THE CITY OF
GUYMON
OKLAHOMA

Comprehensive
Annual Financial Report

For the Fiscal Year Ended
December 31, 2014

CITY OF GUYMON, OKLAHOMA

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Introductory Section

KIM PETERSON, Mayor
LARRY SWAGER, Vice Mayor
KIMBERLY MEEK, City Manager

THE CITY OF GUYMON OKLAHOMA

WILLIAM KING, Council Member
JOHN VAN METER, Council Member
SERGIO ALVIDREZ, Council Member

June 30, 2015

To the Honorable Mayor Kim Peterson, Members of the City Council and Citizens:

We are pleased to submit the Comprehensive Annual Financial Report (CAFR) of the City of Guymon for the fiscal year ended December 31, 2014. We believe the information, as presented, is accurate in all material aspects and that all disclosures necessary to enable the reader to gain an adequate understanding of the City's financial affairs have been included. The Management's Discussion and Analysis provides additional narrative and detailed analysis of the City's financial affairs. The City's MD&A can be found immediately following the independent auditor's report. It is the responsibility of the management of the City to prepare the CAFR.

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

The City of Guymon provides many municipal services including public safety, streets, parks, general administration, and public utilities. For financial reporting purposes, all funds, agencies, boards, commissions, trusts and authorities involved in providing these services are included. Those included in this financial report are the Guymon Utilities Authority, the Guymon Industrial Authority, and the Guymon Airport Authority as well as all funds of the City.

Governmental Structure

The City operates as a statutory council-manager form of government. The legislative authority of the City is vested in a five member elected council, consisting of one council member from each of four wards and one council member elected at-large. The mayor is elected from among the council members. The City Council also serves as trustees of the Guymon Utilities Authority, the Guymon Industrial Authority, and the Guymon Airport Authority. The Mayor and Council appoint the City Treasurer and a City Manager, who is the chief executive officer of the City. Responsibility for the day-to-day operations of the City rests with the City Manager.

Economic Condition and Outlook

Guymon, originally incorporated in 1905, is situated in the heart of the Oklahoma Panhandle among productive oil and gas fields and rich agricultural land. Guymon is home to one of the largest pork exporters in the United States, Seaboard Foods, which processes over 6 million hogs per year. Over $5.8 billion dollars in cattle are produced in the region each year. Texas County consistently ranks in the top ten highest ranking gross agriculture producing counties in the United States and ranks first in the state. The estimated population of Guymon is 14,000 based on residential meters and the state's average household multiplier.

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580/338-3396 . FAX 580/338-6889 . TDD/TTY #1-800-722-0353
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"City of Guymon is an equal opportunity employer."
To file a complaint of discrimination write USDA, Director, Office of Civil Rights, Room 326-W, Whitten Building, 14th and Independence Avenue, SW, Washington, DC 20250-9410 or call (202) 720-5964 (voice or TDD)

The City continues to recruit value-added agriculture companies to help bring in new jobs to the region. In 2012 SPF North America opened their new plant in the Guymon Industrial Park. The plant is expected to employ 40-60 new quality jobs within a 5 year period. The City applied for and was awarded two grants for this project based on the jobs created by SPF. The first is a CDBG EDIF grant for $1 million dollars from the Department of Commerce. The second grant is an Industrial Access grant from the Department of Transportation for $475,000. These grants paid for paving the Industrial Park which will be a great improvement to the park and help attract new business and industry.

The City has also been working with developers that will put Guymon in the center of the renewable energy economy. In March of 2010 we started working with Clean Line Energy, a Houston-based private company that will be investing $2.5 billion in an eight-hundred mile wind energy transmission line from Texas County to the Tennessee Valley Authority in Tennessee. They will invest approximately $1.7 billion in Oklahoma. Their plans will start with spending approximately $250 million in Texas County to build an AC to DC converter station. Thousands of construction jobs will be created to build the converter stations and the transmission line. Installation of this transmission line will open up the doors for 3500 MW of wind energy to build out across the region, creating over 700 permanent, high quality, technician jobs to service these turbines. The three counties in the Oklahoma Panhandle have approximately 10,000 MW of untapped clean energy potential.

High Plains Bio Energy is operating at full capacity, producing about 33,000,000 gallons of bio diesel per year. They continue to look at other value added products to be produced.

Seaboard Foods has invested over $107 Million back into their operations, including additional finishing barns, feed mill improvements and a new feed mill, pork processing plant expansions, High Plains Bioenergy plant modifications and investments in compressed natural gas. These investments will help increase production and make the process more efficient.

The City is working with several new businesses on a potential rail spur project in the Guymon Industrial Park. The rail spur would serve several new businesses, extend Seaboard's capacity and leave room for future growth and development along the rail spur.

Oklahoma communities have to rely on sales tax and utility revenues for operations. In 2011 Land Run Commercial Real Estate purchased and renovated the former Homeland Shopping Center and has invested over $1.5 million to renovate the facility. This brought in six new retailers, new jobs and new sales tax revenue for the citizens of Guymon. It also included a new, larger Dollar General. That same developer has returned to Guymon and broke ground, this spring, on a new development north of Wal-Mart with the intent of creating 50,000 square feet of retail space. Guymon continues to focus on quality of life projects that will attract sales tax revenue, keep people shopping at home and strengthen our economic base.

The use of a two-cent increase in sales tax passed by voters in October of 2007 and will continue to be dedicated for capital assets and improvements. One cent was dedicated to drilling six new water wells and building a state of the art waste water treatment facility. Those projects were completed in 2012 and are huge assets to the residents of Guymon and new businesses looking at Guymon. The remaining one cent has been and will be used to repair and replace declining capital assets and infrastructure, as well as expand existing infrastructure for future growth.

The City was awarded a $400,000 Sidewalk Enhancement and Beautification grant from the Department of Transportation that was matched by a $129,000 grant from the local Nash Foundation. This project will start the process of renovating and beautifying our Main Street corridor starting at the corner of Highway 54 and Main Street attracting visitors into the downtown district. Public meetings were held in 2011 and 2012. The project will begin in July 2015.

Housing continues to be an issue that hinders our growth. In response to the housing situation, the City Council established a Housing Authority through which housing incentives can be offered. These incentives, coupled with support from OHFA, have helped us make huge progress. We are scheduled to break ground on a 31 unit subdivision by the end of July 2015. In addition, MRE Capital is expected to complete a project to renovate the historical Dale hotel and erect an additional building creating 48 units of living space in downtown Guymon by October 2015. A 120 unit apartment complex in the Wing Addition is in the design phase and is expected to begin in early 2016.

The City has contracted with Gray Planning Services for the development of a Comprehensive Plan to provide for guidance in future land use, for planning both infrastructure rehabilitation and growth, for implementation of beautification and for providing Quality of Life Amenities most desired by residents. The plan is expected to be accepted by fall 2015.

Awards

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Guymon for its Comprehensive Annual Financial Report (CAFR) for the year ended December 31, 2013. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government financial reports.

In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized Comprehensive Annual Financial Report, the contents of which conform to program standards. The CAFR must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe our current report continues to conform to the Certificate of Achievement program requirements, and we are submitting it to GFOA.

Acknowledgment

We would like to thank our consultants, Crawford & Associates, P.C., for their professional guidance and our auditors, Finley and Cook for their assistance in this process.

Finally, to the Guymon City Council we extend heartfelt thanks for their support. It is their commitment to financial reporting excellence that allows the citizens of Guymon to be fully informed about their municipal government finances. We are proud to convey the Council's commitment to our citizens and to all readers of this CAFR.

Respectfully submitted,

Kimberly Meek

Kimberly Meek
City Manager/Acting CFO

THE CITY OF
GUYMON
OKLAHOMA

Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

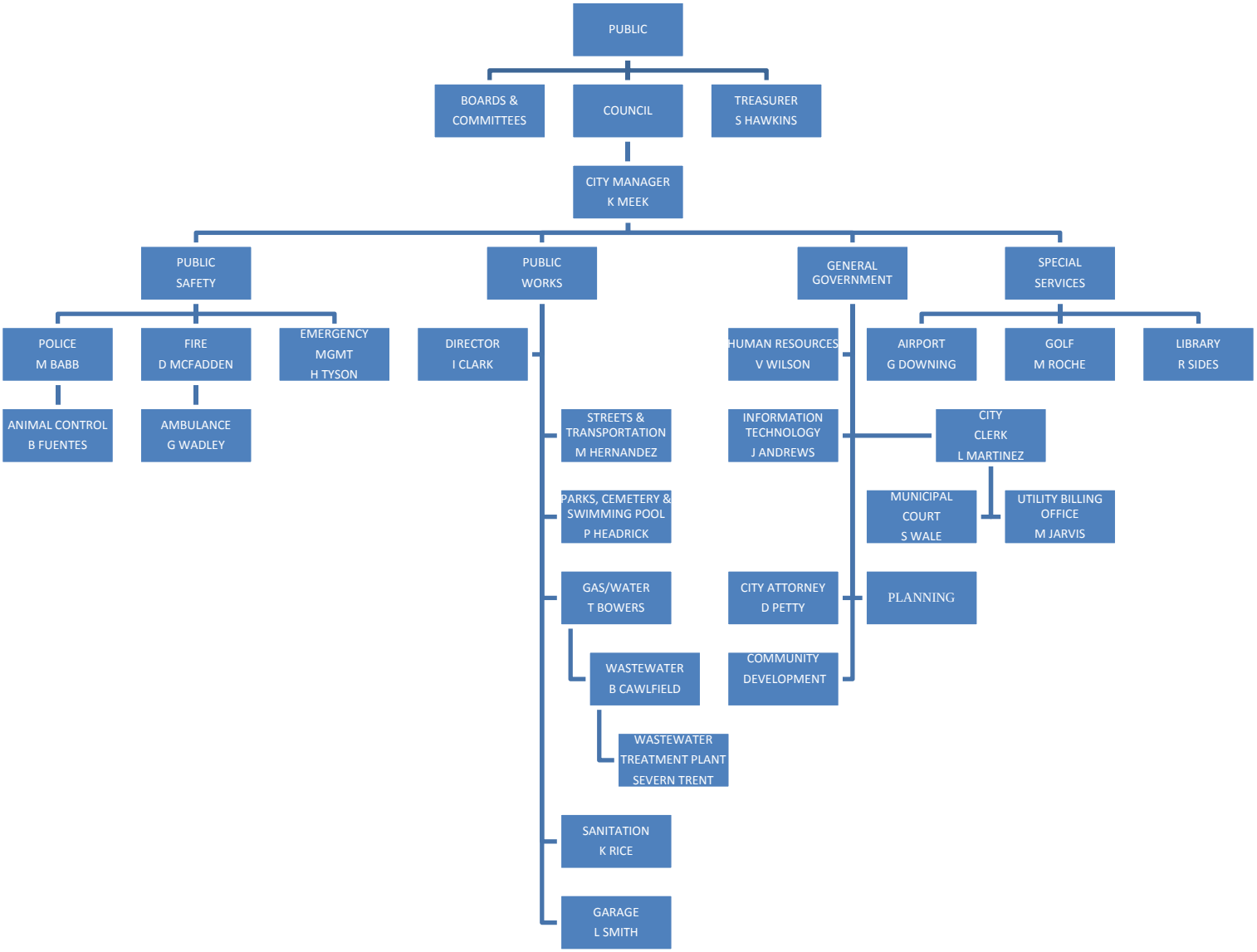
City of Guymon
Oklahoma

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

December 31, 2013

Executive Director/CEO

CITY OF GUYMON, OKLAHOMA
ORGANIZATIONAL CHART



CITY OF GUYMON

LIST OF PRINCIPAL OFFICIALS

City Council

Kim Peterson	Mayor
Larry Swager	Vice-Mayor
William King	Member
Sergio Alvidrez	Member
John Van Meter	Member

City Manager/Finance Director

Kimberly Meek

City Treasurer

Sally Hawkins

City Clerk

Lavoana Martinez

THE CITY OF
GUYMON
OKLAHOMA

Financial Section

FINLEY & COOK
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITORS' REPORT

To the Users of the City of Guymon, Oklahoma,
Annual Financial Report

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Guymon, Oklahoma (the "City"), as of and for the year ended December 31, 2014, and the related notes to the basic financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

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

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

(Continued)

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INDEPENDENT AUDITORS' REPORT, CONTINUED

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City as of December 31, 2014, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States.

Emphasis of Matter

As discussed in Note 3 to the financial statements, in 2014 the City adopted new accounting guidance, Statement No. 68 of the Governmental Accounting Standards Board (GASB), *Accounting and Financial Reporting for Pensions—an amendment of GASB Statement No. 27, and GASB Statement No. 71, Pension Transition from Contributions Made Subsequent to the Measurement Date, an amendment of GASB Statement No. 68.* The implementation of GASB Statements No. 68 and 71 resulted in the restatement of beginning net position. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States require that the management's discussion and analysis, the schedule of proportionate share of net pension liability (asset) —Oklahoma Police Pension and Retirement System, schedule of City contributions—Oklahoma Police Pension and Retirement System, schedule of proportionate share of net pension liability—Oklahoma Firefighters Pension and Retirement System, schedule of City contributions—Oklahoma Firefighters Pension and Retirement System, schedule of changes in net pension liability and related ratios—Oklahoma Municipal Retirement Fund, schedule of employer contributions—Oklahoma Municipal Retirement Fund, and budgetary comparison information on pages 5–11 and pages 60–68, respectively, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

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

(Continued)

INDEPENDENT AUDITORS' REPORT, CONTINUED

Other Information, Continued

The combining statements of non-major governmental funds, combining schedules—general fund accounts, schedule of departmental operating revenues and expenses enterprise fund—operating accounts, and the schedule of revenues, expenditures and changes in fund balance—budget and actual—non-major governmental funds and major governmental capital project funds are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 25, 2015, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

Finley + Cook, PLLC

Shawnee, Oklahoma
June 25, 2015

THE CITY OF
GUYMON
OKLAHOMA

MANAGEMENT'S DISCUSSION AND ANALYSIS

Our discussion and analysis of the City of Guymon's financial performance provides an overview of the City's financial activities for the year ended December 31, 2014. Please read it in conjunction with the City's financial statements.

FINANCIAL HIGHLIGHTS

- Net position of the City is $37.6 million.
- At the year ended December 31, 2014, the City's governmental funds reported a combined ending fund balance of $5.1 million.
- At the year ended December 31, 2014, unassigned fund balance for the General Fund was $2.4 million.
- Notable capital asset additions placed in service this year include:
  - Fire Ladder Truck $915,500
  - Resurfacing streets $303,772

USING THIS REPORT

This report consists of a series of financial statements. The Statement of Net Position and the Statement of Activities provide information about the activities of the City as a whole and present a longer-term view of the City's finances. For governmental activities and business-type activities, these statements tell how these services were financed in the short term as well as what remains for future spending. Fund financial statements also report the City's operations in more detail than the government-wide statements by providing information about the City's most significant funds.

Reporting the City as a Whole

The Statement of Net Position and the Statement of Activities

One of the most important questions asked about the City's finances is, "Is the City as a whole better off or worse off financially as a result of the period's activities?" The Statement of Net Position and the Statement of Activities report information about the City as a whole and about its activities in a way that helps answer this question. These statements include *all* assets, deferred outflows, liabilities and deferred outflows using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. All of the current period's revenues and expenses are taken into account regardless of when cash is received or paid. These two statements report the City's net position and changes to it. You can think of the City's net position—the difference between assets, deferred outflows, liabilities and deferred inflows—as one way to measure the City's financial health, or financial position. Over time, increases or decreases in the City's net position is one indicator of whether its financial health is improving or deteriorating. You will need to consider other non-financial factors, however, such as changes in the City's sales tax base and the condition of the City's roads, to assess the overall health of the City.

In the Statement of Net Position and the Statement of Activities, we divide the City into two kinds of activities:

- Governmental activities—Most of the City's basic services are reported here, including the police, fire, general administration, streets, parks, and ambulance. Sales taxes, franchise fees, fines, and state and federal grants finance most of these activities.

- Business-type activities—The City charges a fee to customers to help it cover all or most of the cost of certain services it provides. The City's water, sewer, sanitation, and natural gas systems are reported here.

Reporting the City's Most Significant Funds

Fund Financial Statements

The fund financial statements provide detailed information about the most significant funds—not the City as a whole. Some funds are required to be established by State law and by bond covenants. However, the City Council establishes many other funds to help it control and manage money for particular purposes (like the Guymon Development Fund) or to show that it is meeting legal responsibilities for using certain taxes, grants, and other money (like grants received from the Oklahoma Department of Commerce). The City's two fund categories—governmental and proprietary—use different accounting approaches.

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

- Proprietary funds—When the City charges customers for the services it provides, these services are generally reported in proprietary funds. Proprietary funds are reported in the same way that all activities are reported in the Statement of Net Position and the Statement of Activities. In fact, the City's enterprise fund is the same as the business-type activities we report in the government-wide statements but provide more detail and additional information, such as cash flows.

THE CITY AS A WHOLE

Net Position

As shown on Table 1, the City's *combined* net positions were $37.6 million. Explanations of increases and decreases in excess of 20% and $200,000 are as follows:

Table 1
Net Position
December 31, 2014
(In Thousands)

	Governmental Activities		% Inc. (Dec.)	Business-type Activities		% Inc. (Dec.)	Total Primary Government		% Inc. (Dec.)
	2014	* 2013		2014	* 2013		2014	* 2013	
Current and other assets	$ 6,515	$ 6,716	-3%	$ 6,611	$ 6,413	3%	$ 13,126	$ 13,129	0%
Capital assets	25,862	25,944	0%	32,346	33,793	-4%	58,208	59,737	-3%
Total assets	32,377	32,660	-1%	38,957	40,206	-3%	71,334	72,866	-2%
Deferred outflows of resources:									
Deferred amount of pension	279	-	100%	60	-	100%	339	-	100%
Long-term debt outstanding	12,528	9,371	34%	16,093	17,805	-10%	28,621	27,176	5%
Other liabilities	1,543	1,318	17%	2,628	2,770	-5%	4,171	4,088	2%
Total liabilities	14,071	10,689	32%	18,721	20,575	-9%	32,792	31,264	5%
Deferred inflows of resources:									
Deferred amount of pension	1,088	-	100%	160	-	100%	1,248	-	100%
Net position:									
Net investment in capital assets	15,962	15,989	0%	14,717	14,495	2%	30,679	30,484	1%
Restricted	2,846	2,812	1%	-	-	0%	2,846	2,812	1%
Unrestricted	(1,311)	3,170	-141%	5,419	5,136	6%	4,108	8,306	-51%
Total net position	$ 17,497	$ 21,971	-20%	$ 20,136	$ 19,631	3%	$ 37,633	$ 41,602	-10%

* prior year amounts not restated for MD&A purposes

Governmental Activities:

Long-term debt outstanding – 34% increase of $3.2 million related primarily to the addition of net pension liability in the current year.

Changes in Net Position:

Overall, the City's "Net Position" increased by $0.6 million. Explanations for this increase are given for individual items in excess of 20% change and in excess of $200,000 change as follows:

Table 2
Changes in Net Position
For the Year Ended December 31, 2014
(In Thousands)

	Governmental Activities		% Inc. (Dec.)	Business-Type Activities		% Inc. (Dec.)	Total Primary Government		% Inc. (Dec.)
	2014	* 2013		2014	* 2013		2014	* 2013	
Revenues:									
Program revenues:									
Charges for services	$ 1,297	$ 1,119	16%	$ 11,749	$ 10,916	8%	$ 13,046	$ 12,035	8%
Operating grants	775	741	5%	-	-	-	775	741	5%
Capital grants	109	2,472	-96%	-	48	-100%	109	2,520	-96%
General revenues:									
Sales and use taxes	6,944	7,256	-4%	-	-	-	6,944	7,256	-4%
Other taxes	1,311	1,491	-12%	-	-	-	1,311	1,491	-12%
Other general revenue	386	317	22%	11	13	-15%	397	330	20%
Total revenues	10,822	13,396	-19%	11,760	10,977	7%	22,582	24,373	-7%
Program expenses:									
General government	1,115	1,066	5%	-	-	-	1,115	1,066	5%
Public safety and judiciary	5,277	5,124	3%	-	-	-	5,277	5,124	3%
Transportation	2,123	2,090	2%	-	-	-	2,123	2,090	2%
Cultural, parks and recreation	2,180	2,149	1%	-	-	-	2,180	2,149	1%
Community/economic development	1,023	1,183	-14%	-	-	-	1,023	1,183	-14%
Interest	223	321	-31%	-	-	-	223	321	-31%
Gas	-	-	-	3,451	3,453	0%	3,451	3,453	0%
Garage	-	-	-	76	68	12%	76	68	12%
Water	-	-	-	1,757	1,791	-2%	1,757	1,791	-2%
Sewer	-	-	-	3,257	2,981	9%	3,257	2,981	9%
Sanitation	-	-	-	1,487	1,361	9%	1,487	1,361	9%
Farm	-	-	-	39	-	100%	39	-	100%
Total expenses	11,941	11,933	0%	10,067	9,654	4%	22,008	21,587	2%
Excess (deficiency) before transfers	(1,119)	1,463	-176%	1,693	1,323	28%	574	2,786	-79%
Transfers	992	525	89%	(992)	(525)	-89%	-	-	-
Increase (decrease) in net position	(127)	1,988	-106%	701	798	-12%	574	2,786	-79%
Beginning net position	17,624	19,983	-12%	19,435	18,833	3%	37,059	38,816	-5%
Ending net position	17,497	21,971	-20%	20,136	19,631	3%	37,633	41,602	-10%

* prior year amounts not restated for MD&A purposes

Governmental Activities

Capital grants – 96% decrease of approximately $2.4 million related to receipt of $1 million CDBG grant used for industrial road construction and $0.65 million USDA grant for the library building in the prior year.

Transfers – 89% increase of approximately $0.5 million mainly due to the net effect of increased operating transfers from GUA to General Fund of $0.6 million.

To aid in the understanding of the Statement of Activities some additional explanation is given. Of particular interest is the format that is significantly different than a typical Statement of Revenues, Expenses, and Changes in Fund Balance. You will notice that expenses are listed in the first column with revenues from that particular program reported to the right. The result is a Net (Expense)/Revenue. The reason for this kind of format is to highlight the relative financial burden of each of the functions on the City's taxpayers. It also identifies how much each function draws from the general revenues or if it is self-financing through fees and grants. Table 3 presents the cost of each of the City's seven

largest programs—police, economic development, fire, street, golf, general government, and community development—as well as each program's net cost (total cost less revenues generated by the activities). The net cost shows the financial burden that was placed on the City's taxpayers by each of these functions.

The City's governmental activities had a decrease in net position of approximately $0.1 million.

Table 3
Governmental Activities
For the Year Ended December 31, 2014
(In Thousands)

	Total Cost of Services		%	Net Revenue (Expense) of Services		%
	2014	2013		2014	2013	
Police Dept.	$ 2,289	$ 2,348	-3%	$ (1,610)	$ (1,796)	10%
Economic Development	339	732	-54%	(306)	(692)	56%
Fire Dept.	2,332	2,086	12%	(2,075)	(1,636)	-27%
Street Dept.	1,265	1,147	10%	(1,151)	57	-2119%
Golf Dept.	639	645	-1%	(314)	(243)	-29%
General Government Dept.	612	572	7%	(576)	(536)	-7%
Community Development	682	388	76%	(584)	(366)	-60%
All others	3,783	4,015	-6%	(3,144)	(2,389)	-32%
Totals	$ 11,941	$ 11,933	0%	$ (9,760)	$ (7,601)	-28%

Explanations for significant changes in Table 3 are noted after Table 2.

Business-type Activities

Overall, total cost of services for the city's business-type activities increased just slightly from last year by 4% which approximated $701,224. And there were no significant changes for Total Cost of Services or Net Revenue (Expense) of Services that exceeded 20% and $200,000 as Table 4 shows.

Table 4
Business-Type Activities
For the Year Ended December 31, 2014
(In Thousands)

	Total Cost of Services		%	Net Revenue (Expense) of Services		%
	2014	2013		2014	2013	
Gas	$ 3,451	$ 3,453	0%	$ 2,137	$ 1,408	52%
Garage	76	68	12%	(76)	(68)	-12%
Water	1,757	1,791	-2%	1,373	1,373	0%
Sewer	3,257	2,981	9%	(1,943)	(1,653)	-18%
Sanitation	1,487	1,361	9%	47	173	-73%
Farm	39	-	-	143	76	88%
Totals	$ 10,067	$ 9,654	4%	$ 1,681	$ 1,309	28%

THE CITY'S FUNDS

The City's total governmental fund balance increased by $20,914. While the General Fund, General Sales Tax CIF Fund and GUA Sales Tax CIF decreased its fund balances slightly, Other Governmental Funds had an increase in fund balance of $214,718.

GENERAL FUND BUDGETARY HIGHLIGHTS

For the year ended December 31, 2014, the General Fund reported actual budgetary basis revenues below final estimates by approximately $77,000 for a 1.1% negative variance. This variance is primarily due to a 7% negative variance in taxes related to use taxes received below the budget by $0.3 million. To offset that negative variance, there was a positive variance of 26% in intergovernmental revenues of about $0.2 million. General Fund total expenditures were under final estimates by $0.5 million for a 5% positive variance. Departments reporting the greatest positive variances were: Ambulance - $92 thousand (personal services-health insurance, equipment maintenance, capital outlay, and debt service); Airport - $165 thousand (personal services-wages and health insurance, and maintenance); and Street - $91 thousand (personal services-wages and health insurance, street and equipment maintenance).

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

At the end of December 31, 2014, the City had $99.6 million invested in capital assets including police and fire equipment, buildings, park facilities, roads, and water, sewer, and gas lines (See Table 5). Further detailed information can be found in the notes to the financial statements (Notes 1.D. and 3.D.).

Table 5
Capital Assets
December 31, 2014
(In Thousands)

	Governmental Activities		Business-Type Activities		Totals	
	2014	2013	2014	2013	2014	2013
Land	$ 290	$ 290	$ 2,245	$ 2,245	$ 2,535	$ 2,535
Buildings	15,374	15,382	980	980	16,354	16,362
Improvements	12,314	12,001	1,970	1,961	14,284	13,962
Equipment	9,290	8,022	3,939	3,680	13,229	11,702
Infrastructure	6,639	5,054	-	-	6,639	5,054
Utility Property	-	-	46,254	46,254	46,254	46,254
Construction in Progress	253	1,673	75	32	328	1,705
Totals	$ 44,160	$ 42,422	$ 55,463	$ 55,152	$ 99,623	$ 97,574

This period's major additions included:

Fire ladder truck	$915,500
Street resurfacing	303,772

Debt

At the year ended December 31, 2014, the City had $27.5 million in outstanding notes and capital leases. Other long-term obligations of the City include accrued compensated absences and customer deposit liability. The City also issued an additional $0.9 million of debt to purchase a ladder truck. Further detailed information can be found in Note 3.E.

Table 6
Long-term Debt
December 31, 2014
(In Thousands)

	Governmental Activities		Business-Type Activities		Totals	
	2014	2013	2014	2013	2014	2013
Revenue notes (backed by fee and tax revenues)	$ 8,770	$ 9,480	$ 17,433	$ 19,064	$ 26,203	$ 28,544
Capital lease obligations (backed by City and GUA)	1,130	475	196	235	1,326	710
Totals	$ 9,900	$ 9,955	$ 17,629	$ 19,299	$ 27,529	$ 29,254

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The General Fund 2015 budget reflects a use of $599 thousand of fund balance. Estimated revenues increased 8% from 2014 while estimated expenditures increased 13%. The difference is funded by use of fund balance. However, even with the use of fund balance, the ending fund balance amount is 41% of estimated annual revenues.

The enterprise fund is budgeting for an increase in revenues of 4% and an increase in expenditures of 27%. The GUA ending budgetary unrestricted net position is estimated to be 45% of annual revenues.

CONTACTING THE CITY'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers and creditors with a general overview of the City's finances and to show the City's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the City Clerk's Office at 219 N.W. 4th Street, Guymon, Oklahoma or telephone at 580-338-3396.

BASIC FINANCIAL STATEMENTS

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

- Government-wide financial statements
- Fund financial statements:

  -Governmental funds

  -Proprietary (enterprise) fund

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

City of Guymon, Oklahoma
Statement of Net Position
December 31, 2014

	Governmental Activities	Business-type Activities	Total
ASSETS			
Current Assets:			
Cash, including time deposits	$ 3,559,667	$ 4,174,806	$ 7,734,473
Restricted cash, including time deposits	900,684	73,722	974,406
Investments	84,775	-	84,775
Accounts receivable, net	628,521	1,905,353	2,533,874
Internal Balances	(342,698)	342,698	-
Due from other governments	1,515,913	-	1,515,913
Total current assets	6,346,862	6,496,579	12,843,441
Noncurrent Assets:			
Restricted cash, including time deposits	76,839	114,618	191,457
Net pension asset	91,690	-	91,690
Capital Assets:			
Nondepreciable	542,908	2,320,188	2,863,096
Depreciable, net	25,318,734	30,025,761	55,344,495
Total noncurrent assets	26,030,171	32,460,567	58,490,738
Total Assets	32,377,033	38,957,146	71,334,179
Deferred outflows of resources:			
Deferred amounts related to pensions	279,479	60,156	339,635
LIABILITIES			
Current liabilities:			
Accounts payable	402,046	707,350	1,109,396
Retainage payable	63,950	-	63,950
Accrued interest payable	48,432	145,329	193,761
Due to other governmental agencies	946	-	946
Refundable court bonds	21,883	-	21,883
Current portion of long-term:			
Capital lease obligation	239,412	39,275	278,687
Notes payable	733,879	1,728,109	2,461,988
Accrued compensated absences	32,255	8,355	40,610
Total current liabilities	1,542,803	2,628,418	4,171,221
Noncurrent liabilities:			
Customer deposits payable	-	114,618	114,618
Capital lease obligation	890,893	157,093	1,047,986
Notes payable, net	8,035,788	15,704,430	23,740,218
Net pension liability	3,311,275	41,649	3,352,924
Accrued compensated absences	290,296	75,207	365,503
Total noncurrent liabilities	12,528,252	16,092,997	28,621,249
Total Liabilities	14,071,055	18,721,415	32,792,470
Deferred inflows of resources:			
Deferred amounts related to pensions	1,088,630	159,333	1,247,963
NET POSITION			
Net investment in capital assets	15,961,670	14,717,042	30,678,712
Restricted for:			
Capital projects/debt service	1,163,784	-	1,163,784
Public safety	375,803	-	375,803
Convention/tourism	316,068	-	316,068
Other	899,507	-	899,507
Permanent fund purposes:			
Permanent fund - nonexpendable	4,300	-	4,300
Permanent fund - expendable	86,965	-	86,965
Unrestricted (deficit)	(1,311,270)	5,419,512	4,108,242
Total net position	$ 17,496,827	$ 20,136,554	$ 37,633,381

See accompanying notes to the basic financial statements.

City of Guymon, Oklahoma
Statement of Activities
For the Year Ended December 31, 2014

			Program Revenue			Net (Expense) Revenue and Changes in Net Position Primary Government		
Functions/Programs	**Expenses**	**Indirect Expense Allocation**	**Charges for Services**	**Operating Grants and Contributions**	**Capital Grants and Contributions**	**Governmental Activities**	**Business-type Activities**	**Total**
Primary government								
Governmental Activities								
General government:								
City clerk	$ 82,230	$ -	$ -	$ -	$ -	$ (82,230)	$ -	$ (82,230)
City treasurer	69,232	-	-	-	-	(69,232)	-	(69,232)
Human resources	134,944	-	-	-	-	(134,944)	-	(134,944)
Information technology	216,713	-	-	-	-	(216,713)	-	(216,713)
General government	612,361	-	36,619	-	-	(575,742)	-	(575,742)
Total General Government	1,115,480	-	36,619	-	-	(1,078,861)	-	(1,078,861)
Public Safety and Judiciary:								
City attorney	86,846	-	-	-	-	(86,846)	-	(86,846)
Ambulance	385,675	-	385,660	3,240	-	3,225	-	3,225
Police	2,288,811	-	458,127	85,459	134,775	(1,610,450)	-	(1,610,450)
Municipal court	164,069	-	-	-	-	(164,069)	-	(164,069)
Fire	2,332,166	-	-	252,232	5,190	(2,074,744)	-	(2,074,744)
Civil emergency management	19,779	-	-	-	-	(19,779)	-	(19,779)
Total Public Safety and Judiciary	5,277,346	-	843,787	340,931	139,965	(3,952,663)	-	(3,952,663)
Transportation:								
Airport	380,880	-	20,250	-	(32,424)	(393,054)	-	(393,054)
Streets	1,264,598	-	-	113,680	-	(1,150,918)	-	(1,150,918)
Public transportation	477,800	-	27,029	169,953	-	(280,818)	-	(280,818)
Total Transportation	2,123,278	-	47,279	283,633	(32,424)	(1,824,790)	-	(1,824,790)
Cultural, Parks, and Recreation:								
Golf	638,803	-	325,237	-	-	(313,566)	-	(313,566)
Library	648,879	-	7,109	18,879	646	(622,245)	-	(622,245)
Cemetery	148,181	-	22,074	-	-	(126,107)	-	(126,107)
Swimming pool	70,372	-	9,748	-	-	(60,624)	-	(60,624)
Parks	512,172	-	5,178	-	1,230	(505,764)	-	(505,764)
Tourism	161,152	-	-	-	-	(161,152)	-	(161,152)
Total Cultural, Parks, and Recreation	2,179,559	-	369,346	18,879	1,876	(1,789,458)	-	(1,789,458)
Community/Economic Development:								
Community development	682,420	-	-	98,096	-	(584,324)	-	(584,324)
Business incubator	1,146	-	-	-	-	(1,146)	-	(1,146)
Economic development	339,184	-	-	33,333	-	(305,851)	-	(305,851)
Total Community/Economic Development	1,022,750	-	-	131,429	-	(891,321)	-	(891,321)
Interest on Long-term Debt	223,190	-	-	-	-	(223,190)	-	(223,190)
Total governmental activities	11,941,603	-	1,297,031	774,872	109,417	(9,760,283)	-	(9,760,283)
Business-type activities:								
Gas	3,067,380	384,348	5,588,264	-	-	-	2,136,536	2,136,536
Garage	75,595	-	-	-	-	-	(75,595)	(75,595)
Water	1,541,832	215,276	3,130,031	-	-	-	1,372,923	1,372,923
Sewer	3,166,231	90,418	1,314,637	-	-	-	(1,942,012)	(1,942,012)
Sanitation	1,381,610	105,550	1,534,646	-	-	-	47,486	47,486
Farm	38,598	-	181,435	-	-	-	142,837	142,837
Administration	-	(795,592)	-	-	-	-	-	-
Total business-type activities	10,066,838	-	11,749,013	-	-	-	1,682,175	1,682,175
Total primary government	22,008,441	-	13,046,044	774,872	109,417	(9,760,283)	1,682,175	(8,078,108)
General revenues:								
Taxes:								
Sales and use taxes						6,943,727	-	6,943,727
Franchise and public service taxes						613,155	-	613,155
E-911 taxes, dedicated for emergency services						132,792	-	132,792
Hotel/Motel taxes, dedicated for tourism						221,165	-	221,165
Tax apportionment taxes, dedicated for economic development						336,838	-	336,838
Airport fuel tax						6,730	-	6,730
Intergovernmental, unrestricted						218,147	-	218,147
Unrestricted investment earnings						18,421	11,213	29,634
Miscellaneous						149,759	-	149,759
Transfers						992,164	(992,164)	-
Total general revenues and transfers						9,632,898	(980,951)	8,651,947
Change in net position						(127,385)	701,224	573,839
Net position - beginning, restated (see Note 3.G.)						17,624,212	19,435,330	37,059,542
Net position - ending						$ 17,496,827	$ 20,136,554	$ 37,633,381

See accompanying notes to the basic financial statements.

City of Guymon, Oklahoma
Balance Sheet
Governmental Funds
December 31, 2014

	General Fund	General Sales Tax CIF	GUA Sales Tax CIF	Other Governmental Funds	Total Governmental Funds
ASSETS					
Cash, including time deposits	$ 2,384,115	$ 418,618	$ 744,138	$ 990,319	$ 4,537,190
Investments	-	-	-	84,775	84,775
Receivable from other governments	622,204	206,123	206,123	481,463	1,515,913
Accounts receivable, net	581,920	-	-	46,601	628,521
Due from other funds	299,242	-	-	-	299,242
Total assets	3,887,481	624,741	950,261	1,603,158	7,065,641
LIABILITIES, DEFERRED INFLOWS AND FUND BALANCE					
Liabilities:					
Accounts payable	255,394	96,932	1	49,619	401,946
Due to other funds	-	-	342,698	299,242	641,940
Retainage payable	63,950	-	-	-	63,950
Due to other governments	946	-	-	-	946
Refundable court bonds	21,883	-	-	-	21,883
Total liabilities	342,173	96,932	342,699	348,861	1,130,665
Deferred inflows of resources:					
Deferred revenue	337,968	-	-	454,153	792,121
Fund balances:					
Nonspendable	-	-	-	4,300	4,300
Restricted	-	527,809	607,562	1,260,783	2,396,154
Assigned	791,105	-	-	-	791,105
Unassigned (deficit)	2,416,235	-	-	(464,939)	1,951,296
Total fund balance	3,207,340	527,809	607,562	800,144	5,142,855
Total liabilities, deferred inflows and fund balance	$ 3,887,481	$ 624,741	$ 950,261	$ 1,603,158	$ 7,065,641

City of Guymon, Oklahoma
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position
December 31, 2014

Total fund balance, governmental funds	$	5,142,855
Amounts reported for governmental activities in the Statement of Net Position are different because:		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds, net of accumulated depreciation of $18,298,140		25,861,642
Other long-term assets are not available to pay for current period expenditures and therefore are deferred in the funds:		
Accounts receivable, net of allowance for doubtful accounts		792,021
Net pension asset		91,690
Pension related deferred outflows		279,479
Certain liabilities are not due and payable in the current period from current financial resources, and therefore are not reported in the funds:		
Capital lease obligations		(1,130,305)
Net pension liability		(3,311,275)
Pension related deferred inflows		(1,088,630)
Notes payable		(8,769,667)
Accrued interest payable		(48,432)
Accrued compensated absences		(322,551)
Net Position of Governmental Activities	$	17,496,827

City of Guymon, Oklahoma
Statement of Revenues, Expenditures and Changes in Fund Balance
Governmental Funds
For the Year Ended December 31, 2014

	General Fund	General Sales Tax CIF	GUA Sales Tax CIF	Other Governmental Funds	Total Governmental Funds
REVENUES					
Taxes	$ 4,382,276	$ 1,590,668	$ 1,590,668	$ 689,070	$ 8,252,682
Intergovernmental	1,320,808	-	-	253,487	1,574,295
Charges for services	750,970	-	-	8,020	758,990
Fines and forfeitures	389,974	-	-	-	389,974
Licenses and permits	41,657	-	-	-	41,657
Investment earnings	5,961	830	503	11,174	18,468
Miscellaneous	219,964	267	-	26,680	246,911
Total revenues	7,111,610	1,591,765	1,591,171	988,431	11,282,977
EXPENDITURES					
Current:					
General Government:					
City clerk	84,542	-	-	-	84,542
City treasurer	69,608	-	-	-	69,608
Human resources	135,114	-	-	-	135,114
Information technology	190,085	-	-	-	190,085
General government	606,077	-	-	-	606,077
Total General Government	1,085,426	-	-	-	1,085,426
Public Safety and Judiciary:					
City attorney	86,846	-	-	-	86,846
Ambulance	321,174	-	-	-	321,174
Police	2,093,733	2,304	-	133,689	2,229,726
Municipal court	162,144	-	-	-	162,144
Fire	1,888,440	-	-	-	1,888,440
Civil emergency management	18,113	-	-	-	18,113
Total Public Safety and Judiciary	4,570,450	2,304	-	133,689	4,706,443
Transportation:					
Airport	80,801	-	-	-	80,801
Street	916,348	-	-	-	916,348
Public Transportation	448,230	-	-	-	448,230
Total Transportation	1,445,379	-	-	-	1,445,379
Cultural, Parks, and Recreation:					
Golf	539,790	-	-	-	539,790
Library	405,700	-	-	21,528	427,228
Cemetery	132,858	-	-	-	132,858
Swimming pool	61,673	-	-	-	61,673
Parks	435,056	29,320	-	279	464,655
Tourism	-	-	-	137,522	137,522
Total Cultural, Parks and Recreation	1,575,077	29,320	-	159,329	1,763,726
Community/Economic Development:					
Community development	556,467	-	-	114,009	670,476
Business incubator	2,415	-	-	-	2,415
Economic development	-	-	-	339,184	339,184
Total Community/Economic Development	558,882	-	-	453,193	1,012,075
Debt Service:					
Principal	234,465	710,816	-	-	945,281
Interest and other charges	30,662	331,109	-	-	361,771
Capital Outlay	1,081,334	655,991	-	88,530	1,825,855
Total Expenditures	10,581,675	1,729,540	-	834,741	13,145,956
Excess (deficiency) of revenues over expenditures	(3,470,065)	(137,775)	1,591,171	153,690	(1,862,979)
OTHER FINANCING SOURCES (USES)					
Proceeds of long-term debt	915,500	-	-	-	915,500
Transfers in	3,342,775	-	358,393	66,028	3,767,196
Transfers out	(795,895)	-	(1,997,908)	(5,000)	(2,798,803)
Total other financing sources and uses	3,462,380	-	(1,639,515)	61,028	1,883,893
Net change in fund balance	(7,685)	(137,775)	(48,344)	214,718	20,914
Fund balances - beginning	3,215,025	665,584	655,906	585,426	5,121,941
Fund balances - ending	$ 3,207,340	$ 527,809	$ 607,562	$ 800,144	$ 5,142,855

See accompanying notes to the basic financial statements.

City of Guymon, Oklahoma

Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balance of Governmental Funds to the Statement of Activities
For the Year Ended December 31, 2014

Net change in fund balance - total governmental funds:	$	20,914
Amounts reported for Governmental Activities in the Statement of Activities are different because:		
Governmental funds report capital outlays as expenditures while governmental activities report depreciation expense to allocate those expenditures over the life of the assets:		
Capital asset purchases capitalized		1,790,194
Depreciation expense		(1,908,676)
Capital assets transferred from business-type activities		36,491
Book value of disposed capital assets		(604)
In the Statement of Activities, the cost of pension benefits earned net of employee contributions is reported as an element of pension expense. The fund financial statements report pension contributions as expenditures.		318,275
In the Statement of Activities, the proceeds of long-term capital leases is recognized as an increase in long-term debt. The fund financial statements recognize proceeds as revenue.		
Proceeds from debt issuance		(915,500)
Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds:		
Change in deferred revenue		(402,849)
Repayment of debt principal and note issue costs is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position:		
Long-term debt principal payments		970,835
Some expenses reported in the statement of activities do not require the use of current financial resources and these are not reported as expenditures in governmental funds:		
Change in accrued compensated absences		(40,232)
Change in accrued interest payable		3,767
Change in net position of governmental activities	$	(127,385)

See accompanying notes to the basic financial statements.

City of Guymon, Oklahoma
Statement of Net Position
Proprietary Fund
December 31, 2014

	Enterprise Fund
	Guymon Utility Authority
ASSETS	
Current assets:	
Cash, including time deposits	$ 4,174,806
Restricted cash, including time deposits	73,722
Receivables	
Utility billing, net of allowance for uncollectible accounts	1,903,728
Due from other funds	342,698
Other receivables	1,625
Total current assets	6,496,579
Non-current assets:	
Restricted assets:	
Cash, including time deposits	114,618
Capital Assets:	
Non-depreciable	2,320,188
Depreciable, net	30,025,761
Total non-current assets	32,460,567
Total assets	$ 38,957,146
DEFERRED OUTFLOW OF RESOURCES:	
Deferred amounts related to pensions	60,156
LIABILITIES	
Current liabilities:	
Accounts payable and accrued liabilities	707,350
Accrued interest payable	145,329
Notes payable	1,728,109
Capital lease payable	39,275
Accrued compensated absences	8,355
Total current liabilities	2,628,418
Non-current liabilities:	
Customer deposits payable	114,618
Notes payable, net	15,704,430
Capital lease payable	157,093
Accrued compensated absences	75,207
Net pension liability	41,649
Total non-current liabilities	16,092,997
Total liabilities	18,721,415
DEFERRED INFLOW OF RESOURCES:	
Deferred amounts related to pensions	159,333
NET POSITION	
Net investment in capital assets	14,717,042
Unrestricted	5,419,512
Total net position	$ 20,136,554

See accompanying notes to the basic financial statements.

City of Guymon, Oklahoma
Statement of Revenues, Expenses and Changes in Fund Net Position
Proprietary Fund
For the Year Ended December 31, 2014

	Enterprise Fund Guymon Utility Authority
OPERATING REVENUES	
Charges for services:	
Gas charges (net of $25,045 bad debt)	$ 5,213,770
Water charges (net of $9,783 bad debt)	3,126,846
Sewer charges (net of $4,916 bad debt)	1,314,637
Sanitation charges (net of $5,305 bad debt)	1,534,372
Penalties	45,253
Agriculture revenue	181,435
Total charges for services	11,416,313
Miscellaneous	20,581
Total operating revenues	11,436,894
OPERATING EXPENSES	
Cost of goods sold	2,454,763
Personal services	2,052,785
Materials and supplies	293,231
Other services and charges	2,824,218
Depreciation	1,872,123
Total Operating Expenses	9,497,120
Operating income	1,939,774
NON-OPERATING REVENUES (EXPENSES)	
Investment income	11,213
Interest expense	(569,718)
Gain on sale of capital assets	275,628
Total non-operating revenue (expenses)	(282,877)
Income before transfers and contributions	1,656,897
TRANSFERS AND CONTRIBUTIONS:	
Contributed capital	12,720
Transfers in	2,793,803
Transfers out	(3,762,196)
Net Transfers and Contributions	(955,673)
Change in net position	701,224
Total net position - beginning, restated (see Note 3.G.)	19,435,330
Total net position - ending	$ 20,136,554

See accompanying notes to the basic financial statements.

City of Guymon, Oklahoma
Statement of Cash Flows
Proprietary Fund
For the Year Ended December 31, 2014

	Enterprise Fund Guymon Utilities Authority
CASH FLOWS FROM OPERATING ACTIVITIES	
Receipts from customers	$ 10,840,899
Payments to suppliers	(5,818,597)
Payments to employees	(2,100,588)
Receipts of customer meter deposits	42,764
Refunds of customer meter deposits	(24,609)
Net cash provided by operating activities	2,939,869
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES	
Transfers from other funds	2,793,803
Transfers to other funds	(3,762,196)
Net cash provided by (used in) noncapital financing activities	(968,393)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Purchases of capital assets	(463,958)
Proceeds from sale of capital assets	283,500
Principal paid on debt	(1,669,429)
Contributed capital revenue	12,720
Interest and fiscal agent fees paid on debt	(542,191)
Net cash provided by (used in) capital and related financing activities	(2,379,358)
CASH FLOWS FROM INVESTING ACTIVITIES	
Interest and dividends	11,213
Net cash provided by investing activities	11,213
Net increase in cash and cash equivalents	(396,669)
Balances - beginning of year	4,759,815
Balances - end of year	$ 4,363,146
Reconciliation to Statement of Net Position:	
Cash and cash equivalents	4,174,806
Restricted cash and cash equivalents - current	73,722
Restricted cash and cash equivalents - noncurrent	114,618
Total cash and cash equivalents, end of year	$ 4,363,146
Reconciliation of operating income to net cash provided by operating activities:	
Operating income	$ 1,939,774
Adjustments to reconcile operating income to net cash provided by operating activities:	
Depreciation expense	1,872,123
Pension liability	(54,590)
Due from other governments	(342,698)
Accounts receivable	(253,297)
Accounts payable	(246,385)
Deposits subject to refund	18,155
Accrued compensated absences	6,787
Net cash provided by operating activities	$ 2,939,869

See accompanying notes to the basic financial statements

CITY OF GUYMON, OKLAHOMA

NOTES TO BASIC FINANCIAL STATEMENTS

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NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City complies with generally accepted accounting principles (GAAP). GAAP includes all relevant Governmental Accounting Standards Board (GASB) pronouncements. The accounting and reporting framework and the more significant accounting policies are discussed in subsequent subsections of this Note.

1.A. FINANCIAL REPORTING ENTITY

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

Primary Government:	City of Guymon
Blended Component Units:	Guymon Utilities Authority Guymon Industrial Authority Guymon Airport Authority

In determining the financial reporting entity, the City complies with the provisions of Governmental Accounting Standards Board Statement No. 14, as amended by GASB statement 61, "The Financial Reporting Entity" and includes all component units of which the City is financially accountable.

Blended Component Units

Blended component units are separate legal entities that meet the component unit criteria described above. These component units' funds are blended into those of the City's by appropriate activity type to comprise the primary government presentation.

Blended Component Units

Component units that are blended into the reporting activity types of the City's report are presented below:

Component Unit	Brief Description/Inclusion Criteria	Reporting
Guymon Utilities Authority (GUA)	Created February 1, 1961, to finance, develop and operate the water and sewer activities, amended in subsequent years to include the gas and sanitation activities. The current City Council serves as entire governing body (Trustees) and management of the City also manages the trust. Any issuances of debt would require a two-thirds approval of the City Council .	Major Enterprise Fund

Component Unit	Brief Description/Inclusion Criteria	Reporting
Guymon Industrial Authority (GIA)	Created December 1, 1965, to finance and promote the development of industry within and around the City. The current City Council serves as entire governing body (Trustees). Any issuances of debt would require a two-thirds approval of the City Council.	Nonmajor Special Revenue Fund
Guymon Airport Authority (GAA)	Created April 7, 1965, to finance and develop the municipal airport. The current City Council serves as entire governing body (Trustees). Any issuances of debt would require a two-thirds approval of the City Council. Currently, the GAA is inactive. The airport operations are accounted for by the City as a function of the General Fund.	N/A

1.B. BASIS OF PRESENTATION

Government-Wide Financial Statements:

The statement of net position and statement of activities display information about the reporting government as a whole. They include all funds of the reporting entity. The statements distinguish between governmental and business-type activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange revenues. Business-type activities are financed in whole or in part by fees charged to external parties for goods or services.

Fund Financial Statements:

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

a. Total assets and deferred outflows, liabilities and deferred inflows, revenues, or expenditures/expenses of that individual governmental or enterprise fund are at least 10 percent of the corresponding total for all funds of that category or type, and
b. Total assets and deferred outflows, liabilities and deferred inflows, revenues, or expenditures/expenses of the individual governmental fund or enterprise fund are at least 5 percent of the corresponding total for all governmental and enterprise funds combined.

The funds of the financial reporting entity are described below:

Governmental Funds

General Fund

The General Fund is the primary operating fund of the City and always classified as a major fund. It is used to account for all financial resources not accounted for and reported in another fund.

Special Revenue Funds

Special Revenue Funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditures for specified purposes other than debt service or capital projects.

Capital Projects Funds

Capital projects funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets

Permanent Fund

The Permanent Fund accounts for and reports resources that are restricted to the extent that only earnings, and not principal, may be used for purposes that support the City's programs.

Proprietary Fund

Enterprise Fund

Enterprise funds are used to account for business-like activities provided to the general public. These activities are financed primarily by user charges and the measurement of financial activity focuses on net income measurement similar to the private sector. The reporting entity includes the Guymon Utilities Authority enterprise fund. This fund accounts for activities of the public trust and provides water, wastewater, sanitation, and gas services to the public.

Major and Non-Major Funds

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

Fund	Brief Description
***Major*:**	
General	See above for description
General Sales Tax CIF	A capital projects fund that accounts for one cent sales tax restricted for capital items.
GUA Sales Tax CIF	A capital projects fund that accounts for one cent sales tax restricted for specific water and wastewater projects.
Proprietary Fund:	
Guymon Utilities Authority	Accounts for activities of the public trust and provides water, wastewater, sanitation, and gas services to the public.
Non-Major:	
Capital Project Fund:	
Cemetery Care	Accounts for 15 percent of cemetery revenue restricted by State law for cemetery capital improvements.

Special Revenue Funds:	
E-911	Accounts for revenues and expenditures of E-911 service that are legally restricted for public safety use.
Guymon Development	Accounts for donations on specific projects which are restricted for each individual project.
Library	Accounts for revenues and expenditures of library grant funds.
Grant	Accounts for revenues and expenditures of various grant funds.
Hotel/Motel Tax	Accounts for revenues and expenditures of hotel/motel tax restricted by local ordinance for the promotion of convention and tourism.
Police	Accounts for drug forfeiture funds received from the district attorney to be used for specified police activities.
Library CIF	A capital projects fund that accounts for the construction of the new library.
Guymon Industrial Authority	Accounts for revenues and expenditures of promoting industrial economic development.
Permanent Fund:	
Dale	Accounts for monies donated by F. Hiner Dale to be used for maintaining his cemetery plots, providing for books to be placed in the city library, providing for expenses incurred in recognizing a "Citizen of the Year", and maintaining Dale Park No. 1.

1.C. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

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

Measurement Focus

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

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

a. All governmental funds utilize a "current financial resources" measurement focus. Only current financial assets, liabilities, deferred outflows and inflows are generally included on their balance sheets. Their operating statements present sources and uses of available spendable financial resources during a given period. These funds use fund balance as their measure of available spendable financial resources at the end of the period.

b. The proprietary fund utilizes an "economic resources" measurement focus. The accounting objectives of this measurement focus are the determination of operating income, changes in net position (or cost recovery), financial position, and cash flows. All assets, liabilities (whether current or noncurrent), deferred outlfows and inflows associated with their activities are reported. Proprietary fund equity is classified as net position.

Basis of Accounting

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

In the fund financial statements, governmental funds are presented on the modified accrual basis of accounting. Under this modified accrual basis of accounting, revenues are recognized when "measurable and available". Measurable means knowing or being able to reasonably estimate the amount. Available means collectible within the current period or soon enough thereafter (within 60 days of period end) to pay current liabilities. Expenditures (including capital outlay) are recorded when the related fund liability is incurred, except for general obligation bond principal and interest which are reported when due.

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

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

Cash and Investments

For the purpose of the Statement of Net Position, "cash, including time deposits" includes all demand, savings accounts and certificates of deposits of the City. For the purposes of the proprietary fund Statement of Cash Flows, "cash and cash equivalents" includes all demand and savings accounts, and certificates of deposits or short-term investments with an original maturity of three months or less. Investments of the promissory note trustee accounts are not considered cash equivalents.

Investments are carried at fair value except for short-term U.S. Treasury obligations with a remaining maturity at the time of purchase of one year or less. Those investments are reported at amortized cost. Fair value is based on quoted market price. Additional cash and investment disclosures are presented in Note 2.B. and Note 3.A.

Receivables and Related Deferred Inflows

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

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

Capital Assets

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

Government-Wide Statements

In the government-wide financial statements, capital assets are accounted for as capital assets. All capital assets are valued at historical cost, or estimated historical cost if actual is unavailable, except for donated capital assets which are recorded at their estimated fair value at the date of donation. Estimated historical cost was used to value the majority of the assets acquired prior to June 30, 1993.

Prior to July 1, 1998, governmental funds' infrastructure assets were not capitalized. These assets (back to July 1, 1980) have been valued at estimated historical cost.

Depreciation of all exhaustible capital assets is recorded as an allocated expense in the Statement of Activities, with accumulated depreciation reflected in the Statement of Net Position. Depreciation is provided over the assets' estimated useful lives using the straight-line method of depreciation. A capitalization threshold of $1,000 is used to report capital assets. The range of estimated useful lives by type of asset is as follows:

- Buildings	25-50 years
- Improvements	10-50 years
- Machinery and Equipment	3-20 years
- Utility System	25-50 years
- Infrastructure	25-50 years

Fund Financial Statements

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

Restricted Assets

Restricted assets include cash and investments of the proprietary fund that are legally restricted as to their use. The primary restricted assets are related to promissory note trustee accounts and utility meter deposits.

Long-Term Debt

The accounting treatment of long-term debt depends on whether the assets are used in governmental fund operations or proprietary fund operations and whether they are reported in the government-wide or fund financial statements.

All long-term debt to be repaid from governmental and business-type resources are reported as liabilities in the government-wide statements. The long-term debt consists of notes payable, capital leases, and accrued compensated absences.

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

Compensated Absences

The City's policies regarding vacation time permit employees to accumulate earned but unused vacation leave. The liability for these compensated absences is recorded as long-term debt in the government-wide statements. The current portion of this debt is estimated based on historical trends. In the fund financial statements, governmental funds report only the compensated absence liability payable from expendable available financial resources, while the proprietary funds report the liability as it is incurred. Compensated absences are reported in governmental funds only if they have matured (i.e. unused reimbursable leave still outstanding following an employee's resignation or retirement).

Equity Classifications

Government-Wide Statements

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

a. Net investment in capital assets – Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

b. Restricted net position – Consists of net position with constraints placed on the use either by 1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments, or 2) law through constitutional provisions or enabling legislation.

c. Unrestricted net position – All other net position that does not meet the definition of "restricted" or "net investment in capital assets".

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

Fund Statements

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

a. Nonspendable – includes amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact.

b. Restricted – consists of fund balance with constraints placed on the use of resources either by 1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments, or 2) law through constitutional provisions or enabling legislation.

c. Committed – includes amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the city's highest level of decision-making authority. The City's highest level of decision-making authority is made by ordinance while the GIA's highest level of decision-making authority is made by resolution. The City and GIA currently have no committed fund balance.
d. Assigned – includes amounts that are constrained by the city's intent to be used for specific purposes but are neither restricted nor committed. Assignments of fund balance may be made by city council action or management decision when the city council has delegated that authority. The City Council has retained the authority for assigning fund balance. Assignments for transfers and interest income for governmental funds are made through the budgetary process.
e. Unassigned – represents fund balance that has not been assigned to other funds and has not been restricted, committed, or assigned to specific purposes within the general fund.

It is the City's policy to first use restricted fund balance prior to the use of unrestricted fund balance when an expense is incurred for purposes for which both restricted and unrestricted fund balance are available. The City's policy for the use of unrestricted fund balance amounts require that committed amounts would be reduced first, followed by assigned amounts and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of those unrestricted fund balance classifications could be used. The only exception to this policy is for assigned interest income in governmental funds other than the General Fund. In those funds, interest income is used first before other revenues.

Proprietary fund equity is classified the same as in the government-wide statements. See Note 3.G. for additional disclosures.

1.E. REVENUES, EXPENDITURES, AND EXPENSES

Sales Tax

Since March 2008, the City levies a four-cent sales tax on taxable sales within the City. The sales tax is collected by the Oklahoma Tax Commission and remitted to the City in the month following receipt by the Tax Commission. The Tax Commission receives the sales tax approximately one-half month after collection by vendors. Two cents is recorded entirely in the General Fund initially. Then one cent is transferred to the Guymon Utilities Authority to be used for debt service. Any remaining unused sales tax after payment of debt service is then transferred back to the General Fund. An additional one cent is deposited into the General Sales Tax CIF Fund to be used for capital purposes and another one cent is recorded in the GUA Sales Tax CIF to be used for specific water and wastewater capital projects. Sales taxes collected by the State in December and January (which represent sales for the last half of November and December) and received by the City in January has been accrued. Half of February collections by the City have also been accrued and are included under the caption "Due from other governments".

Use Tax

The City levies a four-cent use tax on personal property purchased outside the city limits but stored, used or consumed within the city. The use tax is collected by the Oklahoma Tax Commission and remitted to the City in the month following receipt by the Tax Commission, which is one-half month after the tax is received from the vendors. The use taxes are allocated entirely to the General Fund. Use taxes collected by the State in December and January and received by the City in January and February are included under the caption "Due from other governments".

Property Tax

Under State law, municipalities are limited in their ability to levy a property tax. Such tax may only be levied to repay principal and interest on general obligation bonded debt approved by voters and any court-assessed judgments. Property taxes attach as an enforceable lien on property as of January 1. Taxes are levied annually on November 1 and are due one-half by December 31 and one-half by March 31. The Office of Texas County bills and collects the property taxes and remits to the City its portion. In the fund financial statements, property taxes are recorded as revenue in the period levied to the extent they are collected within 60 days of year-end.

Program Revenues

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

General government	Building permits, alley cut permits, occupational licenses, plumbing/electric inspections, and miscellaneous licenses and permits.
Ambulance	Ambulance run charges.
Police	Fines and 911 county charges for services, individual donations, state on-behalf payments, and county 911 contributions for operations are categorized as operating grants, and private donations are categorized as capital grants.
Fire	State on-behalf payments and private donations are classified as operating grants and a private donation capital grant.
Civil Emergency Management	Grants for disaster recovery, preparedness and mitigation.
Airport	Hangar lease charges.
Streets	Commercial vehicle and gasoline excise tax granted by the State.
Public Transportation	Bus fares, Federal and State operating grants.
Golf	Golf fees.
Library	Fines, operating grants include State and private foundation grants, capital grants include donations.
Cemetery	Grave opening/closing fees and lot sales.
Swimming pool	Swimming fees.
Parks	Fishing licenses and federal capital grant.
Tourism	State operating grant.
Community development	Building rent, operating grants include federal and state grants and private donations, federal capital grant and Seaboard expansion loan payment.
Economic development	Private foundation operating grant.

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

Operating Revenues and Expenses

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

Pledge of Future Revenues

Sales Tax Pledge - The City has pledged two cents (or 50%) of future sales tax revenues to repay $1,345,000 of Series 2007 Sales Tax Revenue Notes; $16,400,000 Series 2008B OWRB CWSRF Note, $1,255,000 Series 2009A OWRB DWSRF Note, $1,335,000 Series 2009B OWRB CWSRF Note, $5,535,000 Series 2010 Sales Tax Revenue Note, $755,000 of Series 2012 Sales Tax Revenue Note, and $3,445,000 of Series 2013 Sales Tax and Utility System Revenue Note. Proceeds from the notes provided financing for utility capital assets, public safety and library buildings. The notes are payable from water, sewer, and gas net revenues and are payable through 2017, 2027, 2030, 2030, 2025, 2018, and 2018 respectively. The total principal and interest payable for the remainder of the life of these notes is $26,817,108. Each year, if the net utility revenues are sufficient to service the debt on the 2007 and 2013 Series Notes, these pledged sales taxes are transferred back to the General Fund. Total pledged sales taxes received in the year were $3,183,578. Pledged sales taxes of $795,895 were transferred back to the General Fund for the current fiscal year. Debt service payments for the year of $2,797,685 were 87.9% of the pledged sales taxes.

Utility Net Revenues Pledge – The City has also pledged future water, sewer, and gas net revenues to repay $22,435,000 of 2008B, 2009A and 2009B Series Oklahoma Water Resources Board Notes Payable and the 2013 Utility System and Sales Tax Revenue Note. Proceeds from the bonds and notes provided financing for utility system capital assets. The bonds are payable through 2027, 2030, 2030 and 2018 respectively. The total principal and interest payable for the remainder of the life of these notes is $20,370,731. The bonds are payable from the above-mentioned utility net revenues and pledged sales taxes for the 2008B, Series and 2009A and B Series, and 2013 Series Notes. The debt service payments on the notes for the year were $1,995,905 which was 56.7% of pledged net utility revenues of $3,518,854.

Expenditures/Expenses

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

In the fund financial statements, expenditures are classified as follows:

Governmental Funds - By Character:	Current (further classified by function) Debt Service Capital Outlay
Proprietary Fund - By Operating and Non-Operating	

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

1.F. INTERNAL AND INTERFUND BALANCES AND ACTIVITIES

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

Fund Financial Statements:

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

1. Interfund loans - amounts provided with a requirement for repayment are reported as interfund receivables and payables.

2. Interfund services - sales or purchases of goods and services between funds are reported as revenues and expenditures/expenses.

3. Interfund reimbursements - repayments from funds responsible for certain expenditures/expenses to the funds that initially paid for them are not reported as reimbursements but as adjustments to expenditures/expenses in the respective funds.

4. Interfund transfers - flow of assets from one fund to another where repayment is not expected are reported as transfers in and out.

Government-Wide Financial Statements:

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

1. Internal balances - amounts reported in the fund financial statements as interfund receivables and payables are eliminated in the governmental and business-type activities columns of the Statement of Net Position, except for the net residual amounts due between governmental and business-type activities, which are reported as Internal Balances.

2. Internal activities - amounts reported as interfund transfers in the fund financial statements are eliminated in the government-wide Statement of Activities except for the net amount of transfers between governmental and business-type activities, which are reported as Transfers - Internal Activities. The effect of interfund services between funds, if any, are not eliminated in the Statement of Activities.

1.G. USE OF ESTIMATES

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

1.H. PENSIONS

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

NOTE 2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

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

2.A. FUND ACCOUNTING REQUIREMENTS

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

Fund	Required By
Cemetery Care Fund	State Law
Grant Fund	Grant Agreements
Airport Fund	State Law
Utility Authority Fund	Trust Indenture
Industrial Authority Fund	Trust Indenture
Dale Fund	Trust Indenture
Sales Tax CIF	State Law
GUA Sales Tax CIF	State Law

2.B. DEPOSITS AND INVESTMENTS LAWS AND REGULATIONS

In accordance with state law, all uninsured deposits of municipal funds in financial institutions must be secured with acceptable collateral valued at the lower of market or par. Acceptable collateral includes certain U.S. Government or Government Agency securities, certain State of Oklahoma or political subdivision debt obligations, surety bonds, or certain letters of credit. As required by 12 U.S.C.A., Section 1823 (e), all financial institutions pledging collateral to the City must have a written collateral agreement approved by the board of directors or loan committee. As reflected in Note 3A., all deposits were fully insured or collateralized.

Investments of the City (excluding Public Trusts) are limited by state law to the following:

a. Direct obligations of the U.S. Government or its agencies or instrumentalities to which the full faith and credit of the U.S. Government is pledged, or obligations to the payment of which the full faith and credit of the State of Oklahoma is pledged.

b. Certificates of deposit or savings accounts that are either insured or secured with acceptable collateral with in-state financial institutions, and fully insured certificates of deposit or savings accounts in out-of-state financial institutions.

c. With certain limitation, negotiable certificates of deposits, prime bankers acceptances, prime commercial paper and repurchase agreements.

d. County, municipal or school district tax supported debt obligations, bond or revenue anticipation notes, money judgments, or bond or revenue anticipation notes of public trusts whose beneficiary is a county, municipality or school district.

e. Notes or bonds secured by mortgage or trust deed insured by the Federal Housing Administrator and debentures issued by the Federal Housing Administrator, and in obligation of national mortgage associations.

f. Money market funds regulated by the SEC and in which investments consist of the investments mentioned in the previous paragraphs a., b., c., and d.

Public trusts created under O.S. Title 60, are not subject to the above noted investment limitations and are primarily governed by any restrictions in their trust or bond indentures. For the year ended December 31, 2014, the City and its public trusts complied, in all material respects, with these investment restrictions.

2.C. REVENUE RESTRICTIONS

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

Revenue Source	Legal Restrictions of Use
Sales Tax	See Note 1.E.
Gasoline Excise & Commercial Vehicle Tax	Street and Alley Purposes
Police Drug Forfeiture Funds	Police Activities
E-911 Revenue	E-911 Emergency Services Purposes
Water, Sewer and Gas Revenue	Debt Service and Utility Operations
Cemetery Revenue (15%)	Cemetery Capital Improvements
Hotel/Motel Tax	Convention and Tourism
Tax Increment Revenue	Economic Development
Airport Operations Revenue	Airport Operations and Maintenance
CDBG	Grant Program Expenditures

For the year ended December 31, 2014, the City complied, in all material respects, with these revenue restrictions.

2.D. DEBT RESTRICTIONS AND COVENANTS

General Obligation Debt

Article 10, Sections 26 and 27 of the Oklahoma Constitution limits the amount of outstanding general obligation bonded debt of the municipality for non-utility or non-street purposes to no more than 10% of net assessed valuation. For the year ended December 31, 2014, the City had no outstanding general obligation debt.

Other Long-Term Debt

Except as noted in the following paragraph, as required by the Oklahoma State Constitution, the City (excluding Public Trusts) may not incur any indebtedness that would require payment from resources beyond the current fiscal year revenue, without first obtaining voter approval. For the year ended December 31, 2014, the City incurred no such indebtedness.

Notes Payable

The loan agreement relating to the notes payable issuance of the Guymon Utilities Authority contains some restrictions or covenants that are financial related. These include covenants such as debt service coverage requirement and required reserve account balances. The following schedule presents a brief summary of the most significant requirements and the Authority's level of compliance thereon as of December 31, 2014.

Requirement	Level of Compliance
a. Note Payable Coverage:	
1. Net water, sewer and gas operating revenues (excluding depreciation and amortization) plus pledged sales taxes of the Authority must equal 1.25 times the maximum annual debt service on all OWRB notes.	For the year ended December 31, 2014, net operating revenues and pledged sales taxes are $6,702,432 and the maximum annual debt service is $1,320,847. Actual coverage is 5.08 times.

2.E. FUND EQUITY RESTRICTIONS

Deficit Prohibition

Title 11, Section 17-211 of the Oklahoma Statutes prohibits the creation of a deficit fund balance in any individual fund (excluding public trusts). At December 31, 2014, the City reported a fund balance deficits in the following funds:

Grant Fund	$296,927

NOTE 3. DETAIL NOTES ON TRANSACTION CLASSES/ACCOUNTS

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

3.A. CASH AND INVESTMENTS

Deposits

The City of Guymon is governed by the deposit and investment limitations of state law (See Note 2.B.). The deposits and investments held at December 31, 2014 are as follows:

Type	Credit Rating	Fair Value
Deposits:		
Demand deposits		7,119,437
Time deposits		1,550,631
Total deposits		$ 8,670,068
Investments:		
Invesco Tst Prem-Inst Fd #1947	AAAm	230,268
Mutual Funds - equity		84,775
Total deposits and investments		$ 8,985,111

Reconciliation to Statement of Net Position:	
Cash, including time deposits	$ 7,734,473
Restricted cash, including time deposits, current	974,406
Investment, current	84,775
Restricted cash, including time deposits, noncurrent	191,457
	$ 8,985,111

Custodial Credit Risk – Deposits - Deposits in financial institutions, reported as components of cash, cash equivalents, and investments, had a bank balance of $7,957,421 at December 31, 2014. The entire balance is fully insured by depository insurance or secured with collateral held by the City's agent in its name at December 31, 2014.

Investment Interest Rate Risk - the City does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Investment Credit Risk - The City has no investment policy that limits its investment choices other than the limitation of state law.

Concentration of Investment Credit Risk - the City places no limit on the amount it may invest in any one issuer.

3.B. RESTRICTED ASSETS

The amounts reported as restricted assets are comprised of cash, investments and accrued interest held by the trustee bank on behalf of the various public trusts (Authorities) related to their required note payable accounts as described in Note 2.D., and amounts held in trust for customer utility meter deposits.

The restricted assets as of December 31, 2014 are as follows:

Type of Restricted Assets	Cash including time deposits
Meter Deposits	114,618
Note Payable Trustee Accounts:	
2007 Debt Service Principal Fund	66,120
2007 Debt Service Interest Fund	7,602
2008 Series Principal Fund	402,904
2009A Series Principal Fund	18,805
2009B Series Principal Fund	19,114
2010 Sales Tax Principal Fund	80,005
2010 Sales Tax Interest Fund	46,490
2012 Sales Tax Construction Fund	5
2012 Sales Tax Principal Fund	28,061
2012 Sales Tax Interest Fund	1,985
2013 Series Principal Fund	303,315
USDA Debt Service Reserve	76,839
Total	$ 1,165,863
Reconciliation to Statement of Net Position:	
Current cash, including time deposits	974,406
Noncurrent cash, including time deposits	191,457
	$ 1,165,863

3.C. ACCOUNTS RECEIVABLE

Accounts receivable of the business-type activities consist of utilities receivable. Accounts receivable of the governmental activities consist of the following at December 31, 2014:

	Governmental Activities	Business-Type Activities	Total
Accounts Receivable:			
Police Fines	279,064	$ -	$ 279,064
Ambulance	184,638	-	184,638
E-911 Tax	26,052	-	26,052
Franchise Tax	172,959	-	172,959
Hotel/Motel Tax	18,799	-	18,799
Utilities	-	2,803,544	2,803,544
Miscellaneous	29,282	519	29,801
Allowance for doubtful accounts	(82,273)	(898,710)	(980,983)
Net accounts receivable	$ 628,521	$ 1,905,353	$ 2,533,874

3.D. CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2014 was as follows:

	Balance at January 01, 2014	Additions	Transfers	Disposals	Balance at December 31, 2014
Governmental activities:					
Non-depreciable:					
Land	$ 290,132	$ -	$ -	$ -	$ 290,132
Construction-in-progress	1,673,200	168,218	-	(1,588,642)	252,776
Total non-depreciable assets at historical cost	1,963,332	168,218	-	(1,588,642)	542,908
Depreciable:					
Buildings	15,381,758	-	-	(7,500)	15,374,258
Improvements	12,000,640	313,212	-	-	12,313,852
Machinery and equipment	8,020,907	1,312,514	72,750	(116,178)	9,289,993
Infrastructure	5,053,879	1,584,892	-	-	6,638,771
Total depreciable assets at historical cost	40,457,184	3,210,618	72,750	(123,678)	43,616,874
Less accumulated depreciation					
Buildings	(1,472,593)	(317,579)	-	7,500	(1,782,672)
Improvements	(5,906,347)	(544,132)	-	-	(6,450,479)
Machinery and equipment	(4,991,675)	(947,683)	(36,259)	115,574	(5,860,043)
Infrastructure	(4,105,664)	(99,282)	-	-	(4,204,946)
Total accumulated depreciation	(16,476,279)	(1,908,676)	(36,259)	123,074	(18,298,140)
Net depreciable assets	23,980,905	1,301,942	36,491	(604)	25,318,734
Governmental activities capital assets, net	25,944,237	1,470,160	36,491	(1,589,246)	25,861,642
Business-type activities					
Non-depreciable:					
Land	2,244,799	-	-	-	2,244,799
Construction-in-progress	32,339	43,050	-	-	75,389
Total non-depreciable assets at historical cost	2,277,138	43,050	-	-	2,320,188
Depreciable:					
Buildings	980,135	-	-	-	980,135
Improvements	1,960,733	9,513	-	-	1,970,246
Machinery and equipment	3,680,010	411,395	(72,750)	(79,367)	3,939,288
Utility property	46,253,974	-	-	-	46,253,974
Totals depreciable assets at historical cost	52,874,852	420,908	(72,750)	(79,367)	53,143,643
Less accumulated depreciation					
Buildings	(477,576)	(26,446)	-	-	(504,022)
Improvements	(101,240)	(36,748)	-	-	(137,988)
Machinery and equipment	(2,285,901)	(393,288)	36,259	76,486	(2,566,444)
Utility property	(18,493,787)	(1,415,641)	-	-	(19,909,428)
Total accumulated depreciation	(21,358,504)	(1,872,123)	36,259	76,486	(23,117,882)
Net depreciable assets	31,516,348	(1,451,215)	(36,491)	(2,881)	30,025,761
Business-type capital assets, net	$ 33,793,486	$ (1,408,165)	$ (36,491)	$ (2,881)	$ 32,345,949

Depreciation expense was charged to governmental activities as follows:

General Government:	
City clerk	225
Treasurer	297
General Government	42,032
Human Resources	4,506
Information Technology	28,367
Total General Government	75,427
Public safety and judiciary:	
Ambulance	91,864
911	52,605
Police	162,805
Municipal court	2,908
Fire	478,312
Civil emergency management	1,666
Total Public safety and judiciary	790,160
Transportation:	
Airport	300,079
Public transportation	36,985
Streets	364,394
Total Transportation	701,458
Cultural, parks and recreation:	
Golf	102,256
Library	116,150
Cemetery	17,680
Swimming pool	8,746
Parks	51,619
Tourism	23,630
Total cultural, parks and recreation	320,081
Community/economic development:	
Business incubator	2,239
Community development	19,311
Total Community/economic development	21,550
Total depreciation expense	$ 1,908,676

Depreciation was charged to business-type activities as follows:

Water	$ 475,443
Wastewater	1,066,958
Sanitation	144,624
Farm	145
Gas	110,070
Garage	1,113
Administration	73,770
Total Depreciation Expense	$ 1,872,123

3.E. LONG-TERM DEBT

Long-Term Debt

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

Governmental Activities:

As of December 31, 2014, the governmental long-term debt of the financial reporting entity consisted of the following:

Capital Lease Obligations:

149,029 capital lease for turf equipment dated January 2012; Payable in monthly installments of 2,662, final payment due February 2017. Stated interest rate of 2.75%	$	64,616
79,002 capital lease for fire bunker gear dated January 2013; Payable in monthly installments of 1,164, final payment due January 2019. Stated interest rate of 1.97%		53,697
158,008 capital lease for an ambulance dated January 2013; Payable in monthly installments of 2,329, final payment due January 2019. Stated interest rate of 1.97%		107,396
915,500 capital lease for a ladder truck dated February 13,2014; Payable in monthly installments of $13,820, final payment due February 15, 2020. Stated interest rate of 2.74%		784,021
149,700 capital lease for golf carts dated October 2013; Payable in monthly installments of 2,270, final payment due October 2019. Stated interest rate of 2.95%		120,575
Total Capital Leases Payable	$	1,130,305
Current portion	$	239,412
Noncurrent portion		890,893
Total Capital Leases Payable	$	1,130,305

Notes Payable:

Series 2010 Sales Tax Revenue Note original issue amount of 5,535,000, dated December 21, 2010 issued by Guymon Utilities Authority payable to the Bank of Oklahoma, secured by 3/4 cent sales tax, interest rate of 4.26% with final maturity dated October 1, 2025; proceeds used to construct animal shelter and fire station.	$	4,365,000
Series 2012 Sales Tax Revenue Note original issue amount of 755,000, dated June 28, 2012 issued by Guymon Utilities Authority payable to the Bank of Oklahoma, secured by a 1 cent sales tax, interest rate of 1.6% with final maturity dated October 1, 2018; proceeds used to construct animal shelter, fire station and library.		480,000
Promissory Note original issue amount of 950,000, dated December 27, 2012 issued by Guymon Utilities Authority payable to City National Bank & Trust, interest rate of 1.927% with final maturity dated December 1, 2022; proceeds used to purchase a building.		765,692
USDA Promissory Note original issue amount of 3,701,240, dated June 21, 2012 issued by Guymon Utilities Authority payable to the U.S. Department of Agriculture, secured by sales tax, interest rate of 3.375% with final maturity dated December 21, 2027; proceeds used to construct a library .		3,158,975
Total Notes Payable	$	8,769,667
Current portion		733,879
Noncurrent portion		8,035,788
Total Capital Leases Payable	$	8,769,667

Accrued Compensated Absences:

Current portion	$	32,255
Noncurrent portion		290,296
Total Accrued Compensated Absences	$	322,551

Business-Type Activities:

As of December 31, 2014, the long-term debt payable from proprietary fund resources consisted of the following:

Notes Payable:

Series 2013 Utility System and Sales Tax Revenue Note Payable original issue amount of 3,445,000, dated July 24, 2013, issued by Guymon Utilities Authority payable to City National Bank, secured by gross revenues and 1% sales tax, interest rate of 1.49% with final maturity dated August 1, 2018; proceeds used to refund prior notes whose purposes were for wastewater improvements.	$	2,820,000
Series 2007 Sales Tax Revenue Note original issue amount of 1,345,000, dated February 1, 2007 issued by Guymon Utilities Authority payable to the Bank of Oklahoma, secured by ½ cent sales tax, interest rate of 4.12% with final maturity dated February 1, 2017; proceeds used to purchase capital equipment.		415,000
Series 2008B Clean Water SRF Note Payable original issue amount of 16,400,000, dated September 2008 issued by Guymon Utilities Authority payable to the Oklahoma Water Resources Board (OWRB), secured by water, sewer, gas and sales tax revenues, interest rate of 3.10% with final maturity dated September 2027; proceeds used to construct wastewater improvements.		12,800,834
Series 2009A Drinking Water SRF Note Payable original issue amount of 1,255,000, dated November 2009 issued by Guymon Utilities Authority payable to the Oklahoma Water Resources Board (OWRB), secured by water, sewer, gas and sales tax revenues, interest rate of 3.19% with final maturity dated March 2030.		682,601
Series 2009B Clean Water SRF Note Payable original issue amount of 1,335,000, dated November 2009 issued by Guymon Utilities Authority payable to the Oklahoma Water Resources Board (OWRB), secured by water, sewer, gas and sales tax revenues, interest rate of 2.80% with final maturity dated March 2030; proceeds used to construct wastewater system improvements.		714,104
Total Notes Payable	$	17,432,539
Current portion	$	1,728,109
Noncurrent portion		15,704,430
Total Notes Payable	$	17,432,539

Capital Lease Obligations:

$90,000 capital lease for a backhoe, dated September 2013; Payable in monthly installments of $1,336, final payment due October 2019. Stated interest rate of 2.22%	$	72,243
$154,077 capital lease for a backhoe, dated September 2013; Payable in monthly installments of $2,329, final payment due October 2019. Stated interest rate of 2.81%		124,125
Total Capital Leases Payable	$	196,368
Current portion	$	39,275
Noncurrent portion		157,093
Total Capital Leases Payable	$	196,368

Accrued Compensated Absences:

Current portion	$	8,355
Noncurrent portion		75,207
Total Accrued Compensated Absences	$	83,562

Non-Commitment Debt:

Original Debt	Project	Remaining Prinicipal
Guymon Industrial Authority:		
$4,500,000	(1) Seaboard Farms of Oklahoma, Inc Tax Apportionment Bonds dated December 1, 1993	$10,910,037
$300,000	(2) Oklahoma Department of Commerce Promissory Note dated July 2004	150,000
	Total GIA Non-Commitment Debt	$11,060,037

(1) Seaboard Farms of Oklahoma, Inc. Tax Apportionment Bonds

The Tax Apportionment Bonds were issued to partially fund the construction of a pork processing plant. The bonds were purchased by a subsidiary of Seaboard Corporation and are secured by incremental ad valorem taxes on the processing plant property. The only commitment the Guymon Industrial Authority has is remittance to a trustee bank of these incremental taxes received from the county. Principal and interest payments will not be made for the first five years because Seaboard Farms of Oklahoma, Inc. has elected to claim a five-year property tax abatement allowed by state statutes. The interest accruing during that five-year period is added to the principal balance and at December 31, 2014 the total accrued interest is $6,410,037. The City began receiving incremental taxes in 2005. These are paid to the trustee bank to be applied to the debt. If the incremental taxes are insufficient to service the debt, the GIA has no further liability.

(2) Oklahoma Department of Commerce Promissory Note

This note was issued to construct an office building for Seaboard Farms of Oklahoma, Inc. The City and Authority are not liable for this debt since payments are made solely with lease agreement proceeds from Guymon Industrial Foundation primarily and Seaboard Farms of Oklahoma, Inc., secondarily. In the event of default, the City or Authority only becomes liable if they are negligent in carrying out debt administration responsibilities.

Changes in Long-Term Debt

The following is a summary of changes in long-term debt for the year ended December 31, 2014:

Type of Debt	Balance January 01, 2014	Additions	Deductions	Balance December 31, 2014	Amounts Due Within One Year
Governmental Activities:					
Notes Payable	$ 9,480,482	$ -	$ (710,815)	$ 8,769,667	$ 733,879
Capital Lease Obligations	474,826	915,500	(260,021)	1,130,305	239,412
Accrued Compensated Absences	282,319	711,411	(671,179)	322,551	32,255
Total General Long-Term Debt	$ 10,237,627	$ 1,626,911	$ (1,642,015)	$ 10,222,523	$ 1,005,546
Business-Type Activities:					
Notes Payable	$ 19,063,611	$ -	$ (1,631,072)	$ 17,432,539	$ 1,728,109
Capital Lease Obligations	234,725	-	(38,357)	196,368	39,275
Accrued Compensated Absences	76,775	316,182	(309,395)	83,562	8,355
Total Enterprise Fund Debt	$ 19,375,111	$ 316,182	$ (1,978,824)	$ 17,712,469	$ 1,775,739

The governmental capital lease obligations are paid by the general fund. Governmental accrued compensated absences will be liquidated by the general fund.

Capital assets purchased with capital leases are as follows:

		Cost	Accumulated Depreciation	Net Book Value
Machinery & Equipment	Governmental Activities	$ 1,426,864	$ (364,343)	$ 1,062,521
Machinery & Equipment	Business-Type Activities	244,077	(70,019)	174,058
	Total	$ 1,670,941	$ (434,362)	$ 1,236,579

Annual Debt Service Requirements

The annual debt service requirements to maturity, including principal and interest, for long-term debt as of December 31, 2014 are as follows:

	Governmental Activities				Business-Type Activities			
Year Ended	Capital Lease Obligations		Notes Payable		Notes Payable		Capital Lease Obligations	
December 31,	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2015	239,412	27,301	733,879	307,871	1,728,109	492,673	39,275	4,707
2016	245,794	21,221	757,611	283,285	1,774,840	449,003	40,293	3,689
2017	222,856	14,813	781,617	257,851	1,739,737	401,672	41,361	2,621
2018	226,105	8,889	810,904	231,603	1,694,418	359,549	42,445	1,537
2019	183,828	3,146	705,483	204,830	1,000,037	320,810	32,994	431
2020-2024	12,310	33	3,727,689	615,876	5,493,033	1,111,202	-	-
2025-2029	-	-	1,252,484	52,660	3,946,394	243,397	-	-
2030	-	-	-	-	55,971	842	-	-
Total	$ 1,130,305	$ 75,403	$ 8,769,667	$ 1,953,976	$ 17,432,539	$ 3,379,148	$ 196,368	$ 12,985

3.F. INTERFUND TRANSFERS AND BALANCES

Interfund Transfers

Transfers between funds of the primary government for the year ended December 31, 2014, were as follows:

Transfer From	Transfer To	Amount	Purpose of Transfer
GUA	General Fund	2,139,000	Operating
GUA	General Fund	795,895	Return of unsued 2007 Series 1/2 cent sales tax
GUA	Grant Fund	15,000	Grant projects
General Fund	GUA	795,895	Required 2007 Series 1/2 cent sales tax
GUA	General Fund - Golf Course	300,000	Operating
GUA	Library Construction Fund	46,028	Debt service payments
GUA	General Fund - Pool	17,880	Operating
GUA	General Fund - Airport	90,000	Operating
Hotel/Motel Tax Fund	Guymon Development Fund	5,000	Grant projects
GUA	GUA Sales Tax CIF	358,393	Operating
GUA Sales Tax CIF	GUA	1,997,908	Debt service payments
Total		$ 6,560,999	

	Transfers In	Transfers Out	Net Transfers/ Internal Activity
Reconciliation to Fund Financial Statements:			
Governmental Funds	$ 3,767,196	$ (2,798,803)	$ 968,393
Enterprise Funds	2,793,803	(3,762,196)	(968,393)
Total Transfers	$ 6,560,999	$ (6,560,999)	$ -

Reconciliation to Statement of Activities:	Transfers to Other Funds	Transfers from Other Funds	Transfer of Capital Assets	Net Transfers
Net transfers for governmental activities:				
Governmental Funds	$ (2,798,803)	$ 3,767,196	$ 23,771	$ 992,164
Total Net transfers for governmental activities	(2,798,803)	3,767,196	23,771	992,164
Net transfers for business-type activities:				
Enterprise Funds	$ (3,762,196)	$ 2,793,803	(23,771)	$ (992,164)
Total Net transfers for business-type activities	(3,762,196)	2,793,803	(23,771)	(992,164)

Interfund Balances

Due To	Due From	Amount	Purpose of Interfund Balance
General Fund	Grant Fund	299,242	To clear negative cash
GUA	GUA Sales Tax CIF	342,698	To clear negative cash
Total		$ 641,940	

	Due From	Due To	Net Transfers/ Internal Activity
Reconciliation to Fund Financial Statements:			
Governmental Funds	$ 299,242	$ (641,940)	$ (342,698)
Enterprise Funds	342,698	-	342,698
Total Transfers	$ 641,940	$ (641,940)	$ -

3.G. FUND EQUITY

Fund Balance:

The following table shows the fund balance classifications as shown on the Governmental Funds Balance Sheet in accordance with GASB Statement 54:

	Major Capital Project Funds			Other	
	General Fund	General Sales Tax CIF	GUA Sales Tax CIF	Governmental Funds	TOTAL
Fund Balances:					
Nonspendable:					
Dale Fund Principal	$ -	$ -	$ -	$ 3,300	$ 3,300
Sweet Cemetery Trust	-	-	-	1,000	1,000
Sub-total Nonspendable	-	-	-	4,300	4,300
Restricted for:					
Capital outlay	-	527,809	-	-	527,809
Water & Wastewater ODEQ required improvements	-	-	607,562	-	607,562
Cemetery capital	-	-	-	18,838	18,838
E-911	-	-	-	375,803	375,803
Fire Equipment	-	-	-	2,428	2,428
Fiesta Days	-	-	-	2,159	2,159
Police	-	-	-	142,510	142,510
Library Building	-	-	-	15,940	15,940
Ennis Cemetery	-	-	-	11,402	11,402
Police Bike Program	-	-	-	380	380
Fire/Life Safety Education	-	-	-	38	38
Cultural Symposium	-	-	-	4,365	4,365
Rodeo Grounds	-	-	-	7,669	7,669
Park Improvements	-	-	-	952	952
Leasdership Oklahoma	-	-	-	845	845
Animal Shelter	-	-	-	4,220	4,220
Sweet Cemetery Trust	-	-	-	2,193	2,193
Library Operations	-	-	-	16,731	16,731
Grant Programs	-	-	-	130,062	130,062
Tourism	-	-	-	309,340	309,340
Industrial development	-	-	-	51,098	51,098
Dale Trust - Cemetery	-	-	-	14,176	14,176
Dale Trust - Citizenship	-	-	-	15,898	15,898
Dale Trust - Library	-	-	-	38,252	38,252
Dale Trust - Dale Park	-	-	-	18,639	18,639
Library Debt Service	-	-	-	76,845	76,845
Sub-total Restricted	-	527,809	607,562	1,260,783	2,396,154
Assigned to:					
Calendar year 2015 budget	599,472	-	-	-	599,472
Swimming pool	993	-	-	-	993
Golf Course	150,198	-	-	-	150,198
Airport	40,442	-	-	-	40,442
Sub-total Assigned	791,105	-	-	-	791,105
Unassigned (deficit):	2,416,235	-	-	(464,939)	1,951,296
TOTAL FUND BALANCES	$ 3,207,340	$ 527,809	$ 607,562	$ 800,144	$ 5,142,855

Prior Period Adjustments

Beginning fund balances/net position were restated as of December 31, 2014 as follows:

		Government-Wide	
	Guymon Utilities Authority	Governmental Activities	Business-type Activities
Beginning fund balance/net position, as previously reported	$ 19,630,746	$ 21,971,226	$ 19,630,746
Implementation of GASB Statements 68 & 71	(195,416)	(4,347,014)	(195,416)
Beginning fund balance/net position, restated	$ 19,435,330	$ 17,624,212	$ 19,435,330

NOTE 4. OTHER NOTES

4A. EMPLOYEE PENSION AND OTHER BENEFIT PLANS

The City participates in four employee pension systems as follows:

Names of Plan/System	Type of Plan
Oklahoma Police Pension and Retirement Fund	Cost Sharing Multiple Employer - Defined Benefit Plan
Oklahoma Firefighters Pension and Retirement Fund	Cost Sharing Multiple Employer - Defined Benefit Plan
Oklahoma Municipal Retirement Fund (OkMRF)	Agent Multiple Employer - Defined Contribution Plans
Oklahoma Municipal Retirement Fund (OkMRF)	Agent Multiple Employer - Defined Benefit Plan

Oklahoma Police Pension and Retirement System

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

Benefits provided - OPPRS provides retirement, disability, and death benefits to members of the plan. The normal retirement date under the Plan is the date upon which the participant completes 20 years of credited service, regardless of age. Participants become vested upon completing 10 years of credited service as a contributing participant of the Plan. No vesting occurs prior to completing 10 years of credited service. Participants' contributions are refundable, without interest, upon termination prior to normal retirement. Participants who have completed 10 years of credited service may elect a vested benefit in lieu of having their accumulated contributions refunded. If the vested benefit is elected, the participant is entitled to a monthly retirement benefit commencing on the date the participant reaches 50 years of age or the date the participant would have had 20 years of credited service had employment continued uninterrupted, whichever is later.

Monthly retirement benefits are calculated at 2.5% of the final average salary (defined as the average paid base salary of the officer over the highest 30 consecutive months of the last 60 months of credited service) multiplied by the years of credited service, with a maximum of 30 years of credited service considered.

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

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

Contributions **-** The contributions requirements of the Plan are at an established rate determine by Oklahoma Statute and are not based on actuarial calculations. Employees are required to contribute 8% percent of their annual pay. Participating cities are required to contribute 13% of the employees' annual pay. Contributions to the pension plan from the City were $103,317. The State of Oklahoma also made on-behalf contributions to OPPRS in the amount of $92,616 during the calendar year and this is reported as both a revenue and an expenditure in the General Fund Statement of Revenues, Expenditures, and Changes in Fund Balance. In the government-wide Statement of Activities, revenue is recognized for the state's on-behalf contributions on an accrual basis of $85,309. These on-behalf payments did not meet the criteria of a special funding situation.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions - At December 31, 2014, the City reported an asset of $91,690 for its proportionate share of the net pension asset. The net pension asset was measured as of June 30, 2014, and the total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of July 1, 2014. The City's proportion of the net pension asset was based on the City's contributions received by the pension plan relative to the total contributions received by pension plan for all participating employers as of June 30, 2014. Based upon this information, the City's proportion was 0.2723 percent.

For the year ended December 31, 2014, the City recognized pension expense of $33,608. At December 31, 2014, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ -	$ 41,193
Changes of assumptions	-	-
Net difference between projected and actual earnings on pension plan investments	-	322,274
Changes in proportion and differences between City contributions and proportionate share of contributions	-	-
City contributions subsequent to the measurement date	52,605	-
Total	$ 52,605	$ 363,467

$52,605 reported as deferred outflows of resources related to pensions resulting from City contributions subsequent to the measurement date will be recognized as an increase of the net pension asset in the year ended December 31, 2015. Any other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended December 31:	
2015	$ 89,088
2016	89,088
2017	89,088
2018	89,088
2019	7,115
	$ 363,467

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

Inflation:	3%
Salary increases:	4.5% to 17% average, including inflation
Investment rate of return:	7 .5% net of pension plan investment expense
Mortality rates:	Active employees (pre-retirement) RP-2000 Blue Collar Healthy Combined table with age set back 4 years with fully generational improvement using Scale AA.
	Active employees (post-retirement) and nondisabled pensioners: RP-2000 Blue Collar Healthy Combined table with fully generational improvement using scale AA.
	Disabled pensioners: RP-2000 Blue Collar Healthy Combined table with age set forward 4 years with fully generational improvement using Scale AA.

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

The long-term expected rate of return on pension plan investments was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense, and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of June 30, 2014, are summarized in the following table:

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

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

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

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

	1% Decrease (6.5%)	Current Discount Rate (7.5%)	1% Increase (8.5%)
Employers' net pension liability (asset)	$ 545,483	$ (91,690)	$ (628,667)

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

Oklahoma Firefighter's Pension and Retirement System

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

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

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

All firefighters are eligible for immediate disability benefits. For paid firefighters, the disability in-the-line-of-duty benefit for firefighters with less than 20 years of service is equal to 50% of final average monthly compensation, based on the most recent 30 months of service. For firefighters with over 20 years of service, a disability in-the-line-of-duty is calculated based on 2.5% of final average monthly compensation, based on the most recent 30 months, per year of service, with a maximum of 30 years of service. For disabilities not-in-the-line-of-duty, the benefit is limited to only those with less than 20 years of service and is 50% of final average monthly compensation, based on the most recent 60-month salary as opposed to 3 0 months. For volunteer firefighters, the not-in-line-of-duty disability is also limited to only those with less than 20 years of service and is $7 .53 per year of service. For volunteer firefighters, the in-line-of-duty pension is $150.60 with less than 20 years of service, or $7.53 per year of service, with a maximum of 30 years.

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

Contributions - The contributions requirements of the Plan are at an established rate determined by Oklahoma Statute and are not based on actuarial calculations. Employees are required to contribute 9% percent of their annual pay. Participating cities are required to contribute 14% of the employees' annual

pay. Contributions to the pension plan from the City were $123,303. The State of Oklahoma also made on-behalf contributions to FPRS in the amount of $264,220 during the calendar year and this is reported as both a revenue and an expenditure in the General Fund Statement of Revenues, Expenditures, and Changes in Fund Balance. In the government-wide Statement of Activities, revenue is recognized for the state's on-behalf contributions on an accrual basis of $252,132. These on-behalf payments did not meet the criteria of a special funding situation.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions - At June 30, 2015, the City reported a net pension liability of $3,250,330 for its proportionate share of the total net pension liability. The net pension liability was measured as of June 30, 2014, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2014. The City's proportion of the net pension liability was based on the City's contributions received by the pension plan relative to the total contributions received by pension plan for all participating employers as of June 30, 2014. Based upon this information, the City's proportion was 0.316073 percent.

For the year ended December 31, 2014, the City recognized pension expense of $292,060. At December 31, 2014, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 77,307	$ -
Changes of assumptions	-	-
Net difference between projected and actual earnings on pension plan investments	-	492,011
Changes in proportion and differences between City contributions and proportionate share of contributions	-	-
City contributions subsequent to the measurement date	61,542	-
Total	$ 138,849	$ 492,011

$61,542 reported as deferred outflows of resources related to pensions resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2015. Any other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended December 31:	
2015	$ (108,581)
2016	(108,581)
2017	(108,581)
2018	(108,581)
2019	14,422
Thereafter	5,198
Total	$ (414,704)

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

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

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

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

The long-term expected rate of return on pension plan investments was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense, and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of June 30, 2014, are summarized in the following table:

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

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

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

	1% Decrease (6.5%)	Current Discount Rate (7.5%)	1% Increase (8.5%)
Employers' net pension liability	$ 4,244,244	$ 3,250,330	$2,417,042

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

Defined Contribution Plans - Oklahoma Municipal Retirement Fund

The City has also provided effective March 1, 1992, a defined contribution plan with the Oklahoma Municipal Retirement Fund. The plan is administered by JP Morgan Chase Bank of Oklahoma City, Oklahoma. According to state law, the authority for establishing or amending the plan's provisions rests with the city council. The defined contribution plan is available to all full-time employees not already participating in another plan. In a defined contribution plan, benefits depend solely on amounts contributed to the plan, investment earnings, and forfeitures of other participants' benefits that may be allocated to such participant's account. Benefits vest after 7 years of service. The City is currently contributing to two types of defined contribution plans. Under the Trust Money Purchase Pension plan, the participants are required to contribute from 3% of their compensation and the city is required to match 100% of the mandatory employee contribution. Under the Trust Profit Sharing plan, the city contributed 3.73% of covered payroll. This percentage can vary from year to year. Participants are permitted to make voluntary deductible contributions to the plan.

For the year ended December 31, 2014, the following amounts related to the defined contribution plan:

City total payroll	$4,970,742
Payroll for covered employees	$2,348,750
Employer (City) contributions made	$87,586

Department Head and City Manager Plans (the DH and CMO Plan)

DH Plan Description – Effective December 1, 2007, the City has also provided a defined contribution plan and trust known as the City of Guymon Department Head Retirement Plan and Trust (the DH Plan) in the form of The Oklahoma Municipal Retirement Fund Master Defined Contribution Plan (OkMRF). The plan is administered by JP Morgan Chase Bank of Oklahoma City, Oklahoma. The defined contribution plan is available to all full-time employees defined as Department Head or City Manager except for the fire chief. Separate audited GAAP – basis financial statements are not available.

Funding Policy – Benefits depend solely on amounts contributed to the plan plus investment earnings. Employees are eligible to participate upon employment, and must make a mandatory minimum pre-tax contribution of 6%. Employees are allowed to contribute in excess of the 6%. The employer makes variable contributions to the fund. For the current year, the employer contribution rate was 3.73%. The employee is fully vested upon employment. The authority to establish and amend the provisions of the plan rests with the City Council. Contributions to the plan for the year ended December 31, 2014, for employees and employer were $40,939 and $16,059, respectively, on a covered payroll of $682,342.

CMO Plan Description and Funding Policy – Effective October 1, 2006, the City has also provided a defined contribution plan and trust known as the City of Guymon City Manager Retirement Plan and Trust (CMO Plan). The plan is administered by JP Morgan Chase Bank of Oklahoma City, Oklahoma. According to state law, the authority for establishing or amending the plan's provisions and contribution requirements rests with the city council. This plan is similar to the Department Head with the following exceptions: This plan is available only to the City Manager. The employee does not contribute to the plan and the employer makes variable contributions to the fund. For the current year, the employer contribution rate is 15%. Contributions to the plan for the year ended December 31, 2014 were $18,000 on a covered payroll of $120,000.

Defined Benefit Plan - Oklahoma Municipal Retirement Fund

A. Plan Description

The City contributes to the OkMRF for all eligible employees except for those covered by the Police and Firefighter Pension Systems. The plan is an agent multiple employer - defined benefit plan administered by OkMRF. The OkMRF plan issues a separate financial report and can be obtained from OkMRF or from their website: www.okmrf.org/reports.html. Benefits are established or amended by the City Council in accordance with O.S. Title 11, Section 48-101-102.

B. *Summary of Significant Accounting Policies*

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the City's plan and additions to/deductions from the City's fiduciary net position have been determined on the same basis as they are reported by OkMRF. For this purpose, benefit payments are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value based on published market prices. Detailed information about the OkMRF plans' fiduciary net position is available in the separately issued OkMRF financial report.

C. Eligibility Factors and Benefit Provisions

Provision	As of 07/01/14 OkMRF Plan
a. Eligible to participate	Full-time employees except police, firefighters and other employees who are covered under an approved system.
b. Period Required to Vest	7 years of credited service
c. Eligibility for Distribution	-Normal retirement at age 65 with 7 years of service -Early retirement at age 55 with 7 years of service -Disability retirement upon disability with 7 years of service -Death benefit with 7 years of service for married employees
d. Benefit Determination Base	Final average salary - the average of the five highest consecutive annual salaries out of the last 10 calendar years of service
e. Benefit Determination Methods:	
Normal Retirement	-1.875% of final average salary multiplied by credited years of service
Early Retirement	-Actuarially reduced benefit based upon age, final average salary, and years of service at termination
Disability Retirement	-Same as normal retirement
Death Benefit	-50% of employees accrued benefit, but terminates upon spouse re-marriage
Prior to 7 Years Service	-No benefits

f. Benefit Authorization	-Benefits are established and amended by City Council adoption of an ordinance in accordance with O.S. Title, 11, Section 48-101-102
g. Form of Benefit Payments	Normal form is a 60 months certain and life thereafter basis. Employee may elect, with City consent, option form based on actuarial equivalent.

D. Employees Covered by Benefit Terms

Active Employees	86
Deferred Vested Former Employees	24
Retirees or Retiree Beneficiaries	26
Total	136

E. Contribution Requirements

The City Council has the authority to set and amend contribution rates by ordinance for the OkMRF defined benefit plan in accordance with O.S. Title 11, Section 48-102. The contribution rates for the current fiscal year have been made in accordance with an actuarially determined rate. The actuarially determined rate is 9.26% of covered payroll as of 7-1-14 and 9.28% of covered payroll as of 7-1-13. For the year ended December 31, 2014, the City recognized $299,374 of employer contributions to the plan which equals the actuarially determined amount based on covered payroll of $3,228,742. Employees cannot contribute to the plan in accordance with the plan provisions adopted by the City Council.

F. Actuarial Assumptions

Date of Last Actuarial Valuation	July 1, 2014
a. Actuarial cost method	Entry age normal
b. Rate of Return on Investments and Discount Rate	7.75%
c. Projected Salary Increase based on age	Varies between 7.42% and 4%
d. Post Retirement cost-of-Living Increase	None
e. Inflation Rate	3%
f. Mortality Table	UP 1994, with projected mortality improvement
g. Percent of married employees	100%
h. Spouse age difference	3 years (female spouses younger)
i. Turnover	Select and ultimate rates Ultimate rates are age-related as shown

	Additional rates per thousand are added during the first 5 years: Year 1: 215 Year 2: 140 Year 3: 95 Year 4: 65 Year 5: 40
j. Date of last experience study	September 2012 for fiscal years 2007 thru 2011

G. *Discount Rate* – The discount rate used to value benefits was the long-term expected rate of return on plan investments, 7.75% since the plan's net fiduciary position is projected to be sufficient to make projected benefit payments.

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

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation (3.0%). Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of July 1, 2014 are summarized in the following table:

	Target Allocation	Real Return	Weighted Return
Large cap stocks S&P 500	25%	5.40%	1.35%
Small/mid cap stocks Russell 2500	10%	7.50%	0.75%
Long/short equity MSCI ACWI	10%	6.10%	0.61%
International stocks MSCI EAFE	20%	5.10%	1.02%
Fixed income bonds Barclay's Capital Aggregate	30%	2.60%	0.78%
Real estate NCREIF	5%	4.80%	0.24%
Cash equivalents 3 month Treasury	0%	0.00%	0.00%
TOTAL	100%		
Average Real Return			4.75%
Inflation			3.00%
Long-term expected return			7.75%

H. *Changes in Net Pension Liability* – The total pension liability was determined based on an actuarial valuation performed as of July 1, 2014 which is also the measurement date. There were no changes in assumptions or changes in benefit terms that affected measurement of the total pension liability. There were also no changes between the measurement date of July 1, 2014 and the City's report ending date of December 31, 2014, that would have had a significant impact on the net pension liability. The following table reports the components of changes in net pension liability:

SCHEDULE OF CHANGES IN NET PENSION LIABILITY

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Net Position (b)	Net Pension Liability (a) - (b)
Balances Beginning of Year	$ 6,261,905	$ 5,635,431	$ 626,474
Changes for the Year:			
Service cost	200,866	-	200,866
Interest expense	493,213	-	493,213
Benefit changes	-		-
Experience losses (gains) - (amortized over avg remain svc period of actives & inactives)	-		-
Changes of assumptions	-		-
Contributions--City	-	296,299	(296,299)
Contributions--members	-	-	-
Net investment income	-	935,509	(935,509)
Expected return on plan investments	-	-	-
Expensed portion of current-period differences between actual and expected returns on plan investments	-	-	-
Non expensed portion of earnings on plan investments above expectation			
Refunds of contributions			-
(amortized over closed 5-year period)	-	-	-
Benefits paid	(201,215)	(201,215)	-
Plan administrative expenses	-	(13,849)	13,849
Change in deferred contributions made subsequent to the measurement date	-	-	-
Net Changes	492,864	1,016,744	(523,880)
Balances End of Year	$ 6,754,769	$ 6,652,175	$ 102,594

Sensitivity of the net pension liability to changes in the discount rate. The following presents the net pension liability of the City, calculated using the discount rate of 7.75 percent, as well as what the City's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.75 percent) or 1-percentage-point higher (8.75 percent) than the current rate:

	1% Decrease (6.75%)	Current Discount Rate (7.75%)	1% Increase (8.75%)
Net Pension Liability (Asset)	$ 912,557	$ 102,594	$ (580,512)

The City reported $164,903 in pension expense for the year ended December 31, 2014. At December 31, 2014, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ -	$ -
Changes of assumptions	-	-
Net difference between projected and actual earnings on pension plan investments	-	392,484
City contributions subsequent to the measurement date	148,181	-
Total	$ 148,181	$ 392,484

$148,181 reported as deferred outflows of resources related to pensions resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2015. Any other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended December 31:

2015	$ (98,121)
2016	(98,121)
2017	(98,121)
2018	(98,121)
	$ (392,484)

4.B. RISK MANAGEMENT

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

Type of Loss	Method Managed	Risk Retained
a. Torts, errors and omissions, health and life	Purchased insurance with Oklahoma Municipal Assurance Group.	(1)
b. Injuries to employees (workers compensation)	Participates in OMAG risk entity pool. Participation fee includes an actuarially determined amount held by OMAG as the loss reserve fund, to pay claims incurred. Claims are administered by Consolidated Benefits Resources, Inc.	(2)

c. Physical property loss and natural disasters	Purchased insurance with Oklahoma Municipal Assurance Group.	(1)
d. Health and life	Purchased insurance with commercial carrier	None

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

Risk Entity Pools

The City participates in the Oklahoma Municipal Assurance Group Liability Protection Plan and Worker's Compensation Plan (risk entity pools).

(1) Liability Protection Plan

The basic insurance agreements cover claims against municipalities for all government functions, utilities, and services covered in the Plan. These include bodily injury, property damage, wrongful acts, personal injury, and related torts under the state tort claims law and federal civil rights laws.
All public officials, employees, services, and municipal functions are covered unless they are specifically listed as exclusions in the Plan.

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

Reserves for claim losses include provisions for reported claims on a case basis and an estimate of claims incurred but not reported limited by aggregate and individual loss levels as specified by the Plan's reinsurance contracts. These credits, if any, represent contingent liabilities of the Plan if the reinsurer was unable to meet its obligations under the reinsurance agreement.

The Plan's insurance agreements are reinsured for excess losses based upon the contract year. The significant components of each reinsurance contract can be obtained from the Plan's annual financial report.

(2) Worker's Compensation

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

Specific aggregate stop loss coverage is provided by the State Insurance Fund and covers all claims above the loss reserve fund. The loss reserve fund amount for June 30, 2014 was $318,477.

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

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

4.C. COMMITMENTS AND CONTINGENCIES

Contingencies

Construction Commitments

As of December 31, 2014 the City had no outstanding construction contracts.

Grant Program Involvement

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

Litigation

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

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

4.D. SUBSEQUENT EVENTS

On March 3, 2015, the Guymon Utilities Authority issued the Utility System and Sales Tax Revenue Note, Series 2015A in the amount of $5,155,000 to finance water and sewer improvements. The note will be repaid with water, sewer and gas revenues and also a one percent sales tax levy (Ordinance No. 712).

On March 3, 2015, the Guymon Utilities Authority issued the Sales Tax Revenue Note, Series 2015B in the amount of $3,240,000 to refund the 2012 Rural Housing Service Promissory Note, original amount of $3,701,240. The note will be paid from a one percent sales tax levy (Ordinance No. 713).

REQUIRED SUPPLEMENTARY INFORMATION

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

- Defined Benefit Cost Sharing Plans:
  - Police
    - Schedule of the City's proportionate share of the net pension liability (asset)
    - Schedule of City contributions
  - Fire
    - Schedule of the City's proportionate share of the net pension liability (asset)
    - Schedule of City contributions
- Defined Benefit Agent Multi-Employer Plan
  - OkMRF
    - Schedule of change in net pension liability & related ratios
    - Schedule of employer contributions
- Budgetary Comparison Schedule – General Fund

CITY OF GUYMON, OKLAHOMA
REQUIRED SUPPLEMENTARY INFORMATION
ON PENSION PLAN FUNDING PROGRESS
FOR THE YEAR ENDED DECEMBER 31, 2014

Exhibit 1

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

	2014
City's proportion of the net pension liability (asset)	0.2723%
City's proportionate share of the net pension liability (asset)	$ (91,690)
City's covered-employee payroll	$ 788,315
City's proprotionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	(11.63%)
Plan fiducaiary net position as a percentage of the total pension liability (asset)	101.53%

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

Notes to Schedule:

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

Exhibit 2

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

	2014
Statutorially required contribution	$ 103,317
Contribuions in relation to the statutorially required contribution	103,317
Contribution deficiency (excess)	$ -
City's covered-employee payroll	$ 784,880
Contribuions as a percentage of covered-employee payroll	13.16%

Notes to Schedule:

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

Exhibit 3

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

	2014
City's proportion of the net pension liability	0.316073%
City's proportionate share of the net pension liability	$ 3,250,330
City's covered-employee payroll	$ 858,367
City's proprotionate share of the net pension liability as a percentage of its covered-employee payroll	379%
Plan fiducaiary net position as a percentage of the total pension liability	68.12%

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

Notes to Schedule:

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

Exhibit 4

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

	2014
Statutorially required contribution	$ 123,303
Contribuions in relation to the statutorially required contribution	123,303
Contribution deficiency (excess)	$ -
City's covered-employee payroll	$ 880,734
Contribuions as a percentage of covered-employee payroll	14.00%

Notes to Schedule:

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

Exhibit 5

Required Supplementary Information
Oklahoma Municipal Retirement Fund

Schedule of Changes in Net Pension Liability and Related Ratios	**Last Fiscal Year**
	2014
Total pension liability	
Service cost	$ 200,866
Interest	493,213
Changes of benefit terms	-
Differences between expected and actual experience	-
Changes of assumptions	-
Benefit payments, including refunds of member contributions	(201,215)
Net change in total pension liability	492,864
Total pension liability - beginning	6,261,905
Total pension liability - ending (a)	$ 6,754,769
Plan fiduciary net position	
Contributions - employer	$ 296,299
Contributions - member	-
Net investment income	935,509
Benefit payments, including refunds of member contributions	(201,215)
Administrative expense	(13,849)
Other	-
Net change in plan fiduciary net position	1,016,744
Plan fiduciary net position - beginning	5,635,431
Plan fiduciary net position - ending (b)	$ 6,652,175
Net pension liability - ending (a) - (b)	$ 102,594
Plan fiduciary net position as a percentage of the total pension liability	98.48%
Covered employee payroll	$ 3,022,893
Net pension liability as a percentage of covered-employee payroll	3.39%

Notes to Schedule:

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

Exhibit 6

Required Supplementary Information
Oklahoma Municipal Retirement Fund

Schedule of Employer Contributions	**Last Fiscal Year**
	2014
Actuarially determined contribution	$ 299,374
Contributions in relation to the actuarially determined contribution	299,374
Contribution deficiency (excess)	$ -
Covered employee payroll	$ 3,228,742
Contributions as a percentage of covered-employee payroll	9.27%

Notes to Schedule:

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

2. Latest Valuation Date: July 1, 2014

3. Actuarially determined contribution rate is calculated as of July 1, 2013 and July 1, 2014
   January 2014 through June 2014 contributions were at a rate of 9.28%.
   July 2014 through December 2014 contributions were at a rate of 9.26%

4. Methods and assumptions used to determine contribution rates:
   Actuarial cost method - Entry age normal
   Amortization method - Level percent of payroll, closed
   Remaining amortization period - 29 years
   Asset valuation method - Actuarial:
   Smoothing period - 4 years
   Recognition method - Non-asymptotic
   Corridor - 70% - 130%
   Salary increases - 4.00% to 7.42% (varies by attained age)
   Investment rate of return - 7.50%

Exhibit 7

City of Guymon, Oklahoma
Budgetary Comparison Schedule (Budgetary Basis)
General Fund
For the Year ended December 31, 2014

	Budgeted Amounts		Actual Amounts, Budgetary Basis	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Taxes	$ 4,719,000	$ 4,719,000	$ 4,382,276	$ (336,724)
Intergovernmental	789,500	793,500	997,305	203,805
Charges for services	690,550	690,550	751,870	61,320
Fines and forfeitures	381,000	381,000	389,974	8,974
Licenses and permits	35,700	35,700	41,657	5,957
Investment earnings	9,595	9,595	5,961	(3,634)
Miscellaneous	202,600	202,600	185,731	(16,869)
Total revenues	6,827,945	6,831,945	6,754,774	(77,171)
EXPENDITURES				
Departmental:				
City attorney	72,050	87,050	86,846	204
City clerk	83,701	83,920	84,542	(622)
City treasurer	72,979	73,191	69,608	3,583
Community development	386,965	531,815	524,199	7,616
Arts council CR grant	38,982	39,096	32,268	6,828
General government	555,398	630,461	626,748	3,713
Human resources	186,220	137,854	135,114	2,740
Business incubator	-	-	2,415	(2,415)
Information Technology	262,177	258,518	244,968	13,550
Library	408,616	409,497	405,700	3,797
Ambulance	452,540	457,339	365,707	91,632
Police	2,004,295	2,011,729	2,014,607	(2,878)
Municipal court	146,178	162,537	162,144	393
Fire	1,689,659	1,803,115	1,807,801	(4,686)
Civil emergency management	17,600	18,600	18,113	487
Cemetery	151,618	151,968	135,508	16,460
Parks	495,476	477,579	445,929	31,650
Golf	627,153	647,039	602,658	44,381
Pool	81,550	81,550	73,791	7,759
Street	1,021,305	1,028,441	937,442	90,999
Airport	249,737	249,737	85,001	164,736
Transportation - Administration	35,886	35,984	34,893	1,091
Transportation - Operations	404,972	413,790	413,337	453
Total Expenditures	9,445,057	9,790,810	9,309,339	481,471
Excess (deficiency) of revenues over expenditures	(2,617,112)	(2,958,865)	(2,554,565)	404,300
OTHER FINANCING SOURCES (USES)				
Transfers in	3,369,000	3,388,886	3,342,775	(46,111)
Transfers out	(825,000)	(825,000)	(795,895)	29,105
Total other financing sources and uses	2,544,000	2,563,886	2,546,880	(17,006)
Net change in fund balances	(73,112)	(394,979)	(7,685)	387,294
Fund balances - beginning	3,264,453	3,264,453	3,215,027	(49,426)
Fund balances - ending	$ 3,191,341	$ 2,869,474	$ 3,207,342	$ 337,868

Exhibit 8

CITY OF GUYMON, OKLAHOMA
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
ON BUDGETARY ACCOUNTING AND CONTROL
FOR THE YEAR ENDED DECEMBER 31, 2014

BUDGETARY ACCOUNTING AND CONTROL

Budget Law

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

a. Prior to December 1, the City Manager submits to the City Council a proposed operating budget for the calendar year commencing the following January 1. The operating budget includes proposed expenditures and the means of financing them.

b. Public hearings are conducted at regular Council meetings to obtain taxpayer comments. Public hearings are held no later than 15 days prior to the beginning of the budget year.

c. Subsequent to the public hearings but no later than seven days prior to January 1, the budget is legally enacted through the passage of a resolution by the City Council.

d. Subsequent to City Council enactment, the adopted budget is filed with the office of the State Auditor and Inspector.

All funds with revenues and/or expenditures/expenses as defined by State law are required to have annual budgets under this section of state law, except funds of public trusts or authorities. The legal level of control at which expenditures may not legally exceed appropriations is the department level within a fund.

All supplemental appropriations require the approval of the City Council. All transfers of appropriation between department and object categories require the approval of the City Manager. The City prepared and adopted a legal annual budget for all governmental funds.

In accordance with Title 60 of the Oklahoma State Statutes, the Guymon Utilities Authority, Guymon Industrial Authority, and Guymon Airport Authority (if active) are required to prepare an annual budget and submit a copy to the city as beneficiary. However, there are no further requirements such as form of budget, approval of the budget or definition of a legal spending limit. The over-budget amount of $23,350 in the airport department is in the Guymon Airport Authority Fund which is included with the General Fund for reporting purposes. This does not represent a noncompliance with budgetary laws since it is within a public trust fund.

Budgetary Accounting

The annual operating budgets of the General Fund are prepared and presented on a budgetary basis of accounting which differs from the modified accrual basis in the following areas:

Operating grants that do not result in cash flow and the related operating expense are not budgeted.

The following is a reconciliation of those differences:

	Per Statement of Revenues, Expenditures, and Changes in Fund Balance	Capital Lease Activity	Non-Cash Grant Activity	Per Budgetary Comparison Schedule
General Fund:				
Total Revenues	$ 7,111,610	$ -	(356,836)	$ 6,754,774
Transfers In	3,342,775	-	-	3,342,775
Issuance of debt	915,500	(915,500)	-	-
Total Revenues and Other Financing Sources	11,369,885	(915,500)	(356,836)	10,097,549
Total Expenditures	10,581,675	(915,500)	(356,836)	9,309,339
Transfers Out	795,895	-	-	795,895
Total Expenditures and Other Financing Uses	11,377,570	(915,500)	(356,836)	10,105,234
Net Change in Fund Balance	$ (7,685)	$ -	$ -	$ (7,685)

The City utilizes encumbrance accounting under which purchase orders, contracts, and other commitments for the expenditure of funds are recorded in order to reserve a portion of the applicable appropriation. The City considers all appropriations to lapse at year-end; any open purchase orders to be honored in the subsequent budget year are reappropriated in the new year's budget. As a result, encumbrances are not treated as the equivalent of expenditures in the budget and actual financial statements.

OTHER SUPPLEMENTARY INFORMATION

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

Such statements and schedules include:

- Combining Statements – Nonmajor governmental funds
- Combining Schedules – General fund accounts
- Enterprise Fund – Operating Account (Guymon Utilities Authority)
- Major Governmental Capital Project Funds – Budget and Actual
- Nonmajor Governmental Funds – Budget and Actual

Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2014

	SPECIAL REVENUE FUNDS				
	E-911 Fund	Guymon Development Fund	Library Fund	Grant Fund	Hotel/Motel Tax Fund
ASSETS					
Cash and cash equivalents	350,008	19,622	16,731	1,065	312,593
Investments	-	-	-	-	-
Accounts receivable, net	26,052	500	-	1,250	18,799
Receivable from other governments	-	-	-	447,425	-
Total assets	376,060	20,122	16,731	449,740	331,392
LIABILITIES, DEFERRED INFLOWS AND FUND BALANCE					
Liabilities:					
Accounts payable	257	-	-	-	15,324
Due to other funds	-	-	-	299,242	-
Total liabilities	257	-	-	299,242	15,324
Deferred inflows of resources:					
Deferred revenue	-	-	-	447,425	6,728
Fund Balances:					
Nonspendable	-	1,000	-	-	-
Restricted	375,803	57,072	16,731	130,062	309,340
Assigned	-	-	-	-	-
Unassigned (deficit)	-	(37,950)	-	(426,989)	-
Total fund balance	375,803	20,122	16,731	(296,927)	309,340
Total liabilities, deferred inflows and fund balance	$ 376,060	$ 20,122	$ 16,731	$ 449,740	$ 331,392

Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2014

	SPECIAL REVENUE FUNDS		CAPITAL PROJECT FUND		PERMANENT FUND	
	Police Fund	Guymon Industrial Authority	Cemetery Care Fund	Library Capital Improvement Fund	Dale Funds	Total Governmental Funds
ASSETS						
Cash and cash equivalents	138,029	51,098	18,838	76,845	5,490	$ 990,319
Investments	-	-	-	-	84,775	84,775
Accounts receivable, net	-	-	-	-	-	46,601
Receivable from other governments	-	34,038	-	-	-	481,463
Total assets	138,029	85,136	18,838	76,845	90,265	1,603,158
LIABILITIES, DEFERRED INFLOWS AND FUND BALANCE						
Liabilities:						
Accounts payable	-	34,038	-	-	-	49,619
Due to other funds	-	-	-	-	-	299,242
Total liabilities	-	34,038	-	-	-	348,861
Deferred inflows of resources:						
Deferred revenue	-	-	-	-	-	454,153
Fund Balances:						
Nonspendable	-	-	-	-	3,300	4,300
Restricted	138,029	51,098	18,838	76,845	86,965	1,260,783
Assigned	-	-	-	-	-	-
Unassigned (deficit)	-	-	-	-	-	(464,939)
Total fund balance	138,029	51,098	18,838	76,845	90,265	800,144
Total liabilities, deferred inflows and fund balance	$ 138,029	$ 85,136	$ 18,838	$ 76,845	$ 90,265	$ 1,603,158

City of Guymon, Oklahoma
Combining Statement of Revenues, Expenditures and Changes in Fund Balance
Nonmajor Governmental Funds
For the Year Ended December 31, 2014

	SPECIAL REVENUE FUNDS				
	E-911 Fund	Guymon Development Fund	Library Fund	Grant Fund	Hotel/Motel Tax Fund
REVENUES					
Taxes	$ 132,792	$ -	$ -	$ -	$ 219,440
Intergovernmental	28,245	3,730	20,560	74,223	-
Charges for services	-	-	-	-	-
Investment earnings	708	58	56	2	691
Miscellaneous	313	11,048	319	15,000	-
Total revenues	162,058	14,836	20,935	89,225	220,131
EXPENDITURES					
Current:					
Community development	-	9,159	-	104,296	-
Economic development	-	-	-	-	-
Library	-	-	21,528	-	-
Police	131,938	-	-	-	-
Park	-	279	-	-	-
Tourism	-	-	-	-	137,522
Capital Outlay	11,286	21,000	-	-	49,244
Total Expenditures	143,224	30,438	21,528	104,296	186,766
Excess (deficiency) of revenues over expenditures	18,834	(15,602)	(593)	(15,071)	33,365
OTHER FINANCING SOURCES (USES)					
Transfers in	-	5,000	-	15,000	-
Transfers out	-	-	-	-	(5,000)
Total other financing sources and uses	-	5,000	-	15,000	(5,000)
Net change in fund balance	18,834	(10,602)	(593)	(71)	28,365
Fund balances - beginning	356,969	30,724	17,324	(296,856)	280,975
Fund balances - ending	$ 375,803	$ 20,122	$ 16,731	$ (296,927)	$ 309,340

City of Guymon, Oklahoma
Combining Statement of Revenues, Expenditures and Changes in Net Position
Nonmajor Governmental Funds
For the Year Ended December 31, 2014

	SPECIAL REVENUE FUNDS		CAPITAL PROJECT FUND		PERMANENT FUND	
	Police Fund	Guymon Industrial Authority	Cemetery Care Fund	Library Capital Improvement Fund	Dale Funds	Total-Other Governmental Funds
REVENUES						
Taxes	$ -	$ 336,838	$ -	$ -	$ -	$ 689,070
Intergovernmental	126,729	-	-	-	-	253,487
Charges for services	-	-	8,020	-	-	8,020
Investment earnings	297	114	34	5	9,209	11,174
Miscellaneous	-	-	-	-	-	26,680
Total revenues	127,026	336,952	8,054	5	9,209	988,431
EXPENDITURES						
Current:						
Community development	-	-	-	-	554	114,009
Economic development	-	339,184	-	-	-	339,184
Library	-	-	-	-	-	21,528
Police	1,751	-	-	-	-	133,689
Park	-	-	-	-	-	279
Tourism	-	-	-	-	-	137,522
Capital Outlay	7,000	-	-	-	-	88,530
Total Expenditures	8,751	339,184	-	-	554	834,741
Excess (deficiency) of revenues over expenditures	118,275	(2,232)	8,054	5	8,655	153,690
OTHER FINANCING SOURCES (USES)						
Transfers in	-	-	-	46,028	-	66,028
Transfers out	-	-	-	-	-	(5,000)
Total other financing sources and uses	-	-	-	46,028	-	61,028
Net change in fund balance	118,275	(2,232)	8,054	46,033	8,655	214,718
Fund balances - beginning	19,754	53,330	10,784	30,812	81,610	585,426
Fund balances - ending	$ 138,029	$ 51,098	$ 18,838	$ 76,845	$ 90,265	$ 800,144

City of Guymon, Oklahoma
Combining Balance Sheet
General Fund Accounts
December 31, 2014

	General Fund	Golf Course Account	Pool/Recreation Account	Airport Authority Account	TOTAL
ASSETS					
Cash, including time deposits	$ 2,096,176	$ 162,116	$ 1,000	$ 124,823	$ 2,384,115
Receivable from other governments	581,952	-	-	40,252	622,204
Accounts receivable, net	569,378	-	-	12,542	581,920
Due from other funds	299,242	-	-	-	299,242
Total assets	3,546,748	162,116	1,000	177,617	3,887,481
LIABILITIES, DEFERRED INFLOWS AND FUND BALANCE					
Liabilities:					
Accounts payable	211,542	11,918	7	31,927	255,394
Retainage payable	-	-	-	63,950	63,950
Due to other governments	-	-	-	946	946
Refundable court bonds	21,883	-	-	-	21,883
Total liabilities	233,425	11,918	7	96,823	342,173
Deferred inflows of resources:					
Deferred revenue	297,616	-	-	40,352	337,968
	297,616	-	-	40,352	337,968
Fund balance:					
Assigned	599,472	150,198	993	40,442	791,105
Unassigned	2,416,235	-	-	-	2,416,235
Total fund balance	3,015,707	150,198	993	40,442	3,207,340
Total liabilities, deferred inflows and fund balance	$ 3,546,748	$ 162,116	$ 1,000	$ 177,617	$ 3,887,481

City of Guymon, Oklahoma
Combining Schedule of Revenues, Expenditures and Changes in Fund Balance
General Fund Accounts
For the Year Ended December 31, 2014

	General Fund	Golf Course Account	Pool/Recreation Account	Airport Authority Account	TOTAL
REVENUES					
Taxes	$ 4,375,546	$ -	$ -	$ 6,730	$ 4,382,276
Intergovernmental	920,808	-	-	400,000	1,320,808
Charges for services	396,174	324,856	9,690	20,250	750,970
Fines and forfeitures	389,974	-	-	-	389,974
Licenses and permits	41,657	-	-	-	41,657
Investment earnings	5,100	400	47	414	5,961
Miscellaneous	183,442	381	58	36,083	219,964
Total revenues	6,312,701	325,637	9,795	463,477	7,111,610
EXPENDITURES					
Current:					
General Government:					
City clerk	84,542	-	-	-	84,542
City treasurer	69,608	-	-	-	69,608
Human resources	135,114	-	-	-	135,114
Information technology	190,085	-	-	-	190,085
General government	606,077	-	-	-	606,077
Total General Government	1,085,426	-	-	-	1,085,426
Public Safety and Judiciary:					
City attorney	86,846	-	-	-	86,846
Ambulance	321,174	-	-	-	321,174
Police	2,093,733	-	-	-	2,093,733
Municipal court	162,144	-	-	-	162,144
Fire	1,888,440	-	-	-	1,888,440
Civil emergency management	18,113	-	-	-	18,113
Total Public Safety and Judiciary	4,570,450	-	-	-	4,570,450
Transportation:					
Airport	-	-	-	80,801	80,801
Street	916,348	-	-	-	916,348
Public Transportation	448,230	-	-	-	448,230
Total Transportation	1,364,578	-	-	80,801	1,445,379
Cultural, Parks, and Recreation:					
Golf	-	539,790	-	-	539,790
Library	405,700	-	-	-	405,700
Cemetery	132,858	-	-	-	132,858
Swimming pool	-	-	61,673	-	61,673
Parks	435,056	-	-	-	435,056
Total Cultural, Parks and Recreation	973,614	539,790	61,673	-	1,575,077
Community/Economic Development:					
Community development	556,467	-	-	-	556,467
Business incubator	2,415	-	-	-	2,415
Total Community/Economic Development	558,882	-	-	-	558,882
Debt Service:					
Principal	181,431	53,034	-	-	234,465
Interest and other charges	24,513	6,149	-	-	30,662
Capital Outlay	1,061,331	3,685	12,118	4,200	1,081,334
Total Expenditures	9,820,225	602,658	73,791	85,001	10,581,675
Excess (deficiency) of revenues over expenditures	(3,507,524)	(277,021)	(63,996)	378,476	(3,470,065)
OTHER FINANCING SOURCES (USES)					
Proceeds of debt	915,500	-	-	-	915,500
Transfers in	2,934,895	300,000	17,880	90,000	3,342,775
Transfers out	(795,895)	-	-	-	(795,895)
Total other financing sources and uses	3,054,500	300,000	17,880	90,000	3,462,380
Net change in fund balance	(453,024)	22,979	(46,116)	468,476	(7,685)
Fund balances - beginning	3,468,731	127,219	47,109	(428,034)	3,215,025
Fund balances - ending	$ 3,015,707	$ 150,198	$ 993	$ 40,442	$ 3,207,340

City of Guymon, Oklahoma
Schedule of Departmental Operating Revenues and Expenses
Enterprise Fund - Operating Accounts (Guymon Utility Authority)
For the Year Ended December 31, 2014

	Guymon Utility Authority
OPERATING REVENUES	
Charges for services:	
Gas charges (net of $25,045 bad debt)	5,213,770
Water charges (net of $9,783 bad debt)	3,126,846
Sewer charges (net of $4,916 bad debt)	1,314,637
Sanitation charges (net of $5,305 bad debt)	1,534,372
Penalties	45,253
Agriculture revenue	181,435
Total charges for services	11,416,313
Miscellaneous	20,581
Total operating revenues	11,436,894
OPERATING EXPENSES	
Cost of goods sold	2,454,763
Personal services	2,052,785
Materials and supplies	293,231
Other services and charges	2,824,218
Depreciation	1,872,123
Total Operating Expenses	9,497,120
Operating income (loss)	1,939,774
NON-OPERATING REVENUES (EXPENSES)	
Investment income	11,213
Interest expense	(569,718)
Gain (Loss) on sale of capital assets	275,628
Total non-operating revenue (expenses)	(282,877)
Income before transfers and contributions	1,656,897
TRANSFERS AND CONTRIBUTIONS	
Contributed capital	12,720
Interfund transfers in	2,793,803
Interfund transfers out	(3,762,196)
Net Transfers	(955,673)
Change in net position	701,224
Total net position - beginning	19,435,330
Total net position - ending	$ 20,136,554

City of Guymon, Oklahoma
Schedule of Revenues, Expenditures, and Changes in Fund Balance - (Budgetary Basis)
Budget and Actual - Major Governmental Capital Project Funds
For the Year ended December 31, 2014

	General Capital Improvement Fund			GUA Sales Tax CIF		
	Final	Actual Amounts, Budgetary Basis	Variance with Final Budget - Positive (Negative)	Final	Actual Amounts, Budgetary Basis	Variance with Final Budget - Positive (Negative)
REVENUES						
Taxes	$ 1,650,000	$ 1,590,668	$ (59,332)	$ 1,650,000	$ 1,590,668	$ (59,332)
Investment earnings	2,200	830	(1,370)	600	503	(97)
Miscellaneous	-	267	267	-	-	-
Total revenues	1,652,200	1,591,765	(60,435)	1,650,600	1,591,171	(59,429)
EXPENDITURES						
Departmental:						
Library	325,821	323,761	2,060	-	-	-
Police	171,099	252,596	(81,497)	-	-	-
Fire	572,200	496,372	75,828	-	-	-
Parks	41,700	46,520	(4,820)	-	-	-
Street	402,850	402,830	20	-	-	-
Water	-	-	-	729,684	-	729,684
Wastewater	-	-	-	1,264,500	-	1,264,500
Administration	624,423	205,521	418,902	-	-	-
Total Expenditures	2,138,093	1,727,600	410,493	1,994,184	-	1,994,184
Excess (deficiency) of revenues over expenditures	(485,893)	(135,835)	350,058	(343,584)	1,591,171	1,934,755
OTHER FINANCING SOURCES (USES)						
Transfers in	-	-	-	300,000	358,393	58,393
Transfers out	-	-	-	-	(1,997,908)	(1,997,908)
Total other financing sources and uses	-	-	-	300,000	(1,639,515)	(1,939,515)
Net change in fund balances	(485,893)	(135,835)	350,058	(43,584)	(48,344)	(4,760)
Fund balances - beginning	351,142	665,584	314,442	84,261	655,907	571,646
Fund balances - ending	$ (134,751)	$ 529,749	$ 664,500	$ 40,677	$ 607,563	$ 566,886

City of Guymon, Oklahoma
Schedule of Revenues, Expenditures, and Changes in Fund Balance - (Budgetary Basis)
Budget and Actual - Nonmajor Governmental Funds
For the Year ended December 31, 2014

	E-911 Fund			Guymon Development Fund		
	Final	Actual Amounts, Budgetary Basis	Variance with Final Budget - Positive (Negative)	Final	Actual Amounts, Budgetary Basis	Variance with Final Budget - Positive (Negative)
REVENUES						
Taxes	$ 47,000	$ 44,480	$ (2,520)	$ -	$ -	$ -
Intergovernmental	36,500	28,245	(8,255)	2,000	3,730	1,730
Charges for services	80,000	88,312	8,312	-	-	-
Investment income	735	708	(27)	120	58	(62)
Miscellaneous	-	313	313	11,500	11,048	(452)
Total revenues	164,235	162,058	(2,177)	13,620	14,836	1,216
EXPENDITURES						
Departmental:						
Community development	-	-	-	9,720	9,159	561
Police	260,000	143,224	116,776	-	-	-
Fire	-	-	-	22,195	21,000	1,195
Parks	-	-	-	280	279	1
Total Expenditures	260,000	143,224	116,776	32,195	30,438	1,757
Excess (deficiency) of revenues over expenditures	(95,765)	18,834	114,599	(18,575)	(15,602)	2,973
OTHER FINANCING SOURCES (USES)						
Transfers in	-	-	-	-	5,000	5,000
Total other financing sources and uses	-	-	-	-	5,000	5,000
Net change in fund balances	(95,765)	18,834	114,599	(18,575)	(10,602)	7,973
Fund balances - beginning	252,979	356,969	103,990	31,593	30,724	(869)
Fund balances - ending	$ 157,214	$ 375,803	$ 218,589	$ 13,018	$ 20,122	$ 7,104

City of Guymon, Oklahoma
Schedule of Revenues, Expenditures, and Changes in Fund Balance - (Budgetary Basis)
Budget and Actual - Nonmajor Governmental Funds
For the Year ended December 31, 2014

(Continued)

	Library Fund			Community Development Block Grant Fund		
	Final	Actual Amounts, Budgetary Basis	Variance with Final Budget - Positive (Negative)	Final	Actual Amounts, Budgetary Basis	Variance with Final Budget - Positive (Negative)
REVENUES						
Intergovernmental	$ 21,529	$ 20,560	$ (969)	$ 543,200	$ 74,223	$ (468,977)
Investment income	85	56	(29)	-	2	2
Miscellaneous	300	319	19	15,000	15,000	-
Total revenues	21,914	20,935	(979)	558,200	89,225	(468,975)
EXPENDITURES						
Departmental:						
Community development	-	-	-	665,107	104,296	560,811
Library	21,529	21,528	1	-	-	-
Total Expenditures	21,529	21,528	1	665,107	104,296	560,811
Excess (deficiency) of revenues over expenditures	385	(593)	(978)	(106,907)	(15,071)	91,836
OTHER FINANCING SOURCES (USES)						
Transfers in	-	-	-	-	15,000	15,000
Total other financing sources and uses	-	-	-	-	15,000	15,000
Net change in fund balances	385	(593)	(978)	(106,907)	(71)	106,836
Fund balances - beginning	21,962	17,325	(4,637)	22,359	(296,856)	(319,215)
Fund balances - ending	$ 22,347	$ 16,732	$ (5,615)	$ (84,548)	$ (296,927)	$ (212,379)

City of Guymon, Oklahoma
Schedule of Revenues, Expenditures, and Changes in Fund Balance - (Budgetary Basis)
Budget and Actual - Nonmajor Governmental Funds
For the Year ended December 31, 2014

(Continued)

	Hotel/Motel Tax Fund			Police Fund		
	Final	Actual Amounts, Budgetary Basis	Variance with Final Budget - Positive (Negative)	Final	Actual Amounts, Budgetary Basis	Variance with Final Budget - Positive (Negative)
REVENUES						
Taxes	$ 180,000	$ 219,440	$ 39,440	$ -	$ -	$ -
Intergovernmental	-	-	-	150,000	126,729	(23,271)
Investment income	700	691	(9)	55	297	242
Total revenues	180,700	220,131	39,431	150,055	127,026	(23,029)
EXPENDITURES						
Departmental:						
Police	-	-	-	20,807	8,751	12,056
Tourism	252,092	186,766	65,326	-	-	-
Total Expenditures	252,092	186,766	65,326	20,807	8,751	12,056
Excess (deficiency) of revenues over expenditures	(71,392)	33,365	104,757	129,248	118,275	(10,973)
OTHER FINANCING SOURCES (USES)						
Transfers out	-	(5,000)	(5,000)	-	-	-
Total other financing sources and uses	-	(5,000)	(5,000)	-	-	-
Net change in fund balances	(71,392)	28,365	99,757	129,248	118,275	(10,973)
Fund balances - beginning	156,812	280,975	124,163	-	19,754	19,754
Fund balances - ending	$ 85,420	$ 309,340	$ 223,920	$ 129,248	$ 138,029	$ 8,781

City of Guymon, Oklahoma
Schedule of Revenues, Expenditures, and Changes in Fund Balance - (Budgetary Basis)
Budget and Actual - Nonmajor Governmental Funds
For the Year ended December 31, 2014

(Continued)

	Guymon Industrial Authority			Cemetery Care Fund		
	Final	Actual Amounts, Budgetary Basis	Variance with Final Budget - Positive (Negative)	Final	Actual Amounts, Budgetary Basis	Variance with Final Budget - Positive (Negative)
REVENUES						
Taxes	$ 740,000	$ 336,838	$ (403,162)	$ -	$ -	$ -
Charges for services	-	-	-	3,200	8,020	4,820
Investment income	100	114	14	25	34	9
Total revenues	740,100	336,952	(403,148)	3,225	8,054	4,829
EXPENDITURES						
Departmental:						
Economic development	740,000	339,184	400,816	-	-	-
Total Expenditures	740,000	339,184	400,816	-	-	-
Excess (deficiency) of revenues over expenditures	100	(2,232)	(2,332)	3,225	8,054	4,829
OTHER FINANCING SOURCES (USES)						
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total other financing sources and uses	-	-	-	-	-	-
Net change in fund balances	100	(2,232)	(2,332)	3,225	8,054	4,829
Fund balances - beginning	331,710	53,330	(278,380)	15,214	10,784	(4,430)
Fund balances - ending	$ 331,810	$ 51,098	$ (280,712)	$ 18,439	$ 18,838	$ 399

City of Guymon, Oklahoma
Schedule of Revenues, Expenditures, and Changes in Fund Balance - (Budgetary Basis)
Budget and Actual - Nonmajor Governmental Funds
For the Year ended December 31, 2014

(Continued)

	Dale Funds		
	Final	**Actual Amounts, Budgetary Basis**	**Variance with Final Budget - Positive (Negative)**
REVENUES			
Investment income	$ 625	$ 9,209	$ 8,584
Total revenues	625	9,209	8,584
EXPENDITURES			
Departmental:			
Community development	560	554	6
Total Expenditures	560	554	6
Excess (deficiency) of revenues over expenditures	65	8,655	8,590
OTHER FINANCING SOURCES (USES)			
Transfers in	-	-	-
Transfers out	-	-	-
Total other financing sources and uses	-	-	-
Net change in fund balances	65	8,655	8,590
Fund balances - beginning	3,740	81,610	77,870
Fund balances - ending	$ 3,805	$ 90,265	$ 86,460

City of Guymon, Oklahoma
Schedule of Revenues, Expenditures, and Changes in Fund Balance - (Budgetary Basis)
Budget and Actual - Nonmajor Governmental Funds
For the Year ended December 31, 2014

	Library Capital Improvement Fund		
	Final	**Actual Amounts, Budgetary Basis**	**Variance with Final Budget - Positive (Negative)**
REVENUES			
Investment earnings	$ -	$ 5	$ 5
Total revenues	-	5	5
EXPENDITURES			
Departmental:			
Library	-	-	-
Total Expenditures	-	-	-
Excess (deficiency) of revenues over expenditures	-	5	5
OTHER FINANCING SOURCES (USES)			
Transfers in	-	46,028	46,028
Total other financing sources and uses	-	46,028	46,028
Net change in fund balances	-	46,033	46,033
Fund balances - beginning	-	30,811	30,811
Fund balances - ending	$ -	$ 76,844	$ 76,844

THE CITY OF
GUYMON
OKLAHOMA

Statistical Section

STATISTICAL SECTION

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

Such statistical information includes:

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

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

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

- Demographic and Economic Information – These schedules offer demographic and economic indicators to help the reader understand the environment within which the city's financial activities take place

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

CITY OF GUYMON, OKLAHOMA
NET ASSETS/POSITION BY COMPONENT
Last Ten Fiscal Years
December 31, 2014
TABLE 1

	2006	2007	2008	2009	2010	2011	December 2011
Governmental activities							
Invested in capital assets, net of related debt	$ 9,269,913	$ 8,640,868	$ 8,621,065	$ 8,966,029	$ 9,162,018	$ 10,318,848	$ 11,429,614
Restricted	418,459	520,762	730,026	903,470	3,698,645	2,770,010	2,513,832
Unrestricted	1,311,074	1,049,550	1,892,074	2,931,393	2,246,199	2,723,068	3,597,085
Total governmental activities net assets	$ 10,999,446	$ 10,211,180	$ 11,243,165	$ 12,800,892	$ 15,106,862	$ 15,811,926	$ 17,540,531
Business-type activities							
Invested in capital assets, net of related debt	$ 10,587,214	$ 10,908,056	$ 10,014,350	$ 10,684,925	$ 11,498,662	$ 13,408,159	$ 13,583,566
Restricted	363,735	423,278	466,272	491,281	388,271	305,603	258,734
Unrestricted	1,733,509	1,827,964	2,161,375	2,231,176	2,095,644	3,434,744	3,877,249
Total business-type activities net assets	$ 12,684,458	$ 13,159,298	$ 12,641,997	$ 13,407,382	$ 13,982,577	$ 17,148,506	$ 17,719,549
Primary government							
Invested in capital assets, net of related debt	$ 19,857,127	$ 19,548,924	$ 18,635,415	$ 19,650,954	$ 20,660,680	$ 23,727,007	$ 25,013,180
Restricted	782,194	944,040	1,196,298	1,394,751	4,086,916	3,075,613	2,772,566
Unrestricted	3,044,583	2,877,514	4,053,449	5,162,569	4,341,843	6,157,812	7,474,334
Total primary government net assets	$ 23,683,904	$ 23,370,478	$ 23,885,162	$ 26,208,274	$ 29,089,439	$ 32,960,432	$ 35,260,080

	2012	2013	2014
Governmental activities			
Net investment in capital assets	$ 11,866,330	$ 15,988,928	$ 15,961,670
Restricted	2,796,118	2,812,080	2,846,427
Unrestricted	2,689,445	3,170,218	(1,311,270)
Total governmental activities net position	$ 17,351,893	$ 21,971,226	$ 17,496,827
Business-type activities			
Net investment in capital assets	$ 14,419,222	$ 14,495,150	$ 14,717,042
Restricted	155,468	-	-
Unrestricted	4,855,106	5,135,596	5,419,512
Total business-type activities net position	$ 19,429,796	$ 19,630,746	$ 20,136,554
Primary government			
Net investment in capital assets	$ 26,285,552	$ 30,484,078	$ 30,678,712
Restricted	2,951,586	2,812,080	2,846,427
Unrestricted	7,544,551	8,305,814	4,108,242
Total primary government net position	$ 36,781,689	$ 41,601,972	$ 37,633,381

NOTE: The City changed their year end from June 30th to December 31st in 2011.

CITY OF GUYMON, OKLAHOMA
CHANGES IN NET ASSETS/POSITION
Last Ten Fiscal Years
December 31, 2014
TABLE 2

	June						December			
	2006	**2007**	**2008**	**2009**	**2010**	**2011**	**2011**	**2012**	**2013**	**2014**
Expenses										
Government activities:										
Government government	$ 533,126	$ 374,727	$ 401,164	$ 565,327	$ 717,083	$ 643,553	$ 533,855	$ 585,283	$ 314,839	$ 1,115,480
Public Safety and judiciary	2,633,217	2,780,129	2,888,446	3,090,973	3,495,581	3,864,574	3,749,612	4,247,097	2,294,433	5,277,346
Transportation	1,199,284	1,316,595	1,352,916	1,469,875	1,658,416	1,764,056	1,736,197	1,906,821	997,726	2,123,278
Cultural, parks and recreation	1,240,005	1,202,851	1,219,565	1,301,120	1,435,348	1,635,588	1,522,697	1,596,450	862,393	2,179,559
Community/economic development	2,444,133	901,941	609,996	707,533	854,617	811,289	1,058,400	1,238,241	248,604	1,022,750
Interest on long-term debt	19,256	9,848	5,406	12,197	13,556	32,866	25,407	137,763	119,388	223,190
Total governmental activities expenses	8,069,021	6,586,091	6,477,493	7,147,025	8,174,601	8,751,926	8,626,168	9,711,655	4,837,383	11,941,603
Business-type activities:										
Gas	3,521,884	3,748,097	4,985,011	4,505,783	4,085,783	5,895,883	3,316,002	3,454,958	1,568,544	3,451,728
Garage	45,590	48,645	51,695	60,645	55,898	55,107	59,517	66,103	35,330	75,595
Water	1,247,677	1,126,723	1,195,418	1,227,412	1,348,690	1,333,705	1,301,576	1,842,426	975,671	1,757,108
Sewer	619,368	751,882	818,907	885,394	882,983	968,852	1,239,383	2,635,956	1,367,417	3,256,649
Sanitation	934,913	1,010,715	1,127,135	1,245,773	1,263,676	1,310,876	1,205,294	1,274,943	651,930	1,487,160
Farm	22,137	33,090	19,358	23,625	16,027	30,438	10,372	145	72	38,598
Total business-type activities expenses	6,391,569	6,719,152	8,197,524	7,948,632	7,653,057	9,594,861	7,132,144	9,274,531	4,598,964	10,066,838
Total primary government expenses	$ 14,460,590	$ 13,305,243	$ 14,675,017	$ 15,095,657	$ 15,827,658	$ 18,346,787	$ 15,758,312	$ 18,986,186	$ 9,436,347	$ 22,008,441
Program Revenues										
Government activities:										
Charges for services:										
General government	$ 15,329	$ 16,970	$ 17,416	$ 20,797	$ 43,543	$ 18,521	$ 32,474	$ 38,073	$ 15,098	$ 36,619
Public Safety and judiciary	493,988	599,635	608,372	508,798	593,836	647,377	654,426	598,833	349,443	843,787
Transportation	26,738	27,541	34,236	39,484	48,061	54,557	61,885	54,967	23,867	47,279
Cultural, parks and recreation	296,906	260,721	310,202	305,070	397,118	420,867	389,030	395,181	160,409	369,346
Community/economic development	-	-	-	-	-	9,082	35,410	33,551	15,079	-
Operating grants and contributions	1,129,683	575,608	472,379	801,544	608,414	599,845	417,306	693,102	316,527	774,872
Capital grants and contributions	354,094	239,337	82,093	707,335	829,327	167,926	342,442	720,250	128,996	109,417
Total governmental activities program revenues	2,316,738	1,719,812	1,524,698	2,383,028	2,520,299	1,918,175	1,932,973	2,533,957	1,009,419	2,181,320

NOTE: The City changed their year end from June 30th to December 31st in 2011, therefore, the December 2011 column represents 6 months.

(Continued)

TABLE 2
(Continued)

	June					December				
	2006	2007	2008	2009	2010	2011	2011	2012	2013	2014
Business-type activities:										
Charges for services:										
Gas	$ 3,513,330	$ 3,692,192	$ 4,835,967	$ 4,214,364	$ 4,219,989	$ 6,114,725	$ 4,175,688	$ 4,270,139	$ 2,048,839	$ 5,588,264
Water	1,531,817	1,432,874	2,013,524	2,146,935	2,617,876	2,630,331	2,623,130	3,054,706	1,714,337	3,130,031
Sewer	782,093	800,039	815,237	975,814	1,071,762	1,218,920	1,189,168	1,383,503	767,508	1,314,637
Sanitation	706,446	737,556	966,339	1,182,018	1,193,833	1,317,995	1,320,341	1,372,532	760,982	1,534,646
Farm	143,635	112,209	128,180	147,562	167,879	209,121	60,628	102,474	72,109	181,435
Operating grants and contributions	24,486	-	-	-	-	-	-	-	-	-
Capital grants and contributions	-	-	-	-	47,059	-	650,038	143,241	-	-
Total business-type activities program revenues	6,701,807	6,774,870	8,759,247	8,666,693	9,318,398	11,491,092	10,018,993	10,326,595	5,363,775	11,749,013
Total primary government program revenues	$ 9,018,545	$ 8,494,682	$ 10,283,945	$ 11,049,721	$ 11,838,697	$ 13,409,267	$ 11,951,966	$ 12,860,552	$ 6,373,194	$ 13,930,333
Net (Expense)/Revenue										
Government activities:	$ (5,752,283)	$ (4,866,279)	$ (4,952,795)	$ (4,763,997)	$ (5,654,302)	$ (6,833,751)	$ (6,693,195)	$ (7,177,698)	$ (3,827,964)	$ (9,760,283)
Business-type activities:	310,238	55,718	561,723	718,061	1,665,341	1,896,231	2,886,849	1,052,064	764,811	1,682,175
Total primary government net expense	$ (5,442,045)	$ (4,810,561)	$ (4,391,072)	$ (4,045,936)	$ (3,988,961)	$ (4,937,520)	$ (3,806,346)	$ (6,125,634)	$ (3,063,153)	$ (8,078,108)
General Revenues and Other Changes in Net Assets/Position										
Government activities:										
Taxes:										
Sales and use taxes	$ 3,624,653	$ 3,004,400	$ 2,617,568	$ 2,964,238	$ 4,727,544	$ 6,219,525	$ 5,780,043	$ 6,051,511	$ 3,434,361	$ 6,943,727
Franchise and public service taxes	347,589	367,492	450,885	446,475	501,663	496,341	452,632	538,097	263,454	613,155
E-911 taxes, dedicated fire emergency services	74,130	70,273	66,643	64,377	66,459	59,045	171,040	129,895	71,207	132,792
Hotel/Motel taxes, dedicated for tourism	73,826	73,239	92,967	156,614	167,979	137,361	128,186	138,096	91,141	221,165
Tax apportionment taxes,dedicated for enomic devel	418,077	447,109	452,296	464,451	470,782	468,376	727,883	876,763	386,095	336,838
Airport fuel tax	4,888	5,485	6,053	5,465	4,833	5,182	4,164	3,376	2,523	6,730
Intergovernmental	83,361	122,222	138,385	145,141	175,326	192,261	196,462	209,269	123,124	218,147
Investment income	21,128	28,271	32,888	38,488	33,410	39,934	69,342	61,295	13,061	18,421
Miscellaneous	113,057	167,415	116,715	85,952	82,931	186,681	106,891	210,049	126,606	149,759
Transfers-Internal activity	676,552	618,732	190,129	1,398,800	981,102	1,335,015	(238,384)	563,464	(872,245)	992,164
Total governmental activities	5,437,261	4,904,638	4,164,529	5,770,001	7,212,029	9,139,721	7,398,259	8,781,815	3,639,327	9,632,898
Business-type activities:										
Investment earnings	23,614	26,160	54,156	102,587	61,146	33,979	40,696	34,123	15,534	11,213
Miscellaneous	21,273	-	-	-	-	-	-	48,320	57,657	-
Special Items	-	-	-	60,851	-	-	-	-	-	-
Transfers	(676,552)	(618,732)	(190,129)	(1,398,800)	(981,102)	(1,335,015)	238,384	(563,464)	872,245	(992,164)
Total business-type activities	(631,665)	(592,572)	(135,973)	(1,235,362)	(919,956)	(1,301,036)	279,080	(481,021)	945,436	(980,951)
Total primary government	$ 4,805,596	$ 4,312,066	$ 4,028,556	$ 4,534,639	$ 6,292,073	$ 7,838,685	$ 7,677,339	$ 8,300,794	$ 4,584,763	$ 8,651,947
Change in Net Assets/Position										
Government activities	$ (315,022)	$ 38,359	$ (788,266)	$ 1,006,004	$ 1,557,727	$ 2,305,970	$ 705,064	$ 1,604,117	$ (188,637)	$ (127,385)
Business-type activities	(321,427)	(536,854)	425,750	(517,301)	745,385	595,195	3,165,929	571,043	1,710,247	701,224
Total primary government	$ (636,449)	$ (498,495)	$ (362,516)	$ 488,703	$ 2,303,112	$ 2,901,165	$ 3,870,993	$ 2,175,160	$ 1,521,610	$ 573,839

NOTE: The City changed their year end from June 30th to December 31st in 2011, therefore, the December 2011 column represents 6 months.

CITY OF GUYMON, OKLAHOMA
FUND BALANCES, GOVERNMENTAL FUNDS
Last Ten Fiscal Years
December 31, 2014
TABLE 3

	December									
	2006	2007	2008	2009	2010	2011	2011	2012	2013	2014
General Fund										
Reserved	$ 140,591	$ 156,275	$ 168,754	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Unreserved	1,011,201	678,672	1,569,087	2,073,758	2,097,840	-	-	-	-	-
Nonspendable	-	-	-	-	-	-	-	-	-	-
Restricted	-	-	-	-	-	55,596	138,095	125,304	-	-
Assigned	-	-	-	-	-	81,175	1,422,679	256,345	233,346	791,105
Unassigned	-	-	-	-	-	2,508,487	1,926,501	2,415,914	2,981,681	2,416,235
Total general fund	$ 1,151,792	$ 834,947	$ 1,737,841	$ 2,073,758	$ 2,097,840	$ 2,645,258	$ 3,487,275	$ 2,797,563	$ 3,215,027	$ 3,207,340
All Other Governmental Funds										
Reserved	$ 59,655	$ 64,562	$ 117,574	$ 105,296	$ 93,921	$ -	$ -	$ -	$ -	$ -
Unreserved, reported in:										
Special revenue funds	367,462	506,062	653,721	1,667,316	3,589,604	-	-	-	-	-
Debt service funds	-	-	-	-	-	-	-	-	-	-
Capital project funds	-	-	-	-	-	-	-	-	-	-
Nonspendable	-	-	-	-	-	4,300	4,300	4,300	4,300	4,300
Restricted	-	-	-	-	-	2,710,114	7,745,940	7,787,980	2,362,890	2,396,154
Assigned	-	-	-	-	-	4,307	336	200	-	-
Unassigned	-	-	-	-	-	(21,485)	-	(61,302)	(460,273)	(464,939)
Total all other governmental funds	$ 427,117	$ 570,624	$ 771,295	$ 1,772,612	$ 3,683,525	$ 2,697,236	$ 7,750,576	$ 7,731,178	$ 1,906,917	$ 1,935,515
GRAND TOTAL	$ 1,578,909	$ 1,405,571	$ 2,509,136	$ 3,846,370	$ 5,781,365	$ 5,342,494	$ 11,237,851	$ 10,528,741	$ 5,121,944	$ 5,142,855

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

The City changed their year end from June 30 to December 31 in 2011.

CITY OF GUYMON, OKLAHOMA
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS
Last Ten Fiscal Years
December 31, 2014
TABLE 4

	2006	2007	2008	2009	2010	2011	December 2011	2012	2013	2014
Revenues										
Taxes	$ 3,687,417	$ 4,100,304	$ 5,938,227	$ 7,388,142	$ 7,150,089	$ 7,735,689	$ 4,287,544	$ 8,309,549	$ 8,742,474	$ 8,252,682
Intergovernmental	666,921	1,093,536	1,401,429	886,449	880,850	1,572,711	434,641	920,045	3,010,672	1,574,295
Charges for services	627,489	669,346	760,172	762,729	914,140	823,405	371,706	681,940	669,864	758,990
Fines and forfeitures	242,708	164,642	180,524	331,529	356,957	203,418	170,179	311,927	384,665	389,974
Licences and permits	19,828	22,855	47,172	21,834	32,677	45,109	15,158	42,007	34,299	41,657
Investment Income	32,888	38,487	33,691	40,742	70,095	62,048	13,230	33,813	43,290	18,468
Miscellaneous	192,046	156,862	218,130	331,603	229,449	356,273	230,560	411,884	176,417	246,911
Total Revenues	$ 5,469,297	$ 6,246,032	$ 8,579,345	$ 9,763,028	$ 9,634,257	$ 10,798,653	$ 5,523,018	$ 10,711,165	$ 13,061,681	$ 11,282,977
Expenditures:										
General government	$ 347,761	$ 546,877	$ 627,745	$ 623,511	$ 513,827	$ 494,389	$ 299,864	$ 901,768	$ 997,604	$ 1,085,426
Public safety and Judiciary	2,626,130	2,833,004	3,228,355	3,635,038	3,605,465	3,904,168	2,123,912	4,130,671	4,608,162	4,706,443
Transportation	837,774	953,415	1,156,482	1,216,378	1,244,309	1,386,854	725,875	1,372,631	1,375,032	1,445,379
Cultural, Parks and Recreation	1,113,712	1,205,581	1,345,555	1,520,638	1,422,850	1,453,963	791,509	1,589,604	1,696,065	1,763,726
Community/Ecoonomic Development	609,305	703,086	853,910	804,293	1,054,203	1,219,834	244,781	834,666	1,142,522	1,012,075
Debt service:										
Principal	72,867	95,970	66,234	309,223	271,701	379,795	222,442	637,425	1,008,132	945,281
Interest and other charges	5,406	12,197	13,556	30,729	5,915	14,757	120,879	231,331	208,740	361,771
Capital Outlay	392,870	428,136	1,964,507	1,350,559	2,094,634	2,277,221	1,003,236	10,245,002	7,304,162	1,825,855
Total Expenditures	$ 6,005,825	$ 6,778,266	$ 9,256,344	$ 9,490,369	$ 10,212,904	$ 11,130,981	$ 5,532,498	$ 19,943,098	$ 18,340,419	$ 13,145,956
Excess of revenues over(under) expenditures	$ (536,528)	$ (532,234)	$ (676,999)	$ 272,659	$ (578,647)	$ (332,328)	$ (9,480)	$ (9,231,933)	$ (5,278,738)	$ (1,862,979)
Other financing sources(uses)										
Transfers in	$ 847,000	$ 2,231,146	$ 2,839,302	$ 2,954,719	$ 3,475,498	$ (3,244,353)	$ 559,644	$ 4,687,407	$ 2,862,625	$ 3,767,196
Transfers out	(666,000)	(832,346)	(1,454,302)	(1,445,136)	(3,335,722)	(141,688)	(1,259,274)	(2,497,882)	(2,342,268)	(2,798,803)
Issuance of long-term debt	182,190	211,017	404,235	152,750	-	5,535,000	-	3,918,045	2,093,750	915,500
Note issuances costs	-	-	-	-	-	-	-			-
Proceeds from short-term debt	-	-	225,000	-	-	4,078,726	-			-
Total other financing sources(uses)	$ 363,190	$ 1,609,817	$ 2,014,235	$ 1,662,333	$ 139,776	$ 6,227,685	$ (699,630)	$ 6,107,570	$ 2,614,107	$ 1,883,893
Net change in fund balances	$ (173,338)	$ 1,077,583	$ 1,337,236	$ 1,934,992	$ (438,871)	$ 5,895,357	$ (709,110)	$ (3,124,363)	$ (2,664,631)	$ 20,914
Debt service as a percentage of noncapital expenditures	1.4%	1.7%	1.1%	4.2%	3.4%	4.5%	7.6%	9.0%	11.0%	11.5%

NOTE: The City changed their year end from June 30th to December 31st in 2011, therefore, the December 2011 column represents 6 months.

CITY OF GUYMON, OKLAHOMA
GOVERNMENTAL ACTIVITIES TAX REVENUES BY SOURCE
Last Ten Fiscal Years
December 31, 2014
TABLE 5

	Fiscal Year	Airport Fuel Tax	Sales Tax	Franchise Tax	Hotel/ Motel Tax	Use Tax	Emergency Telephone Tax	Tax Apportionment Taxes	Property Tax	Abatement Tax	Totals
	2006	6,053	2,344,142	450,885	92,967	273,426	66,643	452,296	-	975	3,687,387
	2007	5,465	2,518,035	445,158	156,614	446,204	64,377	464,451	-	-	4,100,304
	2008	4,833	4,204,920	501,663	167,979	522,624	66,459	470,782	-	-	5,939,260
	2009	5,182	5,683,442	496,341	137,361	536,083	59,045	468,376	-	-	7,385,830
	2010	4,164	5,332,959	452,632	128,186	447,084	171,040	727,883	-	-	7,263,948
	2011	3,376	5,613,374	538,097	138,096	438,137	129,895	876,763	-	-	7,737,738
December	2011	2,523	2,993,992	302,217	91,141	440,369	71,207	386,095	-	-	4,287,544
	2012	4,889	6,231,012	555,531	184,725	684,645	128,805	519,942			8,309,549
	2013	6,339	6,395,568	534,014	197,882	860,402	129,317	623,954	-	-	8,747,476
	2014	6,730	6,362,673	603,326	221,165	581,054	132,792	336,838	-	9,829	8,254,407

NOTE: The City changed their year end from June 30th to December 31st in 2011, therefore, the December 2011 column represents 6 months.

CITY OF GUYMON, OKLAHOMA
GAS REVENUE BY CUSTOMER TYPE
Last Nine Fiscal Years
TABLE 6

	2007	2008	2009	2010	2011	December 2011	2012	2013	2014
Commercial	$ 1,044,760	$ 1,128,412	$ 1,441,442	$ 824,270	$ 891,816	$ 288,724	$ 770,698	$ 963,270	$ 1,053,383
Governmental	80,578	77,524	124,036	114,972	108,911	68,833	250,521	295,245	319,126
Industrial	32,852	261,757	635,605	444,392	493,302	248,938	599,382	546,038	551,844
Municipal	47,558	54,112	99,304	68,859	65,887	20,014	65,332	100,263	103,677
Institutional	303,603	305,176	418,963	255,007	248,715	34,895	84,992	102,636	113,770
Residential	2,414,738	2,496,547	3,643,542	2,465,297	2,606,700	918,568	1,846,650	2,073,036	2,240,113
Totals	$ 3,924,089	$ 4,323,528	$ 6,362,892	$ 4,172,797	$ 4,415,331	$ 1,579,972	$ 3,617,575	$ 4,080,488	$ 4,381,913

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

NOTE: The City changed their year end from June 30th to December 31st in 2011, therefore, the December 2011 column represents 6 months.

CITY OF GUYMON, OKLAHOMA
TOP TEN GAS CUSTOMERS
Current and Seven Fiscal Years Ago
TABLE 7

	Rank	2014	% of Total	Rank	2007	% of Total
Guymon Extract Plant	1	$ 461,355	10.53%	2	$ 210,275	5.36%
Guymon Schools	2	83,938	1.92%	3	116,959	2.98%
SPF-USA	3	76,783	1.75%	--	--	--
Wal-Mart	4	59,940	1.37%	--	--	--
Memorial Hospital of Texas County	5	58,674	1.34%	5	62,787	1.60%
YMCA	6	45,612	1.04%	6	46,201	1.18%
Garland Square of Guymon	7	43,307	0.99%	7	42,655	1.09%
Dunaway Manor	8	39,407	0.90%	--	--	--
Landes Management Inc	9	31,990	0.73%	--	--	--
Carter's Market Place	10	28,344	0.65%	--	--	--
Texas County Feedyards		--	--	1	213,295	5.44%
Cargill Animal Nutrition		--	--	4	69,622	1.77%
Panhandle Natural Gas		--	--	8	19,805	0.50%
Quality Cleaners		--	--	9	15,035	0.38%
Texas County Warehouse		--	--	10	12,645	0.32%
Totals		$ 929,350	21.2%		$ 809,279	20.6%
Total Gas Revenue (See Table 6)		$ 4,381,913			$ 3,924,089	

NOTE: Data for nine years ago is not available.

CITY OF GUYMON, OKLAHOMA
GAS RATES
Last Five Fiscal Years
TABLE 8

Effective Date	Fixed Oper Cost	0 - 29 per MCF	1 - 29 per MCF	All Over 29 per MCF
8/1/2005	$ -	$ 10.03	n/a	$ 9.54
11/1/2005	-	13.99	n/a	13.50
1/1/2006	-	12.49	n/a	12.04
3/1/2006	11.00	n/a	12.62	12.16
8/1/2006	11.50	n/a	7.14	7.14
1/1/2007	11.50	n/a	8.41	8.41
7/1/2007	12.70	n/a	8.41	8.41
7/1/2008	15.40	n/a	13.57	13.57
8/14/2009	15.40	n/a	6.53	6.53
10/8/2009	15.40	n/a	7.53	7.53
7/1/2011	17.28		9.38	9.38

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

CITY OF GUYMON, OKLAHOMA
TAXABLE SALES BY CATEGORY
Last Ten Fiscal Years
December 31, 2014
TABLE 9

	2006	2007	2008	2009	2010	2011	December 2011	2012
Agriculture, forestry, and fishing	$ 271	$ 160	$ 264	$ 756	$ 802	$ 546	$ 179	$ 1,557
Mining	251	333	406	689	401	2,241	-	366
Construction	5,121	5,428	4,747	9,990	8,176	10,392	8,585	8,662
Manufacturing	27,622	50,322	17,368	48,551	19,334	37,698	69,359	91,129
Transportation	4,374	5,762	2,972	7,879	7,834	10,183	3,029	6,823
Communications and utilities:								
Communications	106,076	73,522	109,668	264,091	158,962	139,553	71,978	173,097
Electric, gas, and sanitary services	197,333	101,127	43,846	198,523	140,944	147,803	38,121	163,236
Wholesale trade	160,476	219,359	215,602	414,040	406,382	350,161	213,085	410,981
Retail trade:								
Building materials, hardware, garden supply and mobile home dealer	72,750	90,673	75,027	168,822	154,650	171,963	84,718	177,262
General merchandise stores	503,852	512,740	792,048	1,960,854	1,861,714	1,956,486	1,047,517	2,178,905
Food stores	400,302	431,127	230,879	580,269	543,998	541,382	281,588	549,593
Automotive dealers and gasoline service stations	101,387	99,457	91,927	209,434	208,255	243,471	138,741	270,610
Apparel and accessory stores	59,107	56,737	43,371	114,132	118,517	129,349	61,972	120,162
Furniture, home furnishings and equipment stores	97,390	129,101	111,067	238,804	191,779	247,467	125,699	235,272
Eating and drinking places	256,305	277,277	266,222	642,923	626,549	680,178	362,618	733,207
Miscellaneous retail	129,955	230,149	126,012	331,391	319,011	354,967	188,091	405,591
Finance, insurance, and real estate	171	739	132	1,297	734	1,575	10,903	411
Services:								
Hotels and motels	61,544	100,694	92,112	186,718	120,295	162,066	122,991	296,603
Personal services	14,919	16,403	15,592	33,757	28,068	27,064	17,890	31,014
Business services	51,832	59,647	49,818	129,354	204,094	158,153	76,930	304,158
Automotive repair services and garages	30,278	35,093	33,293	68,494	64,135	64,505	35,377	74,752
Miscellaneous repair services	6,220	7,152	5,327	11,095	7,148	7,531	5,157	3,847
Motion pictures	30,947	29,512	23,853	63,772	69,380	60,671	32,572	62,808
Other services	3,747	5,100	10,275	15,060	17,847	20,258	2,863	6,357
Nonclassifiable establishments	32,652	16,852	6,724	44,873	102,603	109,048	7,239	35,679
	$ 2,354,882	$ 2,554,466	$ 2,368,551	$ 5,745,568	$ 5,381,612	$ 5,634,711	$ 3,007,199	$ 6,342,082

**	2013	2014
Agriculture, forestry, Fishing, and Hunting	$ 8,185	2.55
Mining, Quarrying, and Oil and Gas Extraction	574	27.46
Construction	37,908	3,381.97
Manufacturing	209,132	17,715.83
Transportation and Warehousing	7,093	268.92
Information and utilities:		
Information	208,583	17,584.96
Electric, gas, and sanitary services	189,094	42,224.01
Wholesale trade	547,882	62,185.21
Retail trade:		
Automotive Dealers,Parts, Accessories, and Tire Stores	293,595	41,884.52
Furniture, home furnishings and equipment stores	450,250	21,600.92
Food stores	507,488	44,458.50
Pharmacies , Drug Stores , Health and Personal Care Stores	38,837	1,878.12
Gasoline Stations with Convenience Stores	175,511	11,232.96
Apparel and accessory stores	164,178	13,959.07
General merchandise stores	258,574	51,266.76
Department Stores	2,551,029	185,672.41
Miscellaneous retail	334,971	
Finance, insurance, and real estate	131,978	1,417.35
Services:		
Professional, Scientific, and Technical Services	54,621	3,748.22
Administrative and Support and Waste Management and remediation Services	2,880	12.37
Educational Services	1	
Health Care and Social Assitance	152	
Arts, Entertainment, and Recreation	76,012	3,990.04
Accomodation and Food Services	1,227,596	83,992.44
Pubublic Administration	75	4.89
Other services	112,570	7,197.62
Nonclassifiable establishments	46,148	1,997.41
	$ 7,634,919	$ 617,705

* - The sales tax rate decreased from 3 cents to 2 cents in March 2005
** The OTC switch their classification system from SIC to NAICS in 2013
NOTE: The City changed their year end from June 30th to December 31st in 2011, therefore, the December 2011 column represents 6 months.

CITY OF GUYMON, OKLAHOMA
SALES TAX RATES OF DIRECT AND OVERLAPPING GOVERNMENTS
Last Ten Fiscal Years
December 31, 2014
TABLE 10

	2006	2007	2008	2009	2010	2011	2011	December 2011	2013	2014
City	3.00%	2.00%	2.00%	2.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%
Texas County	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%
State of Oklahoma	4.50%	4.50%	4.50%	4.50%	4.50%	4.50%	4.50%	4.50%	4.50%	4.50%
Total	8.50%	7.50%	7.50%	7.50%	9.50%	9.50%	9.50%	9.50%	9.50%	9.50%

* City sales tax rate changed in March of 2005.
**City sales tax rate changed in March of 2008.

NOTE: The City changed their year end from June 30th to December 31st in 2011, therefore, the December 2011 column represents 6 months

CITY OF GUYMON, OKLAHOMA
RATIO OF NET GENERAL BONDED DEBT TO ASSESSED VALUE AND NET BONDED DEBT PER CAPITA
Last Ten Fiscal Years
December 31, 2014
TABLE 11

	Fiscal Year	Population	Net Assessed Value	Gross Bonded Debt (1)	Less Debt Service Funds	Net Bonded Debt	Ratio of Net Bonded Debt to Assessed Value	Net Bonded Debt Per Capita
	2006	10,569	51,848,127	-	-	-	0.00%	-
	2007	10,574	54,332,886	-	-	-	0.00%	-
	2008	10,574	49,595,484	-	-	-	0.00%	-
	2009	10,702	51,511,458	-	-	-	0.00%	-
	2010	11,117	52,403,701	-	-	-	0.00%	-
	2011	11,442	52,403,701	-	-	-	0.00%	-
December	2011	11,823	52,403,701	-	-	-	0.00%	-
	2012	11,823	57,019,951	-	-	-	0.00%	-
	2013	11,930	57,633,900	-	-	-	0.00%	-
	2014	12,272	57,582,245	-	-	-	0.00%	-

Note: The population amounts are estimates based on information from the US Census Bureau.

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

(1) Represents outstanding general obligation bonds financed through ad valorem and sales tax.

Note: The City changed their year end from June 30th to December 31st in 2011, therefore, the December 2011 column represents 6 months.

CITY OF GUYMON, OKLAHOMA
COMPUTATION OF DIRECT AND OVERLAPPING DEBT
December 31, 2014
TABLE 12

Jurisdiction	Net (1) Debt Outstanding	Percentage (2) Applicable to City of Guymon	Amount Applicable to City of Guymon
Direct - City of Guymon	$ 9,899,972	100.00%	9,899,972
Overlapping: Guymon Public Schools	500,000	50.52%	252,603
Texas County	-	29.96%	-
Total	$10,399,972		$10,152,575

(1) Gross general bonded debt outstanding less debt service reserves.

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

CITY OF GUYMON, OKLAHOMA
LEGAL DEBT MARGIN INFORMATION
Last Ten Fiscal Years
December 31, 2014
TABLE 13

	2006	2007	2008	2009	2010	2011	December 2011	2012	2013	2014
Debt limit	$ 5,184,813	$ 5,433,289	$ 4,959,548	$ 5,151,146	$ 5,240,370	$ 5,447,219	$ 5,447,219	$ 5,701,995	$ 5,763,390	$ 5,758,225
Total net debt applicable to limit	-	-	-	-	-	-	-	-	-	-
Legal debt margin	$ 5,184,813	$ 5,433,289	$ 4,959,548	$ 5,151,146	$ 5,240,370	$ 5,447,219	$ 5,447,219	$ 5,701,995	$ 5,763,390	$ 5,758,225
Total net debt applicable to the limit as a percentage of debt limit	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

Legal Debt Margin Calculation for Fiscal Year 2014

Net assessed valuation	$ 57,582,245
Debt limit (10% of total assess value)	$ 5,758,225
Debt applicable to limit:	
General obligation bonds	$ -
Less: Street bonds outstanding	-
Total net debt applicable to limit	-
Legal debt margin	$ 5,758,225

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

Note: The City changed their year end from June 30th to December 31st in 2011, therefore, the December 2011 column represents 6 months.

CITY OF GUYMON, OKLAHOMA
MUNICIPAL AUTHORITY
PLEDGED REVENUE COVERAGE
Last Ten Fiscal Years
December 31, 2014
TABLE 14

			Gross Revenues	Direct Operating Expenses	Net Revenue Available for Debt Service	Maximum Annual Debt Service	Debt Service Coverage
	2006	(1)	7,692,732	6,226,513	1,466,219	252,745	5.80
	2007	(1)	7,287,805	5,783,058	1,504,747	252,745	5.95
	2008	(1)	7,938,225	5,445,907	2,492,318	255,074	9.77
	2009	(1)	11,404,192	7,325,212	4,078,980	2,032,883	2.01
	2010	(1)	9,311,522	4,977,079	4,334,443	2,210,027	1.96
	2011	(2)	9,965,072	5,638,859	4,326,213	2,036,086	2.12
December	2011	(2)	5,272,978	2,789,172	2,483,806	995,014	2.50
	2012	(2)	12,073,555	5,485,914	6,587,641	1,990,028	3.31
	2013	(2)	12,488,548	5,998,588	6,489,960	1,320,847	4.91
	2014	(2)	12,878,575	6,176,143	6,702,432	1,320,847	5.07

(1) - coverage for 1993C and 1994 Notes only. Collateralized revenues include water, sewer, and gas.

(2) - coverage for 2008B, 2009A, and 2009B OWRB notes only. Collateralized revenues include water, sewer, gas, and one cent pledged sales taxes.

Note: The City changed their year end from June 30th to December 31st in 2011, therefore, the December 2011 column represents 6 months.

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

		Governmental Activities			Business-Type Activities					
	Fiscal Year	General Obligation Bonds	Notes Payable	Capital Leases Payable	Refundable Grant Obligation	Notes Payable	Captial Leases Payable	Total Primary Government	% of Total Debt to Personal Income	Per Capita
	2006	-	-	203,089	51,042	2,791,538	102,282	3,147,951	0.57%	261
	2007	-	-	318,136	33,542	3,916,777	57,734	4,326,189	0.75%	409
	2008	-	-	656,137	16,042	3,224,670	28,111	3,924,960	0.63%	371
	2009	-	77,644	647,020	-	18,186,826	208,135	19,119,625	3.07%	1,787
	2010	-	-	474,593	-	22,767,196	163,166	23,404,955	3.76%	2,105
	2011	-	5,400,000	295,294	-	22,315,946	116,500	28,127,740	4.51%	2,458
December	2011	-	5,260,000	212,853	-	21,536,140	92,154	27,101,147	3.72%	2,292
	2012		8,790,209	277,652		20,329,296	42,674	29,438,831	4.04%	2,490
	2013	-	9,480,482	474,825	-	19,063,611	234,725	29,253,643	4.01%	2,474
	2014	-	8,769,667	1,130,305	-	17,432,539	196,368	27,528,879	3.51%	2,308

NOTE: The City changed their year end from June 30th to December 31st in 2011, therefore, the December 2011 column represents 6 months.

CITY OF GUYMON, OKLAHOMA
DEMOGRAPHIC AND ECONOMIC STATISTICS
Last Ten Calendar Years
December 31, 2014
TABLE 16

	Calendar Year	Population (1)	Personal Income (in thousands) (2)	Per Capita Personal Income	Median Age of Population (3)	School Enrollment (4)	Unemployment Rate (5)
	2006	10,569	553,263 (7)	52,348	30.4	2,336	3.8%
	2007	10,574	553,263 (8)	52,323	30.0	2,462	3.6%
	2008	10,574	553,263	52,323	30.0	2,500	3.4%
	2009	10,702	577,854	44,775	32.1	2,503	3.8%
	2010	11,117	623,090	30,287	30.3	2,702	5.5%
	2011	11,442	623,090 (8)	30,287	30.4	2,777	5.5%
December	2011	11,823	729,167	34,214	36.4	2,829	4.5%
	2012	11,823	729,167 (8)	34,214	36.4	2,829	4.5%
	2013	11,930	784,760	36,504	31.1	2,831	5.0%
	2014	12,272	622,583	28,118	34.0	2,800	3.9%

Note: Information was unavailable for the cells with N/A .
NOTE: The City changed their year end from June 30th to December 31st in 2011, therefore, the December 2011 column represents 6 months.
Sources:

(1) From U.S. Census Data and ODOC

(2) Oklahoma Department of Commerce

(3) From U.S. Census Data

(4) Guymon School District

(5) Oklahoma Employment Security Commission, for the Guymon area.

(6) OESC is now reporting only for the Texas County area and also changed its methodology to benchmark data.

(7) Bureau of Economic Analysis. In previous years these amounts were estimated.

(8) Updated information not yet available

CITY OF GUYMON, OKLAHOMA
PRINCIPAL EMPLOYERS
CURRENT YEAR AND TEN YEARS AGO
December 31, 2014
TABLE 17

		2014			2005	
Employer	**Product/Business**	**Rank**	**Percentage of Total City Employment**	**Employees**	**Employees**	**Rank**
Seaboard Farms of Oklahoma	Pork Processing	1	36.55%	2,700	2,300	1
Guymon Public Schools	Education	2	4.90%	362	215	4
Hitch Enterprises Inc/Hitch Pork	Cattle and Hogs	3	4.06%	300	260	3
Walmart	Retail	4	2.71%	200	98	8
Texas County	Government	5	2.44%	180		
Memorial Hospital	Medical	6	2.17%	160	106	7
Pioneer Telephone	Communications	7	2.21%	163		
Trunchbull Services	Construction	8	2.03%	150		
Memorial Hospital	Medical	9	1.96%	145		
City of Guymon	Government	10	1.84%	136	117	5
Seaboard Farms of Oklahoma	Pork Processing				1,000	2
Panhandle Telephone	Communications				114	6
Philips Petroleum	Mining				96	9
Behne Construction	Construction				55	10
Totals			61%	4,496	4,361	

Source: Oklahoma Department of Commerce

Note: Percentage of total employment information not available for 2005.

CITY OF GUYMON, OKLAHOMA
Capital Asset Statistics by Function/Program
Last Eight Fiscal Years
December 31, 2014
TABLE 18A

Function/Program	Fiscal Year 2007	Fiscal Year 2008	Fiscal Year 2009	Fiscal Year 2010	Fiscal Year 2011	Fiscal Year December 2011	Fiscal Year 2012	Fiscal Year 2013	Fiscal Year 2014
General Government									
Buildings	2	3	3	3	3	3	3	3	3
Police									
Stations	1	1	1	1	1	1	1	1	1
Patrol untis	20	20	21	21	23	23	23	24	24
Fire									
Stations	2	2	2	2	2	2	2	3	2
Trucks	4	6	7	8	5	5	5	5	6
Ambulance									
Vehicles	4	4	4	4	4	4	5	5	4
Refuse Collection									
Collection trucks	4	4	4	3	3	3	3	3	4
Transfer station	1	1	1	1	1	1	1	1	1
Transfer trucks	3	3	3	2	2	2	2	2	2
Streets									
Street miles	90	90	90	82.9	82.9	82.9	82.9	82.9	82.9
Highway miles	7.8	7.8	7.8	7.8	7.8	7.8	7.8	7.8	7.8
Traffic signals	12	12	12	12	13	13	13	13	13
Airport									
Runways	1	1	1	1	1	1	1	1	1
Terminals	1	1	1	1	1	1	1	1	1
Parks and recreation									
Playgrounds	12	13	13	13	13	13	13	13	13
Pool	1	1	1	1	1	1	1	1	1
Golf course	1	1	1	1	1	1	1	1	1
Public Transportation									
Buses	4	8	9	12	9	9	9	9	9
Library									
Building	1	1	1	1	1	1	1	1	1
Cemetary									
Plots	11,316	17,148	18,308	18,308	23,268	23,268	23,268	23,268	23,268
Vehicles	2	6	6	6	6	6	6	6	4
Gas									
Gas mains (miles)	75	75	75	75	77	77	77	77	77
Gates	3	3	3	3	3	3	3	3	3
Regulators	34	34	34	34	34	34	34	34	34
Water									
Water mains (miles)	80	80	84	84	84	84	84	84	84
Fire hydrants	309	314	362	362	410	410	410	410	410
Storage capacity (thousands of gallons)	4,375	4,375	5,375	5,375	5,375	5,375	5,375	5,375	5,375
Wastewater									
Sanitary sewers (miles)	69.7	80	80	80	80	80	80	80	80
Storm sewers (miles)	17	17	17	17	17	17	17	17	17
Treatment capacity (thousands of gallons)	6,400	6,400	6,400	6,400	6,400	3,000,000	3,000,000	3,000,000	3,000,000

NOTE: Data is presented only for years including and subsequent to issuance of GASB 44
NOTE: The City changed their year end from June 30th to December 31st in 2011, therefore, the December 2011 column represents 6 months.
SOURCE: Internal City Records

CITY OF GUYMON, OKLAHOMA
FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION/PROGRAM
Last Nine Fiscal Years
December 31, 2014
TABLE 18B

Function/Program	Fiscal Year 2006	Fiscal Year 2007	Fiscal Year 2008	Fiscal Year 2009	Fiscal Year 2010	Fiscal Year 2011	Fiscal Year December 2011	Fiscal Year 2012	Fiscal Year 2013	Fiscal Year 2014
General Government:										
City clerk	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	2.00
City treasurer	1.25	1.25	1.25	1.25	1.25	1.75	1.75	1.75	1.75	1.75
General government	2.00	2.00	2.00	2.00	2.00	2.00	2.00	3.50	3.50	4.00
Human Resources									1.00	1.00
Information Technology									1.00	1.00
Total General Government	**4.25**	**4.25**	**4.25**	**4.25**	**4.25**	**4.75**	**4.75**	**6.25**	**8.25**	**9.75**
Public Safety and Judiciary:										
City attorney	-	-	-	-	-	-		-	-	-
Ambulance	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.00
Police	29.00	22.00	24.00	30.00	28.00	27.00	26.00	24.00	27.00	26.00
Municipal court	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Fire	13.50	13.50	14.50	14.50	15.50	15.50	15.50	15.50	15.50	18.00
Emergency management	1.00	1.00	1.00	-	-				-	-
Civil defense	1.00	-	-	-	-				-	-
Total Public Safety and Judiciary	**48.00**	**40.00**	**43.00**	**48.00**	**47.00**	**46.00**	**45.00**	**43.00**	**46.00**	**47.00**
Transportation:										
Airport	-	-	-	-	-	-		-	-	-
Streets	8.50	8.50	8.50	8.00	8.00	8.25	7.25	8.25	8.25	8.00
Public transportation	9.50	8.50	10.50	12.00	12.00	10.75	9.75	7.75	8.50	7.00
Total Transportation	**18.00**	**17.00**	**19.00**	**20.00**	**20.00**	**19.00**	**17.00**	**16.00**	**16.75**	**15.00**
Cultural, Parks and Recreation:										
Golf	-	5.00	6.00	6.00	6.00	6.00	6.00	6.00	4.50	4.00
Library	5.50	5.00	5.00	5.00	5.00	3.00	4.00	4.00	4.00	5.00
Cemetery	2.50	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Swimming pool	-	-	-	-	-	-		-	-	-
Parks	5.50	4.00	6.00	6.00	5.00	5.00	4.00	3.00	3.00	6.00
Tourism	-	-	-	-	-	-		-	-	-
Total Cultural, Parks and Recreation	**13.50**	**16.00**	**19.00**	**19.00**	**18.00**	**16.00**	**16.00**	**15.00**	**13.50**	**17.00**
Community/Economic Development:										
Community development	3.00	2.50	1.00	1.50	1.50	2.33	2.33	2.33	2.33	1.00
Economic development	-	-	-	-	-	-		-	-	-
Arts Council CR Grant	0.50	0.50	1.00	0.50	-	-		-	-	-
PREDCI	-	-	-	-	-	0.67	1.67	1.67	1.67	-
Business Incubator	-	-	-	-	-	0.67	0.67	0.67	0.67	-
Business Enterprise Center	-	-	-	-	-	0.33	0.33	0.33	0.33	-
Total Community/Economic Development	**3.50**	**3.00**	**2.00**	**2.00**	**1.50**	**4.00**	**5.00**	**5.00**	**5.00**	**1.00**
Administration	10.00	9.00	7.00	8.00	8.00	9.00	13.00	8.50	5.75	7.00
Gas	8.00	7.00	7.00	7.00	6.00	7.00	7.00	7.00	7.00	7.00
Garbage	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	0.75	1.00
Water	4.00	4.00	4.00	4.00	5.00	5.00	5.00	4.00	4.00	5.00
Sewer	4.00	4.00	4.00	4.00	6.00	4.00	4.00	4.00	4.00	4.00
Wastewater Treatment Plant	-	-	-	-	-	3.00	3.00	5.00	5.00	-
Sanitation	11.00	12.00	12.00	12.00	11.00	11.00	11.00	11.00	11.00	13.00
Farm Administration	-	-	-	-	-					
Total	**125.25**	**117.25**	**122.25**	**129.25**	**127.75**	**129.75**	**131.75**	**125.75**	**127.00**	**126.75**

NOTE: Data is presented only for years including and subsequent to issuance of GASB 4
NOTE: The City changed their year end from June 30th to December 31st in 2011, therefore, the December 2011 column represents 6 months
SOURCE: Internal City Records

CITY OF GUYMON, OKLAHOMA
OPERATING INDICATORS BY FUNCTION/PROGRAM
Last Nine Fiscal Years
December 31, 2014
TABLE 18C

	Fiscal Year 2006	Fiscal Year 2007	Fiscal Year 2008	Fiscal Year 2009	Fiscal Year 2010	Fiscal Year 2011	Fiscal Year December 2011	Fiscal Year 2012	Fiscal Year 2013	Fiscal Year 2014
Police										
Physical arrests	3,384	2,559	443	356	100	250	236	492	496	542
Parking violations	149	30	16	13	63	16	49	166	155	133
Traffic violations	8,001	5,708	1,757	1,948	2,195	1,158	1,400	1,450	2,278	2,660
Fire										
Emergency responses	872	949	1,035	1,042	1,154	1,185	594	1,296	1,283	1,285
Fires extinguished	142	118	172	114	74	146	35	54	93	28
Sanitation										
Refuse collected (tons per day)	42	43	38	36	36	38	19	38	36	38
Library										
Volumes in collection	34,271	34,457	32,700	34,127	36,969	32,494	32,861	36,517	50,304	63,125
Total volumes borrowed	47,155	45,115	44,452	53,047	53,733	45,346	21,398	39,293	36,791	39,345
Street										
Street resurfacing (in miles)	-	-	1.5	0.37	6.75	6.25	7	0.2	13	15
Potholes repaired	100	200	200	200	400	600	800	1,157	685	790
Transportation										
Total route miles	109,938	114,908	134,029	133,799	134,690	127,083	55,163	115,192	97,127	132,572
Passengers	62,935	64,465	74,830	76,550	74,618	75,069	31,584	65,968	56,957	43,585
Water										
Average daily consumption (thousands of gallons)	5,600	4,540	5,281	4,717	4,717	4,963	5,007	5,462	5,220	4,235
Water main breaks	10	17	7	8	8	12	3	7	5	18
Wastewater										
Average daily treatment	4,000	4,000	4,000	4,000	4,000	3,400	1,200,000	1,200,000	1,200,000	1,200,000
Gas										
Service taps	4,160	4,929	4,176	4,188	4,201	3,748	3,731	3,736	3,734	4,226
Residential average daily consumption (thousand cubic feet)	620	779	652	582	699	603	340	540	610	654
Commercial average dailiy consumption (thousand cubic feet)	441	333	430	380	435	367	209	341	417	464
Industrial average dailiy consumption (thousand cubic feet)	22	11	85	128	140	157	143	175	159	161
Total annual consumption (thousand cubic feet)	395,178	409,637	425,411	397,668	464,901	412,062	127,348	385,669	432,883	467,164

NOTE: Data is presented only for years including and subsequent to issuance of GASB 44
SOURCE: Internal City Records

NOTE: The City changed their year end from June 30th to December 31st in 2011, therefore, the December 2011 column represents 6 months.

Internal Control and Compliance

FINLEY & COOK
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITORS' 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 Users of the City of Guymon, Oklahoma,
Annual Financial Report

We have audited, in accordance with the auditing standards generally accepted in the United States and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Guymon, Oklahoma (the "City"), as of and for the year ended December 31, 2014, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated June 25, 2015. Our report includes an explanatory paragraph disclaiming an opinion on required supplementary information. In addition, our report includes a paragraph noting the adoption and implementation by the City of GASB Statements 68 and 71 during 2014. The adoption and implementation resulted in the restatement of beginning net position of the City.

Internal Control Over Financial Reporting

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

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

(Continued)

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INDEPENDENT AUDITORS' 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*, CONTINUED

Internal Control Over Financial Reporting, Continued

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying schedule of findings and responses as Items 14–1 and 14–2.

City's Response to Findings

The City's responses to the findings identified in our audit are described in the accompanying schedule of findings and responses. The City's responses were not subjected to the auditing procedures applied in the audit of the financial statements, and accordingly, we express no opinion on them.

Purpose of This Report

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

Finley + Cook, PLLC

Shawnee, Oklahoma
June 25, 2015

FINDINGS RELATED TO THE FINANCIAL STATEMENTS WHICH ARE REQUIRED TO BE REPORTED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

14-1. Budgetary Compliance

Auditors' Findings: For the year ended December 31, 2014, the City was not in compliance with the Municipal Budget Act of 1979 due to the fact that expenditures exceeded appropriations at the legal level of control for the General Fund as follows:

Fund	Department	Expenditures Exceeding Appropriations
General Fund	City Clerk	$ 622
General Fund	Business Incubator	2,415
General Fund	Police	2,878
General Fund	Fire	4,686

Auditors' Recommendation: Procedures should be in place to monitor and avoid such items.

Management's Response: Management will continue to monitor expenditures and, when necessary, implement budget modifications to prevent the above.

14-2. Deficit Unrestricted Fund Balance

Auditors' Findings: At December 31, 2014, the fund balance for the Grant Fund of the City had a deficit balance of $296,927. This appears to be a violation of the fund balance requirements prescribed by Title 11, Section 17-211 of the Oklahoma Statutes.

Auditors' Recommendation: Management may want to consider approving a transfer of monies to alleviate this situation.

Management's Response: The fund balance deficits were caused by building and grant project expenses reimbursable from other agencies and collected by the City in subsequent fiscal years.

FINDINGS RELATED TO THE FINANCIAL STATEMENTS WHICH ARE REQUIRED TO BE REPORTED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

13-1. Budgetary Compliance

Auditors' Findings: For the year ended December 31, 2013, the City was not in compliance with the Municipal Budget Act of 1979 due to the fact that expenditures exceeded appropriations at the legal level of control for the General Fund as follows:

Fund	Department	Expenditures Exceeding Appropriations
General Fund	Airport	$ 23,350

Auditors' Recommendation: Procedures should be in place to monitor and avoid such items.

Management's Response: Management will continue to monitor expenditures and, when necessary, implement budget modifications to prevent the above.

2014 Follow-up: A similar finding was noted in 2014, but of lesser amounts.

13-2. Deficit Unrestricted Fund Balance

Auditors' Findings: At December 31, 2013, the fund balance for the Grant Fund of the City had a deficit balance of $296,856. This appears to be a violation of the fund balance requirements prescribed by Title 11, Section 17-211 of the Oklahoma Statutes.

Auditors' Recommendation: Management may want to consider approving a transfer of monies to alleviate this situation.

Management's Response: The fund balance deficits were caused by building and grant project expenses reimbursable from other agencies and collected by the City in subsequent fiscal years.

2014 Follow-up: A similar finding was noted in 2014.

FINDINGS RELATED TO MAJOR FEDERAL AWARD PROGRAMS AUDIT

Finding 13-3 DAVIS-BACON ACT

Department of Housing and Urban Development
Program: Oklahoma Department of Commerce CDBG Pass-thru
CFDA #14.228

Compliance Requirement: Davis-Bacon Act

Criteria: The City is required to comply with the requirements of the Davis-Bacon Act that are applicable to the construction work financed with a federal grant. The Davis-Bacon Act requires that the City obtain and review certified payroll from construction contractors, for applicable projects, to ensure that the prevailing wage rates are being paid to subcontractors. If the prevailing rate is not being paid, the City must report to the Oklahoma Department of Commerce.

Context and Condition: During testing, it was noted that the City did not properly monitor the certified payroll from the contractor for the entire year; as such, there were instances in which the contractor did not pay the prevailing wage rates.

Questioned Cost: None.

Effect of Condition: The City was not in compliance with the Davis-Bacon Act.

Cause of Condition: Misunderstanding of the monitoring process and the requirements of the Davis-Bacon Act.

Recommendation: Adapt an internal control monitoring process to review the certified payroll reports against the prevailing wage rates to ensure the City is in compliance with the Davis-Bacon Act.

City's Response: *During 2013, the Davis-Bacon Act noncompliance was addressed by an Oklahoma Department of Commerce compliance audit. As such, the contractor made the necessary adjustments in October 2013 to the employees' compensation to be in compliance with the Davis-Bacon Act requirements.*

2014 Follow-up: The finding is considered resolved.

THE CITY OF
GUYMON
OKLAHOMA