal and interest beginning September 15, 2010, final installment due March 15, 2030, payable from and secured by utility revenues. In the event of default, the lender may: 1) file suit for specific performance of covenants; 2) accelerate maturity of principal and interest accrued; 3) appoint trustees to take over, operate, and maintain the System; 4) file suit to enforce or enjoin action or inaction of parties under provisions of the note.

326,561

2016 Series Utility System and Sales Tax Revenue Note through Bancfirst dated June 7, 2016, original amount of \$7,035,000 with an annual interest rate of 1.68% due in semi-annual installments of principal and interest beginning June 1, 2017, final installment due June 1, 2024, payable from and secured by utility revenues and 1/2 cent sales tax. In the event of default, the lender may: 1) file suit for specific performance of covenants; 2) accelerate maturity of principal and interest accrued; 3) appoint trustees to take over, operate, and maintain the System; 4) file suit to enforce or enjoin action or inaction of parties under provisions of the note or sales tax agreement.

2.2		

Total Notes Payable	\$ 15,552,458
Current portion	\$ 4,502,087
Noncurrent portion	11,050,371
Total Notes Payable	\$ 15,552,458

Deposits Subject to Refund:

Current portion	77,231
Noncurrent portion	 308,924
Total Deposits Subject to Refund	\$ 386,155

Accrued Compensated Absences:

Current portion	27,481
Noncurrent portion	 247,331
Total Accrued Compensated Absences	\$ 274,812

Total OPEB Liability:

-
 950,038
\$ 950,038
\$

Debt Service Requirements to Maturity:

Governmental Activities

	Lease Obligations				
Year Ending June 30,	<u>Principal</u>	<u>Interest</u>			
2023	57,245	1,533			
2024	57,664	1,114			
2025	58,086	692			
2026	58,511	267			
Totals	\$ 231,506	\$ 3,606			

_	Business Type Activities				
	Direct Borrowings / Placements				
	Notes F	Payable			
Year Ending June 30,	<u>Principal</u>	Interest			
2023	4,502,087	299,091			
2024	4,158,078	210,736			
2025	639,136	147,519			
2026	190,202	139,394			
2027	639,338	132,499			
2028-2032	3,327,811	440,014			
2033-2035	2,095,806	82,665			
Totals	\$ 15,552,458	\$ 1,451,918			

6. Fund Balances

The following table shows the fund balance classifications as shown on the Governmental Funds Balance Sheet:

		Community		GAPS Tax Street		Street	Other		1
	General	Enhancement	FAA Grant	Library Trust	City	Improvement	TIF 2	Governmental	TOTAL
	Fund	Fund	Fund	Fund	Fund	Fund	Fund	Funds	Governmental
Fund Balances:									
Restricted for:									
Community enhancement	\$ -	\$ 4,567,791	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,567,791
Streets	=	· · · · · -	=	=	=	2,217,965	=	49,899	2,267,864
Library grants	=	=	=	=	=	· · · · · -	=	191,241	191,241
Grant programs	-	-	-	-	-	-	-	2,334,352	2,334,352
Public safety	-	-	-	-	-	-	-	349,348	349,348
Culture and recreation	221	-	-	-	-	-	-	-	221
Library	2,000	-	-	4,759,110	-	-	-	-	4,761,110
Cemetery	_	-	-	-	-	-	-	118,039	118,039
Economic development	-	-		-	-	-	-	125,092	125,092
Capital projects	-	-	-	-	5,312,130	-	-	251,324	5,563,454
Debt service	-	-	-	-	-	-	3,468,749	-	3,468,749
Sub-total Restricted	2,221	4,567,791	-	4,759,110	5,312,130	2,217,965	3,468,749	3,419,295	23,747,261
Assigned for:									
Community enhancement	-	333,190	-	-	-	-	-	-	333,190
Street improvements	-	-	-	-	-	468,978	-	-	468,978
Library grants	-	-	-	-	-	-	-	15,052	15,052
Capital projects	-	-	-	-	310,892	-	-	962,520	1,273,412
Public safety capital projects	-	-	-	-	-	-	-	13,780	13,780
Debt service	-	-	-	-	-	-	311,068	-	311,068
Insurance recovery	41,146	-	-	-	-	-	-	-	41,146
Drug enforcement	24,320	-	-	-	-	-	-	-	24,320
Public safety	22,581	-	-	-	-	-	-	18,129	40,710
Reserve management	9,084,175	-	-	-	-	-	-	-	9,084,175
Grant programs	1,211	-	-	-	-	-	-	1,861	3,072
OHP building maintenance	24,302	-	-	-	-	-	-	-	24,302
Culture and recreation	319,435	-	-	-	-	-	-	-	319,435
Library	86,652	-	-	-	-	-	-	-	86,652
Subsequent year's budget	4,103,420	-	-	-	-	-	-	-	4,103,420
Sub-total Assigned	13,707,242	333,190	-	-	310,892	468,978	311,068	1,011,342	16,142,712
Unassigned (deficit):	3,696,037	-	(3,485)	-	-	-	-	(147,666)	3,544,886
TOTAL FUND BALANCES	\$ 17,405,500	\$ 4,900,981	\$ (3,485)	\$ 4,759,110	\$ 5,623,022	\$ 2,686,943	\$ 3,779,817	\$ 4,282,971	\$ 43,434,859

7. Internal and Interfund Balances and Transfers

The City's policy is to eliminate interfund transfers and balances in the statements of activities and net position to avoid the grossing up of balances. Only the residual balances transferred between governmental and business-type activities are reported as internal transfers and internal balances and then offset in the total column in the government-wide statements. Interfund transfers and balances between funds are not eliminated in the fund financial statements.

Transfers:

Internal transfers between funds and activities for the year ended June 30, 2022 were as follows:

Transfer From	Transfer To	Amount	Amount Purpose of Transfer		
General Fund	Lakeview Golf Course Fund	130,000	Operating transfer		
General Fund	Wastewater Enterprise Fund	1,875,348	Sales tax transfer		
General Fund	Water Enterprise Fund	1,875,348	Sales tax transfer		
General Fund-Reserve Management	Downtown Executive Airport Fund	91,667	Reimbursement of expenses incurred		
General Fund-Reserve Management	Lakeview Golf Course Fund	10,000	Operating transfer		
General Fund-Reserve Management	Wastewater Enterprise Fund	600,000	Operating transfer		
General Fund-Reserve Management	JAG Fund	1,939	Capital assets		
General Fund-Reserve Management	Other Police Grants Fund	5,102	Capital assets		
Water Enterprise Fund	General Fund	833,333	Operating transfer		
GAPS Tax Fund	Water Enterprise Fund	1,305,630	Debt payments		
Street and Alley Fund	General Fund-Commercial Sidewalk	5,625	Project expenses		
Street and Alley Fund	General Fund-RSP	4,560	Project expenses		
Community Enhancement Fund	General Fund	1,500,000	Operating transfer		
Street Improvement Fund	Street and Alley Fund	250,000	Operating transfer		
FEM A Fund	General Fund	855,656	Operating transfer		
Mayor's Anti Crime Fund	General Fund	130,000	Operating transfer		
Library Trust Fund	Library Capital Improvement Fund	225,000	Operating transfer		
Debt Service Fund	General Fund	68,311	Reimbursement of expenses incurred		
Sanitation Enterprise Fund	General Fund	2,083,333	Operating transfer		
Wastewater Enterprise Fund	General Fund	950,417	Operating transfer		
Wastewater Enterprise Fund	Water Enterprise Fund	1,785,924	Debt payments		
Total		\$ 14,587,193			
Reconciliation to Fund Financial S	tatements:		GW Capital Asset/Grant		
	Transfers In	Transfers Out	Purchases/Transfers	Net Transfers	
Governmental Funds	\$ 7,004,943	\$ (8,934,186)	\$ 314,425	\$ (1,614,818)	
Proprietary Funds	7,582,250	(6,179,313)	211,881	1,614,818	
•	\$ 14,587,193	\$ (15,113,499)	\$ 526,306	\$ -	

Internal Balances:

Interfund receivable and payables at June 30, 2022 were comprised of the following:

Due From	Due To	Amount	Nature of Balance		
General Fund	Wastewater Enterprise Fund	235,356	Portion of sales tax accrual		
General Fund	Water Enterprise Fund	150,495	Portion of sales tax accrual		
General Fund	Garage Cash Fund	42,072	Reimburse for deposit recorded incorrectly		
General Fund	Solid Waste Fund	32,654	Reimburse for deposit recorded incorrectly		
General Fund	Employee Benefit Internal Service Fund	148,289	Portion of self-insurance claims payable		
Debt Service Fund	General Fund	96,897	Repay GF for investment		
Debt Service Fund	Street Improvement Fund	26,729	Debt service		
Debt Service Fund	Hazard Mitigation Grant Fund	25,105	Debt service		
Solid Waste Fund	Employee Benefit Internal Service Fund	8,798	Portion of self-insurance claims payable		
Solid Waste Fund	General Fund	29,645	1 2		
Street Improvement Fund	Employee Benefit Internal Service Fund	2,958	1		
Clubhouse Fund	General Fund	43	Error Correction		
Clubhouse Fund	General Fund	5,000	00 Advance to Clubhouse		
Employee Benefit Internal Service Fund	Wastewater Enterprise Fund	89,866			
Library Cash Fund	Literacy Grant Fund	1,459	1 3		
FAA Grant Fund	Reserve Management Fund	489	Reimburse revenues		
Garage Cash Fund	Employee Benefit Internal Service Fund	25,668	Portion of self-insurance claims payable		
E911 Fund	General Fund	24,395	Tobacco revenues posted in wrong fund		
Municipal Court Fund	General Fund	2,114	Court fines not transferred		
Total		\$ 948,032			
Reconciliation to Fund Financial Stater	nents:				
	Due From	Due To	Internal Service Fund Activity	Net Internal Balances	
Governmental Funds	\$ 211,876	\$ (793,360)	\$ 111,556	\$ (469,928)	
Proprietary Funds	508,371	(38,443)		469,928	
Internal Service Funds	227,785	(116,229)	\$ (111,556)	-	
Total	\$ 948,032	\$ (948,032)	\$ -	\$ -	

8. Pledge of Future Revenues

Sales Tax and Utility Net Revenues Pledge – The City has pledged ½ cent of future sales tax revenues and net water and wastewater utility revenues to repay the following notes payable: \$1,090,000 of 2009 OWRB Notes Payable, \$8,697,000 of 2012 OWRB Notes Payable, \$26,140,000 of 2014 Series Utility System and Sales Tax Revenue Notes, \$5,430,000 of 2015 Series Utility System and Sales Tax Revenue Notes, and \$7,035,000 of 2016 Series Utility System and Sales Tax Revenue Notes. Proceeds from the bonds provided for the purchase or construction of water and utility systems. The notes are payable from pledged sales tax and net water and sewer utility revenues through 2030, 2035, 2023, 2024 and 2024 respectively. The total principal and interest payable for the remainder of the life of these notes is \$17,004,376. Pledged net water and sewer utility revenues and pledged sales tax in the current fiscal year were \$11,166,109. Maximum annual debt service on all parity debt totaled \$6,286,963 which was 178% of total pledged revenues for these notes.

Gross Revenue Available for Debt Service:		
Charges for services	\$	12,911,896
Sales tax pledged (1/2 cent)		3,750,696
Total Gross Revenues Available		16,662,592
Operating Expenses:		
Operations		5,496,483
Total Operating Expenses	-	5,496,483
Net Revenues Available for Debt Service		\$11,166,109
Debt Service Requirements:		
Maximum annual debt service on all APWA parity debt		\$6,286,963
Computed Coverage		178%
Coverage Requirement		125%

The above gross revenue and operating expenses include only water and sewer operations of the Ardmore Public Works Authority, excluding depreciation and amortization.

9. Risk Management

The City is exposed to various risks of loss (torts, theft of, damage to, or destruction of assets, business interruptions, errors and omissions, job-related illnesses or injuries to employees, and acts of God) and has established a risk management strategy that attempts to minimize losses and the carrying cost of insurance. There have been no significant reductions in insurance coverage from the prior year and settlements have not exceeded coverage in the past three years.

General Liability, Physical Property and Automobile Liability/ Physical Damage – general liability, physical property and automobile liability/physical damage are insured through the Oklahoma Municipal Assurance Group risk entity pool. Deductibles range from \$0 to \$5,000. Risk of loss retained is limited to the excess of insurance liability coverage limits set by OMAG.

Internal Service

The City's risk management activities are recorded in the Internal Service Funds. The purpose of the fund is to administer employee life and health insurance programs of the City on a cost-reimbursement basis. This fund accounts for the risk financing of the City but does not constitute a transfer of risk from the City. The City maintains a stop-loss policy for the indemnity health plan to limit risk associated with that plan. The City records an estimated liability for indemnity health care. Claims liabilities are based on estimates of the ultimate cost of reported claims (including future claim adjustment expenses) and estimate for claims incurred but not reported based on historical experience. The fund establishes a liability for both reported and unreported events, which includes estimates of both future payments of losses and related claim adjustment expenses.

The following represents the changes in approximate aggregate health care liabilities for the City from July 1, 2017 to June 30, 2022:

	Employee	
_	Healtl	n
Claims liability, June 30, 2017	\$ 304	4,100
Claims incurred and changes in estimates	3,300	3,606
Claims paid	(3,332	2,247)
Claims liability, June 30, 2018	27:	5,459
Claims incurred and changes in estimates	3,259	9,362
Claims paid	(2,300	5,570)
Claims liability, June 30, 2019	1,22	8,251
Claims incurred and changes in estimates	4,618	8,921
Claims paid	(5,683	5,938)
Claims liability, June 30, 2020	16	1,234
Claims incurred and changes in estimates	6,12	8,592
Claims paid	(5,868	8,509)
Claims liability, June 30, 2021	42	1,317
Claims incurred and changes in estimates	5,658	8,523
Claims paid	(5,822	2,968)
Claims liability, June 30, 2022	250	5,872

10. Commitments and Contingencies

Asset Retirement Obligation:

The City has incurred certain asset retirement obligations related to the operation of its wastewater utility system. The estimated liability of the legally required closure costs for the wastewater utility system cannot be reasonably estimated as of June 30, 2022, since the specific legally required costs of retirement have not yet been identified. The City anticipates identifying those specific legally required costs, if any, and obtaining an estimate of those costs in a subsequent fiscal year.

Litigation:

The City is a party to various legal proceedings which normally occur in the course of governmental operations. The financial statements do not include accruals or provisions for loss contingencies that may result from these proceedings. State statutes provide for the levy of an ad valorem tax over a three-year period by a City Sinking Fund for the payment of any court assessed judgment rendered against the City.

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

Federal and State Award Programs:

The City of Ardmore participates in various federal or state grant/loan programs from year to year. In 2022, the City's involvement in federal and state award programs was not material. 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. The City has not been notified of any noncompliance with federal or state award requirements.

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.

11. Pension Plan Participation

The City of Ardmore participates in three pension or retirement plans:

- Oklahoma Firefighter's Pension and Retirement System (OFPRS) a statewide costsharing plan.
- Oklahoma Police Pension and Retirement System (OPPRS) a statewide cost-sharing plan.
- Oklahoma Municipal Retirement Fund an agent multiple-employer defined benefit plan.

Firefighters' Plan:

<u>Plan Summary Information</u> - The City of Ardmore, as the employer, participates in a statewide costsharing multiple employer defined benefit pension plan through the Oklahoma Firefighter's Pension and Retirement System (OFPRS). The OFPRS defined benefit pension plan provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Pursuant to the requirements of Title 11, section 22-102, the City must participate in the plan if they employ fulltime or volunteer firefighters.

<u>Benefits provided</u> - FPRS provides defined retirement benefits based on members' final average compensation, age, and term of service. In addition, the retirement program provides for benefits upon disability and to survivors upon death of eligible members. The Plan's benefits are established and amended by Oklahoma statute. Retirement provisions are as follows:

Normal Retirement:

• Hired Prior to November 1, 2013

Normal retirement is attained upon completing 20 years of service. The normal retirement benefit is equal to 50% of the member's final average compensation. Final average compensation is defined as the monthly average of the highest 30 consecutive months of the last 60 months of participating service. For volunteer firefighters, the monthly pension benefit for normal retirement is \$150.60 per month.

• Hired After November 1, 2013

Normal retirement is attained upon completing 22 years of service. The normal retirement benefit is equal to 55% of the member's final average compensation. Final average compensation is defined as the monthly average of the highest 30 consecutive months of the last 60 months of participating service. Also participants must be age 50 to begin receiving benefits. For volunteer firefighters, the monthly pension benefit for normal retirement is \$165.66 per month.

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-the-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-the-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.

<u>Contributions</u> — 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% 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 \$298,281. The State of Oklahoma also made onbehalf payments to the OFPRS in the amount of \$637,690 during the current fiscal 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 \$470,436. These on-behalf payments did not meet the criteria of a special funding situation.

Pension Liabilities. Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions - At June 30, 2022, the City reported a net pension liability of \$4,248,445 for its proportionate share of the total net pension liability. The net pension liability was measured as of June 30, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2021. 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, 2021. Based upon this information, the City's proportion was 0.6451%.

For the year ended June 30, 2022, the City recognized pension expense (benefit) of (\$88,937). At June 30, 2022, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	 ed Outflows of	Deferred Inflows of Resources		
Differences between expected and actual experience	\$ \$ 1,540,815		74,610	
Changes of assumptions	-		94,230	
Net difference between projected and actual earnings on pension plan investments	-		3,377,332	
Changes in proportion and differences between City contributions and proportionate share of contributions	155,460		113,269	
City contributions during measurement date	1,465		7,058	
City contributions subsequent to the measurement date Total	\$ 298,281 1,996,021	\$	3,666,499	

\$298,281 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 June 30, 2023. Any other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:	
2023	\$ (314,133)
2024	(392,701)
2025	(473,752)
2026	(788,173)
	\$ (1,968,759)

<u>Actuarial Assumptions</u>- The total pension liability was determined by an actuarial valuation as of July 1, 2021, using the following actuarial assumptions, applied to all prior periods included in the measurement:

Inflation: 2.75%

Salary increases: 2.75% to 10.5% average, including inflation Investment rate of return: 7.5% net of pension plan investment expense

Mortality rates were based on the following:

- Active members Pub-2010 Public Safety Table with generational mortality improvement using MP-2018.
- Retired members Pub-2010 Public Safety Below Median Table with generational mortality improvement using Scale MP-2018
- Disabled members—Pub-2010 Public Safety Disabled Table set forward 2 years

The actuarial assumptions used in the July 1, 2021, valuation were based on the results of an actuarial experience study for the period July 1, 2013, to June 30, 2018.

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, 2021, are summarized in the following table:

	Target	Long-Term Expected
Asset Class	Allocation	Real Rate of Return
Fixed income	20%	3.53%
Domestic equity	47%	5.73%
International equity	15%	8.50%
Real estate	10%	7.97%
Other assets	8%	4.73%

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:

	19	1% Decrease Current Discount		1% Increase		
		6.5%	Rate 7.5%		8.5%	
Employers' net pension liability	\$	6,639,076	\$	4,248,445	\$	2,246,999

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.

Police Plan:

<u>Plan Summary Information</u> - Pursuant to the requirements of Title 11, section 22-102, the City of Ardmore participates in the statewide cost-sharing multi-employer defined benefit plan administered by the Oklahoma Police Pension and Retirement System (OPPRS).

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

years of age or the date the participant would have had 20 years of credited service had employment continued uninterrupted, whichever is later. Monthly retirement benefits are calculated at 2.5% of the final average salary (defined as the average paid base salary of the officer over the highest 30 consecutive months of the last 60 months of credited service) multiplied by the years of credited service, with a maximum of 30 years of credited service considered.

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

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.

<u>Contributions</u> — 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 8% 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 \$375,591. The State of Oklahoma also made onbehalf payments to the OPPRS in the amount of \$321,408 during the current fiscal 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 \$228,250. These on-behalf payments did not meet the criteria of a special funding situation.

Pension Liabilities (Assets). Pension Expense. and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions - At June 30, 2022, the City reported a net pension asset of \$3,859,816 for its proportionate share of the total net pension asset. The net pension asset was measured as of June 30, 2021, and the total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of July 1, 2021. 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, 2021. Based upon this information, the City's proportion was 0.8046%.

For the year ended June 30, 2022, the City recognized pension expense (benefit) of (\$372,409). At June 30, 2022, 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	\$ 55,418	\$	152,346		
Changes of assumptions	58,695		-		
Net difference between projected and actual earnings on pension plan investments	-		2,815,602		
Changes in proportion and differences between contributions and proportionate share of contributions	44,590		524		
Contributions during measurement date	1,411		10,621		
City contributions subsequent to the measurement date Total	\$ 375,591 535,705	\$	2,979,093		

\$375,591 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 or an addition to the net pension liability (asset) in the year ended June 30, 2023. Any other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:	
2023	\$ (631,608)
2024	(554,575)
2025	(704,298)
2026	(933,967)
2027	 5,469
	\$ (2,818,979)

<u>Actuarial Assumptions</u>-The total pension liability was determined by an actuarial valuation as of July 1, 2021, using the following actuarial assumptions, applied to all prior periods included in the measurement:

Inflation: 2.75%

Salary increases: 3.5% to 12% average, including inflation

Investment rate of return: 7 .5% net of pension plan investment expense

Mortality rates: Active employees (pre-retirement) RP-2000 Blue Collar

Healthy Combined table with age set back 4 years with fully

generational improvement using Scale AA.

Active employees (post-retirement) and nondisabled pensioners: RP-2000 Blue Collar Healthy Combined table with fully

generational improvement using scale AA.

Disabled pensioners: RP-2000 Blue Collar Healthy Combined table with age set forward 4 years with fully

generational improvement using Scale AA.

The actuarial assumptions used in the July 1, 2021, 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, 2021, are summarized in the following table:

	Target	Long-Term Expected
Asset Class	Allocation	Real Rate of Return
Fixed income	20%	3.22%
Domestic equity	40%	4.55%
International equity	10%	8.50%
Real estate	15%	7.97%
Private equity	15%	9.36%

The current allocation policy is that approximately 65% of assets in equity instruments, including public equity, long-short hedge, venture capital, and private equity strategies; approximately 20% 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:

	1% Decrease	Current Discount	1% Increase
	6.5%	Rate 7.5%	8.5%
Employers' net pension liability (asset)	\$ (1,447,548)	\$ (3,859,816)	\$ (5,899,569)

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.

Oklahoma Municipal Retirement Plan (OMRF)

<u>Plan Description</u>- 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.

Eligibility Factors and Benefit Provisions

<u>Provision</u>	OMRF Plan
a. Eligible to Participate	Full-time, non-uniformed employees of the City or Authority upon hire if less than age 60.
b. Contribution Requirements:- Authorization- Actuarially Determined- Employer Rate- Employee Rate	By City ordinance Yes 10.21% of covered payroll 6.0% of covered payroll
c. Period Required to Vest	5 years of credited service; July 2011-new hires 7 years of credited service.
d. Eligibility for Distribution	 Normal retirement at age 65 with 5 years of service Early retirement at age 55 with 5 years of service Disability retirement upon disability with 5 years of service 50% death benefit with 5 years of service for married employees
e. Benefit Determination Base	Final average salary – the average of the five highest consecutive annual salaries out of the last 10 calendar years of service
f. Benefit Determination Methods: - Normal Retirement	3.0% of final average salary multiplied by credited years of service
- Early Retirement	Actuarially reduced benefit based upon age and years of service at termination
- Disability Retirement	Benefit computed as for normal retirement based upon age and service at termination
- Death Benefit	50% of employee's accrued benefit, but terminates upon spouse re-marriage
- Prior to 5 Years Service	Return of employee contributions with accrued interest

CITY OF ARDMORE, OKLAHOMA ANNUAL FINANCIAL REPORT

As of and for the Year Ended June 30, 2022

g. Form of Benefit Payments

Normal form is a 60 months certain and life thereafter basis. Employee may elect, with City consent, optional form based on actuarial equivalent.

Employees Covered by Benefit Terms

Active Employees	176
Deferred Vested Former Employees	33
Retirees or Retiree Beneficiaries	68
Total	<u>277</u>

<u>Contribution Requirements</u>- The City Council has the authority to set and amend contribution rates by ordinance for the OkMRF defined benefit plan in accordance with O.S. Title 11, Section 48-102. The contribution rates for the current fiscal year have been made in accordance with an actuarially determined rate. The actuarially determined rate is 8.57% of covered payroll as of 7-1-21. For the year ended June 30, 2022, the City recognized \$749,793 of employer contributions to the plan which is equal to the actuarially determined amount based on covered payroll of \$8,749,037.

Actuarial Assumptions

h. Spouse age difference

i. Turnover

Date of Last Actuarial Valuation a. Actuarial cost method	July 1, 2021 Entry age normal
b. Rate of Return on Investments and Discount Rate	7.50%
c. Projected Salary Increase	Varies between 7.50% and 4.50% based on age
d. Post Retirement Cost-of-Living Increase	Benefits (attributable to service prior to 1/1/2010) in payment status are adjusted each July 1 st based on the percentage change in the CPI. The maximum increase or decrease in any year is 3%.
e. Inflation Rate	2.75%
f. Mortality Table	UP 1994, with projected mortality improvement
g. Percent of married employees	100%

Year 1: 225 Year 2: 140

3 years (female spouses younger)

Ultimate rates are age-related as shown Additional rates per thousand are added during the first 5 years:

Select and ultimate rates

Year 3: 100 Year 4: 70 Year 5: 40

j. Date of last experience study

September 2012 for fiscal years 2007 through 2011

<u>Discount Rate</u> – 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 (3.0%). Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of July 1, 2021 are summarized in the following table:

	Target	Real	Weighted
	Allocation	Return	Return
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%
TOTAL	100%		4.75%

<u>Changes in Net Pension Liability (Asset)</u> – The total pension liability was determined based on an actuarial valuation performed as of July 1, 2021 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, 2021 and the City's report ending date of June 30, 2022, 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):

	Increase (Decrease)						
		Total Pension Liability (a)		Plan Net Position (b)		Net Pension Liability(Asset) (a) - (b)	
Balances Beginning of Year	\$	35,043,555	\$	35,095,886	\$	(52,331)	
Changes for the Year:							
Service cost		1,285,320		-		1,285,320	
Interest expense		2,579,746		-		2,579,746	
Experience losses (gains)		63,439		-		63,439	
(amortized over avg remain svc period of actives & inactives)							
Contributions City		-		814,059		(814,059)	
Contributionsmembers		-		524,635		(524,635)	
Net investment income		-		9,744,214		(9,744,214)	
Benefits paid		(1,317,714)		(1,317,714)		-	
Plan administrative expenses		-		(72,138)		72,138	
Net Changes		2,610,791	_	9,693,056		(7,082,265)	
Balances End of Year	\$	37,654,346	\$	44,788,942	\$	(7,134,596)	

<u>Sensitivity of the net pension liability (asset) to changes in the discount rate</u>. 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 (6.5%) or 1-percentage-point higher (8.5%) than the current rate:

	1%		Current	1%
	Decrease		Discount	Increase
	 6.50%]	Rate 7.5%	 8.50%
Net Pension Liability (Asset)	\$ (2,163,951)	\$	(7,134,596)	\$ (11,257,451)

The City reported (\$1,571,528) in pension expense (benefit) for the year ended June 30, 2022. At June 30, 2022, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	 red Outflows Resources	Deferred Inflows of Resources		
Differences between expected and actual experience	\$ -	\$	621,690	
Changes of assumptions Net difference between projected and actual earnings on	364,442		-	
plan investments Changes in proportion and differences between	-		4,946,979	
contributions and proportionate share of contributions	36,729		58,701	
City contributions subsequent to the measurement date	 749,793		-	
Total	\$ 1,150,964	\$	5,627,370	

\$749,793 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 or addition to the net pension liability (asset) in the year ended June 30, 2023.

<u>Amortization of Pension Deferrals</u> - Amounts reported as deferred outflows of resources (excluding deferred outflows of resources related to contributions made subsequent to the measurement date) and deferred inflows of resources will be recognized in pension expense as follows:

Year ended June 30:

2023	\$ (1,332,400)
2024	(1,272,532)
2025	(1,198,486)
2026	(1,422,781)
	\$ (5,226,199)

City Manager Retirement Plan

The City of Ardmore participates in the Oklahoma Municipal Retirement Funds City Manager Retirement Plan. However, the City Manager is not required to contribute. For the year ended June 30, 2022, the City Manager has elected not to participate in this plan.

ICMA 457 Plan

The ICMA 457 Plan is a voluntary retirement plan City employees can participate in. The City is not required to match funds contributed to the plan. The City contributes to the 457 Plan for certain members of the executive staff. The employees are not required to contribute to the plan. Contribution amounts vary by employee, no set percentage is required.

The City's contributions for the year ended June 30, 2022 were \$117,666.

12. Other Post-Employment Benefits

Plan Description. The City sponsors Medical, Rx, and Dental insurance to qualifying retirees and their dependents. Coverage is provided through fully-insured arrangements that collectively operate as a substantive single-employer defined benefit plan. Qualifying retirees are those employees who are eligible for immediate disability or retirement benefits under the Oklahoma Police Pension and Retirement System or the City of Ardmore Retirement Plan. Retired firefighters are not eligible to participate as they previously opted out to obtain a policy on their own. Retirees may continue coverage with the City by paying the carrier premium rate. Coverage is available for the retiree and spouse but only for the lifetime of the retiree. Authority to establish and amend benefit provisions rest with the City Council. Benefits are paid from general operating assets of the City.

Benefits provided. The Plan covers all current retirees of the City who elected postretirement medical coverage through the City Health Plan and future retired employees of the City fully self-insured health plan. In accordance with administrative policy, retiree contributions are approximately 65% of the average employee premium at 7/1/2016 decreasing to 54% at 7/1/2020. An additional contribution is required for dependent coverage. This creates an implicit rate subsidy. The benefits offered by the City to retirees include health, dental and prescription drug benefits. Benefits continue to age 65 if the retiree continues to make the required contribution. Certain grandfathered retirees and spouses have lifetime benefits. Dental benefits may be continued after age 65.

The amount of benefit payments during the fiscal year ended June 30, 2022 were \$154,076.

Employees Covered by Benefit Terms

Active Employees	254
Inactive or beneficiaries receiving benefits	26
Total	280

Total OPEB Liability. The total OPEB liability was determined based on an alternative measurement method valuation performed as of June 30, 2022. The measurement date used was June 30, 2021.

Actuarial Assumptions. The total OPEB liability in the June 30, 2021 valuation was determine using the following actuarial assumptions:

- Actuarial Cost Method Entry Age
- Discount Rate 2.16% based on the 20 year municipal bond yield
- Retirement Age Civilian 55 with 7 years of service, Police 20 years of service
- Health Care Cost Trend Rates:
 - 6.09% 2017 0 2018 6.05% 0 6.02% 2019 0 2020 5.99% 0 2025 5.86% 0 2030 5.99% 0 2035 5.87% 2040 5.33% 0 2045 5.15% 0 5.03% 2050 0 2060 4.87%

Changes in Total OPEB Liability

	Total	OPEB Liability
Balance at Beginning of Year	\$	3,452,854
Changes For the Year:		
Service cost		223,813
Interest expense		81,254
Difference between expected and actual experience		225,952
Change in assumptions		163,581
Expected net benefit payments	\$	(154,076)
Net changes	\$	540,524
Balances at End of Year	\$	3,993,378

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB. For the year ended June 30, 2022, the City recognized OPEB expense of \$317,205. At June 30, 2022, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources		Deferred Inflows of Resources	
Differences between expected and actual experience	\$	250,676	\$	5,561
Changes of assumptions		488,164		379,407
Changes in proportion		184,411		184,408
Total	\$	923,251	\$	569,376

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

Year ended June 30:	
2023	\$ 12,135
2024	12,135
2025	14,567
2026	73,467
2027	114,641
Thereafter	126,930
_	\$ 353,875
_	

Sensitivity of the City's total OPEB liability to changes in the discount rate. The following presents the City's total OPEB liability, as well as what the City's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (1.21%) or 1-percentage-point higher (3.21%) than the current discount rate:

	1%	Decrease 1.16%	 ent Discount ate 2.16%	1%	% Increase 3.16%
Total OPEB Liability	\$	4.469.197	\$ 3,993,378	\$	3,579,677

Sensitivity of the City's total OPEB liability to changes in the healthcare cost trend rate. The following presents the City's total OPEB liability, as well as what the City's total OPEB liability would be if it were calculated using a healthcare cost trend rate that is 1-percentage-point lower (4.96%) or 1-percentage point higher (6.96%) than the current healthcare cost trend rate:

			Hea	lthcare Cost		
	1%	1% Decrease Trend Rates		1% Increase		
	4.96%		5.96%		6.96%	
	Grading to 3.87%		Grading to 4.87%		Grading to 5.87%	
Total OPEB Liability	\$	3,541,066	\$	3,993,378	\$	4,537,348



REQUIRED:	SUPPI	EMENTAL	RY INFORMA	ATION

Budgetary Comparison Schedule (Budgetary Basis) – Year Ended June 30, 2022

GENERAL FUND Budget and Actual (with Variances) - Budgetary Basis Year Ended June 30, 2022

	Year Ended Jui	d Amounts	Actual Amounts, Budgetary Basis	Variance with Final Budget - Positive (Negative)
	Original	Final	Duugetai y Dasis	1 ostave (regative)
REVENUES				
Taxes	\$ 10,730,185	\$ 10,730,185	\$ 13,086,288	\$ 2,356,103
Intergovernmental	340,000	340,000	416,496	76,496
Licenses and permits	238,000	238,000	404,288	166,288
Charges for services	165,000	165,000	194,979	29,979
Fines and Forfeitures	275,550	275,550	214,605	(60,945)
Investment earnings	36,334	36,334	38,573	2,239
Miscellaneous	114,340	114,340	261,056	146,716
Total revenues	11,899,409	11,899,409	14,616,285	2,716,876
EXPENDITURES				
Department:				
General Government:				
Legislative	169,875	169,875	90,643	79,232
Municipal court	175,463	175,463	164,582	10,881
City manager	525,043	493,643	410,658	82,985
Human resources	332,018	333,918	333,852	66
Information tech	1,976,235	1,976,235	1,655,135	321,100
Legal	69,700	69,700	64,631	5,069
Finance	605,503	605,503	571,006	34,497
Purchasing	161,946	161,946	159,643	2,303
Engineering	982,832	982,832	668,337	314,495
Development services	859,032	859,032	755,082	103,950
GIS	117,598	117,598	108,911	8,687
Technical services	781,823	797,323	897,134	(99,811)
Pension benefits & insurance	670,000	682,500	809,455	(126,955)
Total General Government	7,427,068	7,425,568	6,689,069	736,499
Public Safety:				
Fire	3,683,097	3,683,097	3,921,505	(238,408)
Police	5,894,754	5,894,754	5,756,033	138,721
Police jail	213,000	213,000	156,304	56,696
Animal control	109,222	109,222	97,939	11,283
Forensic lab	180,301	180,301	150,862	29,439
Emergency dispatch	848,260	848,260	684,509	163,751
Total Public Safety	10,928,634	10,928,634	10,767,152	161,482
Culture and Recreation:				
Community center	364,875	364,875	337,678	27,197
Community pool	182,619	182,619	137,581	45,038
Parks & recreation	1,340,546	1,340,546	1,194,735	145,811
R.O.W. maintenance	506,015	506,015	480,898	25,117
Library	1,042,877	1,044,377	1,044,319	58
Total Culture and Recreation	3,436,932	3,438,432	3,195,211	243,221
Cemetery:	·			
Cemetery	330,276	330,276	317,932	12,344
Total Cemetery	330,276	330,276	317,932	12,344
Total Expenditures	22,122,910	22,122,910	20,969,364	1,153,546
Excess (deficiency) of revenues over				
expenditures	(10,223,501)	(10,223,501)	(6,353,079)	3,870,422
OTHER FINANCING SOURCES (USES)				
Transfers in	9,191,354	9,191,354	7,045,191	(2,146,163)
Transfers out	(449,000)	(449,000)	(299,000)	150,000
Total other financing sources and uses	8,742,354	8,742,354	6,746,191	(1,996,163)
Net change in fund balances	(1,481,147)	(1,481,147)	393,112	1,874,259
Fund balances - beginning	2,446,894	2,446,894	6,280,033	3,833,139
Fund balances - ending	\$ 965,747	\$ 965,747	\$ 6,673,145	\$ 5,707,398

COMMUNITY ENHANCEMENT FUND Budget and Actual (with Variances) - Budgetary Basis Year Ended June 30, 2022

		Budgeted	Amount	es		al Amounts, getary Basis	Fina	riance with al Budget - ve (Negative)
		<u>Original</u>		<u>Final</u>				
REVENUES								
Taxes	\$	3,059,058	\$	3,059,058	\$	3,750,696	\$	691,638
Investment earnings		10,000		10,000		36,422		26,422
Miscellaneous		-				0		
Total revenues		3,069,058		3,069,058		3,787,118		718,060
EXPENDITURES								
Departmental:								
General government		1,253,700		1,253,700		963,604		290,096
Total General government		1,253,700		1,253,700		963,604		290,096
Total Expenditures		1,253,700		1,253,700		963,604		290,096
Excess (deficiency) of revenues over								
expenditures		1,815,358		1,815,358		2,823,514		1,008,156
OTHER FINANCING SOURCES (USES)								
Transfers in		_		_		_		_
Transfers out		(2,200,000)		(2,200,000)		(1,500,000)		700.000
Total other financing sources and uses		(2,200,000)		(2,200,000)		(1,500,000)		700,000
Net change in fund balances		(384,642)		(384,642)		1,323,514		1,708,156
Fund balances - beginning		2.010.846		2,010,846		3,577,467		1,566,621
Fund balances - beginning Fund balances - ending	\$	1,626,204	\$	1,626,204	\$	4,900,981	\$	3,274,777
Turia bulances briang	Ψ	1,020,204	Ψ	1,020,207	Ψ	1,700,701	Ψ	J,217,111

FAA GRANT FUND Budget and Actual (with Variances) - Budgetary Basis Year Ended June 30, 2022

		Budgeted	Amoun			al Amounts, getary Basis	Fina	iance with d Budget - we (Negative)
REVENUES		<u>Original</u>		<u>Final</u>				
Intergovernmental	\$		\$	1,739,464	\$	1,780,885	s	41.421
Miscellaneous	φ	-	Ф	1,675,000	φ	1,674,220	φ	,
Total revenues		-					-	40,641
1 otal revenues	-			3,414,464	-	3,455,105		40,041
EXPENDITURES								
Departmental:								
Airport				3,414,464		3,413,631		833
Total Airport	-			3,414,464		3,413,631		833
Total Airport				3,414,404		3,413,031		633
Total Expenditures		_		3,414,464		3.413.631		833
Excess (deficiency) of revenues over				3,111,101		5,115,051		
expenditures						41,474		41,474
expenditures						71,77		41,4/4
OTHER FINANCING SOURCES (USES)								
Transfers out		_		_		_		_
Total other financing sources and uses	-							
Total other intalients sources and uses	-						-	
Net change in fund balances		_		_		41,474		41,474
Fund balances - beginning		1,758,133		1,758,133		(44,959)		(1,803,092)
Fund balances - ending	\$	1,758,133	\$	1,758,133	\$	(3,485)	S	(1,761,618)
I and calantees thang	Ψ	1,750,155		1,750,155		(3,103)	4	(1,701,010)

LIBRARY TRUST FUND Budget and Actual (with Variances) - Budgetary Basis Year Ended June 30, 2022

		Budgeted	Amoun	ts	al Amounts, etary Basis	Fina	iance with I Budget - ve (Negative)
	9	<u>Original</u>		<u>Final</u>			
REVENUES							
Investment earnings	\$	22,300	\$	22,300	\$ 40,163	\$	17,863
Miscellaneous		22,200		22,200	 238,076		215,876
Total revenues		44,500		44,500	 278,239		233,739
EXPENDITURES							
Departmental:							
Culture and recreation		9,500		9,500	7,657		1,843
Total Culture and recreation		9,500		9,500	7,657		1,843
Total Expenditures		9,500		9,500	7,657		1,843
Excess (deficiency) of revenues over							
expenditures		35,000		35,000	 270,582		235,582
OTHER FINANCING SOURCES							
Transfers out		(400,000)		(400,000)	(225,000)		175,000
Total other financing sources		(400,000)		(400,000)	(225,000)		175,000
Net change in fund balances		(365,000)		(365,000)	45,582		410,582
Fund balances - beginning		5.098.970		5.098.970	5,166,946		67,976
Fund balances - ending	\$	4,733,970	\$	4,733,970	\$ 5,212,528	\$	478,558

GAPS TAX CITY FUND Budget and Actual (with Variances) - Budgetary Basis Year Ended June 30, 2022

		Budgeted	Amoun	ts	al Amounts,	Fina	iance with al Budget - ve (Negative)
		Original .		Final	 		
REVENUES	•						
Taxes	\$	3,059,058	\$	3,059,058	\$ 3,750,696	\$	691,638
Investment earnings		18,000		18,000	38,985		20,985
Miscellaneous		_		-	_		
Total revenues		3,077,058		3,077,058	3,789,681		712,623
EXPENDITURES							
Departmental:							
General government		4,344,397		4,344,397	1,367,532		2,976,865
Total General government		4,344,397		4,344,397	1,367,532		2,976,865
Total Expenditures		4,344,397		4,344,397	1,367,532		2,976,865
Excess (deficiency) of revenues over							
expenditures		(1,267,339)		(1,267,339)	 2,422,149		3,689,488
OTHER FINANCING SOURCES							
Transfers out		(1,228,800)		(1,305,800)	(1,305,630)		170
Total other financing sources		(1,228,800)		(1,305,800)	(1,305,630)		170
Net change in fund balances		(2,496,139)		(2,573,139)	1,116,519		3,689,658
Fund balances - beginning		3,227,493		3,227,493	4,506,503		1,279,010
Fund balances - ending	\$	731,354	\$	654,354	\$ 5,623,022	\$	4,968,668

Footnotes to Budgetary Comparison Schedules:

- 1. The City prepares its budgets for all funds on the modified accrual basis of accounting with the exception of payroll accruals, certain revenues and expenditures related to leases, on-behalf payments for police and fire, and sales tax revenue transfers. For budgetary purposes, expenditures are recorded in the period the invoice is received, except for payroll expenditures that are recorded when paid.
- 2. The legal level of appropriation control is the department level within a fund. Transfers of appropriation within a fund require the approval of the City Commission. All supplemental appropriations require the approval of the City Commission. Supplemental appropriations must be filed with the Office of the State Auditor and Inspector.
- 3. The budgetary basis differs from the modified accrual basis as shown in the schedule below:

		C	Community						
	General	En	hancement	F	AA Grant	Lib	rary Trust	GA	PS Tax City
	Fund		Fund		Fund		Fund		Fund
Total revenue - budgetary basis	\$ 21,661,476	\$	3,787,118	\$	3,455,105	\$	278,239	\$	3,789,681
Total expenses - budgetary basis	(21,268,364)		(2,463,604)		(3,413,631)		(232,657)		(2,673,162)
Change in fund balance - budgetary basis	393,112		1,323,514		41,474		45,582		1,116,519
Revenue accruals	4,998,655		-		-		-		-
Expenditure accruals	(3,868,504)						(453,418)		
Change in fund balance - GAAP basis	\$ 1,523,263	\$	1,323,514	\$	41,474	\$	(407,836)	\$	1,116,519

CITY OF ARDMORE, OKLAHOMA ANNUAL FINANCIAL REPORT As of and for the Year Ended June 30, 2022

Schedules of Required Supplementary Information SCHEDULE OF THE CITY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY OKLAHOMA FIREFIGHTERS PENSION & RETIREMENT SYSTEM Last 10 Fiscal Years*

		2015	2016		2017			2018		2019		2020		2021		2022
City's proportion of the net pension liability	0.0	6716109%	0	.6709177%	0.	.6364976%	0.	6597064%	0.	.6391870%	0.	6380100%	0.	6327740%	0.	6451050%
City's proportionate share of the net pension liability	\$	6,906,497	\$	7,121,176	\$	7,776,178	\$	8,297,271	\$	7,194,985	\$	6,741,648	\$	7,795,218	\$	4,248,445
City's covered payroll	\$	1,731,982	\$	1,833,106	\$	1,780,408	\$	1,946,200	\$	1,901,064	\$	1,976,929	\$	2,031,424	\$	2,022,299
City's proportionate share of the net pension liability as a percentage of its covered-employee payroll		399%		388%		437%		426%		378%		341%		384%		210%
Plan fiduciary net position as a percentage of the total pension liability		68.12%		68.27%		64.87%		66.61%		70.73%		72.85%		69.98%		84.24%

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

Notes to Schedule:

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

SCHEDULE OF CITY CONTRIBUTIONS OKLAHOMA FIREFIGHTERS PENSION & RETIREMENT SYSTEM Last 10 Fiscal Years

	2015	2016	2017	2018	2019	2020	2021	2022
Statutorially required contribution	\$ 256,635	\$ 249,258	\$ 272,468	\$ 266,149	\$ 276,770	\$ 284,400	\$ 283,122 \$	298,281
Contributions in relation to the statutorially required contribution	 256,635	249,258	272,468	266,149	276,770	284,400	283,122	298,281
Contribution deficiency (excess)	\$ -	-						
City's covered payroll	\$ 1,833,107	\$ 1,780,414	\$ 1,946,200	\$ 1,901,064	\$ 1,976,929	\$ 2,031,424	\$ 2,022,299 \$	2,130,576
Contributions as a percentage of covered- employee payroll	14.00%	14.00%	14.00%	14.00%	14.00%	14.00%	14.00%	14.00%

Notes to Schedule:

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

Schedules of Required Supplementary Information SCHEDULE OF THE CITY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY (ASSET) OKLAHOMA POLICE PENSION & RETIREMENT SYSTEM Last 10 Fiscal Years*

	2015	2016	2017	2018	2019	2020	2021	2022
City's proportion of the net pension liability (asset)	0.8494%	0.8664%	0.8798%	0.9309%	0.9283%	0.8730%	0.7900%	0.8046%
City's proportionate share of the net pension liability (asset)	\$ (285,990)	\$ 35,326	\$ 1,347,423	\$ 71,607	\$ (442,198)	\$ (55,733)	\$ 906,894	\$ (3,859,816)
City's covered payroll	\$ 2,376,325	\$ 2,448,931	\$ 2,594,723	\$ 2,870,954	\$ 2,837,692	\$ 2,830,785	\$ 2,639,108	\$ 2,697,089
City's proportionate share of the net pension liability (asset) as a percentage of its covered- employee payroll	-12.03%	1.44%	51.93%	2.49%	-15.58%	-1.97%	34.36%	-143.11%
Plan fiduciary net position as a percentage of the total pension liability	101.53%	99.82%	93.50%	99.68%	101.89%	100.24%	95.80%	117.07%

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

Notes to Schedule:

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

SCHEDULE OF CITY CONTRIBUTIONS OKLAHOMA POLICE PENSION & RETIREMENT SYSTEM Last 10 Fiscal Years

	 2015	2016	2017	2018	2019	2020	2021	2022
Statutorially required contribution	\$ 318,361	\$ 337,314	\$ 373,224	\$ 368,900	\$ 368,002	\$ 343,084	\$ 350,622	\$ 375,591
Contributions in relation to the statutorially required contribution	318,361	337,314	373,224	368,900	368,002	343,084	350,622	375,591
Contribution deficiency (excess)	\$ -	\$ _	\$ _	\$ _	\$ _	\$ -	\$ _	\$
City's covered payroll	\$ 2,448,931	\$ 2,594,723	\$ 2,870,954	\$ 2,837,692	\$ 2,830,785	\$ 2,639,108	\$ 2,697,089	\$ 2,889,151
Contributions as a percentage of covered- employee payroll	13.00%	13.00%	13.00%	13.00%	13.00%	13.00%	13.00%	13.00%

Notes to Schedule:

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

CITY OF ARDMORE, OKLAHOMA ANNUAL FINANCIAL REPORT As of and for the Year Ended June 30, 2022

Required Supplementary Information Oklahoma Municipal Retirement Fund

Schedule of Changes in Net Pension Liability (Asset) and Related Ratios							Last Eigh	t Fiscal Years
	2015	2016	2017	2018	2019	2020	2021	2022
Total pension liability								
Service cost	\$ 1,128,774 \$	1,258,516	\$ 1,280,059 \$	1,260,934 \$	1,240,101 \$	1,236,570 \$	1,285,007 \$	1,285,320
Interest	1,559,184	1,640,888	1,788,599	1,941,697	2,101,240	2,225,073	2,430,898	2,579,746
Changes of benefit terms	-	-	-	-	-	-	-	-
Differences between expected and actual experience	-	(371,969)	(388,309)	(326,953)	(681,761)	(403,073)	(582,337)	63,439
Changes of assumptions	-	-	-	971,557	-	672,302	-	-
Benefit payments, including refunds of member contributions	(434,050)	(578,537)	(666,062)	(745,201)	(1,029,226)	(986,938)	(986,141)	(1,317,714)
Net change in total pension liability	2,253,908	1,948,898	2,014,287	3,102,034	1,630,354	2,743,934	2,147,427	2,610,791
Total pension liability - beginning	 19,202,713	21,456,621	23,405,519	25,419,806	28,521,840	30,152,194	32,896,128	35,043,555
Total pension liability - ending (a)	\$ 21,456,621 \$	23,405,519	\$ 25,419,806 \$	28,521,840 \$	30,152,194 \$	32,896,128 \$	35,043,555 \$	37,654,346
Plan fiduciary net position								
Contributions - employer	\$ 1,125,336 \$	1,014,468	\$ 847,375 \$	782,365 \$	712,659 \$	749,482 \$	738,814 \$	814,059
Contributions - member	471,839	479,653	497,968	499,382	497,441	513,871	521,654	524,635
Net investment income	3,129,727	654,125	239,592	3,161,435	2,135,242	2,174,321	1,401,002	9,744,214
Benefit payments, including refunds of member contributions	(434,050)	(578,537)	(666,062)	(745,201)	(1,029,226)	(986,938)	(986,141)	(1,317,714)
Administrative expense	(46,482)	(48,122)	(48,765)	(55,881)	(60,866)	(66,780)	(69,940)	(72,138)
Net change in plan fiduciary net position	4,246,370	1,521,587	870,108	3,642,100	2,255,250	2,383,956	1,605,389	9,693,056
Plan fiduciary net position - beginning	18,571,126	22,817,496	24,339,083	25,209,191	28,851,291	31,106,541	33,490,497	35,095,886
Plan fiduciary net position - ending (b)	\$ 22,817,496 \$	24,339,083	\$ 25,209,191 \$	28,851,291 \$	31,106,541 \$	33,490,497 \$	35,095,886 \$	44,788,942
Net pension liability (asset) - ending (a) - (b)	\$ (1,360,875) \$	(933,564)	\$ 210,615 \$	(329,451) \$	(954,347) \$	(594,369) \$	(52,331) \$	(7,134,596)
Plan fiduciary net position as a percentage of the total pension liability	106.34%	103.99%	99.17%	101.16%	103.17%	101.81%	100.15%	118.95%
Covered employee payroll	\$ 7,938,819 \$	8,059,981	\$ 8,247,671 \$	8,022,574 \$	8,236,196 \$	8,324,901 \$	8,610,995 \$	8,253,752
Net pension liability (asset) as a percentage of covered- employee payroll	-17.14%	-11.58%	2.55%	-4.11%	-11.59%	-7.14%	-0.61%	-86.44%

Notes to Schedule:

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

Required Supplementary Information Oklahoma Municipal Retirement Fund

Schedule of Employer Contributions								Last Eigh	t Fiscal Years
	2015		2016	2017	2018	2019	2020	2021	2022
Actuarially determined contribution	\$ 1,018,499	\$	855,186	\$ 815,114	\$ 712,659	\$ 748,867 \$	737,961	\$ 814,059 \$	749,793
Contributions in relation to the actuarially determined contribution	1,018,499		855,186	815,114	712,659	748,867	737,961	814,059	749,793
Contribution deficiency (excess)	\$ -	\$	-	\$ -	\$ -	\$ - \$	-	\$ -	-
Covered employee payroll	\$ 7,986,208	s	8,298,332	\$ 8,643,783	\$ 8,284,562	\$ 8,564,524 \$	8,689,322	\$ 8,743,934 \$	8,749,037
Contributions as a percentage of covered-employee payroll	12.8%		10.3%	9.4%	8.6%	8.7%	8.5%	9.3%	8.6%

Notes to Schedule:

- 1. Only eight fiscal years are presented because 10-year data is not yet available.
- 2. Latest Valuation Date: July 1, 2021
- 3. Actuarially determined contribution rate is calculated as of July 1, 2014, July 1, 2015, July 1, 2016, July 1, 2017, July 1, 2018, July 1, 2019, July 1, 2020 and July 1, 2021.

FY15-16 contributions were at a rate of 10.3%

FY16-17 contributions were at a rate of 9.4%

FY17-18 contributions were at a rate of 8.6% FY18-19 contributions were at a rate of 8.7%

FY19-20 contributions were at a rate of 8.5%

FY20-21 contributions were at a rate of 9.3% FY21-22 contributions were at a rate of 8.6%

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 Recognition method - Non-asymptotic

Corridor - 70% - 130% Salary increases - 4.50% to 7.50% (varies by attained age)

Investment rate of return - 7.50%

Schedules of Required Supplementary Information SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY AND RELATED RATIOS EMPLOYMENT HEALTH INSURANCE IMPLICIT RATE SUBSIDY PLAN Last 10 Fiscal Years*

	2018	2019	2020	2021	2022
Total OPEB Liability					
Service Cost	\$ 354,770	\$ 314,357	\$ 262,225	\$ 282,044	\$ 223,813
Interest	124,315	172,278	182,521	175,294	81,254
Differences between expected and actual					
experience	-	(11,476)	53,554	30,110	225,952
Changes in assumptions	(386,648)	(399,035)	(70,544)	467,105	163,581
Benefit Payments	(85,135)	(119,916)	(155,473)	(170,147)	(154,076)
Benefit changes due to plan amendments				(2,057,908)	-
Net change in total OPEB liability	\$ 7,302	\$ (43,792)	\$ 272,283	\$ (1,273,502)	\$ 540,524
Balances- Beginning of Year	\$ 4,490,563	\$ 4,497,865	\$ 4,454,073	\$ 4,726,356	\$ 3,452,854
Balances- End of Year	\$ 4,497,865	\$ 4,454,073	\$ 4,726,356	\$ 3,452,854	\$ 3,993,378
Covered employee payroll	\$ 13,040,000	\$ 12,444,000	\$ 12,950,000	\$ 13,082,000	\$ 13,048,000
Total OPEB liability as a percentage of covered employee payroll	34.49%	35.79%	36.50%	26.39%	30.61%

Notes to Schedule:

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



OTHER SUPPLEMENTARY INFORMATION

Combining Balance Sheet Schedule - General Fund Accounts - June 30, 2022

	General Fund	Ma	nergency nagement Account	F	nsurance Recovery Account	Comm Side Acco	walk	Enfo	Drug prcement prcount		L.E.R.T. ccount		ty Lakes	OHE	Account		creation ccount
ASSETS	A 7 170 101	•	0.000	•	100.050	•		•	04.000	•	4 747	•	00.040	•	05.000	•	70.055
Cash and cash equivalents	\$ 7,479,164	\$	6,393	\$	106,650	\$	-	\$	24,320	\$	4,717	\$	20,846	\$	25,022	\$	76,255
Investments	154,915		-		-		-		-		-		-		-		-
Receivable from other governments	2,247,923		15,063		-		-		-		-		-		-		-
Due from other funds	158,094		-		-		-		-		-		-		-		-
Court fines receivable, net	214,370		-		-		-		-		-		-		-		-
Other receivables	2,953		-				-				-		-		-		-
Total assets	\$ 10,257,419	\$	21,456	\$	106,650	\$	-	\$	24,320	\$	4,717	\$	20,846	\$	25,022	\$	76,255
LIABILITIES, DEFERRED INFLOWS, AND FUND BALA Liabilities:	NCES																
Accounts payable and accrued liabilities	\$ 869,944	\$	3,592	\$	65,504	\$	-	\$	-	\$	-	\$	809	\$	720	\$	15,014
Due to other funds	610,980		-		-		-		-		-		-		-		-
Due to bondholders	6,313		-		-		-		-		-		-		-		-
Other payables	793,461		-		-		-		-		-		-		-		-
Total liabilities	2,280,698	_	3,592		65,504		-		-		-		809		720		15,014
Deferred Inflows of Resources:																	
Unavailable revenue	173,425		-		-										-		-
Fund balances:																	
Restricted	-		-		-		-		-		-		-		-		-
Assigned	4,103,420		17,864		41,146		-		24,320		4,717		20,037		24,302		61,241
Unassigned (deficit)	3,699,876		-		-		-		-		-		-		-		-
Total fund balances	7,803,296		17,864		41,146				24,320		4,717		20,037		24,302		61,241
Total liabilities, deferred inflows, and fund balances	\$ 10,257,419	\$	21,456	\$	106,650	\$	-	\$	24,320	\$	4,717	\$	20,846	\$	25,022	\$	76,255
						-										(Conti	nued)

Combining Balance Sheet Schedule – General Fund Accounts – June 30, 2022, (Continued)

		rary Cash	Ma	Reserve anagement Account		ergency Account	(r Seat Grant ecount		rks Cash	R.S.P. Account		Total General Fund Accounts
ASSETS		00.444	•	0.005.404	•		•	4.044	•	000 007	•		.
Cash and cash equivalents	\$	90,111	\$	8,665,461	\$	-	\$	1,211	\$	238,637	\$	-	\$ 16,738,787
Investments		-		-		-		-		-		-	154,915
Receivable from other governments		-		429,355		-		-		-		-	2,692,341
Due from other funds		-		489		-		-		-		-	158,583
Court fines receivable, net		-		-		-		-		-		-	214,370
Other receivables						20,556							23,509
Total assets	\$	90,111	\$	9,095,305	\$	20,556	\$	1,211	\$	238,637	\$	<u> </u>	\$ 19,982,505
LIABILITIES, DEFERRED INFLOWS, AND FUND BAL	ANCES												
Accounts payable and accrued liabilities	\$	_	\$	11,130	\$	-	\$	-	\$	259	\$	_	\$ 966,972
Due to other funds	·	1,459		· -	•	24,395		_	-	_		_	636,834
Due to bondholders		,		_		-		_		_		_	6,313
Other payables		_		_		_		_		_		_	793,461
Total liabilities		1,459		11,130		24,395		-		259		Ξ	2,403,580
Deferred Inflows of Resources:													
Unavailable revenue			_	<u> </u>								<u> </u>	173,425
Fund balances:													
Restricted		2,000		-		-		-		221		-	2,221
Assigned		86,652		9,084,175		-		1,211		238,157		-	13,707,242
Unassigned (deficit)		-		-		(3,839)		-		-		-	3,696,037
Total fund balances		88,652		9,084,175		(3,839)		1,211		238,378			17,405,500
Total liabilities, deferred inflows, and fund balances		90,111											

Combining Schedule of Revenues, Expenditures, and Changes in Fund Balance – General Fund Accounts – For the Year Ended June 30, 2022

	General Fund	Emergency Management Account	Insurance Recovery Account	Commercial Sidewalk Account	Drug Enforcement Account	A.L.E.R.T. Account	City Lakes Account	OHP Account	Recreation Account
REVENUES									
Taxes	\$ 16,836,984	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	1,375,594	52,913	-	-	-	-	-	-	-
Licenses and permits	404,288	-	-	=	-	-	14,650	-	-
Charges for services	194,979	-	-	=	-	-	=	-	-
Fines and forfeitures	214,605	-	-	-	-	2,758	-	-	-
Investment earnings	38,573	50	950	-	173	64	98	176	565
Miscellaneous	261,056		65,980		6,689		601	7,200	98,988
Total revenues	19,326,079	52,963	66,930	-	6,862	2,822	15,349	7,376	99,553
EXPENDITURES									
Current:									
General government	5,811,956	-	47,515	-	-	-	-	-	-
Public Safety	10,796,243	122,815	-	-	5,456	_	-	2,429	-
Street	-	-	-	5,625	-	_	-	-	-
Culture and recreation	3,044,682	-	_	_	_	_	47,985	_	182,348
Cemetery	317,494	-	-	-	-	-	· •	-	
Capital Outlay	1,058,019	6,250	101,620	_	_	10,000	458	119	4,333
Debt service:			·			•			·
Principal	57,355	_	_	-	-	-	-	-	_
Interest and other charges	1,423	_	-	-	-	-	-	-	_
Total Expenditures	21,087,172	129,065	149,135	5,625	5,456	10,000	48,443	2,548	186,681
Excess (deficiency) of revenues over			-						
expenditures	(1,761,093)	(76, 102)	(82,205)	(5,625)	1,406	(7,178)	(33,094)	4,828	(87, 128)
·	() -))	(, , , ,	(= , ==,	(272 27	,		(***,***)		(, , , ,
OTHER FINANCING SOURCES (USES)									
Judgment proceeds	131,181	_	_	_	_	_	_	_	_
Lease proceeds	288,861	_	_	_	_	_	_	_	_
Interaccount transfer in	492,960	84,000	_	_	_	_	40,000	_	70,000
Interaccount transfer out	(169,000)	- ,	_	_	_	_	_	_	- · · · · -
Transfers in	6,421,050	_	_	5,625	_	_	_	_	_
Transfers out	(3,880,696)	_	_	-,	_	_	_	_	_
Total other financing sources and uses	3,284,356	84,000		5,625			40,000		70,000
rotal other imanomy operiods and acce	0,201,000	01,000		0,020			,		. 0,000
Net change in fund balances	1,523,263	7,898	(82,205)	_	1,406	(7,178)	6,906	4,828	(17,128)
Fund balances - beginning	6,280,033	9,966	123,351	_	22,914	11,895	13,131	19,474	78,369
Fund balances - beginning Fund balances - ending	\$ 7,803,296	\$ 17,864	\$ 41,146	\$ -	\$ 24,320	\$ 4,717	\$ 20,037	\$ 24,302	\$ 61,241
	ψ 1,000,290	ψ 17,50 4	Ψ -1,140	-	Ψ 24,020	¥ =,/11/	20,001	Ψ 24,002	(Continued)

<u>Combining Schedule of Revenues, Expenditures, and Changes in Fund Balance – General Fund Accounts – For the Year Ended June 30, 2022, (Continued)</u>

	Library Cash Account	Mana	eserve agement ccount		rgency 911 Account	Car Seat Grant Account		arks Cash Account	R.S.P. Account		tal General nd Accounts
REVENUES Taxes	\$ -	\$:	3,822,331	\$	242,620		\$			\$	20,901,935
Intergovernmental	Ф -	Φ.	8,047	Ф	242,620	-	Ф	-	-	Ф	1,436,554
Licenses and permits	-		0,047		-	-		-	-		418,938
Charges for services	- 8,441		_		-	-		9,211	_		212,631
Fines and forfeitures	0,441		_		-	-		9,211	_		217,363
Investment earnings	89		61,041		_			1,625	_		103,404
Miscellaneous	7,894		01,041			13,486		94,826	_		556,720
Total revenues	16,424		3,891,419		242,620	13,486		105,662			23,847,545
EXPENDITURES											
Current:											
General government	_		651,394		-	13,942		-	-		6,524,807
Public Safety	_		_		-	· -		-	-		10,926,943
Street	_		-		-	-		-	4,560		10,185
Culture and recreation	14,321		-		-	-		30,136	-		3,319,472
Cemetery	· -		-		-	-		-	-		317,494
Capital Outlay	1,577		1,115,308		-	-		23,552	-		2,321,236
Debt service:											
Principal	-		-		-	-		-	-		57,355
Interest and other charges	-		-		-	-		-	-		1,423
Total Expenditures	15,898		1,766,702		-	13,942		53,688	4,560		23,478,915
Excess (deficiency) of revenues over											
expenditures	526	:	2,124,717		242,620	(456)		51,974	(4,560)		368,630
OTHER FINANCING SOURCES (USES)											
Judgment proceeds	-		-		-	-		-	-		131,181
Lease proceeds	-		-		-	-		-	-		288,861
Interaccount transfer in	-		-		-	-		-	-		686,960
Interaccount transfer out	-		(275,000)		(242,960)	-		-	-		(686,960)
Transfers in	-		-		-	-		-	4,560		6,431,235
Transfers out			(708,708)								(4,589,404)
Total other financing sources and uses			(983,708)		(242,960)				4,560		2,261,873
Net change in fund balances	526		1,141,009		(340)	(456)		51,974	_		2,630,503
Fund balances - beginning	88,126		7,943,166		(3,499)	1,667		186,404	_		14,774,997
Fund balances - beginning Fund balances - ending	\$ 88,652		9,084,175	\$	(3,839)	\$ 1,211	\$	238,378	\$ -	\$	17,405,500
	- 00,002	<u> </u>	0,001,110	Ψ	(0,000)	¥ 1,£11	Ψ	200,010	-	Ψ	.7,100,000

Combining Schedule of Net Position – APWA Water Enterprise Fund Accounts – June 30, 2022

	Water Enterprise	Utilities Account	Series 2011 Note Account	Total
ASSETS				
Current assets:		_		
Cash and cash equivalents	\$ 10,006,665	\$ -	\$ 351	\$ 10,007,016
Restricted cash and cash equivalents	-	386,155	4,736,212	5,122,367
Accounts receivable, net of allowance	820,415	-	-	820,415
Due from other funds	240,361	-	-	240,361
Inventories	299,273		-	299,273
Total current assets	11,366,714	386,155	4,736,563	16,489,432
Non-current assets:				
Land and construction in progress	163,006	-	-	163,006
Other capital assets, net of depreciation	25,079,267	-	-	25,079,267
Net pension asset	1,216,997			1,216,997
Total non-current assets	26,459,270		-	26,459,270
Total assets	37,825,984	386,155	4,736,563	42,948,702
DEFERRED OUTFLOWS OF RESOURCES				
Deferred amount related to pensions	194,178	-	-	194,178
Deferred amount related to OPEB	128, 152	-	-	128,152
Deferred amount on refunding	-	-	1,889	1,889
Total Deferred Outflows of Resources	322,330		1,889	324,219
LIABILITIES				
Current liabilities:				
Accounts payable and accrued liabilities	232,573	-	52,359	284,932
Accrued interest payable	-	-	93,122	93,122
Other payables	15,078	-	-	15,078
Current portion of:				
Compensated absences	14,121	-	-	14,121
Deposits subject to refund	-	77,231	-	77,231
Notes payable	-	-	4,502,087	4,502,087
Total current liabilities	261,772	77,231	4,647,568	4,986,571
Non-current liabilities:				
Compensated absences	127,093	-	-	127,093
Deposits subject to refund	-	308,924	-	308,924
Total OPEB liability	450,865	-	-	450,865
Notes payable	-	-	11,050,371	11,050,371
Total non-current liabilities	577,958	308,924	11,050,371	11,937,253
Total liabilities	839,730	386,155	15,697,939	16,923,824
DEFERRED INFLOWS OF RESOURCES				
Deferred amounts related to pensions	968,625	-	-	968,625
Deferred amounts related to OPEB	71,335	-	-	71,335
Total deferred inflows of resources	1,039,960	_		1,039,960
NET POSITION				
Net investment in capital assets	25,242,273	_	(15,552,458)	9,689,815
Unrestricted	11,026,351	_	4,592,971	15,619,322
Total net position	\$ 36,268,624	\$ -	\$ (10,959,487)	\$ 25,309,137

<u>Combining Schedule of Revenues, Expenses, and Changes in Net Position – APWA Water Enterprise Fund Accounts – Year Ended June 30, 2022</u>

	-	Water interprise	Utilities A	ccount	es 2011 Note Account	Total
REVENUES	_	шетриос	- Carraco P	<u></u>	 Account	
Water	\$	7,744,010	\$	-	\$ -	\$ 7,744,010
Total operating revenues		7,744,010		-	-	7,744,010
OPERATING EXPENSES						
Water operations		3,561,329		-	-	3,561,329
Administration		-		-	43,817	43,817
Depreciation		2,002,803		-	-	2,002,803
Total Operating Expenses		5,564,132		-	43,817	5,607,949
Operating income (loss)		2,179,878			(43,817)	 2,136,061
NON-OPERATING REVENUES (EXPENSES)						
Interest and investment revenue		76,679		-	1,300	77,979
Grant revenue		59,147		-	-	59,147
Miscellaneous revenue		8,989		-	-	8,989
Interest expense		-		-	(360,774)	(360,774)
Total non-operating revenue (expenses)		144,815	•	-	(359,474)	 (214,659)
Income (loss) before contributions and transfers		2,324,693		-	(403,291)	 1,921,402
Capital contributions		149,453		-	-	149,453
Interaccount transfer in		222,025		-	1,774,656	1,996,681
Interaccount transfer out		(1,774,656)		-	(222,025)	(1,996,681)
Transfers in		1,875,348		-	3,091,554	4,966,902
Transfers out		(833,333)		-	-	(833,333)
Change in net position		1,963,530		-	 4,240,894	 6,204,424
Total net position - beginning		34,305,094		-	(15,200,381)	19,104,713
Total net position - ending	\$	36,268,624	\$	_	\$ (10,959,487)	\$ 25,309,137

Combining Balance Sheet - Nonmajor Governmental Funds - June 30, 2022

						Special Revenue	Funds					
	er Police Grants	reet and Alley	ary State Grant		storical Grant	Pass Thru Grants	M	ayor's Anti Crime	neland ity Grant	LLEBG Grant	ADA	Industrial
ASSETS		 	 						 			
Cash and cash equivalents	\$ 1,500	\$ 27,572	\$ 16,616	\$	6,007	\$ -	. \$	369,977	\$ 975	\$ -	\$	-
Receivable from other governments	8,471	22,327	-		2,472	-		-	-	14,457		247,596
Due from other funds	-	-	-		-	-		-	-	-		-
Other taxes receivable, net	-	-	-		-	-	•	-	-	-		-
Prepaid expenses	-	-	-		-	-		-	-	-		-
Inventories	-	-	-		-	-		-	-	-		-
Lease receivable	 	 	 						 	 		-
Total assets	\$ 9,971	\$ 49,899	\$ 16,616	\$	8,479	\$ -	\$	369,977	\$ 975	\$ 14,457	\$	247,596
LIABILITIES, DEFERRED INFLOWS, AND FUND BALLiabilities: Accounts payable and accrued liabilities Due to other funds Due to component unit Due to other Total liabilities	\$ 1,489 - - - - 1,489	\$ - - - - -	\$ 5,385 - - - 5,385	\$	1,672 - - - 1,672	\$ -	\$	2,500 - - - 2,500	\$ - - - - -	\$ - - - -	\$	210,350
Deferred Inflows of Resources:												
Unavailable revenue	4,713	-	-		2,472	-		-	-	-		-
Deferred inflows related to leases	-	-	-		-	-		-	-	-		-
Total deferred inflows	4,713	-	-		2,472		_	-	-	-		-
Fund balances:												
Restricted	3,769	49,899	-		3,449	-		349,348	-	14,457		37,246
Assigned	-	-	15,052		886	-		18,129	975	-		-
Unassigned (deficit)	-	-	(3,821)		-	-		-	-	-		-
Total fund balances	 3,769	 49,899	 11,231		4,335	-		367,477	 975	 14,457		37,246
Total liabilities, deferred inflows, and fund balances	\$ 9,971	\$ 49,899	\$ 16,616	\$	8,479	\$ -	\$	369,977	\$ 975	\$ 14,457	\$	247,596
				•							(C	ontinued)

CITY OF ARDMORE, OKLAHOMA ANNUAL FINANCIAL REPORT As of and for the Year Ended June 30, 2022

Combining Balance Sheet - Nonmajor Governmental Funds - June 30, 2022, (Continued)

												Capital Proj	ject Fur	nds				
		nvention ourism	Lite	racy Grant	FEI	MA DR 4222		Hazard itigation	Fire	e Capital	E	owntown xecutive Airport		Capital provement		CDBG Fund	Cem	etery Care
ASSETS			•	100 500	_	0.400.550	_			40 700	_	077 400		050 550	_		_	404.007
Cash and cash equivalents	\$	3,208	\$	190,598	\$	2,180,552	\$	-	\$	13,780	\$	277,102	\$	253,559	\$	2,061	\$	124,007
Receivable from other governments Due from other funds		-		1.459		2,177,395		05.405		-		180,862		-		-		-
		-		1,459		-		25,105		-		-		-		-		-
Other taxes receivable, net		146,233		-		400 500		-		-		-		-		-		-
Prepaid expenses		-		-		133,500		-		-		-		-				-
Inventories		-		-		-		-		-		-		-				-
Leases receivable	_	- 440 444	_	400.057	_	- 4 404 447	_	-	_	40.700	_	245,950	_	-	_	0.004	_	-
Total assets	\$	149,441	\$	192,057	\$	4,491,447	\$	25,105	\$	13,780	\$	457,964	\$	253,559	\$	2,061	\$	124,007
LIABILITIES, DEFERRED INFLOWS, AND FUND BAL Liabilities: Accounts payable and accrued liabilities	ANCES	_	\$	816	\$	1,375	\$	_	\$	_	\$	150,090	\$	_	\$	2,061	\$	5,968
Due to other funds		-		-		· -		_		_				_				
Due to component unit		61,595		_		-		-		_		-		-		-		-
Due to other		_		-		-		-		-		-		-				-
Total liabilities		61,595		816		1,375		-		-		150,090		-		2,061		5,968
Deferred Inflows of Resources:										-								
Unavailable revenue		-		-		2,177,395		-		-		-		-		-		-
Deferred inflows related to leases						-						246,010						
Total deferred inflows						2,177,395		-		-		246,010		-				
Fund balances:																		
Restricted		87,846		191,241		2,312,677		25,105		_		-		_		-		118,039
Assigned		_		-		_		-		13,780		307,814		253,559		-		-
Unassigned (deficit)		-		-		-		-		-		-		-		-		-
Total fund balances		87,846		191,241	-	2,312,677	-	25,105		13,780		307,814	-	253,559				118,039
Total liabilities, deferred inflows, and fund balances	\$	149,441	\$	192,057	\$	4,491,447	\$	25,105	\$	13,780	\$	703,914	\$	253,559	\$	2,061	\$ (C	124,007 ontinued)

Combining Balance Sheet - Nonmajor Governmental Funds - June 30, 2022, (Continued)

	Capital Project Funds					nds			Debt	Service Fund		
•		ary Capital rovement	CI	ubhouse	SW P	ark Project		ey Ranch Road sessment	De	bt Service Fund		otal Other vernmental Funds
ASSETS	•	474 040	•	044.405	•	100 700	•	40.405	•	4 400	•	4 407 050
Cash and cash equivalents	\$	171,642	\$	341,185	\$	106,723	\$	16,165	\$	4,430	\$	4,107,659
Receivable from other governments		-		-		=		-		456		2,654,036
Due from other funds		-		-		-		-		=		26,564
Other taxes receivable, net		-		3,207		-		-		-		149,440
Prepaid expenses		-				-		-		-		133,500
Inventories		-		51,045		-		-		-		51,045
Leases receivable												245,950
Total assets	\$	171,642	\$	395,437	\$	106,723	\$	16,165	\$	4,886	\$	7,122,244
LIABILITIES, DEFERRED INFLOWS, AND FUND BAI Liabilities: Accounts payable and accrued liabilities Due to other funds Due to component unit	_ANCES \$	11,573 - -	\$	35,288 4,348	\$	- - -	\$	- - -	\$	- 148,731 -	\$	218,217 153,079 271,945
Due to other				11,392								11,392
Total liabilities		11,573		51,028		-				148,731		654,633
Deferred Inflows of Resources:												
Unavailable revenue		-		-		-		-		-		2,184,580
Deferred inflows related to leases										<u>-</u>		246,010
Total deferred inflows		-										2,430,590
Fund balances:												
Restricted		128,778		-		97,441		=		=		3,419,295
Assigned		31,291		344,409		9,282		16,165		-		1,011,342
Unassigned (deficit)		-				-				(143,845)		(147,666)
Total fund balances		160,069		344,409		106,723		16,165		(143,845)		4,282,971
Total liabilities, deferred inflows, and fund balances	\$	171,642	\$	395,437	\$	106,723	\$	16,165	\$	4,886	\$	7,368,194

<u>Combining Statement of Revenues, Expenditures, and Changes in Fund Balance – Nonmajor Governmental Funds – For the Year Ended June</u> 30, 2022

				S	pecial Revenue Fu	nds			
	Other Police Grants	Street and Alley	Library State Grant	Historical Grant	Pass Thru Grants	Mayor's Anti Crime	Homeland Security Grant	JAG LLEBG Grant	ADA Industrial
REVENUES									
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,875,347
Intergovernmental	6,758	239,718	31,265	6,941	600,000	-	-	25,366	-
Charges for services	-	-	-	-	-	-	-	-	-
Investment earnings	-	293	175	-	-	2,775	-	-	-
Miscellaneous					1,459,373	194,070			
Total revenues	6,758	240,011	31,440	6,941	2,059,373	196,845		25,366	1,875,347
EXPENDITURES									
Current:									
General government	-	-	-	-	600,205	-	-	-	1,875,347
Public Safety	4,203	-	-	-	-	15,034	-	5,455	-
Street	-	508,738	-	-	-	-	-	-	-
Culture and recreation	-	-	31,881	8,613	-	-	-	-	-
Airport	-	-	-	-	-	-	-	-	-
Economic development	-	-	-	-	-	-	-	-	-
Capital Outlay	3,888	-	4,368	-	1,326,553	17,891	-	7,393	-
Debt Service:									
Principal	-	-	-	-	-	-	-	-	-
Interest and other charges	-	-	-	-	-	-	-	-	-
Total Expenditures	8,091	508,738	36,249	8,613	1,926,758	32,925	-	12,848	1,875,347
Excess (deficiency) of revenues over									
expenditures	(1,333)	(268,727)	(4,809)	(1,672)	132,615	163,920		12,518	
OTHER FINANCING SOURCES (USES)									
Transfers in	5,102	250,000	-	-	-	_	-	1,939	-
Transfers out		(10,185)	-	-	-	(130,000)	-	· -	-
Total other financing sources and uses	5,102	239,815	-		-	(130,000)	-	1,939	-
Net change in fund balances	3,769	(28,912)	(4,809)	(1,672)	132,615	33,920	-	14,457	-
Fund balances - beginning	-	78,811	16,040	6,007	(132,615)	333,557	975	-	37,246
Fund balances - ending	\$ 3,769	\$ 49,899	\$ 11,231	\$ 4,335	\$ -	\$ 367,477	\$ 975	\$ 14,457	\$ 37,246
									(Continued)

<u>Combining Statement of Revenues, Expenditures, and Changes in Fund Balance – Nonmajor Governmental Funds – For the Year Ended June</u> 30, 2022, (Continued)

													Capital P	roject Fun	ds		
		onvention Tourism	Lite	racy Grant	FEMA DR 4222		azard igation	Fire	Capital	E	wntown cecutive Airport		apital ovement	CDBG	Fund		metery Care
REVENUES Taxes	æ	1 640 000	\$		\$ -	\$		\$		\$		\$		\$		\$	
Intergovernmental	\$	1,618,983	Ф	-	ء - 2,177,017	Ф	-	Ф	-	Ф	2,539,205	Ф	-	Ф	-	ф	-
Charges for services		-		-	2,177,017		-		12,180		18,777		-		-		20,180
Investment earnings		-		20	-		-		12, 160		1,972		1,459		-		925
Miscellaneous		-		187,758	-		-		200		33,826		164,526		-		500
Total revenues		1,618,983		187,778	2,177,017				12,490		2,593,780		165,985		<u>_</u>		21,605
Total revenues		1,010,903		107,770	2,177,017				12,490		2,393,760		100,960				21,005
EXPENDITURES Current:																	
General government		-		-	-		-		-		-		-		-		-
Public Safety		-		-	-		-		5,082		-		-		-		-
Highways and roads		-		-	-		-		-		-		-		-		-
Culture and recreation		-		15,563	-		-		-		-		-		-		-
Airport		-		-	-		-		-		77,491		-		-		-
Economic development		1,615,775		-	-		-		-		-		-		-		-
Capital Outlay		-		514	311,026		-		10,094		2,518,192		-		-		29,445
Debt Service:																	
Principal		-		-	-		-		-		-		-		-		-
Interest and other charges															-		-
Total Expenditures		1,615,775		16,077	311,026				15,176		2,595,683				-		29,445
Excess (deficiency) of revenues over																	
expenditures		3,208		171,701	1,865,991				(2,686)		(1,903)		165,985				(7,840)
OTHER FINANCING SOURCES (USES)																	
Transfers in		-		-	-		-		-		91,667		-		-		-
Transfers out					(855,656)										-		
Total other financing sources and uses					(855,656)						91,667						
Net change in fund balances		3,208		171,701	1,010,335		-		(2,686)		89,764		165,985		_		(7,840)
Fund balances - beginning		84,638		19,540	1,302,342		25,105		16,466		218,050		87,574		-		125,879
Fund balances - ending	\$	87,846	\$	191,241	\$ 2,312,677	\$	25,105	\$	13,780	\$	307,814	\$	253,559	\$	-	\$	118,039
												-				(Co	ontinued)

<u>Combining Statement of Revenues, Expenditures, and Changes in Fund Balance – Nonmajor Governmental Funds – For the Year Ended June 30, 2022, (Continued)</u>

		Capital Pro		Debt Service Fund			
•	Library Capital Improvement	Clubhouse	SW Park Project	Valley Ranch Road Assessment	Debt Service Fund	Total Other Governmental Funds	
REVENUES	•	•	•	•	25.005	A 0.500.005	
Taxes	\$ -	\$ -	\$ -	\$ -	35,295	\$ 3,529,625	
Intergovernmental	-	-	-	-	-	5,626,270	
Charges for services	-	1,181,644	-	-	-	1,232,781	
Investment earnings	1,213	2,914	819	124	-	12,799	
Miscellaneous	990	6,000				2,047,243	
Total revenues	2,203	1,190,558	819	124	35,295	12,448,718	
EXPENDITURES							
Current:						0.475.550	
General government	-	-	-	-	-	2,475,552	
Public Safety	-	-	-	-	-	29,774	
Highways and roads	400.000	4 040 404	-	-	-	508,738	
Culture and recreation	106,883	1,043,491	-	-	-	1,206,431	
Airport	-	-	-	-	-	77,491	
Economic development	47.740	0.400	-	-	-	1,615,775	
Capital Outlay Debt Service:	47,713	3,139	-	-	-	4,280,216	
					00.054	00.054	
Principal	-	-	-	-	33,051	33,051	
Interest and other charges	454.500	4.040.000			1,736	1,736	
Total Expenditures	154,596	1,046,630			34,787	10,228,764	
Excess (deficiency) of revenues over	//==:						
expenditures	(152,393)	143,928	819	124	508	2,219,954	
OTHER FINANCING SOURCES (USES)							
Transfers in	225,000	-	-	-	-	573,708	
Transfers out	-	-	-	-	(68,311)	(1,064,152)	
Total other financing sources and uses	225,000				(68,311)	(490,444)	
Not change in fund halances	70 607	142.000	819	404	(67,000)	1 720 540	
Net change in fund balances	72,607	143,928		124	(67,803)	1,729,510	
Fund balances - beginning	87,462	200,481	105,904	16,041	(76,042)	2,553,461	
Fund balances - ending	\$ 160,069	\$ 344,409	\$ 106,723	\$ 16,165	\$ (143,845)	\$ 4,282,971	

<u>Combining Statement of Net Position – Nonmajor Enterprise Funds – June 30, 2022</u>

	Lakeview Golf Golf Course Course Building				Total	
ASSETS						
Current assets:						
Cash and cash equivalents	\$	255,708	\$	44,751	\$	300,459
Total current assets		255,708		44,751		300,459
Non-current assets:						
Capital assets:						
Other capital assets,net of accumulated depreciation		668,539		-		668,539
Total non-current assets		668,539		-		668,539
Total assets		924,247		44,751		968,998
LIABILITIES						
Current liabilities:						
Accounts payable and accrued liabilities		464		_		464
Total liabilities		464		-		464
NET POSITION						
Net investment in capital assets		668,539		_		668,539
Unrestricted		255,244		44,751		299,995
Total net position	\$	923,783	\$	44,751	\$	968,534

<u>Combining Statement of Revenues, Expenses, and Changes in Net Position – Nonmajor Enterprise</u> <u>Funds – Year Ended June 30, 2022</u>

		eview Golf Course	Golf Course Building			Total
REVENUES						
Charges for services - Golf	\$	575,570	\$	12,794	\$	588,364
Miscellaneous		13,298		-		13,298
Total operating revenues		588,868		12,794		601,662
OPERATING EXPENSES						
Golf operations		612,925		3,224		616,149
Depreciation		55,910		-		55,910
Total operating expenses		668,835		3,224		672,059
Operating income (loss)		(79,967)		9,570		(70,397)
NON-OPERATING REVENUES (EXPENSES)						
Interest and investment revenue		1,147		320		1,467
Total non-operating revenue (expenses)		1,147		320		1,467
Income (loss) before transfers		(78,820)		9,890		(68,930)
Transfers in	-	140,000		-	-	140,000
Transfers out		-		-		-
Change in net position		61,180		9,890		71,070
Total net position - beginning		862,603		34,861		897,464
Total net position - ending	\$	923,783	\$	44,751	\$	968,534

Combining Statement of Cash Flows - Nonmajor Enterprise Funds - Year Ended June 30, 2022

	eview Golf Course	If Course uilding	Total
CASH FLOWS FROM OPERATING ACTIVITIES		 	
Receipts from customers	\$ 588,868	\$ 12,794	\$ 601,662
Payments to suppliers and employees	(612,824)	(3,224)	(616,048)
Net cash provided by (used in) operating activities	(23,956)	9,570	(14,386)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Transfers from other funds	140,000	_	140,000
Net cash provided by noncapital financing activities	140,000	-	140,000
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Purchase of capital assets	-	-	-
Proceeds from sale of capital assets	 	 	 -
Net cash provided by capital and related financing activities	-	 -	-
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest and dividends	1,147	320	1,467
Net cash provided by investing activities	 1,147	320	1,467
Net increase in cash and cash equivalents	117,191	9,890	127,081
Balances - beginning of year	 138,517	 34,861	 173,378
Balances - end of year	\$ 255,708	\$ 44,751	\$ 300,459
Reconciliation to Statement of Net Position:			
Cash and cash equivalents	\$ 255,708	\$ 44,751	\$ 300,459
Total cash and cash equivalents, end of year	\$ 255,708	\$ 44,751	\$ 300,459
Reconciliation of operating income (loss) to net cash provided by (used in) Operating Activities:			
Operating income (loss)	\$ (79,967)	\$ 9,570	\$ (70,397)
Adjustments to reconcile operating income (loss) to net cash provided by			
(used in) operating activities:			
Depreciation expense	55,910	-	55,910
Change in assets and liabilities:			
Accounts payable	 101	-	 101
Net cash provided by (used in) operating activities	\$ (23,956)	\$ 9,570	\$ (14,386)

Combining Statement of Net Position – Internal Service Funds – June 30, 2022

	Gara	ge Fund	E	mployee Benefit	Total
ASSETS		go i ana		Bollolit	
Current assets:					
Cash and cash equivalents	\$	280,742	\$	1,139,127	\$ 1,419,869
Due from other funds		42,072		185,713	227,785
Other receivables		, <u>-</u>		101,380	101,380
Inventories		24,320		, -	24,320
Total assets		347,134		1,426,220	1,773,354
DEFERRED OUTFLOWS OF RESOURCES					
Deferred amounts related to OPEB		33,477			 33,477
LIABILITIES					
Current liabilities:					
Accounts payable and accrued liabilities		57,723		-	57,723
Due to other funds		25,668		90,561	116,229
Due to employees		-		42,186	42,186
Compensated absences		3,199		-	3,199
Total current liabilities		86,590		132,747	219,337
Non-current liabilities:					
Compensated absences		28,791		-	28,791
Total OPEB liability		96,614		-	96,614
Claims payable		-		256,872	256,872
Total non-current liabilities		125,405		256,872	382,277
Total liabilities		211,995		389,619	601,614
DEFERRED INFLOWS OF RESOURCES					
Deferred amounts related to OPEB		9,770		-	 9,770
NET POSITION					
Unrestricted		158,846		1,036,601	1,195,447
Total net position	\$	158,846	\$	1,036,601	\$ 1,195,447

<u>Combining Statement of Revenues, Expenses, and Changes in Net Position – Internal Service Funds – Year Ended June 30, 2022</u>

	Garage Fund			Employee Benefit	Total		
REVENUES							
Charges for services	\$	996,328	\$	4,290,264	\$	5,286,592	
Total operating revenues		996,328		4,290,264		5,286,592	
OPERATING EXPENSES							
General government		947,928		5,658,523		6,606,451	
Total operating expenses	•	947,928		5,658,523		6,606,451	
Operating income (loss)		48,400		(1,368,259)		(1,319,859)	
NON-OPERATING REVENUES (EXPENSES)							
Interest and investment revenue		1,197		12,141		13,338	
Total non-operating revenue (expenses)		1,197		12,141		13,338	
Change in net position		49,597		(1,356,118)		(1,306,521)	
Total net position - beginning		109,249		2,392,719		2,501,968	
Total net position - ending	\$	158,846	\$	1,036,601	\$	1,195,447	

<u>Combining Statement of Cash Flows – Internal Service Funds – Year Ended June 30, 2022</u>

	Gai	rage Fund	 Employee Benefit	Total
CASH FLOWS FROM OPERATING ACTIVITIES			 	
Receipts from customers	\$	996,328	\$ 4,463,370	\$ 5,459,698
Receipts (payments) from (to) other funds		11,837	200,403	212,240
Payments to suppliers		(936,991)	-	(936,991)
Payments to employees		(262,017)	-	(262,017)
Claims and judgements paid			 (5,859,990)	(5,859,990)
Net cash provided by (used in) operating activities	-	(190,843)	 (1,196,217)	 (1,387,060)
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest and dividends		1,197	 12,141	 13,338
Net cash provided by investing activities		1,197	 12,141	 13,338
Net increase (decrease) in cash and cash equivalents		(189,646)	(1,184,076)	(1,373,722)
Balances - beginning of year		210,230	 2,418,355	 2,628,585
Balances - end of year	\$	20,584	\$ 1,234,279	\$ 1,254,863
Reconciliation to Statement of Net Position:				
Cash and cash equivalents	\$	280,742	\$ 1,139,127	\$ 1,419,869
Total cash and cash equivalents, end of year	\$	280,742	\$ 1,139,127	\$ 1,419,869
Reconciliation of operating income (loss) to net cash provided by (used in) Operating Activities:				
Operating income (loss)	\$	48,400	\$ (1,368,259)	\$ (1,319,859)
Change in assets, liabilities and deferrals:				
Other receivables		-	173,106	173,106
Due from other funds		42,072	248,778	290,850
Inventory		(328,554)	-	(328,554)
Accounts payable		(12,483)	-	(12,483)
Due to other funds		(30, 235)	(48,375)	(78,610)
Due to employees		-	(37,022)	(37,022)
Claims payable		-	(164,445)	(164,445)
Total OPEB liability		(66,401)	-	(66,401)
Accrued compensated absences		156,589	-	156,589
Deferred outflows and inflows of resources		(231)	 -	 (231)
Net cash provided by (used in) operating activities	\$	(190,843)	\$ (1,196,217)	\$ (1,387,060)

Schedule of Expenditures of State Awards

SCHEDULE OF EXPENDITURES OF STATE AWARDS FOR THE FISCAL YEAR ENDED JUNE 30, 2022

State Grantor/Pass Through Agency			Award	Awards		
Grantor/Program Title	Grant #	A	Amount	Expended		
STATE AWARDS:						
Oklahoma Department of Libraries:						
State Aid	N/A	\$	17,265	\$	17,265	
Emergency Management Department:						
FEMA DR 4222 - State Portion	PA-06-OK-4222-PW-1306(0)		75,423		19,431	
FEMA DR 4222 - State Portion	PA-06-OK-4222-PW- 983		11,182		-	
FEMA DR 4222 - State Portion	PA-06-OK-4222-PW-01160(0)		3,281		-	
FEMA DR 4222 - State Portion	PA-06-OK-4222-PW-01197(0)		3,155		-	
FEMA DR 4222 - State Portion	PA-06-OK-4222-PW-00842(0)		4,550		-	
FEMA DR 4222 - State Portion	PA-06-OK-4222-PW-00897(0)		2,407		-	
Oklahoma Aeronautics Commission:						
State Portion	3-40-0006-016-2017		211,017		17,518	
Federal Aviation Administration						
FAA Grant 2021 - Rehab Runway 13/31	3-40-0005-021-2021 (ADM-22-S)		735,612		464,677	
TOTAL STATE AWARDS		\$	1,063,892	\$	518,891	

Footnotes to the Schedules of Expenditures of State Awards:

- 1. The Schedules of Expenditures of State Awards are prepared on an accrual basis of accounting. The expenditures are recorded when the liability is incurred regardless of when the award proceeds are received.
- 2. The City has not been notified of any noncompliance with federal or state award requirements. 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.

CITY OF ARDMORE, OKLAHOMA ANNUAL FINANCIAL REPOR' As of and for the Year Ended June 30, 202
SINGLE AUDIT AND INTERNAL CONTROL AND COMPLIANCE INFORMATION

Russell & Williams CPAs, PC

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

To the Members of the City Commission City of Ardmore, Oklahoma

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of City of Ardmore, Oklahoma, as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the basic financial statements of the City's primary government as listed in the table of contents, and have issued our report thereon dated February 10, 2023. The City of Ardmore, Oklahoma has chosen to omit all financial information related to its discretely presented component units, the inclusion of which is required by Generally Accepted Accounting Principles. Our opinions on the basic financial statements referred to above contains a modified opinion related to the omission of the financial information of the discretely presented component units, and also contains a disclaimer of opinion on required supplemental information.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered City of Ardmore, Oklahoma's internal control over financial reporting (internal control) as a basis for designing 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 City of Ardmore, Oklahoma's internal control. Accordingly, we do not express an opinion on the effectiveness of City of Ardmore, Oklahoma'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. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether City of Ardmore, Oklahoma's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

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

Oklahoma City, Oklahoma February 10, 2023

Jural & William CPA PC

Russell & Williams CPAs, PC

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

To the Members of the City Commission City of Ardmore, Oklahoma

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited City of Ardmore, Oklahoma's compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of City of Ardmore, Oklahoma's major federal programs for the year ended June 30, 2022. City of Ardmore, Oklahoma's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, City of Ardmore, Oklahoma complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2022.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of City of Ardmore, Oklahoma and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of City of Ardmore, Oklahoma's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to City of Ardmore, Oklahoma's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on City of Ardmore, Oklahoma's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about City of Ardmore, Oklahoma's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding City of Ardmore, Oklahoma's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of City of Ardmore, Oklahoma's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of City of Ardmore, Oklahoma's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Other Matters

The results of our auditing procedures disclosed no instances of noncompliance which would be required to be reported in accordance with the Uniform Guidance.

Report on Internal Control over Compliance

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

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

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

Oklahoma City, Oklahoma

and & Williams CAAs PC

February 10, 2023

Schedule of Expenditures of Federal Awards

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS FOR THE FISCAL YEAR ENDED JUNE 30, 2022

Passed through Oklahoma Historical Society: Historic Preservation Fund Grants-In-Aid 15.904 20-613 \$ 5,700 \$ 5,700 \$ 2,913 Total U.S. Department of Interior 15.904 20-613 4,500 2,913 Total U.S. Department of Interior 16.738 15PBJA-21-GG-01745-JAGX 14,457 14,457 Bureau of Justice Assistance - JAG Grant 16.738 2020-DJ-BX-0183 10,909 - Sub-total CFDA 16.738 225,366 14,457 14,457 District Attomey's Council - Crime Lab Accreditation 16.742 2019-CD-BX-00/FSF19-001 3,000 3,000 District Attomey's Council - Crime Lab Accreditation 16.742 FSF21-001 5,091 5,091 Sub-total CFDA 16.742 58.991 8,0991 8,0991 Bureau of Justice Assistance - Bulletproof Vest Partnership 2020 16.607 2020 BVP 1,780 - Bureau of Justice Assistance - Bulletproof Vest Partnership 2021 16.607 2021 BVP 1,600 1,600 Sub-total CFDA 16.607 33.80 1,600 1,600 Sub-total CFDA 16.607 2021 BVP 1,600 1,600 1,600 Total U.S. Department of Justice 36.837 24,148 U.S. DEPARTMENT OF TRANSPORTATION: 20,106 3-40-0005-021-0221 1,046.975 902,361 Airport Improvement Program 20,106 3-40-0005-021-0221 1,712.580 599,910 Airport Improvement Program 20,106 3-40-0006-021-0221 1,712.580 599,910 Airport Improvement Program 20,106 3-40-0006-	Federal/State Grantor/Pass through agency Grantor/Program Title	Federal AL Number	Agency or Pass Thru Number	Program or Award Amount	Federal Expenditures
Description	FEDERAL ASSISTANCE:				
Histoic Preservation Fund Grants-In-Aid 1594 20-613 \$ 5.700 \$ 5.700 Histoic Preservation Fund Grants-In-Aid 1594 20-613 \$ 4.500 29-13 Total U.S. Department of Interior 1594 20-613 \$ 4.500 29-13 Total U.S. Department of Interior 1594 20-613 \$ 1.0200 8.613 Total U.S. Department of Interior 161 1678 \$ 159BiA-21-GG-01745-JACK \$ 14.457 Harran of Justice Assistance - JAG Grant 16.738 2000-Di-HBX-0183 10.969 - 2.5366 14.457 Burean of Justice Assistance - JAG Grant 16.738 2000-Di-HBX-0183 10.969 - 2.5366 14.457 Burean of Justice Assistance - JAG Grant 16.742 2019-CD-HBX-0183 10.969 5.091	U.S. DEPARTMENT OF INTERIOR:				
Histoic Preservation Fund Grants-In-Aid 1594 20-613 \$ 5.700 \$ 5.700 Histoic Preservation Fund Grants-In-Aid 1594 20-613 \$ 4.500 29-13 Total U.S. Department of Interior 1594 20-613 \$ 4.500 29-13 Total U.S. Department of Interior 1594 20-613 \$ 1.0200 8.613 Total U.S. Department of Interior 161 1678 \$ 159BiA-21-GG-01745-JACK \$ 14.457 Harran of Justice Assistance - JAG Grant 16.738 2000-Di-HBX-0183 10.969 - 2.5366 14.457 Burean of Justice Assistance - JAG Grant 16.738 2000-Di-HBX-0183 10.969 - 2.5366 14.457 Burean of Justice Assistance - JAG Grant 16.742 2019-CD-HBX-0183 10.969 5.091	Passed through Oklahoma Historical Society:				
Total U.S. Department of Interior		15.904	20-613	\$ 5,700	\$ 5,700
U.S. DEPARTMENT OF IUSTICE	Historic Preservation Fund Grants-In-Aid	15.904	20-613	4,500	2,913
Bureau of Justice Assistance - JAG Grant 16.738 15PBJA-21-GC401745-JAGX 14.457 14.4	Total U.S. Department of Interior			10,200	8,613
Bureau of Justice Assistance - JAG Grant 16.738 2020-DI-BX-018 19.009	U.S. DEPARTMENT OF JUSTICE:				
Sub-total CFDA 16.738 25,366 14,457 14,457 2019-CD-BX-00 FSF19-001 3,000 3,000 3,000 3,000 5,001 5,091	Bureau of Justice Assistance - JAG Grant	16.738	15PBJA-21-GG-01745-JAGX	14,457	14,457
District Attomey's Council - Crime Lab Accreditation 16.742 2019-CD-BX-00 / FSF19-001 5.091	Bureau of Justice Assistance - JAG Grant	16.738	2020-DJ-BX-0183	10,909	-
District Attomey's Council - Crime Lab Accreditation 16.742 FSF21-401 5.091	Sub-total CFDA 16.738			25,366	14,457
Sub-total CFDA 16-742 8,091 8,09	District Attorney's Council - Crime Lab Accreditation	16.742	2019-CD-BX-00 / FSF19-001	3,000	3,000
Bureau of Justice Assistance - Bulletproof Vest Partnership 2020 16.607 2020 BVP 1.780 1.600	District Attorney's Council - Crime Lab Accreditation	16.742	FSF21-001	5,091	5,091
Bureau of Justice Assistance - Bulletproof Vest Partnership 2021 16.607 2021 BVP 1.600 3.380 1.600 3.0837 2.4148	Sub-total CFDA 16.742			8,091	8,091
Sub-total CFDA 16.607 Total U.S. Department of Justice	Bureau of Justice Assistance - Bulletproof Vest Partnership 2020	16.607	2020 BVP	1,780	
Total U.S. Department of Justice	Bureau of Justice Assistance - Bulletproof Vest Partnership 2021	16.607	2021 BVP	1,600	1,600
U.S. DEPARTMENT OF TRANSPORTATION: Passed through Oklahoma Aeronautics Commission: Airport Improvement Program 20,106 3-40-0005-012-2021 1,046.975 902.361 Airport Improvement Program 20,106 3-40-0005-020-2021 57,162 1.046.975 902.361 Airport Improvement Program 20,106 3-40-0006-020-2021 57,162 1.046.975 902.361 Airport Improvement Program 20,106 3-40-0006-020-2021 13,000 1.545.060 Airport Improvement Program 20,106 3-40-0006-020-2021 13,000 1.945.060 Airport Improvement Program 20,106 3-40-0006-020-2021 17,12.580 959.910 Airport Improvement Program 20,106 3-40-0006-021-2021 17,12.580 959.910 Airport Improvement Program 20,106 3-40-0006-021-2022 32,000 32,000 Total U.S. Department of Transportation 9,350,129 3,754.671 U.S. DEPARTMENT OF TREASURY: American Rescue Plan Act-Traunch #1,2 & 3 21,027 N/A 4,334,214 4,334,214 4,334,214 U.S. DEPARTMENT OF TREASURY: American Rescue Plan Act-Traunch #1,2 & 3 21,027 N/A 4,334,214 4,334,214 U.S. DEPARTMENT OF LIBRARIES: Citizenship Grant (ODL) - 2022 45,310 N/A 14,000 11,718 ARPA 20,198 20,19	Sub-total CFDA 16.607			3,380	1,600
Passed through Oklahoma Aeronautics Commission:	Total U.S. Department of Justice			36,837	24,148
Airport Improvement Program 20,106 3-40-0005-018-2019 3,798,312 315,340	U.S. DEPARTMENT OF TRANSPORTATION:				
Airport Improvement Program 20.106 3-40-0005-021-2021 1,046.975 902;361 Airport Improvement Program 20.106 3-40-0006-020-2021 57,162	Passed through Oklahoma Aeronautics Commission:				
Airport Improvement Program 20.106 3-40-0005-020-2021 57,162	Airport Improvement Program	20.106	3-40-0005-018-2019	3,798,312	315,340
Airport Improvement Program 20.106 3-40-0006-019-2020 2,690,100 1,545,060	Airport Improvement Program	20.106	3-40-0005-021-2021	1,046,975	902,361
Airport Improvement Program 20.106 3-40-0006-020-2021 13.000 - Airport Improvement Program 20.106 3-40-0006-021-2021 1,712,880 959,910 32.000 3					-
Airport Improvement Program 20.106 3-40-0006-021-2021 1,712_580 959,910 Airport Improvement Program 20.106 3-40-0006-022-2022 32,000 32,000 32,000 Total U.S. Department of Transportation 9,350,129 3,754,671		20.106	3-40-0006-019-2020	2,690,100	1,545,060
Airport Improvement Program 20.106 3-40-0006-022-2022 32,000 32,000 32,000 Total U.S. Department of Transportation 9,350,129 3,754,671	Airport Improvement Program	20.106	3-40-0006-020-2021	13,000	-
Total U.S. Department of Transportation					
LIST American Rescue Plan Act-Traunch #1,2 & 3 21,027 N/A 4,334,214 4,334,214 4,334,214 1,001 1,00		20.106	3-40-0006-022-2022		- ,
American Rescue Plan Act-Traunch #1,2 & 3 Total U.S. Department of Treasury Assay 21,027 N/A 4,334,214 4,34,214 4,34	Total U.S. Department of Transportation			9,350,129	3,754,671
U.S. DEPARTMENT OF LIBRARIES: Citizenship Grant (ODL) - 2022	U.S DEPARTMENT OF TREASURY:				
Citizenship Grant (ODL) - 2022		21.027	N/A		
Citizenship Grant (ODL) - 2022 45.310 N/A 14,000 11,718 ARPA Grant 45.310 ARPA 20,198 20,198 Continuing Education Grant 45.310 FY22 1,500 - Total U.S. Department of Libraries 35,698 31,916 OKLAHOMA TOURISM & RECREATION: Dept-LWCF Ardmore Depot Park 15.916 40-01241 600,000 533,693 Total U.S. Department of Libraries U.S. DEPARTMENT OF HOMELAND SECURITY: Passed through Oklahoma Department of Emergency Management: Emergency Mgm Reimb - State 20-21 97.042 EMPG 21 30,318 7,724 Emergency Mgm Reimb - State 19-20 97.042 EMPG 20 30,126 22.594 Sub-total CFDA 97.042 EMPG 20 30,126 22.594 FBMA DR 4587 (Fire and Dispatch Overtime-Winter Event) 97.036 4587DR-OK-(PW 22) 8,047 8,047 Sub-total CFDA 97.036 8,047 8,047 8,047 Total U.S. Department of Homeland Security 68,491 38,365	Total U.S. Department of Treasury			4,334,214	4,334,214
ARPA Grant ARPA Grant Continuing Education Grant ARPA Continuing Education Grant At 5.310 ARPA A 20,198 20,198 Continuing Education Grant At 5.310 FY 22 I,200 - 35,698 31,916 OKLAHOMA TOURISM & RECREATION: Dept-LWCF Ardmore Depot Park 15.916 A0-01241 600,000 533,693 Total U.S. Department of Libraries U.S. DEPARTMENT OF HOMELAND SECURITY: Passed through Oklahoma Department of Emergency Management: Emergency Mgmt Reimb - State 20-21 Emergency Mgmt Reimb - State 20-20 97.042 Emergency Mgmt Reimb - State 19-20 97.042 EMPG 21 30,318 7,724 Emergency Mgmt Reimb - State 19-20 97.042 EMPG 20 30,126 22,594 Sub-total CFDA 97.042 Passed through Oklahoma Department of Emergency Management: FEMA DR 4587 (Fire and Dispatch Overtime-Winter Event) Sub-total CFDA 97.036 FEMA DR 4587 (Fire and Dispatch Overtime-Winter Event) Sub-total CFDA 97.036 Total U.S. Department of Homeland Security 45.310 ARPA 20,198 20,1	U.S. DEPARTMENT OF LIBRARIES:	45.210	27/4	14.000	11.710
Continuing Education Grant					
Total U.S. Department of Libraries 35,698 31,916					20,198
Dept-LWCF Ardmore Depot Park 15.916		45.310	FY 22	·	31 916
Dept-LWCF Ardmore Depot Park 15.916	•			33,070	31,710
Total U.S. Department of Libraries	·	15.916	40-01241	600,000	533 603
Passed through Oklahoma Department of Emergency Management:		13.710	10 01211		
Passed through Oklahoma Department of Emergency Management:	U.S. DEPARTMENT OF HOMELAND SECURITY:				
Emergency Mgmt Reimb - State 20-21 97.042 EMPG 21 30.318 7.724	•				
Emergency Mgmt Reimb - State 19-20 97.042 EMPG 20 30,126 22,594		97.042	EMPG 21	30.318	7.724
Sub-total CFDA 97.042 60,444 30,318 Passed through Oklahoma Department of Emergency Management: FEMA DR 4587 (Fire and Dispatch Overtime-Winter Event) 97.036 4587DR-OK-(PW 22) 8,047 8,047 Sub-total CFDA 97.036 8,047 8,047 8,047 Total U.S. Department of Homeland Security 68,491 38,365					
FEMA DR 4587 (Fire and Dispatch Overtime-Winter Event) 97.036 4587DR-OK-(PW 22) 8,047 8,047 Sub-total CFDA 97.036 8,047 8,047 8,047 Total U.S. Department of Homeland Security 68,491 38,365				60,444	30,318
FEMA DR 4587 (Fire and Dispatch Overtime-Winter Event) 97.036 4587DR-OK-(PW 22) 8,047 8,047 Sub-total CFDA 97.036 8,047 8,047 8,047 Total U.S. Department of Homeland Security 68,491 38,365	Passed through Oklahoma Department of Emergency Management:				
Sub-total CFDA 97.036 8,047 8,047 Total U.S. Department of Homeland Security 68,491 38,365		97.036	4587DR-OK-(PW 22)	8,047	8,047
	Sub-total CFDA 97.036		` '	8,047	8,047
TOTAL FEDERAL ASSISTANCE \$ 14,435,569 \$ 8,725,620	Total U.S. Department of Homeland Security			68,491	38,365
	TOTAL FEDERAL ASSISTANCE			\$ 14,435,569	\$ 8,725,620

Note 1. Basis of Presentation

The accompanying schedule of expenditures of federal awards (the "Schedule") includes the federal award activity of the City of Ardmore, Oklahoma (the "City") under programs of the federal government for the year ended June 30, 2022. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the City, it is not intended to and does not present the financial position, changes in net assets, or cash flows of the City.

Note 2. Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the modified accrual basis of accounting. Such expenditures are recognized following cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

Note 3. Indirect Cost Rate
The City has not elected to use the 10% de minimis indirect cost rate allowed under the Uniform Guidance.

City of Ardmore, Oklahoma Schedule of Findings and Questioned Costs For the Year Ending June 30, 2021

Summary of Auditor's Results

- 1. The auditor's report expresses an unmodified opinion on the financial statement of the City of Ardmore, Oklahoma
- 2. No significant deficiencies relating to the audit of the financial statements are reported in the Schedule of Findings and Questioned Costs.
- 3. No instances of noncompliance material to the financial statements of the City of Ardmore, Oklahoma was disclosed during the audit.
- 4. No significant deficiencies relating to the audit of the major federal award programs are reported in the Schedule of Findings and Questioned Costs.
- 5. The auditor's report on compliance for the U.S. Department of Treasury, Corona Virus Relief Fund expresses an unqualified opinion.
- 6. Audit findings that are required to be reported in accordance with Section 2 CFR 200.561(a) of the Uniform Guidance in the Schedule.
- 7. The program tested as a major program was: U.S. Department of Treasury, Corona Virus Relief Fund, CFDA 21.019.
- 8. The threshold used for distinguishing between Type A and B programs was \$750,000.
- 9. City of Ardmore, Oklahoma qualified as a low-risk auditee.

Findings-Financial Statement Audit

None