CITY OF WEATHERFORD, OKLAHOMA

FINANCIAL STATEMENTS
AND AUDITOR'S REPORTS

DECEMBER 31, 2021

CITY OF WEATHERFORD, OKLAHOMA
TABLE OF CONTENTS
DECEMBER 31, 2021

	PAGE NUMBER
Independent Auditor's Report	1 - 5
Accompanying Financial Statements Prepared on the Modified Cash Basis of Accounting:	
Statement of Assets, Liabilities, and Net Position	6
Statement of Activities	7
Fund Financial Statements:	
Governmental Funds	
Statement of Assets, Liabilities and Fund Balances - Governmental Funds	8
Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	9- 10
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	11
Proprietary Funds	
Statement of Assets, Liabilities and Net Position	12
Statement of Revenues, Expenses, and Changes in Net Position	13
Statement of Cash Flows	14 - 15
Notes to Financial Statements	16 - 41
Other Supplementary Information	
Combining Statement of Assets, Liabilities and Fund Balances - Other Governmental Funds - Modified Cash Basis	42

CITY OF WEATHERFORD, OKLAHOMA
TABLE OF CONTENTS
DECEMBER 31, 2021

(CONTINUED)

	PAGE NUMBER
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - Other Governmental Funds - Modified Cash Basis	43
Combining Statement of Assets, Liabilities and Fund Balances - Other Nonmajor Special Revenue Funds - Modified Cash Basis	44
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - Other Nonmajor Special Revenue Funds - Modified Cash Basis	45
Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual - Modified Cash Basis - General Fund	46 - 47
Schedule of Funding Progress - Oklahoma Municipal Retirement Fund	48
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	49 - 51
Schedule of Findings and Responses	52 - 53
Prior Year Audit Findings and Responses	54 - 55

McCulley
&
McCulley
Certified Public Accountants

Glenn L. McCulley
Roselind C. McCulley

204 North Caddo
Post Office Box 1626
Weatherford, Oklahoma 73096

Voice (580) 772-8820
Fax (580) 772-0672

Email: mmcpas@cebridge.net

INDEPENDENT AUDITOR'S REPORT

To the Honorable Mayor and City Commissioners
City of Weatherford, Oklahoma

Report on the Audit of the Financial Statements

Qualified Opinions

We have audited the accompanying financial statements - modified cash basis - of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Weatherford, Oklahoma, as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise the City's financial statements as listed in the table of contents.

In our opinion, except for the effects of the matter described in the "Basis for Qualified Opinions" paragraph below, the accompanying financial statements referred to above, present fairly in all material respects, the respective modified cash basis financial position of the governmental activities, the business-type activities, and the major funds General, PWA, Stafford Museum, and the aggregate remaining governmental fund information of the City of Weatherford, Oklahoma, at December 31, 2021, and the respective changes in modified cash basis financial position and the cash flows of the business-type activities for the year then ended in accordance with the modified cash basis of accounting described in Note 1.

Basis for Qualified Opinions

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. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent

Member: American Institute of Certified Public Accountants
Oklahoma Society of Certified Public Accountants

of the City to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

As described in Note 1, the City has included non-cash accounts receivable, net, and accrued compensated absences in the government-wide governmental activity and business-type activities in these modified cash basis financial statements. The business-type activities also have accrued interest payable for its revenue bonds payable. The following major funds have accounts receivable, net, recorded: General, PWA, and the nonmajor aggregate remaining governmental funds. The PWA major fund has accrued interest payable recorded. Both the PWA and Stafford Museum major funds have accrued compensated absences recorded.

The effect of the above transactions would affect the modified cash basis financial statements as follows:

	Increase (Decrease)
Government-wide	
Governmental Activity	
Assets	$ (11,795)
Liabilities	(461,928)
Net Position	450,133
Revenues	(11,195)
Expenditures	60,987
Business-type Activity	
Assets	(240,360)
Liabilities	(247,549)
Net Position	7,189
Revenues	(18,577)
Expenses	4,128
Fund Financial Statements	
General	
Assets	(7,274)
Liabilities	-0-
Fund Balance	(7,274)
Revenues	(3,164)
Expenditures	3,517
Non-major Governmental	
Assets	(4,521)
Liabilities	-0-
Net Position	(4,521)
Revenues	(8,031)
Expenditures	(4,185)

PWA	
Assets	(240,360)
Liabilities	(238,265)
Net Position	(2,095)
Revenues	(18,577
Expenses	5,305
Stafford Museum	
Assets	-0-
Liabilities	(9,284)
Net Position	9,284
Revenues	-0-
Expenses	(1,177)

Emphasis of Matter - Basis of Accounting

We draw attention to Note 1 of the financial statements, which describes the basis of accounting. The financial statements are prepared on the modified cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Except as noted above, our opinions are not modified with respect to this matter.

Responsibility of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the modified cash basis of accounting described in Note 1; this includes determining that the modified cash basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible for the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to error or fraud.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and Government Auditing Standards will

always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgement made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and Government Auditing Standards, we:

1. Exercise professional judgment and maintain professional skepticism throughout the audit.

2. Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

3. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, no such opinion is expressed.

4. Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

5. Conclude whether, in our judgement, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Other Matters

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's accompanying modified cash basis financial statements. The accompanying combining financial information presented in the Other Supplementary Information section is presented for purposes of additional analysis and is not a required part of the accompanying

modified cash basis financial statements of the City of Weatherford, Oklahoma. The budgetary comparison information on pages 46 - 47 and the pension funding progress as prepared from information provided by the actuary on page 48 are presented for purposes of additional analysis and are not a required part of the financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the accompanying financial statements, and accordingly, we do not express an opinion or provide any assurance on it. The combining and individual nonmajor fund financial statements are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the accompanying modified cash basis financial statements and certain additional procedures including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, except for the effects of the matter described in the "Basis for Qualified Opinions" paragraph above, the combining and individual nonmajor fund financial statements is fairly stated in all material respects in relation to the accompanying modified cash basis financial statements taken as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued a report dated September 30, 2022, on our consideration of the City of Weatherford, Oklahoma's, internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the City of Weatherford, Oklahoma's internal control over financial reporting and compliance.

McCulley & McCulley

Weatherford, Oklahoma

September 30, 2022

CITY OF WEATHERFORD, OKLAHOMA
STATEMENT OF ASSETS, LIABILITIES, AND NET POSITION
MODIFIED CASH BASIS
DECEMBER 31, 2021

	PRIMARY GOVERNMENT		
ASSETS	**GOVERN-MENTAL ACTIVITIES**	**BUSINESS-TYPE ACTIVITIES**	**TOTAL**
Cash on Hand	$ 1,680	$ 785	$ 2,465
Cash in Bank, Including Time Deposits	13,457,981	4,410,908	17,868,889
Accounts Receivable, Net	11,795	412,444	424,239
Prepaid Assets	11,153	4,297	15,450
Due from (to) Other Funds			0
Restricted Assets:			
Cash in Bank, Including Time Deposits	52,858	538,825	591,683
Short Term Investments, at Cost		12,733,068	12,733,068
Escrowed Funds - Fire Truck	1,012,448		1,012,448
Account Receivable		0	0
TOTAL ASSETS	14,547,915	18,100,327	32,648,242
LIABILITIES			
Accounts Payable	15,923		16,342
Unapplied Payments	1,338	10,617	11,955
Accrued Interest Payable		90,377	90,377
Customer Deposits		186,408	186,408
Long-term Liabilities:			
Due Within One Year	191,133	3,068,853	3,259,986
Due in More Than One Year	1,283,243	18,073,934	19,357,177
TOTAL LIABILITIES	1,491,637	21,430,608	22,922,245
NET POSITION			
Net Debt used for Capital Assets	(1,012,448)	(8,759,186)	(9,771,634)
Restricted for:			
Debt Service		818,820	818,820
Capital Improvements, Net of Debt		0	0
Restricted Sales Tax/ Capital Impr.	2,959,423		2,959,423
Tourism and Promotions	334,371		334,371
Permanent Fund (Nonexpendable)	52,858		52,858
Other Purposes	1,188,580		1,188,580
Unrestricted	9,533,494	4,610,085	14,143,579
TOTAL NET POSITION (DEFICIT)	$ 13,056,278	$ (3,330,281)	$ 9,725,997

The accompanying notes are an integral part of these statements.

CITY OF WEATHERFORD, OKLAHOMA
STATEMENT OF ACTIVITIES - MODIFIED CASH BASIS
YEAR ENDED DECEMBER 31, 2021

		PROGRAM REVENUES			NET (EXPENSE) REVENUE AND CHANGES IN NET POSITION		
					PRIMARY GOVERNMENT		
FUNCTIONS/PROGRAMS	EXPENSES	CHARGES FOR SERVICES	OPERATING GRANTS AND CON-TRIBUTIONS	CAPITAL GRANTS AND CON-TRIBUTIONS	GOVERN-MENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL
PRIMARY GOVERNMENT							
Governmental Activities:							
Mayor and Commissioners	$ 89,202	$	$	$	$ (89,202)	$	$ (89,202)
City Attorney	34,257				(34,257)		(34,257)
Administration	256,083				(256,083)		(256,083)
Data Processing	34,501				(34,501)		(34,501)
Municipal Court	170,717				(170,717)		(170,717)
Police Department	3,030,342	123,300			(2,907,042)		(2,907,042)
Fire Department	1,403,012	30,794			(1,372,218)		(1,372,218)
Street Department (Div. I)	503,293				(503,293)		(503,293)
Street Department (Div. II)	1,130,061		113,830	0	(1,016,231)		(1,016,231)
Central Garage	170,684				(170,684)		(170,684)
Parks Department	568,468			10,000	(558,468)		(558,468)
Cemetery Department	93,929	58,711			(35,218)		(35,218)
Swimming Pool	62,425	8,089			(54,336)		(54,336)
Inspection Department	116,649	120,996			4,347		4,347
Economic Development	110,599		112,843		2,244		2,244
Library	5,995				(5,995)		(5,995)
Senior Citizens	133,594	16,525			(117,069)		(117,069)
Custodian	30,757				(30,757)		(30,757)
Airport	485,621	520,592			34,971		34,971
Recycling	18,596	88,568			69,972		69,972
Capital Outlays	1,308,964			108,606	(1,200,358)		(1,200,358)
Interest Expense	6,505				(6,505)		(6,505)
Restricted Sales Tax Payments:							
Hospital Authority	393,815			393,815	0		0
Local University	735,122			735,122	0		0
Public School	131,272			131,272	0		0
Capital Improvements	376,588			2,734,215	2,357,627		2,357,627
General Expense:							
Workers Compensation	112,033				(112,033)		(112,033)
Utilities	294,182				(294,182)		(294,182)
Insurance	137,039				(137,039)		(137,039)
Gasoline, Diesel & Oil	142,561				(142,561)		(142,561)
Other Materials and Service	338,214				(338,214)		(338,214)
TOTAL GOVERNMENTAL ACTIVITIES	12,425,080	967,575	226,673	4,113,030	(7,117,802)	0	(7,117,802)
Business-type Activities:							
Administration	139,511					(139,511)	(139,511)
Data Processing	40,876					(40,876)	(40,876)
Water & Sewer Maintenance	885,531	2,040,233				1,154,702	1,154,702
Sewer Plant	721,037	1,508,861				787,824	787,824
Sanitation Department	1,185,990	1,970,429				784,439	784,439
Ambulance Services	360,000	359,776				(224)	(224)
Stafford Museum	422,352	201,113	54,004			(167,235)	(167,235)
General Expenses:							
Workers Compensation	74,689					(74,689)	(74,689)
Utilities	403,210					(403,210)	(403,210)
Insurance	73,616					(73,616)	(73,616)
Gasoline, Diesel & Oil	149,993					(149,993)	(149,993)
Bad Debt Expense	11,736					(11,736)	(11,736)
Other Materials, Services & Charges	95,938					(95,938)	(95,938)
Interest Expense	450,294					(450,294)	(450,294)
Trustee Fees Paid	8,000					(8,000)	(8,000)
Capital Improvements	5,211,977					(5,211,977)	(5,211,977)
TOTAL BUSINESS-TYPE ACTIVITIES	10,234,750	6,080,412	54,004	0	0	(4,100,334)	(4,100,334)
TOTAL PRIMARY GOVERNMENT	$ 22,659,830	$ 7,047,987	$ 280,677	$ 4,113,030	(7,117,802)	(4,100,334)	(11,218,136)
General Revenues							
Sales and Use Taxes					9,237,981		9,237,981
Tobacco Tax					100,944		100,944
Hotel/Motel Tax					258,164		258,164
Hotel/Motel Tax Funds Returned					12,648		12,648
Franchise Taxes					667,285		667,285
Intergovernmental Revenue					1,731,451		1,731,451
Rents and Royalties					21,975		21,975
Leases and Easements					212,204		212,204
Connecting and Transfer Fees						57,027	57,027
Late Penalties						47,066	47,066
Interest Income					48,240	13,178	61,418
Donations					61,775	12,000	73,775
Recovery of Expenditures					114,638	26,930	141,568
Insurance Proceeds					55,725		55,725
Sales of Capital Assets					13,082	722	13,804
Miscellaneous Income					44,091	43,197	87,288
Transfers					(2,650,272)	2,650,272	0
Total General Revenues and Transfers					9,929,931	2,850,392	12,780,323
Change in Net Position					2,812,129	(1,249,942)	1,562,187
NET POSITION							
Beginning of Year					10,244,149	(2,080,339)	8,163,810
							0
End of Year					$ 13,056,278	$ (3,330,281)	$ 9,725,997

The accompanying notes are an integral part of these statements.

CITY OF WEATHERFORD, OKLAHOMA
STATEMENT OF ASSETS, LIABILITIES, AND FUND BALANCES - GOVERNMENTAL FUNDS - MODIFIED CASH BASIS
DECEMBER 31, 2021

	GENERAL FUND	OTHER GOVERN-MENTAL FUNDS	TOTAL GOVERN-MENTAL FUNDS
ASSETS			
Cash on Hand	$ 1,180	$ 500	$ 1,680
Cash in Bank, Including Time Deposits	11,700,361	1,757,620	13,457,981
Accounts Receivable, Net	7,274	4,521	11,795
Prepaid Assets	10,830	323	11,153
Restricted Assets:			
Cash in Bank, Including Time Deposits		52,858	52,858
			0
TOTAL ASSETS	$ 11,719,645	$ 1,815,822	$ 13,535,467
LIABILITIES AND FUND BALANCES			
LIABILITIES			
Accounts Payable	$ 183	$ 15,740	$ 15,923
Deferred Revenue	1,338		1,338
TOTAL LIABILITIES	1,521	15,740	17,261
FUND BALANCES			
Nonspendable:			
Permanent Funds		52,858	52,858
Restricted	2,959,423	1,522,951	4,482,374
Committed		419,780	419,780
Assigned		86,689	86,689
Unassigned	8,758,701	(282,196)	8,476,505
TOTAL FUND BALANCES	11,718,124	1,800,082	13,518,206
TOTAL LIABILITIES AND FUND BALANCES	$ 11,719,645	$ 1,815,822	

Amounts reported for Governmental Activities in the Statement of Net Position are different because:	
Escrowed funds for fire truck are reported in the General Long-term Debt Account Group and therefore are not reported in the funds.	1,012,448
Long-term capital lease agreements are reported in the General Long-term Debt Account Group and therefore are not reported in the funds.	(1,012,448)
Long-term accrued compensated absences are reported in the General Long-term Debt Account Group and therefore are not reported in the funds.	(461,928)
NET POSITION OF GOVERNMENTAL ACTIVITIES	$ 13,056,278

The accompanying notes are an integral part of these statements.

CITY OF WEATHERFORD, OKLAHOMA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - GOVERNMENTAL FUNDS - MODIFIED CASH BASIS
YEAR ENDED DECEMBER 31, 2021

	GENERAL FUND	OTHER GOVERN-MENTAL FUNDS	TOTAL GOVERN-MENTAL FUNDS
REVENUES			
Sales and Use Tax	$ 9,237,981	$	$ 9,237,981
Restricted Sales Tax	3,994,424		3,994,424
Tobacco Tax	100,944		100,944
Hotel/Motel Tax		258,164	258,164
Hotel/Motel Tax Funds Returned		12,648	12,648
Franchise Taxes	667,285		667,285
Licenses, Permits & Inspections	120,996		120,996
Cemetery Lots & Services	53,049	5,662	58,711
Swimming Pool	8,089		8,089
Senior Citizens		16,525	16,525
Fire Department		30,794	30,794
Recycling		88,568	88,568
Fines	5,660	117,640	123,300
Rents & Royalties	21,975		21,975
Leases & Easements	212,204		212,204
Economic Development	112,843		112,843
Recovery of Expenditures	114,638		114,638
Intergovernmental Revenue	249,765	1,714,122	1,963,887
Interest	48,061	179	48,240
Airport Rental and Fuel		520,592	520,592
Property Sales	13,082	0	13,082
Insurance Proceeds	55,725		55,725
Donations	5,000	56,775	61,775
Other Miscellaneous	22,861	21,230	44,091
TOTAL REVENUES	15,044,582	2,842,899	17,887,481
EXPENDITURES			
Mayor and Commissioners	89,202		89,202
City Attorney	34,257		34,257
Administration	251,692		251,692
Data Processing	34,501		34,501
Municipal Court	169,637		169,637
Police Department	3,038,301		3,038,301
Fire Department	1,448,911	15,962	1,464,873
Street Department (Div. I)	505,018		505,018
Street Department (Div. II)	1,130,061		1,130,061
Central Garage	173,835		173,835
Parks Department	566,968		566,968
Cemetery Department	90,847		90,847
Swimming Pool	62,425		62,425
Inspection Department	115,589		115,589
Economic Development	110,424		110,424
Library	5,995		5,995
Senior Citizens	123,174	8,047	131,221
Custodian	30,757		30,757
Airport		486,241	486,241
Recycling		18,596	18,596
Capital Outlays	737,467	571,497	1,308,964
Principal		130,358	130,358
Interest Expense		6,505	6,505
Restricted Sales Tax Payments:			
Hospital Authority	393,815		393,815
Local University	735,122		735,122
Public School	131,272		131,272
Capital Improvements	376,588		376,588

(Continued)

The accompanying notes are an integral part of these statements.

CITY OF WEATHERFORD, OKLAHOMA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - GOVERNMENTAL FUNDS - MODIFIED CASH BASIS
YEAR ENDED DECEMBER 31, 2021
(Continued)

	GENERAL FUND	OTHER GOVERN-MENTAL FUNDS	TOTAL GOVERN-MENTAL FUNDS
General Expense:			
Workers Compensation	112,033		112,033
Utilities	294,182		294,182
Insurance	137,039		137,039
Gasoline, Diesel & Oil	142,561		142,561
Other Materials and Service	75,933	262,281	338,214
TOTAL EXPENDITURES	11,117,606	1,499,487	12,617,093
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES BEFORE OTHER FINANCING SOURCES (USES)	3,926,976	1,343,412	5,270,388
OTHER FINANCING SOURCES (USES)			
Transfers In	132,527	231,821	364,348
Transfers (Out)	(2,790,735)	(223,885)	(3,014,620)
TOTAL OTHER FINANCING	(2,658,208)	7,936	(2,650,272)
NET CHANGE IN FUND BALANCE	1,268,768	1,351,348	2,620,116
FUND BALANCE			
Beginning of Year	10,449,356	448,734	10,898,090
			0
End of Year	$ 11,718,124	$ 1,800,082	$ 13,518,206

The accompanying notes are an integral part of these statements.

CITY OF WEATHERFORD, OKLAHOMA
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES - MODIFIED CASH BASIS
YEAR ENDED DECEMBER 31, 2021

NET CHANGE IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS	$	2,620,116
Changes in total accrued compensated absences were reported in the government-wide financial statements as a departmental expense and are not reported in the governmental fund financial statements.		61,655
Principal repayments from long-term Capital Lease Agreements are reported in the government-wide financial statements as a reduction of the liability and not as an expenditure as in the governmental fund financial statements		130,358
CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES	$	2,812,129

The accompanying notes are an integral part of these statements.

CITY OF WEATHERFORD, OKLAHOMA
STATEMENT OF ASSETS, LIABILITIES, AND NET POSITION
ALL PROPRIETARY FUND TYPES
MODIFIED CASH BASIS
DECEMBER 31, 2021

	BUSINESS-TYPE ACTIVITIES		
	PWA	STAFFORD MUSEUM	TOTAL
ASSETS			
Current Assets:			
Petty Cash	$ 60	$ 725	$ 785
Cash in Bank, Including Time Deposits	4,410,504	404	4,410,908
Restricted Assets:			
Cash in Bank, Including Time Deposits	538,825		538,825
Short Term Investments, at Fair Value	12,733,068		12,733,068
Prepaid Expenses	3,988	309	4,297
Accounts Receivable, Net	412,444		412,444
Total Current Assets	18,098,889	1,438	18,100,327
Noncurrent Assets:			0
TOTAL ASSETS	$ 18,098,889	$ 1,438	$ 18,100,327
LIABILITIES			
Current Liabilities:			
Accounts Payable	$ 419	$	$ 419
Unapplied Payments	10,617		10,617
Accrued Interest Payable	90,377		90,377
Customer Meter Deposits	186,408		186,408
Current Portion of Long-term Liabilities	3,063,303	5,550	3,068,853
Total Current Liabilities	3,351,124	5,550	3,356,674
Noncurrent Liabilities:			
Accrued Compensated Absenses	101,895	3,734	105,629
Capital Lease Obligations	33,305		33,305
Revenue Bonds Payable	17,935,000		17,935,000
Total Noncurrent Liabilities	18,070,200	3,734	18,073,934
TOTAL LIABILITIES	21,421,324	9,284	21,430,608
NET POSITION (DEFICIT)			
Net Debt used for Capital Assets	(8,759,186)		(8,759,186)
Restricted for Debt Service	818,820		818,820
Restricted for Capital Improvements - Net of Debt	0		0
Unrestricted	4,417,931	(7,846)	4,410,085
Designated for Water System Improv.	200,000		200,000
			0
TOTAL NET POSITION (DEFICIT)	(3,322,435)	(7,846)	(3,330,281)
TOTAL LIABILITIES AND NET POSITION	$ 18,098,889	$ 1,438	$ 18,100,327

The accompanying notes are an integral part of these statements.

CITY OF WEATHERFORD, OKLAHOMA
STATEMENT OF REVENUES, EXPENSES AND CHANGES
IN NET POSITION - PROPRIETARY FUND TYPE
MODIFIED CASH BASIS
YEAR ENDING DECEMBER 31, 2021

	BUSINESS-TYPE ACTIVITIES		
	PWA	STAFFORD MUSEUM	TOTAL
OPERATING REVENUES			
Water, Sewer, Garbage & Ambulance	$ 5,857,599	$	$ 5,857,599
Meter Installation	21,700		21,700
Connecting & Transfer Fees	57,027		57,027
Late Penalties	47,066		47,066
Recovery of Expenses	26,930		26,930
Retail Sales from Gift Shop		110,538	110,538
Admissions		78,678	78,678
Rental of Facilities		11,897	11,897
Donations	12,000	54,004	66,004
Other Miscellaneous Revenue	39,699	3,498	43,197
TOTAL OPERATING REVENUES	6,062,021	258,615	6,320,636
OPERATING EXPENSES			
Administration	139,511	277,520	417,031
Data Processing	40,876		40,876
Water & Sewer Maintenance	885,531		885,531
Sewer Plant	525,047		525,047
Sewer CMON	195,990		195,990
Sanitation Department	1,185,990		1,185,990
Gift Shop Purchases for Resale		69,781	69,781
General Expenses:			
Workers Compensation	74,689		74,689
Utilities	403,210		403,210
Insurance	73,616		73,616
Gasoline, Diesel & Oil	149,993		149,993
Ambulance Subsidy	360,000		360,000
Bad Debt Expense	11,736		11,736
Other Materials, Services & Charges	95,938	75,051	170,989
TOTAL OPERATING EXPENSES	4,142,127	422,352	4,564,479
INCOME (LOSS) FROM OPERATIONS	1,919,894	(163,737)	1,756,157
NONOPERATING REVENUES (EXPENSES)			
Interest and Dividend Income	13,178		13,178
Interest Expense	(450,294)		(450,294)
Trustee Fees Paid	(8,000)		(8,000)
Sale 0f Capital Assets	722		722
Capital Improvements	(5,195,590)	(16,387)	(5,211,977)
TOTAL NONOPERATING REVENUES (EXPENSES)	(5,639,984)	(16,387)	(5,656,371)
INCOME (LOSS) BEFORE TRANSFERS	(3,720,090)	(180,124)	(3,900,214)
TRANSFERS IN (OUT)			
Transfers In	2,774,485	180,384	2,954,869
Transfers (Out)	(304,597)		(304,597)
NET TRANSFERS	2,469,888	180,384	2,650,272
CHANGE IN NET POSITION	(1,250,202)	260	(1,249,942)
NET POSITION			
Beginning of Year	(2,072,233)	(8,106)	(2,080,339)
			0
End of Year	$ (3,322,435)	$ (7,846)	$ (3,330,281)

The accompanying notes are an integral part of these statements.

CITY OF WEATHERFORD, OKLAHOMA
STATEMENT OF CASH FLOWS - PROPRIETARY FUND TYPE
MODIFIED CASH BASIS
YEAR ENDING DECEMBER 31, 2021

	BUSINESS-TYPE ACTIVITIES		
	PWA	STAFFORD MUSEUM	TOTAL
Cash Flows from Operating Activities			
Cash Received from Customers	$ 6,083,373	$ 258,615	$ 6,341,988
Cash Paid to Suppliers and Other Services	(2,490,334)	(145,141)	(2,635,475)
Cash Paid to Employees for Services and Benefits	(1,645,421)	(276,343)	(1,921,764)
Net Cash Provided by (Used for) Operating Activities	1,947,618	(162,869)	1,784,749
Cash Flows from Noncapital Financing Activities			
Transfer In	2,774,485	180,384	2,954,869
Transfer (Out)	(304,597)		(304,597)
			0
Net Cash Provided by Noncapital Financing Activities	2,469,888	180,384	2,650,272
Cash Flows from Capital and Related Financing Activities			
Sales of Capital Assets	722		722
Interest Paid on Revenue Bond Payable and Capital Lease Obligations	(465,541)		(465,541)
Principal Paid on Revenue Bond Payable and Capital Lease Obligations	(3,009,383)		(3,009,383)
Trustee Fees Paid	(8,000)		(8,000)
Acquisition of Capital Assets	(5,195,590)	(16,387)	(5,211,977)
Net Cash Provided by (Used for) Capital and Related Financing Activities	(8,677,792)	(16,387)	(8,694,179)
Cash Flows from Investing Activities			
Interest and Dividends Received on Cash and Investments	13,178		13,178
Net Cash Provided by Investing Activities	13,178	0	13,178
Increase (Decrease) in Cash and Cash Equivalents	(4,247,108)	1,128	(4,245,980)
Balance of Cash and Cash Equivalents			
Beginning of Year	21,929,565	1	21,929,566
End of Year	$ 17,682,457	$ 1,129	$ 17,683,586

(Continued on next page)

The accompanying notes are an integral part of these statements.

CITY OF WEATHERFORD, OKLAHOMA
STATEMENT OF CASH FLOWS - PROPRIETARY FUND TYPE
MODIFIED CASH BASIS
YEAR ENDING DECEMBER 31, 2021

(CONTINUED)

	BUSINESS-TYPE ACTIVITIES		
	PWA	STAFFORD MUSEUM	TOTAL
Reconciliation of Change in Net Position to Net Cash and Cash Equivalents Provided by (Used for) Operating Activities:			
Change in Net Position	$ (1,250,202)	$ 260	$ (1,249,942)
Adjustments to Reconcile Change in Net Position to Net Cash and Cash Equivalents Provided by (Used for) Operating Activities			
Interest Income	(13,178)		(13,178)
Sales of Capital Assets	(722)		(722)
Interest Expense	465,541		465,541
Trustee Fees Paid	8,000		8,000
Acquisition of Capital Assets	5,195,590	16,387	5,211,977
Transfers (In)	(2,774,485)	(180,384)	(2,954,869)
Transfers Out	304,597		304,597
Changes in Assets and Liabilities:			
(Increase) in Accounts and Notes Receivable	11,375		11,375
(Increase) in Prepaid Expenses	(3,988)	(309)	(4,297)
Increase in Allowance for Loss	11,736		11,736
(Decrease) in Accounts Payable	419		419
(Decrease) in Unapplied Payments	4,914		4,914
(Decrease) in Accrued Interest Payable	(15,247)		(15,247)
Increase (Decrease) in Accrued Compensated Absences	(1,795)	1,177	(618)
Increase in Customer Deposits	5,063		5,063
Total Adjustments	3,197,820	(163,129)	3,034,691
Net Cash and Cash Equivalents Provided by (Used for) Operating Activities	$ 1,947,618	$ (162,869)	$ 1,784,749

The accompanying notes are an integral part of these statements.

CITY OF WEATHERFORD, OKLAHOMA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDING DECEMBER 31, 2021

1. Summary of Significant Accounting Policies.

The accounting policies of the City of Weatherford, Oklahoma, (the City) do not conform to accounting principles generally accepted in the United States of America as applicable to governments, as noted below. These standards are set by the Government Accounting Standards Board (GASB). However, the City reports on the modified cash basis of accounting as described below. The following is a summary of the more significant current policies.

A. Reporting Entity.

The City of Weatherford, Oklahoma, is an incorporated municipality under the provisions of the State of Oklahoma. It operates under the Mayor - Commission form of government with a home rule provision. The City provides the following services: public safety (fire & police), streets, parks and recreation, water, sewer, and sanitation utilities, and general administrative services.

The City, for financial purposes, includes all of the funds and account groups relevant to the operations of the City of Weatherford. The financial statements presented herein do not include agencies which have been formed under applicable state laws or separate and distinct units of government apart from the City of Weatherford.

The financial statements of the City include those of any separately administered organization that is within the scope of public service of the City or whose exclusion from a reporting entity's financial statements would be misleading. Scope of public service include those who benefit from the activity and whether it is conducted within the entity's geographic boundaries. Other criteria considered in determining which activities to report include the degree of oversight responsibility exercised by the Mayor and/or City Commission members.

Based on the foregoing criteria, the operations of the Weatherford Public Works Authority (the Authority) is included in the accompanying financial statements. The Trustees of the Authority are the same persons who are currently the members of the City Commission of the City of Weatherford and as such, they continue to hold office until their successors are elected to the governing board of the City of Weatherford. The City of Weatherford is the designated beneficiary of the Authority. Operations of the Weatherford Public Works Authority is reported as an enterprise fund in the proprietary fund type.

1. Summary of Significant Accounting Policies (continued).

A. Reporting Entity (continued).

The City Commissioners also have the responsibility to confirm the appointment of the trustees of the Weatherford Industrial Trust. The City's accountability for this organization does not extend beyond ratifying these appointments.

B. Financial Statements.

Financial statements include a Statement of Assets, Liabilities, and Net Position - Modified Cash Basis and Statement of Activities - Modified Cash Basis for the government-wide and business-type activities. The government-wide financial statements report on the City as a whole within the limitations of the modified cash basis of accounting. These limitations are that the modified cash basis of accounting financial statements are not intended to be representative of the complete economic financial position of the City. Certain significant assets and liabilities may be excluded for the modified cash basis financial statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. All activities, both governmental and business-type, are reported in the government-wide financial statements using the modified cash basis of accounting versus the economic resources measurement focus and the accrual basis of accounting required by generally accepted accounting principles, which include long-term assets and receivables as well as long-term debt and obligations. The government-wide financial statements focus more on the sustainability of the City as an entity and the change in aggregate financial position resulting from the activities of the fiscal period. Generally, the effects of interfund activity has been removed from the government-wide financial statements. Net interfund activity and balances between governmental activities and business-type activities are shown in the government-wide financial statements.

The government-wide Statement of Assets, Liabilities, and Net Position - Modified Cash Basis reports limited financial and capital resources of the City. It is displayed in a format of assets plus deferred outflows of resources, less liabilities less deferred inflows of resources equals net position, with the assets and liabilities shown in order of their relative liquidity. Since the City reports on the modified cash basis of accounting, it has no deferred outflows or deferred inflows of resources. Net position

1. Summary of Significant Accounting Policies (continued).

B. Financial Statements (continued).

is required to be displayed in three components: 1) net investment in capital assets (net debt used for capital assets), 2) restricted, and 3) unrestricted. Net investment in capital assets are capital assets net of accumulated depreciation and reduced by the outstanding balances of any mortgages or other borrowings that are attributable to the acquisition, construction, or improvement of those assets. Since the City does not capitalize its capital assets nor depreciate them in these financial statements, then the amounts shown are the borrowings used to purchase capital assets. Restricted Net Position are those with constraints placed on their use by either: 1) externally imposed by creditors (such as through debt covenants, grantors, contributors, or laws or regulations of other governments, or 2) imposed by law through constitutional provision or enabling legislation. Net position not otherwise classified as restricted are shown as unrestricted. Generally, the City would first apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position are available.

The government-wide Statement of Activities - Modified Cash Basis demonstrates the degree to which the direct expenses of a functional category or activity are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or activity. Program revenues include: 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or activity, 2) grant and contributions that are restricted to meeting the operational requirements of a particular function or activity, and 3) grants and contributions that are restricted to meeting the capital requirements of a particular function or activity. Taxes and other items not properly included among program revenues are reported instead as general revenues. General revenues normally support the net costs of the functions and programs not covered by program revenues.

Financial statements also include fund financial statements for the governmental and proprietary funds. The focus of the fund financial statements is on major funds, as defined by GASB Statement No. 34. Although this reporting model sets forth minimum criteria for determination of major funds based upon a percentage of assets, liabilities, revenues, or expenditures/expenses of fund category and of the governmental and enterprise funds combined, it also gives governments the option of displaying selected funds as major funds. Other nonmajor funds are combined into a single column on the fund financial statements.

1. Summary of Significant Accounting Policies (continued).

B. Financial Statements (continued).

The following funds are presented for the City:

Governmental Funds.

General Fund - The General Fund is the general operating fund of the City. It is used to account for all financial resources except those required to be accounted in another fund or limited by the modified cash basis of accounting. The general fund is always presented as a major fund.

Other Governmental Funds - This column is the summarization of all the nonmajor governmental funds. These were known as special revenue funds, fiduciary funds, or debt service funds under the previous reporting model. Special revenue funds were used to account for proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes. Fiduciary funds were trust or agency funds used to account for assets held by the City in a trustee capacity or as an agent. Trust funds are similar to governmental funds. Agency funds are reported as fiduciary funds as noted below in the reporting model. The cemetery perpetual care fund is presented as a permanent fund. Permanent funds are used to report resources that are legally restricted to the extent that only earnings, and not principal, may be used for purposes that support the reporting government's programs. Debt service funds were used to report the resources accumulated to pay the principal and interest on the City’s general long-term debt obligations.

Fiduciary - Agency funds report resources held by the City in a purely custodial capacity (assets equals liabilities). This fund is reported separately from other governmental funds. The City discontinued the use of this agency fund and makes its contributions each month.

Proprietary Fund Types.

Enterprise Funds - Enterprise Funds are used to account for operations (a) that are financed and operated in a manner similar to private business enterprises (ie. where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges); or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management

1. Summary of Significant Accounting Policies (continued).

control, accountability, or other purposes. The City has two enterprise funds, the Weatherford Public Works Authority (PWA) and the Stafford Museum fund. Each fund is reported as a major fund.

C. Basis of Accounting.

Basis of accounting refers to when revenues and expenditures (or expenses, as appropriate) are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied. The government-wide financial statements, governmental fund types, and proprietary fund types are all reported using the modified cash basis of accounting. The modified cash basis of accounting is a comprehensive basis of accounting other than generally accepted accounting principles.

Under the modified cash basis of accounting, revenues are recognized when cash is received and expenditures (expenses) are recognized when actually paid, with modifications that have substantial support arising from the cash receipt or disbursement transactions or events. Professional standards do not specifically define the modified cash basis of accounting, but current accounting literature states it should not include accounts receivable or accruals. The auditor's report is modified since these financial statements include those items for consistency purposes. The City records accounts receivable and revenue on selected governmental funds, including establishing an allowance for loss and related expense for any uncollectible account receivable. The City has also established an accrued compensated absences liability and selected accounts payable for the governmental and proprietary type funds and records the related expenditure/expense. The Weatherford Public Works Authority uses a cycle utility billing system. The utility billings are accrued and recorded as accounts receivable and revenue when the customers are billed. Unbilled receivables are not recorded. Payments received in excess of the amount billed are recorded as unapplied payments. The Authority and Stafford Museum also record other billed receivables and revenue on its books. An allowance for loss and expense is recorded for any potential uncollectible utility and other receivables. The Authority records its revenue bonds as a liability and accrues the interest payable

1. Summary of Significant Accounting Policies (continued).

C. Basis of Accounting (continued).

and related interest expense. Capital lease obligations are also recorded as a liability when incurred since they are considered "in substance" a cash transaction.

Under generally accepted accounting principles, the government-wide financial statements would be reported using the economic resources measurement focus and the accrual basis of accounting, as would the proprietary fund statements. Revenues would be recorded when earned and expenses would be recorded when a liability is incurred, regardless of the timing of the related cash flows. The governmental funds would use the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues would be recognized when they become measurable and available (collected within sixty days after year-end). Expenditures would be generally recognized when the related fund liability is incurred, provided the liability normally would be liquidated with expendable available financial resources.

D. Accounts Receivable, Net.

The City periodically reviews the various funds accounts receivable for accounts which may not be collectible. For the year ending December 31, 2021, the City's policy is to write off known uncollectible utility accounts against the related income account and, if appropriate, send it to a collection agency. An allowance for loss has been established for potential unknown uncollectible utility and other accounts receivable.

E. Short Term Investments.

Short Term Investments are stated at cost (cost approximates fair value) and consists of a money market fund held for proceeds of revenue bonds for capital projects, and money market funds held for payment of principal and interest on revenue bonds. Authorized legal investments include certificates of deposit (time deposits), money market funds, and obligations of the U. S. Government or its agencies.

F. Compensated Absences.

Full-time City of Weatherford, Weatherford Public Works Authority and Stafford Museum employees earn sick leave at the rate

1. Summary of Significant Accounting Policies (continued).

F. Compensated Absences (continued).

of 10 days per year which can accumulate up to 130 days. If accumulated sick leave is not used prior to resignation or termination, then the employees can receive payment for accumulated unused sick leave if they were employed by the City prior to March 1, 2009. If they were employed on or after March 1, 2009, the City will not pay for unused accumulated sick leave.

Full-time employees earn between ten to twenty days of vacation time per year, depending upon their length of service to the City. Prior to March 1, 2009, unused vacation time did not accumulate, but was lost if not taken during the year. City Commissioners approved a new employee handbook at its February 27, 2009, meeting. Effective March 1, 2009, unused vacation time may be accumulated up to twice the amount of annual vacation time earned. The employee will be paid for unused vacation time upon termination or retirement. Those employees who earn more than two weeks vacation each year may exercise the option of receiving pay up to two full weeks (but not less than one full week) of vacation time over and above the earned two weeks while continuing to work and receive pay for the time worked.

Full-time union firefighters have different calculations for sick and vacation time based upon working shifts. Sick leave can accumulate up to 78 working shifts. Each regular, full time firefighter hired before January 1, 2011, in good standing, and gives proper notice will be paid unused sick leave not to exceed 1,872 hours upon termination or retirement. Each regular, full time firefighter hired on or after January 1, 2011, with 20 years of service with the City, in good standing, and gives proper notice will be paid unused sick leave not to exceed 936 hours upon termination or retirement. Vacation time cannot be carried over or accumulated from year to year. Bargaining unit members who earn more than two weeks vacation each year may exercise the option of receiving pay for six shifts (144 hours) above the earned two weeks while continuing to work and receive pay for the time worked. Nothing over six shifts will be allowed.

The government-wide financial statements report the accrued compensated absences as a long-term liability. The current portion of this debt is estimated to be the amount earned within the past year. In the fund financial statements, governmental funds report only the compensated absence liability payable from expendable available financial resources as they are considered matured, ie. when an employee resigns or retires. The proprietary funds report the liability as it is incurred.

1. Summary of Significant Accounting Policies (continued).

G. Payroll.

The City of Weatherford, Weatherford Public Works Authority, and Stafford Museum pay their employees on a bi-weekly basis. These entities do not accrue for incurred (but not paid) payroll expenditures (or expenses).

H. Operating Revenues and Expenses.

Operating revenues and expenses consist of those revenues that result from the ongoing principal operations of the respective enterprise funds. Operating revenues consist primarily of charges for services. Nonoperating revenues and expenses consist of those revenues and expenses that are related to financing and investing type of activities and result from nonexchange transactions or ancillary activities.

I. Fund Balance Classifications.

The following fund balance classifications have been required by the Governmental Accounting Standards Board:

Nonspendable - Amounts that are not in a spendable form or are required to be maintained intact.

Restricted - Amounts that can be spent only for the specific purposes stipulated by external resource providers, or though enabling legislation. Effectively, restrictions may be changed or lifted only with the consent of the resource providers.

Committed - Amounts that can be used only for the specific purposes determined by a formal action of the government's highest level of decision-making authority (City Commissioners). Commitments may be changed or lifted only by the government taking the same formal action that imposed the constraint originally.

Assigned - Amounts intended to be used by the government for specific purposes. Intent can be expressed by the governing body or by an official or body to which the governing body delegates the authority. The City Commissioners has not officially adopted a policy on who can assign fund balance. In governmental funds other than the general fund, assigned fund balance represents the

1. Summary of Significant Accounting Policies (continued).

I. Fund Balance Classifications (continued).

amount that is not restricted or committed. This indicates that resources in other governmental funds are, at a minimum, intended to be used for the purpose of that fund.

Unassigned - residual classification for the general fund and includes all amounts not contained in the other classifications. Unassigned amounts are technically available for any purpose. If another governmental fund has a fund balance deficit, than it will be reported as a negative amount in the unassigned classification in that fund. Positive unassigned amounts will be reported only in the general fund.

Generally, the City would first apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted Net Position are available.

2. Cash in Bank, Including Time Deposits, Short Term Investments and Restricted Assets.

The City of Weatherford, Authority, and Stafford Museum maintain a common cash pool for use by all funds except the cemetery perpetual care fund, fire fund, and Pioneer Center fund, and certain other activities that require separate bank accounts with Federal Deposit Insurance Corporation (FDIC) insured banks. This common cash pool utilizes the bank's establishment of a "sweep account" in order to maximize earnings. This "sweep account" is a government obligations tax-managed mutual fund which are not deposits or obligations of any bank and not insured or guaranteed by the FDIC or any other government agency. The bank will sweep any excess available funds into this fund and then sweep it back into the checking account as needed. As a result, the City reports these funds as cash in bank in these financial statements.

Custodial credit risk is the risk that in the event of a bank failure, the City's deposits may not be returned to it. The City has a policy to require collateral for amounts in excess of FDIC levels.

2. Cash in Bank, Including Time Deposits, Short Term Investments and Restricted Assets (continued).

At December 31, 2021, the City's cash in bank and time deposits are insured or collateralized as noted below:

Total Deposits	Carrying Amount	Bank Balance
Insured by Federal Depository Insurance	$ 5,308,751	$ 5,530,999
Not Insured, Collateral Held by Pledging Bank's Agent in City's Name	163,143	233,640
Not Insured nor Collateralized		
Subtotal	5,471,894	5,764,639
Not Insured Mutual Fund	12,988,678	13,475,302
Total	$18,460,572	$19,239,941

The City of Weatherford and Weatherford Public Works Authority maintain a common cash and time deposit pool for the governmental activities and business-type activities. Income on the pooled cash is allocated between the General fund and Public Works Authority fund. Income on the pooled time deposits is allocated based upon the outstanding balance of the time deposit in the respective fund.

Restricted assets consist of cash in bank, including time deposits, and short term investments held for customer meter deposits and revenue bond indenture agreements. Detail is as follows:

Restricted Assets	Cash and Time Deposits
Governmental Activities:	
Escrowed Funds-Fire Truck	$1,012,448
Permanent Fund - Cemetery Perpetual Care	52,858
Total Governmental	$1,065,306

2. Cash in Bank, Including Time Deposits, Short Term Investments and Restricted Assets (continued).

Restricted Assets	Cash and Time Deposits	Short Term Investments	Total
Business-type Activities:			
Enterprise Funds:			
Public Works Authority:			
Customer Meter Deposits	$ 186,408	$	$ 186,408
Revenue Bond Projects		12,176,288	12,176,288
Revenue Bonds Debt Ser.	352,417	556,780	909,197
Total Business-Type Act.	$ 538,825	$12,733,068	$13,271,893

The time deposits are held by the City or its agent and are in the City's name.

The escrowed funds - fire truck are the proceeds of a long term capital lease obligation between the City and the Lessor for the purchase of a fire truck. The Lessor has placed these funds into an escrow account and assigned it to a bank. Once the fire truck is completed and accepted by the City, these funds will be expended to purchase the fire truck. All earnings on the escrowed funds will be paid to the bank in consideration of managing the escrow account. The capital lease obligation is shown as a long term liability in these financial statements. Permanent fund is for the cemetery perpetual care trust fund. These funds represent the principal amounts donated to the cemetery trust for the special care of specified lots. These principal amounts cannot be expended by the City. Only the interest earned on these amounts may be expended. Total Customer Meter Deposits cash and time deposits have a related liability account. The Revenue Bonds Debt Service and Project investments are in a Short-term money market portfolio maintained by the trustee bank. The money market ratings are not known.

The money market funds are investments held by the trustee bank or the investment broker in the Authority's or Trust's name. They are not insured by the FDIC nor guaranteed by any government agency or the bank.

3. Cash and Cash Equivalents.

Cash and cash equivalents for cash flow presentation purposes includes the entity's cash on hand, cash in bank, including time deposits, short term investments, restricted cash in bank, including time deposits, and restricted short term investments.

4. Accounts Receivable, Net.

The City has the following accounts receivable as of December 31, 2021:

	Governmental Act.		Business-Type Act.
	General Fund	Other Gov't	PWA
Accounts Receivable	$ 46,898	$ 9,606	$ 51,587
Water, Sewer, Sanitation, Ambulance, Late Charges			439,407
Golf Course Receivable			172,084
Allowance for Loss	(39,624)	(5,085)	(250,634)
Net Accounts Receivable	$ 7,274	$ 4,521	$412,444
Golf Course Receivable not Expected to be Collected within One Year			$ 78,549

5. Long-term Liabilities.

Long-term liabilities consist of the following:

	Governmental Act.		Business-Type Act.	
	Within One Year	More Than One Year	Within One Year	More Than One Year
Compensated Absences	$ 191,133	$ 270,795	$ 51,543	$ 105,629
Revenue Bonds Payable			2,900,000	17,935,000
Capital Lease Oblig.		1,012,448	117,310	33,305
Total Long Term Liab	$ 191,133	$1,283,243	$3,068,853	$18,073,934

Revenue Bonds Payable - Business-Type Activities.

The Weatherford Public Works Authority has entered into several revenue bonds payable to bondholders. Debt issue costs and discounts on these bonds were expended as incurred.

On September 28, 2017, the Authority issued its $8,020,000 Utility System Revenue Bonds, Series 2017, for the advance refunding of the $11,115,000 Utility System Revenue Bonds, Series 2010 outstanding balance and paying for certain costs associated with the issuance of the Series 2017 bonds. The net proceeds of the 2017 bonds of $7,833,188 plus an additional $1,264,298 of 2010 Series Bond sinking fund monies were used to purchase U. S. Treasury securities. These securities were deposited in an irrevocable trust with an escrow agent to provide for all future debt service payments on the 2010 Series bonds, with the final payout to be on December 1, 2019. At December 31, 2019, the outstanding defeased bond balance was paid off by the escrow trust account.

5. Long-Term Liabilities (continued).

Revenue Bonds Payable - Business-type Activities (continued).

The Series 2017 bonds are secured by a mortgage on the leasehold of the properties and by the net revenues of the leasehold of the water, sanitary sewer and garbage systems, and facilities owned by and serving the City of Weatherford and leased to the Authority. Principal amount issued was $8,020,000 with various semi-annual maturities beginning December 1, 2017, and ending on December 1, 2029. Interest rate is 2.2%. Total principal and interest remaining at December 31, 2021, on this debt is $5,989,636.

Remaining annual principal and interest requirements range from $744,496 to $752,377. For the current year, principal and interest paid by the Authority and the net operating revenue were $746,479 and $1,919,894, respectively.

On July 1, 2018, the Authority issued its Sales Tax Revenue Note Series 2018, for financing certain street improvements including specifically reconstruction of Lyle Road, including drainage improvements, sidewalk installation, and utility relocation, along with related costs, and pay certain costs associated with the issuance of the Note. The City has pledged to the Authority all its rights, title, and interest in one half of one percent (0.5%) of the Sales Tax Revenues adopted by the City as Ordinance No. 1988-4 (unlimited in duration) and all (0.5%) of the Sales Tax Revenues adopted by the City as Ordinance No. 2018-01 (Street Improvement Ordinance to fund the reconstruction of Lyle Road with said reconstruction to include related drainage improvements, sidewalk installation, and utility relocation, and with any remaining proceeds to be used to fund other road and drainage improvements in the City of Weatherford, and/or for the payment of debt service in connection with obligations heretofore issued or to be issued by the City and any public trust having the City as beneficiary thereof to finance or refinance the referenced expenditures and related costs). The Street Improvement Ordinance expires and shall cease to be collected on June 30, 2024, unless it is extended by the electorate in an election held for that purpose. The notes are special limited obligations of the Authority, payable solely from the Street Improvement Ordinance pledge of the one half of one percent sales tax revenues collected by the City of Weatherford and the sales tax agreement pledging the sales tax revenues. Principal amount issued was $6,100,000 with various semi-annual maturities beginning March 1, 2019, and ending on September 1, 2024. Interest rate is at 2.83%. Total principal and interest remaining on this debt is $3,360,320.

5. Long-Term Liabilities (continued).

Revenue Bonds Payable - Business-type Activities (continued).

Remaining annual principal and interest requirements range from $1,118,202 to $1,123,348. For the current year, principal and interest paid by the Authority and the total pledged sales tax revenues paid to the Authority were $1,116,856 and $1,120,505, respectively.

On September 1, 2020, the Authority issued its Sales Tax Revenue Bonds (Weatherford Capital Improvement Projects) Series 2020, for financing the acquisition, construction, and improvement of multiple capital improvement projects for the City of Weatherford. The City has pledged to the Authority all its rights, title, and interest in one-half of the one percent Sales Tax Revenues approved by the electorate on December 13, 1988 and all of the revenues generated by the capital project ordinance equal to a fifty-two hundredths of one percent (beginning October 1, 2020 and expiring on September 30, 2030). Total pledged is 1.02% of the sales tax revenues per the sales tax agreement. These bonds are special limited obligations of the Authority, payable solely from the pledge of the sales tax revenues collected by the City of Weatherford and the sales tax agreement pledging the sales tax revenues. Principal amount issued was $13,315,000 with various semi-annual maturities beginning June 1, 2021, and ending on December 1, 2030. Interest rate is 1.35%. Total principal and interest remaining on this debt is $12,980,106. Remaining annual principal and interest requirements range from $1,395,178 to $1,489,951. For the current year, principal and interest paid by the Authority and the total pledged sales tax revenues paid to the Authority was $1,356,849 and $1,349,383.

A summary of the changes in revenue bonds payable follows:

	Series 2017 Utility	Series 2018 Sales Tax
Payable at December 31, 2020	$ 6,075,000	$4,205,000
New Debt Issued		
Debt Retired	(615,000)	(1,005,000)
Payable at December 31, 2021	$ 5,460,000	$3,200,000

	Series 2020 Sales Tax
Payable at December 31, 2020	$13,315,000
New Debt Issued	
Debt Retired	(1,140,000)
Payable at December 31, 2021	$12,175,000

5. Long-Term Liabilities (continued).

Revenue Bonds Payable - Business-type Activities (continued).

The following schedule of maturities of all the revenue bonds payable repayment requirements follows:

Year ending December 31	Principal	Interest
2022	2,900,000	361,095
2023	2,975,000	300,848
2024	3,050,000	238,850
2025	1,995,000	183,279
2026	2,035,000	150,317
2027 - 2030	7,880,000	260,673
Total	$20,835,000	$1,495,062

Capital Lease Obligations.

Governmental Activities.

Police Department.

On November 11, 2019, the City executed a capital lease agreement with Ally Financial for the lease purchase of 9 police vehicles. Total purchase price was $391,383 with a down payment of $136,863. The remaining $254,520 was financed with a lease purchase agreement with terms calling for annual payments of $136,863 for 2 years at 4.99% interest.

Fire Department.

On November 30, 2021, the City approved the lease purchase of a fire truck with Leasing 2 Inc. for $1,012,448. Terms call for annual payments beginning April 25, 2023 of $219,035. Interest is at 2.34%. The proceeds of the long term capital lease obligation was placed into an escrow account and assigned to a bank. Once the fire truck is completed and accepted by the City, these funds will be expended to purchase the fire truck. All earnings on the escrowed funds will be paid to the bank in consideration of managing the escrow account.

5. Long-Term Liabilities (continued).

Capital Lease Obligations (continued).

A summary of the changes in the long term debt obligation of the governmental type activities follows:

	Governmental Type Activities	
	Police	Fire
Balance at 12/31/20	$130,358	$
New Debt		1,012,448
Debt Retired	(130,358)	
Balance at 12/31/21	$ -0-	$1,012,448

The following is schedule by years of future minimum lease payments under capital leases for governmental type activities as of December 31, 2021.

Year Ending December 31	
2022	$
2023	219,035
2024	219,035
2025	219,035
2026	219,035
2027	219,033
Net Minimum Lease Payments	1,095,173
Less Amount Representing Interest	(82,725)
Present Value of Net Minimum Lease Payments	$1,012,448

No principal due within one year.

Business-Type Activities.

The City Commission uses the borrowing power of the Weatherford Public Works Authority to fund purchases for the Authority and various departments of the City. The following summarizes the borrowings authorized and utilized.

On November 14, 2017, the City approved the lease purchase of a new fire rescue pumper truck for $525,254, 2.37% interest, 60 month

5. Long-Term Liabilities (continued).

Capital Lease Obligations (continued).

term. Monthly payments are $9,292. This loan is secured by the fire truck.

On January 30, 2018, the City Commission approved the lease purchase of equipment for the golf course for $121,680. The Authority makes the payments to the bank and the golf course has agreed to reimburse the Authority for all monies expended. The amount due from the golf course is shown as an account receivable. Terms call for monthly payments of $2,300 from April through November only, interest rate at 3.40%, with a final balloon payment due on February 10, 2023. The City has the option to terminate or renew the lease at the end of its fiscal year.

The authority has a lease purchase agreement for a new clubhouse for the Prairie West golf course for $178,512. The lease purchase documents were executed on May 11, 2016, by the Weatherford Public Works Authority and a local bank. The Authority makes the payments to the bank and the golf course has agreed to reimburse the Authority for all monies expended. The amount due from the golf course is shown as an account receivable. Terms call for monthly payments of $1,850 from May to October and $1,000 from November to April of the following year, interest rate at 2.60%, 60 month term with a balloon payment. In December 2017, the City Commission approved the consolidation of another golf course lease purchase for equipment that was accounted for in the governmental activities with this lease purchase agreement and modified the payment amounts accordingly effective January 4, 2018. The amount consolidated was $10,926 in 2017 and the new payments schedule call for monthly payments of $2,250 from May to October and $750 from November to April of the following year. The Authority paid off this capital lease obligation on May 11, 2021. However, the related receivable was not paid off but was re-amortized with a new balloon payment from the golf course on April 11, 2026. No formal agreement was made between the Authority and Golf Course.

A summary of the changes in the long term debt obligation of business type activities follows:

	Business Type Activities			
	Fire Truck	Golf		Total
Balance at 12/31/20	$ 208,285	$191,713	$	$ 399,998
New Debt				
Debt Retired	(107,811)	(141,572)		(249,383)
Balance at 12/31/21	$ 100,474	$ 50,141	$ -0-	$ 150,615

5. Long-Term Liabilities (continued).

Capital Lease Obligations (continued).

The following is schedule by years of future minimum lease payments under capital leases for business type activities as of December 31, 2021.

	Business Type Activities			
Year Ending December 31	Fire Truck	Golf Course		Total
2022	$ 101,663	$ 18,400	$	$ 120,063
2023		33,595		33,595
2024				
Net Minimum Lease Payments	101,663	51,995		153,658
Less Amount Representing Interest	(1,189)	(1,854)		(3,043)
Present Value of Net Minimum Lease Payments	$ 100,474	$ 50,141	$	$ 150,615
Principal due within 1 year	$ 100,474	$ 16,836	$	$ 117,310

6. Pension Plans.

The City, Authority, and Stafford Museum participate in various retirement plans as more fully disclosed below:

Oklahoma Municipal Retirement Fund.

Plan Description. The City, Authority, and Stafford Museum participate in the Oklahoma Municipal Retirement Fund (the Fund) which provides coverage to substantially all full-time employees not covered by the Oklahoma Fire Fighters Pension and Retirement System and the Oklahoma Police Pension and Retirement System. The Fund provides retirement benefits based on members' final average compensation, age, and term of service, plus annual cost-of-living adjustments, if so elected. The Plan has not elected the post-retirement cost-of-living adjustments. A member is eligible for disability benefits upon becoming vested. The authority to amend and establish the benefit provisions of the Plan rests with the City Commissioners. This Plan offers both a defined contribution plan and defined benefit plan. Employees participated in both plans. The Fund issues a publically available financial report that can be obtained at www.okmrf.org.

6. Pension Plans (continued).

Funding Policy. The Fund's defined contribution plan is funded through selected rates of contributions as elected by each municipality. The defined contribution amounts were 5.00% for the City, Authority, and Stafford Museum, and 0.75% for the employees. The funds are credited to individual participant accounts and pooled for investment through the Fund. All gains and/or losses are credited directly to each participant. Upon retirement, termination of employment, disability, or death, the vested portion of a participant's account is paid to the participant or beneficiary. This amount is based on an accumulation of employee and employer contributions, forfeitures, and earnings. Pension benefits are 100% vested after 10 years of service.

The Fund's defined benefit plan is funded through an actuarial determined rate of contributions of 9.00% and 9.16%, effective July 1, 2020 and 2021, respectively, for the City, Authority, and Stafford Museum. The employee contribution rate is fixed by the terms of the plan at 6.25% of participant payroll. The City has elected to change the contribution rates in January. This makes the City contributing 9.00% to the defined benefit plan in 2021. Upon retirement, termination of employment, disability, or death, the accrued benefit payable is paid to the participant or beneficiary according to the plan provisions. Pension benefits are 100% vested after 7 years of credited service. The Plan has changed the valuation date from the January 1 preceding the contribution effective date to the July 1 preceding the contribution effective date. As of 7/1/2021, the plan has an actuarial value of assets of $7,217,661 with an unfunded actuarial accrued liability of $ 745,186. This liability is not recorded in these financial statements but disclosed here as a commitment. The annual amount to amortize the unfunded actuarial liability over 28 years is $ 66,886 per the actuarial report. In the other supplementary information section is the schedule of progress toward funding the retirement program from information prepared by the actuary.

Annual Pension Cost. The City, Authority, and Stafford Museum contributed $260,830, $166,162 and $26,693, respectively, and the employees contributed $223,379 to the plans for the year ending December 31, 2021.

Actuarial Assumptions. Significant actuarial assumptions used include: a) a rate of return on the investment of present and future assets of 7.25%, b) normal retirement age of 65, and c) no post-retirement cost-of-living adjustments. The actuarial value of the Plan assets was determined using techniques that smooth the effects of short-term volatility in the market value of

6. Pension Plans (continued).

investments. The Plan's unfunded actuarial accrued liability is calculated using the entry age normal (EAN) method. It is being amortized as a level dollar amount on a closed basis.

Oklahoma Fire Fighters Pension and Retirement System.

Plan Description. The City participates in the Oklahoma Fire Fighters Pension and Retirement System (the Plan) for its full-time paid and volunteer fire fighters. The Plan provides retirement, death and disability benefits to plan members and beneficiaries. The Plan is an agent multiple-employer (or municipality) contributory defined benefit pension plan. The authority to amend and establish the benefit provisions of the Plan rests with the Board of Trustees of the Plan. The Plan issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to the Oklahoma Fire Pension and Retirement System, 6601 Broadway Extension, Suite 100, Oklahoma City, OK 73116, or on-line at http://www.ok.gov/fprs/.

Funding Policy. Voluntary firemen do not contribute to the Plan. The City contributes $60 for each volunteer fireman as set by the Oklahoma Statutes. Contribution requirements of the Plan are established by Oklahoma Statute and are not based on actuarial calculations. The State normally contributes 36% of the Insurance Premium Tax to the Plan. These on-behalf payments are not recognized in these financial statements since the City reports on the modified cash basis. Contribution rates are 14.0% of gross salaries for the City and 9% from the employees for the paid fire fighters. Fire fighters with 20 or more years of service may elect to participate in the Oklahoma Deferred Option Plan. Participation is limited to five years. Under this plan, retirement benefits are calculated based on compensation and service at the time of election. The retirement benefits plus half of the municipal contributions on behalf of the member are deposited into a deferred retirement account which earns interest. The other half of the municipal contributions goes into the retirement system. The member is no longer required to make contributions.

Annual Pension Cost. During the year ended December 31, 2021, the City contributed $900 for voluntary fire fighters and $120,516 for paid fire fighters to the Plan. Paid fire fighters contributed $77,475 to the Plan.

6. Pension Plans (continued).

Actuarial Assumptions. Significant actuarial assumptions used include: a) a rate of return on the investment of present and future assets of 7.5%, b) a constant benefit level for voluntary fire fighters, c) projected salary increases ranging from 2.75% to 10.5% per year, and d) a cost-of-living allowance of at least 2.75% annually. The actuarial value of the Plan assets was determined using techniques that smooth the effects of short-term volatility in the market value of investments. The Plan's unfunded actuarial accrued liability is calculated using the entry age actuarial cost method. It is being amortized as a level dollar amount on a closed basis. The amortization period was reset beginning July 1, 2014, to 30 years. The City of Weatherford's portion of the unfunded pension liability at the 7.5% discount rate was calculated by the Plan's auditors to be $1,816,145 at June 30, 2021 (Plan's year end). This liability is not recorded in these financial statements but disclosed here as a commitment.

Oklahoma Police Pension and Retirement System.

Plan Description. The City approved participation in the Oklahoma Police Pension and Retirement System (the Plan) effective March 1, 2008, for its full-time paid police officers. The Plan provides retirement, death and disability benefits to plan members and beneficiaries. The Plan is an agent multiple-employer (or municipality) contributory defined benefit pension plan. The authority to amend and establish the benefit provisions of the Plan rests with the Board of Trustees of the Plan. The Plan issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to the Oklahoma Police Pension and Retirement System, 1001 N. W. 63rd Street, Suite 305, Oklahoma City, OK 73116-7335 or on-line at http://www.opprs.ok.gov/.

Funding Policy. Contribution requirements of the Plan are determined by Oklahoma Statute and are not based on actuarial calculations. The State normally contributes an allocation of the insurance premium tax to the Plan. These on-behalf payments are not recognized in these financial statements since the City reports on the modified cash basis. Contribution rates are 13.0% of gross salaries for the City and 8% of gross salaries from the employees. Participants with 20 or more years of service may elect to participate in the Oklahoma Deferred Option Plan. Participation is limited to five years. Under this plan, retirement benefits are calculated based on compensation and service at the time of election. The retirement benefits plus half of the municipal

6. Pension Plans (continued).

contributions on behalf of the member are deposited into a deferred retirement account which earns interest. The other half of the municipal contributions goes into the retirement system. The member is no longer required to make contributions.

Annual Pension Cost. During the year ended December 31, 2021, the City contributed $169,268 to the Plan. Employees contributed $104,192 to the Plan.

Actuarial Assumptions. Significant actuarial assumptions used include: a) a rate of return on the investment of present and future assets of 7.5%, b) projected salary increases ranging from 3.5% to 12% per year, and c) a cost-of-living allowance of 2.75% annually. The actuarial value of the Plan assets was determined by using techniques that smooth the effects of short-term volatility in the market value of investments over a 5-year period. The Plan's unfunded actuarial accrued liability is calculated using the entry age actuarial cost method. It is being amortized as a level dollar amount over a 5 year open period. The City of Weatherford's portion of the net pension liability (asset) at 7.5% discount rate was calculated by the Plan's auditors to be ($1,705,467) at June 30, 2021 (Plan's year end). This (asset) is not recorded in these financial statements but disclosed here.

7. Internal Revenue Code Section 457 Deferred Compensation Plan.

The City has established a deferred compensation plan under Internal Revenue Code Section 457 for the purpose of enabling employees of the City to defer a portion of their compensation until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergencies. All amounts of compensation deferred pursuant to the plan, all property and rights purchased with such amounts, and all income attributable to such amounts, property, or rights, shall be held in trust for the exclusive benefit of participants and beneficiaries under the plan. During the year ending December 31, 2021, employees contributed $3,400 to this plan.

8. Risk Management.

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The City purchases commercial insurance to manage these risks. Deductibles range from $0 to $5,000, depending upon the insurance coverage.

The City participates in a workers compensation plan that carries a requirement for a self-funded retention level. At December 31, 2021, the City's loss retention level was unknown. At June 30, 2022, its loss retention level was $62,312. The City has a right to the return of any of these funds which have not been paid out in benefits and to receive the interest earnings on them, subject to the plan's bank charges and audit fees. The Plan purchases excess workers compensation insurance so the City's liability is limited to their retention level. Failure of the excess workers compensation insurer to honor its obligations could result in losses to the plan. However, the plan administrators believe the excess workers compensation insurer will be able to meet its contractual obligations. The plan was also holding an escrow account at June 30, 2022, of $52,882. The City's insurer also has established loss fund reserves for the liability and property insurance coverages. As of June 30, 2022, the loss fund for the liability and property coverages was $13,690 and $3,429, respectively.

9. Net Position (Deficit) - Business Type Activities.

The business-type activities on the Statement of Assets, Liabilities and Net Position-Modified Cash Basis show a deficit net position balance of $(3,322,435) because of the net debt used for capital assets sub-title. This deficit is the result of the City not capitalizing the Public Works Authority capital assets and depreciating them. The City's policy is to expend the costs of capital items, even if the funds were obtained from borrowed money. The borrowed money is shown as a liability. The amount that could be capitalized as capital assets and depreciated is not known.

10. Reservations and Designations of Unrestricted Net Position.

The City Commissioners designated a time deposit for future water system improvements until the principal and interest balance equals or exceeds $200,000. Any amount in excess of $200,000 is not designated. At December 31, 2021, this time deposit balance had exceeded $200,000. This designated amount is shown on the proprietary funds statement of assets, liabilities, and net position-modified cash basis under unrestricted net position.

11. Interfund Transfers.

The City periodically makes transfers to different funds to move funds from the other funds to increase their liquidity and ability to purchase goods and services or reflect interfund receivables/payables. Interfund transfers for the year ending December 31, 2021, follows:

Fund	Transfers In	Transfers (Out)
Governmental Funds:		
General Fund	$ 132,527	$ (2,790,735)
Other Governmental Funds	231,821	(223,885)
Proprietary Fund Type:		
Public Works Authority	2,774,485	(304,597)
Stafford Museum	180,384	
Total	$3,319,217	$ (3,319,217)

12. Commitments and Contingencies.

The City has various construction contracts under various stages of completion at December 31, 2021. Many of these construction contracts are being funded by the revenue bonds issued.

From time to time the City may receive a claim or litigation alleging damages suffered by the claimant. The City normally denies liability and the claim. The claim is then sent to their liability insurance company for disposition.

On January 31, 2019, the Board of Trustees of the Weatherford Public Works Authority authorized the incurring of indebtedness by the issuance of a guaranty for payment of the Thomas P. Stafford Air and Space Museum expansion indebtedness not to exceed $1,000,000. The guarantee will be for a $1,000,000 revolving line of credit with the Stafford Air and Space Museum Foundation (the Foundation) and a local bank for one year at 3.95% interest with an option to extend for another year. Between October 9, 2019 and May 7, 2020, the Foundation borrowed $988,425. The outstanding principal balance at December 31, 2021, was $20,066. This loan was paid off as of the audit date.

In 2020 the City was awarded an Economic Development Administration grant for $2,865,000 for infrastructure improvements at the Weatherford Business & Technology North Park. Total construction costs are estimated to be $3,581,250. Of the matching

12. Commitments and Contingencies (continued).

amount of $716,250, the City has an agreement with the Weatherford Industrial Trust to pay $430,000 which leaves the City's portion to be $286,250. The City has received $66,852 of these grant funds as of December 31, 2021. Total expenditures at December 31, 2021 were $177,980.

In September, 2021, the City accepted a grant from the Federal Aviation Administration (FAA) for $743,321 and the Oklahoma Aeronautics Commission for $500,000 to be used for the construction of a new terminal building at the airport. The City has agreed to provide $373,854 to the project resulting in a total project cost of $1,617,175. At December 31, 2021, total accumulated grant proceeds received for the project was $40,734 received from the FAA and the total accumulated construction costs paid was $195,345. No grant funds from the Oklahoma Aeronautics Commission were received as of December 31, 2021.

In September, 2021, the City received $1,049,416 of the American Rescue Plan Act funds. No funds were expended as of December 31, 2021.

13. Restricted Sales Tax.

On June 30, 2020, the citizens of Weatherford approved a renewal of the expiring 1% sales tax for another ten years. This sales tax will be levied from October 1, 2020 to September 30, 2030. The new proceeds would be allocated with 0.52% to the City, 0.28% to Southwestern Oklahoma State University with a cap of $7,000,000, 0.15% to the Weatherford Regional Hospital with a cap of $3,750,000, and 0.05% to the Weatherford Public Schools with a cap of $1,250,000. Any amounts collected in excess of these caps will be used to fund capital projects benefitting the City. The City remits to the university, hospital authority, and public school their portion of the restricted sales tax proceeds immediately after confirmation of the receipt of funds. Total accumulated funds paid to the university, hospital authority, and public school totaled $787,833, $422,053, and 140,685, respectively, at December 31, 2021.

On April 3, 2018, the citizens of Weatherford voted for a restricted sales tax of one-half of one percent (0.5%) for the purpose of funding the reconstruction of Lyle Road with said reconstruction to include related drainage improvements, sidewalk installation and utility relocation, and with any remaining proceeds to be used to fund other road and drainage improvements in the City of Weatherford. This sales tax began on July 1, 2018, for six years.

14. Fund Balance Classifications.

	GENERAL FUND	OTHER GOVERN-MENTAL FUNDS	TOTAL GOVERN-MENTAL FUNDS
FUND BALANCES:			
Nonexpendable:			
Permanent Fund Principal	$	$ 52,858	$ 52,858
Restricted for:			
Rural Fire Protection		37,178	37,178
Cemetery Improvements		19,187	19,187
Tourism (Hotel/Motel Tax)		334,371	334,371
Donors Restrictions		26,722	26,722
Airport Operations		44,312	44,312
American Recovery Plan Act		1,049,416	1,049,416
Emergency Management		0	0
Police Department		11,765	11,765
Restricted Sales Tax/Capital Improvements	2,959,423		2,959,423
Committed to:			
Fire Department		41,682	41,682
Senior Citizens Department		68,759	68,759
Police Department		84,345	84,345
Muncipal Court			0
Recycling Program		224,994	224,994
Assigned to:			
Parks and Recreation		206	206
Fire Department		1,107	1,107
Senior Citizens Department		4,144	4,144
Emergency Management		40,151	40,151
CDBG Grant Fund			
Police Department		29	29
Property Lease Fund		41,052	41,052
Unassigned:	8,758,701	(282,196)	8,476,505
Total Fund Balances	$ 11,718,124	$ 1,800,082	$ 13,518,206

Restricted fund balances are funds with resources restricted by state statutes, federal guidelines, donor restrictions, or by the vote of the citizens of Weatherford.

Committed fund balances are special revenue funds that have been established by the governing body with resources used for specific purposes as noted.

Assigned fund balances are special revenue funds that have earned revenue or interest and represents the unexpended accumulated earnings obtained from the readily available records since fiscal year 1997. Any unexpended accumulated earnings prior to that time is considered to be committed.

The City of Weatherford has not established a formal policy on the order of spending. This report assumes that restricted resources will be expended first, then unrestricted (in this order - committed, assigned, and unassigned).

OTHER SUPPLEMENTARY INFORMATION

CITY OF WEATHERFORD, OKLAHOMA
COMBINING STATEMENT OF ASSETS, LIABILITIES AND FUND BALANCES -
OTHER GOVERNMENTAL FUNDS - MODIFIED CASH BASIS
DECEMBER 31, 2021

	NONMAJOR SPECIAL REVENUE FUNDS													
	CEMETERY CARE FUND	PIONEER CENTER FUND	WESTERN OKLAHOMA HERITAGE CENTER FUND	RURAL FIRE PROTECTION FUND	FIREMEN FUND	RECYCLING FUND	AIRPORT OPERATIONS FUND	HOTEL/MOTEL OPERATING FUND	OKLAHOMA AERONAUTICS COMMISSION OJA-20-S	OTHER NONMAJOR FUNDS	TOTAL NONMAJOR SPECIAL REVENUE	DEBT SERVICE FUND	PERMANENT FUND	TOTAL OTHER GOVERN-MENTAL
ASSETS														
Cash on Hand	$	$ 50	$	$	$	$	$ 250	$	$	$ 200	$ 500	$	$	$ 500
Cash in Bank, Including Time Deposits	19,187	72,853	206	37,178	42,789	224,994	39,224	334,371		986,588	1,757,390		230	1,757,620
Restricted Assets:														
Cash in Bank, Including Time Deposits											0		52,858	52,858
Due from Other Funds											0			0
Prepaid Assets							323				323			323
Accounts Receivable, Net							4,521				4,521			4,521
TOTAL ASSETS	$ 19,187	$ 72,903	$ 206	$ 37,178	$ 42,789	$ 224,994	$ 44,318	$ 334,371	$ 0	$ 986,788	$ 1,762,734	$ 0	$ 53,088	$ 1,815,822
LIABILITIES														
Accounts Payable	$	$	$	$	$	$	$ 6	$	$	$ 15,734	$ 15,740	$	$	$ 15,740
Deferred Revenue											0			0
Due to Other Funds											0			0
TOTAL LIABILITIES	0	0	0	0	0	0	6	0	0	15,734	15,740	0	0	15,740
FUND EQUITY														
Nonspendable											0		52,858	52,858
Restricted	19,187			37,178			44,312	334,371		1,087,903	1,522,951			1,522,951
Committed		68,759			41,682	224,994				84,345	419,780			419,780
Assigned		4,144	206		1,107					81,232	86,689			86,689
Unassigned										(282,426)	(282,426)		230	(282,196)
TOTAL FUND EQUITY	19,187	72,903	206	37,178	42,789	224,994	44,312	334,371	0	971,054	1,746,994	0	53,088	1,800,082
TOTAL LIABILITIES AND FUND EQUITY	$ 19,187	$ 72,903	$ 206	$ 37,178	$ 42,789	$ 224,994	$ 44,318	$ 334,371	$ 0	$ 986,788	$ 1,762,734	$ 0	$ 53,088	$ 1,815,822

See accompanying auditor's report.

CITY OF WEATHERFORD, OKLAHOMA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - OTHER GOVERNMENTAL FUNDS
MODIFIED CASH BASIS
YEAR ENDING DECEMBER 31, 2021

	NONMAJOR SPECIAL REVENUE FUNDS													
	CEMETERY CARE FUND	PIONEER CENTER FUND	WESTERN OKLAHOMA HERITAGE CENTER FUND	RURAL FIRE PROTECTION FUND	FIREMEN FUND	RECYCLING FUND	AIRPORT OPERATIONS FUND	HOTEL/MOTEL OPERATING FUND	OKLAHOMA AERONAUTICS COMMISSION OJA-20-S	OTHER NONMAJOR FUNDS	TOTAL NONMAJOR SPECIAL REVENUE	DEBT SERVICE FUND	PERMANENT FUND	TOTAL OTHER GOVERN-MENTAL
REVENUES														
Charges for Services	$ 2,943	$ 16,525	$	$	$ 30,794	$ 88,568	$	$	$	$	$ 138,830	$	$	$ 138,830
Intergovernmental Revenue										1,714,122	1,714,122			1,714,122
Hotel/Motel Tax								258,164			258,164			258,164
Hotel/Motel Tax Funds Returned								12,648			12,648			12,648
Property Sales	2,719										2,719			2,719
Fines										117,640	117,640			117,640
Interest Income		18			28					2	48		131	179
Airport Rental and Fuel							520,592				520,592			520,592
Miscellaneous			0	6,249		143	4,937	15		9,886	21,230			21,230
Donations				6,025		1,850				48,900	56,775			56,775
TOTAL REVENUES	5,662	16,543	0	12,274	30,822	90,561	525,529	270,827	0	1,890,550	2,842,768	0	131	2,842,899
EXPENDITURES														
Personal Services							140,520				140,520			140,520
Principal											0	130,358		130,358
Interest											0	6,505		6,505
Capital Outlay		2,945		83,850						484,702	571,497			571,497
Other Materials and Services		8,047	3,394		15,962	18,596	345,721	229,002		29,885	650,607			650,607
TOTAL EXPENDITURES	0	10,992	3,394	83,850	15,962	18,596	486,241	229,002	0	514,587	1,362,624	136,863	0	1,499,487
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	5,662	5,551	(3,394)	(71,576)	14,860	71,965	39,288	41,825	0	1,375,963	1,480,144	(136,863)	131	1,343,412
OTHER FINANCING SOURCES (USES)														
Transfers In			3,600						6,802	84,556	94,958	136,863		231,821
Transfers (Out)										(223,754)	(223,754)		(131)	(223,885)
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES AND OTHER FINANCING SOURCES (USES)	5,662	5,551	206	(71,576)	14,860	71,965	39,288	41,825	6,802	1,236,765	1,351,348		0	1,351,348
FUND BALANCE														
Beginning of Year	13,525	67,352	0	108,754	27,929	153,029	5,024	292,546	(6,802)	(265,711)	395,646		53,088	448,734
											0			0
End of Year	$ 19,187	$ 72,903	$ 206	$ 37,178	$ 42,789	$ 224,994	$ 44,312	$ 334,371	$ 0	$ 971,054	$ 1,746,994	$ 0	$ 53,088	$ 1,800,082

See accompanying auditor's report.

CITY OF WEATHERFORD, OKLAHOMA
COMBINING STATEMENT OF ASSETS, LIABILIITES AND FUND BALANCES-
OTHER NONMAJOR SPECIAL REVENUE FUNDS - MODIFIED CASH BASIS
DECEMBER 31, 2021

	OTHER NONMAJOR SPECIAL REVENUE FUNDS																		
	MUNICIPAL COURT FUND	PROPERTY LEASE FUND	UNCLAIMED PROPERTY FUND	FEDERAL AVIATION ADMINISTRATION TERMINAL BLDG 3-40-0106-014-2021	FEMA ASSISTANCE TO FIREFIGHTERS GRANT EMW-2019-FG-02753	EMERGENCY MANAGEMENT GRANT FUNDS	ARMORY BUILDING FUND	DARE PROJECT FUND	EMERGENCY MANAGEMENT FUND	SPECIAL PROJECTS FUND	F. P. L. SPECIAL PROJECTS FUND	AMERICAN RECOVERY PLAN ACT	ECONOMIC DEVELOPMENT ADMINISTRATION GRANT	OTHER GRANT	NARCOTIC CONTROL FUND	FEDERAL AVIATION ADMINISTRATION GRANT 3-40-0106-013-2019	WESTERN OK LAW ENFORCEMENT SUMMIT FUND	POLICE GUN AND EQUIPMENT FUND	TOTAL OTHER NONMAJOR FUND
ASSETS																			
Cash on Hand	$ 200	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$ 200
Cash in Bank, Including Time Deposits	3,648	41,052	10,207	(128,890)			1,500	40,683	40,151	(30,522)	25,222	1,049,416	(111,128)		42,028		151	3,070	986,588
Due from Other Funds																			0
Accounts Receivable, Net																			0
TOTAL ASSETS	$ 3,848	$ 41,052	$ 10,207	$ (128,890)	$ 0	$ 0	$ 1,500	$ 40,683	$ 40,151	$ (30,522)	$ 25,222	$ 1,049,416	$ (111,128)	$ 0	$ 42,028	$ 0	$ 151	$ 3,070	$ 986,788
LIABILITIES																			
Accounts Payable	$ 15,734	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$ 15,734
Due to Other Funds																			0
TOTAL LIABILITIES	15,734	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	15,734
FUND EQUITY																			
Restricted							1,500				25,222	1,049,416			8,695			3,070	1,087,903
Committed			10,185					40,683							33,326		151		84,345
Assigned		41,052	22						40,151						7				81,232
Unassigned	(11,886)			(128,890)						(30,522)			(111,128)						(282,426)
TOTAL FUND EQUITY	(11,886)	41,052	10,207	(128,890)	0	0	1,500	40,683	40,151	(30,522)	25,222	1,049,416	(111,128)	0	42,028	0	151	3,070	971,054
TOTAL LIABILITIES AND FUND EQUITY	$ 3,848	$ 41,052	$ 10,207	$ (128,890)	$ 0	$ 0	$ 1,500	$ 40,683	$ 40,151	$ (30,522)	$ 25,222	$ 1,049,416	$ (111,128)	$ 0	$ 42,028	$ 0	$ 151	$ 3,070	$ 986,788

See accompanying auditor's report.

CITY OF WEATHERFORD, OKLAHOMA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - OTHER NONMAJOR SPECIAL REVENUE FUNDS
MODIFIED CASH BASIS
YEAR ENDING DECEMBER 31, 2021

	OTHER NONMAJOR SPECIAL REVENUE FUNDS																		
	MUNICIPAL COURT FUND	PROPERTY LEASE FUND	UNCLAIMED PROPERTY FUND	FEDERAL AVIATION ADMINISTRATION TERMINAL BLDG 3-40-0106-014-2021	FEMA ASSISTANCE TO FIREFIGHTERS GRANT EMW-2019-FG-02753	EMERGENCY MANAGEMENT GRANT FUNDS	ARMORY BUILDING FUND	DARE PROJECT FUND	EMERGENCY MANAGEMENT FUND	SPECIAL PROJECTS FUND	F. P. L. SPECIAL PROJECTS FUND	AMERICAN RECOVERY PLAN ACT	ECONOMIC DEVELOPMENT ADMINISTRATION GRANT	OTHER GRANT	NARCOTIC CONTROL FUND	FEDERAL AVIATION ADMINISTRATION GRANT 3-40-0106-013-2019	WESTERN OK LAW ENFORCEMENT SUMMIT FUND	POLICE GUN AND EQUIPMENT FUND	TOTAL OTHER NONMAJOR FUND
REVENUES																			
Intergovernmental Revenue	$	$	$	$ 40,734	$ 263,520	$ 192,448	$	$	$ 23,929	$	$	$ 1,049,416	$ 66,852	$	$	$ 77,223	$	$	$ 1,714,122
Charges for Services																			0
Property Lease Revenue																			0
Fines	117,640																		117,640
Interest Income	2																		2
Miscellaneous	187							173	203						9,323				9,886
Donations								17,200		6,700	25,000								48,900
TOTAL REVENUES	117,829	0	0	40,734	263,520	192,448	0	17,373	24,132	6,700	25,000	1,049,416	66,852	0	9,323	77,223	0	0	1,890,550
EXPENDITURES																			
Personnel Services																			0
Capital Outlay				195,345	1,020					91,706	17,107		177,980	1,544					484,702
Repayment of Grant Funds																			0
Other Materials and Services	6,557							6,647	11,628		2,000				3,053				29,885
TOTAL EXPENDITURES	6,557	0	0	195,345	1,020	0	0	6,647	11,628	91,706	19,107	0	177,980	1,544	3,053	0	0	0	514,587
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	111,272	0	0	(154,611)	262,500	192,448	0	10,726	12,504	(85,006)	5,893	1,049,416	(111,128)	(1,544)	6,270	77,223	0	0	1,375,963
OTHER FINANCING SOURCES (USES)																			
Transfers In				25,721	27,318									1,544		29,973			84,556
Transfers (Out)	(132,396)					(91,358)													(223,754)
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES AND OTHER FINANCING SOURCES (USES)	(21,124)	0	0	(128,890)	289,818	101,090	0	10,726	12,504	(85,006)	5,893	1,049,416	(111,128)	0	6,270	107,196	0	0	1,236,765
FUND BALANCE																			
Beginning of Year	9,238	41,052	10,207		(289,818)	(101,090)	1,500	29,957	27,647	54,484	19,329				35,758	(107,196)	151	3,070	(265,711)
																			0
End of Year	$ (11,886)	$ 41,052	$ 10,207	$ (128,890)	$ 0	$ 0	$ 1,500	$ 40,683	$ 40,151	$ (30,522)	$ 25,222	$ 1,049,416	$ (111,128)	$ 0	$ 42,028	$ 0	$ 151	$ 3,070	$ 971,054

See accompanying auditor's report.

CITY OF WEATHERFORD, OKLAHOMA
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - GENERAL FUND
MODIFIED CASH BASIS
YEAR ENDING DECEMBER 31, 2021

	BUDGET			VARIANCE - FAVORABLE
	ORIGINAL	FINAL	ACTUAL	(UNFAVORABLE)
REVENUES				
Sales and Use Tax	$ 11,600,000	$ 11,600,000	$ 9,237,981	$ (2,362,019)
Restricted Sales Tax	3,500,001	3,500,001	3,994,424	494,423
Tobacco Tax	100,000	100,000	100,944	944
Franchise Taxes	632,328	632,328	667,285	34,957
Licenses, Permits & Inspections	94,200	94,200	120,996	26,796
Intergovernmental Revenue	200,000	200,000	249,765	49,765
Cemetery Lots & Services	35,000	35,000	53,049	18,049
Swimming Pool	5,000	5,000	8,089	3,089
Fines	5,000	5,000	5,660	660
Rents & Royalties	15,000	15,000	21,975	6,975
Leases & Easements	36,000	200,200	212,204	12,004
Economic Development	100,000	100,000	112,843	12,843
Recovery of Expenditures	25,000	25,000	114,638	89,638
Interest	60,000	60,000	48,061	(11,939)
Property Sales	2,000	2,000	13,082	11,082
Insurance Proceeds			55,725	55,725
Donations	3,000	3,000	5,000	2,000
Other Miscellaneous	18,000	18,000	22,861	4,861
TOTAL REVENUES	16,430,529	16,594,729	15,044,582	(1,550,147)
EXPENDITURES				
Mayor and Commissioners	101,193	89,205	89,202	3
City Attorney	35,018	34,258	34,257	1
Administration	264,692	251,696	251,692	4
Municipal Court	184,638	169,639	169,637	2
Police Department	2,936,821	3,037,282	3,038,301	(1,019)
Fire Department	1,394,278	1,448,855	1,448,911	(56)
Street Department (Div. I)	510,421	505,021	505,018	3
Street Department (Div. II)	946,000	1,228,142	1,130,061	98,081
Central Garage	200,304	173,839	173,835	4
Parks Department	487,158	567,072	566,968	104
Cemetery Department	80,849	90,851	90,847	4
Swimming Pool	35,000	62,426	62,425	1
Inspection Department	145,200	115,593	115,589	4
Data Processing	35,000	34,502	34,501	1
Economic Development	115,534	110,427	110,424	3
Library	5,000	5,995	5,995	0
Senior Citizens	213,761	123,178	123,174	4
Building Maintenance	8,500	30,758	30,757	1
Capital Improvements	538,800	814,161	737,467	76,694
Interest Expense			0	0
Restricted Sales Tax Payments:				
Hospital Authority	350,000	350,000	393,815	(43,815)
Local University	653,333	653,333	735,122	(81,789)
Public School	116,667	116,667	131,272	(14,605)
Capital Improvements	300,000	548,747	376,588	172,159
General Expense:				
Workers Compensation	120,000	112,033	112,033	0
Utilities	275,000	294,184	294,182	2
Insurance	130,000	136,900	137,039	(139)
Gasoline, Diesel & Oil	100,000	142,562	142,561	1
Other Materials and Service	136,800	79,453	75,933	3,520
TOTAL EXPENDITURES	10,419,967	11,326,779	11,117,606	209,173

(Continued on next page)

See the accompanying auditor's report.

CITY OF WEATHERFORD, OKLAHOMA
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - GENERAL FUND
MODIFIED CASH BASIS
YEAR ENDING December 31, 2021

(CONTINUED)

	BUDGET			VARIANCE - FAVORABLE
	ORIGINAL	FINAL	ACTUAL	(UNFAVORABLE)
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES BEFORE OTHER FINANCING SOURCES (USES)	6,010,562	5,267,950	3,926,976	(1,340,974)
OTHER FINANCIAL SOURCES (USES)				
Transfers In	200,000	200,000	132,527	(67,473)
Proceeds from Capital Lease			0	0
Transfers (Out)	(6,544,191)	(6,666,524)	(2,790,735)	3,875,789
TOTAL OTHER FINANCIAL SOURCES (USES)	(6,344,191)	(6,466,524)	(2,658,208)	3,808,316
EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES	$ (333,629)	$ (1,198,574)	1,268,768	$ 2,467,342
FUND BALANCE				
Beginning of Year			10,449,356	
			0	
End of Year			$ 11,718,124	

See the accompanying auditor's report.

Oklahoma Municipal Retirement Fund
Employee Retirement System of Weatherford, Oklahoma

SCHEDULE OF FUNDING PROGRESS

Actuarial Valuation Date	Value of Assets	Asset Valuation Basis	Actuarial Accrued Liability (AAL)	Type	Unfunded AAL (UAAL)	Funded Ratio	Covered Payroll	UAAL as a Percentage of Covered Payroll
1/1/2009	661,603	Actuarial	2,279,456	EAN	1,617,853	29.0%	2,202,808	73.4%
1/1/2010	1,012,096	Actuarial	3,098,983	EAN	2,086,888	32.7%	2,249,133	92.8%
1/1/2011	1,455,652	Actuarial	3,449,623	EAN	1,993,971	42.2%	2,369,576	84.1%
1/1/2012	1,884,886	Actuarial	3,728,616	EAN	1,843,729	50.6%	2,424,956	76.0%
1/1/2013	2,369,585	Actuarial	3,995,272	EAN	1,625,687	59.3%	2,433,866	66.8%
1/1/2014	2,946,018	Actuarial	4,541,787	EAN	1,595,769	64.9%	2,602,869	61.3%
7/1/2014	3,239,713	Actuarial	4,532,751	EAN	1,293,038	71.5%	2,515,639	51.4%
7/1/2015	3,794,522	Actuarial	5,090,706	EAN	1,296,184	74.5%	2,657,615	48.8%
7/1/2016	4,371,874	Actuarial	5,545,507	EAN	1,173,633	78.8%	2,736,200	42.9%
7/1/2017	4,991,505	Actuarial	6,319,436	EAN	1,327,931	79.0%	2,882,090	46.1%
7/1/2018	5,477,297	Actuarial	6,748,989	EAN	1,271,692	81.2%	2,705,793	47.0%
7/1/2019	5,966,781	Actuarial	7,319,798	EAN	1,353,017	81.5%	2,915,499	46.4%
7/1/2020	6,442,611	Actuarial	7,808,077	EAN	1,365,466	82.5%	3,020,571	45.2%
7/1/2021	7,217,661	Actuarial	7,962,847	EAN	745,186	90.6%	3,099,307	24.0%

Covered Payroll is the total annualized rate of pay as of the valuation date based on actual pay for the preceding year.

Information taken from the actuarial reports for actuarial valuation date indicated.
Actuarial valuation date was changed from January 1 to July 1 beginning 7/1/2014.

McCulley & McCulley
Certified Public Accountants

Glenn L. McCulley
Roselind C. McCulley

204 North Caddo
Post Office Box 1626
Weatherford, Oklahoma 73096

Voice (580) 772-8820
Fax (580) 772-0672

Email: mmcpas@cebridge.net

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 City Commissioners
City of Weatherford, Oklahoma

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States, the accompanying modified cash basis financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Weatherford, Oklahoma, as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise the City of Weatherford's financial statements and have issued our report dated September 30, 2022. The City prepares its financial statements on the modified cash basis of accounting, which is an other comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. Our report was qualified for the respective modified cash basis financial statements of the governmental activities, the business-type activities, and the major funds General, PWA, Stafford Museum, and the aggregate remaining governmental fund information of the City of Weatherford, Oklahoma, at December 31, 2021, based upon different interpretations of what constitutes the modified cash basis of accounting.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City of Weatherford's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose

Member: American Institute of Certified Public Accountants
Oklahoma Society of Certified Public Accountants

of expressing our opinions on the accompanying 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.

Our consideration of the internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as described in the accompanying statement of findings and responses, we identified certain deficiencies in internal control that we considered to be a material weakness and a significant deficiency.

A deficiency in internal control exist 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. We consider the deficiencies described in the accompanying statement of findings and responses as item 2021-001 to be a material weakness.

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. We consider the deficiency described in the accompany schedule of findings and responses as item 2021-002 to be a significant deficiency.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City of Weatherford, Oklahoma's accompanying financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statement. 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 and other matters that are required to be reported under Government Auditing Standards.

City of Weatherford, Oklahoma’s Response to Findings

The City of Weatherford, Oklahoma's, response to the findings identified in our audit is described in the accompanying schedule of findings and responses. The City of Weatherford’s response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the

response.

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 result 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.

McCulley & McCulley

Weatherford, Oklahoma

September 30, 2022

CITY OF WEATHERFORD, OKLAHOMA
STATEMENT OF FINDINGS AND RESPONSES
FOR THE YEAR ENDING DECEMBER 31, 2021

2021-1. Segregation of Duties.

CONDITION AND EFFECT - The City has employees in several departments who have inappropriate segregation of duties. In some instances, there may be a limited number of employees in these departments. These conditions could result in material errors or fraud occurring and not be detected in a timely manner.

RECOMMENDATION - The City should review its personnel assignments and segregate these duties to the extent possible.

RESPONSE - The City has limited personnel and cannot adequately segregate duties. It will review its personnel assignments and consider modification to the extent possible.

2021-2. Municipal Court Accounting Records.

CONDITION AND EFFECT - The City changed its municipal court record keeping system to the one offered by its software vendor. The City used this system to post the receipts to the accounting records. We did note that the municipal court accounting system did not post certain transactions to the accounting records (ie. child restitution, OBN drug and OSBI fees et al). The receipts can only be posted to the municipal court bond bank account by the system but the court uses a total of three bank accounts (municipal court bond, state assessment funds, and juvenile fund). The court will make actual bank deposits into all three bank accounts but no adjustments are made by journal entry in the accounting records to adjust the other bank accounts for the actual deposits that were made to them. This year the court posted some of the checks written in the municipal court bond fund and the accounting department also posted these in its monthly accounting adjustments. This resulted in duplicate postings. The court also only partially posted some checks that were written. No one was reviewing the accounting records and reconciling them to the respective bank statements at any time during the year. The result of these activities overstated the municipal court bond accounting bank balance and understated the state assessment fund accounting bank balance and the total overall related liabilities were understated. The juvenile fund did not have any activity for this calendar year. These balances have been adjusted for the audit.

2021-2. Municipal Court Accounting Records (continued)

RECOMMENDATION - When the City changes its systems, it needs to test the system at that time to ensure it is working properly. All deposits and checks should be posted to the accounting records. The City needs to make accounting entries to adjust the computer records to what is really happening in the different bank accounts. Accounting records should be reviewed and reconciled to the bank statements monthly. Recommend the accounting department reconcile the accounting records to the bank statements. Recommend the municipal court consider adjusting its methods and processes to utilize the computerized records more efficiently. The respective payable accounts would be used to determine the bonds outstanding, alcohol support payable, and state assessment payable.

RESPONSE - The city treasurer states the accounting department is understaffed and would like to hire a consulting firm to help in implementing these recommendations.

CITY OF WEATHERFORD, OKLAHOMA
PRIOR YEAR AUDIT FINDINGS AND RESPONSES
FOR THE YEAR ENDING DECEMBER 31, 2021

2020-001. Segregation of Duties.

CONDITION AND EFFECT - The City has employees in several departments who have inappropriate segregation of duties. In some instances, there may be a limited number of employees in these departments. These conditions could result in material errors or fraud occurring and not be detected in a timely manner.

RECOMMENDATION - The City should review its personnel assignments and segregate these duties to the extent possible.

RESPONSE - The City has limited personnel and cannot adequately segregate duties. It will review its personnel assignments and consider modification to the extent possible.

UPDATED COMMENT - Situation the same. Comment repeated and included in the current year's audit report.

2020-002. Municipal Court Accounting Records.

CONDITION AND EFFECT - The City changed its municipal court record keeping system to the one offered by its software vendor. The City used this system to post the receipts to the accounting records. The receipts can only be posted to one bank account by the system but the court uses three bank accounts. Adjustments need to be made by journal entry to adjust the bank accounts for the actual deposits that were made to them. This was not being done. Most of the checks written by the municipal court were not posted to the accounting records. No one was reviewing the accounting records and reconciling them to the municipal court bank statements at any time during the year. The result of these activities overstated the cash in bank balances and the related liabilities. These balances have been adjusted for the audit.

During the course of the audit, it became evident that there is not a clear distinction of responsibilities for these activities being posted. Under the old system, the court clerk prepared a monthly statement which was given to the accounting department and they posted the entries. She still does the monthly reports and assumed the accounting department was posting the entries. The new system appears it would require the court clerk to prepare and post some

2020-002. Municipal Court Accounting Records (continued).

of the accounting entries. The court clerk does not have access to the accounting records, so she cannot perform the bank reconciliations to the accounting records. She does reconcile the bank account to her monthly reports. The court clerk may need to have additional training in fully utilizing the court system.

RECOMMENDATION - When the City changes its systems, it needs to test the system at that time to ensure it is working properly. All deposits and checks should be posted to the accounting records. The City needs to make accounting entries to adjust the computer records to what is really happening in the different bank accounts. Accounting records should be reviewed and reconciled to the bank statements monthly. Recommend the accounting department reconcile the accounting records to the bank statements. Recommend the municipal court consider adjusting its methods and processes to utilize the computerized records more efficiently. The respective payable accounts would be used to determine the bonds outstanding, alcohol support payable, and state assessment payable. Management should review the court system and ensure that the responsibilities for posting to the accounting records are properly communicated and implemented. Recommend that adequate training is obtained to perform these functions.

RESPONSE - The court clerk has stated that some problems existed in the computer system in that the fees were not set up correctly. She has been working with the support personnel to get the problem corrected. The city treasurer would like to hire a consulting firm to help in implementing these recommendations.

UPDATED COMMENT - Situation mostly the same. Some changes were made but then some items were then double posted. Comment revised and included in the current year's audit report.