

CITY OF BRISTOW, OKLAHOMA

ANNUAL FINANCIAL REPORT

JUNE 30, 2021

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CITY OF BRISTOW, OKLAHOMA  
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## INDEPENDENT AUDITORS' REPORT

The Honorable Mayor and Members of the City Council  
City of Bristow, Oklahoma

I have audited the accompanying modified cash basis financial statements of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of City of Bristow, Oklahoma, as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

### Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the modified cash basis of accounting described in Note A; this includes determining that the modified cash basis of accounting is an acceptable basis for the presentation of the financial statements in the circumstances. Management is also responsible 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 error or fraud.

### Auditor's Responsibility

My responsibility is to express opinions on these financial statements based on my audit. I conducted my audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, I express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

### Opinion

In my opinion, the financial statements referred to above present fairly, in all material respects, the respective modified cash basis financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of City of Bristow, Oklahoma as of June 30, 2021, and the respective changes in modified cash basis financial position and, where applicable, cash flows thereof for the year then ended in accordance with the modified cash basis of accounting as described in Note A.

Basis of Accounting

I draw attention to Note A of the financial statements, which describes the basis of accounting. The financial statements are prepared on the modified cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. My opinions are not modified with respect to this matter.

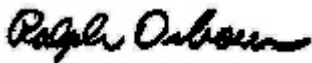
Other Information

My audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise City of Bristow, Oklahoma's basic financial statements. The budgetary comparison and combining nonmajor fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditure of federal awards is presented for purposes of additional analysis as required by *Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)*, and is also not a required part of the basic financial statements.

The budgetary comparison and the combining nonmajor fund financial statements and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In my opinion, the budgetary comparison and the combining nonmajor fund financial statements are fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, I have also issued my report dated April 28, 2022, on my consideration of City of Bristow's internal control over financial reporting and my tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of my testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering City of Bristow, Oklahoma's internal control over financial reporting and compliance.



Ralph Osborn  
Certified Public Accountant  
Bristow, Oklahoma  
April 28, 2022

CITY OF BRISTOW, OKLAHOMA  
STATEMENT OF NET POSITION  
MODIFIED CASH BASIS  
JUNE 30, 2021

	Primary Government		
	Governmental Activities	Business Type Activities	Total
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and Cash Equivalents	\$ 1,460,636	\$ 1,255,499	\$ 2,716,135
Investments	575,682	216,348	792,030
<b>Restricted Assets</b>			
Cash - Debt Service	1,142,524	570,086	1,712,610
Cash - Bond Construction	-	46,799	46,799
Total Current Assets	<u>3,178,842</u>	<u>2,088,732</u>	<u>5,267,574</u>
<b>Non-Current Assets</b>			
<b>Capital Assets</b>			
Land	427,816	545,652	973,468
Other Capital Assets Net of Accumulated Depreciation	<u>6,706,763</u>	<u>12,443,955</u>	<u>19,150,718</u>
Total Non-Current Assets	<u>7,134,579</u>	<u>12,989,607</u>	<u>20,124,186</u>
<b>Total Assets</b>	<u>10,313,421</u>	<u>15,078,339</u>	<u>25,391,760</u>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Utility Deposits	-	214,111	214,111
Lease Payable, current	-	27,438	27,438
Bonds and Notes Payable, current	-	480,000	480,000
Total Current Liabilities	<u>-</u>	<u>721,549</u>	<u>721,549</u>
<b>Non-Current Liabilities</b>			
Bond and Notes Payable, non-current	-	5,683,889	5,683,889
Total Non-Current Liabilities	<u>-</u>	<u>5,683,889</u>	<u>5,683,889</u>
<b>Total Liabilities</b>	<u>-</u>	<u>6,405,438</u>	<u>6,405,438</u>
<b>NET POSITION</b>			
Invested in Capital Assets, Net of Related Debt	7,134,579	6,798,280	13,932,859
<b>Restricted</b>			
Debt Service	1,142,524	570,086	1,712,610
Construction	-	46,799	46,799
Unrestricted	<u>2,036,318</u>	<u>1,257,736</u>	<u>3,294,054</u>
<b>Total Net Position</b>	<u>\$ 10,313,421</u>	<u>\$ 8,672,901</u>	<u>\$18,986,322</u>

The accompanying notes are an integral part of these financial statements.

CITY OF BRISTOW, OKLAHOMA  
STATEMENT OF ACTIVITIES  
MODIFIED CASH BASIS  
YEAR ENDED JUNE 30, 2021

FUNCTION/PROGRAMS	Expenses	Program Revenue			Revenue
		Charges For Services	Operating Grants and Contributions	Capital Grants and Contributions	
<b>Governmental Activities</b>					
General Government	\$ 545,251	\$ 54,913	\$ 46,151	\$ 759,632	\$ 315,445
Public Safety	2,136,726	312,077	86,226	14,021	(1,724,402)
Street	798,116	-	30,198	-	(767,918)
Culture and Education	119,691	-	3,319	-	(116,372)
Public Service	78,043	-	-	-	(78,043)
Parks and Recreation	181,564	-	-	-	(181,564)
Cemetery	142,653	49,295	-	-	(93,358)
Hospital	535,192	-	-	-	(535,192)
<b>Total Governmental Activities</b>	<b>4,537,236</b>	<b>416,285</b>	<b>165,894</b>	<b>773,653</b>	<b>(3,181,404)</b>
<b>Business-type Activities</b>					
Administration	13,653	-	-	-	(13,653)
Sanitation	528,914	564,213	-	-	35,299
Water/Wastewater	2,162,003	1,624,296	-	-	(537,722)
Airport	67,029	18,887	-	7,724	(40,418)
<b>Total Business-Type Activities</b>	<b>2,771,599</b>	<b>2,207,396</b>	<b>-</b>	<b>7,724</b>	<b>(556,494)</b>
<b>Total Primary Government</b>	<b>\$7,308,835</b>	<b>\$2,623,681</b>	<b>\$ 165,894</b>	<b>\$ 781,377</b>	<b>\$ (3,737,898)</b>

CHANGES IN NET POSITION	Primary Government			
	Governmental Activities	Business Type Activities	Total	
Net (expense) Revenue		\$ (3,181,404)	\$ (556,494)	\$ (3,737,898)
<b>General Revenues</b>				
<b>Taxes</b>				
Sales Tax		3,723,011	-	3,723,011
Use Tax		379,280	-	379,280
Franchise		140,944	-	140,944
Gas Tax		4,241	-	4,241
Cigarette Tax		35,455	-	35,455
Room Tax		4,074	-	4,074
Taxes in Lieu		15,535	-	15,535
Cell Tower Revenue		36,184	-	36,184
Donations		57,139	-	57,139
Other		63,690	35,122	98,812
Interest		4,993	77,006	81,999
Sale of Assets		23,199	2,000	25,199
Transfers		(1,065,388)	1,065,388	-
<b>Total General Revenue and Transfers</b>		<b>3,422,357</b>	<b>1,179,516</b>	<b>4,601,873</b>
Change in Net Position		240,953	623,022	863,975
Net Position - Beginning		10,072,468	8,049,879	18,122,347
Net Position - Ending		<u>\$10,313,421</u>	<u>\$ 8,672,901</u>	<u>\$18,986,322</u>

The accompanying notes are an integral part of these financial statements.

CITY OF BRISTOW, OKLAHOMA  
BALANCE SHEET - MODIFIED CASH BASIS  
GOVERNMENTAL FUNDS  
JUNE 30, 2021

	<u>General Fund</u>	<u>Hospital</u>	<u>Capital Improvement</u>	<u>General Grants</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>ASSETS</b>						
Cash and Cash Equivalent	\$ 466,787	\$ 257,798	\$ 464,599	\$ 52,596	\$ 218,856	\$ 1,460,636
Investments	5,479	201,546	287,937	-	80,720	575,682
Restricted Cash	<u>-</u>	<u>1,142,524</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,142,524</u>
<b>TOTAL ASSETS</b>	<u>\$ 472,266</u>	<u>\$1,601,868</u>	<u>\$ 752,536</u>	<u>\$ 52,596</u>	<u>\$ 299,576</u>	<u>\$ 3,178,842</u>
 <b>LIABILITIES AND FUND BALANCES</b>						
<b>Liabilities</b>						
Due Others	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Fund Balances</b>						
Restricted	-	1,142,524	-	-	-	1,142,524
Unrestricted	<u>472,266</u>	<u>459,344</u>	<u>752,536</u>	<u>52,596</u>	<u>299,576</u>	<u>2,036,318</u>
Total Fund Balances	<u>472,266</u>	<u>1,601,868</u>	<u>752,536</u>	<u>52,596</u>	<u>299,576</u>	<u>3,178,842</u>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<u>\$ 472,266</u>	<u>\$1,601,868</u>	<u>\$ 752,536</u>	<u>\$ 52,596</u>	<u>\$ 299,576</u>	<u>\$3,178,842</u>

The accompanying notes are an integral part of these financial statements.

CITY OF BRISTOW, OKLAHOMA  
RECONCILIATION OF BALANCE SHEET - GOVERNMENTAL FUNDS  
WITH THE STATEMENTS OF NET POSITION  
JUNE 30, 2021

Total Fund Balance \$ 3,178,842

Amounts reported in the statement of net  
position are different because:

Capital assets used in governmental activities  
are not financial resources therefore are not  
reported as assets in governmental funds.

Land	427,816	
Capital Assets	14,449,115	
Accumulated Depreciation	<u>(7,742,352)</u>	<u>7,134,579</u>

TOTAL NET POSITION \$10,313,421

The accompanying notes are an integral part of these financial statements.



CITY OF BRISTOW, OKLAHOMA  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCES - MODIFIED CASH BASIS  
GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED JUNE 30, 2021

	General Fund	Hospital	Capital Improvement	General Grants	Other Governmental Funds	Governmental Funds
<b>Revenue</b>						
Sales Tax	\$ 3,194,245	\$ 269,773	\$ 258,993	\$ -	\$ -	\$ 3,723,011
Use Tax	379,280	-	-	-	-	379,280
Franchise Tax	140,944	-	-	-	-	140,944
E911 Fee	72,444	-	-	-	-	72,444
Gasoline Tax	4,241	-	-	-	-	4,241
Motor Vehicle Tax	30,198	-	-	-	-	30,198
Alcoholic Beverage Tax	46,151	-	-	-	-	46,151
Cigarette Tax	35,455	-	-	-	-	35,455
PILOT (Bristow Housing Auth)	15,535	-	-	-	-	15,535
Cell Tower Revenue	36,184	-	-	-	-	36,184
Fire Revenue	84,740	-	-	-	-	84,740
Swimming Pool	-	-	-	-	-	-
Cemetery	43,698	-	-	-	5,597	49,295
Room Tax	4,074	-	-	-	-	4,074
License and Permits	42,734	-	-	-	-	42,734
Intergovernmental	-	-	-	759,632	17,101	776,733
Other Grants	-	-	-	-	14,021	14,021
Fines and Forfeits	1,220	-	-	-	226,117	227,337
Donations	2,300	-	-	-	54,839	57,139
Other	5,196	54,931	-	-	-	60,127
Sale of Assets	23,199	-	-	-	-	23,199
Rentals	12,179	-	-	-	-	12,179
Insurance Refunds	3,563	-	-	-	-	3,563
Interest	660	1,501	1,870	-	962	4,993
<b>TOTAL REVENUE</b>	<u>4,178,240</u>	<u>326,205</u>	<u>260,863</u>	<u>759,632</u>	<u>318,637</u>	<u>5,843,577</u>
<b>Expenditures</b>						
Current						
General Government	490,501	-	7,280	-	-	497,781
Public Safety	1,904,715	-	64,031	-	78,736	2,047,482
Street	633,260	-	18,400	-	-	651,660
Culture and Education	107,989	-	-	-	11,325	119,314
Public Service	76,676	-	-	-	-	76,676
Parks and Recreation	125,300	-	8,000	-	4,820	138,120
Cemetery	104,282	-	-	-	26,784	131,066
Hospital	-	481,438	-	-	-	481,438
<b>TOTAL EXPENDITURES</b>	<u>3,442,723</u>	<u>481,438</u>	<u>97,711</u>	<u>-</u>	<u>121,665</u>	<u>4,143,537</u>
<b>Excess (deficiency) of revenue over expenditures</b>	<u>735,517</u>	<u>(155,233)</u>	<u>163,152</u>	<u>759,632</u>	<u>196,972</u>	<u>1,700,040</u>
Transfer In	1,136,879	-	300,000	50,000	28,984	1,515,863
Transfer Out	(1,451,832)	-	(168,807)	(759,632)	(200,980)	(2,581,251)
<b>Total Transfers</b>	<u>(314,953)</u>	<u>-</u>	<u>131,193</u>	<u>(709,632)</u>	<u>(171,996)</u>	<u>(1,065,388)</u>
<b>Net change in fund balance</b>	420,564	(155,233)	294,345	50,000	24,976	634,652
<b>Fund Balances, beginning</b>	<u>51,702</u>	<u>1,757,101</u>	<u>458,191</u>	<u>2,596</u>	<u>274,600</u>	<u>2,544,190</u>
<b>Fund Balances, ending</b>	<u>\$ 472,266</u>	<u>\$1,601,868</u>	<u>\$ 752,536</u>	<u>\$ 52,596</u>	<u>\$ 299,576</u>	<u>\$ 3,178,842</u>

The accompanying notes are an integral part of these financial statements.

CITY OF BRISTOW, OKLAHOMA  
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2021

Net Changes in Fund Balances - Total Governmental Funds \$ 634,652

Amounts reported for governmental activities in the statement of activities are different because:

Capital outlays to purchase or build capital assets are reported in governmental funds as expenditures. However, for governmental activities those costs are shown in the combined statement of net position and allocated over their estimated useful lives as annual depreciation in the statement of activities. This is the amount by which capital outlay exceeds depreciation outlay in the period.

Depreciation Expense	(497,464)	
Capital Outlay	103,765	(393,699)
CHANGE IN NET POSITION		\$ 240,953

The accompanying notes are an integral part of these financial statements.

CITY OF BRISTOW, OKLAHOMA  
STATEMENT OF FUND NET POSITION - MODIFIED CASH BASIS  
PROPRIETARY FUNDS  
JUNE 30, 2021

	<u>Municipal Authority</u>	<u>Airport</u>	<u>Total</u>
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and Cash Equivalents	\$ 993,158	\$ 262,341	\$ 1,255,499
Investments	216,348	-	216,348
<b>Restricted Assets</b>			
Cash-Debt Service	570,086	-	570,086
Cash-Bond Construction	46,799	-	46,799
<b>TOTAL CURRENT ASSETS</b>	<u>1,826,391</u>	<u>262,341</u>	<u>2,088,732</u>
<b>Non-Current Assets</b>			
<b>Capital Assets</b>			
Land	267,977	277,675	545,652
Capital Assets, Net of Accumulated Depreciation	<u>7,543,385</u>	<u>4,900,570</u>	<u>12,443,955</u>
<b>TOTAL NON-CURRENT ASSETS</b>	<u>7,811,362</u>	<u>5,178,245</u>	<u>12,989,607</u>
<b>TOTAL ASSETS</b>	<u>9,637,753</u>	<u>5,440,586</u>	<u>15,078,339</u>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Utility Deposits	214,111	-	214,111
Lease Payable, current	27,438	-	27,438
Bonds and Notes Payable, current	480,000	-	480,000
<b>TOTAL CURRENT LIABILITIES</b>	<u>721,549</u>	<u>-</u>	<u>721,549</u>
<b>Non-Current Liabilities</b>			
Bonds and Notes Payable, non-current	<u>5,683,889</u>	<u>-</u>	<u>5,683,889</u>
<b>TOTAL NON-CURRENT LIABILITIES</b>	<u>5,683,889</u>	<u>-</u>	<u>5,683,889</u>
<b>TOTAL LIABILITIES</b>	<u>6,405,438</u>	<u>-</u>	<u>6,405,438</u>
<b>NET POSITION</b>			
Net Investment in Capital Assets	1,620,035	5,178,245	6,266,741
Restricted:			
Debt Service	570,086	-	570,086
Bond Construction	46,799	-	46,799
Unrestricted	<u>995,395</u>	<u>262,341</u>	<u>1,257,736</u>
Net Position of Business-Type Activities	<u>\$ 3,232,315</u>	<u>\$ 5,440,586</u>	<u>\$ 8,672,901</u>

The accompanying notes are an integral part of these financial statements.

CITY OF BRISTOW, OKLAHOMA  
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION -  
MODIFIED CASH BASIS - PROPRIETARY FUNDS  
FOR THE YEAR ENDED JUNE 30, 2021

	<u>Municipal</u> <u>Authority</u>	<u>Airport</u>	<u>Total</u>
<u>OPERATING REVENUES</u>			
Charges for Services			
Water Charges	\$ 1,048,113	\$ -	\$ 1,048,113
Water Tower Fee	43,253	-	43,253
Wastewater Charges	500,843	-	500,843
Sanitation Charges	564,213	-	564,213
Penalty	26,987	-	26,987
Taps	5,100	-	5,100
Rentals	-	16,061	16,061
Fuel Sales	-	2,826	2,826
Other	22,622	-	22,622
TOTAL OPERATING REVENUE	<u>2,211,131</u>	<u>18,887</u>	<u>2,230,018</u>
<u>OPERATING EXPENSES</u>			
Administration	11,707	-	11,707
Water	843,218	-	843,218
Sewer	167,441	-	167,441
Sanitation	528,914	-	528,914
Building	306,334	-	306,334
Airport	-	26,348	26,348
Depreciation	508,577	40,681	549,258
TOTAL OPERATING EXPENSES	<u>2,366,191</u>	<u>67,029</u>	<u>2,433,220</u>
OPERATING INCOME (LOSS)	<u>(155,060)</u>	<u>(48,142)</u>	<u>(203,202)</u>
<u>NON-OPERATING REVENUE (EXPENSES)</u>			
Grants	-	7,724	7,724
Insure OK Reimbursement	12,500	-	12,500
Investment Income	76,459	547	77,006
Sale of Assets	2,000	-	2,000
Admin Fees	(1,946)	-	(1,946)
Interest and Fees on Notes and Leases Payable	<u>(336,448)</u>	<u>-</u>	<u>(336,448)</u>
TOTAL NON-OPERATING REVENUE (EXPENSES)	<u>(247,435)</u>	<u>8,271</u>	<u>(239,164)</u>
Income Before Transfers	(402,495)	(39,871)	(442,366)
Transfer to Other Funds	(3,572,913)	-	(3,572,913)
Transfer from Other Funds	<u>4,104,182</u>	<u>534,119</u>	<u>4,638,301</u>
TOTAL TRANSFERS	<u>531,269</u>	<u>534,119</u>	<u>1,065,388</u>
Change in Net Position	128,774	494,248	623,022
TOTAL NET POSITION, BEGINNING	<u>3,103,541</u>	<u>4,946,338</u>	<u>8,049,879</u>
TOTAL NET POSITION, ENDING	<u>\$ 3,232,315</u>	<u>\$ 5,440,586</u>	<u>\$ 8,672,901</u>

The accompanying notes are an integral part of these financial statements.

CITY OF BRISTOW, OKLAHOMA  
STATEMENT OF CASH FLOWS  
PROPRIETARY FUND TYPE  
FOR THE YEAR ENDED JUNE 30, 2021

	<u>Municipal Authority</u>	<u>Airport</u>	<u>Total</u>
Cash Flows from Operating activities			
Cash Received from customers	\$ 2,215,188	\$ 18,887	\$ 2,234,075
Cash Payments to Employees	(843,218)	-	(843,218)
Cash Payments to Suppliers for Goods and Services	<u>(1,014,396)</u>	<u>(26,348)</u>	<u>(1,040,744)</u>
Net Cash Provided (Used) by Operating Activities	<u>357,574</u>	<u>(7,461)</u>	<u>350,113</u>
Cash Flows from Non-Capital Financing Activities			
Insure OK Reimbursement	12,500	-	12,500
Transfers, net	<u>531,269</u>	<u>534,119</u>	<u>1,065,388</u>
Net Cash Provided by Non-Capital Financing Activities	<u>543,769</u>	<u>534,119</u>	<u>1,077,888</u>
Cash Flows from Capital and Related Financing Activities			
Grants	-	7,724	7,724
Acquisition of Fixed Assets	(700,812)	(613,078)	(1,313,890)
Sale of Assets	2,000	-	2,000
Proceeds of Loan	643,889	-	643,889
Principal Paid on Lease Purchase	(27,438)	-	(27,438)
Principal Paid on Notes and Bonds Payable	(6,112,420)	-	(6,112,420)
Interest Paid on Notes and Bonds Payable Leases Payable and Fiscal Fees	<u>(338,394)</u>	<u>-</u>	<u>(338,394)</u>
Net Cash Used for Capital and Related Financing Activities	<u>(6,533,175)</u>	<u>(605,354)</u>	<u>(7,138,529)</u>
Cash Flows from Investing Activities			
Interest Revenue	<u>76,459</u>	<u>547</u>	<u>77,006</u>
Net Cash Provided by Investing Activities	<u>76,459</u>	<u>547</u>	<u>77,006</u>
Net Increase/(Decrease) in Cash and Cash Equivalents	(5,555,373)	(78,149)	(5,633,522)
Cash and Cash Equivalents, Beginning	<u>7,381,764</u>	<u>340,490</u>	<u>7,722,254</u>
Cash and Cash Equivalents, Ending	<u>\$ 1,826,391</u>	<u>\$ 262,341</u>	<u>\$ 2,088,732</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used) by Operating Activities			
Operating Income (Loss)	\$ (155,060)	\$ (48,142)	\$ (203,202)
Adjustments to Reconcile Operating Income to Net Cash:			
Depreciation	508,577	40,681	549,258
Used by Operating Activities:			
Changes in Assets and Liabilities:			
Increase in Utility Deposits	<u>4,057</u>	<u>-</u>	<u>4,057</u>
Net Cash Provided by Operating Activities	<u>\$ 357,574</u>	<u>\$ (7,461)</u>	<u>\$ 350,113</u>

The accompanying notes are an integral part of these financial statements.

CITY OF BRISTOW, OKLAHOMA  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2021

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Financial Reporting Entity

The City of Bristow, Oklahoma, was incorporated under the provisions of the laws of the State of Oklahoma. The City is a charter city in which the citizens elect the mayor at large and eight council members by wards. The financial statements of the City have been prepared in conformity with the modified cash basis. The significant accounting policies of the government are described below.

The accompanying financial statements present the activities of the City of Bristow. The City has considered all potential component units for which the City is financially accountable and other organizations for which the nature and significance of their relationships with the City are such that exclusion would cause the City's financial statements to be misleading or incomplete. The Governmental Accounting Standards Board (GASB) has set forth criteria to be considered in determining financial accountability. This criteria includes appointing a voting majority of an organization's governing body and (1) the ability of the City to impose its will on that organization or (2) the potential for the organization to provide specific financial benefits to, or impose specific financial burdens on the City.

Component Units

Component units are legally separate organizations for which the City is financially accountable as described above. A blended component unit is a separate legal entity that meets the component unit criteria above. In addition, the blended component units provide services that almost exclusively benefit the City even though they do not provide services directly to the City. These component units are blended into those of the City by appropriate fund type to constitute the primary government presentation. A discretely presented component unit is reported separate from City fund types in the financial statements.

Blended Component Units

The Municipal Authority of the City of Bristow, Oklahoma - The Authority provides water, sewer, and sanitation services in the City. Trustees of the Authority are made up of the mayor and City Council of Bristow. Financial transactions occur between the City and Authority on a regular basis.

Bristow Hospital Authority - The Authority manages activity associated with hospital property owned by the City. The operations of the hospital were sold to an operating company in a previous year. A portion of the sales tax collected by the City is dedicated to the hospital. The City transfers sales tax receipts from the General Fund to the Hospital Authority to pay debt principal and interest.

CITY OF BRISTOW, OKLAHOMA  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2021

Related Organizations

Related organizations are excluded from the financial reporting entity because the City's accountability does not extend beyond making appointments. Audited financial statements are available from the respective organizations. Related organizations are described as follows:

Bristow Industrial Authority - Promotes economic development in the City. The Board of Trustees consists of the mayor of the City and other members appointed by the City Council.

Government-Wide and Fund Financial Statements

The government-wide financial statements include the statement of net position and the statement of activities. These statements report financial information for the City as a whole excluding fiduciary activities such as employee pension plans. The primary government and component units are presented separately within the financial statements with the focus on the primary government. Individual funds are not displayed but the statements distinguish governmental activities, generally supported by taxes and City general revenues, from business-type activities, generally financed in whole or in part with fees charged to external customers.

The statement of activities reports the expenses of a given function offset by program revenues directly connected with the functional program. A functional program is an assembly of similar activities and may include portions of a fund or summarize more than one fund to capture the expenses and program revenues associated with a distinct functional activity. Program revenues include (1) charges for services with report fees, fines and forfeitures, and other charges to users of the City's services; (2) operating grants and contributions which finance annual operating activities including restricted investment income; and (3) capital grants and contributions which fund the acquisition, construction, or rehabilitation of capital assets and include fees to developers. These revenues are subject to externally imposed restrictions on these programs uses. Taxes and other revenue sources not properly included with program revenues are reported as general revenues.

Fund Financial Statements

Fund financial statements of the City are provided for governmental and proprietary funds. Major individual governmental and enterprise funds are reported in separate columns with composite columns for nonmajor funds.

CITY OF BRISTOW, OKLAHOMA  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2021

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**

In the government-wide Statement of Net Position and the Statement of Activities, both governmental and business-like activities are presented using the economic resources measurement focus, within the limitations of the modified cash basis of accounting, as defined in item B below.

In the fund financial statements, the "current financial resources" measurement focus or the "economic resources" measurement focus, as applied to the modified cash basis of accounting, 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 non-current, financial, or non-financial) 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 and the fund financial statements, governmental and business-like activities are presented using a modified cash basis of accounting. This basis recognizes assets, liabilities, net position/fund equity, revenues, and expenditures/expenses when they result from cash transactions with a provision for depreciation in the government-wide statements and proprietary fund statements. This basis is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

As a result of the use of this modified cash basis of accounting, certain assets and their related revenues (such as accounts receivable and revenue billed or provided services not yet collected) and certain liabilities and their related expenses (such as accounts payable and expenses for goods or services received but not yet paid, and accrued expenses and liabilities) are *not recorded* in these financial statements.



CITY OF BRISTOW, OKLAHOMA  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2021

If the City utilized the basis of accounting recognized as generally accepted, the fund financial statements for governmental funds would use the modified accrual basis of accounting, while the fund financial statements of proprietary fund types would use the accrual basis of accounting. All government-wide financials would be presented on the accrual basis of accounting.

Fund Types and Major Funds

The City reports the following major governmental funds:

General Fund - The general fund reports as the primary fund of the City. This fund is used to account for all financial resources not reported in other funds.

Capital Improvements - The fund accounts for capitol projects of the City.

General Grants - The fund accounts for major grant projects.

Hospital Authority - The fund reports activity related to the City hospital.

The City reports the following major enterprise funds:

Municipal Authority - The Authority provides certain utility services for the City.

Airport - The fund accounts for operation of the municipal airport.

Budgetary Accounting and Control

The Mayor submits an annual budget to the City Council in accordance with the Oklahoma Municipal Budget Act. The budget is presented to the City Council for review. Public hearings are held to address priorities and allocation of resources. In June, the City Council adopts the subsequent fiscal year budgets for the City operating funds. Once approved, the City Council may amend the legally adopted budget when unexpected modifications are required in estimated revenues and appropriations. Public trusts submit budget and other planning documents to their respective governing bodies.

Each fund's appropriated budget is prepared on a detailed line item basis. Revenues are budgeted by sources. Expenditures are budgeted by department and class as follows: personal services, other services and charges, supplies, capital outlay, transfers, and debt service. Budget revisions at this level are subject to final review by the City Council. The legal level of control is by department within a fund. Expenditures may not exceed appropriations at this level. Within these control levels, management may transfer appropriations without Council approval.

The budgets for the governmental funds and proprietary fund operations are prepared on the cash basis. Revenues are budgeted in the year receipt is expected; and expenditures, which include encumbrances, are budgeted in the year that the applicable purchase orders are expected to be paid. Budgetary comparison financial statements are reported on this basis. Unencumbered appropriations for annually budgeted funds lapse at fiscal year-end.

CITY OF BRISTOW, OKLAHOMA  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2021

Investments

The City follows Governmental Accounting Standards Board (GASB) Statement No. 31, "Accounting and Financial Reporting for Certain Investments and for External Investment Pools," which requires marketable securities to be carried at fair value. The City considers highly liquid investments with a maturity of three months or less when purchased to be cash equivalents. The investments reported in the financial statements consist of Certificates of Deposits, government bonds, U.S. government notes and securities. Money held by trustee banks for use in retiring bonds is usually held in United States government securities.

Encumbrances

Encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditure of funds are recorded in order to reserve that portion of the applicable appropriations, is employed in the governmental funds. Encumbrances outstanding at year end are cancelled under the modified cash basis. The encumbrance is added to the subsequent year expenses when paid.

Inventories and Prepaids

Inventories in governmental funds consist of expendable supplies held for consumption stated on a first-in, first-out basis. They are reported at cost which is recorded as an expenditure at the time individual inventory items are used. Proprietary funds and similar component unit inventories are recorded at the lower of cost or market on a first-in, first-out basis. The City has not maintained inventory records, however, the value of inventory on hand at June 30, 2021 is not believed to be material.

Prepaids recording payments to vendors that benefit future reporting periods are also reported on the consumption basis. Both inventories and prepaids are similarly reported in government-wide and fund financial statements. Under the modified cash basis, prepaids are not reported. The expense is included in the period the liability is paid.

Capital Assets, Depreciation, and Amortization

The City's property, plant, equipment, and infrastructure with useful lives of more than one year are stated at historical cost or at estimated historical cost for those items not previously reported and comprehensively reported in the government-wide financial statements. The City maintains infrastructure assets records consistent with all other capital assets. Proprietary and component unit capital assets are also reported in their respective fund and combining component units financial statements. Donated assets are stated at fair value on the date donated. The City generally capitalizes assets with a cost of \$2,000 or more as purchase and construction outlays occur. The cost of normal maintenance and repairs that do not add to the assets value or materially extend useful lives are not capitalized. Capital assets, including those of component units, are depreciated using the straight-line method. When capital assets are disposed, the cost and applicable accumulated depreciation are moved from the respective accounts, and the resulting gain or loss is recorded in operations.

CITY OF BRISTOW, OKLAHOMA  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2021

Estimated useful lives, in years, for depreciable assets are as follows:

Buildings	5-60
Improvements, other than buildings	2-50
Mobile equipment	3-40
Furniture, machinery, and equipment	3-30
Utility system	5-60

Compensated Absences

Full-time, permanent employees are granted personal leave in varying amounts to specified maximums depending on tenure with the City. The City does not record a liability for accrued compensated absences. The amount paid for compensated absences is expensed as paid.

Reserves and Designations

Reserves represent those portions of fund balance not available for expenditure or legally segregated for a specific future use. Designated fund balances represent tentative plans for future use of financial resources.

Use of Estimates

The preparation of financial statements in conformity with the modified cash basis requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

NOTE B - CASH AND INVESTMENTS

Custodial Credit Risk

Custodial credit risk is the risk that in the event of failure of counterparty, the City will not be able to recover the value of its deposits or investments. Deposits are exposed to custodial credit risk if they are uninsured and uncollateralized. Investment securities are exposed to custodial credit risk if they are uninsured, are not registered in the name of the City, and are held by counterparty or the counterparty's trust department but not in the name of the City. The City's policy requires that all deposits and investments in excess of amounts covered by federal deposit insurance be fully collateralized by the entity holding the deposits or investments. As of June 30, 2021, all of the City's deposits and investments were either covered by federal deposit insurance or were fully collateralized.

Deposits

The City had deposits at financial institutions with a carrying amount of approximately \$5,267,574 at June 30, 2021. The bank balance of the deposits at June 30, 2021 was approximately \$5,314,189.

Credit Risk

Fixed-income securities are subject to credit risk. However, the City did not have fixed income securities at June 30, 2021.

CITY OF BRISTOW, OKLAHOMA  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2021

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The City Council monitors the investment performance on an ongoing basis to limit the City's interest rate risk. As of June 30, 2021, the City's deposits consisted of demand deposits and certificates of deposit with a maturity of 12 months or less.

NOTE C - INTERFUND RECEIVABLES AND PAYABLES

The City did not report any interfund receivables or payables at June 30, 2021.

NOTE D - RESTRICTED CASH

The City is reporting the following restricted cash:

Escrow	\$	-
Debt Service		570,086
Bond Construction		46,799
<b>Total</b>		<u>\$ 616,885</u>

The escrow is held for use in retiring the outstanding revenue bonds, see Note I.

NOTE E - CAPITAL ASSETS

The following table provides a summary of changes in capital assets:

	CAPITAL ASSETS, DEPRECIATED				Capital Assets Not Depreciated Land
	Buildings	Infrastructure & Furniture, Improvements Other Than Buildings	Machinery, and Equipment	Totals	
<b>PRIMARY GOVERNMENT</b>					
<b>Governmental Activities</b>					
Balance, June 30, 2019	\$ 5,859,628	\$ 4,727,589	\$ 3,758,133	\$14,345,350	\$ 427,816
Increases	-	-	103,765	103,765	-
Decreases	-	-	-	-	-
Balance, June 30, 2021	<u>5,859,628</u>	<u>4,727,589</u>	<u>3,861,898</u>	<u>14,449,115</u>	<u>427,816</u>
<b>Accumulated Depreciation</b>					
Balance, June 30, 2019	1,856,218	2,667,281	2,721,389	7,244,888	
Increases	84,620	198,801	214,043	497,464	
Decreases	-	-	-	-	
Balance, June 30, 2021	<u>1,940,838</u>	<u>2,866,082</u>	<u>2,935,432</u>	<u>7,742,352</u>	
<b>Governmental Activities</b>					
Capital Assets, Net	<u>\$ 3,918,790</u>	<u>\$ 1,861,507</u>	<u>\$ 926,466</u>	<u>\$ 6,706,763</u>	<u>\$ 427,816</u>
<b>Business-type Activities</b>					
Balance, June 30, 2019	\$ 824,129	\$17,109,396	\$ 1,487,799	\$19,421,324	\$ 545,652
Increases	-	1,298,706	15,185	1,313,891	-
Decreases	-	-	-	-	-
Balance, June 30, 2021	<u>824,129</u>	<u>18,408,102</u>	<u>1,502,984</u>	<u>20,735,215</u>	<u>545,652</u>
<b>Accumulated Depreciation</b>					
Balance, June 30, 2019	648,372	6,053,926	1,039,704	7,742,002	
Increases	19,672	477,057	52,529	549,258	
Decreases	-	-	-	-	
Balance, June 30, 2021	<u>668,044</u>	<u>6,530,983</u>	<u>1,092,233</u>	<u>8,291,260</u>	
<b>Business-type Activities</b>					
Capital Assets, Net	<u>\$ 156,085</u>	<u>\$11,877,119</u>	<u>\$ 410,751</u>	<u>\$12,443,955</u>	<u>\$ 545,652</u>
<b>PRIMARY GOVERNMENT</b>					
Capital Assets, Net	<u>\$ 4,074,875</u>	<u>\$13,738,626</u>	<u>\$ 1,337,217</u>	<u>\$19,150,718</u>	<u>\$ 973,468</u>

CITY OF BRISTOW, OKLAHOMA  
 NOTES TO FINANCIAL STATEMENTS  
 JUNE 30, 2021

DEPRECIATION EXPENSE

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

<u>GOVERNMENT ACTIVITIES</u>		<u>BUSINESS-TYPE ACTIVITIES</u>	
General Government	\$ 47,470	Water/Wastewater	\$ 508,577
Public Safety	158,850	Airport	40,681
Street	164,856		
Culture and Education	377		
Parks and Recreation	47,944		
Public Service	1,367		
Cemetery	22,846		
Hospital	53,754		

NOTE F - SALES TAX

Sales tax revenue is 63.71% of non-utility revenue of the City. The City Sales tax rate is 4%. The amount is appropriated to various funds in the following manner:

City General Fund	2.20%
Municipal Authority	1.00%
Building Fund	.50%
Capital Improvement	.30%

NOTE G - SALES TAX REVENUE

The City, pursuant to Ordinance No. 107-082809 (the "Ordinance"), is levying a sales tax of one percent (1.00%), as approved by the qualified electors of the County at an election held November 10, 2009, in accordance with Title 68, Oklahoma Statutes 2011, Section 1370, as amended (the "Sales Tax Revenues"), which shall be used for the payment of the debt service, including payment of interest and principal and premium. The City and the Bristow Hospital Authority have entered into a Sales Tax Agreement dated as of September 1, 2012 (the "Sales Tax Agreement"), pursuant to which the City agrees, subject to availability and appropriation of funds, to transfer, as received, to the Trustee on behalf of the Authority, and hereby appropriates to the Authority proceeds of the 1 cent Sales Tax Revenues. This agreement expired in September 2020 when the sales tax expired.

<u>FY</u>	<u>Total Collections</u>	<u>1 Cent</u>	<u>Avg Monthly</u>	<u>Change</u>
2020/21	\$ 3,723,011	\$ 744,601	\$ 62,050	2.72%
2019/20	3,624,377	724,875	60,406	4.18%
2018/19	3,478,971	695,794	57,983	2.46%
2017/18	3,395,310	679,062	56,589	0.62%
2016/17	3,374,481	674,896	56,241	1.32%
2015/16	3,330,414	666,083	55,507	0.60%
2014/15	3,310,442	662,088	55,174	0.68%
2013/14	3,287,975	657,595	54,800	3.41%
2012/13	3,179,494	635,899	52,992	-1.28%
2011/12	3,220,710	644,142	53,679	4.79%
2010/11	3,073,290	614,658	51,222	3.70%
2009/10	2,210,942	592,729	49,394	-7.98%

CITY OF BRISTOW, OKLAHOMA  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2021

NOTE H - CHANGES IN LONG-TERM DEBT

The following is a summary of the long-term debt transactions of the City for the year ended June 30, 2021:

	Notes Payable	Bonds Payable	Capital Lease Obligation	Total
Balance, July 1, 2019	\$ 2,420	\$11,630,000	\$ 54,876	\$11,687,296
Additions	9,100,000	-	-	9,100,000
Retirements	(2,420)	(6,110,000)	(27,438)	(6,139,858)
Balance, June 30, 2021	<u>\$9,100,000</u>	<u>\$ 5,520,000</u>	<u>\$ 27,438</u>	<u>\$14,647,438</u>

NOTE I - PROPRIETARY FUND REVENUE BONDS PAYABLE

The following is a summary of revenue bond transactions of the Municipal Authority for the year ended June 30, 2021.

	Payable at July 1, 2020	Additions	Retirements	Balance at June 30, 2021
2018 A Revenue Bonds	\$ 405,000	\$ -	\$ (405,000)	\$ -
2018 B Revenue Bonds	5,565,000	-	(45,000)	5,520,000
2010 Revenue Bonds	5,660,000	-	(5,660,000)	-
	<u>\$ 11,630,000</u>	<u>\$ -</u>	<u>\$ (6,110,000)</u>	<u>\$ 5,520,000</u>

The bonds payable as of June 30, 2021 are as follows:

\$5,680,000 Utility System Refunding Revenue Bonds, Series 2018 B in annual installments with 2.8-3.5% interest secured by Authority revenue and real and personal property.	<u>\$ 5,520,000</u>
Total	<u>\$ 5,520,000</u>

Debt service principal and interest requirements for outstanding bonds are as follows:

<u>Year Ending June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Totals</u>
2022	\$ 480,000	\$ 180,155	\$ 660,155
2023	495,000	166,715	661,715
2024	510,000	152,855	662,855
2025	520,000	138,575	658,575
2026	540,000	121,675	661,675
2027-2031	2,975,000	319,375	3,294,375
TOTAL	<u>\$ 5,520,000</u>	<u>\$ 1,079,350</u>	<u>\$ 6,599,350</u>

The Authority paid interest in the amount of \$336,448 on its outstanding bonds during the fiscal year.

CITY OF BRISTOW, OKLAHOMA  
 NOTES TO FINANCIAL STATEMENTS  
 JUNE 30, 2021

NOTE J - NOTES PAYABLE PROPRIETARY FUND

The Authority obtained a Community Development Block Grant loan number 8670 in the amount of \$82,907 from the Oklahoma Department of Commerce for the purpose of making utility system improvements. The loan is repayable over 20 years beginning on completion of the draw down. The Authority is required to make 240 equal monthly payments of \$345. The loan does not bear interest. The balance due on the loan at June 30, 2021 was \$0.

A brief description of the outstanding notes payable at June 30, 2020 is set forth below:

<u>Outstanding</u>	<u>Amount</u>
Oklahoma Water Resource Board original loan amount of \$9,100,000. As of June 30, 2021, only \$643,889 has been drawn down.	<u>\$ 643,889</u>
Total	<u><u>\$ 643,889</u></u>

Per the loan agreement dated October 1, 2020, the OWRB will provide a final amortization schedule after construction of the Project is completed and the Borrower has certified to the OWRB that all Project Costs have been paid.

NOTE K - DEBT SERVICE COVERAGE

The revenue bond indentures require the Authority maintain a schedule of rates or charges for services sufficient to provide funds which together with other revenues pledged will provide net revenues available for debt service equal to at least 150% of the annual debt service requirement for the 2018 bond issues. Also, the OWRB Loan agreement require the Authority maintain a schedule of rates or charges for services sufficient to provide funds which together with other revenues pledged will provide net revenues available for debt service equal to at least 125% of the annual debt service requirement

Operating income (loss)	\$ (155,060)
Sales tax appropriations	<u>3,453,238</u>
Net revenue	3,298,178
Required net revenue	<u>660,155</u>
Excess/(deficit)	<u><u>\$ 2,638,023</u></u>
Ratio	<u><u>3.99 to 1</u></u>

CITY OF BRISTOW, OKLAHOMA  
 NOTES TO FINANCIAL STATEMENTS  
 JUNE 30, 2021

NOTE L - LEASE OBLIGATIONS

The Authority has entered into a lease agreement as lessee for financing the acquisition of equipment. The lease agreement qualifies as a capital lease for accounting purposes since title transfers at the end of the lease term and it has been recorded at the present value of the future minimum lease payments. The schedule of future minimum lease payments under the capital lease and the present value of the net minimum lease payments at June 30, is as follows:

<u>Year ending June 30</u>	<u>Phone</u>	<u>Total</u>
2022	<u>Equipment</u>	<u>Equipment</u>
Total minimum lease payments	\$ 27,438	\$ 27,438
Less: Amount representing interest	27,438	27,438
Present value of future minimum lease payments	-	-
	<u>\$ 27,438</u>	<u>\$ 27,438</u>

NOTE M - COMPENSATED ABSENCES

The City and Authority have not reported an amount for accrued compensated absences. Under the modified cash basis of accounting, payments for vacation and sick leave are expensed as paid.

NOTE N - PENSION OBLIGATIONS

Oklahoma Police and Firefighter's Pension and Retirement Systems

City of Bristow participates in two statewide, cost-sharing multiple-employer defined benefit plans on behalf of police officers and firefighters. The systems are administered by agencies of the State of Oklahoma and funded by contributions from participants, employers, insurance premium taxes, and state appropriations, as necessary. The following is a summary of eligibility factors, contribution methods, and benefit provisions.

	<u>Oklahoma Police Pension And Retirement System</u>	<u>Oklahoma Firefighter's Pension And Retirement System</u>
Eligibility to Participate	All full-time officers employed by a participating Municipality; not less than 21 years of age or more than 45 years of age when hired	All full-time or voluntary Firefighters of a participating municipality hired before age 45
Authority establishing contribution obligations and benefit provisions	State Statute	State Statute
Plan members' contribution rate	8% of covered payroll	9% of covered payroll
City's contribution rate	13% of covered payroll	14% of covered payroll
Period required to vest	10 years	10 years



CITY OF BRISTOW, OKLAHOMA  
 NOTES TO FINANCIAL STATEMENTS  
 JUNE 30, 2021

Benefits and eligibility for distribution (full time)	20 years of credited service, 2 ½% of final average salary Multiplied by the years of Credited service with a maximum Of 30 years considered; If vested At or after age 50, Or after 10 But before 20 years of credited service, with reduced benefits	20 years credited service, 2 ½% of Final average salary multiplied by The years of credited service with a Maximum of 30 years considered; If Vested, at or after Age 50, or after 10 but before 20 years of Credited service, with reduced Benefits.
Benefits and eligibility for distribution (Volunteer)		20 years credited service equal to \$5.46 per month per year of service. With a maximum of 30years considered
Deferred retirement option	Yes, 20 years credited service With additional option to Participate in deferred option Plan for a maximum of 5 years	Yes, 20 years credited service With continued service for 30 or More years
Provisions for:		
Cost of living adjustments (normal retirement)	Yes	Yes, if vested by 5/83
Death (duty, non-duty, post-retirement)	Yes	Yes
Disability	Yes	Yes
Cost of living allowances	Yes	Yes

Contributions required by State Statute:

Fiscal Year	Oklahoma Police Pension And Retirement System		Oklahoma Firefighter's Pension And Retirement System	
	Required Contribution	Percentage Contributed	Required Contribution	Percentage Contributed
2021	\$ 58,239	100%	\$ 53,059	100%
2020	53,330	100%	54,540	100%
2019	55,909	100%	50,073	100%

Trend information showing the progress of the systems in accumulating sufficient assets to pay benefits when due is presented in the annual financial reports of the respective plans. Copies of these reports may be obtained from Oklahoma Firefighters Pension and Retirement System, 4545 North Lincoln Blvd., Suite 265, Oklahoma City, Oklahoma 73105 or Oklahoma Police Pension and Retirement System, 11 NW 63<sup>rd</sup> Street, Suite 305, Oklahoma City, Oklahoma 73116.

Oklahoma Municipal Retirement Fund

The City allows employees to participate in Oklahoma Municipal Retirement Fund, a defined contributions plan. The plan is funded by contributions from participants and employees. The following is a summary of eligibility factor, contribution methods, and benefit provision:

Oklahoma Municipal Retirement Fund

Eligibility	All regular, full-time employees except police, firefighters and other employees who are covered under an approved system.
Employer contributions	9.33% of pay.
Employee contributions	5.25% of pay.
Service	
Credited Service	The last period of continuous employment with the employer excluding any periods before the effective date of the plan specified in the adoption agreement.

CITY OF BRISTOW, OKLAHOMA  
 NOTES TO FINANCIAL STATEMENTS  
 JUNE 30, 2021

Vesting	Credited service plus transferred service from other OMRF employees.
Benefit Eligibility	5 or more years of vesting service.
Final Average Compensation	The average of the 5 highest consecutive annual salaries out of the last 10 years of service.
Accrued Benefit	Plan AA 2.625% of final average compensation multiplied by the number of years of credited service.
Normal Retirement Age	Age 65 with 5 or more years of vesting service.
Normal Retirement Eligibility	Termination of employment on or after normal retirement age.
Benefit	The accrued benefit payable immediately.
Early Retirement Eligibility	Termination after age 55 with 5 or more years of vesting.
Benefit	The accrued benefit payable starting at normal retirement, or the accrued benefit reduced 5% per year for commencement prior to normal retirement age.
Disability Retirement Eligibility	Total and permanent disability after 5 or more years of service.
Benefit	The accrued benefit is payable upon disablement without Reduction for early payment.
Termination Before Retirement Age	
Before Vesting	Return of employee contributions with interest.
After Vesting	The accrued benefit payable starting at age 65, or a reduced benefit payable at an early retirement age.
	<u>Oklahoma Municipal Retirement Fund</u>
In-service Death	
Before vesting	Return of member contributions with interest.
After vesting (married participants only)	50% of the accrued benefit is payable to the spouse until death or remarriage.
After Vesting (other participants)	50% of the accrued benefit is payable for 60 months certain.
Payment Options	
Normal form	The normal form of payment of the accrued benefit is a monthly lifetime annuity with 5 years certain.
Optional forms	Disability retirement benefits are paid only under the normal form.  Other retirement benefits are available under actuarially Equivalent optional forms: - Joint and 50% survivor annuity - Joint and 66-2/3rds last survivor annuity - Joint and 100% survivor annuity
Cost of Living	Benefits in payment status are adjusted each July 1 <sup>st</sup> based on the percentage change in the CPI. The maximum increase is 3% per year.

CITY OF BRISTOW, OKLAHOMA  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2021

Contributions for the current and two prior years are as follows.

<u>Fiscal Year</u>	<u>Required Contribution</u>
2021	\$ 86,438
2020	74,160
2019	66,708

Annual reports may be obtained from Oklahoma Municipal Retirement System, 525 Central Park Drive, Oklahoma City, OK 73105.

**NOTE O - RISK MANAGEMENT**

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The City carries commercial insurance for risk of loss, including workers' compensation. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years. Claims not paid from commercial insurance may be paid from available cash or from a property tax assessment. The 2021 net valuation of taxable property in the City of Bristow was \$22,180,202.

**NOTE P - FEDERAL STATE GRANTS**

In the normal course of operations, the City receives grant funds from various federal and state agencies. The grant programs are subject to audit by agents of the granting authorities the purpose of which is to ensure compliance with conditions precedent to the granting of the funds. Any liability for reimbursement which may arise as the result of these audits is not believed to be material.

**NOTE Q - TRANSFERS**

The City and Municipal Authority adjust transfers between funds as needed during the budgeting process and as funds are needed.

**NOTE R - SUBSEQUENT EVENTS**

The City has evaluated subsequent events and contingencies through April 28, 2022, the date which financial statements were available.

The City is exploring options to build a new hospital. The outcome of this project is unknown at this time.

CITY OF BRISTOW, OKLAHOMA  
 BUDGETARY COMPARISON SCHEDULE - GENERAL FUND  
 FOR THE YEAR ENDED JUNE 30, 2021

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final	Budgetary Basis	Positive (Negative)
<b>Revenue</b>				
Sales Tax	\$ 3,125,214	\$ 3,469,873	\$ 3,194,245	\$ (275,628)
Use Tax	401,225	401,225	379,280	(21,945)
Franchise Tax	150,000	150,000	140,944	(9,056)
E911 Fee	60,000	60,000	72,444	12,444
Gasoline Tax	-	-	4,241	4,241
Motor Vehicle Tax	41,250	41,250	30,198	(11,052)
Alcoholic Beverage Tax	40,000	40,000	46,151	6,151
Cigarette Tax	32,000	32,000	35,455	3,455
PILOT (Bristow Housing Authority)	16,000	16,000	15,535	(465)
Cell Tower Revenue	40,000	40,000	36,184	(3,816)
Fire Revenue	88,000	88,000	84,740	(3,260)
Fire CARES grant	-	136,138	-	(136,138)
Swimming Pool	15,000	15,000	-	(15,000)
Cemetery	33,260	33,260	43,698	10,438
Room Tax	2,950	2,950	4,074	1,124
License and Permits	27,595	37,595	42,734	5,139
Fines and Forfeits	180,000	180,000	1,220	(178,780)
Police CARES grant	-	187,599	-	(187,599)
Donations	-	-	2,300	2,300
Other	18,550	18,550	5,196	(13,354)
Sale of Assets	595	595	23,199	22,604
Rental	15,120	15,120	12,179	(2,941)
Insurance refunds	1,100	1,100	3,563	2,463
Interest	450	450	660	210
<b>TOTAL REVENUE</b>	<b>4,288,309</b>	<b>4,966,705</b>	<b>4,178,240</b>	<b>(788,465)</b>
<b>Expenditures</b>				
<b>MANAGERIAL DEPARTMENT</b>				
Personal Services	84,007	86,007	84,301	1,706
Materials and Supplies	10,800	11,800	9,734	2,066
<b>TOTAL MANAGERIAL DEPARTMENT</b>	<b>94,807</b>	<b>97,807</b>	<b>94,035</b>	<b>3,772</b>
<b>CLERK/PURCHASING DEPARTMENT</b>				
Personal Services	162,887	199,887	195,876	4,011
<b>TOTAL CLERK/PURCHASING DEPT</b>	<b>162,887</b>	<b>199,887</b>	<b>195,876</b>	<b>4,011</b>
<b>TREASURER DEPARTMENT</b>				
Personal Services	67,199	71,199	68,391	2,808
Other Service and Charges	750	750	750	0
<b>TOTAL TREASURER DEPARTMENT</b>	<b>67,949</b>	<b>71,949</b>	<b>69,141</b>	<b>2,808</b>
<b>MUNICIPAL JUDGE DEPARTMENT</b>				
Personal Services	11,225	11,225	11,139	86
<b>TOTAL MUNICIPAL JUDGE DEPT</b>	<b>11,225</b>	<b>11,225</b>	<b>11,139</b>	<b>86</b>

CITY OF BRISTOW, OKLAHOMA  
 BUDGETARY COMPARISON SCHEDULE - GENERAL FUND  
 FOR THE YEAR ENDED JUNE 30, 2021

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final	Budgetary Basis	Positive (Negative)
<b>GENERAL GOVERNMENT DEPARTMENT</b>				
Personal Services	-	4,100	1,528	2,572
Other Service and Charges	114,850	134,850	111,190	23,660
Materials and Supplies	-	17,500	18,731	(1,231)
Capital Outlay	-	-	-	-
<b>TOTAL GENERAL GOVERNMENT DEPT</b>	<b>114,850</b>	<b>156,450</b>	<b>131,449</b>	<b>25,001</b>
<b>POLICE DEPARTMENT</b>				
Personal Services	1,017,105	1,055,105	1,036,665	18,440
Other Service and Charges	27,590	26,030	25,197	833
Materials and Supplies	70,960	72,020	55,210	16,810
<b>TOTAL POLICE DEPARTMENT</b>	<b>1,115,655</b>	<b>1,153,155</b>	<b>1,117,072</b>	<b>36,083</b>
<b>FIRE DEPARTMENT</b>				
Personal Services	767,322	782,722	723,344	59,378
Other Service and Charges	7,700	7,700	6,681	1,019
Materials and Supplies	26,550	31,550	28,011	3,539
<b>TOTAL FIRE DEPARTMENT</b>	<b>801,572</b>	<b>821,972</b>	<b>758,036</b>	<b>63,936</b>
<b>STREET DEPARTMENT</b>				
Personal Services	347,306	452,306	403,869	48,437
Other Service and Charges	76,000	78,000	79,726	(1,726)
Materials and Supplies	106,480	141,480	149,665	(8,185)
<b>TOTAL STREET DEPARTMENT</b>	<b>529,786</b>	<b>671,786</b>	<b>633,260</b>	<b>38,526</b>
<b>ANIMAL CONTROL DEPARTMENT</b>				
Personal Services	53,873	53,873	13,040	40,833
Other Service and Charges	2,400	1,000	72	928
Materials and Supplies	6,920	8,320	5,356	2,964
<b>TOTAL ANIMAL CONTROL DEPARTMENT</b>	<b>63,193</b>	<b>63,193</b>	<b>18,468</b>	<b>44,725</b>
<b>SENIOR CITIZENS DEPARTMENT</b>				
Capital Outlay	7,000	7,000	7,000	-
<b>TOTAL SENIOR CITIZENS DEPT</b>	<b>7,000</b>	<b>7,000</b>	<b>7,000</b>	<b>-</b>
<b>LIBRARY DEPARTMENT</b>				
Personal Services	96,779	101,979	100,127	1,852
Other Service and Charges	1,900	1,900	1,783	117
Materials and Supplies	12,000	12,000	6,079	5,921
<b>TOTAL LIBRARY DEPARTMENT</b>	<b>110,679</b>	<b>115,879</b>	<b>107,989</b>	<b>7,890</b>

CITY OF BRISTOW, OKLAHOMA  
 BUDGETARY COMPARISON SCHEDULE - GENERAL FUND  
 FOR THE YEAR ENDED JUNE 30, 2021

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final	Budgetary Basis	Positive (Negative)
CEMETERY DEPARTMENT				
Personal Services	103,320	105,320	95,679	9,641
Materials and Supplies	10,100	10,100	8,603	1,497
TOTAL CEMETERY DEPARTMENT	<u>113,420</u>	<u>115,420</u>	<u>104,282</u>	<u>11,138</u>
SPORTS COMPLEX DEPARTMENT				
Other Service and Charges	6,900	6,900	4,911	1,989
Materials and Supplies	1,200	1,200	-	1,200
TOTAL SPORTS COMPLEX DEPT	<u>8,100</u>	<u>8,100</u>	<u>4,911</u>	<u>3,189</u>
POOL DEPARTMENT				
Personal Services	14,658	14,658	-	14,658
Other Service and Charges	1,920	1,920	924	996
Materials and Supplies	36,222	36,222	1,733	34,489
TOTAL POOL DEPARTMENT	<u>52,800</u>	<u>52,800</u>	<u>2,657</u>	<u>50,143</u>
INSPECTION DEPARTMENT				
Personal Services	67,070	73,070	68,353	4,717
Materials and Supplies	3,000	3,000	1,323	1,677
TOTAL INSPECTION DEPARTMENT	<u>70,070</u>	<u>76,070</u>	<u>69,676</u>	<u>6,394</u>
PARK DEPARTMENT				
Personal Services	108,681	108,681	90,030	18,651
Other Service and Charges	14,000	18,000	13,712	4,288
Materials and Supplies	19,200	19,200	13,990	5,210
TOTAL PARK DEPARTMENT	<u>141,881</u>	<u>145,881</u>	<u>117,732</u>	<u>28,149</u>
TOTAL EXPENDITURES	<u>3,465,874</u>	<u>3,768,574</u>	<u>3,442,723</u>	<u>325,851</u>
Excess (deficiency) of revenue over expenditures	<u>822,435</u>	<u>1,198,131</u>	<u>735,517</u>	<u>(462,614)</u>
Other financing sources (uses)				
Transfer In	750,000	750,000	1,136,879	386,879
Transfer Out	(1,483,490)	(1,934,836)	(1,451,832)	483,004
TOTAL OTHER FINANCING SOURCES (USES)	<u>(733,490)</u>	<u>(1,184,836)</u>	<u>(314,953)</u>	<u>869,883</u>
Net change in fund balance	88,945	13,295	420,564	407,269
Fund Balances, beginning	<u>109,088</u>	<u>109,088</u>	<u>51,702</u>	<u>(57,386)</u>
Fund Balances, ending	<u>\$ 198,033</u>	<u>\$ 122,383</u>	<u>\$ 472,266</u>	<u>\$ 349,883</u>

The accompanying notes are an integral part of these financial statements.

CITY OF BRISTOW, OKLAHOMA  
BUDGETARY COMPARISON SCHEDULE  
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION  
FOR THE YEAR ENDED JUNE 30, 2021

Budgetary Accounting

The annual operating budgets are prepared and presented on the cash basis of accounting. Per City ordinance, the City utilizes encumbrance accounting during the year on a limited basis for certain purchase orders and other commitments for the expenditure of funds which are recorded in order to reserve a portion of the applicable appropriation. Encumbrances outstanding at the year end are not considered expenditures for budgetary purposes, and are considered lapsed, as are all unused appropriations. Any open purchase orders to be honored in the subsequent budget year are re-appropriated and re-encumbered in the next year's budget. As a result, no reserve for encumbrances is reported at year end.

For the year ended June 30, 2021, the City complied in all material respects with the applicable budget laws relating to expenditures and appropriations at the legal level of control.

CITY OF BRISTOW, OKLAHOMA  
 COMBINING BALANCE SHEET - MODIFIED CASH BASIS  
 NONMAJOR GOVERNMENTAL FUNDS  
 JUNE 30, 2021

	<u>Cemetery</u>	<u>Cemetery Care</u>	<u>Police Training</u>	<u>Court</u>	<u>Library</u>	<u>Jones Found- ation</u>	<u>Special Fire</u>	<u>Grant Match</u>	<u>Amphitheater</u>	<u>TOTAL NONMAJOR FUNDS</u>
<b>ASSETS</b>										
Cash and Cash Equivalents	\$ 50,711	\$ 53,502	\$ 35,455	\$ 5,817	\$ 2,671	\$ 8,852	\$10,503	\$ 50,341	\$ 1,004	\$218,856
Investments	-	52,814	-	-	-	-	-	27,906	-	80,720
<b>TOTAL ASSETS</b>	<u>\$ 50,711</u>	<u>\$106,316</u>	<u>\$ 35,455</u>	<u>\$ 5,817</u>	<u>\$ 2,671</u>	<u>\$ 8,852</u>	<u>\$10,503</u>	<u>\$ 78,247</u>	<u>\$ 1,004</u>	<u>\$299,576</u>
<b>LIABILITIES</b>										
Due to Others	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>TOTAL LIABILITIES</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCES</b>										
Designated	<u>50,711</u>	<u>106,316</u>	<u>35,455</u>	<u>5,817</u>	<u>2,671</u>	<u>8,852</u>	<u>10,503</u>	<u>78,247</u>	<u>1,004</u>	<u>299,576</u>
<b>TOTAL LIABILITIES AND FUND BALANCE</b>	<u>\$ 50,711</u>	<u>\$106,316</u>	<u>\$ 35,455</u>	<u>\$ 5,817</u>	<u>\$ 2,671</u>	<u>\$ 8,852</u>	<u>\$10,503</u>	<u>\$ 78,247</u>	<u>\$ 1,004</u>	<u>\$299,576</u>

The accompanying notes are an integral part of these financial statements.



CITY OF BRISTOW, OKLAHOMA  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES  
 AND CHANGES IN FUND BALANCE - MODIFIED CASH BASIS  
 NONMAJOR GOVERNMENTAL FUNDS  
 FOR THE YEAR ENDED JUNE 30, 2021

	Cemetery	Cemetery Care	Police Training	Court	Library	Jones Found- ation	Special Fire	Grant Match	Amphitheater	Total Nonmajor Funds
<b>REVENUES</b>										
Cemetery Sales	\$ -	\$ 5,597	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,597
Intergovernmental	-	-	8,956	-	3,319	-	4,826	-	-	17,101
Other Grants	-	-	-	-	-	-	14,021	-	-	14,021
Fines and Forfeits	-	-	-	226,117	-	-	-	-	-	226,117
Donations	30,180	-	-	-	-	15,582	4,212	-	4,865	54,839
Interest	55	530	-	50	-	10	-	317	-	962
<b>TOTAL REVENUES</b>	<b>30,235</b>	<b>6,127</b>	<b>8,956</b>	<b>226,167</b>	<b>3,319</b>	<b>15,592</b>	<b>23,059</b>	<b>317</b>	<b>4,865</b>	<b>318,637</b>
<b>EXPENDITURES</b>										
<b>Current</b>										
Culture and Education	-	-	-	-	1,123	10,202	-	-	-	11,325
Park and Recreation	-	-	-	-	-	-	-	-	4,820	4,820
Public Safety	-	-	6,956	43,195	-	-	28,585	-	-	78,736
Cemetery	26,784	-	-	-	-	-	-	-	-	26,784
<b>TOTAL EXPENDITURES</b>	<b>26,784</b>	<b>-</b>	<b>6,956</b>	<b>43,195</b>	<b>1,123</b>	<b>10,202</b>	<b>28,585</b>	<b>-</b>	<b>4,820</b>	<b>121,665</b>
<b>Excess of Revenues Over (Under) Expenditures</b>	<b>3,451</b>	<b>6,127</b>	<b>2,000</b>	<b>182,972</b>	<b>2,196</b>	<b>5,390</b>	<b>(5,526)</b>	<b>317</b>	<b>45</b>	<b>196,972</b>
<b>Other Financing Sources (Uses)</b>										
Transfer In	-	-	8,980	-	-	-	2,004	18,000	-	28,984
Transfer Out	-	-	-	(200,980)	-	-	-	-	-	(200,980)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>-</b>	<b>-</b>	<b>8,980</b>	<b>(200,980)</b>	<b>-</b>	<b>-</b>	<b>2,004</b>	<b>18,000</b>	<b>-</b>	<b>(171,996)</b>
<b>Net Change in Fund Balance</b>	<b>3,451</b>	<b>6,127</b>	<b>10,980</b>	<b>(18,008)</b>	<b>2,196</b>	<b>5,390</b>	<b>(3,522)</b>	<b>18,317</b>	<b>45</b>	<b>24,976</b>
Fund Balance - Beginning	47,260	100,189	24,475	23,825	475	3,462	14,025	59,930	959	274,600
Fund Balance - Ending	<u>\$ 50,711</u>	<u>\$106,316</u>	<u>\$35,455</u>	<u>\$ 5,817</u>	<u>\$ 2,671</u>	<u>\$ 8,852</u>	<u>\$10,503</u>	<u>\$ 78,247</u>	<u>\$ 1,004</u>	<u>\$ 299,576</u>

The accompanying notes are an integral part of these financial statements.

CITY OF BRISTOW, OKLAHOMA  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED JUNE 30, 2021

Federal Grantor/Pass Through Grantor/Program Title	Federal CFDA#	Grantor's Number	Contract Amount	Expenditures*
United States Department of Transportation				
Federal Aviation Administration (FAA)				
Direct programs:				
Airport Improvement(AIP) Grant	20.106	3-40-0128-010-2016	\$ 3,974,374	\$ 414,753
Total Federal Aviation Administration (FAA)			3,974,374	414,753
United States Department of Transportation				
Passed through Oklahoma Aeronautics Commission (OAC)				
Airport Improvement(AIP) Grant	20.106	3-40-0128-010-2016	193,037	7,724
Total passed through Oklahoma Aeronautics Commission (OAC)			193,037	7,724
United States Department of Housing and Urban Development (HUD)				
Passed through Oklahoma Department of Commerce (OKDOC)				
Community Development Block Grant	14.228	35-13659	159,950	37,197
Total passed through OK Dept of Commerce			159,950	37,197
United States Department of The Treasury				
Passed through Oklahoma Office of the Governor				
CARES FORWARD	20.019		323,734	323,734
Total passed through OK Dept of Commerce			323,734	323,734
United States Department of Homeland Security				
Federal Emergency Management Agency (FEMA)				
Passed through Oklahoma Department of Emergency Management (OEM)				
Oklahoma DR 4530 - COVID-19	97.036	4530DR-OK	21,140	21,140
Total passed through OK Dept of Commerce			21,140	21,140
Total Expenditures of Federal Awards			\$ 4,672,235	\$ 804,548

Note 1 -\* Represents federal share of expenditures only.

Note 2 -This schedule is prepared using the modified cash basis of accounting described in Note A.

Note 3 -The Town has elected not to use the 10% de minimis indirect cost rate as allowed under Uniform Guidance.

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 Honorable Mayor and Members of the City Council  
City of Bristow  
Bristow, Oklahoma

I 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 modified cash basis financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of City of Bristow, Oklahoma, as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise City of Bristow's basic financial statements and have issued my report thereon dated April 28, 2022.

Internal Control Over Financial Reporting

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

My consideration of internal control over financial reporting 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 my audit I did not identify any deficiencies in internal control that I consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

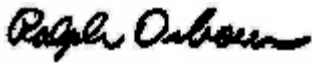
Compliance and Other Matters

As part of obtaining reasonable assurance about whether City of Bristow, Oklahoma's financial statements are free of material misstatement, I 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 my audit, and accordingly, I do not express such an opinion. The results of my tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of the Report

The purpose of this report is solely to describe the scope of my 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 *Governmental Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Sincerely,



Ralph Osborn  
Certified Public Accountant  
Bristow, Oklahoma  
April 28, 2022

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM, REPORT ON  
INTERNAL CONTROL OVER COMPLIANCE, AND REPORT ON SCHEDULE OF FEDERAL AWARDS  
REQUIRED BY UNIFORM GUIDANCE

Independent Auditor's Report

To the Board of Trustees  
City of Bristow  
Bristow, Oklahoma

Report on Compliance for Each Major Federal Program

I have audited City of Bristow, Oklahoma compliance with the types of compliance requirements described in the OMB Compliance Supplement that could have a direct and material effect on each of the Town's major federal programs for the year ended June 30, 2021. The Town's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned cost.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditor's Responsibility

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

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

Opinion on Each Major Federal Program

In my opinion, City of Bristow 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, 2021.

## Report on Internal Control Over Compliance

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

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

My consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. I did not identify any deficiencies in internal control over compliance that I consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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

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

I have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of City of Bristow, Oklahoma as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise City of Bristow, Oklahoma's basic financial statements. I issued my report thereon dated April 28, 2022, which contained unmodified opinions on those financial statements. My audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting

and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditure of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

Sincerely,

A handwritten signature in cursive script that reads "Ralph Osborn".

Ralph Osborn  
Certified Public Accountant  
Bristow, Oklahoma  
April 28, 2022

CITY OF BRISTOW, OKLAHOMA  
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
 FOR THE YEAR ENDED JUNE 30, 2021

Section I - SUMMARY OF AUDITOR'S RESULTS

Financial Statements

Type of auditor's report issued: Unmodified on modified cash basis

Internal control over financial reporting:  
 Material weakness(es) identified? \_\_\_ Yes   X   No  
 Significant deficiency identified that is  
 not considered to be material weakness(es)? \_\_\_ Yes   X   None Reported

Noncompliance material to financial  
 statements noted? \_\_\_ Yes   X   No

Federal Awards

Internal control over major programs:  
 Material Weakness(es) identified? \_\_\_ Yes   X   No  
 Significant deficiency identified that is  
 not considered to be material weakness(es)? \_\_\_ Yes   X   None Reported

Type of auditor's report issued on compliance  
 to major programs: Unmodified on modified cash basis

Any audit findings disclosed that are required  
 to be reported in accordance with section  
 510(a) of Uniform Guidance \_\_\_ Yes   X   No

Programs tested as Major Programs

<u>CFDA Number(s)</u>	<u>Name of Federal Program or Cluster</u>
20.106	Airport Improvement Program

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

Auditee qualified as low-risk auditee? \_\_\_ Yes   X   No

Section II - Financial Statement Findings

There were no findings noted.



CITY OF BRISTOW, OKLAHOMA  
STATUS OF PRIOR YEAR FINDINGS AND QUESTIONED COST  
FOR THE YEAR ENDED JUNE 30, 2021

There were no findings or questioned costs reported in the audit for the year ended June 30, 2020.