

December 30, 2024

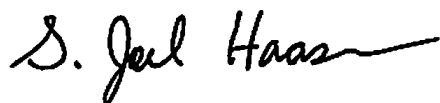
Oklahoma State Auditor and Inspector  
2300 N. Lincoln Blvd., Room 100  
Oklahoma City, OK 73105

Accompanying this submission, you will find a copy of the following:

- Annual Comprehensive Financial Report of the City of Norman, Oklahoma, which also includes the following public trusts:
  - Norman Municipal Authority
  - Norman Utilities Authority
  - Norman Tax Increment Finance Authority – blended within the Capital Projects Fund
  - Norman Economic Development Authority – no transactions were made during the year

Sincerely,

**Forvis Mazars, LLP**



S. Joel Haaser, CPA



CITY OF NORMAN

# ANNUAL COMPREHENSIVE FINANCIAL REPORT

2024

FISCAL YEAR ENDING  
JUNE 30, 2024



#### **ON THE COVER: EQUIPMENT TO PROVIDE CITY SERVICES**

Each year, the City of Norman allocates millions of dollars to provide equipment to deliver services to residents and visitors of the City and customers of the City Utilities. This equipment is increasingly intricate, specialized, and expensive, but the basic services that residents and customers demand cannot be delivered without serviceable equipment.

The City operates a Fleet Management Division, accounted for as an Internal Service function, which maintains the majority of the City's equipment. The annual Fleet Management budget, including allocations for fuel and repair parts, is \$7,357,642 (fiscal year 2024-2025). The City's further investment in computer network systems and information technology is supported by the City's Information Technology Department (FYE 2025 budget of \$4,537,917).

The Fleet Management Division prepares a scientific, prioritized list of the City's rolling equipment stock, which identifies equipment that would be more cost effectively replaced than maintained (i.e., old or damaged equipment that is more expensive to fix than to replace). The equipment that is prioritized for replacement is presented as "Critical" Fleet Replacement requests during the annual budget preparation process. In fiscal year 2024-2025 (FYE 2025), \$4,440,217 was identified for Critical Replacement.

The City allocates twenty-seven percent (27%) of its seven-tenths percent (0.7%) Capital Sales Tax revenue for "capital outlay" needs, including equipment replacement, on an ongoing basis. An additional five percent (5%) is targeted to be allocated for computer equipment replacement. These targeted revenues allocated \$2,194,740 fleet equipment replacement, plus \$875,000 for Information Technology Infrastructure in FYE 2025. In fiscal year 2023-2024, this Capital Fund allocation (\$2,463,217) was supplemented by one-time allocations of General Fund (\$3,218,500) and Seizures and Restitution Fund (\$1,461,780) revenues to more adequately address equipment replacement needs. The City is taking delivery of the equipment funded by these additional one-time vehicle replacement allocations made in FYE 2024.

The City's utility enterprises allocate resources for the replacement of equipment assigned to the Water, Wastewater Reclamation and Sanitation Utilities from ratepayer revenues.

As illustrated throughout this document, the City's investment in equipment is substantial, and enables more effective delivery of public services.

Photos Prepared by Eli Coffman, Norman Water Utility Department

Graphic Art by the City of Norman Office Services Division



# **The City of Norman, Oklahoma**



## **Annual Comprehensive Financial Report Fiscal Year Ended June 30, 2024**

**Prepared by:  
City of Norman  
Finance Department**

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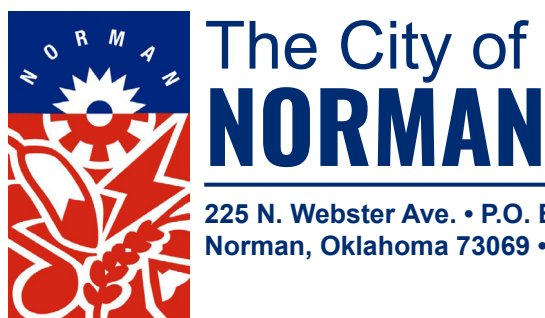
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# INTRODUCTORY SECTION



225 N. Webster Ave. • P.O. Box 370  
Norman, Oklahoma 73069 • 73070

OFFICE OF THE FINANCE DIRECTOR  
Phone: 405-366-5413  
Fax: 405-366-5417

December 5, 2024

Citizens of the City of Norman, Oklahoma  
Honorable Mayor and City Council

State law requires that every general-purpose local government publish, within six months of the close of each fiscal year, a complete set of audited financial statements. This report is published to fulfill that requirement for the fiscal year ended June 30, 2024.

Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal control that it has established for this purpose. Because the cost of internal control should not exceed the anticipated benefits of providing the control, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

Forvis Mazars, LLP has issued an unmodified ("clean") opinion on the City of Norman ("City") financial statements for the year ended June 30, 2024. The independent auditors' report is located at the front of the financial section of this report.

Management's Discussion and Analysis ("MD&A") immediately follows the independent auditor's report and provides a narrative introduction, overview, and analysis of the basic financial statements. The MD&A complements this Letter of Transmittal and should be read in conjunction with it. We are pleased to report that the financial position of the City of Norman and its component units is strong.

### Profile of the Government

An elected Mayor and eight-member Council govern the City of Norman. Daily operations of the City are administered by a City Manager appointed by majority vote of the City Council.

The Basic Financial Statements of the City include all governmental and business-type activities, organizations and functions, including those legally separate organizations for which the City is financially accountable as defined by the Governmental Accounting Standards Board ("GASBH").

The City provides a full range of municipal government services to over 133,000 residents and numerous visitors annually. Municipal services provided include: traffic control; water production and distribution; public transportation and paratransit services; stormwater management and flood control; wastewater collection and treatment (water reclamation); solid waste collection and disposal; emergency response services; city code enforcement; crime prevention, enforcement and

adjudication; construction and maintenance of streets and bridges; maintenance of park land; and public recreational facilities.

The City does not operate hospitals or schools. Special districts and governmental entities with independent authority administer the public hospital, public schools and the university within the City. The City provides School Resource Police Officers through a cost-sharing agreement with the Norman Public Schools.

The Council is required to adopt a final budget by no later than ten days before the close of the fiscal year. This annual budget serves as the foundation for the City's financial planning and control. The budget is prepared by fund department and category (e.g., salary and benefits). Department managers may transfer resources within their department as they see fit. Transfers between departments, however, need special approval from the City Manager. City Council approval is needed for transfers between funds or between capital projects.

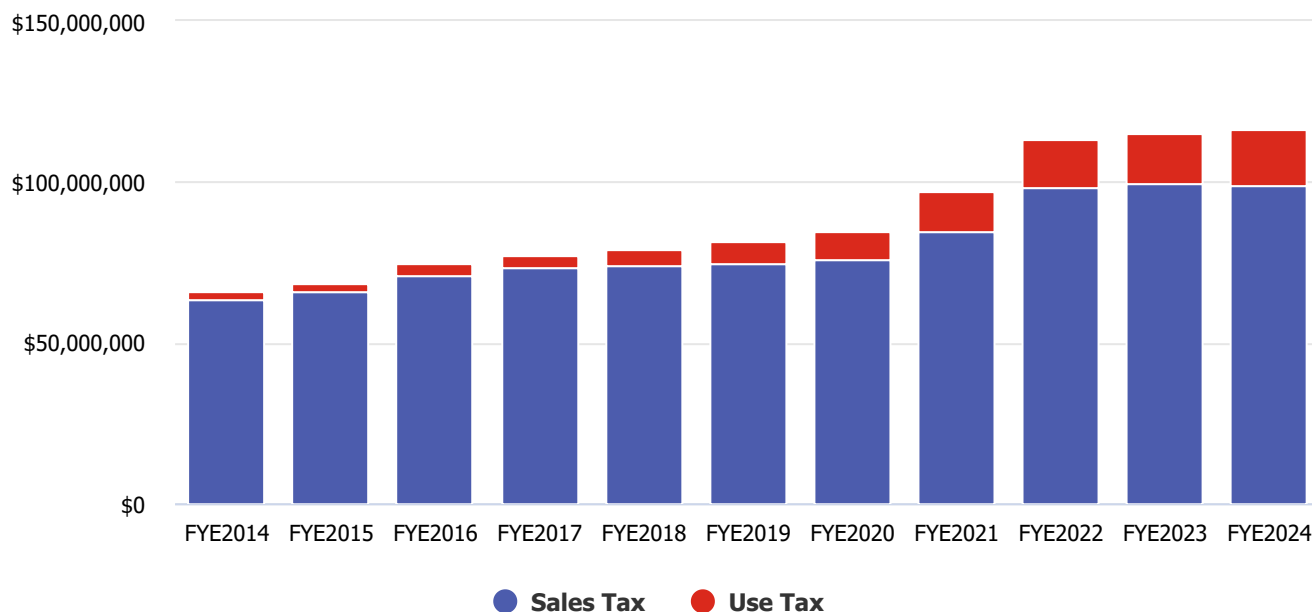
### **Local Economy; Relevant Financial Policies**

The City of Norman is located in the geographic center of Oklahoma and is within the Oklahoma City metropolitan area. Norman's high quality of life is sought by people of all ages and walks of life, and is demonstrated by population growth in recent years. The University of Oklahoma, National Severe Storms Laboratory and National Weather Service, Hitachi Computer Products, U.S. Postal Service Technical Center, Immuno Mycologies Incorporated, SYSCO Food Services, Avara Pharmaceutical Technologies, and Johnson Controls Unitary Products Group are some of the leading institutions and businesses located in Norman. Several of these businesses have recently expanded, helping to sustain the health of the local economy for years to come.

One of the best indicators of the economic condition of the City is the evaluation of trends in some key factors. Sales and use taxes and franchise fees collectively represent 76% of the City's total General Fund revenue. Sales tax receipts increase in proportion to the level of retail sales and therefore provide a good indication of the economic condition of the community. Use taxes are collected at the same rate as sales tax on sales of goods outside of the state of Oklahoma for use within Norman, such as on-line sales. Reflecting changes in consumer behavior to on-line purchasing, use tax is an increasing source of revenue, but is relatively difficult to enforce.

Overall, sales tax collections decreased by 0.24% from FYE 2023 levels. This slight decrease is due to slowing down of the economy as the federal government continues to fight inflation. Collections from the City's franchise fees (charges to private electric, natural gas and cable companies to operate within the City's rights-of-way), which are heavily depended on weather patterns, decreased 13.2% from FYE 2023 levels.

### Sales + Use Tax Revenue, FYE 2014 - FYE 2024



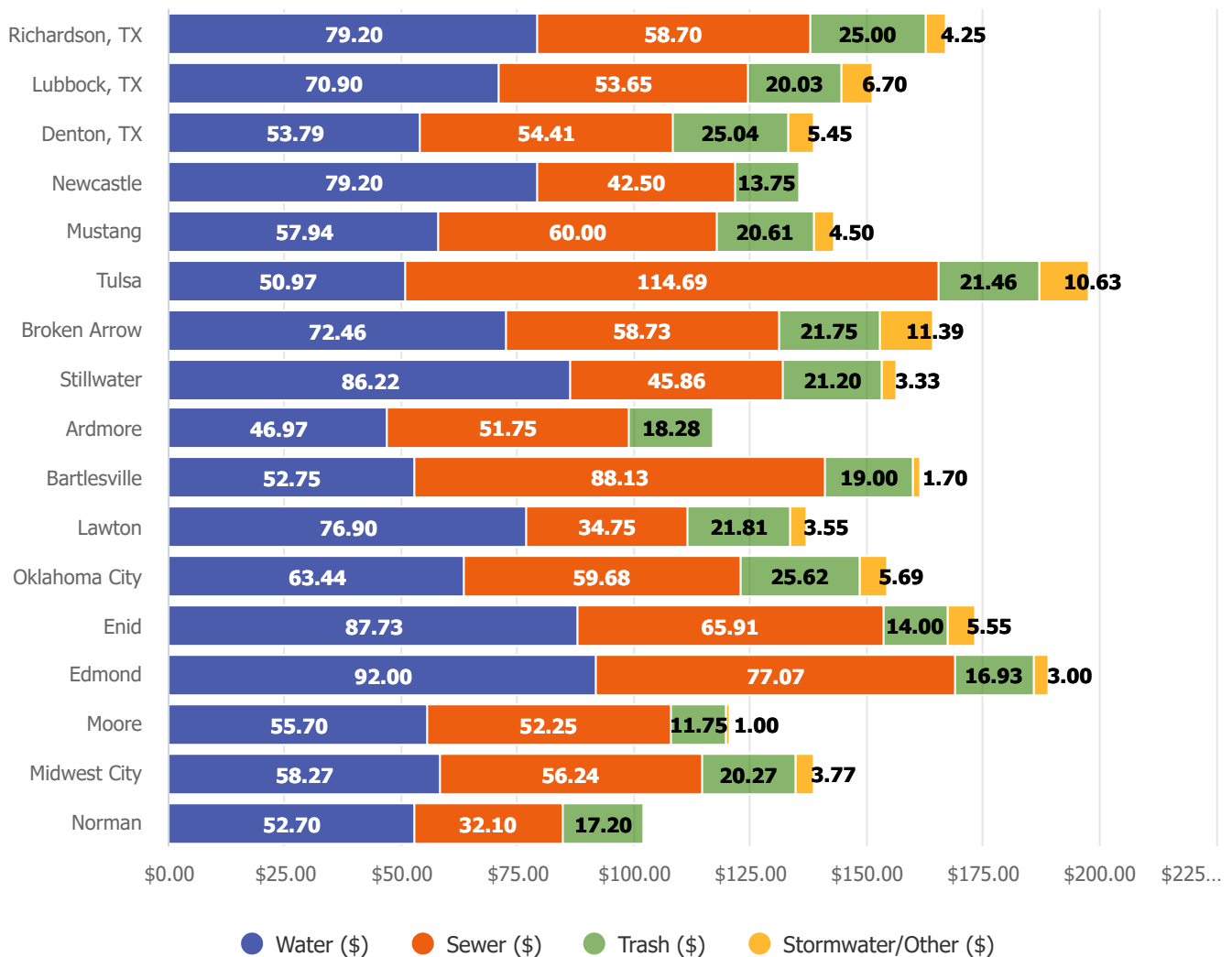
Since sales and use taxes and building permit revenues are a primary source of the City's general governmental revenue, are by nature volatile, and because Norman is subject to extreme weather conditions which can necessitate significant unexpected expenditures during the course of the budget year, the City must budget conservatively and maintain sufficient fund balances to absorb any shortfalls that may occur. As a result, prudent reserve policies have been codified in a Net Revenue Stabilization ("Rainy Day") Fund Ordinance. The Ordinance requires a budgetary fund balance of at least three percent (3%) of budgeted expenditures in the General Fund; a General Fund "Emergency Reserve" appropriation of 1%; and a minimum of 4% of General Fund expenditures to be maintained in a separate "Rainy Day" Fund (a minimum total of 8 percent of General Fund expenditures are mandated to be held in reserve fund balances or appropriations). The Ordinance sets a Targeted Rainy Day Fund balance of 5% of General Fund expenditures (the total Targeted Reserve Fund Balance is 9% of General Fund expenditures).

Fund balance in the Net Revenue Stabilization Fund can only be appropriated for expenditure in case of federally-declared disasters or extraordinary capital expense requirements in the General Fund, or if the General Fund balance falls below one percent. The Ordinance requires that the Net Revenue Stabilization Fund balance be built or rebuilt to its minimum level within three years of the establishment of the Fund, or within three years of any expenditure of Rainy Day Fund balances. The City of Norman's Rainy Day Fund is being maintained at its Targeted level as of June 30, 2024.

The City also targets a fund balance level in other operating funds of at least eight percent (8%) of budgeted expenditures to protect citizen/customer service delivery from unexpected revenue shortfalls or cost overruns. The City also seeks to set utility rates within utility enterprise funds at a level to meet average net income and reserve requirements over a five-year period without the need for interim adjustments. The City's unique Charter requirement that utility rate increase must be approved by a majority vote of the people of Norman makes this policy more difficult to achieve. For the first time since 2015, the voters of Norman approved a water rate increase on June 13, 2023,

primarily to fund capital improvements to the water treatment and distribution systems. The voters have not approved a wastewater reclamation rate increase since 2013 nor a sanitation rate increase since 2011. The ongoing operations of these utilities will depend on the approval of adequate rate structures. Norman is also one of the few cities of its size that does not have a stormwater utility fee to pay for the costs of federally-mandated pollutant discharge programs. Norman's all-in utility rates are among the lowest in the region:

**Total Monthly Residential Utility Bills**  
(assuming 10k gallon water usage, includes Stormwater/other added utility fees)



## Long-term Financial Planning

The City is undergoing major long-term planning initiatives, including a new comprehensive land use plan. The initiative, titled “AIM Norman” (Area and Infrastructure Master Plan), includes planning components for land use, water supply, wastewater reclamation, stormwater management, housing, transportation and parks. The Council has allocated over \$42 million in American Recovery Plan Act entitlement funds received, in concert with guidelines established by the U.S. Treasury Department. A major area of emphasis for the funding in fiscal year 2023-2024 is in the provision of affordable housing.

## Major Initiatives

The citizens of Norman approved an earmarked, temporary (15-year term) sales tax of one-half percent ( 1/2%) to fund major quality of life improvements in October, 2015; the NORMAN FORWARD initiative. The City’s Norman Municipal Authority issued Tax Revenue Notes to finance the major facilities included in the Norman Forward program, and major facilities have been completed or are nearing completion, including the new Westwood Family Aquatic Center; the new Norman Public Library, Central and East Branches; the expanded Westwood Tennis Center; the Griffin Park Soccer Complex; the Reaves Park Baseball and Softball Complex; the new Ruby Grant Community Park and adult football facility; a new Adult Wellness and Education Center; and the Young Family Athletic Center, a major indoor sports complex in the University North Park retail and hotel area bordering the Norman/University of Oklahoma Airport; and community and neighborhood park improvements city-wide. An extension of James Garner Boulevard, which forms a major new access to downtown Norman has recently been completed. James Garner Boulevard honors Hollywood Screen Actors Guild Lifetime Achievement Awardee and Norman native James Garner.

## Awards and Acknowledgements

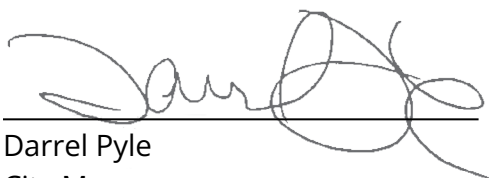
The Government Finance Officers Association (“GFOA”) awarded a *Certificate of Achievement* for Excellence in Financial Reporting to the City for its Annual Comprehensive Financial Report (“ACFR”) for the fiscal year ended June 30, 2023. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized ACFR. This report must satisfy both accounting principles generally accepted in the United States of America and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. We believe our current report continues to conform to the Certificate of Achievement program requirements, and we will submit it to the GFOA to determine its eligibility for certification.

Preparation of an ACFR is a complex task and one that requires considerable expertise and experience. More important, the ongoing maintenance and reporting of the City’s financial condition at the level to which Norman has been accustomed requires professionalism and dedication far beyond what could be expected from a paycheck. The City is fortunate to have a very talented accounting staff to undertake these magnanimous efforts year after year. It is our pleasure to express sincere thanks to the accounting staff of the City. Chief Accountant Clint Mercer, CPA, CPFO, and Municipal Accountant Debbie Whitaker deserve particular recognition for their efforts in preparing representative financial statements. We would also like to thank Forvis Mazars, LLP, independent auditors of the City, for their guidance and technical assistance.

Finally, we would like to express our gratitude and appreciation to the members of the Norman City Council and the Council’s Finance and Audit Committee for your policy guidance which is contained

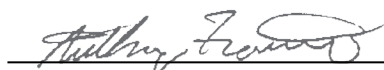
in this document. As the governing body, your commitment to ensure accurate and reliable financial accounting and reporting systems, and to provide adequate staffing levels to ensure them, establishes an environment influencing all other decisions that are made. We are proud to convey the City Council's commitment to excellence to our citizens and all readers of the FYE 2024 ACFR.

Respectfully submitted,



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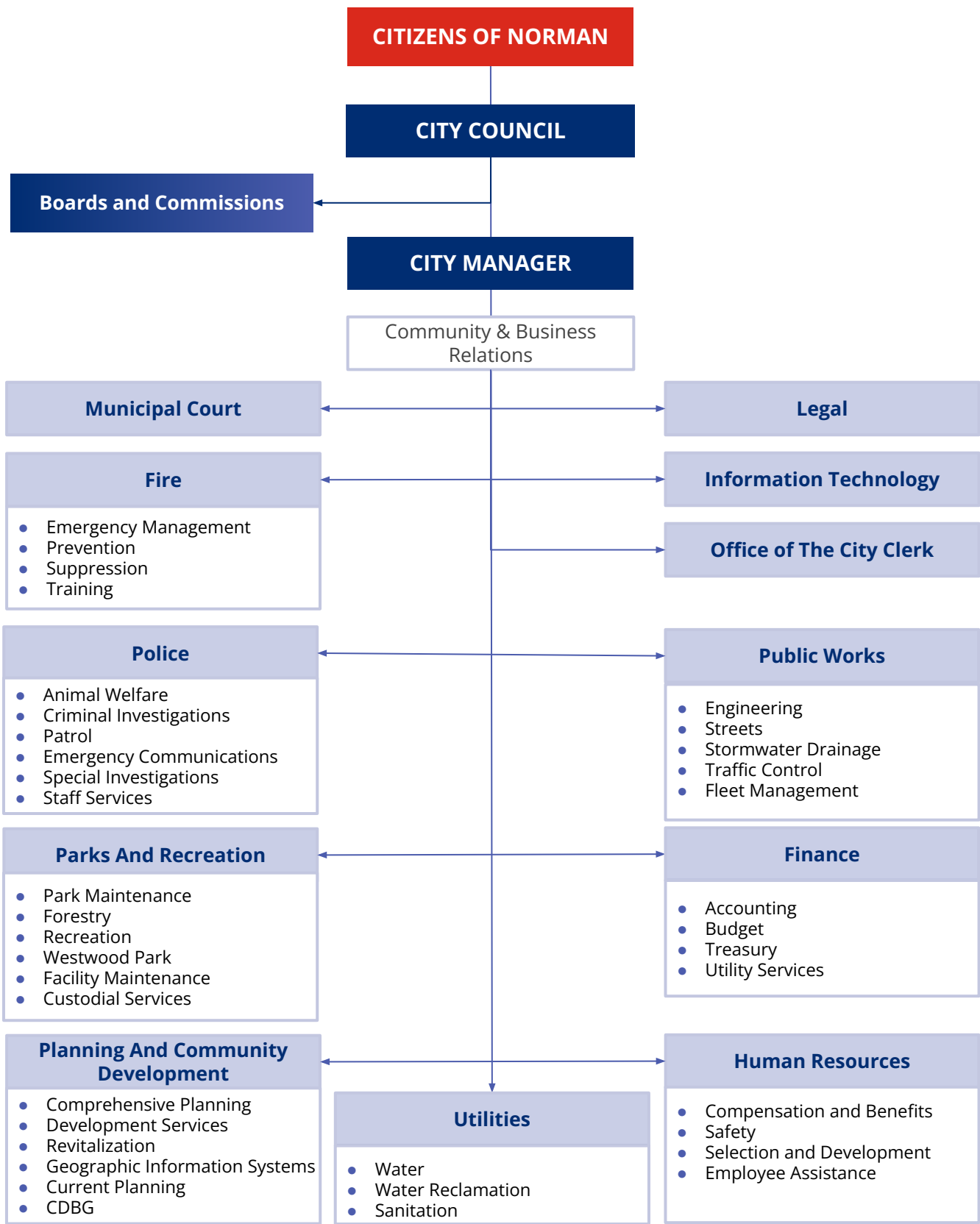
Darrel Pyle  
City Manager



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Anthony Francisco, CPFO, CTP, CPFA, ACPFIM  
Director of Finance/City Controller

City of Norman Organization Chart





Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**City of Norman  
Oklahoma**

For its Annual Comprehensive  
Financial Report  
For the Fiscal Year Ended

June 30, 2023

*Christopher P. Morill*

Executive Director/CEO

City Officials

MAYOR

Larry Heikkila

Ward 1 Austin Ball

Ward 2 Lauren Schueler

Ward 3 Bree Montoya

Ward 4 Helen Grant

Ward 5 Michael Nash

Ward 6 Elizabeth Foreman

Stephen Tyler  
Ward 7 Holman

Ward 8 Matthew Peacock

City Manager

Darrel Pyle

## Accounting & Research Staff

**Anthony Francisco, CPFO, CTP, CPFA**

Finance Director

**Clint Mercer, CPA, CPFO**

Chief Accountant

**Debbie Whitaker**

Municipal Accountant III

**Mindy Aynes**

Municipal Accountant I

**Kim Coffman**

Budget Manager

**Lisa Woods**

Municipal Accountant I

**Kori Cogburn**

Municipal Accountant I

This document was prepared by  
the City of Norman Finance Department  
For additional information please contact:  
City of Norman Finance Department  
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# FINANCIAL SECTION

## **Independent Auditor's Report**

Honorable Mayor and City Council  
City of Norman, Oklahoma  
Norman, Oklahoma

### **Report on the Audit of the Financial Statements**

#### ***Opinions***

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Norman, Oklahoma (City) as of and for the year ended June 30, 2024 and the related notes to the financial statements, which collectively comprise the City's basic financial statements, as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City as of June 30, 2024 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 (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*). 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 and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

#### ***Responsibilities of Management for the Financial Statements***

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America 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's ability to continue as a going concern for 12 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 GAAS 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 GAAS 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'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'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 management's discussion and analysis, budgetary comparison, pension, and other postemployment benefit information, as listed in the table of contents, 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 GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

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

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The other supplementary information, as listed in the table of contents, is presented for purposes of additional analysis and is not a required part of the basic

financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the other supplementary information is 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 comprehensive financial 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***

In accordance with *Government Auditing Standards*, we also have issued our report dated December 5, 2024 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is 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'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 the City's internal control over financial reporting and compliance.

**Forvis Mazars, LLP**

**Oklahoma City, Oklahoma  
December 5, 2024**

## Management's Discussion and Analysis

As management of the City of Norman (the "City"), we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended June 30, 2024. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on pages i-vi of this report.

### Financial Highlights

- The assets and deferred outflow of resources of the City exceeded its liabilities and deferred inflows at the close of the most recent fiscal year by \$848,815,957 (net position).
- The City's total net position increased by \$41,231,722.
- As of the close of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$167,516,989, a decrease of \$16,791,968 in comparison with the prior year. Approximately 87% or \$145,096,555 was nonspendable, restricted, committed or assigned for specific purposes. Approximately 13% or \$22,420,434 was unassigned at fiscal year end.
- At the end of the current fiscal year, unassigned fund balance for the general fund was \$22,530,638 or 21% of total general fund expenditures.
- The City's total debt decreased by \$9,120,319 (4 percent) during the current fiscal year. Key factors of this change were issuance of General Obligation Bonds, Series 2024A in the amount of \$16,000,000. Also, the City made its normally scheduled payments.

### Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves. A brief description of the basic financial statements follows.

**Government-wide financial statements** – The government-wide financial statements are designed to provide readers with a broad overview of the City's finances, in a manner similar to a private-segment business.

The statement of net position presents information on all the City's assets, deferred outflow of resources, liabilities and deferred inflow of resources with the difference between the assets plus deferred outflows of resources less liabilities and deferred inflows of resources reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

The statement of activities presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash-flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the City include general government, planning, city controller, parks and recreation, public works, public service and public safety. The business-type activities of the City include the Norman Municipal Authority (the “NMA”), the Norman Utilities Authority (the “NUA”) and the Norman Economic Development Authority (the “NEDA”). The NMA operates the City’s sanitation services. The NUA operates the City’s water and wastewater services. The NEDA includes financing and operating economic development activities for the City.

The government-wide financial statements can be found on pages 17-18 of this report.

**Fund financial statements** – A fund is a group of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City can be divided into three categories: governmental funds, proprietary funds and fiduciary funds. A brief description of these funds follows.

**Governmental funds** – Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government’s near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government’s near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The City maintains fifteen individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the general fund, public safety sales tax fund, special grants fund, capital projects fund and NORMAN FORWARD fund, all of which are considered to be major funds. Data from the other ten governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

The City adopts an annual appropriated budget for its General Fund. A budgetary comparison statement has been provided for the general fund to demonstrate compliance with the budget.

The basic governmental fund financial statements can be found on pages 19-21 of this report.

**Proprietary funds** – The City maintains two different types of major proprietary funds. Enterprise funds report the same functions presented as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for NMA and NUA activities, which

are both presented as major proprietary funds. The components of these funds are presented in additional detail in the form of combining statements elsewhere in this report. The City uses one other type of proprietary fund, an internal service fund to account for its retained risks. These services predominantly benefit governmental rather than business-type functions and have been included within *governmental activities* in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail.

The basic proprietary fund financial statements can be found on pages 22-24 of this report.

*Fiduciary funds* – Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the City's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

The basic fiduciary fund financial statements can be found on pages 25-26 of this report.

*Notes to the financial statements* – The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 28-74 of this report.

*Other information* – In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the City's progress in funding its obligation to provide pension and other post-employment benefits to its employees and budgetary comparison schedules for the general fund and public safety sales tax fund. Required supplementary information can be found on pages 77-91 of this report. Also, this report presents certain other supplementary information such as combining financial information for non-major governmental funds, budgetary comparison schedules for non-major governmental funds and combining financial statements for enterprise funds and fiduciary funds. Other supplementary information can be found on pages 94-113 of this report.

### **Government-wide Financial Analysis**

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the City, assets and deferred outflows exceeded liabilities and deferred inflows by \$848,815,957 at the close of the most recent fiscal year.

## Net Position As of June 30

	Governmental Activities		Business-type Activities		Total	
	2024	2023	2024	2023	2024	2023
Assets:						
Current and other assets	\$ 202,816,254	\$ 226,845,087	\$ 89,527,666	\$ 79,738,586	\$ 292,343,920	\$ 306,583,673
Capital assets, net	608,123,566	563,065,748	291,983,627	294,345,024	900,107,193	857,410,772
Noncurrent assets	1,176,968	3,077,337	3,097,942	6,270,204	4,274,910	9,347,541
Total assets	812,116,788	792,988,172	384,609,235	380,353,814	1,196,726,023	1,173,341,986
Deferred outflows	29,558,003	22,735,095	267,705	348,634	29,825,708	23,083,729
Total assets & deferred outflows	841,674,791	815,723,267	384,876,940	380,702,448	1,226,551,731	1,196,425,715
Liabilities:						
Long-term liabilities	241,510,004	243,400,046	51,844,521	59,612,026	293,354,525	303,012,072
Other liabilities	60,958,306	65,263,624	15,248,130	12,521,169	76,206,436	77,784,793
Total liabilities	302,468,310	308,663,670	67,092,651	72,133,195	369,560,961	380,796,865
Deferred inflows	7,923,029	7,616,284	251,784	428,331	8,174,813	8,044,615
Total liabilities & deferred inflows	310,391,339	316,279,954	67,344,435	72,561,526	377,735,774	388,841,480
Net position:						
Net investments in capital assets	482,249,162	428,738,811	237,920,695	233,526,892	720,169,857	662,265,703
Restricted	56,479,288	83,440,209	8,143,308	11,946,477	64,622,596	95,386,686
Unrestricted	(7,444,998)	(12,735,707)	71,468,502	62,667,553	64,023,504	49,931,846
Total net position	\$ 531,283,452	\$ 499,443,313	\$ 317,532,505	\$ 308,140,922	\$ 848,815,957	\$ 807,584,235

By far the largest portion of the City's net position (85 percent) reflect its investment in capital assets (e.g., land, buildings, machinery and equipment and infrastructure), less any related debt used to acquire those 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.

An additional portion of the City's net position (8 percent) represents resources that are subject to external restrictions on how they may be used. The remaining balance of net position is unrestricted.

There was an increase of \$9.4 million in the net position reported in connection with the City's business-type activities. This increase was due to several factors. See below for more information.

The governmental net position increased by \$31.8 million during the current fiscal year. This increase was due to several factors. See below for more information.

## Change in Net Position For the Year Ended June 30

	Governmental Activities		Business-type Activities		Total	
	2024	2023	2024	2023	2024	2023
Revenues:						
Program revenues:						
Charges for services	\$ 11,540,297	\$ 10,445,542	\$ 63,563,263	\$ 59,067,979	\$ 75,103,560	\$ 69,513,521
Operating grants & contributions	21,861,463	20,341,333	-	-	21,861,463	20,341,333
Capital grants & contributions	14,765,728	1,488,513	5,358,576	4,791,771	20,124,304	6,280,284
General revenues:						
Sales and excise taxes	98,665,799	99,514,777	1,115,765	1,037,712	99,781,564	100,552,489
Franchise taxes	7,170,092	8,256,119	-	-	7,170,092	8,256,119
Property taxes	17,039,980	9,650,382	-	-	17,039,980	9,650,382
Use taxes	17,735,378	15,909,739	-	-	17,735,378	15,909,739
Other taxes	4,809,634	3,501,676	-	-	4,809,634	3,501,676
Investment earnings	7,086,444	3,512,616	4,214,564	1,613,383	11,301,008	5,125,999
Miscellaneous	6,244,664	6,301,733	1,377,598	144,459	7,622,262	6,446,192
Total revenues	206,919,479	178,922,430	75,629,766	66,655,304	282,549,245	245,577,734
Expenses:						
General government	19,107,073	19,410,645	-	-	19,107,073	19,410,645
Planning	4,057,475	3,739,028	-	-	4,057,475	3,739,028
City controller	845,105	2,391,399	-	-	845,105	2,391,399
Parks and recreation	16,081,719	13,000,150	-	-	16,081,719	13,000,150
Public works	52,795,961	49,472,283	-	-	52,795,961	49,472,283
Public service	4,460,812	6,909,435	-	-	4,460,812	6,909,435
Public safety	74,437,512	64,521,693	-	-	74,437,512	64,521,693
Interest on long-term debt	5,319,433	4,571,464	-	-	5,319,433	4,571,464
Water	-	-	26,567,015	22,317,666	26,567,015	22,317,666
Wastewater	-	-	20,314,509	19,020,441	20,314,509	19,020,441
Sanitation	-	-	17,330,909	16,724,104	17,330,909	16,724,104
Total expenses	177,105,090	164,016,097	64,212,433	58,062,211	241,317,523	222,078,308
Change in net position before transfers	29,814,389	14,906,333	11,417,333	8,593,093	41,231,722	23,499,426
Transfers	2,025,750	1,796,030	(2,025,750)	(1,796,030)	-	-
Change in net position	31,840,139	16,702,363	9,391,583	6,797,063	41,231,722	23,499,426
Net position, beginning	499,443,313	482,740,950	308,140,922	301,343,859	807,584,235	784,084,809
Net position, ending	\$ 531,283,452	\$ 499,443,313	\$ 317,532,505	\$ 308,140,922	\$ 848,815,957	\$ 807,584,235

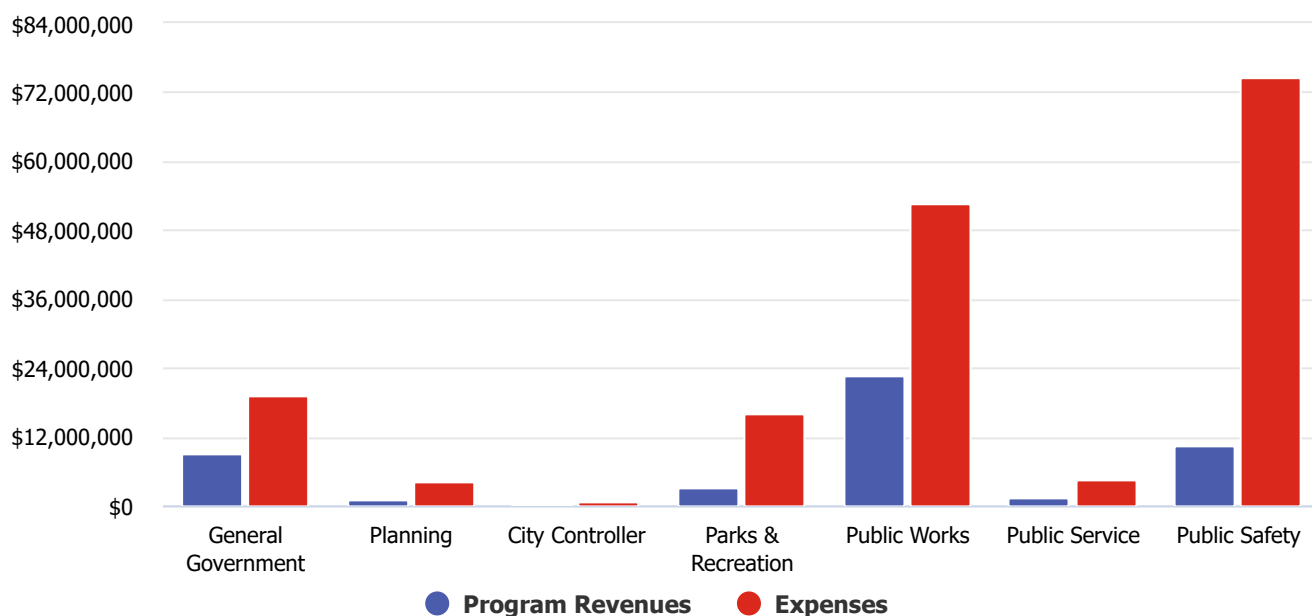
*Governmental activities* – Governmental activities increased the City's net position by \$31.8 million. In the prior year, governmental activities increased the City's net position by \$16.7 million. Key elements of this change are as follows:

- Sales tax revenue within the governmental activities (the City's primary fund source) decreased by (\$848,978) or 0.9 % under the prior fiscal year. This decrease was due to a slowing economy and high interest rates associated with the national program to reduce inflation.
- Use tax revenue has increased \$1,825,639 or 11.5% over the prior fiscal year. On-line shopping did not experience the same lag as in-store sales. This could be due to the continual shift to on-line shopping in general.
- Property tax revenue has increased \$7,389,598 or 76% from the prior fiscal year. Property taxes are collected to fund payment of general obligation bonds and judgements awarded against the

City. These amounts increased in the current fiscal year due to the addition of the Series 2023A and Series 2023B general obligation bonds to the property tax levy.

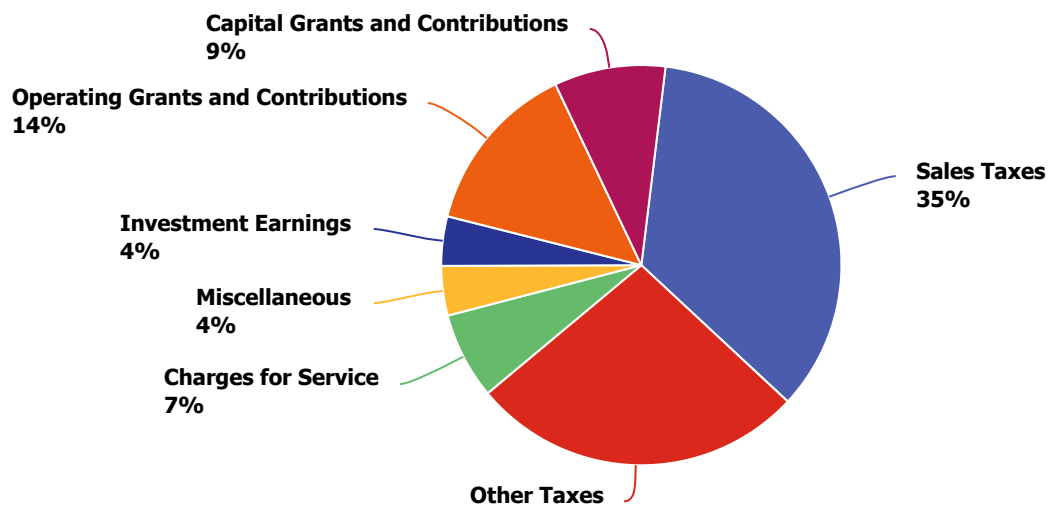
- Investment earnings increased \$3,573,828 or 101.7% from the prior fiscal year. Interest rates were high during the year as part of the nation-wide program to fight inflation but also had a significant effect on investments earning interest.
- Capital grants and contributions increased \$13,277,215 or 891.9% from the prior fiscal year. Most of this figure is donated infrastructure (i.e., roads) from both developers and joint projects with the State of Oklahoma and the decrease is a direct reflection of a reduction in that activity.
- Public safety expenses increased \$9,915,819 or 15.4% from the prior year. The most significant factor was salary and benefit increases which included 4% plus an additional step, also pension obligation charges mainly within the Fire pension.
- Parks and recreation expenses increased \$3,081,569 or 23% from the prior year. The most significant factor was the movement of the Facilities Maintenance division from the City Clerk's department to the Parks and Recreation department accounting for 31% of the change. The function also had higher than normal non-capital related purchases for parks facilities.

### Expenses and Program Revenues - Governmental Activities



Although governmental expenses exceed program revenue, most governmental activities are financed through general revenues such as taxes.

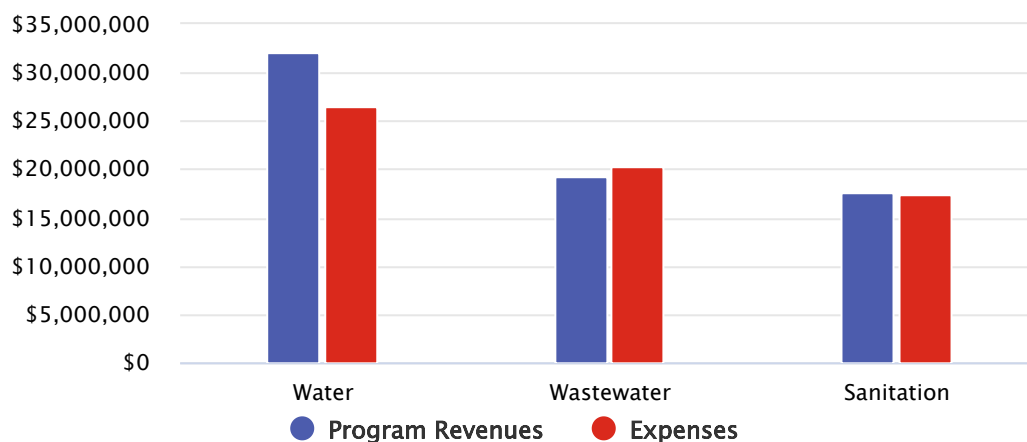
### Revenues by Source - Governmental Activities



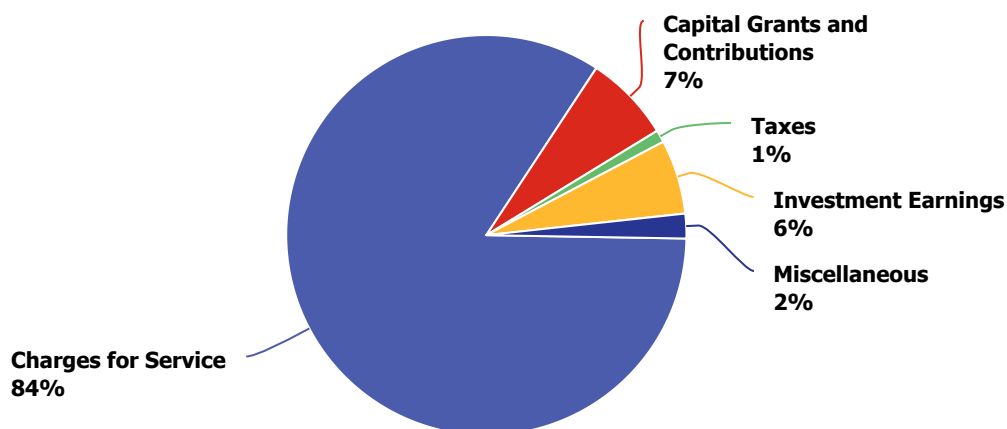
*Business-type activities* – Business-type activities increased the City's net position by \$9.4 million. In the prior year, business-type activities increased the City's net position by \$6.8 million. Key elements of this change are as follows:

- Charges for services increased \$4,495,284 or 7.6% from the prior fiscal year. Water and sewer charges are dependent on weather conditions. Overall, the current fiscal year winter months were dryer than the previous fiscal year.
- Investment earnings revenue increased \$2,601,181 or 161% from the prior fiscal year. Interest rates were high during the year as part of the nation-wide program to fight inflation but also had a significant effect on investments earning interest.
- Water expenses increased \$4,042,212 or 18% from the prior fiscal year. Several factors created this increase including salary and benefits and an increase in water line maintenance costs. Most employees paid from the Water Fund received a 4% salary and benefit increase.

### Expenses and Program Revenues – Business-type Activities



### Revenues by Source - Business-type Activities



### Financial Analysis of the Government's Funds

As noted earlier, the City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

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

As of the end of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$167,516,989 (a decrease of \$16,791,968) from the prior year. Approximately 13 percent of this total amount (\$22,420,434) constitutes unassigned fund balance, which is available for spending at the government's discretion. The remainder of fund balance is either nonspendable, restricted, committed or assigned to indicate that it is not available for new spending.

The General Fund is the chief operating fund of the City. At the end of the current fiscal year, unassigned fund balance of the General Fund was \$22,530,638 while total fund balance reached \$31,885,428. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 21 percent of total General Fund expenditures, while total fund balance represents 29 percent of that same amount.

The fund balance of the City's General Fund decreased by (\$868,011) during the current fiscal year compared to an increase of \$6,004,550 in the previous year. Key factors in the current year change are as follows:

- Sales tax revenues within the General Fund decreased (\$473,462 or 0.8% from the prior fiscal year. As noted previously above, sales taxes decreased overall this past fiscal year due to a slowing economy and high interest rates associated with the national program to reduce inflation..

- Use tax revenues within the General Fund increased \$1,327,738 or 11.5% from the prior fiscal year. As noted previously above, use taxes increased more than sales taxes probably due to the continuing trend of on-line shopping over in-store purchases..
- Public safety expenditures within the General Fund increased \$5,205,511 or 11% from the prior fiscal year. Most of this increase was in salary and benefits. The City granted a 4% increase in the current fiscal year plus an additional step in the pay scale.
- Parks and recreation expenditures increased \$2,929,064 or 37% from the prior year. Most of this increase was also due to increases in salary and benefits. In addition, Facility Maintenance was transferred to the category.

The Public Safety Sales Tax Fund has a total fund balance of \$4,212,539 all of which is restricted for public safety activities. The net decrease in fund balance during the current year was (\$5,247,049). Construction of the Emergency Communications and Operations Center continued in the current fiscal year which drew down loan funds held for this purpose.

The Special Grants Fund has a total fund balance of \$4,898,852 all of which is assigned. The net decrease in the fund balance during the current year was (\$2,125,178) due to grant activity mostly related to various ARPA grants (the most significant being a portion of the Emergency Communications and Operations Center mentioned above).

The Capital Projects Fund has a total fund balance of \$99,554,896. The net decrease in fund balance during the current year was (\$2,705,314). This net decrease was due to the issuance of the Series 2024A general obligation bonds and spending down of general obligation bond monies received in previous years for major capital projects.

The NORMAN FORWARD Fund has a total fund balance of \$8,091,067. The net decrease in fund balance during the current year was (\$10,330,193). This net decrease was due to the spending down of previous note proceeds received in the previous years for major capital projects including the Young Family Athletic Center and the Adult Wellness and Education Center, and Griffin Park remodel.

*Proprietary funds* – The City's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

Unrestricted net position of the NMA and NUA funds were \$10,902,561 and \$60,565,941 respectively. The total growth in net position for these funds was \$1,531,254 and \$7,860,329, respectively. Other factors concerning the finances of these two funds have already been addressed in the discussion of the City's business-type activities.

### General Fund Budgetary Highlights

During the year there was a \$7,681,260 increase in appropriations between the original and final amended budget. Following are the main components of the increase:

- \$1,069,072 in increases to the Facility Administration budget. The most significant transfer was for funds to have a contractor remediate mold at the Central Library.
- \$1,497,931 in increases to the Police Staff Services budget. Transfers were budgeted to cover salary and benefit costs.

- \$2,003,268 in increases to the Police Patrol budget. The most significant transfer was for funds carried over from a prior year to purchase equipment (i.e., a bomb robot).

The City has an adopted reserve policy established by ordinance. The ordinance establishes that the General Fund will have an unappropriated reserve of at least three percent (3%) of annually budgeted expenditures, in addition to an appropriated emergency reserve of one percent (1%) of annually budgeted expenditures. In addition, the ordinance establishes the Net Revenue Stabilization Fund (i.e., "Rainy Day Fund") which has a targeted balance of not less than four percent (4%) but not more than seven percent (7%) of annually budgeted General Fund expenditures. As of June 30, 2024 the Rainy Day Fund had a balance of \$4,750,438 which represents 4% of General Fund expenditures.

The net difference between the General Fund amended budget and actual amounts received/expended can be briefly summarized as follows:

- General Fund revenues were below expectations by \$1,116,006.
  - Sales taxes were slightly above expectations by \$19,944. See explanation above. Although sales taxes were down, this fact was factored into the budget.
  - Use taxes were above expectations by \$232,346. See explanation above.
  - Franchise fees were above expectations by \$76,018, mainly within the electric and gas franchises. These services closely follow weather conditions.
  - Charges for services were below expectations by \$1,174,650, the most significant being within the credit card convenience fees category.
- General Fund expenditures and encumbrances were below expectations by \$5,976,989.
  - Patrol expenditures were \$1,390,980 above expectation mainly for equipment purchases encumbered in the prior year but liquidated in the current year.
  - Recreation program expenditures were \$491,535 below expectation mainly for reduced salary and benefit costs from reduced staffing levels.
  - Fleet fuel and parts expenditures were \$283,662 above expectation due to increased fuel costs.
  - City manager's office expenditures were \$398,458 above expectation due to lower operating and maintenance costs such as printing costs.
- Net General Fund transfers were above expectations by \$5,198,413.
  - Transfers in the Capital Fund were \$4,681,563 more than expected to cover vehicle and equipment purchases that were encumbered in the prior fiscal year.
  - Transfers in the Norman Utility Authority representing fees-in-lieu of franchise taxes were \$284,450 more than expected based upon higher than expected water revenues.

The City closed the year with a fund balance that was higher than what was budgeted by \$10,059,396.

## Capital Asset and Debt Administration

*Capital assets* – The City's gross investment in capital assets for its governmental and business-type activities as of June 30, 2024, amounted to \$900,107,193 (net of accumulated depreciation). This investment in capital assets includes land, buildings, improvements, machinery and equipment, roads, highways and bridges. The total increase in the City's investment in capital assets for the current fiscal year was 5.1% (8.2% increase for governmental activities and a .8% decrease for business-type activities). As noted previously, Westwood Fund was relocated to a special revenue fund in the current fiscal year.

### Capital Assets As of June 30

	Governmental Activities		Business-type Activities		Total	
	2024	2023	2024	2023	2024	2023
Land	\$ 78,774,594	\$ 75,725,662	\$ 6,192,948	\$ 6,192,948	\$ 84,967,542	\$ 81,918,610
Buildings and improvements	206,849,456	140,254,853	256,641,576	239,555,411	463,491,032	379,810,264
Machinery and equipment	104,228,076	94,225,868	260,639,599	257,277,854	364,867,675	351,503,722
Infrastructure	700,652,687	687,582,517	-	-	700,652,687	687,582,517
Construction in progress	72,434,077	96,891,043	25,200,770	32,559,292	97,634,847	129,450,335
Less: Accumulated depreciation	(554,815,324)	(531,614,195)	(256,691,266)	(240,419,183)	(811,506,590)	(772,033,378)
Total	\$ 608,123,566	\$ 563,065,748	\$ 291,983,627	\$ 295,166,322	\$ 900,107,193	\$ 858,232,070

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

- The Young Family Athletic Center was completed at a cost of \$48,981,711.
- The Adult Wellness and Education Center project was completed at a cost of \$13,266,408.
- The Water/Sewer Line Maintenance Facility project was completed at a cost of \$8,940,149.
- A variety of Norman Forward construction projects were underway; construction in progress related to Norman Forward projects as of the end of the current fiscal year had reached \$19,720,316.
- A variety of street and roadway construction projects were underway; governmental construction in progress related to public works as of the end of the current fiscal year had reached \$29,588,003.
- A variety of water and sewer projects were underway; NUA construction in progress as of the end of the current fiscal year was \$24,747,817.

Additional information on the City's capital assets can be found in note 4 on pages 44-45 of this report.

*Long-term debt* – At the end of the current fiscal year, the City had total bonded debt outstanding of \$114,502,827. All of this amount comprises debt backed by the full faith and credit of the government. The City also had notes payable outstanding of \$135,457,034 at the end of the current fiscal year which were secured by capital assets and specified revenue sources.

## Outstanding Debt As of June 30

	Governmental Activities		Business-type Activities		Total	
	2024	2023	2024	2023	2024	2023
General obligation bonds	\$ 114,502,827	\$ 106,358,538	\$ -	\$ -	\$ 114,502,827	\$ 106,358,538
Notes payable	77,856,562	87,885,000	57,600,472	64,836,642	135,457,034	152,721,642
Total	<u>\$ 192,359,389</u>	<u>\$ 194,243,538</u>	<u>\$ 57,600,472</u>	<u>\$ 64,836,642</u>	<u>\$ 249,959,861</u>	<u>\$ 259,080,180</u>

The City's total debt decreased by \$9,120,319 (4 percent) during the current fiscal year. Key factors of this change were issuance of General Obligation Bonds, Series 2024A in the amount of \$16,000,000. Also, the City made its normally scheduled payments.

The City maintained an "Aa2" rating from Moody's for those general obligation debt issues that are rated by the service. The NUA maintained an "Aa3" rating from Moody's for those debt issues that they rate.

Additional information on the City's long-term debt can be found in note 4 on pages 62-69 of this report.

## Economic Factors and Next Year's Budgets and Rates

- The unemployment rate for the Oklahoma City metropolitan area which includes Norman is currently 3.7 percent. The state's average unemployment rate was 3.4 percent and the national average rate was 4.1 percent.
- Inflationary trends in the region have significantly dropped in the last fiscal year.
- The City's major source of revenue is sales and use tax revenue. Sales tax and use tax revenue decreased 0.9% and 11.5%, respectively, over the prior year total.

All of these factors were considered in preparing the City's budget for the 2025 fiscal year.

## Requests for Information

This financial report is designed to provide a general overview of the City's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Office of the Finance Director, 225 North Webster, Norman, Oklahoma, 73069.



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# **BASIC FINANCIAL STATEMENTS**

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## The City of Norman, Oklahoma

Statement of Net Position  
June 30, 2024

	Primary Government		
	Governmental Activities	Business-type Activities	Total
<b>ASSETS</b>			
Current assets:			
Cash and cash equivalents	\$ 70,522,270	\$ 44,223,566	\$ 114,745,836
Restricted cash and cash equivalents	83,175,153	8,552,201	91,727,354
Investments	21,686,248	26,610,567	48,296,815
Restricted investments	3,221,486	-	3,221,486
Receivables:			
Taxes	19,945,522	-	19,945,522
Accounts, net of allowance for estimated uncollectible Business-type accounts of \$171,237	1,974,482	9,006,622	10,981,104
Interest	232,949	331,885	564,834
Other	59,929	-	59,929
Due from Federal Government	2,503,752	-	2,503,752
Leases receivable	-	155,363	155,363
Internal balances	(647,462)	647,462	-
Inventory	141,925	-	141,925
Total current assets	202,816,254	89,527,666	292,343,920
Non-current assets			
Restricted cash and cash equivalents	-	2,982,039	2,982,039
Leases receivable	-	115,903	115,903
Net pension asset	1,176,968	-	1,176,968
Capital assets:			
Capital assets not subject to depreciation	151,208,671	30,600,028	181,808,699
Capital assets, net	456,195,304	260,624,004	716,819,308
Lease assets, net	719,591	759,595	1,479,186
Total non-current assets	609,300,534	295,081,569	904,382,103
Total assets	812,116,788	384,609,235	1,196,726,023
<b>DEFERRED OUTFLOW OF RESOURCES</b>			
Deferred resources related to pensions	28,899,142	-	28,899,142
Deferred resources related to OPEB	617,553	-	617,553
Deferred charge on refunding	41,308	267,705	309,013
Total deferred outflows of resources	29,558,003	267,705	29,825,708
<b>LIABILITIES</b>			
Current liabilities:			
Accounts payable and other accrued liabilities	6,182,396	4,312,637	10,495,033
Payroll payable	4,052,510	611,149	4,663,659
Accrued interest payable	1,523,791	465,016	1,988,807
Unearned revenue	12,154,644	-	12,154,644
Retainage payable	3,052,692	313,772	3,366,464
Guaranty deposits	7,755,772	1,699,240	9,455,012
Leases payable	171,865	53,987	225,852
Current portion of long-term debt	26,064,636	7,792,329	33,856,965
Total current liabilities	60,958,306	15,248,130	76,206,436
Non-current liabilities:			
Leases payable	576,307	747,413	1,323,720
Long-term debt and other liabilities	240,933,697	51,097,108	292,030,805
Total non-current liabilities	241,510,004	51,844,521	293,354,525
Total liabilities	302,468,310	67,092,651	369,560,961
<b>DEFERRED INFLOW OF RESOURCES</b>			
Deferred resources related to pensions	4,158,455	-	4,158,455
Deferred resources related to OPEB	3,764,574	-	3,764,574
Deferred resources related to leases	-	251,784	251,784
Total deferred inflows of resources	7,923,029	251,784	8,174,813
<b>NET POSITION</b>			
Net investments in capital assets	482,249,162	237,920,695	720,169,857
Restricted for:			
Debt service	9,520,373	5,161,268	14,681,641
Capital improvements	28,977,038	2,982,040	31,959,078
Pension benefits	1,176,968	-	1,176,968
General government	298,871	-	298,871
Public safety	6,794,176	-	6,794,176
Public parks and recreation	1,956,281	-	1,956,281
Public service	3,631,752	-	3,631,752
Public works	4,123,829	-	4,123,829
Unrestricted (deficit)	(7,444,998)	71,468,502	64,023,504
Total net position	\$ 531,283,452	\$ 317,532,505	\$ 848,815,957

See notes to financial statements

## The City of Norman, Oklahoma

### Statement of Activities

### For the Year Ended June 30, 2024

Function/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Assets		Total
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government	Business-Type Activities	
					Governmental Activities		
Primary government							
Governmental activities:							
General government	\$ 19,107,073	\$ 3,322,179	\$ 5,669,092	\$ -	\$ (10,115,802)	\$ -	\$ (10,115,802)
Planning	4,057,475	1,116,543	18,043	-	(2,922,889)	-	(2,922,889)
City controller	845,105	303,786	-	-	(541,319)	-	(541,319)
Parks and recreations	16,081,719	3,044,954	101,070	-	(12,935,695)	-	(12,935,695)
Public works	52,795,961	268,778	7,732,041	14,765,728	(30,029,414)	-	(30,029,414)
Public service	4,460,812	-	1,455,871	-	(3,004,941)	-	(3,004,941)
Public safety	74,437,512	3,484,057	6,885,346	-	(64,068,109)	-	(64,068,109)
Interest on long-term debt	5,319,433	-	-	-	(5,319,433)	-	(5,319,433)
Total governmental activities	177,105,090	11,540,297	21,861,463	14,765,728	(128,937,602)	-	(128,937,602)
Business-type activities:							
Water	26,567,015	30,124,897	-	1,920,078	-	5,477,960	5,477,960
Wastewater	20,314,509	15,742,616	-	3,438,498	-	(1,133,395)	(1,133,395)
Sanitation	17,330,909	17,695,750	-	-	-	364,841	364,841
Total business-type activities	64,212,433	63,563,263	-	5,358,576	-	4,709,406	4,709,406
Total primary government	\$ 241,317,523	\$ 75,103,560	\$ 21,861,463	\$ 20,124,304	(128,937,602)	4,709,406	(124,228,196)
General revenues:							
Taxes (unrestricted unless otherwise noted):							
Sales taxes					55,013,566	-	55,013,566
Sales taxes - restricted					43,652,233	-	43,652,233
Excise taxes - restricted					-	1,115,765	1,115,765
Franchise taxes					7,170,092	-	7,170,092
Property taxes - restricted					17,039,980	-	17,039,980
Use taxes					12,898,457	-	12,898,457
Use taxes - restricted					4,836,921	-	4,836,921
Hotel/Motel taxes					3,600,483	-	3,600,483
Alcoholic beverage taxes					601,757	-	601,757
Cigarette taxes					607,394	-	607,394
Investment earnings (losses)					7,086,444	4,214,564	11,301,008
Miscellaneous					6,244,664	1,377,598	7,622,262
Transfers					2,025,750	(2,025,750)	-
Total general revenues and transfers					160,777,741	4,682,177	165,459,918
Change in net position					31,840,139	9,391,583	41,231,722
Net position - beginning					499,443,313	308,140,922	807,584,235
Net position - ending					\$ 531,283,452	\$ 317,532,505	\$ 848,815,957

See notes to financial statements



## The City of Norman, Oklahoma

**Balance Sheet**  
**Governmental Funds**  
**June 30, 2024**

	General Fund	Public Safety Sales Tax Fund	Special Grants Fund	Capital Projects Fund	Norman Forward Fund	Other Governmental Funds	Total Governmental Funds
<b>ASSETS</b>							
Cash and cash equivalents	\$ 16,562,404	\$ -	\$ 17,200,904	\$ 20,925,223	\$ 6,997,769	\$ 7,696,178	\$ 69,382,478
Investments	6,743,664	-	-	8,695,288	1,852,873	3,906,706	21,198,531
Receivables:							
Taxes	11,803,402	2,273,008	-	2,712,466	2,273,008	883,638	19,945,522
Accounts	1,387,936	-	-	18,342	-	411	1,406,689
Interest	87,438	81	-	67,486	23,224	48,647	226,876
Other	-	-	-	58,836	-	-	58,836
Due from Federal Government	-	-	1,022,019	-	-	1,481,733	2,503,752
Due from other funds	248,913	-	55,875	155,690	23,801	167,939	652,218
Inventory	31,721	-	-	-	-	110,204	141,925
Restricted Assets:							
Cash and cash equivalents	2,364,518	3,042,430	-	70,769,796	-	6,998,409	83,175,153
Investments	3,221,486	-	-	-	-	-	3,221,486
Total assets	<u>\$ 42,451,482</u>	<u>\$ 5,315,519</u>	<u>\$ 18,278,798</u>	<u>\$ 103,403,127</u>	<u>\$ 11,170,675</u>	<u>\$ 21,293,865</u>	<u>\$ 201,913,466</u>
<b>LIABILITIES AND FUND BALANCES</b>							
<b>LIABILITIES</b>							
Accounts payable and other accrued liabilities	\$ 1,717,767	\$ 42,822	\$ 617,007	\$ 1,484,741	\$ 779,403	\$ 1,434,510	\$ 6,076,250
Payroll payable	3,258,099	468,827	2,773	50,941	-	256,752	4,037,392
Due to other funds	-	591,331	-	-	-	728,396	1,319,727
Unearned revenue	-	-	12,154,644	-	-	-	12,154,644
Retainage payable	-	-	605,522	146,965	2,300,205	-	3,052,692
Guaranty deposits	5,590,188	-	-	2,165,584	-	-	7,755,772
Total liabilities	<u>10,566,054</u>	<u>1,102,980</u>	<u>13,379,946</u>	<u>3,848,231</u>	<u>3,079,608</u>	<u>2,419,658</u>	<u>34,396,477</u>
<b>FUND BALANCES</b>							
Nonspendable	31,721	-	-	-	-	110,204	141,925
Restricted	-	4,212,539	-	94,467,091	4,754,488	18,377,632	121,811,750
Committed	4,750,438	-	-	-	-	-	4,750,438
Assigned	4,572,631	-	4,898,852	5,087,805	3,336,579	496,575	18,392,442
Unassigned	22,530,638	-	-	-	-	(110,204)	22,420,434
Total fund balances	<u>31,885,428</u>	<u>4,212,539</u>	<u>4,898,852</u>	<u>99,554,896</u>	<u>8,091,067</u>	<u>18,874,207</u>	<u>167,516,989</u>
Total liabilities and fund balances	<u>\$ 42,451,482</u>	<u>\$ 5,315,519</u>	<u>\$ 18,278,798</u>	<u>\$ 103,403,127</u>	<u>\$ 11,170,675</u>	<u>\$ 21,293,865</u>	
Amounts reported for governmental activities in the statement of net position are different because:							
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.							607,403,975
Internal service funds are used by management to charge the costs of risk management activities to individual funds.							
The assets, deferred outflow of resources, liabilities and deferred inflows of the internal service funds are included in governmental activities in the statement of net position.							(1,758,106)
Long-term liabilities, including bonds payable and net pension liability (including related deferred outflows/inflows of resources) are not due and payable in the current period and, therefore, are not reported in the funds.							(241,879,406)
Net position of governmental activities							<u>\$ 531,283,452</u>

See notes to financial statements

## The City of Norman, Oklahoma

### Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds for the Year Ended June 30, 2024

	General Fund	Public Safety Sales Tax Fund	Special Grants Fund	Capital Projects Fund	Norman Forward Fund	Other Governmental Funds	Total Governmental Funds
Revenues:							
Taxes	\$ 75,082,115	\$ 14,109,233	\$ -	\$ 17,998,067	\$ 14,109,234	\$ 22,913,083	\$ 144,211,732
Licenses and permits	1,102,915	-	-	1,207	-	-	1,104,122
Intergovernmental revenues	2,600,249	-	9,118,693	-	-	4,947,962	16,666,904
Charges for services	15,060,165	-	-	-	-	2,587,750	17,647,915
Fines and forfeitures	1,585,211	-	-	-	-	-	1,585,211
Investment earnings	915,420	255,860	552,560	3,542,231	722,143	737,639	6,725,853
Other	1,025,214	500,000	-	130,941	2,391,502	681,502	4,729,159
Total revenues	97,371,289	14,865,093	9,671,253	21,672,446	17,222,879	31,867,936	192,670,896
Expenditures:							
Current:							
General government	13,279,403	-	-	1,247,321	76,628	-	14,603,352
Planning	4,283,202	-	-	76,670	-	-	4,359,872
City controller	3,467,224	-	-	4,111	-	-	3,471,335
Parks and recreation	10,792,770	-	95,700	794,776	78,869	3,786,846	15,548,961
Public works	18,941,570	493,155	216,758	13,747,730	1,838,153	6,443,148	41,680,514
Public service	-	-	59,234	-	-	4,398,708	4,457,942
Public safety	50,837,210	11,664,943	167,539	155,605	-	33,164	62,858,461
Capital outlay	6,864,054	5,573,940	11,593,222	16,509,567	15,544,463	1,656,987	57,742,233
Debt service:							
Principal retirement	50,838	2,180,000	-	-	7,665,000	8,415,000	18,310,838
Interest and fiscal charges	-	200,104	-	124,070	1,936,961	3,026,422	5,287,557
Total expenditures	108,516,271	20,112,142	12,132,453	32,659,850	27,140,074	27,760,275	228,321,065
Excess (deficiency) of revenues over (under) expenditures	(11,144,982)	(5,247,049)	(2,461,200)	(10,987,404)	(9,917,195)	4,107,661	(35,650,169)
Other financing sources (uses):							
Transfers in	11,809,442	-	2,991,594	4,318,630	-	1,897,243	21,016,909
Transfers out	(1,764,871)	-	(2,655,572)	(12,523,092)	(412,998)	(1,521,127)	(18,877,660)
Issuance of debt premium	-	-	-	486,552	-	-	486,552
Issuance of debt	232,400	-	-	16,000,000	-	-	16,232,400
Net other financing sources (uses)	10,276,971	-	336,022	8,282,090	(412,998)	376,116	18,858,201
Net change in fund balances	(868,011)	(5,247,049)	(2,125,178)	(2,705,314)	(10,330,193)	4,483,777	(16,791,968)
Fund balances, July 1, 2023	32,753,439	9,459,588	7,024,030	102,260,210	18,421,260	14,390,430	184,308,957
Fund balances, June 30, 2024	\$ 31,885,428	\$ 4,212,539	\$ 4,898,852	\$ 99,554,896	\$ 8,091,067	\$ 18,874,207	\$ 167,516,989

See notes to financial statements



## The City of Norman, 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, 2024

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

Net change in fund balances - total governmental funds	\$ (16,791,968)
Governmental funds report capital outlay as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.	33,054,468
Contributed capital assets (land, buildings and infrastructure) and other miscellaneous capital asset transactions recorded in government-wide financial statements but not recorded in fund level financial statements	12,180,288
The issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on the net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.	2,078,438
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore are not reported as expenditures in the governmental funds	754,215
Decrease in liability for incurred claims and compensated absences and miscellaneous expenses in government-wide financial statements	(772,362)
The cost of pension benefits earned, net of contributions made, are reported as an element of pension expense in government-wide financial statements. In the fund-level financial statements only the contributions made are reported as expenditures	(773,146)
Internal service funds are used by management to charge the costs of insurance services to individual funds. The net loss of the internal service fund is reported with governmental activities.	2,110,206
Change in net position of governmental activities	<u>\$ 31,840,139</u>

See notes to financial statements

## The City of Norman, Oklahoma

### Statement of Net Position - Proprietary Funds

#### June 30, 2024

	Business-type Activities			Governmental Activities
	Norman Municipal Authority Fund	Norman Utilities Authority Funds	Total	Internal Service Fund
<b>ASSETS</b>				
Current assets:				
Cash and cash equivalents	\$ 5,705,134	\$ 38,518,432	\$ 44,223,566	\$ 1,139,792
Restricted cash and cash equivalents	445,279	8,106,922	8,552,201	-
Investments	3,821,605	22,788,962	26,610,567	487,717
Receivables:				
Accounts, net of allowance for estimated uncollectible accounts	2,850,665	6,155,957	9,006,622	567,793
Interest	47,587	284,298	331,885	6,073
Leases receivable	-	155,363	155,363	-
Due from other funds	80,233	567,229	647,462	19,959
Total current assets	12,950,503	76,577,163	89,527,666	2,221,334
Noncurrent assets:				
Restricted cash and cash equivalents	-	2,982,039	2,982,039	-
Leases receivable	-	115,903	115,903	-
Capital assets, net	19,491,690	271,732,342	291,224,032	-
Leases asset, net	-	759,595	759,595	-
Total noncurrent assets	19,491,690	275,589,879	295,081,569	-
Total assets	32,442,193	352,167,042	384,609,235	2,221,334
<b>DEFERRED OUTFLOW OF RESOURCES</b>				
Deferred charge on refunding	-	267,705	267,705	-
Total deferred outflows of resources	-	267,705	267,705	-
<b>LIABILITIES</b>				
Current liabilities:				
Accounts payable and accrued liabilities	914,781	3,397,856	4,312,637	106,146
Payroll payable	259,288	351,861	611,149	15,118
Liability for incurred claims	-	-	-	1,200,000
Accrued interest payable	-	465,016	465,016	-
Retainage payable	-	313,772	313,772	-
Guaranty deposits	445,279	1,253,961	1,699,240	-
Leases payable	-	53,987	53,987	-
Notes payable	-	7,702,318	7,702,318	-
Compensated absences	30,546	59,465	90,011	3,188
Total current liabilities	1,649,894	13,598,236	15,248,130	1,324,452
Noncurrent liabilities:				
Notes payable, net	-	49,898,154	49,898,154	-
Leases payable	-	747,413	747,413	-
Compensated absences	406,875	792,079	1,198,954	54,988
Liability for incurred claims	-	-	-	2,600,000
Total noncurrent liabilities	406,875	51,437,646	51,844,521	2,654,988
Total liabilities	2,056,769	65,035,882	67,092,651	3,979,440
<b>DEFERRED INFLOW OF RESOURCES</b>				
Deferred inflows from leases	-	251,784	251,784	-
Total deferred outflows of resources	-	251,784	251,784	-
<b>NET POSITION</b>				
Net investment in capital assets	19,482,863	218,437,832	237,920,695	-
Restricted for debt service	-	5,161,268	5,161,268	-
Restricted for capital projects	-	2,982,040	2,982,040	-
Unrestricted	10,902,561	60,565,941	71,468,502	(1,758,106)
Total net position	\$ 30,385,424	\$ 287,147,081	\$ 317,532,505	\$ (1,758,106)

See notes to financial statements



## The City of Norman, Oklahoma

**Statement of Revenues, Expenses, and Changes in Fund Net Position -  
Proprietary Funds  
for the Year Ended June 30, 2024**

	Business-type Activities		Governmental Activities
	Norman Municipal Authority Fund	Norman Utilities Authority Funds	Internal Service Fund
			Total
Operating revenues:			
Water service, net	\$ -	\$ 30,837,332	\$ 30,837,332
Wastewater service, net	-	15,742,616	15,742,616
Sanitation services, net	17,586,004	-	17,586,004
Self-insurance charges:			
Charges for services	-	-	-
Risk management administration	-	-	-
Workers' compensation	-	-	-
Other	109,746	345,751	455,497
Total operating revenues	17,695,750	46,925,699	64,621,449
Operating expenses:			
Salaries and benefits	5,715,139	9,204,133	14,919,272
Supplies and materials	1,374,558	4,321,891	5,696,449
Services, maintenance and claims	8,246,419	14,892,597	23,139,016
Depreciation and amortization	2,114,795	16,840,542	18,955,337
Total operating expenses	17,450,911	45,259,163	62,710,074
Operating income	244,839	1,666,536	1,911,375
Nonoperating revenues (expenses):			
Excise tax revenue	-	1,115,765	1,115,765
Investment earnings	615,748	3,598,816	4,214,564
Interest and fiscal charges	-	(2,285,140)	(2,285,140)
Miscellaneous income (expense)	670,667	431,526	1,102,193
Net nonoperating revenues (expenses)	1,286,415	2,860,967	4,147,382
Income before capital contributions and transfers	1,531,254	4,527,503	6,058,757
Capital contributions and transfers:			
Capital contributions - donated water and sewer distribution systems	-	5,358,576	5,358,576
Transfers in	-	-	-
Transfers out	-	(2,025,750)	(2,025,750)
Net capital contributions and transfers	-	3,332,826	3,332,826
Net income	1,531,254	7,860,329	9,391,583
Net position - beginning	28,854,170	279,286,752	308,140,922
Net position - ending	\$ 30,385,424	\$ 287,147,081	\$ 317,532,505

## The City of Norman, Oklahoma

### Statement of Cash Flows - Proprietary Funds For the Year Ended June 30, 2024

	Business-type Activities			Governmental Activities
	Norman Municipal Authority Fund	Norman Utilities Authority Funds	Total	Internal Service Fund
Cash flows from operating activities:				
Cash received from customers	\$ 17,137,994	\$ 46,090,331	\$ 63,228,325	\$ -
Cash received from interfund charges for health insurance	-	-	-	22,985,445
Cash paid to employees for services	(5,654,655)	(9,213,476)	(14,868,131)	(704,832)
Cash paid to suppliers	(9,185,183)	(16,914,617)	(26,099,800)	(20,907,099)
Other receipts	533,176	416,853	950,029	(18,332)
Net cash provided by operating activities	2,831,332	20,379,091	23,210,423	1,355,182
Cash flows from noncapital financing activities:				
Transfers in	-	-	-	263,069
Transfers out	-	(2,025,750)	(2,025,750)	(376,568)
Net cash used for noncapital financing activities	-	(2,025,750)	(2,025,750)	(113,499)
Cash flows from capital and related financing activities:				
Proceeds from disposal of capital assets	144,807	31,143	175,950	-
Payments for the acquisition of capital assets	(4,656,168)	(5,696,871)	(10,353,039)	-
Proceeds from taxes	-	1,115,765	1,115,765	-
Proceeds from lease activity	-	(53,188)	(53,188)	-
Payments for the acquisition of lease assets	-	(123,415)	(123,415)	-
Principal payments on notes payable	-	(7,524,478)	(7,524,478)	-
Interest and fiscal charges paid	-	(2,418,325)	(2,418,325)	-
Net cash used for capital and related financing activities	(4,511,361)	(14,669,369)	(19,180,730)	-
Cash flows from investing activities:				
Proceeds from maturity of investments	4,740,641	17,800,647	22,541,288	-
Payments for purchases of investments	(1,413,759)	(8,430,514)	(9,844,273)	(267,670)
Investment earnings received	396,141	2,635,764	3,031,905	47,210
Net cash provided by (used for) investing activities	3,723,023	12,005,897	15,728,920	(220,460)
Net change in cash and cash equivalents	2,042,994	15,689,869	17,732,863	1,021,223
Cash and cash equivalents - beginning	4,107,419	33,917,524	38,024,943	118,569
Cash and cash equivalents - ending	\$ 6,150,413	\$ 49,607,393	\$ 55,757,806	\$ 1,139,792
Reconciliation of operating income to net cash provided by operating activities:				
Operating income	\$ 244,839	\$ 1,666,536	\$ 1,911,375	\$ 2,141,571
Adjustments to reconcile operating income to net cash provided by operating activities:				
Miscellaneous revenue	670,667	431,526	1,102,193	-
Bad debt expense	153,225	605,506	758,731	-
Depreciation and amortization	2,114,795	16,840,542	18,955,337	-
Gain (loss) on disposal of property, plant and equipment	(115,202)	162,893	47,691	-
Increase in accounts receivable, net	(651,031)	(1,307,520)	(1,958,551)	(534,218)
Increase in due from other funds	(22,289)	(177,566)	(199,855)	(18,332)
Decrease in lease receivable	-	180,066	180,066	-
Increase (decrease) in accounts payable and accrued liabilities	455,794	2,267,094	2,722,888	(232,831)
Increase (decrease) in payroll payable	24,306	11,713	36,019	(942)
Increase (decrease) in retainage payable	(20,000)	29,258	9,258	-
Decrease in guaranty deposits	(59,950)	(133,354)	(193,304)	-
Increase (decrease) in compensated absences	36,178	(21,056)	15,122	(66)
Decrease in deferred inflow from leases	-	(176,547)	(176,547)	-
Net cash provided by operating activities	\$ 2,831,332	\$ 20,379,091	\$ 23,210,423	\$ 1,355,182
NONCASH ACTIVITIES:				
Donated water and sewer distribution systems	\$ -	\$ 5,358,576	\$ 5,358,576	\$ -
Change in unrealized loss on investments	\$ (205,411)	\$ (830,262)	\$ (1,035,673)	\$ (29,766)

See notes to financial statements

**The City of Norman, Oklahoma**  
**Statement of Fiduciary Net Position -**  
**Fiduciary Funds**  
**June 30, 2024**

	<b>Pension Trust Fund</b>	<b>Custodial Fund</b>
<b>ASSETS</b>		
Cash and cash equivalents	\$ -	\$ 6,616
Investments:		
Mutual funds	120,214,125	-
U.S. Agencies	-	3,584
Interest receivable	-	45
Due from other funds	-	88
Loans to 401 (a) Plan participants	3,779,072	-
Total assets	<u>\$ 123,993,197</u>	<u>\$ 10,333</u>
<b>LIABILITIES AND NET POSITION</b>		
Net position:		
Funds held for others	\$ -	\$ 10,333
Restricted for defined pension benefits	140,689	-
Restricted for defined contribution pension benefits	123,852,508	-
Total liabilities and net position	<u>\$ 123,993,197</u>	<u>\$ 10,333</u>

See notes to financial statements

## The City of Norman, Oklahoma

### Statement of Changes in Fiduciary Net Position - Fiduciary Funds

#### For the Year Ended June 30, 2024

	Pension Trust Fund	Custodial Fund
ADDITIONS:		
Contributions:		
Employer	\$ 3,347,041	\$ -
Employee	2,998,270	-
Total contributions	6,345,311	-
Investment income	19,874,580	514
Total additions	26,219,891	514
DEDUCTIONS:		
Pension benefits paid	9,374,382	-
Administration costs	(161,769)	-
Total deductions	9,212,613	-
NET INCREASE IN FIDUCIARY NET POSITION	17,007,278	514
Net position:		
Beginning of year	106,985,919	9,819
End of year	\$ 123,993,197	\$ 10,333

See notes to financial statements



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# **NOTES TO BASIC FINANCIAL STATEMENTS**

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# The City of Norman, Oklahoma

## Notes to Financial Statements

### For the Year Ended June 30, 2024

#### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting and reporting policies of the City of Norman, Oklahoma (the “City”) conform to accounting principles generally accepted in the United States of America for state and local governments. Generally accepted accounting principles for municipalities are defined as those principles promulgated by the Governmental Accounting Standards Board (“GASB”). The following represent the more significant accounting and reporting policies and practices of the City.

**Reporting Entity** — The City is a municipal corporation governed by an elected mayor and eight-member council. The accompanying financial statements present the government and its component units, entities for which the City is considered to be financially accountable. Blended component units, although legally separate entities, are, in substance, part of the City’s operations and therefore data from these units are combined with data of the City. Each blended component unit has a June 30 year end.

**Blended Component Units** — The Norman Municipal Authority (“NMA”) was established in April 1965. Activities of the NMA include sanitation services for the City. The governing body of the NMA is the same as the City’s governing body. The City is the sole beneficiary of the NMA and receives all trust properties and resulting revenues upon retirement of all trust indebtedness. The City maintains all accounting records. The NMA is reported as an enterprise fund and does not issue separate financial statements.

The Norman Utilities Authority (“NUA”) was established February 2, 1970. Activities of the NUA include financing and operating certain utility systems for the City. The governing body of the NUA is the same as the City’s governing body. The City is the sole beneficiary of the NUA and receives all trust properties upon termination. The City maintains all accounting records. The NUA is presented as an enterprise fund and does not issue separate financial statements.

The Norman Tax Increment Finance Authority (“NTIF”) was established July 1, 2006. Activities of the NTIF include financing Tax Increment Financing District #2 — University North Park, and Tax Increment Financing District #3 — Center City. The governing body of the NTIF is the same as the City’s governing body. The City is the sole beneficiary of the NTIF and receives all trust properties upon termination. The City maintains all accounting records. The NTIF is presented within the Capital Project Fund in the governmental funds balance sheet and does not issue separate financial statements.

The Norman Economic Development Authority (“NEDA”) was established June 12, 2012. Activities of the NEDA include financing and operating economic development activities for the City. The governing body of the NEDA is the same as the City’s governing body. The City is the sole beneficiary of the NEDA and receives all trust properties upon termination. The City maintains all accounting records. As of June 30, 2024, NEDA had no transactions.

**Basis of presentation** — The City follows Governmental Accounting Standards Board (“GASB”) statements in the preparation of its financial statements. Additional information regarding the

basis of accounting and the differences in presentation are contained in the Management's Discussion and Analysis, which preceded the financial statements.

**Government-wide and full financial statements** — The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the non fiduciary activities of the primary government and its component units. For the most part, the effect of interfund activity has been removed from these statements. *Governmental activities*, which normally are supplied by taxes, intergovernmental revenues and other nonexchange transactions are reported separately from *business-type activities*, which rely to a significant extent on fees and charges to external customers for support.

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

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

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

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

Sales taxes, excise taxes, franchise taxes, property taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and have been recognized as revenues of the current fiscal period. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. Expenditure driven grants are recognized as revenue when the qualifying expenditures

have been incurred and all other eligibility requirements have been met. All other revenue items are considered to be measurable and available only when cash is received by the City.

The City reports the following major governmental funds:

*General Fund* — The General Fund is the principal fund of the City which accounts for the general operations of the City and all other financial transactions not reported in other funds.

*Public Safety Sales Tax Fund* — A special revenue fund established to receive revenues from a special half-cent sales tax dedicated to public safety activities.

*Special Grants Fund* — Established to account for revenues and expenditures of other miscellaneous grants received from various sources.

*Capital Projects Fund* — The Capital Projects Fund is used to account for all major capital improvements which have been financed by designated resources, except those accounted for in the Norman Forward Fund or proprietary funds. Activities of the NTIF are included in this fund.

*NORMAN FORWARD Fund* — A capital projects fund established to receive revenues from a special half-cent sales tax dedicated to quality-of-life projects including multiple recreation facilities, libraries, parks, athletic venues, public art, trails, and swim complexes.

The City reports the following non-major governmental funds:

*Debt Service Fund* — The Debt Service Fund accounts for the accumulation of financial resources that are restricted or assigned for the payment of interest and principal on the general long-term debt of the City, other than debt service payments made by enterprise funds. Ad valorem taxes and interest earned on investments of the Debt Service Fund are used for the payment of principal, interest and commission to fiscal agents on the City's general obligation bonds and judgments.

*Special Revenue Funds* — Special Revenue Funds are used to account for the proceeds of government grants or specific revenue sources (other than grants applicable to enterprise fund activities, expendable trusts or major capital projects) that are legally restricted, committed or assigned to expenditures for specified purposes. The City has nine nonmajor special revenue funds including:

- *Norman Room Tax Fund* — Established by City ordinance to receive revenues from the City hotel/motel occupancy tax. Tax receipts are required to be used for promoting and fostering convention and tourism development in the City.
- *Community Development Fund* — Established to account for the City's Community Development Block Grants, Home Ownership Made Easy ("HOME") Grants, Rental Rehabilitation and Emergency Shelter Grants received from the US Department of Housing and Urban Development ("HUD").
- *Park Land Fund* - Established by City ordinance to receive revenues from developer fees dedicated to the acquisition of park land around the City.

- *Young Family Athletic Center (YFAC) Fund* — Established to account for the activities of the YFAC facility.
- *Seizures and Restitutions Fund* — Established to account for the revenue available as a result of property seizures resulting from criminal investigations.
- *Cleet Fund* - Established to account for revenue derived by provision of State law to be utilized for law enforcement education and training.
- *Transit and Parking Fund* — Established to account for revenues and expenditures from transit and parking services.
- *Westwood Fund* — Established to account for revenues and expenditures from the operation of Westwood Park recreational facilities.
- *Art in Public Places Fund* — Established to account for donations made to provide public art displays throughout the City.

The City reports the following major proprietary funds:

*Norman Municipal Authority* — A blended component unit established to account for the City's sanitation services.

*Norman Utilities Authority* — A blended component unit established to account for the water and wastewater utility systems for the City.

*Risk Management Internal Service Fund* - Established to account for the resources utilized by departments to provide for the self-insurance of Workers' Compensation and Unemployment Insurance and to pay claims and receive premiums on insurance for employee health and property loss on a long-term cost-reimbursement basis.

The City reports the following fiduciary funds:

*Pension Trust Funds* — The Pension Trust Funds are used to account for the receipt, investment and distribution of retirement contributions to the Annuity Pool portion of the Employee Retirement System of the City. The Employee Retirement System Annuity Pool is a contributory defined benefit plan. The Pension Trust Funds are also used to account for the receipt, investment and distribution of retirement contributions from the City and employees to the Section 401(a) portion of the Employee Retirement System of the City. The Section 401(a) plan is a defined contribution plan for qualifying City employees.

*Custodial Funds* — Custodial Funds are accounted for using the accrual basis of accounting. These funds are used to account for assets that the City holds for others in a custodial capacity and are not required to be reported in pension trust funds, investment trust funds, or private purpose trust funds because the City does not have administration involvement or direct financial involvement and the assets were not derived from the City's provision of goods or services. The City has one custodial fund, the Centennial Fund, which was created to account for assets held for the City's firefighters to develop a yearbook celebrating the centennial anniversary of the City of Norman Firefighters.

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to the general rule are payments-in-lieu of taxes and other

charges between the government's enterprise funds. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Amounts reported in governmental funds as *program revenues* include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments that are restricted to meeting the operational or capital requirements of a particular function or segment. Internally dedicated resources are reported as *general revenues* rather than as program revenues. Likewise, general revenues include all taxes.

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

**Accounting Policies** — The City's significant accounting policies related to the following financial statement categories are summarized below:

### **Assets, Liabilities, and Fund Equity**

- a. *Cash and Cash Equivalents* — The City considers all highly liquid investments with an original maturity of three months or less when purchased to be cash and cash equivalents.
- b. *Pooled Cash and Investments* — The City Charter requires all cash belonging to the City to be placed in the custody of the Financial Services Department of the City. A "Pooled Cash" concept is used in maintaining the cash and investment accounts in the accounting records. Under this method, all cash is pooled for investment purposes and each fund has equity in the pooled amounts. Investments are allocated to the individual participating funds based upon a percentage determined by the Financial Services Department of the City. An interfund receivable/payable is recognized if the allocation of investments to a particular fund exceeds the fund's pooled cash amount before the allocation of the pooled investments.

Purchases and maturities of the pooled investments, as reported in the fund's statement of cash flows, are allocated to the participating proprietary funds based on their portion of total pooled investments.

- c. *Investments* — Investments are stated at fair value. Fair value is the amount at which a financial instrument could be exchanged in a current transaction between willing parties. The City considers quoted market price at June 30, 2024, to be the fair value of its investments.

Oklahoma Statutes authorize the City to invest in obligations of the United States government, its agencies and instrumentalities; collateralized or insured certificates of deposit and other evidences of deposit at banks, savings banks, savings and loan associations and credit unions located in this state, or fully insured certificates of deposit at banks, savings banks, savings and loan associations and credit unions located out of state; negotiable certificates of deposit

issued by a nationally or state-chartered bank, a savings bank, a savings and loan association or a state-licensed branch of a foreign bank; prime banker's acceptances which are eligible for purchase by the Federal Reserve System and which do not exceed 270 days' maturity; prime commercial paper which shall not have a maturity that exceeds 180 days nor represent more than 10% of the outstanding paper of an issuing corporation; repurchase agreements that have underlying collateral consisting of those items specified above; and money market funds regulated by the Securities and Exchange Commission and which investments consist of those items noted above.

The Pension Trust Fund is invested based on guidelines established by its separate Board of Trustees.

- d. *Receivables and payables* — In the government-wide financial statements, receivables consist of all revenues earned at year-end and not yet received. Allowances for uncollectible accounts receivable are based upon historical trends and the periodic aging of accounts receivable.
- e. *Interfund Receivables and Payables* — Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to / due from other funds" (i.e., the current portion of interfund loans) or "advances to/ from other funds" (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as "due to/ from other funds." Any residual balances outstanding between the governmental activities and business-type activities are reported in the governmentwide financial statements as "internal balances."
- f. *Restricted Assets* — Restricted assets include cash and investments of both governmental activities and business-type activities that are legally restricted as to their use. The restricted assets are primarily related to debt trustee accounts and guaranty deposits.
- g. *Capital Assets* — Capital assets, which include property, plant and equipment and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than \$2,500 (amount not rounded) and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets, the majority of which generally consist of donated land and infrastructure which are recorded in the governmental funds and donated water and sewer distribution systems which are recorded in the proprietary funds, at acquisition value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Land and construction in progress are not depreciated. The other property, plant, equipment and infrastructure are depreciated using the straight line method over the following estimated useful lives:

Buildings	40 - 65 years
Infrastructure	25 - 50 years
Improvements other than buildings & infrastructure	10 - 20 years
Machinery and equipment	3 - 20 years
Vehicles	3 - 7 years

- h. *Lease Assets* - Lease assets are initially recorded at the initial measurement of the lease liability, plus lease payments made at or before the commencement of the lease term, less any lease incentives received from the lessor at or before the commencement of the lease, plus initial direct costs that are ancillary to place the asset into service. Lease assets are amortized on a straight-line basis over the shorter of the lease term or the useful life of the underlying asset.
- i. *Capital and Lease Asset Impairment* - The City evaluates capital and lease assets for impairment whenever events or circumstances indicate a significant, unexpected decline in the service utility of a capital or lease asset has occurred. If a capital or lease asset is tested for impairment and the magnitude of the decline in service utility is significant and unexpected, the capital asset historical cost and related accumulated depreciation are decreased proportionally such that the net decrease equals the impairment loss. No asset impairment was recognized during the year ended June 30, 2024.
- j. *Inventory* - The City records parts and fuel inventory within the General Fund and golf shop merchandise within the Westwood Fund. Parts inventory and golf shop inventory are valued at actual cost using the first-in/first out method. Fuel inventory is recorded using average cost. The cost of such inventories is recorded as expenditures/expenses when consumed rather than when purchased.
- k. *Long-term Debt* - In the government-wide financial statements and proprietary fund types in the fund financial statements, long-term debt is reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bond premiums and discounts, and losses on refunding are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are expensed during the current period.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

- l. *Liability for Incurred Claims* - The liability for incurred claims represents estimated claims (including future claim adjustment expenses) incurred but unpaid for workers compensation, group medical and dental, and unemployment claims as of the fiscal year end. The estimate includes claims reported as of June 30, 2024, as well as an estimated amount representing claims incurred but not reported. The City utilizes the services of an actuary in computation of the incurred but unpaid workers compensation portion of the liability.
- m. *Claims and Judgments Payable* - Under state law, judgments against the City can be paid over three years or can be paid immediately. The General Fund pays all claims and judgments. A liability has been recorded within the government-wide statements for claims and judgments payable. A liability for these amounts is reported in governmental funds when they become due and payable.
- n. *Compensated Absences* - Under the terms of union contracts and City personnel policies, City employees are granted vacation and sick leave in varying amounts. In the event of termination, an employee is paid for vacation leave accumulated and vested accumulated sick leave. Vesting of sick leave by employees and the maximum number of hours that can be accumulated for vacation and sick leave are dependent upon an employee's years of service. Upon retirement, one-half of accumulated sick leave is converted to vacation time, subject to the above limitation for maximum compensation for unused compensated absences.

A liability has been recorded within the government-wide and proprietary financial statements for accrued vacation and sick leave and certain salary related payments associated with the payment of compensated absences. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

- o. *Unearned Revenues* - The City received federal Coronavirus State and Local Fiscal Recovery Funds (CSLFR) as part of the American Rescue Plan Act (ARPA). The funding was received in advance of meeting certain eligibility requirements that must be met prior to being recognized as revenues. The City records these funds as an unearned revenue liability until the funds are expended in accordance with the required grant terms.
- p. *Fund Equity* - In the government-wide financial statements, equity is classified as net position and displayed in three components:
  - 1. *Net investment in capital assets* - Consists of capital and lease assets, net of accumulated depreciation and amortization and reduced by the outstanding balances of any notes or other borrowings attributable to those assets.
  - 2. *Restricted net position* - Consists of net position with constraints placed on the use either by external groups, such as granters or laws and regulations of other governments, or law through constitutional provisions or enabling legislation.
  - 3. *Unrestricted net position* - All other assets that do not meet the definition of "restricted" or "net investment in capital assets."

When both restricted and unrestricted net positions are available for use, generally it is the City's policy to use restricted resources first. For projects funded with tax-exempt debt proceeds and other sources, the debt proceeds are used first.

Governmental fund equity is classified as fund balance. Fund balance is further classified as follows and based on the nature of any limitations requiring the use of resources for specific purposes.

1. *Nonspendable* - Includes fund balance amounts that cannot be spent either because it is not in spendable form or because of legal or contractual requirements.
2. *Restricted* - Includes fund balance amounts that are constrained for specific purposes which are externally imposed by providers, such as creditors or amounts constrained due to constitutional provisions or enabling legislation.
3. *Committed* - Includes fund balance amounts that are constrained for specific purposes that are internally imposed by the City through formal action of the highest level of decision making authority. The City Council is the highest level of decision making authority that can, by adoption of an Ordinance prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the ordinance remains in place until a similar action by City Council is taken (the adoption of another ordinance) to remove or revise the limitation.
4. *Assigned* - Amounts in the assigned fund balance classification are intended to be used by the government for specific purposes but do not meet the criteria to be classified as committed. The City Council may assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent year's appropriated budget. Unlike commitments, assignments generally only exist temporarily. In other words, an additional action does not normally have to be taken for the removal of an assignment. Conversely, as discussed above, an additional action is essential to either remove or revise a commitment.
5. *Unassigned* - Includes the residual balance of the General Fund that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes with the General Fund. The General Fund is the only fund that reports a positive unassigned fund balance.

When both restricted and unrestricted sources (the total of committed, assigned, and unassigned fund balance) are available for use, generally it is the City's policy to use restricted resources first. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

### ***Cost Sharing Defined Benefit Pension Plans***

The City participates in two cost-sharing multiple-employer defined benefit pension plans, the Oklahoma Firefighters Pension & Retirement System (OFPRS) and the Oklahoma Police Pension and Retirement System (OPPRS) (the Plans). For purposes of measuring the net pension asset, liability, deferred outflows of resources and deferred inflows of resources related to the pensions, and pension expense, information about the fiduciary net position of the Plan and additions to/deductions from the Plan's fiduciary net position have been determined on the same basis as they are reported by the Plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

***Defined Benefit Other Postemployment Benefit Plan***

The City has a single-employer defined benefit other postemployment benefit (OPEB) plan, (the OPEB Plan). For purposes of measuring the total OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, these line items have been determined on the same basis as they are reported by the OPEB Plan. For this purpose, benefit payments are recognized when due and payable in accordance with the benefit terms.

***Deferred outflows/inflows of resources***

Deferred outflows of resources represent a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense) until then. The City has a deferred outflow for a bond refunding, which is the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred or amortized to interest expense over the shorter of the life of the refunded or new debt. In addition, the City has deferred outflows related to pensions or other post employment benefits (OPEB), See Note 4(b) and 4(c) for additional information.

Deferred inflows of resources represent an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until then. The City has a deferred inflow related to pensions, OPEB plans and leases. See Note 4(b) and 4(c) for additional information.

***Revenues, Expenditures and Expenses***

- a. *Property Tax Revenue* - Property taxes attach an enforceable lien on property as of January 1. Taxes are levied annually on November 1 and are due one-half by December 31 and one-half by March 31. The Tax Assessor's office bills and collects the property taxes and remits to the City its portion. Property taxes not paid prior to April are considered delinquent. Such delinquent tax payments have not historically been material. Delinquent tax payments are received throughout the year and are recognized as revenue in the year received, except for those received within 60 days of year end, which are recognized as revenues as of June 30, 2024 in both the government-wide and fund financial statements.
- b. *Sales Taxes* - Sales taxes are collected by vendors and required to be remitted to the State of Oklahoma by the 20<sup>th</sup> of the month following collection. The tax is then paid to the City by the 10<sup>th</sup> of the next month. A two month lag exists between collection by the vendor and payment to the City by the State. Revenue received in July and August from sales made in May and June, respectively, is available for prior year expenses and is accrued in both the government-wide and fund financial statements
- c. *Charges for Service* - Charges for services consist primarily of charges made by the General Fund for services such as motor pool usage, printing, accounting, data processing, facilities usage and other benefits provided to the other funds of the City.

- d. *Intergovernmental Revenues/Capital Grants Earned* - Revenues from Federal and State operating grants are recognized when expenditures are made. Similarly, capital grants are considered earned when the expenditures are made. The earned portion of capital grants in Proprietary Funds is treated as a capital contribution within the statement of revenues, expenses and changes in fund net position.
- e. *Investment Earnings* - Investment earnings on pooled cash and investments are allocated on a prorata basis to the City's funds based on the percentage of each fund's average month-end pooled cash balance.

**Use of Estimates** - The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets, deferred outflows of resources, liabilities and deferred inflows of resources and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

## 2. RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

**Explanation of certain differences between the governmental fund balance sheet and the government wide statement of net position** - The governmental fund balance sheet includes a reconciliation between *fund balance - total governmental funds* and *net position - governmental activities* as reported in the government-wide statement of net position. One element of that reconciliation explains that "long-term liabilities, including bonds payable and net pension and OPEB liabilities (including related deferred outflows/inflows of resources), are not due and payable in the current period and therefore are not reported in the funds." The details of this \$241,879,406 difference are as follows:

General obligation bonds payable	\$ 114,502,827
Sales tax revenue notes payable	77,856,562
Compensated absences	9,920,979
Leases asset	(719,591)
Leases payable	748,172
Total OPEB liability	5,975,102
Net pension asset	(1,176,968)
Net pension liability	54,883,506
Deferred outflows of resources	(29,558,003)
Deferred inflow of resources	7,923,029
Accrued interest payable	1,523,791
Net adjustment to reduce fund balance - total governmental funds to arrive at net position - governmental activities	<u>\$ 241,879,406</u>

***Explanation of certain differences between the governmental fund statement of revenues, expenditures, and changes in fund balances and the government-wide statement of activities***

- The governmental fund statement of revenues, expenditures, and changes in fund balances includes a reconciliation between net *changes in fund balances - total governmental funds* and *changes in net position of governmental activities* as reported in the government-wide statement of activities. One element of that reconciliation explains that "Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense." The details of this \$33,054,468 difference are as follows:

Capital outlay	\$ 57,742,233
Loss on disposal and other	2,117,831
Depreciation expense	<u>(26,805,596)</u>
Net adjustment to increase net changes in fund balances - total governmental funds to arrive at changes in net position of governmental activities	<u>\$ 33,054,468</u>

Another element of that reconciliation states that "Contributed capital assets (land, buildings, and infrastructure) and other miscellaneous capital asset transactions recorded in government-wide financial statements but not recorded in fund level financial statements." The details of this \$12,180,288 difference are as follows:

Donations of capital assets increase net position in the statement of activities, but do not appear in the governmental funds because they are not financial resources.	\$ 14,531,493
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In the statement of activities, only the gain on the sale of capital assets is reported. However, in the governmental funds, the proceeds from the sale increase financial resources. Thus, the change in net position differs from the change in fund balance by the cost of the capital asset sold.	(575,007)
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The statement of activities reports gains arising from the trade-in of existing capital assets to acquire new capital assets. Conversely, governmental funds do not report any gain or loss on a trade-in of capital assets.	<u>(1,776,198)</u>
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Net adjustment to increase net changes in fund balances - total governmental funds to arrive at changes in net position of governmental activities	<u>\$ 12,180,288</u>
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Another element of that reconciliation states that "Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore are not reported as expenditures in the governmental funds." The details of this \$754,215 difference are as follows:

Change in accrued interest payable	\$ (13,535)
Change in net pension and total OPEB liability	981,850
Change in lease payable	(7,186)
Change in debt issuance premium or discount	<u>(206,914)</u>
Net adjustment to increase net change in fund balances - total governmental funds to arrive at changes in net position of governmental activities	<u>\$ 754,215</u>

### 3. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

**Budgets and Budgetary Accounting** - The City Manager is required by City Charter and the Oklahoma Municipal Budget Act to prepare and submit an annual budget to the City Council. A budget is prepared and legally adopted for the General Fund, Special Revenue Funds, Debt Service Fund, and Capital Projects Fund. These budgets are prepared on a cash basis for revenues, except for accrued interest receivable and other receivables. For budget purposes, expenditures include amounts paid and encumbered, as well as amounts in accounts payable at the end of the fiscal year. Purchase orders, contracts and other commitments for the expenditure of funds are recorded as encumbrances to reserve a portion of the applicable appropriation.

Budgeted expenditures and encumbrances for the budgeted funds cannot exceed the estimated revenues and fund balance, and it is unlawful for the City to create or authorize creation of a deficit in any of these funds. Budgetary control is exercised by function at the fund level. These functional categories include salaries and benefits; supplies and materials; services and maintenance; debt service; and capital outlay. Amendments must be approved by the City Council. The City Manager is authorized to transfer budgeted appropriations within individual funds, but cannot alter the appropriations on a fund level without City Council approval. Supplemental appropriations within all funds by the City Council during the fiscal year ended June 30, 2024 amounted to \$17,764,268. Unencumbered appropriations lapse at year end while encumbered appropriations are carried over to the ensuing fiscal year until utilized or canceled and are classified within the restricted, committed or assigned fund balance category, as appropriate, based on the criteria of the fund balance classifications.

Oklahoma Statutes also require the City Council each year to make an ad valorem tax levy for a sinking fund (Debt Service Fund) which shall, with cash and investments in the fund, be sufficient to pay all the bonded indebtedness, interest and one-third of all outstanding judgments coming due in the following year.

### 4. DETAIL NOTES ON ALL FUNDS

#### **Deposits and Investments**

**Custodial Credit/Risk - Deposits** - Custodial credit risk is the risk that in the event of a bank failure, the City's deposits may not be returned to it. The City's policy for collateralization is that pledged securities will have a market value of at least 102% of the value of funds on deposit and that collateral be limited to either 1) U.S. Treasury, agency and instrumentality securities or 2) direct debt obligations of municipalities, counties, and school districts in Oklahoma. As of June 30, 2024, none of the City's bank balance of \$114,847,521 was exposed to custodial credit risk. Approximately \$10,415,000 in uninvested cash was in trustee accounts and not considered to be uncollateralized. As of June 30, 2024, the City's carrying balance of these deposits was \$119,897,818

*Interest Rate Risk* - As of June 30, 2024, the City had the following investments subject to interest rate risk:

<b>Investment Type</b>	<b>Fair Value</b>	<b>Weighted Average Maturity (Years)</b>
Money Market Mutual Funds	\$ 93,778,897	0.05
U.S. Treasury Notes	14,761,740	0.39
Federal Home Loan Bank	9,964,675	0.27
Federal Farm Credit Bank	12,286,500	0.39
Tennessee Valley Authority	10,283,900	1.34
Total fair value	<u>\$ 141,075,712</u>	
Portfolio weighted average maturity		0.22

In accordance with its investment policy, the City manages its exposure to declines in fair values by limiting investment maturities to not more than ten years from the date of purchase.

The following schedules reconcile the carrying amounts of deposits and investments above to the government-wide statement of net position:

**Primary Government:**

Carrying value of deposits -	
Pooled and nonpooled funds	\$ 119,897,818
Money market mutual funds	93,778,897
Less: Certificates of deposits classified as investments	<u>(4,221,486)</u>
	<u>\$ 209,455,229</u>
Cash as reported on the government-wide statement of net position -	
Cash and cash equivalents	\$ 114,745,836
Restricted cash and cash equivalents - current	91,727,354
Restricted cash and cash equivalents - long-term	<u>2,982,039</u>
	<u>\$ 209,455,229</u>
Carrying value of investments -	
Pooled and nonpooled funds	\$ 141,075,712
Site development certificate of deposits	4,221,486
Less: Money market mutual funds classified as cash equivalent	<u>(93,778,897)</u>
	<u>\$ 51,518,301</u>
As reported on the government-wide statement of net position -	
Investments	\$ 48,296,815
Restricted investments - current	<u>3,221,486</u>
	<u>\$ 51,518,301</u>

*Credit Risk* – The City’s investment policy does not cover credit risk. The City’s investments as of June 30, 2024 were rated by Moody’s Investor Service and Standard & Poor’s as follows:

	Moody’s	S&P
Federal Farm Credit Bank	Aaa	AA+
Tennessee Valley Authority	Aaa	AA+
Federal Home Loan Bank	Aaa	AA+
U.S. Treasury Notes	Aaa	AA+
Money Market Mutual Funds	Unrated	Unrated

*Concentration of Credit Risk* – The City’s investment policy places no limit on the amount the City may invest in any one issuer. More than 5% of the City’s investments are in two money market mutual funds; the Federated Hermes Government Obligations Tax Managed Fund and the Cavanal Hill Government Securities Fund which represents 7% and 57% of the City’s total investments, respectively.

*Fiduciary Funds* – The City’s fiduciary funds are not included in the risks and amounts identified above and are invested in mutual funds traded on public exchanges and have substantially the same risks as the primary government.

*Custodial Credit Risk-Investments* – For an investment, this is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. It is the City’s policy to maintain investment securities that are insured or registered in the City’s name and held by the City or its agent in the City’s name whenever possible. As of June 30, 2024, the City’s investment were not exposed to custodial credit risk as all of the City’s investments were registered in the name of the City and held by a counterparty.

*Investments Measured at Fair Value*

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

The City has the following recurring fair value measurements as of June 30, 2024:

- US Treasury securities of \$14,761,740 are valued using quoted market prices (Level 1 inputs).
- Federal government agencies securities of \$32,535,075 are valued using quoted market prices of similar assets in an active market (Level 2 inputs).
- Money market mutual funds of \$93,778,897 are valued using quoted market prices (Level 1 inputs).
- Mutual funds of \$120,214,125 reported in the Statement of Fiduciary Net Position are valued using quoted market prices (Level 1 inputs).

**Amount Due From Federal Government** – The amount shown in both the government-wide and fund financial statements as due from the Federal government represents \$2,503,752 of allowable expenditures under various direct and pass through grants for which the City has requested reimbursement.

**Interfund receivables and payables** – Interfund receivables and payables for the year ended June 30, 2024:

<b>Fund Name</b>	<b>Due from other funds</b>	<b>Due to other funds</b>
General Fund	\$ 248,913	\$ -
Public Safety Sales Tax Fund	-	591,331
Special Grants Fund	55,875	-
Capital Projects Fund	155,690	-
Nonmajor Governmental Fund	168,027	728,396
Norman Forward Fund	23,801	-
Norman Municipal Authority	80,233	-
Norman Utilities Authority	567,229	-
Internal Service Fund	19,959	-
	<u>\$ 1,319,727</u>	<u>\$ 1,319,727</u>

**Transfers** – Transfers for the year ended June 30, 2024 consisted of the following:

<b>Transfers Out</b>	<b>Transfers In</b>							<b>Total Transfers Out</b>
	<b>General Fund</b>	<b>Capital Projects Fund</b>	<b>Norman Forward Fund</b>	<b>Special Grants Fund</b>	<b>Nonmajor Govern- mental Fund</b>	<b>Internal Service Fund</b>	<b>Enterprise Funds</b>	
General Fund	\$ -	\$ 405,000	\$ -	\$ -	\$ 1,359,871	\$ -	\$ -	\$ 1,764,871
Nonmajor Governmental Funds	-	1,258,058	-	-	-	263,069	-	1,521,127
Special Grants Fund	-	2,655,572	-	-	-	-	-	2,655,572
Capital Projects Fund	9,402,319	-	-	2,991,594	129,179	-	-	12,523,092
Norman Forward Fund	377,998	-	-	-	35,000	-	-	412,998
Internal Service Fund	3,375	-	-	-	373,193	-	-	376,568
Enterprise Funds	2,025,750	-	-	-	-	-	-	2,025,750
Total Transfers In	<u>\$11,809,442</u>	<u>\$ 4,318,630</u>	<u>\$ -</u>	<u>\$ 2,991,594</u>	<u>\$ 1,897,243</u>	<u>\$ 263,069</u>	<u>\$ -</u>	<u>\$21,279,978</u>

Transfers are used for varying reasons including but not limited to moving unrestricted general fund revenues to finance various programs that the City must account for in other funds in accordance with budgetary authorizations, including amounts provided as subsidies or matching funds for various grant programs.

The most significant transfers were initiated by the City for the following reasons:

- The Capital Projects Fund transferred \$9,317,234 to the General Fund to pay for the purchase of vehicles and equipment and fund street maintenance projects.
- The General Fund transferred \$791,772 to the Transit & Parking Fund for financial support..
- The Enterprise Funds transferred \$2,025,750 to the General Fund as a fee in lieu of franchise fees.

**Leases Receivable** – The City leases space on its water towers to various cellular companies, the terms of which expire September 2025. Payments increase three percent (3%) annually. The leases were measured based upon the 3% increase at lease commencement. The City leases land for stand-alone towers to various cellular companies, the terms of which expire April 2026 through June 2026. Payments increase three percent (3%) annually. The leases were measured based upon the 3% increase at lease commencement.

Revenue recognized under lease contracts during the year ended June 30, 2024 was \$176,546 which includes both lease revenue and interest.

**Capital Assets** - Capital asset activity for the fiscal year ended June 30, 2024 was as follows:

	Beginning Balance	Additions	Deletions	Ending Balance
<b>Governmental activities:</b>				
Capital assets, not being depreciated:				
Land	\$ 75,725,662	\$ 3,048,932	\$ -	\$ 78,774,594
Construction in progress	96,891,043	47,297,669	(71,754,635)	72,434,077
Capital assets, being depreciated:				-
Buildings	94,481,643	65,653,908	-	160,135,551
Improvements other than buildings	44,667,626	950,678	(9,983)	45,608,321
Machinery and equipment	64,940,676	4,078,484	(2,894,286)	66,124,874
Vehicles	29,244,947	9,786,923	(968,913)	38,062,957
Infrastructure	687,582,517	15,153,530	(2,083,360)	700,652,687
Totals at historical cost	1,093,534,114	145,970,124	(77,711,177)	1,161,793,061
Less accumulated depreciation				
Buildings	(27,753,249)	(2,942,070)	-	(30,695,319)
Improvements other than buildings	(23,661,820)	(1,709,522)	9,983	(25,361,359)
Machinery and equipment	(43,939,454)	(4,508,780)	2,736,269	(45,711,965)
Vehicles	(19,683,517)	(2,581,738)	858,215	(21,407,040)
Infrastructure	(416,326,855)	(14,886,548)	-	(431,213,403)
Total accumulated depreciation	(531,364,895)	(26,628,658)	3,604,467	(554,389,086)
Governmental activities capital assets, net	\$ 562,169,219	\$ 119,341,466	\$ (74,106,710)	\$ 607,403,975
Lease assets, being amortized:				
Buildings (right-to-use)	\$ 1,105,584	\$ -	\$ -	\$ 1,105,584
Machinery and equipment (right-to-use)	40,245	-	-	40,245
Totals	1,145,829	-	-	1,145,829
Less accumulated amortization				
Buildings (right-to-use)	(221,502)	(167,530)	-	(389,032)
Machinery and equipment (right-to-use)	(27,798)	(9,408)	-	(37,206)
Total accumulated amortization	(249,300)	(176,938)	-	(426,238)
Governmental activities lease assets, net	\$ 896,529	\$ (176,938)	\$ -	\$ 719,591

	Beginning Balance	Additions	Deletions	Ending Balance
<b>Business-type activities:</b>				
Capital assets, not being depreciated:				
Land	\$ 5,192,120	\$ -	\$ -	\$ 5,192,120
Construction in progress	32,559,292	5,414,965	(12,773,487)	25,200,770
Capital assets, being depreciated:				-
Buildings and improvements	239,555,411	17,532,682	(446,517)	256,641,576
Machinery and equipment	257,272,257	5,802,034	(2,440,289)	260,634,002
Totals at historical cost	534,579,080	28,749,681	(15,660,293)	547,668,468
Less accumulated depreciation				
Buildings and improvements	(126,556,438)	(7,103,919)	335,082	(133,325,275)
Machinery and equipment	(113,677,618)	(11,789,715)	2,348,172	(123,119,161)
Total accumulated depreciation	(240,234,056)	(18,893,634)	2,683,254	(256,444,436)
Governmental activities capital assets, net	\$ 294,345,024	\$ 9,856,047	\$ (12,977,039)	\$ 291,224,032
Lease assets, being amortized:				
Land (right-to-use)	\$ 1,000,828	\$ -	\$ -	\$ 1,000,828
Machinery and equipment (right-to-use)	5,597	-	-	5,597
Totals at historical cost	1,006,425	-	-	1,006,425
Less accumulated amortization				
Land (right-to-use)	(182,145)	(61,277)	-	(243,422)
Machinery and equipment (right-to-use)	(2,982)	(426)	-	(3,408)
Total accumulated amortization	(185,127)	(61,703)	-	(246,830)
Business-type activities lease assets, net	\$ 821,298	\$ (61,703)	\$ -	\$ 759,595

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

**Governmental activities:**

General government	\$ 2,842,844
Planning	21,308
City controller	112,743
Parks and recreation	2,264,883
Public works	17,086,126
Public service	202
Public safety	4,477,490
Total depreciation and amortization expense - governmental activities	<u>\$26,805,596</u>

**Business-type activities:**

Utilities authority	\$16,840,542
Sanitation services	2,114,795
Total depreciation and amortization expense - business-type activities	<u>\$18,955,337</u>

**Pension Plan Obligations** – Each qualified employee participates in one of the three retirement plans in which the City participates. These are The Employee Retirement System of the City of Norman, The Oklahoma Firefighters Pension and Retirement System, and The Oklahoma Police Pension and Retirement System. The City does not maintain the accounting records, hold the investments nor administer the firefighters' or police retirement funds. The police officers' and

firefighters' plans are statewide systems administered by the State of Oklahoma. The municipal employees' plan is managed by a separate board of trustees, and the assets are held in custody and administered by two asset managers.

## *Pension Plan*

The City participates in three pension retirement plans:

- Employee Retirement System of the City of Norman – A single-employer employee retirement system.
- Oklahoma Firefighters Pension & Retirement System (OFPRS) – A statewide cost-sharing multiple-employer defined benefit pension plan.
- Oklahoma Police Pension & Retirement System (OPPRS) – A statewide cost-sharing multiple employer defined benefit pension plan.

The aggregate total for all pension-related items for all defined benefit plans is as follows:

	<b>Governmental Activities</b>
<b><i>Pension expense</i></b>	
Employee Retirement System	\$ (23,737)
OFPRS	9,098,387
OPPRS	3,179,097
	<u>\$ 12,253,747</u>
<b><i>Net pension liability (asset)</i></b>	
Employee Retirement System	\$ -
OFPRS	54,883,506
OPPRS	(1,176,968)
	<u>\$ 53,706,538</u>
<b><i>Deferred outflows of resources</i></b>	
Employee Retirement System	\$ -
OFPRS	17,754,734
OPPRS	11,144,408
	<u>\$ 28,899,142</u>
<b><i>Deferred inflows of resources</i></b>	
Employee Retirement System	\$ -
OFPRS	1,660,245
OPPRS	2,498,210
	<u>\$ 4,158,455</u>

A summary of significant data for each of the retirement plans follows:

- a. *Employee Retirement System of the City of Norman – Plan Description* – The Employee Retirement System (“ERS”) of the City of Norman is a single-employer public employee retirement system which was established on November 1, 1967 by a City ordinance and amended on January 29, 1985 and July 1, 1991. The ERS was originally established as a defined benefit plan. On July 1, 1991, the City converted that portion of the ERS which related to unretired participants to a money purchase plan under Section 401(a) of the Internal Revenue Code (the “401(a) Plan”). An amount equal to the greater of the participants vested benefits under the ERS or their account balance in the ERS was transferred to a participant account in the 401(a) Plan. The portion of the ERS that relates to retired participants at July 1, 1991 (“the Annuity Pool”) remains in existence to pay benefits to those retired employees receiving benefits at July 1, 1991. The activities of the Annuity Pool and the 401(a) Plan are recorded in separate Pension Trust Funds which are included within the City’s financial statements.

The ERS does not issue a stand-alone financial report. Overall the defined benefit portion of the ERS plan is not entral to the City’s financial statement as a whole. Therefore the information provided is for informational purposes only and is not intended to comply with the provisions of GASB Statement 68, *Accounting and Financial Reporting for Pensions – An Amendment of GASB Statement 27*.

The ERS is managed by a Board of Trustees, composed of six members, meeting once a quarter. Members by position include the City Manager, Finance Director and Personnel Director. One additional member is elected by the City Council and the final two members are elected by the American Federation of State, County and Municipal Employees Union membership.

*Basis of Accounting* – The ERS’s financial statements are prepared using the accrual basis of accounting. Employer and plan member contributions are recognized in the period that the contributions are due. Benefits and refunds are recognized when due and payable in accordance with the terms of each plan.

*Method Used to Value Investments* – ERS plan investments are reported at fair value. Short-term investments are reported at cost, which approximates fair value. Securities traded on national exchanges are valued at the last reported sales price. Investments that do not have an established market are reported at estimated fair value.

As of June 30, 2024, and for the year ended, the ERS held no securities issued by the City or other related parties.

1. *Annuity Pool* – As of July 1, 2023, the date of the last actuarial study, the Annuity Pool participants included five retirees and other beneficiaries who are entitled retirement benefits including a death benefit equal to a lump sum amount equal to the normal retirement as projected for a ten year period of time.

At July 1, 2023 the Actuarial Accrued Liability for the Annuity Pool was \$132,785 and the market value of assets in the Annuity Pool was \$163,919. The actuarial assumptions included (a) 7.25% investment rate of return (net of administrative expenses), (b) no projected salary increases, and (c) no cost of living increases. The actuarial value of assets

was determined using techniques that smooth the effects of short-term volatility in the market value of investments over a five-year period. The City did not to the plan in 2024. The City will make future contributions as needed to make benefit payments should present plan assets be insufficient to do so.

- 2. *The 401(a) Plan* – The 401(a) Plan is a money purchase defined contribution plan under section 401(a) of the Internal Revenue Code. All non-voluntary contributions have been designated by the City as “picked up contributions” pursuant to Internal Revenue Code section 414(h)(2) and are treated as employer contributions for federal income tax purposes.

The City’s payroll for employees covered by the 401(a) Plan for the year ended June 30, 2024 was \$39,381,076, and total City payroll was \$74,008,827.

Substantially all full-time, non-uniformed employees of the City are required to participate in the 401(a) Plan. At June 30, 2024, there were 667 plan participants. Participants are required to contribute 6.5% of their compensation to the 401(a) Plan each pay period. This contribution is matched by the City at a rate of 8.5% of payroll. Administrative costs are financed through investment earnings. Participants become vested in contribution as follows:

<u>Years of Service</u>	<u>Vesting Percentage</u>
Less than 2	-%
2	25%
3	50%
4	75%
5	100%

The amount forfeited for the year ended June 30, 2024 was \$129,447.. Contributions to the 401(a) Plan for 2024 were \$5,907,165. The contributions expressed in dollars and percent of covered payroll were: City - \$3,347,393 , 8.5%, participants - \$2,559,772, 6.5%. The contribution requirements are in accordance with the City ordinance. Plan provisions and contribution requirements are established and may be amended by the City Council.

*Trend Information*

<u>Fiscal Year</u>	<u>401(a) Plan</u>	
	<u>City’s Required Contribution</u>	<u>City’s Percentage Contributed</u>
2022	2,830,104	100%
2023	3,100,324	100%
2024	3,347,393	100%

*Financial Reports* - Neither the Annuity Pool nor the 401(a) Plan issues stand-alone financial reports and are not included in the report of a public employee retirement system or a report of another entity. Their financial statements are as follows:

**Statement of Net Position  
June 30, 2024**

	<b>Annuity Pool Fund</b>	<b>401(a) Plan Fund</b>	<b>Total</b>
<b>Assets</b>			
Investments - mutual funds	\$ 140,689	\$ 120,073,436	\$ 120,214,125
Loans to 401(a) Plan participants	-	3,779,072	3,779,072
Total assets	<u>\$ 140,689</u>	<u>\$ 123,852,508</u>	<u>\$ 123,993,197</u>
<b>Liabilities and Net Position</b>			
Net position restricted for pension benefits	\$ 140,689	\$ 123,852,508	\$ 123,993,197
Total liabilities and net position	<u>\$ 140,689</u>	<u>\$ 123,852,508</u>	<u>\$ 123,993,197</u>

**Statement of Changes in Fiduciary Net Position  
For the Year Ended June 30, 2024**

	<b>Annuity Pool Fund</b>	<b>401(a) Plan Fund</b>	<b>Total</b>
<b>Additions:</b>			
Contributions - employer	\$ -	\$ 3,347,041	\$ 3,347,041
Contributions - employee	-	2,998,270	2,998,270
Investment income (loss)	15,374	19,859,206	19,874,580
Total additions	<u>15,374</u>	<u>26,204,517</u>	<u>26,219,891</u>
<b>Deductions:</b>			
Pension benefits paid	38,432	9,335,950	9,374,382
Administration costs	679	(162,448)	(161,769)
Total deductions	<u>39,111</u>	<u>9,173,502</u>	<u>9,212,613</u>
Net increase (decrease)	(23,737)	17,031,015	17,007,278
Net position restricted for pension and retirement benefits:			
Beginning of year	<u>164,426</u>	<u>106,821,493</u>	<u>106,985,919</u>
End of year	<u>\$ 140,689</u>	<u>\$ 123,852,508</u>	<u>\$ 123,993,197</u>

b. *Oklahoma Firefighters Pension and Retirement System (OFPRS)*

*Plan Description* - Members of the City's Fire Department are covered by the Oklahoma Firefighters Pension and Retirement System (OFPRS), which is a statewide cost sharing multiple-employer public employee retirement system (the OFPRS Plan). The plan is administered by a board of trustees (the Board) appointed under state statute. Benefit provisions are contained in the Plan document and were established and can be amended by action of the OFPRS' board of trustees. The plan issues a publicly available financial report that can be obtained at [www.ok.gov/fprs/](http://www.ok.gov/fprs/).

*Benefits Provided* - In general, the OFPRS Plan 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 state statute. Retirement provisions are as follows:

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.

Hired After November 11, 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 must be age 50 to begin receiving benefits.

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.

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.

Firefighters hired prior to November 1, 2013, with 20 or more years of service may elect to participate in the Oklahoma Firefighters Deferred Retirement Option Plan (the "Deferred Option Plan"). Firefighters hired after November 1, 2013, with 22 or more years of service may elect to participate in the Deferred Option Plan. Active participation (having benefit payments credited to the account) in the Deferred Option Plan shall not exceed 5 years. Under the Deferred Option Plan, retirement benefits are calculated based on compensation and service at the time of election. The retirement benefits plus half of the municipal contributions on behalf of the participant are deposited into a deferred retirement account. The Deferred Option Plan accounts are credited with interest at a rate of 2% below the rate of return on the investment portfolio of the Plan, with a guaranteed minimum interest rate equal to the assumed actuarial interest rate of 7.5%, as approved by the Board. The participant is no longer required to make contributions. Upon retirement, the firefighter receives his/her monthly retirement benefit as calculated at the time of election. The member can elect to either leave the account balance accumulated in the Deferred Option Plan account or they can elect to have the balance paid to them either as a lump sum or in specified monthly payments. If the member elects to leave their

account balance in the Deferred Option Plan account, they will continue to earn interest on their balance at the rate described above; however, no more benefit payments will be credited to their account. The member can leave their account balance in the Deferred Option Plan account until the age of 70½. When the member reaches 70½ years of age, they must either begin receiving regular monthly payments, based on the annuity method, or a lump sum distribution.

The Deferred Option Plan was modified effective November 1, 2013, to limit post-retirement interest for new members to a rate of return on the portfolio, less a 1% administrative fee. In addition, the members participating must withdraw all money by the age of 70½.

In the 2003 Legislative Session, Senate Bill 286 and House Bill 1464 created a "Back" DROP for members of the System effective July 1, 2003. The "Back" DROP is a modified deferred retirement option plan. The "Back" DROP allows the member flexibility by not having to commit to terminate employment within 5 years. Once a member has met their normal retirement period of 20 years for those hired prior to November 1, 2013, and 22 years for those hired after November 1, 2013, the member can choose, upon retirement, to be treated as if the member had entered into the Deferred Option Plan. A member, however, cannot receive credit to the Deferred Option Plan account based upon any years prior to when the member reached their normal retirement date. Once a member is ready to retire, the member can make the election to participate in the "Back" DROP and can receive a Deferred Option Plan benefit based upon up to 5 years of participation. The member's regular retirement benefit will not take into account any years of service credited to the "Back" DROP. Firefighters with 20 years of service or who were receiving pension benefits as of May 26, 1983, are entitled to post-retirement adjustments equal to one-half the increase or decrease for top-step firefighters. Pensions will not be adjusted below the level at which the firefighter retired.

*Contributions* - The Board has the authority to establish and amend the contribution requirements of the City and active employees. Members of the OFPRS are required to pay 9% of their base pay to the pension plan until they reach 20 years of service, after which no contributions are required. The City is contractually required to pay 14% of base salary. For the year ended June 30, 2024, the total contribution to the system amounted to \$3,614,762 of which \$2,200,441 was made by the City and \$1,414,321 was made by the employees. These contributions represent 14% (City) and 9% (member) of covered payroll, actuarially determined as an amount that is expected to finance the costs of benefits earned by employees during the year, with any additional amount to finance any unfunded accrued liability. The total amount contributed to the system by the State of Oklahoma on behalf of the City was approximately \$4,306,000 and does 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, 2024, the City reported a liability of \$54,883,506, for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2023. The City's proportion of the net pension liability was based on a projection of the City's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2023, the City's proportion was 4.253710%

For the year ended June 30, 2024, the City recognized pension expense of \$9,098,387. At June 30, 2024, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual experience	\$ 6,527,172	\$ 69,677
Changes of assumptions or other inputs	-	88,001
Employer change in proportion and differences between contributions recognized and proportionate share of contributions	5,406,510	1,502,567
Net difference between projected and actual earnings on pension plan investments	3,620,611	-
City's contributions subsequent to the measurement date	<u>2,200,441</u>	<u>-</u>
Total	<u>\$ 17,754,734</u>	<u>\$ 1,660,245</u>

At June 30, 2024, the City reported \$2,200,441 as deferred outflows of resources related to pensions resulting from City's contributions subsequent to the measurement date that will be recognized as a reduction of the net pension liability in the year ending June 30, 2025.

Other amounts reported as deferred outflows of resources and deferred inflows of resources totaling \$13,894,048 related to pensions will be recognized as a (reduction) or increase in pension expense as follows:

2025	\$ 4,012,632
2026	1,987,584
2027	7,397,556
2028	<u>496,276</u>
	<u>\$ 13,894,048</u>

*Actuarial Assumptions* - The total pension liability in the July 1, 2022, actuarial valuations was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.75%, compounded annually
Salary increases	2.75% to 10.5%, average, including inflation
Ad hoc cost of living adjustments	Half of the dollar amount of a 2.75%
	Assumed increase in base pay for retirees with 20 years of service as of May 26, 1983, no increase afterwards
Investment rate of return	7.5%, net of pension plan investment expense

Mortality rates were based on the Pub-2010 Public Safety Table with generational mortality improvement using MP-2018 (RP-2000 Blue Collar Healthy Combined with generational

mortality improvement using Scale AA for healthy lives and no mortality improvement for disabled lives in 2018).

The actuarial assumptions used in the July 1, 2023 valuation were based on the results of an actuarial experience study for the period July 1, 2013 through 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. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

<b>Asset Class</b>	<b>Target Allocation</b>	<b>Long-Term Expected Real Rate of Return</b>
Fixed Income	20%	5.80%
Domestic Equity	42%	9.49%
International Equity	20%	11.55%
Real Estate	10%	8.48%
Other Assets	8%	6.47%
	100%	

**Discount Rate** - The single discount rate used to measure the total pension liability was 7.5% for the measurement period ended June 30, 2023. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that participating employer contributions will be made at contractually required rates, actuarially determined. 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 active and inactive employees. 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 City's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate** - The City's proportionate share of the net pension liability has been calculated using a discount rate of 7.5%. The following presents the City's proportionate share of the net pension liability calculated using a discount rate 1% higher and 1% lower than the current rate.

	<b>1% Decrease (6.5%)</b>	<b>Current Discount Rate (7.5%)</b>	<b>1% Increase (8.5%)</b>
City's proportionate share of the net pension liability	\$71,515,589	\$54,883,506	\$40,974,698

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

### c. *Oklahoma Police Pension and Retirement System (OPPRS)*

*Plan Description* - Members of the City's Police Department are covered by the Oklahoma Police Pension and Retirement System (OPPRS), which is a statewide cost sharing multiple-employer public employee retirement system (the OPPRS Plan). The plan is administered by a board of trustees (the Board) appointed under state statute. Benefit provisions are contained in the Plan document and were established and can be amended by action of the OPPRS' board of trustees. The plan issues a publicly available financial report that can be obtained at [www.ok.gov/OPPRS/](http://www.ok.gov/OPPRS/).

*Benefits Provided* - In general, the OPPRS Plan 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 state statute. Retirement provisions are as follows:

- 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. Effective July 1, 1999, a \$5,000 death benefit is also paid, in addition to any survivor's pension benefits under the Plan, to the participant's beneficiary or estate for active or retired members.
- The Deferred Option allows participants otherwise eligible for a normal retirement benefit to defer terminating employment and drawing retirement benefits for a period not to

exceed 5 years. Under the Deferred Option, retirement benefits are calculated based on compensation and service at the time of election and a separate account is established for each participant. During the participation period, the employee's retirement benefit is credited to the participant's account along with a portion of the employer's contribution and interest. Interest is credited at a rate of 2% below the rate of return on the investment portfolio of the Plan, with a guaranteed minimum interest equal to the assumed actuarial interest of 7.5%. Employee contributions cease once participation in the Deferred Option is elected. At the conclusion of participation in the Deferred Option, the participant will receive the balance in the separate account under payment terms allowed by the Deferred Option and will then begin receiving retirement benefit payments as calculated at the time of election.

- In the 2003 Legislative Session, Senate Bill 688 and House Bill 1464 created a "Back" DROP for members of the System. The "Back" DROP is a modified deferred retirement option plan. The "Back" DROP allows the member flexibility by not having to commit to terminate employment within 5 years. Once a member has met their normal retirement period of 20 years, the member can choose, upon retirement, to be treated as if the member had entered into the "Back" DROP. A member, however, cannot receive credit to the "Back" DROP account based upon any years prior to when the member reached their normal retirement date. Once a member is ready to retire, the member can make the election to participate in the "Back" DROP and can receive a "Back" DROP benefit based upon up to 5 years of participation. The member's regular retirement benefit will not take into account any years of service credited to the "Back" DROP.
- In 2006, the Board approved a method of payment called the Deferred Option Payout Provision (the "Payout Provision"). The Payout Provision allows a retired member who has completed participation in the Deferred Option or the "Back" DROP the ability to leave their account balance in the Plan. The retired member's account balance will be commingled and reinvested with the total assets, and therefore the member will not be able to direct their personal investments. Written election must be made to the Board no more than 30 days following the termination of employment.
- Upon participating in the Payout Provision, a retired member shall not be guaranteed a minimum rate of return on their investment. A retired member shall earn interest on their account as follows:
  - i. The retired member shall earn two percentage points below the net annual rate of return of the investment portfolio of the System.
  - ii. If the portfolio earns less than a 2% rate of return, but more than zero, the retired member shall earn zero percentage points.
  - iii. If the portfolio earns less than zero percentage points, there shall be a deduction from the retired member's balance equal to the net annual rate of return of the investment portfolio of the System.

Interest as earned above shall be credited to the retired member's account.

The Oklahoma Legislature has the authority to grant percentage increases or special one-time payments to persons receiving benefits from the Plan. Additionally, certain retirees are entitled to receive a cost-of-living adjustment (COLA) when a COLA is granted to active police

officers in the retiree's city. Participants eligible to receive both types of benefit increases are to receive the greater of the legislative increase or the benefit increase the participant would receive pursuant to the COLA provision.

*Contributions* - The Board has the authority to establish and amend the contribution requirements of the City and active employees. Members of the OPPRS are required to pay 8% of their base pay to the pension plan. The City is contractually required to pay 13% of base salary. For the year ended June 30, 2024, the total contribution to the system amounted to \$3,310,325 of which \$2,052,139 was made by the City and \$1,258,186 was made by the employees. These contributions represent 13% (City) and 8% (member) of covered payroll, actuarially determined as an amount that is expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The total amount contributed to the system by the State of Oklahoma on behalf of the City was approximately \$1,713,000 and does 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, 2024, the City reported an asset of \$1,176,968, for its proportionate share of the net pension asset. The net pension asset was measured as of June 30, 2023, and the total pension asset used to calculate the net pension asset was determined by an actuarial valuation as of July 1, 2023. The City's proportion of the net pension asset was based on a projection of the City's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2023, the City's proportion was 3.8539%

For the year ended June 30, 2024, the City recognized pension expense of \$3,179,097. At June 30, 2024, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual experience	\$ 3,221,951	\$ 181,516
Change in assumptions or other inputs	-	2,196,933
Employer change in proportion and differences between contributions recognized and proportionate share of contributions	38,918	119,761
Net difference between projected and actual earnings on pension plan investments	5,831,400	-
City's contributions subsequent to the measurement date	2,052,139	-
Total	<u>\$ 11,144,408</u>	<u>\$ 2,498,210</u>

At June 30, 2024, the City reported \$2,052,139 as deferred outflows of resources related to pensions resulting from City's contributions subsequent to the measurement date that will be recognized as a reduction of the net pension liability in the year ending June 30, 2025.

Other amounts reported as deferred outflows of resources and deferred inflows of resources totaling \$6,594,059 related to pensions will be recognized as a (reduction) or increase in pension expense as follows:

2025	\$ 1,073,565
2026	(31,806)
2027	4,539,849
2028	1,029,836
2029	(17,385)
	<u>\$ 6,594,059</u>

*Actuarial Assumptions* - The total pension liability in the July 1, 2022, actuarial valuations was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.75%, compounded annually
Salary increases	3.5% to 12%, average, including inflation
Cost of living adjustments	Police officers eligible to receive increased benefits according to repealed Section 50-120 of Title 11 of the Oklahoma Statutes pursuant to a court order receive an adjustment of 1/3 to 1/2 of the increase or decrease of any adjustment to the base salary of a regular police officer, based on an increase in base salary of 3.5% (wage inflation).
Investment rate of return	7.5%, net of pension plan investment expense.

Mortality rates were based as follows:

Active and Inactive Vested Members and Health Retirees - PubS-2010 Employee (Below Median) Mortality Table with rates set forward two years and projected generationally using SOA Scale MP-2021

Beneficiaries - Pub-2010 Contingent Survivor (Below Median) Mortality Table with rates set forward two years and projected generationally using SOA Scale MP-2021.

Disabled Retirees - Pub-2010 Disabled Retiree Mortality Table with rates projected to 2023 using SOA Scale MP-2021.

The actuarial assumptions used in the July 1, 2023 valuation was based on the results of an actuarial experience study for the period July 1, 2017 through June 30, 2022.

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. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

<b>Asset Class</b>	<b>Target Allocation</b>	<b>Long-Term Expected Real Rate of Return</b>
Fixed Income	20%	5.78%
Domestic Equity	35%	7.73%
International Equity	15%	11.55%
Real Estate	15%	7.66%
Private Equity	10%	11.64%
Other Assets	5%	-%
	<u>100%</u>	

**Discount Rate** - The single discount rate used to measure the total pension liability was 7.5% for the measurement period ended June 30, 2023. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that participating employer contributions will be made at contractually required rates, actuarially determined. 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 active and inactive employees. 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 City's Proportionate Share of the Net Pension Liability (Asset) to Changes in the Discount Rate** - The City's proportionate share of the net pension liability (asset) has been calculated using a discount rate of 7.5%. The following presents the City's proportionate share of the net pension liability (asset) calculated using a discount rate 1% higher and 1% lower than the current rate.

	<b>1% Decrease (6.5%)</b>	<b>Current Discount Rate (7.5%)</b>	<b>1% Increase (8.5%)</b>
City's proportionate share of the net pension liability (asset)	\$ 11,112,643	\$(1,176,968)	\$(11,582,434)

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

**Other Postemployment Benefits**

*Plan Description* - The City provides postemployment healthcare benefits (OPEB) for retired employees and their dependents through the City of Norman Postretirement Medical Plan (the Plan), a single employer defined benefit healthcare plan. The benefits, coverage levels, employee contributions and employer contributions are governed by the City and can be amended by the City through its personnel manual and union contracts.

*Benefits Provided* - The City provides postretirement healthcare benefits to its retirees. The Plan covers all current retirees who elected postretirement medical coverage through the City and future retired general employees, police officers and firefighters.

All healthcare benefits are provided through the City’s self insured health plan. The benefit levels are the same as those afforded to active employees. Benefits include general inpatient and outpatient medical services and prescriptions. General employees are eligible for membership in the Plan if they retire from the City with eight years of service and with age and service totaling 70 points. Police officers and firefighters are eligible for benefits under the Plan if they retire from the City with 20 years of service. Coverage for dependants can continue upon the death of the retiree. Spouses of employees who die in active service eligible for benefits can receive coverage.

*Membership* - At July 1, 2021, membership consisted of:

Retirees and beneficiaries currently receiving benefits	66
Terminated employees entitled to benefits but not yet receiving them	-
Active employees	802
Total	868

*Funding Policy* - The plan participants are responsible for paying the full cost of their medical premium and the City is responsible for the claims and expenses in excess of participant contributions. As of June 30, 2024, no assets have been accumulated in a trust that meets the criteria in paragraph 4 of Statement 75. The net claims and expenses paid by the City are funded on a pay-as-you-go basis.

*OPEB Liabilities, OPEB Expense, Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB* - At June 30, 2024, the City reported a liability of \$5,975,102. The total OPEB liability was measured as of June 30, 2024, the total OPEB liability was determined by an actuarial valuation at July 1, 2024 calculated based on the discount rate and actuarial assumptions and was then projected forward to the measurement date. No actuarial experience study has been performed.

For the year ended June 30, 2024, the City recognized OPEB expense of (\$699,825). At June 30, 2024, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual experience	\$ 597,498	\$ 1,260,943
Change in assumptions or other inputs	20,055	2,503,631
Total	<u>\$ 617,553</u>	<u>\$ 3,764,574</u>

At June 30, 2024, amounts reported as deferred outflows of resources and deferred inflows of resources totaling \$3,147,021 related to OPEB will be recognized as a (reduction) or increase in OPEB expense as follows:

2025	\$ 1,209,351
2026	693,560
2027	674,365
2028	446,279
2029	123,466
Thereafter	-
	<u>\$ 3,147,021</u>

*Actuarial Assumptions* - The total OPEB liability in the July 1, 2023, actuarial valuations was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial cost method	Entry Age Normal
Amortization method	
Level percent or level dollar	Level percent
Closed, open, or layered periods	Open
Amortization period at July 1, 2021	30 years
Amortization growth rate	2.50%
Inflation	2.30%
Discount rate for valuing liabilities	3.93%, based on the Bond Buyer 20 year General Obligation Municipal Index
Healthcare cost trend rates	6.7%/7.5% for non-Medicare/Medicare claims in 2023, gradually decreasing to an ultimate rate of 3.7%/3.7% for 2073 and beyond. 4% for dental claims in 2023 and gradually decreasing to an ultimate rate of 3.7% for 2073 and beyond
Mortality rates	for AFSCME and non-union participants: Pub-2010 General mortality tables for employees, retirees and contingent survivors, projected generationally using scale MP-2021. For FOP and IAFF participants: Pub-2010 Safety mortality tables for employees, retirees and contingent survivors, projected generationally using scale MP 2021.

	<b>Changes in Total OPEB Liability</b>
Balance, beginning of year, July 1, 2023	\$ 7,168,667
Changes for the year:	
Service Cost	220,765
Interest on total OPEB Liability	264,613
Effect of economic/demographic gains or losses	(1,134,721)
Effect of assumptions changes or inputs	(262,197)
Benefit payments	(282,025)
Net changes	(1,193,565)
Balance, end of year, June 30, 2024	\$ 5,975,102

*Sensitivity of the City's Total OPEB Liability to Changes in the Discount Rate* - The City's total OPEB liability has been calculated using a discount rate of 3.93%. The following presents the City's total OPEB liability calculated using a discount rate 1% higher and 1% lower than the current rate.

	<b>1% Decrease (2.93%)</b>	<b>Current Discount Rate (3.93%)</b>	<b>1% Increase (4.93%)</b>
Total OPEB liability	\$ 6,622,182	\$ 5,975,102	\$ 5,405,621

*Sensitivity of the City's Total OPEB Liability to Changes in the current healthcare cost trend rates* - The City's total OPEB liability has been calculated using a current healthcare cost trend rate (see assumptions). The following presents the City's total OPEB liability calculated using a current healthcare cost trend rate 1% higher and 1% lower than the current rate.

	<b>1% Decrease</b>	<b>Current Rate</b>	<b>1% Increase</b>
Total OPEB liability	\$ 5,248,039	\$ 5,975,102	\$ 6,481,441

**Guaranty Deposits** - At June 30, 2024, the guaranty deposit accounts of the City included the following deposit liabilities:

**Governmental activities:**

Oil and gas drilling escrow	239,600
Site improvements	6,886,804
Contractor's escrow	97,618
Park improvement	8,615
Court fines and bond deposits	40,032
Others	483,103
Total governmental activities	\$ 7,755,772

**Business-type activities:**

Utility deposits	\$ 1,699,240
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The above liabilities and related cash and cash equivalents have been presented as restricted assets in both the government-wide and fund financial statements.

### ***Long-Term Debt***

- a. General Obligation Bonds - General obligation bonds have been approved by the voters and issued by the City for various municipal improvements. These bonds are required to be fully paid within 25 years from the date of issue and are backed by the full faith and credit of the City.

Bonds, backed by property taxes, whose proceeds are dedicated to streets, rights-of-way, and limited access facilities, together with outstanding judgments against the City, are limited in total by State statute to 10 percent of the net assessed valuation of taxable property in the City. At June 30, 2024, the net assessed valuation approximated \$1,375,000,000 or \$1.4 billion. The City had no such bonds outstanding at June 30, 2024. There is no such limit on the issuance of other types of general obligation bonds.

General obligation bonds outstanding as of June 30, 2024 are as follows:

\$20,050,000 2012D General Obligation bonds (publicly traded), due in annual installments of 9,500,000 to \$1,060,000 beginning December 1, 2014 through December 1, 2032 at interest rates ranging from 2.5% to 3.0% (for various street reconstruction project)	\$ 9,500,000
\$22,525,000 2015 General Obligation bonds (publicly traded), due in annual installments of \$1,185,000 to \$1,195,000 beginning June 1, 2017 through June 1, 2035 at interest rates ranging from 0.5% to 4.00% (for various street reconstruction projects)	13,045,000
\$7,775,000 2016A General Obligation bonds (publicly traded), due in annual installments of \$365,000 to \$795,000 beginning June 1, 2017 through July 1, 2027 at interest rates ranging from 4.0% to 5.0% (for refunding of the City's Series 2005A and 2007A Combined Purpose Bonds)	1,525,000
\$20,000,000 2019B General Obligation bonds (publicly traded), due in annual installments of \$1,050,000 to \$1,100,000 beginning June 1, 2021 through June 1, 2039 at interest rates ranging from 2.0% to 3.0% (for various street reconstruction projects)	15,800,000
\$11,250,000 2020A General Obligation bonds (publicly traded), due in annual installments of \$590,000 to \$630,000 beginning August 1, 2021 through August 1, 2040 at interest rates ranging from 2.0% to 2.125% (for a building renovation project)	10,070,000
\$13,500,000 2021 General Obligation bonds (publicly traded), due in annual installments of \$3,375,000 beginning June 1, 2024 through June 1, 2026 at interest rates ranging from 0.25% to 1.5% (for various street reconstruction projects)	6,750,000
\$26,000,000 2023A General Obligation bonds (publicly traded), due in annual installments of \$1,365,000 to \$1,430,000 beginning May 1, 2025 through May 1, 2043 at interest rates ranging from 3% to 4% (for various street reconstruction projects)	26,000,000
\$13,500,000 2023B General Obligation bonds (publicly traded), due in annual installments of \$1,365,000 to \$1,430,000 beginning May 1, 2025 through May 1, 2043 at interest rates ranging from 3% to 4% (for various street reconstruction projects)	13,500,000
\$16,000,000 2024A General Obligation bonds (publicly traded) due in annual installments of \$840,000 to \$880,000 beginning April 1, 2026 through April 1, 2044 at interest rates ranging from 3% to 4% (for various street reconstruction projects)	16,000,000
Total general obligation bonds	<u>\$112,190,000</u>

Annual debt service requirements to maturity for general obligation bonds are as follows:

<b>Fiscal Year</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2025	\$ 12,785,000	\$ 3,391,336	\$ 16,176,336
2026	13,205,000	3,062,234	16,267,234
2027	9,825,000	2,727,653	12,552,653
2028	9,460,000	2,430,396	11,890,396
2029	6,085,000	2,116,281	8,201,281
2030-2034	29,375,000	7,906,751	37,281,751
2035-2039	20,470,000	3,855,628	24,325,628
2040-2044	10,985,000	920,577	11,905,577
Total	<u>\$112,190,000</u>	<u>\$ 26,410,856</u>	<u>\$138,600,856</u>

b. *Notes Payable* - Notes payable as of June 30, 2024 are as follows:

\$17,505,000 Norman Utilities Authority, Utility Revenue Notes, Refunding Series 2015 (direct placement), due in annual installments of \$ 730,000 to \$1,315,000 from November 1, 2015 to November 1, 2026, at an interest rate of 2.13%	\$ 3,595,000
\$22,825,000 Norman Municipal Authority Revenue Note, Taxable Series 2015 (direct placement), due in annual payments ranging from \$900,000 to \$1,185,000 beginning September 1, 2016 through March 1, 2027. The loan has a 2.33% interest rate.	6,885,000
\$43,160,000 Norman Municipal Authority Revenue Note, Taxable Series 2015B (direct placement), due in annual payments ranging from \$500,000 to \$5,845,000 beginning January 1, 2017 through January 1, 2029. The loan has a 2.98% interest rate.	27,980,000
\$30,950,000 Norman Municipal Authority Revenue Note, Taxable Series 2017 (direct placement), due in annual payments ranging from \$400,000 to \$3,450,000 beginning January 1, 2018 through July 1, 2030. The loan has a 3.00% interest rate.	22,450,000
\$9,380,000 Norman Utilities Authority Revenue Note, Refunding Series 2016, due in annual installments ranging from \$190,000 to \$755,000 beginning September 1, 2016 through September 1, 2030. The loan has a 2.23% interest rate.	4,630,000
\$22,250,000 Norman Municipal Authority Revenue Note, Taxable Series 2020 (direct placement), due in annual payments ranging from \$900,000 to \$5,000,000 beginning July 1, 2021 through July 1, 2031. The loan has a 2.29% interest rate.	17,350,000
\$22,250,000 Norman Municipal Authority Hotel/Motel Revenue Note, Taxable Series 2021 (direct placement), due in annual payments ranging from \$149,000 to \$216,000 beginning March 1, 2023 through September 1, 2031. The loan has a 1.89% interest rate.	3,010,000
\$304,092 Norman Municipal Authority Loan (direct placement), due in annual payments of \$71,692.50 beginning June 15, 2023 through June 15, 2027. The loan has a 8.97% interest rate.	181,562
Authorized, but not issued, \$8,250,000 Norman Tax Increment Finance Authority Norman University North Park Project Plan Tax Apportionment Revenue Note, Series 2011 (direct placement), due in annual installments beginning July 1, 2012 through June 30, 2031 , at interest rates not to exceed 8%.	-
Authorized, but not issued, \$8,250,000 Norman Tax Increment Finance Authority Norman University North Park Project Plan Revenue Note, Series 2011 (direct placement), due in annual installments beginning July 1, 2012 through June 30, 2031, at interest rates not to exceed 8%.	-
Total notes payable	<u>\$86,081,562</u>

Annual debt service requirements to maturity for direct placement notes payable are as follows:

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 13,502,364	\$ 2,214,791	\$ 15,717,155
2026	13,800,496	1,873,914	15,674,410
2027	14,175,108	1,526,100	15,701,208
2028	11,748,548	1,184,175	12,932,723
2029	12,336,812	885,865	13,222,677
2030-2034	28,494,246	1,134,087	29,628,333
2035-2039	4,191,202	228,622	4,419,824
2040	4,332,786	58,154	4,390,940
Less unfunded notes*	(16,500,000)	-	(16,500,000)
Total	<u>\$ 86,081,562</u>	<u>\$ 9,105,708</u>	<u>\$ 95,187,270</u>

Certain of the bonds may be called for redemption prior to maturity at the option of NUA/ NMA in accordance with the redemption terms stated in the bond indentures. In the event of a default, the bonds shall become due and payable on demand in an amount equal to the principal outstanding plus all interest accrued thereon and which will accrue thereon the date of payment, provided upon written concurrence of all the Credit Facility Providers, if any.

- c. *Oklahoma Water Resource Board (OWRB) Notes Payable* - OWRB notes payable as of June 30, 2024 are as follows:

\$4,964,024 Clean Water SRF direct borrowing loan payable to the OWRB due in annual installments ranging between \$212,595 and \$349,740 beginning September 15, 2013 through March 15, 2031. The loan has a 2.91% interest rate.	\$ 2,246,007
\$50,300,000 Clean Water SRF direct borrowing loan payable to the OWRB due in annual installments ranging from \$1,410,000 to \$3,880,000 beginning March 15, 2015 and ending September 15, 2029. The loan has a 1.75% interest rate with a .5% administration fee.	12,720,561
Authorized, but not fully issued, \$31,000,000 Drinking Water SRF direct borrowing loan payable to the OWRB due in annual payments ranging from \$1,140,000 to \$1,935,000 beginning October 1, 2019 through October 1, 2039. The loan has a 2.82% interest rate.	24,182,252
\$12,000,000 Drinking Water direct borrowing loan payable to the OWRB due in annual payments ranging from \$300,000 to \$865,000 beginning October 1, 2019 through October 1, 2038. The loan has an interest rate ranging from 3.2% to 5.2%.	9,970,000
\$15,000,000 Clean Water direct borrowing loan payable to the OWRB due in annual payments ranging from \$362,000 to \$1,057,000 beginning March 15, 2025 through September 15, 2041. The loan has an interest rate of 2.53%.	187,500
\$5,000,000 Clean Water direct borrowing to the OWRB due in annual payments ranging from \$69,100 to \$271,500 beginning March 19, 2026 through September 15, 2050. The loan has an interest rate of 2.82%.	74,500
Total OWRB loans payable	<u>\$ 49,380,820</u>

Annual debt service requirements to maturity for notes payable are as follows:

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 5,984,318	\$ 1,771,028	\$ 7,755,346
2026	6,579,949	1,733,774	8,313,723
2027	6,823,788	1,591,483	8,415,271
2028	5,100,222	1,410,210	6,510,432
2029	3,319,989	1,288,581	4,608,570
2030-2034	17,012,216	4,948,553	21,960,769
2035-2039	18,935,738	2,287,860	21,223,598
2040-2044	3,704,600	424,563	4,129,163
2045-2049	1,247,800	159,007	1,406,807
2050-2051	410,200	11,814	422,014
Less unfunded notes *	<u>(19,738,000)</u>		<u>(19,738,000)</u>
Total	<u>\$49,380,820</u>	<u>\$ 15,626,873</u>	<u>\$ 65,007,693</u>

- d. *Applicability of Federal Arbitrage Regulations* - Debt issuances of the City and Authorities issued after the Tax Reform Act of 1986 are subject to the federal arbitrage regulations. The arbitrage rebate regulations require that all earnings from the investment of gross proceeds of a bond issue in excess of the amount that could have been earned had the yield on the investment been equal to the yield on the bonds be remitted to the federal government. These carry strict penalties for noncompliance including taxability of interest retroactive to the date of the issue. The City's management believes the City is in compliance with these rules and regulations. By letter dated October 26, 2021, the City received notice from the IRS that its \$22,825,000 Sales Tax Revenue Note, Series 2015, was selected for an examination. The City did have an arbitrage tax rebate review prepared by an external specialist for the period of June 9, 2015 to June 9, 2020 in which no tax was owed to the IRS. As of the date of the auditor's report, the examination was still in progress.

\* - Relates to \$16,500,000 of the Norman TIF Notes Payable, \$14,812,500 of the 2022 OWRB SRF loan payable and \$4,925,500 of the 2024 SRF loan payable.

## Lease Liabilities

The City leases copier equipment, office space and land for water wells, the terms of which expire in various years through 2040.

The following is a schedule by year of payments under the government-type leases as of June 30, 2024:

<b>Fiscal Year</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2025	\$ 171,865	\$ 14,001	\$ 185,866
2026	142,480	10,677	153,157
2027	145,315	7,602	152,917
2028	55,171	5,548	60,719
2029	56,418	4,339	60,757
2030-2032	176,923	5,586	182,509
Total	<u>\$ 748,172</u>	<u>\$ 47,753</u>	<u>\$ 795,925</u>

The following is a schedule by year of payments under the business-type leases as of June 30, 2024:

<b>Fiscal Year</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2025	\$ 53,987	\$ 11,743	\$ 65,730
2026	55,130	10,916	66,046
2027	56,807	10,064	66,871
2028	53,655	9,257	62,912
2029	50,434	8,436	58,870
2030-2034	276,101	30,039	306,140
2035-2039	249,699	8,167	257,866
2040	5,587	9	5,596
Total	<u>\$ 801,400</u>	<u>\$ 88,631</u>	<u>\$ 890,031</u>

**Changes in Long-term Liabilities** - Long-term liability activity for the year ended June 30, 2024, was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
<b>Governmental activities:</b>					
Bonds payable:					
General obligation bonds	\$104,240,000	\$ 16,000,000	\$ (8,050,000)	\$112,190,000	\$ 12,785,000
Issuance premium/(discount)	2,118,538	486,552	(292,263)	2,312,827	-
Total bonds payable	106,358,538	16,486,552	(8,342,263)	114,502,827	12,785,000
Sales tax revenue notes	87,885,000	232,400	(10,260,838)	77,856,562	11,422,364
Notes payable	-	-	-	-	-
Leases payable	917,627	-	(169,455)	748,172	171,865
Liability for incurred claims	3,800,000	-	-	3,800,000	1,200,000
Total OPEB liability	7,168,667	-	(1,193,565)	5,975,102	110,000
Net pension liability	49,269,045	5,614,461	-	54,883,506	-
Compensated absences	9,208,040	772,296	-	9,980,336	547,272
Government activity long-term liabilities	<u>\$264,606,917</u>	<u>\$ 23,105,709</u>	<u>\$ (19,966,121)</u>	<u>\$267,746,505</u>	<u>\$ 26,236,501</u>
<b>Business-type activities:</b>					
Notes payable	\$ 10,255,000	\$ -	\$ (2,030,000)	\$ 8,225,000	\$ 2,080,000
Less deferred amounts:					
For issuance premium and (discount)	(7,131)	1,783	-	(5,348)	-
Total notes payable	10,247,869	1,783	(2,030,000)	8,219,652	2,080,000
OWRB loans payable	54,588,773	187,500	(5,395,453)	49,380,820	5,622,318
Leases payable	854,588	-	(53,188)	801,400	53,987
Compensated absences	1,273,843	15,123	-	1,288,966	90,011
Business-type activity long-term liabilities	<u>\$ 66,965,073</u>	<u>\$ 204,406</u>	<u>\$ (7,478,641)</u>	<u>\$ 59,690,838</u>	<u>\$ 7,846,316</u>

For governmental activities, liability for incurred claims, compensated absences, net pension liability and total OPEB liability are generally liquidated by the General Fund.

## 5. FUND BALANCE

The following table shows the fund balance classifications as shown on the governmental funds balance sheet as of June 30, 2024:

	General	Public Safety Sales Tax	Spl Grants Fund	Capital Projects	Norman Forward	Other Governmental Funds	Total Governmental Funds
<b>FUND BALANCES</b>							
Nonspendable:							
Inventory	\$ 31,721	\$ -	\$ -	\$ -	\$ -	\$ 110,204	\$ 141,925
Restricted:							
Debt sevice reserve	-	-	-	-	-	9,520,373	9,520,373
Arts and humanities	-	-	-	-	-	883	883
Grant activities	-	-	-	-	-	3,438,486	3,438,486
Bond capital projects	-	-	-	68,102,963	-	-	68,102,963
Other capital projects	-	-	-	25,886,128	4,754,488	2,145,297	32,785,913
Seizures	-	-	-	-	-	1,947,906	1,947,906
Transit & Parking	-	-	-	-	-	1,324,687	1,324,687
Public safety	-	4,212,539	-	-	-	-	4,212,539
Parks and recreation	-	-	-	-	-	-	-
Assessment District	-	-	-	478,000	-	-	478,000
Committed:							
Economic stablization	4,750,438	-	-	-	-	-	4,750,438
Assigned:							
Other capital projects	-	-	-	5,087,805	3,336,579	496,575	8,920,959
Grant activities	-	-	4,898,852	-	-	-	4,898,852
Orders on purchase	4,572,631	-	-	-	-	-	4,572,631
Unassigned:	22,530,638	-	-	-	-	(110,204)	22,420,434
Total fund balances	<u>\$ 31,885,428</u>	<u>\$ 4,212,539</u>	<u>\$ 4,898,852</u>	<u>\$ 99,554,896</u>	<u>\$ 8,091,067</u>	<u>\$ 18,874,207</u>	<u>\$ 167,516,989</u>

On June 28, 2011, the City adopted ordinance O-1011-58 changing the City's reserve policy. The ordinance establishes that the General Fund will have an unappropriated reserve of at least three percent (3%) of annually budgeted expenditures, in addition to an appropriated emergency reserve of one percent (1%) of annually budgeted expenditures. In addition, the ordinance establishes the Net Revenue Stabilization Fund (i.e., "Rainy Day Fund") which has a targeted balance of not less than four and a half percent (4.5%) but not more than six percent (6%) of annually budgeted General Fund expenditures. Further, expenditures of the reserved amounts may occur only when specific circumstances exist. As of June 30, 2024 the Rainy Day Fund had a balance of \$4,750,438.

## 6. RISK MANAGEMENT

The City is self-insured against the following risks:

- Employee health claims to a maximum liability of \$250,000 per employee per year.
- Workers compensation claims.
- Unemployment benefits.
- General liability and property damage, except for buildings and contents and employee surety bonds for which the City has purchased commercial insurance.

Employee health claims in excess of the \$250,000 limit are covered by insurance. The City's unpaid claims liability of \$3,800,000 reported at June 30, 2024 is based on the requirements of GASB Statement No. 10, which requires that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated. However, events could occur that would cause the estimate for unpaid claims liability to differ materially in the near term. The claims liability for health claims incurred but not reported is estimated by management using a three month claims lag analysis. These amounts are recorded as a current liability within both the government-wide and governmental fund financial statements. The claims liability for workers compensation claims and judgments is estimated using legal counsel's opinion of probable outcome of litigation plus an estimate of claims experience for incurred but unreported claims. These amounts are recorded as long-term liabilities within the government-wide financial statements. A liability for these amounts are recorded in governmental funds when they become due and payable. As of June 30, 2024, no liability has been recognized in the governmental fund financial statements. There are no allocated or unallocated claim adjustment expenditures/expenses included in the liability for unpaid claims.

At June 30, 2024, the City maintained commercial insurance coverage for building and contents and employee theft. In the past three years, the City has had no losses that exceeded commercial insurance coverage. Changes in the reported liability are as follows:

	<b>Balance at Beginning of Year</b>	<b>Current Year Claims and Changes in Estimates</b>	<b>Claim Payments</b>	<b>Balance at End of Year</b>
Fiscal year 2023	\$ 3,000,122	\$ 18,035,363	\$ (17,235,485)	\$ 3,800,000
Fiscal year 2024	<u>\$ 3,800,000</u>	<u>\$ 17,538,493</u>	<u>\$ (17,538,493)</u>	<u>\$ 3,800,000</u>

## 7. COMMITMENTS AND CONTINGENCIES

**Litigation** - The City is party to various legal proceedings which normally occur in governmental operations. Management and management's counsel do not believe these legal proceedings will have a material adverse impact on the affected funds of the City. However, events could occur in the near term that would cause these estimates to change materially. Resulting judgments will be paid from ad valorem taxes to be received over a three-year period. At June 30, 2024, the City maintained a litigation reserve, including judgments that have been awarded but not yet paid, of approximately \$998,000.

**Federal Grants** - In the normal course of operations, the City receives grant funds from various federal agencies. The grant programs are subject to audit by agents of the granting authority, the purpose of which is to insure compliance with conditions precedent to the granting of funds. Management does not believe any liability for reimbursement which may arise as the result of these audits will be material.

**Water Revenues** - The City entered into a contract with the Central Oklahoma Master Conservancy District (the "District") in 1961 (subsequently modified in 1963) for the purchase of water and operation of water facilities. In general, the contract provides for reimbursing the District for costs of providing the City with water from Lake Thunderbird. The contract is effective for a term of fifty years beginning with the first calendar year during which water was used by the City (1965). During the year ended June 30, 2024, the City paid the District \$792,209.

**Construction in Progress** - Construction in progress is authorized by actions of the City Council (governing body). A summary of construction in progress as of June 30, 2024 is as follows:

	<b>Total Construction in Progress</b>	<b>Total Project</b>	<b>Remaining to Complete</b>
General Government	\$ 72,434,077	\$ 114,002,865	\$ 41,568,788
Norman Municipal Authority:			
Sanitation	660,090	3,956,504	3,296,414
Norman Utilities Authority:			
Water Fund	19,784,426	51,836,772	32,052,346
Wastewater Fund	4,756,254	6,061,253	1,304,999
	<u>\$ 97,634,847</u>	<u>\$ 175,857,394</u>	<u>\$ 78,222,547</u>

The City also contributes to certain State and Federal aid projects which are administered by the State of Oklahoma Department of Highway. The City is billed by the Highway Department for these projects at various stages of completion, subject to Federal audits of the project costs.

**Encumbrances** - As discussed in note three above, budgetary information, budgetary basis of accounting, encumbrance accounting is utilized to the extent necessary to assure effective budgetary control and accountability and to facilitate effective cash planning and control. At June 30, 2024 the amount of encumbrances expected to be honored upon performance by the vendor in the next year were as follows:

General fund	\$ 4,572,631
Public safety sales tax fund	2,694,261
Special grants fund	5,723,683
Capital projects fund	9,147,425
Norman forward fund	3,804,729
Nonmajor governmental funds	<u>2,432,750</u>
Total	<u>\$ 28,375,479</u>

8. RECENTLY ISSUED ACCOUNTING STANDARDS

The following accounting standards have been recently issued and will be adopted as applicable by the City in future years.

In June 2022, GASB issued Statement No. 101, *Compensated Absences*. The objective of GASB 101 is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. The requirements of GASB 101 are effective for fiscal years beginning after December 15, 2023 and all reporting periods thereafter (effective for the City's June 30, 2025 year-end). Earlier application is encouraged.

In December 2023, GASB issued Statement No. 102, *Certain Risk Disclosures*. This Statement requires a government to assess whether a concentration or constraint makes the primary government reporting unit or other reporting units that report a liability for revenue debt vulnerable to the risk of a substantial impact. Additionally, this Statement requires a government to assess whether an event or events associated with a concentration or constraint that could cause the substantial impact have occurred, have begun to occur, or a more likely than not to begin to occur within 12 months of the date the financial statements are issued.

If a government determines that those criteria for disclosure have been met for a concentration or constraint, it should disclose information in notes to financial statements in sufficient detail to enable users of financial statements to understand the nature of the circumstances disclosed and the government's vulnerability to the risk of a substantial impact. The disclosure should include descriptions of the following:

- The concentration or constraint
- Each event associated with the concentration or constraint that could cause a substantial impact if the event had occurred or had begun to occur prior to the issuance of the financial statements
- Actions taken by the government prior to the issuance of the financial statements to mitigate the risk

The requirements of GASB Statement No. 102 are effective for fiscal years beginning after June 15, 2024 and all reporting periods thereafter (effective for the City's June 30, 2025 year-end). Earlier application is encouraged.

In April 2024, GASB issued Statement No. 103, *Financial Reporting Model Improvements*. The objective of this Statement is to improve key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing a government's accountability. This Statement also addresses certain application issues to the following items:

- Management's Discussion and Analysis
- Unusual or Infrequent Items
- Presentation of the Proprietary Fund Statement of Revenues, Expenses, and Changes in Fund Net Position
- Major Component Unit Information
- Budgetary Comparison Information

The requirements of GASB Statement No. 103 are effective for fiscal years beginning after June 15, 2025 and all reporting periods thereafter (effective for the City's June 30, 2026 year-end). Earlier application is encouraged.

In September 2024, GASB issued Statement No. 104, *Disclosure of Certain Capital Assets*. This Statement requires certain types of capital assets to be disclosed separately in the capital assets note disclosures required by Statement 34. Lease assets recognized in accordance with Statement No. 87, Leases, and intangible right-to-use assets recognized in accordance with Statement No. 94, Public-Private and Public-Public Partnerships and Availability Payment Arrangements, should be disclosed separately by major class of underlying asset in the capital assets note disclosures. Subscription assets recognized in accordance with Statement No. 96, Subscription-Based Information Technology Arrangements, also should be separately disclosed. In addition, this Statement requires intangible assets other than those three types to be disclosed separately by major class. This Statement also requires additional disclosures for capital assets held for sale. A capital asset is a capital asset held for sale if (a) the government has decided to pursue the sale of the capital asset and (b) it is probable that the sale will be finalized within one year of the financial statement date. Governments should consider relevant factors to evaluate the likelihood of the capital asset being sold within the established time frame. This Statement requires that capital assets held for sale be evaluated each reporting period. Governments should disclose (1) the ending balance of capital assets held for sale, with separate disclosure for historical cost and accumulated depreciation by major class of asset, and (2) the carrying amount of debt for which the capital assets held for sale are pledged as collateral for each major class of asset. The requirements of this Statement are effective for fiscal years beginning after June 15, 2025, and all reporting periods thereafter (effective for the City's June 30, 2026 year-end). Earlier application is encouraged.



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# REQUIRED SUPPLEMENTARY INFORMATION

## The City of Norman, Oklahoma

### Schedule of the City's Proportionate Share of the Net Pension Liability (Asset) Oklahoma Firefighters Pension and Retirement System (OFPRS) Year Ended June 30, 2024

	2015*	2016*	2017*	2018*	2019*	2020*	2021*	2022*	2023*	2024*
City's proportion of the net pension liability or asset	3.9342%	4.1552%	4.1283%	4.1388%	4.1106%	3.8135%	4.1118%	3.9434%	3.7675%	4.2537%
City's proportion share of the net pension liability or (asset)	\$ 40,457,734	\$ 44,103,551	\$ 50,436,541	\$ 52,055,202	\$ 46,271,359	\$ 40,296,319	\$ 50,653,960	\$ 25,969,901	\$ 49,269,045	\$ 54,883,506
City's covered payroll	\$ 10,791,880	\$ 11,330,342	\$ 11,538,401	\$ 11,772,620	\$ 12,226,118	\$ 12,240,790	\$ 12,751,193	\$ 12,810,379	\$ 14,887,745	\$ 15,717,437
City's proportion share of the net pension liability as a percentage of its covered payroll	374.891%	389.252%	437.119%	442.172%	378.463%	329.197%	397.249%	202.725%	351.604%	349.189%
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%	69.49%	70.85%

\* - The amounts present for each fiscal year were determined as of the measurement date. June 30, 2015, 2016, 2017, 2018, 2019, 2020, 2021, 2022, 2023 and 2024 respectively.

See notes to financial statements



## The City of Norman, Oklahoma

**Schedule of the City's Proportionate Share of the Net Pension Liability (Asset)**  
**Oklahoma Police Pension and Retirement System (OPPRS)**  
**Year Ended June 30, 2024**

	2015*	2016*	2017*	2018*	2019*	2020*	2021*	2022*	2023*	2024*
City's proportion of the net pension liability or asset	3.8053%	3.8957%	4.0413%	4.0345%	4.2026%	3.7826%	4.2564%	3.8058%	3.8375%	3.8539%
City's proportion share of the net pension liability or (asset)	\$ (1,281,185)	\$ 158,844	\$ 6,189,000	\$ 310,337	\$ (2,001,892)	\$ (241,484)	\$ 4,888,273	\$(18,257,065)	\$ (3,077,337)	\$ (1,176,968)
City's covered payroll	\$ 10,645,515	\$ 11,172,374	\$ 11,918,115	\$ 12,064,110	\$ 12,359,354	\$ 12,802,792	\$ 13,753,405	\$ 13,170,008	\$ 14,536,315	\$ 15,785,685
City's proportion share of the net pension liability (asset) as a percentage of its covered payroll	(12.035%)	1.422%	51.929%	2.572%	(16.197%)	(1.886%)	35.542%	(138.626%)	(21.524%)	(7.456%)
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%	95.80%	102.74%	101.02%

\* - The amounts present for each fiscal year were determined as of the measurement date. June 30, 2015, 2016, 2017, 2018, 2019, 2020, 2021, 2022, 2023 and 2024 respectively.

See notes to financial statements



## The City of Norman, Oklahoma

### Schedule of the City's Contributions Oklahoma Firefighters Pension and Retirement System (OFPRS) Year Ended June 30, 2024

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Contractually required contribution	\$ 1,586,248	\$ 1,615,405	\$ 1,650,048	\$ 1,711,565	\$ 1,713,665	\$ 1,785,165	\$ 1,793,453	\$ 1,961,771	\$ 2,084,284	\$ 2,200,441
Contributions in relation to the contractually required contribution	1,586,248	1,615,405	1,650,048	1,711,565	1,713,665	1,785,165	1,793,453	1,961,771	2,084,284	2,200,441
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
City's covered payroll	\$ 11,330,342	\$ 11,538,401	\$ 11,772,620	\$ 12,226,118	\$ 12,240,790	\$ 12,751,193	\$ 12,810,379	\$ 14,012,648	\$14,887,745	\$ 15,717,437
Contributions as a percentage of covered payroll	14%	14%	14%	14%	14%	14%	14%	14%	14%	14%

See notes to financial statements



## Changes of Assumptions:

For the fiscal year beginning July 1, 2019, certain changes in assumptions, the the OFPRS Plan, were made based on the Plan's most recent actuarial experience study covering the July 1, 2013 to June 30, 2018 period. In addition to updates for retirement rates and termination rates to better fit experience, the following significant assumptions were made:

Changes in Assumptions	Previous Assumption	New Assumption
<b><i>Economic Assumption Changes:</i></b>		
Salary Scale Rates	3.5% to 9.0%	2.75% to 10.5%
Price Inflation	3.00%	2.75%
COLA Basis (Baker Case Group Only)	3.00%	2.75%
<b><i>Demographic Assumption Changes:</i></b>		
Termination Rates	3.0% to .40%	5.0% to 1.00%
Disability Rates	0.05% to 9.00%	0.10% to 8.00%
Retirement Rates	10.00% to 100%	5.00% to 100%

## ***Mortality Table Assumption Changes***

### *Previous Assumptions:*

Active Employees Pre-retirement: RP-2000 with Blue Collar Healthy Combined with general mortality improvement using Scale AA

Retired Members: RP-2000 with Blue Collar Healthy Combined with generational mortality using Scale AA

Disabled Members: RP-2000 with Blue Collar Healthy Combined

### *New Assumptions:*

Active Employees Pre-retirement: RP-2010 Public Safety Table with general mortality improvement using Scale MP-2018

Retired Members: RP-2010 Public Safety Below Median Table with generational mortality using Scale MP-2018

Disabled Members: RP-2010 Public Safety Disabled Table set forward two years

## The City of Norman, Oklahoma

### Schedule of the City's Contributions Oklahoma Police Pension and Retirement System (OPPRS) Year Ended June 30, 2024

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Contractually required contribution	\$ 1,452,409	\$ 1,550,235	\$ 1,568,335	\$ 1,606,716	\$ 1,664,363	\$ 1,787,879	\$ 1,712,101	\$ 1,858,657	\$ 1,889,721	\$ 2,052,139
Contributions in relation to the contractually required contribution	1,452,409	1,550,235	1,568,335	1,606,716	1,664,363	1,787,879	1,712,101	1,858,657	1,889,721	2,052,139
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
City's covered payroll	\$ 11,172,374	\$ 11,918,115	\$ 12,064,110	\$ 12,359,354	\$ 12,802,792	\$ 13,753,405	\$ 13,170,008	\$ 14,297,362	\$ 14,536,315	\$ 15,785,685
Contributions as a percentage of covered payroll	13%	13%	13%	13%	13%	13%	13%	13%	13%	13%

#### Changes in Benefit Terms:

During the 2018 legislative session House Bill 1340 was passed to provide most OPPRS Plan retirees with a one-time, non permanent benefit payment. This payment equaled 2.00% of a retiree's gross annual retirement benefit, subject to a cap of \$1,400 and a floor of \$350 if all eligibility requirements were met.

#### Changes of Assumptions:

For the fiscal year beginning July 1, 2019, certain changes in assumptions, to the OPPRS Plan, were made based on the Plan's most recent actuarial experience study covering the July 1, 2012 to June 30, 2017 period. In addition to updates for retirement rates and termination rates to better fit experience, the following significant changes in assumption were made:

See notes to financial statements



Changes in Assumptions	Previous Assumption	New Assumption
<b>Economic Assumption Changes:</b>		
Salary Scale Rates	4.5% to 17.0%	3.5% to 10%
Price Inflation	3.00%	2.75%
Interest Credit on DOP Balances	7.75%	11.00%
Real Wage Growth	N/A	0.75%
COLA Basis (Baker Case Group Only)	3.00%	3.50%
<b>Demographic Assumption Changes:</b>		
Severity of Disability Aware Percentage	50.00%	75.00%
<b>Actuarial Assumption Changes:</b>		
Amortization of UAAL when in Surplus (Funded over 100%)	When the UAAL is a surplus, it is amortized over an open 30-year period	
Amortization of UAAL when in Deficit (Funded under 100%)	When the UAAL is a deficit, it is amortized over an open five-year period	
<b>New Assumptions:</b>		
For the fiscal year beginning July 1, 2022, certain changes in assumptions were made based on the OPERS most recent experience study covering the July 1, 2017 to June 30, 2022 period. The following demographic changes were made:		
1. Mortality Rates - Moved to Pub-2010 Safety below-median mortality tables, with rates set forward two years and future mortality improvements projected generationally using SOA Scale MP-2021.		
2. Retirement Rates - Moved to an age-based retirement assumption for members with 100% retirement at age 67 to 35 years of service.		
3. Disability Rates - Increase rates across the board by 10%.		
4. Salary Scale - Small changes for the period between 11 and 16 years of service.		

## The City of Norman, Oklahoma

### Schedule of Changes in the City's Total OPEB Liability and Related Ratios Last Ten Fiscal Years

	2018	2019	2020	2021	2022	2023	2024
Total OPEB Liability							
Service cost	\$ 363,920	\$ 417,331	\$ 382,009	\$ 381,282	\$ 445,779	\$ 267,698	\$ 220,765
Interest	423,574	387,327	345,352	199,362	205,111	253,522	264,613
Differences between expected and actual experience	965,685	-	-	-	-	-	-
Changes of economic/demographic gains or losses	-	-	(1,929,650)	-	393,406	-	(1,134,721)
Changes of assumptions or other inputs	(1,095,942)	426,593	(1,359,626)	58,255	(2,928,651)	(77,228)	(262,197)
Benefit payments	(731,674)	(725,099)	(181,232)	(246,800)	(209,779)	(335,621)	(282,025)
Net Change in Total OPEB Liability	(74,437)	506,152	(2,743,147)	392,099	(2,094,134)	108,371	(1,193,565)
City's Total OPEB Liability - Beginning	11,073,763	10,999,326	11,505,478	8,762,331	9,154,430	7,060,296	7,168,667
City's Total OPEB Liability - Ending	10,999,326	11,505,478	8,762,331	9,154,430	7,060,296	7,168,667	5,975,102
Covered-Employee Payroll	\$ 49,743,998	\$ 49,142,598	\$ 47,776,487	\$ 53,024,235	\$ 54,501,402	\$ 58,084,665	\$ 74,008,827
City's Total OPEB Liability as a Percentage of Covered-Employee Payroll	22.11%	23.41%	18.34%	17.26%	12.95%	12.34%	8.07%

#### Notes to Schedule:

This schedule is presented as of the measurement date for the fiscal year and is intended to show a 10-year trend. Additional years will be reported as they become available.

There are no assets accumulated in a trust that meets the criteria of GASB Codification P22.101 to pay related benefits.

#### Changes in Assumptions:

For each year presented, assumptions made for mortality rates and discount rates are updated using current year estimates

See notes to financial statements



## The City of Norman, Oklahoma

### General Fund

### Schedule of Revenues, Expenditures, Encumbrances and Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis) for the Year Ended June 30, 2024

	Original Budget	Revisions	Revised Budget	Expenditures	Encum- brances	Actual	Variance Positive (Negative)
REVENUES:							
Taxes:							
Sales taxes	\$ 55,179,654	\$ -	\$ 55,179,654			\$ 55,199,598	\$ 19,944
Franchise fees	7,153,746	-	7,153,746			7,229,764	76,018
State use taxes	12,480,000	-	12,480,000			12,712,346	232,346
Total taxes	74,813,400	-	74,813,400			75,141,708	328,308
Licenses and permits:							
Licenses	468,596	-	468,596			546,898	78,302
Permits	532,891	2,429	535,320			556,015	20,695
Total licenses and permits	1,001,487	2,429	1,003,916			1,102,913	98,997
Intergovernmental revenues:							
Alcoholic beverage	335,493	-	335,493			593,540	258,047
Cigarette	906,031	-	906,031			621,310	(284,721)
State motor fuel and vehicle registration	1,230,475	-	1,230,475			1,383,824	153,349
Total intergovernmental revenues	2,471,999	-	2,471,999			2,598,674	126,675
Charges for services:							
Zoning & subdivision	194,292	-	194,292			218,405	24,113
Public safety	645,130	-	645,130			380,562	(264,568)
Health	333,047	-	333,047			138,508	(194,539)
Recreation fees	701,633	-	701,633			376,723	(324,910)
Credit card convenience fees	1,019,283	-	1,019,283			299,546	(719,737)
911 emergency fees	52,967	-	52,967			357,958	304,991
Total charges for services	2,946,352	-	2,946,352			1,771,702	(1,174,650)
Fines and forfeitures:							
Police court fines	1,173,645	-	1,173,645			1,577,917	404,272
Miscellaneous forfeitures	-	-	-			7,293	7,293
Total fines and forfeits	1,173,645	-	1,173,645			1,585,210	411,565
Investment earnings	193,214	-	193,214			595,290	402,076
Other revenue:							
Rents and royalties	369,563	-	369,563			198,660	(170,903)
Sale of fixed asset	176,143	-	176,143			769,174	593,031
Contributions	30,257	76,718	106,975			91,448	(15,527)
Cost allocations	13,614,756	-	13,614,756			13,317,624	(297,132)
Miscellaneous revenues	1,427,016	200,328	1,627,344			208,898	(1,418,446)
Total other revenue	15,617,735	277,046	15,894,781			14,585,804	(1,308,977)
Total revenues	98,217,832	279,475	98,497,307			97,381,301	(1,116,006)

(continued)

## The City of Norman, Oklahoma

## General Fund

Schedule of Revenues, Expenditures, Encumbrances and Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
for the Year Ended June 30, 2024

	Original Budget	Revisions	Revised Budget	Expenditures	Encum- brances	Actual	Variance Positive (Negative)
EXPENDITURES AND ENCUMBRANCES:							
General government:							
City council	\$ 1,613,381	\$ (928,217)	\$ 685,164	\$ 549,695	\$ 41,782	\$ 591,477	\$ 93,687
Internal audit	150,305	-	150,305	123,234	674	123,908	26,397
City manager's office	718,141	941,447	1,659,588	1,261,130	-	1,261,130	398,458
Community relations	206,003	17,778	223,781	217,518	-	217,518	6,263
Communications	306,287	7,049	313,336	293,523	-	293,523	19,813
City clerk's office	733,079	62,815	795,894	715,419	66	715,485	80,409
Municipal court	1,285,787	79,726	1,365,513	1,316,316	1,600	1,317,916	47,597
Legal administration	1,612,788	47,480	1,660,268	1,616,890	2,050	1,618,940	41,328
Information Technology	4,235,502	129,747	4,365,249	4,072,951	87,274	4,160,225	205,024
Printing services	352,755	34,501	387,256	290,803	30,458	321,261	65,995
Human resource admin	1,027,806	34,821	1,062,627	800,061	5,550	805,611	257,016
Safety administration	187,009	17,957	204,966	140,009	2,965	142,974	61,992
Human rights commission	230	-	230	-	-	-	230
Social & voluntary services	225,000	7,805	232,805	216,433	5,624	222,057	10,748
Norman public library	690,363	54,882	745,245	520,865	197,909	718,774	26,471
Juvenile services	27,733	(3,130)	24,603	3,291	715	4,006	20,597
Culture & social responsibility	303,677	(115,945)	187,732	178,148	-	178,148	9,584
Special studies & contributions	5,000	-	5,000	-	-	-	5,000
Municipal elections	137,115	-	137,115	128,877	-	128,877	8,238
Sister cities program	25,000	(21,761)	3,239	3,239	-	3,239	-
Employee Assistance	29,444	-	29,444	29,400	-	29,400	44
Environmental Services	1,105,686	(74,992)	1,030,694	646,305	10,878	657,183	373,511
Storm Water Quality	390,851	16,713	407,564	361,907	6,823	368,730	38,834
Total general government	15,368,942	308,676	15,677,618	13,486,014	394,368	13,880,382	1,797,236
Planning:							
Planning commission	347	-	347	-	-	-	347
Historic district commission	3,089	-	3,089	521	-	521	2,568
Greenbelt commission	490	-	490	-	-	-	490
Planning administration	721,702	110,043	831,745	779,219	6,846	786,065	45,680
Geographic information	561,804	12,575	574,379	544,135	35	544,170	30,209
Development service	1,892,300	40,882	1,933,182	1,893,767	17,410	1,911,177	22,005
Code compliance	656,492	30,714	687,206	673,629	-	673,629	13,577
Current planning	641,804	(260,672)	381,132	368,803	-	368,803	12,329
Total planning	4,478,028	(66,458)	4,411,570	4,260,074	24,291	4,284,365	127,205
City controller:							
Finance administration	557,602	(8,954)	548,648	479,582	12	479,594	69,054
Accounting services	988,209	24,472	1,012,681	978,717	-	978,717	33,964
Budget services	255,432	3,078	258,510	256,648	-	256,648	1,862
Treasury services	944,506	29,420	973,926	869,418	3,156	872,574	101,352
Utility services	893,241	54,872	948,113	843,553	9,968	853,521	94,592
Total city controller	3,638,990	102,888	3,741,878	3,427,918	13,136	3,441,054	300,824
Parks and recreation:							

(continued)

# The City of Norman, Oklahoma

## General Fund

### Schedule of Revenues, Expenditures, Encumbrances and Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis) for the Year Ended June 30, 2024

	Original Budget	Revisions	Revised Budget	Expenditures	Encumbrances	Actual	Variance Positive (Negative)
Parks board	767	-	767	747	-	747	20
Santa Fe Depot	5,943	390	6,333	5,153	78	5,231	1,102
Administration	760,027	152,895	912,922	904,561	3,099	907,660	5,262
Park maintenance	4,573,014	181,128	4,754,142	4,385,989	261,036	4,647,025	107,117
Park development	265,029	65,478	330,507	288,661	1,081	289,742	40,765
Recreation programs	2,028,177	650,811	2,678,988	2,082,967	104,485	2,187,452	491,536
Senior citizens center	36,906	61,209	98,115	98,699	-	98,699	(584)
Facility administration	497,548	1,069,072	1,566,620	1,490,455	17,585	1,508,040	58,580
Facility maintenance	1,048,299	63,906	1,112,205	1,060,368	72,285	1,132,653	(20,448)
Custodial services	204,805	59,806	264,611	261,848	557	262,405	2,206
Firehouse art center	140,097	5,971	146,068	144,382	-	144,382	1,686
Historical museum	56,580	2,321	58,901	56,756	-	56,756	2,145
Sooner theatre	88,250	3,313	91,563	88,586	-	88,586	2,977
Total parks and recreation	9,705,442	2,316,300	12,021,742	10,869,172	460,206	11,329,378	692,364
Public safety:							
Police department admin	1,613,261	418,841	2,032,102	1,546,607	58,622	1,605,229	426,873
Police staff services	5,153,521	1,497,931	6,651,452	6,083,274	179,750	6,263,024	388,428
Police criminal investigations	3,306,270	454,771	3,761,041	3,610,559	37,658	3,648,217	112,824
Police patrol	11,623,563	2,003,268	13,626,831	11,766,385	469,466	12,235,851	1,390,980
Special Investigations	1,135,529	36,130	1,171,659	1,063,712	8,103	1,071,815	99,844
Animal control	1,979,331	169,986	2,149,317	2,043,335	16,236	2,059,571	89,746
911 services	2,927,286	409,156	3,336,442	2,975,096	300,718	3,275,814	60,628
Fire department admin	1,225,617	98,514	1,324,131	1,063,258	80,604	1,143,862	180,269
Training - fire department	305,226	31,876	337,102	303,537	21,739	325,276	11,826
Fire prevention	775,762	306,073	1,081,835	1,071,444	-	1,071,444	10,391
Fire suppression	18,826,103	900,440	19,726,543	19,390,631	479,023	19,869,654	(143,111)
Diaster preparedness service	268,755	3,968	272,723	189,697	62,647	252,344	20,379
Total public safety	49,140,224	6,330,954	55,471,178	51,107,535	1,714,566	52,822,101	2,649,077
Public works:							
Public works administrative	429,493	(20,820)	408,673	375,915	117	376,032	32,641
Engineering department	1,455,798	(27,411)	1,428,387	1,362,425	1	1,362,426	65,961
Street maintenance	6,119,309	(196,140)	5,923,169	5,178,489	464,275	5,642,764	280,405
Stormwater drainage	3,355,092	(522,821)	2,832,271	2,761,081	231,112	2,992,193	(159,922)
Stormwater quality	-	60,536	60,536	56,699	-	56,699	3,837
Traffic control	4,935,946	110,594	5,046,540	4,617,088	176,019	4,793,107	253,433
Fleet maintenance admin	690,391	258,975	949,366	773,973	2,430	776,403	172,963
Fleet repair light duty	752,906	7,885	760,791	716,013	6,117	722,130	38,661
Fleet repair heavy duty	1,001,200	12,666	1,013,866	973,783	8,211	981,994	31,872
Fleet fuel and parts	4,023,443	(846,183)	3,177,260	2,912,643	548,279	3,460,922	(283,662)
CNG Station	424,454	(148,381)	276,073	172,469	129,510	301,979	(25,906)
Total public works	23,188,032	(1,311,100)	21,876,932	19,900,578	1,566,071	21,466,649	410,283
Total expenditures and encumbrances	105,519,658	7,681,260	113,200,918	103,051,291	4,172,638	107,223,929	5,976,989
Excess (deficiency) of revenues over (under) expenditures and encumbrances	(7,301,826)	(7,401,785)	(14,703,611)			(9,842,628)	4,860,983

(continued)

## The City of Norman, Oklahoma

## General Fund

Schedule of Revenues, Expenditures, Encumbrances and Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
for the Year Ended June 30, 2024

	Original Budget	Revisions	Revised Budget	Expenditures	Encum- brances	Actual	Variance Positive (Negative)
OTHER FINANCIAL SOURCES (USES):							
Transfers in:							
Water Fund	1,125,966	-	1,125,966			1,431,427	305,461
Wastewater Fund	615,334	-	615,334			594,323	(21,011)
Insurance Fund	-	3,375	3,375			3,375	-
Capital Projects Fund	4,720,756	-	4,720,756			9,402,319	4,681,563
Norman Forward Fund	377,998	-	377,998			377,998	-
Total transfers in	<u>6,840,054</u>	<u>3,375</u>	<u>6,843,429</u>			<u>11,809,442</u>	<u>4,966,013</u>
Transfers out:							
Young Family Athletic Center Fund	-	-	-			(446,372)	(446,372)
Cleet Fund	-	-	-			(13,689)	(13,689)
Transit & Parking Fund	(615,694)	(176,078)	(791,772)			(791,772)	-
Westwood Fund	(93,392)	-	(93,392)			(108,038)	(14,646)
Capital Projects	(1,391,635)	511,928	(879,707)			(405,000)	474,707
Total transfers out	<u>(2,100,721)</u>	<u>335,850</u>	<u>(1,764,871)</u>			<u>(1,764,871)</u>	<u>-</u>
Issuance of debt	-	-	-			232,400	232,400
Net other financing sources (uses)	<u>4,739,333</u>	<u>339,225</u>	<u>5,078,558</u>			<u>10,276,971</u>	<u>5,198,413</u>
Excess (deficiency) of revenues over (under) expenditures, encumbrances and other financing sources (uses)	(2,562,493)	(7,062,560)	(9,625,053)			434,343	10,059,396
Fund balance (deficit), July 1, 2023 (Non-GAAP budgetary basis)	<u>12,792,720</u>	<u>-</u>	<u>12,792,720</u>			<u>12,792,720</u>	<u>-</u>
Fund balance (deficit), June 30, 2024 (Non-GAAP budgetary basis)	<u>\$ 10,230,227</u>	<u>\$ (7,062,560)</u>	<u>\$ 3,167,667</u>			<u>\$ 13,227,063</u>	<u>\$ 10,059,396</u> (concluded)

## The City of Norman, Oklahoma

### Public Safety Sales Tax Fund

#### Schedule of Revenues, Expenditures, Encumbrances and Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis) for the Year Ended June 30, 2024

	Original Budget	Revisions	Revised Budget	Expenditures	Encum- brances	Actual	Variance- Positive (Negative)
REVENUES:							
Taxes:							
Sales taxes	\$ 12,675,272	\$ -	\$ 12,675,272			\$ 11,999,913	\$ (675,359)
Use taxes	1,854,351	-	1,854,351			2,118,725	264,374
Investment earnings	50,000	-	50,000			248,238	198,238
Other:							
SRO reimbursement-NPS	698,055	-	698,055			500,000	(198,055)
Total revenues	<u>15,277,678</u>	<u>-</u>	<u>15,277,678</u>			<u>14,866,876</u>	<u>(410,802)</u>
EXPENDITURES AND ENCUMBRANCES:							
Public safety:							
Police staff services	50,027	2,269	52,296	\$ 48,611	\$ 284	48,895	3,401
Police criminal investigations	759,664	1,900	761,564	709,845	-	709,845	51,719
Police patrol	5,604,859	(4,160)	5,600,699	4,305,257	388,006	4,693,263	907,436
911 services	283,886	(165,485)	118,401	108,725	5,050	113,775	4,626
Fire suppression	6,293,850	2,718,509	9,012,359	6,198,620	542,142	6,740,762	2,271,597
SRO	1,218,544	901,731	2,120,275	1,657,080	326,466	1,983,546	136,729
Fleet Heavy Repair	555,108	35,230	590,338	479,429	38,796	518,225	72,113
Capital projects	-	4,317,126	4,317,126	(547,917)	325,897	(222,020)	4,539,146
Debt services	2,381,075	-	2,381,075	2,380,104	-	2,380,104	971
Total expenditures and encumbrances	<u>17,147,013</u>	<u>7,807,120</u>	<u>24,954,133</u>	<u>\$ 15,339,754</u>	<u>\$ 1,626,641</u>	<u>16,966,395</u>	<u>7,987,738</u>
Excess (deficiency) of revenues over (under) expenditures, encumbrances and other financing sources (uses)	<u>(1,869,335)</u>	<u>(7,807,120)</u>	<u>(9,676,455)</u>			<u>(2,099,519)</u>	<u>7,576,936</u>
Fund balance (deficit), July 1, 2023 (Non-GAAP budgetary basis)	<u>2,035,104</u>	<u>-</u>	<u>2,035,104</u>			<u>2,035,104</u>	<u>-</u>
Fund balance (deficit), June 30, 2024 (Non-GAAP budgetary basis)	<u>\$ 165,769</u>	<u>\$ (7,807,120)</u>	<u>\$ (7,641,351)</u>			<u>\$ (64,415)</u>	<u>\$ 7,576,936</u>

## The City of Norman, Oklahoma

## Special Grants Fund

Schedule of Revenues, Expenditures, Encumbrances and Changes in Fund Balance -  
Budget and Actual (Non-GAAP Budgetary Basis)  
for the Year Ended June 30, 2024

	Original Budget	Revisions	Revised Budget	Expenditures	Encum- brances	Actual	Variance Positive (Negative)
REVENUES:							
Intergovernmental revenues:							
County Court DUI	\$ 56,577	\$ -	\$ 56,577			\$ 15,808	\$ (40,769)
Public safety grants	-	182,928	182,928			2,067,934	1,885,006
Public service grants	-	18,375	18,375			5,354,932	5,336,557
Public works grants	-	2,945,129	2,945,129			1,580,201	(1,364,928)
Parks grants	-	-	-			18,840	18,840
Investment earnings	-	-	-			552,562	552,562
Total revenues	56,577	3,146,432	3,203,009			9,590,277	6,387,268
EXPENDITURES AND ENCUMBRANCES:							
JAG grant	-	57,782	57,782	\$ 17,091	\$ 14,095	31,186	26,596
VOCA grant	55,561	71,489	127,050	67,263	-	67,263	59,787
Emergency management grant	-	50,699	50,699	26,108	-	26,108	24,591
Homeland security grant	-	86,758	86,758	37,425	-	37,425	49,333
Misc police grants	-	6,500	6,500	3,129	3,370	6,499	1
SHPO / CLG grant	1,016	18,378	19,394	18,043	-	18,043	1,351
Firehouse art grant	-	325,000	325,000	-	-	-	325,000
Sulton wilderness grant	-	85,700	85,700	-	-	-	85,700
Tree grant	-	10,000	10,000	10,000	-	10,000	-
Northbase EV chargers grant	-	284	284	-	-	-	284
12th & Highmeadows grant	-	1,630,683	1,630,683	1,630,682	-	1,630,682	1
Traffic mgmt ctr grant	-	378,548	378,548	-	-	-	378,548
ACOG fleet conversion	-	2,886,782	2,886,782	120,000	356,525	476,525	2,410,257
Transportation projects	-	3,099,618	3,099,618	136	776,714	776,850	2,322,768
Affordable housing ARPA	-	5,654,216	5,654,216	24,691	-	24,691	5,629,525
Vehicle wash facility	-	350,140	350,140	1,653	9,341	10,994	339,146
Midway drive drainage	-	35,025	35,025	(9,450)	-	(9,450)	44,475
Imhoff creek stabilization	-	2,031,117	2,031,117	52,515	602,374	654,889	1,376,228
The vineyard detention	-	499,634	499,634	124,031	-	124,031	375,603
ECOC building grant	-	10,138,402	10,138,402	(57,205)	1,184,350	1,127,145	9,011,257
Environmental services grant	-	6,000	6,000	6,000	-	6,000	-
Total expenditures and encumbrances	56,577	27,422,755	27,479,332	\$ 2,072,112	\$ 2,946,769	5,018,881	22,460,451
Excess (deficiency) of revenues and other sources over (under) expenditures, encumbrances	-	(24,276,323)	(24,276,323)			4,571,396	28,847,719
OTHER FINANCING SOURCES (USES):							
Transfers in:							
Capital Projects Fund	-	2,991,594	2,991,594			2,991,594	-
Transfers out:							
Capital Projects	-	(2,655,572)	(2,655,572)			(2,655,572)	-
Net other financing sources (uses)	-	336,022	336,022			336,022	-

(continued)

## The City of Norman, Oklahoma

### Special Grants Fund

#### Schedule of Revenues, Expenditures, Encumbrances and Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis) for the Year Ended June 30, 2024

	Original Budget	Revisions	Revised Budget	Expenditures	Encum- brances	Actual	Variance Positive (Negative)
Excess (deficiency) of revenues over (under) expenditures, encumbrances and other financing sources (uses)	-	(23,940,301)	(23,940,301)			4,907,418	28,847,719
Fund balance (deficit), July 1, 2023 (Non-GAAP budgetary basis)	(6,145,970)	-	(6,145,970)			(6,145,970)	-
Fund balance (deficit), June 30, 2024 (Non-GAAP budgetary basis)	<u>\$ (6,145,970)</u>	<u>\$(23,940,301)</u>	<u>\$(30,086,271)</u>			<u>\$ (1,238,552)</u>	<u>\$ 28,847,719</u> (concluded)

## Notes to Required Supplementary Information on Budgetary Comparison Schedule - General Fund and Public Safety Sales Tax Fund

**Budget Reconciliations** - Items required to adjust actual revenues, expenditures, and fund balances reported on the budgetary basis to those reported within the fund financial statements as of and for the year ended June 30, 2024, are as follows:

	General Fund	Public Safety Sales Tax Fund	Special Grants Fund
Fund balances - budgetary basis, June 30, 2024	\$ 13,227,063	\$ (64,415)	\$ (1,238,552)
Current year encumbrances included in expenditures	4,172,638	1,626,641	2,946,769
Prior year encumbrances outstanding	277,782	1,067,618	2,776,912
Current year revenue accrual	12,688,201	2,273,008	1,022,018
Current year expenditure accrual	(3,230,694)	(690,313)	(608,295)
Rainy Day Fund Balance	4,750,438	-	-
Fund balances - fund financial statements, June 30, 2024	<u>\$ 31,885,428</u>	<u>\$ 4,212,539</u>	<u>\$ 4,898,852</u>
Revenues - budgetary basis	\$ 97,381,301	\$ 14,866,876	\$ 9,590,277
Current year revenue accrual	12,688,201	2,273,008	1,022,018
Prior year revenue accrual	(12,930,663)	(2,274,791)	(941,042)
Interest earned within Rainy Day Fund	232,450	-	-
Revenues - fund financial statements	<u>\$ 97,371,289</u>	<u>\$ 14,865,093</u>	<u>\$ 9,671,253</u>
Expenditures - budgetary basis	\$ 107,223,929	\$ 16,966,395	\$ 5,018,881
Current year encumbrances included in expenditures	(4,172,638)	(1,626,641)	(2,946,769)
Prior year encumbrances paid	5,073,555	4,667,691	9,454,629
Current year expenditure accrual	3,230,694	690,313	608,295
Prior year expenditure accrual	(2,839,269)	(585,616)	(2,583)
Expenditures - fund financial statements	<u>\$ 108,516,271</u>	<u>\$ 20,112,142</u>	<u>\$ 12,132,453</u>



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**OTHER  
SUPPLEMENTARY  
INFORMATION**

**The City of Norman, Oklahoma**  
**Combining Balance Sheet**  
**Nonmajor Governmental Funds**  
**June 30, 2024**

	Norman Room Tax Fund	Community Development Fund	Park Land Fund	Seizures and Res- titutions Fund	Cleet Fund	Transit & Parking Fund	Art in Public Places Fund	Debt Service Fund	Westwood Fund	Young Family Athletic Center Fund	Total Nonmajor Governmen- tal Total
<b>ASSETS</b>											
Cash and cash equivalents	\$ 930,869	\$ 2,388,634	\$ 537,902	\$ 1,521,980	\$ 553	\$ 1,514,946	\$ 891	\$ -	\$ 717,480	\$ 82,923	\$ 7,696,178
Investments	234,113	-	301,846	566,191	782	399,320	-	2,404,454	-	-	3,906,706
Receivables:											
Taxes	315,295	-	-	-	-	568,343	-	-	-	-	883,638
Accounts	-	-	-	165	-	-	246	-	-	-	411
Interest	2,915	-	3,759	7,050	10	4,972	-	29,941	-	-	48,647
Due from Federal Government	-	1,029,713	-	-	-	452,020	-	-	-	-	1,481,733
Due from other funds	10,372	45,261	7,113	16,512	7	-	12	87,569	-	1,093	167,939
Inventory	-	-	-	-	-	-	-	-	110,204	-	110,204
Restricted Assets:											
Cash and cash equivalents	-	-	-	-	-	-	-	6,998,409	-	-	6,998,409
Total assets	<u>\$ 1,493,564</u>	<u>\$ 3,463,608</u>	<u>\$ 850,620</u>	<u>\$ 2,111,898</u>	<u>\$ 1,352</u>	<u>\$ 2,939,601</u>	<u>\$ 1,149</u>	<u>\$ 9,520,373</u>	<u>\$ 827,684</u>	<u>\$ 84,016</u>	<u>\$ 21,293,865</u>
<b>LIABILITIES AND FUND BALANCE</b>											
<b>LIABILITIES</b>											
Accounts payable and other accrued liabilities	\$ -	\$ 5,739	\$ 21,467	\$ -	\$ 1,352	\$ 709,600	\$ -	\$ -	\$ 649,638	\$ 46,714	\$ 1,434,510
Payroll payable	-	14,627	-	-	-	36,221	-	-	168,602	37,302	256,752
Due to other funds	-	-	-	-	-	728,396	-	-	-	-	728,396
Total liabilities	<u>-</u>	<u>20,366</u>	<u>21,467</u>	<u>-</u>	<u>1,352</u>	<u>1,474,217</u>	<u>-</u>	<u>-</u>	<u>818,240</u>	<u>84,016</u>	<u>2,419,658</u>
<b>FUND BALANCES</b>											
Nonspendable	-	-	-	-	-	-	-	-	110,204	-	110,204
Restricted	1,426,319	3,438,486	718,978	1,947,906	-	1,324,687	883	9,520,373	-	-	18,377,632
Assigned	67,245	4,756	110,175	163,992	-	140,697	266	-	9,444	-	496,575
Unassigned	-	-	-	-	-	-	-	-	(110,204)	-	(110,204)
Total fund balance	<u>1,493,564</u>	<u>3,443,242</u>	<u>829,153</u>	<u>2,111,898</u>	<u>-</u>	<u>1,465,384</u>	<u>1,149</u>	<u>9,520,373</u>	<u>9,444</u>	<u>-</u>	<u>18,874,207</u>
Total liabilities and fund balance	<u>\$ 1,493,564</u>	<u>\$ 3,463,608</u>	<u>\$ 850,620</u>	<u>\$ 2,111,898</u>	<u>\$ 1,352</u>	<u>\$ 2,939,601</u>	<u>\$ 1,149</u>	<u>\$ 9,520,373</u>	<u>\$ 827,684</u>	<u>\$ 84,016</u>	<u>\$ 21,293,865</u>

See notes to financial statements

## The City of Norman, Oklahoma

# Combining Statement of Revenues, Expenditures, and Changes in Fund Balances Nonmajor Governmental Funds for the Year Ended June 30, 2024

	Norman Room Tax Fund	Community Development Fund	Park Land Fund	Seizures and Res- titutions Fund	Cleet Fund	Transit & Parking Fund	Art in Public Places Fund	Debt Service Fund	Westwood Fund	Young Family Athletic Center Fund	Total Nonmajor Governmental Total
Revenues:											
Taxes	\$ 3,600,483	\$ -	\$ -	\$ -	\$ -	\$ 3,527,400	\$ -	\$ 15,785,200	\$ -	\$ -	\$ 22,913,083
Intergovernmental revenues	-	1,455,871	-	-	18,714	3,473,377	-	-	-	-	4,947,962
Charges for services	-	-	56,528	-	-	-	-	-	2,293,013	238,209	2,587,750
Investment earnings	35,609	6,714	43,532	85,481	87	74,059	88	355,979	136,090	-	737,639
Other	-	-	-	357,322	-	87,853	5,370	-	209,083	21,874	681,502
Total revenues	<u>3,636,092</u>	<u>1,462,585</u>	<u>100,060</u>	<u>442,803</u>	<u>18,801</u>	<u>7,162,689</u>	<u>5,458</u>	<u>16,141,179</u>	<u>2,638,186</u>	<u>260,083</u>	<u>31,867,936</u>
Expenditures:											
Current:											
Parks and recreation	43,953	-	67,856	-	-	-	7,774	-	2,960,808	706,455	3,786,846
Public works	-	-	-	-	-	6,443,148	-	-	-	-	6,443,148
Public service	2,918,277	1,480,431	-	-	-	-	-	-	-	-	4,398,708
Public safety	-	-	-	674	32,490	-	-	-	-	-	33,164
Capital outlay	-	-	46,050	-	-	1,565,847	-	-	45,090	-	1,656,987
Debt service:											
Principal retirement	365,000	-	-	-	-	-	-	8,050,000	-	-	8,415,000
Interest and fiscal charges	63,327	-	-	-	-	-	-	2,963,095	-	-	3,026,422
Total expenditures	<u>3,390,557</u>	<u>1,480,431</u>	<u>113,906</u>	<u>674</u>	<u>32,490</u>	<u>8,008,995</u>	<u>7,774</u>	<u>11,013,095</u>	<u>3,005,898</u>	<u>706,455</u>	<u>27,760,275</u>
Excess (deficiency) of revenues over (under) expenditures	<u>245,535</u>	<u>(17,846)</u>	<u>(13,846)</u>	<u>442,129</u>	<u>(13,689)</u>	<u>(846,306)</u>	<u>(2,316)</u>	<u>5,128,084</u>	<u>(367,712)</u>	<u>(446,372)</u>	<u>4,107,661</u>
Other financing sources (uses):											
Transfers in	-	-	-	-	13,689	791,772	-	373,193	272,217	446,372	1,897,243
Transfers out	-	(1,258,058)	-	-	-	-	-	(263,069)	-	-	(1,521,127)
Net other financing sources (uses)	<u>-</u>	<u>(1,258,058)</u>	<u>-</u>	<u>-</u>	<u>13,689</u>	<u>791,772</u>	<u>-</u>	<u>110,124</u>	<u>272,217</u>	<u>446,372</u>	<u>376,116</u>
Net change in fund balances	245,535	(1,275,904)	(13,846)	442,129	-	(54,534)	(2,316)	5,238,208	(95,495)	-	4,483,777
Fund balances, July 1, 2023	<u>1,248,029</u>	<u>4,719,146</u>	<u>842,999</u>	<u>1,669,769</u>	<u>-</u>	<u>1,519,918</u>	<u>3,465</u>	<u>4,282,165</u>	<u>104,939</u>	<u>-</u>	<u>14,390,430</u>
Fund balances, June 30, 2024	<u>\$ 1,493,564</u>	<u>\$ 3,443,242</u>	<u>\$ 829,153</u>	<u>\$ 2,111,898</u>	<u>\$ -</u>	<u>\$ 1,465,384</u>	<u>\$ 1,149</u>	<u>\$ 9,520,373</u>	<u>\$ 9,444</u>	<u>\$ -</u>	<u>\$ 18,874,207</u>

See notes to financial statements



## The City of Norman, Oklahoma

## Norman Room Tax Fund

**Schedule of Revenues, Expenditures, Encumbrances and Changes in Fund Balance -  
Budget and Actual (Non-GAAP Budgetary Basis)  
for the Year Ended June 30, 2024**

	Original Budget	Revisions	Revised Budget	Expenditures	Encum- brances	Actual	Variance Positive (Negative)
REVENUES:							
Taxes:							
Hotel/motel taxes	\$ 3,439,166	\$ -	\$ 3,439,166			\$ 3,183,673	\$ (255,493)
Airbnb taxes	-	-	-			285,133	285,133
Airbnb fees	-	-	-			54,200	54,200
Lic Late Fee	-	-	-			150	150
Investment earnings	2,500	-	2,500			28,341	25,841
Total revenues	<u>3,441,666</u>	<u>-</u>	<u>3,441,666</u>			<u>3,551,497</u>	<u>109,831</u>
EXPENDITURES AND ENCUMBRANCES:							
Parks and recreations	3,096,667	8,249	3,104,916	\$ 1,004,230	\$ 624	1,004,854	2,100,062
Debt services	<u>429,578</u>	<u>-</u>	<u>429,578</u>	<u>428,327</u>	<u>-</u>	<u>428,327</u>	<u>1,251</u>
Total expenditures and encumbrances	<u>3,526,245</u>	<u>8,249</u>	<u>3,534,494</u>	<u>\$ 1,432,557</u>	<u>\$ 624</u>	<u>1,433,181</u>	<u>2,101,313</u>
Excess (deficiency) of revenues over (under) expenditures, encumbrances and other financing sources (uses)	<u>(84,579)</u>	<u>(8,249)</u>	<u>(92,828)</u>			<u>2,118,316</u>	<u>2,211,144</u>
Fund balance (deficit), July 1, 2023 (Non-GAAP budgetary basis)	<u>(939,834)</u>	<u>-</u>	<u>(939,834)</u>			<u>(939,834)</u>	<u>-</u>
Fund balance (deficit), June 30, 2024 (Non-GAAP budgetary basis)	<u>\$ (1,024,413)</u>	<u>\$ (8,249)</u>	<u>\$ (1,032,662)</u>			<u>\$ 1,178,482</u>	<u>\$ 2,211,144</u>

## The City of Norman, Oklahoma

## Community Development Fund

Schedule of Revenues, Expenditures, Encumbrances and Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
for the Year Ended June 30, 2024

	Original Budget	Revisions	Revised Budget	Expenditures	Encum- brances	Actual	Variance Positive (Negative)
REVENUES:							
Intergovernmental revenues:							
Community development block grant ("CDBG")	\$ 941,659	\$ -	\$ 941,659			\$ 776,796	\$ (164,863)
CDBG - CV grant	-	-	-			-	-
CDBG - CV2 grant	-	-	-			133,426	133,426
Home grant	458,765	-	458,765			613,998	155,233
Investment earnings	-	-	-			6,714	6,714
Total revenues	1,400,424	-	1,400,424			1,530,934	130,510
EXPENDITURES AND ENCUMBRANCES:							
Public service:							
Community development	327,850	478,652	806,502	\$ 423,941	\$ -	423,941	382,561
CDBG housing	419,689	197,785	617,474	616,051	-	616,051	1,423
CDBG public service	194,120	(44,429)	149,691	129,128	6,598	135,726	13,965
CD13G-CV	-	76,727	76,727	73,701	-	73,701	3,026
CDBG-CV2	-	136,223	136,223	108,838	-	108,838	27,385
Home grants	458,765	160,378	619,143	98,807	-	98,807	520,336
Home ARPA grants	-	1,226,908	1,226,908	3,500	-	3,500	1,223,408
Total expenditures and encumbrances	1,400,424	2,232,244	3,632,668	\$ 1,453,966	\$ 6,598	1,460,564	2,172,104
Excess (deficiency) of revenues over (under) expenditures and encumbrances	-	(2,232,244)	(2,232,244)			70,370	2,302,614
OTHER FINANCIAL SOURCES (USES):							
Transfers out:							
Capital Projects	-	(1,258,058)	(1,258,058)			(1,258,058)	-
Net other financing sources (uses)	-	(1,258,058)	(1,258,058)			(1,258,058)	-
Excess (deficiency) of revenues over (under) expenditures, encumbrances and other financing sources (uses)	-	(3,490,302)	(3,490,302)			(1,187,688)	2,302,614
Fund balance (deficit), July 1, 2023 (Non-GAAP budgetary basis)	3,609,247	-	3,609,247			3,609,247	-
Fund balance (deficit), June 30, 2024 (Non-GAAP budgetary basis)	\$ 3,609,247	\$ (3,490,302)	\$ 118,945			\$ 2,421,559	\$ 2,302,614

## The City of Norman, Oklahoma

## Park Land Fund

Schedule of Revenues, Expenditures, Encumbrances and Changes in Fund Balance -  
Budget and Actual (Non-GAAP Budgetary Basis)  
for the Year Ended June 30, 2024

	Original Budget	Revisions	Revised Budget	Expenditures	Encum- brances	Actual	Variance Positive (Negative)
REVENUES:							
Charges for services	\$ 85,000	\$ -	\$ 85,000			\$ 56,528	\$ (28,472)
Investment earnings	10,000	-	10,000			34,377	24,377
Total revenues	95,000	-	95,000			90,905	(4,095)
EXPENDITURES AND ENCUMBRANCES:							
Parks and recreations	300,000	426,764	726,764	\$ 112,706	\$ 4,910	117,616	609,148
Total expenditures and encumbrances	300,000	426,764	726,764	\$ 112,706	\$ 4,910	117,616	609,148
Excess (deficiency) of revenues over (under) expenditures, encumbrances and other financing sources (uses)	(205,000)	(426,764)	(631,764)			(26,711)	605,053
Fund balance (deficit), July 1, 2023 (Non-GAAP budgetary basis)	852,082	-	852,082			852,082	-
Fund balance (deficit), June 30, 2024 (Non-GAAP budgetary basis)	\$ 647,082	\$ (426,764)	\$ 220,318			\$ 825,371	\$ 605,053

## The City of Norman, Oklahoma

## Seizures and Restitutions Fund

Schedule of Revenues, Expenditures, Encumbrances and Changes in Fund Balance -  
Budget and Actual (Non-GAAP Budgetary Basis)  
for the Year Ended June 30, 2024

	Original Budget	Revisions	Revised Budget	Expenditures	Encum- brances	Actual	Variance Positive (Negative)
REVENUES:							
Investment earnings	\$ 500	\$ -	\$ 500			\$ 70,227	\$ 69,727
Other:							
State Seizure/Restitution	-	-	-			288,413	288,413
Federal Seizure/Restitution	-	-	-			68,909	68,909
Total revenues	500	-	500			427,549	427,049
EXPENDITURES AND ENCUMBRANCES:							
Public safety:							
Federal seizures	207,000	82,800	289,800	\$ 674	\$ 289,237	289,911	(111)
Court Cleet Training	1,254,780	(82,800)	1,171,980	-	1,171,979	1,171,979	1
Total expenditures and encumbrances	1,461,780	-	1,461,780	\$ 674	\$ 1,461,216	1,461,890	(110)
Excess (deficiency) of revenues over (under) expenditures, encumbrances and other financing sources (uses)	(1,461,280)	-	(1,461,280)			(1,034,341)	426,939
Fund balance (deficit), July 1, 2023 (Non-GAAP budgetary basis)	1,686,975	-	1,686,975			1,686,975	-
Fund balance (deficit), June 30, 2024 (Non-GAAP budgetary basis)	\$ 225,695	\$ -	\$ 225,695			\$ 652,634	\$ 426,939

## The City of Norman, Oklahoma

## Cleet Fund

## Schedule of Revenues, Expenditures, Encumbrances and Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis) for the Year Ended June 30, 2024

	Original Budget	Revisions	Revised Budget	Expenditures	Encum- brances	Actual	Variance Positive (Negative)
REVENUES:							
Intergovernmental revenues:							
Police CLEET training	\$ 30,000	\$ -	\$ 30,000			\$ 17,404	\$ (12,596)
Court CLEET training	2,000	-	2,000			1,310	(690)
Investment earnings	-	-	-			87	87
Total revenues	32,000	-	32,000			18,801	(13,199)
EXPENDITURES AND ENCUMBRANCES:							
Public service							
Court Cleet Training	1,500	-	1,500	\$ 1,176	\$ -	1,176	324
Police Cleet Training	29,005	12,066	41,071	19,248	9,751	28,999	12,072
Total expenditures and encumbrances	30,505	12,066	42,571	\$ 20,424	\$ 9,751	30,175	12,396
Excess (deficiency) of revenues over (under) expenditures and encumbrances	1,495	(12,066)	(10,571)			(11,374)	(803)
OTHER FINANCIAL SOURCES (USES):							
Transfers in:							
General Fund	-	-	-			13,689	13,689
Net other financing sources (uses)	-	-	-			13,689	13,689
Excess (deficiency) of revenues over (under) expenditures, encumbrances and other financing sources (uses)	1,495	(12,066)	(10,571)			2,315	12,886
Fund balance (deficit), July 1, 2023 (Non-GAAP budgetary basis)	(12,067)	-	(12,067)			(12,067)	-
Fund balance (deficit), June 30, 2024 (Non-GAAP budgetary basis)	\$ (10,572)	\$ (12,066)	\$ (22,638)			\$ (9,752)	\$ 12,886

## The City of Norman, Oklahoma

## Transit and Parking Fund

Schedule of Revenues, Expenditures, Encumbrances and Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
for the Year Ended June 30, 2024

	Original Budget	Revisions	Revised Budget	Expenditures	Encum- brances	Actual	Variance Positive (Negative)
REVENUES:							
Taxes:							
Sales taxes	\$ 3,168,818	\$ -	\$ 3,168,818			\$ 2,999,979	\$ (168,839)
Use taxes	472,633	-	472,633			529,681	57,048
Intergovernmental revenues:							
General government grants	-	-	-			258,266	258,266
Miscellaneous revenues	-	-	-			53,836	53,836
Public safety grants	150,000	207,400	357,400			37,980	(319,420)
Public works grants	2,360,933	-	2,360,933			3,146,798	785,865
Investment earnings	-	-	-			74,059	74,059
Other:							
Sale of fixed asset	-	-	-			35,087	35,087
Contributions	-	-	-			37,500	37,500
Miscellaneous revenues	50,000	-	50,000			-	(50,000)
Miscellaneous income	12,000	-	12,000			15,265	3,265
Total revenues	<u>6,214,384</u>	<u>207,400</u>	<u>6,421,784</u>			<u>7,188,451</u>	<u>766,667</u>
EXPENDITURES AND ENCUMBRANCES:							
Public works:							
Fleet repair	1,899,459	1,601,211	3,500,670	\$ 1,073,948	\$ 424,195	1,498,143	2,002,527
Transit & parking admin	4,930,620	1,019,307	5,949,927	4,609,531	484,599	5,094,130	855,797
Total expenditures and encumbrances	<u>6,830,079</u>	<u>2,620,518</u>	<u>9,450,597</u>	<u>\$ 5,683,479</u>	<u>\$ 908,794</u>	<u>6,592,273</u>	<u>2,858,324</u>
Excess (deficiency) of revenues over (under) expenditures and encumbrances	<u>(615,695)</u>	<u>(2,413,118)</u>	<u>(3,028,813)</u>			<u>596,178</u>	<u>3,624,991</u>
OTHER FINANCIAL SOURCES (USES):							
Transfers in:							
General Fund	<u>615,694</u>	<u>176,078</u>	<u>791,772</u>			<u>791,772</u>	<u>-</u>
Net other financing sources (uses)	<u>615,694</u>	<u>176,078</u>	<u>791,772</u>			<u>791,772</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures, encumbrances and other financing sources (uses)	(1)	(2,237,040)	(2,237,041)			1,387,950	3,624,991
Fund balance (deficit), July 1, 2023 (Non-GAAP budgetary basis)	<u>(1,814,805)</u>	<u>-</u>	<u>(1,814,805)</u>			<u>(1,814,805)</u>	<u>-</u>
Fund balance (deficit), June 30, 2024 (Non-GAAP budgetary basis)	<u>\$ (1,814,806)</u>	<u>\$ (2,237,040)</u>	<u>\$ (4,051,846)</u>			<u>\$ (426,855)</u>	<u>\$ 3,624,991</u>

## The City of Norman, Oklahoma

## Art in Public Places Fund

Schedule of Revenues, Expenditures, Encumbrances and Changes in Fund Balance -  
Budget and Actual (Non-GAAP Budgetary Basis)  
for the Year Ended June 30, 2024

	Original Budget	Revisions	Revised Budget	Expenditures	Encum- brances	Actual	Variance Positive (Negative)
REVENUES:							
Investment earnings	\$ -	\$ -	\$ -			\$ 88	\$ 88
Other	16,000	-	16,000			5,370	(10,630)
Total revenues	16,000	-	16,000			5,458	(10,542)
EXPENDITURES AND ENCUMBRANCES:							
Parks and recreations:							
Donation	16,000	-	16,000	\$ 7,774	\$ -	7,774	8,226
Total expenditures and encumbrances	16,000	-	16,000	\$ 7,774	\$ -	7,774	8,226
Excess (deficiency) of revenues over (under) expenditures, encumbrances and other financing sources (uses)	-	-	-			(2,316)	(2,316)
Fund balance (deficit), July 1, 2023 (Non-GAAP budgetary basis)	3,465	-	3,465			3,465	-
Fund balance (deficit), June 30, 2024 (Non-GAAP budgetary basis)	\$ 3,465	\$ -	\$ 3,465			\$ 1,149	\$ (2,316)

## The City of Norman, Oklahoma

## Debt Service Fund

Schedule of Revenues, Expenditures, Encumbrances and Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
for the Year Ended June 30, 2024

	Original Budget	Revisions	Revised Budget	Expenditures	Encum- brances	Actual	Variance Positive (Negative)
REVENUES:							
Taxes:							
Property taxes	\$10,174,096	\$ -	\$10,174,096			\$15,785,200	\$ 5,611,104
Investment earnings	25,000	-	25,000			277,720	252,720
Total revenues	10,199,096	-	10,199,096			16,062,920	5,863,824
EXPENDITURES AND ENCUMBRANCES:							
Debt services:							
Principal retirement	8,050,000	-	8,050,000	\$ 8,050,000	\$ -	8,050,000	-
Interest and fiscal charges	2,966,346	-	2,966,346	2,963,095	-	2,963,095	3,251
Total expenditures and encumbrances	11,016,346	-	11,016,346	\$ 11,013,095	\$ -	11,013,095	3,251
Excess (deficiency) of revenues over (under) expenditures and encumbrances	(817,250)	-	(817,250)			5,049,825	5,867,075
OTHER FINANCIAL SOURCES (USES):							
Transfers in:							
Insurance Fund	-	-	-			373,193	373,193
Transfers out:							
Insurance Fund	(500,000)	-	(500,000)			(263,069)	236,931
Net other financing sources (uses)	(500,000)	-	(500,000)			110,124	610,124
Excess (deficiency) of revenues over (under) expenditures, encumbrances and other financing sources (uses)	(1,317,250)	-	(1,317,250)			5,159,949	6,477,199
Fund balance (deficit), July 1, 2023 (Non-GAAP budgetary basis)	4,369,409	-	4,369,409			4,369,409	-
Fund balance (deficit), June 30, 2024 (Non-GAAP budgetary basis)	\$ 3,052,159	\$ -	\$ 3,052,159			\$ 9,529,358	\$ 6,477,199

## The City of Norman, Oklahoma

## Capital Projects Fund

## Schedule of Revenues, Expenditures, Encumbrances and Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis) for the Year Ended June 30, 2024

	Original Budget	Revisions	Revised Budget	Expenditures	Encum- brances	Actual	Variance Positive (Negative)
REVENUES:							
Taxes:							
Sales taxes	\$17,169,150	\$ -	\$17,169,150			\$16,799,878	\$ (369,272)
Property taxes	1,470,414	-	1,470,414			1,254,780	(215,634)
Licenses and permits:							
Permits	-	-	-			1,207	1,207
Investment earnings	726,000	-	726,000			3,226,332	2,500,332
Other:							
Sale of fixed asset	-	-	-			10,000	10,000
Special assessment	200,000	-	200,000			3,650	(196,350)
Miscellaneous revenues	-	-	-			117,291	117,291
Total revenues	19,565,564	-	19,565,564			21,413,138	1,847,574
EXPENDITURES AND ENCUMBRANCES:							
Personnel costs	1,418,610	(66,619)	1,351,991	\$ 1,358,686	\$ -	1,358,686	(6,695)
Services and maintenance	140,762	436,987	577,749	204,594	102,043	306,637	271,112
Cost allocation charges	24,371	(13,389)	10,982	4,111	-	4,111	6,871
Capital projects	22,514,475	54,872,537	77,387,012	18,165,635	6,340,530	24,506,165	52,880,847
Capital projects - Center City	-	218,600	218,600	29,820	188,780	218,600	-
Capital projects - UNP TIF	-	5,021,918	5,021,918	64,986	-	64,986	4,956,932
Debt services	-	124,071	124,071	124,070	-	124,070	1
Total expenditures and encumbrances	24,098,218	60,594,105	84,692,323	\$ 19,951,902	\$ 6,631,353	26,583,255	58,109,068
Excess (deficiency) of revenues over (under) expenditures and encumbrances	(4,532,654)	(60,594,105)	(65,126,759)			(5,170,117)	59,956,642
OTHER FINANCIAL SOURCES (USES):							
Transfers in:							
General Fund	1,391,635	405,000	1,796,635			405,000	(1,391,635)
Community Development Fund	-	-	-			1,258,058	1,258,058
Special Grants Fund	-	-	-			2,655,572	2,655,572
Transfers out:							
General Fund	(4,720,756)	(4,734,845)	(9,455,601)			(9,402,319)	53,282
Special Grants Fund	-	(2,991,594)	(2,991,594)			(2,991,594)	-
Westwood Fund	(75,897)	-	(75,897)			(129,179)	(53,282)
Issuance of debt premium	-	-	-			486,552	486,552
Issuance of debt	-	-	-			16,000,000	16,000,000
Net other financing sources (uses)	(3,405,018)	(7,321,439)	(10,726,457)			8,282,090	19,008,547
Excess (deficiency) of revenues over (under) expenditures, encumbrances and other financing sources (uses)	(7,937,672)	(67,915,544)	(75,853,216)			3,111,973	78,965,189
Fund balance (deficit), July 1, 2023 (Non-GAAP budgetary basis)	84,813,420	-	84,813,420			84,813,420	-
Fund balance (deficit), June 30, 2024 (Non-GAAP budgetary basis)	\$76,875,748	\$(67,915,544)	\$ 8,960,204			\$87,925,393	\$78,965,189

## The City of Norman, Oklahoma

## Norman Forward Fund

## Schedule of Revenues, Expenditures, Encumbrances and Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis) for the Year Ended June 30, 2024

	Original Budget	Revisions	Revised Budget	Expenditures	Encum- brances	Actual	Variance Positive (Negative)
REVENUES:							
Taxes:							
Sales taxes	\$12,675,272	\$ -	\$ 12,675,272			\$11,999,913	\$ (675,359)
Use taxes	1,890,533	-	1,890,533			2,118,725	228,192
Investment earnings	15,000	-	15,000			494,362	479,362
Other:							
Contributions	2,678,295	-	2,678,295			2,353,881	(324,414)
Miscellaneous revenues	-	-	-			37,620	37,620
Total revenues	<u>17,259,100</u>	<u>-</u>	<u>17,259,100</u>			<u>17,004,501</u>	<u>(254,599)</u>
EXPENDITURES AND ENCUMBRANCES:							
Services and maintenance	-	76,629	76,629	\$ (1,760)	\$ -	(1,760)	78,389
Capital projects	5,042,767	19,162,022	24,204,789	4,309,994	596,932	4,906,926	19,297,863
Debt services	9,598,911	3,051	9,601,962	9,601,961	-	9,601,961	1
Total expenditures and encumbrances	<u>14,641,678</u>	<u>19,241,702</u>	<u>33,883,380</u>	<u>\$ 13,910,195</u>	<u>\$ 596,932</u>	<u>14,507,127</u>	<u>19,376,253</u>
Excess (deficiency) of revenues over (under) expenditures and encumbrances	<u>2,617,422</u>	<u>(19,241,702)</u>	<u>(16,624,280)</u>			<u>2,497,374</u>	<u>19,121,654</u>
OTHER FINANCIAL SOURCES (USES):							
Transfers out:							
General Fund	(377,998)	-	(377,998)			(377,998)	-
Westwood Fund	(35,000)	-	(35,000)			(35,000)	-
Net other financing sources (uses)	<u>(412,998)</u>	<u>-</u>	<u>(412,998)</u>			<u>(412,998)</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures, encumbrances and other financing sources (uses)	<u>2,204,424</u>	<u>(19,241,702)</u>	<u>(17,037,278)</u>			<u>2,084,376</u>	<u>19,121,654</u>
Fund balance (deficit), July 1, 2023 (Non-GAAP budgetary basis)	<u>2,236,083</u>	<u>-</u>	<u>2,236,083</u>			<u>2,236,083</u>	<u>-</u>
Fund balance (deficit), June 30, 2024 (Non-GAAP budgetary basis)	<u>\$ 4,440,507</u>	<u>\$(19,241,702)</u>	<u>\$(14,801,195)</u>			<u>\$ 4,320,459</u>	<u>\$19,121,654</u>

## The City of Norman, Oklahoma

## Westwood Fund

**Schedule of Revenues, Expenditures, Encumbrances and Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)**  
**for the Year Ended June 30, 2024**

	Original Budget	Revisions	Revised Budget	Expenditures	Encum- brances	Actual	Variance Positive (Negative)
REVENUES:							
Charges for services:							
Pool charges	\$ 852,581	\$ -	\$ 852,581			\$ 897,029	\$ 44,448
Golf charges	1,106,700	-	1,106,700			1,015,073	(91,627)
Concessions pool charges	205,000	-	205,000			216,889	11,889
Concessions restaurant charges	190,000	348	190,348			164,023	(26,325)
Investment earnings	7,500	-	7,500			136,090	128,590
Other:							
Pool charges	-	-	-			1,036	1,036
Golf charges	200,000	-	200,000			192,173	(7,827)
Contributions	-	-	-			12,500	12,500
Miscellaneous revenues	-	-	-			3,373	3,373
Total revenues	2,561,781	348	2,562,129			2,638,186	76,057
EXPENDITURES AND ENCUMBRANCES:							
Concessions	346,390	(6,567)	339,823	\$ 337,825	\$ 12,449	350,274	(10,451)
Swimming pool	883,163	338,524	1,221,687	1,216,718	14,642	1,231,360	(9,673)
Golf maintenance	945,846	(71,600)	874,246	859,148	13	859,161	15,085
Golf course	507,183	64,395	571,578	565,977	-	565,977	5,601
Capital projects	-	57,765	57,765	7,859	-	7,859	49,906
Total expenditures and encumbrances	2,682,582	382,517	3,065,099	\$ 2,987,527	\$ 27,104	3,014,631	50,468
Excess (deficiency) of revenues over (under) expenditures and encumbrances	(120,801)	(382,169)	(502,970)			(376,445)	126,525
OTHER FINANCIAL SOURCES (USES):							
Transfers in:							
General Fund	93,392	-	93,392			108,038	14,646
Capital Projects Fund	75,897	-	75,897			129,179	53,282
Norman Forward Fund	35,000	-	35,000			35,000	-
Net other financing sources (uses)	204,289	-	204,289			272,217	67,928
Excess (deficiency) of revenues over (under) expenditures, encumbrances and other financing sources (uses)	83,488	(382,169)	(298,681)			(104,228)	194,453
Fund balance (deficit), July 1, 2023 (Non-GAAP budgetary basis)	255,171	-	255,171			255,171	-
Fund balance (deficit), June 30, 2024 (Non-GAAP budgetary basis)	\$ 338,659	\$ (382,169)	\$ (43,510)			\$ 150,943	\$ 194,453

## The City of Norman, Oklahoma

## Young Family Athletic Center Fund

**Schedule of Revenues, Expenditures, Encumbrances and Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)**  
**for the Year Ended June 30, 2024**

	Original Budget	Revisions	Revised Budget	Expenditures	Encum- brances	Actual	Variance Positive (Negative)
REVENUES:							
Charges for services:							
Leagues	\$ -	\$ -	\$ -			\$ 32,000	\$ 32,000
Membership fees	-	259,875	259,875			14,745	(245,130)
Day Passes	-	60,682	60,682			4,401	(56,281)
Classes	-	88,957	88,957			-	(88,957)
Rental fees	-	175,002	175,002			29,291	(145,711)
Tournament fees	-	204,167	204,167			157,772	(46,395)
Other:							
Lease fees	-	29,167	29,167			4,292	(24,875)
Advertising/Sponsorship	-	155,218	155,218			17,583	(137,635)
Total revenues	-	973,068	973,068			260,084	(712,984)
EXPENDITURES AND ENCUMBRANCES:							
Parks and recreations:							
Administration	-	509,610	509,610	\$ 479,445	\$ 12,787	492,232	17,378
Gym	-	174,797	174,797	83,020	-	83,020	91,777
Pool	-	288,660	288,660	106,689	128	106,817	181,843
Total expenditures and encumbrances	-	973,067	973,067	\$ 669,154	\$ 12,915	682,069	290,998
Excess (deficiency) of revenues over (under) expenditures and encumbrances	-	1	1			(421,985)	(421,986)
OTHER FINANCIAL SOURCES (USES):							
Transfers in:							
General Fund	-	-	-			446,372	446,372
Net other financing sources (uses)	-	-	-			446,372	446,372
Excess (deficiency) of revenues over (under) expenditures, encumbrances and other financing sources (uses)	-	1	1			24,387	24,386
Fund balance (deficit), July 1, 2023 (Non-GAAP budgetary basis)	-	-	-			-	-
Fund balance (deficit), June 30, 2024 (Non-GAAP budgetary basis)	\$ -	\$ 1	\$ 1			\$ 24,387	\$ 24,386

## Notes to Other Supplementary Information on Budgetary Comparison Schedules Special Revenue Funds, Debt Service Fund, Capital Projects Fund and Norman Forward Fund

**Budget Reconciliations** - Items required to adjust actual revenues, expenditures, and fund balances reported on the budgetary basis to those reported within the fund financial statements as of and for the year ended June 30, 2024, are as follows:

	Special Revenue Funds	Debt Service Fund	Capital Projects Fund	Norman Forward Fund
Fund balances, June 30, 2024 (Non-GAAP budgetary basis)	\$ 4,817,918	\$ 9,529,358	\$ 87,925,393	\$ 4,320,459
Current year encumbrances included in expenditures	2,431,911	-	6,631,352	596,932
Prior year encumbrances outstanding	834	-	2,516,074	3,207,797
Current year revenue accrual	2,359,924	(8,985)	2,679,974	2,266,084
Current year expenditure accrual	(256,751)	-	(197,897)	(2,300,205)
GAAP basis fund balances, June 30, 2024	<u>\$ 9,353,834</u>	<u>\$ 9,520,373</u>	<u>\$ 99,554,896</u>	<u>\$ 8,091,067</u>
Budgetary basis revenues	\$ 15,711,865	\$ 16,062,920	\$ 21,413,138	\$ 17,004,501
Current year revenue accrual	2,359,924	(8,985)	2,679,974	2,266,084
Prior year revenue accrual	(2,345,030)	87,244	(2,420,666)	(2,047,706)
GAAP basis revenues	<u>\$ 15,726,757</u>	<u>\$ 16,141,179</u>	<u>\$ 21,672,446</u>	<u>\$ 17,222,879</u>
Budgetary basis expenditures	\$ 14,800,173	\$ 11,013,095	\$ 26,583,255	\$ 14,507,127
Current year encumbrances included in expenditures	(2,431,911)	-	(6,631,352)	(596,932)
Prior year encumbrances paid	4,335,081	-	13,080,227	12,879,682
Current year expenditure accrual	256,751	-	197,897	2,300,205
Prior year expenditure accrual	(212,914)	-	(570,177)	(1,950,008)
GAAP basis expenditures	<u>\$ 16,747,180</u>	<u>\$ 11,013,095</u>	<u>\$ 32,659,850</u>	<u>\$ 27,140,074</u>

**The City of Norman, Oklahoma**  
**Combining Statement of Net Position**  
**Enterprise Fund - Norman Utilities Authority**  
**June 30, 2024**

	<b>Water Fund</b>	<b>Wastewater Fund</b>	<b>Total</b>
<b>ASSETS</b>			
Current assets:			
Cash and cash equivalents	\$ 24,056,313	\$ 14,462,119	\$ 38,518,432
Restricted cash and cash equivalents	6,562,127	1,544,795	8,106,922
Investments	12,795,713	9,993,249	22,788,962
Receivables:			
Accounts, net of allowance for estimated uncollectible accounts	4,131,946	2,024,011	6,155,957
Interest	159,861	124,437	284,298
Leases receivable	155,363	-	155,363
Due from other funds	331,621	235,608	567,229
Total current assets	<u>48,192,944</u>	<u>28,384,219</u>	<u>76,577,163</u>
Noncurrent assets:			
Restricted cash and cash equivalents	-	2,982,039	2,982,039
Leases receivable	115,903	-	115,903
Capital assets, net	150,976,571	120,755,771	271,732,342
Leases asset, net	759,595	-	759,595
Total noncurrent assets	<u>151,852,069</u>	<u>123,737,810</u>	<u>275,589,879</u>
Total assets	<u>200,045,013</u>	<u>152,122,029</u>	<u>352,167,042</u>
<b>DEFERRED OUTFLOW OF RESOURCES</b>			
Deferred charge on refunding	267,705	-	267,705
Total deferred outflows of resources	<u>267,705</u>	<u>-</u>	<u>267,705</u>
<b>LIABILITIES</b>			
Current liabilities:			
Accounts payable and accrued liabilities	2,777,765	620,091	3,397,856
Payroll payable	228,040	123,821	351,861
Accrued interest payable	360,260	104,756	465,016
Retainage payable	313,772	-	313,772
Guaranty deposits	825,996	427,965	1,253,961
Leases payable	53,987	-	53,987
Notes payable	3,876,925	3,825,393	7,702,318
Compensated absences	35,431	24,034	59,465
Total current liabilities	<u>8,472,176</u>	<u>5,126,060</u>	<u>13,598,236</u>
Noncurrent liabilities:			
Notes payable, net	38,682,479	11,215,675	49,898,154
Leases payable	747,413	-	747,413
Compensated absences	471,942	320,137	792,079
Total noncurrent liabilities	<u>39,901,834</u>	<u>11,535,812</u>	<u>51,437,646</u>
Total liabilities	<u>48,374,010</u>	<u>16,661,872</u>	<u>65,035,882</u>
<b>DEFERRED INFLOW OF RESOURCES</b>			
Deferred inflows from leases	251,784	-	251,784
Total deferred outflows of resources	<u>251,784</u>	<u>-</u>	<u>251,784</u>
<b>NET POSITION</b>			
Net investment in capital assets	112,723,129	105,714,703	218,437,832
Restricted for debt service	1,167,155	3,994,113	5,161,268
Restricted for capital projects	-	2,982,040	2,982,040
Unrestricted	<u>37,796,640</u>	<u>22,769,301</u>	<u>60,565,941</u>
Total net position	<u>\$ 151,686,924</u>	<u>\$ 135,460,157</u>	<u>\$ 287,147,081</u>

## The City of Norman, Oklahoma

**Combining Statement of Revenues, Expenses and Changes in Net Position  
Enterprise Fund - Norman Utilities Authority  
for the Year Ended June 30, 2024**

	<b>Water Fund</b>	<b>Wastewater Fund</b>	<b>Total</b>
Operating revenues:			
Water service, net	\$ 30,837,332	\$ -	\$ 30,837,332
Wastewater service, net	-	15,742,616	15,742,616
Other	290,783	54,968	345,751
Total operating revenues	31,128,115	15,797,584	46,925,699
Operating expenses:			
Salaries and benefits	5,361,825	3,842,308	9,204,133
Supplies and materials	3,577,455	744,436	4,321,891
Services, maintenance and claims	8,893,372	5,999,225	14,892,597
Depreciation and amortization	7,631,124	9,209,418	16,840,542
Total operating expenses	25,463,776	19,795,387	45,259,163
Operating income (loss)	5,664,339	(3,997,803)	1,666,536
Nonoperating revenues (expenses):			
Excise tax revenue	-	1,115,765	1,115,765
Investment earnings	2,100,130	1,498,686	3,598,816
Interest and fiscal charges	(1,818,594)	(466,546)	(2,285,140)
Miscellaneous income (expense)	218,429	213,097	431,526
Net nonoperating revenues (expenses)	499,965	2,361,002	2,860,967
Income (loss) before capital contributions and transfers	6,164,304	(1,636,801)	4,527,503
Capital contributions and transfers:			
Capital contributions - donated water and sewer distribution systems	1,920,078	3,438,498	5,358,576
Transfers out	(1,431,427)	(594,323)	(2,025,750)
Transfers between Water and Wastewater	33,500	(33,500)	-
Net capital contributions and transfers	522,151	2,810,675	3,332,826
Net income	6,686,455	1,173,874	7,860,329
Net position - beginning	145,000,469	134,286,283	279,286,752
Net position - ending	\$ 151,686,924	\$ 135,460,157	\$ 287,147,081

**The City of Norman, Oklahoma**  
**Combining Statement of Cash Flows**  
**Enterprise Fund - Norman Utilities Authority**  
**for the Year Ended June 30, 2024**

	<b>Water Fund</b>	<b>Wastewater Fund</b>	<b>Total</b>
Cash flows from operating activities:			
Cash received from customers	\$ 30,162,255	\$ 15,928,076	\$ 46,090,331
Cash paid to employees for services	(5,306,255)	(3,907,221)	(9,213,476)
Cash paid to suppliers	(10,372,260)	(6,542,357)	(16,914,617)
Other receipts	200,011	216,842	416,853
Net cash provided by operating activities	<u>14,683,751</u>	<u>5,695,340</u>	<u>20,379,091</u>
Cash flows from noncapital financing activities:			
Transfers out	(1,431,427)	(594,323)	(2,025,750)
Transfers between Water and Wastewater	33,500	(33,500)	-
Net cash used for noncapital financing activities	<u>(1,397,927)</u>	<u>(627,823)</u>	<u>(2,025,750)</u>
Cash flows from capital and related financing activities:			
Proceeds from disposal of capital assets	28,868	2,275	31,143
Payments for the acquisition of capital assets	(2,662,815)	(3,034,056)	(5,696,871)
Proceeds from taxes	-	1,115,765	1,115,765
Proceeds from lease activity	(53,188)	-	(53,188)
Payments for the acquisition of lease assets	(123,415)	-	(123,415)
Principal payments on notes payable	(3,763,953)	(3,760,525)	(7,524,478)
Interest and fiscal charges paid	(1,926,269)	(492,056)	(2,418,325)
Net cash used for capital and related financing activities	<u>(8,500,772)</u>	<u>(6,168,597)</u>	<u>(14,669,369)</u>
Cash flows from investing activities:			
Proceeds from maturity of investments	9,409,748	8,390,899	17,800,647
Payments for purchases of investments	(4,733,627)	(3,696,887)	(8,430,514)
Investment earnings received	1,572,318	1,063,446	2,635,764
Net cash provided by investing activities	<u>6,248,439</u>	<u>5,757,458</u>	<u>12,005,897</u>
Net change in cash and cash equivalents	11,033,491	4,656,378	15,689,869
Cash and cash equivalents - beginning	19,584,949	14,332,575	33,917,524
Cash and cash equivalents - ending	<u>\$ 30,618,440</u>	<u>\$ 18,988,953</u>	<u>\$ 49,607,393</u>
Reconciliation of operating income (loss) to net cash provided by operating activities:			
Operating income (loss)	\$ 5,664,339	\$ (3,997,803)	\$ 1,666,536
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:			
Miscellaneous revenue	218,429	213,097	431,526
Bad debt expense	173,374	432,132	605,506
Depreciation and amortization	7,631,124	9,209,418	16,840,542
Loss on disposal of property, plant and equipment	110,317	52,576	162,893
Increase in accounts receivable, net	(1,063,260)	(244,260)	(1,307,520)
Increase in due from other funds	(128,735)	(48,831)	(177,566)
Decrease in lease receivable	180,066	-	180,066
Increase in accounts payable and accrued liabilities	2,053,213	213,881	2,267,094
Increase (decrease) in payroll payable	23,691	(11,978)	11,713
Increase (decrease) in retainage payable	41,835	(12,577)	29,258
Decrease in guaranty deposits	(75,974)	(57,380)	(133,354)
Increase (decrease) in compensated absences	31,879	(52,935)	(21,056)
Decrease in deferred inflow from leases	(176,547)	-	(176,547)
Net cash provided by operating activities	<u>\$ 14,683,751</u>	<u>\$ 5,695,340</u>	<u>\$ 20,379,091</u>
NONCASH ACTIVITIES:			
Donated water and sewer distribution systems	\$ 1,920,078	\$ 3,438,498	\$ 5,358,576
Change in unrealized loss on investments	<u>\$ (450,650)</u>	<u>\$ (379,612)</u>	<u>\$ (830,262)</u>

**The City of Norman, Oklahoma**  
**Combining Statement of Pension Trust Fund**  
**June 30, 2024**

	<b>Annuity Pool Fund</b>	<b>401(a) Plan Fund</b>	<b>Total</b>
ASSETS			
Investments - mutual funds	\$ 140,689	\$ 120,073,436	\$ 120,214,125
Loans to 401(a) Plan participants	-	3,779,072	3,779,072
Total assets	<u>\$ 140,689</u>	<u>\$ 123,852,508</u>	<u>\$ 123,993,197</u>
LIABILITIES AND NET POSITION			
Net position:			
Restricted for defined pension benefits	\$ 140,689	\$ -	\$ 140,689
Restricted for defined contribution pension benefits	-	123,852,508	123,852,508
Total liabilities and net position	<u>\$ 140,689</u>	<u>\$ 123,852,508</u>	<u>\$ 123,993,197</u>

## The City of Norman, Oklahoma

Combining Statement of Changes in Pension Trust Fund  
for the Year Ended June 30, 2024

	Annuity Pool Fund	401(a) Plan Fund	Total
ADDITIONS:			
Contributions:			
Employer	\$ -	\$ 3,347,041	\$ 3,347,041
Employee	-	2,998,270	2,998,270
Total contributions	-	6,345,311	6,345,311
Investment income	15,374	19,859,206	19,874,580
Total additions	15,374	26,204,517	26,219,891
DEDUCTIONS:			
Pension benefits paid	38,432	9,335,950	9,374,382
Administration costs	679	(162,448)	(161,769)
Total deductions	39,111	9,173,502	9,212,613
NET (DECREASE) INCREASE	(23,737)	17,031,015	17,007,278
Net position:			
Beginning of year	164,426	106,821,493	106,985,919
End of year	\$ 140,689	\$ 123,852,508	\$ 123,993,197



# STATISTICAL SECTION

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

**Financial Trends**

These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time. . . . .116

**Revenue Capacity**

These schedules contain information to help the reader assess the City's most significant local revenue source, the sales tax. . . . .122

**Debt Capacity**

These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future. . . . .125

**Demographic and Economic Information**

These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.. . . .130

**Operating Information**

These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.. . . .132

## The City of Norman, Oklahoma

## Net Position by Component

## Last Ten Fiscal Years

## (accrual basis of accounting)

	Fiscal Year									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Governmental activities										
Net investment in capital assets	\$ 482,249,162	\$ 428,738,811	\$ 419,320,944	\$ 357,563,482	\$ 404,269,078	\$ 343,501,122	\$ 313,981,902	\$ 256,880,446	\$ 283,831,364	\$ 282,047,132
Restricted	56,479,288	83,440,209	104,378,534	126,260,638	55,892,634	104,620,414	90,270,821	128,695,200	86,079,582	62,156,755
Unrestricted	(7,444,998)	(12,735,707)	(40,958,528)	(40,105,135)	(34,422,332)	(29,730,368)	(38,717,191)	(44,522,535)	(43,098,736)	(48,153,075)
Total governmental activities net position	\$ 531,283,452	\$ 499,443,313	\$ 482,740,950	\$ 443,718,985	\$ 425,739,380	\$ 418,391,168	\$ 365,535,532	\$ 341,053,111	\$ 326,812,110	\$ 296,050,912
Business-type activities										
Net investment in capital assets	\$ 237,920,695	\$ 233,526,892	\$ 225,662,267	\$ 228,867,966	\$ 220,190,180	\$ 210,610,975	\$ 212,565,194	\$ 211,414,863	\$ 198,638,260	\$ 183,385,272
Restricted	8,143,308	11,946,477	14,632,159	14,690,548	7,349,204	10,621,197	16,958,115	6,629,187	1,067,921	10,023,153
Unrestricted	71,468,502	62,667,553	61,049,433	63,591,846	64,252,037	63,100,838	44,400,215	42,813,500	48,149,794	34,949,967
Total business-type activities net position	\$ 317,532,505	\$ 308,140,922	\$ 301,343,859	\$ 307,150,360	\$ 291,791,421	\$ 284,333,010	\$ 273,923,524	\$ 260,857,550	\$ 247,855,975	\$ 228,358,392
Primary government										
Net investment in capital assets	\$ 720,169,857	\$ 662,265,703	\$ 644,983,211	\$ 586,431,448	\$ 624,459,258	\$ 554,112,097	\$ 526,547,096	\$ 468,295,309	\$ 482,469,624	\$ 465,432,504
Restricted	64,622,596	95,386,686	119,010,693	140,951,186	63,241,838	115,241,611	107,228,936	135,324,387	87,147,503	72,179,908
Unrestricted	64,023,504	49,931,846	20,090,905	23,486,711	29,829,705	33,370,470	5,683,024	(1,709,035)	5,051,058	(13,203,108)
Total primary government net position	\$ 848,815,957	\$ 807,584,235	\$ 784,084,809	\$ 750,869,345	\$ 717,530,801	\$ 702,714,178	\$ 639,459,056	\$ 601,910,661	\$ 574,668,185	\$ 524,409,304

## The City of Norman, Oklahoma

## Changes in Net Position

## Last Ten Fiscal Years

## (accrual basis of accounting)

	Fiscal Year									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
<b>EXPENSES</b>										
Governmental activities:										
General government	\$ 19,107,073	\$ 19,410,645	\$ 22,116,186	\$ 18,819,315	\$ 17,378,592	\$ 13,738,006	\$ 12,859,373	\$ 10,763,028	\$ 7,999,471	\$ 8,500,923
Planning	4,057,475	3,739,028	3,574,817	3,345,940	3,228,429	3,367,244	3,477,364	3,315,422	3,320,979	3,297,788
City controller	845,105	2,391,399	1,544,569	2,227,636	2,207,900	2,093,411	2,449,352	1,231,508	893,000	706,793
Parks and recreation	16,081,719	13,000,150	13,719,291	8,513,678	8,539,967	7,509,979	6,502,407	7,087,981	5,936,777	5,194,010
Public works	52,795,961	49,472,283	40,833,147	41,734,848	39,467,992	25,614,539	26,682,973	30,953,789	25,389,053	22,130,634
Public service	4,460,812	6,909,435	3,055,832	3,831,725	1,995,214	4,118,076	2,627,283	3,892,316	2,976,064	2,875,451
Public safety	74,437,512	64,521,693	50,530,408	64,595,623	53,536,220	45,140,356	55,817,838	53,613,442	50,921,384	47,480,003
Interest on long-term debt	5,319,433	4,571,464	4,689,880	5,060,958	4,248,252	4,137,314	4,937,107	4,734,646	5,277,210	2,325,103
Total governmental activities expenses	177,105,090	164,016,097	140,064,130	148,129,723	130,602,566	105,718,925	115,353,697	115,592,132	102,713,938	92,510,705
Business-type activities:										
Westwood Park	-	-	-	2,031,852	2,124,443	2,026,461	1,500,752	1,256,295	1,340,514	1,352,050
Water	26,567,015	22,317,666	23,293,028	18,178,326	18,435,089	16,505,700	16,321,995	14,535,092	14,843,372	13,258,111
Wastewater	20,314,509	19,020,441	19,076,169	20,239,517	18,627,217	16,628,468	14,627,959	15,448,412	17,222,233	15,477,741
Sanitation	17,330,909	16,724,104	14,696,179	14,707,244	13,479,559	13,494,028	12,878,886	12,005,272	12,135,886	12,298,641
Total business-type activities expenses	64,212,433	58,062,211	57,065,376	55,156,939	52,666,308	48,654,657	45,329,592	43,245,071	45,542,005	42,386,543
Total primary government expenses	\$ 241,317,523	\$ 222,078,308	\$ 197,129,506	\$ 203,286,662	\$ 183,268,874	\$ 154,373,582	\$ 160,683,289	\$ 158,837,203	\$ 148,255,943	\$ 134,897,248

## The City of Norman, Oklahoma

# Changes in Net Position

## Last Ten Fiscal Years

(accrual basis of accounting)

	Fiscal Year									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
<b>PROGRAM REVENUES</b>										
Governmental activities:										
Charges for services:										
General government	\$ 3,322,179	\$ 2,850,501	\$ 3,315,489	\$ 3,174,550	\$ 3,337,660	\$ 3,002,995	\$ 2,767,032	\$ 2,730,336	\$ 2,612,495	\$ 2,644,776
Planning	1,116,543	1,229,377	1,327,181	1,461,693	913,979	844,712	992,383	1,061,776	1,353,411	1,369,582
City controller	303,786	210,550	174,989	309,657	515,612	670,685	683,215	661,162	642,726	624,135
Parks and recreation	3,044,954	2,865,262	2,822,989	399,599	405,547	520,044	497,538	530,140	653,613	609,175
Public works	268,778	482,635	286,103	265,448	497,224	-	-	-	-	-
Public safety	3,484,057	2,807,217	3,175,674	3,836,831	3,254,865	2,136,384	3,256,469	2,912,640	3,097,858	3,296,808
Operating grants and contributions	21,861,463	20,341,333	9,679,746	24,521,662	10,767,930	10,388,169	14,570,508	12,379,368	10,375,508	7,758,836
Capital grants and contributions	14,765,728	1,488,513	8,244,353	12,643,765	6,333,788	30,404,175	9,476,361	3,813,991	15,614,024	29,958,311
Total governmental activities program revenues	48,167,488	32,275,388	29,026,524	46,613,205	26,026,605	47,967,164	32,243,506	24,089,413	34,349,635	46,261,623
Business-type activities:										
Charges for services										
Westwood Park	-	-	-	1,942,080	1,632,229	1,661,792	1,264,059	933,853	1,098,470	1,065,318
Water	30,124,897	24,847,978	23,937,759	24,377,486	22,217,540	20,498,886	21,843,184	21,735,237	21,496,086	16,050,007
Wastewater	15,742,616	17,121,748	15,974,265	16,615,270	15,984,512	15,992,294	15,781,490	15,767,530	15,923,396	15,715,128
Sanitation	17,695,750	17,098,253	16,149,743	16,340,040	15,243,633	14,791,863	14,549,273	14,584,853	14,338,856	13,991,281
Capital grants and contributions	5,358,576	4,791,771	3,511,824	10,796,491	2,786,305	2,569,510	5,263,425	2,324,230	10,525,831	7,703,017
Total business-type activities program revenues	68,921,839	63,859,750	59,573,591	70,071,367	57,864,219	55,514,345	58,701,431	55,345,703	63,382,639	54,524,751
Total primary government revenues	\$ 117,089,327	\$ 96,135,138	\$ 88,600,115	\$ 116,684,572	\$ 83,890,824	\$ 103,481,509	\$ 90,944,937	\$ 79,435,116	\$ 97,732,274	\$ 100,786,374
<b>NET (EXPENSE)/REVENUE</b>										
Governmental activities	\$ (128,937,602)	\$ (131,740,709)	\$ (111,037,606)	\$ (101,516,518)	\$ (104,575,961)	\$ (57,751,761)	\$ (83,110,191)	\$ (91,502,719)	\$ (68,364,303)	\$ 46,249,082
Business-type activities	4,709,406	5,797,539	2,508,215	14,914,428	5,197,911	6,859,688	13,371,839	12,100,632	17,840,634	12,138,208
Total primary government net expense	\$ (124,228,196)	\$ (125,943,170)	\$ (108,529,391)	\$ (86,602,090)	\$ (99,378,050)	\$ (50,892,073)	\$ (69,738,352)	\$ (79,402,087)	\$ (50,523,669)	\$ (34,110,874)

## The City of Norman, Oklahoma

## Changes in Net Position

## Last Ten Fiscal Years

## (accrual basis of accounting)

	Fiscal Year									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
<b>GENERAL REVENUE AND OTHER CHANGES IN NET ASSETS</b>										
Governmental activities:										
Sales taxes	\$ 98,665,799	\$ 99,514,777	\$ 98,398,676	\$ 84,638,068	\$ 75,811,863	\$ 74,419,538	\$ 73,967,709	\$ 73,345,458	\$ 70,981,084	\$ 65,778,553
Franchise taxes	7,170,092	8,256,119	7,294,416	6,358,546	6,531,339	6,625,971	7,094,490	6,807,860	6,743,712	7,155,689
Property taxes	17,039,980	9,650,382	13,887,375	8,957,836	12,062,899	11,395,748	11,971,525	14,739,604	9,794,490	11,620,098
Use taxes	17,735,378	15,909,739	14,628,785	12,719,530	9,017,696	7,196,831	5,148,317	3,797,125	3,467,863	2,864,048
Hotel/Motel taxes	3,600,483	2,209,418	1,808,382	1,264,409	1,307,527	1,878,249	1,879,453	1,759,851	1,825,087	1,785,788
Alcoholic beverage taxes	601,757	607,987	609,833	564,013	498,318	441,456	324,252	316,013	306,225	301,618
Cigarette taxes	607,394	684,271	755,712	764,783	704,411	657,982	834,649	894,092	839,492	771,946
Investment earnings	7,086,444	3,512,616	(535,003)	469,832	2,489,875	3,198,922	1,586,732	513,238	1,965,790	323,863
Miscellaneous	6,244,664	6,301,733	3,863,587	1,816,052	2,450,934	3,762,651	3,627,956	2,275,838	1,943,106	2,196,990
Transfers	2,025,750	1,796,030	2,319,413	1,943,054	1,049,311	1,030,049	1,157,529	1,294,541	1,258,752	1,085,283
Total governmental activities	160,777,741	148,443,072	143,031,176	119,496,123	111,924,173	110,607,397	107,592,612	105,743,620	99,125,601	93,883,876
Business-type activities:										
Sales taxes	-	-	-	-	-	-	-	-	-	-
Excise taxes	1,115,765	1,037,712	1,758,833	2,307,102	1,283,126	1,236,361	1,319,885	1,530,490	1,709,914	2,149,079
Investment earnings	4,214,564	1,613,383	(764,489)	47,842	1,974,631	3,046,291	472,025	163,961	515,716	250,382
Miscellaneous	1,377,598	144,459	43,237	32,621	52,054	297,195	(940,246)	501,033	690,071	1,066,246
Transfers	(2,025,750)	(1,796,030)	(2,319,413)	(1,943,054)	(1,049,311)	(1,030,049)	(1,157,529)	(1,294,541)	(1,258,752)	(1,085,283)
Total business-type activities	4,682,177	999,524	(1,281,832)	444,511	2,260,500	3,549,798	(305,865)	900,943	1,656,949	2,380,424
Total primary government	\$ 165,459,918	\$ 149,442,596	\$ 141,749,344	\$ 119,940,634	\$ 114,184,673	\$ 114,157,195	\$ 107,286,747	\$ 106,644,563	\$ 100,782,550	\$ 96,264,300
<b>CHANGE IN NET POSITION</b>										
Governmental activities	\$ 31,840,139	\$ 16,702,363	\$ 31,993,570	\$ 17,979,605	\$ 7,348,212	\$ 52,855,636	\$ 23,282,421	\$ 14,240,901	\$ 30,761,298	\$ 47,634,794
Business-type activities	9,391,583	6,797,063	1,226,383	15,358,939	7,458,411	10,409,486	13,065,974	13,001,575	19,497,583	14,518,632
Total primary government	\$ 41,231,722	\$ 23,499,426	\$ 33,219,953	\$ 33,338,544	\$ 14,806,623	\$ 63,265,122	\$ 36,348,395	\$ 27,242,476	\$ 50,258,881	\$ 62,153,426

**The City of Norman, Oklahoma**  
**Fund Balances of Governmental Funds**  
**Last Ten Fiscal Years**  
**(modified accrual basis of accounting)**

	Fiscal Year									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
General fund										
Nondisposable	\$ 31,721	\$ 37,016	\$ 202,496	\$ 19,324	\$ 14,065	\$ 32,402	\$ 24,898	\$ 29,473	\$ 20,896	\$ 26,642
Committed	4,750,438	4,517,987	4,168,853	4,027,066	3,889,176	3,794,419	3,331,295	3,302,656	3,226,149	3,191,393
Assigned	4,572,631	5,473,549	3,887,398	2,893,498	2,849,571	2,541,165	2,503,122	2,298,057	2,281,428	2,890,768
Unassigned	22,530,638	22,724,887	18,490,142	11,773,244	10,836,506	13,223,749	13,046,521	7,166,425	8,861,932	8,290,555
Total general fund	<u>\$ 31,885,428</u>	<u>\$ 32,753,439</u>	<u>\$ 26,748,889</u>	<u>\$ 18,713,132</u>	<u>\$ 17,589,318</u>	<u>\$ 19,591,735</u>	<u>\$ 18,905,836</u>	<u>\$ 12,796,611</u>	<u>\$ 14,390,405</u>	<u>\$ 14,399,358</u>
All other governmental funds										
Nondisposable	\$ 110,204	\$ -	\$ 705,994	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted	121,811,750	138,271,260	168,476,838	178,960,048	140,480,988	147,577,408	155,984,942	180,115,682	162,761,288	123,475,384
Assigned	13,819,811	13,284,258	4,622	5,026,161	5,213,736	3,994,574	4,540,592	3,712,781	3,436,379	2,148,078
Unassigned	(110,204)	-	-	-	-	-	-	-	-	-
Total all other governmental funds	<u>\$ 135,631,561</u>	<u>\$ 151,555,518</u>	<u>\$ 173,099,234</u>	<u>\$ 183,986,209</u>	<u>\$ 145,694,724</u>	<u>\$ 151,571,982</u>	<u>\$ 160,525,534</u>	<u>\$ 183,828,463</u>	<u>\$ 166,197,667</u>	<u>\$ 125,623,462</u>

## The City of Norman, Oklahoma

**Changes in Fund Balances of Governmental Funds**  
**Last Ten Fiscal Years**  
**(modified accrual basis of accounting)**  
**(dollars in thousands)**

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
<b>REVENUES</b>										
Taxes	\$ 144,212	\$ 135,540	\$ 136,018	\$ 113,938	\$ 104,731	\$ 101,516	\$ 100,061	\$ 100,450	\$ 92,812	\$ 89,204
Licenses & permits	1,104	1,343	1,386	1,463	1,142	1,129	1,104	1,162	1,399	1,393
Intergovernmental revenues	16,667	16,135	9,487	22,489	6,622	5,740	10,501	8,358	6,396	4,553
Charges for services	17,648	15,668	14,251	10,887	11,046	11,694	11,657	10,427	10,966	11,484
Fines and forfeitures	1,585	1,189	1,090	1,548	1,794	1,473	2,366	2,300	2,425	2,644
Investment earnings	6,726	3,252	(696)	214	2,254	2,898	1,330	278	334	278
Other	4,729	6,193	5,610	3,733	3,324	2,737	3,466	2,652	1,762	2,403
Total revenues	192,671	179,320	167,146	154,272	130,913	127,187	130,485	125,627	116,094	111,959
<b>EXPENDITURES</b>										
General government	14,603	12,428	18,149	16,588	10,015	10,993	10,681	10,022	9,742	9,431
Planning	4,360	3,984	3,816	3,480	3,394	3,528	3,637	3,429	3,454	3,416
City controller	3,471	3,303	3,755	3,702	3,623	3,378	3,503	3,353	3,141	2,940
Parks & recreation	15,549	12,316	11,219	6,227	6,239	5,293	5,249	5,999	5,167	4,665
Public works	41,681	38,432	30,154	30,744	28,266	17,147	18,907	22,634	18,572	18,137
Public service	4,458	6,902	3,067	3,827	1,996	4,120	2,662	3,892	2,963	2,920
Public safety	62,858	57,148	51,565	49,287	48,638	43,009	45,765	43,913	46,079	43,780
Capital Outlay	57,742	78,752	30,806	30,028	24,521	47,788	43,097	31,375	32,910	22,358
Debt Service:										
Principal	18,311	17,898	18,081	15,350	8,415	27,269	16,245	11,671	9,668	9,542
Interest and fiscal charges	5,288	4,450	4,887	4,658	4,388	4,265	4,545	4,839	3,905	2,180
Total expenditures	228,321	235,613	175,499	163,891	139,495	166,790	154,291	141,127	135,601	119,369
Excess of revenues over (under) expenditures	(35,650)	(56,293)	(8,353)	(9,619)	(8,582)	(39,603)	(23,806)	(15,500)	(19,507)	(7,410)
<b>OTHER FINANCING SOURCES (USES)</b>										
Issuance of debt	16,232	39,500	3,882	47,000	-	30,000	6,105	30,950	65,935	45,909
Premium on issuance of debt	487	773	-	469	-	-	-	-	1,426	-
Payment to refunded bond escrow agent	-	-	-	-	-	585	-	-	(7,707)	-
Transfers in	21,017	15,139	27,114	28,275	18,646	5,736	16,729	10,533	35,034	7,456
Transfers out	(18,878)	(15,364)	(25,215)	(26,710)	(17,943)	(4,986)	(16,222)	(9,946)	(34,616)	(7,235)
Total other financing sources (uses)	18,858	40,048	5,781	49,034	703	31,335	6,612	31,537	60,072	46,130
Net change in fund balances	\$ (16,792)	\$ (16,245)	\$ (2,572)	\$ 39,415	\$ (7,879)	\$ (8,268)	\$ (17,194)	\$ 16,037	\$ 40,565	\$ 38,720
Debt service as a percentage of noncapital expenditures	13.83%	14.25%	15.87%	14.95%	11.14%	26.50%	18.70%	15.04%	13.22%	12.08%

## The City of Norman, Oklahoma

### Taxable Sales by Category Last Ten Fiscal Years (dollars in thousands)

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
General merchandise	\$ 23,042	\$ 22,291	\$ 20,974	\$ 20,068	\$ 18,579	\$ 17,864	\$ 17,324	\$ 16,869	\$ 15,678	\$ 15,047
Eating and drinking establishments	17,895	17,731	16,628	13,882	12,657	13,189	12,558	12,011	11,366	10,708
Miscellaneous retail	9,261	9,381	9,698	9,409	9,865	9,540	9,253	9,063	9,060	8,518
Building materials and farm tools	7,203	8,441	12,511	8,041	6,050	5,257	5,133	5,241	5,948	4,487
Electric, gas & sanitary services	5,235	5,737	4,735	3,981	3,820	3,986	4,242	3,864	3,460	3,586
Home furnishings and appliances	3,859	4,081	4,284	4,139	3,410	3,668	3,704	3,785	3,480	3,507
Food stores	4,656	4,702	4,456	4,194	3,843	3,849	4,019	4,158	4,062	3,849
Apparel and accessory stores	3,887	3,812	3,855	3,140	2,914	3,437	3,527	3,547	3,642	3,549
Communications	2,395	2,601	2,592	2,312	2,205	2,482	2,503	2,585	2,429	2,349
Wholesale trade-durable goods	7,035	7,685	6,345	5,224	4,855	4,539	4,571	4,657	4,392	4,042
All other outlets	14,670	77,448	12,818	9,453	7,028	7,141	7,204	8,097	7,377	6,327
Total	<u>\$ 99,138</u>	<u>\$163,910</u>	<u>\$ 98,896</u>	<u>\$ 83,843</u>	<u>\$ 75,226</u>	<u>\$ 74,952</u>	<u>\$ 74,038</u>	<u>\$ 73,877</u>	<u>\$ 70,894</u>	<u>\$ 65,969</u>
City direct sales tax rate	4.125%	4.125%	4.125%	4.125%	4.125%	4.00%	4.00%	4.00%	4.00%	3.50%

**Source:** Oklahoma Tax Commission

**Note:** Beginning January 1, 2016 sales tax increased by 0.5% for Norman Forward projects.

**The City of Norman, Oklahoma**  
**Direct and Overlapping Sales Tax Rates**  
**Last Ten Fiscal Years**

<u>Fiscal Year</u>	<u>City Direct Rate</u>	<u>State of Oklahoma</u>	<u>Cleveland County</u>
2024	4.125%	4.5%	0.125%
2023	4.125%	4.5%	0.125%
2022	4.125%	4.5%	0.125%
2021	4.125%	4.5%	0.125%
2020	4.125%	4.5%	0.125%
2019	4.000%	4.5%	0.250%
2018	4.000%	4.5%	0.250%
2017	4.000%	4.5%	0.250%
2016	4.000%	4.5%	0.250%
2015	3.500%	4.5%	0.250%

**Source:** Oklahoma Tax Commission

**Note:** Voters approved a .125% City sales tax for transit operations effective April 1, 2020. Voters approved a 0.5% City sales tax for Norman Forward quality of life projects effective January 1, 2016. Voters approved a temporary .5% City public safety sales tax effective October 1, 2008 and ending September 30, 2015. On April 1, 2014, the citizens approved permanent extension of the public safety sales tax.

## The City of Norman, Oklahoma

Sales Tax Revenue Payers by Industry  
Fiscal Years 2024 and 2015  
(dollars in thousands)

	Fiscal Year 2024				Fiscal Year 2015			
	Number of Filers	Percentage of Total	Tax Liability	Percentage of Total	Number of Filers	Percentage of Total	Tax Liability	Percentage of Total
Retail trade	1,125	31.6%	\$ 54,651	55.1%	1,172	39.6%	\$ 38,958	59.1%
Accommodation and food service	330	9.3%	19,958	20.1%	278	9.4%	12,288	18.6%
Wholesale trade	629	17.7%	7,035	7.1%	501	16.9%	4,042	6.1%
Utilities	7	0.2%	5,235	5.3%	7	0.2%	3,586	5.4%
Information	193	5.4%	2,395	2.4%	146	4.9%	2,349	3.6%
Manufacturing	312	8.8%	2,263	2.3%	193	6.5%	1,682	2.5%
Educational services	9	0.3%	2,257	2.3%	4	0.1%	18	0.0%
Real estate and rental and leasing	205	5.8%	1,584	1.6%	200	6.8%	909	1.4%
Other services (except public administration)	145	4.1%	1,375	1.4%	101	3.4%	556	0.8%
Arts, entertainment, and recreation	52	1.5%	680	0.7%	28	0.9%	468	0.7%
Professional, scientific and technical services	86	2.4%	394	0.4%	78	2.6%	231	0.4%
Construction	63	1.8%	309	0.3%	23	0.8%	152	0.2%
Admin, support, wastemgmt and remediation services	57	1.6%	221	0.2%	17	0.6%	163	0.2%
Transportation and warehousing	19	0.5%	204	0.2%	42	1.4%	66	0.1%
Finance and insurance	25	0.7%	155	0.2%	12	0.4%	54	0.1%
Health care and social assistance	24	0.7%	50	0.1%	5	0.2%	17	0.0%
Agricultural, forestry, fishing and hunting	8	0.2%	24	0.0%	4	0.1%	8	0.0%
Mining, quarrying, and oil and gas extraction	5	0.1%	11	0.0%	6	0.2%	16	0.0%
Public administration	6	0.2%	3	0.0%	-	0.0%	1	0.0%
Nonclassifiable	257	7.1%	335	0.3%	144	5.0%	408	0.8%
Total	3,557	100.0%	\$ 99,139	100.0%	2,961	100.0%	\$ 65,972	100.0%

**Source:** Oklahoma Tax Commission

**Note:** Due to confidentiality issues, the names of the ten largest revenue payers are not available. The categories presented are intended to provide alternative information regarding the sources of the City's revenue.

## The City of Norman, Oklahoma

### Ratios of Outstanding Debt by Type

#### Last Ten Fiscal Years

(dollars in thousands, except per capita)

Fiscal Year	Governmental Activities				Business-Type Activities			Total Primary Government	Percentage of Personal Income <sup>1</sup>	Per Capita <sup>1</sup>
	General Obligation Bonds	Revenue Bonds	Leases	Term Loans	Revenue Bonds	Term Loans	Leases			
2015	\$ 64,196	-	\$ 226	\$ 36,411	\$ 18,597	\$ 41,009	\$ -	\$ 160,439	1.3%	1,211.08
2016	71,419	-	-	78,650	981	54,470	-	205,520	1.8%	1,708.66
2017	63,101	-	819	106,440	839	55,677	-	226,876	1.9%	1,843.48
2018	51,788	-	414	107,790	693	65,138	-	225,823	1.9%	1,838.31
2019	71,034	-	-	92,065	536	86,230	-	249,865	2.1%	2,023.67
2020	67,812	-	-	86,675	369	83,788	-	238,644	1.9%	1,911.08
2021	83,689	-	-	102,655	192	79,365	-	265,901	2.1%	2,076.93
2022	74,404	-	547	97,733	-	72,223	907	245,814	1.9%	1,918.96
2023	106,359	-	918	87,885	-	64,837	855	260,854	2.0%	2,088.31
2024	114,503	-	748	77,857	-	57,600	801	251,509	1.8%	1,934.00

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

<sup>1</sup> See the Schedule of Demographic and Economic Statistics on page 130 for personal income and population data.

## The City of Norman, Oklahoma

### Ratios of General Bonded Debt Outstanding Last Ten Fiscal Years (dollars in thousands, except per capita)

Fiscal Year	General Obligation Bonds	Less: Amounts Available in Debt Service Fund	Total	Percentage of Estimated Actual Taxable Value <sup>1</sup> of Property	Per Capita <sup>2</sup>
2015	\$ 64,196	\$ 8,847	\$ 55,349	6.34%	468.90
2016	71,419	6,552	64,867	6.97%	539.28
2017	63,101	8,638	54,463	5.48%	432.21
2018	51,788	5,769	46,019	4.49%	362.99
2019	71,034	2,674	68,360	6.58%	553.65
2020	67,812	7,201	60,611	5.65%	485.35
2021	83,689	4,879	78,810	7.05%	615.58
2022	74,404	6,550	67,854	5.71%	529.71
2023	106,359	4,282	102,077	7.87%	787.47
2024	114,503	9,520	104,983	7.63%	807.27

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

<sup>1</sup> See the Schedule of Legal Debt Margin Information on page 128 for property value data.

<sup>2</sup> Population data can be found in the Schedule of Demographic and Economic Statistics on page 130.

## The City of Norman, Oklahoma

### Direct and Overlapping Governmental Activities Debt As of June 30, 2024 (dollars in thousands)

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable <sup>1</sup>	Estimated Share of Overlapping Debt
Debt repaid with property taxes: Norman Public Schools	116,020	95.37%	110,648
Debt repaid with property taxes: McLoud Public Schools	850	0.02%	-
Debt repaid with property taxes: Robin Hill Public Schools	745	0.10%	1
Debt repaid with property taxes: Noble Public Schools	7,900	0.62%	49
Debt repaid with property taxes: Mid Del Public Schools	52,360	0.02%	10
Debt repaid with property taxes: Little Axe Public Schools	2,575	0.18%	5
Debt repaid with property taxes: Moore Public Schools	138,630	3.13%	4,339
Subtotal, overlapping debt	319,080		115,052
City of Norman direct debt			193,108
Total direct and overlapping debt			\$ 308,160

**Source:** Assessed value data used to estimate applicable percentages and debt outstanding provided by the Cleveland County Assessor.

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

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

## The City of Norman, Oklahoma

### Legal Debt Margin Information Last Ten Fiscal Years (dollars in thousands)

	Fiscal Year									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Assessed value of property	\$ 1,375,296	\$ 1,296,635	\$ 1,187,461	\$ 1,117,342	\$ 1,073,220	\$ 1,038,922	\$ 993,913	\$ 963,371	\$ 930,798	\$ 873,553
Debt limit <sup>1</sup> , 10% of assessed value	137,530	129,664	118,746	111,734	107,322	103,892	99,391	96,337	93,080	87,355
Amount of debt applicable to limit:										
Legal debt margin	<u>\$ 137,530</u>	<u>\$ 129,664</u>	<u>\$ 118,746</u>	<u>\$ 111,734</u>	<u>\$ 107,322</u>	<u>\$ 103,892</u>	<u>\$ 99,391</u>	<u>\$ 96,337</u>	<u>\$ 93,080</u>	<u>\$ 87,355</u>
Debt limit <sup>2</sup> , 30% of assessed value	\$ 412,589	\$ 388,991	\$ 356,238	\$ 335,203	\$ 321,966	\$ 311,677	\$ 298,174	\$ 289,011	\$ 279,239	\$ 262,066
Amount of debt applicable to limit:										
General Obligation Bonds	114,503	104,240	72,790	81,875	66,205	69,230	50,360	61,445	71	64,196
Less: Resources restricted to paying principal	(9,520)	(4,282)	(6,550)	(4,879)	(7,201)	(2,674)	(5,769)	(8,638)	(6,552)	(8,847)
Total net debt applicable to limit	<u>104,983</u>	<u>99,958</u>	<u>66,240</u>	<u>76,996</u>	<u>59,004</u>	<u>66,556</u>	<u>44,591</u>	<u>52,807</u>	<u>64,867</u>	<u>55,349</u>
Legal debt margin	<u>\$ 307,606</u>	<u>\$ 289,033</u>	<u>\$ 289,998</u>	<u>\$ 258,207</u>	<u>\$ 262,962</u>	<u>\$ 245,121</u>	<u>\$ 253,583</u>	<u>\$ 236,204</u>	<u>\$ 214,372</u>	<u>\$ 206,717</u>
Total net debt applicable to the limit as a percentage of debt limit	25.44%	25.70%	18.59%	22.97%	18.33%	21.35%	14.95%	18.27%	23.23%	21.12%

<sup>1</sup> Article X, Section 26 of the Oklahoma Constitution states that bonds issued for road and/or bridge improvements cannot exceed ten percent (10%) of the net assessed valuation (gross valuation minus homestead) of the City,

<sup>2</sup> Article X, Section 27 of the Oklahoma Constitution authorizes cities and towns to issue bonds for utilities. The courts have defined utilities broadly as anything used by the public. If the City's debt exceeds 30% of its net assessed valuation, the City can still sell its general obligation bonds; however, due to collateralization requirements, it may be difficult to attract Oklahoma banks to bid on the bonds and therefore affect the marketability of the bonds.

## The City of Norman, Oklahoma

### Pledged-Revenue Coverage

#### Last Ten Fiscal Years

(dollars in thousands)

Fiscal Year	NUA Revenue Bonds & Term Loans						NMA Revenue Bonds and Term Loans					
	Gross Revenue <sup>1</sup>	Less: Operating Expenses <sup>2</sup>	Net Available Revenue	Debt Service			Gross Revenue <sup>1</sup>	Less: Operating Expenses <sup>2</sup>	Net Available Revenue	Debt Service		
				Principal	Interest	Coverage				Principal	Interest	Coverage
2015	\$ 32,212	\$ 14,381	\$ 17,831	\$ 4,447	\$ 2,544	\$ 2.55	\$ 15,476	\$ 12,075	\$ 3,401	\$ 665	\$ 189	3.98
2016	37,308	11,657	25,651	6,508	1,287	3.29	16,021	11,781	4,240	680	171	4.98
2017	33,834	18,055	15,779	5,943	1,053	2.26	16,315	11,603	4,712	705	151	5.50
2018	34,050	17,747	16,303	5,508	1,262	2.41	16,624	12,346	4,278	725	131	5.00
2019	35,355	6,402	28,953	5,631	2,156	3.72	17,918	13,294	4,624	580	108	6.72
2020	35,946	18,177	17,769	7,296	2,389	1.83	17,891	12,950	4,941	1,750	88	2.69
2021	39,647	21,199	18,448	7,409	2,239	1.91	18,603	14,813	3,790	180	24	18.58
2022	37,433	24,521	12,912	7,143	2,366	1.36	16,084	14,033	2,051	-	-	-
2023	40,365	23,927	16,438	7,104	2,551	1.70	17,713	17,212	501	-	-	-
2024	46,283	26,486	19,797	7,786	2,418	1.94	18,982	15,336	3,646	-	-	-

**Notes:** Details regarding the City's outstanding debt can be found in the notes to the financial statements.

<sup>1</sup> Total revenues (including interest and transfers in) exclusive of sewer maintenance charges and capital improvement charges.

<sup>2</sup> Total operating expenses exclusive of depreciation, amortization, Sewer Maintenance Fund expenses.

## The City of Norman, Oklahoma

### Demographic and Economic Statistics

#### Last Ten Fiscal Years

Fiscal year	Population <sup>1</sup>	Personal Income (billions of dollars) <sup>5</sup>	Per Capita Income <sup>2</sup>	Median Age <sup>2</sup>	School Enrollment <sup>3</sup>	Unemployment Rate <sup>4</sup>
2015	118,040	10.6	27,749	30.2	15,745	3.80%
2016	120,284	11.2	28,273	30.1	15,944	4.20%
2017	122,180	11.9	28,458	30.3	16,363	4.20%
2018	122,843	11.8	30,168	30.3	16,162	3.50%
2019	123,471	12.1	28,977	30.1	16,289	3.20%
2020	124,880	12.7	30,449	30.4	14,419	6.70%
2021	128,026	12.8	31,710	30.9	15,449	3.20%
2022	128,097	13.2	31,877	30.9	16,430	2.90%
2023	129,627	13.4	33,899	32.3	15,786	2.70%
2024	130,046	13.9	35,102	32.9	15,867	3.50%

#### Data Sources

<sup>1</sup> Years 2015-24 obtained from census data

<sup>2</sup> U.S. Census Bureau, American Community Survey 2014-2019 and 2021-2024 estimated

<sup>3</sup> Norman Public Schools

<sup>4</sup> U.S. Department of Labor

<sup>5</sup> Personal income estimated

**The City of Norman, Oklahoma**  
**Principal Employers**  
**Current Year and Nine Years Ago**

<b>Employer</b>	<b>2024</b>			<b>2015</b>		
	<b>Employees</b>	<b>Rank</b>	<b>Percentage of Total City Employment</b>	<b>Employees</b>	<b>Rank</b>	<b>Percentage of Total City Employment</b>
The University of Oklahoma	11,683	1	17.15%	12,446	1	20.86%
Norman Regional Hospital	3,350	2	4.92%	2,962	2	4.96%
Norman Public Schools	2,123	3	3.12%	1,880	3	3.15%
Walmart	1,300	4	1.91%			
York International/Johnson Controls	1,100	5	1.61%	950	4	1.59%
City of Norman	950	6	1.39%	848	5	1.42%
Cleveland County	563	7	0.83%			
Hitachi	400	8	0.59%	526	7	0.88%
NOAA National Severe Storm Laboratory	400	9	0.59%	550	6	0.92%
Department of Mental Health & Substance Abuse				506	8	0.85%
USPS National Center for Employee Development				407	9	0.68%
Oklahoma Vetran's Center	398	10	0.58%	400	10	0.67%
<b>Total</b>	<b>22,267</b>		<b>32.69%</b>	<b>21,475</b>		<b>35.98%</b>

**Source:** Various employers within the City of Norman and the Bureau of Labor and Statistics.

## The City of Norman, Oklahoma

### Full Equivalent City Employees by Function Last Ten Fiscal Years

FUNCTION	Full-time Equivalent Employees as of June 30									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
General government	55	54	53	59	62	64	60	64	61	59
Planning	37	36	38	35	34	38	36	38	37	36
City controller	23	34	33	35	34	32	30	30	29	28
Parks & recreation	82	72	72	52	52	55	59	58	53	52
Public works	123	123	124	120	118	115	116	119	112	112
Public safety										
Police	263	253	247	255	260	259	262	259	245	235
Fire	169	167	164	168	169	171	171	173	163	162
Westwood	35	36	33	34	34	37	18	16	17	17
Water	65	51	50	51	49	49	48	50	49	47
Wastewater	50	48	45	47	44	45	45	46	43	43
Sanitation	65	63	63	60	59	59	58	60	58	55
Total	967	937	922	916	915	924	903	913	867	846

**Source:** City Payroll Office

**Notes:** A full-time employee is scheduled to work 2,080 hours per year (including vacation and sick leave). Fulltime employment is calculated by dividing total labor hours by 2,080.

## The City of Norman, Oklahoma

### Operating Indicators by Function

### Last Ten Fiscal Years

FUNCTION	Fiscal Year									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Planning										
Building permits issued	1,542	1,642	1,835	1,962	1,704	1,552	1,540	1,575	2,418	2,493
Building inspections conducted	21,950	26,348	27,897	26,403	24,719	23,216	23,799	25,846	26,556	29,348
Police										
Physical arrests	5,319	4,679	4,478	4,018	5,172	6,478	6,076	5,594	5,709	5,637
Parking violations	8,829	8,339	6,145	5,607	6,576	12,029	14,836	17,438	13,433	15,616
Traffic violations	10,364	6,545	4,303	8,551	13,422	15,509	14,985	16,988	16,249	16,330
Non-traffic violations	3,133	2,580	2,476	2,534	2,421	3,585	3,792	4,704	4,012	4,444
Fire										
Calls answered	18,249	17,781	17,962	17,648	16,071	15,925	15,491	14,425	13,761	12,650
Inspections	774	816	775	1,477	1,967	2,440	2,331	2,972	2,983	3,456
Sanitation										
Refuse collected (tons per day)	336	338	337	338	319	321	288	272	316	286
Recyclables collected (tons per day)	19	19	19	17	18	20	22	28	32	32
Highways and streets										
Street resurfacing (miles)	5	8	12	20	17	13	19	8	17	16
Street patching (tons of asphalt used)	3,796	2,700	3,030	1,583	523	1,091	1,611	2,502	2,767	1,814
Parks and recreation										
Athletic field permits issued	162,950	171,359	171,313	189,564	135,485	189,663	150,173	119,904	146,641	143,878
Community center admissions	186,733	54,848	76,533	32,243	77,539	105,455	127,239	129,705	127,522	138,650
Water										
New connections	387	364	550	630	478	441	407	458	496	649
Water main breaks	143	212	127	213	163	133	166	160	159	185
Average daily consumption (thousands of gallons)	15,080	14,980	14,310	13,880	13,440	12,080	13,250	12,730	12,180	12,500
Peak daily consumption (thousands of gallons)	23,350	25,520	20,880	26,000	22,200	21,290	20,560	22,290	19,870	21,800
Wastewater										
Average daily sewage treatment (thousands of gallons)	11,400	11,200	11,200	10,800	11,200	12,300	11,000	9,700	9,800	9,500

**Sources:** Various city departments.

**Notes:** No indicators are available for the general government function.

# The City of Norman, Oklahoma

## Capital Asset Statistics by Function

### Last Ten Fiscal Years

FUNCTION	Fiscal year									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Public safety										
Police										
Stations	2	2	2	2	2	2	2	2	2	2
Patrol units	103	108	119	119	122	115	117	116	117	116
Fire stations	9	9	9	9	9	9	9	9	9	9
Sanitation										
Collection trucks	39	38	43	43	54	44	43	40	41	45
Highways and streets										
Streets (miles)	784	784	782	777	773	773	768	765	763	783
Streetlights	6,758	6,744	6,680	6,657	6,626	6,609	6,605	6,565	6,478	6,339
Traffic signals	256	256	258	256	257	256	256	256	250	246
Parks and recreation										
Acreage	1,165	1,158	1,158	1,158	1,158	1,158	1,158	1,158	1,158	1,158
Playgrounds	57	56	56	56	55	54	53	53	52	52
Swimming pools	6	6	6	6	6	6	6	6	5	5
Tennis courts	27	26	26	26	26	26	24	24	24	24
Community centers	6	5	5	5	5	5	5	5	5	5
Golf courses	1	1	1	1	1	1	1	1	1	1
Disc golf courses	5	5	5	5	5	4	4	4	4	4
Skateparks/Skate spots	4	4	4	4	4	3	1	1	1	1
Bike parks	1	1	1	1	1	1	-	-	-	-
Fishing lakes	7	7	7	7	7	7	7	7	7	7
Water										
Water mains (miles)	650	645	636	629	619	606	600	600	597	593
Fire hydrants	7,016	6,932	6,701	6,472	6,351	6,071	5,986	5,988	5,921	5,860
Water towers	5	5	5	5	5	5	5	5	5	4
Maximum daily capacity (thousands of gallons)	23,940	25,780	25,700	23,500	23,500	23,300	23,300	23,300	23,500	23,500
Wastewater										
Sanitary sewers (miles)	531	525	521	518	516	515	508	511	500	494
Manholes	12,551	12,399	12,288	12,186	12,147	12,097	11,927	11,928	11,656	11,625
Maximum daily treatment capacity (thousands of gallons)	36,000	36,000	36,000	36,000	36,000	36,000	36,000	36,000	30,000	30,000

**Sources:** Various city departments.

**Note:** No capital asset indicators are available for the general government function.



Photos taken by Eli Coffman  
Operator, Water Treatment Plant





## **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**

### **Independent Auditor's Report**

Honorable Mayor and City Council  
City of Norman, Oklahoma  
Norman, Oklahoma

We have audited, 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 (*Government Auditing Standards*), the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Norman, Oklahoma (City) as of and for the year ended June 30, 2024 and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated December 5, 2024.

### ***Report on Internal Control over Financial Reporting***

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. 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 or significant deficiencies may exist that were not identified.

### ***Report on Compliance and Other Matters***

As part of obtaining reasonable assurance about whether the City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. 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.

**Forvis Mazars, LLP**

**Oklahoma City, Oklahoma  
December 5, 2024**