

Sand Springs

Oklahoma

Comprehensive Annual Financial Report

For Fiscal Year Ended June 30, 2020

Point
of Passage

The image shows two antique brass compasses resting on a wooden surface. The compass in the foreground is smaller and shows a detailed rose with cardinal and intercardinal directions. The larger compass in the background is partially obscured and shows a similar rose with some text around the perimeter. The text 'Point of Passage' is written in a white, cursive font across the middle of the image.

**CITY OF SAND SPRINGS, OKLAHOMA
 COMPREHENSIVE ANNUAL FINANCIAL REPORT
 AND ACCOMPANYING INDEPENDENT AUDITOR’S REPORTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

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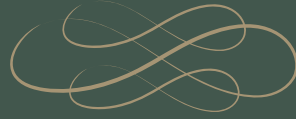
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INTRODUCTION SECTION



COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR YEAR ENDING JUNE 30 2020





CITY OF SAND SPRINGS

100 E. Broadway St. • P.O. Box 338 • Sand Springs, Oklahoma 74063
Phone: 918.246.2500 • sandspringsok.org

December 31, 2020

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, 2020, 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, 2020. 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 20,526.

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; the Sand Springs Cultural and Historical Museum Trust Authority (SSCHMTA) is 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 1, and ending June 30. 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 The 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.

In accordance with Title 60 of the Oklahoma State Statutes, the Sand Springs Municipal Authority, 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 local economy for Sand Springs improved significantly in fiscal year 2020 despite the ongoing coronavirus pandemic. Taxable sales went up by 4.5% in the areas of retail-general merchandise, retail- food, and in the service industry. Net assessed valuation for Sand Springs also went up 4.7%. New construction was up in both the residential and construction industries as a result of continued investment in beautification and economic development efforts by the City over the past several years.

Major Initiatives

The City of Sand Springs worked on several large projects throughout the year designed to improve quality of life and enhance economic development opportunities. Following is a brief listing of current projects:

- **Sheffield Crossing Development-** The City purchased an additional 9 acres at this site to be used in conjunction with the existing 18 acres for commercial and retail business activities. The City made its first sale to Chick-fil-A in December 2019 and the restaurant opened by the end of the fiscal year.
- **River West Development-** The City began the RiverWest development in 2004, with the purchase of approximately 180 lots. The project envisioned a new retail development that would enhance the retail base of the city. Since 2004, the City (with the benefit of County Vision 2025 fund for economic development) has

invested approximately 21 million dollars into the project and has received proceeds from land sales, taxes and utilities to generate approximately 16 million dollars. The project currently generates approximately \$900,000 per year in sales tax revenue for the City. Additionally, the City owns remaining land to be sold with an approximate value of \$2.8 million.

- **52 Acre Development-** The City purchased a 52 acre parcel of land in the spring of 2020 for future residential development. The FY21 budget allows for the beginning of some infrastructure costs as staff develops a master plan for development in the coming years.
- **Main Street Project-** This project was awarded Federal Funding and is being managed directly by ODOT. The project will improve Main Street from 1st Street to Morrow Road by rebuilding this section to 5 lanes and adding access to the Highway 412 on-ramp at Lincoln Avenue. Main Street south of Morrow Road will be constructed to two lanes and will connect to Highway 97 with a new, signalized intersection. A major stormwater upgrade will also be installed under the roadway and will convey water directly to the Arkansas River through a much larger concrete pipe.
- **Keystone Ancient Forest Visitors Center-** This visitor's center will include modern restrooms and a small indoor gathering area- a great new addition to one of Oklahoma's premier hiking destinations. This project began construction during FY20 and will be completed in FY21.

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, 2019. This was the 30th 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 24th consecutive Award for Outstanding Achievement in Popular Annual Financial Reporting for the fiscal year 2019. 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 whom 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,

A handwritten signature in blue ink that reads "Daniel Bradley". The signature is fluid and cursive, with a long, sweeping underline that extends to the right.

Daniel Bradley

Interim City Manager

A handwritten signature in blue ink that reads "Kelly A Lamberson". The signature is cursive and elegant, with a long, sweeping underline that extends to the right.

Kelly A Lamberson

Finance Director

CITY OF SAND SPRINGS, OKLAHOMA

PRINCIPAL OFFICIALS AND STAFF

JUNE 30, 2020

MAYOR AND CITY COUNCIL

Phil Nollan	Councilmember	Ward 1	Patty Dixon	Vice Mayor	Ward 2
Mike Burdge	Councilmember	Ward 3	Nancy Riley	Councilmember	Ward 4
Beau Wilson	Councilmember	Ward 5	Brian Jackson	Councilmember	Ward 6
James O. Spoon	Mayor	At-Large			

FINANCE COMMITTEE

Mike Burdge	Chairman	Daniel Bradley	Staff Member
Patty Dixon	Councilmember	Kelly Lamberson	Staff Member
James O. Spoon	Councilmember	Arlena Barnes	Staff Member

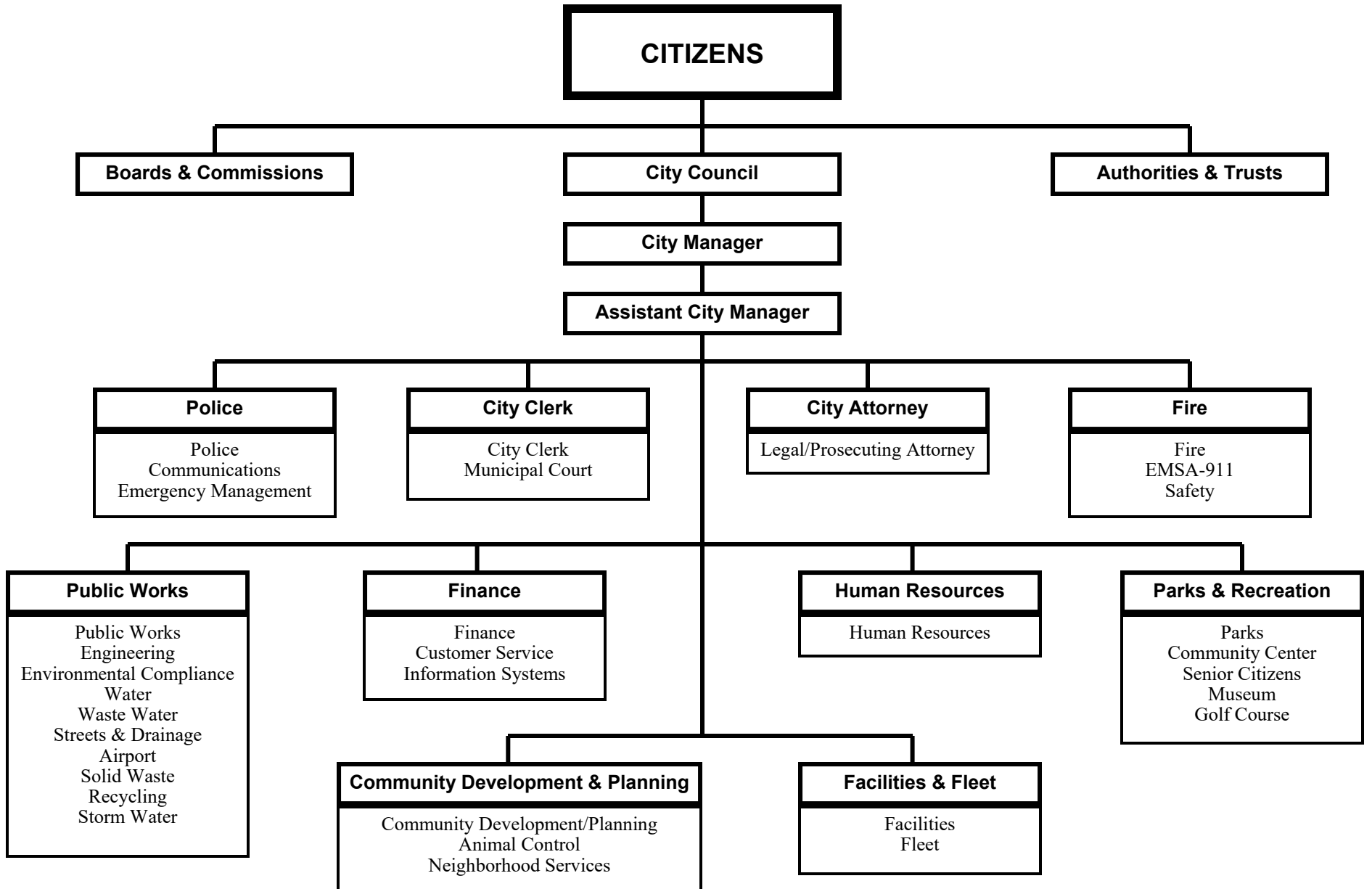
ADMINISTRATION

Daniel Bradley	Interim City Manager	Kelly Lamberson	Finance Director
Derek Campbell	Public Works Director	Brad Bates	City Planner
Vacant	Asst City Manager	Grant Gerondale	Community Dev Director
Mike Carter	Police Chief	Mike Wood	Fire Chief
David Weatherford	City Attorney	Janice Almy	City Clerk
Amy Fairchild	Human Resources	Jeff Edwards	Parks Director

ACCOUNTING STAFF

Kelly Lamberson	Finance Director	Arlena Barnes	Budget Officer
Melissa Banker	Purchasing Agent	Jamie Muns-Dobson	Accountant
Nadine Rogers	Accounts Payable Specialist	Twyla Miller	Payroll Specialist

CITY OF SAND SPRINGS





Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

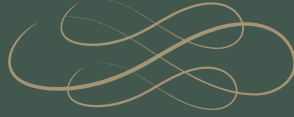
**City of Sand Springs
Oklahoma**

For its Comprehensive Annual
Financial Report
For the Fiscal Year Ended

June 30, 2019

Christopher P. Morill

Executive Director/CEO



FINANCIAL SECTION



COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR YEAR ENDING JUNE 30 2020





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 discretely presented component unit, 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, 2020, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City, as of June 30, 2020, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, 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 January 27, 2021 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.

Arlidge & Associates

January 27, 2021

MANAGEMENT'S DISCUSSION & ANALYSIS
CITY OF SAND SPRINGS, OKLAHOMA
JUNE 30, 2020

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, 2020. 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 \$5.8 million and the assets and deferred outflows of the City continued to exceed its liabilities and deferred inflows at June 30, 2020, by \$148.1 million (net position). Of this amount, \$28.4 million (unrestricted net position) may be used to meet the government's ongoing obligations to citizens and creditors.
- At June 30, 2020, the City's governmental funds reported combined ending fund balances of \$46.3 million.
- At the end of fiscal year 2020, unassigned fund balance for the General Fund was \$3.2 million or 15.2% of General Fund revenues.

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 a discretely presented component unit. Included in this report are government-wide statements for each of two categories of activities – governmental and business-type, along with one discretely presented component unit. In the prior years, the City included a second discretely presented component unit; however, its activity is immaterial and not included in this report. See also Note 1.A.

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) and deferred outflows as well as all liabilities (including long-term debt) and deferred inflows.

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 unit -- This accounts 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, 2020

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 fund and are used to report the same functions presented as business-type activities in the governmental-wide financial statements. The City uses enterprise fund 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 31-72 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 and Firefighter's Retirement Systems, and a Schedule of Changes in Total OPEB Liability and Related Ratios. Other supplementary information includes Combining and Individual Fund Financial Statements and Schedules, Budgetary Comparison Combining Schedules for Nonmajor Governmental Funds, Cash Flow Statements for the component unit, a Schedule of Debt Service and Schedule of Federal Awards. This information can be found on pages 73-100 of this report.

**MANAGEMENT'S DISCUSSION & ANALYSIS
CITY OF SAND SPRINGS, OKLAHOMA
JUNE 30, 2020**

Also included in this report is the Statistical Section which can be found on pages 101-125. 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 \$104.2 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 Unit is excluded from the following table.

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

	Governmental Activities		Business-type Activities		Total	
	2020	2019	2020	2019	2020	2019
Assets:						
Current and other assets	\$ 32,623	\$ 30,035	\$ 33,786	\$ 29,619	\$ 66,409	\$ 59,654
Capital assets	71,911	66,560	88,507	88,993	160,418	155,553
Total assets	104,534	96,595	122,293	118,612	226,827	215,207
Deferred outflows of resources:						
Deferred amounts related to pension	2,374	2,681	-	-	2,374	2,681
Deferred amounts related to OPEB	79	59	49	4	128	63
Total deferred outflows	2,453	2,740	49	4	2,502	2,744
Liabilities:						
Long-term liabilities	45,252	38,099	31,034	32,511	76,286	70,610
Other liabilities	1,967	2,297	779	800	2,746	3,097
Total liabilities	47,219	40,396	31,813	33,311	79,032	73,707
Deferred inflows of resources:						
Deferred amounts related to pension	1,691	1,551	-	-	1,691	1,551
Deferred amounts related to OPEB	316	290	229	186	545	476
Total deferred inflows	2,007	1,841	229	186	2,236	2,027
Net position:						
Net investment in capital assets	44,058	41,002	60,182	57,984	104,240	98,986
Restricted	12,906	10,746	2,532	2,498	15,438	13,244
Unrestricted	797	5,350	27,586	24,637	28,383	29,987
Total net position	\$ 57,761	\$ 57,098	\$ 90,300	\$ 85,119	\$ 148,061	\$ 142,217

**MANAGEMENT'S DISCUSSION & ANALYSIS
CITY OF SAND SPRINGS, OKLAHOMA
JUNE 30, 2020**

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

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

	Governmental Activities		Business-type Activities		Total	
	2020	2019	2020	2019	2020	2019
Revenues:						
Program revenues:						
Charges for Services	\$ 1,283	\$ 1,337	\$ 15,999	\$ 15,727	\$ 17,282	\$ 17,064
Grants & Contributions	1,983	1,221	573	1	2,556	1,222
Capital Grants & Contributions	277	19	436	462	713	481
General Revenues:						
Sales & Use Tax	15,300	14,273	-	-	15,300	14,273
Other Taxes	4,017	3,583	-	-	4,017	3,583
Other General Revenues	3,214	2,703	439	515	3,653	3,218
Total Revenues	26,074	23,136	17,447	16,705	43,521	39,841
Program Expenses:						
General Government	2,266	1,485	-	-	2,266	1,485
Planning & Zoning	184	172	-	-	184	172
Financial Administration	964	909	-	-	964	909
Public Safety	10,419	8,397	-	-	10,419	8,397
Highways & Streets	2,432	2,131	-	-	2,432	2,131
Health & Welfare	27	26	-	-	27	26
Culture & Recreation	3,370	1,749	-	-	3,370	1,749
Economic Development	864	1,146	-	-	864	1,146
General Properties	549	530	-	-	549	530
Interest on Long-term Debt	834	837	-	-	834	837
Water	-	-	7,969	7,343	7,969	7,343
Wastewater	-	-	4,307	3,664	4,307	3,664
Solid Waste	-	-	1,554	1,470	1,554	1,470
Storm Water	-	-	412	390	412	390
Airport	-	-	750	807	750	807
Golf Course	-	-	776	810	776	810
Total Expenses	21,909	17,382	15,768	14,484	37,677	31,866
Excess/(Deficiency)	4,165	5,754	1,679	2,221	5,844	7,975
Net Transfers	(3,502)	(50)	3,502	50	-	-
Increase in Net Position	663	5,704	5,181	2,271	5,844	7,975
Beginning net position	57,098	51,394	85,119	82,848	142,217	134,242
Ending net position	\$ 57,761	\$ 57,098	\$ 90,300	\$ 85,119	\$ 148,061	\$ 142,217

MANAGEMENT'S DISCUSSION & ANALYSIS
CITY OF SAND SPRINGS, OKLAHOMA
JUNE 30, 2020

Governmental Activities

The City's governmental activities' increase in net position of \$0.7 million represents a 1.2% increase. In governmental activities, operating grants and contributions increased from prior year by \$0.8 million. This increase was due to the grant monies related to damages of flooding. General Government, Public Safety and Culture & Recreation expenses increased for a combined total of approximately \$4.4 million from prior year. Public safety's increase was due to updated pay scales for the police and fire departments as well as bulk purchases of PPE for pandemic response. Culture and recreation's increase was due primarily to flooding disaster clean up and repairs.

Business-type Activities

The business-type activities' increase in net position of \$5.2 million represents a 6.1% increase. This increase is due to the increase in net transfers in from governmental activities for capital improvements and an increase in operating grants and contributions related to FEMA grants received due to a flooding disaster.

Overall, total business-type activities' revenues are sufficient to cover their total business-type activities' expenses. Individually, Water, Solid Waste, and Stormwater revenues cover 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 2020 fiscal year, the governmental funds reported a combined fund balance of \$46.3 million, or a 13.8% increase from the prior year. The enterprise funds reported combined net position of \$73.2 million, or a 2.7% increase from 2019. The fund balance and net position restrictions are listed below.

Fund Balance Classifications:

Nonspendable	\$	20,941	
Restricted		27,996,447	
Assigned		15,078,132	
Unassigned		3,228,072	
Total Fund Balance		<u>46,323,592</u>	\$ <u>46,323,592</u>

Enterprise Funds Net Position Restrictions:

Restricted for debt service	\$	2,532,310	
Total Net Position Restrictions		<u>2,532,310</u>	\$ <u>2,532,310</u>

MANAGEMENT'S DISCUSSION & ANALYSIS
CITY OF SAND SPRINGS, OKLAHOMA
JUNE 30, 2020

Other fund highlights include:

For the year ended June 30, 2020, the General Fund's total fund balance decreased by \$994,457, or 13.4%. 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 22.9% of net revenues.

General Fund Budgetary Highlights

Comparing the fiscal year 2020 original budget (or adopted) General Fund expenditures and transfers amount of \$23,086,076 to the final budgeted amount of \$24,941,194 shows a net increase of \$1,855,118 or 8.0%. Total original budgeted revenues and transfers were revised from \$21,163,638 to \$21,411,329, an increase of \$247,691 or 1.2%.

General Fund actual revenues and transfers totaled \$716,219 more than final estimates, while expenditures and transfers out were under final appropriations by \$1,817,243. General government, public safety and highways and streets were the primary reason, coming in approximately \$1.1 million under budget appropriations.

CAPITAL ASSETS & DEBT ADMINISTRATION

Capital Assets

At the end of June 30, 2020, the City had \$160.4 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 \$4.9 million over last year.

Following are details regarding the change in the City's capital assets for the year ending June 30, 2020.¹

¹ For more detailed information on capital asset activity please refer to page 51, Note 3.D. Capital Assets

**MANAGEMENT'S DISCUSSION & ANALYSIS
CITY OF SAND SPRINGS, OKLAHOMA
JUNE 30, 2020**

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

	Governmental Activities		Business-type Activities		Totals	
	2020	2019	2020	2019	2020	2019
Land	\$ 16,969	\$ 15,599	\$ 2,169	\$ 2,169	\$ 19,138	\$ 17,768
Buildings	11,354	11,303	47,859	47,833	59,213	59,136
Improvements & Other	8,557	7,299	44,590	44,432	53,147	51,731
Equipment	12,450	12,457	7,614	7,132	20,064	19,589
Infrastructure	46,681	44,864	58,244	57,944	104,925	102,808
Intangible	-	-	6,703	6,703	6,703	6,703
Construction-in-progress	21,322	18,957	3,140	1,598	24,462	20,555
Totals	117,333	110,479	170,319	167,811	287,652	278,290
Less Depreciation	(45,422)	(43,919)	(81,812)	(78,818)	(127,234)	(122,737)
Totals, Net	\$ 71,911	\$ 66,560	\$ 88,507	\$ 88,993	\$ 160,418	\$ 155,553

This year's more significant capital asset additions include:

- Sheffield Crossing \$2.0 million
- Public safety facilities \$0.6 million
- Main Street improvements \$0.5 million
- Municipal building improvements \$1.1 million

Debt Administration

At year-end, the City had \$66.6 million in long-term debt outstanding, which represents a \$6.1 million 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	
	2020	2019	2020	2019	2020	2019
General Obligation Bonds, Net	\$ 20,845	\$ 12,645	\$ -	\$ -	\$ 20,845	\$ 12,645
Capital Lease Obligations	279	447	-	-	279	447
Notes Payable	-	-	3,985	4,703	3,985	4,703
Revenue Bonds	14,605	15,080	25,645	26,380	40,250	41,460
Accrued Compensation	983	937	287	349	1,270	1,286
Totals	\$ 36,712	\$ 29,109	\$ 29,917	\$ 31,432	\$ 66,629	\$ 60,541

² For more detailed information on long-term debt activity please refer to page 52, Note 3.E. Long-Term Debt

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

Sand Springs' local economy improved in 2020, despite the uncertainty of the ongoing effects of the global pandemic during the latter part of the fiscal year. Taxable sales were up 4.5% over prior year and sales tax receipts received during the last quarter of the year were the highest ever recorded in Sand Springs' history. The increase in spending was largely in the general merchandise, food, and services industries and a contributing factor is likely due to residents keeping their tax dollars in Sand Springs rather than going into Tulsa and surrounding communities to shop. The City continued to invest in beautification projects and prepare city-owned property for future development. As a result, building permits and new construction values in both residential and commercial industries were up in calendar year 2019. Net assessed valuation increased by 4.7% and per capita personal income increased by 10%.

The initial FY21 budget was prepared prior to the coronavirus pandemic and anticipated a flat sales tax budget. However, staff identified vacant positions and capital items equal to 25% of sales tax revenues and placed those items on hold, in preparation for a potential reduction in sales tax or other coronavirus related financial impacts to the budget. After the first quarter of FY21, when financial results indicated no negative coronavirus impacts to the budget, those budgetary items that were on hold were subsequently released. Annual utility rate increases that were budgeted for May 2020, were placed on hold until September 2020 to provide some relief to utility customers during the coronavirus pandemic.

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.

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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.

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City of Sand Springs, Oklahoma
Statement of Net Position
June 30, 2020

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	Museum Trust Authority
ASSETS				
Cash and equivalents	\$ 19,003,475	\$ 21,446,310	\$ 40,449,785	\$ 136,920
Investments	8,159,900	9,405,688	17,565,588	-
Deposit with insurance pool	1,077,010	-	1,077,010	-
Interest receivable	5,845	8,083	13,928	-
Accounts receivable, net	598,731	2,058,828	2,657,559	-
Due from other governmental agencies	3,719,939	675,491	4,395,430	-
Inventories	19,342	190,850	210,192	-
Other assets	1,599	912	2,511	-
Net pension asset	36,875	-	36,875	-
Capital assets:				
Capital assets, nondepreciable	38,291,680	12,011,602	50,303,282	-
Other capital assets, net of depreciation	33,619,913	76,495,140	110,115,053	-
Total Assets	104,534,309	122,292,904	226,827,213	136,920
DEFERRED OUTFLOWS OF RESOURCES				
Deferred amounts related to pension	2,374,286	-	2,374,286	-
Deferred amounts related to OPEB	78,711	48,864	127,575	-
Total Deferred Outflows of Resources	2,452,997	48,864	2,501,861	-
LIABILITIES				
Accounts payable and accrued expenses	1,062,878	478,997	1,541,875	715
Accrued interest payable	319,617	179,540	499,157	-
Accrued payroll liabilities	338,051	113,440	451,491	178
Due to other governmental agencies	206,338	3,108	209,446	12
Amounts held in escrow	39,736	-	39,736	-
Unearned revenue	-	4,205	4,205	-
Long-term liabilities:				
Due within one year	1,996,864	1,546,977	3,543,841	-
Due in more than one year	34,986,219	28,807,172	63,793,391	-
Net pension liability	6,790,981	-	6,790,981	-
Total OPEB liability	1,478,485	679,304	2,157,789	-
Total Liabilities	47,219,169	31,812,743	79,031,912	905
DEFERRED INFLOWS OF RESOURCES				
Deferred amounts related to pension	1,690,514	-	1,690,514	-
Deferred amounts related to OPEB	316,118	229,379	545,497	-
Total Deferred Inflows of Resources	2,006,632	229,379	2,236,011	-
NET POSITION				
Net investment in capital assets	44,057,690	60,181,560	104,239,250	-
Restricted for:				
Capital projects	9,286,336	-	9,286,336	-
Public safety	1,008,857	-	1,008,857	-
Debt service	1,338,716	2,532,310	3,871,026	-
Economic development	1,060,948	-	1,060,948	-
Other projects	211,799	-	211,799	-
Unrestricted	797,159	27,585,776	28,382,935	136,015
Total Net Position	\$ 57,761,505	\$ 90,299,646	\$ 148,061,151	\$ 136,015

See accompanying notes to the Basic Financial Statements.

City of Sand Springs, Oklahoma
Statement of Activities
For the Year Ended June 30, 2020

Functions/Programs	Program Revenue				Net (Expense) Revenue and Changes in Net Position			Component Unit Museum Trust Authority
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		Total	
					Governmental Activities	Business-type Activities		
Primary government								
Governmental Activities								
General government	\$ 2,266,358	\$ 211,668	\$ 75,723	\$ -	\$ (1,978,967)	\$ -	\$ (1,978,967)	\$ -
Planning and zoning	183,962	13,388	-	-	(170,574)	-	(170,574)	-
Financial administration	964,129	-	-	-	(964,129)	-	(964,129)	-
Public safety	10,419,130	961,576	1,084,501	-	(8,373,053)	-	(8,373,053)	-
Highways and streets	2,431,763	354	173,457	153,838	(2,104,114)	-	(2,104,114)	-
Health and welfare	26,708	-	-	-	(26,708)	-	(26,708)	-
Culture and recreation	3,369,982	92,370	648,972	123,131	(2,505,509)	-	(2,505,509)	-
Economic development	864,239	3,150	-	-	(861,089)	-	(861,089)	-
Facilities management and fleet maintenance	548,790	-	-	-	(548,790)	-	(548,790)	-
Interest on long-term debt	833,740	-	-	-	(833,740)	-	(833,740)	-
Total governmental activities	<u>21,908,801</u>	<u>1,282,506</u>	<u>1,982,653</u>	<u>276,969</u>	<u>(18,366,673)</u>	<u>-</u>	<u>(18,366,673)</u>	<u>-</u>
Business-type activities								
Water operations	7,969,207	8,367,537	114,595	120,995	-	633,920	633,920	-
Wastewater operations	4,306,628	3,456,129	457,360	112,967	-	(280,172)	(280,172)	-
Solid waste operations	1,554,069	2,146,427	556	-	-	592,914	592,914	-
Stormwater operations	411,619	1,378,803	-	33,220	-	1,000,404	1,000,404	-
Airport operations	750,220	352,918	-	168,588	-	(228,714)	(228,714)	-
Golf course operations	776,491	297,277	-	-	-	(479,214)	(479,214)	-
Total business-type activities	<u>15,768,234</u>	<u>15,999,091</u>	<u>572,511</u>	<u>435,770</u>	<u>-</u>	<u>1,239,138</u>	<u>1,239,138</u>	<u>-</u>
Total primary government	<u>\$ 37,677,035</u>	<u>\$ 17,281,597</u>	<u>\$ 2,555,164</u>	<u>\$ 712,739</u>	<u>(18,366,673)</u>	<u>1,239,138</u>	<u>(17,127,535)</u>	<u>-</u>
Component Units								
Culture and recreation	\$ 25,876	\$ 4,145	\$ 8,797	\$ -				(12,934)
Total component units	<u>\$ 25,876</u>	<u>\$ 4,145</u>	<u>\$ 8,797</u>	<u>\$ -</u>				<u>(12,934)</u>
General revenues:								
Taxes:								
Sales and use taxes					15,300,573	-	15,300,573	-
Property taxes					1,465,671	-	1,465,671	-
Franchise taxes					826,021	-	826,021	-
Abatement taxes					38,477	-	38,477	-
E-911 taxes					178,047	-	178,047	-
Hotel/Motel taxes					225,923	-	225,923	-
Payment in lieu of tax					1,283,105	-	1,283,105	-
Grants and contributions not restricted to specific programs					657,831	-	657,831	-
Unrestricted investment earnings					740,329	419,301	1,159,630	1,500
Miscellaneous					1,815,698	19,996	1,835,694	-
Transfers					(3,502,084)	3,502,084	-	-
Total general revenues and transfers					<u>19,029,591</u>	<u>3,941,381</u>	<u>22,970,972</u>	<u>1,500</u>
Change in net position					<u>662,918</u>	<u>5,180,519</u>	<u>5,843,437</u>	<u>(11,434)</u>
Net position - beginning					<u>57,098,587</u>	<u>85,119,127</u>	<u>142,217,714</u>	<u>147,449</u>
Net position - ending					<u>\$ 57,761,505</u>	<u>\$ 90,299,646</u>	<u>\$ 148,061,151</u>	<u>\$ 136,015</u>

See accompanying notes to the Basic Financial Statements.

**City of Sand Springs, Oklahoma
Balance Sheet
Governmental Funds
June 30, 2020**

	General Fund	Street Improvement	Capital Improvement Water/Wastewater	Public Safety Capital Improvement Fund	2018 General Obligation Bond City Project Fund	Other Governmental Funds	Total Governmental Funds
ASSETS							
Cash and cash equivalents	\$ 1,895,395	\$ 3,155,249	\$ 6,258,725	\$ 1,138,703	\$ 7,031,147	\$ 12,301,888	\$ 31,781,107
Investments	1,499,239	6,178,160	3,118,810	-	-	1,633,582	12,429,791
Deposit with insurance pool	1,077,010	-	-	-	-	-	1,077,010
Accrued interest receivable	521	5,286	1,598	-	-	2,318	9,723
Taxes receivable, net	368,351	-	-	-	-	-	368,351
Due from other governments	2,976,814	-	-	-	10,315	483,929	3,471,058
Court fines receivable, net	225,559	-	-	-	-	-	225,559
Other receivables	277,096	96,076	-	-	-	-	373,172
Inventories	19,342	-	-	-	-	-	19,342
Prepaid items	1,599	-	-	-	-	-	1,599
Total assets	<u>\$ 8,340,926</u>	<u>\$ 9,434,771</u>	<u>\$ 9,379,133</u>	<u>\$ 1,138,703</u>	<u>\$ 7,041,462</u>	<u>\$ 14,421,717</u>	<u>\$ 49,756,712</u>
LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES							
Liabilities:							
Accounts payable	\$ 247,379	\$ 10,900	\$ 44,251	\$ 20,863	\$ 624,548	\$ 149,093	\$ 1,097,034
Payable to other governments	206,338	-	-	27,905	-	-	234,243
Due to other funds	-	-	-	-	-	-	-
Other accrued expenditures	333,868	-	-	243,089	-	-	576,957
Amounts held in escrow	33,028	-	-	-	-	-	33,028
Other payables	15,323	-	-	-	-	-	15,323
Total liabilities	<u>835,936</u>	<u>10,900</u>	<u>44,251</u>	<u>291,857</u>	<u>624,548</u>	<u>149,093</u>	<u>1,956,585</u>
Deferred inflows of resources:							
Unavailable revenues	1,154,840	5,187	474	-	10,315	305,719	1,476,535
Fund balances:							
Nonspendable	20,941	-	-	-	-	-	20,941
Restricted	653,982	8,832,206	8,764,621	363,622	6,406,599	2,975,417	27,996,447
Assigned	2,447,155	586,478	569,787	483,224	-	10,991,488	15,078,132
Unassigned	3,228,072	-	-	-	-	-	3,228,072
Total fund balances	<u>6,350,150</u>	<u>9,418,684</u>	<u>9,334,408</u>	<u>846,846</u>	<u>6,406,599</u>	<u>13,966,905</u>	<u>46,323,592</u>
Total liabilities, deferred inflows and fund balance	<u>\$ 8,340,926</u>	<u>\$ 9,434,771</u>	<u>\$ 9,379,133</u>	<u>\$ 1,138,703</u>	<u>\$ 7,041,462</u>	<u>\$ 14,421,717</u>	<u>\$ 49,756,712</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, 2020

Total fund balance, governmental funds	\$ 46,323,592
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 \$45,422,228	71,911,593
Certain long-term and other assets are not available to pay current period expenditures and therefore are not reported, or reported as unavailable in the funds:	
Accrued interest receivable	5,512
Court fines receivable	203,462
Receivable from other governments	1,265,152
Net pension asset	36,875
Deferred outflows of resources are not outflows that relate to the current period and therefore are not reported in the funds:	
Pension related deferred outflows	2,374,286
OPEB related deferred outflows	78,711
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	(9,334,408)
Fund balance of the SSMA CIP Fund	(85,489)
Fund balance of the Airport CIP Fund	(130,962)
Fund balance of the Stormwater CIP Fund	(7,521,682)
Fund balance of the Golf Course CIP Fund	(50,291)
Certain long-term liabilities and related accounts are not due and payable from current financial resources and therefore they, along with deferred inflows, are not reported in the funds:	
Net pension liability	(6,790,981)
Pension related deferred inflows	(1,690,514)
OPEB related deferred inflows	(316,118)
Accrued interest payable	(55,665)
General obligation bonds payable	(20,845,000)
Revenue bonds payable	(14,605,000)
Capital lease payable	(278,614)
Unamortized premium on debt	(271,394)
Accrued compensated absences	(983,075)
Total OPEB liability	(1,478,485)
Net Position of Governmental Activities in the Statement of Net Position	\$ 57,761,505

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, 2020

	General Fund	Street Improvement	Capital Improvement Water/Wastewater	Public Safety Capital Improvement Fund	2018 General Obligation Bond City Project Fund	Other Governmental Funds	Total Governmental Funds
REVENUES							
Taxes	\$ 17,900,348	\$ -	\$ -	\$ -	\$ -	\$ 1,609,779	\$ 19,510,127
Fees and fines	174,271	-	-	-	-	-	174,271
Licenses and permits	138,096	-	-	-	-	3,150	141,246
Intergovernmental	1,702,385	-	5,767	-	-	358,536	2,066,688
Charges for services	935,696	-	129,700	-	-	26,458	1,091,854
Investment earnings	117,412	163,404	125,612	35,835	54,390	172,017	668,670
Miscellaneous	248,584	196,076	-	4,102	638,990	938,486	2,026,238
Total revenues	<u>21,216,792</u>	<u>359,480</u>	<u>261,079</u>	<u>39,937</u>	<u>693,380</u>	<u>3,108,426</u>	<u>25,679,094</u>
EXPENDITURES							
Current:							
General government	1,092,373	-	-	-	-	-	1,092,373
Planning and zoning	179,330	-	-	-	-	-	179,330
Financial administration	932,417	-	-	-	-	-	932,417
Public safety	9,483,554	-	-	-	-	-	9,483,554
Highways and streets	745,982	-	-	-	-	-	745,982
Health and welfare	28,273	-	-	-	-	-	28,273
Culture and recreation	1,430,587	-	-	-	-	-	1,430,587
Community and economic development	423,082	-	-	-	-	306,033	729,115
Facilities management and fleet maintenance	698,125	-	-	-	-	-	698,125
Debt Service:							
Principal	168,331	-	-	475,000	-	1,070,000	1,713,331
Interest and other charges	3,581	-	-	501,625	-	369,239	874,445
Capital Outlay	1,105,808	2,557,677	780,297	1,579,540	3,317,823	4,819,429	14,160,574
Total expenditures	<u>16,291,443</u>	<u>2,557,677</u>	<u>780,297</u>	<u>2,556,165</u>	<u>3,317,823</u>	<u>6,564,701</u>	<u>32,068,106</u>
Excess of revenues over (under) expenditures	<u>4,925,349</u>	<u>(2,198,197)</u>	<u>(519,218)</u>	<u>(2,516,228)</u>	<u>(2,624,443)</u>	<u>(3,456,275)</u>	<u>(6,389,012)</u>
OTHER FINANCING SOURCES (USES)							
Issuance of long-term debt	-	-	-	-	8,535,000	735,000	9,270,000
Premiums from issuance of long-term debt	-	-	-	-	-	209,739	209,739
Transfers in	1,867,916	1,729,865	3,459,730	1,556,879	591,050	5,368,178	14,573,618
Transfers out	<u>(7,787,722)</u>	<u>-</u>	<u>(825,000)</u>	<u>(105,850)</u>	<u>(2,990,750)</u>	<u>(348,116)</u>	<u>(12,057,438)</u>
Total other financing sources and uses	<u>(5,919,806)</u>	<u>1,729,865</u>	<u>2,634,730</u>	<u>1,451,029</u>	<u>6,135,300</u>	<u>5,964,801</u>	<u>11,995,919</u>
Net change in fund balances	(994,457)	(468,332)	2,115,512	(1,065,199)	3,510,857	2,508,526	5,606,907
Fund balances - beginning	7,344,607	9,887,016	7,218,896	1,912,045	2,895,742	11,458,379	40,716,685
Fund balances - ending	<u>\$ 6,350,150</u>	<u>\$ 9,418,684</u>	<u>\$ 9,334,408</u>	<u>\$ 846,846</u>	<u>\$ 6,406,599</u>	<u>\$ 13,966,905</u>	<u>\$ 46,323,592</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, 2020

Net change in fund balances - total governmental funds:	\$	5,606,907
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		8,060,361
Book value of capital assets disposed or sold		(103,847)
Book value of capital assets transferred interfund		37,102
Depreciation expense		(2,642,411)
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.		
		36,746
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. This is the change in unavailable revenues.		
		864,422
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		168,331
General obligation bond principal payments		1,070,000
General obligation bond proceeds		(9,270,000)
Revenue bond principal payments		475,000
Premium on bonds issued		(209,739)
Amortization of bond premium		11,397
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		6,662
Amortization expense		22,646
Accrued compensated absences		(45,671)
Total OPEB liability		(105,925)
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		(2,115,512)
SSMA Capital Fund		(12,574)
Airport CIP Fund		(98,850)
Stormwater CIP Fund		(1,083,543)
Golf Course CIP Fund		(8,584)
Change in net position of governmental activities	<u>\$</u>	<u>662,918</u>

See accompanying notes to the Basic Financial Statements.

City of Sand Springs, Oklahoma
Statement of Net Position
Proprietary Funds
June 30, 2020

	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	\$ 3,416,500	\$ 2,050,547	\$ 1,687,076	\$ 191,024	\$ 134,719	\$ 180,690	\$ 7,660,556
Restricted cash and cash equivalents	764,679	113,746	-	-	-	-	878,425
Investments	2,407,319	510,886	-	-	-	-	2,918,205
Interest receivable	3,640	565	-	-	-	-	4,205
Accounts receivable, net	1,241,112	388,956	239,982	24,745	27,165	136,868	2,058,828
Receivables from other governments	114,595	411,426	-	-	-	-	526,021
Other receivables	-	-	-	30,000	-	-	30,000
Inventories	179,953	-	-	10,897	-	-	190,850
Prepaid expenses	912	-	-	-	-	-	912
Total current assets	<u>8,128,710</u>	<u>3,476,126</u>	<u>1,927,058</u>	<u>256,666</u>	<u>161,884</u>	<u>317,558</u>	<u>14,268,002</u>
Noncurrent assets:							
Restricted cash and cash equivalents	-	129,697	-	-	-	-	129,697
Restricted investments	2,185,162	32,430	-	-	-	-	2,217,592
Capital assets, nondepreciable	8,555,864	387,812	-	446,882	2,250,249	370,795	12,011,602
Other capital assets, net	<u>35,375,002</u>	<u>30,329,042</u>	<u>479,494</u>	<u>4,822,690</u>	<u>512,066</u>	<u>4,976,846</u>	<u>76,495,140</u>
Total noncurrent assets	<u>46,116,028</u>	<u>30,878,981</u>	<u>479,494</u>	<u>5,269,572</u>	<u>2,762,315</u>	<u>5,347,641</u>	<u>90,854,031</u>
Total assets	<u>54,244,738</u>	<u>34,355,107</u>	<u>2,406,552</u>	<u>5,526,238</u>	<u>2,924,199</u>	<u>5,665,199</u>	<u>105,122,033</u>
DEFERRED OUTFLOWS OF RESOURCES:							
Deferred amounts related to OPEB	7,131	37,466	2,507	880	-	880	48,864
LIABILITIES							
Current liabilities:							
Accounts payable	293,770	65,058	22,130	6,342	47,748	748	435,796
Accrued payroll liabilities	65,238	29,605	11,578	3,194	-	1,396	111,011
Accrued interest payable	163,033	16,507	-	-	-	-	179,540
Payable to other governments	-	3,108	-	-	-	-	3,108
Unearned revenue	3,640	565	-	-	-	-	4,205
Current portion of:							
Compensated absences	30,914	12,526	10,847	2,936	-	79	57,302
Deposits subject to refund	102,772	-	-	-	-	-	102,772
Notes payable	121,862	612,813	-	-	-	-	734,675
Revenue bonds payable	<u>755,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>755,000</u>
Total current liabilities	<u>1,536,229</u>	<u>740,182</u>	<u>44,555</u>	<u>12,472</u>	<u>47,748</u>	<u>2,223</u>	<u>2,383,409</u>
Noncurrent liabilities:							
Compensated absences	123,657	50,104	43,388	11,744	-	316	229,209
Deposits subject to refund	411,091	-	-	-	-	-	411,091
Total OPEB liability	346,312	186,476	119,877	13,320	-	13,319	679,304
Notes payable	1,228,593	2,038,824	-	-	-	-	3,267,417
Revenue bonds payable	<u>24,796,683</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>24,796,683</u>
Total non-current liabilities	<u>26,906,336</u>	<u>2,275,404</u>	<u>163,265</u>	<u>25,064</u>	<u>-</u>	<u>13,635</u>	<u>29,383,704</u>
Total liabilities	<u>28,442,565</u>	<u>3,015,586</u>	<u>207,820</u>	<u>37,536</u>	<u>47,748</u>	<u>15,858</u>	<u>31,767,113</u>
DEFERRED OUTFLOWS OF RESOURCES:							
Deferred amounts related to OPEB	119,633	60,771	43,221	2,878	-	2,876	229,379
NET POSITION							
Net investment in capital assets	18,257,321	28,065,217	479,494	5,269,572	2,762,315	5,347,641	60,181,560
Restricted for debt service	2,272,945	259,365	-	-	-	-	2,532,310
Unrestricted	<u>5,159,405</u>	<u>2,991,634</u>	<u>1,678,524</u>	<u>217,132</u>	<u>114,136</u>	<u>299,704</u>	<u>10,460,535</u>
Total net position	<u>\$ 25,689,671</u>	<u>\$ 31,316,216</u>	<u>\$ 2,158,018</u>	<u>\$ 5,486,704</u>	<u>\$ 2,876,451</u>	<u>\$ 5,647,345</u>	<u>73,174,405</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	9,334,408
SSMA Capital Fund	85,489
Airport CIP Fund	130,962
Stormwater CIP Fund	7,521,682
Golf Course CIP Fund	50,291

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

2,409
\$ 90,299,646

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, 2020

	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	\$ 8,089,215	\$ 3,427,790	\$ 2,129,191	\$ 117,486	\$ 297,277	\$ 1,374,347	\$15,435,306
Operating grants	-	457,360	-	-	-	-	457,360
Miscellaneous	-	-	-	227,548	-	-	227,548
Total operating revenues	<u>8,089,215</u>	<u>3,885,150</u>	<u>2,129,191</u>	<u>345,034</u>	<u>297,277</u>	<u>1,374,347</u>	<u>16,120,214</u>
OPERATING EXPENSES							
Personal services	2,343,003	985,424	613,845	102,481	1,333	46,598	4,092,684
Operations and maintenance	2,527,807	1,979,017	771,512	328,722	655,402	210,519	6,472,979
Depreciation	1,604,354	1,033,753	99,702	311,133	91,689	149,589	3,290,220
Total operating expenses	<u>6,475,164</u>	<u>3,998,194</u>	<u>1,485,059</u>	<u>742,336</u>	<u>748,424</u>	<u>406,706</u>	<u>13,855,883</u>
Operating income (loss)	<u>1,614,051</u>	<u>(113,044)</u>	<u>644,132</u>	<u>(397,302)</u>	<u>(451,147)</u>	<u>967,641</u>	<u>2,264,331</u>
NON-OPERATING REVENUES (EXPENSES)							
Interest and investment revenue	139,722	46,991	13,250	1,779	2,277	2,636	206,655
Miscellaneous revenue	54,562	172	556	-	14,057	-	69,347
Grants and contributions	114,595	-	-	30,000	-	-	144,595
Loss on disposal of capital asset	(5,615)	(3,034)	(46,664)	-	(27,667)	(457)	(83,437)
Interest expense and fiscal agent charges	(973,580)	(66,590)	-	-	-	-	(1,040,170)
Total non-operating revenue (expenses)	<u>(670,316)</u>	<u>(22,461)</u>	<u>(32,858)</u>	<u>31,779</u>	<u>(11,333)</u>	<u>2,179</u>	<u>(703,010)</u>
Income (loss) before contributions and transfers	943,735	(135,505)	611,274	(365,523)	(462,480)	969,820	1,561,321
Capital contributions	518,817	170,167	44,022	189,540	1,787,529	166,642	2,876,717
Transfers in	6,538,480	412,000	-	100,000	325,000	-	7,375,480
Transfers out	(8,169,730)	(257,500)	(250,000)	-	(14,430)	(1,200,000)	(9,891,660)
Change in net position	(168,698)	189,162	405,296	(75,983)	1,635,619	(63,538)	1,921,858
Total net position - beginning	<u>25,858,369</u>	<u>31,127,054</u>	<u>1,752,722</u>	<u>5,562,687</u>	<u>1,240,832</u>	<u>5,710,883</u>	<u>71,252,547</u>
Total net position - ending	<u>\$ 25,689,671</u>	<u>\$ 31,316,216</u>	<u>\$ 2,158,018</u>	<u>\$ 5,486,704</u>	<u>\$ 2,876,451</u>	<u>\$ 5,647,345</u>	<u>\$73,174,405</u>

Change in net position, per above \$ 1,921,858

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	2,115,512
SSMA Capital Fund	12,574
Airport CIP Fund	98,850
Stormwater CIP Fund	1,083,543
Golf Course CIP Fund	8,584

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. (60,402)

Change in Business-Type Activities in Net Position per Government-Wide Financial Statements \$ 5,180,519

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, 2020

	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	\$ 7,658,172	\$ 3,462,723	\$ 2,107,507	\$ 342,914	\$ 313,184	\$ 1,369,827	\$ 15,254,327
Receipts from other funds	166,638	-	-	-	-	-	166,638
Payments to suppliers	(2,374,323)	(2,042,319)	(807,919)	(339,268)	(673,277)	(209,811)	(6,446,917)
Payments to employees	(2,389,982)	(961,016)	(611,605)	(101,107)	(1,333)	(45,496)	(4,110,539)
Receipts of customer meter deposits	92,885	-	-	-	-	-	92,885
Refunds of customer meter deposits	(90,599)	-	-	-	-	-	(90,599)
Net Cash Provided by (Used in) Operating Activities	<u>3,062,791</u>	<u>459,388</u>	<u>687,983</u>	<u>(97,461)</u>	<u>(361,426)</u>	<u>1,114,520</u>	<u>4,865,795</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES							
Transfers from other funds	6,538,480	412,000	-	100,000	325,000	-	7,375,480
Transfers to other funds	(8,169,730)	(257,500)	(250,000)	-	(14,430)	(1,200,000)	(9,891,660)
Grants	114,595	-	-	-	-	-	114,595
Net Cash Provided by (Used in) Noncapital Financing Activities	<u>(1,516,655)</u>	<u>154,500</u>	<u>(250,000)</u>	<u>100,000</u>	<u>310,570</u>	<u>(1,200,000)</u>	<u>(2,401,585)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES							
Principal paid on capital debt	(853,265)	(600,202)	-	-	-	-	(1,453,467)
Interest paid on capital debt	(973,679)	(76,679)	-	-	-	-	(1,050,358)
Gain (loss) on disposal of capital assets	(5,618)	(3,034)	(1,820)	-	-	(457)	(10,929)
Net Cash Provided by (Used in) Capital and Related Financing Activities	<u>(1,832,562)</u>	<u>(679,915)</u>	<u>(1,820)</u>	<u>-</u>	<u>-</u>	<u>(457)</u>	<u>(2,514,754)</u>
CASH FLOWS FROM INVESTING ACTIVITIES							
Purchase of investments	(317,372)	(11,756)	-	-	-	-	(329,128)
Interest and dividends	139,722	46,991	13,250	1,779	2,277	2,636	206,655
Net Cash Provided by (Used in) Investing Activities	<u>(177,650)</u>	<u>35,235</u>	<u>13,250</u>	<u>1,779</u>	<u>2,277</u>	<u>2,636</u>	<u>(122,473)</u>
Net Increase (Decrease) in Cash and Cash Equivalents	<u>(464,076)</u>	<u>(30,792)</u>	<u>449,413</u>	<u>4,318</u>	<u>(48,579)</u>	<u>(83,301)</u>	<u>(173,017)</u>
Balances - beginning of the year	<u>4,645,255</u>	<u>2,324,782</u>	<u>1,237,663</u>	<u>186,706</u>	<u>183,298</u>	<u>263,991</u>	<u>8,841,695</u>
Balances - end of the year	<u>\$ 4,181,179</u>	<u>\$ 2,293,990</u>	<u>\$ 1,687,076</u>	<u>\$ 191,024</u>	<u>\$ 134,719</u>	<u>\$ 180,690</u>	<u>\$ 8,668,678</u>
Reconciliation to Statement of Net Position:							
Cash and cash equivalents	\$ 3,416,500	\$ 2,050,547	\$ 1,687,076	\$ 191,024	\$ 134,719	\$ 180,690	\$ 7,660,556
Restricted cash and cash equivalents	764,679	113,746	-	-	-	-	878,425
Noncurrent restricted cash and cash equivalents	-	129,697	-	-	-	-	129,697
	<u>\$ 4,181,179</u>	<u>\$ 2,293,990</u>	<u>\$ 1,687,076</u>	<u>\$ 191,024</u>	<u>\$ 134,719</u>	<u>\$ 180,690</u>	<u>\$ 8,668,678</u>

(Continued)

**City of Sand Springs, Oklahoma
Statement of Cash Flows
Proprietary Funds
For the Year Ended June 30, 2020**

(Continued)

	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
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:							
Operating income (loss)	\$ 1,614,051	\$ (113,044)	\$ 644,132	\$ (397,302)	\$ (451,147)	\$ 967,641	\$ 2,264,331
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:							
Depreciation expense	1,604,354	1,033,753	99,702	311,133	91,689	149,589	3,290,220
Other non-operating revenues (expenses)	54,562	172	556	-	14,057	-	69,347
Grants	-	-	-	30,000	-	-	30,000
Change in assets and liabilities:							
Receivables, net	(485,605)	(422,599)	(22,240)	(32,120)	1,850	(4,520)	(965,234)
Inventory	10,403	-	-	13,613	-	-	24,016
Unearned revenue	-	-	-	-	(1)	-	(1)
Prepaid expenses	(620)	-	-	-	-	-	(620)
Due from other funds	166,638	-	-	-	-	-	166,638
Deferred outflows related to OPEB	(5,095)	(36,477)	(1,755)	(816)	-	(816)	(44,959)
Accounts payables	143,701	(64,094)	(36,407)	(24,161)	(17,874)	708	1,873
Customer meter deposits payable	2,286	-	-	-	-	-	2,286
Payable to other governments	-	792	-	-	-	-	792
Total OPEB liability	(10,481)	43,759	946	1,427	-	1,426	37,077
Accrued payroll liabilities	(1,658)	6,437	3,409	(135)	-	148	8,201
Accrued compensated absences	(60,880)	4,273	(6,116)	546	-	(11)	(62,188)
Deferred inflows related to OPEB	31,135	6,416	5,756	354	-	355	44,016
Net Cash Provided by (Used in) Operating Activities	<u>\$ 3,062,791</u>	<u>\$ 459,388</u>	<u>\$ 687,983</u>	<u>\$ (97,461)</u>	<u>\$ (361,426)</u>	<u>\$ 1,114,520</u>	<u>\$ 4,865,795</u>
Noncash activities:							
Contributed capital assets	<u>\$ 518,817</u>	<u>\$ 170,167</u>	<u>\$ 44,022</u>	<u>\$ 189,540</u>	<u>\$ 1,787,529</u>	<u>\$ 166,642</u>	<u>\$ 2,876,717</u>
Total Noncash Activities	<u>\$ 518,817</u>	<u>\$ 170,167</u>	<u>\$ 44,022</u>	<u>\$ 189,540</u>	<u>\$ 1,787,529</u>	<u>\$ 166,642</u>	<u>\$ 2,876,717</u>

See accompanying notes to the basic financial statements.

NOTES TO BASIC FINANCIAL STATEMENTS
CITY OF SAND SPRINGS, OKLAHOMA
JUNE 30, 2020

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. TAX ABATEMENTS
- C. RISK MANAGEMENT
- D. COMMITMENTS AND CONTINGENCIES

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**NOTES TO BASIC FINANCIAL STATEMENTS
CITY OF SAND SPRINGS, OKLAHOMA
JUNE 30, 2020**

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 Unit:	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.

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

**NOTES TO BASIC FINANCIAL STATEMENTS
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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 would normally be 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. <i>(Component Unit activity deemed immaterial; therefore, it is not included)</i>
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.

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.

**NOTES TO BASIC FINANCIAL STATEMENTS
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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.

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 account for reporting purposes. This 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:

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
Capital Improvement Fund
Airport Construction Fund

**NOTES TO BASIC FINANCIAL STATEMENTS
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Stormwater Capital Improvement Fund
 SSMA Capital Fund
 2014 General Obligation Bond Capital Improvement Fund
 Capital Improvement Water and Wastewater Fund
 Golf Course Capital Improvement Fund
 Public Safety Capital Improvement Fund
 Economic Development Capital Improvement Fund
 2018 General Obligation Bond City Project Fund
 2019 General Obligation Bond Economic Development Fund
 Development Capital Improvement Fund

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. The reporting entity includes the following discretely presented component unit:

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

Major and Nonmajor Funds

The funds are further classified as major or nonmajor as follows:

<u>Fund</u>	<u>Brief Description</u>
<i>Major:</i>	
General	See previous description.
Capital Project Funds:	
Street Improvement	Accounts for the permanent half-cent sales tax extension approved by the voters on 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
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Public Safety Capital Improvement	Accounts for the forty-five hundredths of one-cent increase in sales tax approved by citizens in 2015 which went into effect January 2017 to repay the debt. Also, accounts for the bonds proceeds to be expended for building and improving public safety facilities and land acquisition for public safety facilities for the benefit of the City as provided in the ordinance.
2018 General Obligation Bond City Project	Accounts for the proceeds of general obligation bond issues. These funds are to be expended for streets, bridges, public safety equipment, park improvement, and municipal facilities improvements.
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.
Nonmajor:	
Special Revenue Fund	
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.
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.
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.
Economic Development Capital Improvement	Accounts for the ten hundredths of one-cent increase in sales tax approved by citizens in 2015 which went into effect January 2017 for the purpose of promoting economic development and repayment of any debt issued for that purpose for the benefit of the City as provided in the ordinance.
2018 General Obligation Economic Development	Accounts for the proceeds of land sale that was purchased with general obligation bond monies. These funds will be used to purchase additional land for economic development.
Development Capital Improvement	Accounts for transfers from the SSMA Water Fund for land purchase.
Debt Service Fund	Accounts 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.

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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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.

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.

**NOTES TO BASIC FINANCIAL STATEMENTS
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JUNE 30, 2020**

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 lower of cost or net realizable value 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 acquisition 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

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.

**NOTES TO BASIC FINANCIAL STATEMENTS
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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, 2020. 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 is typically liquidated through the use of General Fund resources.

Deferred Outflows and Inflows

Deferred outflows and inflows are the consumption or acquisition of net position by the City that are applicable to a future reporting period. At June 30, 2020, the City's deferred outflows and deferred inflows of resources were comprised of pension and OPEB related deferrals. Certain pension and OPEB amounts are deferred, some as outflows and other as inflows, amortized as a component of pension and insurance expense in future periods.

**NOTES TO BASIC FINANCIAL STATEMENTS
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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 of the City’s governing body.
- d. Assigned – includes amounts that are constrained by the City’s intent to be used for specific purposes but are neither restricted nor committed. Assignments of fund balance may be made by City Council action or management decision when the City Council has delegated that authority 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
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1.E. REVENUES, EXPENDITURES AND EXPENSES

Sales Tax

The City levies a four and 5 hundredths (4.05) 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.
- 9/20 cent transferred to Public Safety Capital Improvement Fund as required by city ordinance and as required by revenue bond indenture.
- 1/10 cent transferred to Economic Development Capital 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, 2020, the City's net assessed valuation of taxable property was \$146,604,349. The taxes levied by the City per \$1,000 of net assessed valuation for the year ended June 30, 2020 was \$10.00.

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.

**NOTES TO BASIC FINANCIAL STATEMENTS
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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 24.7%) 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 \$42,331,317. Pledged sales taxes received in the current year were \$3,459,730 and the net utility revenues were \$3,681,754. Debt service payments of \$2,479,285 for the current fiscal year were 71.7% of the pledged sales taxes and 34.7% of both pledged sales taxes and utility revenues.

Sales Tax Revenues Pledge – The City, as approved by a vote of the citizens, added an additional .45% of one cent of sales tax for the repayment of the Series 2015 and 2016 Capital Improvement Revenue Bonds. This sales tax went into effect January 2017. Proceeds of these bonds provided financing for public safety capital assets, including facilities. These bonds are payable through 2042. The total principal and interest payable for the remainder of the life of these bonds and notes is \$21,184,621. Pledged sales taxes received in the current year were \$1,556,879. Debt service payments of \$973,350 for the current fiscal year were 62.5% of the pledged sales taxes. If the pledged sales tax is not sufficient at any time, the remaining net utility revenues can be used to service the debt.

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
JUNE 30, 2020**

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
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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 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, 2020.

**NOTES TO BASIC FINANCIAL STATEMENTS
CITY OF SAND SPRINGS, OKLAHOMA
JUNE 30, 2020**

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, 2020, 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, 2020, the City complied, in all material respects, with these revenue restrictions.

**NOTES TO BASIC FINANCIAL STATEMENTS
CITY OF SAND SPRINGS, OKLAHOMA
JUNE 30, 2020**

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, 2020, the City complied with this restriction.

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, 2020, 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, 2020.

<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, 2020 is \$129,697.
2012 Revenue Bonds:	
Required balance is \$1,678,162.	Balance in Reserve Account at June 30, 2020 is \$1,733,694.
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, 2020, net revenues plus sales tax amounted to \$7,141,484. Maximum annual principal and interest requirements were \$1,794,578. Actual coverage was 398%.
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, 2020, net revenues plus sales tax amounted to \$7,141,484. Average annual principal and interest requirements were \$1,675,637. Actual coverage was 426%.

**NOTES TO BASIC FINANCIAL STATEMENTS
CITY OF SAND SPRINGS, OKLAHOMA
JUNE 30, 2020**

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, 2020:

**NOTES TO BASIC FINANCIAL STATEMENTS
CITY OF SAND SPRINGS, OKLAHOMA
JUNE 30, 2020**

Type	Maturities	Rating	Fair Value Hierarchy	Carrying Value
Deposits:				
Demand deposits				\$ 38,938,319
Time deposits			N/A	15,759,086
Total deposits				<u>54,697,405</u>
 Investments:				
Invesco Prem US Gov Money Market - Inst 1949		Aaa-mf	Level 2	606,231
Cavanal Hill US Money Market Treas-Admin #0002		Aaa-mf	Level 2	2,671,360
Money Market Funds		Aaa	N/A	40,377
Total investments				<u>3,317,968</u>
Total deposits and investments				<u>\$ 58,015,373</u>
 Reconciliation to Statement of Net Position:				
Cash and cash equivalents				\$ 40,449,785
Investments				17,565,588
				<u>\$ 58,015,373</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, 2020, 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.

As noted in the schedule of deposits and investments above, at June 30, 2020, all of the City’s investments in debt securities were rated by Moody’s.

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

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, 2020, the City had no concentration of credit risk.

Component Units:

Total bank deposits of the discretely presented component unit 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, 2020 is as follows:

	Governmental <u>Activities</u>	Business- Type <u>Activities</u>	<u>Total</u>
Service receivables	\$ 254,827	3,304,083	\$ 3,558,910
Other receivables	118,345	92,682	211,027
Municipal court fines receivable	2,255,583	-	2,255,583
Allowance for uncollectible accounts	<u>(2,030,024)</u>	<u>(1,337,937)</u>	<u>(3,367,961)</u>
Net accounts receivable	<u>\$ 598,731</u>	<u>\$ 2,058,828</u>	<u>\$ 2,657,559</u>

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.

**NOTES TO BASIC FINANCIAL STATEMENTS
CITY OF SAND SPRINGS, OKLAHOMA
JUNE 30, 2020**

The restricted assets as of June 30, 2020 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	\$ -	\$ -	\$ 40,377
2012 OWRB Notes:			
Reserve Fund Account	-	129,697	-
Bond Fund Account	113,746	-	32,430
2012 Revenue Bonds:			
Bond Fund Account	661,907	-	-
Reserve Fund Account	-	-	1,733,694
Deposits held for refund	<u>102,772</u>	<u>-</u>	<u>411,091</u>
Total	<u>\$ 878,425</u>	<u>\$ 129,697</u>	<u>\$ 2,217,592</u>

3.D. CAPITAL ASSETS

Capital asset activity for the fiscal year ended June 30, 2020, was as follows:

**NOTES TO BASIC FINANCIAL STATEMENTS
CITY OF SAND SPRINGS, OKLAHOMA
JUNE 30, 2020**

	Balance at <u>July 1, 2019</u>	<u>Additions</u>	<u>Deductions</u>	<u>Transfers</u>	Balance at <u>June 30, 2020</u>
PRIMARY GOVERNMENT:					
<i>Governmental Activities:</i>					
Capital assets not being depreciated:					
Land	\$ 15,598,999	\$ 1,397,213	\$ 27,234	\$ -	\$ 16,968,978
Construction-in-progress	18,956,616	5,457,886	-	(3,091,800)	21,322,702
Total capital assets not being depreciated	<u>34,555,615</u>	<u>6,855,099</u>	<u>27,234</u>	<u>(3,091,800)</u>	<u>38,291,680</u>
Other capital assets:					
Buildings	11,303,589	899	20,000	69,704	11,354,192
Other improvements	7,298,923	16,621	79,750	1,321,157	8,556,951
Machinery and equipment	12,457,546	1,071,590	1,116,489	37,102	12,449,749
Infrastructure	44,864,158	116,152	-	1,700,939	46,681,249
Total other capital assets at historical cost	<u>75,924,216</u>	<u>1,205,262</u>	<u>1,216,239</u>	<u>3,128,902</u>	<u>79,042,141</u>
Less accumulated depreciation for:					
Buildings	2,992,740	251,318	15,193	-	3,228,865
Other improvements	2,032,062	294,889	79,750	-	2,247,201
Machinery and equipment	7,465,917	786,668	1,044,683	-	7,207,902
Infrastructure	31,428,724	1,309,536	-	-	32,738,260
Total accumulated depreciation	<u>43,919,443</u>	<u>2,642,411</u>	<u>1,139,626</u>	<u>-</u>	<u>45,422,228</u>
Other capital assets, net	<u>32,004,773</u>	<u>(1,437,149)</u>	<u>76,613</u>	<u>3,128,902</u>	<u>33,619,913</u>
Governmental activities capital assets, net	<u>\$ 66,560,388</u>	<u>\$ 5,417,950</u>	<u>\$ 103,847</u>	<u>\$ 37,102</u>	<u>\$ 71,911,593</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	1,598,461	2,097,407	-	(556,136)	3,139,732
Total capital assets not being depreciated	<u>10,470,331</u>	<u>2,097,407</u>	<u>-</u>	<u>(556,136)</u>	<u>12,011,602</u>
Other capital assets:					
Buildings	47,832,901	25,512	-	-	47,858,413
Improvements other than buildings	44,432,106	158,268	-	-	44,590,374
Machinery and equipment	7,131,652	295,592	332,132	519,034	7,614,146
Infrastructure	57,944,282	299,942	-	-	58,244,224
Total other capital assets at historical cost	<u>157,340,941</u>	<u>779,314</u>	<u>332,132</u>	<u>519,034</u>	<u>158,307,157</u>
Less accumulated depreciation for:					
Buildings	12,222,974	616,719	-	-	12,839,693
Improvements other than buildings	19,876,652	1,243,505	-	-	21,120,157
Machinery and equipment	4,544,347	420,153	259,622	(37,102)	4,667,776
Infrastructure	42,174,548	1,009,843	-	-	43,184,391
Total accumulated depreciation	<u>78,818,521</u>	<u>3,290,220</u>	<u>259,622</u>	<u>(37,102)</u>	<u>81,812,017</u>
Other capital assets, net	<u>78,522,420</u>	<u>(2,510,906)</u>	<u>72,510</u>	<u>556,136</u>	<u>76,495,140</u>
Business-type activities capital assets, net	<u>\$ 88,992,751</u>	<u>\$ (413,499)</u>	<u>\$ 72,510</u>	<u>\$ -</u>	<u>\$ 88,506,742</u>

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

Primary Government:	
Governmental Activities:	
General Government	\$ 235,084
Financial Administration	13,107
Public Safety	455,784
Highways and Streets	1,395,499
Culture and Recreation	534,553
Economic Development	8,384
Total depreciation expense for governmental activities	<u>\$ 2,642,411</u>
Business-Type Activities:	
Water	\$ 1,604,354
Wastewater	1,033,753
Solid Waste	99,702
Storm Water	149,589
Airport	311,133
Golf	91,689
Total depreciation expense for business-type activities	<u>\$ 3,290,220</u>

**NOTES TO BASIC FINANCIAL STATEMENTS
CITY OF SAND SPRINGS, OKLAHOMA
JUNE 30, 2020**

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, 2020, the governmental activities long-term debt consisted of the following:

General Obligation Bonds:

\$3,500,000 General Obligation Bonds of 2018, used for streets, parks and municipal facilities, due in annual installments of \$185,000, final payment due April 1, 2038, with interest rates of 2.0% to 3.25%	\$3,330,000
\$6,180,000 General Obligation Limited Tax Bonds of 2018, used for economic development purposes, due in annual installments of \$325,000, final payment due April 1, 2038, with interest rates of 2.9% to 3.45%	5,855,000
\$2,310,000 General Obligation Refunding Bonds of 2016, used for advanced refunding of the 2006, due in annual installments of \$450,000, final payment due March 1, 2021, with interest rates of 3.7% to 5.0%	510,000
\$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%	1,750,000
\$6,500,000 General Obligation Bonds of 2019, used for capital improvement purposes, due in annual installments of \$340,000, final payment due July 1, 2039, with interest rate of 3.0%	6,500,000
\$2,900,000 General Obligation Bonds of 2020, used for capital improvement purposes, due in annual installments of \$155,000, final payment due June 1, 2040, with interest rates of 2.0% to 2.3%	<u>2,900,000</u>
Total General Obligation Bonds	<u>\$20,845,000</u>
Current portion	\$1,145,000
Non-current portion	<u>19,700,000</u>
Total General Obligation Bonds	<u>\$20,845,000</u>

Revenue Bonds:

\$8,640,000 Capital Improvement Revenue Bonds of 2015 dated January 1, 2016, used for capital improvements for public safety, issued by Sand Springs Municipal Authority, secured by dedicated sales tax, interest rates 2.0% to 4.25%, due in annual installments varying from \$245,000 to \$510,000, final payment due January 1, 2042	\$7,890,000
\$7,360,000 Capital Improvement Revenue Bonds of 2016 dated January 1, 2016, used for capital improvements for public safety, issued by Sand Springs Municipal Authority, secured by dedicated sales tax, interest rates 2.0% to 4.0%, due in annual installments varying from \$210,000 to \$430,000, final payment due January 1, 2042	<u>6,715,000</u>
Total Revenue Bonds	\$14,605,000
Plus: Unamortized Premium	<u>271,394</u>
Total Revenue Bonds, net	<u>\$14,876,394</u>

**NOTES TO BASIC FINANCIAL STATEMENTS
CITY OF SAND SPRINGS, OKLAHOMA
JUNE 30, 2020**

Current portion	\$485,000
Non-current portion, net	<u>14,391,394</u>
Total Revenue Bonds	<u>\$14,876,394</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	\$ 185,085
\$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%	19,861
\$496,304 capital lease with Community First National Bank for fire pumper, due in monthly installments of \$5,747, final payment due July 1, 2021, with interest rate of 2.406%	<u>73,668</u>
Total Capital Leases Payable	<u>\$278,614</u>
 Current portion	
Non-current portion	<u>170,249</u>
Total Capital Leases Payable	<u>108,365</u>
	<u>\$278,614</u>
 Accrued Compensated Absences:	
Current portion	\$196,615
Non-current portion	<u>786,460</u>
Total Accrued Compensated Absences	<u>\$983,075</u>
 <u>Business-Type Activities:</u>	
As of June 30, 2020, the long-term debt payable from business-type activities resources consisted of the following:	
Notes Payable (direct borrowings):	
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. The loan is collateralized by the pledge of revenues. In the event of default, the lender may file suit to require any or all of the borrower covenants to be performed; accelerate the payment of principal and interest accrued on the note; appoint temporary trustees to take over, operate and maintain the System on a profitable basis; or file suit to enforce or enjoin the action or inaction of the Borrower under the provisions of the loan agreement.	\$149,996
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. The loan is collateralized by the pledge of revenues. In the event of default, the Secured Party may file suit to require any or all of the borrower covenants to be performed; accelerate the payment of principal and interest accrued on the note; appoint temporary trustees to take over, operate and maintain the System on a profitable basis; or file suit to enforce or enjoin the action or inaction of the Debtor under the provisions of the loan agreement.	190,162
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,	

**NOTES TO BASIC FINANCIAL STATEMENTS
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<p>final installment September 15, 2026 , used for sewer improvements. The loan is collateralized by the pledge of revenues. In the event of default, the Secured Party may, at its' discretion, require the Debtor to assemble the collateral and make available to the Secured Party.</p>	827,863
<p>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. The loan is collateralized by the pledge of revenues. In the event of default, the Secured Party may, at its' discretion, require the Debtor to assemble the collateral and make available to the Secured Party.</p>	751,621
<p>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. The loan is collateralized by the pledge of revenues. In the event of default, the lender may file suit to require any or all of the borrower covenants to be performed; accelerate the payment of principal and interest accrued on the note; appoint temporary trustees to take over, operate and maintain the System on a profitable basis; or file suit to enforce or enjoin the action or inaction of the Borrower under the provisions of the loan agreement.</p>	1,350,455
<p>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. The loan is collateralized by the pledge of revenues. In the event of default, the lender may file suit to require any or all of the borrower covenants to be performed; accelerate the payment of principal and interest accrued on the note; appoint temporary trustees to take over, operate and maintain the System on a profitable basis; or file suit to enforce or enjoin the action or inaction of the Borrower under the provisions of the loan agreement.</p>	405,000
<p>2013 Note Payable dated October 1, 2013, original amount of \$1,020,000 with an 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. The loan is collateralized by the pledge of revenues. In the event of default, the lender accelerate the payment of principal and interest accrued on the note; foreclose on the lien of mortgaged property; sale of collateral and real property; appoint temporary trustees to take over, operate and maintain the System on a profitable basis.</p>	<u>310,000</u>
<p>Total Notes Payable</p>	\$3,985,097
<p>Plus: Unamortized Premium</p>	<u>16,999</u>
<p>Total Notes Payable, net</p>	<u>\$4,002,096</u>
<p>Current portion</p>	\$734,675
<p>Non-current portion, net</p>	<u>3,267,421</u>
<p>Total Notes Payable</p>	<u>\$4,002,096</u>

**NOTES TO BASIC FINANCIAL STATEMENTS
CITY OF SAND SPRINGS, OKLAHOMA
JUNE 30, 2020**

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.	\$25,645,000
Less: Unamortized discount	<u>(93,321)</u>
Total Revenue Bonds, net	<u>\$25,551,679</u>

Current portion	\$755,000
Non-current portion, net	<u>24,796,679</u>
Total Revenue Bonds Payable	<u>\$25,551,679</u>

Accrued Compensated Absences:

Current portion	\$57,302
Non-current portion	<u>229,209</u>
Total Accrued Compensated Absences	<u>\$286,511</u>

Deposits Subject to Refund:

Current portion	\$102,772
Non-current portion	<u>411,091</u>
Total Deposits Subject to Refund	<u>\$513,863</u>

Changes in Long-Term Debt

The following is a summary of changes in long-term debt for the year ended June 30, 2020:

<u>Type of Debt</u>	<u>Balance</u> <u>July 1, 2019</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2020</u>	<u>Amounts</u> <u>Due Within</u> <u>One Year</u>
<u>Primary Government</u>					
Governmental Activities:					
General Obligation Bonds	\$ 12,645,000	\$ 9,270,000	\$ 1,070,000	\$ 20,845,000	\$ 1,145,000
Revenue Bonds	15,080,000	-	475,000	14,605,000	485,000
Capital Leases Payable	446,945	-	168,331	278,614	170,249
Accrued Compensated Absences	<u>937,404</u>	<u>693,644</u>	<u>647,973</u>	983,075	<u>196,615</u>
Total Governmental Activities	<u>\$ 29,109,349</u>	<u>\$ 9,963,644</u>	<u>\$ 2,361,304</u>	36,711,689	<u>\$ 1,996,864</u>
Plus: Unamortized bond premium (See Note 3E)				271,394	
				<u>\$ 36,983,083</u>	

Reconciliation to Statement of Net Position:

Due in one year	\$ 1,996,864
Due in more than one year	<u>34,986,219</u>
	<u>\$ 36,983,083</u>

**NOTES TO BASIC FINANCIAL STATEMENTS
CITY OF SAND SPRINGS, OKLAHOMA
JUNE 30, 2020**

Business-Type Activities:

Notes Payable (direct borrowings)	\$ 4,703,564	\$ -	\$ 718,467	\$ 3,985,097	\$ 734,675
Revenue Bonds Payable	26,380,000	-	735,000	25,645,000	755,000
Accrued Compensated Absences	<u>348,699</u>	<u>188,930</u>	<u>251,118</u>	286,511	<u>57,302</u>
Total Business-Type Activities	<u>\$ 31,432,263</u>	<u>\$ 188,930</u>	<u>\$ 1,704,585</u>	29,916,608	<u>\$ 1,546,977</u>

Plus: Unamortized bond premium (See Note 3E) 16,999

Deposits subject to refund 513,863

Less: Unamortized bond discount (See Note 3E) 93,321

\$ 30,354,149

Reconciliation to Statement of Net Position:

Due in one year	1,546,977
Due in more than one year	<u>28,807,172</u>
	<u>\$ 30,354,149</u>

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, 2020 are as follows:

<u>Year Ending June 30,</u>	<u>Governmental Activities</u>					
	<u>General Obligation Bonds</u>		<u>Revenue Bonds</u>		<u>Capital Leases Payable</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2021	\$ 1,145,000	\$ 691,776	\$ 485,000	\$ 488,850	\$ 170,249	\$ 1,665
2022	1,085,000	559,538	495,000	242,570	108,365	336
2023	1,130,000	530,415	505,000	469,250	-	-
2024	1,130,000	500,238	510,000	459,150	-	-
2025	1,130,000	469,521	530,000	447,930	-	-
2026-2030	5,650,000	1,868,880	2,840,000	2,030,625	-	-
2031-2035	5,525,000	1,052,507	3,335,000	1,527,437	-	-
2036-2040	4,050,000	286,367	4,060,000	810,009	-	-
2041-2042	-	-	1,845,000	103,800	-	-
Totals	<u>\$ 20,845,000</u>	<u>\$ 5,959,242</u>	<u>\$14,605,000</u>	<u>\$ 6,579,621</u>	<u>\$ 278,614</u>	<u>\$ 2,001</u>

<u>Year Ending June 30,</u>	<u>Business-Type Activities</u>			
	<u>Notes Payable</u>		<u>Revenue Bonds Payable</u>	
	<u>(Direct borrowings)</u>			
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2021	\$ 734,675	\$ 81,992	\$ 755,000	\$ 911,012
2022	755,972	63,948	775,000	888,062
2023	682,618	45,661	800,000	865,637
2024	463,400	28,423	820,000	843,152
2025	427,254	18,359	845,000	819,004
2026-2030	921,178	31,961	4,705,000	3,588,744
2031-2035	-	-	5,590,000	2,686,150
2036-2040	-	-	6,690,000	1,555,091
2041-2043	-	-	4,665,000	274,024
Totals	<u>\$ 3,985,097</u>	<u>\$ 270,344</u>	<u>\$ 25,645,000</u>	<u>\$ 12,430,876</u>

**NOTES TO BASIC FINANCIAL STATEMENTS
CITY OF SAND SPRINGS, OKLAHOMA
JUNE 30, 2020**

3.F. INTERFUND TRANSACTIONS AND BALANCES

Interfund transfers reported in the fund financial statements for the year ended June 30, 2020, were as follows:

TRANSFERS IN	TRANSFERS OUT										
	GENERAL FUND	CAPITAL IMPROVEMENT WATER/WASTEWATER FUND	PUBLIC SAFETY CAPITAL IMPROVEMENT FUND	2018 GENERAL OBLIGATION BOND CITY PROJECT FUND	SSMA WATER FUND	SSMA WASTEWATER FUND	SSMA SOLID WASTE FUND	SSMA GOLF FUND	SSMA STORMWATER FUND	OTHER GOVERNMENTAL FUNDS	
<i>Primary Government:</i>											
<i>Governmental Activities:</i>											
<i>Major Funds:</i>											
General Fund	\$ 1,867,916	\$ -	\$ -	\$ 105,850	\$ -	\$ 1,230,000	\$ 200,000	\$ 200,000	\$ -	\$ -	\$ 132,066
<i>Capital Project Funds:</i>											
Street Improvement Fund	1,729,865	1,729,865	-	-	-	-	-	-	-	-	-
Capital Improvement Water/Wastewater Fund	3,459,730	-	-	-	-	3,459,730	-	-	-	-	-
Public Safety Capital Improvement Fund	1,556,879	1,556,879	-	-	-	-	-	-	-	-	-
2018 GO Bond City Project Fund	591,050	-	-	-	-	375,000	-	-	-	-	216,050
Capital Project Funds	7,337,524	3,286,744	-	-	-	3,834,730	-	-	-	-	216,050
Sub-total Major Funds	16,542,964	6,573,488	-	105,850	-	8,899,460	200,000	200,000	-	-	564,166
<i>Nonmajor Funds</i>											
	5,368,178	1,041,248	25,000	-	300,000	2,680,000	57,500	50,000	14,430	1,200,000	-
Total Governmental Activities	21,911,142	7,614,736	25,000	105,850	300,000	11,579,460	257,500	250,000	14,430	1,200,000	564,166
<i>Business-Type Activities:</i>											
<i>Major Funds:</i>											
SSMA Water Fund	6,538,480	3,459,730	800,000	-	2,278,750	-	-	-	-	-	-
SSMA Wastewater Fund	412,000	-	-	-	412,000	-	-	-	-	-	-
SSMA Airport Fund	100,000	-	-	-	-	100,000	-	-	-	-	-
SSMA Golf Fund	325,000	-	-	-	-	325,000	-	-	-	-	-
Total Business-Type Activities	7,375,480	3,459,730	800,000	-	2,690,750	425,000	-	-	-	-	-
Total Primary Government	\$ 29,286,622	\$ 11,074,466	\$ 825,000	\$ 105,850	\$ 2,990,750	\$ 12,004,460	\$ 257,500	\$ 250,000	\$ 14,430	\$ 1,200,000	\$ 564,166

Transfer From	Transfer To	Amount	Purpose of Transfer
* General Fund	Short-Term Capital Improvement	\$ 7,200	A E911 wireless system
* General Fund	Short-Term Capital Improvement	165,000	A Capital asset purchases
Short-Term Capital Improvement	* General Fund	120,000	B E911 wireless system
Sinking Fund	* General Fund	12,066	B Interest earnings
* SSMA Water Fund	* General Fund	1,230,000	Budgeted subsidy
* SSMA Wastewater Fund	* General Fund	200,000	Budgeted subsidy
* SSMA Solid Waste Utility Fund	* General Fund	200,000	Budgeted subsidy
* SSMA Water Fund	Capital Improvement Fund	100,000	A Capital asset purchases
* General Fund	* Street Improvement Fund	1,729,865	Sales tax transfer
* General Fund	* Public Safety Capital Improvement Fund	1,556,879	Sales tax transfer
* Public Safety Capital Improvement Fund	* General Fund	105,850	Capital asset purchases
* General Fund	Capital Improvement Fund	116,000	A Capital asset purchases
* 2014 GO Bond Capital Improvement Fund	* 2018 GO Bond City Project Fund	39,050	B Capital asset purchases
* 2018 GO Bond City Project Fund	Capital Improvement Fund	300,000	A Capital asset purchases
* 2018 GO Bond City Project Fund	* SSMA Water Fund	2,278,750	Capital asset purchases
* 2018 GO Bond City Project Fund	* SSMA Wastewater Fund	412,000	Capital asset purchases
* SSMA Water Fund	Development Capital Improvement Fund	500,000	A Budgeted subsidy
* General Fund	T.I.D. #1 Cimarron Center Fund	407,075	A Property tax transfer
* General Fund	Economic Development Capital Impr Fund	345,973	A Sales tax transfer
* SSMA Golf Course Fund	Golf Course Capital Improvement	14,430	A Capital asset purchases
* Capital Improvement W&WW Fund	* SSMA Water Fund	800,000	Debt service
Economic Development Capital Impr Fund	* 2018 GO Bond City Project Fund	177,000	B Capital asset purchases
* General Fund	* SSMA Water Fund	3,459,730	Sales tax transfer
* SSMA Stormwater Fund	Stormwater Capital Improvement	1,200,000	A Budgeted subsidy
* SSMA Water Fund	* Capital Improvement W&WW Fund	3,459,730	Sales tax transfer
* Capital Improvement W&WW Fund	CDBG - EDIF Fund	25,000	A Budgeted subsidy
* SSMA Water Fund	Airport Construction Fund	70,000	A Budgeted subsidy
* SSMA Water Fund	2014 GO Bond Capital Improvement Fund	300,000	A Capital asset purchases
* SSMA Water Fund	Economic Development Capital Impr Fund	1,500,000	A Capital asset purchases
* SSMA Water Fund	* 2018 GO Bond City Project Fund	375,000	Capital asset purchases
* SSMA Water Fund	SSMA Short-term Capital Improvement Fund	210,000	A Capital asset purchases
* SSMA Water Fund	* SSMA Golf Course Fund	325,000	Budgeted subsidy
* SSMA Water Fund	* SSMA Airport Fund	100,000	Budgeted subsidy
* SSMA Wastewater Fund	SSMA Short-term Capital Improvement Fund	57,500	A Capital asset purchases
* SSMA Solid Waste Fund	SSMA Short-term Capital Improvement Fund	50,000	A Capital asset purchases
		<u>\$ 21,949,098</u>	
* - Denotes major fund			
	Sub-total of Nonmajor Governmental Fund Transfers In	5,368,178	Sum of A
	Sub-total of Nonmajor Governmental Fund Transfers Out	(348,116)	Sum of B

Reconciliation to Fund Financials:	Transfers		Net Transfers
	In	Out	
Governmental Funds	\$ 14,573,618	\$ (12,057,438)	\$ 2,516,180
Enterprise Funds	7,375,480	(9,891,660)	(2,516,180)
Total Transfers	<u>\$ 21,949,098</u>	<u>\$ (21,949,098)</u>	<u>\$ -</u>
Reconciliation to Statement of Activities:			
Net Transfers Governmental Funds			\$ 2,516,180
Net transfer for Capital project funds reported as business-type activities			(4,236,660)
Capital outlay for governmental capital project funds reported as transfers to business-type activities			(1,781,604)
Net Transfers/Internal Activity			<u>\$ (3,502,084)</u>

**NOTES TO BASIC FINANCIAL STATEMENTS
CITY OF SAND SPRINGS, OKLAHOMA
JUNE 30, 2020**

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:

General Fund	Major Capital Project Funds				Other Governmental Funds	TOTAL	
	Street Improvement	Capital Improvement Water & Wastewater	Public Safety Capital Improvement	2018 GO Bond City Project			
Fund Balances:							
Nonspendable:							
Inventory & prepaids	\$ 20,941	\$ -	\$ -	\$ -	\$ -	\$ 20,941	
Sub-total Nonspendable	20,941	-	-	-	-	20,941	
Restricted for:							
Animal Sterilization	7,967	-	-	-	-	7,967	
Jail Reserves	98,943	-	-	-	-	98,943	
Substance Abuse	110,653	-	-	-	-	110,653	
Juvenile Programs	71,320	-	-	-	-	71,320	
Economic Development	212,722	-	-	-	848,226	1,060,948	
Streets	-	8,832,206	-	-	-	8,832,206	
License Plates	41,620	-	-	-	-	41,620	
Public Safety Capital Improvements	-	-	363,622	-	-	363,622	
Capital Improvements	-	-	-	6,406,599	523,325	6,929,924	
Contract Wages	110,757	-	-	-	-	110,757	
E911	-	-	-	-	584,767	584,767	
Utility Capital Projects	-	-	8,764,621	-	-	8,764,621	
Debt Service	-	-	-	-	1,019,099	1,019,099	
Sub-total Restricted	653,982	8,832,206	8,764,621	363,622	2,975,417	27,996,447	
Assigned to:							
Subsequent Year Budget	1,785,442	-	-	-	-	1,785,442	
Encumbrances	230,060	-	-	-	-	230,060	
Economic Development Capital Improvements	-	-	-	-	675,224	675,224	
Community Center	225,240	-	-	-	-	225,240	
Police	164,280	-	-	-	-	164,280	
Fire	9,379	-	-	-	-	9,379	
Municipal Court Technology	27,563	-	-	-	-	27,563	
Alive at 25	5,191	-	-	-	-	5,191	
Streets	-	586,478	-	-	-	586,478	
Public Safety Capital Improvements	-	-	-	483,224	-	483,224	
Capital Improvements	-	-	-	-	1,082,416	1,082,416	
Parks	-	-	-	-	56,942	56,942	
River City Crossing	-	-	-	-	1,498,352	1,498,352	
South Side Park	-	-	-	-	10,750	10,750	
Stormwater Projects	-	-	-	-	7,521,682	7,521,682	
Utility Capital Projects	-	-	569,787	-	85,489	655,276	
Golf Course	-	-	-	-	50,291	50,291	
Debt Service	-	-	-	-	10,342	10,342	
Sub-total Assigned	2,447,155	586,478	569,787	483,224	10,991,488	15,078,132	
Unassigned:	3,228,072	-	-	-	-	3,228,072	
TOTAL FUND BALANCES	\$ 6,350,150	\$ 9,418,684	\$ 9,334,408	\$ 846,846	\$ 6,406,599	\$ 13,966,905	\$ 46,323,592

The amount assigned to encumbrances of \$230,060 in the General Fund is broke down further as follows:

Function:	
General Government	\$ 80,950
Financial Administration	41,047
Public Safety	49,144
Highways and Streets	28,712
Culture and Recreation	15,567
Economic Development	12,139
Facilities Management and Fleet Maintenance	2,501
	<u>\$ 230,060</u>

**NOTES TO BASIC FINANCIAL STATEMENTS
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Enterprise Funds:	
Restricted for Debt Service:	
Cash and Cash Equivalents	\$ 905,350
Investments	<u>1,806,500</u>
	2,711,850
Less: accrued interest payable	<u>(179,540)</u>
Total Enterprise Fund Restricted Net Position	<u>\$ 2,532,310</u>

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

A summary of all the amounts recorded in the City’s financial statements for the plans is as follows:

	<u>Governmental Activities</u>
Net Pension Asset	
Police Pension System	\$ <u>36,875</u>
Total Net Pension Asset	<u>\$ 36,875</u>
Net Pension Liability	
Firefighter's Pension System	<u>6,790,981</u>
Total Net Pension Liability	<u>\$ 6,790,981</u>
Deferred Outflows of Resources	
Police Pension System	\$ 755,334
Firefighter's Pension System	<u>1,618,952</u>
Total Deferred Outflows of Resources	<u>\$ 2,374,286</u>
Deferred Inflows of Resources	
Police Pension System	\$ 179,079
Firefighter's Pension System	<u>1,511,435</u>
Total Deferred Inflows of Resources	<u>\$ 1,690,514</u>
Pension Expense	
Police Pension System	\$ 448,946
Firefighter's Pension System	<u>958,963</u>
Total Pension Expense	<u>\$ 1,407,909</u>

**NOTES TO BASIC FINANCIAL STATEMENTS
CITY OF SAND SPRINGS, OKLAHOMA
JUNE 30, 2020**

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 Police 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.

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 \$272,649. The State of Oklahoma also made on-behalf contributions to OPPRS in the amount of \$242,831 this is reported as both a revenue and an expenditure in the General Fund Statement of Revenues, Expenditures, and Changes in Fund Balance. In the government-wide Statement of Activities, revenue is recognized for the state's on-behalf contributions on an accrual basis of \$228,499. These on-behalf payments did not meet the criteria of a special funding situation.

**NOTES TO BASIC FINANCIAL STATEMENTS
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Net Pension Liability (Asset), Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions - At June 30, 2020, the City reported an asset of \$36,875 for its proportionate share of the net pension asset. The net pension asset was measured as of June 30, 2019, and the total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of July 1, 2019. 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, 2019. Based upon this information, the City's proportion was .577617%.

For the year ended June 30, 2020, the City recognized pension expense of \$448,946. At June 30, 2020, 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	\$ 22,130	\$ 174,104
Changes of assumptions	94,157	
Net difference between projected and actual earnings on pension plan investments	336,967	-
Changes in proportion and differences between City contributions and proportionate share of contributions	7,695	2,522
City contributions during the measurement date	21,736	2,453
City contributions subsequent to the measurement date	272,649	-
Total	\$ 755,334	\$ 179,079

The \$272,649 reported as deferred outflows of resources related to pensions resulting from City contributions subsequent to the measurement date will be recognized as a reduction/addition of the net pension liability (asset) in the year ended June 30, 2021. 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:		
2022	\$	169,474
2023		(43,476)
2024		58,588
2025		113,645
2026		5,375
Total	\$	303,606

Actuarial Assumptions-The total pension liability was determined by an actuarial valuation as of July 1, 2019, using the following actuarial assumptions, applied to all prior periods included in the measurement:

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

**NOTES TO BASIC FINANCIAL STATEMENTS
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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.

The actuarial assumptions used in the July 1, 2019, valuation were based on the results of an actuarial experience study for the period July 1, 2012, to June 30, 2017.

The long-term expected rate of return on pension plan investments was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense, and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of June 30, 2019 are summarized in the following table:

<u>Asset Class</u>	<u>Real Rate of Return</u>
Fixed income	4.79%
Domestic equity	5.74%
International equity	9.19%
Real estate	7.99%
Private equity	10.20%
Commodities	3.50%

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

Discount Rate-The discount rate used to measure the total pension liability was 7.5%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rate and that contributions from employers will be made at contractually required rates, determined by State statutes. Projected cash flows also assume the State of Oklahoma will continue contributing 14% of the insurance premium, as established by statute. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

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

**NOTES TO BASIC FINANCIAL STATEMENTS
CITY OF SAND SPRINGS, OKLAHOMA
JUNE 30, 2020**

	1% Decrease (6.5%)	Current Discount Rate (7.5%)	1% Increase (8.5%)
Employers' net pension liability (asset)	\$ 1,570,864	\$ (36,875)	\$ (1,396,239)

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

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

Normal Retirement:

- **Hired Prior to November 1, 2013**
Normal retirement is attained upon completing 20 years of service. The normal retirement benefit is equal to 50% of the member's final average compensation. Final average compensation is defined as the monthly average of the highest 30 consecutive months of the last 60 months of participating service. For volunteer firefighters, the monthly pension benefit for normal retirement is \$150.60 per month.
- **Hired After November 1, 2013**
Normal retirement is attained upon completing 22 years of service. The normal retirement benefit is equal to 55% of the member's final average compensation. Final average compensation is defined as the monthly average of the highest 30 consecutive months of the last 60 months of participating service. Also participants must be age 50 to begin receiving benefits. For volunteer firefighters, the monthly pension benefit for normal retirement is \$165.66 per month.

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

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

Contributions - The contributions requirements of the Plan are at an established rate 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 \$289,899. The State of Oklahoma also made on-behalf contributions to FPRS in the amount of \$675,244 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 \$653,607. These on-behalf payments did not meet the criteria of a special funding situation.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions - At June 30, 2020, the City reported a liability of \$6,790,981 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2019. 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, 2019. Based upon this information, the City's proportion was .642681%.

For the year ended June 30, 2020, the City recognized pension expense of \$958,963. At June 30, 2020, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 1,137,147	\$ 138,131
Changes of assumptions	-	174,456
Net difference between projected and actual earnings on pension plan investments	-	491,588
Changes in proportion and differences between City contributions and proportionate share of contributions	176,526	701,961
City contributions during the measurement date	15,380	5,299
City contributions subsequent to the measurement date	289,899	-
Total	<u>\$ 1,618,952</u>	<u>\$ 1,511,435</u>

The \$289,899 reported as deferred outflows of resources related to pensions resulting from City contributions

**NOTES TO BASIC FINANCIAL STATEMENTS
CITY OF SAND SPRINGS, OKLAHOMA
JUNE 30, 2020**

subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2021. 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:		
	2021	\$ 82,466
	2022	(141,873)
	2023	(37,718)
	2024	(46,887)
	2025	(38,370)
	Total	<u><u>\$ (182,382)</u></u>

Actuarial Assumptions-The total pension liability was determined by an actuarial valuation as of July 1, 2019, using the following actuarial assumptions, applied to all prior periods included in the measurement:

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

Mortality rates were based on the PUB-2010 Public Safety Table, with adjustments for generational mortality improvement using scale MP-2018 for healthy lives and no mortality improvement for disabled lives.

The actuarial assumptions used in the July 1, 2019, valuation were based on the results of an actuarial experience study for the period July 1, 2013, to June 30, 2018.

The long-term expected rate of return on pension plan investments was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense, and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of June 30, 2019, 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%	4.90%
Domestic equity	47%	7.09%
International equity	15%	9.19%
Real estate	10%	7.99%
Other assets	8%	5.57%

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.

**NOTES TO BASIC FINANCIAL STATEMENTS
CITY OF SAND SPRINGS, OKLAHOMA
JUNE 30, 2020**

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:

	1% Decrease (6.5%)	Current Discount Rate (7.5%)	1% Increase (8.5%)
Employers' net pension liability	\$ 8,769,081	\$ 6,790,981	\$ 4,618,857

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 .

Defined Contribution Plan - OkMRF

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 (OkMRF). OkMRF 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 OkMRF Plan issues a separate financial report that may be obtained from OkMRF. 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, 2020, the following amounts related to the defined contribution plan:

Employee contributions made	\$228,754
Employer (City) contributions made	\$425,395

Defined Contribution Plan – OkMRF - CMO Plan

The City has also provided a defined contribution plan in the form of The Oklahoma Municipal Retirement System Master Defined Contribution Plan (OkMRF). 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 2020 were \$13,589 which is 100% of the required contribution.

**NOTES TO BASIC FINANCIAL STATEMENTS
CITY OF SAND SPRINGS, OKLAHOMA
JUNE 30, 2020**

Other Post-Employment Benefits

Plan description – The City’s defined benefit OPEB plan, provides OPEB to eligible retirees and their dependents. The City Council has the authority to establish and amend benefit provisions. No assets are accumulated in a trust that meets the criteria in paragraph 4 of Statement 75.

Benefits provided – The City provides medical and prescription drug benefits to eligible retirees and their dependents. 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 retirees and dependents pay 110% of the active employee coverage rates; this results in the retirees and beneficiaries receiving an implicit rate subsidy. Retirees and dependents coverage ceases at age 65 and are no longer eligible for the City’s OPEB plan.

Employees covered by benefit terms - At June 30, 2020 the following employees were covered by the benefit terms:

Active Employees	127
Inactives or beneficiaries currently receiving benefit payments	<u>0</u>
Total	<u>127</u>

Total OPEB Liability – The City’s total OPEB liability of \$2,157,789 was measured as of June 30, 2020, and was determined by an actuarial valuation as of that date.

Actuarial Assumptions- The total OPEB liability was determined based on an actuarial valuation prepared as of June 30, 2020 using the following actuarial assumptions:

- Actuarial Cost Method - Entry Age Normal
- Discount Rate – 3.50%, based on June 30, 2019 published Bond Pay Go-20 bond index
- Termination – Civilian employees are based on actual experience of the Oklahoma Municipal Retirement Fund. Rates for police and firefighters are based on rates for these groups in Oklahoma.

Retirement Age:

<u>Age</u>	<u>Rate</u>
55	7%
56	7%
57	7%
58	7%
59	7%
60	7%
61	7%
62	30%
63	17.5%
64	17.5%
65-69	40%
70	100%

**NOTES TO BASIC FINANCIAL STATEMENTS
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Years of Service	Retirement Rate	
	Police	Fire
20	20%	10%
21	6%	5%
22	6%	5%
23	6%	5%
24	10%	10%
25	20%	15%
26	10%	15%
27	10%	15%
28	10%	15%
29	15%	15%
30	100%	20%
31	100%	20%
32	100%	20%
33	100%	20%
34	100%	25%
35	100%	100%

- Participation – 25% of currently covered civilian employees are assumed to elect retiree medical coverage and 50% for police and firefighters. Dependents are assumed acceptance rate is 50%
- Healthcare cost trend rates - Plan year dependent rates graded from 4.87% to 6.02%
- Mortality Rates - RPA-2000 Mortality Table with cohort mortality projection

Changes in Total OPEB Liability –The following table reports the components of changes in total OPEB liability:

	Total OPEB Liability
Balances Beginning of Year	\$ 2,021,836
Changes for the Year:	
Service cost	142,934
Interest expense	78,245
Difference between expected and actual experience	(123,765)
Changes in assumptions	49,358
Benefits paid	(10,819)
Net changes	135,953
Balances Ending of Year	\$ 2,157,789
Governmental Activities	\$ 1,478,485
Business-type Activities	679,304
	\$ 2,157,789

Changes of assumptions reflects a change in discount rate from 3.87 percent to 3.50 percent.

**NOTES TO BASIC FINANCIAL STATEMENTS
CITY OF SAND SPRINGS, OKLAHOMA
JUNE 30, 2020**

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate-The following presents the total OPEB liability of the employer calculated using the discount rate of 3.50%, as well as what the Plan's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage point lower (2.50%) or 1-percentage-point higher (4.50%) than the current rate:

	1% Decrease 2.50%		Current Discount Rate 3.50%		1% Increase 4.50%
Employers' total OPEB liability	\$ 2,685,454	\$	2,157,789	\$	1,753,514

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rate-The following presents the total OPEB liability of the employer calculated using the healthcare cost trend rate of 6.02% grading to 4.87%, as well as what the Plan's total OPEB liability would be if it were calculated using a healthcare cost trend rate that is 1-percentage point lower (5.02% grading to 3.87%) or 1-percentage-point higher (7.02% grading to 5.87%) than the current rate:

	1% Decrease (5.02% grading to 3.87%)		Healthcare Costs Trend Rates (6.02% grading to 4.87%)		1% Increase (7.02% grading to 5.87%)
Employers' net OPEB liability	\$ 1,765,139	\$	2,157,789	\$	2,656,239

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB-

For the year ended June 30, 2020, the City recognized OPEB expense of \$142,060. At June 30, 2020, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources		Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$	207,429
Changes of assumptions	42,821		253,313
Changes in proportion	84,177		84,177
Benefit payments during measurement date	577		578
Benefit payments subsequent to the measurement date	-		-
Total	\$ 127,575	\$	545,497

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

	2021	\$		(79,128)
	2022			(79,128)
	2023			(79,128)
	2024			(79,128)
	2025			(61,158)
	Thereafter			(40,252)
	Total	\$		(417,922)

4.B. TAX ABATEMENTS

**NOTES TO BASIC FINANCIAL STATEMENTS
CITY OF SAND SPRINGS, OKLAHOMA
JUNE 30, 2020**

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

The sales tax rebate program allows a retail store business or developer to receive rebated sales tax in an amount equal to one cent (\$0.01) from every \$0.0405 of sales tax that the business generates. To be eligible for this program, the project area should be developed or redeveloped after a significant vacancy to provide economic opportunity to the City and its citizens.

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

A grocery retailer received rebated sales taxes during 2019. The sales tax rebated cannot exceed the lesser of (i) 1% of the gross sales tax generated over a 10 year period, or (ii) \$2,000,000. This sales tax rebate period is for ten years from the sales tax commencement date (the date the City first receives sales tax). The agreement must be renewed for the City Council annually to ensure a continuing public benefit. This agreement was entered into July 2012 and will terminate no later than June 2022.

The City is subject to ad valorem tax abatements granted by the State of Oklahoma in accordance with the Oklahoma Constitution, Article X, Section 6B for qualifying manufacturing concerns.

Under this program, a 5 year ad valorem tax exemption exempts all real and personal property that is necessary for the manufacturing of a product and facilities engaged in research and development which meet the requirements set by the Oklahoma Constitution and Statutes. In exchange for the 5 year exemption, qualifying manufacturing concerns must incur investment costs of \$250,000 or more for construction, acquisition, or expansion of a manufacturing facility. In addition, there are general minimal payroll requirements that must be met and qualifying manufacturing concerns must offer a basic health benefit plan to all full-time employees within 180 days of employment.

4.C. 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.	All physical property except vehicles - None
	Vehicle damage is not covered by insurance.	Vehicles - entire risk of loss retained through fund incurring the loss.
c. Workers’ Compensation:	Participates in OMAG risk	Specific aggregate stop loss

**NOTES TO BASIC FINANCIAL STATEMENTS
CITY OF SAND SPRINGS, OKLAHOMA
JUNE 30, 2020**

- Employee injuries	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.	coverage is provided by the State Insurance Fund and covers all claims above the loss reserve fund.
d. Health and Life:	All group health and life coverage is insured through a commercial carrier.	None
- Medical		
- Dental		

OMAG Workers 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 workers 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.D. 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
JUNE 30, 2020**

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.

Asset Retirement Obligation

The City has incurred certain asset retirement obligations related to the operation of its wastewater utility system. The estimated liability of the legally required closure costs for the wastewater utility system cannot be reasonably estimated as of June 30, 2020, since the specific legally required costs of retirement have not yet been identified. The City anticipates identifying those specific legally required costs and obtaining an estimate of those costs in a subsequent fiscal year.

Commitments:

Construction Projects

At June 30, 2020, the City had several construction projects ongoing. The material projects are noted below:

<u>Project</u>	<u>Total Contract</u>	<u>Remaining Contract</u>	<u>Funding Source</u>
Main Street Improvements	\$ 3,157,234	\$ 88,277	Street Improvement Fund
Public Safety Complex	12,719,093	90,629	2015 Revenue Bond
Morrow Road Widening	1,706,349	1,410	Vision 2025
Citywide Beautification - WTP Wall	1,378,107	14,493	2018 GO Bond
Keystone Ancient Forest Visitors Center	1,015,002	603,772	2018 GO Bond
Golf Course Improvements	2,203,781	618,364	2018 GO Bond
Sheffield Crossing Boulevard	2,030,170	1,453	Street Improvement 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 2020, the ad valorem assessments on the District totaled \$253,802.

Subsequent Events

The City evaluated subsequent events through the date of the audit report. The City concluded that no subsequent events have occurred subsequent to year end that would require recognition in the financial statements.

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
 - Schedule of City contributions
 - Fire
 - Schedule of the City's proportionate share of the net pension liability
 - Schedule of City contributions
- Budgetary Comparison Schedule - General Fund
- Notes to RSI - Budgetary Comparison Schedule
- Schedule of Changes in Total OPEB Liability and Related Ratios

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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>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
City's proportion of the net pension liability (asset)	0.5255%	0.5557%	0.5755%	0.5571%	0.5806%	0.5776%
City's proportionate share of the net pension liability (asset)	\$ (176,923)	\$ 22,670	\$ 881,406	\$ 42,849	\$ (276,540)	\$ (36,875)
City's covered payroll	\$ 1,497,869	\$ 1,522,161	\$ 1,649,772	\$ 1,802,485	\$ 1,847,846	\$ 1,953,454
City's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	(11.81%)	1.49%	53.43%	2.38%	(14.97%)	(1.89%)
Plan fiduciary net position as a percentage of the total pension liability	101.53%	99.82%	93.50%	99.68%	101.89%	100.24%

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

Notes to Schedule:

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

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

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
Statutorially required contribution	\$ 204,866	\$ 214,512	\$ 234,323	\$ 240,220	\$ 253,949	\$ 272,649
Contributions in relation to the statutorially required contribution	<u>204,866</u>	<u>214,512</u>	<u>234,323</u>	<u>240,220</u>	<u>253,949</u>	<u>272,649</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's covered payroll	\$ 1,522,161	\$ 1,649,772	\$ 1,802,485	\$ 1,847,846	\$ 1,953,454	\$ 2,097,300
Contributions as a percentage of covered payroll	13.46%	13.00%	13.00%	13.00%	13.00%	13.00%

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

Notes to Schedule:

Only six fiscal years are 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>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
City's proportion of the net pension liability	0.696226%	0.7066%	0.7441%	0.71246%	0.66754%	0.64270%
City's proportionate share of the net pension liability	\$7,159,629	\$7,499,699	\$9,090,642	\$8,960,763	\$7,514,168	\$6,790,981
City's covered payroll	\$1,785,586	\$1,941,928	\$2,020,060	\$2,030,414	\$2,067,307	\$2,060,843
City's proportionate share of the net pension liability as a percentage of its covered payroll	401%	386%	450%	441%	363%	330%
Plan fiduciary net position as a percentage of the total pension liability	68.12%	68.27%	64.87%	66.61%	70.73%	72.85%

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

Notes to Schedule:

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

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

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
Statutorially required contribution	\$ 271,870	\$ 282,811	\$ 284,258	\$ 289,423	\$ 288,518	\$ 289,899
Contributions in relation to the statutorially required contribution	<u>271,870</u>	<u>282,811</u>	<u>284,258</u>	<u>289,423</u>	<u>288,518</u>	<u>289,899</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's covered payroll	\$ 1,941,928	\$ 2,020,060	\$ 2,030,414	\$ 2,067,307	\$ 2,060,843	\$ 2,070,707
Contributions as a percentage of covered payroll	14.00%	14.00%	14.00%	14.00%	14.00%	14.00%

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

Notes to Schedule:

Only six fiscal years are 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, 2020**

	<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:	\$5,504,867	\$7,243,786	\$7,243,786	-
Resources (Inflows):				
TAXES:				
Sales tax	13,581,646	13,581,646	14,011,907	430,261
Use tax	750,000	750,000	1,288,666	538,666
Hotel/Motel tax	150,000	150,000	154,122	4,122
Incremental tax	750,000	750,000	253,802	(496,198)
Franchise tax	839,000	839,000	826,021	(12,979)
Video Provider Fee	21,500	21,500	27,331	5,831
Emergency telephone tax	18,000	18,000	16,917	(1,083)
Abatement fees	20,000	20,000	38,477	18,477
Payment in lieu of taxes	1,217,746	1,217,746	1,283,105	65,359
Total Taxes	<u>17,347,892</u>	<u>17,347,892</u>	<u>17,900,348</u>	<u>552,456</u>
INTERGOVERNMENTAL:				
Taxes	222,000	222,000	230,429	8,429
Cigarette tax	136,000	136,000	129,183	(6,817)
Grants	-	59,406	138,535	79,129
Total Intergovernmental	<u>358,000</u>	<u>417,406</u>	<u>498,147</u>	<u>80,741</u>
CHARGES FOR SERVICES:				
Court costs	144,500	80,000	85,901	5,901
Zoning and inspection fees	87,000	87,000	78,581	(8,419)
Park and recreation fees	77,500	77,500	57,970	(19,530)
Fire run fees	750	750	-	(750)
Fire protection fee	160,000	160,000	160,231	231
First responder runs	5,000	5,000	3,000	(2,000)
First responder fees	250,000	250,000	245,193	(4,807)
EMSA fees	271,000	271,000	274,874	3,874
Other fees	60,211	60,211	29,946	(30,265)
Total Charges for Services	<u>1,055,961</u>	<u>991,461</u>	<u>935,696</u>	<u>(55,765)</u>
FINES AND FORFEITURES	<u>175,500</u>	<u>170,000</u>	<u>174,271</u>	<u>4,271</u>
LICENSES AND PERMITS:				
Licenses	79,450	79,450	97,534	18,084
Permits	43,400	43,400	40,562	(2,838)
Total Licenses and Permits	<u>122,850</u>	<u>122,850</u>	<u>138,096</u>	<u>15,246</u>
OTHER:				
Transfers from other funds	1,612,000	1,867,850	1,867,916	66
Interest on taxes	6,000	6,000	9,505	3,505
Interest	110,000	110,000	106,524	(3,476)
Other	375,435	377,870	497,045	119,175
Total Other	<u>2,103,435</u>	<u>2,361,720</u>	<u>2,480,990</u>	<u>119,270</u>
Total Resources (Inflows)	<u>21,163,638</u>	<u>21,411,329</u>	<u>22,127,548</u>	<u>716,219</u>
Amounts available for appropriation	<u>26,668,505</u>	<u>28,655,115</u>	<u>29,371,334</u>	<u>716,219</u>

(Continued)

CITY OF SAND SPRINGS, OKLAHOMA
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
For the fiscal year ended June 30, 2020
(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:				
Personal services	\$ 5,000	\$ -	\$ -	\$ -
Materials and supplies	7,000	15,700	11,016	4,684
Other services and charges	161,167	176,912	100,496	76,416
Total General Administration	<u>173,167</u>	<u>192,612</u>	<u>111,512</u>	<u>81,100</u>
Municipal Court:				
Personal services	199,990	199,881	152,836	47,045
Materials and supplies	1,825	3,425	2,419	1,006
Other services and charges	40,282	42,057	38,341	3,716
Total Municipal Court	<u>242,097</u>	<u>245,363</u>	<u>193,596</u>	<u>51,767</u>
City Manager:				
Personal services	353,902	261,449	249,771	11,678
Materials and supplies	1,100	7,140	5,202	1,938
Other services and charges	6,780	100,380	21,104	79,276
Total City Manager	<u>361,782</u>	<u>368,969</u>	<u>276,077</u>	<u>92,892</u>
City Clerk:				
Personal services	185,178	191,831	176,805	15,026
Materials and supplies	2,500	6,300	2,829	3,471
Other services and charges	13,920	10,120	9,273	847
Total City Clerk	<u>201,598</u>	<u>208,251</u>	<u>188,907</u>	<u>19,344</u>
Information Services:				
Personal services	153,329	152,760	138,624	14,136
Materials and supplies	8,425	23,228	23,098	130
Other services and charges	219,754	206,754	160,559	46,195
Total Information Services	<u>381,508</u>	<u>382,742</u>	<u>322,281</u>	<u>60,461</u>
TOTAL GENERAL GOVERNMENT	<u>1,360,152</u>	<u>1,397,937</u>	<u>1,092,373</u>	<u>305,564</u>
PLANNING AND ZONING:				
Planning and Development:				
Personal services	159,395	158,673	155,670	3,003
Materials and supplies	1,530	4,598	3,300	1,298
Other services and charges	22,141	21,065	20,360	705
TOTAL PLANNING AND ZONING	<u>183,066</u>	<u>184,336</u>	<u>179,330</u>	<u>5,006</u>
FINANCIAL ADMINISTRATION:				
Human Resources:				
Personal services	193,201	193,303	168,505	24,798
Materials and supplies	5,212	6,568	3,199	3,369
Other services and charges	8,645	8,489	7,475	1,014
Total Human Resources	<u>207,058</u>	<u>208,360</u>	<u>179,179</u>	<u>29,181</u>
Finance:				
Personal services	473,732	476,470	463,516	12,954
Materials and supplies	7,278	8,178	5,451	2,727
Other services and charges	159,624	219,502	163,635	55,867
Total Finance	<u>640,634</u>	<u>704,150</u>	<u>632,602</u>	<u>71,548</u>
City Attorney:				
Personal services	22,789	23,097	13,971	9,126
Other services and charges	110,000	119,545	106,665	12,880
Total City Attorney	<u>132,789</u>	<u>142,642</u>	<u>120,636</u>	<u>22,006</u>
TOTAL FINANCIAL ADMINISTRATION	<u>980,481</u>	<u>1,055,152</u>	<u>932,417</u>	<u>122,735</u>

(Continued)

CITY OF SAND SPRINGS, OKLAHOMA
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
For the fiscal year ended June 30, 2020
(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	\$ 3,353,118	\$ 3,475,416	\$ 3,376,770	\$ 98,646
Materials and supplies	154,584	159,022	116,093	42,929
Other services and charges	146,087	152,537	87,064	65,473
Total Police	<u>3,653,789</u>	<u>3,786,975</u>	<u>3,579,927</u>	<u>207,048</u>
Emergency Management:				
Personal services	40,939	41,367	39,047	2,320
Materials and supplies	10,921	10,921	4,372	6,549
Other services and charges	15,743	15,743	11,533	4,210
Total Emergency Management	<u>67,603</u>	<u>68,031</u>	<u>54,952</u>	<u>13,079</u>
Animal Control:				
Personal services	106,190	106,433	98,999	7,434
Materials and supplies	16,153	18,053	16,193	1,860
Other services and charges	3,482	3,638	1,101	2,537
Total Animal Control	<u>125,825</u>	<u>128,124</u>	<u>116,293</u>	<u>11,831</u>
Communications:				
Personal services	528,063	531,389	456,096	75,293
Materials and supplies	10,500	10,810	7,589	3,221
Other services and charges	234,706	235,318	194,855	40,463
Total Communications	<u>773,269</u>	<u>777,517</u>	<u>658,540</u>	<u>118,977</u>
Fire:				
Personal services	3,342,137	3,392,854	3,238,771	154,083
Materials and supplies	111,844	131,269	120,787	10,482
Other services and charges	351,216	424,627	391,968	32,659
Capital outlay	3,000	3,009	3,009	-
Total Fire	<u>3,808,197</u>	<u>3,951,759</u>	<u>3,754,535</u>	<u>197,224</u>
Neighborhood Services:				
Personal services	236,100	307,375	260,027	47,348
Materials and supplies	8,816	9,416	6,053	3,363
Other services and charges	117,803	125,703	101,022	24,681
Capital outlay	800	800	-	800
Total Neighborhood Services	<u>363,519</u>	<u>443,294</u>	<u>367,102</u>	<u>76,192</u>
TOTAL PUBLIC SAFETY	<u>8,792,202</u>	<u>9,155,700</u>	<u>8,531,349</u>	<u>624,351</u>
HIGHWAYS AND STREETS:				
Street and Alley:				
Personal services	482,515	482,850	381,396	101,454
Materials and supplies	206,377	214,377	167,308	47,069
Other services and charges	265,935	264,235	197,278	66,957
TOTAL HIGHWAYS AND STREETS	<u>954,827</u>	<u>961,462</u>	<u>745,982</u>	<u>215,480</u>
HEALTH AND WELFARE:				
Senior Citizens:				
Personal services	21,614	22,690	22,465	225
Materials and supplies	5,953	6,119	4,108	2,011
Other services and charges	1,793	1,793	1,700	93
TOTAL HEALTH AND WELFARE	<u>29,360</u>	<u>30,602</u>	<u>28,273</u>	<u>2,329</u>

(Continued)

CITY OF SAND SPRINGS, OKLAHOMA
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
For the fiscal year ended June 30, 2020
(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	\$ 723,802	\$ 730,090	\$ 661,167	\$ 68,923
Materials and supplies	118,469	304,631	285,891	18,740
Other services and charges	503,124	548,703	444,123	104,580
Capital outlay	9,608	1,091,095	1,089,261	1,834
Total Parks and Recreation	<u>1,355,003</u>	<u>2,674,519</u>	<u>2,480,442</u>	<u>194,077</u>
Museum:				
Personal services	10,103	412	412	-
Materials and supplies	5,400	5,477	3,868	1,609
Other services and charges	36,874	46,866	35,126	11,740
Total Museum	<u>52,377</u>	<u>52,755</u>	<u>39,406</u>	<u>13,349</u>
TOTAL CULTURE AND RECREATION	<u>1,407,380</u>	<u>2,727,274</u>	<u>2,519,848</u>	<u>207,426</u>
ECONOMIC DEVELOPMENT:				
Economic Development:				
Personal services	127,333	125,397	115,392	10,005
Materials and supplies	4,420	3,744	3,353	391
Other services and charges	297,495	312,932	304,337	8,595
TOTAL ECONOMIC DEVELOPMENT	<u>429,248</u>	<u>442,073</u>	<u>423,082</u>	<u>18,991</u>
FACILITIES MANAGEMENT AND FLEET MAINTENANCE:				
Facilities Management:				
Personal services	253,470	255,296	235,920	19,376
Materials and supplies	113,350	113,342	46,760	66,582
Other services and charges	227,303	247,303	207,915	39,388
Capital Outlay	-	13,538	13,538	-
Total Facilities Management	<u>594,123</u>	<u>629,479</u>	<u>504,133</u>	<u>125,346</u>
Fleet Maintenance:				
Personal services	237,729	239,612	179,777	59,835
Materials and supplies	15,207	15,266	13,961	1,305
Other services and charges	17,529	17,529	13,792	3,737
Total Fleet Maintenance	<u>270,465</u>	<u>272,407</u>	<u>207,530</u>	<u>64,877</u>
TOTAL FACILITIES MANAGEMENT AND FLEET MAINTENANCE	<u>864,588</u>	<u>901,886</u>	<u>711,663</u>	<u>190,223</u>
OTHER FINANCING USES:				
Transfers to other funds	7,912,860	7,912,860	7,787,722	125,138
Debt service:				
Capital lease principal	168,331	168,331	168,331	-
Capital lease interest	3,581	3,581	3,581	-
Total Other Financing Uses	<u>8,084,772</u>	<u>8,084,772</u>	<u>7,959,634</u>	<u>125,138</u>
Total Charges to Appropriations	<u>23,086,076</u>	<u>24,941,194</u>	<u>23,123,951</u>	<u>1,817,243</u>
Ending Budgetary Fund Balance	<u>\$ 3,582,429</u>	<u>\$ 3,713,921</u>	<u>\$ 6,247,383</u>	<u>\$ 2,533,462</u>

Reconciliation to Statement of Revenues, Expenditures and Changes in Fund Balance:

Total Resources per Budgetary Comparison Schedule	\$ 22,127,548
Add State Fire and Police pension on-behalf payments	918,075
Add Special Programs sub-fund account revenues	39,085
Less transfer in	<u>(1,867,916)</u>
Total Revenues per Statement of Revenues, Expenditures, and Changes in Fund Balance	<u>\$ 21,216,792</u>
Total Charges to Appropriations per Budgetary Comparison Schedule	\$ 23,123,951
Add State Fire and Police pension on-behalf payments	918,075
Add Special Programs sub-fund account expenditures	37,139
Less transfer out	<u>(7,787,722)</u>
Total Expenditures per Statement of Revenues, Expenditures, and Changes in Fund Balance	<u>\$ 16,291,443</u>

CITY OF SAND SPRINGS, OKLAHOMA
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE
For the fiscal year ended June 30, 2020

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 an 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, Oklahoma
Schedule of Changes in Total OPEB Liability and Related Ratios
Last 10 Years*

	<u>2018</u>	<u>2019</u>	<u>2020</u>
Total OPEB Liability			
Service cost	\$ 159,662	\$ 146,215	\$ 142,934
Interest	60,022	76,493	78,245
Difference between expected and actual experience	-	(135,792)	(123,765)
Change in assumptions	(203,174)	(180,592)	49,358
Benefit payments, including refunds of member contributions	<u>(27,737)</u>	<u>(21,169)</u>	<u>(10,819)</u>
Net change in total OPEB liability	<u>(11,227)</u>	<u>(114,845)</u>	<u>135,953</u>
Total OPEB liability - beginning	<u>2,147,908</u>	<u>2,136,681</u>	<u>2,021,836</u>
Total OPEB liability - ending	<u>\$ 2,136,681</u>	<u>\$ 2,021,836</u>	<u>\$ 2,157,789</u>
Covered employee payroll	\$ 9,012,000	\$ 8,900,000	\$ 8,917,000
Total OPEB liability as a percentage of covered employee payroll	23.71%	22.72%	24.20%

Notes to Schedule:

Only three years are presented because 10 year data is not yet available

The change in assumption is a result of an increase in the discount rate from 2.85% to 3.58% in 2018, from 3.58% to 3.87% in 2019, and from 3.87% to 3.50% in 2020.

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 - Nonmajor governmental funds
- Budgetary Comparison Schedules - Nonmajor 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

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**City of Sand Springs, Oklahoma
Combining Balance Sheet
General Fund Accounts
June 30 2019**

	<u>General Fund</u>	<u>Special Programs Account</u>	<u>Total</u>
ASSETS			
Cash and cash equivalents	\$ 1,777,262	\$ 118,133	\$ 1,895,395
Investments	1,499,239	-	1,499,239
Deposits with insurance pool	1,077,010	-	1,077,010
Accrued interest receivable	521	-	521
Taxes receivable, net	368,351	-	368,351
Receivable from other governments	2,974,154	2,660	2,976,814
Court fines receivable, net	225,559	-	225,559
Other receivables	277,096	-	277,096
Inventories	19,342	-	19,342
Prepaid items	1,599	-	1,599
Total assets	<u>\$ 8,220,133</u>	<u>\$ 120,793</u>	<u>\$ 8,340,926</u>
LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES			
Liabilities:			
Accounts payable	\$ 238,721	\$ 8,658	\$ 247,379
Payable to other governments	206,338	-	206,338
Other accrued expenses	333,868	-	333,868
Amounts held in escrow	33,028	-	33,028
Other payables	8,615	6,708	15,323
Total liabilities	<u>820,570</u>	<u>15,366</u>	<u>835,936</u>
Deferred inflows of resources:			
Unavailable revenues	1,152,180	2,660	1,154,840
Fund balances:			
Non-spendable	20,941	-	20,941
Restricted	653,982	-	653,982
Assigned	2,344,388	102,767	2,447,155
Unassigned	3,228,072	-	3,228,072
Total fund balances	<u>6,247,383</u>	<u>102,767</u>	<u>6,350,150</u>
Total liabilities, deferred inflows and fund balances	<u>\$ 8,220,133</u>	<u>\$ 120,793</u>	<u>\$ 8,340,926</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, 2020

	<u>General Fund</u>	<u>Special Programs Account</u>	<u>Total</u>
REVENUES			
Taxes	\$ 17,900,348	\$ -	\$ 17,900,348
Fees and fines	174,271	-	174,271
Licenses and permits	138,096	-	138,096
Intergovernmental	1,702,385	-	1,702,385
Charges for services	935,696	-	935,696
Investment earnings	116,029	1,383	117,412
Miscellaneous	210,882	37,702	248,584
Total revenues	<u>21,177,707</u>	<u>39,085</u>	<u>21,216,792</u>
EXPENDITURES			
Current:			
General government	1,092,373	-	1,092,373
Planning and zoning	179,330	-	179,330
Financial administration	932,417	-	932,417
Public safety	9,446,415	37,139	9,483,554
Highways and streets	745,982	-	745,982
Health and welfare	28,273	-	28,273
Culture and recreation	1,430,587	-	1,430,587
Community and economic development	423,082	-	423,082
Facilities management and fleet maintenance	698,125	-	698,125
Debt Service:			
Principal	168,331	-	168,331
Interest and other charges	3,581	-	3,581
Capital Outlay	1,105,808	-	1,105,808
Total expenditures	<u>16,254,304</u>	<u>37,139</u>	<u>16,291,443</u>
Excess (deficiency) of revenues over expenditures	<u>4,923,403</u>	<u>1,946</u>	<u>4,925,349</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	1,867,916	-	1,867,916
Transfers out	(7,787,722)	-	(7,787,722)
Total other financing sources and uses	<u>(5,919,806)</u>	<u>-</u>	<u>(5,919,806)</u>
Net change in fund balances	(996,403)	1,946	(994,457)
Fund balances - beginning	7,243,786	100,821	7,344,607
Fund balances - ending	<u>\$ 6,247,383</u>	<u>\$ 102,767</u>	<u>\$ 6,350,150</u>

City of Sand Springs, Oklahoma
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2020

SPECIAL REVENUE FUND	CAPITAL PROJECT FUNDS							
	Vision 2025	Short-Term Capital Improvements	Community Development Block Grant - EDIF	T.I.D. #1 Cimarron Center	Park and Recreation	Airport Construction	Capital Improvement	Stormwater Capital Improvement
ASSETS								
Cash and cash equivalents	\$ 134,058	\$ 743,904	\$ 90,230	\$ 101,042	\$ 56,942	\$ 12,192	\$ 2,449,620	\$ 6,370,256
Investments	-	-	-	-	-	-	131,221	1,151,081
Accrued interest receivable	-	-	-	-	-	-	-	2,280
Receivable from other governments	-	13,687	26,282	-	-	119,470	-	-
Total assets	<u>\$ 134,058</u>	<u>\$ 757,591</u>	<u>\$ 116,512</u>	<u>\$ 101,042</u>	<u>\$ 56,942</u>	<u>\$ 131,662</u>	<u>\$ 2,580,841</u>	<u>\$ 7,523,617</u>
LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES								
Liabilities:								
Accounts payable	\$ 21,862	\$ -	\$ 30,974	\$ -	\$ -	\$ 700	\$ 88,678	\$ -
Total liabilities	<u>21,862</u>	<u>-</u>	<u>30,974</u>	<u>-</u>	<u>-</u>	<u>700</u>	<u>88,678</u>	<u>-</u>
Deferred inflows of resources:								
Unavailable revenues	-	-	-	-	-	-	-	1,935
Fund balances:								
Restricted	112,196	678,354	85,538	101,042	-	130,962	-	-
Assigned	-	79,237	-	-	56,942	-	2,492,163	7,521,682
Total fund balances	<u>112,196</u>	<u>757,591</u>	<u>85,538</u>	<u>101,042</u>	<u>56,942</u>	<u>130,962</u>	<u>2,492,163</u>	<u>7,521,682</u>
Total liabilities, deferred inflows and fund balances	<u>\$ 134,058</u>	<u>\$ 757,591</u>	<u>\$ 116,512</u>	<u>\$ 101,042</u>	<u>\$ 56,942</u>	<u>\$ 131,662</u>	<u>\$ 2,580,841</u>	<u>\$ 7,523,617</u>

(continued)

City of Sand Springs, Oklahoma
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2020

	CAPITAL PROJECT FUNDS						DEBT SERVICE FUND	Total Other Governmental Funds
	SSMA Capital	2018 GO Economic Development Fund	2014 GO Capital Improvement	Golf Course Capital Improvement	Economic Development Capital Improvement	Development Capital Improvement	Debt Service Fund	
ASSETS								
Cash and cash equivalents	\$ 86,168	\$ 848,226	\$ 20,118	\$ 50,291	\$ 616,901	\$ 64,523	\$ 657,417	\$ 12,301,888
Investments	-	-	-	-	-	-	351,280	1,633,582
Accrued interest receivable	-	-	-	-	-	-	38	2,318
Receivable from other governments	-	-	-	-	-	-	324,490	483,929
Total assets	<u>\$ 86,168</u>	<u>\$ 848,226</u>	<u>\$ 20,118</u>	<u>\$ 50,291</u>	<u>\$ 616,901</u>	<u>\$ 64,523</u>	<u>\$ 1,333,225</u>	<u>\$ 14,421,717</u>
LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES								
Liabilities:								
Accounts payable	\$ 679	-	-	-	\$ 6,200	-	-	\$ 149,093
Total liabilities	<u>679</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>6,200</u>	<u>-</u>	<u>-</u>	<u>149,093</u>
Deferred inflows of resources:								
Unavailable revenues	-	-	-	-	-	-	303,784	305,719
Fund balances:								
Restricted	-	848,226	-	-	-	-	1,019,099	2,975,417
Assigned	85,489	-	20,118	50,291	610,701	64,523	10,342	10,991,488
Total fund balances	<u>85,489</u>	<u>848,226</u>	<u>20,118</u>	<u>50,291</u>	<u>610,701</u>	<u>64,523</u>	<u>1,029,441</u>	<u>13,966,905</u>
Total liabilities, deferred inflows and fund balances	<u>\$ 86,168</u>	<u>\$ 848,226</u>	<u>\$ 20,118</u>	<u>\$ 50,291</u>	<u>\$ 616,901</u>	<u>\$ 64,523</u>	<u>\$ 1,333,225</u>	<u>\$ 14,421,717</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, 2020

	SPECIAL REVENUE FUND	CAPITAL PROJECT FUNDS						
	Vision 2025	Short-Term Capital Improvements	Community Development Block Grant - EDIF	T.I.D. #1 Cimarron Center	Park and Recreation	Airport Construction	Capital Improvement	Stormwater Capital Improvement
REVENUES								
Taxes	\$ -	\$ 161,130	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-	-	-
Intergovernmental	6,979	-	153,838	-	-	197,719	-	-
Charges for services	-	18,333	-	-	8,125	-	-	-
Investment earnings	1,705	8,252	1	-	521	1,186	30,794	83,870
Miscellaneous	-	-	-	-	-	-	89,221	-
Total revenues	<u>8,684</u>	<u>187,715</u>	<u>153,839</u>	<u>-</u>	<u>8,646</u>	<u>198,905</u>	<u>120,015</u>	<u>83,870</u>
EXPENDITURES								
Current:								
Community development	-	-	-	306,033	-	-	-	-
Debt Service:								
Principal	-	-	-	-	-	-	-	-
Interest and other charges	-	-	-	-	-	-	-	-
Capital Outlay	62,770	221,703	164,210	-	-	170,055	407,492	200,327
Total expenditures	<u>62,770</u>	<u>221,703</u>	<u>164,210</u>	<u>306,033</u>	<u>-</u>	<u>170,055</u>	<u>407,492</u>	<u>200,327</u>
Excess (deficiency) of revenues over expenditures	<u>(54,086)</u>	<u>(33,988)</u>	<u>(10,371)</u>	<u>(306,033)</u>	<u>8,646</u>	<u>28,850</u>	<u>(287,477)</u>	<u>(116,457)</u>
OTHER FINANCING SOURCES (USES)								
Issuance of long-term debt	-	-	-	-	-	-	-	-
Premiums from issuance of long-term debt	-	-	-	-	-	-	-	-
Transfers in	-	172,200	25,000	407,075	-	70,000	516,000	1,200,000
Transfers out	-	(120,000)	-	-	-	-	-	-
Total other financing sources and uses	<u>-</u>	<u>52,200</u>	<u>25,000</u>	<u>407,075</u>	<u>-</u>	<u>70,000</u>	<u>516,000</u>	<u>1,200,000</u>
Net change in fund balances	(54,086)	18,212	14,629	101,042	8,646	98,850	228,523	1,083,543
Fund balances - beginning	166,282	739,379	70,909	-	48,296	32,112	2,263,640	6,438,139
Fund balances - ending	<u>\$ 112,196</u>	<u>\$ 757,591</u>	<u>\$ 85,538</u>	<u>\$ 101,042</u>	<u>\$ 56,942</u>	<u>\$ 130,962</u>	<u>\$ 2,492,163</u>	<u>\$ 7,521,682</u>

(continued)

City of Sand Springs
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended June 30, 2020

	CAPITAL PROJECT FUNDS						DEBT SERVICE FUND	Total Other Governmental Funds
	SSMA Capital	2018 GO Economic Development Fund	2014 GO Capital Improvement	Golf Course Capital Improvement	Economic Development Capital Improvement	Development Capital Improvement	Debt Service Fund	
REVENUES								
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,448,649	\$ 1,609,779
Licenses and permits	-	-	-	-	3,150	-	-	3,150
Intergovernmental	-	-	-	-	-	-	-	358,536
Charges for services	-	-	-	-	-	-	-	26,458
Investment earnings	2,770	2,976	7,272	479	17,267	-	14,924	172,017
Miscellaneous	-	845,250	-	-	-	-	4,015	938,486
Total revenues	<u>2,770</u>	<u>848,226</u>	<u>7,272</u>	<u>479</u>	<u>20,417</u>	<u>-</u>	<u>1,467,588</u>	<u>3,108,426</u>
EXPENDITURES								
Current:								
Community development	-	-	-	-	-	-	-	306,033
Debt Service:								
Principal	-	-	-	-	-	-	1,070,000	1,070,000
Interest and other charges	-	-	-	-	-	-	369,239	369,239
Capital Outlay	307,696	-	1,083,399	6,325	1,759,975	435,477	-	4,819,429
Total expenditures	<u>307,696</u>	<u>-</u>	<u>1,083,399</u>	<u>6,325</u>	<u>1,759,975</u>	<u>435,477</u>	<u>1,439,239</u>	<u>6,564,701</u>
Excess (deficiency) of revenues over expenditures	<u>(304,926)</u>	<u>848,226</u>	<u>(1,076,127)</u>	<u>(5,846)</u>	<u>(1,739,558)</u>	<u>(435,477)</u>	<u>28,349</u>	<u>(3,456,275)</u>
OTHER FINANCING SOURCES (USES)								
Issuance of long-term debt	-	-	735,000	-	-	-	-	735,000
Premiums from issuance of long-term debt	-	-	-	-	-	-	209,739	209,739
Transfers in	317,500	-	300,000	14,430	1,845,973	500,000	-	5,368,178
Transfers out	-	-	(39,050)	-	(177,000)	-	(12,066)	(348,116)
Total other financing sources and uses	<u>317,500</u>	<u>-</u>	<u>995,950</u>	<u>14,430</u>	<u>1,668,973</u>	<u>500,000</u>	<u>197,673</u>	<u>5,964,801</u>
Net change in fund balances	12,574	848,226	(80,177)	8,584	(70,585)	64,523	226,022	2,508,526
Fund balances - beginning	72,915	-	100,295	41,707	681,286	-	803,419	11,458,379
Fund balances - ending	<u>\$ 85,489</u>	<u>\$ 848,226</u>	<u>\$ 20,118</u>	<u>\$ 50,291</u>	<u>\$ 610,701</u>	<u>\$ 64,523</u>	<u>\$ 1,029,441</u>	<u>\$ 13,966,905</u>

**CITY OF SAND SPRINGS, OKLAHOMA
BUDGETARY COMPARISON SCHEDULE
NONMAJOR GOVERNMENTAL FUNDS
For the fiscal year ended June 30, 2020**

	SPECIAL REVENUE - VISION 2025				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	\$ -	\$ -	\$ -	\$ -	\$ 145,000	\$ 144,996	\$ 161,130	\$ 16,134
Intergovernmental	-	-	6,979	6,979	-	-	-	-
Charges for services	-	-	-	-	20,526	20,520	18,333	(2,187)
Investment income	-	-	1,705	1,705	5,000	5,000	8,252	3,252
Total Revenues	-	-	8,684	8,684	170,526	170,516	187,715	17,199
Expenditures:								
Information Services:								
Capital outlay	-	-	-	-	42,000	42,000	-	42,000
Communications:								
Capital outlay	-	-	-	-	5,000	4,992	3,074	1,918
Public Works:								
Capital outlay	-	-	-	-	-	7,808	-	7,808
Parks & Recreation:								
Capital outlay	-	170,238	62,770	107,468	123,000	122,999	100,648	22,351
Facilities Management:								
Capital outlay	-	-	-	-	-	44,000	-	44,000
Streets:								
Capital outlay	-	-	-	-	-	117,981	117,981	-
Total Expenditures	-	170,238	62,770	107,468	170,000	339,780	221,703	118,077
Revenues over (under) expenditures	-	(170,238)	(54,086)	116,152	526	(169,264)	(33,988)	135,276
Other Financing Sources (Uses):								
Transfers in	-	-	-	-	172,200	172,200	172,200	-
Transfers out	-	-	-	-	(120,000)	(120,000)	(120,000)	-
Total Other Financing Sources (Uses)	-	-	-	-	52,200	52,200	52,200	-
Revenues and other sources over (under) expenditures and other uses	-	(170,238)	(54,086)	116,152	52,726	(117,064)	18,212	135,276
Fund Balance - beginning of year	-	166,282	166,282	-	546,608	739,379	739,379	-
Fund Balance - end of year	\$ -	\$ (3,956)	\$ 112,196	\$ 116,152	\$ 599,334	\$ 622,315	\$ 757,591	\$ 135,276

(Continued)

CITY OF SAND SPRINGS, OKLAHOMA
 BUDGETARY COMPARISON SCHEDULE
 NONMAJOR GOVERNMENTAL FUNDS
 For the fiscal year ended June 30, 2020

	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:								
Intergovernmental	\$ -	\$ 172,061	\$ 153,838	\$ (18,223)	\$ -	\$ -	\$ -	\$ -
Charges for services	-	-	-	-	7,000	7,000	8,125	1,125
Investment income	-	-	1	1	650	650	521	(129)
Miscellaneous	-	-	-	-	-	-	-	-
Total Revenues	<u>-</u>	<u>172,061</u>	<u>153,839</u>	<u>(18,222)</u>	<u>7,650</u>	<u>7,650</u>	<u>8,646</u>	<u>996</u>
Expenditures:								
Parks and Recreation:								
Capital outlay	-	39,814	37,814	2,000	-	-	-	-
Water:								
Capital outlay	-	169,247	126,396	42,851	-	-	-	-
Total Expenditures	<u>-</u>	<u>209,061</u>	<u>164,210</u>	<u>44,851</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Revenues over (under) expenditures	-	(37,000)	(10,371)	26,629	7,650	7,650	8,646	996
Other Financing Sources (Uses):								
Transfers in	-	25,000	25,000	-	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>25,000</u>	<u>25,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Revenues and other sources over (under) expenditures and other uses	-	(12,000)	14,629	26,629	7,650	7,650	8,646	996
Fund Balance - beginning of year	58,910	70,909	70,909	-	49,148	48,296	48,296	-
Fund Balance - end of year	<u>\$ 58,910</u>	<u>\$ 58,909</u>	<u>\$ 85,538</u>	<u>\$ 26,629</u>	<u>\$ 56,798</u>	<u>\$ 55,946</u>	<u>\$ 56,942</u>	<u>\$ 996</u>

(Continued)

**CITY OF SAND SPRINGS, OKLAHOMA
BUDGETARY COMPARISON SCHEDULE
NONMAJOR GOVERNMENTAL FUNDS
For the fiscal year ended June 30, 2020**

	CAPITAL PROJECT - T.I.D. #1 CIMARRON CENTER				CAPITAL PROJECT - 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	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Investment income	-	-	-	-	40,000	40,000	30,794	(9,206)
Miscellaneous	-	-	-	-	-	80,261	89,221	8,960
Total Revenues	-	-	-	-	40,000	120,261	120,015	(246)
Expenditures:								
Current:								
Emergency Management:								
Capital Outlay	-	-	-	-	-	4,660	-	4,660
Parks and Recreation:								
Capital Outlay	-	-	-	-	-	52,630	-	52,630
Neighborhood Services:								
Capital Outlay	-	-	-	-	-	42,407	-	42,407
Facilities Management:								
Capital Outlay	-	-	-	-	116,000	227,753	185,407	42,346
Public Works:								
Capital Outlay	-	-	-	-	-	306,990	-	306,990
Economic Development:								
Other Services and Charges	750,000	750,000	306,033	443,967	-	-	-	-
Capital Outlay	-	-	-	-	17,234	336,650	80,520	256,130
	<u>750,000</u>	<u>750,000</u>	<u>306,033</u>	<u>443,967</u>	<u>17,234</u>	<u>336,650</u>	<u>80,520</u>	<u>256,130</u>
Golf Course:								
Other Services and Charges	-	-	-	-	50,000	183,244	138,094	45,150
Airport:								
Capital Outlay	-	-	-	-	-	150,000	-	150,000
Street:								
Capital Outlay	-	-	-	-	15,000	91,037	-	91,037
Water:								
Capital Outlay	-	-	-	-	-	50,000	3,471	46,529
Total Expenditures	750,000	750,000	306,033	443,967	198,234	1,445,371	407,492	1,037,879
Revenues over (under) expenditures	(750,000)	(750,000)	(306,033)	443,967	(158,234)	(1,325,110)	(287,477)	1,037,633
Other Financing Sources (Uses):								
Transfers in	750,000	750,000	407,075	(342,925)	216,000	516,000	516,000	-
Total Other Financing Sources (Uses)	750,000	750,000	407,075	(342,925)	216,000	516,000	516,000	-
Revenues and other sources over (under) expenditures and other uses	-	-	101,042	101,042	57,766	(809,110)	228,523	1,037,633
Fund Balance - beginning of year	-	-	-	-	1,198,432	2,263,640	2,263,640	-
Fund Balance - end of year	\$ -	\$ -	\$ 101,042	\$ 101,042	\$ 1,256,198	\$ 1,454,530	\$ 2,492,163	\$ 1,037,633

(Continued)

**CITY OF SAND SPRINGS, OKLAHOMA
BUDGETARY COMPARISON SCHEDULE
NONMAJOR GOVERNMENTAL FUNDS
For the fiscal year ended June 30, 2020**

	CAPITAL PROJECT - STORMWATER CAPITAL IMPROVEMENT				CAPITAL PROJECT - SSMA CAPITAL			
	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	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Investment income	100,000	100,000	83,870	(16,130)	5,000	5,000	2,770	(2,230)
Total Revenues	<u>100,000</u>	<u>100,000</u>	<u>83,870</u>	<u>(16,130)</u>	<u>5,000</u>	<u>5,000</u>	<u>2,770</u>	<u>(2,230)</u>
Expenditures:								
Current:								
Water:								
Capital Outlay	-	-	-	-	150,000	150,000	148,058	1,942
Wastewater:								
Capital Outlay	-	-	-	-	57,500	57,500	20,545	36,955
Airport:								
Capital Outlay	-	-	-	-	30,000	30,000	19,485	10,515
Customer Service:								
Capital Outlay	-	-	-	-	-	53,000	50,480	2,520
Public Works:								
Capital Outlay	-	-	-	-	20,000	20,000	19,996	4
Engineering:								
Capital Outlay	-	-	-	-	10,000	10,000	-	10,000
Sanitation:								
Capital Outlay	-	-	-	-	50,000	50,000	49,132	868
Stormwater:								
Capital Outlay	1,375,000	4,561,216	200,327	4,360,889	-	-	-	-
Total Expenditures	<u>1,375,000</u>	<u>4,561,216</u>	<u>200,327</u>	<u>4,360,889</u>	<u>317,500</u>	<u>370,500</u>	<u>307,696</u>	<u>62,804</u>
Revenues over (under) expenditures	(1,275,000)	(4,461,216)	(116,457)	4,344,759	(312,500)	(365,500)	(304,926)	60,574
Other Financing Sources (Uses):								
Transfers in	1,200,000	1,200,000	1,200,000	-	317,500	317,500	317,500	-
Total Other Financing Sources (Uses)	<u>1,200,000</u>	<u>1,200,000</u>	<u>1,200,000</u>	<u>-</u>	<u>317,500</u>	<u>317,500</u>	<u>317,500</u>	<u>-</u>
Revenues and other sources over (under) expenditures and other uses	(75,000)	(3,261,216)	1,083,543	4,344,759	5,000	(48,000)	12,574	60,574
Fund Balance - beginning of year	88,536	6,438,139	6,438,139	-	16,689	72,915	72,915	-
Fund Balance - end of year	<u>\$ 13,536</u>	<u>\$ 3,176,923</u>	<u>\$ 7,521,682</u>	<u>\$ 4,344,759</u>	<u>\$ 21,689</u>	<u>\$ 24,915</u>	<u>\$ 85,489</u>	<u>\$ 60,574</u>

(Continued)

**CITY OF SAND SPRINGS, OKLAHOMA
BUDGETARY COMPARISON SCHEDULE
NONMAJOR GOVERNMENTAL FUNDS
For the fiscal year ended June 30, 2020**

	CAPITAL PROJECT - GOLF COURSE CAPITAL IMPROVEMENT				CAPITAL PROJECT - ECONOMIC DEVELOPMENT CAPITAL IMPROVEMENT FUND			
	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	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses & permits	-	-	-	-	-	-	3,150	3,150
Investment income	500	500	479	(21)	8,500	8,500	17,267	8,767
Total Revenues	<u>500</u>	<u>500</u>	<u>479</u>	<u>(21)</u>	<u>8,500</u>	<u>8,500</u>	<u>20,417</u>	<u>11,917</u>
Expenditures:								
Current:								
Golf Course:								
Capital Outlay	41,155	53,700	6,325	47,375	-	-	-	-
Economic Development:								
Capital Outlay	-	-	-	-	-	2,338,915	1,759,975	578,940
Total Expenditures	<u>41,155</u>	<u>53,700</u>	<u>6,325</u>	<u>47,375</u>	<u>-</u>	<u>2,338,915</u>	<u>1,759,975</u>	<u>578,940</u>
Revenues over (under) expenditures	(40,655)	(53,200)	(5,846)	47,354	8,500	(2,330,415)	(1,739,558)	590,857
Other Financing Sources (Uses):								
Transfers in	12,000	12,000	14,430	2,430	335,349	1,835,349	1,845,973	10,624
Transfers out	-	-	-	-	-	(177,000)	(177,000)	-
Total Other Financing Sources (Uses)	<u>12,000</u>	<u>12,000</u>	<u>14,430</u>	<u>2,430</u>	<u>335,349</u>	<u>1,658,349</u>	<u>1,668,973</u>	<u>10,624</u>
Revenues and other sources over (under) expenditures and other uses	(28,655)	(41,200)	8,584	49,784	343,849	(672,066)	(70,585)	601,481
Fund Balance - beginning of year	29,155	41,707	41,707	-	381,969	681,286	681,286	-
Fund Balance - end of year	<u>\$ 500</u>	<u>\$ 507</u>	<u>\$ 50,291</u>	<u>\$ 49,784</u>	<u>\$ 725,818</u>	<u>\$ 9,220</u>	<u>\$ 610,701</u>	<u>\$ 601,481</u>

(Continued)

**CITY OF SAND SPRINGS, OKLAHOMA
BUDGETARY COMPARISON SCHEDULE
NONMAJOR GOVERNMENTAL FUNDS
For the fiscal year ended June 30, 2020**

	CAPITAL PROJECT - 2014 G.O. CAPITAL IMPROVEMENT				CAPITAL PROJECT - AIRPORT CONSTRUCTION			
	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	-	-	-	-	755,155	197,719	(557,436)	
Investment income	2,500	2,500	7,272	4,772	1,150	1,186	36	
Total Revenues	<u>2,500</u>	<u>2,500</u>	<u>7,272</u>	<u>4,772</u>	<u>1,150</u>	<u>756,305</u>	<u>198,905</u>	<u>(557,400)</u>
Expenditures:								
Facilities Management:								
Capital Outlay	-	1,096,750	1,083,399	13,351	-	-	-	-
Museum:								
Capital Outlay	-	-	-	-	-	-	-	-
Airport:								
Capital Outlay	-	-	-	-	50,000	536,385	170,055	366,330
Total Expenditures	<u>-</u>	<u>1,096,750</u>	<u>1,083,399</u>	<u>13,351</u>	<u>50,000</u>	<u>536,385</u>	<u>170,055</u>	<u>366,330</u>
Revenues over (under) expenditures	2,500	(1,094,250)	(1,076,127)	18,123	(48,850)	219,920	28,850	(191,070)
Other Financing Sources (Uses):								
Issuance of long-term debt	-	735,000	735,000	-	-	-	-	-
Transfers in	-	300,000	300,000	-	45,000	70,000	70,000	-
Transfers out	-	(39,050)	(39,050)	-	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>995,950</u>	<u>995,950</u>	<u>-</u>	<u>45,000</u>	<u>70,000</u>	<u>70,000</u>	<u>-</u>
Revenues and other sources over (under) expenditures and other uses	2,500	(98,300)	(80,177)	18,123	(3,850)	289,920	98,850	(191,070)
Fund Balance - beginning of year	2,027	100,295	100,295	-	8,495	32,112	32,112	-
Fund Balance - end of year	<u>\$ 4,527</u>	<u>\$ 1,995</u>	<u>\$ 20,118</u>	<u>\$ 18,123</u>	<u>\$ 4,645</u>	<u>\$ 322,032</u>	<u>\$ 130,962</u>	<u>\$ (191,070)</u>

(Continued)

**CITY OF SAND SPRINGS, OKLAHOMA
BUDGETARY COMPARISON SCHEDULE
NONMAJOR GOVERNMENTAL FUNDS
For the fiscal year ended June 30, 2020**

	CAPITAL PROJECT - DEVELOPMENT CAPITAL IMPROVEMENT FUND				DEBT SERVICE FUND			
	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	\$ -	\$ -	\$ -	\$ -	\$ 1,632,544	\$ 1,632,544	\$ 1,448,649	\$ (183,895)
Investment income	-	-	-	-	14,500	18,833	14,924	(3,909)
Miscellaneous	-	-	-	-	-	-	4,015	4,015
Total Revenues	-	-	-	-	1,647,044	1,651,377	1,467,588	(183,789)
Expenditures:								
Economic Development:								
Capital Outlay	-	500,000	435,477	64,523	-	-	-	-
Debt Service	-	-	-	-	1,447,577	1,447,577	1,439,239	8,338
Total Expenditures	-	500,000	435,477	64,523	1,447,577	1,447,577	1,439,239	8,338
Revenues over (under) expenditures	-	(500,000)	(435,477)	64,523	199,467	203,800	28,349	(175,451)
Other Financing Sources (Uses):								
Premiums from issuance of long-term debt	-	-	-	-	-	204,094	209,739	5,645
Transfers in	-	500,000	500,000	-	-	-	-	-
Transfers out	-	-	-	-	(12,000)	(12,000)	(12,066)	(66)
Total Other Financing Sources (Uses)	-	500,000	500,000	-	(12,000)	192,094	197,673	5,579
Revenues and other sources over (under) expenditures and other uses	-	-	64,523	64,523	187,467	395,894	226,022	(169,872)
Fund Balance - beginning of year	-	-	-	-	1,113,268	803,419	803,419	-
Fund Balance - end of year	\$ -	\$ -	\$ 64,523	\$ 64,523	\$ 1,300,735	\$ 1,199,313	\$ 1,029,441	\$ (169,872)

**CITY OF SAND SPRINGS, OKLAHOMA
BUDGETARY COMPARISON SCHEDULE
MAJOR GOVERNMENTAL FUNDS (CAPITAL PROJECT FUNDS)
For the fiscal year ended June 30, 2020**

	CAPITAL PROJECT - STREET IMPROVEMENT				CAPITAL PROJECT - CAPITAL IMPROVEMENT WATER/WASTEWATER			
	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	-	1,750,000	-	(1,750,000)	-	-	5,767	5,767
Charges for services	-	-	-	-	100,000	100,000	129,700	29,700
Investment income	106,900	106,900	163,404	56,504	104,000	104,000	125,612	21,612
Miscellaneous	-	-	196,076	196,076	-	-	-	-
Total Revenues	106,900	1,856,900	359,480	(1,497,420)	204,000	204,000	261,079	57,079
Expenditures:								
Water:								
Capital Outlay	-	-	-	-	2,908,215	4,942,450	579,378	4,363,072
Wastewater:								
Capital Outlay	-	-	-	-	280,000	2,532,693	180,221	2,352,472
Public Works:								
Capital Outlay	-	-	-	-	-	170,869	20,698	150,171
Street:								
Capital Outlay	2,330,000	12,251,792	2,557,677	9,694,115	-	-	-	-
Total Expenditures	2,330,000	12,251,792	2,557,677	9,694,115	3,188,215	7,646,012	780,297	6,865,715
Revenues over (under) expenditures	(2,223,100)	(10,394,892)	(2,198,197)	8,196,695	(2,984,215)	(7,442,012)	(519,218)	6,922,794
Other Financing Sources (Uses):								
Transfers in	1,676,746	1,676,746	1,729,865	53,119	3,353,493	3,353,493	3,459,730	106,237
Transfers out	-	-	-	-	(800,000)	(825,000)	(825,000)	-
Total Other Financing Sources (Uses)	1,676,746	1,676,746	1,729,865	53,119	2,553,493	2,528,493	2,634,730	106,237
Revenues and other sources over (under) expenditures and other uses	(546,354)	(8,718,146)	(468,332)	8,249,814	(430,722)	(4,913,519)	2,115,512	7,029,031
Fund Balance - beginning of year	569,745	9,887,016	9,887,016	-	772,690	7,218,896	7,218,896	-
Fund Balance - end of year	\$ 23,391	\$ 1,168,870	\$ 9,418,684	\$ 8,249,814	\$ 341,968	\$ 2,305,377	\$ 9,334,408	\$ 7,029,031

(Continued)

**CITY OF SAND SPRINGS, OKLAHOMA
BUDGETARY COMPARISON SCHEDULE
MAJOR GOVERNMENTAL FUNDS (CAPITAL PROJECT FUNDS)
For the fiscal year ended June 30, 2019**

	CAPITAL PROJECT - PUBLIC SAFETY CAPITAL IMPROVEMENT				CAPITAL PROJECT - 2018 G.O. CITY PROJECT			
	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	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Investment income	13,300	13,300	35,835	22,535	55,000	55,000	54,390	(610)
Miscellaneous	-	-	4,102	4,102	-	649,667	638,990	(10,677)
Total Revenues	13,300	13,300	39,937	26,637	55,000	704,667	693,380	(11,287)
Expenditures:								
Streets:								
Capital Outlay	-	-	-	-	125,500	3,542,219	117,879	3,424,340
Finance:								
Capital Outlay	-	1,087	-	1,087	-	-	-	-
Information Services:								
Capital Outlay	-	-	-	-	-	176,110	20,177	155,933
Police:								
Capital Outlay	488,605	1,791,220	838,618	952,602	-	348,128	156,516	191,612
Fire:								
Capital Outlay	817,410	820,946	740,922	80,024	-	17,241	6,030	11,211
Wastewater:								
Capital Outlay	-	-	-	-	-	26,899	26,696	203
Museum:								
Capital Outlay	-	-	-	-	-	194,229	26,227	168,002
Golf Course:								
Capital Outlay	-	-	-	-	-	2,241,906	1,643,511	598,395
Parks and Recreation:								
Capital Outlay	-	2,138	-	2,138	250,000	3,014,721	1,320,787	1,693,934
Facilities Management:								
Capital Outlay	-	19,992	-	19,992	-	-	-	-
Debt Service	981,350	506,350	976,625	(470,275)	-	-	-	-
Total Expenditures	2,287,365	3,141,733	2,556,165	585,568	375,500	9,561,453	3,317,823	6,243,630
Revenues over (under) expenditures	(2,274,065)	(3,128,433)	(2,516,228)	612,205	(320,500)	(8,856,786)	(2,624,443)	6,232,343
Other Financing Sources (Uses):								
Issuance of long-term debt	-	-	-	-	-	8,535,000	8,535,000	-
Transfers in	1,509,072	1,509,072	1,556,879	47,807	375,000	591,050	591,050	-
Transfers out	(100,000)	(105,850)	(105,850)	-	-	(2,990,750)	(2,990,750)	-
Total Other Financing Sources (Uses)	1,409,072	1,403,222	1,451,029	47,807	375,000	6,135,300	6,135,300	-
Revenues and other sources over (under) expenditures and other uses	(864,993)	(1,725,211)	(1,065,199)	660,012	54,500	(2,721,486)	3,510,857	6,232,343
Fund Balance - beginning of year	1,105,268	1,912,045	1,912,045	-	66,290	2,895,742	2,895,742	-
Fund Balance - end of year	\$ 240,275	\$ 186,834	\$ 846,846	\$ 660,012	\$ 120,790	\$ 174,256	\$ 6,406,599	\$ 6,232,343

**CITY OF SAND SPRINGS, OKLAHOMA
STATEMENT OF CASH FLOWS
DISCRETELY PRESENTED COMPONENT UNITS
For the fiscal year ended June 30, 2020**

	<u>Museum Trust Authority</u>
CASH FLOWS FROM OPERATING ACTIVITIES	
Receipts from customers	\$ 12,942
Payments to suppliers	(9,453)
Payments to employees	(16,495)
Net Cash Provided by (Used in) Operating Activities	<u>(13,006)</u>
CASH FLOWS FROM INVESTING ACTIVITIES	
Interest and dividends	1,500
Net Cash Provided by Investing Activities	<u>1,500</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(11,506)
Balances - beginning of the year	<u>148,426</u>
Balances - end of the year	<u>\$ 136,920</u>
 Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:	
Operating income (loss)	\$ (12,934)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:	
Change in assets and liabilities:	
Accounts payable	214
Accrued payroll liabilities	(57)
Due to other governmental agencies	<u>(229)</u>
Net Cash Provided by (Used in) Operating Activities	<u>\$ (13,006)</u>

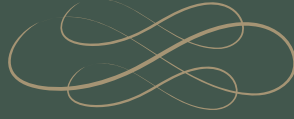
**CITY OF SAND SPRINGS, OKLAHOMA
SCHEDULE OF DEBT COVERAGE
For the fiscal year ended June 30, 2020**

	Series 2003, 2004, 2005, 2006, 2009, 2012 & 2013 OWRB Notes and <u>Series 2012 Revenue Bonds</u>
Gross Revenue Available for Debt Service:	
Charges for services:	
Water charges	\$ 8,089,215
Wastewater charges	3,427,790
Sales tax pledged and transferred	<u>3,459,730</u>
Total Gross Revenues Available	<u>14,976,735</u>
 Operating Expenses:	
Water	4,870,810
Wastewater	<u>2,964,441</u>
Total Operating Expenses	<u>7,835,251</u>
 Net Revenues Available for Debt Service	 <u>\$ 7,141,484</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>1,794,578</u>
Total Debt Service Requirements	<u>\$ 3,470,215</u>
 Computed Coverage	 <u>206%</u>
 Coverage Requirement	 <u>125%</u>

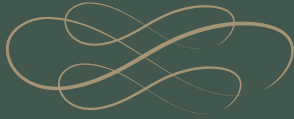
NOTE: The above gross revenue and operating expenses only include the activities of the Authority related to water and wastewater services, excluding depreciation and amortization expense.

**CITY OF SAND SPRINGS, OKLAHOMA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

<u>Federal/State Grantor/Pass Through Agency Grantor/Program Title</u>	<u>Federal CFDA#</u>	<u>Grant #</u>	<u>Award Amount</u>	<u>Federal Expenditures</u>
<u>U. S. DEPARTMENT OF TRANSPORTATION:</u>				
Airport Improvement Program	20.106	3-40-0084-019-2018	\$ 394,908	\$ 97,935
Airport Improvement Program	20.106	3-40-0084-021-2019	40,653	40,653
Airport Improvement Program - CARES Act	20.106	3-40-0084-023-2020	30,000	30,000
Sub-total 20.106			<u>465,561</u>	<u>168,588</u>
Passed Through Oklahoma Highway Safety Office: State and Community Highway Safety	20.608	AL-19-03-04-16	45,000	8,749
Total U. S. Department of Transportation			<u>510,561</u>	<u>177,337</u>
<u>U. S. DEPARTMENT OF JUSTICE:</u>				
Equitable Sharing - CARES Act	16.922		2,569	2,569
Passed Through Tulsa County: Coronavirus Emergency Supplemental Funding (CESF)	16.034		84,425	45,663
Passed Through District Attorneys Council: Coronavirus Emergency Supplemental Funding (CESF)	16.034	2020-VD-BX-00	4,279	2,660
Sub-total 16.034			<u>88,704</u>	<u>48,323</u>
Bulletproof vests	16.607	2010UMX0261	3,797	2,546
Total Department of Justice			<u>95,070</u>	<u>53,438</u>
<u>U.S. DEPARTMENT OF HOMELAND SECURITY:</u>				
<u>Federal Emergency Management Agency:</u>				
Passed through Oklahoma Civil Emergency Management: Disaster Assistance	97.088	FEMA-4438	1,387,403	1,339,081
Passed through Oklahoma Civil Emergency Management: Emergency Management Preparedness Grant	97.042	EMPG19	20,000	5,000
Emergency Management Preparedness Grant	97.042	EMPG20	20,000	15,000
Sub-total 97.042			<u>40,000</u>	<u>20,000</u>
Total Federal Emergency Management Agency			<u>1,427,403</u>	<u>1,359,081</u>
<u>U. S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT:</u>				
Passed through Oklahoma Department of Commerce: Community Development Block Grant - Non-entitlement	14.218	CDBG 2018	94,748	37,813
Community Development Block Grant - Non-entitlement	14.218	CDBG 2019	134,248	116,024
Total U. S. Department of Housing and Urban Development			<u>228,996</u>	<u>153,837</u>
TOTAL FEDERAL AWARDS			<u>\$ 2,262,030</u>	<u>\$ 1,743,693</u>



STATISTICAL SECTION



COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR YEAR ENDING JUNE 30 2020



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.

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FINANCIAL TRENDS

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CITY OF SAND SPRINGS, OKLAHOMA
NET POSITION BY COMPONENT
Last Ten Fiscal Years
June 30, 2020
TABLE 1

	Fiscal Year									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Governmental activities										
Net investment in capital assets	\$ 30,526,321	\$ 30,816,820	\$ 32,505,624	\$ 33,255,246	\$ 33,248,179	\$ 18,346,326	\$ 37,376,826	\$ 40,483,621	\$ 41,002,139	\$ 44,057,690
Restricted	8,138,469	8,213,492	8,213,492	9,112,520	10,589,915	25,072,566	11,329,895	10,452,886	10,746,541	12,906,656
Unrestricted (deficit)	4,635,252	6,649,538	7,604,073	4,246,875	(1,644,109)	(716,374)	604,043	457,605	5,349,907	797,159
Total governmental activities net position	<u>\$ 43,300,042</u>	<u>\$ 45,679,850</u>	<u>\$ 48,323,189</u>	<u>\$ 46,614,641</u>	<u>\$ 42,193,985</u>	<u>\$ 42,702,518</u>	<u>\$ 49,310,764</u>	<u>\$ 51,394,112</u>	<u>\$ 57,098,587</u>	<u>\$ 57,761,505</u>
Business-type activities										
Net investment in capital assets	\$ 51,590,911	\$ 51,114,327	\$ 50,561,549	\$ 50,419,150	\$ 51,548,644	\$ 53,054,629	\$ 54,851,506	\$ 56,884,600	\$ 57,984,084	\$ 60,181,560
Restricted	602,187	573,042	2,698,557	2,468,184	2,385,880	2,403,088	2,420,288	2,450,805	2,498,430	2,532,310
Unrestricted	11,623,672	14,033,434	18,929,949	22,510,729	22,744,600	23,551,877	24,278,798	23,513,064	24,636,613	27,585,776
Total business-type activities net position	<u>\$ 63,816,770</u>	<u>\$ 65,720,803</u>	<u>\$ 72,190,055</u>	<u>\$ 75,398,063</u>	<u>\$ 76,679,124</u>	<u>\$ 79,009,594</u>	<u>\$ 81,550,592</u>	<u>\$ 82,848,469</u>	<u>\$ 85,119,127</u>	<u>\$ 90,299,646</u>
Primary government										
Net investment in capital assets	\$ 82,117,232	\$ 81,931,147	\$ 83,067,173	\$ 83,674,396	\$ 84,796,823	\$ 71,400,955	\$ 92,228,332	\$ 97,368,221	\$ 98,986,223	\$ 104,239,250
Restricted	8,740,656	8,786,534	10,912,049	11,580,704	12,975,795	27,475,654	13,750,183	12,903,691	13,244,971	15,438,966
Unrestricted	16,258,924	20,682,972	26,534,022	26,757,604	21,100,491	22,835,503	24,882,841	23,970,669	29,986,520	28,382,935
Total primary government net position	<u>\$ 107,116,812</u>	<u>\$ 111,400,653</u>	<u>\$ 120,513,244</u>	<u>\$ 122,012,704</u>	<u>\$ 118,873,109</u>	<u>\$ 121,712,112</u>	<u>\$ 130,861,356</u>	<u>\$ 134,242,581</u>	<u>\$ 142,217,714</u>	<u>\$ 148,061,151</u>

CITY OF SAND SPRINGS, OKLAHOMA
 CHANGES IN NET POSITION
 Last Ten Fiscal Years
 June 30, 2020
 TABLE 2

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Expenses										
Government activities:										
Government government	\$ 1,082,775	\$ 1,433,226	\$ 1,164,073	\$ 2,662,169	\$ 1,322,426	\$ 1,382,934	\$ 1,452,911	\$ 1,418,445	\$ 1,484,936	\$ 2,266,358
Planning and zoning	156,231	107,071	123,879	136,407	101,842	155,897	152,884	159,519	172,027	183,962
Financial administration	677,511	655,916	778,035	891,880	826,352	797,905	814,019	865,794	909,514	964,129
Public safety	7,184,873	7,824,047	8,239,023	8,482,160	8,211,241	8,831,758	8,731,211	9,182,181	8,396,933	10,419,130
Highways and streets	2,136,980	2,562,148	2,306,716	2,295,442	2,280,869	1,917,538	2,666,478	2,069,886	2,130,852	2,431,763
Health and welfare	220,668	55,807	35,958	38,152	34,322	31,587	30,003	29,826	25,629	26,708
Culture and recreation	712,249	1,103,527	1,181,165	1,334,749	1,286,258	1,368,145	1,431,045	1,528,516	1,749,415	3,369,982
Economic development	186,419	346,436	503,795	718,360	614,822	887,161	930,693	2,147,387	1,145,882	864,239
Facilities mgmt & fleet maint	486,409	453,988	606,146	600,341	595,485	619,711	625,920	586,098	530,176	548,790
Interest on long-term debt	316,308	222,039	186,830	202,090	220,338	491,729	647,737	684,270	836,705	833,740
Total governmental activities expenses	<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>	<u>16,484,365</u>	<u>17,482,901</u>	<u>18,671,922</u>	<u>17,382,069</u>	<u>21,908,801</u>
Business-type activities:										
Water	5,468,136	5,643,653	7,276,661	7,217,517	6,950,079	7,582,078	7,542,148	7,763,775	7,343,452	7,969,207
Wastewater	3,111,019	4,082,209	3,454,771	3,542,099	3,699,133	3,463,644	3,676,656	3,905,087	3,663,633	4,306,628
Solid Waste	1,286,736	1,316,341	1,343,240	1,373,312	1,383,708	1,356,840	1,379,454	1,522,908	1,469,884	1,554,069
Stormwater	341,465	324,183	325,681	387,534	341,828	673,179	403,009	445,087	389,921	411,619
Airport	547,780	645,081	646,802	765,017	706,851	869,466	943,452	912,916	807,343	750,220
Golf course	797,618	832,127	788,392	818,843	914,668	1,042,559	868,605	852,479	810,275	776,491
Total business-type activities expenses	<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>	<u>14,987,766</u>	<u>14,813,324</u>	<u>15,402,252</u>	<u>14,484,508</u>	<u>15,768,234</u>
Total primary government expenses	<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>	<u>\$ 31,472,131</u>	<u>\$ 32,296,225</u>	<u>\$ 34,074,174</u>	<u>\$ 31,866,577</u>	<u>\$ 37,677,035</u>
Program Revenues										
Government activities:										
Charges for services:										
General government	\$ 258,705	\$ 276,483	\$ 306,843	\$ 303,965	\$ 214,664	\$ 210,245	\$ 208,693	\$ 297,522	\$ 197,181	\$ 211,668
Planning and zoning	8,424	10,033	10,220	9,873	5,482	5,190	8,679	6,781	10,309	13,388
Public safety	1,127,012	1,217,555	1,134,480	1,201,771	1,101,018	1,103,750	961,100	921,272	1,007,835	961,576
Highways and streets	1,180	1,475	1,298	1,294	386	114	497	400	211	354
Culture and recreation	71,802	84,991	99,001	104,868	100,759	101,860	117,420	135,398	121,890	92,370
Economic development	-	-	-	-	-	-	-	-	-	3,150
Operating grants and contributions	1,231,916	1,650,439	1,366,190	1,105,579	1,013,534	1,296,996	3,213,149	1,141,401	1,221,164	1,982,653
Capital grants and contributions	182,110	395,186	3,237,687	78,024	1,434,539	620,064	3,095,037	1,142,314	18,990	276,969
Total governmental activities program revenues	<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>	<u>3,338,219</u>	<u>7,604,575</u>	<u>3,645,088</u>	<u>2,577,580</u>	<u>3,542,128</u>

TABLE 2

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Business-type activities:										
Charges for services:										
Water	\$ 6,743,572	\$ 7,444,684	\$ 7,692,277	\$ 7,838,862	\$ 7,394,814	\$ 7,676,330	\$ 8,032,553	\$ 8,444,082	\$ 7,978,639	\$ 8,367,537
Wastewater	2,783,389	2,928,048	3,122,031	3,305,188	3,269,735	3,233,067	3,315,927	3,413,943	3,422,291	3,456,129
Solid Waste	1,575,918	1,622,290	1,725,143	1,794,651	1,841,535	1,906,505	1,985,233	2,032,671	2,091,316	2,146,427
Stormwater	575,355	701,081	848,193	1,016,272	1,143,193	1,183,770	1,220,885	1,238,509	1,316,046	1,378,803
Airport	242,640	344,829	340,534	398,421	413,053	418,815	396,386	405,962	397,663	352,918
Golf course	470,994	512,909	506,516	535,236	524,171	571,012	566,917	554,969	521,587	297,277
Operating grants and contributions	167,252	25,100	-	-	2,208	-	43,926	335	700	572,511
Capital grants and contributions	1,428,524	304,391	3,347,274	673,634	157,268	354,139	458,814	929,426	461,785	435,770
Total business-type activities program revenues	13,987,644	13,883,332	17,581,968	15,562,264	14,745,977	15,343,638	16,020,641	17,019,897	16,190,027	17,007,372
Total primary government program revenues	\$ 16,868,793	\$ 17,519,494	\$ 23,737,687	\$ 18,367,638	\$ 18,616,359	\$ 18,681,857	\$ 23,625,216	\$ 20,664,985	\$ 18,767,607	\$ 20,549,500
Net (Expense)/Revenue										
Government activities:	\$ (10,279,274)	\$ (11,128,043)	\$ (8,969,901)	\$ (14,556,376)	\$ (11,623,573)	\$ (13,146,146)	\$ (9,878,326)	\$ (15,026,834)	\$ (14,804,489)	\$ (18,366,673)
Business-type activities:	2,434,890	1,039,738	3,746,421	1,457,942	749,710	355,872	1,207,317	1,617,645	1,705,519	1,239,138
Total primary government net expense	\$ (7,844,384)	\$ (10,088,305)	\$ (5,223,480)	\$ (13,098,434)	\$ (10,873,863)	\$ (12,790,274)	\$ (8,671,009)	\$ (13,409,189)	\$ (13,098,970)	\$ (17,127,535)
General Revenues and Other Changes in Net Assets										
Government activities:										
Taxes:										
Sales and use taxes	\$ 9,595,485	\$ 10,493,465	\$ 10,555,793	\$ 10,883,650	\$ 11,070,144	\$ 11,114,194	\$ 11,897,949	\$ 13,668,341	\$ 14,273,057	\$ 15,300,573
Property taxes	1,207,441	1,145,387	1,172,499	406,950	1,497,025	1,256,849	1,182,844	815,000	1,033,290	1,465,671
Franchise and public service taxes	845,865	817,700	796,444	833,193	856,339	792,394	841,487	898,716	873,276	826,021
Other taxes	1,213,471	1,321,145	1,396,360	1,479,104	1,448,920	1,539,932	1,568,453	1,722,928	1,676,745	1,725,552
Unrestricted grants and contributions	337,019	306,994	526,006	723,417	1,079,758	399,296	789,523	757,328	1,472,465	657,831
Investment earnings	187,952	221,243	192,065	189,547	201,361	274,233	320,110	642,317	911,143	740,329
Miscellaneous	277,837	38,446	75,382	36,714	48,281	134,148	75,248	40,287	319,481	1,815,698
Special item	-	-	-	-	-	-	1,077,719	105,876	-	-
Transfers	(916,062)	(836,527)	(3,018,162)	(1,704,747)	(397,664)	(1,856,367)	(1,266,761)	168,929	(50,493)	(3,502,084)
Total governmental activities	12,749,008	13,507,853	11,696,387	12,847,828	15,804,164	13,654,679	16,486,572	18,819,722	20,508,964	19,029,591
Business-type activities:										
Investment earnings	40,910	26,365	42,218	39,496	48,937	75,790	64,926	231,774	510,809	419,301
Special item	-	(1,523)	-	-	-	-	-	-	-	-
Miscellaneous	1,567	3,844	2,738	5,823	84,750	42,441	1,994	5,256	3,837	19,996
Transfers	916,062	836,213	3,018,162	1,704,747	397,664	1,856,367	1,266,761	(168,929)	50,493	3,502,084
Total business-type activities	958,539	864,899	3,063,118	1,750,066	531,351	1,974,598	1,333,681	68,101	565,139	3,941,381
Total primary government	\$ 13,707,547	\$ 14,372,752	\$ 14,759,505	\$ 14,597,894	\$ 16,335,515	\$ 15,629,277	\$ 17,820,253	\$ 18,887,823	\$ 21,074,103	\$ 22,970,972
Change in Net Position										
Government activities	\$ 2,469,734	\$ 2,379,810	\$ 2,726,486	\$ (1,708,548)	\$ 4,180,591	\$ 508,533	\$ 6,608,246	\$ 3,792,888	\$ 5,704,475	\$ 662,918
Business-type activities	3,393,429	1,904,637	6,809,539	3,208,008	1,281,061	2,330,470	2,540,998	1,685,746	2,270,658	5,180,519
Total primary government	\$ 5,863,163	\$ 4,284,447	\$ 9,536,025	\$ 1,499,460	\$ 5,461,652	\$ 2,839,003	\$ 9,149,244	\$ 5,478,634	\$ 7,975,133	\$ 5,843,437

CITY OF SAND SPRINGS, OKLAHOMA
FUND BALANCES, GOVERNMENTAL FUNDS
 Last Ten Fiscal Years
 June 30, 2020
TABLE 3

	Fiscal Year									
	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
General Fund										
Reserved	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved	-	-	-	-	-	-	-	-	-	-
Nonspendable	23,616	22,597	22,982	30,035	18,653	21,720	17,607	18,816	28,627	20,941
Restricted	269,763	319,094	400,085	524,551	680,401	712,637	560,464	662,747	669,090	653,982
Committed	-	-	-	-	240,318	-	-	-	-	-
Assigned	1,052,274	1,322,428	1,432,738	1,825,667	2,283,351	1,718,537	1,753,911	1,916,526	2,529,887	2,447,155
Unassigned	<u>2,785,293</u>	<u>3,161,144</u>	<u>3,320,280</u>	<u>3,129,894</u>	<u>3,268,415</u>	<u>3,172,263</u>	<u>3,492,317</u>	<u>4,067,043</u>	<u>4,117,003</u>	<u>3,228,072</u>
Total general fund	<u>\$ 4,130,946</u>	<u>\$ 4,825,263</u>	<u>\$ 5,176,085</u>	<u>\$ 5,510,147</u>	<u>\$ 6,491,138</u>	<u>\$ 5,625,157</u>	<u>\$ 5,824,299</u>	<u>\$ 6,665,132</u>	<u>\$ 7,344,607</u>	<u>\$ 6,350,150</u>
All Other Governmental Funds										
Restricted	\$ 11,987,586	\$ 13,041,167	\$ 16,346,865	\$ 17,488,846	\$ 17,685,547	\$ 32,247,352	\$ 31,996,951	\$ 30,292,777	\$ 21,411,924	\$ 27,342,465
Committed	26,000	43,536	-	-	-	-	-	-	-	-
Assigned	2,985,162	4,787,572	4,395,998	7,643,981	7,357,725	6,842,117	10,059,269	10,478,637	11,960,154	12,630,977
Unassigned	<u>(697,538)</u>	<u>(973,423)</u>	<u>(36,627)</u>	<u>-</u>	<u>(33)</u>	<u>(34,926)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total all other governmental funds	<u>\$ 14,301,210</u>	<u>\$ 16,898,852</u>	<u>\$ 20,706,236</u>	<u>\$ 25,132,827</u>	<u>\$ 25,043,239</u>	<u>\$ 39,054,543</u>	<u>\$ 42,056,220</u>	<u>\$ 40,771,414</u>	<u>\$ 33,372,078</u>	<u>\$ 39,973,442</u>
GRAND TOTAL	<u>\$ 18,432,156</u>	<u>\$ 21,724,115</u>	<u>\$ 25,882,321</u>	<u>\$ 30,642,974</u>	<u>\$ 31,534,377</u>	<u>\$ 44,679,700</u>	<u>\$ 47,880,519</u>	<u>\$ 47,436,546</u>	<u>\$ 40,716,685</u>	<u>\$ 46,323,592</u>

CITY OF SAND SPRINGS, OKLAHOMA
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS
 Last Ten Fiscal Years
 June 30, 2020
TABLE 4

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Revenues										
Taxes	\$ 12,909,683	\$ 13,786,404	\$ 14,096,209	\$ 14,018,930	\$ 15,373,972	\$ 14,786,346	\$ 15,984,007	\$ 17,593,384	\$ 18,480,803	\$ 19,510,127
Intergovernmental	1,675,578	2,356,440	4,430,432	1,973,647	2,753,093	2,643,976	6,484,625	1,658,566	1,965,953	2,066,688
Charges for services	1,069,579	1,145,909	1,099,110	1,142,732	1,064,055	1,064,286	1,123,472	1,131,286	1,097,494	1,091,854
Fines and forfeitures	371,277	413,805	415,268	432,401	393,102	317,676	202,411	154,171	132,093	174,271
Licenses and permits	147,757	131,722	194,444	179,498	141,721	138,566	129,844	195,881	128,450	141,246
Investment income	112,131	62,465	69,717	68,370	114,015	161,670	189,198	557,892	907,309	668,670
Miscellaneous	465,838	199,827	288,530	561,977	287,885	295,991	190,401	226,973	993,947	2,026,238
Total Revenues	\$ 16,751,843	\$ 18,096,572	\$ 20,593,710	\$ 18,377,555	\$ 20,127,843	\$ 19,408,511	\$ 24,303,958	\$ 21,518,153	\$ 23,706,049	\$ 25,679,094
Expenditures:										
General government	\$ 671,627	\$ 778,817	\$ 875,356	\$ 835,759	\$ 856,027	\$ 1,051,201	\$ 1,037,386	\$ 1,064,084	\$ 1,072,013	\$ 1,092,373
Planning and zoning	154,985	103,903	121,776	140,877	101,272	152,352	151,910	156,593	168,156	179,330
Financial administration	571,438	654,358	763,850	795,667	795,137	766,834	782,783	835,743	881,904	932,417
Public safety	6,750,855	7,071,741	7,465,352	8,012,482	8,194,641	8,896,588	8,170,498	8,490,471	8,699,216	9,483,554
Highways and streets	827,665	648,994	643,840	675,929	664,245	628,541	606,133	646,379	726,931	745,982
Health and welfare	51,842	51,572	32,088	34,219	31,108	28,577	27,287	27,291	24,452	28,273
Culture and recreation	700,856	919,003	934,028	1,086,835	1,055,016	1,066,160	1,124,552	1,098,999	1,202,663	1,430,587
Economic development	137,435	341,095	493,817	697,993	586,018	874,858	871,292	808,600	1,100,129	729,115
Facilities mgmt & fleet maint	478,511	454,319	703,484	716,874	709,666	728,308	739,918	729,145	639,563	698,125
Water	42,221	14,989	-	-	-	-	-	-	-	-
Capital outlay	6,649,063	5,097,127	7,293,491	5,966,389	21,014,013	18,065,850	10,141,265	20,229,861	17,727,802	14,160,574
Debt service										
Principal	943,896	507,967	991,142	1,030,859	1,035,360	1,173,192	1,212,860	1,404,638	1,206,461	1,713,331
Interest	325,066	233,420	179,312	172,495	212,826	499,308	655,503	638,497	900,197	874,445
Total Expenditures	\$ 18,305,460	\$ 16,877,305	\$ 20,497,536	\$ 20,166,378	\$ 35,255,329	\$ 33,931,769	\$ 25,521,387	\$ 36,130,301	\$ 34,349,487	\$ 32,068,106
Excess of revenues over(under) expenditures	\$ (1,553,617)	\$ 1,219,267	\$ 96,174	\$ (1,788,823)	\$ (15,127,486)	\$ (14,523,258)	\$ (1,217,429)	\$ (14,612,148)	\$ (10,643,438)	\$ (6,389,012)
Other financing sources(uses)										
Issuance of debt	\$ -	\$ 2,540,000	\$ 496,304	\$ 2,367,241	\$ 714,217	\$ 18,436,354	\$ -	\$ 9,717,203	\$ 130,000	\$ 9,270,000
Premiums from issuance of debt	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 209,739
Transfers in	8,608,201	8,856,527	10,696,533	11,118,523	22,278,068	18,080,343	9,309,506	12,191,177	13,199,831	14,573,618
Transfers out	(5,464,282)	(6,307,866)	(7,130,805)	(6,936,288)	(6,973,396)	(6,538,116)	(7,277,798)	(8,391,801)	(9,406,254)	(12,057,438)
Proceeds from sale of capital assets	-	-	-	-	-	-	2,386,540	651,596	-	-
Payment of issue costs	-	(74,611)	-	-	-	-	-	-	-	-
Transfer to bond escrow	-	(2,941,356)	-	-	-	(2,310,000)	-	-	-	-
Total other financing sources(uses)	\$ 3,143,919	\$ 2,072,694	\$ 4,062,032	\$ 6,549,476	\$ 16,018,889	\$ 27,668,581	\$ 4,418,248	\$ 14,168,175	\$ 3,923,577	\$ 11,995,919
Net change in fund balances	\$ 1,590,302	\$ 3,291,961	\$ 4,158,206	\$ 4,760,653	\$ 891,403	\$ 13,145,323	\$ 3,200,819	\$ (443,973)	\$ (6,719,861)	\$ 5,606,907
Debt service as a percentage of noncapital expenditures	7.8%	4.7%	9.7%	8.5%	9.6%	5.5%	9.0%	9.5%	11.5%	12.1%

CITY OF SAND SPRINGS, OKLAHOMA
 GOVERNMENTAL ACTIVITIES TAX REVENUES BY SOURCE
 Last Ten Fiscal Years
 June 30, 2020
 TABLE 5

<u>Fiscal Year</u>	<u>Ad Valorem Tax</u>	<u>Sales Tax</u>	<u>Franchise Tax</u>	<u>Hotel/ Motel Tax</u>	<u>Use Tax</u>	<u>Emergency Telephone Tax</u>	<u>Payment in Lieu of Taxes</u>	<u>Abatement Tax</u>	<u>Incremental Property Tax</u>	<u>Totals</u>
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
2016	1,250,740	10,708,375	792,394	193,952	405,819	129,772	1,161,172	34,015	110,107	14,786,346
2017	1,182,844	11,445,609	841,487	179,577	452,340	150,745	1,201,702	36,429	499,304	15,990,037
2018	815,375	12,859,605	898,716	249,941	808,736	171,718	1,244,157	57,112	450,987	17,556,347
2019	1,013,101	13,312,916	873,276	140,147	960,141	175,942	1,212,599	26,153	742,335	18,456,610
2020	1,448,649	14,011,907	826,021	154,122	1,288,666	178,047	1,283,105	38,477	253,802	19,482,796

REVENUE CAPACITY

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CITY OF SAND SPRINGS OKLAHOMA
SALES TAX RATES OF DIRECT AND OVERLAPPING GOVERNMENTS
Last Ten Fiscal Years
June 30, 2020
TABLE 6

	Fiscal Year										
	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	
General Fund Operations	2.000 %	2.000 %	2.000 %	2.000 %	2.000 %	2.000 %	2.000 %	2.000 %	2.000 %	2.000 %	2.000 %
TIF District (Economic Development)	-	-	-	-	-	-	-	-	-	-	-
Water & Wastewater Improvements	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Street Improvements	0.500	0.500	0.500	0.500	0.500	0.500	0.500	0.500	0.500	0.500	0.500
Public Safety Improvements	-	-	-	-	-	-	0.450	0.450	0.450	0.450	0.450
Economic Development Improvements	-	-	-	-	-	-	0.100	0.100	0.100	0.100	0.100
Sand Springs Total	3.500 %	3.500 %	3.500 %	3.500 %	3.500 %	3.500 %	4.050 %	4.050 %	4.050 %	4.050 %	4.050 %
Osage County	1.250 %	1.250 %	1.250 %	1.250 %	1.250 %	1.250 %	1.250 %	1.250 %	1.250 %	1.250 %	1.250 %
Tulsa County	1.017	0.850	0.850	0.850	0.920	0.920	0.367	0.367	0.367	0.367	0.367
State of Oklahoma	4.500 %	4.500 %	4.500 %	4.500 %	4.500 %	4.500 %	4.500 %	4.500 %	4.500 %	4.500 %	4.500 %
Total (Osage County)	9.250 %	9.250 %	9.250 %	9.250 %	9.250 %	9.250 %	9.800 %	9.800 %	9.800 %	9.800 %	9.800 %
Total (Tulsa County)	9.017 %	8.850 %	8.850 %	8.850 %	8.920 %	8.920 %	8.917 %	8.917 %	8.917 %	8.917 %	8.917 %

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, 2020
TABLE 7

Category	Fiscal Year									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Manufacturing	\$ 4,865,836	\$ 6,474,226	\$ 6,733,569	\$ 7,564,199	\$ 7,255,899	\$ 7,135,431	\$ 8,295,991	\$ 9,918,200	\$ 9,594,475	\$ 9,329,446
Telecommunications & Other	10,386,773	11,683,916	8,223,040	6,143,900	6,439,582	6,368,003	6,674,048	5,936,649	5,839,059	5,828,919
Public Utilities	17,945,755	18,032,682	16,426,109	18,203,837	19,469,901	18,374,328	20,164,230	21,195,677	21,441,429	20,488,260
Wholesale trade	10,278,070	17,835,578	15,467,491	18,781,723	16,877,375	18,999,974	16,356,165	17,296,837	18,724,960	18,516,773
Retail - Building Materials	6,342,063	8,787,999	8,603,061	7,670,664	9,717,333	7,205,809	7,471,911	8,281,968	7,491,029	11,553,644
Retail - General Merchandise	106,016,119	109,547,834	104,402,935	105,798,763	106,713,323	104,434,347	104,257,661	106,560,567	107,839,421	115,037,240
Retail - Food	27,023,835	28,800,036	36,373,046	32,841,537	34,151,564	42,613,748	46,866,946	51,916,906	55,976,128	64,315,168
Retail - Automotive	9,753,355	9,667,077	10,541,623	10,321,611	10,662,095	9,040,782	8,303,489	8,141,945	8,089,889	8,706,619
Retail - Apparel	2,937,195	3,043,655	3,391,412	3,428,369	3,332,375	3,594,669	3,101,555	2,868,340	2,891,581	2,773,525
Retail - Furniture & Accessories	7,776,746	6,990,153	10,123,520	11,209,826	10,823,357	9,952,364	10,780,993	12,776,588	12,459,135	14,109,806
Retail - Restaurants	33,419,129	38,597,334	36,561,022	36,421,806	38,056,035	41,034,691	41,434,696	42,208,637	45,738,166	46,219,795
Retail - Miscellaneous	14,647,439	16,173,648	17,209,459	18,972,661	19,403,128	15,673,799	14,260,866	14,143,759	15,725,983	8,590,653
Retail - Hotel	1,917,219	1,923,991	2,060,773	2,487,256	576,134	1,691,857	2,244,784	3,522,902	3,639,076	3,130,074
Services - Business	1,432,019	1,335,123	2,843,803	1,847,657	2,370,215	884,919	750,809	931,537	1,055,136	779,466
Services - Other	8,660,226	10,557,317	9,040,125	11,781,384	11,509,395	11,975,167	12,171,906	12,171,191	12,868,507	14,877,056
All Other Categories	1,494,020	1,363,093	1,853,813	8,659,817	9,287,849	8,874,337	3,208,498	789,259	856,569	698,666
Total	\$ 264,895,799	\$ 290,813,662	\$ 289,854,801	\$ 302,135,010	\$ 306,645,560	\$ 307,854,225	\$ 306,344,548	\$ 318,660,962	\$ 330,230,543	\$ 344,955,110

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, 2020
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
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	119,939,380	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
2016	107,629,055	19,617,887	6,364,548	133,611,490	4,020,860	129,590,630	9.70	1,214,649,909
2017	111,031,577	22,243,308	6,511,249	139,786,134	3,960,860	135,825,274	8.70	1,270,783,036
2018	113,632,937	19,172,369	7,077,847	139,883,153	3,908,371	135,974,782	5.99	1,271,665,027
2019	117,201,300	19,575,863	6,989,751	143,766,914	3,810,371	139,956,543	7.38	1,279,212,909
2020	121,339,680	21,737,444	7,301,207	150,378,331	3,773,982	146,604,349	10.00	1,367,075,736

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, 2020
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	
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	72.83	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
2016	9.70	72.31	22.22	7.21	13.33	124.77
2017	8.70	71.51	22.24	7.21	13.33	122.99
2018	5.99	71.74	22.24	7.21	13.33	120.51
2019	7.38	72.29	22.74	7.21	13.33	122.95
2020	10.00	73.04	22.66	7.21	13.33	126.24

The levy certified to the tax rolls for the upcoming fiscal year is as follows:

2021	14.59	71.51	23.25	7.21	13.33	129.89
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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, 2020
 TABLE 10

Taxpayer	Type of Business	2020		2011			
		Taxable Assessed Value	Rank	Percentage of Net Total Assessed Value	Taxable Assessed Value	Rank	Percentage of Net Total Assessed Value
Webco Industries/Southwest Tube	Manufacturing	9,271,982	1	6.00%	3,150,001	3	2.68%
Chemlink Inc/Baker Petrolite	Manufacturing	5,810,000	2	3.76%	3,990,001	1	3.40%
AEP/Public Service Co of Okla	Utility	5,482,434	3	3.55%	3,663,130	2	3.12%
Wal-Mart	Retail	2,399,823	4	1.55%	921,948	11	0.79%
Yellowhouse Machinery	Equipment	2,250,441	5	1.46%	1,220,686	9	1.04%
Sand Springs Home	Real Estate	1,863,360	6	1.20%	1,526,292	6	1.30%
Highland Crossing	Apartment	1,300,441	7	0.84%	1,240,195	8	1.06%
Cust-O-Fab/B P Enterprises	Manufacturing	1,072,186	8	0.69%	845,188	13	0.72%
Oklahoma Natural Gas Co	Utility	876,989	9	0.57%	952,035	10	0.81%
Sand Springs Railway Co	Estate	859,213	10	0.56%	—		—
Quik Trip Corp	Convenience Store	756,055	11	0.49%	—		—
Parker Plastics	Manufacturing	691,089	12	0.45%	—		—
Green Tree	Real Estate	654,735	13	0.42%	846,271	12	0.72%
Valued Partners Investments LLC	Real Estate	634,606	14	0.41%	—		—
Caimbrae Realty	Real Estate	609,893	15	0.39%	—		—
Totals		<u>\$ 34,533,247</u>		<u>22.34%</u>	<u>\$ 18,355,747</u>		<u>15.64%</u>

Source:
 1. Tulsa County Assessors Office

CITY OF SAND SPRINGS, OKLAHOMA
PROPERTY TAX LEVIES AND COLLECTIONS
Last Ten Fiscal Years
June 30, 2020
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		
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%	\$ 127,218,583	10.50
2016	2015	\$ 1,256,849	\$ 1,201,748	96%	\$ 48,992	\$ 1,250,740	99.5%	\$ 129,590,630	9.70
2017	2016	\$ 1,182,844	\$ 1,141,493	97%	\$ 35,321	\$ 1,176,814	99.5%	\$ 135,825,274	8.70
2018	2017	\$ 815,001	\$ 798,676	98%	\$ 16,699	\$ 815,375	100.0%	\$ 135,974,782	5.99
2019	2018	\$ 1,033,291	\$ 993,652	96%	\$ 19,449	\$ 1,013,101	98.1%	\$ 139,956,543	7.38
2020	2019	\$ 1,465,671	\$ 1,412,871	96%	\$ 35,778	\$ 1,448,649	98.8%	\$ 146,604,349	10.00

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

DEBT CAPACITY

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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, 2020
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
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	127,218,583	6,255,000	738,998	5,516,002	4.34%	282
2016	19,783	129,590,630	5,245,000	783,195	4,461,805	3.44%	226
2017	19,822	135,825,274	4,195,000	788,253	3,406,747	2.51%	172
2018	20,558	135,974,782	13,090,000	745,741	12,344,259	9.08%	600
2019	20,527	139,956,543	12,645,000	44,975 *	12,600,025	9.00%	614
2020	20,526	146,604,349	20,845,000	1,338,716 *	19,506,284	9.36%	950

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.

* In calculating ratio, beginning 2019 the restricted for debt service on the government-wide statement of net position is used.

CITY OF SAND SPRINGS, OKLAHOMA
COMPUTATION OF DIRECT AND OVERLAPPING DEBT
June 30, 2020
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	<u>\$ 36,000,008</u>	100.00%	<u>\$ 36,000,008</u>
Overlapping Debt:			
Sand Springs School District	17,405,000	75.05%	13,062,453
Berryhill School District	2,440,000	21.07%	514,108
Tulsa County	0	2.44%	0
Tulsa Community College	0	2.49%	0
Total overlapping debt	<u>19,845,000</u>		<u>13,576,561</u>
Total Direct and Overlapping Debt	<u><u>\$ 55,845,008</u></u>		<u><u>\$ 49,576,569</u></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, 2020
TABLE 14

	Fiscal Year									
	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
Debt limit	\$ 11,976,850	\$ 11,993,938	\$ 12,321,941	\$ 12,601,484	\$ 12,721,858	\$ 12,959,063	\$ 13,582,527	\$ 13,597,478	\$ 13,995,654	\$ 14,660,435
Total net debt applicable to limit	<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>	<u>4,329,211</u>	<u>3,608,699</u>	<u>6,180,000</u>	<u>6,310,000</u>	<u>14,510,000</u>
Legal debt margin	<u>\$ 6,765,553</u>	<u>\$ 7,325,669</u>	<u>\$ 8,202,307</u>	<u>\$ 6,781,300</u>	<u>\$ 7,558,835</u>	<u>\$ 8,629,852</u>	<u>\$ 9,973,828</u>	<u>\$ 7,417,478</u>	<u>\$ 7,685,654</u>	<u>\$ 150,435</u>
Total net debt applicable to the limit as a percentage of debt limit	43.51%	38.92%	33.43%	46.19%	40.58%	33.41%	26.57%	45.45%	45.09%	98.97%

Legal Debt Margin Calculation for Fiscal Year 2019

Net assessed valuation	\$ 146,604,349
Debt limit (10% of total assess value)	\$ 14,660,435
Debt applicable to limit:	
General obligation bonds	\$ 20,845,000
Less: Street bonds outstanding	<u>6,335,000</u>
Total net debt applicable to limit	<u>14,510,000</u>
Legal debt margin	<u>\$ 150,435</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, 2020
TABLE 15

Fiscal Year	Gross Revenues	Direct Operating Expenses	Net Revenue Available for Debt Service	Average Annual Debt Service (1)	Debt Service Coverage
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
2016	13,912,884	6,595,546	7,317,338	1,675,637	4.37
2017	14,224,955	6,581,138	7,643,817	1,675,637	4.56
2018	14,812,289	7,328,159	7,484,130	1,675,637	4.47
2019	14,462,872	7,032,694	7,430,178	1,675,637	4.43
2020	14,976,735	7,835,251	7,141,484	1,675,637	4.26

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.

CITY OF SAND SPRINGS, OKLAHOMA
RATIO FOR OUTSTANDING DEBT BY TYPE
Last Ten Fiscal Years
June 30, 2020
TABLE 16

Fiscal Year	Governmental Activities				Business-Type Activities				Total Primary Government	Percentage of Personal Income	Per Capita
	General Obligation Bonds	Revenue Bonds Payable	Unamortized Discount/Premium	Capital Leases Payable	Revenue Bonds Payable	Unamortized Discount/Premium	Notes Payable	Capital Leases Payable			
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%	2,406
2014	7,165,000	-	-	514,814	29,830,000	67,773	8,146,832	-	45,724,419	4%	2,364
2015	6,255,000	-	-	1,104,003	29,170,000	69,197	7,411,830	-	44,010,030	4%	2,248
2016	5,245,000	16,000,000	123,220	940,810	28,495,000	70,621	6,757,973	-	57,491,382	5%	2,900
2017	4,195,000	16,000,000	102,422	777,950	27,805,000	72,050	6,089,553	-	54,897,875	5%	2,758
2018	13,090,000	15,545,000	118,529	613,406	27,100,000	73,470	5,406,695	-	61,800,160	5%	3,006
2019	12,645,000	15,080,000	95,698	446,945	26,380,000	74,897	4,703,564	-	59,276,310	5%	2,888
2020	20,845,000	14,605,000	271,394	278,614	25,645,000	76,322	3,985,097	-	65,553,783	5%	3,194

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DEMOGRAPHIC AND ECONOMIC INFORMATION

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CITY OF SAND SPRINGS, OKLAHOMA
 BUILDING PERMITS, CONSTRUCTION AND BANK DEPOSITS
 Last Ten Calendar Years
 June 30, 2020
 TABLE 17

Calendar Year	Number of Building Permits	Construction Values			Estimated Actual Value of Taxable Property	Bank Deposits
		Residential	Commercial	Total		
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
2015	179	9,875,122	12,403,063	22,278,185	1,214,649,909	319,397,000
2016	158	7,861,535	19,058,803	26,920,338	1,270,783,036	321,528,000
2017	189	11,699,939	25,506,012	37,205,951	1,271,665,027	319,563,000
2018	159	9,695,049	6,347,082	16,042,131	1,279,212,909	329,866,000
2019	227	14,798,575	15,264,448	30,063,023	1,367,075,736	362,110,000

Source:
 1. City Neighborhood Services Department

CITY OF SAND SPRINGS, OKLAHOMA
DEMOGRAPHIC AND ECONOMIC STATISTICS
Last Ten Calendar Years
June 30, 2020
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)
2011	19,140	918,165	47,971	36.5	5,261	5.3%
2012	19,116	1,057,975	55,345	36.2	5,315	5.2%
2013	19,339	1,268,503	65,593 *	36.5	5,315	4.6%
2014	19,553	1,384,646	70,815 *	34.3	5,336	4.3%
2015	19,783	1,247,971 *	63,083 *	34.3	5,236	5.6%
2016	19,822	1,070,071 *	53,984 *	36.1	5,141	4.9%
2017	19,909	1,174,332	58,985	36.8	5,144	3.5%
2018	20,558	1,174,643	57,138	36.8	5,101	3.1%
2019	20,527	1,157,307	56,380	37.3	5,063	3.1%
2020	20,526	1,274,946	62,114	37.4	4,874	2.3%

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 2015 and 2016 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.
6. Claritas-Pop Facts

CITY OF SAND SPRINGS, OKLAHOMA
PRINCIPAL EMPLOYERS
 Current Year And Nine Years Ago
 June 30, 2020
 TABLE 19

<u>Employer</u>	<u>2020</u>			<u>2011</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	747	1	8.05%	611	1	9.68%
Webco	459	2	4.95%	437	3	6.92%
Wal Mart	260	3	2.80%	452	2	7.16%
City of Sand Springs	199	4	2.14%	185	4	2.93%
Cust-O-Fab	174	5	1.87%	150	6	2.38%
Osage Million Dollar Elm	136	6	1.47%	—		—
Baker Petrolite	135	7	1.45%	161	5	2.55%
Tulsa Community College	107	8	1.15%	127	7	2.01%
Keystone Chevrolet	86	9	0.93%	86	8	1.36%
Piping Enterprise	84	10	0.90%			
Totals	<u>2,387</u>		<u>25.71%</u>	<u>2,209</u>		<u>34.99%</u>

Source:

1. U S Census Bureau ZIP Code Business Patterns (NAICS) website provided the total labor force numbers
2. Environics Analytics-Pop Facts

Note:

1. 2010 numbers total 6,048 and 2019 numbers total 9,753
2. The total number of employees includes full and part time employees
3. The total number of employees includes full and part time employees

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OPERATING INFORMATION

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CITY OF SAND SPRINGS OKLAHOMA
FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION/PROGRAM
Last Ten Fiscal Years
June 30, 2020
TABLE 20

Function/Program	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
General Government	5	6	8	8	9	9	9	9	9	9
Planning and Zoning	1	1	1	2	2	2	2	2	2	2
Financial Administration	16	19	17	13	13	13	16	16	16	16
Public Safety	76	79	79	86	85	86	84	85	83	86
Highways and Streets	8	9	9	9	9	9	9	9	9	9
Culture and Recreation	7	6	6	8	8	8	8	8	8	12
Economic Development	1	1	1	1	1	1	1	1	2	1
Facilities Management & Maint	8	9	10	10	10	10	9	9	8	8
Water Operations	31	31	31	32	33	33	30	30	31	32
Stormwater	1	1	0	0	0	1	1	1	1	1
Wastewater Operations	19	19	19	19	19	19	19	19	18	18
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	0	0	0	0	0	0	0	0	0	0
Total	185	193	193	200	201	203	200	201	199	206

Source:
 1. City Finance Office

CITY OF SAND SPRINGS OKLAHOMA
CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM
Last Ten Fiscal Years
June 30, 2020
TABLE 21

Function/Program	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Public Safety										
Police Stations	1	1	1	1	1	1	1	1	1	1
Patrol Units	33	38	38	40	36	33	37	37	39	40
Fire Stations	2	2	2	2	2	2	2	2	2	2
Fire Trucks	13	13	9	10	10	10	10	12	13	13
Highways and Streets										
Roadways (arterial lane miles)	170	172	173	173	173	173	173	173	174	234
Streetlights	1,209	1,211	1,211	1,214	1,214	1,214	1,253	1,284	1,284	1,291
Signalized Intersections	18	18	18	19	19	19	19	19	19	19
Culture and Recreation										
Acreage *	1,623	1,623	1,623	1,623	1,629	1,629	1,635	1,655	1,680	1,672
Tennis Courts	6	6	6	6	4	4	4	4	4	4
Ball diamonds	13	11	11	11	11	11	11	17	19	18
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)	452	452	454	454	455	455	456	404	404	404
Storage capacity (thousands of gallons)	7,023	6,523	6,523	6,523	6,523	6,523	6,523	6,178	6,178	6,250
Wastewater Operations										
Treatment Plants	1	1	1	1	1	1	1	1	1	1
Sanitary Sewers (miles)	126	126	127	128	128	128	128	136	136	136
Treatment capacity (thousands of gallons)	3,120	3,120	3,120	3,120	3,120	3,120	3,120	3,120	3,120	3,100
Solid Waste Operations										
Collection Trucks	10	10	8	8	9	9	10	10	10	10
Stormwater Operations										
Storm sewers (miles)	50	50	51	51	51	51	51	55	51	51

Source:

1. City Departments
2. Culture and Recreation acreage restated to include Keyston Ancient Forest

CITY OF SAND SPRINGS OKLAHOMA
OPERATING INDICATORS BY FUNCTION/PROGRAM
Last Ten Fiscal Years
June 30, 2020
TABLE 22

Function/Program	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Public Safety										
Police										
Number of Violations (Citations)	8,859	8,810	6,677	6,181	6,240	4,840	3,541	2,265	2,174	2,305
Fire										
Call Responses	3,475	3,959	4,023	4,114	4,226	4,386	4,324	3,628	2,930	2,783
Highways and Streets										
Streets Resurfacing (miles)	14	2	9	-	8	-	12	-	-	-
Asphalt Repairs (tons)	258	208	208	147	280	213	164	153	109	147
Culture and Recreation										
Community Center Visitors (daily average)	338	310	293	269	254	265	262	251	254	201
Water and Wastewater Operations										
Number of Water Consumers	11,774	11,767	11,836	12,008	12,027	12,134	12,207	12,359	12,432	12,551
Average Daily Water Consumption (thousands of gallons)	2,839	3,073	3,065	2,986	2,840	2,754	2,804	2,892	2,613	2,551
Number of Sewer Consumers	6,792	6,780	6,835	6,907	6,925	6,976	7,031	7,070	7,135	7,211
Solid Waste Operations										
Refuse collected (tons per day)	41.1	38.7	39.3	40.4	34.5	38.8	37.9	38.6	34.7	31.9
Active Refuse Accounts	6,850	6,859	6,911	7,038	7,048	7,107	7,172	7,214	7,275	7,432
Airport Operations										
Annual Aviation/Jet Fuel Sales ¹	30,006	47,481	43,357	62,754	64,832	84,989	87,836	73,522	68,348	63,389
Golf Operations										
Number of Rounds Played	23,880	24,919	25,254	25,699	25,201	26,884	25,708	25,211	25,065	14,413

Source: City Departments

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

To the Honorable Mayor and Members of the City Council of the
City of Sand Springs, Oklahoma

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, 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, 2020, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated January 27, 2021.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

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

Purpose of this Report

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

Arlidge & Associates

January 27, 2021

Past & Present Mayors



Mayor Jim Spoon was named the National Community Pharmacists Association 2018 Willard B. Simmons Independent Pharmacist of the Year.

H. C. Tingley	1912-1915	John M. Hess	1963-1969
John Gladson	1916-1917	Dale C. Morrow	1969-1972
W. E. Bartlett.....	1918-1919	Ed Everett.....	1972-1973
B. L. Waddle	1920-1920	William D. Bigby	1973-1974
George S. Brown	1920-1921	Ed Everett.....	1974-1975
L. C. Hinz.....	1921-1924	Don Sullivan	1975-1977
George Ruppert.....	1924-1927	Charles Keightley	1977-1978
Holly L. Anderson	1927-1933	Artie Palk	1978-1983
Joe Kraus	1933-1934	Jerry A. Hanner.....	1983-1987
E. C. Hubbard.....	1934-1936	George Hooper.....	1987-1988
H. H. Snow	1936-1937	George W. Hilsheimer..	1988-1990
Homer Akers.....	1938-1939	A. Lyle Crowder	1990-1993
Morris Ruppert	1941-1943	Charles P. Garner.....	1993-1994
Isham P. Nelson	1943-1947	E. Bruce Ford	1994-1997
Paul Burtner.....	1947-1949	Tom Ferguson.....	1997-1999
Rubye DeBolt	1949-1951	Mike Burdge	1999-2002
George Gilmore	1951-1953	Michael Titus	2002-2003
Lester Leed.....	1953-1956	Mike Burdge	2003-2005
Harold Aitken.....	1956-1958	Robert "Bob" Walker...	2005-2011
Stanley Martin	1958-1959	Mike Burdge	2011-2019
Ray Brown.....	1959-1963	James O. Spoon.....	2019-Present
Tom Wiley	1963-1963		

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www.sandspringsok.org

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CITY OF SAND SPRINGS, OKLAHOMA
SINGLE AUDIT REPORTS
AND SUPPLEMENTARY SCHEDULES

June 30, 2020

City of Sand Springs, Oklahoma

June 30, 2020

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SINGLE AUDIT REPORTS AND SUPPLEMENTARY SCHEDULES:

**Reports related to financial statements of the reporting entity
Required by GAO *Government Auditing Standards*:**

Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	1
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Reports related to Federal Assistance Programs Required by the Uniform Guidance:

Independent Auditor's Report on Compliance for Each Major Program and on Internal Control over Compliance Required by the Uniform Guidance; and Report on the Schedule of Expenditures of Federal Awards Required by the Uniform Guidance	3
Schedule of Expenditures of Federal Awards	5
Notes to the Schedule of Expenditures of Federal Awards	6
Schedule of Findings and Questioned Costs	7
Summary Schedule of Prior Audit Findings and Questioned Costs	9



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

To the Honorable Mayor and Members of the City Council
City of Sand Springs, Oklahoma

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Sand Springs, Oklahoma (the "City"), as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated January 27, 2021.

Internal Control over Financial Reporting

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

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

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

Compliance and Other Matters

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

Purpose of this Report

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

Arledge & Associates, P.C.

January 27, 2021, except for paragraphs 5 and 6
as to which the date is March 12, 2021



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

To the Honorable Mayor and Members of the City Council
City of Sand Springs, Oklahoma

Report on Compliance for Each Major Federal Program

We have audited the City of Sand Springs, Oklahoma's (the "City") compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the City's major federal programs for the year ended June 30, 2020. The City's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditor's Responsibility

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

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

Opinion on Each Major Federal Program

In our opinion, the City, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2020.

Report on Internal Control over Compliance

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

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

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

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

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

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City, as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the City's basic financial statements. We issued our report thereon dated January 27, 2021, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

Arledge & Associates, P.C.

March 12, 2021

CITY OF SAND SPRINGS, OKLAHOMA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

Federal/State Grantor/Pass Through Agency Grantor/Program Title	Federal CFDA#	Grant #	Award Amount	Federal Expenditures
<u>U. S. DEPARTMENT OF TRANSPORTATION:</u>				
Airport Improvement Program	20.106	3-40-0084-019-2018	\$ 394,908	\$ 97,935
Airport Improvement Program	20.106	3-40-0084-021-2019	40,653	40,653
Airport Improvement Program - CARES Act	20.106	3-40-0084-023-2020	30,000	30,000
			<u>465,561</u>	<u>168,588</u>
Passed Through Oklahoma Highway Safety Office:				
State and Community Highway Safety	20.608	AL-19-03-04-16	45,000	8,749
			<u>45,000</u>	<u>8,749</u>
Total U. S. Department of Transportation			<u>510,561</u>	<u>177,337</u>
<u>U. S. DEPARTMENT OF JUSTICE:</u>				
Equitable Sharing - CARES Act	16.922		2,569	2,569
Passed Through Tulsa County:				
Coronavirus Emergency Supplemental Funding (CESF)	16.034		84,425	45,663
Passed Through District Attorneys Council:				
Coronavirus Emergency Supplemental Funding (CESF)	16.034	2020-VD-BX-00	4,279	2,660
			<u>88,704</u>	<u>48,323</u>
Bulletproof vests	16.607	2010UMX0261	3,797	2,546
Total Department of Justice			<u>95,070</u>	<u>53,438</u>
<u>U.S. DEPARTMENT OF HOMELAND SECURITY:</u>				
Federal Emergency Management Agency:				
Passed through Oklahoma Civil Emergency Management:				
Disaster Assistance	97.088	FEMA-4438	1,387,403	1,339,081
Passed through Oklahoma Civil Emergency Management:				
Emergency Management Preparedness Grant	97.042	EMPG19	20,000	5,000
Emergency Management Preparedness Grant	97.042	EMPG20	20,000	15,000
			<u>40,000</u>	<u>20,000</u>
Total Federal Emergency Management Agency			<u>1,427,403</u>	<u>1,359,081</u>
<u>U. S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT:</u>				
Passed through Oklahoma Department of Commerce:				
Community Development Block Grant - Non-entitlement	14.218	CDBG 2018	94,748	37,813
Community Development Block Grant - Non-entitlement	14.218	CDBG 2019	134,248	116,024
Total U. S. Department of Housing and Urban Development			<u>228,996</u>	<u>153,837</u>
TOTAL FEDERAL AWARDS			<u>\$ 2,262,030</u>	<u>\$ 1,743,693</u>

CITY OF SAND SPRINGS, OKLAHOMA

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Year Ended June 30, 2020

NOTE A—BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (SEFA) includes the federal award activity of the City under programs of the federal government for the year ended June 30, 2020. The information in this SEFA is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the SEFA presents only a selected portion of the operations of City, it is not intended to and does not present the financial position, changes in net assets, or cash flows of the City.

NOTE B—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

NOTE C—SUBRECIPIENTS

During the year ended June 30, 2020, the City did not provide federal awards to subrecipients.

CITY OF SAND SPRINGS, OKLAHOMA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

June 30, 2020

Section I--Summary of Auditor's Results

Financial statements

Type of auditor's report issued on whether the financial statements were in accordance with GAAP:

Unmodified

Internal control over financial reporting:

- Material weakness(es) identified? yes no
- Significant deficiency(ies) identified? yes none reported

Noncompliance material to financial statements noted? yes no

Federal Awards

Internal control over major federal programs:

- Material weakness(es) identified? yes no
- Significant deficiency(ies) identified? yes none reported

Type of auditor's report issued on compliance for major federal programs: *Unmodified*

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? yes no

Identification of major federal programs:

<u>Program</u>	<u>CFDA Number</u>
Disaster Assistance	97.088

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

Auditee qualified as low-risk auditee? yes no

CITY OF SAND SPRINGS, OKLAHOMA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

June 30, 2020

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

None to report for the June 30, 2020 period.

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

None to report for the June 30, 2020 period.

CITY OF SAND SPRINGS, OKLAHOMA

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS AND QUESTIONED COSTS

Year Ended June 30, 2020

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

None to report for the June 30, 2020 period.

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

None to report for the June 30, 2020 period.