

CITY OF EDMOND, OKLAHOMA
COMPREHENSIVE ANNUAL FINANCIAL REPORT
AND ACCOMPANYING INDEPENDENT AUDITOR'S REPORT
FOR THE FISCAL YEAR ENDED
JUNE 30, 2019

Prepared by:
Financial Services Department

Warren Porter
Finance Director

**CITY OF EDMOND, OKLAHOMA
COMPREHENSIVE ANNUAL FINANCIAL REPORT
AND ACCOMPANYING INDEPENDENT AUDITOR'S REPORT
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December 20, 2019

Honorable Mayor and City Councilmembers

City of Edmond, Oklahoma

Dear Mayor and Councilmembers:

The Comprehensive Annual Financial Report of the City of Edmond (the “City”) for the year ended June 30, 2019, is hereby submitted as mandated by the city charter and state statutes. The City is required to publish within six months of the close of each fiscal year a complete set of financial statements presented in conformance with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants.

Responsibility of both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the Financial Services Department of the City. The City has established a comprehensive internal control framework designed to both protect the City’s assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the City of Edmond’s financial statements in conformity with GAAP. Since the cost of internal controls should not outweigh the benefits derived from those controls, the City’s comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. We believe the information, as presented, is accurate in all material respects and is reported in a manner that presents fairly the financial position and results of operations of the various funds and component units of the City of Edmond. All disclosures necessary to enable the reader to gain an understanding of the City of Edmond’s activities have been included.

The City’s financial statements have been audited by Arledge & Associates, P.C., a firm of licensed certified public accountants. The independent audit was conducted to provide reasonable assurance that the financial statements of the City are free of material misstatement. The independent audit examined, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessed the accounting principles used and estimates made by management and evaluated the overall financial statement presentation. Based upon the results of their audit, Arledge & Associates, P.C. rendered unmodified opinions on all of the City’s opinion units within the financial statements for the year ending June 30, 2019. An unmodified opinion provides objective confirmation that the City’s financial statements are fairly presented in conformity with GAAP and free of material misstatement. The independent auditor’s report is presented as the first component of the financial section of this report.

In addition to the independent audit of the financial statements, the City is required to undergo an annual single audit in conformity with the provisions of the Uniform Guidance. This audit requires the auditor to report on the government’s internal controls and compliance with legal requirements involved with the administration of major federal grant awards received by the City. These reports are designed to meet

the special needs of federal grantor agencies and are available in the City of Edmond's separately issued Single Audit Report.

Generally accepted accounting principles require City management to provide a narrative introduction, overview and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This transmittal letter is designed to complement the MD&A and should be read in conjunction with it. The City's MD&A can be found immediately following the report of the independent auditors.

Edmond is located in the center of Oklahoma and is contiguous with the northern boundary of Oklahoma City, the capital city of the state and the largest city in Oklahoma. Incorporated in 1890, the City covers approximately 87 square miles and according to the July 1, 2018 US Census population estimate, there were 93,127 persons within the City. This is a population increase of 13.0% since 2010. Currently, the City of Edmond Planning Department estimates the Edmond population at 93,598. The City features quiet suburban living with a central business district, major shopping and modern office areas, and a variety of and spacious residential developments.

Edmond is the sixth-largest community in Oklahoma but has the third largest public school district in the state. With over 25,242 public school students, Edmond has had 11 nationally recognized Blue Ribbon Schools and its public schools are better than 96% of schools in the rest of the state. There are also eight private schools within the City. Of residents 25-and-older, 53.9% have at least a bachelor's degree, compared to the typical community of 24%. Two universities have a presence within the community, University of Central Oklahoma, the 4th largest university in Oklahoma, and Oklahoma Christian University, with a combined 2015-16 enrollment of over 18,500 students. Francis Tuttle Technological College also provides educational and training services in Edmond.

Edmond has the lowest crime rate, per thousand population, among the Oklahoma cities with the top ten populations, with Part One crimes declining annually from 2014 through 2018. Part 1 Crimes for Edmond were 16.58 per 1,000 population compared to 48.95 in Oklahoma City. Federal Bureau of Investigation's (FBI) statistics have ranked Edmond as the 49th safest city nationwide for reporting cities above 75,000 population, when comparing Part 1 crime statistics. Edmond is safer than 89% of reporting cities nationwide with a population above 75,000.

Edmond is the third largest city in the Oklahoma City Combined Statistical Area (CSA). Oklahoma City is the 27th-largest city and is the 41st largest CSA in the U.S., with an estimated 2015 population of 1,430,327 for the CSA. Since 2010, the Oklahoma City MSA is the 10th-fastest growing large metro in the country. The economy of the Greater Oklahoma City region is diverse. While federal, state and local government are the largest employers and the oil and natural gas sector generates the largest revenues, the area's major private sector economic contributors include:

- Aviation & Aerospace: With the largest concentration of aviation and aerospace firms in the state, the Greater Oklahoma City region's 230 plus firms employ 36,600 workers. Nearly 65% of the workforce at Tinker Air Force Base-the largest single site employer in the state, consists of civilian contractors and service providers.
- Bioscience: The area's Bioscience presence is growing with more than \$6.7 billion in revenues and the sector employs more than 51,000 statewide.

- Energy: The area is the Energy capital of the state. Energy accounts for approximately 3% of the metro employment but more than 10% of the total compensation.
- Health Care: The Oklahoma City region employs more than 82,000 health care sector workers and has 36 general medical and surgical hospitals and 9 specialized hospitals.
- Manufacturing: With more than 41,000 employed in this category, the manufacturing sector represents approximately 6% of the metro nonagricultural labor force.
- Professional, Business & Financial Services: This sector makes up 18% of the metro's total workforce with more than 125,000 employees.

As of October 2019, unemployment for Oklahoma was 3.2%, lower than the United States rate of 3.5%. For Oklahoma County, the home of Edmond, the September 2019 unemployment was at 3.0%. Sector gains, from October 2018– October 2019, included Mining & Logging (-4.1%); Wholesale Trade (4.7%) and Professional and Business Services (-0.3%). Sectors with job losses included Information (-5.0 %) and Construction (2.5%). After a slump in oil related business during most of 2016, the business environment for Oil and Gas dramatically improved in 2017 and 2018. Oil and Gas Rig count for October 2019 in Oklahoma was at 63, a 44.36% decrease from October 2018. Oil production increased by less than 1% from August 2018 through August 2019.

The City has adopted a charter and operates under a Council-Manager form of government pursuant to the charter and is recognized by the International City Management Association and the National League of Cities. The legislative authority of the City is vested in a five-member elected council, consisting of one council member from each of four wards and the mayor who serves as council member at large. Council members serve four-year staggered terms with two council members elected every two years. The Mayor is elected to serve a two-year term. The City Council members are also the Trustees of the Edmond Public Works Authority. The Mayor and Council appoint the City Manager, who as the chief executive officer of the City is responsible to the Mayor and the City Council for the administration of all City services, including budget preparation, and employees under a merit plan.

The City provides a wide range of municipal services, including police and fire protection, the construction and maintenance of highways, streets and other infrastructure, and a multitude of recreational and cultural events throughout the year. The City also provides electric, water, wastewater, drainage, and solid waste services to its residents under the legal entity of the Edmond Public Works Authority (EPWA). EPWA is a public trust created under applicable Oklahoma statutes on October 6, 1970, with the City named as the beneficiary thereof. These utility systems operate for the benefit of the City of Edmond and are an integral part of City operations. Electric rates were increased an average of 2.5%, effective November 2015. In 2016, Water and Wastewater rates also initiated the first of a series of annual increases through 2019. The City has begun to initiate major construction activities at the Wastewater Treatment facility in 2017 and plans to let bids for a new Water Treatment facility within the next five years.

EPWA's financial statements are blended into the City's financial statements and together they comprise the City's primary financial presentation. The City is also financially accountable for a legally separate Economic Development Authority and a legally separate Historic Preservation Trust. Both of these operations are reported separately within the City's financial statements. Additional information on these operations may be found in Note 1.A in the notes to the financial statements.

Five-year strategic business plans and operating budgets developed to support those plans serve as the foundation for the City's financial planning and control. The City Manager issues corporate guidelines

that establish priorities and specific economic factors for the upcoming budget year. Budgets are then developed by departments for all five years. The City Manager’s recommended budget is required to be submitted to the City Council by June 1. The City Council must hold a public hearing on the budget by June 15 and adopt the budget at least seven days prior to July 1, which is the beginning of the new fiscal year. The appropriated budget is prepared by fund, department, and object level/category. Department heads may make transfers of appropriations within an expenditure object category. Transfers between expenditure object categories of a department or fund and budget supplements must be approved by the City Council. Supplemental appropriations must also be filed with the Office of the State Auditor and Inspector.

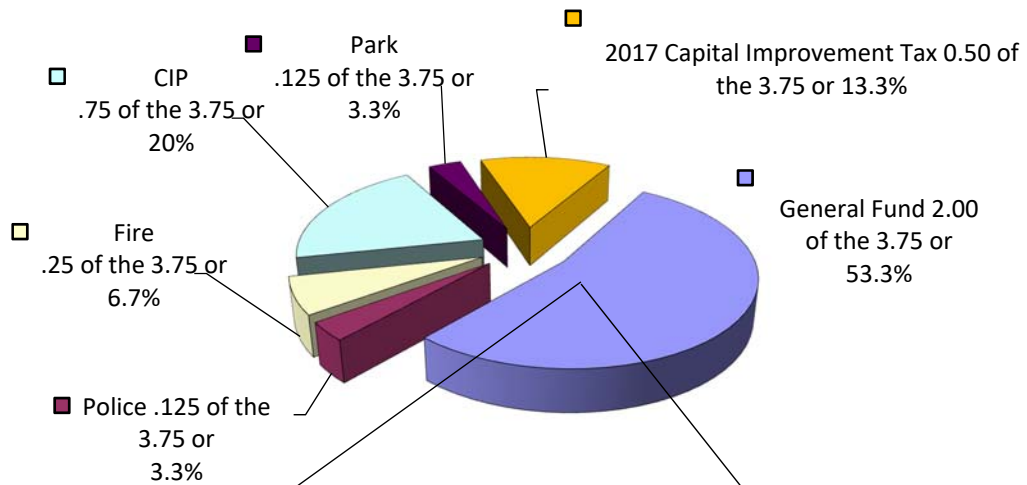
Sales Tax and the Local Economy

City of Edmond had positive growth in sales tax receipts for FY18-19. Although the City budgeted for a 2% growth in sales tax collections, a 4.86% increase over FY17-18 receipts was realized. The City has had positive growth in its annual sales tax collections during eight of the past ten years.

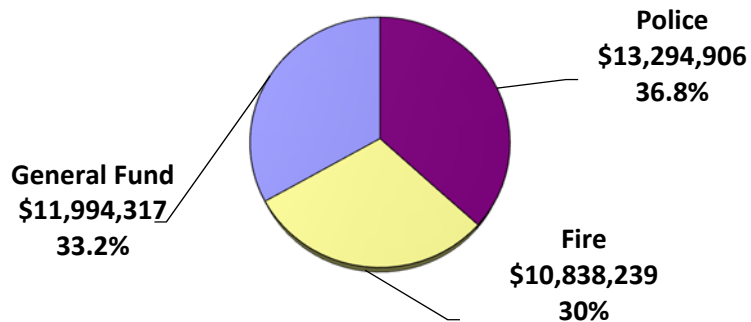


3.75% Sales Tax Split

(April 1st, 2017 the new 10 Year- 1/2% Sales Tax for Capital Improvement went into effect)



General Fund's FY19-20 Budgeted 2% Sales Tax is \$ 36,127,462



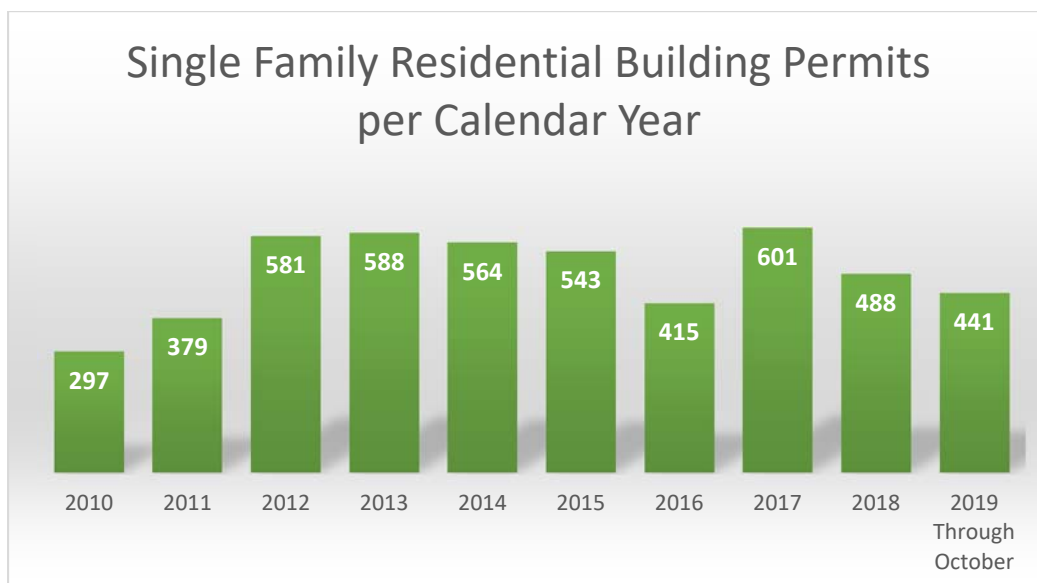
Typically, sales tax collections account for around 60% of General Fund revenues. However, due to the voter-approved 2000 Sales Tax initiative, Public Safety (i.e. Fire and Police) Departments receive over 66% of the revenue from the 2% General Fund sales tax.

In April 2016, Edmond voters overwhelmingly approved two sales tax extensions for ten additional years upon expiration of the existing taxes. The one-cent General Fund sales tax extension won with a vote of 4,894 to 1,214, or 80.1% approval rate.

The one-cent tax rate is for the operations of the city and was originally approved in April 1977. The taxes have been extended by election for an additional ten-year term and will not expire until April 2027.

The half-cent sales tax originally approved for the Public Safety Center was also extended during the April 2016 election. The renewed half-cent tax will be utilized for capital improvements. The half-cent extension won with a vote of 4,363 to 1,621, or 72.9% approval rate. Even with these renewed tax rates, Edmond’s sales tax will remain lower than the sales tax rates of neighboring communities within the Oklahoma City metro.

Edmond continues to grow in both commercial and residential building. The City of Edmond issued 55 new commercial construction permits at a value of \$112,884,500 during 2018. Although 2018 was a good commercial building year, it did not match the best business development year in 2016, when 72 permits were issued for new commercial facilities. Through October 2019, we have issued 20 new commercial permits with a value of \$42,932,000 and 157 commercial addition/alteration permits with a value of \$31,045,850.



Single family residential housing permits for new construction reached record numbers in 2017, with home construction increasing from 415 permits during 2016, to 601 new homes in 2017--an increase of 44.8%. The total value of permits for new home construction for 2017 was \$187,215,843 or \$311,507 per residence. The total value for the 441 residential permits issued through October 2019 was \$165,218,165 or \$374,644 per residence. Through end of calendar year 2019 the Building department estimates to issue 495 residential permits for construction of new homes. Total permit value for 2018 was \$439,742,447 a 24.9% increase in total value over 2017. Total permit value through October 2019 is \$266,333,868 or a decrease of 35% over 2018 in only 10 months.

Capital Improvements

Edmond has two different sales tax initiatives to fund needed capital improvements for the city. The first tax authorized by voters in 1996 and then extended indefinitely in 2000, is the three-quarter percent sales tax which raises about \$13 million annually.

Although in excess of \$100 million in bond financing has been backed by this fund, at the end of June 2019, the outstanding principal remaining on the 2000 CIP indebtedness had fallen to \$35,441,848. The final maturity on the most recent issue is July 1, 2026.

The second capital improvement sales tax was initiated by voter approval, effective April 2017. This involves a one-half percent sales tax which generates over \$8.6 million annually. This tax will sunset in March of 2027 unless reauthorized by voters. This tax can be used for any capital improvement identified in our capital planning. Because of the time limit of this tax, these funds will not be involved in financing any projects with debt.

Since the inception of the 2000 sales tax, approximately \$210,000,000 in projects have been constructed. Previous projects completed include the development of the Mitch Park YMCA/Edmond Public Schools Competitive Pool, the Kelly Street Widening project from Covell to Coffee Creek and Edmond 66 Park, an adult softball complex.

Under construction in 2019 is a collaboration between the City of Edmond and Edmond Public Schools for a Tennis Center. This state-of-the-art complex will feature 6 indoor courts and 24 outdoor courts, including two center championship courts. A comprehensive clubhouse includes areas for public use, high school use, a pro shop and a refreshment lounge. The total project construction is \$16M, with the City's share of \$6.75M coming from the 2017 repurposed sales tax. The City also purchased the additional park land needed for the development for \$2.5M. The groundbreaking for this partnership project took place in February and construction progress continues at the 23-acre site near the northeast corner of 15th & Kelly. Major grading work is occurring, along with under slab work for mechanical, electrical and plumbing infrastructure. Construction is anticipated to be completed summer 2020.

The City entered into a contract with the BNSF in February for eleven railroad street crossings in Edmond. The total estimated cost of \$3.5M is entirely the City's responsibility, with funding coming from the 2000 capital improvements sales tax. Once the Quiet Zone is fully implemented the trains will not be required to sound their horns in the city limits. There are two components to the project, the infrastructure work to be done by BNSF on their track, the design and construction work to be accomplished by the City on the eleven streets that cross the tracks. Concrete crossing work has been installed at both 1st Street and 5th Street, and they expect more concrete work to be accomplished. BNSF is also designing the railroad signals. They expect the signal materials for all the crossings to arrive in late November. The City expects design engineer to submit 90% plans in 2019 which will be submitted to BNSF for review and comments.

The City is under construction for an additional water tower at Danforth & Thomas Drive. The two-million-gallon tower is scheduled to be finished by the end of 2019. The cost of the project is \$4.7M, and funding has been provided through the State Revolving Fund Loan Program, administered by the Oklahoma Water Resources Board. The new tower will help with stabilizing water pressure throughout our system and should be more economical to operate and maintain than the tower it will replace.

In 2019, a significant stormwater management system was completed in the downtown Edmond area. In addition to lessening potential stormwater issues within the commercial area, an additional 55 parking spaces were added.

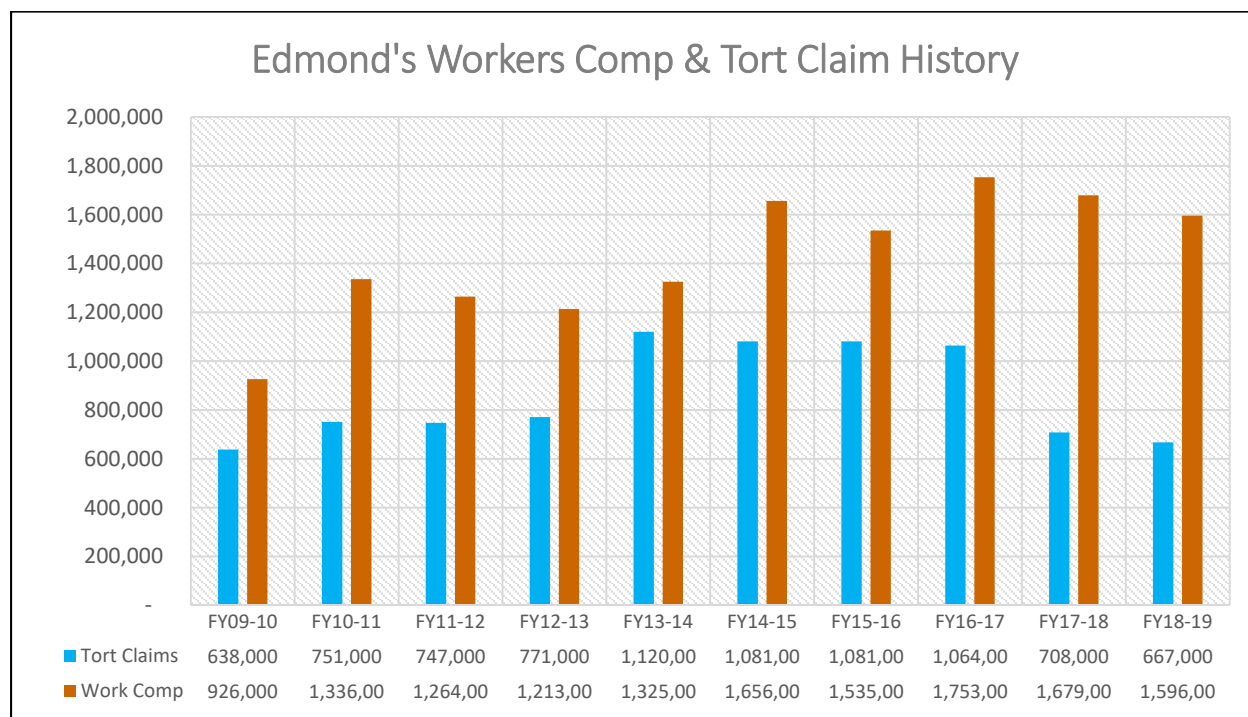
The City of Edmond has identified or in preparations for future capital improvements, including improvements along Covell, from Fairfax to Griffin; intersection improvement at Coltrane; and signalization at Covell and I-35 Highway.

Other future projects include intersection improvements at Kelly and Danforth; implementation of Phase 2 of the Intelligent Traffic Systems; downtown streetscape program; part improvements at Hafer Park and Stephenson Park and soccer complex improvements. Also, the city is under construction for an expansion of its Animal Shelter and the replacement station for Fire Station #2 should be operational by the end of 2019. In October 2019, the Edmond City Council/Public Works Authority Board authorized the purchase and implementation of an Automated Metering System for the municipal electric and water systems.

Risk Management Program

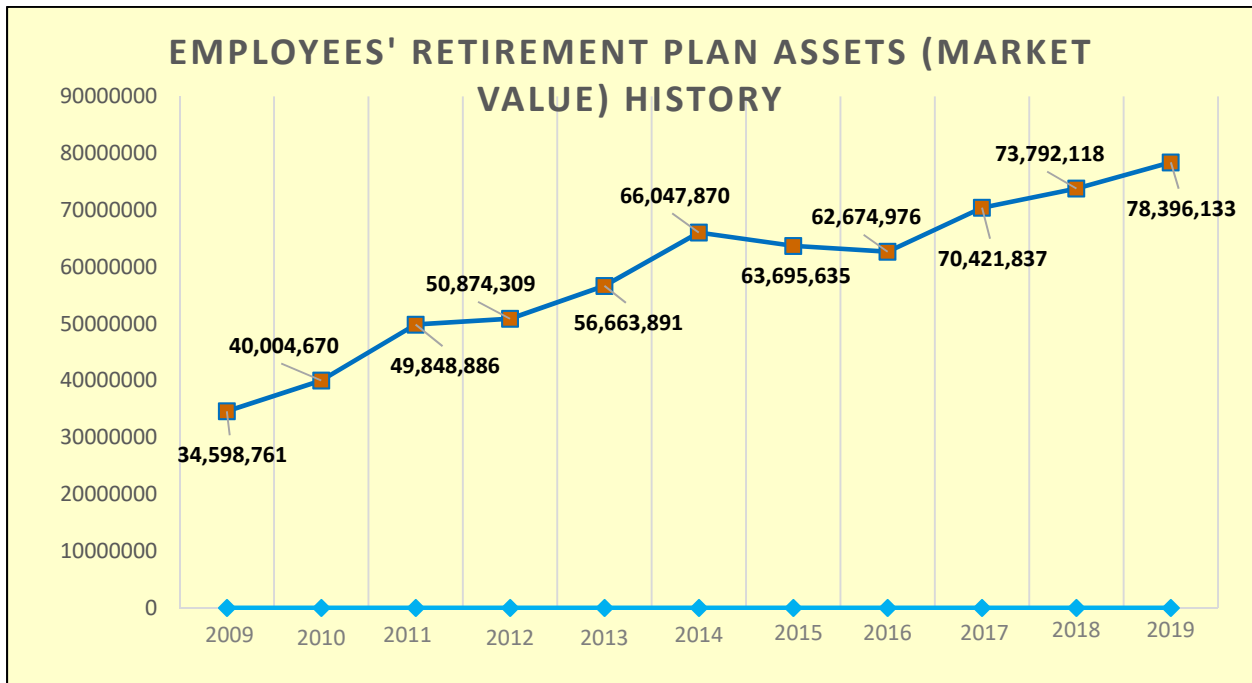
Safety and accountability are the responsibility of each department and overseen by the Risk Manager. The City is currently contracting with a third-party administrator, CCMSI to process the City's workers' compensation claims. 'One Beacon Government Risks' provides general liability insurance coverage and the City has a third-party administrator, CCMSI, manage the liability claims. The Beckman Insurance Company is City's insurance broker for purposes of placement and obtaining applicable insurance coverage. The City is self-insured for workers' compensation with excess coverage provided by Midwest Employees Casualty Company. Additional information on Risk Management may be found in Note 4.B in the notes to the financial statements.

The City's actuary has determined that the estimated claim liability including incurred but not reported claims as of June 30, 2019 for workers' compensation and general liability claims are \$1,596,000 and \$667,000 respectively.



Employee Retirement Plan

As of June 30, 2019, the assets of the Employees' Defined Benefit Pension Plan for non-uniformed employees posted an investment gain of \$4,635,191 for an ending market value of \$78,442,417. The investment returns for the Plan Year was 5.76% after expenses, which is less than the City's benchmark of 7.25%. While total Benefit Payments increased in Plan Year from \$2,897,760 to \$3,223,376, total disbursements decreased from previous Plan Year by \$628,536. Employer contributions increased by \$133,662 from previous Plan Year and contributed refunds with interest fell/ increased by \$962,959 from the previous year. Effective July 1, 2019, the City of Edmond increased its employer's contribution rate to 9.82% from 9.49%.



The City also participates in the Oklahoma Police Pension Retirement Fund and the Oklahoma Firefighters Pension and Retirement Fund on behalf of the City's police and firefighters. These are statewide plans managed by the State of Oklahoma. Based upon certain wages defined by each plan, the Police contribution rates are 8% employee and 13% employer; the Fire contribution rates are 9% employee and 14% employer. The City has no obligation in connection with employee benefits offered through these plans beyond the stated above. Additional information on these retirement plans may be found in the notes to financial statements 4.A.

The City provides retiring employees the opportunity to continue the City's health and dental insurance coverage at their expense if so elected at time of retirement. At the end of the fiscal year, 38 of the City's eligible surviving spouses or retired employees-maintained City coverage. As such, this creates an OPEB obligation to the City since premiums are not adjusted for retirees. GASB Statement 45 – *Accounting and Financial Reporting for Employers for Post-employment Benefits Other than Pensions (OPEB)* was implemented in the City's FY2009 annual financial report. This being the tenth year to recognize the impact this has on the City's finances; the City's unfunded liability has decreased 4.31% from \$6,098,014 to \$5,835,112 (as per GASB 75 guideline).

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Edmond for its Comprehensive Annual Financial Report (CAFR) for the fiscal year ended June 30, 2018. The Certificate of Achievement is a prestigious national award-recognizing conformance with the highest standards for preparation of state and local government financial reports and the City of Edmond has been awarded a Certificate of Achievement for the last thirty-three consecutive years, ending June 30, 1986-2018. With transparency and accountability critical to the City's mission, the City also received its eight consecutive Award for Outstanding Achievement in Popular Annual Financial Reporting (PAFR) called the "Citizens Report". We believe the current report conforms to the Certificate of Achievement program requirements, and are submitting it to GFOA.

Respectfully submitted,



Larry Stevens
City Manager



Warren Porter
Director of Finance

CITY OF EDMOND, OKLAHOMA

PRINCIPAL OFFICIALS AND FINANCE COMMITTEE MEMBERS

JUNE 30, 2019

ELECTED OFFICIALS

Dan O'Neil	Mayor
David Chapman	Councilmember-Ward 1
Josh Moore	Councilmember-Ward 2
Darrell Davis	Councilmember-Ward 3
Nick Massey	Councilmember-Ward 4

FINANCE COMMITTEE MEMBERS

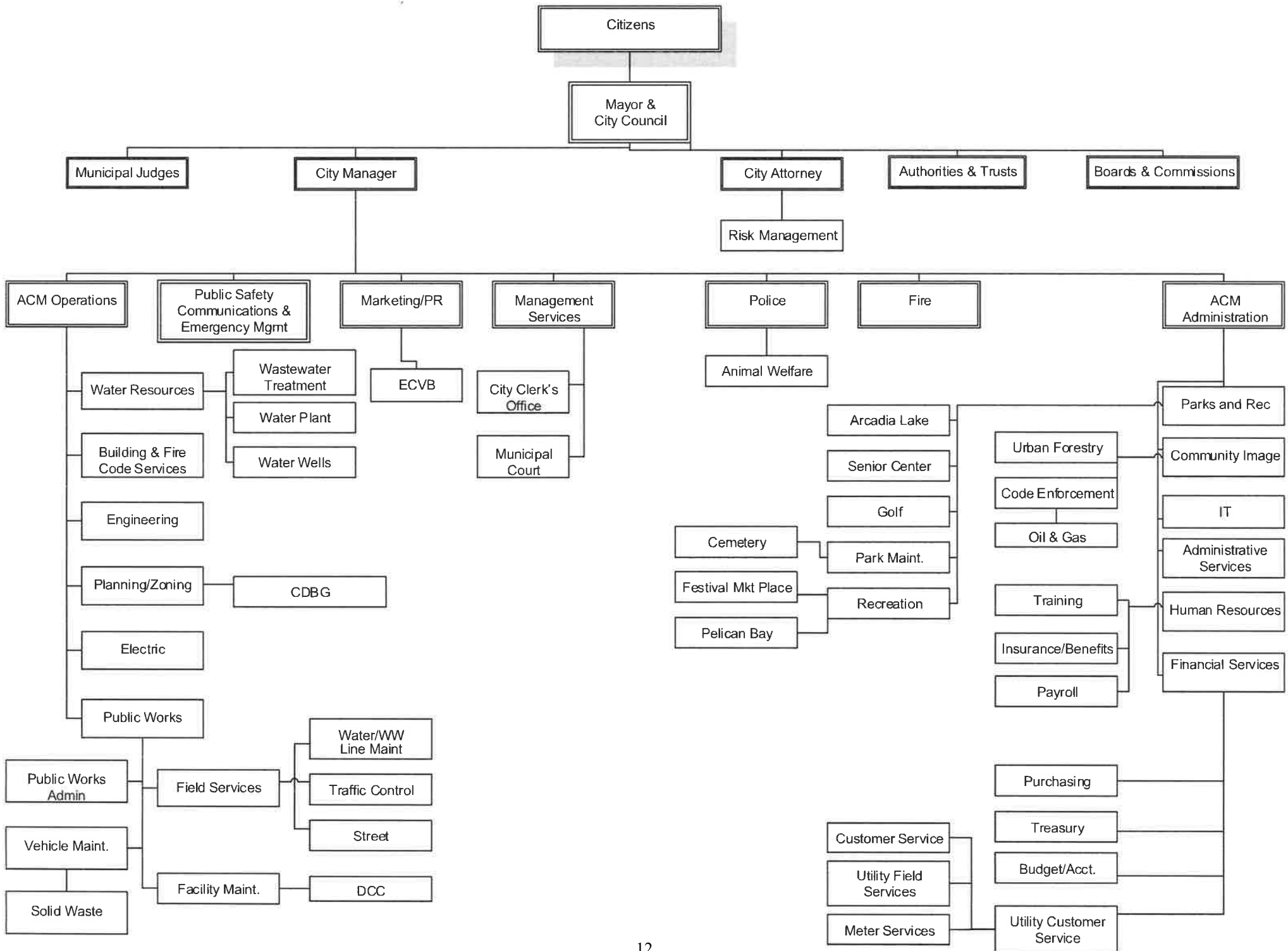
Stephen Schaus	Chairperson
Nick Massey	Member
Dan O'Neil	Member

ADMINISTRATION

Larry Stevens	City Manager
Stephen Murdock	City Attorney
Stephen Schaus	City Treasurer Assistant
Steve Commons	Assistant City Manager-Administration
Jim Smith	Assistant City Manager-Operations
Cinda Covell	City Clerk
Chris Goodwin	Fire Chief
J.D. Younger	Police Chief
Lisa Goodpasture	Human Resource Director
Diane L. Slayton	Municipal Judge

FINANCE STAFF

Warren Porter	Finance Director
William Weaver	Assistant Finance Director
Sheila Briesch	Accounting Manager
Brenda Mayer	Purchasing Manager





Government Finance Officers Association

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

Presented to

**City of Edmond
Oklahoma**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2018

Christopher P. Morill

Executive Director/CEO

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INDEPENDENT AUDITOR'S REPORT



INDEPENDENT AUDITOR'S REPORT

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

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Edmond, Oklahoma, (the "City") as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City, as of June 30, 2019, 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.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, and the pension plan and other post-employment benefit schedules, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The introductory section, other supplementary information, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The other supplementary information, as listed in the table of contents, is the responsibility of management and was derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the other supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 19, 2019, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.



December 19, 2019

MANAGEMENT'S DISCUSSION AND ANALYSIS

Our discussion and analysis of the City of Edmond's financial performance provides an overview of the City's financial activities for the fiscal year ended June 30, 2019. Please read it in conjunction with the City's financial statements, which follow this section.

FINANCIAL HIGHLIGHTS

- For the fiscal year ended June 30, 2019, the City's total net position increased by \$50 million.
- The City recorded derivative instruments of \$948,555 and \$431,395 in the governmental and business-type activities, respectively. The derivative instruments are offset by deferred inflows.
- The City also recorded combined net pension liabilities of \$60,948,947 for the year related to the Oklahoma Police Pension and Retirement System, the Oklahoma Fire Fighters Pension and Retirement System and the City's Employee Pension and Retirement System.
- During the year, the City's expenses for governmental activities were \$92.1 million and were funded by program revenues of \$22.5 million and further funded with taxes and other general revenues and transfers that totaled \$87.9 million.
- In the City's business-type activities, such as utilities, lake, golf course, and transportation operations, program revenues exceeded expenses by \$25.7 million.
- At June 30, 2019, the General Fund reported an unassigned fund balance of \$7.9 million.
- For budgetary reporting purposes, the General Fund and major special revenue funds reported actual revenues above estimates of \$6.2 million or 7.7%, while expenditures were under the final appropriations by \$4.8 million or 7.37%.

OVERVIEW OF THE FINANCIAL STATEMENTS

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

Reporting the City as a Whole

The Statement of Net Position and the Statement of Activities

One of the most frequently asked questions about the City's finances is, "Has the City's overall financial condition improved, declined or remained steady over the past year?" The Statement of Net Position and the Statement of Activities report information about the City as a whole and about its activities in a way that helps answer this question. These statements include *all* assets, deferred outflows, liabilities, and deferred inflows using the accrual basis of accounting, which is similar to the accounting used by the private-sector companies. All of the current period's revenues and expenses are taken into account regardless of when cash is received or paid.

These two government-wide statements report the City's net position and changes in them from the prior year. You can think of the City's net position – the difference between assets, deferred outflows, liabilities,

and deferred inflows – as one way to measure the City's financial condition. Over time, increases or decreases in the City's net position are one indicator of whether its financial health is improving, deteriorating, or remaining steady. However, you must consider other nonfinancial factors, such as changes in the City's sales tax base, the condition of the City's roads, and the quality of services to assess the overall health and performance of the City.

As mentioned above, in the Statement of Net Position and the Statement of Activities, we divide the City into three kinds of activities:

- Governmental activities -- Most of the City's basic services are reported here, including the police, fire, general administration, streets, and parks. Sales taxes, franchise fees, fines, and state and federal grants finance most of these activities.
- Business-type activities -- The City charges a fee to customers to help cover all or most of the cost of certain services it provides. The City's electric, water, wastewater, sanitation, lake, drainage, and golf course activities are reported here.
- Discretely-presented component units – These account for activities of the City's reporting entity that do not meet the criteria for blending, specifically the Historic Preservation Trust and the Edmond Economic Development Authority.

Reporting the City's Most Significant Funds

Fund Financial Statements

The fund financial statements provide detailed information about the most significant funds – not the City as a whole. Some funds are required to be established by State law and by bond covenants. However, management establishes many other funds to help it control and manage money for particular purposes or to show that it is meeting legal responsibilities for using certain taxes, grants and other money. The City's three fund categories-governmental, and proprietary, and fiduciary use different accounting approaches.

Governmental funds - Most of the City's basic services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the City's general government operations and the basic service it provides. Governmental fund information helps determine whether there are more or fewer financial resources that can be spent in the near future to finance the City's programs. We illustrate the relationship (or differences) between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and the governmental funds with reconciliation at the bottom of the fund financial statements.

Proprietary funds - When the City charges customers for the services it provides – whether to outside customers or to other units of the City – these services are generally reported in proprietary funds. Proprietary funds are reported in the same way that all activities are reported in the Statement of Net Position, the Statement of Revenues, Expenses and Changes in Fund Net Position and Statement of Cash Flows. In fact, the City's enterprise funds are the essentially the same as the business-type activities we

report in the government-wide statements but provide more detail and additional information, such as cash flows.

Fiduciary funds - When the City is responsible for assets that – because of a trust arrangement or other fiduciary requirement – can be used only for trust beneficiaries or others parties, these activities are reported as fiduciary funds, such as the Employee Retirement Trust Fund. The City is responsible for ensuring that the assets reported in these funds are used for their intended purpose. All of the City's fiduciary activities are reported in a separate statement of fiduciary net position and a statement of changes in fiduciary net position. We exclude these activities from the City's government-wide financial statements because the City cannot use these assets to finance operations.

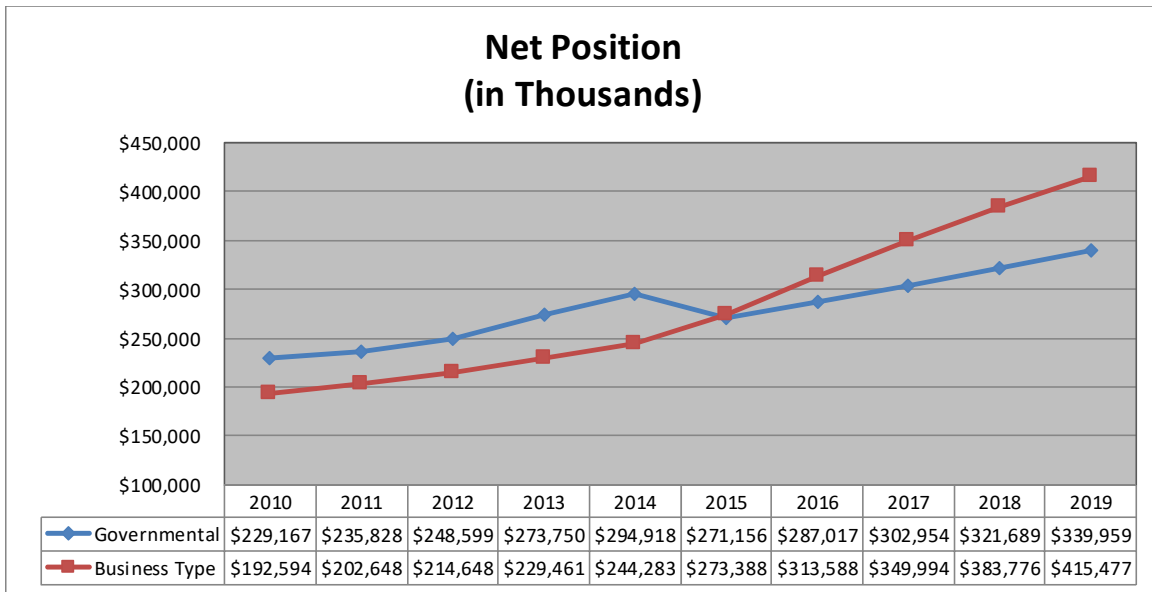
A FINANCIAL ANALYSIS OF THE CITY AS A WHOLE

Net Position

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 \$755,436,092 at the close of the most recent fiscal year.

TABLE 1
NET POSITION (In Thousands)

	Governmental Activities		% Inc. (Dec.)	Business-Type Activities		% Inc. (Dec.)	Total		% Inc. (Dec.)
	2019	2018		2019	2018		2019	2018	
Current assets	\$ 103,944	\$ 104,674	-1%	\$ 292,998	\$ 296,216	-1%	\$ 396,942	\$ 400,890	-1%
Capital assets, net	337,501	327,990	3%	379,402	292,846	30%	716,903	620,836	15%
Other non-current assets	10,553	9,131	16%	39,143	87,881	-55%	49,696	97,012	-49%
Total assets	451,998	441,795	2%	711,543	676,943	5%	1,163,541	1,118,738	4%
Deferred Outflows	21,603	19,666	10%	2,887	2,922	-1%	24,490	22,588	8%
Current liabilities	28,885	25,791	12%	37,123	29,385	26%	66,008	55,176	20%
Non-current liabilities	97,543	109,305	-11%	261,124	266,000	-2%	358,667	375,305	-4%
Total liabilities	126,428	135,096	-6%	298,247	295,385	1%	424,675	430,481	-1%
Deferred Inflows	7,213	4,677	54%	706	703	0%	7,919	5,380	47%
Net position									
Net investment in capital assets	302,959	286,813	6%	230,309	212,909	8%	533,268	499,722	7%
Restricted	54,830	64,158	-15%	23,727	23,678	0%	78,557	87,836	-11%
Unrestricted (deficit)	(17,830)	(29,282)	-39%	161,441	147,189	10%	143,611	117,907	22%
Total net position	\$ 339,959	\$ 321,689	6%	\$ 415,477	\$ 383,776	8%	\$ 755,436	\$ 705,465	7%



The largest portion of the City’s net position reflects its net investment in capital assets (e.g., land, buildings, machinery, and equipment); less any related debt used to acquire those assets that is still outstanding. For 2019, this investment in capital assets, net of related debt amounted to \$533,268,341. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City’s investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

A major portion of the City’s net position, \$78,556,833, also represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position, \$143,610,918, may be used to meet the government’s ongoing obligations to citizens and creditors.

At the end of the current fiscal year, the City is able to report positive balances in all categories of net position, both for the government as a whole, as well as for its separate governmental and business-type activities with the exception of governmental unrestricted net position which had a deficit balance of \$17,829,598.

Changes in Net Position

For the year ended June 30, 2019, net position of the primary government changed as follows:

CITY OF EDMOND, OKLAHOMA
MANAGEMENT'S DISCUSSION & ANALYSIS
June 30, 2019

TABLE 2
CHANGES IN NET POSITION (In Thousands)

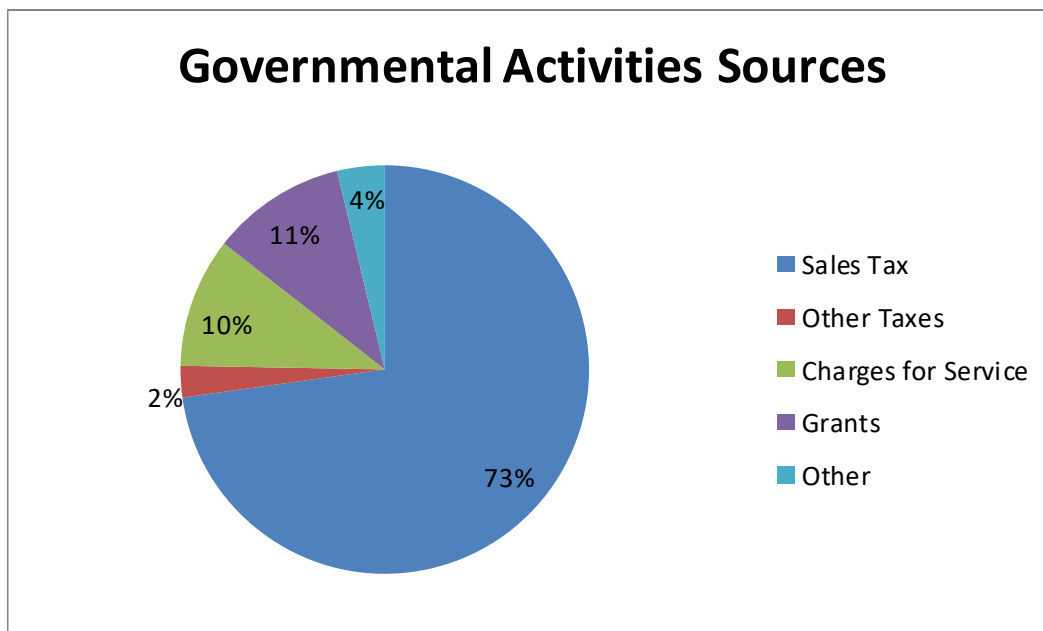
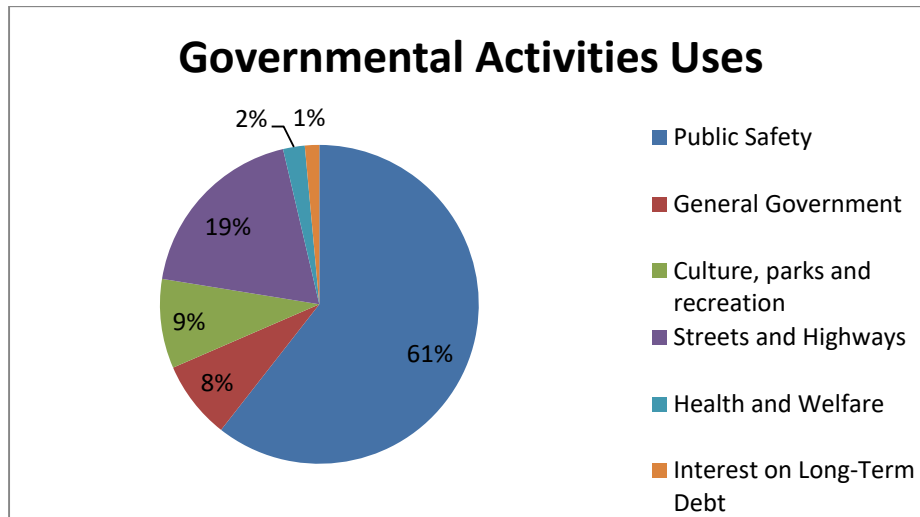
	Governmental Activities		% Inc. (Dec.)	Business-Type Activities		% Inc. (Dec.)	Total		% Inc. (Dec.)
	2019	2018		2019	2018		2019	2018	
Revenues									
Program revenue:									
Charges for service	\$ 11,071	\$ 10,234	8%	\$ 154,180	\$ 157,992	-2%	\$ 165,251	\$ 168,226	-2%
Operating grants and contributions	7,143	5,965	20%	681	1,260	-46%	7,824	7,225	8%
Capital grants and contributions	4,334	8,035	-46%	4,291	8,112	-47%	8,625	16,147	-47%
General Revenue:									
Taxes	81,013	74,649	9%	-	-	0%	81,013	74,649	9%
Intergovernmental revenue	1,016	1,057	-4%	-	-	0%	1,016	1,057	-4%
Investment income	2,159	838	158%	8,823	2,479	256%	10,982	3,317	231%
Miscellaneous	871	829	5%	18	4	350%	889	833	7%
Total Revenues	107,607	101,607	6%	167,993	169,847	-1%	275,600	271,454	2%
Expenses									
General Government	8,173	6,889	19%	-	-		8,173	6,889	19%
Public Safety	49,828	52,589	-5%	-	-		49,828	52,589	-5%
Streets & highways	16,598	16,312	2%	-	-		16,598	16,312	2%
Culture, parks and recreation	14,773	7,861	88%	-	-		14,773	7,861	88%
Health and welfare	1,618	1,916	-16%	-	-		1,618	1,916	-16%
Interest on long-term debt	1,160	1,262	-8%	-	-		1,160	1,262	-8%
Electric	-	-		82,238	83,960	-2%	82,238	83,960	-2%
Water	-	-		20,437	19,607	4%	20,437	19,607	4%
Wastewater	-	-		16,641	15,607	7%	16,641	15,607	7%
Sanitation	-	-		7,869	7,046	12%	7,869	7,046	12%
Lake	-	-		1,517	1,470	3%	1,517	1,470	3%
Drainage	-	-		876	881	-1%	876	881	-1%
Golf Course	-	-		1,989	2,070	-4%	1,989	2,070	-4%
Cooperative purchasing service	-	-		52	75	-31%	52	75	-31%
Transportation operations	-	-		1,860	1,392	34%	1,860	1,392	34%
Total Expenses	92,150	86,829	6%	133,479	132,108	1%	225,629	218,937	3%
Excess (deficiency) before transfers	15,457	14,778	5%	34,514	37,739	-9%	49,971	52,517	-5%
Transfers	2,813	3,957	-29%	(2,813)	(3,957)	-29%	-	-	-
Increase in net position	18,270	18,735	-2%	31,701	33,782	-6%	49,971	52,517	-5%
Beginning net position	321,689	302,954		383,776	349,994		705,465	652,948	
Ending net position	\$ 339,959	\$ 321,689		\$ 415,477	\$ 383,776		\$ 755,436	\$ 705,465	

The City's governmental activities' increase in net position of \$18.3 million represents a 2.5% decrease from the prior year's change in net position and is primarily the result of an increase in culture and recreation expense relate to the tennis center project with Edmond Public Schools and a decrease in capital grants. The business-type activities' increase in net position of \$31.7 million represents an 6% decrease from the prior year's change in net position which is largely attributable to the increase in expenses and a decrease in capital grants. The results indicate the City, as a whole, experienced an increase in total net position of \$50 million which was a combination of overall expenses staying relatively in line with revenue collections.

Governmental Activities

To aid in the understanding of the Statement of Activities some additional explanation is given. Of particular interest is the format that is significantly different than a typical Statement of Revenues, Expenses, and Changes in Fund Balance. You will notice that expenses are listed in the first column with revenues from that particular program reported to the right. The result is a Net (Expense)/Revenue. The reason for this kind of format is to highlight the relative financial burden of each of the functions on the City's taxpayers. It also identifies how much each function draws from the general revenues or if it is self-financing through fees and grants or contributions. All other governmental revenues are reported as general. It is important to note all taxes are classified as general revenue even if restricted for a specific purpose.

For the year ended June 30, 2019, the City's governmental activities were funded as follows:



For the year ended June 30, 2019, total expenses for governmental activities amounted to \$92.1 million. Of these total expenses, taxes and other general revenues funded \$87.9 million, while those directly benefiting from the program funded \$11.5 million in grants and other contributions and \$11.1 million from charges for services. Besides an increase in sales tax other notable changes for governmental activities include an increase in expenses related to culture and recreation operations.

Governmental-type Activities

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

	<u>Total Expense of Services</u>		<u>% Inc. (Dec.)</u>	<u>Net Revenue (Expense) of Services</u>		<u>% Inc. (Dec.)</u>
	<u>2019</u>	<u>2018</u>		<u>2019</u>	<u>2018</u>	
	General Government	\$ 8,173		\$ 6,889	19%	
Public Safety	49,828	52,589	-5%	(42,886)	(46,403)	-8%
Streets & Highways	16,598	16,312	2%	(11,170)	(7,558)	48%
Culture, parks and recreation	14,773	7,861	88%	(14,519)	(7,636)	90%
Health and Welfare	1,618	1,916	-16%	(746)	(1,055)	-29%
Interest on long-term debt	1,160	1,262	-8%	(1,160)	(1,262)	-8%
TOTAL	\$ 92,150	\$ 86,829	6%	\$ (69,602)	\$ (62,596)	11%

Business-type Activities

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

	<u>Total Expense of Services</u>		<u>% Inc. (Dec.)</u>	<u>Net Revenue (Expense) of Services</u>		<u>% Inc. (Dec.)</u>
	<u>2019</u>	<u>2018</u>		<u>2019</u>	<u>2018</u>	
	Electric	\$ 82,238		\$ 83,960	-2%	
Water	20,437	19,607	4%	8,323	14,658	-43%
Wastewater	16,641	15,607	7%	5,105	5,517	-7%
Sanitation	7,869	7,046	12%	2,435	2,296	6%
Lake	1,517	1,470	3%	(632)	(397)	59%
Drainage	876	881	-1%	1,010	942	7%
Golf	1,989	2,070	-4%	(129)	(94)	37%
Cooperative purchasing services	52	75	-31%	41	18	128%
Transportation	1,860	1,392	34%	(1,022)	(677)	51%
TOTAL	\$ 133,479	\$ 132,108	1%	\$ 25,673	\$ 35,255	-27%

The City's business-type activities include utility services, lake and golf course operations, the cooperative purchasing program and operations of the transit system.

In reviewing the business-type activities net (expense)/revenue, the following highlights should be noted:

- Total business-type activities reported net revenues of \$25.7 million for the year ended June 30, 2019.

- All individual activities reported net revenue for the year ended June 30, 2019 with the exception of lake, golf and transportation operations.

A FINANCIAL ANALYSIS OF THE CITY'S FUNDS

As the City completed its 2019 fiscal year, the governmental funds reported a combined fund balance of \$73.8 million or a 7.3% decrease from 2018. The enterprise funds reported combined net position of \$406.1 million or a 8.1% increase from 2018. The fund balance constraints and net position restrictions are listed below:

Governmental Funds:

Fund Balance:

Restricted	\$	52,890,507
Committed		61,059
Assigned		<u>13,063,618</u>

Total Fund Balance Constraints	\$	<u>66,015,184</u>
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Enterprise Funds:

Net Position Restrictions:

Restricted for debt service	\$	23,727,004
Restricted for scholarships		1,601
Restricted for economic development		<u>52,316</u>

Total Enterprise Fund Net Position Restrictions	\$	<u>23,780,921</u>
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Other fund highlights include:

- For the year ended June 30, 2019, the General Fund's total fund balance increased by \$2,621,789 due to increased sales and use tax and a slight decrease in expenditures.
- The 2000 Capital Improvement Tax Fund's total fund balance decreased by \$6,875,155 due to a decrease in transfers in from other funds and an increase in capital expenditures.
- The Fire Public Safety Limited Tax Fund's total fund balance decreased by \$1,226,583 due to an increase in expenditures.
- The Police Public Safety Limited Tax Fund's total fund balance decreased by \$418,357 due to an increase in expenditures.
- All enterprise funds reported an increase in net position, after transfers, for the year ended June 30, 2019 with the exception of lake and transportation. In each of the enterprise funds mentioned above, charges for services covered operational costs with the exception of Lake and transportation.
- The employee pension trust fund posted an increase in net position of the fund of \$4.7 million. The increase is due to an increase in the investment yields in the market.

General Fund Budgetary Highlights

Over the course of the year, the City Council revised the General Fund budget various times. Actual revenues and transfers were above final estimates by \$5,079,427 or 6.97% which was a result of an increase in use tax collections, while expenditures and transfers were under final appropriations by \$757,607 or .99%.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

At the end of June 30, 2019, the City had \$717 million invested in capital assets, net of depreciation, including police and fire equipment, buildings, park facilities, water lines and sewer lines. (See table below). This represents a net increase of \$98.1 million or 15.4% over last year.

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

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
Land	\$ 17,743	\$ 17,713	\$ 2,571	\$ 2,571	\$ 20,314	\$ 20,284
Buildings	81,651	83,620	18,579	19,529	100,230	103,149
Imp. Other than buildings	21,640	21,830	9,495	9,649	31,135	31,479
Equipment	25,517	23,678	3,929	4,189	29,446	27,867
Intangible water rights	-	-	12,261	12,905	12,261	12,905
Utility property	-	-	167,573	163,819	167,573	163,819
Infrastructure	158,355	155,010	-	-	158,355	155,010
Construction in progress	<u>32,595</u>	<u>26,140</u>	<u>164,994</u>	<u>80,184</u>	<u>197,589</u>	<u>106,324</u>
Totals	\$ 337,501	\$ 327,991	\$ 379,402	\$ 292,846	\$ 716,903	\$ 620,837

This year's more significant capital asset additions included:

- \$3.1M Electric Utility improvements
- \$10.6M Water Utility improvements
- \$2.1M Wastewater Utility improvements
- \$4.5M Fleet improvements
- \$1.9M Parks improvements
- \$9.6M Street improvements
- \$5.7M Economic Development improvements

See Note 3.D. to the financial statements for more detail information on the City's capital assets and changes therein.

Long- Term Debt

At year-end, the City had \$277 million in long-term debt outstanding which represents an decrease of \$10 million or 3.5% from the prior year. The City's changes in long-term debt by type of debt are as follows:

Primary Government Long-Term Debt							Total Percentage Change
(In Thousands)							
<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>			
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>	
Accrued absences	\$ 4,322	\$ 4,122	\$ 832	\$ 758	\$ 5,154	\$ 4,880	6%
Revenue bonds	35,601	42,558	222,557	227,866	258,158	270,424	-5%
Notes payable	-	-	14,288	12,347	14,288	12,347	16%
Capital lease	-	-	5	8	5	8	-38%
Totals	<u>\$ 39,923</u>	<u>\$ 46,680</u>	<u>\$ 237,682</u>	<u>\$ 240,979</u>	<u>\$ 277,605</u>	<u>\$ 287,659</u>	-3%

See Note 3.E. to the financial statements for more detail information on the City's long-term debt and changes therein.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

State of Oklahoma – Conditions/Projections

Oklahoma State Treasurer Randy McDaniel's October/November 2019 Economic Report noted the following:

- Gross revenue totals \$13.73 billion from the past 12 months. That is \$1.2 billion, or 9.5 percent, more than collections from the previous 12-month period.
- Gross income taxes generated \$4.65 billion for the 12 months, reflecting an increase of \$295.1 million, or 6.8 percent, from the prior 12 months.
- Individual income tax collections total \$4.13 billion, up by \$269.5 million, or 7 percent, from the prior period. Corporate collections are \$519.9 million for the period, an increase of \$25.5 million, or 5.2 percent, over the previous 12 months.
- Sales taxes for the period generated \$4.9 billion, an increase of \$125.9 million, or 2.6%, from the prior year.
- Oil and gas gross production tax collections brought in \$1.4 billion during the past 12 months, up \$327.4 million, or 40.4%, from the previous 12-month period.
- Motor vehicle collections total \$791.6 million for the 12 months. This is an increase of \$17 million, or 2.2%, from the trailing period.
- Other sources generated \$1.54 billion, up by \$262.6 million, or 20.5%, from the previous 12 months.

October 2019, Gross Receipts to the Treasury showed modest overall growth for October and any 12-month period. Total monthly gross receipts from all revenue sources were \$1.16 billion, up from the same month of the prior year by \$3.8 million, or 0.3 percent. It is the smallest amount of growth in 30 months. "On a positive note, Gross Receipts to the Treasury show improvement continues with stable expansion in income, motor vehicle, and use tax receipts. However, the report also indicates that growth in the state's economy has leveled off in recent months primarily due to a decline in oil field activity.

The Oklahoma Business Conditions index for September returned to positive territory after dipping the prior month. September's rate of 50.1 is up from 49.6 in August. The index has been below growth neutral in three of the past six months. Numbers above 50 indicate anticipated economic expansion during the next one to two quarters.

September Gross Receipts to the Treasury totaled \$1.16 billion, while the General Revenue Fund (GRF), as reported by the Office of Management and Enterprise Services, received \$554.3 million, or 47.9%, of the total. The GRF received between 39.7% and 59% of monthly gross receipts during the past 12 months.

From September 2019 gross receipts, the GRF received:

- Individual income tax: 74.6%
- Corporate income tax: 72.8%
- Sales tax: 38.3%
- Gross production – Gas: 73.3%
- Gross production – Oil: 0.1%
- Motor vehicle tax: 3.9%
- Other Sources: 29.2%

September insurance premium taxes totaled \$63.5 million, an increase of \$8 million, or 14.4%, from the prior year.

Tribal gaming fees generated \$13.7 million during the month, up by \$1.2 million, or 9.8%, from September 2018.

Oklahoma unemployment rate remains unchanged for September 2019

Oklahoma's seasonally adjusted unemployment rate of 3.2% in September 2019, was unchanged for the fifth consecutive month. The U.S. unemployment rate dropped to 3.5 percent in September, down from 3.7 percent the prior month, according to figures released by the Oklahoma Employment Security Commission.

Since September 2018, the number of working Oklahomans has increased by 11,118, and the number of those listed as unemployed has risen by 2,577. Oil field employment set at 52,300 in September, down by 3,300 from a year ago.

Oklahoma Economic Indicators

- Energy. Benchmark prices on October 1, 2018, had risen to \$71 + for crude oil and WTI pricing for July 1, 2019 was over \$55 for crude oil.
- Energy. For almost 30 months, through October 2018, the active oil and gas rig count had stayed stable or increased, with the exception of a three-month period in late 2017 and early 2018. In October 2019, there were 63 active rigs in Oklahoma, compared to 125 in October 2018 and 125 in October 2017.
- Employment. Oklahoma County, home of Edmond, unemployment rate was 3.0% in October 2019. This rate is below the unemployment rate for both Oklahoma 3.2% and the U.S. 3.5%. In October 2019, the strongest employment growth for Oklahoma was in mining and logging (13.8%); wholesale trade (5.8%) and professional and business services (2.8%).
- Leading Indicators. The Federal Reserve Bank of Philadelphia has projected Oklahoma's economy to grow over the next six months, based upon the leading indexes for September 2019. Oklahoman's leading index has been declining since June 2019, falling to its lowest level in three years in August. The state's leading index was 0.74 percent in September. Overall, Oklahoma's leading index for September suggests expansion in the state's economy through the 1st quarter of 2020.
- Regional indicator. Mid-America Business Conditions, for October 2019, dipped to 48.7 from September 50.1. The business condition index had dropped two of the last three months signaling slow to no growth in the months ahead. Anything above 50 suggesting an improvement in economic conditions.

City of Edmond Economic Highlights:

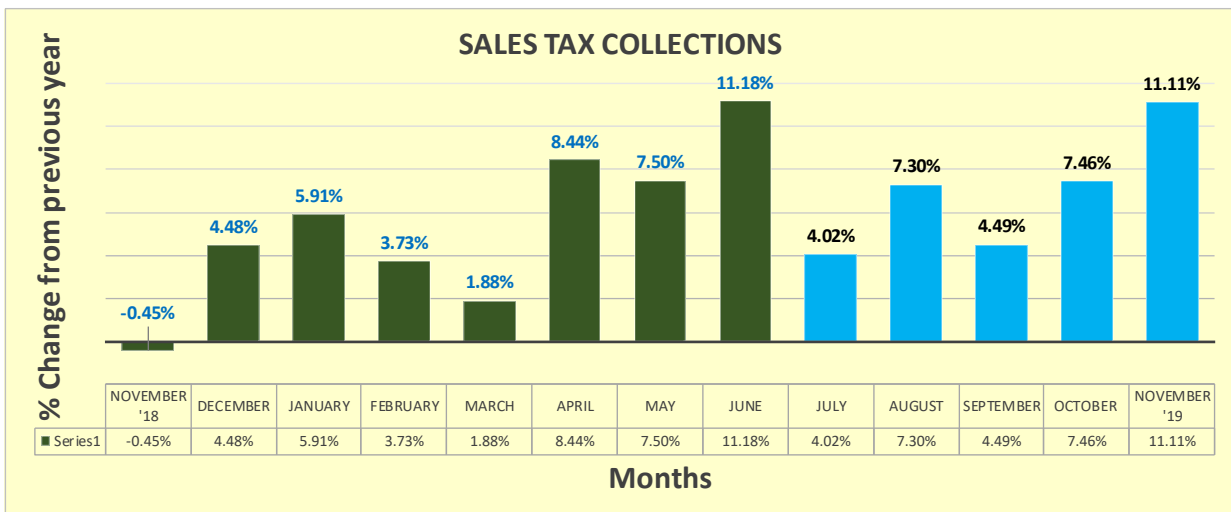
Local Sales Tax

The City saw a 5.38% increase in sales tax receipts in FY18-19, its main general revenue source – sales tax. After a then record year in FY15-16, collections fell by 1.35% during FY16-17. The City had budgeted for a 2.0% growth in sales tax for FY18-19, so the net increase in revenues exceeded the budgeted amount.

GENERAL SALES TAX COLLECTIONS DATA
Year-to-Date Comparison

MONTHS	FY 16-17 Actuals	FY 17-18 Actuals	FY 18-19 Actuals	FY 19-20 Actuals	YTD Change % Change (FY 19)
NOVEMBER '18					-0.45%
DECEMBER	2,815,618	2,839,485	2,966,605		4.48%
JANUARY	2,870,745	3,020,027	3,198,525		5.91%
FEBRUARY	2,860,803	2,989,954	3,101,447		3.73%
MARCH	2,625,028	2,668,823	2,718,985		1.88%
APRIL	2,546,204	2,593,891	2,812,807		8.44%
MAY	2,786,300	2,971,490	3,194,367		7.50%
JUNE	2,802,321	2,835,549	3,152,644		11.18%
JULY	2,850,337	2,944,980	3,104,384	3,229,310	4.02%
AUGUST	2,797,317	2,878,919	2,978,302	3,195,713	7.30%
SEPTEMBER	2,878,584	2,919,101	3,090,388	3,229,060	4.49%
OCTOBER	2,908,956	2,944,350	3,154,675	3,389,912	7.46%
NOVEMBER '19	2,807,417	2,844,446	2,831,629	3,146,192	11.11%
TOTAL	33,549,630	34,451,015	36,304,758	16,190,187	6.80%

YTD Change
6.80%



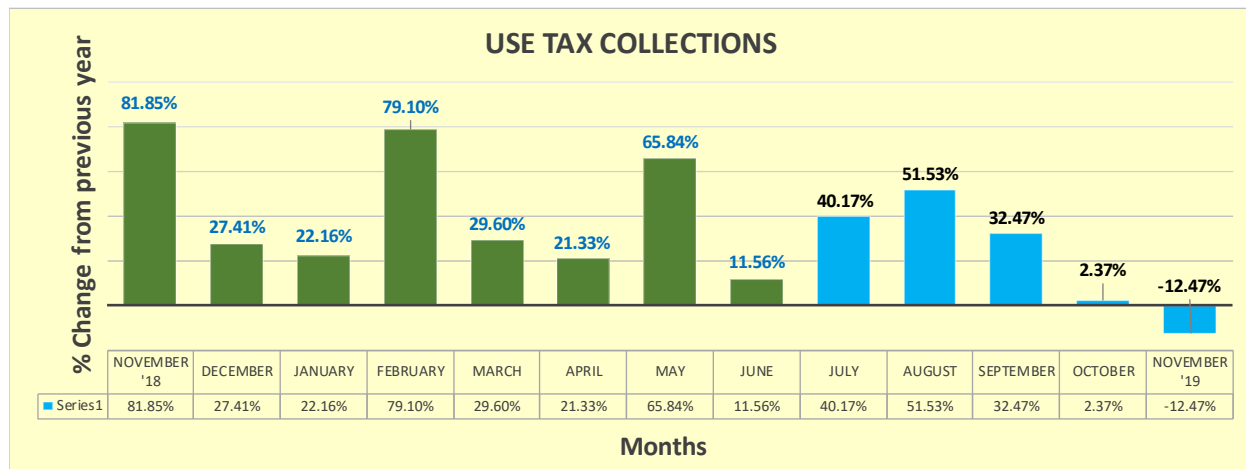
For FY19-20 budget, City has proposed a 2% growth in sales tax. Through October 2019, the City of Edmond has experienced a growth over previous year sales tax collections for 12 consecutive months. Receipts for November 2019 did exceed November 2018 receipts. For FY19-20, sales tax collections exceed the same period through November by 6.80%. General Fund receives 53.333% of all sales tax revenue.

Use Tax

USE TAX COLLECTIONS DATA
 Year-to-Date Comparison

MONTHS	FY 17-18 Actuals	FY 18-19 Actuals	FY 19-20 Actuals	YTD Change % Change (FY 19-20)
NOVEMBER '18				81.85%
DECEMBER	515,156	656,377		27.41%
JANUARY	779,841	952,689		22.16%
FEBRUARY	639,660	1,145,605		79.10%
MARCH	572,729	742,243		29.60%
APRIL	522,181	633,544		21.33%
MAY	504,726	837,047		65.84%
JUNE	667,122	744,223		11.56%
JULY	468,014	573,813	804,325	40.17%
AUGUST	619,246	537,612	814,663	51.53%
SEPTEMBER	583,396	615,283	815,094	32.47%
OCTOBER	468,853	899,664	921,020	2.37%
NOVEMBER '19	533,596	970,356	849,354	-12.47%
TOTAL	6,874,520	9,308,456	4,204,456	

YTD Change
16.90%



Effective March 1, 2017, Amazon began to collect Use Tax on direct items sold and delivered within Oklahoma. The City of Edmond received its first remittance which included Amazon collections in May 2017. For fiscal year 2018-19, net use tax collections increased \$2,433,936 or 35.4% over fiscal year 2017-18. In June 2018, *South Dakota v. Wayfair* was decided by the United States Supreme Court, effectively allowing states and municipalities to levy sales tax without a sight within the state. Currently, the State of Oklahoma has agreements with all the large sales tax/use tax reporters that would be classified as primarily “e-commerce”. Although the City of Edmond had budgeted a 13.4% increase in Use Tax collections for FY18-19, the city had a 44.7% increase in use tax collections for FY18-19 compared to the same period in FY17-18.

Combined sales tax/use tax receipts are 8.74% above the same period during FY18-19.

City of Edmond's FY19-20 Budget

The FY19-20 Budget direct costs total \$339,438,769, an increase of 18.10% from FY18-19. The increase is a reflection of both increase of revenues from sales and use tax revenue, plus increased principal and interest payments for Wastewater Recovery and Treatment facility construction.

Highlights Include:

- The three sales taxes approved by voters in 2000 continue to provide base revenue for both Public Safety (police and fire) and capital projects. The Fire Department receives a quarter-cent tax, the Police Department, a one-eighth cent tax and a three-quarter cent tax is allocated for capital improvements. The net result is almost two-thirds of General Fund revenue is automatically allocated to fire and police operations.
- Edmond total sales tax rate remains at 8.25%. This rate is comprised of 3.75% in local taxes and a 4.5% state tax that is charged to all cities. Of the four largest cities in the Oklahoma City metro area, Edmond has the lowest combined sales tax rate.
- In April 2016, voters approved two sales tax extensions through March 31, 2027. The one percent General Fund Sales Tax Extension was approved by 80% of the vote. The one-half percent Public Safety Center tax was set to expire March 31, 2017. The voters approved by 73% of the vote an extension of the tax for Capital Improvements. The City Council created a Capital Improvements Advisory Tax Force to examine the funding of major capital projects from this fund. Effective April 1, 2017, 0.5% sales tax rate began collecting funds for the 2017 Capital Improvement Fund. Projects from the replacement tax in the budget for FY18-19 and FY19-20 include Tennis Center project, jointly funded with Edmond Public Schools; implementation of the City of Edmond Downtown Development Plan; expansion of the Edmond Animal Shelter; Fire Station #2 relocation; Hafer Park Improvements; Gracelawn Cemetery Development; and Soccer Complex improvements.
- In October 2017, The Edmond Public Works Authority issued \$167,025,000 in Sales Tax and Utility System Revenue bonds. Improvements to be funded by this project primarily consists of a new Wastewater Treatment Recovery Facility that will allow City to serve expected growth for a 20-year period and to satisfy permit requirements established by Oklahoma Department of Environmental Quality. The Edmond PWA have approved annual rate increases through November 2019 for both water and wastewater customers.
- In Spring 2019, The Edmond Public Works Authority planned a \$199 million Sales Tax and Utility System Revenue bonds the construction of a new water treatment facility. The new facility would have eventually led to Edmond no longer purchasing water from Oklahoma City and meeting the needs of our customer base through local water sources. Construction bids were above engineer estimates and plan for the new plant have been delayed for 3-5 years. Interim water projects will be undertaken to ensure an adequate water supply during this period
- In 2018, the Arcadia Water Line project was completed with the assistance of a \$2.5 million forgivable loan from the Oklahoma Water Resources Board. The project allows Edmond Water to supply water at the wholesale level to the City of Arcadia and allows expansion of the Edmond water system to an area east of Edmond.

2000 Capital Improvement Sales Tax Fund

- This fund continues to provide the primary financing for capital improvements in Edmond. This $\frac{3}{4}$ cent tax was initially approved by voters in 1996 and indefinitely extended in 2000.
- Construction was completed in 2017 on the Spring Creek Trail from I-35 to Spring Creek Park at Arcadia Lake. This is the first phase of a significant regional trail project that will also receive significant funding from private funding and state grants.
- Edmond works toward becoming a Railroad Quiet Zone. The City contracted with the BNSF in February for to move forward with the preparation for eleven crossings in Edmond. The total estimated cost of \$3.5M is entirely the City's responsibility, with funding coming from the 2000 capital improvements sales tax. Once the Quiet Zone is fully implemented the trains will not be required to sound their horns in the city limits. There are two components to the project, the infrastructure work to be done by BNSF on their track, the design and construction work to be accomplished by the City on the eleven streets that cross the tracks.
- Concrete crossing work has been installed at both 1st Street and 5th Street, and they expect more concrete work to be accomplished. BNSF is also designing the railroad signals. They expect the signal materials for all the crossings to arrive in late November. The City expects design engineer to submit 90% plans in late 2019 and will send plans to the BNSF for their review and comments.
- Road improvements on Covell, from Fairfax Boulevard to I-35, were completed in summer 2017. This project includes funding from Oklahoma Department of Transportation (ODOT). This project complements the interchange improvements as part of a major economic development project associated with the development of a Hotel/Conference Center (HCC).
- Covell, Griffin to Fairfax project will widen Covell to provide for a four lane divided roadway. There will be left turn lanes at all side streets. Covell will also include street lighting and 10 foot wide multi-use paths/sidewalks. There are also several retaining walls that will be constructed. The estimated construction cost is \$6,865,674. The City will fund this project with 100% City funds. Easements are being purchased from landowners. Utility lines will be relocated in 2019 with roadway construction anticipated to begin in 2020.
- The development of the two northern corners of I-35 & Covell represents the most significant City involvement in an economic development project. The City has committed \$11 million from this fund for the purchase of land for the HCC on the northwest corner (\$2.2 million), the purchase of land for a proposed Indoor Sports Complex on the northeast corner (\$2 million), infrastructure improvements to serve development on the west side of the interchange (\$2 million), and funding assistance for the construction HCC (\$4.8 million). The HCC opened in December 2017. The executed development agreements provide for the City to be repaid \$9 million of the \$11 million investment in 15 years as the developers buy out the City's interest in the land and the conference center improvements. Showbiz Entertainment facility was completed December 2018 and includes a multi-screen movie theatre, multi-lane bowling lanes; an entertainment arcade and eating facilities.

- The development of an Intelligent Traffic System (ITS) continues to be an important multi-year capital program, which features improved traffic control equipment at local intersections. The system features continuous communication with a central computer system which allows the traffic signal system to be adjusted in real time to meet specific traffic issues as they arise. The first improvement corridor project completed was along 2nd Street/Edmond Road, from Santa Fe on the west to Boulevard on the east. ODOT funds provided major financial assistance in funding ITS improvements. Design is completed for the next phase, which includes incorporating signals along Broadway.
- The City expands on the ITS project to improve traffic safety and mobility during congested periods, construction activities, traffic collisions, and other emergencies. Work has begun on Phase II, which will include replacing 22 traffic signal cabinets and controllers along Broadway, Danforth and Covell. The project has a 375-calendar day-time frame, and ODOT will administer the contract and fund 80% of the \$6.75M cost. The City's share of \$1.35M will come from the 2000 sales tax. With Phase III is in the design stages plans are to get underway within the next 1 to 2 years, the total estimated cost of these first three phases is \$10M, with the City's 20% share funded from the 2000 sales tax.
- Results from the previous biennial citizen surveys indicate that traffic issues are the community's biggest concern. Three projects have been completed. Completed in 2016, with the financial assistance from ODOT, was the turn lane addition at 33rd and Broadway. Construction was completed in Fall 2017 for additional turn lanes at both Santa Fe and Bryant on Covell. Construction was completed in Fall 2017 for additional turn lanes at both Santa Fe and Bryant on Covell. Budgeted for FY's 19-20 and 20-21 include improvements at Kelly & Danforth intersection, Danforth – Thomas to Fritz, Covell & Coaltrane Intersection, Covell & I-35 Traffic improvements, Sonner Road Bridge, 15th and Broadway intersection and improvements on Covell Parkway, from Fairfax to Griffin.
- In FY19-20, Edmond has budgeted over \$3.4 million in roadway resurfacing and rehabilitation activities.
- For FY19-20, the 2000 CIP is budgeted to implement over \$6.9 million in street and transportation related projects.

CONTACTING THE CITY'S FINANCIAL MANAGEMENT TEAM

This financial report is designed to provide our citizens, customers and creditors with a general overview of the City's finances and to show the City's accountability for the money it receives. If you have questions about this report or need additional information, contact the Finance office at 7 N. Broadway, P.O. Box 2970, Edmond, OK 73083-2970 or call 405-359-4521.

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BASIC FINANCIAL STATEMENTS

CITY OF EDMOND, OKLAHOMA
ANNUAL FINANCIAL REPORT
June 30, 2019

City of Edmond, Oklahoma
Statement of Net Position
June 30, 2019

	Primary Government			Component Units	
	Governmental Activities	Business-type Activities	Total	Historic Preservation Trust	Economic Development Authority
ASSETS					
Current Assets:					
Cash and equivalents	\$ 13,661,154	\$ 12,332,161	\$ 25,993,315	\$ 48,867	\$ 447,059
Investments	71,661,960	144,333,260	215,995,220	-	-
Restricted assets:					
Cash and equivalents	9,504,234	32,857,719	42,361,953	-	41,546
Investments	2,970,712	68,886,246	71,856,958	-	-
Accrued interest receivable	289,155	586,655	875,810	-	574
Accounts receivable, net of allowance	1,655,370	21,435,893	23,091,263	-	-
Internal Balances	(9,245,180)	9,245,180	-	-	-
Notes receivable	-	-	-	-	154,680
Due from other governments	12,265,720	143,260	12,408,980	-	-
Inventory	1,180,777	3,177,447	4,358,224	-	-
Total Current Assets	103,943,902	292,997,821	396,941,723	48,867	643,859
Non-current Assets:					
Restricted assets:					
Cash and equivalents	3,857,016	14,793,115	18,650,131	-	-
Investments	4,070,160	23,918,395	27,988,555	-	-
Derivative instruments	948,555	431,395	1,379,950	-	-
Net pension asset	1,677,156	-	1,677,156	-	-
Capital Assets:					
Non-depreciable	50,337,961	167,565,752	217,903,713	100,450	-
Depreciable, net of depreciation	287,162,823	211,836,106	498,998,929	46,378	12,389
Total Non-current Assets	348,053,671	418,544,763	766,598,434	146,828	12,389
Total Assets	451,997,573	711,542,584	1,163,540,157	195,695	656,248
DEFERRED OUTFLOWS OF RESOURCES					
Deferred charge on refunding	726,821	381,182	1,108,003	-	-
Deferred amounts related to pension	20,699,715	2,456,133	23,155,848	-	107,900
Deferred amounts related to OPEB	175,973	49,634	225,607	-	-
Total deferred outflow of resources	21,602,509	2,886,949	24,489,458	-	107,900
LIABILITIES					
Current Liabilities:					
Accounts payable and other accrued expenses	7,527,102	23,679,228	31,206,330	-	2,523
Accrued interest payable	748,030	4,858,430	5,606,460	-	-
Amounts held in escrow	337,040	-	337,040	-	-
Matured revenue bonds payable	6,956,637	-	6,956,637	-	-
Meter deposit liability	-	453,565	453,565	-	-
Unearned revenue	4,625,404	64,344	4,689,748	-	-
Current portion:					
Capital lease obligations	-	2,542	2,542	-	-
Notes payable	-	1,411,102	1,411,102	-	-
Revenue bonds payable	7,194,765	6,570,234	13,764,999	-	-
Compensated absences	432,208	83,187	515,395	-	3,775
Estimated liability for claims	1,063,636	-	1,063,636	-	-
Total Current Liabilities	28,884,822	37,122,632	66,007,454	-	6,298
Non-current Liabilities:					
Compensated absences	3,889,842	748,680	4,638,522	-	33,978
Meter deposit liability	-	4,395,709	4,395,709	-	-
Total OPEB liability	4,713,039	1,122,073	5,835,112	-	-
Net pension liability	56,456,164	5,954,188	62,410,352	-	215,751
Capital lease obligations	-	2,502	2,502	-	-
Revenue bonds payable, net	30,829,132	236,023,880	266,853,012	-	-
Notes payable	-	12,877,024	12,877,024	-	-
Claims and judgments	1,654,878	-	1,654,878	-	-
Total Non-current Liabilities	97,543,055	261,124,056	358,667,111	-	249,729
Total Liabilities	126,427,877	298,246,688	424,674,565	-	256,027
DEFERRED INFLOWS					
Accumulated increase in fair value of hedging derivatives	948,555	431,395	1,379,950	-	-
Deferred amounts related to pension	5,583,416	114,845	5,698,261	-	22,363
Deferred amounts related to OPEB	681,075	159,672	840,747	-	-
Total deferred inflow of resources	7,213,046	705,912	7,918,958	-	22,363
NET POSITION					
Net investment in capital assets	302,958,928	230,309,413	533,268,341	146,828	12,389
Restricted by:					
Enabling legislation	8,241,446	-	8,241,446	-	41,546
Statutory requirements	2,907,490	-	2,907,490	-	-
External contracts	43,680,893	23,727,004	67,407,897	-	-
Unrestricted (deficit)	(17,829,598)	161,440,516	143,610,918	48,867	431,823
Total Net Position	\$ 339,959,159	\$ 415,476,933	\$ 755,436,092	\$ 195,695	\$ 485,758

See accompanying notes to the basic financial statements.

**CITY OF EDMOND, OKLAHOMA
ANNUAL FINANCIAL REPORT
June 30, 2019**

**City of Edmond, Oklahoma
Statement of Activities
For the Year Ended June 30, 2019**

Functions/Programs	Program Revenue			Net (Expense) Revenue and Changes in Net Position				
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		Component Units	
					Governmental Activities	Business-type Activities	Historic Preservation Trust	Economic Development Authority
Primary government								
Governmental Activities								
General government	\$ 8,172,549	\$ 8,543,748	\$ 508,173	\$ -	\$ 879,372	\$ -	\$ 879,372	\$ -
Public safety	49,828,001	1,262,975	5,668,950	10,045	(42,886,031)	-	(42,886,031)	-
Streets and highways	16,597,738	251,746	923,963	4,252,425	(11,169,604)	-	(11,169,604)	-
Cultural, parks and recreation	14,772,879	140,669	42,034	71,000	(14,519,176)	-	(14,519,176)	-
Health and welfare	1,617,932	871,623	-	-	(746,309)	-	(746,309)	-
Interest on long-term debt	1,160,057	-	-	-	(1,160,057)	-	(1,160,057)	-
Total governmental activities	<u>92,149,156</u>	<u>11,070,761</u>	<u>7,143,120</u>	<u>4,333,470</u>	<u>(69,601,805)</u>	<u>-</u>	<u>(69,601,805)</u>	<u>-</u>
Business-type activities								
Electric operations	82,237,525	92,617,522	161,695	-	-	10,541,692	10,541,692	-
Water operations	20,437,191	26,439,295	-	2,320,717	-	8,322,821	8,322,821	-
Wastewater operations	16,641,334	19,757,067	18,913	1,970,474	-	5,105,120	5,105,120	-
Sanitation operations	7,869,423	10,304,500	-	-	-	2,435,077	2,435,077	-
Lake operations	1,516,853	884,775	-	-	-	(632,078)	(632,078)	-
Drainage operations	875,983	1,885,531	-	-	-	1,009,548	1,009,548	-
Golf course operations	1,988,581	1,860,050	-	-	-	(128,531)	(128,531)	-
Cooperative purchasing services	52,254	93,712	-	-	-	41,458	41,458	-
Transportation operations	1,859,743	337,241	500,490	-	-	(1,022,012)	(1,022,012)	-
Total business-type activities	<u>133,478,887</u>	<u>154,179,693</u>	<u>681,098</u>	<u>4,291,191</u>	<u>-</u>	<u>25,673,095</u>	<u>25,673,095</u>	<u>-</u>
Total primary government	<u>\$ 225,628,043</u>	<u>\$ 165,250,454</u>	<u>\$ 7,824,218</u>	<u>\$ 8,624,661</u>	<u>(69,601,805)</u>	<u>25,673,095</u>	<u>(43,928,710)</u>	<u>-</u>
Component Units								
Cultural, parks and recreation	\$ 53,285	\$ -	\$ -	\$ -	-	-	(53,285)	-
Economic development	640,684	26,407	-	-	-	-	-	(614,277)
Total component units	<u>\$ 693,969</u>	<u>\$ 26,407</u>	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>(53,285)</u>	<u>(614,277)</u>
General revenues:								
Taxes:								
Sales and use taxes					46,328,395	-	46,328,395	-
Sales and use taxes - Restricted for public safety					16,007,631	-	16,007,631	-
Sales and use taxes - Restricted for park and recreation					2,286,751	-	2,286,751	-
Sales and use taxes - Restricted for capital improvements					13,720,509	-	13,720,509	-
Hotel/motel taxes					548,394	-	548,394	-
Franchise taxes					2,121,326	-	2,121,326	-
Payment from City of Edmond					-	-	-	20,000
Grants and contributions not restricted to specific programs					1,015,817	-	1,015,817	-
Unrestricted investment earnings					2,159,392	8,822,828	10,982,220	90
Miscellaneous					871,305	17,595	888,900	1,259
Transfers					2,812,600	(2,812,600)	-	-
Total general revenues and transfers					<u>87,872,120</u>	<u>6,027,823</u>	<u>93,899,943</u>	<u>21,349</u>
Change in net position					<u>18,270,315</u>	<u>31,700,918</u>	<u>49,971,233</u>	<u>(31,936)</u>
Net position - beginning					<u>321,688,844</u>	<u>383,776,015</u>	<u>705,464,859</u>	<u>227,631</u>
Net position - ending					<u>\$ 339,959,159</u>	<u>\$ 415,476,933</u>	<u>\$ 755,436,092</u>	<u>\$ 195,695</u>
								<u>\$ 485,758</u>

See accompanying notes to the basic financial statements.

CITY OF EDMOND, OKLAHOMA
ANNUAL FINANCIAL REPORT
June 30, 2019

City of Edmond, Oklahoma
Balance Sheet
Governmental Funds
June 30, 2019

	General Fund	Fire Public Safety Limited Tax Fund	Police Public Safety Limited Tax Fund	2000 Capital Improvement Tax Fund	Other Governmental Funds	Total Governmental Funds
ASSETS						
Cash and cash equivalents	\$ 643,359	\$ 1,031,179	\$ 512,142	\$ 13,740,221	\$ 8,444,128	\$ 24,371,029
Investments	7,759,374	12,474,958	6,195,773	10,664,077	12,372,147	49,466,329
Due from other funds	178,390	-	-	-	-	178,390
Due from other governments	7,141,530	695,367	397,695	2,086,101	1,755,587	12,076,280
Accrued interest receivable	30,516	49,062	24,367	21,603	48,326	173,874
Other receivables	1,063,253	-	-	-	102,709	1,165,962
Interfund loan receivable	-	-	204	-	-	204
Total assets	<u>\$ 16,816,422</u>	<u>\$ 14,250,566</u>	<u>\$ 7,130,181</u>	<u>\$ 26,512,002</u>	<u>\$ 22,722,897</u>	<u>\$ 87,432,068</u>
LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES						
Liabilities:						
Accounts payable	\$ 295,806	\$ 1,622,532	\$ 950,757	\$ 1,400,169	\$ 363,048	\$ 4,632,312
Due to other funds	824	-	-	-	92,826	93,650
Unearned revenue	77,909	-	-	-	-	77,909
Matured revenue bonds payable	-	-	-	7,704,667	-	7,704,667
Amounts held in escrow	337,040	-	-	-	-	337,040
Total liabilities	<u>711,579</u>	<u>1,622,532</u>	<u>950,757</u>	<u>9,104,836</u>	<u>455,874</u>	<u>12,845,578</u>
Deferred Inflows of Resources:						
Unavailable revenue	666,902	31,944	14,895	13,206	29,538	756,485
Total deferred inflows of resources	<u>666,902</u>	<u>31,944</u>	<u>14,895</u>	<u>13,206</u>	<u>29,538</u>	<u>756,485</u>
Fund balances:						
Restricted	3,467,816	11,533,794	4,701,691	12,907,678	20,279,528	52,890,507
Committed	-	-	-	-	61,059	61,059
Assigned	4,069,136	1,062,296	1,462,838	4,486,282	1,983,066	13,063,618
Unassigned (deficit)	7,900,989	-	-	-	(86,168)	7,814,821
Total fund balances	<u>15,437,941</u>	<u>12,596,090</u>	<u>6,164,529</u>	<u>17,393,960</u>	<u>22,237,485</u>	<u>73,830,005</u>
Total liabilities, deferred inflows and fund balances	<u>\$ 16,816,422</u>	<u>\$ 14,250,566</u>	<u>\$ 7,130,181</u>	<u>\$ 26,512,002</u>	<u>\$ 22,722,897</u>	<u>\$ 87,432,068</u>

See accompanying notes to the basic financial statements.

City of Edmond, Oklahoma
Reconciliation of the Governmental Funds Balance Sheet to the Statement of
Net Position
June 30, 2019

Total fund balance, governmental funds	\$	73,830,005
<p>Amounts reported for governmental activities in the Statement of Net Position are different because:</p>		
<p>Capital assets used in governmental activities are not current financial resources and therefore are not reported in the funds, net of accumulated depreciation of \$260,315,209</p>		
		317,301,129
<p>Certain other long-term assets are not available to pay current fund liabilities and therefore they, along with deferred outflows, are deferred or not reported in the funds:</p>		
Accrued interest receivable		91,829
Other receivables, net of allowance		664,656
Net pension asset		1,677,156
Pension related deferred outflows		16,979,719
OPEB related deferred outflows		106,287
Deferred amount on refunding		726,821
<p>Certain long-term liabilities are not due and payable from current financial resources and therefore they, along with deferred inflows, are not reported in the funds:</p>		
Revenue bonds payable		(35,600,914)
Accrued compensated absences		(3,194,888)
Unamortized debt premium		(2,422,983)
Net pension liability		(46,934,520)
Pension related deferred inflows		(5,309,744)
Total OPEB liability		(2,772,996)
OPEB related deferred inflows		(391,245)
Advance		(4,547,495)
Deferred amount related to derivative instrument		(948,555)
<p>Accumulated increase in fair value of hedging derivatives is a deferred inflow</p>		
		948,555
<p>Internal service funds are used by management to charge costs of certain activities that benefit multiple funds, such as self-insurance, vehicle maintenance, and other such costs, to individual funds. The assets and liabilities of certain of these internal service funds are reported in governmental activities in the Statement of Net Position:</p>		
Internal service funds' net position		39,086,262
Internal service fund interfund balance resulting from net revenues reported in business-type activities		(9,329,920)
Net Position of Governmental Activities in the Statement of Net Position	\$	339,959,159

See accompanying notes to the basic financial statements.

CITY OF EDMOND, OKLAHOMA
ANNUAL FINANCIAL REPORT
June 30, 2019

City of Edmond, Oklahoma
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended June 30, 2019

	<u>General Fund</u>	<u>Fire Public Safety Limited Tax Fund</u>	<u>Police Public Safety Limited Tax Fund</u>	<u>2000 Capital Improvement Tax Fund</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
REVENUES						
Sales and use taxes	\$ 46,328,395	\$ 4,573,874	\$ 2,286,751	\$ 13,720,509	\$ 11,433,757	\$ 78,343,286
Franchise and public service taxes	2,121,326	-	-	-	-	2,121,326
Hotel/motel taxes	-	-	-	-	548,394	548,394
Intergovernmental	1,793,530	4,105,527	1,665,723	160,000	508,173	8,232,953
Charges for services	6,453,165	12,380	500	-	943,573	7,409,618
Fines and forfeitures	1,854,649	-	-	-	-	1,854,649
Licenses and permits	1,544,064	-	-	-	-	1,544,064
Investment income	257,128	384,426	204,502	664,677	651,532	2,162,265
Miscellaneous	167,303	88,129	316,273	65,445	316,364	953,514
Total revenues	<u>60,519,560</u>	<u>9,164,336</u>	<u>4,473,749</u>	<u>14,610,631</u>	<u>14,401,793</u>	<u>103,170,069</u>
EXPENDITURES						
Current:						
General government	6,373,715	-	-	100,881	713,779	7,188,375
Public safety	3,015,627	26,030,067	26,483,941	-	9,212	55,538,847
Health and sanitation	710,882	-	-	-	675,996	1,386,878
Culture, parks and recreation	4,088,628	-	-	-	1,123,507	5,212,135
Streets and highways	6,280,570	-	-	-	-	6,280,570
Debt Service:	-	-	-	-	-	-
Principal	-	-	-	6,956,637	-	6,956,637
Interest and other charges	-	-	-	1,496,059	-	1,496,059
Capital Outlay	1,012,056	3,482,047	23,495	12,933,209	10,265,779	27,716,586
Total Expenditures	<u>21,481,478</u>	<u>29,512,114</u>	<u>26,507,436</u>	<u>21,486,786</u>	<u>12,788,273</u>	<u>111,776,087</u>
Excess (deficiency) of revenues over expenditures	<u>39,038,082</u>	<u>(20,347,778)</u>	<u>(22,033,687)</u>	<u>(6,876,155)</u>	<u>1,613,520</u>	<u>(8,606,018)</u>
OTHER FINANCING SOURCES (USES)						
Transfers in	17,925,187	19,121,195	21,615,330	-	488,063	59,149,775
Transfers out	(54,341,480)	-	-	-	(1,995,695)	(56,337,175)
Total other financing sources and uses	<u>(36,416,293)</u>	<u>19,121,195</u>	<u>21,615,330</u>	<u>-</u>	<u>(1,507,632)</u>	<u>2,812,600</u>
Net change in fund balances	2,621,789	(1,226,583)	(418,357)	(6,876,155)	105,888	(5,793,418)
Fund balances - beginning	12,816,152	13,822,673	6,582,886	24,270,115	22,131,597	79,623,423
Fund balances - ending	<u>\$ 15,437,941</u>	<u>\$ 12,596,090</u>	<u>\$ 6,164,529</u>	<u>\$ 17,393,960</u>	<u>\$ 22,237,485</u>	<u>\$ 73,830,005</u>

See accompanying notes to the basic financial statements.

City of Edmond, 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, 2019

Net change in fund balances - total governmental funds: \$ (5,793,418)

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

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

Capital asset purchases capitalized	20,196,773
Capital assets donated	4,180,910
Depreciation expense	(16,980,387)

In the Statement of Activities, the cost of pension benefits earned net of employee contributions is reported as an element of pension expense. The fund financial statements report pension contributions as expenditures.

6,262,391

Governmental funds report bond issuance costs as expenditures and bond premiums as revenue while governmental activities report amortization and interest expense to allocate those expenditures over the term of the bonds:

Amortization expense	336,002
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Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds:

Advance	311,828
Court	(2,873)
Interest	141,528

Bond proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the Statement of Net Position. Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position:

Revenue bond principal payment	6,956,637
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Some expenses reported in the statement of activities do not require the use of current financial resources and these are not reported as expenditures in governmental funds:

Accrued compensated absences change	(146,378)
Total OPEB liability change	(110,495)

Internal service fund activity is reported as a proprietary fund in the fund financial statements, but certain net revenues are reported in governmental activities on the statement of Activities:

4,171,336

Total change in net position for internal service funds

Net revenues of internal service funds reported in business-type activities	(1,253,539)
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Change in net position of governmental activities	\$ 18,270,315
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See accompanying notes to the basic financial statements.

CITY OF EDMOND, OKLAHOMA
ANNUAL FINANCIAL REPORT
June 30, 2019

City of Edmond, Oklahoma
Statement of Net Position
Proprietary Funds
June 30, 2019

Edmond Public Works Authority (EPWA)						
Enterprise Funds						
	Electric Fund	Water Fund	Wastewater Fund	Other Enterprise Funds	Total	Internal Service Funds
ASSETS						
Current assets:						
Cash and cash equivalents	\$ 3,920,787	\$ 4,512,192	\$ 2,251,116	\$ 1,648,066	\$ 12,332,161	\$ 2,426,868
Investments	42,654,963	54,555,000	27,255,067	19,868,230	144,333,260	27,516,024
Restricted assets:						
Cash and cash equivalents	-	3,903,897	28,517,471	436,351	32,857,719	-
Investments	4,846,627	1,381,628	62,438,322	219,669	68,886,246	-
Receivables:						
Accrued interest receivable	186,569	214,555	107,390	78,141	586,655	115,281
Utility billing, net of allowance for uncollectible accounts	14,000,096	3,068,353	2,142,364	1,463,826	20,674,639	-
Due from other governments	-	-	-	143,260	143,260	189,440
Other receivables	683,748	-	-	77,506	761,254	489,408
Due from other funds	309,229	92,483	58,494	39,028	499,234	-
Inventories	3,091,614	-	-	85,833	3,177,447	1,180,573
Total current assets	<u>69,693,633</u>	<u>67,728,108</u>	<u>122,770,224</u>	<u>24,059,910</u>	<u>284,251,875</u>	<u>31,917,594</u>
Non-current assets:						
Restricted assets:						
Cash and cash equivalents	52,064	2,089,513	12,428,862	222,676	14,793,115	148,498
Investments	29,902	1,003,912	22,765,720	118,861	23,918,395	1,796,488
Derivative instruments	-	431,395	-	-	431,395	-
Capital Assets:						
Nondepreciable	482,990	25,800,116	139,603,982	1,678,664	167,565,752	787,269
Depreciable, net of accumulated depreciation	44,593,243	98,220,277	57,546,987	11,475,599	211,836,106	19,412,386
Total non-current assets	<u>45,158,199</u>	<u>127,545,213</u>	<u>232,345,551</u>	<u>13,495,800</u>	<u>418,544,763</u>	<u>22,144,641</u>
Total assets	<u>114,851,832</u>	<u>195,273,321</u>	<u>355,115,775</u>	<u>37,555,710</u>	<u>702,796,638</u>	<u>54,062,235</u>
DEFERRED OUTFLOWS OF RESOURCES						
Deferred charge on refunding	8,264	317,480	7,570	47,868	381,182	-
Deferred amounts related to pensions	1,021,288	520,666	259,585	654,594	2,456,133	3,719,996
Deferred amounts related to OPEB	14,653	12,878	6,212	15,891	49,634	69,686
Total deferred outflows of resources	<u>1,044,205</u>	<u>851,024</u>	<u>273,367</u>	<u>718,353</u>	<u>2,886,949</u>	<u>3,789,682</u>
LIABILITIES						
Current Liabilities:						
Accounts payable	6,554,821	994,295	14,775,537	792,890	23,117,543	2,020,473
Salaries payable	228,913	108,601	49,722	174,449	561,685	874,317
Accrued interest payable	10,230	576,997	4,226,571	44,632	4,858,430	-
Due to other funds	-	-	-	583,974	583,974	-
Current portion:						
Compensated absences	39,311	15,084	7,132	21,660	83,187	112,719
Capital lease obligation	2,542	-	-	-	2,542	-
Claims and judgments	-	-	-	-	-	1,063,636
Notes payable	-	1,411,102	-	-	1,411,102	-
Revenue bonds payable	67,551	2,298,218	3,918,381	286,084	6,570,234	-
Unearned revenue	-	-	-	64,344	64,344	-
Meter deposit liability	453,065	-	-	500	453,565	-
Total current liabilities	<u>7,356,433</u>	<u>5,404,297</u>	<u>22,977,343</u>	<u>1,968,533</u>	<u>37,706,606</u>	<u>4,071,145</u>
Non-current liabilities:						
Compensated absences	353,797	135,754	64,186	194,943	748,680	1,014,443
Meter deposit liability	4,395,709	-	-	-	4,395,709	-
Claims and judgments	-	-	-	-	-	1,654,878
Capital lease obligation	2,502	-	-	-	2,502	-
Total OPEB liability	411,095	243,569	110,301	357,108	1,122,073	1,940,043
Net pension liability	2,619,607	1,164,285	535,525	1,634,771	5,954,188	9,521,644
Notes payable	-	12,877,024	-	-	12,877,024	-
Revenue bonds payable, net	410,478	17,188,760	216,690,097	1,734,545	236,023,880	-
Total non-current liabilities	<u>8,193,188</u>	<u>31,609,392</u>	<u>217,400,109</u>	<u>3,921,367</u>	<u>261,124,056</u>	<u>14,131,008</u>
Total liabilities	<u>15,549,621</u>	<u>37,013,689</u>	<u>240,377,452</u>	<u>5,889,900</u>	<u>298,830,662</u>	<u>18,202,153</u>
DEFERRED INFLOW OF RESOURCES						
Accumulated increase in fair value of hedging derivatives	-	431,395	-	-	431,395	-
Deferred amounts related to pensions	43,334	12,892	11,098	47,521	114,845	273,672
Deferred amounts related to OPEB	58,240	34,476	15,625	51,331	159,672	289,830
Total deferred inflow of resources	<u>101,574</u>	<u>478,763</u>	<u>26,723</u>	<u>98,852</u>	<u>705,912</u>	<u>563,502</u>
NET POSITION						
Net investment in capital assets	44,601,424	91,633,900	82,503,353	11,570,736	230,309,413	20,199,655
Restricted for debt service	69,588	6,730,823	15,970,513	956,080	23,727,004	-
Restricted for scholarships	-	-	-	1,601	1,601	-
Restricted for other purposes	52,316	-	-	-	52,316	1,939,322
Unrestricted	55,521,514	60,267,170	16,511,101	19,756,894	152,056,679	16,947,285
Total net position	<u>\$ 100,244,842</u>	<u>\$ 158,631,893</u>	<u>\$ 114,984,967</u>	<u>\$ 32,285,311</u>	<u>\$ 406,147,013</u>	<u>\$ 39,086,262</u>

Some amounts reported for business-type activities in the Statement of Net Position are different because certain internal service fund balances are included with business-type activities and reported as interfund balances

9,329,920

Total net position per Government-Wide financial statements

\$ 415,476,933

See accompanying notes to the basic financial statements.

City of Edmond, Oklahoma
Statement of Revenues, Expenses and Changes in Fund Net Position
Proprietary Funds
For the Year Ended June 30, 2019

Edmond Public Works Authority (EPWA)						
Enterprise Funds						
	Electric Fund	Water Fund	Wastewater Fund	Other Enterprise Funds	Total	Internal Service Funds
OPERATING REVENUES						
Charges for services	\$ 92,628,439	\$ 25,290,675	\$ 19,169,184	\$ 15,179,855	\$ 152,268,153	\$ 53,023,640
Permits and other fees	-	1,031,272	586,723	-	1,617,995	-
Operating grants and contributions	-	-	-	500,490	500,490	-
Miscellaneous	24,735	115,741	-	187,742	328,218	289,227
Total operating revenues	<u>92,653,174</u>	<u>26,437,688</u>	<u>19,755,907</u>	<u>15,868,087</u>	<u>154,714,856</u>	<u>53,312,867</u>
OPERATING EXPENSES						
Personal services	5,389,165	2,496,614	1,164,448	3,804,373	12,854,600	20,752,729
Materials and supplies	1,313,923	635,600	537,717	1,094,618	3,581,858	3,755,757
Wholesale electricity purchases	60,666,772	-	-	-	60,666,772	-
Maintenance, operations and contractual services	11,498,523	8,830,885	4,568,619	9,660,298	34,558,325	11,915,714
Insurance premium expense	-	-	-	-	-	1,412,628
Claims expense	-	-	-	-	-	10,035,302
Depreciation	3,343,767	7,790,554	2,761,257	369,547	14,265,125	2,375,083
Total Operating Expenses	<u>82,212,150</u>	<u>19,753,653</u>	<u>9,032,041</u>	<u>14,928,836</u>	<u>125,926,680</u>	<u>50,247,213</u>
Operating income	<u>10,441,024</u>	<u>6,684,035</u>	<u>10,723,866</u>	<u>939,251</u>	<u>28,788,176</u>	<u>3,065,654</u>
NON-OPERATING REVENUES (EXPENSES)						
Interest and investment revenue	1,643,918	1,765,903	4,817,240	595,767	8,822,828	855,656
Miscellaneous revenue	126,043	20,520	16,866	-	163,429	193,920
Gain (Loss) on capital asset disposal	-	-	-	-	-	(15,409)
Interest expense	(14,766)	(937,363)	(7,795,997)	(57,620)	(8,805,746)	-
Miscellaneous expenses	-	-	-	101	101	-
Total non-operating revenue (expenses)	<u>1,755,195</u>	<u>849,060</u>	<u>(2,961,891)</u>	<u>538,248</u>	<u>180,612</u>	<u>1,034,167</u>
Income before contributions and transfers	12,196,219	7,533,095	7,761,975	1,477,499	28,968,788	4,099,821
Capital contributions	-	2,320,717	1,970,474	-	4,291,191	71,515
Transfers in	283,942	13,614,284	-	1,214,435	15,112,661	-
Transfers out	(3,914,614)	(13,648,741)	(57)	(361,849)	(17,925,261)	-
Change in net position	8,565,547	9,819,355	9,732,392	2,330,085	30,447,379	4,171,336
Total net position - beginning	91,679,295	148,812,538	105,252,575	29,955,226	375,699,634	34,914,926
Total net position - ending	<u>\$ 100,244,842</u>	<u>\$ 158,631,893</u>	<u>\$ 114,984,967</u>	<u>\$ 32,285,311</u>	<u>\$ 406,147,013</u>	<u>\$ 39,086,262</u>
Change in net position, per above					\$ 30,447,379	
Some amounts reported for business-type activities in the Statement of Activities are different because the net revenue of certain internal service funds is reported with business-type activities					1,253,539	
Change in Business-Type Activities in Net Position per Government-Wide Financial Statements					<u>\$ 31,700,918</u>	

See accompanying notes to the basic financial statements.

CITY OF EDMOND, OKLAHOMA
ANNUAL FINANCIAL REPORT
June 30, 2019

City of Edmond, Oklahoma
Statement of Cash Flows
Proprietary Funds
For the Year Ended June 30, 2019

	Edmond Public Works Authority (EPWA)					
	Enterprise Funds					
	Electric Fund	Water Fund	Wastewater Fund	Other Enterprise Funds	Total Enterprise Funds	Internal Service Funds
CASH FLOWS FROM OPERATING ACTIVITIES						
Receipts from customers	\$ 94,649,343	\$ 27,458,925	\$ 19,675,912	\$ 15,595,781	\$ 157,379,961	\$ 53,307,689
Payments to suppliers	(74,185,039)	(9,314,517)	1,527,113	(10,648,566)	(92,621,009)	(15,669,317)
Payments to employees	(5,022,586)	(2,301,726)	(1,066,814)	(3,631,640)	(12,022,766)	(19,542,060)
Receipts of customer meter deposits	2,478,317	-	-	-	2,478,317	-
Payment of customer meter deposits	(1,161,107)	(662,827)	(328,547)	(302,439)	(2,454,920)	-
Claims and judgments paid	-	-	-	-	-	(10,338,677)
Interfund payments	(479,861)	(292,680)	(223,471)	(86,392)	(1,082,404)	108
Interfund receipts	-	-	-	1,169,397	1,169,397	-
Net cash provided by operating activities	<u>16,279,067</u>	<u>14,887,175</u>	<u>19,584,193</u>	<u>2,096,141</u>	<u>52,846,576</u>	<u>7,757,743</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES						
Transfers from other funds	283,942	13,614,284	-	1,214,435	15,112,661	-
Transfer to other funds	(3,914,614)	(13,648,741)	(57)	(361,849)	(17,925,261)	-
Net cash provided by (used in) noncapital financing activities	<u>(3,630,672)</u>	<u>(34,457)</u>	<u>(57)</u>	<u>852,586</u>	<u>(2,612,600)</u>	<u>-</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES						
Purchase of capital assets	(3,492,354)	(7,187,810)	(85,850,680)	(49,748)	(96,580,592)	(4,432,154)
Proceeds from issuance of capital debt	-	3,372,587	-	-	3,372,587	-
Principal paid on capital debt	(66,263)	(3,476,905)	(2,938,071)	(211,047)	(6,692,286)	-
Interest paid on capital debt	(21,929)	(1,202,766)	(8,469,443)	(107,843)	(9,801,981)	-
Net cash provided by (used in) capital and related financing activities	<u>(3,580,546)</u>	<u>(8,494,894)</u>	<u>(97,258,194)</u>	<u>(368,638)</u>	<u>(109,702,272)</u>	<u>(4,432,154)</u>
CASH FLOWS FROM INVESTING ACTIVITIES						
Purchases of investments	(9,780,840)	(6,823,670)	54,071,081	(3,428,294)	34,038,277	(4,060,222)
Sale of investments	-	-	-	577,585	577,585	224,524
Interest and dividends	1,095,065	1,097,913	3,758,580	356,567	6,308,125	514,429
Net cash provided by (used in) investing activities	<u>(8,685,775)</u>	<u>(5,725,757)</u>	<u>57,829,661</u>	<u>(2,494,142)</u>	<u>40,923,987</u>	<u>(3,321,269)</u>
Net increase (decrease) in cash and cash equivalents	382,074	632,067	(19,844,397)	85,947	(18,744,309)	4,320
Balances-beginning of year	<u>3,590,777</u>	<u>9,873,535</u>	<u>63,041,846</u>	<u>2,221,146</u>	<u>78,727,304</u>	<u>2,571,046</u>
Balances-end of year	<u>\$ 3,972,851</u>	<u>\$ 10,505,602</u>	<u>\$ 43,197,449</u>	<u>\$ 2,307,093</u>	<u>\$ 59,982,995</u>	<u>\$ 2,575,366</u>
Reconciliation to Combining Statement of Net Position:						
Cash and cash equivalents	\$ 3,920,787	\$ 4,512,192	\$ 2,251,116	\$ 1,648,066	\$ 12,332,161	\$ 2,426,868
Restricted cash and cash equivalents	-	3,903,897	28,517,471	436,351	32,857,719	-
Restricted cash and cash equivalents, non-current	52,064	2,089,513	12,428,862	222,676	14,793,115	148,498
Total cash and cash equivalents, end of year	<u>\$ 3,972,851</u>	<u>\$ 10,505,602</u>	<u>\$ 43,197,449</u>	<u>\$ 2,307,093</u>	<u>\$ 59,982,995</u>	<u>\$ 2,575,366</u>
Reconciliation of Operating Income to Net Cash Provided by Operating Activities:						
Operating income	\$ 10,441,024	\$ 6,684,035	\$ 10,723,866	\$ 939,251	\$ 28,788,176	\$ 3,065,654
Adjustments to reconcile operating income to net cash provided by operating activities:						
Depreciation expense	3,343,767	7,790,554	2,761,257	369,547	14,265,125	2,375,083
Miscellaneous non-operating revenue (expense)	126,043	20,520	16,866	101	163,530	193,920
Change in assets and liabilities:						
Receivables, net	1,992,300	991,848	(96,861)	(275,002)	2,612,285	-
Other receivable	(122,174)	8,869	-	-	(113,305)	(199,098)
Inventories	(300,774)	-	-	(4,759)	(305,533)	10,536
Due from other funds	(9,365)	(69,874)	(28,432)	851,108	743,437	54
Deferred outflows related to pension	(33,747)	(36,456)	(4,085)	12,691	(61,597)	-
Deferred outflows related to OPEB	(472)	(4,631)	(2,491)	(3,661)	(11,255)	(2,245)
Accounts and other payables	(361,429)	179,038	6,644,091	134,239	6,595,939	1,533,251
Due to other funds	(470,496)	(222,806)	(195,039)	231,897	(666,444)	54
Customer meter deposits payable	1,317,210	(662,827)	(328,547)	(302,439)	23,397	-
Unearned revenue	-	-	-	2,595	2,595	-
Claims liability	-	-	-	-	-	(303,375)
Total OPEB liability	(18,815)	(6,450)	(2,512)	(13,652)	(41,429)	(104,621)
Net Pension liability	309,682	172,146	73,095	150,579	705,502	953,649
Deferred inflows related to pension	(11,325)	(866)	(2,760)	(20,905)	(35,856)	-
Deferred inflows related to OPEB	35,489	21,245	9,655	31,711	98,100	181,271
Accrued compensated absences	42,149	22,830	16,090	(7,160)	73,909	53,610
Net cash provided by operating activities	<u>\$ 16,279,067</u>	<u>\$ 14,887,175</u>	<u>\$ 19,584,193</u>	<u>\$ 2,096,141</u>	<u>\$ 52,846,576</u>	<u>\$ 7,757,743</u>
Non-cash Activities:						
Capital assets donated	\$ -	\$ 2,270,199	\$ 1,970,474	\$ -	\$ 4,240,673	\$ 71,515
Principal debt forgiveness	-	50,521	-	-	50,521	-
Change in fair value of investments	323,809	406,146	659,142	136,019	1,525,116	199,851
Total Non-cash Activities	<u>\$ 323,809</u>	<u>\$ 2,726,866</u>	<u>\$ 2,629,616</u>	<u>\$ 136,019</u>	<u>\$ 5,816,310</u>	<u>\$ 271,366</u>

See accompanying notes to the basic financial statements.

City of Edmond, Oklahoma
Statement of Fiduciary Net Position
Fiduciary Funds
June 30, 2019

	Pension Trust Fund	Agency Funds
ASSETS		
Cash and cash equivalents	\$ 1,208,191	\$ 502,086
Accrued interest	46,284	-
Total cash and cash equivalents	1,254,475	502,086
Investments at fair value:		
Common stock	2,284,104	-
Pooled equity funds	47,297,973	-
Pooled fixed income funds	20,776,976	-
Alternative-open end mutual funds	6,829,470	-
Total investments	77,188,523	-
Total assets	78,442,998	502,086
LIABILITIES		
Accounts payable	-	20,186
Due to other governments	151	-
Refunds payable and others	-	481,900
Total liabilities	151	502,086
NET POSITION		
Net position restricted for pension	\$ 78,442,847	\$ -

See accompanying notes to the basic financial statements.

City of Edmond, Oklahoma
Statement of Changes in Fiduciary Net Position
Fiduciary Funds
For the Year Ended June 30, 2019

	Pension Trust Fund
ADDITIONS	
Contributions:	
Employer	\$ 2,755,652
Plan Members	1,534,738
Total contributions	4,290,390
Investment earnings:	
Investment income	4,189,566
Change in fair value of investments	272,120
Investment activity expense	(197,143)
Total net investment earnings	4,264,543
Total additions	8,554,933
 DEDUCTIONS	
Benefits	3,223,376
Refunds of contributions	669,874
Administrative	6,336
Miscellaneous expense	4,618
Total deductions	3,904,204
Change in net position	4,650,729
Net position - beginning	73,792,118
Net position - ending	\$ 78,442,847

See accompanying notes to the basic financial statements.

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NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

- A. FINANCIAL REPORTING ENTITY
- B. BASIS OF PRESENTATION
- C. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING
- D. ASSETS, LIABILITIES, DEFERRED OUTFLOWS/INFLOWS OF RESOURCES
AND NET POSITION/FUND BALANCE
- E. INTERNAL AND INTERFUND BALANCES AND ACTIVITIES
- F. REVENUES, EXPENDITURES AND EXPENSES
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NOTE 2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

- A. FUND BALANCES AND NET POSITION
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- C. DEBT RESTRICTIONS AND COVENANTS

NOTE 3. DETAIL NOTES - TRANSACTION CLASSES/ACCOUNTS

- A. DEPOSIT AND INVESTMENT RISKS
- B. RECEIVABLES
- C. RESTRICTED ASSETS
- D. CAPITAL ASSETS
- E. LONG-TERM DEBT
- F. INTERFUND BALANCES AND ACTIVITIES
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NOTE 4. OTHER NOTES

- A. EMPLOYEE PENSION AND OTHER BENEFIT PLANS
- B. RISK MANAGEMENT
- C. COMMITMENTS AND CONTINGENCIES
- D. RECENTLY ISSUED ACCOUNTING STANDARDS
- E. ECONOMIC DEVELOPMENT

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of Edmond’s (the City) accounting and financial reporting policies conform to accounting principles generally accepted in the United States of America (GAAP). GAAP includes all relevant Governmental Accounting Standards Board (GASB) pronouncements. The accounting and reporting framework and the more significant accounting policies are discussed in subsequent subsections of this Note.

1.A. FINANCIAL REPORTING ENTITY

The City’s financial reporting entity comprises the following:

- Primary Government: City of Edmond
- Blended Component Unit: Edmond Public Works Authority
- Discretely Presented Component Units: Edmond Economic Development Authority
 Edmond Historic Preservation Trust

In determining the financial reporting entity, the City complies with the provisions of Governmental Accounting Standards Board Statement No. 14, 34, 39, and 61 and includes all component units of which the City is fiscally accountable.

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

BLENDED COMPONENT UNITS

Blended component units are separate legal entities that meet the GASB 14, 39 and 61 component unit criteria and whose governing body is the same or substantially the same as the City Council or the component unit provides services entirely to the City. These component units’ funds are blended into the City’s by appropriate fund type to comprise part of the primary government presentation.

One component unit is blended into the primary government’s fund types as presented below:

<u>Component Unit</u>	<u>Brief Description/Inclusion Criteria</u>
Edmond Public Works Authority (EPWA)	Created October 6, 1970, to finance, develop and operate the water, sewer, garbage, electric, lake and drainage facilities. Also, the Authority operates and maintains the City’s golf course facility. The current City Council serves as the governing body (Trustees) of the EPWA and the city is responsible for daily operations. The City is able to impose its will on the EPWA because, by state law, all EPWA issuances of debt require a two-thirds approval of the City Council.
	The EPWA funds are reported as enterprise funds within the primary government presentation.

DISCRETELY PRESENTED COMPONENT UNITS

Discretely presented component units are separate legal entities that meet the GASB 14 component unit criteria but do not meet the criteria for blending. The City has two component units that are discretely presented in the City's report as presented below:

Edmond Economic Development Authority (EEDA) Created June 17, 1969, to promote and encourage the general economic and social development within or near the City of Edmond, Oklahoma. The Authority provides financing to businesses for the purpose of acquiring facilities for industrial, manufacturing, and charitable enterprises in or near the City. The EEDA governing body is appointed by the full City Council. All issuances of debt require a two-thirds approval of the City Council and the EEDA Trustees.

Complete financial statements of the Economic Development Authority component unit can be obtained from:

Edmond Economic Development Authority
825 E. 2nd, Suite 200
Edmond, OK 73034

Edmond Historic Preservation Trust (EHPT) Created November 15, 1982 to preserve the qualities relating to the history of the City in order to promote the economic and general welfare of the people of the City of Edmond and to ensure the harmonious, orderly and efficient growth and development of the municipality. The EHPT governing body is appointed by the current City Council. The City is able to impose its will on the EHPT because, pursuant to state law, all issuance of EHPT debt requires a two-thirds approval of the City Council. The EHPT component unit does not issue separate financial statements.

1.B. BASIS OF PRESENTATION

Government-Wide Financial Statements:

The statement of net position and statement of activities display information about the City as a whole including component units. They include all financial activities of the reporting entity except for fiduciary activities. Eliminations have been made to minimize the double reporting of transactions involving internal activities. Individual funds are not displayed in these statements. Instead, the statements distinguish between governmental and business-type activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange revenues. Business-type activities are financed in whole or in part by fees charged to external parties for goods or services.

The statement of activities presents a comparison between the expenses and program revenues directly associated with the different governmental functions and business-type activities to arrive at the net revenue or expense of the function or activity prior to the use of taxes and other general revenues. Program revenues include (1) fees, fines, and service charges generated by the program or activity, (2) operating grants and contributions that are restricted to meeting the operational requirements of the program or activity, and (3) capital grants and contributions that are restricted to meeting the capital requirements of the program or activity.

Fund Financial Statements:

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

- a. Total assets and deferred outflows, liabilities, and deferred inflows, revenues or expenditures/expenses of that individual governmental or enterprise fund are at least 10 percent of the corresponding total for all funds of that category or type, and
- b. Total assets and deferred outflows, liabilities and deferred inflows, revenues or expenditures/expenses of the individual governmental fund or enterprise fund are at least 5 percent of the corresponding total for all governmental and enterprise funds combined.
- c. A fund not meeting the criteria of (a) and (b), however management has elected to report the fund as a major fund due to its significance to users of the financial statements.

All remaining governmental and enterprise funds not meeting the above criteria are aggregated and reported as nonmajor funds. The funds of the financial reporting entity are described below:

Governmental Funds

The City reports four major governmental funds:

- General Fund**
- Fire Public Safety Limited Tax Fund**
- Police Public Safety Limited Tax Fund**
- 2000 Capital Improvement Tax Fund**

General Fund

The **General Fund** is the primary operating fund of the City. It is used to account for all activities except those legally or administratively required to be accounted for in other funds. The General Fund is reported as a major governmental fund. The General Fund main sources of revenue include sales tax, franchise and public services taxes, and charge for services related to governmental activities. Due to GASB 54 for financial reporting purposes, the General Fund also includes the activity of the Edmond Electric Economic Development sub -fund and the Park Special Events sub-fund. In fiscal year 2016, the Real Property Fund was moved to an account of the General Fund from a special revenue fund because it no longer has a dedicated income stream. Prior to 2014, Citylink (Edmond’s public transportation service) was included in the General Fund. Beginning in 2014, Citylink has been moved and is included as a Business Type Activity. Also in 2013’s report, the Hotel/Motel tax was moved from the General Fund to Special Revenue Fund-CVB as a dedicated income revenue stream. We have continued to report this revenue there.

Special Revenue Funds

Special Revenue Funds are used to account for and report the proceeds of specific revenue sources that are legally or administratively restricted to expenditures for certain purposes. The reporting entity includes the following special revenue funds:

Major Funds:

Fire Public Safety Limited Tax Fund – used to account for restricted taxes and other dedicated revenues used to finance the operations of the City’s fire department

Police Public Safety Limited Tax Fund – used to account for restricted taxes and other dedicated revenues used to finance the operations of the City’s police department and other capital projects

Nonmajor Funds:

CDBG Entitlement Fund
Asset Forfeiture Fund
Senior Center Fund
Convention & Visitors Bureau Fund
Hospital Sale Trust Fund
Ambulatory Service Fund

Capital Project Funds

Capital Project Funds are used to account for resources restricted for the acquisition or construction of specific capital projects or items. The reporting entity includes the following capital project funds:

Major Fund:

2000 Capital Improvement Tax Fund – used to account for the proceeds of a voter-restricted limited purpose sales tax to be used for capital improvements

Nonmajor Funds:

Cemetery Care Fund
Cemetery Perpetual Care
Park Sales Tax Fund
Art in Public Places Fund
Capital Improvement Fund
Roadway Improvement Fund
1996 Capital Improvement Tax Fund
2012 Public Safety Center Tax Fund
2017 Capital Improvement Fund

Proprietary Funds

Proprietary funds include both enterprise funds and internal service funds. Enterprise funds are used to account for business-like activities provided to the general public. Internal service funds are used to account for business-like activities provided and charged to other funds or entities within the reporting entity. Proprietary fund operating revenues, such as charges for services, result from exchange transactions associated with the principal activity of the fund. Nonoperating revenues of the proprietary funds include such items as investment earnings, interest expense and subsidies. The reporting entity includes the following enterprise funds and internal service funds:

Enterprise Funds

The City reports three major enterprise funds:

Electric Fund – used to account for the operation and maintenance of the City electric utility services

Water Fund – used to account for the operation and maintenance of the City water utility services

Wastewater Fund - used to account for the operation and maintenance of the City wastewater utility services

Nonmajor enterprise funds include:

- Sanitation Fund
- Arcadia Lake Fund
- Drainage Fund
- Kickingbird Golf Course Fund
- YourGovShop Fund
- Transportation Fund (CityLink)

Internal Service Funds

Internal service funds include:

- Employee Group Insurance Fund
- Vehicle Maintenance Fund
- Liability/Tort Claim Fund
- Fleet Management Fund
- Field Services Fund
- Administrative Support Services Fund

Fiduciary Funds

The City's fiduciary funds are used to report net position and changes therein of assets held by the City in a trustee or fiduciary capacity. This net position is not available for operations of the City. The City reports two types of fiduciary funds: Pension Trust Fund and Agency Funds. Agency funds are custodial in nature (i.e., assets equal liabilities) and do not involve the measurement of changes in net position.

Pension Trust Fund – used to account for the assets and changes therein of the Edmond Employee Retirement System

Agency Funds – used to account for assets held on behalf of others including the Sidewalk and Driveway Escrow and the C.L.E.E.T. Penalty Assessment Fund

1.C. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

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

Measurement Focus

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

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

- a. All governmental funds utilize a “current financial resources” measurement focus. Only current financial assets, liabilities, deferred outflows and inflows are generally included on their balance sheets. Their operating statements present sources and uses of available spendable financial resources during a given period. These funds use fund balance as their measure of available spendable financial resources at the end of the period.
- b. The proprietary fund utilizes an “economic resources” measurement focus. The accounting objectives of this measurement focus are the determination of operating income, changes in net position (or cost recovery), financial position, and cash flows. All assets, liabilities (whether current or noncurrent), deferred outflows and inflows associated with their activities are reported. Proprietary fund equity is classified as net position.

Basis of Accounting

Government-wide, Proprietary and Fiduciary Fund Financial Statements

In the government-wide Statement of Net Position and Statement of Activities, and the proprietary fund financial statements the accrual basis of accounting is applied. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used. Revenues, expenses, gains, losses, assets and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

Governmental Fund Financial Statements

In the governmental fund financial statements, the modified accrual basis of accounting is applied. Under this modified accrual basis of accounting, revenues are recognized when “measurable and available”. Measurable means knowing or being able to reasonably estimate the amount. Available means collectible within the current period or soon enough thereafter to pay current liabilities. The City has defined “available” as collected within 60 days after year end. Sales and use taxes, franchise taxes, hotel/motel taxes, court fines and interest are considered susceptible to accrual. Expenditures (including capital outlay) are recorded when the related fund liability is incurred, except for general long-term debt principal and interest, claims and judgments, and accrued compensated absences, which are recorded as expenditures to the extent they have matured. Proceeds of general long-term debt and capital leases are reported as other financial sources.

1.D. ASSETS, LIABILITIES, DEFERRED OUTFLOWS/INFLOWS OF RESOURCES, AND NET POSITION/FUND BALANCE.

Cash and Cash Equivalents

Cash and cash equivalents include all demand accounts, savings accounts, money market investment in trust accounts, certificates of deposit and short-term investments with an original maturity of three months or less. Investments in open-ended mutual fund shares are also considered cash equivalents and are reported at the funds’ current share prices.

Investments

Investments are reported at fair value using selected bases. Securities traded on a national or international exchange are valued at the last reported sales price at current exchange rates. Investments that do not have an established market are reported at estimated fair value as estimated by a broker/dealer. Investments of the pension trust fund are also carried at fair value. Securities of the pension trust fund traded on a national or international exchange are valued at the last reported sales price at current exchange rates. All non-negotiable long-term certificates of deposit are carried at cost. Additional cash and investment disclosures are presented in Note 2.B. and Note 3.A.

Receivables

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

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

Inventories

Inventories are valued at average cost. The cost of governmental funds inventories are recorded as expenditures when consumed rather than when purchased because they are immaterial.

Restricted Assets

Restricted assets include current assets of enterprise funds and business-type activities that are legally restricted as to their use. The primary restricted assets are related to revenue bond and promissory note trustee accounts restricted for debt service and deposits held for refund. Restricted assets of the component unit consist of program income from revolving grants restricted as to use.

Capital Assets and Depreciation

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

Government-Wide Statements

In the government-wide financial statements, property, plant and equipment are accounted for as capital assets. The City’s capitalization threshold is \$7,500. All capital assets are valued at historical cost, or estimated historical cost if actual is unavailable, except for donated capital assets, donated works of art and similar items which are recorded at their acquisition value at the date of donation. General infrastructure assets (such as roads, bridges, and traffic systems) acquired prior to July 1, 2002, are reported at estimated historical cost using deflated replacement costs. The cost of normal maintenance and repairs to these assets that do not add materially to the value of the asset or materially extend the assets’ useful lives are not capitalized

Depreciation of all exhaustible capital assets is recorded as an operating expense in proprietary fund financial statements and an allocated expense in the Statement of Activities, with accumulated depreciation reflected in the Statement of Net Position. Depreciation is provided over the assets’ estimated useful lives using the straight-line method of depreciation. The range of estimated useful lives by type of asset is as follows:

Buildings	15 - 50 years
Other Improvements	5 - 50 years
Infrastructure	50-100 years
Equipment and vehicles	2 - 40 years
Water rights	25-50 years

In the governmental fund financial statements, capital assets acquired are accounted for as capital outlay expenditures.

Long-Term Debt

Accounting treatment of long-term debt varies depending upon the source of repayment and the measurement focus applied and whether the debt is reported in the government-wide or fund financial statements.

All long-term debt to be repaid from governmental activities, business-type activities, proprietary fund and component unit resources are reported as liabilities as incurred. The long-term debt consists primarily of accrued compensated absences, general obligation bonds payable, and revenue bonds payable. This long-term debt is reported net of unamortized premiums and discounts. Amounts deferred from refundings and shown as deferred inflows or outflows.

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

Compensated Absences

Under terms of union contracts and City personnel policies, City employees are granted vacation and sick leave in varying amounts. In the event of termination, a civilian employee is paid for accumulated vacation up to 300 hours earned. Upon retirement, 33-1/3% of accumulated sick leave up to a maximum of 300 hours is converted to vacation time for non-union employees, subject to certain limitations.

For firemen, sick leave hours are converted three to one to vacation hours not to exceed 400 hours at retirement plus 480 maximum vacation (suppression) and 288 maximum vacation (non-suppression). For police officers, sick leave hours are converted two to one with a maximum of 400 hours plus maximum of 320 vacation hours at retirement.

The estimated liabilities for vested benefits also include salary-related payments such as employment taxes. Compensated absences are reported as accrued in the government-wide, proprietary, fiduciary and component unit financial statements. Governmental funds report only the matured compensated absences payable to currently terminating employees; however, the compensated absences obligation is reported as a fund balance reserve in compliance with the State Constitution.

Deferred Outflow/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. At the government fund level, the City does not recognize any deferred outflows. At the enterprise fund level and government-wide level, the City recognizes deferred outflows related to a refunding, deferred amounts related to pensions and deferred amounts related to OPEB.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period (s) and so will not be recognized as an inflow of resources (revenue) until that time. The government has at the fund level only one type of item, which arises only under a modified accrual basis of accounting that qualifies for reporting in this category. Accordingly, the item, unavailable revenue, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from two sources: property taxes and special assessments. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. At the government wide level and proprietary fund level, deferred inflows are for reporting the fair value of a hedging derivative, amounts related to pensions, and amounts related to OPEB.

Equity Classifications

Government-Wide and Proprietary Fund Financial Statements:

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

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

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

Governmental Fund Financial Statements:

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

- a) Nonspendable-includes amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact.
- b) Restricted-consists of fund balance with constraints placed on the use of resources either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments, or (2) laws through constitutional provisions or enabling legislation.
- c) Committed-included amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the city's highest level of decision-making authority. The City's highest level of decision-making authority is made by ordinance. City Council adopts an ordinance that establishes this constraint.
- d) Assigned-includes amounts that are constrained by the City's intent to be used for specific purposes but are neither restricted nor committed. Assignments of fund balance may be made by city council action or management decision when the city council has delegated that authority. Assignments for transfers and interest income for governmental funds are made through budgetary process.
- e) Unassigned-represents fund balance that not been assigned to other funds and has not been restricted, committed, or assigned to specific purposes within the general fund. The general fund is the only fund that reports a positive unassigned fund balance.

It is the City's policy that expenditures for which more than one category of fund balance could be used, that the order of use is: restricted, committed, assigned and unassigned. The City Council adopted the budget which designates the amount to the specific categories.

In an effort to ensure the continuance of sound financial management of public resources, the City of Edmond's *Unassigned Fund Balance* within the General Fund will be maintained to provide the City with sufficient working capital and a comfortable margin of safety to address emergencies, sudden loss of revenue or operating needs, and unexpected downturns.

This policy established the amounts the City will strive to maintain in its General Fund unassigned balance, the conditions under which fund balance may be spent, and the method by which fund balance will be restored. These amounts are expressed as goals, recognizing that fund balance levels can fluctuate from year to year in the normal course of operations for any local government. The City will strive to maintain an *Unassigned Fund Balance* in the General Fund of (10%). This is determined by adding all new budgeted revenues, plus the Edmond Public Works Authority's transfers-in, divided by the *Unassigned Fund Balance*.

It is management's express intent to identify a "not-to-exceed" amount of \$1,000,000 as part of the 10% minimum fund balance for unexpected, large-scale events where damage in excess of \$250,000 is incurred and immediate, remedial action must be taken to protect the health and safety of residents (e.g. floods, fires, storm damage). Of the \$1,000,000 part of the General Fund's Unassigned Fund Balance, it is management's intent to not use any portion of this balance unless such emergencies occur.

It is the goal of the City to limit use of any Unassigned Fund balances less than 10% to address non-recurring needs, otherwise approved by the City Council. Unassigned Fund balances of less than the 10% minimum as described above shall not normally be applied to recurring annual operating expenditures. Unassigned balances within the General Fund may, however, be used to allow time for the city to restructure its operations in a deliberate manner, but such use will only take place in the context of long-term financial planning.

1.E. INTERNAL AND INTERFUND BALANCES AND ACTIVITIES

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

Government-Wide Financial Statements:

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

- a. Internal balances - amounts reported in the fund financial statements as interfund receivables and payables are eliminated in the governmental and business-type activities columns of the statement of net position, except for the net residual amounts due between governmental and business-type activities, which are reported as Internal Balances.
- b. Internal activities - amounts reported as interfund transfers in the fund financial statements are eliminated in the government-wide statement of activities except for the net amount of transfers between governmental and business-type activities, which are reported as Transfers - Internal Activities. The effects of interfund services between funds are not eliminated in the statement of activities.
- c. Primary government and component unit activity and balances - resource flows between the primary government (the City and EPWA) and the discretely-presented component units (the Historical Preservation Trust and EEDA) are reported as if they were external transactions.

Fund Financial Statements:

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

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

1.F. REVENUES, EXPENDITURES AND EXPENSES

Sales Tax

The City levies a three and three-fourth cent sales tax on taxable sales within the City. The sales tax is collected by the Oklahoma Tax Commission and remitted to the City in the month following receipt by the Tax Commission. The sales tax is recorded as follows:

2 cents recorded as revenue within the General Fund then transfers .75 of one cent to the Water Enterprise Fund as required by the bond indenture for debt service. Any unused portion is transferred back to the General Fund.

1/8 cent recorded as revenue within the Park Sales Tax Fund to account for operations and facility improvement costs of the City's park and recreation system.

3/4 cent recorded as revenue within the 2000 Capital Improvement Tax Fund to account for capital improvements as recommended to the City Council by the Capital Financing Task Force.

1/4 cent recorded as revenue within the Fire Public Safety Limited Tax Fund to account for improvements to the fire department per voter approval.

1/8 cent recorded as revenue within the Police Public Safety Limited Tax Fund to account for improvements to the police department per voter approval.

1/2 cent recorded as revenue within the 2017 Capital Improvement Fund to account for capital projects approved by Capital Improvement Project Advisory Board. This became effective April 1, 2017.

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

Police and Fire Public Safety Funds Revenue

An ordinance passed and approved by the citizens of Edmond requires that 30% of General Fund revenues (defined as taxes, licenses and permits, fines and forfeitures, charges for services, interest and miscellaneous revenues) be used for funding fire department operations and that 36.8% of these same General Fund revenues be used for funding police department operations. Effective July 1, 2001 all fire and police expenditures were accounted for in the limited purpose sales tax special revenue funds. The special revenue funds also receive sales tax (approved in the same ordinance referenced above) of one-fourth percent for the fire department and one-eighth percent for the police department. Those sales taxes can only be expended for additional personnel and equipment for additional personnel, additional equipment for firefighting and law enforcement purposes, and also for competitive compensation and benefits for existing and retired firefighters and officers. The ordinance further states that expenditures will not be charged against the sales tax revenues until the General Fund revenues have first been used or encumbered.

Hospital Sales Trust Fund Principal and Income

In 1981, the City sold the Edmond Memorial Hospital for approximately \$7,200,000. The majority of the proceeds are invested in a trust account. According to trust agreement terms, the earnings and interest of the trust funds can be used by the City for capital improvements. The principal of the trust must also be used for capital improvements, but its use must first be approved by a vote of the citizens of the City.

Edmond voters approved a half-cent sales tax on October 11, 2011 and allowed the City to loan itself money out of the \$7.2 million Hospital Trust Fund, but is contingent upon paying the borrowed funds back with interest.

Pension Contributions

For purposes of measuring the net pension liability, deferred outflows or resources and deferred inflows of resources related to pensions, and pension expense, amounts and disclosures have been prepared using the accrual basis of accounting. Employee and employer contributions are recognized as System revenues in the period in which they are due to the plan. Benefits and refunds are recognized when due and payable pursuant to plan provisions. Investments are reported at fair value.

Property Tax

Under State law municipalities are limited in their ability to levy a property tax. Such tax may only be levied to repay principal and interest on general obligation bonded debt approved by voters and any court-assessed judgments. At the present time the City levies a property tax for court-assessed judgments only. There are currently no court assessed judgments against the City.

Article 10, Section 26 of the Constitution of the State of Oklahoma limits municipal debt to be repaid with property tax to 10% of the net assessed valuation of property. The city currently has no debt outstanding under this provision.

Pledge of Future Revenues

Sales Tax Pledge - The City has pledged three-fourth cents (or 20%) of future sales tax revenues to repay \$291,750,000 of Series 2010, 2012, 2013, 2014, 2014B, 2015, 2016, and 2017 Sales Tax and Utility System Bonds. Proceeds from the bonds provided financing for capital assets. The bonds are payable from pledged sales tax revenues and further secured by net electric, water, wastewater, and sanitation revenues. The bonds are payable through 2021, 2023, 2023, 2024, 2026, 2024, 2047, 2048, respectively. The total principal and interest payable for the remainder of the life of these bonds is \$414,162,279. Pledged sales taxes received in the current year were \$13,614,284 for the bonds and the net utility revenues were \$42,165,245. Debt service payments for the bonds of \$23,368,586 for the current fiscal year were 171% of the pledged sales taxes and 63% of both pledged sales taxes and utility revenues.

Utility Net Revenues Pledge - The City has also pledged future net electric, water, wastewater, and sanitation revenues to repay \$288,645,000 of 2010, 2014, 2015, 2016, and 2017 Series Utility System Revenue Bonds and \$3,726,484 of 2005 OWRB Notes Payable, \$16,085,000 on the General Sales Revenue Note with Bank of America, and \$19,000,000 of 2018 OWRB Note Payable. Proceeds from the bonds and notes provided financing for utility system capital assets. The bonds are payable through 2048 while the notes are payable through 2024, 2026, and 2041. The total principal and interest payable for the remainder of the life of these bonds and notes is \$421,031,771. The bonds are payable from the above-mentioned utility net revenues and are additionally secured with .75 of one cent (or 20%) of future sales tax revenues. If the net utility revenues are sufficient to service the debt, the pledged sales taxes are transferred back to the General Fund. The total pledged sales taxes for the current fiscal year of \$13,614,284 were returned to the General Fund. The debt service payments on the bonds and notes this year were \$17,980,715 which was 34.6% of pledged net utility revenues of \$52,026,006 and 27.4% of both pledged utility revenues and pledged sales taxes.

Expenditures and Expenses

In the government-wide statement of activities, expenses, including depreciation of capital assets, are reported by function or activity. In the governmental fund financial statements, expenditures are reported by class as current (further reported by function), capital outlay and debt service. In proprietary fund financial statements, expenses are reported by object or activity. Fiduciary funds report additions and deductions to net position.

1.G. 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 certain reported amounts and disclosures; accordingly, actual results could differ from those estimates.

1.H. ACCOUNTING PRONOUNCEMENTS IMPLEMENTED

GASB Statement No. 83, *Certain Asset Retirement Obligations* was issued December 2016, was effective for the City beginning with its fiscal year ending June 30, 2019. Under Statement No. 83, a government that has legal obligations to perform future asset retirement activities related to its tangible capital assets is required to recognize a liability and a corresponding deferred outflow of resources. The Statement identifies the circumstances that trigger the recognition of these transactions. The Statement also requires the measurement of an asset retirement obligation to be based on the best estimate of the current value of outlays expected to be incurred while the deferred outflow of resources associated with the asset retirement obligation will be measured at the amount of the corresponding liability upon initial measurement and generally recognized as an expense during the reporting periods that the asset provides service. The Statement requires disclosures including a general description of the asset retirement obligation and associated tangible capital assets; the source of the obligation to retire the assets; the methods and assumptions used to measure the liability; and other relevant information. The adoption of this standard did not have a material impact on the financial statements.

GASB Statement 88, *Certain Disclosures Related to Debt* was issued April 2018, was effective for the City as of June, 30, 2019. The primary objective of this Statement is to improve the information that is disclosed in the notes to government financial statements related to debt, including direct borrowings and direct placements. It also clarifies which liabilities governments should include when disclosing information related to debt. It defines debt for purposes of disclosure in the notes to financial statements as a liability that arises from a contractual obligation

to pay cash (or other assets that may be used in lieu of cash) in one or more payments to settle an amount that is fixed at the date of the contractual obligation is established. This Statement requires that additional essential information related to debt be disclosed in notes to financial statements, including unused lines of credit; assets pledged as collateral for the debt; and terms specified in debt agreements related to significant events of default with finance-related consequences, significant termination events with finance-related consequences, and significant subjective acceleration clauses. This Statement also requires that existing and additional information be provided for direct borrowings and direct placements of debt separately from other debt. The adoption of this standard did not have a material impact on the financial statements.

NOTE 2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

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

2.A. DEFICIT FUND BALANCES OR NET POSITION

Title 11, Section 17-211 of the Oklahoma Statutes prohibits the creation of a deficit fund balance in any individual fund of the City (excluding public trusts). At June 30, 2019, due to timing issues caused by generally accepted accounting principles, the City reported a deficit in the CDBG Entitlement Fund.

2.B. DEPOSITS AND INVESTMENTS REQUIREMENTS

The Treasurer is authorized to invest funds in such securities as provided by Oklahoma State Statutes. The City's General/Operating and Public Works Authority Funds Investment Policy may be more restrictive than that allowed by state statute. The securities authorized by the approval of this policy shall be:

- a. Direct obligations of the United States Government, its agencies or instrumentalities to the payment of which the full faith and credit of the Government of the United States is pledged or obligations to the payment of which the full faith and credit of the State of Oklahoma is pledged; or
- b. Collateralized or insured certificates of deposits of savings and loan associations, banks, savings banks and credit unions located in this state, when the certificates of deposit are secured by acceptable collateral as provided in Oklahoma State Title 62, Section 517.5 or fully insured certificates of deposit at banks, savings banks, savings and loan associations and credit unions located out of state; or
- c. Savings accounts or saving certificates of savings and loan associations, banks, and credit unions, to the extent that the accounts or certificates are fully insured by the Federal Deposit Insurance Corporation; or
- d. Investments as authorized by Oklahoma State Title 62, Section 348.3 which are fully collateralized in investments specified in paragraphs 1 through 3 of this section, and where the collateral has been deposited with a trustee or custodian bank in an irrevocable trust or escrow account established of such purposes; or
- e. County, municipal or school district direct debt obligations for which an ad valorem tax may be levied or bond and revenue anticipation notes, money judgments against such county, municipality or school district ordered by a court of record or bonds or bond and revenue anticipations notes issued by a public trust for which such county, municipality or school district is a beneficiary thereof. All collateral pledged to secure public funds shall be valued at no more than market value. The income received from the investment may be placed in the general fund of the governmental subdivision to be used for general governmental operations, the sinking fund, the building fund, or the fund from which the investment was made.
- f. Obligations of the United States government, its agencies and instrumentalities;
- g. Collateralized or insured certificates of deposits and other evidences of deposit at banks, savings banks, savings and loan associations and credit unions located within the state; or full insured certificates of deposit and banks, savings banks, savings and loan associations and credit unions located out of state;
- h. Negotiable certificates of deposit issued by a nationally or state-chartered bank, savings bank, a savings and

loan association or a state-licensed branch of a foreign bank. Purchases of negotiable certificates of deposits shall not exceed ten percent (10%) of the surplus funds of the city or county which may be invested pursuant to this section. Not more than one-half (1/2) of the ten percent (10%) limit shall be invested in any one financial institution specified in this paragraph;

- i. Prime banker's acceptances which are eligible for purchase by the Federal Reserve System and which do not exceed two hundred seventy (270) days' maturity. Purchases of prime banker's acceptances shall not exceed ten percent (10%) of the surplus funds of the city or county which may be invested pursuant to this section. Not more than one-half (1/2) of the ten percent (10%) limit shall be invested in any one commercial bank pursuant to this paragraph;
- j. Prime commercial paper which shall not have a maturity that exceeds one hundred eighty (180) days nor represent more than ten percent (10%) of the outstanding paper of an issuing corporation. Purchases of prime commercial paper shall not exceed seven and one-half percent (7 ½ %) of the surplus funds of the city or county which may be invested pursuant to this section; and
- k. Repurchase agreements that have underlying collateral consisting of those items specified in paragraphs a through e of this subsection.
- l. Money market funds regulated by the Securities and Exchange Commission and which investments consist of those items and those restrictions in paragraphs 1 through 6 of this subsection.

Public trusts created under O.S. Title 60 and pension trust funds are not subject to the above noted investment limitations and are primarily governed by any restrictions in their trust or bond indentures.

2.C. DEBT RESTRICTIONS AND COVENANTS

Notes Payable

The loan agreement with the Oklahoma Water Resources Board relating to the interim construction note payable of the Edmond Public Works Authority contains a number of financial restrictions or covenants. These include covenants requiring a flow of funds through special accounts and a note payable debt service coverage requirement. The note agreement requires net revenues of the system plus pledged and transferred sales tax to be at least 125% of maximum annual debt service. The Note indenture relating to the 2013 General Sales Tax Revenue note payable of the Edmond Public Works contains a number financial restrictions or covenants.

Revenue Bond Debt

The bond indentures relating to the revenue and sales tax bond issues of the Edmond Public Works Authority and the City contain a number of financial restrictions or covenants. These include covenants requiring a flow of funds through special accounts, required reserve account balances and revenue bond debt service coverage requirement. The 2010, 2012, 2013, 2014, 2014B, 2015, 2016, and 2017 series sales tax and utility revenue bond indentures require (1) a reserve account balance \$23,616,479 and (2) net revenues plus pledged and transferred sales tax to be at least 100% of the maximum annual debt service requirements. The City complied with these covenants for the fiscal year ended June 30, 2019.

NOTE 3. DETAIL NOTES - TRANSACTION CLASSES/ACCOUNTS

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

3.A. DEPOSIT AND INVESTMENT RISKS

Primary Government:

The City of Edmond, including its blended component unit held the following deposits and investments at June 30, 2019.

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Type	Fair Value	Rating	Fair Value Category (3)	Maturities in Years			
				Demand	Less Than One	1 - 5	6 - 10
Demand accounts	\$ 19,176,791	n/a	n/a	\$ 19,176,791	\$ -	\$ -	\$ -
Time deposits	45,924,478	n/a	n/a	-	27,880,187	18,044,291	-
Money market funds	62,415,863	**	n/a	-	62,415,863	-	-
U.S. Treasury Obligations	125,898,144	(1)	Level I	-	75,517,751	50,380,393	-
U.S. Government sponsored enterprises	15,141,133	(2)	Level II	-	90,948,450	60,192,683	-
Mutual Funds - fixed income	20,776,976	**	Level I	-	-	-	20,776,976
Sub-total	425,333,385			\$ 19,176,791	\$ 256,762,251	\$ 128,617,367	\$ 20,776,976
Mutual Funds:							
Alternative	6,829,470	n/a	Level I				
Equity Funds	47,297,973	n/a	Level I				
Sub-total Mutual Funds	54,127,443						
Common and preferred stock	2,284,104	n/a	Level I				
Total Investments	\$ 481,744,932						
Reconciliation to Statement of Net Position:							
Cash and cash equivalents	\$ 25,993,315						
Investments	215,995,220						
Current restricted cash and cash equivalents	42,361,953						
Current restricted investments	71,856,958						
Noncurrent restricted cash and cash equivalents	18,650,131						
Noncurrent restricted investments	27,988,555						
Pension retirement fund assets	78,396,714						
Agency fund cash and investments	502,086						
	\$ 481,744,932						

** Unrated

- (1) U.S. obligations include Treasury bills, Treasury notes, and Treasury bonds. U.S. obligations are backed by the full power of the United States government and are guaranteed by the full faith and credit of the United States government.
- (2) U.S. government sponsored enterprise (GSE) securities are debt issued by a financial intermediary established by the federal government to fund loans for a public purpose. GSE's lack the explicit backing of the U.S. government, but are federally chartered entities. GSE securities are listed below with the corresponding credit ratings:

GSE Name	S & P Rating	Moody Rating
• Federal National Mortgage Association (FNMA or "Fannie Mae")	AA+	Aaa
• Federal Home Loan Bank (FHLB)	AA+	Aaa
• Federal Farm Credit Banks (FFCB)	AAA	Aaa

- (3) 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 (such as active market comparisons); Level 3 inputs are significant unobservable inputs.

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

The City's policy as it relates to custodial credit risk is to secure its uninsured deposits with collateral, valued at no more than market value, at least at a level of 102% of the uninsured deposits and accrued interest thereon. The investment policy also limits acceptable collateral to U.S. Treasury securities and direct debt obligations of municipalities, counties, and school districts in the state of Oklahoma. As required by Federal 12 U.S.C. Section 1823(e), all financial institutions pledging collateral to the City must have a written collateral agreement approved

by the board of directors or loan committee.

At June 30, 2019, the City was not exposed to custodial credit risk as defined above.

Investment Credit Risk – The City’s investment policy limits investments to those with a maturity no more than five years from the date of purchase. These investment limitations are described in Note 2B. Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The City has no formal policy limiting investments based on credit rating, but discloses any such credit risk associated with their investments by reporting the credit quality ratings of investments in debt securities as determined by nationally recognized statistical rating organizations—rating agencies—as of the year end. Unless there is information to the contrary, obligations of the U.S. government or obligations explicitly guaranteed by the U.S. government are not considered to have credit risk and do not require disclosure of credit quality. The credit ratings of other City investments are listed in the schedule above.

The fair value of the City’s forward sales agreements are fully exposed to credit risk. The forward sales agreements require the counterparty to notify the trustee, EPWA, and the bond insurer if any of the long-term unsecured outstanding debt of the guarantor falls below A- by S&P and below A3 by Moody’s or is unrated by either rating agency. Upon such notice, the trustee or EPWA may (1) direct the counterparty to either assign the agreements to an acceptable transferee, (2) provide a guaranty issued by an acceptable guarantor, or (3) terminate the agreements without penalty.

Investment Interest Rate Risk – Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The City’s investment policy limits investments to those with a maturity no more than five years from the date of purchase, except for reserve and pension trust funds, as a means of managing exposure to fair value losses arising from increasing interest rates. The City discloses its exposure to interest rate risk by disclosing the maturity dates of its various investments. The derivative instruments mature between 5 and 8 years.

Concentration of Investment Credit Risk - Exposure to concentration of credit risk is considered to exist when investments in any one issuer represent a significant percent of total investments of the City (any over 5% are disclosed). Investments issued or explicitly guaranteed by the U.S. government and investments in mutual funds, external investment pools, and other pooled investments are excluded from this consideration.

At June 30, 2019, the City had a total portfolio concentration of credit risk in the following investments: FFCB 9.55%, FHLB 24.41%, and FNMA 3.76%.

Pension Plan Investments:

The Plan policy provides that assets be invested to provide for total return. The plan shall be invested in a diversified portfolio, consisting primarily of common stocks, bonds, cash equivalents, and other investments, which may reflect varying rates of return. The overall rate of return objective of the portfolio is a reasonable “real” rate, consistent with the risk levels established by the Pension Board. The minimum acceptable long-term rate of return over a full market cycle (3 to 5 years) is that which equals or exceeds the actuarial assumptions. The Pension Board has also established an annual target return objective, which may be changed from time to time, but is currently 7.25 %, net of fees. This return objective currently meets the actuarial assumption of 7.25%.

Asset allocation guidelines for the Plan are as follows:

Class	Target Percent	June 2019 Percent
Fixed Income	22%	28%
Large Cap Equities	22%	23%
Small Cap Equities	7%	7%
International Equities	17%	20%
Emerging Market Equities	10%	10%
Real Estate	5%	3%
Commodities	4%	0%
Master Limited Partnerships	10%	9%
Other	3%	0%

Rate of return. For the year ended June 30, 2019, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 5.76 percent. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Component Units:

Total bank deposits of the EEDA component unit were \$488,605 at June 30, 2019 and were properly insured and collateralized. In addition, deposits of the Historical Preservation Trust of \$48,867 were fully collateralized.

Derivatives - Investment Securities Forward Sale Contract:

The City has entered into multiple forward contracts for the continuous investment of various debt service and reserve funds in “eligible securities”. “Eligible securities” are defined in the various forward contracts as those securities generally allowable as investments by municipalities under Oklahoma law. By entering into these agreements, the City seeks to ensure fixed rates of return while providing cash flow streams to match related principal and interest payments. No cash was paid or received when the contracts were initiated.

The notional (or contract) amounts vary over the life of the contracts along with the balances in the funds. With regards to debt service funds, the notional amount at each delivery date is the amount the City is required to maintain on deposit in the Debt Service Fund pursuant to the bond indenture of the associated debt. The notional amount for forward contracts related to reserve funds is the reserve fund balance available for investment; not to exceed the reserve requirement of the associated debt. The change in fair value is reported as deferred inflow of resources.

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Associated Debt	Effective Date	Termination Date	Contract Interest Rate	Change in Fair Value	Fair Value at June 30, 2019	Counterparty	Credit Rating
Governmental activities:							
2010 Sales Tax & Utility Revenue Bonds:							
Reserve Fund	5/13/2003	7/1/2021	4.570%	(111,587)	223,301	JPMorgan	A+
2012 Sales Tax & Utility Revenue Bonds:							
Reserve Fund	5/13/2003	7/1/2023	4.650%	(61,493)	246,343	JPMorgan	A+
2014 Sales Tax & Utility Revenue Bonds:							
Debt Service	8/24/2004	7/1/2024	4.500%	(25,178)	135,489	JPMorgan	A+
Reserve Fund	8/24/2004	7/1/2024	4.876%	(67,409)	343,422	JPMorgan	A+
Total governmental activities:				\$ (265,667)	\$ 948,555		
Business-type Activities:							
2014 Sales Tax & Utility Revenue Bonds:							
Debt Service	8/24/2004	7/1/2024	4.500%	(22,680)	122,046	JPMorgan	A+
Reserve Fund	8/24/2004	7/1/2024	4.876%	(60,721)	309,349	JPMorgan	A+
Total business-type activities:				\$ (83,401)	\$ 431,395		
Total				\$ (349,068)	\$ 1,379,950		

Fair value was determined using expected cash flows discounted to the treasury curve at June 30, 2019.

Credit risk – The counterparty to the forward sale contract derivative agreements is JPMorgan serving as guarantor. At June 30, 2019, the counterparty’s credit ratings were A+.

Termination risk – The City or its counterparties are subject to termination risk if the bonds for which the debt service and reserve funds relate are redeemed, refunded, or defeased. If the bonds are redeemed, refunded or defeased in whole, then immediately upon payment of the termination value then the agreement shall terminate. If the bonds are redeemed or defeased in part, then the Termination Value shall be determined based on the portion of the agreement which will terminate and immediately upon payment of the termination value, this agreement shall terminate in part and the balance of this agreement shall remain in effect, the Reserve Requirement shall be amended to reflect that portion of the agreement that has been terminated.

3.B. RECEIVABLES

Accounts Receivable

Accounts receivable of the business-type activities consist of customers utilities services provided, both billed and unbilled, due at year end, reported net of allowance for uncollectible amounts. The governmental activities receivables include fines, other taxes, and miscellaneous receivables as follows:

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Business-Type Activities:

	Electric Fund	Water Fund	Wastewater Fund	Sanitation Fund	Drainage Fund	Total
Utilities Receivable	\$ 15,300,868	\$ 3,300,496	\$ 2,404,895	\$ 1,369,558	\$ 256,252	\$ 22,632,069
Less: allowance for uncollectible accounts	(1,300,772)	(232,143)	(262,531)	(125,931)	(36,053)	(1,957,430)
Utilities receivable, net of allowance	<u>\$ 14,000,096</u>	<u>\$ 3,068,353</u>	<u>\$ 2,142,364</u>	<u>\$ 1,243,627</u>	<u>\$ 220,199</u>	<u>\$ 20,674,639</u>
Other Receivables-Business-Type Activities						761,254
Total Accounts Receivable-Business-Type Activities						<u>\$ 21,435,893</u>

Governmental Activities:

	Fines Receivable	Other Taxes Receivable	Miscellaneous Receivables	Total
Other receivables	\$ 5,779,561	\$ 388,277	\$ 554,470	\$ 6,722,308
Less: allowance for uncollectible accounts	(5,066,938)	-	-	(5,066,938)
Other receivables, net of allowance	<u>\$ 712,623</u>	<u>\$ 388,277</u>	<u>\$ 554,470</u>	<u>\$ 1,655,370</u>

3.C. RESTRICTED ASSETS

The amounts reported as restricted assets of the business-type activities are comprised of assets held by the trustee bank on behalf of the EPWA related to their required revenue note and bond accounts, deposits held for refund and EEDA restricted accounts related to revolving loan program income. Governmental activity restricted assets are comprised of assets held by a trustee bank on behalf of the City related to required revenue bond accounts.

	Current		Noncurrent		Total
	Cash and cash equivalents	Investments	Cash and cash equivalents	Investments	
Primary Government					
Governmental Activities:					
Revenue bond trustee accounts	\$ 9,355,736	\$ 1,174,224	\$ 3,857,016	\$ 4,070,160	\$ 18,457,136
Worker' compensation escrow	148,498	1,796,488	-	-	1,944,986
Total Governmental Activities	<u>\$ 9,504,234</u>	<u>\$ 2,970,712</u>	<u>\$ 3,857,016</u>	<u>\$ 4,070,160</u>	<u>\$ 20,402,122</u>
Business-type Activities:					
Revenue bond trustee accounts	\$ 8,486,725	\$ 1,502,691	\$ 14,793,115	1,191,761	\$ 25,974,292
Deposits held for refund	-	4,848,774	-	-	4,848,774
Deposits held for construction	24,370,994	62,534,781	-	22,726,634	109,632,409
Total Business-type Activities	<u>\$ 32,857,719</u>	<u>\$ 68,886,246</u>	<u>\$ 14,793,115</u>	<u>\$ 23,918,395</u>	<u>\$ 140,455,475</u>

Component Unit:

The Edmond Economic Development Authority (EEDA) restricted assets at year-end included the following:

	Current
Cash and cash equivalents, program income	\$ 41,546
Total	<u>\$ 41,546</u>

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3.D. CAPITAL ASSETS

Capital asset activity for the fiscal year ended June 30, 2019 was as follows:

	Balance at July 1, 2018	Additions	Deductions	Balance at June 30, 2019
Governmental activities :				
Non-depreciable:				
Land	\$ 17,712,882	\$ 30,071	\$ -	\$ 17,742,953
Construction-in-progress	26,140,087	20,248,001	(13,793,080)	32,595,008
Total non-depreciable assets at historical cost	<u>43,852,969</u>	<u>20,278,072</u>	<u>(13,793,080)</u>	<u>50,337,961</u>
Depreciable:				
Buildings	110,570,137	1,302,292	-	111,872,429
Improvements	48,532,532	2,566,008	-	51,098,540
Machinery and equipment	56,165,538	5,131,527	(1,534,814)	59,762,251
Infrastructure	335,143,186	13,658,199	-	348,801,385
Total depreciable assets at historical cost	<u>550,411,393</u>	<u>22,658,026</u>	<u>(1,534,814)</u>	<u>571,534,605</u>
Less accumulated depreciation				
Buildings	(26,949,002)	(3,272,674)	-	(30,221,676)
Improvements	(26,702,998)	(2,755,573)	-	(29,458,571)
Machinery and equipment	(32,488,826)	(3,014,383)	1,257,903	(34,245,306)
Infrastructure	(180,133,117)	(10,313,112)	-	(190,446,229)
Total accumulated depreciation	<u>(266,273,943)</u>	<u>(19,355,742)</u>	<u>1,257,903</u>	<u>(284,371,782)</u>
Net depreciable assets	<u>284,137,450</u>	<u>3,302,284</u>	<u>(276,911)</u>	<u>287,162,823</u>
Governmental activities capital assets, net	<u>\$ 327,990,419</u>	<u>\$ 23,580,356</u>	<u>\$ (14,069,991)</u>	<u>\$ 337,500,784</u>
Business-type activities				
Non-depreciable:				
Land	\$ 2,571,192	\$ -	\$ -	\$ 2,571,192
Construction-in-progress	80,183,554	92,893,860	(8,082,854)	164,994,560
Total non-depreciable assets at historical cost	<u>82,754,746</u>	<u>92,893,860</u>	<u>(8,082,854)</u>	<u>167,565,752</u>
Depreciable:				
Buildings	30,889,568	-	-	30,889,568
Improvements	16,087,047	-	-	16,087,047
Machinery and equipment	10,392,377	246,348	-	10,638,725
Intangible water rights	30,954,585	-	-	30,954,585
Utility property	333,477,032	15,763,911	-	349,240,943
Totals depreciable assets at historical cost	<u>421,800,609</u>	<u>16,010,259</u>	<u>-</u>	<u>437,810,868</u>
Less accumulated depreciation				
Buildings	(11,360,385)	(950,329)	-	(12,310,714)
Improvements	(6,438,831)	(153,867)	-	(6,592,698)
Machinery and equipment	(6,203,224)	(506,623)	-	(6,709,847)
Intangible water rights	(18,049,182)	(644,232)	-	(18,693,414)
Utility property	(169,658,012)	(12,010,077)	-	(181,668,089)
Total accumulated depreciation	<u>(211,709,634)</u>	<u>(14,265,128)</u>	<u>-</u>	<u>(225,974,762)</u>
Net depreciable assets	<u>210,090,975</u>	<u>1,745,131</u>	<u>-</u>	<u>211,836,106</u>
Business-type capital assets, net	<u>\$ 292,845,721</u>	<u>\$ 94,638,991</u>	<u>\$ (8,082,854)</u>	<u>\$ 379,401,858</u>

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	Balance at July 1, 2018	Additions	Deductions	Balance at June 30, 2019
Component Units:				
Historical Preservation Trust:				
Non-depreciable:				
Land	\$ 100,450	\$ -	\$ -	\$ 100,450
Capital assets, non-depreciable	100,450	-	-	100,450
Depreciable:				
Buildings	340,611		-	340,611
Totals at historical cost	340,611	-	-	340,611
Less accumulated depreciation:				
Machinery and equipment	(263,724)	(30,509)	-	(294,233)
Totals accumulated depreciation	(263,724)	(30,509)	-	(294,233)
Capital assets, depreciable net	76,887	(30,509)	-	46,378
Capital assets, net	\$ 177,337	\$ (30,509)	-	\$ 146,828
Edmond Economic Development Authority:				
Depreciable:				
Machinery and equipment	\$ 49,519	\$ 500	\$ -	\$ 50,019
Totals at historical cost	49,519	500	-	50,019
Less accumulated depreciation:				
Machinery and equipment	(35,260)	(2,370)	-	(37,630)
Total accumulated depreciation	(35,260)	(2,370)	-	(37,630)
Capital assets, net	\$ 14,259	\$ (1,870)	\$ -	\$ 12,389

Depreciation expense was charged to functions in the statement of activities as follows:

Depreciation expense charged to governmental activities:

General government	\$ 1,033,360
Public safety	2,207,756
Streets and highways	11,203,952
Culture and recreation	2,304,538
Health and welfare	231,053
In addition, depreciation on capital assets held by the City's internal service funds is charged to the various functions based on their usage of the assets	2,375,083
Total governmental activities depreciation expense	\$ 19,355,742

Depreciation expense charged to business-type activities:

Electric	\$ 3,343,767
Water	7,790,557
Sanitation	19,018
Wastewater	2,761,257
Arcadia Lake	202,045
Drainage	66,374
Golf Course	82,110
Total business-type activities depreciation expense	\$ 14,265,128

3.E. LONG-TERM DEBT

The reporting entity's long-term debt is segregated by the amounts involving governmental activities, business-type activities and component units.

Governmental Activities Long-Term Debt

As of June 30, 2019, the governmental activities long-term debt consisted of the following:

Accrued Compensated Absences:

Accrued compensated absences reported in the governmental activities are comprised of accrued vacation leave.

Current portion	\$ 432,208
Non-current portion	<u>3,889,842</u>
Total Accrued Compensated Absences	<u>\$ 4,322,050</u>

Revenue Bonds Payable (private placement):

2010 Series Sales Tax and Utility System Bonds, dated December 30, 2010, issued by the Edmond Public Works Authority, secured by utility revenues and pledged sales tax, interest rates at 2.84%, final maturity July 1, 2021. The bond's debt service is currently paid with the restricted sales tax. In the event of default, the lender may: 1) file suit for specific performance of covenants contained in the indenture; 2) accelerate maturity; 3) gain control of operations through temporary trustees; or 4) file suit to enforce or enjoin action or inaction of parties under provisions of the indenture, security agreement or the lease agreement.	\$ 2,990,000
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Revenue Bonds Payable:

2012 Refunding Series Sales Tax and Utility System Bonds, dated August 16, 2012, issued by the Edmond Public Works Authority, secured by utility revenues and pledged sales tax, interest rates at 2.06%, final maturity July 1, 2023. The bond's debt service is currently paid with the restricted sales tax.	5,620,000
2013 Series Sales Tax and Utility System Bonds, dated May 14, 2013, issued by the Edmond Public Works Authority, secured by utility revenues and pledged sales tax, interest rates at 1.68%, final maturity July 1, 2023. The bond's debt service is currently paid with the restricted sales tax.	5,905,000
2014 Refunding Series Sales Tax and Utility System Bonds, dated April 3, 2014, issued by the Edmond Public Works Authority, secured by utility revenues and pledged sales tax, interest rates at 2.47%, final maturity July 1, 2024. The bond's debt service is currently paid with the restricted sales tax.	7,260,914
2014B Refunding Series Sales Tax and Utility System Bonds, dated December 9, 2014 issued by the Edmond Public Works Authority, secured by utility revenues and pledged sales tax, interest rate at 2.25%, final maturity July 1, 2026. The bond's debt service is currently paid with restricted sales tax.	<u>13,825,000</u>
Total Revenue Bonds Payable	\$35,600,914
Add: Unamortized Bond Premium	2,422,983
Less: Deferred amount on Refunding	<u>(726,821)</u>
Total Revenue Bonds Payable (Net)	<u>\$ 37,297,076</u>

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Current portion, net	\$ 7,194,765
Non-current portion, net	30,829,132
Deferred Outflow	<u>(726,821)</u>
Total Revenues Bonds Payable, net	<u>\$ 37,297,076</u>

Business-type Activities Long-Term Debt

As of June 30, 2019, the long-term debt payable from enterprise fund resources consisted of the following:

Revenue Bonds Payable:

2014 Refunding Series Sales Tax and Utility System Bonds, dated April 3, 2014, issued by the Edmond Public Works Authority, secured by utility revenues and pledged sales tax, interest rates at 2.47%, final maturity July 1, 2024.	\$6,277,449
2015 Refunding Series Sales Tax and Utility System Bonds, dated April 2, 2015, issued by the Edmond Public Works Authority, secured by utility revenues and pledged sales tax, interest rates at 1.87%, final maturity July 1, 2023.	11,040,000
2016 Series Sales Tax and Utility System Bonds, dated July 5, 2016, issued by the Edmond Public Works Authority, secured by utility revenues and pledged sales tax, interest rates at 3.00% to 5.00%, final maturity July 1, 2046.	40,350,000
2017 Series Sales Tax and Utility System Bonds, dated October 19, 2017, issued by the Edmond Public Works Authority, secured by utility revenues and pledged sales tax, interest rates at 3.00% to 5.00%, final maturity July 1, 2047.	<u>164,890,000</u>
Total Revenues Bonds Payable	\$222,557,449
Plus: Unamortized Premium	20,036,665
Deferred amount on refunding	<u>(381,182)</u>
Total Revenues Bonds Payable (Net of unamortized discount)	<u>\$ 242,212,932</u>
Current portion, net	\$ 6,570,234
Non-current portion, net	236,023,880
Deferred Outflow	<u>(381,182)</u>
Total Revenues Bonds Payable, net	<u>\$ 242,212,932</u>

Notes Payable (Direct borrowings):

2005 C Series Construction Drinking Water SRF Promissory Note to Oklahoma Water Resources Board, original issue amount of \$3,726,484, secured by utility revenues and pledged sales tax, administrative fee of .5%, final maturity September 15, 2024. In the event of default, the lender may: 1) file suit for specific performance of covenants contained in the indenture; 2) accelerate maturity; 3) gain control of operations through temporary trustees; or 4) file suit to enforce or enjoin action or inaction of parties under provisions of the agreement. (direct borrowing)	\$1,051,060
2013 Refunding General Sales Tax Revenue Note to Bank of America, original issue amount of \$16,085,000 secured by utility revenues and pledged sales tax, interest rate of 2.86%, final maturity of July 1, 2026. In the event of default, the lender may: 1) file suit for specific performance of covenants contained in the indenture; 2) accelerate maturity; 3) gain control of operations through temporary trustees; or 4) file suit to enforce or enjoin action or inaction of parties under provisions of the indenture, security agreement or lease agreement. (private placement)	9,915,000

<p>2018 Series Construction Drinking Water SRF Promissory Note to Oklahoma Water Resources Board, original issue amount of \$19,000,000, secured by utility revenues and pledged sales tax, administrative fee of .5%, interest rate of 2.36%, final maturity September 15, 2040. In the event of default, the lender may: 1) file suit for specific performance of covenants contained in the indenture; 2) accelerate maturity; 3) gain control of operations through temporary trustees; or 4) file suit to enforce or enjoin action or inaction of parties under provisions of the indenture, security agreement or lease agreement. (direct borrowing)</p>	<p style="border-top: 1px solid black;">3,322,066</p>
	<u>\$ 14,288,126</u>
Current portion	\$ 1,411,102
Non-current portion	<u>12,877,024</u>
Total Note Payable	<u>\$ 14,288,126</u>

Capital Lease Obligations Payable:

<p>Capital lease with Oklahoma Municipal Power Authority related to Loop Lease Program (Latham), original lease amount of \$17,446, payable in monthly installments of \$215, interest at 1%, final maturity July 2021.</p>	<p><u>\$ 5,044</u></p>
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Current portion	\$ 2,542
Non-current portion	<u>2,502</u>
Total Note Payable	<u>\$ 5,044</u>

Accrued Compensated Absences:

Accrued compensated absences reported in the business-type activities are comprised of accrued vacation leave:

Current portion	\$ 83,187
Non-current portion	<u>748,680</u>
Total Accrued Compensated Absences	<u>\$831,867</u>

Component Unit Long-Term Debt

Accrued Compensated Absences:

Accrued compensated absences reported as a fund liability within the EEDA component unit statement of net position at June 30, 2019, are as follows:

Current portion	\$3,775
Non-current portion	<u>33,978</u>
Total Accrued Compensated Absences	<u>\$37,753</u>

Changes in Long-Term Debt - Primary Government

The following is a summary of changes in long-term debt for the year ended June 30, 2019:

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	Balance July 1, 2018	Additions	Deductions	Balance June 30, 2019	Amount due in one year
Governmental Activities :					
Revenue Bonds Payable	\$ 38,137,550	\$ -	\$ 5,526,637	\$ 32,610,913	\$ 5,719,765
Revenue Bonds Payable (private placement)	4,420,000	-	1,430,000	2,990,000	1,475,000
Accrued Compensated Absences	4,122,061	3,172,459	2,972,470	4,322,050	432,208
	<u>\$ 46,679,611</u>	<u>\$ 3,172,459</u>	<u>\$ 9,929,107</u>	<u>\$ 39,922,963</u>	<u>\$ 7,626,973</u>
Business-type Activities :					
Note Payable (direct borrowings)	\$ 12,347,161	\$ 3,372,587	\$ 1,431,622	\$ 14,288,126	\$ 1,411,102
Capital Lease Obligations Payable	7,626	-	2,582	5,044	2,542
Revenue Bonds Payable	227,866,052	-	5,308,603	222,557,449	6,570,234
Accrued Compensated Absences	757,957	610,603	536,693	831,867	83,187
	<u>\$ 240,978,796</u>	<u>\$ 3,983,190</u>	<u>\$ 7,279,500</u>	<u>\$ 237,682,486</u>	<u>\$ 8,067,065</u>

Accrued compensated absences liability is liquidated by the General Fund, Police Public Safety Limited Tax Fund, and the Fire Public Safety Limited Tax Fund.

Debt Service Requirements to Maturity - Primary Government

The annual debt service requirements to maturity for long-term debt as of June 30, 2019 are as follows:

Governmental-Type Activities						
Year Ending June 30,	Revenue Bonds Payable		Revenue Bonds Payable (private placement)			
	Principal	Interest	Principal	Interest		
2020	\$ 5,719,765	\$ 1,164,900	\$ 1,475,000	\$ 84,916		
2021	5,940,266	951,612	1,515,000	43,026		
2022	6,115,246	774,476	-	-		
2023	6,310,486	579,291	-	-		
2024	3,460,726	352,772	-	-		
2025-2029	5,064,424	309,500	-	-		
Total	<u>\$ 32,610,913</u>	<u>\$ 4,132,551</u>	<u>\$ 2,990,000</u>	<u>\$ 127,942</u>		
Business-Type Activities						
Year Ending June 30,	Notes Payable (direct borrowings)		Revenue Bonds Payable		Capital Lease Obligations Payable	
	Principal	Interest	Principal	Interest	Principal	Interest
2020	\$ 1,411,102	\$ 280,019	\$ 6,570,234	\$ 9,256,025	\$ 2,542	\$ 38
2021	1,926,102	243,859	6,839,734	8,999,438	2,502	12
2022	2,441,102	206,568	7,089,754	8,735,774	-	-
2023	2,481,102	168,133	7,374,514	8,457,734	-	-
2024	2,521,102	168,133	9,949,274	8,149,953	-	-
2025-2029	8,260,551	2,078,034	25,245,000	36,470,625	-	-
2030-2034	4,750,000	1,256,613	31,330,000	30,235,325	-	-
2035-2039	4,750,000	577,363	38,070,000	23,422,288	-	-
2040-2044	1,425,000	40,755	46,870,000	14,362,137	-	-
2045-2049	-	-	43,218,939	3,654,125	-	-
less amount not drawn	(15,677,935)	-	-	-	-	-
Total	<u>\$ 14,288,126</u>	<u>\$ 5,019,477</u>	<u>\$ 222,557,449</u>	<u>\$ 151,743,424</u>	<u>\$ 5,044</u>	<u>\$ 50</u>

Defeased Bonds Outstanding

The City, through its various public trusts, has in substance defeased a number of outstanding bond issues by placing deposits in irrevocable trusts (escrow accounts) for the purchase of U.S. government securities to pay the principal and interest on the refunded bonds as they become due and payable. For financial reporting purposes, both the defeased bonds outstanding and the escrowed securities have been excluded from the financial statements. At year-end, the remaining outstanding defeased bonds were as follows:

	<u>Outstanding at June 30, 2019</u>
Primary Government:	
Utility System Revenue Bonds, Series 2003B	\$705,000
Utility System Revenue Bonds, Series 2004	5,020,000
Sales Tax and Utility Revenue Bonds, Series 2004	6,815,000
Sales Tax and Utility Revenue Bonds, Series 2005	13,938,000
Utility System Revenue Bonds, Series 2005	<u>12,545,000</u>
Total Outstanding Defeased Bonds	<u>\$39,023,000</u>

Component Unit - Conduit Debt

The Edmond Economic Development Authority (EEDA) has issued bonds for various industrial development projects. The following bonds were outstanding at June 30, 2019:

	<u>Original Issue</u>	<u>Outstanding June 30, 2019</u>
EEDA - Student Housing Revenue Bonds 2001A (UCO Student Housing Foundation)	\$8,305,000	\$5,600,000
EEDA - Revenue Note 2000 (UCO Music Lab Project) (UCO Foundation)	<u>1,135,000</u>	<u>426,760</u>
	<u>\$9,440,000</u>	<u>\$6,026,760</u>

The bonds and notes payable comprising the Authority's indebtedness are not indebtedness of the State of Oklahoma, nor of the City of Edmond, nor is it a personal obligation of the Edmond Economic Development Authority trustees. These bonds are a limited obligation of the Authority payable solely from a portion of the Trust Estate consisting of the Authority bond and related Financing Agreement and other security outlined in the Mortgage or Loan Indentures.

This debt is considered non-commitment (conduit) debt to the City and Authority since the debt payments are made solely from the notes receivable or financing agreement proceeds from Collegiate Foundation and UCO. Payments are made directly by the Collegiate Foundation and UCO to trustee banks who pay the bondholders. In the event of default by the Collegiate Foundation and UCO, the City or Authority has no obligation, in substance, to make any payments on the debt since the notes receivable, financing agreements and mortgages on the property with the industrial occupant are the only security for the debt.

As a result of the non-commitment determination, the Authority's indebtedness and related receivables from industrial occupants are not recorded in the financial statements.

3.F. INTERFUND BALANCES AND ACTIVITIES

Internal Balances:

Due To	Due From						Total Due To
	General Fund	Electric Fund	Water Fund	Wastewater Fund	Other Enterprise Funds	Internal Service Fund	
General Fund	\$ -	\$ -	\$ -	\$ -	\$ 824	\$ -	\$ 824
Nonmajor Governmental Fund	92,826	-	-	-	-	-	92,826
Other Enterprise Fund	85,564	309,229	92,483	58,494	38,204	-	583,974
Total Due From	<u>\$ 178,390</u>	<u>\$ 309,229</u>	<u>\$ 92,483</u>	<u>\$ 58,494</u>	<u>\$ 39,028</u>	<u>\$ -</u>	<u>\$ 677,624</u>

Receivable Fund	Payable Fund	Amount	Nature of Interfund Balance
General Fund	CDBG Fund	\$ 91,826	Negative pooled cash
General Fund	Hospital Sale Trust	1,000	Negative pooled cash
General Fund	Arcadia Lake	85,564	Negative pooled cash
Electric Fund	Drainage Fund	309,229	Posting correction
Water Fund	Drainage Fund	92,483	Posting correction
Wastewater Fund	Drainage Fund	58,494	Posting correction
Santiation Fund	Drainage Fund	29,848	Posting correction
Arcadia Lake	Geneal Fund	824	Posting correction
Arcadia Lake	Golf	8,356	Posting correction
		<u>\$ 677,624</u>	

Reconciliation to Fund Financial Statements:

	Due From	Due to	Net Interfund Balances
Governmental Funds	\$ 178,390	\$ 93,650	\$ 84,740
Proprietary Funds	499,234	583,974	(84,740)
	<u>\$ 677,624</u>	<u>\$ 677,624</u>	<u>\$ -</u>

Reconciliation to Government-wide Financial Statements:

Net Interfund Balance	(84,740)
Internal Service Fund Allocation	9,329,920
	<u>\$ 9,245,180</u>

Interfund transfers for the year ended June 30, 2019 were as follows:

Transfers Out	Transfers In							Total Transfer Out
	General Fund	Fire Public Safety Limited Tax Fund	Police Public Safety Limited Tax Fund	Nonmajor Governmental Funds	Electric Fund	Water Fund	Other Enterprise Funds	
General Fund	\$ -	\$ 17,621,195	\$ 21,615,330	\$ 404,570	\$ 50,000	\$ 13,614,284	\$ 1,036,101	\$ 54,341,480
2000 Capital Improvement Fund	-	-	-	-	-	-	-	-
Nonmajor Governmental Fund	-	1,500,000	-	83,493	233,868	-	178,334	1,995,695
Electric Fund	3,914,614	-	-	-	-	-	-	3,914,614
Water Fund	13,648,741	-	-	-	-	-	-	13,648,741
Wastewater Fund	-	-	-	-	57	-	-	57
Other Enterprise Fund	361,832	-	-	-	17	-	-	361,849
Total Transfer In	<u>\$ 17,925,187</u>	<u>\$ 19,121,195</u>	<u>\$ 21,615,330</u>	<u>\$ 488,063</u>	<u>\$ 283,942</u>	<u>\$ 13,614,284</u>	<u>\$ 1,214,435</u>	<u>\$ 74,262,436</u>

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<u>Transfer from</u>	<u>Transfer to</u>	<u>Amount</u>	<u>Nature of Interfund Balance</u>
PWA Electric	General Fund	\$ 3,914,614	Budgeted annual transfer
PWA Water	General Fund	34,457	Budgeted annual transfer
PWA Water	General Fund	13,614,284	Return of pledged sales tax
PWA Sanitation	General Fund	361,832	Budgeted annual transfer
General Fund	Art in Public Places	104,570	Funding for public art
General Fund	Capital Improvement Fund	300,000	Budgeted annual transfer
General Fund	Fire Public Safety Limited Tax	17,621,195	Dedicated sales tax- ordinance
General Fund	Police Public Safety Limited Tax	21,615,330	Dedicated sales tax- ordinance
General Fund	PWA Arcadia Lake	244,435	Budgeted annual transfer
General Fund	Citilink Fund	650,000	Budgeted annual transfer
General Fund	PWA Water	13,614,284	Pledged sales tax- bond indenture
General Fund	PWA Electric	50,000	Budgeted annual transfer
General Fund	PWA Electric	141,666	Economic development transfer
Convention and Visitors Bureau	PWA Electric	92,202	Economic development transfer
PWA Wastewater	PWA Electric	57	Budgeted annual transfer
PWA Sanitation	PWA Electric	17	Budgeted annual transfer
2017 Capital Improvement Fund	Fire Public Safety Limited Tax	1,500,000	Budgeted annual transfer
Park Sales Tax	Arcadia Lake	160,000	Capital funding
Park Sales Tax	Golf Fund	160,000	Capital funding
2017 Capital Improvement Fund	2012 Public Safety Center Tax Fund	83,493	Closing of fund
		<u>\$ 74,262,436</u>	

Reconciliation to Fund Financial Statements:

	<u>Transfer In</u>	<u>Transfer Out</u>	<u>Net Interfund Balances</u>
Governmental Funds	\$ 59,149,775	\$ 56,337,175	\$ 2,812,600
Proprietary Funds	15,112,661	17,925,261	(2,812,600)
	<u>\$ 74,262,436</u>	<u>\$ 74,262,436</u>	<u>\$ -</u>

Transfers between the primary government and component units for the year ended June 30, 2019 were as follows:

<u>Transfer From</u>	<u>Transfer To</u>	<u>Amount</u>	<u>Nature of Transfer</u>
General Fund	EEDA	\$ 600,178	Operating subsidy

3.G. FUND BALANCES AND NET POSITION

The following table shows the net position restricted for other purposes shown on the Statement of Net Position:

Fund	Restricted By	Amount
Hospital Trust	Enabling legislation	\$ 7,515,060
Ambulatory Fund	Enabling legislation	726,386
		<u>\$ 8,241,446</u>
Asset Forfeiture	Statutory requirements	\$ 774,242
Cemetery Care Fund	Statutory requirements	131,508
Cemetery Perpetual Care Fund	Statutory requirements	62,418
Workers' comp escrow	Statutory requirements	1,939,322
		<u>\$ 2,907,490</u>
General Fund	External contracts	\$ 3,467,816
Fire Public Safety Limited Tax Fund	External contracts	11,533,794
Police Public Safety Limited Tax Fund	External contracts	4,701,691
2000 Capital Improvement Tax Fund	External contracts	12,907,678
2017 Capital Improvement Fund	External contracts	9,465,470
Senior Center Fund	External contracts	203,979
Park Sales Tax Fund	External contracts	1,106,997
Art in Public Places Fund	External contracts	21,876
Roadway Improvement Fund	External contracts	10,198
1996 Capital Improvement Fund	External contracts	11,173
Convention and Visitors Bureau Fund	External contracts	250,221
		<u>\$ 43,680,893</u>

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

Fund Balance	Major Governmental Funds					Total
	General Fund	Fire Public Safety Tax	Police Public Safety Tax	2000 Capital Improvement Tax	Other Governmental Fund	
Restricted For:						
Police operations	\$ -	\$ -	\$ 4,701,691	\$ -	\$ -	\$ 4,701,691
Fire operations	-	11,533,794	-	-	-	11,533,794
Hospital sale trust	-	-	-	-	7,515,060	7,515,060
Ambulance services	-	-	-	-	726,386	726,386
Economic development	-	-	-	-	250,221	250,221
Capital improvements	-	-	-	12,907,678	9,476,643	22,384,321
Street improvements	-	-	-	-	10,198	10,198
Art in public places	-	-	-	-	21,876	21,876
Culture and rec programs	-	-	-	-	1,106,997	1,106,997
Cemetery improvements	-	-	-	-	193,926	193,926
Senior center programs	-	-	-	-	203,979	203,979
Police-drug programs	-	-	-	-	774,242	774,242
Juvenile court programs	659,186	-	-	-	-	659,186
Street and alley operations	2,178,044	-	-	-	-	2,178,044
Transportation	1,190	-	-	-	-	1,190
Roadway widening	629,396	-	-	-	-	629,396
Sub-total restricted	3,467,816	11,533,794	4,701,691	12,907,678	20,279,528	52,890,507
Committed for:						
Senior center programs	-	-	-	-	61,059	61,059
Sub-total committed	-	-	-	-	61,059	61,059
Assigned for:						
Capital improvements	-	-	-	4,486,282	1,351,152	5,837,434
Culture and rec programs	205,010	-	-	-	459,908	664,918
Cemetery improvements	-	-	-	-	10,101	10,101
Art in public places	-	-	-	-	10,002	10,002
Street improvements	-	-	-	-	1,311	1,311
Police operations	-	-	1,462,838	-	-	1,462,838
Fire operations	-	1,062,296	-	-	-	1,062,296
Economic development	807,780	-	-	-	26,225	834,005
Police-drug programs	-	-	-	-	62,766	62,766
Senior center programs	-	-	-	-	22,258	22,258
Ambulance services	-	-	-	-	39,343	39,343
Supplement of next fiscal years budget	3,056,346	-	-	-	-	3,056,346
Sub-total assigned	4,069,136	1,062,296	1,462,838	4,486,282	1,983,066	13,063,618
Unassigned (deficit):	7,900,989	-	-	-	(86,168)	7,814,821
TOTAL FUND BALANCE	\$ 15,437,941	\$ 12,596,090	\$ 6,164,529	\$ 17,393,960	\$ 22,237,485	\$ 73,830,005

NOTE 4. OTHER NOTES

4.A. EMPLOYEE PENSION AND OTHER BENEFIT PLANS

The City participates in three employee pension systems as follows:

<u>Name of Plan/System</u>	<u>Type of Plan</u>
Oklahoma Police Pension and Retirement Fund	Cost Sharing Multiple Employer - Defined Benefit Plan

Oklahoma Firefighters Pension and Retirement Fund Cost Sharing Multiple Employer - Defined Benefit Plan

City of Edmond Employees' Retirement System Single Employer - Defined Benefit Plan

The aggregate net pension liability (asset), deferred inflows, deferred outflows and pension expense for the plans at June 30, 2019:

	Deferred Outflow		Deferred Inflow		Net Pension Asset		Net Pension Liability
Police Pension	\$ 3,185,260	\$	1,610,417	\$	1,677,156	\$	-
Fire Pension	12,156,266		3,586,811		-		42,792,838
Single Employer Plan	7,922,221		523,396		-		19,833,265
Totals	\$ 23,263,747	\$	5,720,624	\$	1,677,156	\$	62,626,103
Reconciliation to government-wide financials;							
Governmental	\$ 20,699,715	\$	5,583,416	\$	1,677,156	\$	56,456,164
Business-type	2,456,133		114,845		-		5,954,188
Component unit	107,900		22,363		-		215,751
	\$ 23,263,748	\$	5,720,624	\$	1,677,156	\$	62,626,103

Oklahoma Police and Firefighter's Pension and Retirement Systems

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

Oklahoma Police Pension and Retirement System

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

Benefits provided - OPPRS provides retirement, disability, and death benefits to members of the plan. The normal retirement date under the Plan is the date upon which the participant completes 20 years of credited service, regardless of age. Participants become vested upon completing 10 years of credited service as a contributing participant of the Plan. No vesting occurs prior to completing 10 years of credited service. Participants' contributions are refundable, without interest, upon termination prior to normal retirement. Participants who have completed 10 years of credited service may elect a vested benefit in lieu of having their accumulated contributions refunded. If the vested benefit is elected, the participant is entitled to a monthly retirement benefit commencing on the date the participant reaches 50 years of age or the date the participant would have had 20 years of credited service had employment continued uninterrupted, whichever is later. Monthly retirement benefits are calculated at 2.5% of the final average salary (defined as the average paid base salary of the officer over the highest 30 consecutive months of the last 60 months of credited service) multiplied by the years of credited service, with a maximum of 30 years of credited service considered.

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

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

Contributions - The contributions requirements of the Plan are at an established rate determine by Oklahoma Statute and are not based on actuarial calculations. Employees are required to contribute 8% percent of their annual pay. Participating cities are required to contribute 13% of the employees' annual pay. Contributions to the pension plan from the City were \$1,469,019. The State of Oklahoma also made on-behalf contributions to OPPRS in the amount of \$1,423,303 during the calendar year and this is reported as both expense and revenue in the General Fund Statement of Revenues, Expenditures, and Changes in Fund Balance. In the government-wide Statement of Activities, revenue is recognized for the state's on-behalf contributions on an accrual basis of \$1,374,117. These on-behalf payments did not meet the criteria of a special funding situation.

Pension Net Liability (Asset), Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions - At June 30, 2019, the City reported an asset of \$1,677,156 for its proportionate share of the net pension asset. The net pension asset was measured as of June 30, 2018, and the total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of July 1, 2018. The City's proportion of the net pension asset was based on the City's contributions received by the pension plan relative to the total contributions received by pension plan for all participating employers as of June 30, 2018. Based upon this information, the City's proportion was 3.5208%.

For the year ended June 30, 2019, the City recognized pension expense of \$1,220,783. At June 30, 2019, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflow: of Resources
Difference between expected and actual experience	\$ 9,905	\$ 1,571,497
Changes of assumptions	732,476	-
Net difference between projected and actual earnings on pension plan investments	873,359	-
Changes in proportion	100,501	1,139
City contributions during measurement date	-	37,781
City contributions subsequent to the measure date	1,469,019	-
Total	\$ 3,185,260	\$ 1,610,417

In the year ending June 30, 2020, \$1,469,019 reported as deferred outflows of resources related to pensions resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability (asset) in the subsequent year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:		
2020	\$	912,585
2021		374,929
2022		(919,266)
2023		(305,846)
2024		43,422
	\$	105,824

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

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

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

The long-term expected rate of return on pension plan investments was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense, and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of June 30, 2018, are summarized in the following table:

Asset Class	Long-Term Expected Real Rate of Return
Fixed income	4.53%
Domestic equity	5.86%
International equity	8.83%
Real estate	6.58%
Private equity	9.21%
Commodities	5.06%

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

Discount Rate-The discount rate used to measure the total pension liability was 7.5%. The projection of cash flows

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

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

	1% Decrease (6.5%)	Current Discount Rate (7.5%)	1% Increase (8.5%)
Police Pension net pension liability (asset)	\$ 7,779,808	\$ (1,677,156)	\$ (9,671,947)

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

Oklahoma Firefighter's Pension and Retirement System

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

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

Normal Retirement:

- **Hired Prior to November 1, 2013**
Normal retirement is attained upon completing 20 years of service. The normal retirement benefit is equal to 50% of the member's final average compensation. Final average compensation is defined as the monthly average of the highest 30 consecutive months of the last 60 months of participating service. For volunteer firefighters, the monthly pension benefit for normal retirement is \$150.60 per month.

- **Hired After November 1, 2013**
Normal retirement is attained upon completing 22 years of service. The normal retirement benefit is equal to 55% of the member's final average compensation. Final average compensation is defined as the monthly average of the highest 30 consecutive months of the last 60 months of participating service. Also participants must be age 50 to begin receiving benefits. For volunteer firefighters, the monthly pension benefit for normal retirement is \$165.66 per month.

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

on the most recent 60-month salary as opposed to 30 months. For volunteer firefighters, the not-in-the-line-of-duty disability is also limited to only those with less than 20 years of service and is \$7.53 per year of service. For volunteer firefighters, the in-the-line-of-duty pension is \$150.60 with less than 20 years of service or \$7.53 per year of service, with a maximum of 30 years.

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

Contributions - The contributions requirements of the Plan are at an established rate determined by Oklahoma Statute and are not based on actuarial calculations. Employees are required to contribute 9% percent of their annual pay. Participating cities are required to contribute 14% of the employees' annual pay. Contributions to the pension plan from the City were \$1,717,405. The State of Oklahoma also made on-behalf contributions to FPRS in the amount of \$4,028,607 during the calendar year and this is reported as both expense and revenue in the General Fund Statement of Revenues, Expenditures, and Changes in Fund Balance. In the government-wide Statement of Activities, revenue is recognized for the state's on-behalf contributions on an accrual basis of \$3,814,294. These on-behalf payments did not meet the criteria of a special funding situation.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions - At June 30, 2019, the City reported a liability of \$42,792,838 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2018. The City's proportion of the net pension liability was based on the City's contributions received by the pension plan relative to the total contributions received by pension plan for all participating employers as of June 30, 2018. Based upon this information, the City's proportion was 3.8016%.

For the year ended June 30, 2019, the City recognized pension expense of \$473,978. At June 30, 2019, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes of assumptions	\$ 8,938,219	\$ -
Net difference between projected and actual earnings on pension plan investments	-	3,555,739
Changes in proportion	1,500,642	-
City contributions during measurement date	-	31,072
City contributions subsequent to the measure date	1,717,405	-
Total	\$ 12,156,266	\$ 3,586,811

In the year ending June 30, 2020, \$1,717,405 reported as deferred outflows of resources related to pensions resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the subsequent year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:

	2020	\$	2,352,220
	2021		1,885,328
	2022		631,146
	2023		1,305,755
	2024		677,600
		<u>\$</u>	<u>6,852,049</u>

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

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

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

The actuarial assumptions used in the July 1, 2018, valuation were based on the results of an actuarial experience study for the period July 1, 2007, to June 30, 2012.

The long-term expected rate of return on pension plan investments was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense, and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of June 30, 2018, are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Fixed income	20%	4.37%
Domestic equity	47%	7.01%
International equity	15%	8.83%
Real estate	10%	6.58%
Other assets	8%	5.70%

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

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

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	1% Decrease (6.5%)	Current Discount Rate (7.5%)	1% Increase (8.5%)
Fire Pension net pension liability	\$ 56,050,143	\$ 42,792,838	\$ 31,658,753

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

Edmond Employees Retirement System - Single-Employer, Defined Benefit Pension Plan

Plan Description, Contribution Information, and Funding Policies

The City contributes to the City of Edmond Employees' Retirement System (the "System"), which is a single employer defined benefit pension plan administered by the City of Edmond Administrative Committee. All non-union full-time City employees are eligible to participate in the System. The City's retirement ordinance requires that actuarial valuations be performed in each even-numbered year to determine if the City's fixed contribution rate is adequate to fund the actuarially determined contribution requirement. The System does not issue separate annual financial statements.

The System and the City have a June 30th year-end. The City has elected to use the preceding year-end of the System as its measurement date; therefore, net pension liability and related deferred inflows are reported as of June 30, 2018. The System's pension liability was based on an actuarial valuation as of June 30, 2018. Pension payments made by the City from the measurement date to June 30, 2019 are reported as deferred outflows.

Summary of Significant Accounting Policies

For purposes of measuring the net pension liability, deferred outflows or resources and deferred inflows of resources related to pensions, and pension expense, amounts and disclosures have been prepared using the accrual basis of accounting. Employee and employer contributions are recognized as System revenues in the period in which they are due to the plan. Benefits and refunds are recognized when due and payable pursuant to plan provisions. Investments are reported at fair value.

Method Used to Value Investments - Values of System assets are reported at fair value market. As of June 30, 2019, the System held no related party investments or individual investments (other than U.S. government and U.S. government guaranteed securities) whose market value exceeds five percent or more of the net position available for benefits.

Eligibility Factors and Benefit Provisions

Year established and governing authority	1966; City Council Ordinance
Determination of Contribution requirements	City Ordinance; actuarially determined
Employer	9.82%
Plan members	5.25%
Funding of administrative costs	Investment earnings
Period required to vest	7 years
Eligibility for distribution	Age 65, or age 55 with seven years credited service

Provisions for:	
Disability benefits	Yes
Death benefits	Yes

Benefits paid: Calculated on the average gross salary of a participant's earnings during the highest 30 consecutive months of the last five years of credited service. Gross salary does not include payment of accumulated sick or annual leave upon termination of employment.

The City is required to contribute 9.82% of covered payroll to the System. These amounts were actuarially determined. System participants of the City contributed \$1,518,523 during fiscal year 2019, and the City contributed \$2,726,342.

The Component Unit (EEDA) is also required to contribute 9.48% of covered payroll to the System. These amounts were actuarially determined. System participants of EEDA contributed \$16,215 during fiscal year 2019, and EEDA contributed their portion of \$29,310.

Plan Membership

Non-vested active members	233
Fully vested active members	<u>266</u>
Total Active members	<u>499</u>
Non-active retired, beneficiaries, disabled and deferred vested participants	<u>206</u>
Total Plan Participants	<u>705</u>

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At June 30, 2019, the City reported a liability of \$19,617,514 and the EEDA component unit \$215,751 for their proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2018. There were no changes in assumptions or changes in benefit terms that affected measurement of the total pension liability. There were also no changes between the measurement date of July 1, 2018 and the City's report ending date of June 30, 2019, that would have had a significant impact on the net pension liability. The following table reports the components of changes in net pension liability:

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	Total Pension Liability	Plan Net Position	Net Pension Liability
Balances at beginning of year, 7/1/2017	\$ 88,472,906	\$ 70,421,837	\$ 18,051,069
Changes for the year:			
Service cost	2,973,834	-	2,973,834
Interest expense	6,358,873	-	6,358,873
Contributions – employer	-	2,621,560	(2,621,560)
Contributions – employee	-	1,478,406	(1,478,406)
Net investment income	-	3,803,053	(3,803,053)
Benefits paid	(4,529,684)	(4,529,684)	-
Difference between actual and expected experience	349,458	-	349,458
Plan administrative expenses	-	(3,050)	3,050
Net changes	5,152,481	3,370,285	1,782,196
Balances at end of year, 7/1/2018	\$ 93,625,387	\$ 73,792,122	\$ 19,833,265

For the year ended June 30, 2019, the City recognized pension expense of \$4,667,968 and EEDA recognized pension expense of \$51,351. At June 30, 2019, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	City		Component Unit	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 1,197,638	\$ -	\$ 13,171	\$ -
Net difference between projected and actual earnings on pension plan investments	3,336,699	-	36,696	-
Change in proportion	441,068	445,837	24,418	18,539
City contributions subsequent to the measurement date	173,868	55,196	4,305	3,824
City contributions subsequent to the measurement date	2,665,048	-	29,310	-
Total	<u>\$ 7,814,321</u>	<u>\$ 501,033</u>	<u>\$ 107,900</u>	<u>\$ 22,363</u>

The City's \$2,665,048 and EEDA's \$29,310 reported as deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date will be recognized as a decrease of the net pension liability in the year ended June 30, 2020. Other amounts will be reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:	City	Component Unit
2020	\$ 2,766,852	\$ 30,341
2021	1,280,930	14,176
2022	37,765	690
2023	406,702	5,307
2024	63,100	3,391
thereafter	92,891	2,322
	<u>\$ 4,648,240</u>	<u>\$ 56,227</u>

Actuarial Assumptions

Key assumptions used in the plan actuarial valuation were:

Discount Rate	7.25%
Long-term expected rate of return	7.25%
Measurement date	7/1/2018
Inflation	2.50%
Projected salary increase*	2011 experience study
Mortality	RP 2000 projected
Retirement rates*	2011 experience study
Turnover*	2011 experience study
Actuarial cost method	Entry Age Normal

* In 2011 a detailed study was completed of the Retirement System's demographic experience over the proceeding seven years. As a result, the Actuary recommended and the System's Administrative Committee approved new assumptions based on actuarial experience. The assumption changes included a revised schedule of age-related retirement rates, age-related assumed pay increases replaced the 5% pay increase assumption and a new turnover assumption based on both age and employee years of service was implemented. These updates represent an ongoing and continuing process of refining prior assumptions.

No changes in assumptions were made during fiscal year 2019.

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

The long-term expected rate of return on pension plan investments was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense, and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation (2.5%) and deducting expenses. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of June 30, 2018, are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Domestic equity	20%	6.0%
International equity	23%	6.2%
Fixed income	29%	2.5%
Real estate, commodities and partnerships	28%	6.3%

Discount Rate

The discount rate used to measure the total pension liability was 7.25%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the actuarially determined contribution amounts. Based on the assumption, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term

expected rate of return was adjusted to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following presents the net pension liability of the employers calculated using the discount rate of 7.25%, as well as what the Plan's net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower (6.25%) or 1-percentage-point higher (8.25%) than the current rate:

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Employer's Total Pension Liability			
Employer's Net Pension Liability - FY 2018	\$ 32,408,838	\$ 19,833,265	\$ 9,370,189
Employer's Net Pension Liability - FY 2019	\$ 40,785,092	\$ 26,603,955	\$ 14,808,694

The components of the net pension liability of the City June 30, 2018 and 2019, were as follows:

	2018	2019
Total Net Pension Liability	\$ 93,625,383	\$ 105,046,372
Plan fiduciary Net Position	73,792,118	78,442,417
Net Pension Liability	\$ 19,833,265	\$ 26,603,955
Plan Fiduciary Net Position as a percentage of the total pension liability	78.82%	74.67%

Other Post-Employment Benefits

Plan Description: City offers post-retirement benefit options for health care, prescription drug, dental and vision benefits for retired employees and their dependents that elect to make required contributions. The benefits are provided in accordance with State law, police and firefighter's union contracts and the Consolidated Omnibus Budget Reconciliation Act of 1985 (COBRA). The relationship for these benefits is not formalized in a contract or plan document, only a few sentences in the administrative policy. These benefits are considered for accounting purposes to be provided in accordance with a single employer substantive plan. A substantive plan is one in which the plan terms are understood by the city and plan members. This understanding is based on communications between the employers and plan member and the historical pattern of practice with regard to the sharing of benefit costs. Substantially all of the government's employees may become eligible for those post-retirement benefits if they reach normal retirement age while working for the City. Benefits cease the month prior to the date the retiree or spouse reaches age 65.

Benefits provided - The Plan covers all current retirees of the City who elected postretirement medical coverage through the City Health Plan and future retired employees of the City fully self-insured health plan. In accordance with administrative policy, the benefit levels are the same as those afforded to active employees; this creates an implicit rate subsidy. The benefits offered by the City to retirees include health, RX, and dental and vision benefits. The retiree retains coverage with the City, by making an election within 30 days of termination of service and have 7+ years of creditable service in with the City and are at least 55 years old at the time of termination. Police and Fire employees must have 20 years of service. The amount of benefit payments during fiscal year June 30, 2019 were \$201,139.

Employees Covered by Benefit Terms

Active Employees	723
Inactive not yet receiving benefits	0
Inactive or beneficiaries receiving benefits	<u>58</u>
Total	<u>781</u>

Total OPEB Liability – The total OPEB liability was determined based on actuarial valuation performed as of June 30, 2018 which is also the measurement date.

Actuarial Assumptions- The total OPEB liability in the June 30, 2018 valuation, was determined using the following actuarial assumptions:

- Actuarial Cost Method - Entry Age Normal
- Discount Rate – 3.87% based on the 20 year municipal bond yield
- Retirement Age – Civilians - 55 with 7 years of service, Police and Fire 20 years of service
- Medical Trend Rates

Year	Rate
2018	6.05%
2019	6.02%
2020	5.99%
2030	5.99%
2035	5.87%
2040	5.33%
2045	5.15%
2050	5.03%
2060	4.87%

Changes in Total OPEB Liability –

	Total OPEB Liability
Balances at Beginning of Year	<u>\$ 6,098,015</u>
Changes for the Year:	
Service cost	323,640
Interest expense	229,895
Differences in expected and actual experience	(16,169)
Change in assumptions	(599,130)
Benefits paid	<u>(201,139)</u>
Net Changes	<u>(262,903)</u>
Balances End of Year	<u><u>\$ 5,835,112</u></u>

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB - For the year ended June 30, 2019, the City recognized a OPEB benefit of \$201,139. At June 30, 2019, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

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	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 14,264
Changes of assumptions	-	808,523
Net difference between projected and actual earnings on OPEB plan investments	-	-
Changes in porportion	17,411	17,413
City contributions during the measurement period	344	547
City Contributions subsequent to the measurement date	207,852	-
Total	\$ 225,607	\$ 840,747

The \$207,852 reported as deferred outflows of resources related to OPEB resulting from City benefit payments subsequent to the measurement date will be recognized as a reduction of the OPEB liability in the year ended June 30, 2020. Any other amounts reported as deferred outflows or resources and deferred inflows of resources related to OPEB will be recognized in pension expense as follows:

Year Ended June 30:

2020	\$ (114,245)
2021	(114,245)
2022	(114,245)
2023	(114,245)
2024	(114,245)
Thereafter	(251,767)
	<u>\$ (822,992)</u>

Sensitivity of the City's total OPEB liability to changes in the discount rate- The following presents the City's total OPEB liability, as well as what the City's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.87 percent) or 1-percentage-point higher (4.87 percent) than the current discount rate:

	1% Decrease (2.87%)	Current Discount Rate (3.87%)	1% Increase (4.87%)
Employers' total OPEB liability	\$ 6,883,392	\$ 5,835,112	\$ 5,004,481

Sensitivity of the City's total OPEB liability to changes in the healthcare cost trend rates - The following presents the City's total OPEB liability, as well as what the City's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower (5.09 percent decreasing to 3.87 percent) or 1-percentage-point higher (7.09 percent decreasing to 5.87 percent) than the current healthcare cost trend rates:

	1% Decrease (5.09 % decreasing to 3.87%)	Current Discount Rate (6.09 % decreasing to 4.87%)	1% Increase (7.09% decreasing to 5.87%)
Employers' total OPEB liability	\$ 5,035,154	\$ 5,835,112	\$ 6,818,884

4.B. RISK MANAGEMENT

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

<u>Type of Loss</u>	<u>Method Managed</u>	<u>Risk of Loss Retained</u>
a. General Liability: - Torts - Errors and omissions - Police liability - Vehicle	City has insurance coverage for General Liability coverage. All claims are submitted to a third party administrator for determination of liability. Claims below the self insured retention (SIR) are accounted for within the Liability Tort Claim Fund.	City retains risk of losses up to \$100,000 SIR per occurrence with excess coverage up to \$5,000,000
b. Physical Property: - Theft - Damage to assets - Natural disasters	City has insurance coverage for Property & Contents and Boiler & Machinery. Claims for losses are submitted to insurance provider for reimbursement of losses.	City retains risk of loss up to the deductible amount of \$10,000 for property and \$10,000 for B & M. Coverage amounts vary by type of loss.
c. Workers Compensation: - Employee injuries	Self-insured with third-party administration of the claims process. Liability Tort Claim Fund used to account for activities with participating funds charged through an estimated annual claim cost for each fund. Administered by Cannon Cochran Management Services, Inc.	City retains risk of loss for first \$450,000 or \$750,000 of damage per occurrence depending on job classification. Stop loss insurance carried for damages above the City deductible up to a maximum aggregate of \$2,000,000 per occurrence.
d. Health and Life: - Medical - Dental - Vision - Life and ADD - LTD	Self-insured with City paying a portion of health care premiums, and all of life, ADD and LTD premiums. Administered by Aetna and Unum.	Claims up to \$130,000 per individual self-funded with stop-loss insurance up to \$1,000,000 per person.

The City maintains a stop-loss policy for plans to limit risk associated with the plans. For insured programs, there have been no significant reductions in insurance coverage. Settlement amounts have not exceeded insurance coverage for the current year or the four prior years.

Claims Liability Analysis

The claims liabilities related to the above noted risks of loss that are retained are determined in accordance with the requirements of Statement of Financial Accounting Standards No. 5., 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. The City has elected to report its estimated claim liability at the discounted net present value of future payments. For the internal service self-insurance funds, changes in the claims liability for the City from July 1, 2017 to June 30, 2019, are as follows:

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	Workers' Compensation	Health Care	Tort	Total
Claim liability, June 30, 2017	\$ 1,753,000	\$ 1,100,201	\$ 1,064,000	\$ 3,917,201
Claims and changes in estimates	343,037	8,258,469	125,970	8,727,476
Claims payments	(417,037)	(8,723,781)	(481,970)	(9,622,788)
Claim liability, June 30, 2018	\$ 1,679,000	\$ 634,889	\$ 708,000	\$ 3,021,889
Claims and changes in estimates	552,365	9,425,431	57,506	10,035,302
Claims payments	(635,365)	(9,604,806)	(98,506)	(10,338,677)
Claim liability, June 30, 2019	\$ 1,596,000	\$ 455,514	\$ 667,000	\$ 2,718,514

Reconciliation to Statement of Net Position:

Current portion	\$ 1,063,636
Noncurrent portion	1,654,878
Total	\$ 2,718,514

4.C. COMMITMENTS AND CONTINGENCIES

Construction Commitments

At June 30, 2019, the City had awarded construction contracts totaling \$251,199,922 for various City and EPWA projects and of this amount, \$122,759,407 was outstanding and payable from various funds.

Asset Retirement Obligation

The City has incurred certain asset retirement obligations related to the operation of its wastewater utility system. The estimated liability of the legally required closure costs for the wastewater utility system cannot be reasonably estimated as of June 30, 2019, since the specific legally required costs of retirement have not yet been identified. The City anticipates identifying those specific legally required costs and obtaining an estimate of those costs in the subsequent fiscal year.

Contingencies

Grant Program Involvement

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

Litigation

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

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

4.D. NEW ACCOUNTING PRONOUNCEMENTS

The GASB has issued several new accounting pronouncements, which will be effective in subsequent years. A description of the new accounting pronouncements, the fiscal year in which they are effective, and the City's consideration of the impact of these pronouncements are described below:

GASB Statement 84, *Fiduciary Activities*, issued January 2017, will be effective for the City beginning with its fiscal year ending June 30, 2020. This Statement establishes criteria for identifying fiduciary activities of all state and local governments. The focus of the criteria generally is on (1) whether a government is controlling the assets of the fiduciary activity and (2) the beneficiaries with whom a fiduciary relationship exists. Separate criteria are included to identify fiduciary component units and postemployment benefit arrangements that are fiduciary activities. The City has not yet determined the impact that implementation of GASB 84 will have on its net position.

GASB Statement 87, *Leases*, issued June 2017, will be effective for the City beginning with its fiscal year ending December 31, 2020. The primary objective of this Statement is to increase the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financing the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities. The City has not yet determined the impact that implementation of GASB 87 will have on its net position.

GASB Statement 90, *Majority Equity Interests (An amendment of GASB Statement 14 and 61)* –issued August 2018, will be effective for the City beginning with its fiscal year ending June 30, 2020. The primary objectives of this Statement are to improve the consistency and comparability of reporting a government's majority equity interest in a legally separate organization and to improve the relevance of financial statement information for certain component units. It defines a majority equity interest and specifies that a majority equity interest in a legally separate organization should be reported as an investment if a government's holding of the equity interest meets the definition of an investment. A majority equity interest that meets the definition of an investment should be measured using the equity method, unless it is held by a special-purpose government engaged only in fiduciary activities, a fiduciary fund, or an endowment (including permanent and term endowments) or permanent fund. Those governments and funds should measure the majority equity interest at fair value. The City has not yet determined the impact that implementation of GASB 90 will have on its net position.

GASB Statement 91, *Conduit Debt Obligations* – issue May 2019, will be effective for the City beginning with its fiscal year ending December 2021. The primary objectives of this Statement are to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. This Statement achieves those objectives by clarifying the existing definition of a conduit debt obligation; establishing that a conduit debt obligation is not a liability of the issuer; establishing standards for accounting and financial reporting of additional commitments and voluntary commitments extended by issuers and arrangements associated with conduit debt obligations; and improving required note disclosures. Those governments and funds should measure the majority equity interest at fair value. The City has not yet determined the impact that implementation of GASB 91 will have on its net position.

4.E. ECONOMIC DEVELOPMENT

The City is party to multiple agreements for the purpose of developing the Interstate 35 corridor within its city limits. In fiscal 2012, the City purchased land along the corridor for \$2.2 million for the development of a hotel and conference center. Subsequently, the City entered into a development agreement and committed to lend \$4.8 million towards the cost of constructing the conference center. The developer financed the cost of the related hotel and expenditures for the Conference Center that exceed \$4.8 million. Rental payments to the City for the use of the underlying land are one dollar a year. The hotel will be privately owned and managed. Based on terms of the contract, the developer may purchase the land and conference center from the City for \$7 million at any time. If the developer elects to not purchase the land and conference center, the City will lease the land to the developer at a

market based rate, including escalators. Alternatively, the City has a contractual commitment from the developer to begin paying back the loan starting in the 10th year from commencing operations of the facility over a term of 25 years. Management of the conference center has been contracted to a third party. In return, the City will pay the manager a monthly management fee as defined in the agreement. The initial infrastructure improvements were funded by the City up to \$2 million with the developer paying the cost which exceeded the \$2 million limit. An additional agreement was established which constructed a storm sewer through the property. Pursuant to the agreement the City would pay the expense of the storm sewer not to exceed \$1 million

Additionally, the City previously purchased additional land along the corridor in a separate transaction for \$2 million for the purpose of developing a sports complex. A ground lease agreement was entered into with a tenant, who will construct the facilities. The tenant agrees to pay the City monthly rentals of \$5,000 for the land for thirty years. The tenant has the right to purchase the land for \$2 million at any time. Alternatively, the City has the right to require the tenant to purchase the land for \$2 million on the fifteenth anniversary date of its opening. Both projects have established timelines and benchmarks for completion that must be met by the various parties, subject to extension by the City and the various parties. These terms are not within the normal and customary practices of the City, and therefore other than normal credit risks are involved, the City will classify these agreements as operating leases and no additional provisions have been recorded in the accompanying financial statements because of these agreements.

4.F. Tax Abatements

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

The sales tax rebate program allows a developer to receive rebated sales tax in varying amounts. To be eligible for this program, the project area should be occupied by occupants operating a new business of a requisite quality.

The sales tax rebate period varies with each agreement. Due to confidentiality laws in Oklahoma statutes Title 68, Section 1354.11, the amounts of sales taxes rebated will not be disclosed. The following businesses had sales tax rebate agreements with the City as of June 30, 2019:

In November 2017, the City/EPWA entered into an agreement with a developer for the development of an entertainment complex. The complex opened in December 2018 and contains a movie theater and bowling alley. Under the terms of the agreement the EPWA will provide financing assistance not to exceed \$4.8 million. The payment will be from the two cents sales tax the complex generates and will be paid quarterly. The agreement terminates in December 2038.

In addition, the City has entered into an agreement with a developer for the construction of a hotel/conference center along the I-35 corridor. Under the terms of the agreement the city has agreed to rebate any Hotel Tax collected from the Hotel for a period of fifteen years from the anniversary date of the Certificate of Occupancy. Taxes of \$102,916 were abated in fiscal year 2019.

REQUIRED SUPPLEMENTARY INFORMATION

**CITY OF EDMOND, OKLAHOMA
REQUIRED SUPPLEMENTARY INFORMATION
June 30, 2019**

**CITY OF EDMOND, OKLAHOMA
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
For the fiscal year ended June 30, 2019**

	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)</u>
REVENUES				
TAXES:				
Sales tax	\$ 35,101,791	\$ 35,101,791	\$ 36,587,653	\$ 1,485,862
Use tax	6,432,000	6,432,000	9,740,742	3,308,742
Franchise	2,646,267	2,646,267	1,921,645	(724,622)
Liquor tax	44,963	44,963	199,681	154,718
Total Taxes	<u>44,225,021</u>	<u>44,225,021</u>	<u>48,449,721</u>	<u>4,224,700</u>
INTERGOVERNMENTAL:				
Grant revenues	-	-	8,750	8,750
Alcoholic beverage	140,000	140,000	168,985	28,985
Cigarette tax	780,000	780,000	603,436	(176,564)
Vehicle tax	662,295	662,295	595,942	(66,353)
Property resale	-	-	243,396	243,396
Gasoline tax	163,023	163,023	168,021	4,998
Total Intergovernmental	<u>1,745,318</u>	<u>1,745,318</u>	<u>1,788,530</u>	<u>43,212</u>
CHARGES FOR SERVICES:				
Swimming pool fees	-	-	-	-
Recreational program fees	63,439	63,439	57,033	(6,406)
Right-of-Way fees	5,455,787	5,455,787	5,871,028	415,241
Cemetery fees	165,641	165,641	151,165	(14,476)
Curb cut fees	10,440	10,440	9,870	(570)
Animal welfare fees	53,066	53,066	55,092	2,026
Filing fees	71,000	71,000	61,258	(9,742)
911 fees	55,000	55,000	205,630	150,630
Miscellaneous charges	61,439	61,439	10,897	(50,542)
Total Charges for Services	<u>5,935,812</u>	<u>5,935,812</u>	<u>6,421,973</u>	<u>486,161</u>
FINES AND FORFEITURES	<u>2,252,000</u>	<u>2,252,000</u>	<u>1,837,232</u>	<u>(414,768)</u>
LICENSES AND PERMITS	<u>1,426,628</u>	<u>1,426,628</u>	<u>1,543,521</u>	<u>116,893</u>
INVESTMENT INCOME	<u>70,000</u>	<u>70,000</u>	<u>154,067</u>	<u>84,067</u>
MISCELLANEOUS	<u>101,000</u>	<u>101,000</u>	<u>185,116</u>	<u>84,116</u>
TOTAL REVENUES	<u>55,755,779</u>	<u>55,755,779</u>	<u>60,380,160</u>	<u>4,624,381</u>
OTHER FINANCING SOURCES:				
Transfers from other funds	17,420,141	17,420,141	17,875,187	455,046
Total Other Financing Sources	<u>17,420,141</u>	<u>17,420,141</u>	<u>17,875,187</u>	<u>455,046</u>
TOTAL REVENUES AND OTHER FINANCING SOURCES	<u>\$ 73,175,920</u>	<u>\$ 73,175,920</u>	<u>\$ 78,255,347</u>	<u>\$ 5,079,427</u>

(Continued)

**CITY OF EDMOND, OKLAHOMA
REQUIRED SUPPLEMENTARY INFORMATION
June 30, 2019**

CITY OF EDMOND, OKLAHOMA
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
For the fiscal year ended June 30, 2019

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
EXPENDITURES				
General Government:				
General:				
Materials and supplies	\$ -	\$ -	\$ 4,433	\$ (4,433)
Other services and charges	228,000	255,374	61,497	193,877
Total General	228,000	255,374	65,930	189,444
City Council:				
Personal services	24,545	24,545	24,195	350
Materials and supplies	13,250	13,250	2,110	11,140
Other services and charges	180,950	184,825	112,509	72,316
Total City Council	218,745	222,620	138,814	83,806
Municipal Court:				
Personal services	378,156	678,156	652,505	25,651
Materials and supplies	21,480	33,480	32,445	1,035
Other services and charges	197,579	185,929	95,650	90,279
Capital outlay	40,000	40,000	-	40,000
Total Judicial	637,215	937,565	780,600	156,965
Edmond-Guthrie Regional Airport				
Other services and charges	200,000	327,107	112,275	214,832
Cemetery:				
Personal services	159,225	159,225	160,659	(1,434)
Materials and supplies	12,825	12,825	9,048	3,777
Other services and charges	43,510	43,510	32,268	11,242
Total Cemetery	215,560	215,560	201,975	13,585
Planning and Zoning:				
Personal services	712,526	712,526	678,049	34,477
Materials and supplies	20,600	20,600	10,903	9,697
Other services and charges	28,000	28,000	20,885	7,115
Total Planning and Zoning	761,126	761,126	709,837	51,289
Downtown Community Center:				
Personal services	89,449	89,449	80,531	8,918
Materials and supplies	5,400	5,400	4,938	462
Other services and charges	55,650	55,650	36,170	19,480
Downtown Community Center	150,499	150,499	121,639	28,860
TOTAL GENERAL GOVERNMENT	2,411,145	2,869,851	2,131,070	738,781
ECONOMIC DEVELOPMENT:				
Community Image:				
Personal services	798,669	798,669	770,868	27,801
Materials and supplies	98,985	131,188	89,486	41,702
Other services and charges	493,965	493,965	308,635	185,330
Capital outlay	130,000	181,638	107,996	73,642
Total Community Image	1,521,619	1,605,460	1,276,985	328,475
TOTAL ECONOMIC DEVELOPMENT	1,521,619	1,605,460	1,276,985	328,475

CITY OF EDMOND, OKLAHOMA
REQUIRED SUPPLEMENTARY INFORMATION
June 30, 2019

CITY OF EDMOND, OKLAHOMA
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
For the fiscal year ended June 30, 2019

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
PUBLIC SAFETY:				
Emergency Management:				
Personal services	183,986	183,986	179,397	4,589
Materials and supplies	31,886	31,886	14,550	17,336
Other services and charges	57,285	57,285	42,874	14,411
Total Emergency Management	<u>273,157</u>	<u>273,157</u>	<u>236,821</u>	<u>36,336</u>
Building Department:				
Personal services	1,299,506	1,300,416	1,218,605	81,811
Materials and supplies	46,066	31,886	31,183	703
Other services and charges	86,452	83,452	55,464	27,988
Total Building Department	<u>1,432,024</u>	<u>1,415,754</u>	<u>1,305,252</u>	<u>110,502</u>
TOTAL PUBLIC SAFETY	<u>1,705,181</u>	<u>1,688,911</u>	<u>1,542,073</u>	<u>146,838</u>
STREETS AND HIGHWAYS:				
Capital outlay	950,000	1,575,000	873,989	701,011
TOTAL STREETS AND HIGHWAYS	<u>950,000</u>	<u>1,575,000</u>	<u>873,989</u>	<u>701,011</u>
OUTSIDE AGENCIES:				
Other services and charges	732,400	732,400	725,882	6,518
TOTAL OUTSIDE AGENCIES	<u>732,400</u>	<u>732,400</u>	<u>725,882</u>	<u>6,518</u>
PARKS AND RECREATION:				
Parks and Recreation:				
Personal services	1,151,082	1,151,082	1,087,946	63,136
Material and supplies	185,106	241,106	195,241	45,865
Other services and charges	1,027,950	1,032,022	818,055	213,967
Total Parks and Recreation	<u>2,364,138</u>	<u>2,424,210</u>	<u>2,101,242</u>	<u>322,968</u>
Senior Center:				
Personal services	349,813	349,813	330,081	19,732
Materials and supplies	16,813	16,813	10,281	6,532
Other services and charges	67,577	67,577	61,473	6,104
Total Senior Citizens	<u>434,203</u>	<u>434,203</u>	<u>401,835</u>	<u>32,368</u>
Festival Marketplace:				
Personal services	6,459	6,459	3,259	3,200
Materials and supplies	2,511	2,511	2,064	447
Other services and charges	33,875	33,875	19,230	14,645
Total Festival Marketplace	<u>42,845</u>	<u>42,845</u>	<u>24,553</u>	<u>18,292</u>
Historical Society:				
Materials and supplies	750	750	-	750
Other services and charges	283,500	283,500	282,043	1,457
Total Historical Society	<u>284,250</u>	<u>284,250</u>	<u>282,043</u>	<u>2,207</u>
TOTAL PARKS AND RECREATION	<u>3,125,436</u>	<u>3,185,508</u>	<u>2,809,673</u>	<u>375,835</u>
TOTAL EXPENDITURES	<u>10,445,781</u>	<u>11,657,130</u>	<u>9,359,672</u>	<u>2,297,458</u>
OTHER FINANCING SOURCES (USES)				
Transfers to other funds	(64,882,423)	(64,882,423)	(66,422,274)	(1,539,851)
Total Other Financing Uses	<u>(64,882,423)</u>	<u>(64,882,423)</u>	<u>(66,422,274)</u>	<u>(1,539,851)</u>
TOTAL EXPENDITURES AND OTHER FINANCING USES	<u>75,328,204</u>	<u>76,539,553</u>	<u>75,781,946</u>	<u>757,607</u>
REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES				
	<u>\$ (2,152,284)</u>	<u>\$ (3,363,633)</u>	<u>\$ 2,473,401</u>	<u>\$ 5,837,034</u>

CITY OF EDMOND, OKLAHOMA
REQUIRED SUPPLEMENTARY INFORMATION
June 30, 2019

City of Edmond, Oklahoma
Budgetary Comparison Schedule
Major Special Revenue Fund - Fire Public Safety Limited Tax Fund
For the year ended June 30, 2019

Fire Public Safety Limited Tax Fund				
	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
REVENUES				
Taxes	\$ 4,387,134	\$ 4,387,134	\$ 4,573,874	\$ 186,740
Intergovernmental	-	-	76,920	76,920
Charges for services	6,000	6,000	12,380	6,380
Investment income	65,000	65,000	384,427	319,427
Miscellaneous	40,344	40,344	88,130	47,786
Total revenues	<u>4,498,478</u>	<u>4,498,478</u>	<u>5,135,731</u>	<u>637,253</u>
EXPENDITURES				
Current:				
Public Safety				
Personal services	17,380,314	17,380,314	17,309,536	70,778
Materials and supplies	1,015,250	992,706	582,170	410,536
Other services and charges	4,360,332	4,483,622	4,096,506	387,116
Capital outlay	123,240	4,099,782	3,495,297	604,485
Total Expenditures	<u>22,879,136</u>	<u>26,956,424</u>	<u>25,483,509</u>	<u>1,472,915</u>
Excess (deficiency) of revenues over expenditures	<u>(18,380,658)</u>	<u>(22,457,946)</u>	<u>(20,347,778)</u>	<u>2,110,168</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	16,853,636	16,853,636	19,121,195	2,267,559
Total other financing sources and uses	<u>16,853,636</u>	<u>16,853,636</u>	<u>19,121,195</u>	<u>2,267,559</u>
Net change in fund balance	<u>\$ (1,527,022)</u>	<u>\$ (5,604,310)</u>	<u>\$ (1,226,583)</u>	<u>\$ 4,377,727</u>

CITY OF EDMOND, OKLAHOMA
REQUIRED SUPPLEMENTARY INFORMATION
June 30, 2019

City of Edmond, Oklahoma
 Budgetary Comparison Schedule
 Major Special Revenue Fund -Police Public Safety Limited Tax Fund
 For the year ended June 30, 2019

Police Public Safety Limited Tax Fund				
	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
REVENUES				
Taxes	\$ 2,196,790	\$ 2,196,790	\$ 2,286,751	\$ 89,961
Intergovernmental	150,000	272,019	242,420	(29,599)
Charges for services	3,000	3,000	500	(2,500)
Fines and forfeitures	35,000	35,000	-	(35,000)
Investment income	35,000	35,000	204,503	169,503
Miscellaneous	25,000	25,000	316,274	291,274
Total revenues	<u>2,444,790</u>	<u>2,566,809</u>	<u>3,050,448</u>	<u>483,639</u>
EXPENDITURES				
Current:				
Public Safety				
Personal services	19,592,060	19,698,258	19,280,885	417,373
Materials and supplies	924,471	1,057,829	727,318	330,511
Other services and charges	5,211,979	5,230,129	4,999,794	230,335
Capital outlay	-	95,681	76,137	19,544
Total Expenditures	<u>25,728,510</u>	<u>26,081,897</u>	<u>25,084,134</u>	<u>997,763</u>
Excess (deficiency) of revenues over expenditures	<u>(23,283,720)</u>	<u>(23,515,088)</u>	<u>(22,033,686)</u>	<u>1,481,402</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	20,673,794	20,673,794	21,615,330	941,536
Total other financing sources and uses	<u>20,673,794</u>	<u>20,673,794</u>	<u>21,615,330</u>	<u>941,536</u>
Net change in fund balances	<u>\$ (2,609,926)</u>	<u>\$ (2,841,294)</u>	<u>\$ (418,356)</u>	<u>\$ 2,422,938</u>

NOTES TO BUDGETARY COMPARISON SCHEDULES

BUDGETARY ACCOUNTING AND CONTROL

Budget Law

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

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

The legal level of control at which expenditures may not legally exceed appropriations is the department level within a fund.

The City Manager may only transfer appropriations within expenditure categories within a department without City council approval. Transfers between expenditure categories of a department or fund and budget supplements made during the year are recommended by the City Manager and must be approved by the City Council. Supplemental appropriations must also be filed with the Office of State Auditor and Inspector.

Budgetary Accounting

The City prepares its budgets for all governmental fund types on a budgetary basis of accounting which differs from the modified accrual basis of accounting in the following areas:

- Grants that do not result in cash flow and the related expenditures are not budgeted.
- Internal service fund charges for services are recorded as transfers in the budgetary basis.

CITY OF EDMOND, OKLAHOMA
REQUIRED SUPPLEMENTARY INFORMATION
June 30, 2019

The following is a reconciliation of those differences:

City of Edmond, Oklahoma Notes to Budgetary Comparison Schedule Reconciliation of Budgetary Basis to Modified Accrual Basis For the year ended June 30, 2019					
	Per Statement of Revenues, Expenditures, and Changes in Fund Balance	Internal Service Fund Transfers	Non-Cash Activity	Fund Combined for Reporting Purposes	Per Budgetary Comparison Schedule
General Fund:					
Total Revenues	\$ 60,519,560	\$ -	\$ (97,347)	\$ (42,053)	\$ 60,380,160
Transfers In	17,925,187	-	-	(50,000)	17,875,187
Total Revenues and Other Financing Sources	<u>78,444,747</u>	<u>-</u>	<u>(97,347)</u>	<u>(92,053)</u>	<u>78,255,347</u>
Total Expenditures	21,481,478	(12,080,794)	-	(41,012)	9,359,672
Transfers Out	54,341,480	12,080,794	-	-	66,422,274
Total Expenditures and Other Financing Uses	<u>75,822,958</u>	<u>-</u>	<u>-</u>	<u>(41,012)</u>	<u>75,781,946</u>
Net Changes in Fund Balance	<u>\$ 2,621,789</u>	<u>\$ -</u>	<u>\$ (97,347)</u>	<u>\$ (51,041)</u>	<u>\$ 2,473,401</u>
Fire Public Safety Limited Tax Fund:					
Total Revenues	\$ 9,164,336	\$ -	\$ (4,028,605)	\$ -	\$ 5,135,731
Transfers In	19,121,195	-	-	-	19,121,195
Total Revenues and Other Financing Sources	<u>28,285,531</u>	<u>-</u>	<u>(4,028,605)</u>	<u>-</u>	<u>24,256,926</u>
Total Expenditures	29,512,114	-	(4,028,605)	-	25,483,509
Total Expenditures and Other Financing Uses	<u>29,512,114</u>	<u>-</u>	<u>(4,028,605)</u>	<u>-</u>	<u>25,483,509</u>
Net Changes in Fund Balance	<u>\$ (1,226,583)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (1,226,583)</u>
Police Public Safety Limited Tax Fund:					
Total Revenues	\$ 4,473,749	\$ -	\$ (1,423,301)	\$ -	\$ 3,050,448
Transfers In	21,615,330	-	-	-	21,615,330
Total Revenues and Other Financing Sources	<u>26,089,079</u>	<u>-</u>	<u>(1,423,301)</u>	<u>-</u>	<u>24,665,778</u>
Total Expenditures	26,507,435	-	(1,423,301)	-	25,084,134
Total Expenditures and Other Financing Uses	<u>26,507,435</u>	<u>-</u>	<u>(1,423,301)</u>	<u>-</u>	<u>25,084,134</u>
Net Changes in Fund Balance	<u>\$ (418,356)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (418,356)</u>

All governmental funds of the city are required to have annual budgets.

The City utilized encumbrances accounting under which purchase orders, contracts and other commitments for the expenditure funds are recorded in order to reserve a portion of the applicable appropriation.

Encumbered appropriations at year end are lapsed and encumbrances to be honored are re-appropriated in the following budget year.

**CITY OF EDMOND, OKLAHOMA
REQUIRED SUPPLEMENTARY INFORMATION
June 30, 2019**

Schedules of Required Supplementary Information

SCHEDULE OF THE CITY OF EDMOND'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY (ASSET)

OKLAHOMA POLICE PENSION & RETIREMENT SYSTEM

Last 10 Fiscal Years*

For the year June 30,

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
City's proportion of the net pension liability (asset)	3.0197%	3.1355%	3.4051%	3.4811%	3.5208%
City's proportionate share of the net pension liability (asset)	\$ (1,016,693)	\$ 127,846	\$ 5,214,739	\$ 267,765	\$ (1,677,156)
City's covered payroll	\$ 8,445,211	\$ 8,831,635	\$ 9,974,924	\$ 10,264,440	\$ 11,700,155
City's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	12.04%	1.45%	52.28%	2.61%	14.33%
Plan fiduciary net position as a percentage of the total pension liability	101.53%	99.82%	93.50%	99.68%	101.89%

Notes to Schedule:

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

**SCHEDULE OF CITY CONTRIBUTIONS
OKLAHOMA POLICE PENSION & RETIREMENT SYSTEM**

Last 10 Fiscal Years *

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
Statutorily required contribution	\$ 1,152,006	\$ 1,305,813	\$ 1,349,366	\$ 1,380,245	\$ 1,469,019
Contributions in relation to the statutorily required contribution	<u>1,152,006</u>	<u>1,305,813</u>	<u>1,349,366</u>	<u>1,380,245</u>	<u>1,469,019</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's covered payroll	\$ 8,831,635	\$ 9,974,924	\$ 10,264,440	\$ 10,598,091	\$ 11,700,155
Contributions as a percentage of covered payroll	13%	13%	13%	13%	13%

Notes to Schedule:

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

**CITY OF EDMOND, OKLAHOMA
REQUIRED SUPPLEMENTARY INFORMATION
June 30, 2019**

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

For the year June 30,

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
City's proportion of the net pension liability	3.5619241%	3.566186%	3.764069%	3.774118%	3.801623%
City's proportionate share of the net pension liability	\$ 36,628,970	\$ 37,851,799	\$ 45,986,170	\$ 47,467,983	\$ 42,792,838
City's covered payroll	\$ 9,729,108	\$ 9,743,764	\$ 10,528,981	\$ 10,727,533	\$ 12,190,179
City's proportionate share of the net pension liability as a percentage of its covered payroll	376.49%	388.47%	436.76%	442.49%	351.04%
Plan fiduciary net position as a percentage of the total pension liability	68.12%	68.27%	64.87%	66.61%	70.73%

Notes to Schedule:

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

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

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
Statutorily required contribution	\$ 1,364,114	\$ 1,474,042	\$ 1,501,841	\$ 1,570,090	\$ 1,717,405
Contributions in relation to the statutorily required contribution	<u>1,364,114</u>	<u>1,474,042</u>	<u>1,501,841</u>	<u>1,570,090</u>	<u>1,717,405</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's covered payroll	\$ 9,743,764	\$ 10,528,981	\$ 10,727,533	\$ 11,215,029	\$ 12,190,179
Contributions as a percentage of covered payroll	14%	14%	14%	14%	14%

Notes to Schedule:

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

CITY OF EDMOND, OKLAHOMA
REQUIRED SUPPLEMENTARY INFORMATION
June 30, 2019

SCHEDULE OF CHANGES IN THE CITY'S NET PENSION LIABILITY AND RELATED RATIOS
SINGLE-EMPLOYER DEFINED BENEFIT PENSION PLAN
Last 10 Fiscal Years*

For the year June 30.

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
Total pension liability					
Service cost	\$ 2,465,096	\$ 2,619,414	\$ 2,822,532	\$ 2,909,090	\$ 2,973,834
Interest	4,803,663	5,193,616	5,565,362	5,983,564	6,358,873
Changes of benefit terms	1,229,173	-	-	-	-
Difference between expected and actual experience	700,579	584,011	729,188	87,006	349,458
Benefit payments, including refunds of member contributions	<u>(2,164,180)</u>	<u>(3,135,897)</u>	<u>(3,610,999)</u>	<u>(3,163,789)</u>	<u>(4,529,684)</u>
Net change in total pension liability	7,034,331	5,261,144	5,506,083	5,815,871	5,152,481
Total pension liability-beginning	64,855,477	71,889,808	77,150,952	82,657,035	88,472,906
Total pension liability-ending (a)	<u>\$ 71,889,808</u>	<u>\$ 77,150,952</u>	<u>\$ 82,657,035</u>	<u>\$ 88,472,906</u>	<u>\$ 93,625,387</u>
Plan fiduciary net position					
Contributions-employer	\$ 1,965,953	\$ 2,108,839	\$ 2,292,339	\$ 2,465,138	\$ 2,621,560
Contributions-member	1,264,678	1,338,561	1,400,380	1,458,953	1,478,406
Net investment income	8,331,083	(2,627,009)	(1,060,450)	6,935,917	3,803,053
Benefit payments, including refunds of member contributions	(2,164,180)	(3,135,897)	(3,610,999)	(3,163,789)	(4,529,684)
Administrative expense	<u>(38,377)</u>	<u>(30,748)</u>	<u>(27,211)</u>	<u>(12,050)</u>	<u>(3,050)</u>
Net change in plan fiduciary net position	9,359,157	(2,346,254)	(1,005,941)	7,684,169	3,370,285
Plan fiduciary net position-beginning	56,730,705	66,089,862	63,743,608	62,737,667	70,421,837
Plan fiduciary net position-ending (b)	<u>\$ 66,089,862</u>	<u>\$ 63,743,608</u>	<u>\$ 62,737,667</u>	<u>\$ 70,421,836</u>	<u>\$ 73,792,122</u>
City's net pension liability - ending (a)-(b)	<u>\$ 5,799,946</u>	<u>\$ 13,407,344</u>	<u>\$ 19,919,368</u>	<u>\$ 18,051,070</u>	<u>\$ 19,833,265</u>
Plan fiduciary net position as a percentage of the total pension liability	91.93%	82.62%	75.90%	79.60%	78.82%
Covered payroll	\$ 23,801,107	\$ 25,382,314	\$ 26,613,450	\$ 27,957,092	\$ 29,150,410
City's net pension liability as a percentage of covered employee payroll	24.37%	52.82%	74.85%	64.57%	68.04%

Notes to Schedule:

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

**CITY OF EDMOND, OKLAHOMA
REQUIRED SUPPLEMENTARY INFORMATION
June 30, 2019**

**SCHEDULE OF EMPLOYER CONTRIBUTIONS
SINGLE-EMPLOYER DEFINED BENEFIT PENSION PLAN
Last 10 Fiscal Years**

For the year June 30.

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
Actuarially determined contribution	\$ 2,195,239	\$ 2,397,984	\$ 2,569,913	\$ 2,672,395	\$ 2,862,216
Contributions in relation to the actuarially determined contribution	<u>2,108,839</u>	<u>2,292,339</u>	<u>2,441,134</u>	<u>2,738,281</u>	<u>2,665,048</u>
Contribution deficiency (excess)	<u>\$ 86,400</u>	<u>\$ 105,645</u>	<u>\$ 128,779</u>	<u>\$ (65,886)</u>	<u>\$ 197,168</u>
Covered payroll	\$ 25,496,393	\$ 26,673,905	\$ 27,194,847	\$ 28,160,118	\$ 28,924,250
Contributions as a percentage of covered payroll	8.61%	8.99%	9.45%	9.49%	9.90%

**SCHEDULE OF EMPLOYER CONTRIBUTIONS (Continued)
SINGLE-EMPLOYER DEFINED BENEFIT PENSION PLAN
Last 10 Fiscal Years**

For the year June 30.

	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
Actuarially determined contribution	\$ 1,879,700	\$ 1,803,185	\$ 1,803,629	\$ 1,846,314	\$ 2,004,213
Contributions in relation to the actuarially determined contribution	<u>1,866,908</u>	<u>1,811,247</u>	<u>1,886,892</u>	<u>1,822,720</u>	<u>1,965,953</u>
Contribution deficiency (excess)	<u>\$ 12,792</u>	<u>\$ (8,062)</u>	<u>\$ (83,263)</u>	<u>\$ 23,594</u>	<u>\$ 38,260</u>
Covered payroll	\$ 22,521,201	\$ 21,588,603	\$ 22,630,229	\$ 22,598,708	\$ 24,089,104
Contributions as a percentage of covered payroll	8.35%	8.35%	7.97%	8.17%	8.32%

Notes to Schedule:

Valuation date:

Actuarially determined contribution rates are calculated as of June 30, one year prior to the end of the fiscal year in which contributions are reported.

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry Age Normal
Amortization method	Level dollar
Remaining amortization period	30 years rolling
Asset valuation method	5-year smoothed market (20% annual write up of cumulative gain or loss relative to assumed return)
Inflation	2.5%
Salary Increases	5.0% average including inflation plus age-scale
Investment rate of return	7.25% net of pension plan investment expense, including inflation
Retirement age	Plan experience as last measured in 2011
Mortality	Beginning with the 2016 actuarial valuation, assumed life expectancies utilized the RP-2000 Projected Mortality Table.

CITY OF EDMOND, OKLAHOMA
REQUIRED SUPPLEMENTARY INFORMATION
June 30, 2019

PENSION FUND - SCHEDULE OF INVESTMENT RETURNS

Last 10 Fiscal Years *

	<u>Year Ended</u> <u>June 30, 2015</u>	<u>Year Ended</u> <u>June 30, 2016</u>	<u>Year Ended</u> <u>June 30, 2017</u>	<u>Year Ended</u> <u>June 30, 2018</u>	<u>Year Ended</u> <u>June 30, 2019</u>
Annual money-weighted rate of return, net of investment expense	14.55%	-3.97%	-1.66%	5.42%	5.76%

Notes to Schedule:

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

**Schedule of Changes Total OPEB Liability and Related Ratios
 Postemployment Health Insurance Implicit Rate Subsidy Plan**

	2018	2019
Total OPEB Liability		
Service cost	\$ 347,426	\$ 323,640
Interest	166,825	229,895
Difference between expected and actual experience	-	(16,169)
Changes in assumptions	(365,447)	(599,130)
Experience Gain/(Loss)	(187,469)	(201,139)
Net change in total OPEB liability	(38,665)	(262,903)
Balances at Beginning of Year	6,136,680	6,098,015
Balances End of Year	\$ 6,098,015	\$ 5,835,112
Covered employee payroll	\$ 39,000,000	\$ 44,770,000
Total OPEB liability as a percentage of covered- employee payroll	15.64%	13.03%

Notes to Schedule:

Only two year's of data is presented because 10-year data is not yet available

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OTHER SUPPLEMENTARY INFORMATION

GENERAL FUND

Under GASB Statement 54 certain funds no longer met the definition to be presented as Special Revenue Funds. Those funds became sub-funds of the General Fund for reporting purpose. For reporting purposes, the General Fund contains the following sub-funds:

GENERAL FUND - The primary operating fund of the City. The General Fund is reported as a major governmental fund. It is used to account for all activities except those legally or administratively required to be accounted for in other funds.

REAL PROPERTY SUB-FUND - The Real Property Sub-Fund has been established to accumulate resources for future real property acquisitions of the City. Financing is provided by transfers of investment earnings from the Hospital Sale Trust Fund.

EDMOND ELECTRIC ECONOMIC DEVELOPMENT SUB-FUND – The Economic Development Sub-Fund has been established to stimulate the growth of Edmond's economy by offering services that facilitate the growth and expansion of new and existing businesses and generating opportunities to increase the sales tax base of the City of Edmond.

PARK SPECIAL EVENTS SUB-FUND – The Park Special Events Sub-Fund has been established to account for donations and fees related to culture and recreation events.

CITY OF EDMOND, OKLAHOMA
OTHER SUPPLEMENTARY INFORMATION
June 30, 2019

City of Edmond, Oklahoma
Balance Sheet
General Fund Accounts
June 30, 2019

	<u>General Fund</u>	<u>Real Property Fund</u>	<u>Edmond Electric Economic Development</u>	<u>Park Special Events</u>	<u>Total General Fund</u>
ASSETS					
Cash and cash equivalents	\$ 566,143	\$ 9,551	\$ 61,586	\$ 6,079	\$ 643,359
Investments	6,825,227	115,546	745,055	73,546	7,759,374
Due from other funds	178,390	-	-	-	178,390
Due from other governments	7,141,530	-	-	-	7,141,530
Accrued interest receivable	26,843	454	2,930	289	30,516
Other receivables	1,063,253	-	-	-	1,063,253
Total assets	<u>\$ 15,801,386</u>	<u>\$ 125,551</u>	<u>\$ 809,571</u>	<u>\$ 79,914</u>	<u>\$ 16,816,422</u>
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts payable	\$ 295,806	\$ -	\$ -	\$ -	\$ 295,806
Due to other funds	824	-	-	-	824
Unearned revenue	77,909	-	-	-	77,909
Amounts held in escrow	337,040	-	-	-	337,040
Total liabilities	<u>711,579</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>711,579</u>
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenue	664,656	278	1,791	177	666,902
Total deferred inflows of resources	<u>664,656</u>	<u>278</u>	<u>1,791</u>	<u>177</u>	<u>666,902</u>
Fund balances:					
Restricted	3,467,816	-	-	-	3,467,816
Assigned	3,056,346	125,273	807,780	79,737	4,069,136
Unassigned	7,900,989	-	-	-	7,900,989
Total fund balances	<u>14,425,151</u>	<u>125,273</u>	<u>807,780</u>	<u>79,737</u>	<u>15,437,941</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 15,801,386</u>	<u>\$ 125,551</u>	<u>\$ 809,571</u>	<u>\$ 79,914</u>	<u>\$ 16,816,422</u>

CITY OF EDMOND, OKLAHOMA
OTHER SUPPLEMENTARY INFORMATION
June 30, 2019

City of Edmond, Oklahoma
Statement of Revenues, Expenditures and Changes in Fund Balances
General Fund Accounts
For the Year Ended June 30, 2019

	<u>General Fund</u>	<u>Real Property Fund</u>	<u>Edmond Electric Economic Development</u>	<u>Park Special Events</u>	<u>Total General Fund</u>
REVENUES					
Sales and use taxes	\$ 46,328,395	\$ -	\$ -	\$ -	\$ 46,328,395
Franchise and public service taxes	2,121,326	-	-	-	2,121,326
Intergovernmental	1,793,530	-	-	-	1,793,530
Charges for services	6,441,901	-	-	11,264	6,453,165
Fines and forfeitures	1,854,649	-	-	-	1,854,649
Licenses and permits	1,544,064	-	-	-	1,544,064
Investment income	228,994	3,963	21,964	2,207	257,128
Miscellaneous	164,648	-	-	2,655	167,303
Total revenues	<u>60,477,507</u>	<u>3,963</u>	<u>21,964</u>	<u>16,126</u>	<u>60,519,560</u>
EXPENDITURES					
Current:					
General government	6,373,613	17	85	-	6,373,715
Public safety	3,015,627	-	-	-	3,015,627
Health and sanitation	710,882	-	-	-	710,882
Culture, parks and recreation	4,077,789	-	-	10,839	4,088,628
Economic development	-	-	-	-	-
Streets and highways	6,280,570	-	-	-	6,280,570
Capital Outlay	981,985	30,071	-	-	1,012,056
Total Expenditures	<u>21,440,466</u>	<u>30,088</u>	<u>85</u>	<u>10,839</u>	<u>21,481,478</u>
Excess (deficiency) of revenues over expenditures	<u>39,037,041</u>	<u>(26,125)</u>	<u>21,879</u>	<u>5,287</u>	<u>39,038,082</u>
OTHER FINANCING SOURCES (USES)					
Transfers in	17,875,187	-	50,000	-	17,925,187
Transfers out	(54,341,480)	-	-	-	(54,341,480)
Total other financing sources and uses	<u>(36,466,293)</u>	<u>-</u>	<u>50,000</u>	<u>-</u>	<u>(36,416,293)</u>
Net change in fund balances	<u>2,570,748</u>	<u>(26,125)</u>	<u>71,879</u>	<u>5,287</u>	<u>2,621,789</u>
Fund balances - beginning	11,854,403	151,398	735,901	74,450	12,816,152
Fund balances - ending	<u>\$ 14,425,151</u>	<u>\$ 125,273</u>	<u>\$ 807,780</u>	<u>\$ 79,737</u>	<u>\$ 15,437,941</u>

CITY OF EDMOND, OKLAHOMA
OTHER SUPPLEMENTARY INFORMATION
June 30, 2019

City of Edmond, Oklahoma
Schedule of Revenues, Expenditures and Changes in Fund Balance-Budgetary Basis
Budget and Actual - General Funds Combined
For the year ended June 30, 2019

	EDMOND ELECTRIC ECONOMIC DEVELOPMENT			PARKS SPECIAL EVENTS FUND		
	Budget	Actual	Variance Positive (Negative)	Budget	Actual	Variance Positive (Negative)
Revenues:						
Charges for services	\$ -	\$ -	\$ -	\$ 17,000	\$ 11,264	\$ (5,736)
Investment income	6,000	21,964	15,964	250	2,207	1,957
Miscellaneous	-	-	-	4,500	2,655	(1,845)
Total Revenues	\$ 6,000	\$ 21,964	\$ 15,964	\$ 21,750	\$ 16,126	\$ (5,624)
Expenditures:						
General Government:						
Personal services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Materials and supplies	-	-	-	-	-	-
Other services and charges	500	85	415	-	-	-
Capital outlay	-	-	-	-	-	-
Debt service	-	-	-	-	-	-
Total General Government	\$ 500	\$ 85	\$ 415	\$ -	\$ -	\$ -
Parks and Recreation:						
Personal services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Materials and supplies	-	-	-	1,850	30	1,820
Other service and charges	-	-	-	17,800	10,809	6,991
Capital outlay	-	-	-	-	-	-
Total Parks and Recreation	\$ -	\$ -	\$ -	\$ 19,650	\$ 10,839	\$ 8,811
Total Expenditures	\$ 500	\$ 85	\$ 415	\$ 19,650	\$ 10,839	\$ 8,811
Revenues over (under) expenditures	\$ 5,500	\$ 21,879	\$ 16,379	\$ 2,100	\$ 5,287	\$ 3,187
Other financing sources (uses):						
Transfers from other funds	50,000	50,000	-	-	-	-
total of other financing resources	50,000	50,000	-	-	-	-
Revenues and other sources over (under) expenditures and other uses	55,500	71,879	16,379	2,100	5,287	3,187
Fund Balance-beginning of year	735,901	735,901	-	74,450	74,450	-
Fund Balance -end of year	\$ 791,401	\$ 807,780	\$ 16,379	\$ 76,550	\$ 79,737	\$ 3,187

CITY OF EDMOND, OKLAHOMA
OTHER SUPPLEMENTARY INFORMATION
June 30, 2019

City of Edmond, Oklahoma
Schedule of Revenues, Expenditures and Changes in Fund Balance-Budgetary Basis
Budget and Actual - General Funds Combined
For the year ended June 30, 2019

(Continued)

	REAL PROPERTY FUND		
	Budget	Actual	Variance Positive (Negative)
Revenues:			
Charges for services	\$ -	\$ -	\$ -
Investment income	1,500	3,963	2,463
Miscellaneous	-	-	-
Total Revenues	\$ 1,500	\$ 3,963	\$ 2,463
Expenditures:			
General Government:			
Personal services	\$ -	\$ -	\$ -
Materials and supplies	-	-	-
Other services and charges	1,500	17	1,483
Capital outlay	35,000	30,071	4,929
Debt service	-	-	-
Total General Government	\$ 36,500	\$ 30,088	\$ 6,412
Parks and Recreation:			
Personal services	\$ -	\$ -	\$ -
Materials and supplies	-	-	-
Other service and charges	-	-	-
Capital outlay	-	-	-
Total Parks and Recreation	\$ -	\$ -	\$ -
Total Expenditures	\$ 36,500	\$ 30,088	\$ 6,412
Revenues over (under) expenditures	\$ (35,000)	\$ (26,125)	\$ 8,875
Other financing sources (uses):			
Transfers from other funds	-	-	-
total of other financing resources	-	-	-
Revenues and other sources over (under) expenditures and other uses	(35,000)	(26,125)	8,875
Fund Balance-beginning of year	151,398	151,398	-
Fund Balance -end of year	\$ 116,398	\$ 125,273	\$ 8,875

NONMAJOR GOVERNMENTAL FUNDS

Special Revenue Funds

Special Revenue Funds are used to account for the proceeds of specific revenue sources that are normally restricted to expenditures for specified purposes.

CDBG ENTITLEMENT - This fund was established by the City to account for the grants received from the Federal government through the Oklahoma Department of Commerce under various Community Development Block Grant programs.

ASSET FORFEITURE FUND - The Asset Forfeiture Fund has been established to account for assets that are equitably distributed by the Drug Enforcement Administration to state and local agencies that directly participate in the law enforcement effort that leads to the seizure of assets used in illegal drug activities. The assets received must be for only law enforcement purposes such as enhancements to future investigations, law enforcement training, equipment, operations and overtime for enforcement activities.

SENIOR CITIZENS FUND - This fund was established to account for dedicated revenues received for the benefit of senior citizens, including grants, donations and other resources. The expenditures of the fund are administratively restricted for the benefit of senior citizens' activities or programs.

CONVENTION & VISITORS BUREAU – The Convention & Visitors Bureau Fund accounts for the Hotel/Motel tax revenues that the City collects. It is restricted for tourism, conventions, and visitors' bureau.

HOSPITAL SALE TRUST FUND –The Hospital Sale Trust Fund was established in 1981 to account for the proceeds of approximately \$7,200,000 received from the sale of the Edmond Memorial Hospital to the Hospital Corporation of America. Use of the trust principal must first be approved by a vote of the citizens of the City. Investment earnings from the trust may be appropriated without voter approval but are restricted to capital improvements.

AMBULATORY SERVICE FUND – The Ambulatory Service Fund provides funding of the City of Edmond's Ambulance Services through the regional Emergency Medical Services Authority (EMSA). It primarily covers those citizens who have elected to participate in the TotalCare Program which is a monthly fee of \$3.00 paid through utility billing which began in FY 09-10.

(continued)

Capital Project Funds

The Capital Project Funds have been established to account for all major capital improvements, except those accounted for in proprietary type funds, which are financed by the City's sales tax revenue bond issues, General Fund transfers, and other designated sources.

CEMETERY PERPETUAL CARE FUND - The Cemetery Perpetual Care Fund has been established to account for 20% of all monies received from the sale of lots and interments as established by City Council. Monies received must be used for making capital improvements.

CEMETERY CARE FUND - The Cemetery Care Fund has been established to account for 12.5% of all monies received from the sale of lots and interments in accordance with state law. Monies received must be used to purchase lands for cemeteries and for making capital improvements. Interest earned may be used for improving, caring for, and embellishing cemetery property.

PARK SALES TAX FUND - The Park Sales Tax Fund has been established to account for operations and facility improvement costs of the City's park and recreation system. Financing is provided by a permanent one-eighth cent sales tax approved by the voters in September 1992 and expanded in 2000 to include all city parks.

ART IN PUBLIC PLACES FUND - The Art in Public Places Fund has been established to account for art acquisitions by the City. Financing is provided by donations, investment earnings and other City funds as determined by the City Council.

CAPITAL IMPROVEMENT FUND - The Capital Improvement Fund was established to account for major capital improvements that are financed by the General Fund and other designated sources which are outlined in the City's five year Capital Improvements program. The fund is funded primarily from General Fund transfers.

ROADWAY IMPROVEMENT FUND - The Roadway Improvement Fund has been established to account for street construction and improvement projects as approved by the voters on May 10, 1994. The improvements are financed by a temporary seven-eighths cent sales tax which ended in FY1995. The remainder of funds are planned to be expended on street improvements.

1996 CAPITAL IMPROVEMENT TAX FUND - The 1996 Capital Improvements Tax Fund has been established to account for various capital improvements as recommended by the Citizens Capital Improvements Planning Committee and approved by the voters on August 27, 1996. The improvements are being financed by a three-fourths cent sales tax for a five year period beginning November 1, 1996. Funded from the tax are street improvements, radio communication system and computer aided dispatch, water treatment plant expansion, library expansion, senior citizens center, and a city wide sidewalk project.

2012 PUBLIC SAFETY CENTER TAX FUND - used to account for the proceeds of a five year half cent voter-restricted limited purpose sales tax to be used for the development of the City's Public Safety Center and other capital project as approved by the voters.

2017 CAPITAL IMPROVEMENT FUND - The 2017 Capital Improvements Fund has been established to account for various capital improvements as recommended by the Capital Improvement Project Advisory Board. Their recommendations are forwarded to the City Council for their approval. This fund replaces the 2012 Public Safety Center-Capital Improvements Tax Fund, established to account for the capital construction cost of a new Public Safety Center and other capital improvements. The improvements are being financed by a 10 year one-half cent sales tax approved by voters on April 2016 and commenced on April 1, 2017 and will run for ten years, unless extended by the voters.

CITY OF EDMOND, OKLAHOMA
OTHER SUPPLEMENTARY INFORMATION
June 30, 2019

City of Edmond, Oklahoma
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2019

	SPECIAL REVENUE FUNDS						CAPITAL PROJECT FUND
	CDBG Entitlement Fund	Asset Forfeiture Fund	Senior Center Fund	Convention and Visitor's Bureau Fund	Hospital Sale Trust Fund	Ambulatory Service Fund	Cemetery Perpetual Care
ASSETS							
Cash and cash equivalents	\$ -	\$ 63,815	\$ 21,976	\$ 18,363	\$ 7,428,416	\$ 54,959	\$ 4,759
Investments	-	772,013	265,856	222,146	84,341	664,885	57,571
Due from other governments	17,170	-	-	-	-	-	-
Accrued interest receivable	-	3,036	1,045	874	-	2,615	226
Other receivable	-	-	-	54,538	3,303	44,868	-
Total assets	<u>\$ 17,170</u>	<u>\$ 838,864</u>	<u>\$ 288,877</u>	<u>\$ 295,921</u>	<u>\$ 7,516,060</u>	<u>\$ 767,327</u>	<u>\$ 62,556</u>
LIABILITIES AND FUND BALANCES							
Liabilities:							
Accounts payable	\$ 11,591	\$ -	\$ 943	\$ 18,941	\$ -	\$ -	\$ -
Due to other funds	91,826	-	-	-	1,000	-	-
Total liabilities	<u>103,417</u>	<u>-</u>	<u>943</u>	<u>18,941</u>	<u>1,000</u>	<u>-</u>	<u>-</u>
DEFERRED INFLOWS OF RESOURCES							
Unavailable revenue	-	1,856	638	534	-	1,598	138
Total deferred inflows of resources	<u>-</u>	<u>1,856</u>	<u>638</u>	<u>534</u>	<u>-</u>	<u>1,598</u>	<u>138</u>
Fund balances:							
Restricted	-	774,242	203,979	250,221	7,515,060	726,386	62,418
Committed	-	-	61,059	-	-	-	-
Assigned	-	62,766	22,258	26,225	-	39,343	-
Unassigned (deficit)	(86,247)	-	-	-	-	-	-
Total fund balances	<u>(86,247)</u>	<u>837,008</u>	<u>287,296</u>	<u>276,446</u>	<u>7,515,060</u>	<u>765,729</u>	<u>62,418</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 17,170</u>	<u>\$ 838,864</u>	<u>\$ 288,877</u>	<u>\$ 295,921</u>	<u>\$ 7,516,060</u>	<u>\$ 767,327</u>	<u>\$ 62,556</u>

(Continued)

CITY OF EDMOND, OKLAHOMA
OTHER SUPPLEMENTARY INFORMATION
June 30, 2019

City of Edmond, Oklahoma
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2019

	CAPITAL PROJECT FUNDS								Total Governmental Funds
	Cemetery Care	Park Sales Tax Fund	Art in Public Places Fund	Capital Improvement Fund	Roadway Improvement Fund	1996 CIP Tax Fund	2012 Public Safety Center Tax Fund	2017 Capital Improvement Fund	
ASSETS									
Cash and cash equivalents	\$ 10,796	\$ 97,077	\$ 4,526	\$ 103,925	\$ 878	\$ 4,780	\$ 6	\$ 629,852	\$ 8,444,128
Investments	130,613	1,174,410	54,748	1,257,259	10,615	57,823	73	7,619,794	12,372,147
Due from other governments	-	347,683	-	-	-	-	-	1,390,734	1,755,587
Accrued interest receivable	514	4,619	216	4,945	42	227	-	29,967	48,326
Other receivable	-	-	-	-	-	-	-	-	102,709
Total assets	<u>\$ 141,923</u>	<u>\$ 1,623,789</u>	<u>\$ 59,490</u>	<u>\$ 1,366,129</u>	<u>\$ 11,535</u>	<u>\$ 62,830</u>	<u>\$ 79</u>	<u>\$ 9,670,347</u>	<u>\$ 22,722,897</u>
LIABILITIES AND FUND BALANCES									
Liabilities:									
Accounts payable	\$ -	\$ 54,061	\$ 27,480	\$ 63,472	\$ -	\$ -	\$ -	\$ 186,560	\$ 363,048
Due to other funds	-	-	-	-	-	-	-	-	92,826
Total liabilities	<u>-</u>	<u>54,061</u>	<u>27,480</u>	<u>63,472</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>186,560</u>	<u>455,874</u>
DEFERRED INFLOWS OF RESOURCES									
Unavailable revenue	314	2,823	132	3,023	26	139	-	18,317	29,538
Total deferred inflows of resources	<u>314</u>	<u>2,823</u>	<u>132</u>	<u>3,023</u>	<u>26</u>	<u>139</u>	<u>-</u>	<u>18,317</u>	<u>29,538</u>
Fund balances:									
Restricted	131,508	1,106,997	21,876	-	10,198	11,173	-	9,465,470	20,279,528
Committed	-	-	-	-	-	-	-	-	61,059
Assigned	10,101	459,908	10,002	1,299,634	1,311	51,518	-	-	1,983,066
Unassigned (deficit)	-	-	-	-	-	-	79	-	(86,168)
Total fund balances	<u>141,609</u>	<u>1,566,905</u>	<u>31,878</u>	<u>1,299,634</u>	<u>11,509</u>	<u>62,691</u>	<u>79</u>	<u>9,465,470</u>	<u>22,237,485</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 141,923</u>	<u>\$ 1,623,789</u>	<u>\$ 59,490</u>	<u>\$ 1,366,129</u>	<u>\$ 11,535</u>	<u>\$ 62,830</u>	<u>\$ 79</u>	<u>\$ 9,670,347</u>	<u>\$ 22,722,897</u>

CITY OF EDMOND, OKLAHOMA
OTHER SUPPLEMENTARY INFORMATION
June 30, 2019

City of Edmond, Oklahoma
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended June 30, 2019

	SPECIAL REVENUE FUNDS						CAPITAL PROJECT FUND
	CDBG Entitlement Fund	Asset Forfeiture Fund	Senior Center Fund	Convention and Visitor's Bureau Fund	Hospital Sale Trust Fund	Ambulatory Service Fund	Cemetery Perpetual Care
REVENUES							
Sales and use taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Hotel/motel taxes	-	-	-	548,394	-	-	-
Intergovernmental	508,173	-	-	-	-	-	-
Charges for services	-	-	1,695	-	-	871,623	43,234
Investment earnings	-	21,220	7,957	6,442	229,440	18,178	538
Investment earnings on interfund loans	-	-	-	-	-	-	-
Miscellaneous	-	154,253	66,196	20,551	-	-	-
Total revenues	<u>508,173</u>	<u>175,473</u>	<u>75,848</u>	<u>575,387</u>	<u>229,440</u>	<u>889,801</u>	<u>43,772</u>
EXPENDITURES							
Current:							
General government	112,300	-	-	456,944	1,225	-	-
Public Safety	-	9,212	-	-	-	-	-
Health and welfare	-	-	-	-	-	675,996	-
Culture, parks and recreation	-	-	54,136	-	-	-	-
Capital Outlay	437,456	-	-	-	-	-	-
Total Expenditures	<u>549,756</u>	<u>9,212</u>	<u>54,136</u>	<u>456,944</u>	<u>1,225</u>	<u>675,996</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	<u>(41,583)</u>	<u>166,261</u>	<u>21,712</u>	<u>118,443</u>	<u>228,215</u>	<u>213,805</u>	<u>43,772</u>
OTHER FINANCING SOURCES (USES)							
Transfers in	-	-	-	-	-	-	-
Transfers out	-	-	-	(92,202)	-	-	-
Total other financing sources and uses	<u>-</u>	<u>-</u>	<u>-</u>	<u>(92,202)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	<u>(41,583)</u>	<u>166,261</u>	<u>21,712</u>	<u>26,241</u>	<u>228,215</u>	<u>213,805</u>	<u>43,772</u>
Fund balances - beginning	(44,664)	670,747	265,584	250,205	7,286,845	551,924	18,646
Fund balances - ending	<u>\$ (86,247)</u>	<u>\$ 837,008</u>	<u>\$ 287,296</u>	<u>\$ 276,446</u>	<u>\$ 7,515,060</u>	<u>\$ 765,729</u>	<u>\$ 62,418</u>

(Continued)

CITY OF EDMOND, OKLAHOMA
OTHER SUPPLEMENTARY INFORMATION
June 30, 2019

City of Edmond, Oklahoma
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended June 30, 2019

	CAPITAL PROJECT FUNDS								
	Cemetery Care	Park Sales Tax Fund	Art in Public Places Fund	Capital Improvement Fund	Roadway Improvement Fund	1996 CIP Tax Fund	2012 Public Safety Center Tax Fund	2017 Capital Improvement Fund	Total-Other Governmental Funds
REVENUES									
Sales and use taxes	\$ -	\$ 2,286,751	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 9,147,006	\$ 11,433,757
Hotel/motel taxes	-	-	-	-	-	-	-	-	548,394
Intergovernmental	-	-	-	-	-	-	-	-	508,173
Charges for services	27,021	-	-	-	-	-	-	-	943,573
Investment earnings	4,389	42,495	1,415	36,685	319	1,741	78	280,635	651,532
Investment earnings on interfund loans	-	-	-	-	-	-	-	-	-
Miscellaneous	-	957	71,800	-	-	2,607	-	-	316,364
Total revenues	<u>31,410</u>	<u>2,330,203</u>	<u>73,215</u>	<u>36,685</u>	<u>319</u>	<u>4,348</u>	<u>78</u>	<u>9,427,641</u>	<u>14,401,793</u>
EXPENDITURES									
Current:									
General government	2,842	-	-	144	1	6	-	140,317	713,779
Public Safety	-	-	-	-	-	-	-	-	9,212
Health and welfare	-	-	-	-	-	-	-	-	675,996
Culture, parks and recreation	-	1,050,294	19,077	-	-	-	-	-	1,123,507
Capital Outlay	-	865,915	210,225	179,918	-	-	-	8,572,265	10,265,779
Total Expenditures	<u>2,842</u>	<u>1,916,209</u>	<u>229,302</u>	<u>180,062</u>	<u>1</u>	<u>6</u>	<u>-</u>	<u>8,712,582</u>	<u>12,788,273</u>
Excess (deficiency) of revenues over expenditures	<u>28,568</u>	<u>413,994</u>	<u>(156,087)</u>	<u>(143,377)</u>	<u>318</u>	<u>4,342</u>	<u>78</u>	<u>715,059</u>	<u>1,613,520</u>
OTHER FINANCING SOURCES (USES)									
Transfers in	-	-	104,570	300,000	-	-	83,493	-	488,063
Transfers out	-	(320,000)	-	-	-	-	-	(1,583,493)	(1,995,695)
Total other financing sources and uses	<u>-</u>	<u>(320,000)</u>	<u>104,570</u>	<u>300,000</u>	<u>-</u>	<u>-</u>	<u>83,493</u>	<u>(1,583,493)</u>	<u>(1,507,632)</u>
Net change in fund balances	<u>28,568</u>	<u>93,994</u>	<u>(51,517)</u>	<u>156,623</u>	<u>318</u>	<u>4,342</u>	<u>83,571</u>	<u>(868,434)</u>	<u>105,888</u>
Fund balances - beginning	113,041	1,472,911	83,395	1,143,011	11,191	58,349	(83,492)	10,333,904	22,131,597
Fund balances - ending	<u>\$ 141,609</u>	<u>\$ 1,566,905</u>	<u>\$ 31,878</u>	<u>\$ 1,299,634</u>	<u>\$ 11,509</u>	<u>\$ 62,691</u>	<u>\$ 79</u>	<u>\$ 9,465,470</u>	<u>\$ 22,237,485</u>

**CITY OF EDMOND, OKLAHOMA
OTHER SUPPLEMENTARY INFORMATION
June 30, 2019**

CITY OF EDMOND, OKLAHOMA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE-BUDGETARY BASIS
BUDGET AND ACTUAL - NONMAJOR GOVERNMENTAL FUNDS
For the fiscal year ended June 30, 2019

	SPECIAL REVENUE FUNDS					
	CDBG ENTITLEMENT			ASSET FORFEITURE FUND		
	Budget	Actual	Variance Positive (Negative)	Budget	Actual	Variance Positive (Negative)
Revenues:						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	560,969	508,173	(52,796)	-	-	-
Charges for services	-	-	-	-	-	-
Investment income	-	-	-	2,000	21,220	19,220
Miscellaneous	-	-	-	-	154,253	154,253
Total Revenues	560,969	508,173	(52,796)	2,000	175,473	173,473
General Government:						
Personal services	46,840	46,812	28	-	-	-
Materials and supplies	3,850	670	3,180	-	-	-
Other services and charges	644,877	502,274	142,603	-	-	-
Capital outlay	-	-	-	-	-	-
Debt service	-	-	-	-	-	-
Total General Government	695,567	549,756	145,811	-	-	-
Public Safety:						
Personal services	-	-	-	-	-	-
Materials and supplies	-	-	-	13,160	7,502	5,658
Other services and charges	-	-	-	1,750	1,710	40
Capital outlay	-	-	-	20,814	-	20,814
Total Public Safety	-	-	-	35,724	9,212	26,512
Parks and Recreation:						
Personal services	-	-	-	-	-	-
Material and supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Total Parks and Recreation	-	-	-	-	-	-
Health & Welfare:						
Personal services	-	-	-	-	-	-
Materials and supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Total Health & Welfare	-	-	-	-	-	-
Economic Development & Opp.						
Personal services	-	-	-	-	-	-
Materials and supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Total Economic Development & Opp	-	-	-	-	-	-
Street:						
Personal services	-	-	-	-	-	-
Materials and supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Total Street	-	-	-	-	-	-
Total Expenditures	695,567	549,756	145,811	35,724	9,212	26,512
Revenues over (under) expenditures	\$ (134,598)	\$ (41,583)	\$ 93,015	\$ (33,724)	\$ 166,261	\$ 199,985
Other financing sources (uses):						
Transfers from other funds	-	-	-	-	-	-
Transfers to other funds	-	-	-	-	-	-
Revenues and other sources over (under) expenditures and other uses	(134,598)	(41,583)	93,015	(33,724)	166,261	199,985
Fund Balance -beginning of year	(44,664)	(44,664)	-	670,747	670,747	-
Fund Balance -end of year	\$ (179,262)	\$ (86,247)	\$ 93,015	\$ 637,023	\$ 837,008	\$ 199,985

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CITY OF EDMOND, OKLAHOMA
OTHER SUPPLEMENTARY INFORMATION
June 30, 2019

CITY OF EDMOND, OKLAHOMA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE-BUDGETARY BASIS
BUDGET AND ACTUAL - NONMAJOR GOVERNMENTAL FUNDS
For the fiscal year ended June 30, 2019

	SPECIAL REVENUE FUNDS					
	SENIOR CENTER FUND			CONVENTION AND VISITOR'S BUREAU FUND		
	Budget	Actual	Variance Positive (Negative)	Budget	Actual	Variance Positive (Negative)
Revenues:						
Taxes	\$ -	\$ -	\$ -	\$ 564,500	\$ 548,394	\$ (16,106)
Intergovernmental	-	-	-	-	-	-
Charges for services	1,379	1,695	316	-	-	-
Investment income	1,750	7,957	6,207	500	6,442	5,942
Miscellaneous	63,347	66,196	2,849	19,001	20,550	1,549
Total Revenues	66,476	75,848	9,372	584,001	575,386	(8,615)
General Government:						
Personal services	-	-	-	283,579	247,377	36,202
Materials and supplies	-	-	-	20,134	16,831	3,303
Other services and charges	-	-	-	372,984	284,937	88,047
Capital outlay	-	-	-	-	-	-
Debt service	-	-	-	-	-	-
Total General Government	-	-	-	676,697	549,145	127,552
Public Safety:						
Personal services	-	-	-	-	-	-
Materials and supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Total Public Safety	-	-	-	-	-	-
Parks and Recreation:						
Personal services	-	-	-	-	-	-
Material and supplies	6,400	4,492	1,908	-	-	-
Other services and charges	62,000	49,644	12,356	-	-	-
Capital outlay	-	-	-	-	-	-
Total Parks and Recreation	68,400	54,136	14,264	-	-	-
Health & Welfare:						
Personal services	-	-	-	-	-	-
Materials and supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Total Health & Welfare	-	-	-	-	-	-
Economic Development & Opp.						
Personal services	-	-	-	-	-	-
Materials and supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Total Economic Development & Opp	-	-	-	-	-	-
Street:						
Personal services	-	-	-	-	-	-
Materials and supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Total Street	-	-	-	-	-	-
Total Expenditures	68,400	54,136	14,264	676,697	549,145	127,552
Revenues over (under) expenditures	\$ (1,924)	\$ 21,712	\$ 23,636	\$ (92,696)	\$ 26,241	\$ 118,937
Other financing sources (uses):						
Transfers from other funds	-	-	-	-	-	-
Transfers to other funds	-	-	-	-	-	-
Revenues and other sources over (under) expenditures and other uses	(1,924)	21,712	23,636	(92,696)	26,241	118,937
Fund Balance-beginning of year	265,584	265,584	-	250,205	250,205	-
Fund Balance -end of year	\$ 263,660	\$ 287,296	\$ 23,636	\$ 157,509	\$ 276,446	\$ 118,937

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CITY OF EDMOND, OKLAHOMA
OTHER SUPPLEMENTARY INFORMATION
June 30, 2019

CITY OF EDMOND, OKLAHOMA
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE-BUDGETARY BASIS
 BUDGET AND ACTUAL - NONMAJOR GOVERNMENTAL FUNDS
 For the fiscal year ended June 30, 2019

	SPECIAL REVENUE FUNDS					
	HOSPITAL SALES TRUST FUND			AMBULATORY SERVICE FUND		
	Budget	Actual	Variance Positive (Negative)	Budget	Actual	Variance Positive (Negative)
Revenues:						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	-	852,000	871,623	19,623
Investment income	5,000	229,440	224,440	3,500	18,178	14,678
Miscellaneous	-	-	-	-	-	-
Total Revenues	5,000	229,440	224,440	855,500	889,801	34,301
General Government:						
Personal services	-	-	-	-	-	-
Materials and supplies	-	-	-	-	-	-
Other services and charges	2,600	1,225	1,375	-	-	-
Capital outlay	-	-	-	-	-	-
Debt service	-	-	-	-	-	-
Total General Government	2,600	1,225	1,375	-	-	-
Public Safety:						
Personal services	-	-	-	-	-	-
Materials and supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Total Public Safety	-	-	-	-	-	-
Parks and Recreation:						
Personal services	-	-	-	-	-	-
Material and supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Total Parks and Recreation	-	-	-	-	-	-
Health & Welfare:						
Personal services	-	-	-	-	-	-
Materials and supplies	-	-	-	1,000	-	1,000
Other services and charges	-	-	-	676,675	675,996	679
Capital outlay	-	-	-	-	-	-
Total Health & Welfare	-	-	-	677,675	675,996	1,679
Economic Development & Opp.						
Personal services	-	-	-	-	-	-
Materials and supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Total Economic Development & Opp	-	-	-	-	-	-
Street:						
Personal services	-	-	-	-	-	-
Materials and supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Total Street	-	-	-	-	-	-
Total Expenditures	2,600	1,225	1,375	677,675	675,996	1,679
Revenues over (under) expenditures	\$ 2,400	\$ 228,215	\$ 225,815	\$ 177,825	\$ 213,805	\$ 35,980
Other financing sources (uses):						
Transfers from other funds	-	-	-	-	-	-
Transfers to other funds	-	-	-	-	-	-
Revenues and other sources over (under) expenditures and other uses	2,400	228,215	225,815	177,825	213,805	35,980
Fund Balance-beginning of year	7,286,845	7,286,845	-	551,924	551,924	-
Fund Balance -end of year	\$ 7,289,245	\$ 7,515,060	\$ 225,815	\$ 729,749	\$ 765,729	\$ 35,980

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CITY OF EDMOND, OKLAHOMA
OTHER SUPPLEMENTARY INFORMATION
June 30, 2019

CITY OF EDMOND, OKLAHOMA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE-BUDGETARY BASIS
BUDGET AND ACTUAL - NONMAJOR GOVERNMENTAL FUNDS
For the fiscal year ended June 30, 2019

	CAPITAL PROJECT FUNDS					
	CEMETERY CARE			PARK SALES TAX FUNDS		
	Budget	Actual	Variance Positive (Negative)	Budget	Actual	Variance Positive (Negative)
Revenues:						
Taxes	\$ -	\$ -	\$ -	\$ 2,196,790	\$ 2,286,751	\$ 89,961
Intergovernmental	-	-	-	-	-	-
Charges for services	20,705	27,021	6,316	-	-	-
Investment income	600	4,389	3,789	10,000	42,496	32,496
Miscellaneous	-	-	-	77,000	957	(76,043)
Total Revenues	21,305	31,410	10,105	2,283,790	2,330,204	46,414
General Government:						
Personal services	-	-	-	-	-	-
Materials and supplies	-	-	-	-	-	-
Other services and charges	2,843	2,842	1	-	-	-
Capital outlay	-	-	-	-	-	-
Debt service	-	-	-	-	-	-
Total General Government	2,843	2,842	1	-	-	-
Public Safety:						
Personal services	-	-	-	-	-	-
Materials and supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Total Public Safety	-	-	-	-	-	-
Parks and Recreation:						
Personal services	-	-	-	383,338	383,281	57
Material and supplies	-	-	-	120,720	86,725	33,995
Other services and charges	-	-	-	597,905	492,114	105,791
Capital outlay	-	-	-	1,741,304	865,915	875,389
Total Parks and Recreation	-	-	-	2,843,267	1,828,035	1,015,232
Health & Welfare:						
Personal services	-	-	-	-	-	-
Materials and supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Total Health & Welfare	-	-	-	-	-	-
Economic Development & Opp.						
Personal services	-	-	-	-	-	-
Materials and supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Total Economic Development & Opp	-	-	-	-	-	-
Street:						
Personal services	-	-	-	-	-	-
Materials and supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Total Street	-	-	-	-	-	-
Total Expenditures	2,843	2,842	1	2,843,267	1,828,035	1,015,232
Revenues over (under) expenditures	\$ 18,462	\$ 28,568	\$ 10,106	\$ (559,477)	\$ 502,169	\$ 1,061,646
Other financing sources (uses):						
Transfers from other funds	-	-	-	-	-	-
Transfers to other funds	-	-	-	(418,484)	(408,175)	10,309
Revenues and other sources over (under) expenditures and other uses	18,462	28,568	10,106	(977,961)	93,994	1,071,955
Fund Balance-beginning of year	113,041	113,041	-	1,472,911	1,472,911	-
Fund Balance -end of year	\$ 131,503	\$ 141,609	\$ 10,106	\$ 494,950	\$ 1,566,905	\$ 1,071,955

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CITY OF EDMOND, OKLAHOMA
OTHER SUPPLEMENTARY INFORMATION
June 30, 2019

CITY OF EDMOND, OKLAHOMA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE-BUDGETARY BASIS
BUDGET AND ACTUAL - NONMAJOR GOVERNMENTAL FUNDS
For the fiscal year ended June 30, 2019

	CAPITAL PROJECT FUNDS					
	ART IN PUBLIC PLACES FUND			CAPITAL IMPROVEMENT FUND		
	Budget	Actual	Variance Positive (Negative)	Budget	Actual	Variance Positive (Negative)
Revenues:						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Investment income	1,000	1,415	415	2,500	36,685	34,185
Miscellaneous	103,000	71,800	(31,200)	-	-	-
Total Revenues	104,000	73,215	(30,785)	2,500	36,685	34,185
General Government:						
Personal services	-	-	-	-	-	-
Materials and supplies	-	-	-	-	-	-
Other services and charges	-	-	-	150	144	6
Capital outlay	-	-	-	705,968	179,918	526,050
Debt service	-	-	-	-	-	-
Total General Government	-	-	-	706,118	180,062	526,056
Public Safety:						
Personal services	-	-	-	-	-	-
Materials and supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Total Public Safety	-	-	-	-	-	-
Parks and Recreation:						
Personal services	-	-	-	-	-	-
Material and supplies	72	72	-	-	-	-
Other services and charges	14,953	19,005	(4,052)	-	-	-
Capital outlay	240,450	210,225	30,225	-	-	-
Total Parks and Recreation	255,475	229,302	26,173	-	-	-
Health & Welfare:						
Personal services	-	-	-	-	-	-
Materials and supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Total Health & Welfare	-	-	-	-	-	-
Economic Development & Opp.						
Personal services	-	-	-	-	-	-
Materials and supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Total Economic Development & Opp	-	-	-	-	-	-
Street:						
Personal services	-	-	-	-	-	-
Materials and supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Total Street	-	-	-	-	-	-
Total Expenditures	255,475	229,302	26,173	706,118	180,062	526,056
Revenues over (under) expenditures	\$ (151,475)	\$ (156,087)	\$ (4,612)	\$ (703,618)	\$ (143,377)	\$ 560,241
Other financing sources (uses):						
Transfers from other funds	280,058	104,570	(175,488)	300,000	300,000	-
Transfers to other funds	-	-	-	-	-	-
Revenues and other sources over (under) expenditures and other uses	128,583	(51,517)	(180,100)	(403,618)	156,623	560,241
Fund Balance-beginning of year	83,395	83,395	-	1,143,011	1,143,011	-
Fund Balance -end of year	\$ 211,978	\$ 31,878	\$ (180,100)	\$ 739,393	\$ 1,299,634	\$ 560,241

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**CITY OF EDMOND, OKLAHOMA
OTHER SUPPLEMENTARY INFORMATION
June 30, 2019**

CITY OF EDMOND, OKLAHOMA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE-BUDGETARY BASIS
BUDGET AND ACTUAL - NONMAJOR GOVERNMENTAL FUNDS
For the fiscal year ended June 30, 2019

	CAPITAL PROJECT FUNDS					
	ROADWAY IMPROVEMENT FUND			1996 CIP TAX FUND		
	Budget	Actual	Variance Positive (Negative)	Budget	Actual	Variance Positive (Negative)
Revenues:						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Investment income	120	319	199	1,200	1,741	541
Miscellaneous	-	-	-	-	-	-
Total Revenues	120	319	199	1,200	1,741	541
General Government:						
Personal services	-	-	-	-	-	-
Materials and supplies	-	-	-	-	-	-
Other services and charges	-	-	-	50	6	44
Capital outlay	-	-	-	-	-	-
Debt service	-	-	-	-	-	-
Total General Government	-	-	-	50	6	44
Public Safety:						
Personal services	-	-	-	-	-	-
Materials and supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Total Public Safety	-	-	-	-	-	-
Parks and Recreation:						
Personal services	-	-	-	-	-	-
Material and supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Total Parks and Recreation	-	-	-	-	-	-
Health & Welfare:						
Personal services	-	-	-	-	-	-
Materials and supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Total Health & Welfare	-	-	-	-	-	-
Economic Development & Opp.						
Personal services	-	-	-	-	-	-
Materials and supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Total Economic Development & Opp	-	-	-	-	-	-
Street:						
Personal services	-	-	-	-	-	-
Materials and supplies	-	-	-	-	-	-
Other services and charges	60	1	59	-	-	-
Capital outlay	6,993	-	6,993	56,260	(2,607)	58,867
Total Street	7,053	1	7,052	56,260	(2,607)	58,867
Total Expenditures	7,053	1	7,052	56,310	(2,601)	58,911
Revenues over (under) expenditures	\$ (6,933)	\$ 318	\$ 7,251	\$ (55,110)	\$ 4,342	\$ 59,452
Other financing sources (uses):						
Transfers from other funds	-	-	-	-	-	-
Transfers to other funds	-	-	-	-	-	-
Revenues and other sources over (under) expenditures and other uses	(6,933)	318	7,251	(55,110)	4,342	59,452
Fund Balance-beginning of year	11,191	11,191	-	58,349	58,349	-
Fund Balance -end of year	\$ 4,258	\$ 11,509	\$ 7,251	\$ 3,239	\$ 62,691	\$ 59,452

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CITY OF EDMOND, OKLAHOMA
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June 30, 2019

CITY OF EDMOND, OKLAHOMA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE-BUDGETARY BASIS
BUDGET AND ACTUAL - NONMAJOR GOVERNMENTAL FUNDS
For the fiscal year ended June 30, 2019

	CAPITAL PROJECT FUNDS					
	2012 Public Safety Center Tax Fund			2017 CAPITAL IMPROVEMENT TAX FUND		
	Budget	Actual	Variance Positive (Negative)	Budget	Actual	Variance Positive (Negative)
Revenues:						
Taxes	\$ -	\$ -	\$ -	\$ 8,774,268	\$ 9,147,006	\$ 372,738
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Investment income	-	78	78	25,000	280,635	255,635
Miscellaneous	-	-	-	-	-	-
Total Revenues	-	78	78	8,799,268	9,427,641	628,373
General Government:						
Personal services	-	-	-	-	-	-
Materials and supplies	-	-	-	5,000	-	5,000
Other services and charges	-	-	-	5,000	1,138	3,862
Capital outlay	-	-	-	1,948,492	197,784	1,750,708
Debt service	-	-	-	-	-	-
Total General Government	-	-	-	1,958,492	198,922	1,759,570
Public Safety:						
Personal services	-	-	-	-	-	-
Materials and supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Capital outlay	3,265	-	3,265	4,179,458	209,248	3,970,210
Total Public Safety	3,265	-	3,265	4,179,458	209,248	3,970,210
Parks and Recreation:						
Personal services	-	-	-	-	-	-
Material and supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Capital outlay	-	-	-	9,100,000	8,004,483	1,095,517
Total Parks and Recreation	-	-	-	9,100,000	8,004,483	1,095,517
Health & Welfare:						
Personal services	-	-	-	-	-	-
Materials and supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Total Health & Welfare	-	-	-	-	-	-
Economic Development & Opp.						
Personal services	-	-	-	-	-	-
Materials and supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Total Economic Development & Opp	-	-	-	-	-	-
Street:						
Personal services	-	-	-	-	-	-
Materials and supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Capital outlay	-	-	-	954,400	91,732	862,668
Total Street	-	-	-	954,400	91,732	862,668
Total Expenditures	3,265	-	3,265	16,192,350	8,504,385	7,687,965
Revenues over (under) expenditures	\$ (3,265)	\$ 78	\$ 3,343	\$ (7,393,082)	\$ 923,256	\$ 8,316,338
Other financing sources (uses):						
Transfers from other funds	80,189	83,493	3,304	-	-	-
Transfers to other funds	-	-	-	(1,791,690)	(1,791,690)	-
Revenues and other sources over (under) expenditures and other uses	76,924	83,571	6,647	(9,184,772)	(868,434)	8,316,338
Fund Balance-beginning of year	(83,492)	(83,492)	-	10,333,904	10,333,904	-
Fund Balance -end of year	\$ (6,568)	\$ 79	\$ 6,647	\$ 1,149,132	\$ 9,465,470	\$ 8,316,338

(continued)

CITY OF EDMOND, OKLAHOMA
OTHER SUPPLEMENTARY INFORMATION
June 30, 2019

CITY OF EDMOND, OKLAHOMA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE-BUDGETARY BASIS
BUDGET AND ACTUAL - MAJOR GOVERNMENTAL CAPITAL PROJECT FUND
For the fiscal year ended June 30, 2018

	Capital Project Funds		
	2000 Capital Improvement Tax Fund		
	Budget	Actual	Variance Positive (Negative)
REVENUES			
Taxes	\$ 13,109,239	\$ 13,720,509	\$ 611,270
Intergovernmental	-	160,000	160,000
Investment income	200,000	664,677	464,677
Miscellaneous	60,000	65,441	5,441
Total revenues	<u>13,369,239</u>	<u>14,610,627</u>	<u>1,241,388</u>
EXPENDITURES			
General Government:			
Materials and supplies	200	-	200
Other services and charges	35,000	11,512	23,488
Capital outlay	1,840,677	1,169,973	670,704
Debt service	8,452,693	8,315,884	136,809
Total General Government	<u>10,328,570</u>	<u>9,497,369</u>	<u>831,201</u>
Parks and Recreation:			
Capital outlay	3,501,090	2,731,144	769,946
Total Parks and Recreation	<u>3,501,090</u>	<u>2,731,144</u>	<u>769,946</u>
Economic Development & Opp:			
Capital outlay	3,354,871	2,618,291	736,580
Total Economic Development & Opp	<u>3,354,871</u>	<u>2,618,291</u>	<u>736,580</u>
Community Development:			
Capital outlay	17,404	17,404	-
Total Community Development	<u>17,404</u>	<u>17,404</u>	<u>-</u>
Street:			
Capital outlay	14,016,362	6,567,204	7,449,158
Total Street	<u>14,016,362</u>	<u>6,567,204</u>	<u>7,449,158</u>
Total Expenditures	<u>31,218,297</u>	<u>21,431,412</u>	<u>9,786,885</u>
Revenues over (under) expenditures	(17,849,058)	(6,820,785)	11,028,273
Other financing sources (uses):			
Transfers from other funds	-	-	-
Transfers to other funds	(166,106)	(85,370)	80,736
Total of other financing resources	<u>(166,106)</u>	<u>(85,370)</u>	<u>80,736</u>
Revenues and other sources over (under) expenditures and other uses	(18,015,164)	(6,906,155)	11,109,009
Fund Balance-beginning of year	<u>24,270,115</u>	<u>24,270,115</u>	<u>-</u>
Fund Balance -end of year	<u>\$ 6,254,951</u>	<u>\$ 17,363,960</u>	<u>\$ 11,109,009</u>

NONMAJOR ENTERPRISE FUNDS

The City operates eight enterprise funds under the legal entity of the Edmond Public Works Authority ("EPWA"), a public trust created under applicable Oklahoma statutes on October 6, 1970, with the City named as the beneficiary thereof. The Electric, Water and Wastewater enterprise funds are reported as Major funds. The remaining five enterprise funds are reported as nonmajor and include the following:

SANITATION - Established to acquire and furnish sanitation services to the citizens, receive all revenues generated, pay debt service requirements on the debt issued related to the sanitation facility, pay all operating expenses, and finance future sanitation improvements.

ARCADIA LAKE - Established to account for revenues and expenses related to the operations of the Arcadia Lake and Recreation Facility.

DRAINAGE - Established to account for a fee assessed on each customer's utility bill for construction and further improvements to the City's drainage system.

KICKINGBIRD GOLF COURSE - The Golf Course Fund accounts for the costs of operating and maintaining the City's 18-hole municipal golf course. Revenues are generated through green fees, cart rentals, driving range fees and restaurant operations.

YOURGOVSHOP - The YourGovShop Fund is a cooperative purchasing service, operated by the City, which provides its partners and members the lowest competitive prices for goods and services, as well as a reduction in the administrative costs of purchasing. Financing is provided by revenues generated from rebates, membership fees and General Fund transfers.

CityLink - The CityLink Fund is for the costs of operating and maintaining Edmond's public transportation service through a reliable, affordable, customer-friendly transportation service to the residents of Edmond for access to employment, shopping, medical, education and social destinations. The General Fund along with sponsorship funds the operations of this service.

CITY OF EDMOND, OKLAHOMA
OTHER SUPPLEMENTARY INFORMATION
June 30, 2019

City of Edmond, Oklahoma
Combining Statement of Net Position
Nonmajor Enterprise Funds
June 30, 2019

	PWA Sanitation Fund	PWA Arcadia Lake Fund	PWA Drainage Fund	Kickingbird Golf Course Fund	Yourgovshop Fund	CityLink	Total
ASSETS							
Current assets:							
Cash and cash equivalents	\$ 712,561	\$ 4,814	\$ 827,106	\$ 38,270	\$ 22,508	\$ 42,807	\$ 1,648,066
Investments	8,626,816	-	10,006,127	445,131	272,291	517,865	19,868,230
Restricted assets:							
Cash and cash equivalents	10	356,065	-	80,276	-	-	436,351
Investments	-	179,255	-	40,414	-	-	219,669
Receivables:							
Accrued interest receivable	33,928	-	39,353	1,751	1,072	2,037	78,141
Utility receivables, net of allowance for uncollectible accounts	1,243,627	-	220,199	-	-	-	1,463,826
Due from other governments	-	-	-	2,114	-	141,146	143,260
Other receivables	2,700	-	-	-	74,806	-	77,506
Due from other funds	29,848	9,180	-	-	-	-	39,028
Inventories	-	-	-	85,833	-	-	85,833
Total current assets	<u>10,649,490</u>	<u>549,314</u>	<u>11,092,785</u>	<u>693,789</u>	<u>370,677</u>	<u>703,855</u>	<u>24,059,910</u>
Non-current assets:							
Restricted assets:							
Cash and cash equivalents	-	168,636	-	54,040	-	-	222,676
Investments	656	89,518	-	28,687	-	-	118,861
Capital Assets:							
Nondepreciable	-	495,278	642,215	541,171	-	-	1,678,664
Depreciable, net of accumulated depreciation	327,397	3,089,493	7,109,928	948,781	-	-	11,475,599
Total non-current assets	<u>328,053</u>	<u>3,842,925</u>	<u>7,752,143</u>	<u>1,572,679</u>	<u>-</u>	<u>-</u>	<u>13,495,800</u>
Total assets	<u>10,977,543</u>	<u>4,392,239</u>	<u>18,844,928</u>	<u>2,266,468</u>	<u>370,677</u>	<u>703,855</u>	<u>37,555,710</u>
DEFERRED OUTFLOWS OF RESOURCES							
Deferred charge on refunding	2,708	34,200	-	10,960	-	-	47,868
Deferred amounts related to pensions	293,682	111,287	81,823	153,407	6,856	7,539	654,594
Deferred amounts related to OPEB	6,005	2,273	1,350	2,951	82	3,230	15,891
Total deferred outflows of resources	<u>302,395</u>	<u>147,760</u>	<u>83,173</u>	<u>167,318</u>	<u>6,938</u>	<u>10,769</u>	<u>718,353</u>
LIABILITIES							
Current liabilities:							
Accounts payable	601,444	1,833	650	63,770	-	125,193	792,890
Accrued wages payable	65,476	39,285	15,247	51,352	1,403	1,686	174,449
Accrued interest payable	4,321	30,528	-	9,783	-	-	44,632
Due to other funds	-	85,564	490,054	8,356	-	-	583,974
Unearned revenue	-	64,344	-	-	-	-	64,344
Compensated absences	9,521	3,981	2,461	5,032	401	264	21,660
Meter deposit liability	-	500	-	-	-	-	500
Revenue bonds payable	29,101	194,617	-	62,366	-	-	286,084
Total current liabilities	<u>709,863</u>	<u>420,652</u>	<u>508,412</u>	<u>200,659</u>	<u>1,804</u>	<u>127,143</u>	<u>1,968,533</u>
Non-current liabilities:							
Compensated absences	85,688	35,831	22,152	45,285	3,611	2,376	194,943
Meter deposit liability	-	-	-	-	-	-	-
Total OPEB liability	168,127	60,233	37,646	82,821	2,258	6,023	357,108
Net pension liability	751,895	258,724	211,379	376,108	18,119	18,546	1,634,771
Revenue bonds payable, net	177,090	1,179,482	-	377,973	-	-	1,734,545
Total non-current liabilities	<u>1,182,800</u>	<u>1,534,270</u>	<u>271,177</u>	<u>882,187</u>	<u>23,988</u>	<u>26,945</u>	<u>3,921,367</u>
Total liabilities	<u>1,892,663</u>	<u>1,954,922</u>	<u>779,589</u>	<u>1,082,846</u>	<u>25,792</u>	<u>154,088</u>	<u>5,889,900</u>
DEFERRED INFLOW OF RESOURCES							
Deferred amounts related to pensions	9,717	2,257	8,430	23,897	27	3,193	47,521
Deferred amounts related to OPEB	24,200	8,497	5,582	11,715	392	945	51,331
Total deferred inflows of resources	<u>33,917</u>	<u>10,754</u>	<u>14,012</u>	<u>35,612</u>	<u>419</u>	<u>4,138</u>	<u>98,852</u>
NET POSITION							
Net investment in capital assets	123,914	2,634,106	7,752,143	1,060,573	-	-	11,570,736
Restricted for debt service	-	762,445	-	193,635	-	-	956,080
Restricted for scholarships	-	-	-	1,601	-	-	1,601
Unrestricted (deficit)	9,229,444	(822,228)	10,382,357	59,519	351,404	556,398	19,756,894
Total net position	<u>\$ 9,353,358</u>	<u>\$ 2,574,323</u>	<u>\$ 18,134,500</u>	<u>\$ 1,315,328</u>	<u>\$ 351,404</u>	<u>\$ 556,398</u>	<u>\$ 32,285,311</u>

CITY OF EDMOND, OKLAHOMA
OTHER SUPPLEMENTARY INFORMATION
June 30, 2019

City of Edmond, Oklahoma
Combining Statement of Revenues, Expenses and Changes in Fund Net Position
Nonmajor Enterprise Funds
For the Year Ended June 30, 2019

	PWA Sanitation Fund	PWA Arcadia Lake Fund	PWA Drainage Fund	Kickingbird Golf Course Fund	Yourgovshop Fund	CityLink	Total
REVENUES							
Charges for services	\$ 10,304,493	\$ 842,290	\$ 1,885,430	\$ 1,810,401	\$ -	\$ 337,241	\$ 15,179,855
Operating grants and contributions	-	-	-	-	-	500,490	500,490
Miscellaneous	1,896	42,485	-	49,649	93,712	-	187,742
Total operating revenues	<u>10,306,389</u>	<u>884,775</u>	<u>1,885,430</u>	<u>1,860,050</u>	<u>93,712</u>	<u>837,731</u>	<u>15,868,087</u>
OPERATING EXPENSES							
Personal services	1,566,105	705,193	438,375	1,023,234	34,784	36,682	3,804,373
Materials and supplies	460,095	98,699	4,436	432,820	114	98,454	1,094,618
Maintenance, operations and contractual services	6,641,137	472,344	366,798	438,056	17,356	1,724,607	9,660,298
Depreciation	19,018	202,045	66,374	82,110	-	-	369,547
Total Operating Expenses	<u>8,686,355</u>	<u>1,478,281</u>	<u>875,983</u>	<u>1,976,220</u>	<u>52,254</u>	<u>1,859,743</u>	<u>14,928,836</u>
Operating income (loss)	<u>1,620,034</u>	<u>(593,506)</u>	<u>1,009,447</u>	<u>(116,170)</u>	<u>41,458</u>	<u>(1,022,012)</u>	<u>939,251</u>
NON-OPERATING REVENUES (EXPENSES)							
Interest and investment revenue	253,907	18,322	277,048	16,606	7,920	21,964	595,767
Interest expense	(6,687)	(38,572)	-	(12,361)	-	-	(57,620)
Miscellaneous expenses	-	-	101	-	-	-	101
Total non-operating revenue (expenses)	<u>247,220</u>	<u>(20,250)</u>	<u>277,149</u>	<u>4,245</u>	<u>7,920</u>	<u>21,964</u>	<u>538,248</u>
Income (loss) before transfers	1,867,254	(613,756)	1,286,596	(111,925)	49,378	(1,000,048)	1,477,499
Transfers in	-	404,435	-	160,000	-	650,000	1,214,435
Transfers out	(361,849)	-	-	-	-	-	(361,849)
Change in net position	<u>1,505,405</u>	<u>(209,321)</u>	<u>1,286,596</u>	<u>48,075</u>	<u>49,378</u>	<u>(350,048)</u>	<u>2,330,085</u>
Total net position - beginning	7,847,953	2,783,644	16,847,904	1,267,253	302,026	906,446	29,955,226
Total net position - ending	<u>\$ 9,353,358</u>	<u>\$ 2,574,323</u>	<u>\$ 18,134,500</u>	<u>\$ 1,315,328</u>	<u>\$ 351,404</u>	<u>\$ 556,398</u>	<u>\$ 32,285,311</u>

CITY OF EDMOND, OKLAHOMA
OTHER SUPPLEMENTARY INFORMATION
June 30, 2019

City of Edmond, Oklahoma
Combining Statement of Cash Flows
Nonmajor Enterprise Funds
For the Year Ended June 30, 2019

	PWA Sanitation Fund	PWA Arcadia Lake Fund	PWA Drainage Fund	Kickingbird Golf Course Fund	Youngvoshop Fund	CityLink	Total
CASH FLOWS FROM OPERATING ACTIVITIES							
Receipts from customers	\$ 10,144,222	\$ 887,370	\$ 1,886,887	\$ 1,860,050	\$ 110,429	\$ 706,823	\$ 15,595,781
Payments to suppliers	(6,968,633)	(571,499)	(377,284)	(903,941)	(17,470)	(1,809,839)	(10,648,566)
Payments to employees	(1,466,757)	(671,085)	(420,796)	(1,006,762)	(32,618)	(33,622)	(3,631,640)
Payment of customer meter deposits	(249,696)	-	(52,743)	-	-	-	(302,439)
Interfund payments	(77,212)	(9,180)	-	-	-	-	(86,392)
Interfund receipts	-	85,564	1,075,477	8,356	-	-	1,169,397
Net cash provided by (used in) operating activities	<u>1,382,024</u>	<u>(278,830)</u>	<u>2,111,541</u>	<u>(42,297)</u>	<u>60,341</u>	<u>(1,136,638)</u>	<u>2,096,141</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES							
Transfers from other funds	-	404,435	-	160,000	-	650,000	1,214,435
Transfer to other funds	(361,849)	-	-	-	-	-	(361,849)
Net cash provided by (used in) noncapital financing activities	<u>(361,849)</u>	<u>404,435</u>	<u>-</u>	<u>160,000</u>	<u>-</u>	<u>650,000</u>	<u>852,586</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES							
Purchase of capital assets	-	(25,844)	(15,548)	(8,356)	-	-	(49,748)
Principal paid on capital debt	(28,842)	(166,294)	-	(15,911)	-	-	(211,047)
Interest paid on capital debt	(9,348)	(64,381)	-	(34,114)	-	-	(107,843)
Net cash provided by (used in) capital and related financing activities	<u>(38,190)</u>	<u>(256,519)</u>	<u>(15,548)</u>	<u>(58,381)</u>	<u>-</u>	<u>-</u>	<u>(368,638)</u>
CASH FLOWS FROM INVESTING ACTIVITIES							
Purchases of investments	(1,110,371)	-	(2,173,364)	(79,307)	(65,252)	-	(3,428,294)
Sale of investments	-	153,376	-	-	-	424,209	577,585
Interest and dividends	144,921	15,774	161,457	11,470	7,522	15,423	356,567
Net cash provided by (used in) investing activities	<u>(965,450)</u>	<u>169,150</u>	<u>(2,011,907)</u>	<u>(67,837)</u>	<u>(57,730)</u>	<u>439,632</u>	<u>(2,494,142)</u>
Net increase (decrease) in cash and cash equivalents	16,535	38,236	84,086	(8,515)	2,611	(47,006)	85,947
Balances-beginning of year	696,036	491,279	743,020	181,101	19,897	89,813	2,221,146
Balances-end of year	<u>\$ 712,571</u>	<u>\$ 529,515</u>	<u>\$ 827,106</u>	<u>\$ 172,586</u>	<u>\$ 22,508</u>	<u>\$ 42,807</u>	<u>\$ 2,307,093</u>
Reconciliation to Combining Statement of Net Position:							
Cash and cash equivalents	\$ 712,561	\$ 4,814	\$ 827,106	\$ 38,270	\$ 22,508	\$ 42,807	\$ 1,648,066
Restricted cash and cash equivalents	10	356,065	-	80,276	-	-	436,351
Restricted cash and cash equivalents, non-current	-	168,636	-	54,040	-	-	222,676
Total cash and cash equivalents, end of year	<u>712,571</u>	<u>529,515</u>	<u>827,106</u>	<u>172,586</u>	<u>22,508</u>	<u>42,807</u>	<u>2,307,093</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided by (used in) Operating Activities:							
Operating income (loss)	\$ 1,620,034	\$ (593,506)	\$ 1,009,447	\$ (116,170)	\$ 41,458	\$ (1,022,012)	\$ 939,251
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:							
Depreciation expense	19,018	202,045	66,374	82,110	-	-	369,547
Miscellaneous non-operating revenue (expense)	-	-	101	-	-	-	101
Change in assets and liabilities:							
Receivables, net	(162,167)	-	1,356	-	16,717	(130,908)	(275,002)
Inventories	-	-	-	(4,759)	-	-	(4,759)
Due from other funds	(12,274)	(9,180)	872,562	-	-	-	851,108
Deferred outflows related to pension	9,915	(13,226)	6,164	9,622	198	18	12,691
Deferred outflows related to OPEB	(192)	(201)	(42)	(95)	(2)	(3,129)	(3,661)
Accounts and other payables	142,876	4,633	(3,115)	(23,945)	144	13,646	134,239
Due to other funds	(64,938)	85,564	202,915	8,356	-	-	231,897
Unearned revenue	-	2,595	-	-	-	-	2,595
Customer meter deposits payable	(249,696)	-	(52,743)	-	-	-	(302,439)
Total OPEB liability	(8,106)	(2,577)	(1,991)	(3,771)	(181)	2,974	(13,652)
Net Pension liability	69,724	41,751	8,001	27,389	1,691	2,023	150,579
Deferred inflows related to pension	(2,489)	480	6,356	(24,237)	(24)	(991)	(20,905)
Deferred inflows related to OPEB	14,874	5,173	3,484	7,133	263	784	31,711
Accrued compensated absences	5,445	(2,381)	(7,328)	(3,930)	77	857	(7,160)
Net cash provided by (used in) operating activities	<u>\$ 1,382,024</u>	<u>\$ (278,830)</u>	<u>\$ 2,111,541</u>	<u>\$ (42,297)</u>	<u>\$ 60,341</u>	<u>\$ (1,136,638)</u>	<u>\$ 2,096,141</u>
Non-cash Activities:							
Change in fair value of investments	\$ 58,817	\$ 2,415	\$ 68,221	\$ 3,035	\$ -	\$ 3,531	\$ 136,019
Total Non-cash Activities	<u>\$ 58,817</u>	<u>\$ 2,415</u>	<u>\$ 68,221</u>	<u>\$ 3,035</u>	<u>\$ -</u>	<u>\$ 3,531</u>	<u>\$ 136,019</u>

INTERNAL SERVICE FUNDS

The Internal Service Funds are used to account for the financing of administrative services provided by one department or function to other departments or functions of the City on a cost reimbursement basis.

EMPLOYEE GROUP INSURANCE FUND - The Employee Group Insurance Fund has been established to account for the direct and indirect costs of administering a self-funded group health insurance plan. Financing is provided by the City, the Edmond Public Works Authority, City employees, and interest earnings on fund investments. Costs associated with the plan include the payment of employee and dependent health and dental claims, third party administrative costs, insurance premium payments for catastrophic claims, fully insured life, accidental death and dismemberment, and long term disability insurance.

LIABILITY/TORT CLAIM FUND - The Liability/Tort Claim Fund has been established to account for direct and indirect costs for the payment of judgments and settled claims relating to torts and worker's compensation. Financing is provided through billings to user departments.

VEHICLE MAINTENANCE FUND - The Vehicle Maintenance Fund has been established to account for expenditures necessary to maintain City vehicles. Financing is provided through billings to user departments.

FLEET MANAGEMENT FUND - The Fleet Management Fund has been established to accumulate resources for the replacement of vehicles and other equipment on a systematic basis. Financing is provided by fleet lease assessments to the General Fund, Park Sales Tax Fund, Administrative Support Services Fund, Edmond Public Works Authority, Fire Public Safety Limited Tax Fund and the Police Public Safety Limited Tax Fund.

FIELD SERVICES FUND – The Field Services Fund has been established to provide street maintenance, water/wastewater line maintenance and traffic control systems maintenance. Financing is provided by the General Fund, Water and Wastewater Fund based upon applicable cost accounting methods.

ADMINISTRATIVE SUPPORT SERVICES FUND - The Administrative Support Services Fund has been established to account for and allocate administrative overhead costs to user departments of the City. Financing is provided through billings to user departments based upon applicable cost accounting methods.

CITY OF EDMOND, OKLAHOMA
OTHER SUPPLEMENTARY INFORMATION
June 30, 2019

City of Edmond, Oklahoma
Combining Statement of Net Position
Internal Service Funds
June 30, 2019

	Group Insurance Fund	Vehicle Maintenance Fund	Liability/Tort Claim Fund	Fleet Management Fund	Field Services Fund	Administrative Support Services Fund	Total
ASSETS							
Current assets:							
Cash and cash equivalents	\$ 280,386	\$ 10,393	\$ 387,074	\$ 1,045,186	\$ 219,462	\$ 484,367	\$ 2,426,868
Investments	3,392,047	123,318	2,868,060	12,644,410	2,654,994	5,833,195	27,516,024
Receivables:							
Accrued interest	13,340	485	18,345	49,728	10,442	22,941	115,281
Due from other governments	-	-	-	-	189,440	-	189,440
Other receivables	80,281	409,127	-	-	-	-	489,408
Inventories	-	138,555	-	-	974,483	67,535	1,180,573
Total current assets	<u>3,766,054</u>	<u>681,878</u>	<u>3,273,479</u>	<u>13,739,324</u>	<u>4,048,821</u>	<u>6,408,038</u>	<u>31,917,594</u>
Non-current assets:							
Restricted assets:							
Cash and cash equivalents	-	-	148,498	-	-	-	148,498
Investments	-	-	1,796,488	-	-	-	1,796,488
Capital Assets:							
Nondepreciable	-	-	-	-	-	787,269	787,269
Depreciable, net of accumulated depreciation	-	-	-	16,910,688	-	2,501,698	19,412,386
Total non-current assets	<u>-</u>	<u>-</u>	<u>1,944,986</u>	<u>16,910,688</u>	<u>-</u>	<u>3,288,967</u>	<u>22,144,641</u>
Total assets	<u>3,766,054</u>	<u>681,878</u>	<u>5,218,465</u>	<u>30,650,012</u>	<u>4,048,821</u>	<u>9,697,005</u>	<u>54,062,235</u>
DEFERRED OUTFLOWS OF RESOURCES							
Deferred amounts related to pensions	-	196,561	59,722	14,092	932,351	2,517,270	3,719,996
Deferred amounts related to OPEB	-	3,158	808	314	18,516	46,890	69,686
Total deferred outflow of resources	<u>-</u>	<u>199,719</u>	<u>60,530</u>	<u>14,406</u>	<u>950,867</u>	<u>2,564,160</u>	<u>3,789,682</u>
LIABILITIES							
Current Liabilities:							
Accounts payable	203,282	182,027	68,990	914,558	185,958	465,658	2,020,473
Salaries payable	-	43,072	12,589	3,162	216,470	599,024	874,317
Compensated absences	-	6,402	2,008	421	26,395	77,493	112,719
Claims and judgments	341,636	-	722,000	-	-	-	1,063,636
Total current liabilities	<u>544,918</u>	<u>231,501</u>	<u>805,587</u>	<u>918,141</u>	<u>428,823</u>	<u>1,142,175</u>	<u>4,071,145</u>
Non-current liabilities:							
Compensated absences	-	57,497	18,070	3,767	237,551	697,558	1,014,443
Total OPEB liability	-	91,705	22,588	3,689	519,513	1,302,548	1,940,043
Net pension liability	-	484,012	144,501	36,225	2,386,887	6,470,019	9,521,644
Claims and judgments	113,878	-	1,541,000	-	-	-	1,654,878
Total non-current liabilities	<u>113,878</u>	<u>633,214</u>	<u>1,726,159</u>	<u>43,681</u>	<u>3,143,951</u>	<u>8,470,125</u>	<u>14,131,008</u>
Total liabilities	<u>658,796</u>	<u>864,715</u>	<u>2,531,746</u>	<u>961,822</u>	<u>3,572,774</u>	<u>9,612,300</u>	<u>18,202,153</u>
DEFERRED INFLOW OF RESOURCES							
Deferred amounts related to pensions	-	9,946	3,511	170	62,152	197,893	273,672
Deferred amounts related to OPEB	-	12,934	3,350	526	73,639	199,381	289,830
Total deferred inflow of resources	<u>-</u>	<u>22,880</u>	<u>6,861</u>	<u>696</u>	<u>135,791</u>	<u>397,274</u>	<u>563,502</u>
NET POSITION							
Net investment in capital assets	-	-	-	16,910,688	-	3,288,967	20,199,655
Restricted for other purposes	-	-	1,939,322	-	-	-	1,939,322
Unrestricted (deficit)	3,107,258	(5,998)	801,066	12,791,212	1,291,123	(1,037,376)	16,947,285
Total Net Position	<u>\$ 3,107,258</u>	<u>\$ (5,998)</u>	<u>\$ 2,740,388</u>	<u>\$ 29,701,900</u>	<u>\$ 1,291,123</u>	<u>\$ 2,251,591</u>	<u>\$ 39,086,262</u>

CITY OF EDMOND, OKLAHOMA
OTHER SUPPLEMENTARY INFORMATION
June 30, 2019

City of Edmond, Oklahoma
Combining Statement of Revenues, Expenses and Changes in Fund Net Position
Internal Service Funds
For the Year Ended June 30, 2019

	Group Insurance Fund	Vehicle Maintenance Fund	Liability/Tort Claim Fund	Fleet Management Fund	Field Services Fund	Administrative Support Services Fund	Total
OPERATING REVENUES							
Charges for services	\$ 11,150,114	\$ 3,254,458	\$ 1,980,742	\$ 4,756,454	\$ 11,527,882	\$ 20,353,990	\$ 53,023,640
Miscellaneous	-	-	283,527	-	5,700	-	289,227
Total operating revenues	<u>11,150,114</u>	<u>3,254,458</u>	<u>2,264,269</u>	<u>4,756,454</u>	<u>11,533,582</u>	<u>20,353,990</u>	<u>53,312,867</u>
OPERATING EXPENSES							
Personal services	-	1,009,714	293,400	74,273	5,087,528	14,287,814	20,752,729
Materials and supplies	678	1,742,653	8,145	30,795	1,107,951	865,535	3,755,757
Other services and charges	1,223,106	521,457	177,481	356,684	4,412,046	5,224,940	11,915,714
Insurance premium expense	673,922	-	738,706	-	-	-	1,412,628
Claims expense	9,425,431	-	609,871	-	-	-	10,035,302
Depreciation	-	-	-	2,017,053	-	358,030	2,375,083
Total operating expenses	<u>11,323,137</u>	<u>3,273,824</u>	<u>1,827,603</u>	<u>2,478,805</u>	<u>10,607,525</u>	<u>20,736,319</u>	<u>50,247,213</u>
Operating income (loss)	<u>(173,023)</u>	<u>(19,366)</u>	<u>436,666</u>	<u>2,277,649</u>	<u>926,057</u>	<u>(382,329)</u>	<u>3,065,654</u>
NON-OPERATING REVENUES (EXPENSES)							
Interest and investment revenue	101,093	3,546	134,632	368,154	73,965	174,266	855,656
Gain (loss) on sale of capital assets	-	-	-	(15,409)	-	-	(15,409)
Miscellaneous revenue	-	2,388	-	22,680	-	168,852	193,920
Total non-operating revenue (expenses)	<u>101,093</u>	<u>5,934</u>	<u>134,632</u>	<u>375,425</u>	<u>73,965</u>	<u>343,118</u>	<u>1,034,167</u>
Income (loss) before contributions	(71,930)	(13,432)	571,298	2,653,074	1,000,022	(39,211)	4,099,821
Capital contributions	-	-	-	71,515	-	-	71,515
Change in net position	<u>(71,930)</u>	<u>(13,432)</u>	<u>571,298</u>	<u>2,724,589</u>	<u>1,000,022</u>	<u>(39,211)</u>	<u>4,171,336</u>
Total net position - beginning	3,179,188	7,434	2,169,090	26,977,311	291,101	2,290,802	34,914,926
Total net position - ending	<u>\$ 3,107,258</u>	<u>\$ (5,998)</u>	<u>\$ 2,740,388</u>	<u>\$ 29,701,900</u>	<u>\$ 1,291,123</u>	<u>\$ 2,251,591</u>	<u>\$ 39,086,262</u>

CITY OF EDMOND, OKLAHOMA
OTHER SUPPLEMENTARY INFORMATION
June 30, 2019

City of Edmond, Oklahoma
Combining Statement of Cash Flows
Internal Service Funds
For the Year Ended June 30, 2019

	Group Insurance Fund	Vehicle Maintenance Fund	Liability/Tort Claim Fund	Fleet Management Fund	Field Services Fund	Administrative Support Services Fund	Total
CASH FLOWS FROM OPERATING ACTIVITIES							
Receipts from customers	\$ 11,144,417	\$ 3,063,445	\$ 2,264,269	\$ 4,779,134	\$ 11,533,582	\$ 20,522,842	\$ 53,307,689
Payments to suppliers	(1,888,535)	(2,082,688)	(936,582)	501,337	(5,455,334)	(5,807,515)	(15,669,317)
Payments to employees	-	(945,680)	(274,870)	(68,872)	(4,804,438)	(13,448,200)	(19,542,060)
Claims and judgments paid	(9,604,806)	-	(733,871)	-	-	-	(10,338,677)
Interfund payments	-	54	-	54	-	-	108
Net cash provided by (used in) operating activities	<u>(348,924)</u>	<u>35,131</u>	<u>318,946</u>	<u>5,211,653</u>	<u>1,273,810</u>	<u>1,267,127</u>	<u>7,757,743</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES							
Purchase of capital assets	-	-	-	(4,057,842)	-	(374,312)	(4,432,154)
Net cash provided by (used in) capital and related financing activities	<u>-</u>	<u>-</u>	<u>-</u>	<u>(4,057,842)</u>	<u>-</u>	<u>(374,312)</u>	<u>(4,432,154)</u>
CASH FLOWS FROM INVESTING ACTIVITIES							
Purchases of investments	-	(35,218)	(416,935)	(1,397,346)	(1,232,692)	(978,031)	(4,060,222)
Sale of investments	224,524	-	-	-	-	-	224,524
Interest and dividends	60,915	2,130	80,134	220,695	43,971	106,584	514,429
Net cash provided by (used in) investing activities	<u>285,439</u>	<u>(33,088)</u>	<u>(336,801)</u>	<u>(1,176,651)</u>	<u>(1,188,721)</u>	<u>(871,447)</u>	<u>(3,321,269)</u>
Net increase (decrease) in cash and cash equivalents	(63,485)	2,043	(17,855)	(22,840)	85,089	21,368	4,320
Balances-beginning of year	343,871	8,350	553,427	1,068,026	134,373	462,999	2,571,046
Balances-end of year	<u>\$ 280,386</u>	<u>\$ 10,393</u>	<u>\$ 535,572</u>	<u>\$ 1,045,186</u>	<u>\$ 219,462</u>	<u>\$ 484,367</u>	<u>\$ 2,575,366</u>
Reconciliation to Combining Statement of Net Position:							
Cash and cash equivalents	\$ 280,386	\$ 10,393	\$ 387,074	\$ 1,045,186	\$ 219,462	\$ 484,367	\$ 2,426,868
Cash and cash equivalents, non-restricted	-	-	148,498	-	-	-	148,498
Total cash and cash equivalents, end of year	<u>\$ 280,386</u>	<u>\$ 10,393</u>	<u>\$ 535,572</u>	<u>\$ 1,045,186</u>	<u>\$ 219,462</u>	<u>\$ 484,367</u>	<u>\$ 2,575,366</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided by (used in) Operating Activities:							
Operating income (loss)	\$ (173,023)	\$ (19,366)	\$ 436,666	\$ 2,277,649	\$ 926,057	\$ (382,329)	\$ 3,065,654
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:							
Depreciation expense	-	-	-	2,017,053	-	358,030	2,375,083
Miscellaneous non-operating revenue	-	2,388	-	22,680	-	168,852	193,920
Change in assets and liabilities:							
Receivables, net	-	-	-	-	-	-	-
Other receivable	(5,697)	(193,401)	-	-	-	-	(199,098)
Inventories	-	68,834	-	-	(47,830)	(10,468)	10,536
Due from other governments	-	-	-	-	-	-	-
Due from other funds	-	54	-	-	-	-	54
Deferred outflows related to pension	-	11,512	(5,920)	(549)	58,573	169,911	233,527
Deferred outflows related to OPEB	-	-	(24)	(193)	(595)	(1,433)	(2,245)
Accounts and other payables	9,171	118,330	(10,388)	889,266	142,512	384,360	1,533,251
Claims liability	(179,375)	-	(124,000)	-	-	-	(303,375)
Due to other funds	-	-	-	54	-	-	54
Total OPEB liability	-	(4,034)	(1,194)	30	(23,820)	(75,603)	(104,621)
Net Pension liability	-	36,186	21,500	4,358	138,135	325,580	525,759
Deferred inflows related to pension	-	3,028	(865)	313	43,543	148,344	194,363
Deferred inflows related to OPEB	-	7,868	2,091	(24)	44,886	126,450	181,271
Accrued compensated absences	-	3,732	1,080	1,016	(7,651)	55,433	53,610
Net cash provided by (used in) operating activities	<u>\$ (348,924)</u>	<u>\$ 35,131</u>	<u>\$ 318,946</u>	<u>\$ 5,211,653</u>	<u>\$ 1,273,810</u>	<u>\$ 1,267,127</u>	<u>\$ 7,757,743</u>
Non-cash Activities:							
Capital assets donated	-	-	-	71,515	-	-	71,515
Change in fair value of investments	23,127	841	31,802	86,209	18,102	39,770	199,851
Total Non-cash Activities	<u>\$ 23,127</u>	<u>\$ 841</u>	<u>\$ 31,802</u>	<u>\$ 157,724</u>	<u>\$ 18,102</u>	<u>\$ 39,770</u>	<u>\$ 271,366</u>

AGENCY FUNDS

Agency Funds are used to account for assets held by the City as an agent for individuals, private organizations, and other governmental funds. Agency Funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

SIDEWALK AND DRIVEWAY ESCROW FUND accounts for contractor performance deposits held by the City on various City construction projects. The deposits are refunded after the projects have been satisfactorily completed.

CLEET ASSESSMENT FUND accounts for the receipt of a State mandated penalty assessment on all City fines and forfeitures to be collected by the City and remitted quarterly to the State for its law enforcement training fund.

CITY OF EDMOND, OKLAHOMA
OTHER SUPPLEMENTARY INFORMATION
June 30, 2019

City of Edmond, Oklahoma
Combining Statement of Fiduciary Assets and Liabilities
Agency Funds
June 30, 2019

	Sidewalk and Driveway Escrow Fund	C.L.E.E.T. PENALTY ASSESSMENT FUND	TOTALS
ASSETS			
Cash and cash equivalents	\$ 481,900	\$ 20,186	\$ 502,086
Total assets	<u>\$ 481,900</u>	<u>\$ 20,186</u>	<u>\$ 502,086</u>
LIABILITIES			
Accounts payable	\$ -	\$ 20,186	\$ 20,186
Refundable deposits	481,900	-	481,900
Total liabilities	<u>\$ 481,900</u>	<u>\$ 20,186</u>	<u>\$ 502,086</u>

City of Edmond, Oklahoma
Combining Statement of Changes in Assets and Liabilities
Agency Funds
For the fiscal year ended June 30, 2019

	BALANCE JUNE 30, 2018	ADDITIONS	DEDUCTIONS	BALANCE JUNE 30, 2019
SIDEWALK AND DRIVEWAY ESCROW				
Assets:				
Cash and cash equivalents	\$ 456,480	\$ 311,540	\$ 286,120	\$ 481,900
Other receivables	-			-
Total assets	<u>\$ 456,480</u>	<u>\$ 311,540</u>	<u>\$ 286,120</u>	<u>\$ 481,900</u>
LIABILITIES				
Refundable deposits	\$ 456,480	\$ 311,540	\$ 286,120	\$ 481,900
Total liabilities	<u>\$ 456,480</u>	<u>\$ 311,540</u>	<u>\$ 286,120</u>	<u>\$ 481,900</u>
C.L.E.E.T. PENALTY ASSESSMENT FUND				
Assets:				
Cash and cash equivalents	\$ 28,660	\$ 340,368	\$ 348,842	\$ 20,186
Total assets	<u>\$ 28,660</u>	<u>\$ 340,368</u>	<u>\$ 348,842</u>	<u>\$ 20,186</u>
LIABILITIES				
Accounts payable	\$ 18,515	\$ 340,368	\$ 338,697	\$ 20,186
Due to other governments	10,145	-	10,145	-
Total liabilities	<u>\$ 28,660</u>	<u>\$ 340,368</u>	<u>\$ 348,842</u>	<u>\$ 20,186</u>
TOTALS-ALL AGENCY FUNDS				
Assets:				
Cash and cash equivalents	\$ 485,140	\$ 651,908	\$ 634,962	\$ 502,086
Other receivables	-	-	-	-
Total assets	<u>\$ 485,140</u>	<u>\$ 651,908</u>	<u>\$ 634,962</u>	<u>\$ 502,086</u>
LIABILITIES				
Accounts payable	\$ 18,515	\$ 340,368	\$ 338,697	\$ 20,186
Due to other governments	10,145	-	10,145	-
Refundable deposits	456,480	311,540	286,120	481,900
Total liabilities	<u>\$ 485,140</u>	<u>\$ 651,908</u>	<u>\$ 634,962</u>	<u>\$ 502,086</u>

REVENUE BOND/NOTE COVENANT SCHEDULES

The revenue bond and note agreements and indentures contain certain financial related covenants dealing with minimum requirements for net pledged revenue and minimum reserve account balance requirements. The following schedules are presented to indicate the level of compliance by the City or its public trusts with these covenants.

Schedule of Revenue Bond/Note Debt Service Coverage

This schedule compares the net revenues generated from revenues sources pledged for the payment of principal and interest of revenue bond and notes to the maximum annual debt service requirements on the debt.

Schedule of Reserve Account Balances

This schedule compares the amount of assets held in trust as reserve accounts related to revenue bonds and notes to the required balances to be maintained in these accounts as required by the debt covenants.

CITY OF EDMOND, OKLAHOMA
OTHER SUPPLEMENTARY INFORMATION
June 30, 2019

CITY OF EDMOND, OKLAHOMA
SCHEDULE OF REVENUE BOND/NOTE DEBT SERVICE COVERAGE
For the fiscal year ended June 30, 2019

	OWRB/Bank of America Notes Payable Series 2005C and 2013 General Sales Revenue Note	Sales Tax and Utility Revenue Bonds Series 2010, 2012, 2013 2014, and 2014B	Utility Revenue Bonds Series 2014, 2015 2016, and 2017
GROSS REVENUES OF THE SYSTEM:			
Charges for services	\$ 149,151,262	\$ 149,151,262	\$ 149,151,262
Investment income	8,480,968	8,480,968	8,480,968
Miscellaneous income	163,429	163,429	163,429
Total Gross Revenues of the System	157,795,659	157,795,659	157,795,659
OPERATION AND MAINTENANCE EXPENSES:			
Personal services	10,616,382	10,616,382	10,616,382
Materials and supplies	2,947,335	2,947,335	2,947,335
Maintenance, operations and contractual services	92,205,936	92,205,936	92,205,936
Debt service on prior lien utility system revenue bonds	-	9,860,761	-
Total Operation and Maintenance Expenses	105,769,653	115,630,414	105,769,653
Total Gross Revenues of the System in Excess of Total Operation and Maintenance Expenses	52,026,006	42,165,245	52,026,006
Add: Pledged sales tax revenue	36,304,386	13,614,284	13,614,284
Net Revenues of the System plus pledged sales tax revenue	\$ 88,330,392	\$ 55,779,529	\$ 65,640,290
Maximum Debt Service Requirements on Liabilities	\$ 6,954,274	\$ 7,455,266	\$ 18,244,923
Computed Coverage	1270%	748%	360%
Coverage Requirement	125%	125%	125%

NOTE: Revenues and expenses include only amounts related to the electric, water, wastewater, and sanitation funds.
Operating expenses exclude depreciation, amortization and other non-cash items, in accordance with the terms
of the applicable bond indentures.

Maximum Debt Service Requirements on Liabilities is based on the following:
Sales Tax and Utility System Revenue Bonds total debt service for the 2010, 2012, 2013 and 2014, 2014B series bonds in fiscal year 2021.
Utility System Revenue Bonds total debt service for the 2014, 2015, and 2016 series bonds and OWRB notes payable in fiscal year 2024.

CITY OF EDMOND, OKLAHOMA
OTHER SUPPLEMENTARY INFORMATION
June 30, 2019

	<u>REQUIRED RESERVES</u>	<u>RESERVE BALANCE JUNE 30, 2019</u>	<u>EXCESS BALANCE OVER REQUIRED RESERVES</u>
Required Balance:			
Series 2010 Sales Tax and Utility Revenue Bonds	\$ 1,390,000	\$ 1,431,377	\$ 41,377
Series 2012 Sales Tax and Utility Revenue Bonds	1,325,500	1,366,015	40,515
Series 2013 Sales Tax and Utility Revenue Bonds	1,434,939	1,446,717	11,778
Series 2014 Sales Tax and Utility Revenue Bonds	2,496,505	2,542,262	45,757
Series 2014B Sales Tax and Utility Revenue Bonds	2,245,000	2,345,586	100,586
Series 2015 Utility Revenue Bonds	2,269,935	2,266,495	(3,440)
Series 2016 Sales Tax and Utility Revenue Bonds	2,360,100	2,379,470	19,370
Series 2017 Sales Tax and Utility Revenue Bonds	10,094,500	10,177,350	82,850

DISCRETELY PRESENTED COMPONENT UNIT

Additional information for the discretely presented component unit referred to in the notes to the financial statements is provided.

HISTORIC PRESERVATION TRUST Created November 15, 1982 to preserve the qualities relating to the history of the City in order to promote the economic and general welfare of the people of the City of Edmond and to ensure the harmonious, orderly and efficient growth and development of the municipality. The EHPT governing body is appointed by the current City Council. The City is able to impose its will on the EHPT because, pursuant to state law, all issuance of EHPT debt requires a two-thirds approval of the City Council. The EHPT component unit does not issue separate financial statements.

CITY OF EDMOND, OKLAHOMA
BALANCE SHEET
DISCRETELY PRESENTED COMPONENT UNIT
June 30, 2019

	<u>HISTORIC PRESERVATION TRUST</u>
ASSETS	
Cash and cash equivalents	\$ 48,867
Total assets	<u>\$ 48,867</u>
LIABILITIES AND FUND BALANCES	
Fund Balances:	
Unassigned	<u>\$ 48,867</u>
Total liabilities and fund balances	<u>\$ 48,867</u>
Reconciliation to Statement of Net Position:	
Fund balance	\$ 48,867
Amounts reported for the discretely presented component unit 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.	<u>146,828</u>
Net position of component unit	<u>\$ 195,695</u>

**CITY OF EDMOND, OKLAHOMA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
DISCRETELY PRESENTED COMPONENT UNIT
FOR THE FISCAL YEAR ENDED June 30, 2019**

	HISTORIC PRESERVATION TRUST
Revenues:	
Investment income	\$ 90
Miscellaneous	1,259
Total Revenues	1,349
Expenditures:	
Current:	
Culture, parks and recreation	22,776
Total Expenditures	22,776
Revenues over (under) expenditures	(21,427)
Other financing sources:	
Payment from the City of Edmond	20,000
Net change in fund balance	(1,427)
Fund balances - beginning	50,294
Fund balances - ending	\$ 48,867
Reconciliation to Statement of Activities:	
Net Change in fund balance	\$ (1,427)
Amounts reported for the discretely presented component unit in the Statement of Activities are difference because:	
Governmental funds report capital outlays as expenditures while governmental activities report depreciation expense to allocate those expenditures over the life of the assets:	
Depreciation expense	(30,509)
Change in net position - component unit	\$ (31,936)

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STATISTICAL SECTION

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

Such statistical information includes:

FINANCIAL TRENDS – These schedules contain trend information to help the reader understand how the city's financial performance and well-being have changed over time

REVENUE CAPACITY – These schedules contain information to help the reader assess the city's most significant local revenue sources, gas and sales tax revenues.

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

DEMOGRAPHIC AND ECONOMIC INFORMATION – These schedules offer demographic and economic indicators to help the reader understand the environment within which the city's financial activities take place

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

CITY OF EDMOND, OKLAHOMA
NET POSITION BY COMPONENT
Last Ten Fiscal Years
TABLE 1

	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
Governmental activities										
Invested in capital assets, net of related debt	\$ 186,474,825	\$ 152,755,649	\$ 165,301,769	\$ 179,081,790	\$ 200,795,158	\$ 250,995,878	\$ 255,086,502	\$ 297,762,184	\$ 286,812,679	\$ 302,958,928
Restricted	66,138,688	66,787,140	65,438,617	77,480,959	74,547,850	72,918,625	62,143,563	52,414,977	64,158,270	54,829,829
Unrestricted	<u>(2,196,768)</u>	<u>16,285,449</u>	<u>17,858,558</u>	<u>17,186,870</u>	<u>19,574,722</u>	<u>(52,758,763)</u>	<u>(30,213,326)</u>	<u>(45,256,242)</u>	<u>(29,282,105)</u>	<u>(17,829,598)</u>
Total governmental activities net assets	<u>\$ 250,416,745</u>	<u>\$ 235,828,238</u>	<u>\$ 248,598,944</u>	<u>\$ 273,749,619</u>	<u>\$ 294,917,730</u>	<u>\$ 271,155,740</u>	<u>\$ 287,016,739</u>	<u>\$ 304,920,919</u>	<u>\$ 321,688,844</u>	<u>\$ 339,959,159</u>
Business-type activities										
Invested in capital assets, net of related debt	\$ 133,914,111	\$ 130,307,669	\$ 139,272,090	\$ 152,656,891	\$ 166,264,500	\$ 178,128,755	\$ 186,486,477	\$ 200,607,566	\$ 212,908,949	\$ 230,309,413
Restricted	11,431,161	11,102,953	12,737,861	13,161,823	12,665,793	10,164,237	11,122,065	12,555,515	23,678,437	23,727,004
Unrestricted	<u>63,999,452</u>	<u>61,237,819</u>	<u>62,638,338</u>	<u>63,641,836</u>	<u>65,352,440</u>	<u>85,095,133</u>	<u>115,979,906</u>	<u>137,187,395</u>	<u>147,188,629</u>	<u>161,440,516</u>
Total business-type activities net assets	<u>\$ 209,344,724</u>	<u>\$ 202,648,441</u>	<u>\$ 214,648,289</u>	<u>\$ 229,460,550</u>	<u>\$ 244,282,733</u>	<u>\$ 273,388,125</u>	<u>\$ 313,588,448</u>	<u>\$ 350,350,476</u>	<u>\$ 383,776,015</u>	<u>\$ 415,476,933</u>
Primary government										
Invested in capital assets, net of related debt	\$ 320,388,936	\$ 283,063,318	\$ 304,573,859	\$ 331,738,681	\$ 367,059,658	\$ 429,124,633	\$ 441,572,979	\$ 498,369,750	\$ 499,721,628	\$ 533,268,341
Restricted	77,569,849	77,890,093	78,176,478	90,642,782	87,213,643	83,082,862	73,265,628	64,970,492	87,836,707	78,556,833
Unrestricted	<u>61,802,684</u>	<u>77,523,268</u>	<u>80,496,896</u>	<u>80,828,706</u>	<u>84,927,162</u>	<u>32,336,370</u>	<u>85,766,580</u>	<u>91,931,153</u>	<u>117,906,524</u>	<u>143,610,918</u>
Total primary government net assets	<u>\$ 459,761,469</u>	<u>\$ 438,476,679</u>	<u>\$ 463,247,233</u>	<u>\$ 503,210,169</u>	<u>\$ 539,200,463</u>	<u>\$ 544,543,865</u>	<u>\$ 600,605,187</u>	<u>\$ 655,271,395</u>	<u>\$ 705,464,859</u>	<u>\$ 755,436,092</u>

CITY OF EDMOND, OKLAHOMA
CHANGES IN NET POSITION
Last Ten Fiscal Years
TABLE 2

	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
Expenses										
Government activities:										
General government	\$ 10,973,617	\$ 5,031,798	\$ 7,354,958	\$ 7,931,878	\$ 6,356,170	\$ 6,284,407	\$ 9,167,431	\$ 8,005,753	\$ 6,888,698	\$ 8,172,549
Public safety	37,861,256	39,468,587	38,482,564	41,599,381	43,468,774	43,371,086	47,309,195	52,798,820	52,589,259	49,828,001
Streets and highways	10,628,715	10,186,548	10,413,380	10,787,542	12,768,311	13,111,395	15,151,636	15,148,413	16,312,414	16,597,738
Cultural, parks and recreation	5,460,930	5,419,709	5,163,602	4,742,925	5,986,917	8,532,349	7,067,735	8,080,826	7,861,311	14,772,879
Health and welfare	2,568,303	2,879,900	3,154,842	3,173,294	1,629,424	1,510,407	1,639,425	1,681,699	1,915,800	1,617,932
Economic development	-	-	107,884	72,066	603,679	644,296	576,728	-	-	-
Interest on long-term debt	3,303,605	3,060,764	2,825,422	2,478,720	2,316,938	1,527,392	1,828,757	1,669,226	1,261,914	1,160,057
Total governmental activities expenses	<u>70,796,426</u>	<u>66,047,306</u>	<u>67,502,652</u>	<u>70,785,806</u>	<u>73,130,213</u>	<u>74,981,332</u>	<u>82,740,907</u>	<u>87,384,737</u>	<u>86,829,396</u>	<u>92,149,156</u>
Business-type activities:										
Electric operations	60,634,285	65,755,607	68,889,466	72,308,154	74,045,803	75,458,152	75,312,602	80,292,128	83,960,339	82,237,525
Water operations	15,676,576	16,360,858	16,769,702	16,804,561	19,668,782	19,838,405	17,495,184	18,724,132	19,607,242	20,437,191
Wastewater operations	5,614,980	5,351,923	5,719,033	6,495,234	6,766,403	7,138,969	7,224,538	9,664,933	15,607,025	16,641,334
Sanitation operations	6,279,124	6,673,527	6,953,312	6,797,466	7,101,930	6,876,040	7,052,119	7,157,872	7,046,014	7,869,423
Lake operations	1,174,818	1,255,232	1,271,935	1,289,412	1,332,453	1,351,272	1,364,701	1,453,667	1,469,855	1,516,853
Drainage operations	934,104	953,486	1,020,667	887,642	827,838	916,310	903,578	1,034,170	880,609	875,983
Golf course operations	1,762,760	1,914,021	1,907,157	1,928,258	1,970,350	2,079,169	2,318,656	2,201,686	2,070,410	1,988,581
Cooperative purchasing services	41,299	64,215	64,757	62,844	62,210	63,641	50,083	50,897	74,898	52,254
Transportation operations	-	-	-	-	1,568,426	1,594,042	1,296,604	1,692,550	1,391,561	1,859,743
Economic development (payment to EEDA)	442,900	412,000	440,000	470,000	-	-	-	-	-	-
Total business-type activities expenses	<u>92,560,846</u>	<u>98,740,869</u>	<u>103,036,029</u>	<u>107,043,571</u>	<u>113,344,195</u>	<u>115,316,000</u>	<u>113,018,065</u>	<u>122,272,035</u>	<u>132,107,953</u>	<u>133,478,887</u>
Total primary government expenses	<u>\$ 163,357,272</u>	<u>\$ 164,788,175</u>	<u>\$ 170,538,681</u>	<u>\$ 177,829,377</u>	<u>\$ 186,474,408</u>	<u>\$ 190,297,332</u>	<u>\$ 195,758,972</u>	<u>\$ 209,656,772</u>	<u>\$ 218,937,349</u>	<u>\$ 225,628,043</u>
Program Revenues										
Government activities:										
Charges for services:										
General government	\$ 7,370,016	\$ 7,604,193	\$ 7,353,230	\$ 7,421,872	\$ 7,934,422	\$ 7,945,577	\$ 7,259,773	\$ 9,352,670	\$ 7,828,234	\$ 8,543,748
Public Safety	831,720	946,769	1,220,778	1,246,610	1,267,798	1,213,991	1,188,473	1,115,725	1,384,049	1,262,975
Streets and highways	228,097	7,200	84,870	11,670	10,200	101,877	23,422	13,140	11,010	251,746
Cultural, parks and recreation	514,150	719,757	528,606	536,743	518,039	410,001	161,863	127,378	149,433	140,669
Health and welfare	689,333	1,167,687	1,140,753	1,135,962	931,947	916,854	869,997	859,838	861,021	871,623
Operating grants and contributions	4,878,847	5,547,074	5,475,330	5,682,716	5,498,584	5,867,612	6,040,401	6,552,097	5,965,300	7,143,120
Capital grants and contributions	16,112,303	5,176,962	5,232,894	10,668,747	7,002,940	10,227,919	10,189,610	10,309,777	8,034,550	4,333,470
Total governmental activities program revenues	<u>30,624,466</u>	<u>21,169,642</u>	<u>21,036,461</u>	<u>26,704,320</u>	<u>23,163,930</u>	<u>26,683,831</u>	<u>25,733,539</u>	<u>28,330,625</u>	<u>24,233,597</u>	<u>22,547,351</u>

(Continued)

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Business-type activities:										
Charges for services:										
Electric operations	\$ 63,074,399	\$ 65,175,715	\$ 71,935,412	\$ 70,744,562	\$ 76,674,353	\$ 87,756,233	\$ 91,957,403	\$ 96,627,510	\$ 96,084,847	\$ 92,617,522
Water operations	15,309,866	20,660,467	22,701,466	22,891,181	22,931,346	22,666,769	25,066,076	28,766,025	28,945,349	26,439,295
Wastewater operations	6,231,244	7,150,976	8,554,554	9,923,751	11,423,965	12,531,903	13,377,584	15,752,873	18,329,678	19,757,067
Sanitation operations	7,246,382	7,409,205	7,577,025	7,813,513	8,065,999	8,955,701	9,128,560	9,199,752	9,341,779	10,304,500
Lake operations	764,675	868,456	880,719	846,471	963,845	942,661	1,078,431	1,108,201	1,072,563	884,775
Drainage operations	1,630,168	1,625,597	1,758,988	1,684,899	1,703,753	1,769,513	1,876,533	1,791,313	1,823,590	1,885,531
Golf course operations	1,711,166	1,879,253	1,997,414	2,012,055	1,997,086	2,024,187	2,018,439	1,988,412	1,976,462	1,860,050
Cooperative purchasing service	53,641	49,240	80,190	82,326	74,389	89,516	63,524	91,286	92,670	93,712
Transportation operations ¹	-	-	-	-	290,470	226,136	262,869	282,098	325,498	337,241
Operating grants and contributions	2,717	225,488	72,975	921,297	328,568	258,503	308,943	1,167,903	1,259,751	681,098
Capital grants and contributions	3,537,407	3,649,620	1,665,577	6,989,454	4,189,645	8,610,407	6,492,648	4,640,646	8,111,664	4,291,191
Total business-type activities program revenues	99,561,665	108,694,017	117,224,320	123,909,509	128,643,419	145,831,529	151,631,010	161,416,019	167,363,851	159,151,982
Total primary government program revenues	\$ 130,186,131	\$ 129,863,659	\$ 138,260,781	\$ 150,613,829	\$ 151,807,349	\$ 172,515,360	\$ 177,364,549	\$ 189,746,644	\$ 191,597,448	\$ 181,699,333
Net (Expense)/Revenue										
Government activities	\$ (40,171,960)	\$ (44,877,664)	\$ (46,466,191)	\$ (44,081,486)	\$ (49,966,283)	\$ (48,297,501)	\$ (57,007,368)	\$ (59,054,112)	\$ (62,595,799)	\$ (69,601,805)
Business-type activities	7,000,819	9,953,148	14,188,291	16,865,938	15,299,224	30,515,529	38,612,945	39,143,984	35,255,898	25,673,095
Total primary government net expense	\$ (33,171,141)	\$ (34,924,516)	\$ (32,277,900)	\$ (27,215,548)	\$ (34,667,059)	\$ (17,781,972)	\$ (18,394,423)	\$ (19,910,128)	\$ (27,339,901)	\$ (43,928,710)
General Revenues and Other Changes in Net Position										
Government activities:										
Taxes:										
Sales and use taxes - General government	\$ 27,484,883	\$ 28,917,747	\$ 31,299,351	\$ 34,403,578	\$ 36,065,782	\$ 37,777,579	\$ 38,186,535	\$ 38,693,158	\$ 41,601,211	\$ 46,328,395
Sales and use taxes - Public safety	4,748,676	4,914,564	5,366,325	5,870,777	6,094,618	6,318,872	6,341,907	8,631,688	15,175,675	16,007,631
Sales and use taxes - Park and recreation	1,582,892	1,638,188	1,788,775	1,956,926	2,031,539	2,106,291	2,113,969	2,107,465	2,167,676	2,286,751
Sales and use taxes - Capital improvements	9,497,352	9,829,129	12,798,391	19,569,255	20,315,394	21,062,907	21,139,690	18,765,363	13,006,050	13,720,509
Ad valorem property taxes	-	-	-	-	-	-	-	-	-	-
Franchise and public service taxes	1,886,700	2,304,910	2,106,551	2,157,871	2,269,717	2,327,317	2,281,490	2,142,557	2,178,428	2,121,326
Hotel/motel taxes	345,208	344,968	391,664	421,979	443,663	453,376	464,362	464,292	520,259	548,394
Intergovernmental revenue not restricted to spe.	675,890	981,492	894,306	1,101,004	1,078,777	1,158,392	1,060,789	1,118,273	1,056,904	1,015,817
Investment income	1,294,216	1,299,271	822,610	608,693	825,927	815,222	933,373	626,649	838,366	2,159,392
Miscellaneous	252,382	242,196	293,668	346,998	450,357	727,652	1,015,926	1,097,844	829,258	871,305
Transfers-Internal activity	1,751,799	1,066,444	3,475,226	2,795,080	1,558,620	501,074	(669,672)	3,311,003	3,956,561	2,812,600
Total governmental activities	49,519,998	51,538,909	59,236,867	69,232,161	71,134,394	73,248,682	72,868,369	76,958,292	81,330,388	87,872,120
Business-type activities:										
Investment earnings	1,113,106	991,181	780,709	481,283	797,046	659,037	917,706	929,047	2,479,408	8,822,828
Miscellaneous	1,029,229	176,357	506,071	260,120	284,533	171,402	-	-	3,514	17,595
Transfers - Internal activity	(1,751,799)	(1,066,444)	(3,475,226)	(2,795,080)	(1,558,620)	(501,074)	669,672	(3,311,003)	(3,956,561)	(2,812,600)
Total business-type activities	390,536	101,094	(2,188,446)	(2,053,677)	(477,041)	329,365	1,587,378	(2,381,956)	(1,473,639)	6,027,823
Total primary government	\$ 49,910,534	\$ 51,640,003	\$ 57,048,421	\$ 67,178,484	\$ 70,657,353	\$ 73,578,047	\$ 74,455,747	\$ 74,576,336	\$ 79,856,749	\$ 93,899,943
Change in Net Position										
Government activities	\$ 9,348,038	\$ 6,661,245	\$ 12,770,676	\$ 25,150,675	\$ 21,168,111	\$ 24,951,181	\$ 15,861,001	\$ 17,904,180	\$ 18,734,589	\$ 18,270,315
Business-type activities	7,391,355	10,054,242	11,999,845	14,812,261	14,822,183	30,844,894	40,200,323	36,762,028	33,782,259	31,700,918
Total primary government	\$ 16,739,393	\$ 16,715,487	\$ 24,770,521	\$ 39,962,936	\$ 35,990,294	\$ 55,796,075	\$ 56,061,324	\$ 54,666,208	\$ 52,516,848	\$ 49,971,233

* 2014 Transportation operations was established as a BTA instead of Governmental Activity

CITY OF EDMOND, OKLAHOMA
FUND BALANCES, GOVERNMENTAL FUNDS
 Last Ten Fiscal Years
TABLE 3

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
General Fund										
Reserved	\$ 1,770,558	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved	4,985,485	-	-	-	-	-	-	-	-	-
Restricted	-	1,637,707	2,107,217	2,644,344	3,197,753	2,962,254	2,889,481	2,660,047	3,364,662	3,467,816
Committed	-	-	-	-	578,249	-	-	-	-	-
Assigned	-	2,702,404	1,643,231	1,822,138	1,434,645	1,947,137	1,120,870	1,462,779	2,720,331	4,069,136
Unassigned	-	5,150,248	5,904,708	6,770,667	7,375,504	6,056,058	3,142,639	5,419,733	6,731,159	7,900,989
Total general fund	\$ 6,756,043	\$ 9,490,359	\$ 9,655,156	\$ 11,237,149	\$ 12,586,151	\$ 10,965,449	\$ 7,152,990	\$ 9,542,559	\$ 12,816,152	\$ 15,437,941
All Other Governmental Funds										
Reserved	\$ 7,314,772	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted	-	65,078,915	63,331,400	74,827,114	71,339,026	61,708,614	59,241,768	53,097,413	59,247,663	49,422,691
Committed	-	2,879	3,613	7,352	11,733	11,530	8,902	3,444	3,175	61,059
Assigned	-	1,617,875	1,905,771	3,593,792	4,706,939	5,077,958	5,867,853	6,909,158	7,684,589	8,994,482
Unassigned	-	-	-	-	-	-	(1,999,113)	(50,046)	(128,156)	(86,168)
Unreserved, reported in:										
Designated	32,566,108	-	-	-	-	-	-	-	-	-
Special revenue funds	9,733,245	-	-	-	-	-	-	-	-	-
Capital project funds	19,253,710	-	-	-	-	-	-	-	-	-
Total all other governmental funds	\$ 68,867,835	\$ 66,699,669	\$ 65,240,784	\$ 78,428,258	\$ 76,057,698	\$ 66,798,102	\$ 63,119,410	\$ 59,959,969	\$ 66,807,271	\$ 58,392,064
GRAND TOTAL	\$ 75,623,878	\$ 76,190,028	\$ 74,895,940	\$ 89,665,407	\$ 88,643,849	\$ 77,763,551	\$ 70,272,400	\$ 69,502,528	\$ 79,623,423	\$ 73,830,005

NOTE: Beginning in FY 2011 the City implemented GASB Statement 54, changing the categories of Fund Balance

CITY OF EDMOND, OKLAHOMA
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS
Last Ten Fiscal Years
TABLE 4

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Revenues										
Sales and use taxes	\$ 43,313,803	\$ 45,299,628	\$ 51,252,842	\$ 61,800,536	\$ 64,507,333	\$ 67,265,649	\$ 67,782,101	\$ 68,197,674	\$ 71,950,612	\$ 78,343,286
Franchise and public service taxes	1,885,284	2,341,305	2,106,551	2,199,488	2,311,150	2,371,750	2,281,490	2,142,557	2,173,068	2,121,326
Ad valorem taxes	-	-	-	-	-	-	-	-	-	-
Hotel/motel taxes	345,208	344,968	391,664	421,979	443,663	453,376	464,362	464,292	520,256	548,394
Intergovernmental	9,707,740	6,776,753	10,805,328	14,086,717	10,904,286	9,686,171	7,450,843	7,805,686	7,262,029	8,232,953
Charges for services	6,209,535	6,750,908	6,633,164	6,816,347	6,801,451	6,871,742	6,311,280	7,663,884	6,981,728	7,409,618
Fines and forfeitures	2,097,681	2,436,202	2,068,170	2,053,931	2,099,735	1,809,016	1,641,283	2,267,734	1,628,740	1,854,649
Licenses and permits	1,083,211	1,082,107	1,525,110	1,389,282	1,608,680	1,769,355	1,412,552	1,452,924	1,446,443	1,544,064
Investment income	1,641,489	1,271,330	823,014	675,831	799,873	778,705	845,306	583,258	768,467	2,162,265
Interest earning on interfund loan	-	-	-	-	-	30,640	85,876	61,930	-	-
Miscellaneous	462,860	1,416,558	593,336	747,326	708,441	1,021,236	1,488,927	1,107,010	823,154	953,514
Total Revenues	\$ 66,746,811	\$ 67,719,759	\$ 76,199,179	\$ 90,191,437	\$ 90,184,612	\$ 92,057,640	\$ 89,764,020	\$ 91,746,949	\$ 93,554,497	\$ 103,170,069
Expenditures:										
General government	\$ 4,839,694	\$ 5,382,504	\$ 5,239,393	\$ 6,339,565	\$ 6,170,708	\$ 6,812,288	\$ 5,937,535	\$ 6,111,202	\$ 6,317,255	\$ 7,188,375
Public safety	36,047,474	37,953,732	37,732,090	40,600,947	42,576,993	45,697,743	49,182,140	49,487,104	51,433,553	55,538,847
Streets and highways	3,098,018	3,920,453	2,897,088	2,909,278	1,374,487	1,255,580	6,354,224	5,377,604	1,661,448	1,386,878
Cultural, Parks and Recreation	3,684,873	3,904,840	4,494,049	4,858,017	5,152,798	5,235,819	4,696,132	5,047,946	5,122,238	5,212,135
Health and welfare	2,313,124	2,624,963	4,164,797	4,350,720	4,436,186	4,843,989	1,384,677	1,426,948	5,488,301	6,280,570
Economic development	-	-	296,685	-	-	-	576,728	-	-	-
Capital Outlay	12,507,394	10,068,623	19,112,591	28,076,563	26,031,528	33,392,516	19,924,453	19,842,711	9,068,059	27,716,586
Debt service:										
Principal	3,595,000	3,370,000	4,095,000	4,495,000	5,988,514	5,328,286	6,364,851	6,529,309	6,701,397	6,956,637
Interest and fiscal charges	3,355,705	2,797,592	2,852,354	2,458,647	2,509,629	2,363,880	2,164,759	2,005,000	1,597,915	1,496,059
Total Expenditures	\$ 69,441,282	\$ 70,022,707	\$ 80,884,047	\$ 94,088,737	\$ 94,240,843	\$ 104,930,101	\$ 96,585,499	\$ 95,827,824	\$ 87,390,166	\$ 111,776,087
Excess of revenues over(under) expenditures	\$ (2,694,471)	\$ (2,302,948)	\$ (4,684,868)	\$ (3,897,300)	\$ (4,056,231)	\$ (12,872,461)	\$ (6,821,479)	\$ (4,080,875)	\$ 6,164,331	\$ (8,606,018)
Other financing sources(uses)										
Transfers in	\$ 54,742,916	\$ 57,700,798	\$ 62,738,138	\$ 69,839,503	\$ 68,979,432	\$ 75,715,179	\$ 52,673,556	\$ 54,126,365	\$ 58,879,082	\$ 59,149,775
Transfers out	(52,591,117)	(55,064,383)	(59,347,356)	(66,985,905)	(67,435,112)	(75,214,105)	(53,343,228)	(50,815,362)	(54,922,521)	(56,337,175)
Transfer to escrow agent	-	(13,667,116)	-	(12,477,058)	(12,376,172)	(21,731,628)	-	-	-	-
Bond premium	-	-	-	1,325,224	1,221,619	2,467,717	-	-	-	-
Bond proceeds	-	13,900,000	-	26,965,000	12,644,906	20,755,000	-	-	-	-
Total other financing sources(uses)	\$ 2,151,799	\$ 2,869,299	\$ 3,390,782	\$ 18,666,764	\$ 3,034,673	\$ 1,992,163	\$ (669,672)	\$ 3,311,003	\$ 3,956,561	\$ 2,812,600
Net change in fund balances	\$ (542,672)	\$ 566,351	\$ (1,294,086)	\$ 14,769,464	\$ (1,021,558)	\$ (10,880,298)	\$ (7,491,151)	\$ (769,872)	\$ 10,120,892	\$ (5,793,418)
Debt service as a percentage of noncapital expenditures	13.4%	12.0%	11.2%	8.9%	13.8%	9.9%	11.1%	11.2%	10.6%	9.2%

CITY OF EDMOND, OKLAHOMA
GOVERNMENTAL ACTIVITIES TAX REVENUES BY SOURCE
 Last Ten Fiscal Years
TABLE 5

Fiscal Year	Sales Tax	Use Tax	Franchise Tax	Liquor Tax	Hotel/Motel Tax	Totals
2010	\$41,155,192	\$ 2,158,611	\$ 1,848,384	\$ 36,900	\$ 345,208	\$ 45,544,295
2011	42,592,891	2,706,737	2,301,455	39,850	344,968	47,985,901
2012	48,573,889	2,678,953	2,066,159	40,392	391,664	53,751,057
2013	58,707,772	3,092,764	2,116,254	41,617	421,979	64,380,386
2014	60,946,182	3,561,151	2,228,284	41,433	443,663	67,220,713
2015	63,188,721	4,076,928	2,282,884	44,433	453,376	70,046,342
2016	63,419,072	4,363,029	2,231,857	49,633	464,362	70,527,953
2017	62,905,560	4,602,444	2,086,557	60,000	464,292	70,118,853
2018*	65,030,252	6,920,359	2,116,876	56,192	520,259	74,643,938
2019	68,602,544	9,740,742	1,921,645	199,681	548,394	81,013,006

*2018 Sales Tax number was adjusted to actual amount; was originally figured on accrual basis.

**CITY OF EDMOND, OKLAHOMA
ELECTRICITY REVENUE BY CUSTOMER TYPE
LAST TEN FISCAL YEARS
TABLE 6**

	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
Residential	\$ 37,654,681	\$ 39,450,423	\$ 44,917,923	\$ 42,678,657	\$45,419,073	\$ 49,882,043	\$54,344,401	\$57,601,509	\$ 56,980,187	\$ 54,782,535
Commercial	17,716,150	17,706,025	20,110,914	19,814,031	21,837,857	20,854,463	26,186,761	27,314,591	27,173,997	26,132,873
Large Commercial & Industrial	859,249	846,672	879,907	855,677	920,361	779,163	1,136,853	1,256,929	1,192,418	1,039,152
Other	<u>5,364,308</u>	<u>5,664,118</u>	<u>6,029,794</u>	<u>5,806,358</u>	<u>6,578,831</u>	<u>6,619,510</u>	<u>8,267,848</u>	<u>8,797,452</u>	<u>8,530,719</u>	<u>8,628,662</u>
Totals	<u>\$ 61,594,388</u>	<u>\$ 63,667,238</u>	<u>\$ 71,938,538</u>	<u>\$ 69,154,723</u>	<u>\$74,756,122</u>	<u>\$ 78,135,179</u>	<u>\$89,935,863</u>	<u>\$94,970,481</u>	<u>\$ 93,877,321</u>	<u>\$ 90,583,222</u>

Source: City of Edmond Utility Customer Service Department

CITY OF EDMOND, OKLAHOMA
TOP TEN ELECTRIC CUSTOMERS
LAST TEN YEARS
TABLE 7

Taxpayer	2010			2011			2012			2013			2014			2015			2016			2017			2018			2019					
	Rank	Value	% of Total	Rank	Value	% of Total	Rank	Value	% of Total	Rank	Value	% of Total	Rank	Value	% of Total	Rank	Value	% of Total	Rank	Value	% of Total	Rank	Value	% of Total	Rank	Value	% of Total	Rank	Value	% of Total			
Edmond Public Schools	2	\$ 2,083,285	3.4%	3	\$ 1,693,712	2.7%	2	\$ 1,957,444	2.7%	2	\$ 1,847,810	2.7%	2	\$ 2,161,015	2.9%	1	\$ 2,437,296	3.1%	1	\$ 2,577,853	2.9%	1	\$ 2,490,373	2.6%	2	\$ 2,577,610	2.7%	1	\$ 2,551,565	2.8%			
City of Edmond	1	\$ 2,185,377	3.5%	1	\$ 2,049,567	3.2%	1	\$ 2,076,083	2.9%	1	\$ 1,993,673	2.9%	1	\$ 2,307,101	3.1%	2	\$ 2,265,985	2.9%	2	\$ 2,480,011	2.8%	2	\$ 2,265,360	2.4%	1	\$ 2,600,226	2.8%	2	\$ 2,471,991	2.7%			
University of Central Oklahoma	3	\$ 2,072,185	3.4%	2	\$ 1,754,771	2.8%	3	\$ 1,789,302	2.5%	3	\$ 1,719,861	2.5%	3	\$ 1,078,747	1.4%	3	\$ 1,825,544	2.3%	3	\$ 1,851,218	2.1%	3	\$ 1,377,662	1.5%	3	\$ 2,064,566	2.2%	3	\$ 2,292,888	2.5%			
Walmart	4	\$ 827,417	1.3%	4	\$ 759,208	1.2%	4	\$ 851,814	1.2%	4	\$ 779,495	1.1%	4	\$ 806,165	1.1%	4	\$ 1,046,622	1.3%	4	\$ 811,535	0.9%	4	\$ 822,461	0.9%	4	\$ 1,139,731	1.2%	4	\$ 1,006,943	1.1%			
Mercy Health		\$ -	0.0%		\$ -	0.0%		\$ -	0.0%		\$ -	0.0%		\$ -	0.0%	5	\$ 833,125	1.1%	5	\$ 674,400	0.7%	5	\$ 700,892	0.7%	5	\$ 889,319	0.9%	5	\$ 878,889	1.0%			
Integrus Health Edmond		\$ -	0.0%		\$ -	0.0%	8	\$ 349,842	0.5%	5	\$ 479,408	0.7%	5	\$ 511,748	0.7%	6	\$ 494,264	0.6%	9	\$ 310,761	0.3%	10	\$ 355,621	0.4%	6	\$ 579,351	0.6%	6	\$ 609,388	0.7%			
Lowe's	6	\$ 406,365	0.7%	6	\$ 330,251	0.5%	7	\$ 363,185	0.5%	8	\$ 342,856	0.5%	8	\$ 373,712	0.5%	8	\$ 452,313	0.6%	8	\$ 355,156	0.4%	8	\$ 362,301	0.4%	9	\$ 498,967	0.5%	7	\$ 475,887	0.5%			
Crest Foods	5	\$ 411,060	0.7%	5	\$ 339,516	0.5%	5	\$ 375,621	0.5%	7	\$ 359,406	0.5%	7	\$ 389,113	0.5%	10	\$ 447,974	0.6%		\$ -	0.0%	9	\$ 358,587	0.4%	8	\$ 487,583	0.5%	8	\$ 456,414	0.5%			
Edmond YMCA		\$ -	0.0%		\$ -	0.0%		\$ -	0.0%		\$ -	0.0%		\$ -	0.0%	9	\$ 448,296	0.6%	7	\$ 379,453	0.4%	7	\$ 388,111	0.4%	10	\$ 460,090	0.5%	9	\$ 443,055	0.5%			
OU Medical Center	7	\$ 395,136	0.6%	7	\$ 315,069	0.5%	6	\$ 373,020	0.5%	6	\$ 360,258	0.5%	6	\$ 438,975	0.6%		\$ -	0.0%	10	\$ 291,105	0.3%		\$ -	0.0%	7	\$ 419,144	0.4%	10	\$ 436,584	0.5%			
Homeland Stores	8	\$ 337,554	0.5%	8	\$ 281,059	0.4%	9	\$ 306,271	0.4%	9	\$ 292,138	0.4%	9	\$ 363,000	0.5%	7	\$ 491,979	0.6%	6	\$ 393,246	0.4%		\$ 396,914	0.4%		\$ -	0.0%		\$ -	0.0%			
Oak Tree Partners LLC	9	\$ 272,404	0.4%	10	\$ 255,308	0.4%	10	\$ 278,929	0.4%	10	\$ 276,202	0.4%	10	\$ 310,054	0.4%		\$ -	0.0%		\$ -	0.0%		\$ -	0.0%		\$ -	0.0%		\$ -	0.0%		\$ -	0.0%
Henderson Hills Baptist Church		\$ -	0.0%	9	\$ 255,308	0.4%		\$ -	0.0%		\$ -	0.0%		\$ -	0.0%		\$ -	0.0%		\$ -	0.0%		\$ -	0.0%		\$ -	0.0%		\$ -	0.0%		\$ -	0.0%
Target	10	\$ 271,484	0.4%		\$ -	0.0%		\$ -	0.0%		\$ -	0.0%		\$ -	0.0%		\$ -	0.0%		\$ -	0.0%		\$ -	0.0%		\$ -	0.0%		\$ -	0.0%		\$ -	0.0%
OSBI		\$ -	0.0%		\$ -	0.0%		\$ -	0.0%		\$ -	0.0%		\$ -	0.0%		\$ -	0.0%		\$ -	0.0%		\$ -	0.0%		\$ -	0.0%		\$ -	0.0%		\$ -	0.0%
Totals		<u>\$ 9,262,267</u>	15.0%		<u>\$ 8,033,768</u>	12.6%		<u>\$ 8,721,511</u>	12.1%		<u>\$ 8,451,107</u>	12.2%		<u>\$ 8,739,630</u>	11.7%		<u>\$ 10,743,399</u>	13.7%		<u>\$ 10,124,738</u>	11.3%		<u>\$ 9,518,282</u>	10.0%		<u>\$ 11,716,587</u>	12.5%		<u>\$ 11,623,604</u>	12.8%			
Total Electric Revenue (see Table 6)		<u>\$ 61,594,388</u>			<u>\$ 63,667,237</u>			<u>\$ 71,938,538</u>			<u>\$ 69,154,723</u>			<u>\$ 74,756,124</u>			<u>\$ 78,135,179</u>			<u>\$ 89,935,863</u>			<u>\$ 94,970,481</u>			<u>\$ 93,877,321</u>			<u>\$ 90,583,222</u>				

Source: City of Edmond Utility Customer Service Department

**CITY OF EDMOND, OKLAHOMA
ELECTRICITY RATES
LAST TEN YEARS
TABLE 8**

Rate Code	Rate Schedule	Units	Edm Elec	Edm Elec	Edm Elec	Edm Elec	Edm Elec	Edm Elec	
			01/01/2010- 11/01/13	11/01/2013- 11/1/2014	11/01/2014-11/1/2015	11/01/2015- 11/1/2017	11/01/2017- 11/1/2018	11/01/2018- 11/1/2019	
E01	<u>R-1 Residential</u>								
	Customer Charge	\$/mo	12.48	13.50	14.00	14.00	14.00	14.00	
	Energy Charge								
	<i>Shoulder - May</i>								
	First 600 kWh	\$/kWh	0.0806	0.0822	0.0843	0.0851	0.0851	0.0851	
	Add'l kWh over 600	\$/kWh	0.0806	0.0822	0.0843	0.0851	0.0851	0.0851	
	<i>Summer (Jun-Sep)</i>								
	First 1,400 kWh	\$/kWh	0.0806	0.0822	0.0843	0.0851	0.0851	0.0851	
	Add'l kWh over 1,400	\$/kWh	0.0833	0.0849	0.0870	0.0957	0.0957	0.0957	
	<i>Shoulder - Oct</i>								
	First 600 kWh	\$/kWh	0.0806	0.0822	0.0843	0.0851	0.0851	0.0851	
	Add'l kWh over 600	\$/kWh	0.0806	0.0822	0.0843	0.0851	0.0851	0.0851	
	<i>Winter (Nov-Apr)</i>								
	First 600 kWh	\$/kWh	0.0806	0.0822	0.0843	0.0851	0.0851	0.0851	
	Add'l kWh over 600	\$/kWh	0.0452	0.0468	0.048	0.0485	0.0485	0.0485	
	<u>LIHEAP-1 Low Income Home Energy Assistance Program Rider</u>								
	Customer Charge	\$/mo	2.06	3.08	3.58	3.58	3.58	3.58	
	Energy Charge								
	<i>Summer (Jun-Sept)</i>								
	First 600 kWh	\$/kWh	0.0806	0.0822	0.0843	0.0851	0.0851	0.0851	
	Add'l kWh over 600	\$/kWh	0.0833	0.0849	0.0870	0.0957	0.0957	0.0957	
	<i>Winter (Nov-Apr)</i>								
	First 600 kWh	\$/kWh	0.0806	0.0822	0.0843	0.0851	0.0851	0.0851	
	Add'l kWh over 600	\$/kWh	0.0452	0.0468	0.048	0.0485	0.0485	0.0485	
	<i>Summer & Shoulder (May-Oct)</i>	\$/kWh	same as R-1	same as R-2	same as R-2	same as R-2	same as R-2	same as R-2	
	Acceptance requires qualification by DHS prior to annual participation.								
E02	<u>GS-1 General Service</u>								
	Customer Charge	\$/mo	23.04	30.00	30.00	30.00	30.00	30.00	
	Energy Charge								
	<i>Summer (Jun-Oct)</i>								
	All kWh	\$/kWh	0.1003	0.1004	0.1029	0.1055	0.1055	0.1055	
	<i>Winter (Nov-May)</i>								
	First 1000 kWh	\$/kWh	0.0864	0.0865	0.0886	0.0908	0.0908	0.0908	
	Add'l kWh over 1000	\$/kWh	0.0480	0.0481	0.0493	0.0505	0.0505	0.0505	

(Continued)

**CITY OF EDMOND, OKLAHOMA
ELECTRICITY RATES
LAST TEN YEARS
TABLE 8**

Rate Code	Rate Schedule	Units	Edm Elec	Edm Elec	Edm Elec	Edm Elec	Edm Elec	Edm Elec
			01/01/2010- 11/01/13	11/01/2013- 11/1/2014	11/01/2014-11/1/2015	11/01/2015- 11/1/2017	11/01/2017- 11/1/2018	11/01/2018- 11/1/2019
E09*	<u>GS-M General Service Medium *</u>							
	Customer Charge	\$/mo				50.00	50.00	50.00
	Capacity Charge							
	Summer (Jun-Oct) Maximum Demand	\$/kWh				12.00	12.00	12.00
	Winter (Nov-May) Maximum Demand	\$/kWh				4.50	4.50	4.50
	Energy Charge	\$/kWh						
	Summer (Jun-Oct)	\$/kWh						
	All kWh					0.0525	0.0525	0.0525
	Winter (Nov-May)	\$/kWh						
	All kWh	\$/kWh				0.0525	0.0525	0.0525
E03	<u>GS-TOU General Service Time-of-Use</u>							
	Customer Charge	\$/mo	23.04	35.00	35.00	35.00	35.00	35.00
	TOU Meter Charge (Jun-Oct)	\$/mo	0	0	0	0	0	0
	Energy Charge							
	Summer On-Peak Hours (2p-8p)	\$/kWh	0.2880	0.3350	0.3434	0.3520	0.3520	0.3520
	Summer Off-Peak Hours	\$/kWh	0.0480	0.0481	0.0491	0.0503	0.0503	0.0503
	Winter							
	First 1000 kWh	\$/kWh	0.0864	0.0865	0.0882	0.0904	0.0904	0.0904
	Add'l kWh over 1000	\$/kWh	0.0480	0.0481	0.0491	0.0503	0.0503	0.0503
E08	<u>PL-1 Power & Light</u>							
	Customer Charge	\$/mo	72.00	80.00	80.00	80.00	80.00	80.00
	Capacity Charge (new 25% ratchet)							
	Summer (Jun-Oct)	\$/kW	11.76	13.04	13.37	13.7	13.7	13.7
	Winter (Nov-May)	\$/kW	6.10	8.00	8.20	8.40	8.40	8.40
	Energy Charge							
	First 1,000,000 kWh	\$/kWh	0.0403	0.0403	0.0413	0.0423	0.0423	0.0423
	All Add'l kWh	\$/kWh	0.0403	0.0403	0.0413	0.0423	0.0423	0.0423
E06	<u>PL-TOU Power & Light Time-of-Use</u>							
	Customer Charge	\$/mo	72.00	100.00	100.00	100.00	100.00	100.00
	TOU Meter Charge (Summer)	\$/mo	0	0	0	0	0	0
	Capacity Charge							
	Summer							
	Max Billing Demand	\$/kW	1.21	1.52	1.54	1.58	1.58	1.58
	On-Peak Hrs Demand	\$/kW	10.71	13.5	13.64	13.68	13.68	13.68
	Winter							
	Winter (Nov-May)	\$/kW						
	Energy Charge							
	First 2,000,000 kWh/month	\$/kWh						
	All Additional kWh/month	\$/kWh						

(Continued)

**CITY OF EDMOND, OKLAHOMA
ELECTRICITY RATES
LAST TEN YEARS
TABLE 8**

Rate Code	Rate Schedule	Units	Edm Elec	Edm Elec	Edm Elec	Edm Elec	Edm Elec	Edm Elec
			01/01/2010- 11/01/13	11/01/2013- 11/1/2014	11/01/2014-11/1/2015	11/01/2015- 11/1/2017	11/01/2017- 11/1/2018	11/01/2018- 11/1/2019
E07	<u>LPL-TOU Large Power & Light Time-of-Use</u>							
	Customer Charge	\$/mo	73.50	600.00	650.00	650.00	650.00	650.00
	Capacity Charge (new 25% ratchet)							
	Summer (Jun-Oct) mo. Max. Demand	\$/kW	5.21	6.5	6.63	6.79	6.79	6.79
	On-Peak 2p-8p (except Sun.*)	\$/kW	0	0	0	0	0	0
	Winter (Nov-May)	\$/kW	5.21	6.50	6.63	6.79	6.79	6.79
	Energy Charge							
	First 2,000,000 kWh/month	\$/kWh	0	0	0	0	0	0
	All Additional kWh/month	\$/kWh	0	0	0	0	0	0
	* for OG&E summer On-Peak, all weekends and 3 holidays are exempt.							
	On Peak kWh/mo (June 1-Sept 30, 2-7:00 pm)	\$/kWh	0.1150	0.1302	0.1328	0.1361	0.1361	0.1361
	Off-Peak kWh/mo	\$/kWh	0.0343	0.0325	0.0332	0.034	0.034	0.034
	Winter Season: All kWh	\$/kWh	0.0343	0.0325	0.0332	0.034	0.034	0.034
E04	<u>PS-ND-1 Public Schools Non Demand</u>							
	Customer Charge	\$/mo	12.29	50.00	55.00	55.00	55.00	55.00
	Energy Charge							
	Summer (Jun-Oct)							
	All kWh	\$/kWh	0.1003	0.1003	0.1028	0.1054	0.1054	0.1054
	Winter (Nov-May)							
	First 1000 kWh	\$/kWh	0.0874	0.0874	0.0896	0.0918	0.0918	0.0918
	Add'l kWh over 1000	\$/kWh	0.0518	0.0577	0.0591	0.0606	0.0606	0.0606
	<u>*GPWR Green Power Wind Rider (for all standard rates)</u>							
	Wind Selection Charge	\$/kWh	0.0027	0.0027	0.0027	0.00556	0.00842	0.00842
	(Customer selects 100% or fixed 100kWh blocks subject to WSC. This WSC rate is added to, and monthly FCA is subtracted from, the standard rate calculation for customer's selected quantity of wind power kWh.)							
	*New Customers to GPWR as of 4/1/2017					0.01700	0.01700	0.01700
	As of 4/1/17 customers will be 100% kWh. Max of 100,000,000 kWh annual sales per year.							
	<u>OAL-1 Outdoor Security Lighting</u>	Existing Wood Pole	Monthly KWH		Monthly KWH	Monthly KWH	Monthly KWH	Monthly KWH
	Base Charge							
	7,000 Mercury Vapor * (71kWh/mo)	8.49	7.49	8.49	8.49	8.49	8.49	8.49
	9,500 High Pressure Sodium (41kWh/mo)	6.86	5.86	6.86	6.86	6.86	6.86	6.86
	14,000 Metal Halide - Directional	13.91	12.91	13.91	13.91	13.91	13.91	13.91
	15,500 High Pressure Sodium	9.06	8.06	9.06	9.06	9.06	9.06	9.06
	25,000 High Pressure Sodium	12.62	11.62	12.62	12.62	12.62	12.62	12.62
	*Not available for new installations							

(Continued)

**CITY OF EDMOND, OKLAHOMA
ELECTRICITY RATES
LAST TEN YEARS
TABLE 8**

Rate Code	Rate Schedule	Units	Edm Elec	Edm Elec	Edm Elec	Edm Elec	Edm Elec	Edm Elec
			01/01/2010- 11/01/13	11/01/2013- 11/1/2014	11/01/2014-11/1/2015	11/01/2015- 11/1/2017	11/01/2017- 11/1/2018	11/01/2018- 11/1/2019
	Additional Charges							
	Extension of Secondary Circuit and Wood Pole							
	30 foot pole	5.37	4.37	5.37	5.37	5.37	5.37	5.37
	35 foot pole	7.24	6.24	7.24	7.24	7.24	7.24	7.24
	40 foot pole	8.01	7.01	8.01	8.01	8.01	8.01	8.01
	45 foot pole	8.97	7.97	8.97	8.97	8.97	8.97	8.97
	50 foot pole	9.93	8.93	9.93	9.93	9.93	9.93	9.93
	*with wiring requirement of 150 feet or less							
	Underground wiring additional	0	3.46	0	0	0	0	0
	*If pole has to be hand set additional charge	0.00	354	0	0	0	0	0
	Ornamental Lighting Fixtures							
	Base Charge							
	9,500 High Pressure Sodium on	22.84	18.84	22.84	22.84	22.84	22.84	22.84
	24 foot fiberglass pole (41 kWh/mo)		41	41	41	41	41	41
E05	<u>PM-1 Municipal Water Pumping</u>							
	Customer Charge	\$/mo	23.04	50.00	50.00	50.00	50.00	50.00
	Energy Charge							
	Summer (Jun-Oct)	\$/kW	0.0634	0.0662	0.0679	0.0696	0.0696	0.0696
	Winter (Nov-May)	\$/kW	0.0480	0.0500	0.0513	0.0526	0.0526	0.0526
	<u>TSL-LED-1 Traffic Signal Lights</u>							
	Customer Charge	\$/mo	10.2	10.2	10.5	10.5	10.5	10.5
	Energy Charge							
	Per intersection (250 kWh/mo)	19.98	19.98	19.98	21.00	21.00	21.00	21.00
	<u>OWD-1 Outdoor Warning Device (7-1-08)</u>							
	Customer Charge		11.16	11.16	11.16	11.16	11.16	11.16
	Energy Charge		n/c	n/c	n/c	n/c	n/c	n/c
	<u>LM-1 Municipal Roadway & Area Lighting</u>							
	Base Charge							
	7,000 Lumens-MV Lamps *(71kWh/mo)		5.76	5.76	5.76	5.76	5.76	5.76
	20,000 Lumens-MV Lamps *(161kWh/mo)		11.62	11.62	11.62	11.62	11.62	11.62
	40,000 Lumens-MV Lamps *(272kWh/mo)		14.5	14.5	14.5	14.5	14.5	14.5
	9,500 Lumens-High Pressure Sodium (41kWh/mo)		4.90	4.90	4.90	4.9	4.9	4.9
	15,500 Lumens-High Pressure Sodium (71kWh/mo)		6.82	6.82	6.82	6.82	6.82	6.82
	25,000 Lumens-HPS (Directional) (107kWh/mo)		10.85	10.85	10.85	10.85	10.85	10.85
	25,000 Lumens-High Pressure Sodium (107kWh/mo)		9.89	9.89	9.89	9.89	9.89	9.89
	14,000 Lumens-HMLamps (Directional) (71kWh/mo)		9.50	9.50	9.50	9.5	9.5	9.5

(Continued)

**CITY OF EDMOND, OKLAHOMA
ELECTRICITY RATES
LAST TEN YEARS
TABLE 8**

Rate Code	Rate Schedule	Units	Edm Elec 01/01/2010- 11/01/13	Edm Elec 11/01/2013- 11/1/2014	Edm Elec 11/01/2014-11/1/2015	Edm Elec 11/01/2015- 11/1/2017	Edm Elec 11/01/2017- 11/1/2018	Edm Elec 11/01/2018- 11/1/2019
Sign & Underpass Lighting Fixtures								
	7,000 Mercury Vapor *** (71 kWh/mo)		7.01	7.01	7.01	7.01	7.01	7.01
	9,500 High Pressure Sodium (41 kWh/mo)		7.01	7.01	7.01	7.01	7.01	7.01
	*Not available for new installations							
	**When installed on High Mast Lighting System							
	***These are available for new installations only as sign lighting							
Additional Charges								
Standard Wood Pole								
	Extention of Secondary Circuit and Wood Pole							
	30 foot pole		3.17	3.17	3.17	3.17	3.17	3.17
	35 foot pole		4.70	4.70	4.70	4.70	4.70	4.70
	40 foot pole		5.47	5.47	5.47	5.47	5.47	5.47
	45 foot pole		6.14	6.14	6.14	6.14	6.14	6.14
	50 foot pole		6.72	6.72	6.72	6.72	6.72	6.72
	*with wiring requirement of 150 feet or less							
	Each additional 5 feet		3.36	3.36	3.36	3.36	3.36	3.36
Standard Pole other than Wood								
	15 to 19 foot		5.09	5.09	5.09	5.09	5.09	5.09
	20 to 24 foot		5.47	5.47	5.47	5.47	5.47	5.47
	25 to 27 foot		6.82	6.82	6.82	6.82	6.82	6.82
	28 to 32 foot		7.58	7.58	7.58	7.58	7.58	7.58
	33 to 37 foot		11.52	11.52	11.52	11.52	11.52	11.52
	38 to 42 foot		16.22	16.22	16.22	16.22	16.22	16.22
	43 to 47 foot		21.31	21.31	21.31	21.31	21.31	21.31
Ornamental Type Fixtures								
	*7,000 Lumen MV w 19' Steel Pole (71 kWh/mo)		11.96	11.96	11.96	11.96	11.96	11.96
	9,500 HPS w 19' Steel Pole (41 kWh/mo)		11.52	11.52	11.52	11.52	11.52	11.52
	20,000 Lumen MV w 24' Steel Pole (161 kWh/mo)		19.26	19.26	19.26	19.26	19.26	19.26
	25,000 Lumen HPS w 24' Steel Pole (107 kWh/mo)		18.82	18.82	18.82	18.82	18.82	18.82

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

Note: Rate codes changed with system upgrade as of 12/2014.

* Rate code E09 and GPWR for new customers became effective on 4/1/2017.

Source: City of Edmond Utility Customer Service Department

**CITY OF EDMOND, OKLAHOMA
HISTORICAL UTILITY CUSTOMERS
LAST TEN FISCAL YEARS
TABLE 9**

FYE June 30,	Electric	Water	Wastewater
2019	40,558	31,049	31,808
2018	40,024	30,619	31,346
2017	39,018	29,798	30,584
2016	38,468	29,286	30,112
2015	37,953	28,770	29,983
2014	38,110	28,747	29,958
2013	37,665	28,137	29,260
2012	36,785	27,551	28,793
2011	35,827	27,027	28,321
2010*	35,300	26,756	28,413

*Prior to FYE June 30, 2011, numbers were based on calendar year.

CITY OF EDMOND, OKLAHOMA
TEN LARGEST WATER and WASTEWATER CUSTOMERS
LAST THREE YEARS
Table 10

WATER CUSTOMERS	2017			2018			2019					
	Rank	Usage (gallons)	Revenue	% of Total Revenue	Rank	Usage (gallons)	Revenue	% of Total Revenue	Rank	Usage (gallons)	Revenue	% of Total Revenue
University of Central Oklahoma	1	68,899	\$523,507	2.03	1	57,464	\$492,323	1.79	1	52,125	\$501,421	1.97
Edmond Public Schools	2	38,704	325,414	1.26	2	37,034	345,946	1.26	2	30,010	330,949	1.30
City of Edmond	3	33,206	289,509	1.12	3	36,084	342,917	1.25	3	27,584	316,868	1.25
BVP Bryant Place					4	22,839	164,096	0.60	4	21,108	156,153	0.61
TCG Edmond					9	9,584	74,750	0.27	5	13,462	110,951	0.44
YMCA	8	10,703	78,247	0.3	6	11,701	89,940	0.33	6	12,826	103,053	0.41
The Greens					7	10,570	73,928	0.27	7	11,706	94,431	0.37
Integrus Health									8	10,291	78,619	0.31
Villas at Stonebridge					10	8993	63919	0.23	9	8685	100579	0.40
North Holcomb III									10	8,657	68,413	0.27
Edmond Medical (OU Medical Ctr)	4	13,713	100,250	0.39	5	15,349	118,725	0.43				
Freedom Plaza					8	10,062	78,257	0.28				
BRE Silver MF Second OK	5	14,769	96,569	0.37								
Rolling Green Apts	6	15,288	94,870	0.37								
Apple Village MH Est	7	11,668	79,236	0.31								
DW Wynn LLC	9	10,622	65,556	0.25								
Kickingbird Hills LLC	10	10,175	63,933	0.25								

Comparisons to ten year prior were not available. City began tracking data in FY 17.

WASTEWATER CUSTOMERS	2017			2018			2019					
	Rank	Usage (gallons)	Revenue	% of Total Revenue	Rank	Usage (gallons)	Revenue	% of Total Revenue	Rank	Usage (gallons)	Revenue	% of Total Revenue
University of Central Oklahoma	1	31,967	\$186,842	1.27	1	37,079	\$244,102	1.40	1	26,169	\$208,063	1.10
BVP Bryant Place					6	20,487	94,569	0.54	2	28,798	136,853	0.72
BRE Silver MF Second OK					4	14,404	114,703	0.66	3	14,958	126,810	0.67
Rolling Green Apts	5	15,288	61,383	0.42	7	17,343	92,775	0.53	4	18,834	108,276	0.57
Edmond Public Schools	2	28,583	132,284	0.9	2	25,563	172,819	0.99	5	13,540	102,434	0.54
City of Edmond	4	13,989	85,483	0.58	3	20,727	130,147	0.75	6	12,196	75,252	0.40
Villas at Stonebridge I					10	7,433	70,354	0.40	7	6,150	65,086	0.34
CCL Covell Drive									8	10,337	62,940	0.33
Villas at Stonebridge II					9	7,407	73,149	0.42	9	5,286	59,186	0.31
Edmond Medical (OU Medical Ctr)	6	11,213	40,967	0.28					10	12,604	58,138	0.31
The Greens					5	11,368	104,703	0.60				
Olympic Club Apts					8	10,871	87,559	0.50				
BRE Silver MF Second OK	3	14,769	91,479	0.62								
Integrus Health Edmond	7	8,132	39,491	0.27								
AE Sunset LLC	8	4,475	36,740	0.25								
Enclave Apartments Covell Village LLC	9	4,063	35,762	0.24								
SL Copper Lake Estates, LLC	10	5,015	31,156	0.21								

Comparisons to ten year prior were not available. City began tracking data in FY 17.

CITY OF EDMOND, OKLAHOMA
SALES TAX RATES OF DIRECT AND OVERLAPPING GOVERNMENTS
Last Ten Fiscal Years
TABLE 11

	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
City	3.25%	3.25%	3.75%	3.75%	3.75%	3.75%	3.75%	3.75%	3.75%	3.75%
Oklahoma County	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
State of Oklahoma	4.50%	4.50%	4.50%	4.50%	4.50%	4.50%	4.50%	4.50%	4.50%	4.50%
Total	7.75%	7.75%	8.25%	8.25%	8.25%	8.25%	8.25%	8.25%	8.25%	8.25%

CITY OF EDMOND, OKLAHOMA
TAXABLE SALES BY CATEGORY
LAST TEN FISCAL YEARS
TABLE 12

	2010	2011	2012	2013*	2014	2015	2016	2017	2018	2019
Agri, forestry, fishing hunting	\$ 42,304	\$ 31,739	\$ 56,292	\$ 20,050	\$ 28,889	\$ 30,001	\$ 60,000	\$ 29,640	\$ 16,591	\$ 13,599
Mining, oil and gas extraction	1,736	46,492	66,585	5,204	6,252	4,025	23,069	4,398	9,501	32,496
Utilities	2,904,097	2,807,077	2,969,951	2,185,463	3,609,167	3,844,159	4,303,732	4,185,086	4,206,823	4,277,152
Construction	36,107	32,830	69,507	50,217	75,608	70,085	93,837	76,133	82,632	538,213
Mfg-foods, textile, tobacco	-	-	-	110,738	254,580	261,041	170,026	135,775	129,840	140,954
Mfg-building, books, glass, brick, concrete	213,983	211,016	303,993	1,075,374	1,170,308	1,260,151	1,241,830	1,212,959	1,113,894	1,060,687
Mfg-iron,steel,sign,construction equipment, hardware	-	-	-	759,798	568,332	568,108	472,631	546,054	460,297	546,525
Wholesale trade-Automobiles, tires	-	-	-	62,456	69,034	89,854	57,888	65,600	63,201	60,144
Wholesale trade-Furniture, home furnishings	-	-	-	49,323	115,615	55,968	52,671	52,147	67,191	58,328
Wholesale trade-Lumber, brick, roofing, siding	-	-	-	215,711	199,677	232,700	306,025	419,681	443,578	378,746
Wholesale trade-Office & medical equipment, hardware, electrical appliances	-	-	-	631,941	708,417	643,930	658,976	627,313	813,222	723,602
Wholesale trade-Heat & Air, plumbing, farm, garden, transportation industrial equipment	2,311,014	2,554,821	3,149,901	1,918,186	2,229,790	2,171,456	2,062,887	2,208,374	2,487,528	2,955,947
Wholesale trade-Sporting goods, office supplies, drugs, apparel	-	-	-	224,288	228,999	346,309	377,292	379,660	425,503	460,706
Wholesale trade-Grocery, meat, fish, fruit, dairy	-	-	-	119,956	111,759	113,885	125,520	100,560	92,258	84,125
Wholesale trade-Chemical, plastics, paint, books, florists, farm supplies	-	-	-	179,414	214,533	204,729	186,588	179,617	187,204	204,585
Retail trade-cars, boats, tires, parts	-	-	-	1,180,533	1,094,582	1,208,563	1,310,926	1,260,293	1,245,663	1,284,839
Retail trade-furn, household, computer, cameras	2,394,461	2,584,712	3,105,063	3,667,788	2,972,839	3,660,727	3,241,497	2,335,148	3,118,045	3,001,765
Retail trade-hardware, building materials, paint, nursery	4,676,327	4,417,446	4,967,601	7,274,378	7,228,993	6,395,382	6,613,579	7,199,258	6,709,847	6,828,344
Retail trade-grocery	3,391,516	3,801,497	4,475,165	5,730,617	5,680,279	6,175,940	6,197,197	5,882,182	6,010,389	6,344,999
Retail trade-wine, beer, liquor stores	5,306,478	5,613,523	6,193,801	917,293	838,136	902,803	982,101	1,064,510	1,078,925	901,373
Retail trade-health, pharmacies,	4,515,923	4,697,973	5,197,419	1,447,945	1,391,971	1,352,040	1,529,810	1,676,903	1,834,304	1,929,079
Retail trade-gasoline with conv. Stores	852,484	997,628	1,085,814	316,627	477,195	640,540	577,858	557,585	532,878	564,228
Retail trade-clothing, shoes, jewelry	1,495,670	1,522,093	1,631,106	2,213,029	2,135,798	2,138,160	2,099,602	2,131,216	2,201,179	2,350,809
Retail trade-sporting goods, hobby, sewing, musical	-	-	-	1,751,700	1,721,282	1,777,882	1,674,319	1,486,384	1,442,871	1,367,583
Retail trade-dept stores, gen merchandise	8,427,080	8,509,668	8,974,710	11,359,340	12,471,298	13,097,434	13,351,178	13,398,886	13,984,416	14,952,042
Retail trade-florist, office supplies, pet, art, vending, used merch.	-	-	-	1,975,995	2,145,195	2,054,285	1,991,553	1,970,945	2,003,809	2,116,861
Transportation and warehousing-towing, freight, trucking	59,514	69,007	62,873	168,612	179,183	337,113	25,110	33,528	39,149	70,967
Transportation and warehousing-warehousing and storage	-	-	-	19,378	26,904	20,387	15,928	14,079	36,409	123,226
Information-newspaper, cable, wireless	2,107,808	2,063,197	2,116,694	2,267,040	2,149,341	2,185,157	2,128,055	2,015,693	1,917,041	2,073,822
Finance and insurance	9,858	7,492	11,467	51,315	108,285	23,316	24,089	19,850	33,361	28,429
Real estate and rental and leasing	493,928	489,984	633,883	950,089	951,448	957,366	1,109,411	964,881	769,007	914,346
Professional, scientific, and technical services	22,068	25,167	25,149	440,391	282,425	227,880	161,879	151,350	861,636	154,374
Adm. & support and waste management and remediation services	-	-	-	39,309	33,548	40,869	62,411	61,858	59,464	72,921
Educational services	-	-	-	42,272	36,647	42,600	23,418	18,908	43,774	39,964
Health care and social assistance-doctors, chiropractors, eye, family services	248,369	255,986	272,925	23,351	21,599	15,736	15,840	22,207	32,915	36,070
Arts, Entertainment, and Recreation-golf, fitness, bowling, museum	155,084	148,431	117,573	448,675	764,894	865,127	1,009,240	947,246	975,814	980,644
Accommodation and Food Services -Hotels	285,609	304,701	358,175	476,835	611,217	1,410,566	903,853	463,927	521,934	623,016
Accommodation and Food Services -Restaurants, Bars	786,322	804,873	929,140	7,718,137	7,092,658	6,901,495	7,565,202	8,346,711	8,831,233	9,214,074
Other Services (Auto, Electronic repairs, Salons, funeral)	401,687	459,313	472,940	692,889	702,250	707,734	793,278	831,390	861,636	934,202
Public Administration-Regulation of Transportation Programs	-	-	-	(13)	(139)	138	562,687	88	560	(308)
Unclassified	323,703	530,895	677,950	(20,517)	667,328	429,028	-	-	-	98,993
	\$ 41,463,130	\$ 42,987,561	47,925,677	58,761,127	61,376,116	63,464,669	64,162,993	63,077,969	65,745,522	68,542,471

(1) The source for taxable sales by category is the Oklahoma Tax Commission. This amount is the gross amount before the State retains portion for revolving fund. Note: in FY 2013, the Oklahoma Tax Commission changed their SIC codes and now use NAICS codes. These new codes have more categories than in previous years. We matched previous years as best that we could to match to the new codes descriptions.

CITY OF EDMOND
MONTHLY SALES TAX REVENUES COMPARISON
LAST FOUR FISCAL YEARS
TABLE 13

Month	2016		2017		2018		2019	
	Sales Tax Rate	Sales Tax Revenues	Sales Tax Rate	Sales Tax Revenues	Sales Tax Rate	Sales Tax Revenues	Sales Tax Rate	Sales Tax Revenues
July	3.75%	\$ 5,270,209	3.75%	\$ 5,348,556	3.75%	\$ 5,525,826	3.75%	\$ 5,825,577
August	3.75%	5,830,639	3.75%	5,249,321	3.75%	5,402,310	3.75%	5,589,307
September	3.75%	5,394,795	3.75%	5,401,153	3.75%	5,477,654	3.75%	5,800,551
October	3.75%	5,615,741	3.75%	5,458,570	3.75%	5,524,910	3.75%	5,920,637
November	3.75%	5,358,088	3.75%	5,267,714	3.75%	5,336,174	3.75%	5,313,641
December	3.75%	5,256,228	3.75%	5,313,129	3.75%	5,327,875	3.75%	5,567,723
January	3.75%	5,392,339	3.75%	5,386,949	3.75%	5,666,647	3.75%	6,003,639
February	3.75%	5,491,711	3.75%	5,367,870	3.75%	5,610,186	3.75%	5,821,576
March	3.75%	4,893,519	3.75%	4,925,300	3.75%	5,007,835	3.75%	5,102,775
April	3.75%	4,930,408	3.75%	4,777,946	3.75%	4,867,821	3.75%	5,279,681
May	3.75%	5,312,763	3.75%	5,228,042	3.75%	5,575,678	3.75%	5,995,000
June	3.75%	5,065,937	3.75%	5,257,846	3.75%	5,321,730	3.75%	5,918,697
TOTAL		<u>\$ 63,812,377</u>		<u>\$ 62,982,396</u>		<u>\$ 64,644,646</u>		<u>\$ 68,138,804</u>

Source: Oklahoma Tax Commission

**CITY OF EDMOND
HISTORICAL SALES TAX REVENUES
LAST TEN FISCAL YEARS
TABLE 14**

Fiscal Year Ended June 30,	Sales Tax		3/4 Cent ⁽²⁾	Percentage Increase
	Rate ⁽¹⁾	Revenues ⁽¹⁾		
2019	3.75%	\$68,138,804	\$13,627,761	5.41%
2018	3.75%	\$64,644,646	\$12,928,929	2.64%
2017	3.75%	62,982,395	12,596,479	-1.30%
2016	3.75%	63,812,377	12,762,475	1.24%
2015	3.75%	63,028,977	12,605,795	4.30%
2014	3.75%	60,431,416	12,086,283	2.85%
2013	3.75%	58,759,119	11,751,824	13.11%
2012	3.25%, 3.75% (3)	46,164,747	10,389,380	5.84%
2011	3.25%	42,536,197	9,816,045	3.57%
2010	3.25%	41,069,454	9,477,566	-5.83%

(1) Source: Oklahoma Tax Commission. Sales Tax Revenues returned to the City consist of Sales Tax Collections plus earned interest less monies allocated to the Revolving Fund.

(2) Calculated Sales Tax Revenues available for the appropriation by the City to the Authority as security for the Bonds. See "SECURITY FOR THE BONDS - Pledge of Revenues" herein.

(3) Sales Tax Rates were 3.25% for 10 months then 3.75% for 2 months.

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

Fiscal Year	Governmental Activities		Business-Type Activities			Total Primary Government	% of Personal Income	Total Debt Per Capita*
	Revenue Bonds Payable	Capital Leases Payable	Revenue Bonds Payable	Notes Payable	Capital Leases Payable			
2010	\$ 69,390,000	-	54,590,000	21,156,506	-	145,136,506	5.13%	\$ 1,783
2011	66,845,000	-	50,695,000	20,096,707	-	137,636,707	5.07%	1,691
2012	62,750,000	-	46,625,000	19,010,890	-	128,385,890	3.96%	1,536
2013	73,260,000	-	42,400,000	17,891,382	-	133,551,382	3.97%	1,582
2014	67,821,392	-	37,895,094	17,521,569	-	123,238,055	3.79%	1,447
2015	62,153,107	-	30,443,608	16,275,467	-	108,872,182	3.18%	1,239
2016	55,788,256	-	28,716,894	14,999,365	-	99,504,515	2.91%	1,132
2017	49,258,947	-	66,101,745	13,688,263	-	129,048,955	3.77%	1,469
2018	42,557,550	-	227,866,052	12,347,134	-	282,770,736	7.15%	3,066
2019	35,600,913	-	222,557,449	14,288,126	-	272,446,488	6.89%	2,911

* Population is calculated at calendar year end prior to fiscal year. See Table 16

CITY OF EDMOND, OKLAHOMA
RATIO OF NET GENERAL BONDED DEBT TO ASSESSED
VALUE AND NET BONDED DEBT PER CAPITA
Last Ten Fiscal Years
TABLE 16

Fiscal Year	Population		Net * Assessed Value	Gross Bonded Debt	Less Debt Service Funds	Net Bonded Debt	Ratio of Net Bonded Debt to Assessed Value	Net Bonded Debt Per Capita
2010	81,395	(5)	786,787,845	-	-	-	0.00%	-
2011	81,405	(6)	806,652,399	-	-	-	0.00%	-
2012	83,591	(7)	824,050,837	-	-	-	0.00%	-
2013	84,404	(7)	854,180,987	-	-	-	0.00%	-
2014	85,190	(7)	902,595,017	-	-	-	0.00%	-
2015	87,877	(7)	961,313,411	-	-	-	0.00%	-
2016	89,065	(7)	1,017,637,106	-	-	-	0.00%	-
2017	89,431	(7)	1,060,520,613	-	-	-	0.00%	-
2018	92,232	(7)	1,089,893,199	-	-	-	0.00%	-
2019	93,598	(7)	1,140,544,725	-	-	-	0.00%	-

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

* Oklahoma County Assessor's Report 2017

(5) City of Edmond, GIS/Planning Department 2001-2010

Based on the American Community Survey Avg HH, and Building Permits since 2000 Census

(6) 2010 Census

(7) City of Edmond Planning Department, estimate based on the 2010 Census, current Building Permits, the Edmond Economic Development Authority Average House Hold (HH) size, and the American Community Survey Occupancy Rate

CITY OF EDMOND, OKLAHOMA
COMPUTATION OF DIRECT AND OVERLAPPING DEBT
June 30, 2019
TABLE 17

<u>Jurisdiction</u>	<u>Net (1) Debt Outstanding</u>	<u>Percentage (2) Applicable to City of Edmond</u>	<u>Amount Applicable to City of Edmond</u>
Direct - City of Edmond	\$ 35,600,913	100.00%	\$35,600,913
Overlapping: Edmond School District	168,400,000	56.79%	95,634,360
Oklahoma County	<u>28,151,222</u>	14.39%	4,050,961
Total	<u><u>\$232,152,135</u></u>		<u><u>\$135,286,234</u></u>

(1) City of Edmond does not have any GO Bonds. Amount shown is direct debt for governmental activities.

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

CITY OF EDMOND, OKLAHOMA
LEGAL DEBT MARGIN INFORMATION
 Last Ten Fiscal Years
TABLE 18

	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
Debt limit	\$ 78,678,785	\$ 80,665,240	\$ 82,405,084	\$ 85,418,099	\$ 90,259,502	\$ 96,131,341	\$ 1,017,637,106	\$ 1,060,520,613	\$ 1,089,893,199	\$ 1,140,544,725
Total net debt applicable to limit	-	-	-	-	-	-	-	-	-	-
Legal debt margin	<u>\$ 78,678,785</u>	<u>\$ 80,665,240</u>	<u>\$ 82,405,084</u>	<u>\$ 85,418,099</u>	<u>\$ 90,259,502</u>	<u>\$ 96,131,341</u>	<u>\$ 1,017,637,106</u>	<u>\$ 1,060,520,613</u>	<u>\$ 1,089,893,199</u>	<u>\$ 1,140,544,725</u>
Total net debt applicable to the limit as a percentage of debt limit	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

Legal Debt Margin Calculation for Fiscal Year 2019

Net assessed valuation	\$ 1,140,544,725
Debt limit (10% of total assess value)	\$ 114,054,473
Debt applicable to limit:	
General obligation bonds	\$ -
Less: Street bonds outstanding	-
Total net debt applicable to limit	-
Legal debt margin	<u>\$ 114,054,473</u>

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

CITY OF EDMOND, OKLAHOMA
THE EDMOND PUBLIC WORKS AUTHORITY
UTILITY SYSTEMS DIVISION - PLEDGED REVENUE COVERAGE
Last Ten Fiscal Years
TABLE 19

		<u>Eligible Revenues</u>	<u>Eligible Expenses¹</u>	<u>Net Revenue Available for Debt Service</u>	<u>Maximum Annual Debt Service</u>	<u>Revenue Bond Coverage</u>
2010	Sales Tax and Utility Revenue Bonds Series 2001, 2003, 2004, 2005	\$ 102,344,442	\$ 81,867,810	\$ 20,476,632	\$ 6,822,981	3.00
	Utility Revenue Bonds Series 1998, 1999, 2003, 2004, 2005	118,119,652	74,845,596	43,274,056	8,682,517	4.98
	OWRB Series 2005, 2006	118,119,652	74,845,596	43,274,056	8,682,517	4.98
2011	Sales Tax and Utility Revenue Bonds Series 2001, 2003, 2004, 2005	111,304,738	91,610,054	19,694,684	6,990,269	2.82
	Utility Revenue Bonds Series 1998, 1999, 2003, 2004, 2005	127,646,147	83,031,312	44,614,835	8,443,233	5.28
	OWRB Series 2005, 2006	127,646,147	83,031,312	44,614,835	8,443,233	5.28
2012	Sales Tax and Utility Revenue Bonds Series 2001, 2003, 2004, 2005, 2010	111,304,738	91,610,054	19,694,684	6,990,269	2.82
	Utility Revenue Bonds Series 1998, 1999, 2003, 2004, 2005	127,646,147	83,031,312	44,614,835	8,443,233	5.28
	OWRB Series 2005, 2006	127,646,147	83,031,312	44,614,835	8,443,233	5.28
2013	Sales Tax and Utility Revenue Bonds Series 2004, 2005, 2010, 2012, 2013	124,463,512	109,885,068	14,578,444	8,552,264	1.70
	Utility Revenue Bonds Series 2003, 2004, 2005	144,078,716	90,796,258	53,282,458	8,443,233	6.31
	OWRB Series 2005, 2006	144,078,716	90,795,258	53,282,458	8,443,233	6.31
2014	Sales Tax and Utility Revenue Bonds Series 2005, 2010, 2012, 2013, 2014	131,616,376	115,686,623	15,929,753	8,552,264	1.86
	Utility Revenue Bonds Series 2005, 2014	152,179,138	94,999,819	57,179,319	8,399,737	6.81
	OWRB Series 2005C, 2013 General Sales Revenue Note	152,179,138	94,999,819	57,179,319	8,399,737	6.81
2015	Sales Tax and Utility Revenue Bonds Series 2010, 2012, 2013, 2014 and 2014B	143,118,338	125,701,219	17,417,119	7,455,266	2.34
	Utility Revenue Bonds Series 2014 and 2015	164,070,328	97,069,562	67,000,766	6,954,274	9.63
	OWRB Series 2005C, 2013 General Sales Revenue Note	164,070,328	97,069,562	67,000,766	6,954,274	9.63
2016	Sales Tax and Utility Revenue Bonds Series 2010, 2012, 2013, 2014 and 2014B	138,403,411	103,214,885	35,188,526	7,455,266	4.72
	Utility Revenue Bonds Series 2014 and 2015	138,403,411	94,663,331	43,740,080	6,594,274	6.63
	OWRB Series 2005C, 2013 General Sales Revenue Note	138,403,411	94,663,331	43,740,080	6,594,274	6.63
2017	Sales Tax and Utility Revenue Bonds Series 2010, 2012, 2013, 2014 and 2014B	149,288,469	108,783,722	40,504,747	7,455,266	5.43
	Utility Revenue Bonds Series 2014 and 2015	149,288,469	100,087,120	49,201,349	8,079,527	6.09
	OWRB Series 2005C, 2013 General Sales Revenue Note	149,288,469	100,087,120	49,201,349	6,954,274	7.07
2018	Sales Tax and Utility Revenue Bonds Series 2010, 2012, 2013, 2014, and 2014B	153,239,493	115,008,242	38,231,251	7,455,266	5.13
	Utility Revenue Bonds Series 2014, 2015, 2016, and 2017	153,239,493	106,484,620	46,754,873	18,244,923	2.56
	OWRB Series 2005C, 2013 General Sales Revenue Note	153,239,493	106,484,620	46,754,873	6,954,274	6.72
2019	Sales Tax and Utility Revenue Bonds Series 2010, 2012, 2013, 2014, and 2014B	157,795,659	115,630,414	42,165,245	7,455,266	5.66
	Utility Revenue Bonds Series 2014, 2015, 2016, and 2017	157,795,659	105,769,653	52,026,006	18,244,923	2.85
	OWRB Series 2005C, 2013 General Sales Revenue Note	157,795,659	105,769,653	52,026,006	6,954,274	7.48

¹Excludes depreciation and amortization expense.

**CITY OF EDMOND, OKLAHOMA
DEMOGRAPHIC AND ECONOMIC STATISTICS
Last Ten Calendar Years
TABLE 20**

Calendar Year	Population (1)*	Personal Income (in thousands) (2)	Per Capita Personal Income	Median Age of Population (2)	Percent with College Degree or Higher (5)	School Enrollment (3)	Unemployment Rate (4)
2009	80,535	2,798,349,645	34,747	34.9	51.4	21,358	4.8%
2010	81,395 *	2,712,895,350	33,330	35.0	50.1	21,960	4.2%
2011	81,405	3,157,944,165	38,793	34.2	47.3	22,472	4.0%
2012	83,591	3,327,924,892	39,812	35.2	46.6	23,089	4.4%
2013	84,404	3,217,818,096	38,124	35.0	46.5	23,484	3.7%
2014	85,190	3,319,598,730	38,967	34.9	49.4	23,965	3.5%
2015	87,877	3,558,579,115	40,495	35.7	51.2	24,407	4.4%
2016	89,065	3,767,716,695	42,303	36.1	53.3	24,269	4.1%
2017	92,232	3,859,448,040	41,845	36.2	54.7	25,242	3.5%
2018	93,598	3,953,579,520	42,240	36.3	55.7	25,577	3.1%

Sources:

- (1) City of Edmond, GIS/Planning Department 2001-2011
Based on the American Community Survey Avg HH, and Building Permits to date
* Based on 2010 Census Bureau data
- (2) Edmond Economic Development Authority (EEDA)
- (3) Edmond School District
- (4) www.bls.gov
- (5) Edmond Economic Development Authority (EEDA)

**CITY OF EDMOND, OKLAHOMA
PRINCIPAL EMPLOYERS
Current and Ten Years Ago
TABLE 21**

<u>Employer</u>	<u>Product/Business</u>	<u>2009</u>			<u>2019</u>		
		<u>Rank</u>	<u>Employees</u>	<u>% of Total</u>	<u>Rank</u>	<u>Employees</u>	<u>% of Total</u>
Edmond Public Schools	Public Education	1	2,364	39.1%	1	2,412	35.6%
University of Central Oklahoma	Higher Education	2	1,171	19.4%	2	1,450	21.4%
City of Edmond	Local Municipality	3	645	10.7%	3	771	11.4%
Mercy Edmond I-35	Clinic and Wellness Center		-	-	4	429	6.3%
INTEGRIS Health Edmond	Hospital		-	-	5	347	5.1%
OU Medical Center ¹	Hospital	4	550	9.1%	6	305	4.5%
Petra Industries	Electronic Distribution	8	300	5.0%	7	277	4.1%
Crest Foods	Grocery Store Chain		-	-	8	226	3.3%
Adfitech	Quality Control for Mortgage Industry	6	338	5.6%	9	217	3.2%
Summit Medical Center	Hospital		-	-	10	177	2.6%
Pelco Products	Traffic, Decorative, & Utility Hardware	10	118	2.0%		172	2.5%
Remy International ²	Auto Parts Manufacturing	7	300	5.0%		-	-
Cox Communications	Communication Services	9	261	4.3%		-	-
Totals			<u>6,047</u>	100%		<u>6,783</u>	100%

Source: Edmond Economic Development Authority

¹Formerly Edmond Medical Center

²Formerly Unit Parts NOTE: In 2009, Unit Parts and Remy International were listed individually by Rank as 5 & 7 in the CAFR.

CITY OF EDMOND, OKLAHOMA
FULL-TIME EQUIVALENT BUDGETED CITY GOVERNMENT EMPLOYEES BY FUNCTION/PROGRAM
Last Ten Fiscal Years
TABLE 22

<u>Function/Program</u>	Fiscal Year 2010	Fiscal Year 2011	Fiscal Year 2012	Fiscal Year 2013	Fiscal Year 2014	Fiscal Year 2015	Fiscal Year 2016	Fiscal Year 2017	Fiscal Year 2018	Fiscal Year 2019
General Government:										
Management Services	5	4	5	5	5	5	6	6	6	6
City Clerk/Governmental Relations	4	4	4	4	2	2	2	2	2	2
Finance	8	8	8	8	8	8	8	8	7	7
Treasurer	2	2	2	2	1	1	1	0	0	0
Human Resources	7	7	7	7	6	5	5	7	8	7
IT	16	16	16	16	17	17	17	18	19	19
Legal	8	8	8	8	8	7	6	7	4	4
Other	26	26	26	30	32	32	32	31	33	36
Engineering	14	14	14	14	17	18	18	16	23	22
Planning	6	6	6	7	7	7	7	6	7	9
CDBG	1	1	1	1	1	1	1	1	1	1
Building	15	15	15	15	15	16	16	19	16	15
Community Image	5	5	5	6	6	9	10	11	14	14
Convention & Visitors Bureau	2	2	2	2	2	3	3	4	4	4
Downtown Community Center	2	2	2	1	1	1	1	1	1	1
Total General Government	121	120	121	126	128	132	133	137	145	147
Public Safety and Judiciary:										
Police:										
Officers	114	114	114	114	114	123	120	120	122	122
Civilians	22	22	22	23	23	25	30	31	31	31
Animal Welfare	10	10	10	9	9	9	7	9	9	10
Fire:										
Firefighters & Officers	115	115	115	115	115	117	117	119	120	123
Civilians	7	7	7	7	10	5	5	5	5	5
Emergency Management	2	2	2	2	2	2	2	2	2	2
Central Communications/EM	24	24	24	24	24	24	24	26	31	29
Municipal court	8	8	8	8	8	8	7	9	9	9
Total Public Safety and Judiciary	302	302	302	302	305	313	312	321	329	331
Transportation:										
Streets	25	25	25	25	25	25	25	25	25	25
Traffic	5	5	5	5	5	6	7	7	8	8
Public Works Administration	14	12	12	13	13	12	11	10	10	10
	44	42	42	43	43	43	43	42	43	43
Cultural, Parks and Recreation:										
Parks and Recreations	41	42	42	42	42	42	42	46	46	46
Total Cultural, Parks and Recreation	41	42	42	42	42	42	42	46	46	46
Utilities:										
Electric	48	48	49	49	49	50	50	49	54	54
Water	42	42	42	42	42	44	44	50	46	46
Solid Waste	21	21	20	20	20	20	19	22	22	22
Wastewater	21	22	22	22	24	22	26	31	31	31
Drainage	5	5	5	5	5	5	5	5	5	5
Utility Customer Service	38	38	38	39	39	42	43	46	47	45
Central Warehousing	3	3	3	3	3	3	3	3	3	3
Total Public Works	178	179	179	180	182	186	190	206	208	206
Total Full-Time Budgeted Employees by Function/Program	686	685	686	693	700	716	720	752	771	773

Other includes, Urban Forestry, Vehicle Maintenance, Marketing and Facility Maintenance
Source: City of Edmond Human Resource Dept.
NOTE: Data is presented only for years including and subsequent to issuance of GASB 44

CITY OF EDMOND, OKLAHOMA
Capital Asset Statistics by Function/Program
Last Ten Fiscal Years
TABLE 23

<u>Function/Program</u>	<u>FY 2010**</u>	<u>FY 2011**</u>	<u>FY 2012**</u>	<u>FY 2013**</u>	<u>FY 2014**</u>	<u>FY 2015**</u>	<u>FY 2016**</u>	<u>FY 2017**</u>	<u>FY 2018</u>	<u>FY 2019</u>
Police:										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol units	139	144	147	147	148	152	152	152	155	157
Fire :										
Stations	5	5	5	5	5	5	5	5	5	5
Engines	5	5	5	5	5	5	5	5	5	5
Quint	2	2	2	2	2	2	2	2	2	2
Vehicles	29	29	29	29	35	35	44	44	44	43
Refuse Collection:										
Collection trucks	22	22	25	24	24	24	25	25	25	25
Street miles ¹	627	627	487	487	494	484*	485	486	489	492
Streetlights	4,954	5,421	5,542	5,652	6,123	6,190	6,339	6,232	6,310	6,315
Traffic signals	96	99	99	99	99	100	99	102	103	103
Parks and Recreation:										
Acreage	4,960	4,960	4,960	4,960	5,108	5,108	5,108	5,108	5,108	5,108
Playgrounds	23	23	23	23	24	24	24	24	24	24
Baseball/softball diamonds	24	24	24	24	31	31	31	31	31	31
Soccer/football fields	16	16	16	16	16	16	16	16	16	16
Community Center	1	1	1	1	1	1	1	1	1	1
Pool	1	1	1	1	1	1	1	1	1	1
Golf course	1	1	1	1	1	1	1	1	1	1
Disc Golf courses	3	3	3	3	3	3	3	3	3	3
Splash Pad					1	1	1	1	1	1
Public Transportation:²										
Buses	8	8	12	12	12	12	12	12	12	12
Vans	-	-	-	-	-	-	-	-	-	2
Cemetery:										
Plots Maintained ³	15,165	15,165	15,599	15,599	15,599	15,599	15,654	15,654	15,654	15,654
Vehicles & Machinery	4	4	4	4	4	4	4	4	4	4
Water:										
Water mains (miles)	484	493	500	502	507	516	523	526	526	545
Fire hydrants	4,129	4,315	4,392	4,388	4,473	4,659	4,827	4,879	5,108	5,174
Storage capacity (thousands of gallons)										
Clearwells and Tower	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	22,000	22,000
Arcadia Lake	11,000	11,000	11,000	11,000	11,000	11,000	11,000	11,000	11,000	11,000
Wastewater:										
Sanitary sewers (miles) Force Main	22	22	22	22	22	22	22	22	22	22
Sanitary sewers (miles) Gravity Main	416	416	423	424	429	431	438	449	449	454
Storm sewers (miles)	107	111	115	118	118	128	133	136	144	146
Treatment capacity (thousands of gallons)	9,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000

Source: City of Edmond Departments

(1) Street miles included private roads for years prior to 2012

(2) Edmond's Public Transportation began July, 1, 2009, COTPA owns the buses, Edmond maintains them

(2) Starting with CAFR 2019, removed Trolley category and began tracking Vans.

(3) Amounts have been restated to reflect number of plots maintained

* GIS dept updated their way of tracking mileage and counted 1 side of street rather than both sides on a few unmarked streets

** Column headers for fiscal years 2010-2016 were labeled incorrectly for fiscal year 18 printed CAFR. Figures were/are correct.

CITY OF EDMOND, OKLAHOMA
Operating Indicators by Function/Program
Last Ten Fiscal Years
TABLE 24

Function/Program	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Police										
Physical Arrests	2,543	2,658	2,728	2,931	2,336	2,220	2,527	2,966	2,756	2,774
Parking Violations	1,462	1,547	1,230	984	747	1,008	1,063	861	1,132	1,073
Traffic Violations	17,409	17,480	14,196	14,151	13,311	10,751	11,152	11,460	8,205	9,579
Fire										
Emergency Responses	5,745	5,890	6,793	5,984	6,810	7,375	8,101	8,188	8,277	8,367
Fires Extinguished	238	214	304	223	202	232	259	227	345	179
Inspections	1,057	937	1,096	904	1,062	3,144	1,577	1,371	1,641	1,806
Solid Waste Collection										
Solid Waste Collected (Tons Per Day)	255	262	242	218	241	223	196	193	189	193
Recyclables Collected (Tons Per Day)	11	10	8	8	18	24	17	18	17	16
Other Public Works										
Potholes Repaired:										
Asphalt Patching (Tons)	255	218	385	214	320	279	370	653	967	1,276
Concrete Patching (Cubic Yards)	160	117	140	128	89	73	432	72	362	58
Asphalt Repairs (Tons)	2,793	2,183	446	1,105	689	619	714	991	1,186	1,127
Concrete Repairs (Cubic Yards)	554	510	203	298	281	400	307	277	351	56
Parks & Recreation										
Athletic Field-Agreements										
EASI (# of Fields Used)	20	20	20	20	20	20	20	20	20	20
Edmond Soccer Club (# of Fields Used)	16	16	16	16	16	16	16	16	16	16
Miracle League of Edmond (# of Fields Used)	1	1	1	1	1	1	1	1	1	1
YMCA (# of Fields Used)	7	7	7	7	7	7	7	7	7	7
Edmond Round Up Arena	1	1	1	1	1	1	1	1	1	1
Edmond Rugby Club (# of Fields Used)	2	2	2	2	2	2	2	2	2	2
Edmond Lacrosse Club (# of Fields Used)	5	5	4	4	4	4	4	4	4	4
B & B Tennis (# of Courts Used)	14	14	14	14	14	14	14	14	14	14
Community Center-MAC Program Participants	2,309	6,525	2,332	4,332	1,570	1,864	4,596	4,596	2,056	2,800
MAC-Special Event Participant ¹	6,500	4,086	3,338	4,034	2,348	915	5,756	5,756	12,960	10,950
(MAC-Multi-Use Activity Center) Classes					3,394	7,058	1,032	1,032	738	6,354
Senior Center-Program Participants	60,181	38,772	42,240	42,753	45,256	48,545	51,091	55,560	51,221	53,761
-Sr. Center Lunch Program	11,266	9,486	9,669	9,541	8,618	9,686	9,803	11,321	8,817	10,214
Water										
New Water Connections	283	330	491	598	539	589	552	534	570	306
Water Main Breaks	57	73	45	58	53	48	51	56	39	49
Average Daily Produced (Thousands of Gallons)	9,440	10,709	11,409	10,712	9,704	10,400	11,497	11,300	9,706	8,340
Peak Daily Produced (Thousands of Gallons)	22,078	21,177	21,906	22,097	19,815	18,400	19,889	19,080	18,902	18,600
Wastewater										
Average Daily Sewage Treatment (Millions of Gallons)	7,180	6,900	7,400	7,000	7,300	7,300	7,680	7,150	6,900	7,600
Transit										
Citylink Bus Service-Revenue Mileage	228,920	220,219	279,388	283,188	283,175	271,341	266,060	266,710	271,539	285,918
Total Route Miles - Passengers ^{2,3}	109,000	179,220	235,005	265,000	277,475	290,939	274,074	248,738	210,485*	211,638

¹ 2008, tracking of Programs and Special Events are being tracked separately
Source: Various City Departments

² Transit Information provided by McDonald Transit & Associates 2010, Edmond's Transit began July 1, 2010

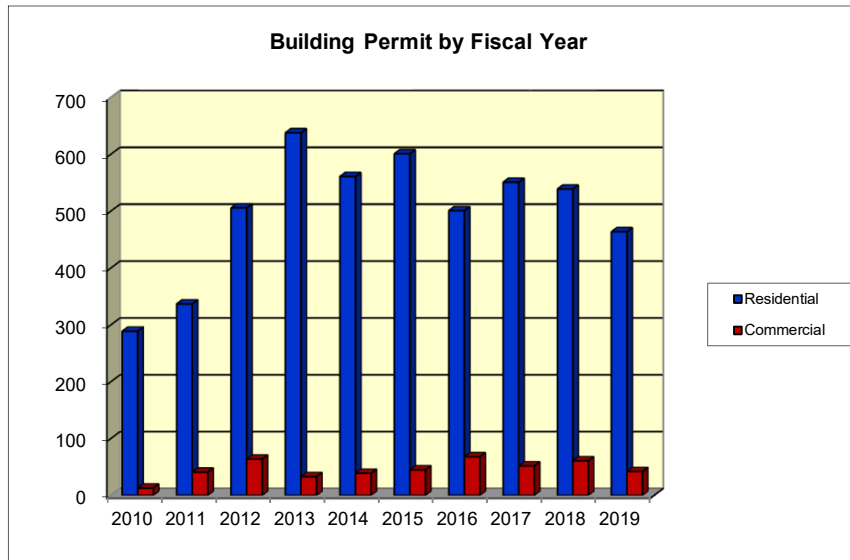
³ Starting with 2019, changed Citylink verbage to remove trolleys, as well as Broncho Link, which is not counted separately. Total includes fixed, commuter, and para cou

* Citylink Total Route Miles Passengers for 2018 amount was revised in 2019 CAFR after an audit with McDonald Transit was conducted.

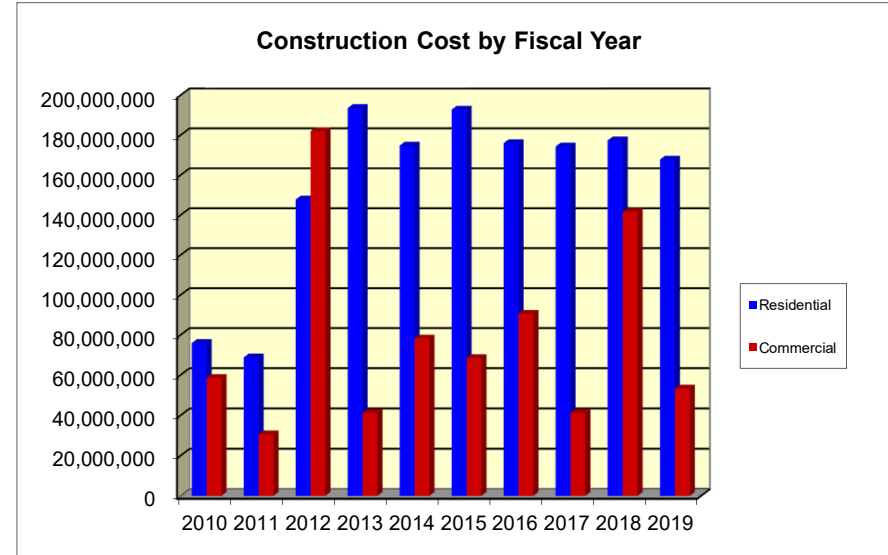
⁴ Starting with 2014, Class participation has its own category instead of being merged with programs as in the past.

**CITY OF EDMOND, OKLAHOMA
CONSTRUCTION PERMITS
Last Ten Fiscal Years
TABLE 25**

Number of Permits



Construction Costs



Residential Construction

Fiscal year	Number of Permits	Construction Cost
2019	464	\$ 167,703,981
2018	539	177,327,598
2017	551	174,282,232
2016	501	175,957,069
2015	601	192,714,809
2014	561	174,720,033
2013	638	193,540,217
2012	506	147,731,866
2011	337	68,660,592
2010	289	75,872,141

Commercial Construction

Fiscal year	Number of Permits	Construction Cost
2019	42	\$ 53,187,000
2018	61	141,505,949
2017	52	41,133,249
2016	68	90,524,820
2015	45	68,355,573
2014	39	78,136,825
2013	33	41,123,830
2012	64	181,906,271
2011	41	30,497,140
2010	13	58,412,750

Source: City of Edmond Public Works Department Fiscal building permit reports

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CITY OF EDMOND, OKLAHOMA
SINGLE AUDIT REPORTS
AND SUPPLEMENTARY SCHEDULES

June 30, 2019

CITY OF EDMOND, OKLAHOMA

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

To the Honorable Mayor and Members of the City Council of the
City of Edmond, Oklahoma

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Edmond, Oklahoma (the "City"), as of and for the year ended June 30, 2019, 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 19, 2019.

Internal Control over Financial Reporting

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

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

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed 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 City’s internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City’s internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Arledge & Associates, P.C.

December 19, 2019



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

To the Honorable Mayor and Members of the City Council of the
City of Edmond, Oklahoma

Report on Compliance for Each Major Federal Program

We have audited the City of Edmond, Oklahoma's (the "City") compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the City's major federal programs for the year ended June 30, 2019. The City's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditor's Responsibility

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

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

Opinion on Each Major Federal Program

In our opinion, the City, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2019.

Report on Internal Control over Compliance

Management of the City is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the City's internal control over compliance with the types of requirements that could have a direct material effect on each major federal program to determine the auditing procedures that are appropriate in the

circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over compliance.

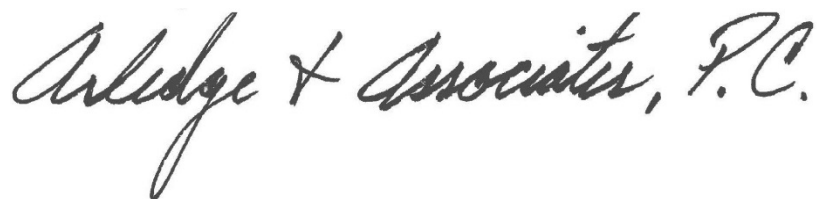
A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement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

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

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

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

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City, as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the City's basic financial statements. We issued our report thereon dated December 19, 2019, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.



December 19, 2019

CITY OF EDMOND, OKLAHOMA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Year Ended June 30, 2019

<i>Federal Grantor/Pass-Through Grantor/Program Title</i>	<i>Federal CFDA Number</i>	<i>Pass-Through Entity Identifying Number</i>	<i>Federal Expenditures</i>	<i>Subrecipient Amounts</i>
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT				
Community Development Block Grant :				
Entitlement	14.218	B14-MC-40-0009	\$ 48,807	\$ -
Entitlement	14.218	B16-MC-40-0009	3,882	1,958
Entitlement	14.218	B17-MC-40-0009	208,085	-
Entitlement	14.218	B18-MC-40-0009	247,398	58,486
TOTAL U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT			508,172	60,444
U.S. DEPARTMENT OF JUSTICE				
Equitable Sharing	16.922		7,287	-
Bulletproof Vest Partnership Program	16.607		5,582	-
Bulletproof Vest Partnership Program	16.607		8,501	-
Local Law Enforcement Block Grants	16.592		17,144	-
TOTAL U.S. DEPARTMENT OF JUSTICE			38,514	-
U.S. ENVIRONMENTAL PROTECTION AGENCY				
Passed through Oklahoma Water Resources Board				
Capitalization Grants for Drinking Water State Revolving Funds	66.468	ORF-16-0001-DW	50,521	-
Capitalization Grants for Drinking Water State Revolving Funds	66.468	ORF-18-0006-DW	1,452,671	-
TOTAL U.S. ENVIRONMENTAL PROTECTION AGENCY			1,503,192	-
U.S. DEPARTMENT OF TRANSPORTATION				
Federal Transit Administration				
Passed through Central Oklahoma Transportation and Parking Authority				
<i>Federal Transit Cluster</i>				
Federal Transit Formula Grant	20.507	OK-2019-002	415,549	-
<i>Total Federal Transit Cluster</i>			415,549	-
Passed through Oklahoma Highway Safety Office				
<i>Highway Safety Cluster</i>				
State and Community Highway Safety	20.600	SE-18-03-02-20	20,707	-
Incentive Grant Program to Increase Motorcyclist Safety	20.612	SE-19-03-05-21	65,244	-
<i>Total Highway Safety Cluster</i>			85,951	-
Passed through Oklahoma Department of Human Services				
<i>Transit Services Programs Cluster</i>				
Enhanced Mobility of Seniors and Individuals with Disabilities	20.513	OK-16-X012	71,515	-
<i>Total Transit Services Programs Cluster</i>			71,515	-
TOTAL U.S. DEPARTMENT OF TRANSPORTATION			573,015	-
U.S. DEPARTMENT OF HOMELAND SECURITY				
Federal Emergency Management Agency				
Passed through Oklahoma Department of Emergency Management				
Federal Emergency Performance Grant	97.042	EMPG	2,500	-
Federal Emergency Performance Grant	97.042	EMPG 19	11,250	-
			13,750	-
Passed through Oklahoma Office of Homeland Security				
		EMW-2016-SS-00044		
State Homeland Security Program (SHSP)	97.073	#820.006	11,470	-
State Homeland Security Program (SHSP)	97.073	860.039	4,500	-
State Homeland Security Program (SHSP)	97.073	860.06	60,950	-
State Homeland Security Program (SHSP)	97.073	EMW-2016-SS-00044		
		#860.012	52,642	-
			129,562	-
TOTAL U.S. DEPARTMENT OF HOMELAND SECURITY			143,312	-
TOTAL EXPENDITURES OF FEDERAL AWARDS			\$ 2,766,205	\$ 60,444

See notes to schedule of expenditures of federal awards.

CITY OF EDMOND, OKLAHOMA

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Year Ended June 30, 2019

NOTE A—BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (SEFA) includes the federal award activity of the City under programs of the federal government for the year ended June 30, 2019. The information in this SEFA is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the SEFA presents only a selected portion of the operations of the City, it is not intended to and does not present the financial position, changes in net assets, or cash flows of the City.

NOTE B—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the SEFA are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. The City has elected not to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.

NOTE C—SUBRECIPIENTS

Of the federal expenditures presented in this schedule, the City provided federal awards to subrecipients as follows:

Program	CFDA Number	Subrecipient	Amount Provided	Total
Community Development Block Grant/ Entitlement Grant	14.218	MFHC	\$ 1,958	\$ 1,958
Community Development Block Grant/ Entitlement Grant	14.218	Hope Center	32,395	
		U R Special	14,091	
		MFHC	12,000	58,486
				<u>\$ 60,444</u>

CITY OF EDMOND, OKLAHOMA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS--Continued

Year Ended June 30, 2019

Section II--Findings Required to be Reported in Accordance with *Government Auditing Standards*:

None to report for the June 30, 2019, period.

Section III--Findings Required to be Reported in Accordance with the Uniform Guidance:

None to report for the June 30, 2019, period.

CITY OF EDMOND, OKLAHOMA

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS AND QUESTIONED COSTS

Year Ended June 30, 2019

No matters were reportable.