



COMPREHENSIVE ANNUAL
FINANCIAL REPORT
for Fiscal Year Ended June 30, 2015

The City of Sand Springs, Oklahoma



CITY OF SAND SPRINGS, OKLAHOMA

**COMPREHENSIVE ANNUAL FINANCIAL REPORT
AND ACCOMPANYING
INDEPENDENT AUDITOR'S REPORT**

**FOR THE FISCAL YEAR ENDED
JUNE 30, 2015**

**Prepared by the
Department of Finance
Kelly Lamberson – Finance Director
Arlena Barnes – Budget Officer
Jamie Muns-Dobson – Accountant**

www.sandspringsok.org

City of Sand Springs 100 E Broadway Sand Springs, Oklahoma 74063

**CITY OF SAND SPRINGS, OKLAHOMA
 COMPREHENSIVE ANNUAL FINANCIAL REPORT
 AND ACCOMPANYING INDEPENDENT AUDITOR'S REPORTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

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INTRODUCTION Section



City of Sand Springs

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Sand Springs,
Oklahoma 74063

Ph: 918.246.2500

sandspringsok.org

December 31, 2015

Honorable Mayor, members of the City Council and the Citizens of the City of Sand Springs, Oklahoma:

The Comprehensive Annual Financial Report of the City of Sand Springs (the "City") for the year ended June 30, 2015, 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 accounts.

Responsibility of both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with management. Management of the City is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the City are protected from loss, theft or misuse and to ensure that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles. The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. We believe the information, as presented, is accurate in all material aspects and that all disclosures necessary to enable the reader to gain an adequate understanding of the City's financial activities have been included.

The City'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 auditor has issued an unmodified ("clean") opinion on the City's financial statements for the year ended June 30, 2015. The independent auditor's report is presented as the first component of the financial section of this report.

Management provides a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal 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 independent auditor's report.

Profile of the Government

Sand Springs is located in Northeast Oklahoma, six miles west of Tulsa. The City was incorporated as a city in 1912, just five years after statehood. The city is continually flourishing with an area of 22 square miles, an extended growth area of 150 square miles, and a city population estimated by INCOG at 19,553.

The City has been governed by the Council-Manager form of government since the adoption of a charter in 1969. This form of government most closely resembles the private sector with the Manager serving as the Chief Executive Officer, the Mayor as the Chairman of the Board, and the Council as the Board of Directors.

The City Council is the legislative body for the City of Sand Springs. It is comprised of the Mayor, Vice-Mayor and five council members who are elected to serve three-year terms. The seven members represent each of the City's six wards; one member serving an at-large position. The City Council members are also the Trustees of the Sand Springs Municipal Authority.

The duties of the Council include, but are not limited to, adopting the City's annual budget, adopting ordinances, establishing personnel policies, appointing or electing members of all quasi-legislative boards and commissions, enacting legislation, regulating all other fiscal affairs of the City, and appointing the City Manager.

The City provides its residents with a variety of municipal services, including police and fire protection, comprehensive land use, planning and zoning services, parks and recreational activities, cultural events, and the construction and maintenance of highways, streets and other infrastructure. The City also provides water, wastewater, stormwater, and solid waste services to its residents under the legal entity of the Sand Springs Municipal Authority (SSMA). SSMA is a public trust created under applicable Oklahoma statutes on March 14, 1966, with the City named as the beneficiary thereof. These utility systems operate for the benefit of the City of Sand Springs and are an integral part of City operations. The City owns and operates an 18-hole golf course, The Canyons at Blackjack Ridge, and the Sand Springs-Pogue Airport under the SSMA. SSMA'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 (SSEDA) and a legally separate cultural – historical trust (SSCHMTA). Both of these entities are reported separately within the City's financial statements. Additional information on these legally separate entities can be found in the notes to the financial statements (see Note 1.A).

The City operates on a fiscal year basis, beginning July 1st and ending June 30th. All funds of the City with revenues and expenditures are required to have annual

budgets. The City Manager's proposed operating budget for the fiscal year commencing the following July 1 is submitted to the City Council prior to June 1. A public hearing is held prior to June 15 to obtain citizen comments. Subsequent to the public hearing but not later than seven days prior to July 1, the budget is adopted by resolution of the City Council. The adopted budget is filed with the Office of State Auditor and Inspector. The appropriated budget is prepared by fund, function and department. All supplemental appropriations require City Council approval. The City Manager may transfer appropriations between departments without City Council approval. Supplemental appropriations must also be filed with the Office of the State Auditor and Inspector.

The City maintains an encumbrance accounting system as one technique of accomplishing budgetary control. Encumbrances outstanding at year-end do not constitute expenditures or liabilities. The commitments will be honored during the subsequent year.

In accordance with Title 60 of the Oklahoma State Statutes the Sand Springs Economic Development Authority and the Sand Springs Cultural and Historical Museum Trust Authority prepare an annual budget and submit a copy to the City as beneficiary.

Local Economy

The City relies on sales and other taxes to fund the majority of its governmental operations. These revenue streams are volatile and consequently the City's finances are directly impacted by economic conditions and weather patterns. Sales tax revenues for most of the fiscal year continued to be strong; however, beginning in the spring of 2015, taxable sales began to take a downturn in year over year comparisons with the last quarter sales tax revenues being down by 2.4%, primarily in the retail sector. This is largely due to the decline in oil and natural gas prices, which have negatively impacted the overall economy in Oklahoma. Sales tax revenues for the year, overall, ended higher than the previous year by 1.4% and up from budget by 3.6%.

Major Initiatives

The City continued worked on several initiatives and construction projects during FY15. City staff continues to work with the developer to attract businesses to the River West development area. The Holiday Inn Express construction was completed in the spring of 2015 and a Starbucks was constructed during the year as well. In addition, the roads and utility infrastructure were completed in this development area.

The City began construction on two new splash pads approved in the 2014 GO bond package, as well as other improvements to the Museum, Golf Course, and Keystone Ancient Forest.

The 41st Street elevated water tower, funded with revenue bonds, was completed this year. The City continued work on the new Spring Lake Complex, which will house Public Works administration, Fleet maintenance, Facilities management along with a central warehouse, Street Maintenance, Water Maintenance, Solid Waste, and a vehicle wash bay. This project will be completed during the FY16 fiscal year. Progress is continuing on the Wastewater Treatment Plant improvement project which will include constructing a new 4-cell sequential batch reactor.

The City was approved to receive \$4.4 million in Vision 2025 funds from Tulsa County to be used for park improvements and highway corridor enhancements. In addition, Mike and Pat Case have pledged to match these funds with a private donation of an additional \$2 million. The City has begun the design phase for these future improvements and look forward to beginning work soon.

Awards and Acknowledgments

The Government Finance Officers Association of the United States and Canada (GFOA) awarded the Certificate of Achievement for Excellence in Financial Reporting to the City for its comprehensive annual financial report for the fiscal year ended June 30, 2014. This was the 25th consecutive year that the City has received this prestigious award. In order to be awarded a Certificate of Achievement, the City must publish an easily readable and efficiently organized Comprehensive Annual Financial Report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

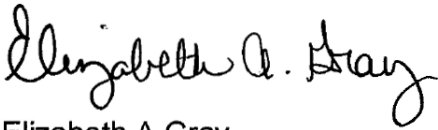
A Certificate of Achievement is valid for a period of one year only. We believe that our current Comprehensive Annual Financial Report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

The City also received its 19th consecutive Award for Outstanding Achievement in Popular Annual Financial Reporting for the fiscal year 2014. This award recognizes conformance with the highest standards for preparation of state and local popular reports. The popular report is an easily understandable financial report on all activities for the general public at large.

The preparation of this Comprehensive Annual Financial Report is a combined effort of the Accounting staff of the Finance Department with the professional assistance of Crawford & Associates, P.C. Our sincere appreciation is extended to all who contributed to its preparation.

We would also like to thank the Mayor and the members of the City Council for their leadership, encouragement and support in strengthening and improving the fiscal policies of the City of Sand Springs.

Respectfully Submitted,



Elizabeth A Gray
City Manager



Kelly A Lamberson
Finance Director

CITY OF SAND SPRINGS, OKLAHOMA

PRINCIPAL OFFICIALS and STAFF

JUNE 30, 2015

MAYOR AND CITY COUNCIL

Mike Burdge	Mayor	Ward 3	John Fothergill	Vice Mayor	Ward 4
Dean Nichols	Councilmember	Ward 2	Brian Jackson	Councilmember	Ward 6
Michael Phillips	Councilmember	Ward 1	Jim Spoon	Councilmember	At-Large
Beau Wilson	Councilmember	Ward 5			

FINANCE COMMITTEE

Mike Burdge	Chairman	Elizabeth Gray	Member
Dean Nichols	Member	Kelly Lamberson	Member
Jim Spoon	Member	Vacant	Member

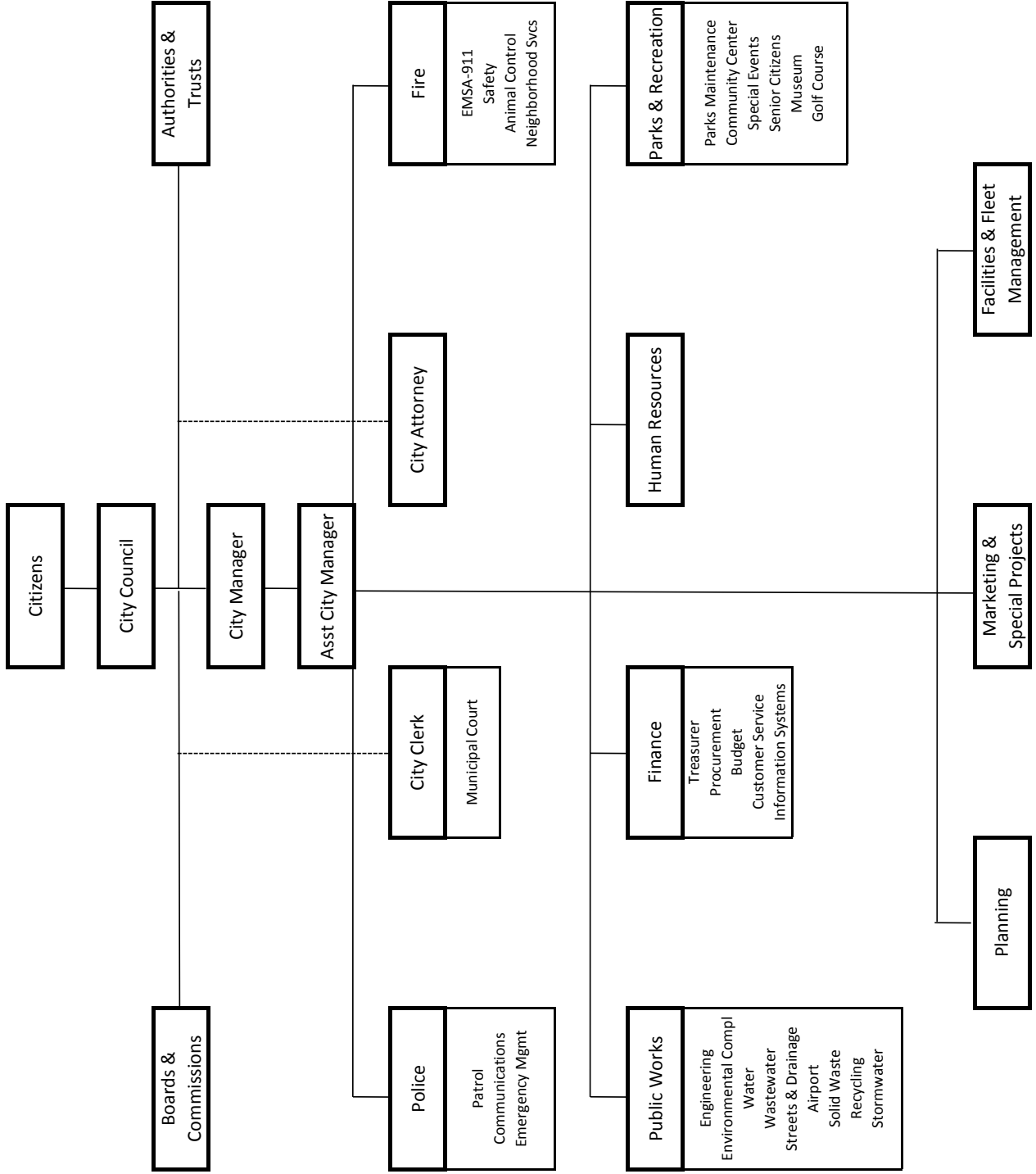
ADMINISTRATION

Elizabeth Gray	City Manager	Kelly Lamberson	Finance Director
Derek Campbell	Public Works Director	Brad Bates	City Planner
Daniel Bradley	Asst City Manager	Grant Gerondale	Parks Director
Mike Carter	Police Chief	Mike Wood	Fire Chief
David Weatherford	City Attorney	Janice Almy	City Clerk
Kasey St. John	Marketing & Special Projects Manager		

ACCOUNTING STAFF

Arlena Barnes	Purchasing Agent	Jamie Muns-Dobson	Accountant
Nadine Rogers	Accounts Payable Specialist	Samantha Portilloz	Payroll Specialist

CITY OF SAND SPRINGS ORGANIZATIONAL CHART





Government Finance Officers Association

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

Presented to

**City of Sand Springs
Oklahoma**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2014

Executive Director/CEO

FINANCIAL Section





INDEPENDENT AUDITOR'S REPORT

To the Honorable Mayor and Members of the City Council of the
City of Sand Springs, 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 Sand Springs, Oklahoma (the "City"), as of and for the year ended June 30, 2015, 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. 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, 2015, 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.

Change in Accounting Principle

As discussed in Note 3.G. to the financial statements, in fiscal year 2015 the City adopted new accounting guidance, Governmental Accounting Standards Board (“GASB”) Statement No. 68, *Accounting and Financial Reporting for Pensions* and GASB Statement No.71, *Pension Transition for Contributions Made Subsequent to the Measurement Date - an amendment of GASB Statement No. 68*. Our opinion is not modified with respect to these matters.

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, pension exhibits, and other post-employment benefits funding schedule, 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 18, 2015 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.

Arledge & Associates, P.C.

December 18, 2015

**MANAGEMENT'S DISCUSSION & ANALYSIS
CITY OF SAND SPRINGS, OKLAHOMA
JUNE 30, 2015**

As Management of the City of Sand Springs, we offer readers this narrative overview and analysis of the financial activities of the City of Sand Springs for the fiscal year ended June 30, 2015. We encourage readers to use this information in conjunction with the City's financial statements, which follow this section.

FINANCIAL HIGHLIGHTS

- The City's total net position increased by \$5.5 million and the assets and deferred outflows of the City continued to exceed its liabilities and deferred inflows at June 30, 2015, by \$118.9 million (net position). Of this amount, \$21.1 million (unrestricted net position) may be used to meet the government's ongoing obligations to citizens and creditors.
- At June 30, 2015, the City's governmental funds reported combined ending fund balances of \$31.5 million.
- At the end of fiscal year 2015, unassigned fund balance for the General Fund was \$3.3 million or 19% of General Fund revenues.
- The City implemented GASB 68 during the fiscal year. Net position was negatively restated in the governmental activities by \$8,601,247, or 18.5%.

OVERVIEW OF THE FINANCIAL STATEMENTS

The financial statements presented herein include all of the activities of the City of Sand Springs (the "City"), the Sand Springs Municipal Authority (the "Authority") and two component units. Included in this report are government-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. For governmental activities, these statements tell how these services were financed in the short term as well as what remains for future spending. Fund financial statements also report the City's operations in more detail than the government-wide statements by providing information about the City's most significant funds. These statements include all assets of the City (including infrastructure) as well as all liabilities (including long-term debt).

Reporting the City as a Whole - Statements of Net Position and Activities

This discussion and analysis is intended to serve as an introduction to the City of Sand Springs' basic financial statements. The Statement of Net Position and the Statement of Activities (on pages 21 & 22, respectively) report information about the City as a whole and about its activities in a way that helps answer questions. These statements include all assets, deferred outflows, liabilities, and deferred inflows using the accrual basis of accounting. All of the current year's revenues, expenses and deferrals are taken into account regardless of when cash is received or paid.

These two statements report the City's net position and changes in net position from the prior year. You can think of the City's net position – the difference between assets, deferred outflows, liabilities, and deferred inflows – as one way to measure the City's financial condition, or position. Over time, increases or decreases in the City's net position are one indicator of whether its financial health is improving, deteriorating, or remaining steady. However, you must consider other non-financial factors, such as changes in the City's tax base, the condition of the City's roads, and the quality of services to assess the overall health of the City.

The Statement of Net Position and the Statement of Activities are divided into three types of activities:

- Governmental activities -- Most of the City's basic services are reported here, including the police, fire, general administration, streets, and parks. Sales taxes, franchise fees, fines, and state and federal grants finance most of these activities.
- Business-type activities -- The City charges a fee to customers to help cover all or most of the cost of certain services it provides. The City's water, sewer, stormwater and refuse utilities are reported here, along with the golf course and airport enterprises.
- Discretely-presented component units -- These account for activities of the City's reporting entity that do not meet the criteria for blending.

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. The City of Sand Springs, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. 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. All of the funds of the City of Sand Springs can be divided into two categories: governmental funds and proprietary funds.

MANAGEMENT'S DISCUSSION & ANALYSIS
CITY OF SAND SPRINGS, OKLAHOMA
JUNE 30, 2015

Governmental funds -- Most of the City's basic services are reported in governmental funds, which focus on near-term inflows and outflows of spendable resources, as well as spendable resources available at the end of the fiscal year. These funds are presented on the modified accrual basis of accounting. Under this modified accrual basis of accounting, revenues are recognized when "measurable and available". The governmental fund statements provide a detailed short-term view of the City's general government operations and the basic service it provides. Governmental fund information helps determine whether there are more or fewer financial resources that can be spent in the near future to finance the City's programs. The differences of results in the Governmental Fund financial statements to those in the Government-Wide financial statements are explained in a reconciliation following each Governmental Fund financial statement.

Proprietary funds -- When the City charges customers for the services it provides – whether to outside customers or to other units of the City – these services are generally reported in proprietary funds. Enterprise funds are one type of proprietary funds and are used to report the same functions presented as business-type activities in the governmental-wide financial statements. The City uses enterprise funds to account for its water and sewer operations, solid waste collection and disposal services, stormwater drainage, the operations of the municipal golf course, and the operations of the municipal airport. Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail.

Notes to the Financial Statements

The notes provide additional information that is essential to gain understanding of the data provided in the government-wide and fund financial statements. The Notes to the Financial Statements can be found on pages 31-71 of this report.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information which includes General Fund Budgetary Comparison Schedule, Notes to Required Supplemental Information Budgetary Comparison Schedule, Schedules of Share of Net Pension Liability (Asset) for both Police and Firefighter's Pension, Schedule of City Contributions for Police, Firefighter's and OkMRF Retirement Systems, Schedule of Changes in Net Pension Liability and Employee Contributions for OkMRF, and Schedule of OPEB Status and Funding Progress. Other supplementary information includes Combining and Individual Fund Financial Statements and Schedules, Budgetary Comparison Combining Schedules for Non-major Governmental Funds, Cash Flow Statements for component units and a Schedule of Debt Service. This information can be found on pages 73-100 of this report.

**MANAGEMENT'S DISCUSSION & ANALYSIS
CITY OF SAND SPRINGS, OKLAHOMA
JUNE 30, 2015**

Also included in this report is the Statistical Section which can be found on pages 101-126. This section presents detailed information, typically in ten-year trends, that assists users in utilizing the basic financial statements, notes to basic financial statements, and required supplementary information to assess the economic condition of the City of Sand Springs.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

The largest portion of the City's net position reflects investment in capital assets (e.g., land, buildings, machinery, equipment, and infrastructure); less any related debt used to acquire those assets that is still outstanding. This year the net investment in capital assets amounted to \$84.8 million. Although the City's investment in its capital assets is reported net of related debt, the resources needed to repay this debt must be provided from other sources, since capital assets themselves cannot be used to liquidate these liabilities. The Discretely-Presented Component Units are excluded from the following table.

The City of Sand Springs' Net Position
(expressed in \$ 000's)

	Governmental Activities		Business-type Activities		Total	
	2015	2014 [*]	2015	2014 [*]	2015	2014 [*]
Assets:						
Current and other assets	\$ 19,913	\$ 19,340	\$ 37,789	\$ 48,311	\$ 57,702	\$ 67,651
Capital assets	40,578	37,309	78,329	66,754	118,907	104,063
Total assets	60,491	56,649	116,118	115,065	176,609	171,714
Deferred Outflows of Resources:						
Deferred amount on refunding	29	44	-	-	29	44
Deferred amounts related to pension	647	-	-	-	647	-
Total deferred outflows	676	44	-	-	676	44
Liabilities:						
Long-term liabilities	15,918	8,879	37,494	38,850	53,412	47,729
Other liabilities	1,270	1,199	1,945	817	3,215	2,016
Total liabilities	17,188	10,078	39,439	39,667	56,627	49,745
Deferred Inflows of Resources:						
Deferred amounts related to pension	1,785	-	-	-	1,785	-
Total deferred inflows	1,785	-	-	-	1,785	-
Net position:						
Net investment in capital assets	33,248	33,255	51,548	50,419	84,796	83,674
Restricted	10,590	9,113	2,386	2,468	12,976	11,581
Unrestricted (deficit)	(1,644)	4,247	22,745	22,511	21,101	26,758
Total net position	\$ 42,194	\$ 46,615	\$ 76,679	\$ 75,398	\$ 118,873	\$ 122,013

* prior year amounts not restated for MD&A purposes

**MANAGEMENT'S DISCUSSION & ANALYSIS
CITY OF SAND SPRINGS, OKLAHOMA
JUNE 30, 2015**

A portion of the City's net position, \$12.9 million, represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position, \$21.1 million, may be used to meet the government's ongoing obligations to citizens and creditors.

The following table reflects the changes in the City's net position as a result of revenue collection and payment of expenses during the fiscal year. A comparison is made between the two fiscal years to show the change in net position.

	Governmental Activities		Business-type Activities		Total	
	2015	2014	2015	2014	2015	2014
Revenues:						
Program revenues:						
Charges for Services	\$ 1,422	\$ 1,622	\$ 14,586	\$ 14,889	\$ 16,008	\$ 16,511
Grants & Contributions	1,014	1,105	2	-	1,016	1,105
Capital Grants & Contributions	1,435	78	157	674	1,592	752
General Revenues:						
Sales & Use Tax	11,070	10,884	-	-	11,070	10,884
Other Taxes	3,802	2,719	-	-	3,802	2,719
Other General Revenues	1,330	950	134	45	1,464	995
Total Revenues	20,073	17,358	14,879	15,608	34,952	32,966
Program Expenses:						
General Government	1,323	2,662	-	-	1,323	2,662
Planning & Zoning	102	137	-	-	102	137
Financial Administration	826	892	-	-	826	892
Public Safety	8,211	8,482	-	-	8,211	8,482
Highways & Streets	2,281	2,296	-	-	2,281	2,296
Health & Welfare	34	38	-	-	34	38
Culture & Recreation	1,286	1,335	-	-	1,286	1,335
Economic Development	615	718	-	-	615	718
General Properties	596	600	-	-	596	600
Interest on Long-term Debt	220	202	-	-	220	202
Water	-	-	6,950	7,217	6,950	7,217
Wastewater	-	-	3,699	3,542	3,699	3,542
Solid Waste	-	-	1,384	1,373	1,384	1,373
Storm Water	-	-	342	388	342	388
Airport	-	-	707	765	707	765
Golf Course	-	-	914	819	914	819
Total Expenses	15,494	17,362	13,996	14,104	29,490	31,466
Excess/(Deficiency)	4,579	(4)	883	1,504	5,462	1,500
Net Transfers	(398)	(1,704)	398	1,704	-	-
Increase/(Decrease) in Net Position	4,181	(1,708)	1,281	3,208	5,462	1,500
Beginning net position, restated for 2015	38,013	48,323	75,398	72,190	113,411	120,513
Ending net position	\$ 42,194	\$ 46,615	\$ 76,679	\$ 75,398	\$ 118,873	\$ 122,013

MANAGEMENT'S DISCUSSION & ANALYSIS
CITY OF SAND SPRINGS, OKLAHOMA
JUNE 30, 2015

In governmental activities, capital grants and contributions increased from prior year by \$1.4 million. General government expenses decreased approximately \$1.3 or 50% due to the loss on the sale of land in the amount of \$1.2 million in the prior year.

In business-type activities, charges for services decreased over prior year of approximately \$303,000.

Governmental Activities

The City's governmental activities' increase in net position of \$4.2 million represents a 11% increase, which is primarily due to the increase in capital grants and decreases in various program expenses.

Business-type Activities

The business-type activities' increase in net position of \$1.3 million represents a 1.7% increase in net position.

Overall, total business-type activities' revenues are sufficient to cover their total business-type activities' expenses. Individually, Water, Solid Waste, and Stormwater revenues cover more than their expenses, and make up for the revenue deficiencies in the Wastewater, Airport, and Golf business-type functions.

A FINANCIAL ANALYSIS OF THE CITY'S FUNDS

As the City completed its 2015 fiscal year, the governmental funds reported a combined fund balance of \$31.5 million, or a 2.9% increase from the prior year. The enterprise funds reported combined net position of \$63.1 million, or a 1% increase from 2014. The fund balance and net position restrictions are listed below.

Fund Balance Classifications:		
Nonspendable	\$	18,653
Restricted		18,365,948
Committed		240,318
Assigned		9,641,076
Unassigned		3,268,382
Total Fund Balance		<u>\$ 31,534,377</u>
Enterprise Funds Net Position Restrictions:		
Restricted for debt service	\$	2,385,880
Total Net Position Restrictions		<u>\$ 2,385,880</u>

Other fund highlights include:

For the year ended June 30, 2015, the General Fund's total fund balance increased by \$980,991, or 17.8%, due to an increase in taxes and intergovernmental revenues and offset by a smaller increase in overall expenditure. The Council has established a policy for maintaining the unassigned fund balance in the General Fund at not less than 10% of net revenues. Net revenues equals total revenues less required sales tax transfers out. The total unassigned fund balance at year end was 26.9% of net revenues.

- The Street Improvement Fund's total fund balance decreased by \$321,246 due to large projects in progress.
- The SSMA Water Fund reported a decrease in net position, after transfers, for the year, but overall the total change in net position for the enterprise funds was an increase of \$0.6 million.

General Fund Budgetary Highlights

Comparing the fiscal year 2015 original budget (or adopted) General Fund expenditures and transfers amount of \$18,770,421 to the final budgeted amount of \$20,162,833 shows a net increase of \$1,392,412 or 7.4%. Total original budgeted revenues and transfers were revised from \$17,533,054 to \$18,420,468, an increase of \$887,414 or 5.1%.

General Fund actual revenues and transfers totaled \$384,641 more than final estimates, while expenditures and transfers out were under final appropriations by \$2,325,898. Public safety, highways & streets, general government, and other financing uses functions were the primary reason, coming in approximately \$2.3 million under budget appropriations.

CAPITAL ASSETS & DEBT ADMINISTRATION

Capital Assets

At the end of June 30, 2015, the City had \$118.9 million invested in capital assets including land, buildings, machinery and equipment, park facilities, water, sewer and stormwater systems, roads and bridges. This represents a net increase of \$14.8 million over last year.

Following are details regarding the change in the City's capital assets for the year ending June 30, 2015.¹

¹ For more detailed information on capital asset activity please refer to page 52, Note 3.D. Capital Assets

MANAGEMENT'S DISCUSSION & ANALYSIS
CITY OF SAND SPRINGS, OKLAHOMA
JUNE 30, 2015

The City of Sand Springs' Capital Assets
(expressed in \$ 000's)

	Governmental Activities		Business-type Activities		Totals	
	2015	2014	2015	2014	2015	2014
Land	\$ 10,904	\$ 9,802	\$ 2,169	\$ 2,169	\$ 13,073	\$ 11,971
Buildings	8,614	8,535	22,148	22,081	30,762	30,616
Improvements & Other	4,078	4,054	29,632	26,653	33,710	30,707
Equipment	9,194	8,398	4,880	4,726	14,074	13,124
Infrastructure	40,106	39,936	56,235	56,142	96,341	96,078
Intangible	-	-	6,703	6,703	6,703	6,703
Construction-in-progress	4,323	1,371	22,482	11,681	26,805	13,052
Totals	77,219	72,096	144,249	130,155	221,468	202,251
Less Depreciation	(36,641)	(34,787)	(65,920)	(63,401)	(102,561)	(98,188)
Totals, Net	\$ 40,578	\$ 37,309	\$ 78,329	\$ 66,754	\$ 118,907	\$ 104,063

This year's more significant capital asset additions include utility infrastructure improvements of approximately \$13.8 million in construction in progress and various machinery and equipment in capital asset additions.

Debt Administration

At year-end, the City had \$45.5 million in long-term debt outstanding, which represents a \$1,628,889 decrease from the prior year. These debts are further detailed as follows:²

The City of Sand Springs' Long-term Debt
(expressed in \$ 000's)

	Governmental Activities		Business-type Activities		Totals	
	2015	2014	2015	2014	2015	2014
General Obligation Bonds, Net	\$ 6,255	\$ 7,165	\$ -	\$ -	\$ 6,255	\$ 7,165
Capital Lease Obligations	1,104	515	-	-	1,104	515
Notes Payable	-	-	7,412	8,147	7,412	8,147
Revenue Bonds	-	-	29,170	29,830	29,170	29,830
Accrued Compensation	840	749	276	274	1,116	1,023
Utility Deposits	-	-	455	461	455	461
Totals	\$ 8,199	\$ 8,429	\$ 37,313	\$ 38,712	\$ 45,512	\$ 47,141

² For more detailed information on long-term debt activity please refer to page 53, Note 3.E. Long-Term Debt

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

The economic outlook for Sand Springs remains fairly stable, with sales tax up 1.5% for FY 15. However, the City has experienced a slight drop in sales tax revenues during the past few months in FY 16. Currently, sales tax revenues are down 1.6% from prior year numbers, primarily in the retail, utilities, and manufacturing sectors. This is largely due to a drop in oil prices which has negatively affected the Oklahoma economy as a whole. Fortunately, Sand Springs does not feel the direct impact of the drop in oil prices, but it is reflected in the cost of supplying utilities to our citizens, and it has indirectly affected some of the manufacturing sales in the area. The area is also experiencing a slowed growth over the past year, as is evident by the reduction in the number of building permits issued in 2014 by 18%. However, personal income in the area is up by 3.9%, and taxable property values are up 1%. The unemployment rate in the metro area continues to decline, sitting at 4.3% for 2014, down from 4.6% in the prior year. Overall, the local economy appears to remain fairly stable regardless of the slump in recent sales tax revenues.

CONTACTING THE CITY'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers and creditors with a general overview of the City's finances and to show the City's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Finance Office at 100 E. Broadway, Sand Springs, Oklahoma or phone at (918) 246-2518. This report may be found on the City's website, www.sandspringsok.org.



Sand Springs

O K L A H O M A

BASIC FINANCIAL STATEMENTS

The basic financial statements include integrated sets of financial statements as required by the GASB. The sets of statements include:

- Government-wide financial statements
- Fund financial statements:
 - Governmental funds
 - Proprietary (enterprise) funds

In addition, the notes to the financial statements are included to provide information that is essential to a user's understanding of the basic financial statements.

City of Sand Springs, Oklahoma
Statement of Net Position
June 30, 2015

	Primary Government			Component Units	
	Governmental Activities	Business-type Activities	Total	Museum Trust Authority	Economic Development Authority
ASSETS					
Cash and equivalents	\$ 9,662,113	\$ 17,571,501	\$ 27,233,614	\$ 165,576	\$ 1,826
Investments	7,474,262	17,399,581	24,873,843	-	3,792
Deposit with insurance pool	186,066	-	186,066	-	-
Interest receivable	11,715	6,508	18,223	-	-
Accounts receivable, net	468,592	1,577,640	2,046,232	-	-
Internal balances	(1,093,032)	1,093,032	-	-	-
Due from other governmental agencies	3,007,285	-	3,007,285	-	-
Net pension asset	176,923	-	176,923	-	-
Inventories	17,606	140,572	158,178	-	-
Other assets	1,047	185	1,232	-	-
Capital assets:					
Capital assets, nondepreciable	15,226,982	31,354,142	46,581,124	-	-
Other capital assets, net of depreciation	25,350,879	46,975,162	72,326,041	-	-
Total Assets	<u>60,490,438</u>	<u>116,118,323</u>	<u>176,608,761</u>	<u>165,576</u>	<u>5,618</u>
DEFERRED OUTFLOWS OF RESOURCES					
Deferred amount on refunding	29,321	-	29,321	-	-
Deferred amounts related to pension	647,324	-	647,324	-	-
Total Deferred Outflows of Resources	<u>676,645</u>	<u>-</u>	<u>676,645</u>	<u>-</u>	<u>-</u>
LIABILITIES					
Accounts payable and accrued expenses	783,242	1,623,386	2,406,628	480	-
Accrued interest payable	56,958	219,481	276,439	-	-
Accrued payroll liabilities	233,142	93,798	326,940	-	-
Due to other governmental agencies	137,449	4,298	141,747	14	-
Amounts held in escrow	57,117	-	57,117	-	-
Unearned revenue	2,143	3,867	6,010	-	-
Long-term liabilities:					
Due within one year	1,341,151	1,526,063	2,867,214	-	-
Due in more than one year	14,576,783	35,968,306	50,545,089	-	-
Total Liabilities	<u>17,187,985</u>	<u>39,439,199</u>	<u>56,627,184</u>	<u>494</u>	<u>-</u>
DEFERRED INFLOWS OF RESOURCES					
Deferred amounts related to pension	1,785,113	-	1,785,113	-	-
NET POSITION					
Net investment in capital assets	33,248,179	51,548,644	84,796,823	-	-
Restricted for:					
Capital projects	9,178,519	-	9,178,519	-	-
Public safety	567,864	-	567,864	-	-
Debt service	679,456	2,385,880	3,065,336	-	-
Culture and recreation	51,539	-	51,539	-	-
Other projects	112,537	-	112,537	-	-
Unrestricted (deficit)	(1,644,109)	22,744,600	21,100,491	165,082	5,618
Total Net Position	<u>\$ 42,193,985</u>	<u>\$ 76,679,124</u>	<u>\$ 118,873,109</u>	<u>\$ 165,082</u>	<u>\$ 5,618</u>

See accompanying notes to the Basic Financial Statements.

**City of Sand Springs, Oklahoma
Statement of Activities
For the Year Ended June 30, 2015**

Functions/Programs Primary government	Net (Expense) Revenue and Changes in Net Position						Component Units	
	Primary Government			Museum Trust Authority			Economic Development Authority	
	Expenses	Charges for Services	Program Revenue and Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total	
General government	\$ 1,322,426	\$ 214,664	\$ -	\$ 196,740	\$ (911,022)	\$ -	\$ (911,022)	\$ -
Planning and zoning	101,842	5,482	-	-	(96,360)	-	(96,360)	-
Financial administration	826,352	-	-	-	(826,352)	-	(826,352)	-
Public safety	8,211,241	1,101,018	831,381	-	(6,278,842)	-	(6,278,842)	-
Highways and streets	2,280,869	386	182,153	144,767	(1,953,563)	-	(1,953,563)	-
Health and welfare	34,322	-	-	-	(34,322)	-	(34,322)	-
Culture and recreation	1,286,258	100,759	-	1,093,032	(92,467)	-	(92,467)	-
Economic development	614,822	-	-	-	(614,822)	-	(614,822)	-
Facilities management and fleet maintenance	595,485	-	-	-	(595,485)	-	(595,485)	-
Interest on long-term debt	220,338	-	-	-	(220,338)	-	(220,338)	-
Total governmental activities	15,493,955	1,422,309	1,013,534	1,434,539	(11,623,573)	-	(11,623,573)	-
Business-type activities	6,950,079	7,394,814	-	41,590	-	486,325	486,325	-
Water operations	3,699,133	3,269,735	-	-	-	(429,398)	(429,398)	-
Wastewater operations	1,383,708	1,841,535	2,208	-	-	460,035	460,035	-
Solid waste operations	341,828	1,143,193	-	52,400	-	853,765	853,765	-
Stormwater operations	706,851	413,053	-	63,278	-	(230,520)	(230,520)	-
Airport operations	914,668	524,171	-	-	-	(390,497)	(390,497)	-
Golf course operations	13,996,267	14,586,501	2,208	157,268	-	749,710	749,710	-
Total business-type activities	29,490,222	16,008,810	1,015,742	1,591,807	(11,623,573)	749,710	(10,873,863)	-
Total primary government	\$ 4,010	\$ 6,847	\$ 4,052	\$ -	\$ -	\$ 6,889	\$ -	\$ (3,075)
Culture and recreation	3,075	-	-	-	-	-	-	(3,075)
Economic development	7,085	-	-	-	-	-	-	-
Total component units	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
General revenues:								
Taxes:								
Sales and use taxes					11,070,144		11,070,144	
Property taxes					1,497,025		1,497,025	
Franchise taxes					856,339		856,339	
Abatement taxes					34,778		34,778	
E-911 taxes					135,272		135,272	
Hotel/Motel taxes					153,898		153,898	
Payment in lieu of tax					1,124,972		1,124,972	
Grants and contributions not restricted to specific programs					1,079,758		1,079,758	
Unrestricted investment earnings					201,361		201,361	
Miscellaneous					48,281		48,281	
Transfers					(397,664)		(397,664)	
Total general revenues and transfers					15,604,164		15,604,164	
Change in net position					4,180,591		4,180,591	
Net position - beginning, restated					38,013,394		38,013,394	
Net position - ending					\$ 42,193,985		\$ 42,193,985	
					\$ 76,679,124		\$ 76,679,124	
					\$ 118,873,109		\$ 118,873,109	
					\$ 165,082		\$ 165,082	
					\$ 5,618		\$ 5,618	

See accompanying notes to the Basic Financial Statements.

City of Sand Springs, Oklahoma
Balance Sheet
Governmental Funds
June 30, 2015

	<u>General Fund</u>	<u>Street Improvement</u>	<u>Capital Improvement Water/Wastewater</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
ASSETS					
Cash and cash equivalents	\$ 3,640,794	\$ 2,213,252	\$ 8,392,423	\$ 6,593,180	\$ 20,839,649
Investments	1,460,000	5,493,586	2,614,672	1,425,892	10,994,150
Deposit with insurance pool	186,066	-	-	-	186,066
Accrued interest receivable	2,153	8,823	2,779	2,187	15,942
Taxes receivable, net	161,848	-	-	-	161,848
Due from other governments	1,479,672	-	-	1,365,765	2,845,437
Court fines receivable, net	236,448	-	-	-	236,448
Other receivables	232,144	-	-	-	232,144
Inventories	17,606	-	-	-	17,606
Prepaid items	1,047	-	-	-	1,047
Total assets	<u>\$ 7,417,778</u>	<u>\$ 7,715,661</u>	<u>\$ 11,009,874</u>	<u>\$ 9,387,024</u>	<u>\$ 35,530,337</u>
LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES					
Liabilities:					
Accounts payable	\$ 238,530	\$ 146,479	\$ 1,170,496	\$ 397,837	\$ 1,953,342
Payable to other governments	137,449	-	-	-	137,449
Due to other funds	-	-	-	1,093,032	1,093,032
Other accrued expenditures	212,994	-	-	-	212,994
Amounts held in escrow	41,205	-	-	-	41,205
Other payables	36,060	-	-	-	36,060
Total liabilities	<u>666,238</u>	<u>146,479</u>	<u>1,170,496</u>	<u>1,490,869</u>	<u>3,474,082</u>
Deferred inflows of resources:					
Deferred revenues	260,402	2,820	2,779	255,877	521,878
Fund balances:					
Non-spendable	18,653	-	-	-	18,653
Restricted	680,401	7,501,731	9,249,705	934,111	18,365,948
Committed	240,318	-	-	-	240,318
Assigned	2,283,351	64,631	586,894	6,706,200	9,641,076
Unassigned	3,268,415	-	-	(33)	3,268,382
Total fund balances	<u>6,491,138</u>	<u>7,566,362</u>	<u>9,836,599</u>	<u>7,640,278</u>	<u>31,534,377</u>
Total liabilities, deferred inflows and fund balance	<u>\$ 7,417,778</u>	<u>\$ 7,715,661</u>	<u>\$ 11,009,874</u>	<u>\$ 9,387,024</u>	<u>\$ 35,530,337</u>

See accompanying notes to the Basic Financial Statements.

City of Sand Springs, Oklahoma
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net
Position
June 30, 2015

Total fund balance, governmental funds	\$	31,534,377
Amounts reported for governmental activities in the Statement of Net Position are different because:		
Capital assets used in governmental activities are not current financial resources and therefore are not reported in the funds, net of accumulated depreciation of \$36,640,627		40,577,861
Certain other long-term assets are not available to pay current period expenditures and therefore are deferred in the funds:		
Court fines receivable		234,167
Other receivables		19,557
Receivable from other governments		262,065
Net pension asset		176,923
Deferred outflows of resources are not outflows that relate to the current period and therefore are not reported in the funds:		
Deferred amount on bond refunding		29,321
Pension related deferred outflows		647,324
Capital project funds are used by management to purchase or construct certain capital assets for the City. The assets and liabilities of certain capital project funds are included in the business-type activities in the Statement of Net Position:		
Fund balance of the Water and Wastewater CIP Fund		(9,836,599)
Fund balance of the SSMA CIP Fund		(159,917)
Fund balance of the Airport CIP Fund		(120,108)
Fund balance of the Stormwater CIP Fund		(3,356,852)
Fund balance of the Golf Course CIP Fund		(54,129)
Certain long-term liabilities and related accounts are not due and payable from current financial resources and, therefore, are not reported in the funds:		
Net pension liability		(7,159,629)
Pension related deferred inflows		(1,785,113)
Accrued interest payable		(56,958)
General obligation bonds payable		(6,255,000)
Capital lease payable		(1,104,003)
Accrued compensated absences		(839,788)
Other post employment benefits obligation		(559,514)
Net Position of Governmental Activities in the Statement of Net Position	<u>\$</u>	<u>42,193,985</u>

See accompanying notes to the Basic Financial Statements.

City of Sand Springs, Oklahoma
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended June 30, 2015

	<u>General Fund</u>	<u>Street Improvement</u>	<u>Capital Improvement Water/Wastewater</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
REVENUES					
Taxes	\$ 13,975,344	\$ -	\$ -	\$ 1,398,628	\$ 15,373,972
Fees and fines	393,102	-	-	-	393,102
Licenses and permits	141,721	-	-	-	141,721
Intergovernmental	1,463,787	-	-	1,289,306	2,753,093
Charges for services	973,169	-	74,100	16,786	1,064,055
Investment earnings	33,993	44,112	21,290	14,620	114,015
Miscellaneous	265,767	-	-	22,118	287,885
Total revenues	<u>17,246,883</u>	<u>44,112</u>	<u>95,390</u>	<u>2,741,458</u>	<u>20,127,843</u>
EXPENDITURES					
Current:					
General government	856,027	-	-	-	856,027
Planning and zoning	101,272	-	-	-	101,272
Financial administration	795,137	-	-	-	795,137
Public safety	8,194,641	-	-	-	8,194,641
Highways and streets	664,245	-	-	-	664,245
Health and welfare	31,108	-	-	-	31,108
Culture and recreation	1,055,016	-	-	-	1,055,016
Community and economic development	294,699	-	-	291,319	586,018
Facilities management and fleet maintenance	709,666	-	-	-	709,666
Debt Service:					
Principal	125,360	-	-	910,000	1,035,360
Interest and other charges	12,599	-	-	200,227	212,826
Capital Outlay	800,622	2,773,864	14,626,123	2,813,404	21,014,013
Total expenditures	<u>13,640,392</u>	<u>2,773,864</u>	<u>14,626,123</u>	<u>4,214,950</u>	<u>35,255,329</u>
Excess of revenues over (under) expenditures	<u>3,606,491</u>	<u>(2,729,752)</u>	<u>(14,530,733)</u>	<u>(1,473,492)</u>	<u>(15,127,486)</u>
OTHER FINANCING SOURCES (USES)					
Issuance of debt	714,217	-	-	-	714,217
Transfers in	1,762,945	2,468,506	16,107,395	1,939,222	22,278,068
Transfers out	(5,102,662)	(60,000)	(1,200,000)	(610,734)	(6,973,396)
Total other financing sources and uses	<u>(2,625,500)</u>	<u>2,408,506</u>	<u>14,907,395</u>	<u>1,328,488</u>	<u>16,018,889</u>
Net change in fund balances	980,991	(321,246)	376,662	(145,004)	891,403
Fund balances - beginning	5,510,147	7,887,608	9,459,937	7,785,282	30,642,974
Fund balances - ending	<u>\$ 6,491,138</u>	<u>\$ 7,566,362</u>	<u>\$ 9,836,599</u>	<u>\$ 7,640,278</u>	<u>\$ 31,534,377</u>

See accompanying notes to the Basic Financial Statements.

City of Sand Springs, 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, 2015

Net change in fund balances - total governmental funds: \$ 891,403

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	4,639,022
Adjustments to capital assets	703,819
Book value of capital assets disposed or sold	4,974
Depreciation expense	(2,078,822)

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. 480,751

Governmental funds do not present revenues that are not available to pay current obligations. In contrast, such revenues are reported in the Statement of Activities when earned. 106,114

Debt 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:

Capital lease obligation principal payments	125,028
Capital lease obligation proceeds	(714,217)
General obligation bond principal payments	910,000

Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds:

Changes in:	
Accrued interest	7,480
Amortization expense	(14,660)
Accrued compensated absences	(90,519)
Post employment benefit obligation	(109,484)

Capital project funds are used by management to purchase or construct certain capital assets for the City. The net change in fund balances of certain capital project funds are included in the business-type activities column of the Statement of Activities:

Water and Wastewater CIP	(376,662)
SSMA Capital Fund	(117,345)
Airport CIP Fund	(30,343)
Stormwater CIP Fund	(153,140)
Golf Course CIP Fund	(2,808)

Change in net position of governmental activities	\$ 4,180,591
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See accompanying notes to the Basic Financial Statements.

City of Sand Springs, Oklahoma
Statement of Net Position
Proprietary Funds
June 30, 2015

	SSMA Water Utility Fund	SSMA Wastewater Utility Fund	SSMA Solid Waste Utility Fund	SSMA Airport Fund	SSMA Golf Fund	SSMA Stormwater Fund	Total
ASSETS							
Current assets:							
Cash and cash equivalents	\$ 2,487,208	\$ 1,833,605	\$ 174,444	\$ 162,417	\$ 265,946	\$ 462,402	\$ 5,386,022
Restricted cash and cash equivalents	763,113	105,789	-	-	-	-	868,902
Investments	1,494,629	350,000	250,000	-	-	-	2,094,629
Interest receivable	837	713	731	-	-	-	2,281
Accounts receivable, net	877,400	337,093	196,707	21,310	28,708	116,422	1,577,640
Due from other funds	1,093,032	-	-	-	-	-	1,093,032
Inventories	128,755	-	-	11,817	-	-	140,572
Prepaid expenses	185	-	-	-	-	-	185
Total current assets	<u>6,845,159</u>	<u>2,627,200</u>	<u>621,882</u>	<u>195,544</u>	<u>294,654</u>	<u>578,824</u>	<u>11,163,263</u>
Noncurrent assets:							
Restricted cash and cash equivalents	-	129,667	-	-	-	-	129,667
Restricted investments	11,762,803	31,635	-	-	-	-	11,794,438
Capital assets, nondepreciable	20,702,186	6,326,247	-	3,950,001	359,029	16,679	31,354,142
Other capital assets, net	21,648,371	16,512,326	493,913	2,139,889	943,967	5,236,696	46,975,162
Total noncurrent assets	<u>54,113,360</u>	<u>22,999,875</u>	<u>493,913</u>	<u>6,089,890</u>	<u>1,302,996</u>	<u>5,253,375</u>	<u>90,253,409</u>
Total assets	<u>60,958,519</u>	<u>25,627,075</u>	<u>1,115,795</u>	<u>6,285,434</u>	<u>1,597,650</u>	<u>5,832,199</u>	<u>101,416,672</u>
LIABILITIES							
Current liabilities:							
Accounts payable	243,095	55,317	45,219	6,311	98,703	3,859	452,504
Accrued payroll liabilities	57,461	22,107	12,103	2,127	-	-	93,798
Accrued interest payable	183,254	36,227	-	-	-	-	219,481
Payable to other governments	-	4,298	-	-	-	-	4,298
Unearned revenue	800	215	731	-	2,121	-	3,867
Current portion of:							
Compensated absences	33,452	10,637	9,036	1,041	-	-	54,166
Deposits subject to refund	143,040	-	-	-	-	-	143,040
Notes payable	96,425	547,490	-	-	9,942	-	653,857
Revenue bonds payable	675,000	-	-	-	-	-	675,000
Total current liabilities	<u>1,432,527</u>	<u>676,291</u>	<u>67,089</u>	<u>9,479</u>	<u>110,766</u>	<u>3,859</u>	<u>2,300,011</u>
Noncurrent liabilities:							
Compensated absences	133,806	42,548	36,144	9,366	-	-	221,864
Deposits subject to refund	312,265	-	-	-	-	-	312,265
Other postemployment benefit obligation	149,128	60,545	32,420	4,050	2,016	2,242	250,401
Notes payable	1,799,600	5,003,702	-	-	-	-	6,803,302
Revenue bonds payable	28,380,474	-	-	-	-	-	28,380,474
Total non-current liabilities	<u>30,775,273</u>	<u>5,106,795</u>	<u>68,564</u>	<u>13,416</u>	<u>2,016</u>	<u>2,242</u>	<u>35,968,306</u>
Total liabilities	<u>32,207,800</u>	<u>5,783,086</u>	<u>135,653</u>	<u>22,895</u>	<u>112,782</u>	<u>6,101</u>	<u>38,268,317</u>
NET POSITION							
Net investment in capital assets	23,026,484	15,391,359	494,483	6,089,889	1,293,055	5,253,374	51,548,644
Restricted for debt service	2,155,017	230,863	-	-	-	-	2,385,880
Unrestricted	3,569,218	4,221,767	485,659	172,650	191,813	572,724	9,213,831
Total net position	<u>\$ 28,750,719</u>	<u>\$ 19,843,989</u>	<u>\$ 980,142</u>	<u>\$ 6,262,539</u>	<u>\$ 1,484,868</u>	<u>\$ 5,826,098</u>	<u>63,148,355</u>

Capital project funds are used by management to purchase or construct certain capital assets for the City. The assets and liabilities of certain capital project governmental funds are included in the business-type activities in the

Statement of Net Position:

Water and Wastewater CIP	9,836,599
SSMA Capital Fund	159,917
Airport CIP Fund	120,108
Stormwater CIP Fund	3,356,852
Golf Course CIP Fund	54,129

Revenue deferred in governmental capital project funds because the revenue is not available to pay fund liabilities has been recognized as revenue in the Statement of Activities for capital project funds classified as business type activities.

Total net position per Government-Wide financial statements

3,164
\$ 76,679,124

See accompanying notes to the Basic Financial Statements.

City of Sand Springs, Oklahoma
Statement of Revenues, Expenses and Changes in Fund Net Position
Proprietary Funds
For the Year Ended June 30, 2015

	SSMA Water Utility Fund	SSMA Wastewater Utility Fund	SSMA Solid Waste Utility Fund	SSMA Airport Fund	SSMA Golf Fund	SSMA Stormwater Fund	Total
OPERATING REVENUES							
Charges for services	\$ 7,237,034	\$ 3,253,049	\$ 1,833,408	\$ 124,678	\$ 207,805	\$ 1,142,796	\$ 13,798,770
Miscellaneous	-	-	-	284,258	-	-	284,258
Total operating revenues	<u>7,237,034</u>	<u>3,253,049</u>	<u>1,833,408</u>	<u>408,936</u>	<u>207,805</u>	<u>1,142,796</u>	<u>14,083,028</u>
OPERATING EXPENSES							
Personal services	2,196,487	957,299	536,855	85,938	955	-	3,777,534
Operations and maintenance	1,990,967	1,189,574	719,177	351,130	379,505	195,684	4,826,037
Depreciation	1,167,759	1,004,591	104,444	265,776	155,731	141,547	2,839,848
Total operating expenses	<u>5,355,213</u>	<u>3,151,464</u>	<u>1,360,476</u>	<u>702,844</u>	<u>536,191</u>	<u>337,231</u>	<u>11,443,419</u>
Operating income (loss)	<u>1,881,821</u>	<u>101,585</u>	<u>472,932</u>	<u>(293,908)</u>	<u>(328,386)</u>	<u>805,565</u>	<u>2,639,609</u>
NON-OPERATING REVENUES (EXPENSES)							
Interest and investment revenue	11,118	2,741	3,367	18	27	41	17,312
Miscellaneous revenue	37,126	16,854	2,222	110	67,896	-	124,208
Loss on disposal of capital asset	-	-	-	-	(42,128)	-	(42,128)
Interest expense and fiscal agent charges	(1,061,194)	(112,588)	-	-	(1,424)	-	(1,175,206)
Debt issuance expense	(13,666)	(19,905)	-	-	-	-	(33,571)
Total non-operating revenue (expenses)	<u>(1,026,616)</u>	<u>(112,898)</u>	<u>5,589</u>	<u>128</u>	<u>24,371</u>	<u>41</u>	<u>(1,109,385)</u>
Income (loss) before contributions and transfers	<u>855,205</u>	<u>(11,313)</u>	<u>478,521</u>	<u>(293,780)</u>	<u>(304,015)</u>	<u>805,606</u>	<u>1,530,224</u>
Capital contributions	9,143,487	4,734,471	339,724	57,284	62,019	52,400	14,389,385
Transfers in	3,837,434	-	-	125,000	225,000	-	4,187,434
Transfers out	<u>(16,313,919)</u>	<u>(1,248,176)</u>	<u>(1,208,650)</u>	<u>-</u>	<u>(21,361)</u>	<u>(700,000)</u>	<u>(19,492,106)</u>
Change in net position	<u>(2,477,793)</u>	<u>3,474,982</u>	<u>(390,405)</u>	<u>(111,496)</u>	<u>(38,357)</u>	<u>158,006</u>	<u>614,937</u>
Total net position - beginning	<u>31,228,512</u>	<u>16,369,007</u>	<u>1,370,547</u>	<u>6,374,035</u>	<u>1,523,225</u>	<u>5,668,092</u>	<u>62,533,418</u>
Total net position - ending	<u>\$ 28,750,719</u>	<u>\$ 19,843,989</u>	<u>\$ 980,142</u>	<u>\$ 6,262,539</u>	<u>\$ 1,484,868</u>	<u>\$ 5,826,098</u>	<u>\$ 63,148,355</u>

Change in net position, per above \$ 614,937

Capital project funds are used by management to purchase or construct certain capital assets for the City. The activities of certain capital project governmental funds are included in the business-type activities in the Statement of Activities:

Water and Wastewater CIP	376,662
SSMA Capital Fund	117,345
Airport CIP Fund	30,343
Stormwater CIP Fund	153,140
Golf Course CIP Fund	2,808

Revenue deferred in governmental capital project funds because the revenue is not available to pay fund liabilities has been recognized as revenue in the Statement of Activities for capital project funds classified as business type activities. (14,174)

Change in Business-Type Activities in Net Position per Government-Wide Financial Statements \$ 1,281,061

See accompanying notes to the Basic Financial Statements.

City of Sand Springs, Oklahoma
Statement of Cash Flows
Proprietary Funds
For the Year Ended June 30, 2015

	SSMA Water Utility Fund	SSMA Wastewater Utility Fund	SSMA Solid Waste Utility Fund	SSMA Airport Fund	SSMA Golf Fund	SSMA Stormwater Fund	Total Proprietary Funds
CASH FLOWS FROM OPERATING ACTIVITIES							
Receipts from customers	\$ 7,371,615	\$ 3,305,302	\$ 1,833,524	\$ 402,664	\$ 275,330	\$ 1,138,482	\$ 14,326,917
Receipts (payments) from (to) other funds	(1,093,032)	-	-	-	-	-	(1,093,032)
Payments to suppliers	(1,952,199)	(1,193,979)	(697,232)	(398,929)	(318,333)	(202,731)	(4,763,403)
Payments to employees	(2,158,530)	(939,429)	(530,149)	(85,833)	(955)	-	(3,714,896)
Receipts of customer meter deposits	123,366	-	-	-	-	-	123,366
Refunds of customer meter deposits	(128,575)	-	-	-	-	-	(128,575)
Net Cash Provided by (Used in) Operating Activities	<u>2,162,645</u>	<u>1,171,894</u>	<u>606,143</u>	<u>(82,098)</u>	<u>(43,958)</u>	<u>935,751</u>	<u>4,750,377</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES							
Transfers from other funds	3,837,434	-	-	125,000	225,000	-	4,187,434
Transfers to other funds	(16,313,919)	(1,248,176)	(1,208,650)	-	(21,361)	(700,000)	(19,492,106)
Net Cash Provided by (Used in) Noncapital Financing Activities	<u>(12,476,485)</u>	<u>(1,248,176)</u>	<u>(1,208,650)</u>	<u>125,000</u>	<u>203,639</u>	<u>(700,000)</u>	<u>(15,304,672)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES							
Principal paid on capital debt	(820,027)	(541,995)	-	-	(38,647)	-	(1,400,669)
Interest paid on capital debt	(1,061,665)	(119,071)	-	-	(1,424)	-	(1,182,160)
Debt issuance expense	(13,665)	(19,905)	-	-	-	-	(33,570)
Purchase of capital assets	-	-	-	-	(67,350)	-	(67,350)
Net Cash Provided by (Used in) Capital and Related Financing Activities	<u>(1,895,357)</u>	<u>(680,971)</u>	<u>-</u>	<u>-</u>	<u>(107,421)</u>	<u>-</u>	<u>(2,683,749)</u>
CASH FLOWS FROM INVESTING ACTIVITIES							
Sale of investments	11,619,846	46,848	177,600	-	-	-	11,844,294
Interest and dividends	11,401	2,591	3,660	20	27	40	17,739
Net Cash Provided by Investing Activities	<u>11,631,247</u>	<u>49,439</u>	<u>181,260</u>	<u>20</u>	<u>27</u>	<u>40</u>	<u>11,862,033</u>
Net Increase (Decrease) in Cash and Cash Equivalents	<u>(577,950)</u>	<u>(707,814)</u>	<u>(421,247)</u>	<u>42,922</u>	<u>52,287</u>	<u>235,791</u>	<u>(1,376,011)</u>
Balances - beginning of the year	<u>3,828,271</u>	<u>2,776,875</u>	<u>595,691</u>	<u>119,495</u>	<u>213,659</u>	<u>226,611</u>	<u>7,760,602</u>
Balances - end of the year	<u>\$ 3,250,321</u>	<u>\$ 2,069,061</u>	<u>\$ 174,444</u>	<u>\$ 162,417</u>	<u>\$ 265,946</u>	<u>\$ 462,402</u>	<u>\$ 6,384,591</u>
Reconciliation to Statement of Net Position:							
Cash and cash equivalents	\$ 2,487,208	\$ 1,833,605	\$ 174,444	\$ 162,417	\$ 265,946	\$ 462,402	\$ 5,386,022
Restricted cash and cash equivalents	763,113	105,789	-	-	-	-	868,902
Noncurrent restricted cash and cash equivalents	-	129,667	-	-	-	-	129,667
	<u>\$ 3,250,321</u>	<u>\$ 2,069,061</u>	<u>\$ 174,444</u>	<u>\$ 162,417</u>	<u>\$ 265,946</u>	<u>\$ 462,402</u>	<u>\$ 6,384,591</u>

(Continued)

City of Sand Springs, Oklahoma
Statement of Cash Flows
Proprietary Funds
For the Year Ended June 30, 2015

	SSMA Water Utility Fund	SSMA Wastewater Utility Fund	SSMA Solid Waste Utility Fund	SSMA Airport Fund	SSMA Golf Fund	SSMA Stormwater Fund	Total Proprietary Funds
	\$ 1,881,821	\$ 101,585	\$ 472,932	\$ (293,908)	\$ (328,386)	\$ 805,565	\$ 2,639,609
Reconciliation of operating income (loss) to net cash provided by operating activities:							
Operating income (loss)	1,167,759	1,004,591	104,444	265,776	155,731	141,547	2,839,848
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:	37,126	16,854	2,222	110	67,896	-	124,208
Depreciation expense	97,455	35,399	(2,106)	(6,382)	(1,015)	(4,314)	119,037
Other non-operating revenues (expenses)	(2,375)	-	-	(4,242)	-	-	(6,617)
Change in assets and liabilities:	-	-	-	-	644	-	644
Receivables, net	1,618	747	644	77	-	-	3,086
Inventory	(1,093,032)	-	-	-	-	-	(1,093,032)
Unearned revenue	39,525	(5,556)	21,301	(43,634)	61,172	(7,047)	65,761
Prepaid expenses	-	-	-	-	-	-	(5,209)
Due from other funds	-	404	-	-	-	-	404
Accounts payables	26,603	11,379	5,536	769	-	-	44,287
Customer meter deposits payable	9,256	4,042	3,280	159	-	-	16,737
Payable to other governments	2,098	2,449	(2,110)	(823)	-	-	1,614
Other post-employment benefit obligation							
Accrued payroll liabilities							
Accrued compensated absences							
Net Cash Provided by (Used in) Operating Activities	\$ 2,162,645	\$ 1,171,894	\$ 606,143	\$ (82,098)	\$ (43,958)	\$ 935,751	\$ 4,750,377
Noncash activities:							
Contributed capital assets	\$ 9,143,487	\$ 4,734,471	\$ 339,724	\$ 57,284	\$ 62,019	\$ 52,400	\$ 14,389,385
Total Noncash Activities	\$ 9,143,487	\$ 4,734,471	\$ 339,724	\$ 57,284	\$ 62,019	\$ 52,400	\$ 14,389,385

See accompanying notes to the basic financial statements.

**NOTES TO BASIC FINANCIAL STATEMENTS
CITY OF SAND SPRINGS, OKLAHOMA
JUNE 30, 2015**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

- A. FINANCIAL REPORTING ENTITY
- B. BASIS OF PRESENTATION
- C. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING
- D. ASSETS, DEFERRED OUTFLOWS, LIABILITIES, DEFERRED INFLOWS AND EQUITY
- E. REVENUES, EXPENDITURES AND EXPENSES
- F. INTERNAL AND INTERFUND BALANCES AND ACTIVITIES
- G. USE OF ESTIMATES
- H. PENSIONS

NOTE 2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

- A. FUND ACCOUNTING REQUIREMENTS
- B. DEPOSITS AND INVESTMENTS LAWS AND REGULATIONS
- C. REVENUE RESTRICTIONS
- D. DEBT RESTRICTIONS AND COVENANTS
- E. FUND EQUITY / NET POSITION RESTRICTIONS
- F. BUDGETARY COMPLIANCE

NOTE 3. DETAIL NOTES - TRANSACTION CLASSES/ACCOUNTS

- A. DEPOSIT AND INVESTMENT RISKS
- B. ACCOUNTS RECEIVABLE
- C. RESTRICTED ASSETS
- D. CAPITAL ASSETS
- E. LONG-TERM DEBT
- F. INTERFUND TRANSACTIONS AND BALANCES
- G. FUND EQUITY

NOTE 4. OTHER NOTES

- A. EMPLOYEE PENSION AND OTHER BENEFIT PLANS
- B. RISK MANAGEMENT
- C. COMMITMENTS AND CONTINGENCIES
- D. NEW ACCOUNTING PRONOUNCEMENTS

**NOTES TO BASIC FINANCIAL STATEMENTS
CITY OF SAND SPRINGS, OKLAHOMA
JUNE 30, 2015**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

These financial statements are prepared in accordance with generally accepted accounting principles (GAAP). Generally accepted accounting principles (GAAP) include all relevant Governmental Accounting Standards Board (GASB) pronouncements. The accounting and reporting framework and the more significant accounting policies are discussed in subsequent subsections of this Note.

1.A. FINANCIAL REPORTING ENTITY

The City's financial reporting entity is comprised of the following:

Primary Government:	City of Sand Springs
Blended Component Unit:	Sand Springs Municipal Authority
Discretely Presented Component Units:	Sand Springs Economic Development Authority Sand Springs Cultural and Historical Museum Trust Authority

In determining the financial reporting entity, the City complies with the provisions of Governmental Accounting Standards Board Statement No. 14, "The Financial Reporting Entity" as amended by Statement 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 component unit criteria described above 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 those of the City by appropriate fund category to comprise the primary government presentation.

**NOTES TO BASIC FINANCIAL STATEMENTS
CITY OF SAND SPRINGS, OKLAHOMA
JUNE 30, 2015**

The component unit that is blended into the primary government’s fund categories is presented below:

<u>Component Unit</u>	<u>Brief Description/Inclusion Criteria</u>	<u>Included Funds</u>
Sand Springs Municipal Authority (SSMA)	Created March 14, 1966, to finance, develop and operate the water, wastewater, stormwater, and solid waste disposal facilities. Also, the Authority operates and maintains the golf course and airport facilities. The current City Council serves as the entire governing body (Trustees) of the SSMA. Any issuances of debt would require a two-thirds approval of the City Council. Management and staff of the City also serve as management and staff of the Authority.	Enterprise Funds: Water Fund Wastewater Fund Solid Waste Fund Airport Fund Golf Fund Stormwater Fund

DISCRETELY PRESENTED COMPONENT UNITS

Discretely presented component units are separate legal entities that meet the component unit criteria described above but do not meet the criteria for blending.

Component units that are discretely presented in the City’s report are presented below:

Sand Springs Economic Development Authority (Economic Development Authority)	Created October 24, 1980, to promote and encourage development of industry and commerce on behalf of the City. This Trust was primarily set up to be the loan servicing agent for Community Development Block Grant Economic Development Loans, and lender for Oklahoma Industrial Finance Authority Loans to private enterprises. The SSEDAA governing body is comprised of eight members; two appointed council members and six other members appointed by the full City Council. Any issuances of debt would require a two-thirds approval of the City Council.
Sand Springs Cultural and Historical Museum Trust Authority (Museum Trust Authority)	Created December 20, 1990, to promote cultural and historical activities within the City. The governing body is comprised of seven members appointed by the full City Council. No current City Council members serve on the board. Any issuance of debt would require a two-thirds approval of the City Council.

The discretely presented component units of the City do not issue separately audited component unit financial statements.

**NOTES TO BASIC FINANCIAL STATEMENTS
CITY OF SAND SPRINGS, OKLAHOMA
JUNE 30, 2015**

RELATED ORGANIZATIONS

The following related organizations are not included in the financial reporting entity:

Sand Springs Development Authority	An Authority created on February 14, 1983, pursuant to Title 11 of Oklahoma Statutes, Sections 38-101, regarding urban renewal through private and public resources. This authority was created to formulate a workable program of urban renewal. The City appoints a voting majority of the organization's governing body; however, the City does not have the ability to impose its will on the governing body, nor does a financial benefit or burden relationship exist between the two. Of the governing body appointed, no member shall hold any other public office under the City.
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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. They include all funds of the reporting entity. The statements distinguish between governmental and business-type activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange revenues. Business-type activities are financed in whole or in part by fees charged to external parties for goods or services.

Fund Financial Statements:

Fund financial statements of the reporting entity are organized into funds, each of which is considered to be separate accounting entities. Each fund is accounted for by providing a separate set of self-balancing accounts which constitute its assets, deferred outflows, liabilities, deferred inflows, fund equity, revenues, and expenditures/expenses. Funds are organized into two major categories: governmental and proprietary. The City presently has no fiduciary funds. An emphasis is placed on major funds within the governmental and proprietary categories. A fund is considered major if it is the primary operating fund of the City or meets the following criteria:

- a. Total assets (plus deferred outflows), liabilities (plus 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 (plus deferred outflows), liabilities (plus 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 that does not meet the criteria of (a) or (b), but for which management has determined is of such significance to be reported as a major fund.

**NOTES TO BASIC FINANCIAL STATEMENTS
CITY OF SAND SPRINGS, OKLAHOMA
JUNE 30, 2015**

The funds of the financial reporting entity are described below.

GOVERNMENTAL FUNDS

General Fund

The General Fund is the primary operating fund of the City and always classified as a major fund. It is used to account for and report all financial resources not accounted for and reported in another fund. It includes the Special Programs sub-fund account for reporting purposes. This sub-fund accounts for revenues assigned for specific public safety activities and recreational services provided by the City.

Special Revenue Funds

Special Revenue Funds are used to account for the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects. The reporting entity includes the following special revenue funds:

CDBG Home Investment Partnership Fund
Vision 2025 Fund

Debt Service Fund

The Debt Service Fund is used to account for restricted ad-valorem taxes levied by the City for use in retiring general obligation bonds, court-assessed judgments, and their related interest and fiscal agent fees.

Capital Project Funds

Capital Project Funds are used to account for and report financial resources that are restricted, committed or assigned to expenditure for capital outlays. The reporting entity includes the following capital project funds:

Street Improvement Fund
Community Development Block Grant (CDBG) Fund – EDIF
Park and Recreation Fund
T.I.D. Cimarron Center Fund
Short-term Capital Improvements Fund
ODOC EECBG Fund
Capital Improvement Fund
Airport Construction Fund
Stormwater Capital Improvement Fund
SSMA Capital Fund
2002 General Obligation Bond Fund
2006 General Obligation Bond Fund
2014 General Obligation Bond Capital Improvement Fund
Capital Improvement Water and Wastewater Fund
Golf Course Capital Improvement Fund

**NOTES TO BASIC FINANCIAL STATEMENTS
CITY OF SAND SPRINGS, OKLAHOMA
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PROPRIETARY FUNDS

Enterprise Funds

Enterprise funds are used to account for business-like activities provided to the general public. These activities are financed primarily by user charges and the measurement of financial activity focuses on net income measurement similar to the private sector. The reporting entity includes the following enterprise funds:

- Sand Springs Municipal Authority (SSMA) - Water
- Sand Springs Municipal Authority (SSMA) - Wastewater
- Sand Springs Municipal Authority (SSMA) - Solid Waste
- Sand Springs Municipal Authority (SSMA) - Airport
- Sand Springs Municipal Authority (SSMA) - Golf
- Sand Springs Municipal Authority (SSMA) - Stormwater

COMPONENT UNITS

Discretely presented component units are separate legal entities whose governing body (in majority) is appointed by the Mayor or City Council, but whose governing body is not substantially the same as the City Council nor is an entity established to provide services primarily to the primary government. Since these component units are not as closely associated with the City as are the blended component units, they are reported in discretely presented columns on the government-wide financial statements labeled "Component Units." The reporting entity includes the following discretely presented component units:

- Sand Springs Economic Development Authority (Economic Development Authority)
- Sand Springs Cultural and Historical Museum Trust Authority (Museum Trust Authority)

Major and Non-Major Funds

The funds are further classified as major or non-major as follows:

<u>Fund</u>	<u>Brief Description</u>
Major:	
General	See previous description.
Capital Project Funds:	
Street Improvement	Accounts for the permanent half-cent sales tax extension approved by the voters in September 11, 2007 with effective date of January 1, 2008. These funds are to be used to make capital improvements to the roads, streets and bridges.
Capital Improvement Water and Wastewater	Accounts for the one-cent increase in sales tax approved by the citizens in 1979. These funds are to be expended for water and wastewater capital improvement projects and retirement of debt as provided in the ordinance.

**NOTES TO BASIC FINANCIAL STATEMENTS
CITY OF SAND SPRINGS, OKLAHOMA
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Enterprise Funds:

SSMA Water Fund	Accounts for activities of the public trust in providing water services to the citizens.
SSMA Wastewater Fund	Accounts for activities of the public trust in providing wastewater services to the citizens.
SSMA Solid Waste Fund	Accounts for activities of the public trust in providing solid waste services to the citizens.
SSMA Airport Fund	Accounts for revenues and expenses related to the operations of the airport facility and financing for future airport improvements.
SSMA Golf Fund	Accounts for revenues and expenses related to the operation of the golf course, payment of debt service requirements on the debt issued related to the golf course and financing for future golf improvements.
SSMA Stormwater Fund	Accounts for revenues and expenses related to the maintenance of stormwater operations.

Non-Major:

Special Revenue Fund

Community Development Block Grant HOME Investment Partnership	Accounts for grants received from the U.S. Department of Housing and Urban Development and transfers from the City for housing rehabilitation.
Vision 2025	Accounts for grants received from Tulsa County restricted for the river park project.

Capital Project Funds:

Community Development Block Grant - EDIF	Accounts for grants received from the U.S. Department of Housing and Urban Development and transfers from the City for infrastructure.
Park and Recreation	Accounts for revenues from housing developers restricted for park improvements.
Short-term Capital Improvements	Accounts for revenues, transfers from other City funds and certain bond proceeds as the City Council may designate for the City's short-term capital needs, consisting of items having a useful life of ten years or less.
T.I.D. #1 Cimarron Center	Accounts for tax increment financing revenues initially collected by the General Fund and related economic development expenditures.
ODOC ECBG	Accounts for revenues from grants received from the Oklahoma Department of Commerce or transfers from other City funds and expenditures for various capital projects, related to energy efficiency at City facilities.
Capital Improvement	Accounts for contributions and specific revenues and transfers from other City funds and expenditures for various capital projects as the City Council may designate.

**NOTES TO BASIC FINANCIAL STATEMENTS
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Stormwater Capital Improvement	Accounts for transfers from the Municipal Authority stormwater revenues set aside for stormwater capital improvement projects.
Airport Construction	Accounts for governmental grants and transfers from the City set aside for capital improvement projects of the airport.
SSMA Capital	Accounts for transfers from the Municipal Authority water, wastewater, solid waste, airport and golf revenues set aside for capital improvement projects.
2002 General Obligation Bond Fund	Accounts for the proceeds of general obligation bond issues. These funds are to be expended for streets and bridges, public safety, public parks and park lands, cultural and recreational facilities, and acquiring and rehabilitating land, rights-of-way and improvements for flood mitigation.
2006 General Obligation Bond Fund	Accounts for the proceeds of general obligation bond issues. These funds are to be expended for fire land and equipment, street improvements, and a community center.
2014 General Obligation Bond CIP Fund	Accounts for the proceeds of general obligation bond issues. These funds are to be expended for public parks and park land and culture and recreation facilities.
Golf Course Capital Improvement	Accounts for transfers from the Golf Course Fund set aside for golf course capital improvement projects
Debt Service Fund	See previous description.

1.C. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

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

Measurement Focus

On the government-wide Statement of Net Position and the Statement of Activities both governmental and business-like activities are presented using the economic resources measurement focus as defined in item 2. below.

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

1. All governmental fund types and similar component units utilize a “current financial resources” measurement focus. Only current financial assets and liabilities are generally included on their balance sheets. Their operating statements present sources and uses of available spendable financial resources during a given period. These funds use fund balance as their measure of available spendable financial resources at the end of the period.

**NOTES TO BASIC FINANCIAL STATEMENTS
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JUNE 30, 2015**

2. Proprietary fund types and similar component units utilize an “economic resources” measurement focus. The accounting objectives of this measurement focus are the determination of operating income, changes in net position (or cost recovery), financial position and cash flows. All assets and liabilities (whether current or noncurrent, financial or nonfinancial) and deferred outflows and deferred inflows associated with their activities are reported. Proprietary fund equity is classified as net position.

Basis of Accounting

In the government-wide Statement of Net Position and Statement of Activities both governmental and business-like activities are presented using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used. Revenues, expenses, gains, losses, assets, deferred outflows, liabilities and deferred inflows resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

In the fund financial statements, governmental funds are presented on the modified accrual basis of accounting. Under this modified accrual basis of accounting, revenues are recognized when “measurable and available”.

Measurable means knowing or being able to reasonably estimate the amount. Available means collectible within the current period or soon enough thereafter (defined by the City as 60 days after year end) to pay current liabilities. Sales tax and franchise taxes are major revenues that meet this criteria. Expenditures (including capital outlay) are recorded when the related fund liability is incurred, except for general obligation bond principal and interest which are recorded when due.

All proprietary funds utilize the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used.

1.D. ASSETS, LIABILITIES, DEFERRED INFLOWS, DEFERRED OUTFLOWS AND EQUITY

Cash and Cash Equivalents

For the purposes of financial reporting, “cash and cash equivalents” includes all demand, savings accounts, and certificates of deposit or short-term investments with an original maturity of three months or less. Revenue bond and promissory note trust account investments in open-ended mutual fund shares are also considered cash equivalents.

Investments

Investments consist of money market investments and government securities that are reported at fair value unless they had remaining maturities of one year or less at the time of purchase, in which case they are carried at amortized cost. All non-negotiable certificates of deposit are carried at cost. Additional investment risk disclosures are presented in Notes 2.B. and 3.A.

**NOTES TO BASIC FINANCIAL STATEMENTS
CITY OF SAND SPRINGS, OKLAHOMA
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Receivables and Related Deferred Inflows

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

In the fund financial statements, material receivables in governmental funds include revenue accruals such as sales tax, franchise tax, and grants and other similar intergovernmental revenues since they are usually both measurable and available. Non-exchange transactions collectible but not available are deferred in the fund financial statements in accordance with modified accrual, but not deferred in the government-wide financial statements in accordance with the accrual basis. Interest and investment earnings are recorded when earned only if paid within 60 days since they would be considered both measurable and available. Proprietary fund material receivables consist of all revenues earned at year-end and not yet received. Utility accounts receivable and interest earnings 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 and Prepaids

The City has chosen to record consumable materials and supplies as inventory in the governmental funds at the time of purchase and expense when consumed. In addition, in the Sand Springs Municipal Authority Water Fund and Sand Springs Municipal Authority Airport Enterprise Funds, the water and airport fuel inventories, respectively, are recorded as an asset when purchased and expensed when consumed. Such inventory is valued at cost on a first-in, first-out basis. Prepaid expenses are recorded as expense when goods or services are received.

Capital Assets

The accounting treatment over property, plant and equipment (capital assets) depends on whether the assets are used in governmental fund operations and similar discretely presented component unit operations or proprietary fund operations and similar discretely presented component unit operations and whether they are reported in the government-wide or fund financial statements. The City's capitalization threshold is \$5,000.

Government-Wide Statements

In the government-wide financial statements, property, plant and equipment are accounted for as capital assets. All capital assets are valued at historical cost, or estimated historical cost if actual is unavailable, except for donated capital assets which are recorded at their estimated fair value at the date of donation.

Prior to July 1, 2000, governmental activities' infrastructure assets were not capitalized. These assets (dating back to July 1, 1980) have been valued at estimated historical cost.

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

Buildings	20-100 years
Other Improvements	20-100 years
Equipment and vehicles	3-25 years
Infrastructure	25-50 years

**NOTES TO BASIC FINANCIAL STATEMENTS
CITY OF SAND SPRINGS, OKLAHOMA
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Fund Financial Statements

In the fund financial statements, capital assets used in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition. Capital assets used in proprietary fund operations are accounted for the same as in the government-wide statements.

Restricted Assets

Restricted assets reported in the fund financial statements include current assets of enterprise funds and similar discretely presented component units 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.

Long-Term Debt

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

All long-term debt to be repaid from governmental and similar discretely presented component unit resources and business-type and similar discretely presented component unit resources are reported as liabilities in the government-wide statements. The long-term debt consists primarily of accrued compensated absences, other post employment benefits payable, general obligation bonds payable, capital leases payable, notes payable and revenue bonds payable.

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. The accounting for proprietary funds is the same in the fund statements as it is in the government-wide statements.

Compensated Absences

All regular and part-time employees are granted vacation benefits in amounts from 10 to 20 days depending upon tenure with the City. These benefits accumulate pro rata by pay period. Accumulated vacation leave vests and the City is obligated to make payment even if the employee terminates. After a probationary period, police officers receive vacation ranging from 168 to 248 hours per year depending upon years of service. Members of the Fire Department receive vacation ranging from 4 to 15 shifts per year, after a probationary period, depending upon years of service. Employees may accrue ten days of sick leave per year up to a maximum of 100 days accrued. Employees with accrued sick leave in excess of 100 days on or about December 15 of each year are paid for the excess accrual at the rate of one day's pay for each three days of accumulated sick leave. The City did not have a liability for this excess leave at June 30, 2015. However, any employee leaving the service of the City after a period of 10 years are paid at the rate of one day's pay for each four days of accumulated leave and the City reports a liability for this leave type.

The liability for these compensated absences is recorded as long-term debt in the government-wide statements. The current portion of this debt is estimated based on historical trends. In the fund financial statements, governmental funds report only the compensated absence liability that has matured and is payable from expendable available financial resources, while the proprietary funds report the liability as it is incurred. The compensated absence obligation of the governmental funds are typically liquidated through the use of General Fund resources.

**NOTES TO BASIC FINANCIAL STATEMENTS
CITY OF SAND SPRINGS, OKLAHOMA
JUNE 30, 2015**

Equity Classifications

Government-Wide Financial Statements:

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

1. 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.
2. 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.
3. Unrestricted net position - All other net position that does not meet the definition of “restricted” or “net investment in capital assets”.

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

Fund 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 (a) external groups such as creditors, grantors, contributors, or laws or regulations of other governments, or (b) law through constitutional provisions or enabling legislation.
- c. Committed – includes amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the City’s highest level of decision-making authority. The City’s highest level of decision-making authority is made by ordinance.
- d. Assigned – includes amounts that are constrained by the City’s intent to be used for specific purposes but are neither restricted or committed. Assignments of fund balance may be made by city council action or management decision when the city council has delegated that authority to the city manager, which is currently the case here. Assignments for transfers and interest income for governmental funds are made through the budgetary process.
- e. Unassigned – represents fund balance that has not been assigned to other funds and has not been restricted, committed, or assigned to specific purposes within the general fund.

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

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

**NOTES TO BASIC FINANCIAL STATEMENTS
CITY OF SAND SPRINGS, OKLAHOMA
JUNE 30, 2015**

1.E. REVENUES, EXPENDITURES AND EXPENSES

Sales Tax

The City levies a three and one-half cent sales tax on taxable sales within the City. The sales tax is collected by the Oklahoma Tax Commission and remitted to the City in the month following receipt by the Tax Commission. The Tax Commission receives the sales tax approximately one month after collection by vendors. The entire sales tax is recorded as revenue within the General Fund. Upon receipt, the General Fund distributes the dedicated portion of the sales tax as follows:

- 2 cents retained by the General Fund
- 1 cent transferred to the Sand Springs Municipal Authority Water Fund as required by revenue bond indenture, and then transferred to the Capital Improvement Water and Wastewater Fund.
- 1/2 cent transferred to the Street Improvement Fund as required by city ordinance.

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

Property taxes levied by the City are billed and collected by the County Treasurer's Office and remitted to the City in the month following collection. Property taxes are levied normally in October and are due in equal installments on December 31 and March 31. Property taxes unpaid for the fiscal year are attached by an enforceable lien on property in the following October. Property taxes levied, but not collected during the year or within 60 days of year-end are reported as deferred revenue.

For the year ended June 30, 2015, the City's net assessed valuation of taxable property was \$127,218,583. The taxes levied by the City per \$1,000 of net assessed valuation for the year ended June 30, 2015 was \$10.50.

**NOTES TO BASIC FINANCIAL STATEMENTS
CITY OF SAND SPRINGS, OKLAHOMA
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Program Revenues

In the Statement of Activities, revenues that are derived directly from each activity or from parties outside the City's taxpayers are reported as program revenues. The City has the following program revenues in each activity:

General government	Inspection fees, rent and royalties, special assessment fees, other fees, licenses and permits, state operating grants and capital grants.
Planning and zoning	Zoning charges.
Public safety	Fine and forfeiture revenue, court costs and fees, fire run fees, rentals, donations; operating grants include Federal Emergency Management Agency and Oklahoma Highway Safety Office grants, state on-behalf pension contributions, individual donations, and Homeland Security grants.
Highways and streets	Street and curb permits; capital grants and contributions from the Department of Housing and Urban Development, motor fuel and commercial vehicle revenues.
Culture and recreation	Park and recreation fees; and state operating grant
Economic development	Federal operating grant

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

Pledge of Future Revenues

Sales Tax and Utility Net Revenues Pledge - The City has pledged one cent (or 28.5%) of future sales tax revenues to repay \$30,510,000 of the Series 2012 Revenue Bonds and \$14,606,515 of OWRB Notes Payable Series 2003, 2004, 2005, 2006, 2009, 2012, and 2013. Proceeds from the bonds and notes provided financing for capital assets. The bonds and notes are payable from pledged sales tax revenues and further secured by net water and wastewater revenues. The bonds and notes are payable through 2023, 2024, 2027, 2026, 2030, 2023, and 2023 respectively. If the net utility revenues are sufficient to service the debt, the pledged sales taxes are transferred to the Capital Improvement Water and Wastewater Fund to be used for capital purchases. The total principal and interest payable for the remainder of the life of these bonds and notes is \$54,804,580. Pledged sales taxes received in the current year were \$3,037,434 and the net utility revenues were \$4,155,756. Debt service payments of \$2,542,234 for the current fiscal year were 84% of the pledged sales taxes and 35.3% of both pledged sales taxes and utility revenues.

Operating Revenues and Expenses

Operating revenues and expenses for proprietary funds and similar discretely presented component units are those that result from providing services and producing and delivering goods and/or services. It also includes all revenue and expenses not related to capital and related financing, noncapital financing, or investing activities.

Expenditures/Expenses

In the government-wide financial statements, expenses are reported on the accrual basis and are classified by function for both governmental and business-type activities.

**NOTES TO BASIC FINANCIAL STATEMENTS
CITY OF SAND SPRINGS, OKLAHOMA
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In the fund financial statements, expenditures/expenses are classified as follows:

Governmental Funds - By Character:	Current (further classified by function)
	Capital outlay
	Debt service
Proprietary Funds - By Operating and Non-Operating	

In the fund financial statements, governmental funds report expenditures of financial resources. Proprietary funds report expenses relating to use of economic resources.

1.F. INTERNAL AND INTERFUND BALANCES AND ACTIVITIES

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

Fund Financial Statements:

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

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

Government-Wide Financial Statements:

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

1. Internal balances - amounts reported in the fund financial statements as interfund receivables and payables are eliminated in the governmental and business-type activities columns of the statement of net position, except for the net residual amounts due between governmental and business-type activities, which are reported as Internal Balances.
2. Internal activities - amounts reported as interfund transfers in the fund financial statements are eliminated in the government-wide statement of activities except for the net amount of transfers between governmental and business-type activities, which are reported as Transfers - Internal Activities.

The effect of interfund services between funds are not eliminated in the statement of activities.

**NOTES TO BASIC FINANCIAL STATEMENTS
CITY OF SAND SPRINGS, OKLAHOMA
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3. Primary government and component unit activity and balances - resource flows between the primary government and the discretely-presented component units are reported as if they were external transactions.

1.G. USE OF ESTIMATES

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures; accordingly, actual results could differ from those estimates.

1.H. PENSIONS

For purposes of measuring the net pension asset, net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Oklahoma Firefighter’s Pension & Retirement System (OFPRS) and Oklahoma Police Pension & Retirement System (OPPRS), and additions to/deductions from OFPRS and OPPRS’s fiduciary net position have been determined on the same basis as they are reported by OFPRS and OPPRS. For this purpose, benefits payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments held by these funds are reported at fair value.

NOTE 2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

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

2.A. FUND ACCOUNTING REQUIREMENTS

The City complies, in all material respects, with all state and local laws and regulations requiring the use of separate funds. The legally required funds used by the City include the following:

<u>Fund</u>	<u>Required By</u>
Airport Construction Fund	State Law
Debt Service Fund	State Law
Sand Springs Municipal Authority Utility Funds	Trust Indenture
Sand Springs Economic Development Authority Fund	Trust Indenture
Sand Springs Cultural and Historical Museum Trust Authority Fund	Trust Indenture

2.B. DEPOSITS AND INVESTMENTS LAWS AND REGULATIONS

In accordance with State law, all uninsured deposits of municipal funds in financial institutions must be secured with acceptable collateral valued at no more than market value. Acceptable collateral includes certain U.S. Government or Government Agency securities, certain State of Oklahoma or political subdivision debt obligations, surety bonds, or certain letters of credit. As required by 12 U.S.C.A., Section 1823(e), all financial institutions pledging collateral to the City must have a written collateral agreement approved by the board of directors or loan committee. As reflected in Note 3.A., the City’s uninsured deposits were sufficiently collateralized in accordance with these provisions for the year ended June 30, 2015.

**NOTES TO BASIC FINANCIAL STATEMENTS
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Investments of a City (excluding Public Trusts) are limited by State Law to the following:

- a. Direct obligations of the U. S. Government, its agencies and instrumentalities to which the full faith and credit of the U.S. Government is pledged, or obligations to the payment of which the full faith and credit of the State of Oklahoma is pledged.
- b. Certificates of deposit or savings accounts that are either insured or secured with acceptable collateral with in-state financial institutions, and fully insured certificates of deposit or savings accounts in out-of-state financial institutions.
- c. With certain limitations, negotiable certificates of deposit, prime bankers acceptances, prime commercial paper and repurchase agreements.
- d. County, municipal or school district tax-supported debt obligations, bond or revenue anticipation notes, money judgments, or bond or revenue anticipation notes of public trusts whose beneficiary is a county, municipality or school district.
- e. Notes or bonds secured by mortgage or trust deed insured by the Federal Housing Administrator and debentures issued by the Federal Housing Administrator, and in obligations of the National Mortgage Association.
- f. Money market funds regulated by the SEC and in which investments consist of the investments mentioned in the previous paragraphs a., b., c. and d.

Public trusts created under O.S. Title 60 are not subject to the above noted investment limitations and are primarily governed by any restrictions in their trust or bond indentures. For the year ended June 30, 2015, the City and its public trusts complied, in all material respects, with these investment restrictions.

2.C. REVENUE RESTRICTIONS

The City has various restrictions placed over certain revenue sources from state or local requirements. The primary restricted revenue sources include:

<u>Revenue Source</u>	<u>Legal Restrictions of Use</u>
Sales Tax	See Note 1.E.
Gasoline Excise & Commercial Vehicle Tax	Street and Alley Purposes
E-911 Revenue	E-911 Emergency Services Purposes
Water, Wastewater and Solid Waste Revenue	Debt Service and Utility Operations
Ad Valorem Tax	Debt Service on Bonds and Judgments (Also see Note 1.E.)
Airport Revenue	Airport Operations
Grants Revenue	Based upon Individual Grant Agreements
Hotel/Motel Tax	Economic Development
Special Program Fund Revenue	Public Safety and Parks and Recreation
Park and Recreation Developer Fees	Park Improvements

For the year ended June 30, 2015, the City complied, in all material respects, with these revenue restrictions.

2.D. DEBT RESTRICTIONS AND COVENANTS

General Obligation Debt

Article 10, Sections 26 and 27 of the Oklahoma Constitution Limits the amount of outstanding general obligation bonded debt of the municipality for non-utility or non-street purposes to no more than 10% of net assessed valuation. For the year ended June 30, 2015, the City complied with this restriction.

**NOTES TO BASIC FINANCIAL STATEMENTS
CITY OF SAND SPRINGS, OKLAHOMA
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Other Long-Term Debt

As required by the Oklahoma State Constitution, the City (excluding Public Trusts) may not incur any indebtedness that would require payment from resources beyond the current fiscal year revenue, without first obtaining voter approval. For the year ended June 30, 2015, no such debt was incurred by the City.

Revenue Bond and Note Payable Debt

The bond indenture and note agreements relating to the long-term debt issues of the Sand Springs Municipal Authority contains a number of restrictions or covenants that are financial related. These include covenants such as a required flow of funds through special accounts, required reserve account balances, and debt service coverage requirements. The following schedule presents a brief summary of the most significant requirements and the Authority's level of compliance thereon as of June 30, 2015.

<u>Requirement</u>	<u>Level of Compliance</u>
a. Flow of Funds:	All required accounts have been established and are used per Bond Indenture requirements.
- 2003 Bond Account	
- 2003 Reserve Account	
- 2004 Bond Account	
- 2004 Project Account	
-2004 Reserve Account	
- 2012 Bond Account	
- 2012 Project Account	
-2012 Reserve Account	
b. Reserve Account Requirement:	
2012 OWRB Promissory Note:	
Required balance is \$129,666.	Balance in Reserve Account at June 30, 2015 is \$129,667.
2012 Revenue Bonds:	
Required balance is \$1,678,162.	Balance in Reserve Account at June 30, 2015 is \$1,679,291.
c. 2003, 2004 2005, 2006, 2009, 2012 and 2013 Series	
OWRB Notes:	
Net revenues of the Authority plus transferred sales tax should be at least 125% of maximum annual principal and interest requirements on this note and any senior debt.	For the year ended June 30, 2015, net revenues plus sales tax amounted to \$7,193,190 maximum annual principal and interest requirements was \$1,927,071. Actual coverage was 373%.
2012 Revenue Bonds:	
Net revenues of the Authority plus transferred sales tax should be at least 125% of average annual principal and interest requirements on the bonds and OWRB notes listed above.	For the year ended June 30, 2015, net revenues plus sales tax amounted to \$7,193,190 average annual principal and interest requirements was \$1,675,637. Actual coverage was 429%.

**NOTES TO BASIC FINANCIAL STATEMENTS
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JUNE 30, 2015**

2.E. BUDGETARY COMPLIANCE

Budget Law

The City prepares its annual operating budget under the provisions of the 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.
- b. Public hearings are conducted to obtain citizen comments. At least one public hearing must be held no later than 15 days prior to July 1.
- c. Subsequent to the public hearings but no later than seven days prior to July 1, the budget is adopted by resolution of the City Council.
- d. The adopted budget is filed with the Office of State Auditor and Inspector.

All funds of the City with revenues and expenditures are required to have annual budgets. The legal level of control at which expenditures may not legally exceed appropriations is the department level within a fund.

All supplemental appropriations require City Council approval. The City Manager may transfer appropriations between departments without City Council approval. Supplemental appropriations must also be filed with the Office of State Auditor and Inspector.

The City prepared and adopted a legal annual budget for all governmental funds.

In accordance with Title 60 of the Oklahoma State Statutes, the Sand Springs Municipal Authority, the Sand Springs Economic Development Authority and the Sand Springs Cultural and Historical Museum Trust Authority are required to prepare an annual budget and submit a copy to the City as beneficiary. However, there are no further requirements such as form of budget, approval of the budget or definition of a legal level of control.

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, deferred outflows, liabilities, deferred inflows, equity, revenues and expenditures/expenses.

3.A. DEPOSIT AND INVESTMENT RISKS

Primary Government:

The City of Sand Springs, including its blended component units held the following deposits and investments at June 30, 2015:

**NOTES TO BASIC FINANCIAL STATEMENTS
CITY OF SAND SPRINGS, OKLAHOMA
JUNE 30, 2015**

	<u>Carrying Value</u>	<u>Maturity Dates 0 - 48 Months</u>
Deposits:		
Demand deposits	\$ 26,320,020	\$ 26,320,020
Time deposits	13,391,670	13,391,670
Total deposits	<u>39,711,690</u>	<u>39,711,690</u>
	<u>Fair Value</u>	<u>Credit Rating</u>
Investments:		
Money Market Funds	10,716,476	AAAm
US Treasury	1,679,291	AAA
Total investments	<u>12,395,767</u>	<u>12,395,767</u>
Total deposits and investments	<u>\$ 52,107,457</u>	<u>\$ 52,107,457</u>
Reconciliation to Statement of Net Position:		
Cash and cash equivalents	\$ 27,233,614	
Investments	24,873,843	
	<u>\$ 52,107,457</u>	

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 110% 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.A., Section 1823(e), all financial institutions pledging collateral to the City must have a written collateral agreement approved by the board of directors or loan committee.

At June 30, 2015, the City was not exposed to custodial credit risk as defined above.

Investment Credit Risk – The City’s investment policy limits investments to those allowed in state law applicable to municipalities. These investment limitations are described in Note 2.B. 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.

**NOTES TO BASIC FINANCIAL STATEMENTS
CITY OF SAND SPRINGS, OKLAHOMA
JUNE 30, 2015**

As noted in the schedule of deposits and investments above, at June 30, 2015, all of the City's investments in debt securities were rated AAA by Standard & Poor's Investor Service.

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 three years from the date of purchase, except for reserve 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.

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. The City's investment policy requires diversification of investments and indicates that, with the exception of U.S. Treasury securities and authorized pools, no more than 50% of the City's total investment portfolio will be invested in a single financial institution.

At June 30, 2015, the City had no concentration of credit risk.

Component Units:

Total bank deposits of the discretely presented component units were insured with Federal Deposit Insurance Corporation Insurance and not subject to the custodial credit risk as defined above.

3.B. ACCOUNTS RECEIVABLE

Accounts receivable of the business-type activities consist of customers' utilities, airport and golf accounts receivable. Accounts receivable of the governmental activities consists primarily of police fines. Receivables detail at June 30, 2015, is as follows:

	<u>Governmental Activities</u>	<u>Business- Type Activities</u>	<u>Total</u>
Service receivables	\$ 188,057	2,402,262	\$ 2,590,319
Other receivable	44,087	84,234	128,321
Municipal court fines receivable	1,763,412	-	1,763,412
Allowance for uncollectible accounts	(1,526,964)	(908,856)	(2,435,820)
Net accounts receivable	<u>\$ 468,592</u>	<u>\$ 1,577,640</u>	<u>\$ 2,046,232</u>

**NOTES TO BASIC FINANCIAL STATEMENTS
CITY OF SAND SPRINGS, OKLAHOMA
JUNE 30, 2015**

3.C. RESTRICTED ASSETS

The amounts reported as restricted assets in the fund financial statements are comprised of cash and investments held by the trustee bank on behalf of the public trust (Authority) related to their required revenue bond and promissory note accounts as described in Note 2.D. and deposits held for refund.

The restricted assets as of June 30, 2015 were as follows:

<u>Types of Restricted Assets</u>	<u>Current Cash and Cash Equivalents</u>	<u>Noncurrent Cash and Cash Equivalents</u>	<u>Noncurrent Investments</u>
ENTERPRISE FUND:			
Trustee Accounts:			
2009 OWRB Notes:			
Bond Fund Account	\$ -	\$ -	\$ 38,907
2012 OWRB Notes:			
Reserve Fund Account	105,789	129,667	-
Bond Fund Account	-	-	31,635
2012 Revenue Bonds:			
Bond Fund Account	620,073	-	-
Project Account	-	-	9,732,340
Reserve Fund Account	-	-	1,679,291
Deposits held for refund	<u>143,040</u>	<u>-</u>	<u>312,265</u>
Total	<u>\$ 868,902</u>	<u>\$ 129,667</u>	<u>\$ 11,794,438</u>

3.D. CAPITAL ASSETS

Capital asset activity for the fiscal year ended June 30, 2015, was as follows:

**NOTES TO BASIC FINANCIAL STATEMENTS
CITY OF SAND SPRINGS, OKLAHOMA
JUNE 30, 2015**

	Balance at <u>July 1, 2014</u>	<u>Adjustments</u>	<u>Additions</u>	<u>Deductions</u>	<u>Transfers</u>	Balance at <u>June 30, 2015</u>
PRIMARY GOVERNMENT:						
<i>Governmental Activities:</i>						
Capital assets not being depreciated:						
Land	\$ 9,802,219	\$ -	\$ 1,101,432	\$ -	\$ -	\$ 10,903,651
Construction-in-progress	1,371,154	681,965	2,270,212	-	-	4,323,331
Total capital assets not being depreciated	<u>11,173,373</u>	<u>681,965</u>	<u>3,371,644</u>	<u>-</u>	<u>-</u>	<u>15,226,982</u>
Other capital assets:						
Buildings	8,534,713	21,152	58,239	-	-	8,614,104
Other improvements	4,054,218	-	23,116	-	-	4,077,334
Machinery and equipment	8,398,379	702	1,016,382	241,136	19,539	9,193,866
Infrastructure	39,936,581	-	169,621	-	-	40,106,202
Total other capital assets at historical cost	<u>60,923,891</u>	<u>21,854</u>	<u>1,267,358</u>	<u>241,136</u>	<u>19,539</u>	<u>61,991,506</u>
Less accumulated depreciation for:						
Buildings	2,119,146	-	176,696	-	-	2,295,842
Other improvements	1,389,579	-	168,025	6,391	-	1,551,213
Machinery and equipment	5,803,065	-	645,824	239,719	19,539	6,228,709
Infrastructure	25,476,586	-	1,088,277	-	-	26,564,863
Total accumulated depreciation	<u>34,788,376</u>	<u>-</u>	<u>2,078,822</u>	<u>246,110</u>	<u>19,539</u>	<u>36,640,627</u>
Other capital assets, net	<u>26,135,515</u>	<u>21,854</u>	<u>(811,464)</u>	<u>(4,974)</u>	<u>-</u>	<u>25,350,879</u>
Governmental activities capital assets, net	<u>\$ 37,308,888</u>	<u>\$ 703,819</u>	<u>\$ 2,560,180</u>	<u>\$ (4,974)</u>	<u>\$ -</u>	<u>\$ 40,577,861</u>
<i>Business-Type Activities:</i>						
Capital assets not being depreciated:						
Land	\$ 2,169,204	\$ -	\$ -	\$ -	\$ -	\$ 2,169,204
Intangible assets	6,702,666	-	-	-	-	6,702,666
Construction in progress	11,681,328	4,741,250	9,018,098	-	(2,958,404)	22,482,272
Total capital assets not being depreciated	<u>20,553,198</u>	<u>4,741,250</u>	<u>9,018,098</u>	<u>-</u>	<u>(2,958,404)</u>	<u>31,354,142</u>
Other capital assets:						
Buildings	22,080,568	-	67,350	-	-	22,147,918
Improvements other than buildings	26,652,917	-	70,062	49,562	2,958,404	29,631,821
Machinery and equipment	4,726,238	-	466,925	293,787	(19,539)	4,879,837
Infrastructure	56,142,420	-	93,050	-	-	56,235,470
Total other capital assets at historical cost	<u>109,602,143</u>	<u>-</u>	<u>697,387</u>	<u>343,349</u>	<u>2,938,865</u>	<u>112,895,046</u>
Less accumulated depreciation for:						
Buildings	9,676,301	-	450,751	-	-	10,127,052
Improvements other than buildings	13,976,716	-	819,226	7,436	-	14,788,506
Machinery and equipment	3,368,543	-	323,336	293,787	(19,539)	3,378,553
Infrastructure	36,379,238	-	1,246,535	-	-	37,625,773
Total accumulated depreciation	<u>63,400,798</u>	<u>-</u>	<u>2,839,848</u>	<u>301,223</u>	<u>(19,539)</u>	<u>65,919,884</u>
Other capital assets, net	<u>46,201,345</u>	<u>-</u>	<u>(2,142,461)</u>	<u>42,126</u>	<u>2,958,404</u>	<u>46,975,162</u>
Business-type activities capital assets, net	<u>\$ 66,754,543</u>	<u>\$ 4,741,250</u>	<u>\$ 6,875,637</u>	<u>\$ 42,126</u>	<u>\$ -</u>	<u>\$ 78,329,304</u>

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

Primary Government:	
Governmental Activities:	
General Government	\$ 5,368
Planning and Zoning	4
Financial Administration	214,704
Public Safety	474,420
Highways and Streets	1,186,932
Health and Welfare	2,827
Culture and Recreation	192,876
Economic Development	1,691
Total depreciation expense for governmental activities	<u>\$ 2,078,822</u>
Business-Type Activities:	
Water	\$ 1,167,759
Wastewater	1,004,591
Solid Waste	104,444
Storm Water	141,547
Airport	265,776
Golf	155,731
Total depreciation expense for business-type activities	<u>\$ 2,839,848</u>

**NOTES TO BASIC FINANCIAL STATEMENTS
CITY OF SAND SPRINGS, OKLAHOMA
JUNE 30, 2015**

3.E. LONG-TERM DEBT

The reporting entity's long-term debt is segregated between the amounts to be repaid from governmental activities, amounts to be repaid from business-type activities, and amounts to be repaid from component units.

Governmental Activities:

At June 30, 2015, the governmental activities long-term debt consisted of the following:

General Obligation Bonds:

\$6,360,000 General Obligation Bonds of 2006, used for streets, Community Center, and public safety equipment, due in annual installments of \$450,000, final payment due March 1, 2021, with interest rates of 3.7% to 5.0%	\$2,760,000
\$1,510,000 General Obligation Refunding Bonds of 2012 A, used for advanced refunding of the 2002, due in annual installments varying from \$155,000 to \$210,000, final payment due June 1, 2018, with interest rates of 1.2% to 9.5%	605,000
\$1,030,000 General Obligation Refunding Bonds of 2012 B, used for advanced Refunding of 2003, due in annual installments varying from \$285,000 to \$320,000, final payment due June 1, 2017, with interest rates of 3.15% to 3.85%	525,000
\$2,365,000 General Obligation Refunding Bonds of 2014B, used for park lands and culture and recreation facilities, due in annual installments varying from \$115,000 to \$125,000, final payment due March 1, 2034, with interest rates of 2.0% to 3.5%	<u>2,365,000</u>
Total General Obligation Bonds	<u>\$6,255,000</u>
Current portion	\$1,010,000
Non-current portion	<u>5,245,000</u>
Total General Obligation Bonds	<u>\$6,255,000</u>

Capital Leases Payable:

\$647,799 capital lease with Motorola for police radio equipment, due in annual installments of \$92,543, final payment due August 1, 2021, with no interest	\$ 647,799
\$66,418 capital lease with Motorola for fire radio equipment, due in annual installments of \$10,411, final payment due May 1, 2022, with interest rate of 3.21%	66,418
\$496,304 capital lease with Community First National Bank for fire pumper, due in monthly installments of \$5,747, final payment due May 1, 2016, with interest rate of 2.406%	<u>389,786</u>
Total Capital Leases Payable	<u>\$1,104,003</u>
Current portion	\$163,193
Non-current portion	<u>940,810</u>
Total Capital Leases Payable	<u>\$1,104,003</u>

**NOTES TO BASIC FINANCIAL STATEMENTS
CITY OF SAND SPRINGS, OKLAHOMA
JUNE 30, 2015**

Accrued Compensated Absences:	
Current portion	\$167,958
Non-current portion	<u>671,830</u>
Total Accrued Compensated Absences	<u>\$839,788</u>

Business-Type Activities:

As of June 30, 2015, the long-term debt payable from business-type activities resources consisted of the following:

Notes Payable:

2003A OWRB SRF Note Payable dated January 1, 2003, original amount of \$1,200,000 with an annual administration fee of 0.5%, semiannual installments of principal and interest, final installment September 15, 2022, used for sewer improvements.	\$449,990
2004A OWRB Note Payable dated April 1, 2004, original amount of \$950,806, with an annual interest rate of 0% plus 0.5% admin fee, installments due semiannually, final installment March 8, 2024, used for sewer improvements.	427,863
2005A OWRB Note Payable dated June 29, 2006, original amount of \$2,314,000 with an annual interest rate of 2.60%, semiannual installments of principal and interest, final installment September 15, 2026 , used for sewer improvements.	1,413,873
2006 OWRB Note Payable dated August 30, 2005, original amount of \$2,250,000 with an interest rate of 2.60% plus a .5% admin fee, with semi-annual payments, final payment due March 15, 2026, used for sewer improvements.	1,334,138
2009 OWRB SRF Note Payable dated December 9, 2009, original amount of \$5,631,709 with an interest rate of 3.11% with semi-annual payments, final payment due September 15, 2030, used for water improvements; remaining funds left to draw are \$187,337.	1,896,024
2012 OWRB Note Payable dated August 29, 2012, original amount of \$1,240,000 with a variable interest rate ranging from 0.25% to 4.00% plus a .5% admin fee, with semi-annual payments, final payment due September 1, 2022, used for refinancing 2003B OWRB Note that was issued for sewer improvements	1,010,000
Notes Payable with Yamaha dated September 23, 2011, original amount of \$146,175, with an annual interest rate of 4.79%, monthly payments of \$3,339, final installment due October 1, 2015, used for golf cars.	9,942
2013 Note Payable dated October 1, 2013, original amount of \$1,020,000 with a annual interest rate ranging of 3.05%, semiannual installments of principal and interest, final installment October 1, 2022, used for refinancing 2004B OWRB Note that was issued for sewer improvements.	<u>870,000</u>

Total Notes Payable	<u>\$7,411,830</u>
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Current portion	\$653,857
Non-current portion	<u>6,757,973</u>
Total Notes Payable	<u>\$7,411,830</u>

**NOTES TO BASIC FINANCIAL STATEMENTS
CITY OF SAND SPRINGS, OKLAHOMA
JUNE 30, 2015**

Revenue Bonds:

2012 Series Utility System Revenue Bonds dated November 1, 2012, original amount of \$30,510,000, issued by Sand Springs Municipal Authority, secured by utility revenues and pledged sales tax, interest rates from 2.0% to 4.0%, final maturity November 1, 2042, used for water and sewer improvements and pay off notes payable. \$29,170,000

Current portion \$675,000
 Non-current portion 28,495,000
 Total Revenue Bonds Payable \$29,170,000

Accrued Compensated Absences:

Current portion \$54,166
 Non-current portion 221,864
 Total Accrued Compensated Absences \$276,030

Deposits Subject to Refund:

Current portion \$143,040
 Non-current portion 312,265
 Total Deposits Subject to Refund \$455,305

Changes in Long-Term Debt

The following is a summary of changes in long-term debt for the year ended June 30, 2015:

<u>Type of Debt</u>	Balance <u>July 1, 2014</u>	<u>Additions</u>	<u>Deductions</u>	Balance <u>June 30, 2015</u>	Amounts Due Within <u>One Year</u>
<u>Primary Government</u>					
Governmental Activities:					
General Obligation Bonds	\$ 7,165,000	\$ -	\$ 910,000	\$ 6,255,000	\$ 1,010,000
Capital Leases Payable	514,814	714,217	125,028	1,104,003	163,193
Accrued Compensated Absences	<u>749,269</u>	<u>624,463</u>	<u>533,944</u>	<u>839,788</u>	<u>167,958</u>
Total Governmental Activities	<u>\$ 8,429,083</u>	<u>\$ 1,338,680</u>	<u>\$ 1,568,972</u>	8,198,791	<u>\$ 1,341,151</u>
Plus: OPEB obligation (See Note 4A)				559,514	
Net pension liability (See Note 4A)				7,159,629	
				<u>\$ 15,917,934</u>	
Reconciliation to Statement of Net Position:					
Due in one year				\$ 1,341,151	
Due in more than one year				<u>14,576,783</u>	
				<u>\$ 15,917,934</u>	
Business-Type Activities:					
Notes Payable	\$ 8,146,832	\$ -	\$ 735,002	\$ 7,411,830	\$ 653,857
Revenue Bonds Payable	29,830,000	-	660,000	29,170,000	675,000
Accrued Compensated Absences	274,416	195,818	194,204	276,030	54,166
Deposits Subject to Refund	<u>460,514</u>	<u>99,475</u>	<u>104,684</u>	<u>455,305</u>	<u>143,040</u>
Total Business-Type Activities	<u>\$ 38,711,762</u>	<u>\$ 295,293</u>	<u>\$ 1,693,890</u>	37,313,165	<u>\$ 1,526,063</u>
Plus: OPEB obligation (See Note 4A)				250,401	
Unamortized bond premium (See Note 3E)				45,329	
Less: Unamortized bond discount (See Note 3E)				<u>114,526</u>	
				<u>\$ 37,494,369</u>	
Reconciliation to Statement of Net Position:					
Due in one year				\$ 1,526,063	
Due in more than one year				<u>35,968,306</u>	
				<u>\$ 37,494,369</u>	

**NOTES TO BASIC FINANCIAL STATEMENTS
CITY OF SAND SPRINGS, OKLAHOMA
JUNE 30, 2015**

The General, SSMA Water, SSMA Wastewater, SSMA Solid Waste, SSMA Airport, and SSMA Golf Course funds have been used to liquidate the net pension liability and net OPEB obligation.

Debt Service Requirements to Maturity - Primary Government

The debt service requirements to maturity, including principal and interest, for long-term debt as of June 30, 2015 are as follows:

<u>Year Ending June 30,</u>	<u>Governmental Activities</u>			
	<u>General Obligation Bonds</u>		<u>Capital Leases Payable</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2016	\$ 1,010,000	\$ 179,387	\$ 163,193	\$ 8,720
2017	1,050,000	156,465	162,860	9,053
2018	785,000	132,090	164,639	7,274
2019	575,000	109,482	166,462	5,451
2020	575,000	89,396	168,331	3,581
2021-2025	1,135,000	241,058	278,518	2,001
2026-2030	625,000	142,342	-	-
2031-2034	500,000	42,596	-	-
Totals	<u>\$ 6,255,000</u>	<u>\$ 1,092,816</u>	<u>\$ 1,104,003</u>	<u>\$ 36,080</u>

<u>Year Ending June 30,</u>	<u>Business-Type Activities</u>			
	<u>Notes Payable</u>		<u>Revenue Bonds Payable</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2016	\$ 653,857	\$ 161,896	\$ 675,000	\$ 991,600
2017	663,954	148,062	690,000	977,950
2018	673,919	133,040	705,000	964,000
2019	694,202	117,107	720,000	949,750
2020	709,534	101,429	735,000	932,444
2021-2025	3,078,606	255,974	3,995,000	4,326,867
2026-2030	898,838	62,605	4,705,000	3,588,744
2031-2035	226,257	6,035	5,590,000	2,686,150
2036-2040	-	-	6,690,000	1,555,091
2041-2043	-	-	4,665,000	274,024
Totals	<u>\$ 7,599,167</u>	<u>\$ 986,148</u>	<u>\$ 29,170,000</u>	<u>\$ 17,246,620</u>
Remaining loan proceeds to be drawn	<u>(187,337)</u>			
	<u>\$ 7,411,830</u>			

**NOTES TO BASIC FINANCIAL STATEMENTS
CITY OF SAND SPRINGS, OKLAHOMA
JUNE 30, 2015**

3.F. INTERFUND TRANSACTIONS AND BALANCES

Interfund transfers reported in the fund financial statements for the year ended June 30, 2015 were as follows:

<u>Transfer From</u>	<u>Transfer To</u>	<u>Amount</u>	<u>Purpose of Transfer</u>
* General Fund	Short-Term Capital Improvement	\$ 15,200 A	E911 wireless system
Short-Term Capital Improvement	* General Fund	58,710 B	E911 wireless system
Sinking Fund	* General Fund	2,235 B	Interest earnings
* SSMA Water Fund	* General Fund	980,000	Operating subsidy
* SSMA Solid Waste Utility Fund	* General Fund	722,000	Operating subsidy
* SSMA Water Fund	Capital Improvement Fund	50,000 A	Capital asset purchases
* Street Improvement Fund	Capital Improvement Fund	60,000 A	Capital asset purchases
* General Fund	* Street Improvement Fund	1,518,717	Sales tax transfer
* General Fund	Short-Term Capital Improvement	159,992 A	Capital asset purchases
* General Fund	Capital Improvement Fund	80,000 A	Capital asset purchases
* General Fund	T.I.D. #1 Cimarron Center Fund	291,319 A	Property tax transfer
* SSMA Golf Course Fund	Golf Course Capital Improvement	21,361 A	Capital asset purchases
* Capital Improvement W&WW Fund	* Street Improvement Fund	400,000	Capital asset purchases
Stormwater Capital Improvement	* Street Improvement Fund	549,789 B	Capital asset purchases
* Capital Improvement W&WW Fund	* SSMA Water Fund	800,000	Debt service
* SSMA Water Fund	* Capital Improvement W&WW Fund	11,841,485	Operating subsidy
* General Fund	* SSMA Water Fund	3,037,434	Sales tax transfer
* SSMA Wastewater Utility Fund	* Capital Improvement W&WW Fund	1,228,476	Capital asset purchases
* SSMA Wastewater Utility Fund	SSMA Capital Fund	19,700 A	Capital asset purchases
* SSMA Solid Waste Utility Fund	SSMA Capital Fund	486,650 A	Capital asset purchases
* SSMA Stormwater Fund	Stormwater Capital Improvement	700,000 A	Operating subsidy
* SSMA Water Fund	* Capital Improvement W&WW Fund	3,037,434	Sales tax transfer
* SSMA Water Fund	* SSMA Golf Course Fund	225,000	Operating subsidy
* SSMA Water Fund	* SSMA Airport Fund	125,000	Operating subsidy
* SSMA Water Fund	Airport Construction Fund	7,000 A	Operating subsidy
* SSMA Water Fund	SSMA Capital Fund	48,000 A	Capital asset purchases
		<u>\$ 26,465,502</u>	
* - Denotes major fund			
	Sub-total of Nonmajor Governmental Fund Transfers In	1,939,222	Sum of A
	Sub-total of Nonmajor Governmental Fund Transfers Out	(610,734)	Sum of B

	<u>Transfers In</u>	<u>Transfers Out</u>	<u>Net Transfers</u>
Reconciliation to Fund Financials:			
Governmental Funds	\$ 22,278,068	\$ (6,973,396)	\$ 15,304,672
Enterprise Funds	4,187,434	(19,492,106)	(15,304,672)
Total Transfers	<u>\$ 26,465,502</u>	<u>\$ (26,465,502)</u>	<u>\$ -</u>
Reconciliation to Statement of Activities:			
Net Transfers Governmental Funds			\$ 15,304,672
Net transfer for Capital project funds reported as business-type activities			(15,640,317)
Capital outlay for governmental capital project funds reported as transfers to business-type activities			(15,205,215)
Capital assets transferred to governmental activities			15,143,196
Net Transfers/Internal Activity			<u>\$ (397,664)</u>

Interfund receivables and payables at June 30, 2015 were as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>	<u>Nature of Interfund Balance</u>
SSMA Water	Vision 2025	\$ 1,093,032	Advance for project costs
		<u>\$ 1,093,032</u>	
			<u>Net Activity/ Internal Balances</u>
	<u>Due From Other Funds</u>	<u>Due To Other Funds</u>	
Reconciliation to Fund Financial Statements:			
Governmental Funds	\$ -	\$ (1,093,032)	\$ (1,093,032)
Enterprise Funds	1,093,032	-	1,093,032
Total Interfund Balances	<u>\$ 1,093,032</u>	<u>\$ (1,093,032)</u>	<u>\$ -</u>

**NOTES TO BASIC FINANCIAL STATEMENTS
CITY OF SAND SPRINGS, OKLAHOMA
JUNE 30, 2015**

3.G. FUND EQUITY

Fund Balance and Net Position:

The following tables show the fund balance classifications as shown on the Governmental Funds Balance Sheet and Proprietary Fund Statement of Net Position:

	Major Capital Project Funds			Other Governmental Funds	TOTAL
	General Fund	Street Improvement	Capital Improvement Water & Wastewater		
Fund Balances:					
Nonspendable:					
Inventory	\$ 18,653	\$ -	\$ -	\$ -	\$ 18,653
Sub-total Nonspendable	18,653	-	-	-	18,653
Restricted for:					
Animal Sterilization	21,148	-	-	-	21,148
Jail Reserves	93,808	-	-	-	93,808
Substance Abuse	83,403	-	-	-	83,403
Juvenile Programs	70,084	-	-	-	70,084
Streets	-	7,501,731	-	-	7,501,731
Housing Rehabilitation	-	-	-	51,539	51,539
License Plates	13,230	-	-	-	13,230
Capital Improvements	-	-	-	146,158	146,158
Contract Wages	78,159	-	-	-	78,159
E911	320,569	-	-	-	320,569
Utility Capital Projects	-	-	9,249,705	-	9,249,705
Debt Service	-	-	-	736,414	736,414
Sub-total Restricted	680,401	7,501,731	9,249,705	934,111	18,365,948
Committed to:					
Economic Development	240,318	-	-	-	240,318
Sub-total Committed	240,318	-	-	-	240,318
Assigned to:					
Subsequent Year Budget	1,736,933	-	-	-	1,736,933
Community Center	275,140	-	-	-	275,140
Police	149,933	-	-	-	149,933
Fire	3,218	-	-	-	3,218
Alive at 25	5,191	-	-	-	5,191
Streets	-	64,631	-	-	64,631
Capital Improvements	-	-	-	2,840,449	2,840,449
Parks	5,017	-	-	245,216	250,233
Energy Efficiency Projects	-	-	-	6	6
River City Crossing	-	-	-	36,297	36,297
South Side Park	-	-	-	10,750	10,750
Stormwater Projects	-	-	-	3,356,852	3,356,852
Utility Capital Projects	-	-	586,894	159,917	746,811
Golf Course	-	-	-	54,129	54,129
Debt Service	-	-	-	2,584	2,584
Other	107,919	-	-	-	107,919
Sub-total Assigned	2,283,351	64,631	586,894	6,706,200	9,641,076
Unassigned (deficit):	3,268,415	-	-	(33)	3,268,382
TOTAL FUND BALANCES	\$ 6,491,138	\$ 7,566,362	\$ 9,836,599	\$ 7,640,278	\$ 31,534,377

Enterprise Funds:

Restricted for Debt Service

Cash and Cash Equivalents	\$ 855,529
Investments	<u>1,749,832</u>
	2,605,361
Less: accrued interest payable	<u>(219,481)</u>
Total Enterprise Fund Restricted Net Position	<u>\$ 2,385,880</u>

**NOTES TO BASIC FINANCIAL STATEMENTS
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Prior Period Adjustment:

Beginning net position was restated as of June 30, 2015:

	<u>Government-Wide Governmental Activities</u>
Beginning net position, as previously reported	\$ 46,614,641
Implementation of GASB Pension Statements 68 & 71, recognition of beginning net pension liability (asset), deferred outflows and deferred inflows	(8,601,247)
Beginning net position, restated	\$ 38,013,394

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 Plan	Cost Sharing Multiple Employer - Defined Benefit
Oklahoma Firefighters Pension and Retirement Fund Plan	Cost Sharing Multiple Employer - Defined Benefit
Oklahoma Municipal Retirement Fund (OkMRF)	Defined Contribution Plan Defined Contribution Plan – CMO Defined Contribution Plan – CMO Special Incentive

Oklahoma Police Pension and Retirement Systems

Summary of Significant Accounting Policies

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

**NOTES TO BASIC FINANCIAL STATEMENTS
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Plan description - The City of Sand Springs, 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 \$204,866. The State of Oklahoma also made on-behalf contributions to OPPRS in the amount of \$195,932 this is reported as both a revenue and an expenditure in the General Fund Statement of Revenues, Expenditures, and Changes in Fund Balance. In the government-wide Statement of Activities, revenue is recognized for the state's on-behalf contributions on an accrual basis of \$164,627.

Net Pension Asset, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions - At June 30, 2015, the City reported an asset of \$176,923 for its proportionate share of the net pension asset. The net pension asset was measured as of June 30, 2014, and the total pension asset used to calculate the net pension asset was determined by an actuarial valuation as of July 1, 2014. 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, 2014. Based upon this information, the City's proportion was .5255%.

For the year ended June 30, 2015, the City recognized pension expense of \$72,780. At June 30, 2015, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

**NOTES TO BASIC FINANCIAL STATEMENTS
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	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 79,486
Net difference between projected and actual earnings on pension plan investments		621,855
City contributions subsequent to the measurement date	204,866	-
Total	\$ 204,866	\$ 701,341

The \$204,866 reported as deferred outflows of resources related to pensions resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2016. 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:

2016	\$	(171,920)
2017		(171,920)
2018		(171,920)
2019		(171,920)
2020		(13,661)

Actuarial Assumptions-The total pension liability was determined by an actuarial valuation as of July 1, 2014, using the following actuarial assumptions, applied to all prior periods included in the measurement:

Inflation:	3%
Salary increases:	4.5% to 17% average, including inflation
Investment rate of return:	7.5% net of pension plan investment expense
Mortality rates:	Active employees (pre-retirement) RP-2000 Blue Collar Healthy Combined table with age set back 4 years with fully generational improvement using Scale AA.
	Active employees (post-retirement) and nondisabled pensioners: RP-2000 Blue Collar Healthy Combined table with fully generational improvement using scale AA.
	Disabled pensioners: RP-2000 Blue Collar Healthy Combined table with age set forward 4 years with fully generational improvement using Scale AA.

The actuarial assumptions used in the July 1, 2014, valuation were based on the results of an actuarial experience study for the period July 1, 2007, to June 30, 2012.

**NOTES TO BASIC FINANCIAL STATEMENTS
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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, 2014, are summarized in the following table:

<u>Asset Class</u>	<u>Long-Term Expected Real Rate of Return</u>
Fixed income	2.83%
Domestic equity	6.47%
International equity	6.98%
Real estate	5.50%
Private Equity	5.96%
Commodities	3.08%

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 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%)
Employers' net pension liability (asset)	\$ 1,052,662	\$ (176,923)	\$ (1,213,189)

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 .

**NOTES TO BASIC FINANCIAL STATEMENTS
CITY OF SAND SPRINGS, OKLAHOMA
JUNE 30, 2015**

Oklahoma Fire Pension and Retirement Systems

Summary of Significant Accounting Policies

Pensions - For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Oklahoma Firefighters Pension & Retirement System (FPRS) and additions to/deductions from FPRS's fiduciary net position have been determined on the same basis as they are reported by FPRS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

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

Benefits provided - FPRS provides retirement, disability, and death benefits to members of the plan. Benefits for members hired prior to November 1, 2013 are determined as 2.5 percent of the employee's final average compensation times the employee's years of service and have reached the age of 50 or have complete 20 years of service, whichever is later. For volunteer firefighters, the monthly pension benefit for normal retirement is \$150.60 per month. Benefits vest with 10 years or more of service

Benefits for members hired after November 1, 2013 are determined as 2.5 percent of the employee's final average compensation times the employee's years of service and have reached the age of 50 or have complete 22 years of service, whichever is later. For volunteer firefighters, the monthly pension benefit for normal retirement is \$165.66 per month. Benefits vest with 11 years or more of service

All firefighters are eligible for immediate disability benefits. For paid firefighters, the disability in-the-line-of-duty benefit for firefighters with less than 20 years of service is equal to 50% of final average monthly compensation, based on the most recent 30 months of service. For firefighters with over 20 years of service, a disability in-the-line-of-duty is calculated based on 2.5% of final average monthly compensation, based on the most recent 30 months, per year of service, with a maximum of 30 years of service. For disabilities not-in-the-line-of-duty, the benefit is limited to only those with less than 20 years of service and is 50% of final average monthly compensation, based on the most recent 60-month salary as opposed to 30 months. For volunteer firefighters, the not-in-line-of-duty disability is also limited to only those with less than 20 years of service and is \$7.53 per year of service. For volunteer firefighters, the in-line-of-duty pension is \$150.60 with less than 20 years of service, or \$7.53 per year of service, with a maximum of 30 years.

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

Contributions - The contributions requirements of the Plan are at an established rate determine 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 \$271,870. The State of Oklahoma also made on-behalf contributions to FPRS in the amount of \$668,023 this is reported as both a revenue and an expenditure in the General Fund Statement of Revenues, Expenditures, and Changes in Fund Balance. In the government-wide Statement of Activities, revenue is recognized for the state's on-behalf contributions on an accrual basis of \$553,816. These on-behalf payments did not meet the criteria of a special funding situation.

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JUNE 30, 2015**

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions - At June 30, 2015, the City reported a liability of \$7,159,629 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2014, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2014. 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, 2014. Based upon this information, the City's proportion was .6962%.

For the year ended June 30, 2015, the City recognized pension expense of \$641,648. At June 30, 2015, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 170,588	\$ -
Net difference between projected and actual earnings on pension plan investments		1,083,772
City contributions subsequent to the measurement date	271,870	-
Total	<u>\$ 442,458</u>	<u>\$ 1,083,772</u>

The \$271,870 reported as deferred outflows of resources related to pensions resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2016. 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:		
	2016	\$ (239,176)
	2017	(239,176)
	2018	(239,176)
	2019	(239,176)
	2020	31,767
	Thereafter	11,753

Actuarial Assumptions-The total pension liability was determined by an actuarial valuation as of July 1, 2014, 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.

**NOTES TO BASIC FINANCIAL STATEMENTS
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The actuarial assumptions used in the July 1, 2014, 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, 2014, are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Fixed income	20%	5.48%
Domestic equity	37%	9.61%
International equity	20%	9.24%
Real estate	10%	7.76%
Other assets	13%	6.88%

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

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

	<u>1% Decrease (6.5%)</u>	<u>Current Discount Rate (7.5%)</u>	<u>1% Increase (8.5%)</u>
Employers' net pension liability	\$ 9,348,964	\$ 7,159,629	\$ 5,324,113

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 .

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Defined Contribution Plan - OMRF

The City has provided a defined contribution plan and trust known as the City of Sand Springs Plan and Trust (the "Plan") in the form of The Oklahoma Municipal Retirement System Master Defined Contribution Plan (OMRF). OMRF operations are supervised by a nine-member Board of Trustees elected by the participating municipalities. The plan is administered by JP Morgan Chase of Oklahoma City. The OMRF Plan issues a separate financial report that may be obtained from OMRF. The defined contribution plan is available to all full-time employees except those participating in state fire or police program and the City Manager. Employees are eligible on the employee's employment commencement date. Each employee shall be required to contribute 4% (not to exceed 10%) of his or her compensation. By City ordinance, the City, as employer, is required to make contributions to the plan, under the government pick-up option, at a rate of 8% of covered payroll. The City has also elected the variable funding option. The contribution rate of the employer may be determined annually by the City council. The City's contributions for each employee (and interest allocated to the employee's account) are vested at a rate of 50% after completion of five years of service and then 10% per year for the next five years. The employee is fully vested after 10 years of service. City contributions for, and interest forfeited by, employees who leave employment prior to fully vesting are allocated back to remaining eligible participants. Benefits depend solely on amounts contributed to the plan plus investment earnings. The authority to establish and amend the provisions of the plan rests with the City Council.

For the year ended June 30, 2015, the following amounts related to the defined contribution plan:

Employee contributions made	\$208,084
Employer (City) contributions made	\$391,816

Defined Contribution Plan – OMRF - CMO Plan

The City has also provided a defined contribution plan in the form of The Oklahoma Municipal Retirement System Master Defined Contribution Plan (OMRF). The defined contribution plan is available to any person who is in the position of City Manager as of August 14, 2006. Employees are eligible on the employee's employment commencement date. The City has elected the variable funding option. The City intends to make a contribution to the Plan for the benefit of the participants on a monthly basis. The contribution may be varied from year to year by the City. The City's contributions for each employee (and interest allocated to the employee's account) are vested at 100% immediately upon the participation date. Benefits depend solely on amounts contributed to the plan plus investment earnings. The authority to establish and amend the provisions of the plan rests with the City Council. The City contributes 13% to the plan and the employee does not contribute to the plan. The total contributions by the City for fiscal year 2015 were \$7,993 which is 100% of the required contribution.

Other Post-Employment Benefits

Plan Description: The City provides 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. As of June 30, 2015 approximately 7 retired employees are receiving benefits under this plan. The Plan does not have a separate, audited financial report prepared.

**NOTES TO BASIC FINANCIAL STATEMENTS
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Funding Policy. The contribution requirement of the City is an implicit subsidy. The implicit subsidy is not a direct payment from the employer on behalf of the member but rather stems from retiree contribution levels that are less than the claims cost at retiree ages. Since claims experience for employees and non-Medicare eligible retirees are pooled when determining premiums, these retired members pay a premium based on a pool of members that, on average, are younger and healthier. There is an implicit subsidy from the employee group since the premiums paid by the retirees are lower than they would have been if the retirees were insured separately. The subsidies are valued using the difference between the age-based claims costs and the premium paid by the retiree. The amount required to fund the implicit rate is based on projected pay-as-you-go financing requirements. For fiscal year 2015, the City contributed \$14,273 to the plan. Plan members receiving benefits contributed \$14,273, or approximately 100 percent of the total premiums, through their required contribution of \$503.17 per month for retiree-only coverage and \$1,001.38 for retiree and spouse medical/dental coverage.

Annual OPEB Cost and Net OPEB Obligation. The City's annual other postemployment benefit (OPEB) cost (expense) is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years. The following table shows the components of the City's annual OPEB cost the amount actually contributed to the plan, and changes in the City's net OPEB obligation for the year ended June 30, 2015:

Annual required contribution	\$200,423
Interest on OPEB obligation	28,498
Adjustment to annual required contribution	<u>(60,877)</u>
Annual OPEB cost (expense)	168,044
Contributions made	<u>(14,273)</u>
Increase in net OPEB obligation	153,771
Net OPEB obligation—beginning of year	<u>656,144</u>
Net OPEB obligation—end of year	<u><u>\$809,915</u></u>
Governmental Activities	\$559,514
Business-Type Activities	<u>250,401</u>
	<u><u>\$809,915</u></u>

The City's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for 2015 was as follows:

Fiscal Year	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
6/30/11	\$156,119	19.0%	\$349,317
6/30/12	\$156,118	19.0%	\$475,483
6/30/13	\$116,889	18.0%	\$565,815
6/30/14	\$110,866	19.0%	\$656,144
6/30/15	\$168,044	8.0%	\$809,915

Funded Status and Funding Progress. As of June 30, 2015, the most recent actuarial valuation date, the plan was 100% percent unfunded. The actuarial accrued liability for benefits was \$1,545,544, and the actuarial value of assets was zero, resulting in an unfunded actuarial accrued liability (UAAL) of \$1,545,544. The covered payroll (annual payroll of active employees covered by the plan) was \$8.2 million.

**NOTES TO BASIC FINANCIAL STATEMENTS
CITY OF SAND SPRINGS, OKLAHOMA
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Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

Actuarial Methods and Assumptions. Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

In the July 1, 2014, actuarial valuation, the projected unit credit cost method was used. The actuarial assumptions included a 4.35 percent investment rate of return (net of administrative expenses), which is a blended rate of the expected long-term investment returns on plan assets and on the employer's own investments calculated based on the funded level of the plan at the valuation date, and an annual healthcare cost trend rate of 4.5 percent initially, reduced by decrements to an ultimate rate of 4.87 percent in 2060, based upon dependent rates. There were no assets to determine the actuarial value of assets. Projected salary increases are assumed at 4%. The inflation rate assumed is 2.5% and the post-retirement benefit increases are included in the healthcare cost trend rate. The UAAL is being amortized over a closed 30 year period as level payments. The remaining amortization period at June 30, 2015, was twenty-five years.

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	Purchased commercial insurance.	None
b. Physical Property: - Theft - Damage to assets - Natural disasters	All physical property except vehicles is insured through commercial insurance with deductible of \$1,000. Vehicle damage is not covered by insurance.	All physical property except vehicles - None Vehicles - entire risk of loss retained through fund incurring the loss.

**NOTES TO BASIC FINANCIAL STATEMENTS
CITY OF SAND SPRINGS, OKLAHOMA
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c. Workers Compensation: - Employee injuries	Participates in OMAG risk entity pool. Participation fee includes an actuarially determined amount held by OMAG as the loss reserve fund, to pay claims incurred. Claims are administered by the State Insurance Fund.	Specific aggregate stop loss coverage is provided by the State Insurance Fund and covers all claims above the loss reserve fund.
d. Health and Life: - Medical - Dental	All group health and life coverage is insured through a commercial carrier.	None

OMAG Worker’s Compensation

The title to all assets acquired by the Plan is vested in the Plan. In the event of termination of the Plan, such property shall belong to the then members of the Plan in equal shares. Each participating City pays for all costs, premiums, or other fees attributable to its respective participation in the Plan, policy or service established under the agreement establishing the Oklahoma Municipal Assurance Group, and is responsible for its obligations under any contract entered into with the Plan.

Reserves for policy and contract claims provide for reported claims on a case basis and a provision for incurred but not reported claims limited to specific retention levels for each member as outlined in the Plan’s reinsurance agreement.

The Plan’s worker’s compensation coverage is reinsured for losses in excess of respective retention levels. The reinsurance agreement covers losses incurred within the effective period of the agreement. Each Plan member’s liability for claims losses is limited to their individual retention levels as outlined in the Plan’s reinsurance agreement.

Management believes such coverage is sufficient to preclude any significant uninsured losses to the City. Settled claims have not exceeded this insurance coverage in any of the past three fiscal years.

4.C. COMMITMENTS AND CONTINGENCIES

Contingencies:

Grant Program Involvement

In the normal course of operations, the City participates in various federal or state grant/loan programs from year to year. The grant/loan programs are often subject to additional audits by agents of the granting or loaning agency, the purpose of which is to ensure compliance with the specific conditions of the grant or loan. Any liability of 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.

**NOTES TO BASIC FINANCIAL STATEMENTS
CITY OF SAND SPRINGS, OKLAHOMA
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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.

Commitments:

Construction Projects

At June 30, 2015, the City had several construction projects ongoing. The material projects are noted below:

Project	Total Contract	Remaining Contract	Funding Source
River West Addition #3	\$ 2,593,255	\$ 239,047	Street Improvement Fund
Pratt Civitan River City Park	\$ 1,280,279	\$ 903,612	2014 GO Capital Improvement Fund
Wastewater Treatment Plant Improvements	\$ 14,889,104	\$ 10,482,804	Capital Improvement Water/Wastewater Fund
Municipal Complex	\$ 7,645,566	\$ 1,941,584	Capital Improvement Water/Wastewater Fund

Tax Increment Financing District

The City established a tax increment financing district (the "District") for the purpose of assisting an existing company within the City to expand its business. Under terms of the agreement, the Company agreed to relocate/expand its business on an underdeveloped parcel of land within the City. Pursuant to the agreement, sales tax generated within the District would be rebated by the City to the company on allowable construction costs incurred in the District as defined in the agreement. In addition, one hundred percent of the ad valorem tax generated within the District in excess of the base assessed value of the District is to be apportioned and used to reimburse the company for certain allowable project costs. The apportionment of ad valorem will terminate upon the final payment for all allowable project costs incurred, less previous apportionments of sales tax, but in no case shall extend beyond twenty-five years from the original effective date. During fiscal 2015, the ad valorem assessments on the District totaled \$291,319.

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:

Statement No. 72, *Fair Value Measurement and Application* – GASB No. 72 was issued in February 2015, and addresses issues related to fair value measurements. This Statement provides guidance for determining a fair value measurement for financial reporting purposes. This Statement also provides guidance for applying fair value to certain investments and disclosures related to all fair value measurements. Statement is effective for financial statements for period beginning after June 15, 2015. At this time the impact to the city is unknown.

**NOTES TO BASIC FINANCIAL STATEMENTS
CITY OF SAND SPRINGS, OKLAHOMA
JUNE 30, 2015**

Statement No. 73, *Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statements 67 and 68* – GASB No. 73 was issued in June 2015 and establishes requirements for defined benefit pensions that are not within the scope of Statement No. 68, *Accounting and Financial Reporting for Pensions*, as well as for the assets accumulated for purposes of providing those pensions. In addition, it establishes requirements for defined contribution pensions that are not within the scope of Statement 68. It also amends certain provisions of Statement No. 67, *Financial Reporting for Pension Plans*, and Statement 68 for pension plans and pensions that are within their respective scopes. The requirements of this Statement that address accounting and financial reporting by employers and governmental nonemployer contributing entities for pensions that are not within the scope of Statement 68 are effective for financial statements for fiscal years beginning after June 15, 2016, and the requirements of this Statement that address financial reporting for assets accumulated for purposes of providing those pensions are effective for fiscal years beginning after June 15, 2015. The requirements of this Statement is for pension plans that are within the scope of Statement 67 or for pensions that are within the scope of Statement 68 are effective for fiscal years beginning after June 15, 2015. . The City has not yet determined the impact that implementation of GASB 75 will have on its net position.

Statement No. 74, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans* - GASB No. 74 was issued in June 2015, and replaces Statements No. 43, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*, as amended, and No. 57, *OPEB Measurements by Agent Employers and Agent Multiple-Employer Plans*. It also includes requirements for defined contribution OPEB plans that replace the requirements for those OPEB plans in Statement No. 25, *Financial Reporting for Defined Benefit Pension Plans and Note Disclosures for Defined Contribution Plans*, as amended, Statement 43, and Statement No. 50, *Pension Disclosures*. This Statement is effective for financial statements for fiscal years beginning after June 15, 2016. The City has not yet determined the impact that implementation of GASB 75 will have on its net position.

Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions* – GASB No., 75 was issued in June 2015, and addresses accounting and financial reporting for OPEB that is provided to the employees of state and local governmental employers. This Statement establishes standards for recognizing and measuring liabilities, deferred outflows of resources, deferred inflows of resources, and expense/expenditures. For a defined benefit OPEB, this Statement identifies the methods and assumptions that are required to be used to project benefit payments, discount projected benefit payments to their actuarial present value, and attribute that present value to periods of employee service. Note disclosure and required supplementary information requirements about defined benefit OPEB also are addressed. This Statement is effective for fiscal years beginning after June 15, 2017. The City has not yet determined the impact that implementation of GASB 75 will have on its net position.

GASB Statement No. 76, *The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments* – GASB No. 76 was issued in June 2015, and was issued to identify the context of the current governmental financial reporting environment—the hierarchy of generally accepted accounting principles (GAAP). The “GAAP hierarchy” consists of the sources of accounting principles used to prepare financial statements of state and local governmental entities in conformity with GAAP and the framework for selecting those principles. This Statement reduces the GAAP hierarchy to two categories of authoritative GAAP and addresses the use of authoritative and nonauthoritative literature in the event that the accounting treatment for a transaction or other event is not specified within a source of authoritative GAAP. This Statement supersedes Statement No. 55, *The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments*. The requirements of this Statement are effective for financial statements for periods beginning after June 15, 2015. The City has not yet determined the impact that implementation of GASB 75 will have on its net position.

GASB Statement No. 77, *Tax Abatement Disclosures* - GASB 77 was issued in August 2015, and establishes financial reporting standards for tax abatement agreements entered into by state and local governments. The disclosures required by this Statement encompass tax abatements resulting from both (a) agreements that are entered into by the reporting government and (b) agreements that are entered into by other governments and that reduce the reporting government’s tax revenues. The requirements of this Statement are effective for financial statements for periods beginning after December 15, 2015. The City has not yet determined the impact that implementation of GASB 75 will have on its net position.



REQUIRED SUPPLEMENTARY INFORMATION

Required supplementary information (RSI) includes financial information and disclosures that are required by the GASB but are not considered a part of the basic financial statements. Such information includes:

- Defined Benefit Cost Sharing Plans:
 - Police
 - Schedule of the City's proportionate share of the net pension liability (asset)
 - Schedule of City contributions
 - Fire
 - Schedule of the City's proportionate share of the net pension liability (asset)
 - Schedule of City contributions
- Budgetary Comparison Schedule - General Fund
- Notes to RSI - Budgetary Comparison Schedule
- Schedule of OPEB Status and Funding Process

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

	<u>2014</u>
City's proportion of the net pension liability (asset)	0.5255%
City's proportionate share of the net pension liability (asset)	\$ (176,923)
City's covered-employee payroll	\$1,522,161
City's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	(11.62%)
Plan fiduciary net position as a percentage of the total pension liability (asset)	101.53%

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

Notes to Schedule:

Only the current fiscal year is presented because 10-year data is not yet available.

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

	<u>2014</u>
Statutorially required contribution	\$ 204,866
Contributions in relation to the statutorially required contribution	<u>204,866</u>
Contribution deficiency (excess)	<u>\$ -</u>
City's covered-employee payroll	\$ 1,522,161
Contributions as a percentage of covered-employee payroll	13.46%

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

Notes to Schedule:

Only the current fiscal year is presented because 10-year data is not yet available.

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

	<u>2014</u>
City's proportion of the net pension liability	0.696226%
City's proportionate share of the net pension liability	\$ 7,159,629
City's covered-employee payroll	\$ 1,941,928
City's proportionate share of the net pension liability as a percentage of its covered-employee payroll	369%
Plan fiduciary net position as a percentage of the total pension liability	68.12%

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

Notes to Schedule:

Only the current fiscal year is presented because 10-year data is not yet available.

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

	<u>2014</u>
Statutorially required contribution	\$ 271,870
Contributions in relation to the statutorially required contribution	<u>271,870</u>
Contribution deficiency (excess)	<u>\$ -</u>
City's covered-employee payroll	\$ 1,941,928
Contributions as a percentage of covered-employee payroll	14.00%

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

Notes to Schedule:

Only the current fiscal year is presented because 10-year data is not yet available.

**CITY OF SAND SPRINGS, OKLAHOMA
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
For the fiscal year ended June 30, 2015**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Beginning Budgetary Fund Balance:	\$3,866,235	\$5,403,843	\$5,403,843	-
Resources (Inflows):				
TAXES:				
Sales tax	10,263,500	10,263,500	10,631,021	367,521
Use tax	377,600	377,600	439,123	61,523
Hotel/Motel tax	145,100	145,100	153,898	8,798
Incremental tax	200,000	750,000	713,655	(36,345)
Franchise tax	790,900	790,900	856,339	65,439
Video Provider Fee	30,000	30,000	48,281	18,281
Emergency telephone tax	38,000	38,000	37,574	(426)
Abatement fees	15,000	15,000	18,762	3,762
Payment in lieu of taxes	1,112,645	1,112,645	1,124,972	12,327
Total Taxes	<u>12,972,745</u>	<u>13,522,745</u>	<u>14,023,625</u>	<u>500,880</u>
INTERGOVERNMENTAL:				
Taxes	192,400	192,400	216,070	23,670
Cigarette tax	130,000	130,000	125,614	(4,386)
Grants	-	318,354	132,652	(185,702)
Total Intergovernmental	<u>322,400</u>	<u>640,754</u>	<u>474,336</u>	<u>(166,418)</u>
CHARGES FOR SERVICES:				
Court costs	186,500	153,000	131,968	(21,032)
Zoning and inspection fees	96,000	96,000	65,359	(30,641)
Park and recreation fees	78,400	69,500	83,973	14,473
Fire run fees	4,000	4,000	377	(3,623)
Fire protection fee	155,000	155,000	158,437	3,437
First responder runs	20,000	20,000	7,875	(12,125)
First responder fees	202,000	202,000	241,743	39,743
EMSA fees	277,000	277,000	267,645	(9,355)
Other fees	24,080	52,080	29,022	(23,058)
Total Charges for Services	<u>1,042,980</u>	<u>1,028,580</u>	<u>986,399</u>	<u>(42,181)</u>
FINES AND FORFEITURES	<u>286,100</u>	<u>319,600</u>	<u>358,022</u>	<u>38,422</u>
LICENSES AND PERMITS:				
Licenses	99,400	99,400	112,524	13,124
Permits	47,300	47,300	29,197	(18,103)
Total Licenses and Permits	<u>146,700</u>	<u>146,700</u>	<u>141,721</u>	<u>(4,979)</u>
OTHER:				
Capital lease proceeds	653,762	653,762	714,217	60,455
Transfers from other funds	1,860,810	1,760,810	1,762,945	2,135
Interest on taxes	5,557	5,557	4,566	(991)
Interest	16,000	16,000	29,042	13,042
Other	226,000	325,960	310,236	(15,724)
Total Other	<u>2,762,129</u>	<u>2,762,089</u>	<u>2,821,006</u>	<u>58,917</u>
Total Resources (Inflows)	<u>17,533,054</u>	<u>18,420,468</u>	<u>18,805,109</u>	<u>384,641</u>
Amounts available for appropriation	<u>21,399,289</u>	<u>23,824,311</u>	<u>24,208,952</u>	<u>384,641</u>

(Continued)

**CITY OF SAND SPRINGS, OKLAHOMA
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
For the fiscal year ended June 30, 2015
(Continued)**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Charges to Appropriations (Outflows):				
GENERAL GOVERNMENT:				
General Administration:				
Materials and supplies	\$ 5,250	\$ 5,162	\$ 2,996	\$ 2,166
Other services and charges	139,263	140,052	119,902	20,150
Total General Administration	<u>144,513</u>	<u>145,214</u>	<u>122,898</u>	<u>22,316</u>
Municipal Court:				
Personal services	158,833	181,116	139,508	41,608
Materials and supplies	2,426	3,460	3,070	390
Other services and charges	17,281	17,902	16,522	1,380
Total Municipal Court	<u>178,540</u>	<u>202,478</u>	<u>159,100</u>	<u>43,378</u>
City Manager:				
Personal services	323,849	285,697	176,101	109,596
Materials and supplies	2,744	2,744	2,142	602
Other services and charges	3,600	3,600	2,078	1,522
Total City Manager	<u>330,193</u>	<u>292,041</u>	<u>180,321</u>	<u>111,720</u>
City Clerk:				
Personal services	132,221	133,048	122,208	10,840
Materials and supplies	3,060	2,735	1,972	763
Other services and charges	14,400	14,400	10,406	3,994
Total City Clerk	<u>149,681</u>	<u>150,183</u>	<u>134,586</u>	<u>15,597</u>
Information Services:				
Personal services	120,890	124,445	103,671	20,774
Materials and supplies	6,175	18,168	16,706	1,462
Other services and charges	179,221	172,892	138,745	34,147
Total Information Services	<u>306,286</u>	<u>315,505</u>	<u>259,122</u>	<u>56,383</u>
TOTAL GENERAL GOVERNMENT	<u>1,109,213</u>	<u>1,105,421</u>	<u>856,027</u>	<u>249,394</u>
PLANNING AND ZONING:				
Planning and Development:				
Personal services	118,728	120,838	83,382	37,456
Materials and supplies	1,300	1,850	1,164	686
Other services and charges	19,690	20,515	16,726	3,789
TOTAL PLANNING AND ZONING	<u>139,718</u>	<u>143,203</u>	<u>101,272</u>	<u>41,931</u>
FINANCIAL ADMINISTRATION:				
Human Resources:				
Personal services	172,875	179,002	170,044	8,958
Materials and supplies	4,060	4,060	3,426	634
Other services and charges	13,665	15,294	14,163	1,131
Total Human Resources	<u>190,600</u>	<u>198,356</u>	<u>187,633</u>	<u>10,723</u>
Finance:				
Personal services	394,096	408,117	370,980	37,137
Materials and supplies	6,505	7,475	5,244	2,231
Other services and charges	170,806	203,182	113,284	89,898
Capital outlay	-	10,500	10,314	186
Total Finance	<u>571,407</u>	<u>629,274</u>	<u>499,822</u>	<u>129,452</u>
City Attorney:				
Personal services	22,357	24,906	17,646	7,260
Other services and charges	83,700	108,700	100,350	8,350
Total City Attorney	<u>106,057</u>	<u>133,606</u>	<u>117,996</u>	<u>15,610</u>
TOTAL FINANCIAL ADMINISTRATION	<u>868,064</u>	<u>961,236</u>	<u>805,451</u>	<u>155,785</u>

(Continued)

CITY OF SAND SPRINGS, OKLAHOMA
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
For the fiscal year ended June 30, 2015
(Continued)

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
PUBLIC SAFETY:				
Police:				
Personal services	\$ 2,957,977	\$ 3,060,024	\$ 2,811,627	\$ 248,397
Materials and supplies	169,970	149,585	126,181	23,404
Other services and charges	53,860	71,621	67,374	4,247
Capital outlay	-	1,560	1,560	-
Total Police	<u>3,181,807</u>	<u>3,282,790</u>	<u>3,006,742</u>	<u>276,048</u>
Emergency Management:				
Personal services	35,220	37,744	35,529	2,215
Materials and supplies	7,621	18,621	12,443	6,178
Other services and charges	28,413	40,560	34,403	6,157
Capital outlay	-	330	327	3
Total Emergency Management	<u>71,254</u>	<u>97,255</u>	<u>82,702</u>	<u>14,553</u>
Animal Control:				
Personal services	86,678	90,574	86,144	4,430
Materials and supplies	16,480	10,730	8,508	2,222
Other services and charges	2,162	7,162	4,055	3,107
Total Animal Control	<u>105,320</u>	<u>108,466</u>	<u>98,707</u>	<u>9,759</u>
Communications:				
Personal services	400,919	415,186	413,028	2,158
Materials and supplies	14,195	11,995	10,573	1,422
Other services and charges	120,254	120,754	108,177	12,577
Capital outlay	653,762	653,762	648,049	5,713
Total Communications	<u>1,189,130</u>	<u>1,201,697</u>	<u>1,179,827</u>	<u>21,870</u>
Fire:				
Personal services	3,017,520	3,042,841	2,897,032	145,809
Materials and supplies	122,292	111,072	83,311	27,761
Other services and charges	284,308	271,528	265,293	6,235
Capital outlay	3,000	238,746	127,733	111,013
Total Fire	<u>3,427,120</u>	<u>3,664,187</u>	<u>3,373,369</u>	<u>290,818</u>
Neighborhood Services:				
Personal services	255,193	263,341	253,340	10,001
Materials and supplies	10,150	10,150	4,564	5,586
Other services and charges	82,885	90,273	66,940	23,333
Total Neighborhood Services	<u>348,228</u>	<u>363,764</u>	<u>324,844</u>	<u>38,920</u>
TOTAL PUBLIC SAFETY	<u>8,322,859</u>	<u>8,718,159</u>	<u>8,066,191</u>	<u>651,968</u>
HIGHWAYS AND STREETS:				
Street and Alley:				
Personal services	478,112	493,980	401,665	92,315
Materials and supplies	206,670	224,421	97,195	127,226
Other services and charges	245,704	245,704	165,385	80,319
TOTAL HIGHWAYS AND STREETS	<u>930,486</u>	<u>964,105</u>	<u>664,245</u>	<u>299,860</u>
HEALTH AND WELFARE:				
Senior Citizens:				
Personal services	21,892	24,845	22,583	2,262
Materials and supplies	8,070	8,470	6,499	1,971
Other services and charges	2,525	2,126	2,026	100
TOTAL HEALTH AND WELFARE	<u>32,487</u>	<u>35,441</u>	<u>31,108</u>	<u>4,333</u>

(Continued)

**CITY OF SAND SPRINGS, OKLAHOMA
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
For the fiscal year ended June 30, 2015
(Continued)**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
CULTURE AND RECREATION:				
Parks and Recreation:				
Personal services	\$ 521,311	\$ 538,933	\$ 495,103	\$ 43,830
Materials and supplies	130,355	140,945	119,322	21,623
Other services and charges	377,712	438,541	400,204	38,337
Capital outlay	-	108,370	12,639	95,731
Total Parks and Recreation	<u>1,029,378</u>	<u>1,226,789</u>	<u>1,027,268</u>	<u>199,521</u>
Museum:				
Personal services	8,464	9,715	8,837	878
Materials and supplies	5,400	13,400	2,550	10,850
Other services and charges	29,655	30,965	29,000	1,965
Total Museum	<u>43,519</u>	<u>54,080</u>	<u>40,387</u>	<u>13,693</u>
TOTAL CULTURE AND RECREATION	<u>1,072,897</u>	<u>1,280,869</u>	<u>1,067,655</u>	<u>213,214</u>
ECONOMIC DEVELOPMENT:				
Economic Development:				
Personal services	64,036	69,843	55,912	13,931
Materials and supplies	500	500	81	419
Other services and charges	253,133	265,047	238,706	26,341
Capital outlay	-	3,540	-	3,540
TOTAL ECONOMIC DEVELOPMENT	<u>317,669</u>	<u>338,930</u>	<u>294,699</u>	<u>44,231</u>
FACILITIES MANAGEMENT AND FLEET MAINTENANCE:				
Facilities Management:				
Personal services	232,371	237,250	233,973	3,277
Materials and supplies	113,350	110,850	56,437	54,413
Other services and charges	187,403	187,833	155,237	32,596
Total Facilities Management	<u>533,124</u>	<u>535,933</u>	<u>445,647</u>	<u>90,286</u>
Fleet Maintenance:				
Personal services	264,662	256,857	211,907	44,950
Materials and supplies	13,655	24,130	15,809	8,321
Other services and charges	33,314	36,866	36,303	563
Total Fleet Maintenance	<u>311,631</u>	<u>317,853</u>	<u>264,019</u>	<u>53,834</u>
TOTAL FACILITIES MANAGEMENT AND FLEET MAINTENANCE	<u>844,755</u>	<u>853,786</u>	<u>709,666</u>	<u>144,120</u>
OTHER FINANCING USES:				
Transfers to other funds	4,773,836	5,403,836	5,102,662	301,174
Debt service:				
Capital lease principal	345,712	345,122	125,360	219,762
Capital lease interest	12,725	12,725	12,599	126
Total Other Financing Uses	<u>5,132,273</u>	<u>5,761,683</u>	<u>5,240,621</u>	<u>521,062</u>
Total Charges to Appropriations	<u>18,770,421</u>	<u>20,162,833</u>	<u>17,836,935</u>	<u>2,325,898</u>
Ending Budgetary Fund Balance	<u>\$ 2,628,868</u>	<u>\$ 3,661,478</u>	<u>6,372,017</u>	<u>\$ 2,710,539</u>
Less:				
Encumbrances			(107,919)	
Ending Unobligated Budgetary Fund Balance			<u>\$ 6,264,098</u>	
Reconciliation to Statement of Revenues, Expenditures and Changes in Fund Balance:				
Total Resources per Budgetary Comparison Schedule			\$ 18,805,109	
Add State Fire and Police pension on-behalf payments			863,955	
Add Special Programs sub-fund account revenues			54,981	
Less Proceeds from capital leases			(714,217)	
Less transfer in			(1,762,945)	
Total Revenues per Statement of Revenues, Expenditures, and Changes in Fund Balance			<u>\$ 17,246,883</u>	
Total Charges to Appropriations per Budgetary Comparison Schedule			\$ 17,836,935	
Add State Fire and Police pension on-behalf payments			863,955	
Add Special Programs sub-fund account expenditures			42,164	
Less transfer out			(5,102,662)	
Total Expenditures per Statement of Revenues, Expenditures, and Changes in Fund Balance			<u>\$ 13,640,392</u>	

CITY OF SAND SPRINGS, OKLAHOMA
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE
For the fiscal year ended June 30, 2015

Budgetary Accounting

The City prepares its budget for the General Fund on the modified accrual basis of accounting. The City utilizes encumbrance accounting under which purchase orders, contracts, and other commitments for the expenditure of funds are recorded in order to reserve a portion of the applicable appropriation. Encumbrances outstanding at year-end are not considered expenditures for budgetary purposes, but are reported as a assignment of fund balance since the City intends to honor the commitments and provide for supplemental appropriations in the following budget year. All appropriations lapse at year-end.

CITY OF SAND SPRINGS
REQUIRED SUPPLEMENTAL INFORMATION
SCHEDULE OF OPEB STATUS AND FUNDING PROGRESS
JUNE 30, 2015

Required Supplementary Information

The funded status and funding progress of the City's defined benefit OPEB plan for the most recent actuarial valuations is as follows:

	<u>July 1, 2010</u>
Actuarial accrued liability - AAL (a)	\$1,319,030
Actuarial value of plan assets (b)	-
Unfunded actuarial accrued liability – UAAL (funding excess) (a) – (b)	\$1,319,030
Funded ratio (b)/(a)	0%
Covered payroll (c)	\$6,819,000
UAAL (funding excess) as a % of covered payroll [UAAL/(c)]	19%
	<u>July 1, 2012</u>
Actuarial accrued liability - AAL (a)	\$1,089,982
Actuarial value of plan assets (b)	-
Unfunded actuarial accrued liability – UAAL (funding excess) (a) – (b)	\$1,089,982
Funded ratio (b)/(a)	0%
Covered payroll (c)	\$7,501,000
UAAL (funding excess) as a % of covered payroll [UAAL/(c)]	15%
	<u>July 1, 2014</u>
Actuarial accrued liability - AAL (a)	\$1,375,683
Actuarial value of plan assets (b)	-
Unfunded actuarial accrued liability – UAAL (funding excess) (a) – (b)	\$1,375,683
Funded ratio (b)/(a)	0%
Covered payroll (c)	\$8,170,000
UAAL (funding excess) as a % of covered payroll [UAAL/(c)]	17%

OTHER SUPPLEMENTARY INFORMATION

Other supplementary information (OSI) includes financial statements and schedules not required by the GASB, nor a part of the basic financial statements, but are presented for purposes of additional analysis.

Such statements and schedules include:

- Combining Schedules – General fund accounts
- Combining Statements - Non-major governmental funds
- Budgetary Comparison Schedules - Non-major governmental funds
- Budgetary Comparison Schedule - Major governmental funds (capital project funds and debt service)
- Statement of Cash Flows – Discretely Presented Component Units
- Schedule of Debt Coverage

City of Sand Springs, Oklahoma
Combining Balance Sheet
General Fund Accounts
June 30, 2015

	<u>General Fund</u>	<u>Special Programs Account</u>	<u>Total</u>
ASSETS			
Cash and cash equivalents	\$ 3,555,671	\$ 85,123	\$ 3,640,794
Investments	1,410,000	50,000	1,460,000
Deposits with insurance pool	186,066	-	186,066
Accrued interest receivable	2,143	10	2,153
Taxes receivable, net	161,848	-	161,848
Receivable from other governments	1,479,672	-	1,479,672
Court fines receivable, net	236,448	-	236,448
Other receivables	232,144	-	232,144
Inventories	17,606	-	17,606
Prepaid expenses	1,047	-	1,047
Total assets	<u>\$ 7,282,645</u>	<u>\$ 135,133</u>	<u>\$ 7,417,778</u>
LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES			
Liabilities:			
Accounts payable	\$ 238,430	\$ 100	\$ 238,530
Payable to other governments	137,449	-	137,449
Other accrued expenses	212,994	-	212,994
Amounts held in escrow	41,205	-	41,205
Other payables	20,148	15,912	36,060
Total liabilities	<u>650,226</u>	<u>16,012</u>	<u>666,238</u>
Deferred inflows of resources:			
Deferred revenues	260,402	-	260,402
Fund balances:			
Non-spendable	18,653	-	18,653
Restricted	680,401	-	680,401
Committed	240,318	-	240,318
Assigned	2,164,230	119,121	2,283,351
Unassigned	3,268,415	-	3,268,415
Total fund balances	<u>6,372,017</u>	<u>119,121</u>	<u>6,491,138</u>
Total liabilities, deferred inflows and fund balances	<u>\$ 7,282,645</u>	<u>\$ 135,133</u>	<u>\$ 7,417,778</u>

City of Sand Springs, Oklahoma
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances
General Fund Accounts
For the Year Ended June 30, 2015

	<u>General Fund</u>	<u>Special Programs Account</u>	<u>Total</u>
REVENUES			
Taxes	\$ 13,975,344	\$ -	\$ 13,975,344
Fees and fines	358,022	35,080	393,102
Licenses and permits	141,721	-	141,721
Intergovernmental	1,463,787	-	1,463,787
Charges for services	973,169	-	973,169
Investment earnings	33,608	385	33,993
Miscellaneous	246,251	19,516	265,767
Total revenues	<u>17,191,902</u>	<u>54,981</u>	<u>17,246,883</u>
EXPENDITURES			
Current:			
General government	856,027	-	856,027
Planning and zoning	101,272	-	101,272
Financial administration	795,137	-	795,137
Public Safety	8,152,477	42,164	8,194,641
Highways and streets	664,245	-	664,245
Health and welfare	31,108	-	31,108
Culture and recreation	1,055,016	-	1,055,016
Community and economic development	294,699	-	294,699
Facilities management and fleet maintenance	709,666	-	709,666
Debt Service:			
Principal	125,360	-	125,360
Interest and other charges	12,599	-	12,599
Capital Outlay	800,622	-	800,622
Total expenditures	<u>13,598,228</u>	<u>42,164</u>	<u>13,640,392</u>
Excess (deficiency) of revenues over expenditures	<u>3,593,674</u>	<u>12,817</u>	<u>3,606,491</u>
OTHER FINANCING SOURCES (USES)			
Issuance of debt	714,217	-	714,217
Transfers in	1,762,945	-	1,762,945
Transfers out	(5,102,662)	-	(5,102,662)
Total other financing sources and uses	<u>(2,625,500)</u>	<u>-</u>	<u>(2,625,500)</u>
Net change in fund balances	968,174	12,817	980,991
Fund balances - beginning	5,403,843	106,304	5,510,147
Fund balances - ending	<u>\$ 6,372,017</u>	<u>\$ 119,121</u>	<u>\$ 6,491,138</u>

City of Sand Springs, Oklahoma
 Combining Balance Sheet
 Nonmajor Governmental Funds
 June 30, 2015

	SPECIAL REVENUE FUNDS		CAPITAL PROJECT FUNDS					
	CDBG Home Investment Partnership	Vision 2025	Short-Term Capital Improvements	Community Development Block Grant - EDIF	T.I.D. #1 Cimarron Center	Park and Recreation	ODOC EECBG	Airport Construction
ASSETS								
Cash and cash equivalents	\$ 51,539	-	\$ 484,976	\$ 26,050	\$ (33)	\$ 245,216	\$ 6	\$ 120,108
Investments	-	-	-	-	-	-	-	-
Accrued interest receivable	-	-	-	-	-	-	-	-
Receivable from other governments	-	1,093,032	6,375	-	-	-	-	-
Total assets	\$ 51,539	\$ 1,093,032	\$ 491,351	\$ 26,050	\$ (33)	\$ 245,216	\$ 6	\$ 120,108
LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES								
Liabilities:								
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due to other funds	-	1,093,032	-	-	-	-	-	-
Total liabilities	-	1,093,032	-	-	-	-	-	-
Deferred inflows of resources:								
Deferred revenues	-	-	-	-	-	-	-	-
Fund balances:								
Restricted	51,539	-	-	26,050	-	-	-	120,108
Assigned	-	-	491,351	-	-	245,216	6	-
Unassigned	-	-	-	-	(33)	-	-	-
Total fund balances	\$ 51,539	\$ -	\$ 491,351	\$ 26,050	\$ (33)	\$ 245,216	\$ 6	\$ 120,108
Total liabilities, deferred inflows and fund balances	\$ 51,539	\$ 1,093,032	\$ 491,351	\$ 26,050	\$ (33)	\$ 245,216	\$ 6	\$ 120,108

City of Sand Springs, Oklahoma
 Combining Balance Sheet
 Nonmajor Governmental Funds
 June 30, 2015

	CAPITAL PROJECT FUNDS						DEBT SERVICE FUND		Total Other Governmental Funds
	Capital Improvement	Stormwater Capital Improvement	SSMA Capital	2002 General Obligation Bond Fund	2006 General Obligation Bond Fund	2014 GO Capital Improvement	Golf Course Capital Improvement	Debt Service Fund	
ASSETS									
Cash and cash equivalents	\$ 665,382	\$ 2,459,947	\$ 160,303	\$ -	\$ 65,877	\$ 1,972,269	\$ 54,129	\$ 287,411	\$ 6,593,180
Investments	90,000	895,842	-	-	50	-	-	440,000	1,425,892
Accrued interest receivable	18	1,448	-	-	-	-	-	721	2,187
Receivable from other governments	-	-	-	-	-	-	-	266,358	1,365,765
Total assets	<u>\$ 755,400</u>	<u>\$ 3,357,237</u>	<u>\$ 160,303</u>	<u>\$ -</u>	<u>\$ 65,927</u>	<u>\$ 1,972,269</u>	<u>\$ 54,129</u>	<u>\$ 994,490</u>	<u>\$ 9,387,024</u>
LIABILITIES, DEFERRED INFLOWS AND FUND BAL									
Liabilities:									
Accounts payable	\$ 9,993	\$ -	\$ 386	\$ -	\$ -	\$ 387,458	\$ -	\$ -	\$ 397,837
Due to other funds	-	-	-	-	-	-	-	-	1,093,032
Total liabilities	<u>9,993</u>	<u>-</u>	<u>386</u>	<u>-</u>	<u>-</u>	<u>387,458</u>	<u>-</u>	<u>-</u>	<u>1,490,869</u>
Deferred inflows of resources:									
Deferred revenues	-	385	-	-	-	-	-	255,492	255,877
Fund balances:									
Restricted	-	-	-	-	-	-	-	736,414	934,111
Assigned	745,407	3,356,852	159,917	-	65,927	1,584,811	54,129	2,584	6,706,200
Unassigned	-	-	-	-	-	-	-	-	(33)
Total fund balances	<u>745,407</u>	<u>3,356,852</u>	<u>159,917</u>	<u>-</u>	<u>65,927</u>	<u>1,584,811</u>	<u>54,129</u>	<u>738,998</u>	<u>7,640,278</u>
Total liabilities, deferred inflows and fund balances	<u>\$ 755,400</u>	<u>\$ 3,357,237</u>	<u>\$ 160,303</u>	<u>\$ -</u>	<u>\$ 65,927</u>	<u>\$ 1,972,269</u>	<u>\$ 54,129</u>	<u>\$ 994,490</u>	<u>\$ 9,387,024</u>

City of Sand Springs, Oklahoma
 Combining Statement of Revenues, Expenditures and Changes in Fund Balances
 Nonmajor Governmental Funds
 For the Year Ended June 30, 2015

	SPECIAL REVENUE FUND		CAPITAL PROJECT FUNDS					
	CDBG Home Investment Partnership	Vision 2025	Short-Term Capital Improvements	Community Development Block Grant - EDIF	T.I.D. #1 Cimarron Center	Park and Recreation	ODOC EECBG	Airport Construction
REVENUES								
Taxes	-	\$ -	\$ 97,698	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	1,093,032	-	115,668	-	-	-	80,616
Charges for services	-	-	10,061	-	-	6,725	-	-
Investment earnings	23	-	511	-	(33)	704	-	11
Miscellaneous	-	-	22,118	-	-	-	-	-
Total revenues	23	1,093,032	130,388	115,668	(33)	7,429	-	80,627
EXPENDITURES								
Current:								
Community development	-	-	-	-	291,319	-	-	-
Debt Service:								
Principal	-	-	-	-	-	-	-	-
Interest and other charges	-	-	-	-	-	-	-	-
Capital Outlay	-	1,093,032	278,354	115,923	-	-	-	57,284
Total expenditures	-	1,093,032	278,354	115,923	291,319	-	-	57,284
Excess (deficiency) of revenues over expenditures	23	-	(147,966)	(265)	(291,352)	7,429	-	23,343
OTHER FINANCING SOURCES (USES)								
Transfers in	-	-	175,192	-	291,319	-	-	7,000
Transfers out	-	-	(68,710)	-	-	-	-	-
Total other financing sources and uses	-	-	106,482	-	291,319	-	-	7,000
Net change in fund balances	23	-	(31,484)	(265)	(33)	7,429	-	30,343
Fund balances - beginning	51,516	-	52,639	26,315	-	237,781	6	83,769
Fund balances - ending	51,539	-	491,351	26,050	(33)	245,216	6	120,106

City of Sand Springs
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended June 30, 2015

	CAPITAL PROJECT FUNDS						DEBT SERVICE FUND		Total Other Governmental Funds
	Capital Improvement	Stormwater Capital Improvement	SSMA Capital	2002 General Obligation Bond Fund	2006 General Obligation Bond Fund	2014 GO Capital Improvement	Golf Course Capital Improvement	Debt Service Fund	
REVENUES									
Taxes	-	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,300,930	\$ 1,398,628
Intergovernmental	-	-	-	-	-	-	-	-	1,289,306
Charges for services	-	-	-	-	-	-	-	-	16,786
Investment earnings	2,448	7,129	24	(588)	1,363	235	7	2,756	14,620
Miscellaneous	-	-	-	-	-	-	-	-	22,118
Total revenues	2,448	7,129	24	(588)	1,363	235	7	1,303,686	2,741,458
EXPENDITURES									
Current:									
Community development	-	-	-	-	-	-	-	-	291,319
Debt Service:									
Principal	-	-	-	-	-	-	-	910,000	910,000
Interest and other charges	-	-	-	-	-	-	-	200,227	200,227
Capital Outlay	108,368	4,200	437,029	702	34,401	664,551	18,560	-	2,813,404
Total expenditures	108,368	4,200	437,029	702	34,401	664,551	18,560	1,110,227	4,214,950
Excess (deficiency) of revenues over expenditures	(106,920)	2,929	(437,005)	(1,280)	(33,038)	(664,316)	(18,553)	193,459	(1,473,492)
OTHER FINANCING SOURCES (USES)									
Transfers in	190,000	700,000	554,350	-	-	-	21,361	-	1,938,222
Transfers out	-	(549,789)	-	-	-	-	-	(2,235)	(610,734)
Total other financing sources and uses	190,000	150,211	554,350	-	-	-	21,361	(2,235)	1,328,488
Net change in fund balances	83,080	153,140	117,345	(1,280)	(33,038)	(664,316)	2,808	191,224	(148,004)
Fund balances - beginning	692,327	3,203,712	42,572	1,280	88,965	2,249,127	51,321	547,774	7,785,282
Fund balances - ending	745,407	3,356,852	159,917	-	65,927	1,584,811	54,129	738,998	7,640,278

CITY OF SAND SPRINGS, OKLAHOMA
 BUDGETARY COMPARISON SCHEDULE
 NONMAJOR GOVERNMENTAL FUNDS
 For the fiscal year ended June 30, 2015

	SPECIAL REVENUE - COMMUNITY DEVELOPMENT BLOCK GRANT HOME INVESTMENT PARTNERSHIP				CAPITAL PROJECT - SHORT-TERM CAPITAL IMPROVEMENTS			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final			Original	Final		
Revenues:								
Taxes	\$ -	\$ -	\$ -	\$ -	\$ 80,000	\$ 97,698	\$ 17,698	
Charges for services	-	-	-	-	20,962	10,061	(10,901)	
Investment income	40	40	23	(17)	200	511	311	
Miscellaneous	-	-	-	-	-	22,118	22,118	
Total Revenues	40	40	23	(17)	80,200	130,388	29,226	
Expenditures:								
Parks and Recreation:								
Capital outlay	-	-	-	-	14,500	88,817	227	
Total Parks and recreation	-	-	-	-	14,500	88,817	227	
Emergency Management								
Capital outlay	-	-	-	-	-	5,545	5,545	
Police:								
Capital outlay	-	-	-	-	62,666	62,666	-	
Total Police	-	-	-	-	62,666	62,666	-	
Fire:								
Capital outlay	-	-	-	-	7,826	7,640	186	
Total Fire	-	-	-	-	7,826	7,640	186	
Streets:								
Capital outlay	-	-	-	-	75,000	119,231	6,165	
Public Works:								
Capital outlay	-	-	-	-	-	7,808	7,808	
Total Expenditures	-	-	-	-	159,922	276,354	19,931	
Revenues over (under) expenditures	40	40	23	(17)	(79,722)	(147,966)	48,157	
Other Financing Sources (Uses):								
Transfers in	-	-	-	-	175,192	175,192	-	
Transfers out	-	-	-	-	(58,710)	(58,710)	-	
Total Other Financing Sources (Uses)	-	-	-	-	116,482	116,482	-	
Revenues and other sources over (under) expenditures and other uses	40	40	23	(17)	(63,310)	(31,484)	48,157	
Fund Balance - beginning of year	51,531	51,516	51,516	-	408,983	522,835	-	
Fund Balance - end of year	51,571	51,556	51,539	(17)	345,673	491,351	49,157	

(Continued)

CITY OF SAND SPRINGS, OKLAHOMA
 BUDGETARY COMPARISON SCHEDULE
 NONMAJOR GOVERNMENTAL FUNDS
 For the fiscal year ended June 30, 2015

	CAPITAL PROJECT - COMMUNITY DEVELOPMENT BLOCK GRANT - EDIF				CAPITAL PROJECT - PARK AND RECREATION			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final			Original	Final		
Revenues:								
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	132,036	115,658	(16,378)	-	-	-	-
Charges for services	-	-	-	-	7,200	6,725	(475)	(475)
Investment income	-	-	-	-	40	704	664	664
Miscellaneous	-	-	-	-	-	-	-	-
Total Revenues	-	132,036	115,658	(16,378)	7,240	7,429	189	189
Expenditures:								
Parks and Recreation:								
Capital outlay	-	-	-	-	-	-	-	-
Streets:								
Capital outlay	-	3,018	265	2,753	-	-	-	-
Wastewater:								
Capital outlay	-	128,302	115,658	12,644	-	-	-	-
Total Expenditures	-	131,320	115,923	15,397	-	-	-	-
Revenues over (under) expenditures	-	716	(265)	(981)	7,240	7,429	189	189
Other Financing Sources (Uses):								
Transfers in	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-	-	-	-	-
Revenues and other sources over (under) expenditures and other uses	-	716	(265)	(981)	7,240	7,429	189	189
Fund Balance - beginning of year	-	26,315	26,315	-	237,572	237,767	-	-
Fund Balance - end of year	-	27,031	26,050	(981)	244,812	245,216	404	404

(Continued)

CITY OF SAND SPRINGS, OKLAHOMA
 BUDGETARY COMPARISON SCHEDULE
 NONMAJOR GOVERNMENTAL FUNDS
 For the fiscal year ended June 30, 2015

	CAPITAL PROJECT - T.I.D. #1 CIMARRON CENTER				CAPITAL PROJECT - ODOC EECBG			
	Budgeted Amounts Original	Final	Actual Amounts	Variance with Final Budget Positive (Negative)	Budgeted Amounts Original	Final	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues:								
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-	-
Investment income	-	-	(33)	(33)	-	-	-	-
Miscellaneous	-	-	-	-	-	-	-	-
Total Revenues	-	-	(33)	(33)	-	-	-	-
Expenditures:								
Economic Development:								
Capital Outlay	200,000	750,000	291,319	458,681	-	-	-	-
Community Development:								
Other Services and Charges	-	-	-	-	-	-	-	-
Facilities Management:								
Capital Outlay	-	-	-	-	-	-	-	-
Street:								
Capital Outlay	-	-	-	-	-	-	-	-
Total Expenditures	200,000	750,000	291,319	458,681	-	-	-	-
Revenues over (under) expenditures	(200,000)	(750,000)	(291,352)	458,648	-	-	-	-
Other Financing Sources (Uses):								
Transfers in	200,000	750,000	291,319	(458,681)	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total Other Financing Sources (Uses)	200,000	750,000	291,319	(458,681)	-	-	-	-
Revenues and other sources over (under) expenditures and other uses	-	-	(33)	(33)	-	-	-	-
Fund Balance - beginning of year	-	-	-	-	10	6	6	-
Fund Balance - end of year	-	-	\$ (33)	\$ (33)	\$ 10	\$ 6	\$ 6	\$ -

(Continued)

CITY OF SAND SPRINGS, OKLAHOMA
 BUDGETARY COMPARISON SCHEDULE
 NONMAJOR GOVERNMENTAL FUNDS
 For the fiscal year ended June 30, 2015

	CAPITAL PROJECT - CAPITAL IMPROVEMENT				CAPITAL PROJECT - STORMWATER CAPITAL IMPROVEMENT			
	Budgeted Amounts Original	Final	Actual Amounts	Variance with Final Budget Positive (Negative)	Budgeted Amounts Original	Final	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues:								
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	126,000	-	(126,000)	-	-	-	-
Charges for services	-	-	-	-	-	-	-	-
Investment income	100	100	2,448	2,348	1,500	1,500	7,129	5,629
Miscellaneous	-	-	-	-	-	-	-	-
Total Revenues	100	126,100	2,448	(123,652)	1,500	1,500	7,129	5,629
Expenditures:								
Current:								
Emergency Management:								
Capital Outlay	-	4,660	-	4,660	-	-	-	-
Economic Development:								
Capital Outlay	-	419,499	71,914	347,585	-	-	-	-
Parks and Recreation:								
Capital Outlay	-	217,874	-	217,874	-	-	-	-
Streets:								
Capital Outlay	-	20,000	4,183	15,817	-	-	-	-
Public Works:								
Capital Outlay	4,000	7,000	-	7,000	-	-	-	-
Facilities Management:								
Capital Outlay	20,000	51,746	17,389	34,357	-	-	-	-
Golf Course:								
Capital Outlay	31,900	126,319	12,457	113,862	-	-	-	-
Wastewater:								
Capital Outlay	3,800	3,425	3,425	-	-	-	-	-
Water:								
Capital Outlay	-	50,000	-	50,000	-	-	-	-
Stormwater:								
Capital Outlay	-	-	-	-	785,000	3,835,638	4,200	3,831,438
Total Expenditures	59,700	900,523	109,368	791,155	785,000	3,835,638	4,200	3,831,438
Revenues over (under) expenditures	(59,600)	(774,423)	(106,920)	667,503	(783,500)	(3,834,138)	2,929	3,837,067
Other Financing Sources (Uses):								
Transfers in	50,000	190,000	190,000	-	700,000	700,000	700,000	-
Transfers out	-	-	-	-	-	(648,789)	(648,789)	-
Total Other Financing Sources (Uses)	50,000	190,000	190,000	-	700,000	700,000	700,000	-
Revenues and other sources over (under) expenditures and other uses	(9,600)	(584,423)	83,080	667,503	(83,500)	(3,683,927)	153,140	3,837,067
Fund Balance - beginning of year	489,754	662,327	662,327	-	128,089	3,203,712	3,203,712	-
Fund Balance - end of year	\$ 480,154	\$ 77,904	\$ 745,407	\$ 667,503	\$ 44,589	\$ (480,215)	\$ 3,356,852	\$ 3,837,067

(Continued)

CITY OF SAND SPRINGS, OKLAHOMA
 BUDGETARY COMPARISON SCHEDULE
 NONMAJOR GOVERNMENTAL FUNDS
 For the fiscal year ended June 30, 2015

	CAPITAL PROJECT - SSMA CAPITAL				CAPITAL PROJECT - 2002 G.O. BOND			
	Budgeted Amounts	Final	Actual Amounts	Variance with Final Budget Positive (Negative)	Budgeted Amounts	Final	Actual Amounts	Variance with Final Budget Positive (Negative)
	Original				Original			
Revenues:								
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-	-
Investment income	60	60	24	(36)	-	-	(588)	(588)
Miscellaneous	-	-	-	-	-	-	-	-
Total Revenues	60	60	24	(36)	-	-	(588)	(588)
Expenditures:								
Current:								
Water:								
Capital Outlay	42,000	62,000	56,932	5,068	-	-	-	-
Engineering:								
Capital Outlay	6,000	6,000	5,565	435	-	-	-	-
Wastewater:								
Capital Outlay	19,700	19,700	19,689	11	-	-	-	-
Police:								
Capital Outlay	-	-	-	-	-	493	-	493
Fire:								
Capital Outlay	-	-	-	-	-	750	702	48
Parks & Recreation:								
Capital Outlay	-	-	-	-	-	-	-	-
Solid Waste:								
Capital Outlay	251,650	486,650	354,843	131,807	-	-	-	-
Public Works:								
Capital Outlay	319,350	574,350	437,029	137,321	-	1,243	702	541
Total Expenditures	(319,290)	(574,290)	(437,005)	137,285	-	(1,243)	(1,260)	(17)
Revenues over (under) expenditures								
Other Financing Sources (Uses):								
Transfers in	319,350	554,350	554,350	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total Other Financing Sources (Uses)	319,350	554,350	554,350	-	-	-	-	-
Revenues and other sources over (under) expenditures and other uses	60	(19,940)	117,345	137,285	-	(1,243)	(1,260)	(17)
Fund Balance - beginning of year	14,214	42,572	42,572	-	-	1,260	1,260	-
Fund Balance - end of year	\$ 14,274	\$ 22,632	\$ 159,917	\$ 137,285	\$ -	\$ 17	\$ -	\$ (17)

(Continued)

CITY OF SAND SPRINGS, OKLAHOMA
 BUDGETARY COMPARISON SCHEDULE
 NONMAJOR GOVERNMENTAL FUNDS
 For the fiscal year ended June 30, 2015

	CAPITAL PROJECT - 2006 G.O. BOND				CAPITAL PROJECT - GOLF COURSE CAPITAL IMPROVEMENT			
	Budgeted Amounts	Actual Amounts	Variance with Final Budget Positive (Negative)		Budgeted Amounts	Actual Amounts	Variance with Final Budget Positive (Negative)	
	Original	Final			Original	Final		
Revenues:								
Taxes	-	\$ -	\$ -		-	\$ -	\$ -	
Intergovernmental	-	-	-		-	-	-	
Charges for services	-	-	-		-	-	-	
Investment income	25	25	1,383		15	15	7	(8)
Miscellaneous	-	-	-		-	-	-	
Total Revenues	25	25	1,383		15	15	7	(8)
Expenditures:								
Park and Recreation:								
Capital Outlay	-	31,877	4,336		-	-	-	
Fire:								
Capital Outlay	-	33,256	26,386		-	-	-	
Golf Course:								
Capital Outlay	-	-	-		-	75,636	18,560	57,076
Wastewater:								
Capital Outlay	-	-	-		-	-	-	
Total Expenditures	-	65,133	30,732		-	75,636	18,560	57,076
Revenues over (under) expenditures	25	(65,108)	32,070		15	(75,621)	(18,553)	57,068
Other Financing Sources (Uses):								
Transfers in	-	-	-		24,300	24,300	21,361	(2,939)
Total Other Financing Sources (Uses)	-	-	-		24,300	24,300	21,361	(2,939)
Revenues and other sources over (under) expenditures and other uses	25	(65,108)	32,070		24,315	(51,321)	2,808	54,129
Fund Balance - beginning of year	33,635	98,965	-		29,529	51,321	51,321	-
Fund Balance - end of year	33,660	33,857	32,070		53,844	-	54,129	(54,129)

(Continued)

CITY OF SAND SPRINGS, OKLAHOMA
 BUDGETARY COMPARISON SCHEDULE
 NONMAJOR GOVERNMENTAL FUNDS
 For the fiscal year ended June 30, 2015

	2014 G.O. CAPITAL IMPROVEMENT				AIRPORT CONSTRUCTION			
	Budgeted Original	Budgeted Final	Actual	Variance with Final Budget Positive (Negative)	Budgeted Original	Budgeted Final	Actual	Variance with Final Budget Positive (Negative)
Revenues:								
Taxes	-	\$ -	-	\$ -	-	-	\$ -	\$ -
Intergovernmental	-	-	-	-	-	398,233	80,616	(317,617)
Charges for services	-	-	-	-	-	-	-	-
Investment income	5,000	5,000	235	(4,765)	100	100	11	(89)
Miscellaneous	-	-	-	-	-	-	-	-
Total Revenues	5,000	5,000	235	(4,765)	100	398,333	80,627	(317,706)
Expenditures:								
Current:								
Finance:								
Capital Outlay	-	3,093	-	3,093	-	-	-	-
Airport:								
Capital Outlay	-	-	-	-	42,990	481,375	57,284	424,091
Parks & Recreation:								
Capital Outlay	-	1,842,798	584,427	1,258,371	-	-	-	-
Museum:								
Capital Outlay	-	328,525	28,602	299,923	-	-	-	-
Golf Course:								
Capital Outlay	-	72,469	51,522	20,947	-	-	-	-
Total Expenditures	-	2,246,885	664,551	1,582,334	42,990	481,375	57,284	424,091
Revenues over (under) expenditures	5,000	(2,241,885)	(664,316)	1,577,569	(42,890)	(83,042)	23,343	106,385
Other Financing Sources (Uses):								
Transfers in	-	-	-	-	7,000	7,000	7,000	-
Total Other Financing Sources (Uses)	-	-	-	-	7,000	7,000	7,000	-
Revenues and other sources over (under) expenditures and other uses	5,000	(2,241,885)	(664,316)	1,577,569	(35,890)	(76,042)	30,343	106,385
Fund Balance - beginning of year	2,241	2,249,127	2,249,127	-	36,199	89,765	89,765	-
Fund Balance - end of year	\$ 7,241	\$ 7,242	\$ 1,584,811	\$ 1,577,569	\$ 309	\$ 13,723	\$ 120,108	\$ 106,385

(Continued)

CITY OF SAND SPRINGS, OKLAHOMA
 BUDGETARY COMPARISON SCHEDULE
 NONMAJOR GOVERNMENTAL FUNDS
 For the fiscal year ended June 30, 2015

	VISION 2025					DEBT SERVICE FUND				
	Budgeted Amounts		Actual Amounts	Variance with Final Budget		Budgeted Amounts		Actual Amounts	Variance with Final Budget	
	Original	Final		Positive	(Negative)	Original	Final		Positive	(Negative)
Revenues:										
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	4,388,333	1,083,032	(3,305,301)	-	406,950	1,335,550	1,300,930	(34,620)	-
Charges for services	-	-	-	-	-	-	-	-	-	-
Investment income	-	-	-	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	120	1,000	2,756	1,756	-
Total Revenues	-	4,388,333	1,083,032	(3,305,301)	-	407,070	1,336,550	1,303,686	(32,864)	-
Expenditures:										
Water:										
Capital Outlay	-	-	-	-	-	-	-	-	-	-
Parks & Recreation:										
Capital Outlay	-	4,388,333	1,083,032	3,305,301	-	-	-	-	-	-
Wastewater:										
Capital Outlay	-	-	-	-	-	-	-	-	-	-
Debt Service	-	-	-	-	-	1,050,348	1,110,227	1,110,227	-	-
Total Expenditures	-	4,388,333	1,083,032	3,305,301	-	1,050,348	1,110,227	1,110,227	-	-
Revenues over (under) expenditures	-	-	-	-	-	(643,278)	226,323	193,459	(32,864)	-
Other Financing Sources (Uses):										
Transfers out	-	-	-	-	-	(100)	(100)	(2,235)	(2,135)	-
Total Other Financing Sources (Uses)	-	-	-	-	-	(100)	(100)	(2,235)	(2,135)	-
Revenues and other sources over (under) expenditures and other uses	-	-	-	-	-	(643,378)	226,223	191,224	(34,999)	-
Fund Balance - beginning of year	-	-	-	-	-	1,298,684	547,774	547,774	-	-
Fund Balance - end of year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 655,306	\$ 773,997	\$ 738,988	\$ (34,999)	\$ -

CITY OF SAND SPRINGS, OKLAHOMA
BUDGETARY COMPARISON SCHEDULE
MAJOR GOVERNMENTAL FUNDS (CAPITAL PROJECT FUNDS)
For the fiscal year ended June 30, 2015

	CAPITAL PROJECT - STREET IMPROVEMENT				CAPITAL PROJECT - CAPITAL IMPROVEMENT WATER/WASTEWATER			
	Budgeted Amounts Original	Budgeted Amounts Final	Actual Amounts	Variance with Final Budget Positive (Negative)	Budgeted Amounts Original	Budgeted Amounts Final	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues:								
Intergovernmental	-	\$ 1,750,000	\$ -	\$ (1,750,000)	\$ -	\$ -	\$ -	\$ -
Charges for services	-	-	-	-	90,000	90,000	74,100	(15,900)
Investment income	2,290	2,290	44,112	41,822	5,954	5,954	21,290	15,336
Total Revenues	2,290	1,752,290	44,112	(1,708,178)	95,954	95,954	95,390	(564)
Expenditures:								
Water:								
Capital Outlay	-	-	-	-	2,007,412	7,181,100	3,433,797	3,747,303
Wastewater:								
Capital Outlay	-	-	-	-	608,516	18,595,207	5,102,177	13,493,030
Public Works:								
Capital Outlay	-	-	-	-	-	8,295,376	6,090,149	2,205,227
Street:								
Capital Outlay	1,740,230	10,983,613	2,773,864	8,209,749	-	-	-	-
Total Expenditures	1,740,230	10,983,613	2,773,864	8,209,749	2,615,928	34,071,883	14,626,123	19,445,560
Revenues over (under) expenditures	(1,737,940)	(9,231,323)	(2,729,752)	6,501,571	(2,519,974)	(33,975,729)	(14,530,733)	19,444,996
Other Financing Sources (Uses):								
Transfers in	1,466,215	2,416,004	2,468,506	52,502	2,932,429	25,734,086	16,107,395	(9,626,691)
Transfers out	-	(60,000)	(60,000)	-	(800,000)	(1,200,000)	(1,200,000)	-
Total Other Financing Sources (Uses)	1,466,215	2,356,004	2,408,506	52,502	2,132,429	24,534,086	14,907,395	(9,626,691)
Revenues and other sources over (under) expenditures and other uses	(271,725)	(6,875,319)	(321,246)	6,554,073	(387,545)	(9,441,643)	376,662	9,818,305
Fund Balance - beginning of year	284,587	7,887,608	7,887,608	-	657,135	9,459,937	9,459,937	-
Fund Balance - end of year	\$ 12,862	\$ 1,012,289	\$ 7,566,362	\$ 6,554,073	\$ 269,590	\$ 18,294	\$ 9,836,589	\$ 9,818,305

**CITY OF SAND SPRINGS, OKLAHOMA
STATEMENT OF CASH FLOWS
DISCRETELY PRESENTED COMPONENT UNITS
For the fiscal year ended June 30, 2015**

	<u>Museum Trust Authority</u>	<u>Economic Development Authority</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from customers	\$ 10,899	\$ -
Payments to suppliers	(3,894)	(3,075)
Net Cash Provided by (Used in) Operating Activities	<u>7,005</u>	<u>(3,075)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Sale of investments	-	2,482
Interest and dividends	51	18
Net Cash Provided by Investing Activities	<u>51</u>	<u>2,500</u>
Net Increase (Decrease) in Cash and Cash Equivalents	7,056	(575)
Balances - beginning of the year	<u>158,520</u>	<u>2,401</u>
Balances - end of the year	<u>\$ 165,576</u>	<u>\$ 1,826</u>
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:		
Operating income (loss)	\$ 6,889	\$ (3,075)
Adjustments to reconcile operating income to net cash provided by (used in) operating activities:		
Change in assets and liabilities:		
Accounts payable	<u>116</u>	<u>-</u>
Net Cash Provided by (Used in) Operating Activities	<u>\$ 7,005</u>	<u>\$ (3,075)</u>

**CITY OF SAND SPRINGS, OKLAHOMA
SCHEDULE OF DEBT COVERAGE
For the fiscal year ended June 30, 2015**

	<u>Series 2003, 2004, 2005, 2006, 2009, 2012 & 2013 OWRB Notes and Series 2012 Revenue Bond</u>
Gross Revenue Available for Debt Service:	
Charges for services:	
Water charges	\$ 7,237,034
Wastewater charges	3,253,049
Sales tax pledged and transferred	<u>3,037,434</u>
Total Gross Revenues Available	<u>13,527,517</u>
 Operating Expenses:	
Water	4,187,454
Wastewater	<u>2,146,873</u>
Total Operating Expenses	<u>6,334,327</u>
 Net Revenues Available for Debt Service	<u>\$ 7,193,190</u>
 Debt Service Requirements:	
Average annual debt service - 2012 Revenue Bonds	1,675,637
Maximum annual debt service - 2003, 2004, 2005, 2006, 2009, 2012 and 2013 OWRB Notes	<u>1,927,071</u>
Total Debt Service Requirements	<u>\$ 3,602,708</u>
 Computed Coverage	<u>200%</u>
 Coverage Requirement	<u>125%</u>

NOTE: The above gross revenue and operating expenses only include the activities of the Authority related to water and wastewater services, excluding depreciation and amortization expense.

**CITY OF SAND SPRINGS, OKLAHOMA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

<u>Federal/State Grantor/Pass Through Agency Grantor/Program Title</u>	<u>Federal CFDA#</u>	<u>Award Amount</u>	<u>Federal Expenditures</u>
<u>U. S. DEPARTMENT OF TRANSPORTATION:</u>			
Airport Improvement Program	20.106	\$ 3,468,961	\$ 63,279
Passed Through Indian Nations Council of Governments: Congestion Mitigation and Air Quality	20.205	<u>29,703</u>	<u>29,526</u>
Passed Through Oklahoma Highway Safety Office: State and Community Highway Safety	20.600	<u>48,720</u> <u>48,720</u>	<u>11,722</u> <u>11,722</u>
Total U. S. Department of Transportation		<u>3,547,384</u>	<u>104,527</u>
<u>U. S. DEPARTMENT OF JUSTICE:</u>			
Passed Through District Attorneys Council: Body Cameras	16.738	<u>5,600</u>	<u>4,000</u>
Bulletproof vests	16.607	<u>5,610</u>	<u>3,774</u>
Total Department of Justice		<u>11,210</u>	<u>7,774</u>
<u>U.S. DEPARTMENT OF HOMELAND SECURITY:</u>			
<u>Federal Emergency Management Agency:</u>			
Passed through Oklahoma Civil Emergency Management: Hazard Mitigation Planning Grant	97.039	30,000	-
Hazard Mitigation Planning Grant	97.039	<u>46,953</u>	<u>29,346</u>
		<u>76,953</u>	<u>29,346</u>
Passed through Oklahoma Civil Emergency Management: Emergency Management Preparedness Grant	97.042	20,000	20,000
Emergency Management Preparedness Grant	97.042	<u>21,453</u>	<u>-</u>
		<u>41,453</u>	<u>20,000</u>
Total Federal Emergency Management Agency		<u>118,406</u>	<u>49,346</u>
<u>U. S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT:</u>			
Passed through Oklahoma Department of Commerce: Community Development Block Grant - Non-entitlement	14.228	77,178	31,837
Community Development Block Grant - Non-entitlement	14.228	68,248	31,922
Community Development Block Grant - Non-entitlement	14.228	<u>71,681</u>	<u>51,482</u>
Total U. S. Department of Housing and Urban Development		<u>217,107</u>	<u>115,241</u>
TOTAL FEDERAL AWARDS		<u>\$ 3,894,107</u>	<u>\$ 276,888</u>

STATISTICAL Section



STATISTICAL SECTION

The **STATISTICAL SECTION** presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the government's overall financial health.

Financial Trends

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

Revenue Capacity

These schedules contain information to help the reader assess the government's most significant local revenue sourced, sales tax and property tax.

Debt Capacity

These schedules present information to help the reader assess the affordability of the government's current levels of outstanding debt and the government'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 government's financial activities take place.

Operating Information

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

Sources: Unless otherwise noted, the information in these schedules is derived from the Comprehensive Annual Financial Reports for the relevant year. The City implemented GASB Statement 34 in FY 2001; schedules presenting government-wide information include information beginning in that year.

FINANCIAL TRENDS

CITY OF SAND SPRINGS, OKLAHOMA
NET POSITION BY COMPONENT
 Last Ten Fiscal Years
 June 30, 2015
TABLE 1

	Fiscal Year									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Governmental activities										
Net investment in capital assets	\$ 23,252,650	\$ 25,487,774	\$ 26,609,943	\$ 27,381,827	\$ 28,851,218	\$ 30,526,321	\$ 30,816,820	\$ 32,505,624	\$ 33,255,246	\$ 33,248,179
Restricted	3,818,431	4,678,135	6,438,915	7,083,138	7,722,731	8,138,469	8,213,482	8,213,492	9,112,520	10,589,915
Unrestricted (deficit)	2,698,874	3,460,471	3,735,791	3,938,052	4,256,358	4,635,252	6,649,538	7,604,073	4,246,875	(1,644,109)
Total governmental activities net assets	\$ 29,769,955	\$ 33,626,380	\$ 36,784,649	\$ 38,403,017	\$ 40,830,307	\$ 43,300,042	\$ 45,679,850	\$ 48,323,189	\$ 46,614,641	\$ 42,193,985
Business-type activities										
Net investment in capital assets	\$ 41,409,074	\$ 42,403,325	\$ 48,620,995	\$ 49,632,325	\$ 49,617,735	\$ 51,590,911	\$ 51,114,327	\$ 50,561,549	\$ 50,419,150	\$ 51,548,644
Restricted	590,477	593,305	605,905	612,159	623,522	602,187	573,042	2,698,557	2,468,184	2,385,880
Unrestricted	8,496,370	9,710,518	8,616,261	8,881,754	10,182,084	11,623,672	14,033,434	18,929,949	22,510,729	22,744,600
Total business-type activities net assets	\$ 50,495,921	\$ 52,707,148	\$ 57,843,161	\$ 59,126,238	\$ 60,423,341	\$ 63,816,770	\$ 65,720,803	\$ 72,190,055	\$ 75,396,063	\$ 76,679,124
Primary government										
Net investment in capital assets	\$ 64,661,724	\$ 67,891,099	\$ 75,230,938	\$ 77,014,152	\$ 78,468,953	\$ 82,117,232	\$ 81,931,147	\$ 83,067,173	\$ 83,674,396	\$ 84,796,823
Restricted	4,408,908	5,271,440	7,044,820	7,695,297	8,346,253	8,740,656	8,786,534	10,912,049	11,580,704	12,875,795
Unrestricted	11,195,244	13,170,989	12,352,052	12,819,806	14,438,442	16,258,924	20,682,972	26,534,022	26,757,604	21,100,491
Total primary government net position	\$ 80,265,876	\$ 86,333,528	\$ 94,627,810	\$ 97,529,255	\$ 101,253,648	\$ 107,116,812	\$ 111,400,653	\$ 120,513,244	\$ 122,012,704	\$ 118,873,109

CITY OF SAND SPRINGS, OKLAHOMA
CHANGES IN NET ASSETS
 Last Ten Fiscal Years
 June 30, 2015
TABLE 2

	Fiscal Year									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Expenses										
Government activities:										
Government government	\$ 667,541	\$ 660,936	\$ 947,343	\$ 965,662	\$ 945,967	\$ 1,082,775	\$ 1,433,226	\$ 1,164,073	\$ 2,662,169	\$ 1,322,426
Planning and zoning	141,553	166,669	224,498	167,527	155,859	156,231	107,071	123,879	136,407	101,842
Financial administration	838,949	826,693	797,290	768,416	635,064	677,511	655,916	778,035	891,880	826,352
Public Safety	5,538,637	6,611,563	8,446,033	7,357,456	7,183,822	7,184,873	7,824,047	8,239,023	8,482,160	8,211,241
Highways and streets	2,258,629	2,738,366	3,244,249	2,662,136	2,110,331	2,136,990	2,562,148	2,306,571	2,295,442	2,280,869
Health and Welfare	65,113	65,755	69,808	67,528	76,942	78,942	55,807	35,958	38,152	34,322
Culture and recreation	1,020,867	1,085,249	1,190,069	1,232,443	988,997	712,249	1,103,527	1,181,165	1,334,749	1,286,258
Economic development	990,335	245,110	201,337	177,654	169,517	186,419	346,436	503,795	718,360	614,822
Facilities Mgmt & Fleet Maint	929,562	666,365	582,302	531,806	523,629	486,409	453,988	606,146	600,341	595,485
Interest on long-term debt	383,282	413,384	453,445	404,049	352,741	316,306	222,039	186,830	202,090	220,338
Total governmental activities expenses	<u>12,834,468</u>	<u>13,480,090</u>	<u>16,156,374</u>	<u>14,334,677</u>	<u>13,144,869</u>	<u>13,160,423</u>	<u>14,764,205</u>	<u>15,125,620</u>	<u>17,361,750</u>	<u>15,493,955</u>
Business-type activities:										
Water	5,330,339	5,958,896	5,977,518	5,551,089	5,710,896	5,468,136	5,643,653	7,276,661	7,217,517	6,950,079
Wastewater	2,984,607	2,938,901	3,135,457	3,680,021	3,267,638	3,111,019	4,082,209	3,454,771	3,542,099	3,699,133
Solid Waste	1,129,805	1,206,394	1,252,313	1,248,133	1,264,220	1,286,736	1,316,341	1,343,240	1,373,312	1,383,708
Stormwater	328,427	265,620	336,197	312,960	344,514	341,465	324,183	325,681	387,534	341,828
Airport	607,593	672,050	645,473	580,753	523,944	547,780	645,081	646,802	765,017	706,851
Golf course	899,084	843,319	872,651	768,141	806,336	797,616	832,127	786,392	818,843	914,668
Total business-type activities expenses	<u>11,279,855</u>	<u>11,885,180</u>	<u>12,219,609</u>	<u>12,141,097</u>	<u>11,917,548</u>	<u>11,552,754</u>	<u>12,843,594</u>	<u>13,835,547</u>	<u>14,104,322</u>	<u>13,996,267</u>
Total primary government expenses	<u>\$ 24,114,323</u>	<u>\$ 25,365,270</u>	<u>\$ 28,375,983</u>	<u>\$ 26,475,774</u>	<u>\$ 25,062,417</u>	<u>\$ 24,713,177</u>	<u>\$ 27,607,799</u>	<u>\$ 28,961,167</u>	<u>\$ 31,466,072</u>	<u>\$ 29,490,222</u>
Program Revenues										
Government activities:										
Charges for services:										
General government	\$ 347,297	\$ 231,003	\$ 257,035	\$ 319,310	\$ 214,752	\$ 258,705	\$ 276,483	\$ 306,843	\$ 303,965	\$ 214,664
Planning and zoning	17,511	11,248	11,131	9,758	10,206	8,424	10,033	10,220	9,873	5,482
Public safety	295,596	308,505	920,555	1,033,857	1,262,554	1,127,012	1,217,555	1,134,480	1,201,771	1,101,018
Highways and streets	1,875	1,625	1,155	1,275	1,545	1,180	1,475	1,298	1,294	386
Culture and recreation	105,868	39,197	29,641	59,683	59,997	71,802	84,991	99,001	104,868	100,759
Operating grants and contributions	507,885	1,058,660	1,937,238	927,006	967,138	1,231,916	1,650,439	1,366,190	1,105,579	1,013,534
Capital grants and contributions	3,298,710	1,918,152	3,033,260	500,299	821,415	182,110	395,186	3,237,687	78,024	1,434,539
Total governmental activities program revenues	<u>4,574,742</u>	<u>3,568,390</u>	<u>6,190,015</u>	<u>2,851,188</u>	<u>3,337,607</u>	<u>2,881,149</u>	<u>3,636,162</u>	<u>6,155,719</u>	<u>2,805,374</u>	<u>3,870,382</u>

TABLE 2

	Fiscal Year									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Business-type activities:										
Charges for services:										
Water	6,437,709	6,472,253	6,447,181	6,548,363	6,383,640	6,743,572	7,444,684	7,692,277	7,838,862	7,384,814
Wastewater	2,314,500	2,570,584	2,611,393	2,663,316	2,615,660	2,763,389	2,928,048	3,122,031	3,305,188	3,269,735
Solid Waste	1,210,312	1,289,409	1,332,182	1,409,823	1,519,914	1,575,918	1,622,290	1,725,143	1,794,651	1,841,535
Stormwater	415,852	423,312	430,029	435,950	495,067	575,355	701,081	848,193	1,016,272	1,143,193
Airport	271,488	222,268	234,067	229,342	222,551	242,640	344,829	340,534	398,421	413,053
Golf course	530,862	452,656	410,977	444,065	414,739	470,994	512,909	506,516	535,236	524,171
Operating grants and contributions	-	-	-	-	-	167,252	25,100	-	-	2,208
Capital grants and contributions	484,814	1,448,481	3,857,066	184,335	1,399,517	1,428,524	304,391	3,347,274	673,634	157,288
Total business-type activities program revenues	11,665,537	12,878,963	15,322,895	11,915,194	13,051,088	13,987,644	13,883,332	17,581,968	15,562,264	14,745,977
Total primary government program revenues	\$ 16,240,279	\$ 16,447,353	\$ 21,512,910	\$ 14,766,382	\$ 16,388,695	\$ 16,868,793	\$ 17,519,494	\$ 23,737,687	\$ 18,367,638	\$ 18,616,359
Net (Expense)/Revenue										
Government activities:	\$ (8,259,726)	\$ (9,911,700)	\$ (9,966,359)	\$ (11,483,489)	\$ (9,807,262)	\$ (10,279,274)	\$ (11,128,043)	\$ (8,969,901)	\$ (14,556,376)	\$ (11,623,573)
Business-type activities:	385,682	993,783	3,103,286	(225,903)	1,133,540	2,434,890	1,039,738	3,746,421	1,457,942	749,710
Total primary government net expense	\$ (7,874,044)	\$ (8,917,917)	\$ (6,863,073)	\$ (11,709,392)	\$ (8,673,722)	\$ (7,844,384)	\$ (10,088,305)	\$ (5,223,480)	\$ (13,098,434)	\$ (10,873,863)
General Revenues and Other Changes in Net Assets										
Government activities:										
Taxes:										
Sales and use taxes	\$ 9,372,801	\$ 9,923,881	\$10,236,749	\$ 10,109,396	\$ 9,238,802	\$ 9,595,485	\$ 10,493,465	\$ 10,555,793	\$ 10,883,650	\$ 11,070,144
Property taxes	790,268	1,366,579	1,227,930	1,243,884	1,246,910	1,207,441	1,145,387	1,172,499	406,950	1,497,025
Franchise and public service taxes	1,186,717	1,092,544	1,116,390	1,188,713	850,678	845,865	817,700	796,444	833,193	856,339
Other taxes	1,062,708	1,178,664	1,166,310	1,195,425	1,156,779	1,213,471	1,321,145	1,396,360	1,479,104	1,448,920
Unrestricted grants and contributions	176,343	164,064	282,188	282,315	328,756	337,019	306,994	526,006	723,417	1,079,758
Investment earnings	293,501	655,958	535,617	303,822	181,840	187,952	221,243	192,065	189,547	201,361
Miscellaneous	362,490	103,704	301,570	13,425	28,495	277,837	38,446	75,382	36,714	48,281
Special item	-	-	-	-	296,703	-	-	-	-	-
Transfers	(4,808,212)	(717,269)	(1,746,122)	(1,235,120)	(1,094,411)	(916,062)	(836,627)	(3,018,162)	(1,704,747)	(397,664)
Total governmental activities	8,436,616	13,768,125	13,124,632	13,101,860	12,234,552	12,749,008	13,507,853	11,696,387	12,847,828	15,804,164
Business-type activities:										
Investment earnings	239,179	493,795	282,182	256,198	120,158	40,910	26,365	42,218	39,496	48,937
Special item	-	-	-	-	-	-	(1,523)	-	-	-
Miscellaneous	7,553	6,380	4,426	17,662	873	1,567	3,844	2,738	5,823	84,750
Transfers	4,808,212	717,269	1,746,122	1,235,120	1,094,411	916,062	836,213	3,018,162	1,704,747	397,664
Total business-type activities	5,054,944	1,217,444	2,032,730	1,508,980	1,215,442	958,539	864,899	3,063,118	1,750,066	531,351
Total primary government	\$ 13,493,560	\$ 14,985,569	\$15,157,362	\$ 14,610,840	\$ 13,449,994	\$ 13,707,547	\$ 14,372,752	\$ 14,759,505	\$ 14,597,894	\$ 16,335,515
Change in Net Assets										
Government activities:	\$ 178,890	\$ 3,856,425	\$ 3,158,273	\$ 1,618,371	\$ 2,427,290	\$ 2,469,734	\$ 2,379,810	\$ 2,726,486	\$ (1,708,548)	\$ 4,180,591
Business-type activities:	5,440,626	2,211,227	5,136,016	1,283,077	2,348,982	3,393,429	1,904,637	6,809,539	3,208,008	1,281,061
Total primary government	\$ 5,619,516	\$ 6,067,652	\$ 8,294,289	\$ 2,901,448	\$ 4,776,272	\$ 5,863,163	\$ 4,284,447	\$ 9,536,025	\$ 1,499,460	\$ 5,461,652

CITY OF SAND SPRINGS, OKLAHOMA
FUND BALANCES, GOVERNMENTAL FUNDS
 Last Ten Fiscal Years
 June 30, 2015
TABLE 3

	Fiscal Year									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
General Fund										
Reserved	\$ 560,968	\$ 1,045,543	\$ 882,736	\$ 430,283	\$ 484,790	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved	1,467,262	1,570,957	2,224,572	3,032,268	2,645,547	-	-	22,982	30,035	18,653
Nonspendable	-	-	-	-	-	23,616	22,597	400,085	524,551	680,401
Restricted	-	-	-	-	-	269,763	319,094	-	-	240,318
Committed	-	-	-	-	-	-	-	1,432,738	1,825,667	2,283,351
Assigned	-	-	-	-	-	1,052,274	1,322,428	3,320,280	3,129,894	3,288,415
Unassigned	-	-	-	-	-	2,785,293	3,161,144	-	-	-
Total general fund	\$ 2,028,230	\$ 2,616,500	\$ 3,107,308	\$ 3,462,551	\$ 3,130,337	\$ 4,130,946	\$ 4,825,263	\$ 5,176,085	\$ 5,510,147	\$ 6,491,138
All Other Governmental Funds										
Reserved	\$ 2,180,538	\$ 5,131,179	\$ 1,260,303	\$ 1,426,121	\$ 4,198,748	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved, reported in:										
Special revenue funds	310,769	545,923	390,572	562,483	599,264	-	-	-	-	-
Debt service funds	944,628	1,263,778	1,139,456	1,102,825	1,080,982	-	-	-	-	-
Capital project funds	11,822,362	9,247,365	8,735,442	8,923,255	7,832,523	-	-	-	-	-
Restricted	-	-	-	-	-	11,987,586	13,041,167	16,346,865	17,488,846	17,685,547
Committed	-	-	-	-	-	26,000	43,536	-	-	-
Assigned	-	-	-	-	-	2,985,162	4,787,572	4,395,998	7,643,981	7,357,725
Unassigned	-	-	-	-	-	(697,538)	(973,423)	(36,627)	-	(33)
Total all other governmental funds	\$ 15,258,297	\$ 16,188,245	\$ 11,525,773	\$ 12,014,684	\$ 13,711,517	\$ 14,301,210	\$ 16,898,852	\$ 20,706,236	\$ 25,132,827	\$ 25,043,239
GRAND TOTAL	\$ 17,286,527	\$ 18,804,745	\$ 14,633,081	\$ 15,477,235	\$ 16,841,854	\$ 18,432,156	\$ 21,724,115	\$ 25,882,321	\$ 30,642,974	\$ 31,534,377

Note: GASB 54 was implemented in fiscal year 2010. Years prior to implementation of GASB 54 have not been restated.

CITY OF SAND SPRINGS, OKLAHOMA
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS
 Last Ten Fiscal Years
 June 30, 2015
TABLE 4

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Revenues										
Taxes	\$ 12,425,501	\$ 13,521,336	\$ 13,771,835	\$ 13,728,301	\$ 12,444,830	\$ 12,909,683	\$ 13,786,404	\$ 14,096,209	\$ 14,018,930	\$ 15,373,972
Intergovernmental	1,062,720	1,424,660	2,484,795	1,572,496	1,769,104	1,675,578	2,356,440	4,430,432	1,973,647	2,753,093
Charges for services	618,219	458,241	1,061,311	1,046,901	1,023,287	1,069,579	1,145,909	1,099,110	1,142,732	1,064,055
Fines and forfeitures	179,071	154,594	205,494	252,006	302,569	371,277	413,805	415,268	432,401	393,102
Licenses and permits	158,422	128,184	114,291	132,115	115,305	147,757	131,722	194,444	179,498	141,721
Investment Income	348,977	817,798	768,500	450,644	250,813	112,131	62,465	69,717	66,370	114,015
Miscellaneous	401,760	216,008	402,072	166,948	591,137	465,838	199,827	288,530	561,977	287,885
Total Revenues	\$ 15,194,670	\$ 16,720,821	\$ 18,808,298	\$ 17,349,411	\$ 16,497,045	\$ 16,751,843	\$ 18,096,572	\$ 20,593,710	\$ 18,377,555	\$ 20,127,843
Expenditures:										
General government	\$ 568,731	\$ 566,298	\$ 758,973	\$ 752,642	\$ 756,851	\$ 671,627	\$ 778,817	\$ 875,356	\$ 835,759	\$ 856,027
Planning and zoning	139,898	164,969	223,746	167,431	156,007	154,985	103,903	121,776	140,877	101,272
Financial administration	763,923	774,229	787,438	763,458	643,633	571,438	654,358	763,850	795,667	795,137
Public safety	5,044,309	6,283,029	7,982,580	6,908,601	6,798,342	6,750,855	7,071,741	7,465,352	8,012,482	8,194,641
Highways and streets	841,810	918,413	896,688	904,388	853,007	827,665	648,994	643,840	675,929	684,245
Health and welfare	60,496	60,978	65,526	62,815	71,857	51,842	51,572	32,088	34,219	31,108
Culture and recreation	877,632	985,803	1,069,565	1,021,500	845,083	700,856	919,003	934,028	1,086,835	1,055,016
Economic development	990,498	244,891	215,964	160,612	143,509	137,435	341,095	493,817	697,993	586,018
Facilities Mgmt & Fleet Maint	797,062	560,109	578,014	527,770	523,870	478,511	454,319	703,484	716,874	709,666
Water	-	-	-	-	-	42,221	14,989	-	-	-
Capital outlay	3,004,735	5,325,002	9,717,407	5,220,108	5,055,225	6,649,063	5,097,127	7,293,491	5,966,989	21,014,013
Debt service	-	-	-	-	-	-	-	-	-	-
Principal	1,394,400	1,408,531	1,374,779	946,003	946,030	943,896	507,967	991,142	1,030,859	1,035,360
Interest	298,499	488,287	440,853	402,579	361,914	325,066	233,420	179,312	172,495	212,826
Total Expenditures	\$ 14,781,993	\$ 17,780,539	\$ 24,111,533	\$ 17,837,907	\$ 17,155,328	\$ 18,305,460	\$ 16,877,305	\$ 20,497,536	\$ 20,166,378	\$ 35,255,329
Excess of revenues over(under) expenditures	\$ 412,677	\$ (1,059,718)	\$ (5,303,235)	\$ (488,496)	\$ (658,283)	\$ (1,553,617)	\$ 1,219,267	\$ 96,174	\$ (1,788,823)	\$ (15,127,486)
Other financing sources(uses)										
Issuance of debt	-	12,142	408,047	-	-	-	-	496,304	2,367,241	714,217
Transfers in	9,157,723	9,007,653	8,724,058	6,723,405	7,922,227	8,608,201	8,856,527	10,696,533	11,116,523	22,278,068
Transfers out	(6,503,411)	(6,418,316)	(8,000,529)	(5,390,750)	(5,899,323)	(5,464,282)	(6,307,866)	(7,130,805)	(6,936,288)	(6,973,386)
Proceeds from sale of capital assets	-	-	-	-	-	-	-	-	-	-
Bond proceeds	6,392,361	-	-	-	-	-	2,540,000	-	-	-
Premium on bonds sold	-	-	-	-	-	-	-	-	-	-
Payment of issue costs	(92,388)	-	-	-	-	-	(74,611)	-	-	-
Transfer to bond escrow	-	-	-	-	-	-	(2,941,356)	-	-	-
Total other financing sources(uses)	\$ 8,954,285	\$ 2,601,479	\$ 1,131,576	\$ 1,332,655	\$ 2,022,904	\$ 3,143,919	\$ 2,072,694	\$ 4,062,032	\$ 6,549,476	\$ 16,018,889
Net change in fund balances	\$ 9,366,962	\$ 1,541,761	\$ (4,171,659)	\$ 844,159	\$ 1,364,621	\$ 1,590,302	\$ 3,291,961	\$ 4,158,206	\$ 4,760,653	\$ 891,403
Debt service as a percentage of noncapital expenditures	14.4%	15.2%	12.6%	8.2%	8.6%	7.8%	4.7%	9.7%	8.5%	9.6%

CITY OF SAND SPRINGS, OKLAHOMA
GOVERNMENTAL ACTIVITIES TAX REVENUES BY SOURCE
 Last Ten Fiscal Years
 June 30, 2015
 TABLE 5

Fiscal Year	Ad Valorem Tax	Sales Tax	Franchise Tax	Hotel/Motel Tax	Use Tax	Emergency Telephone Tax	Payment in Lieu of Taxes	Abatement Tax	Incremental Property Tax	Totals
2006	484,824	9,145,675	1,188,717	114,303	227,126	100,827	847,578	16,882	305,444	12,431,376
2007	1,355,511	9,631,280	1,092,544	124,960	292,601	149,711	903,993	11,068	-	13,561,668
2008	1,227,930	9,953,972	1,118,390	129,021	282,777	139,899	884,807	14,583	-	13,751,379
2009	1,243,884	9,801,602	1,188,713	112,617	307,794	146,920	912,146	23,742	-	13,737,418
2010	1,246,910	8,982,429	850,678	94,065	256,373	131,685	905,686	25,343	-	12,493,169
2011	1,207,441	9,220,076	845,865	96,017	375,409	140,836	964,375	12,243	-	12,862,262
2012	1,145,387	10,096,850	817,700	98,154	396,615	139,986	1,045,046	37,959	-	13,777,697
2013	1,160,778	10,133,835	796,444	123,728	421,958	146,279	1,103,053	23,300	186,834	14,096,209
2014	419,689	10,492,846	833,193	157,200	390,804	142,163	1,149,337	30,404	403,294	14,018,930
2015	1,300,930	10,631,021	856,339	153,898	439,123	135,272	1,124,972	18,762	713,655	15,373,972

REVENUE CAPACITY

CITY OF SAND SPRINGS OKLAHOMA
SALES TAX RATES OF DIRECT AND OVERLAPPING GOVERNMENTS
 Last Ten Fiscal Years
 June 30, 2015
TABLE 6

	Fiscal Year									
	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
General Fund Operations	1.877 %	1.980 %	2.000 %	2.000 %	2.000 %	2.000 %	2.000 %	2.000 %	2.000 %	2.000 %
TIF District (Economic Development)	0.221	0.036	-	-	-	-	-	-	-	-
Water & Wastewater Improvements	0.935	0.989	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Street Improvements	0.467	0.495	0.500	0.500	0.500	0.500	0.500	0.500	0.500	0.500
Sand Springs Total	3.500 %	3.500 %	3.500 %	3.500 %	3.500 %	3.500 %	3.500 %	3.500 %	3.500 %	3.500 %
Osage County	1.000	1.250 %	1.250 %	1.250 %	1.250 %	1.250 %	1.250 %	1.250 %	1.250 %	1.250 %
Tulsa County	1.017	1.017	1.017	1.017	1.017	1.017	0.850	0.850	0.850	0.850
State of Oklahoma	4.500 %	4.500 %	4.500 %	4.500 %	4.500 %	4.500 %	4.500 %	4.500 %	4.500 %	4.500 %
Total (Osage County)	9.000	9.250	9.250 %	9.250 %	9.250 %	9.250 %	9.250 %	9.250 %	9.250 %	9.250 %
Total (Tulsa County)	9.017 %	9.017 %	9.017 %	9.017 %	9.017 %	9.017 %	8.850 %	8.850 %	8.850 %	8.850 %

Source:

1. City sales tax rate - City Finance Department
2. State & County tax rate - Oklahoma Tax Commission

Note:

1. City sales tax increases must be approved by voters.

CITY OF SAND SPRINGS OKLAHOMA
TAXABLE SALES BY CATEGORY
 Last Ten Fiscal Years
 June 30, 2015
TABLE 7

Category	Fiscal Year									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Manufacturing	\$ 4,659,527	\$ 6,190,383	\$ 5,953,722	\$ 5,821,246	\$ 4,579,167	\$ 4,865,836	\$ 6,474,226	\$ 6,733,569	\$ 7,564,199	\$ 7,255,899
Telecommunications & Other	8,616,794	9,528,113	9,885,585	10,297,993	10,464,868	10,386,773	11,683,916	8,223,040	6,143,900	6,439,582
Public Utilities	18,025,443	20,948,925	19,909,178	19,411,239	11,989,841	17,945,755	18,032,682	16,426,109	18,203,837	19,469,901
Wholesale trade	13,359,064	12,742,978	12,861,982	11,221,153	8,751,312	10,278,070	17,835,578	15,467,491	18,781,723	16,877,375
Retail - Building Materials	9,086,537	9,741,230	8,970,644	8,588,221	7,407,764	6,342,063	8,787,999	8,603,061	7,670,664	9,717,333
Retail - General Merchandise	114,890,248	114,331,070	118,663,516	120,144,526	112,456,892	106,016,119	109,547,834	104,402,935	105,798,763	106,713,323
Retail - Food	24,164,289	25,096,753	26,301,397	26,984,740	26,092,097	27,023,835	28,800,036	36,373,046	32,841,537	34,151,564
Retail - Automotive	7,652,488	8,242,938	8,708,689	9,161,857	9,084,846	9,753,355	9,667,077	10,541,623	10,321,611	10,662,095
Retail - Apparel	3,233,677	3,583,126	3,424,991	2,966,055	2,784,830	2,937,195	3,043,655	3,391,412	3,428,369	3,332,375
Retail - Furniture & Accessories	8,041,895	7,363,451	8,673,964	8,855,436	8,025,192	7,776,746	6,990,153	10,123,520	11,209,826	10,823,357
Retail - Restaurants	28,579,894	29,871,371	32,536,241	31,440,715	30,529,296	33,419,129	38,597,334	36,561,022	36,421,806	38,056,035
Retail - Miscellaneous	9,351,907	15,070,351	15,218,655	14,385,069	13,908,037	14,647,439	16,173,648	17,209,459	18,972,661	19,403,128
Retail - Hotel	1,848,719	2,480,909	2,578,607	2,242,911	1,853,185	1,917,219	1,923,991	2,060,773	2,487,256	576,134
Services - Business	4,905,357	6,426,879	3,983,746	4,518,959	1,509,937	1,432,019	1,335,123	2,843,803	1,847,657	2,370,215
Services - Other	5,772,404	5,814,532	6,729,053	6,484,679	8,785,053	8,660,226	10,557,317	9,040,125	11,781,384	11,509,395
All Other Categories	1,201,410	728,657	1,956,101	1,194,079	1,469,187	1,494,020	1,363,093	1,853,813	8,659,817	9,287,849
Total	\$ 263,389,653	\$ 278,161,666	\$ 286,356,071	\$ 283,718,878	\$ 259,691,506	\$ 264,895,799	\$ 290,813,662	\$ 289,854,801	\$ 302,135,010	\$ 306,645,560

Source:

1. Oklahoma Tax Commission

Note:

1. The City is prohibited by state law from reporting individual sales tax payers.
2. See Table 6 for City direct sales tax rates

CITY OF SAND SPRINGS OKLAHOMA
ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN FISCAL YEARS
June 30, 2015
TABLE 8

Fiscal Year	Real Property	Personal Property	Public Service Property	Total Assessed Value	Homestead Exemption	Net Total Assessed Value	Total Direct Tax Rate	Estimated Actual Value
2006	74,318,446	16,177,751	7,460,217	97,956,414	4,442,804	93,513,610	5.03	890,512,855
2007	78,205,350	18,076,819	7,488,210	103,770,379	4,227,931	99,542,448	13.41	943,367,082
2008	86,263,297	20,591,649	7,110,571	113,965,517	4,295,289	109,670,228	11.25	1,036,050,155
2009	90,627,821	22,683,328	3,490,138	116,801,287	4,291,332	112,509,955	10.74	1,061,829,882
2010	94,163,935	25,551,946	8,459,397	128,175,278	4,238,669	123,936,609	10.06	1,165,229,800
2011	96,715,793	18,912,594	8,387,535	124,015,922	4,247,420	119,768,502	10.08	1,127,417,473
2012	98,591,088	17,445,941	8,108,272	124,145,301	4,205,921	119,937,191	9.55	1,128,593,645
2013	100,441,255	18,670,079	8,284,161	127,395,495	4,176,081	123,219,414	9.52	1,158,140,864
2014	102,534,222	19,974,137	7,652,889	130,161,248	4,146,411	126,014,837	3.23	1,183,284,073
2015	104,590,024	20,304,774	6,397,195	131,291,993	4,073,410	127,218,583	10.50	1,193,563,573

Source:

1. Tulsa County Excise Board

Note:

1. Property in the county is reassessed annually. The ratio of assessed value to true value cannot be less than 11% nor more than 13.5%.
2. Tax rates are per \$1,000 of assessed value.

CITY OF SAND SPRINGS, OKLAHOMA
PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS
 (PER \$1,000 OF ASSESSED VALUE)
 Last Ten Fiscal Years
 June 30, 2015
TABLE 9

Fiscal Year	City Direct Rate	(2) Overlapping Rates					Total Sand Springs City Resident
		Debt Service Fund*	Sand Springs School District	Tulsa County	Tulsa Community College	Tulsa Technology Center	
2006	5.03		73.24	22.59	7.21	13.33	121.40
2007	13.41		73.45	22.21	7.21	13.33	129.61
2008	11.25		71.81	22.21	7.21	13.33	125.81
2009	10.74		68.35	22.21	7.21	13.33	121.84
2010	10.06		69.71	22.21	7.21	13.33	122.52
2011	10.08		73.92	22.21	7.21	13.33	126.75
2012	9.55		73.42	22.24	7.21	13.33	125.75
2013	9.52		72.88	22.24	7.21	13.33	125.13
2014	3.23		73.27	22.23	7.21	13.33	119.27
2015	10.50		72.61	22.23	7.21	13.33	125.88
The levy certified to the tax rolls for the upcoming fiscal year is as follows:							
2016	9.70		72.31	22.22	7.21	13.33	124.77

Source:

1. Tulsa County Excise Board

Note:

1. City property tax may only be levied to repay principal and interest on general obligation bonded debt approved by voters and any court assessed judgments.
2. Overlapping rates are those of local and county governments that apply to property owners within the City of Sand Springs.

* Direct rate is solely for direct and overlapping debt

CITY OF SAND SPRINGS, OKLAHOMA
PRINCIPAL PROPERTY TAXPAYERS
 Current Year And Nine Years Ago
 June 30, 2015
TABLE 10

	2015			2006		
	<u>Type of Business</u>	<u>Taxable Assessed Value</u>	<u>Percentage of Net Total Assessed Value</u>	<u>Taxable Assessed Value</u>	<u>Rank</u>	<u>Percentage of Net Total Assessed Value</u>
Chemlink Inc/Baker Petrolite	Manufacturing	5,286,097	4.16%	1,983,752	5	1.98%
Webco Industries	Utility	3,954,934	3.11%	2,975,475	2	2.97%
Public Service Co of Okla	Manufacturing	3,687,313	2.90%	2,228,267	4	2.29%
Wal-Mart	Retail	2,582,646	2.03%	2,323,869	3	2.32%
Gerdau Ameristeel	Manufacturing	1,506,707	1.18%	6,418,197	1	6.41%
Sand Springs Home	Real Estate	1,386,168	1.09%	1,299,050	7	1.30%
Highland Crossing	Apartment	1,293,918	1.02%	-		
Yellowhouse Machinery	Equipment	1,228,903	0.97%	723,727	10	0.72%
Cust-O-Fab	Manufacturing	872,027	0.69%	-		
Oklahoma Natural Gas	Utility	749,840	0.59%	771,875	9	0.77%
Green Tree	Real Estate	650,753	0.51%	-		
Fiberglass Systems LP	Manufacturing	599,178	0.47%	-		
A&T	Utility	547,239	0.43%	1,726,279	6	1.72%
Caimbrae Realty	Real Estate	542,259	0.43%	-		
Parker Plastics	Manufacturing	530,334	0.42%	-		
Totals		<u>\$ 25,418,316</u>	<u>20.00%</u>	<u>\$ 20,450,491</u>		<u>20.48%</u>

Source:
 1. Tulsa County Assessors Office

CITY OF SAND SPRINGS, OKLAHOMA
PROPERTY TAX LEVIES AND COLLECTIONS
Last Ten Fiscal Years
June 30, 2015
TABLE 11

Fiscal Year	Actual Levy Year	Tax Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections To Date		Net Assessed Value	Mill Levy
			Amount	Percentage of Levy		Amount	Percentage of Levy		
2006	2005	\$ 469,940	\$ 447,392	95%	\$ 10,601	\$ 457,993	97.5%	\$ 93,513,610	5.03
2007	2006	\$ 1,335,081	\$ 1,297,983	97%	\$ 26,723	\$ 1,324,707	99.2%	\$ 99,542,448	13.41
2008	2007	\$ 1,234,615	\$ 1,208,401	98%	\$ 20,391	\$ 1,228,791	99.5%	\$ 109,670,228	11.25
2009	2008	\$ 1,243,871	\$ 1,205,963	97%	\$ 17,521	\$ 1,223,484	98.4%	\$ 112,509,955	10.74
2010	2009	\$ 1,246,887	\$ 1,202,135	96%	\$ 15,691	\$ 1,217,826	97.7%	\$ 123,936,609	10.06
2011	2010	\$ 1,207,455	\$ 1,184,282	98%	\$ 20,533	\$ 1,204,815	99.8%	\$ 119,768,502	10.08
2012	2011	\$ 1,145,387	\$ 1,111,816	97%	\$ 17,474	\$ 1,129,290	98.6%	\$ 119,937,191	9.55
2013	2012	\$ 1,172,499	\$ 1,126,854	96%	\$ 19,268	\$ 1,146,122	97.8%	\$ 123,219,414	9.52
2014	2013	\$ 406,950	\$ 387,732	95%	\$ -	\$ 387,732	95.3%	\$ 126,014,837	3.23
2015	2014	\$ 1,335,530	\$ 1,281,373	96%	\$ 19,557	\$ 1,300,930	97.4%	\$ 129,590,630	10.50

Sources: Tulsa County Assessor's Office, Tulsa County Excise Board, and City of Sand Springs Department of Finance

Use Revenue and Expenditure Report for Property Taxes

DEBT CAPACITY

CITY OF SAND SPRINGS, OKLAHOMA
RATIO OF NET GENERAL BONDED DEBT TO ASSESSED
VALUE AND NET BONDED DEBT PER CAPITA
 Last Ten Fiscal Years
 June 30, 2015
TABLE 12

Fiscal Year	Population	Net Assessed Value	Gross Bonded Debt (1)	Less Debt Service Funds	Net Bonded Debt	Ratio of Net Bonded Debt to Assessed Value	Net Bonded Debt Per Capita
2006	17,765	93,513,610	12,851,029	939,136	11,911,893	12.74%	671
2007	17,877	99,542,448	11,445,000	1,245,860	10,199,140	10.25%	571
2008	18,450	109,670,228	10,080,000	1,250,185	8,829,815	8.05%	479
2009	18,489	112,509,955	9,195,000	1,225,985	7,969,015	7.08%	431
2010	18,868	123,936,609	8,310,000	1,225,238	7,084,762	5.72%	375
2011	18,906	119,768,402	7,425,000	1,132,394	6,292,606	5.25%	333
2012	19,140	119,937,191	6,650,000	1,139,037	5,510,963	4.59%	288
2013	19,116	123,219,414	5,720,000	1,198,452	4,521,548	3.67%	237
2014	19,339	126,014,837	7,165,000	547,774	6,617,226	5.25%	342
2015	19,553	129,590,630	6,255,000	738,998	5,516,002	4.26%	282

Note:

1. Represents outstanding general obligation bonds financed through ad valorem and sales tax.
2. Details regarding the city's outstanding debt can be found in the notes to the financial statements.

CITY OF SAND SPRINGS, OKLAHOMA
COMPUTATION OF DIRECT AND OVERLAPPING DEBT
June 30, 2015
TABLE 13

<u>Jurisdiction</u>	<u>Net Debt Outstanding</u>	<u>Percentage (1) Applicable to City of Sand Springs</u>	<u>Amount Applicable to City of Sand Springs</u>
City of Sand Springs	\$ 7,307,045	100.00%	\$ 7,307,045
Overlapping Debt: Sand Springs School District	13,246,716	75.05%	9,941,660
Berryhill School District	2,346,695	21.07%	494,449
Tulsa County	0	2.44%	0
Tulsa Community College	0	2.49%	0
Total overlapping debt	<u>15,593,411</u>		<u>10,436,109</u>
Total Direct and Overlapping Debt	<u>\$ 22,900,456</u>		<u>\$ 17,743,154</u>

Source:

1. Tulsa & Osage County Assessors Office

Note:

1. 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 Sand Springs.

CITY OF SAND SPRINGS, OKLAHOMA
 LEGAL DEBT MARGIN INFORMATION
 Last Ten Fiscal Years
 June 30, 2015
 TABLE 14

	Fiscal Year									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Debt limit	\$ 9,351,361	\$ 9,954,245	\$ 10,967,023	\$ 11,579,257	\$ 12,393,661	\$ 11,976,850	\$ 11,993,938	\$ 12,321,941	\$ 12,601,484	\$ 12,721,858
Total net debt applicable to limit	<u>7,945,207</u>	<u>7,682,782</u>	<u>7,064,879</u>	<u>6,447,018</u>	<u>5,829,158</u>	<u>5,211,297</u>	<u>4,668,269</u>	<u>4,119,634</u>	<u>5,820,184</u>	<u>5,163,023</u>
Legal debt margin	\$ 1,406,154	\$ 2,271,463	\$ 3,902,144	\$ 5,132,239	\$ 6,564,503	\$ 6,765,553	\$ 7,325,669	\$ 8,202,307	\$ 6,781,300	\$ 7,558,835
Total net debt applicable to the limit as a percentage of debt limit	84.96%	77.18%	64.42%	55.68%	47.03%	43.51%	38.92%	33.43%	46.19%	40.58%
Legal Debt Margin Calculation for Fiscal Year 2015										
Net assessed valuation										
Debt limit (10% of total assess value)	\$ 127,218,583									
Debt applicable to limit:										
General obligation bonds	\$ 12,721,858									
Less: Street bonds outstanding	6,255,000									
Total net debt applicable to limit	<u>1,091,977</u>									
Legal debt margin	<u>5,163,023</u>									
	<u>\$ 7,558,835</u>									

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

CITY OF SAND SPRINGS, OKLAHOMA
MUNICIPAL AUTHORITY
PLEDGED REVENUE COVERAGE
Last Ten Fiscal Years
June 30, 2015
TABLE 15

Fiscal Year	Gross Revenues	Direct Operating Expenses	Net Revenue Available for Debt Service	Average Annual Debt Service (1)	
				Debt Service (1)	Debt Service Coverage
2006	10,918,580	(3) 5,362,886	5,555,694	898,125	6.19
2007	11,510,750	5,571,560	5,939,190	898,125	6.61
2008	11,668,999	6,006,857	5,662,142	898,125	6.30
2009	11,883,093	5,773,039	6,110,054	898,125	6.80
2010	11,387,089	5,250,446	6,136,643	779,905	7.87
2011	12,028,674	5,292,914	6,735,760	779,905	8.64
2012	13,069,529	5,465,821	7,603,708	0	N/A
2013	13,544,073	5,715,422	7,828,651	1,675,637	4.67
2014	14,053,576	6,023,712	8,029,864	1,675,637	4.79
2015	13,527,517	6,334,327	7,193,190	1,675,637	4.29

Note:

1. Average annual debt service includes principal, interest and fee payments to fiscal agents for revenue bonds payable secured by or for which debt service is paid from trust revenue.
2. Beginning in fiscal year 2003, the SSMA issued OWRB Notes Payable that contained a coverage requirement based on maximum annual debt service on the OWRB notes and all parity debt. The maximum annual debt service totaled \$1,794,578 with coverage computed at 4.36
3. In fiscal year 2006 a 5-year utility rate plan was implemented.

CITY OF SAND SPRINGS, OKLAHOMA
RATIO FOR OUTSTANDING DEBT BY TYPE
Last Ten Fiscal Years
June 30, 2015
TABLE 16

Fiscal Year	Governmental Activities			Business-Type Activities				Total Primary Government	Percentage of Personal Income	Per Capita
	General Obligation Bonds	Capital Leases Payable	Revenue Bonds Payable	Unamortized Premium/Discount	Notes Payable	Capital Leases Payable				
2006	12,845,000	27,961	4,120,000	-	14,860,010	50,222	31,903,193	5%	1,796	
2007	11,445,000	31,572	3,475,000	-	15,937,925	131,078	31,020,575	5%	1,735	
2008	10,080,000	429,840	2,815,000	-	14,839,240	139,430	28,303,510	4%	1,534	
2009	9,195,000	368,838	2,120,000	-	13,916,658	91,328	25,691,824	4%	1,390	
2010	8,310,000	307,769	1,390,000	-	13,946,941	35,601	23,990,311	3%	1,271	
2011	7,425,000	248,085	620,000	-	13,328,720	12,279	21,634,084	3%	1,144	
2012	6,650,000	190,017	-	-	12,867,801	-	19,707,818	2%	1,030	
2013	5,720,000	625,673	30,510,000	66,348	9,070,394	-	45,992,415	4%	2,352	
2014	7,165,000	514,814	29,830,000	67,773	8,146,832	-	45,724,419	4%	2,338	
2015	6,255,000	1,104,003	29,170,000	69,197	7,411,830	-	44,010,030	4%	2,251	



DEMOGRAPHIC AND ECONOMIC INFORMATION

CITY OF SAND SPRINGS, OKLAHOMA
BUILDING PERMITS, CONSTRUCTION AND BANK DEPOSITS
 Last Ten Calendar Years
 June 30, 2015
 TABLE 17

Calendar Year	Number of Building Permits	Construction Values			Total	Estimated Actual Value of Taxable Property	Bank Deposits
		Residential	Commercial				
2005	262	17,937,748	19,754,327		37,692,075	890,512,855	231,672,353
2006	273	14,862,545	11,365,538		26,228,083	943,367,082	248,778,000
2007	214	18,188,885	27,922,578		46,111,463	1,036,050,155	275,757,000
2008	190	15,838,709	14,167,699		30,006,408	1,036,050,155	279,222,000
2009	195	12,901,230	7,665,365		20,566,595	1,061,829,882	272,193,000
2010	190	10,910,659	27,059,845		37,970,504	1,127,417,473	275,391,000
2011	178	37,056,719	12,670,862		49,727,581	1,128,593,645	301,579,000
2012	250	15,046,585	7,292,732		22,339,317	1,158,140,864	311,563,000
2013	290	15,610,436	7,816,622		23,427,058	1,183,284,073	304,006,000
2014	238	14,969,551	17,720,381		32,689,932	1,193,563,573	329,335,000

Source:
 1. City Neighborhood Services Department

CITY OF SAND SPRINGS, OKLAHOMA
DEMOGRAPHIC AND ECONOMIC STATISTICS
Last Ten Calendar Years
June 30, 2015
TABLE 18

Calendar Year	Population (1)	Current Personal Income (thousands of dollars)	Per Capita Personal Income (MSA)	Median Age of Population (3)	School Enrollment (4)	Unemployment Rate (5)
2005	17,765	602,589	33,920	35.1	5,017	3.9%
2006	17,877	671,532	37,564	34.5	5,315	4.5%
2007	18,450	705,141	38,219	35.1	5,425	4.1%
2008	18,489	763,725	41,307	35.1	5,328	4.9%
2009	18,868	744,192	39,442	35.1	5,327	7.7%
2010	18,906	771,232	40,793	35.2	5,261	7.9%
2011	19,140	918,165	47,971	36.5	5,315	5.3%
2012	19,116	1,057,975 *	55,345 *	36.2	5,315	5.2%
2013	19,339	1,050,146 *	54,302 *	36.5	5,336	4.6%
2014	19,553	1,102,809	56,401	34.3	5,236	4.3%

Source:

1. INCOG
2. Per Capita Personal Income - U.S. Bureau of Economic Analysis (BEA) for the Tulsa metropolitan area (information for Sand Springs unavailable)
- * Calendar years 2012 and 2013 were restated based on most recent information provided by BEA.
3. Municipal Net Guide
4. Sand Springs School District
5. Bureau of Labor Statistics, for the Tulsa metropolitan area.

**CITY OF SAND SPRINGS, OKLAHOMA
PRINCIPAL EMPLOYERS
Current Year And Nine Years Ago
June 30, 2015
TABLE 19**

<u>Employer</u>	<u>2015</u>			<u>2006</u>		
	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total City Employment</u>	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total City Employment</u>
Sand Springs Schools	631	1	9.89%	665	1	10.36%
Wal Mart	424	2	6.64%	530	2	8.26%
Webco	416	3	6.52%	360	4	5.61%
Piping Enterprise	324	4	5.05%	-	-	0.00%
City of Sand Springs	204	5	3.20%	256	6	3.99%
Cust-O-Fab	200	6	3.13%	153	8	2.38%
Baker Petrolite	168	7	2.63%	150	9	2.34%
Osage Million Dollar Elm	132	8	2.07%	-	-	-
Tulsa Community College	121	9	1.90%	212	7	3.32%
Keystone Chevrolet	91	10	1.43%	89	11	1.39%
Totals	2,711		42.44%	2,415		37.65%

Source:

1. U S Census Bureau ZIP Code Business Patterns (NAICS) website provided the total labor force numbers

Note:

1. 2015 percentage is based on the U S Census Bureau 2012 totals
2. 2006 numbers total 6,418 and 2014 numbers total 6,383
3. The total number of employees includes full and part time employees



Sand Springs

O K L A H O M A

OPERATING INFORMATION

CITY OF SAND SPRINGS OKLAHOMA
FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION/PROGRAM
 Last Ten Fiscal Years
 June 30, 2015
TABLE 20

Function/Program	Fiscal Year										###
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	
General Government	5	5	7	7	5	5	6	8	8	9	
Planning and Zoning	1	1	1	1	1	1	1	1	2	2	
Financial Administration	22	22	22	20	18	16	19	17	13	13	
Public Safety	83	85	87	84	82	76	79	79	86	85	
Highways and Streets	14	14	14	12	12	8	9	9	9	9	
Culture and Recreation	13	13	14	14	11	7	6	6	8	8	
Economic Development	1	1	1	1	1	1	1	1	1	1	
Facilities Management & Maint	10	10	10	10	10	8	9	10	10	10	
Water Operations	33	33	33	32	32	31	31	31	32	33	
Stormwater	0	1	1	1	1	1	1	0	0	0	
Wastewater Operations	20	20	20	19	19	19	19	19	19	19	
Solid Waste Operations	11	11	11	11	11	11	11	11	11	11	
Airport Operations	1	1	1	1	1	1	1	1	1	1	
Golf Course Operations	8	8	8	8	0	0	0	0	0	0	
Total	222	222	225	230	204	185	193	193	200	201	

Source:
 1. City Finance Office

CITY OF SAND SPRINGS OKLAHOMA
CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM
 Last Ten Fiscal Years
 June 30, 2015
TABLE 21

Function/Program	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Public Safety										
Police Stations	1	1	1	1	1	1	1	1	1	1
Patrol Units	29	31	31	33	33	33	38	38	40	36
Fire Stations	2	2	2	2	2	2	2	2	2	2
Fire Trucks	10	10	11	11	11	13	13	9	10	10
Highways and Streets										
Roadways (arterial lane miles)	170	170	170	170	170	170	172	173	173	173
Streetslights	1,034	1,074	1,096	1,208	1,209	1,209	1,211	1,211	1,214	1,214
Signalized Intersections	18	18	18	18	18	18	18	18	19	19
Culture and Recreation										
Acreage	262	263	263	263	263	263	263	263	263	269
Tennis Courts	6	6	6	6	6	6	6	6	6	4
Ball diamonds	13	13	13	13	13	13	11	11	11	11
Community Centers	1	1	1	1	1	1	1	1	1	1
Senior Centers	1	1	1	1	1	1	1	1	1	1
Water Operations										
Treatment Plants	1	1	1	1	1	1	1	1	1	1
Water Mains (miles)	422	426	430	431	448	452	452	454	454	455
Storage capacity (thousands of gallons)	6,550	6,550	7,023	7,023	7,023	7,023	6,523	6,523	6,523	6,523
Wastewater Operations										
Treatment Plants	1	1	1	1	1	1	1	1	1	1
Sanitary Sewers (miles)	119	120	122	122	126	126	126	127	128	128
Treatment capacity (thousands of gallons)	3,120	3,120	3,120	3,120	3,120	3,120	3,120	3,120	3,120	3,120
Solid Waste Operations										
Collection Trucks	8	9	8	8	10	10	10	8	8	9
Stormwater Operations										
Storm sewers (miles)	49	50	50	50	50	50	50	51	51	51

Source:

1. City Departments

CITY OF SAND SPRINGS OKLAHOMA
OPERATING INDICATORS BY FUNCTION/PROGRAM
 Last Ten Fiscal Years
 June 30, 2015
 TABLE 22

Function/Program	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Public Safety										
Police										
Number of Violations (Citations)	5,529	5,448	6,433	5,031	10,029	8,859	8,810	6,677	6,181	6,240
Fire										
Call Responses	2,648	2,866	3,452	3,054	3,033	3,475	3,959	4,023	4,114	4,226
Highways and Streets										
Streets Resurfacing (miles)	-	-	31	7	7	14	2	9	-	8
Asphalt Repairs (tons)	872	255	98	82	145	258	208	208	147	280
Culture and Recreation										
Community Center Visitors (daily average)	138	119	125	264	348	338	310	293	269	254
Water and Wastewater Operations										
Number of Water Consumers	10,927	11,007	11,059	11,151	11,828	11,774	11,767	11,836	12,008	12,027
Average Daily Water Consumption (thousands of gallons)	3,480	3,446	3,175	3,072	2,844	2,839	3,073	3,065	2,986	2,840
Number of Sewer Consumers	6,658	6,701	6,680	6,731	6,827	6,792	6,780	6,835	6,907	6,925
Solid Waste Operations										
Refuse collected (tons per day)	51.1	53.3	50.4	48.3	41.3	41.1	38.7	39.3	40.4	34.5
Active Refuse Accounts	6,725	6,703	6,740	6,789	6,883	6,850	6,859	6,911	7,038	7,048
Airport Operations										
Annual Aviation/Jet Fuel Sales ¹	59,739	38,470	34,868	30,944	29,168	30,006	47,481	43,357	62,754	64,832
Golf Operations										
Number of Rounds Played	23,720	20,533	18,269	19,942	19,542	23,880	24,919	25,254	25,699	25,201

Source: City Departments

Note:

1. FY 2007 City no longer selling jet aviation fuel





City of Sand Springs

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