



CITY OF
SAPULPA
OKLAHOMA



ANNUAL COMPREHENSIVE FINANCIAL REPORT
AND ACCOMPANYING INDEPENDENT AUDITOR'S REPORTS

FOR THE FISCAL YEAR ENDED
JUNE 30, 2023

**CITY OF SAPULPA, OKLAHOMA
ANNUAL COMPREHENSIVE FINANCIAL REPORT
AND ACCOMPANYING INDEPENDENT AUDITOR’S REPORTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

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INTRODUCTION SECTION



September 24, 2024

To the Honorable Mayor Craig Henderson, City Councilors and Citizens

We are pleased to submit to you the Annual Comprehensive Financial Report (ACFR) of the City of Sapulpa for the Fiscal Year ended June 30, 2023. This report was prepared by the Finance Department of the City of Sapulpa to present the financial position of the City and the results of the City's financial operations in accordance with generally accepted accounting principles (GAAP).

City Management is responsible for establishing and maintaining an internal control structure. This internal control structure is designed to ensure the assets of Sapulpa are protected from theft, loss, or misuse. It is also designed to ensure that sufficient accounting data is compiled to allow for preparation of the financial statements in accordance with GAAP. The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met.

Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation including all disclosures rests with the city. We believe the data, as presented, is accurate in all material respects, and all disclosures necessary to enable the reader to gain the maximum 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, and we encourage readers to consider that information in conjunction with the information presented here.

To facilitate the understanding of the City's financial affairs, the ACFR is divided into the following sections:

- Introductory Section – Includes a table of contents, a letter of transmittal, the City's organizational chart, and a list of City Officials.
- Financial Section – Consists of the independent auditor's report, management's discussion and analysis, the basic financial statements, required supplementary information, and other supplementary information.
- Statical Section – Presents unaudited financial, economic, and demographic data and other information relative to the community.

Governmental Structure

The City of Sapulpa, the County seat of Creek County, Oklahoma, is located in the extreme northeast corner of the county, only twelve miles from the City of Tulsa, Oklahoma. The city lies astride Interstate Highway 44 (Turner Turnpike) connecting the cities of Tulsa and



Oklahoma City. First incorporated prior to Oklahoma statehood, its first City Charter was adopted in 1910, with major revisions thereto in 1922, 1970, 2002, 2005, and 2014. Currently operating under a Municipal Charter form of Government pursuant to Oklahoma Statutes 1991, Sect. 13-101, et seq., the city is governed by a Board of Councilors consisting of councilors, two council members from each of five wards. The Mayor is chosen from among the council itself. The City Council also serves as trustees of the Sapulpa Municipal Authority and the Sapulpa Development Authority. The Mayor and Council appoint a City Manager, a City Attorney, and a City Treasurer. The responsibility for the day-to-day operations of the city rests with the City Manager. The city operates on a fiscal year basis which begins on July 1st and ends the following June 30th. All funds with revenues and expenditures, including the Sapulpa Municipal Authority and the Sapulpa Development Authority, require an annual budget which shall present a complete financial plan for the City. At least thirty (30) days prior to the beginning of the fiscal year this budget is submitted to the City Council by the City Manager. A public hearing is held to obtain citizen comments. After the public hearing no later than June 23rd the budget is adopted by resolution of the City Council.

Economic Conditions and Outlook

The primary measure of local economic activity is sales tax revenue. The city relies on sales tax revenue to fund its governmental operations. Sales tax revenue increased 5.72% over the prior fiscal year and continues to increase slightly.

The other major revenue is the Sapulpa Municipal Authority (SMA) charges for service, which includes water, sewer, and refuse revenue. The FY 2022/2023 charges for service increased 3.99% over the prior year.

In preparing the FY 2023/2024 budget city officials believe the overall outlook for the city remains stable. A conservative approach to projecting sales tax resulted in a budget of \$16,469,360, a 4% decrease from FY 2022/2023 actual receipts.

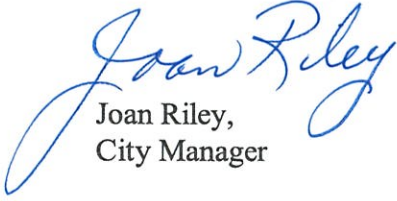
Overall, the economic outlook for the city continues to be positive. The city is experiencing new job growth, housing, industrial growth, and expansion, along with renovations to existing buildings.

The city continues to draw down and spend the 2020 GO Bond funds totaling just over \$40 million. With half of the funds issued, several of the projects are completed or nearing completion. The remaining funds will be pulled down ahead of schedule between 20224 and 2025, even though the expectation was for the year 2030 for the ability to draw down the final amount. This two, shows growth and sustainability of Sapulpa's growing housing market and the valuation of property tax acknowledgements.

The preparation of this report is a combined effort of the staff of the Finance Department, with the professional assistance of our consultants, Crawford & Associates, P.C., and our independent auditors, Arledge & Associates, P.C. We would like to express our appreciation to all individuals who assisted in the preparation of this report.

We would also like to thank the Mayor and the members of the City Council for their leadership, encouragement, and support in our effort to provide the citizens with quality services, management, and financial reporting.

Respectfully submitted,

A handwritten signature in blue ink that reads "Joan Riley". The signature is fluid and cursive, with the first name "Joan" and last name "Riley" clearly distinguishable.

Joan Riley,
City Manager

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CITY OF SAPULPA
LIST OF CITY OFFICIALS
FOR THE FISCAL YEAR
JULY 1, 2022 – JUNE 30, 2023

HONORABLE CRAIG HENDERSON, MAYOR
HONORABLE CARLA GUNN, VICE-MAYOR

COUNCIL:

MARTY CUMMINS
RICHARD HUDSON
DAVID MORTAZAVI
BRIAN STEPHENS

ALEXANDER HAMILTON
JEFF MOLINA
HUGO NAIFEH
ELIZABETH NICOLAS

Joan Riley, City Manager
David Widdoes, City Attorney
Shirley Burzio, City Clerk
Ella Fast, Finance Director

FINANCIAL SECTION

INDEPENDENT AUDITOR’S REPORT

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

Opinions

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 Sapulpa, Oklahoma (the “City”), as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the City’s basic financial statements as listed in the table of contents.

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 June 30, 2023, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor’s Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Other Matter

This report is replacing a previously issued report dated May 17, 2024. Subsequent to that date, management discovered that funding related to the American Rescue Plan Act (“ARPA”) was spent during the year ended June 30, 2023, and, as a result of this spending, the City exceeded the requirements for a single audit. Additionally, previously recognized unearned revenue in the May 17, 2024, report related to funds received under ARPA should have been recognized as revenue in the capital improvement fund, the Sapulpa Municipal Authority fund, the governmental activities, and the business-type activities. This revised report has corrected the recognition of this funding. The following adjustments were made to the financial statements issued May 17, 2024.

Opinion Unit	Change - Increase (Decrease)						
	Unearned Revenue	Assigned Fund Balances	Unassigned/Unrestricted Fund Balances	Inter-governmental Revenue	Capital Contributions	Transfers In	Transfers Out
Other Governmental Funds	(248,184)	56,776	191,408	244,850	-	3,334	-
Sapulpa Municipal Authority	(1,761,992)	-	1,761,992	-	1,774,190	-	(3,334)
Governmental Activities	(248,184)		248,184	244,850	-	3,334	-
Business-Type Activities	(1,761,992)		1,761,992	1,774,190	-	-	(3,334)

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

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



Supplementary 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 supplementary information as listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

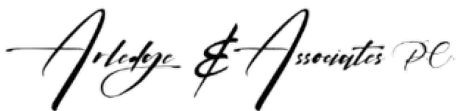
Other Information

Management is responsible for the other information included in the financial statements. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated May 17, 2024, 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 solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering City's internal control over financial reporting and compliance.



Oklahoma City, Oklahoma

May 17, 2024, except for the opinions related to the governmental activities, business-type activities, aggregate remaining nonmajor governmental funds, and the Sapulpa Municipal Authority Utility fund and the supplementary information related to the schedule of expenditures of federal awards and combining fund information, which is dated September 24, 2024.



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Our discussion and analysis of the City of Sapulpa's financial performance provides an overview of the City's financial activities for the fiscal year ended June 30, 2023. Please read it in conjunction with the City's financial statements, which follow this section.

FINANCIAL HIGHLIGHTS

- The total net position at the end of fiscal years 2023 and 2022 for governmental activities was \$50 million and \$48.5 million respectively.
- The total net position at the end of fiscal years 2023 and 2022 for business-type activities was \$12.8 million and \$9.0 million, respectively.
- During the year, the City's expenses for governmental activities were \$26.8 million and were funded by program revenues of \$3.5 million and further funded with taxes, other general revenues and transfers that totaled \$24.7 million.
- In the City's business-type activities, such as utilities and golf course, total program revenues were under total program expenses by \$0.6 million, while general revenues and transfers totaled \$3.7 million.
- At June 30, 2023, the General Fund reported an unassigned fund balance of \$2 million.
- For budgetary reporting purposes, the General Fund reported revenues and transfers under estimates by \$817 thousand or 2.8%, while expenditures and transfers were less than final appropriations by \$2.4 million or 7.6%.

OVERVIEW OF THE FINANCIAL STATEMENTS

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

Reporting the City as a Whole

Government-wide Statements

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

These two government-wide statements report the City's net position and changes in them from the prior year. You can think of the City's net position – the difference between assets, deferred inflows, liabilities, and deferred outflows – as one way to measure the City's financial condition, or position. Over time, increases or decreases in the City's net position are one indicator of whether its financial health is improving, deteriorating, or remaining steady.

However, you must consider other nonfinancial factors, such as changes in the City's tax base, the condition of the City's roads, and the quality of services to assess the overall health and performance of the City.

As mentioned above, 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, and parks. Sales taxes, franchise fees, fines, and state and federal grants finance most of these activities.
- Business-type activities -- The City charges a fee to customers to help cover all or most of the cost of certain services it provides. The City's water, wastewater, sanitation, stormwater, and golf course activities 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, management establishes many other funds to help it control and manage money for particular purposes or to show that it is meeting legal responsibilities for using certain taxes, grants, and other money.

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

Proprietary funds -- When the City charges customers for the services it provides – whether to outside customers or to other units of the City – these services are generally reported in proprietary funds. Proprietary funds are reported in the same way that all activities are reported in the Statement of Net Position and the Statement of Revenues, Expenses and Changes in Fund Net Position. In fact, the City's enterprise funds are essentially the same as the business-type activities we report in the government-wide statements but provide more detail and additional information, such as cash flows.

A FINANCIAL ANALYSIS OF THE CITY AS A WHOLE

Statement of Net Position

The City's total net position as of June 30, 2023 was \$62.7 million, which was \$5.2 million more than the fiscal year ended June 30, 2022. The most significant contributing factors to this change were an increase in capital assets, net of \$8.6 million, a decrease in other non-current assets of \$2.7 million, a decrease in non-current liabilities of \$8.0 million, an increase of \$1.0 million in restricted net position, and an increase in the negative unrestricted net position of \$1.6 million.

Current assets for business-type activities increased by \$1.7 million, mainly due to an increase in cash & cash equivalents of \$1.7 million.

Other-non current assets for governmental activities decreased by \$2.7 million due to a decrease in the net pension asset of \$576 thousand.

Deferred outflows of resources for governmental activities increased by \$1.8 million due to pension related changes, and deferred outflows of resources for business-type activities decreased by \$1.1 million due to the reduction in the unamortized loss on refunding.

Current liabilities for business-type activities increased by \$1.3 million primarily due to an increase in unearned revenue of \$1.5 million that represents the unspent portion of American Rescue Plan Act (ARPA) grant money.

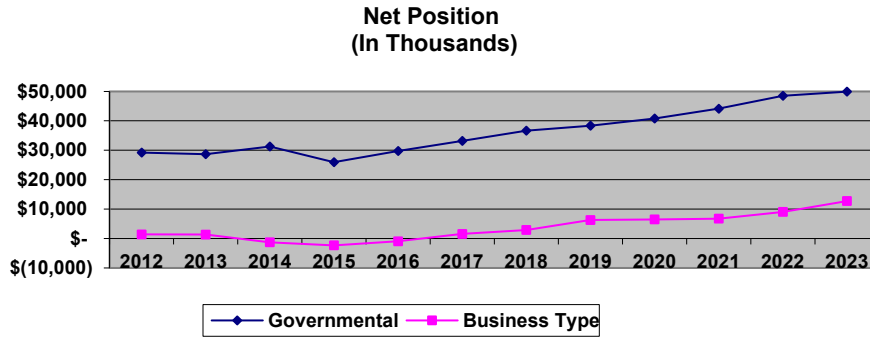
Deferred inflows of resources for governmental activities decreased by \$7.9 million due to the activity related to the decrease in the net pension asset.

A comparative, condensed presentation of net positions follows.

TABLE 1
NET POSITION (In Thousands)
JUNE 30, 2023 AND 2022

	Governmental Activities		% Inc. (Dec.)	Business-Type Activities		% Inc. (Dec.)	Total		% Inc. (Dec.)
	2023	2022		2023	2022		2023	2022	
Current assets	\$35,428	\$36,800	-4%	\$ 9,744	\$ 8,018	22%	\$45,172	\$44,818	1%
Capital assets, net	68,484	61,516	11%	67,521	65,898	2%	136,005	127,414	7%
Other non-current assets	576	3,294	-83%	-	-	0%	576	3,294	-83%
Total assets	104,488	101,610	3%	77,265	73,916	5%	181,753	175,526	4%
Deferred outflows of resources	5,439	3,674	48%	5,156	6,232	-17%	10,595	9,906	7%
Total assets and deferred outflows of resources	109,927	105,284	4%	82,421	80,148	3%	192,348	185,432	4%
Current liabilities	7,195	6,808	6%	5,467	4,142	32%	12,662	10,950	16%
Non-current liabilities	50,508	39,757	27%	63,978	66,758	-4%	114,486	106,515	7%
Total liabilities	57,703	46,565	24%	69,445	70,900	-2%	127,148	117,465	8%
Deferring inflows of resources	2,265	10,204	-78%	221	241	-8%	2,486	10,445	-76%
Net position									
Net investment in capital assets	45,238	42,544	6%	12,107	9,075	33%	57,345	51,619	11%
Restricted	9,939	9,776	2%	2,719	1,839	48%	12,658	11,615	9%
Unrestricted (deficit)	(5,218)	(3,805)	37%	(2,071)	(1,907)	9%	(7,289)	(5,712)	28%
Total net position	\$49,959	\$48,515	3%	\$12,755	\$ 9,007	42%	\$62,714	\$57,522	9%

The following chart is representative of the City's net position as reflected over the past twelve years.



Statement of Activities

The City's total revenues amounted to \$45 million and \$40.6 million during the fiscal years ended June 30, 2023 and 2022, respectively. For the year ending June 30, 2023, charges for services made up \$14.1 million or 31.2%, and taxes made up \$26.2 million or 58.2%. For the year ending June 30, 2022, charges for services made up \$13.9 million or 34.2%, and taxes made up \$23.6 million or 58.2%.

The City's total expenses amounted to \$39.8 million and \$33.9 million during the fiscal years ended June 30, 2023 and 2022, respectively. For the year ending June 30, 2023, public safety totaled \$14.4 million or 36.0%, water totaled \$5.1 million or 12.8%, and wastewater totaled \$5.3 million or 13.2%. For the year ending June 30, 2022, public safety totaled \$10.8 million or 31.8%, water totaled \$4.8 million or 14.1%, and wastewater totaled \$5.3 million or 15.7%.

A comparative, condensed presentation of changes in net position follows:

TABLE 2
CHANGES IN NET POSITION (In Thousands)
JUNE 30, 2023 AND 2022

	Governmental Activities		% Inc. (Dec.)	Business-Type Activities		% Inc. (Dec.)	Total		% Inc. (Dec.)
	2023	2022		2023	2022		2023	2022	
Revenues									
Charges for service	\$ 1,739	\$ 1,571	11%	\$ 12,319	\$ 12,307	-	\$ 14,058	\$ 13,878	1%
Operating grants and contributions	1,623	1,211	34%	-	1	100%	1,623	1,212	34%
Capital grants and contributions	117	715	-84%	183	-	100%	300	715	-58%
Taxes	26,214	23,643	11%	-	-	-	26,214	23,643	11%
Intergovernmental revenue	586	586	0%	1,774	-	-	2,360	586	303%
Investment income	206	112	84%	102	14	629%	308	126	144%
Miscellaneous	-	248	-100%	154	183	-16%	154	431	-64%
Total revenues	30,485	28,086	9%	14,532	12,505	16%	45,017	40,591	11%
Expenses									
Administration	1,986	1,594	25%	-	-	-	1,986	1,594	25%
General government	3,990	3,138	27%	-	-	-	3,990	3,138	27%
Legal and judicial	384	359	7%	-	-	-	384	359	7%
Public safety	14,355	10,788	33%	-	-	-	14,355	10,788	33%
Urban development	342	515	-34%	-	-	-	342	515	-34%
Streets	2,856	2,387	20%	-	-	-	2,856	2,387	20%
Culture, parks and recreation	1,870	1,660	13%	-	-	-	1,870	1,660	13%
Interest on long-term debt	974	844	15%	-	-	-	974	844	15%
Water	-	-	-	5,096	4,795	6%	5,096	4,795	6%
Wastewater	-	-	-	5,265	5,320	-1%	5,265	5,320	-1%
Sanitation	-	-	-	1,024	944	8%	1,024	944	8%
Stormwater	-	-	-	763	801	-5%	763	801	-5%
Golf operations	-	-	-	920	802	15%	920	802	15%
Total expenses	26,757	21,285	26%	13,068	12,662	3%	39,825	33,947	17%
Excess (deficiency) before transfers	3,728	6,801	-45%	1,464	(157)	-1032%	5,192	6,644	-22%
Transfers	(2,284)	(2,429)	6%	2,284	2,429	-6%	-	-	
Increase in net position	\$ 1,444	\$ 4,372	-67%	\$ 3,748	\$ 2,272	65%	\$ 5,192	\$ 6,644	-22%

Explanations for the more significant change includes:

Intergovernmental revenue - \$2.6 million or 303% change primarily due to the recognition of ARPA-related revenue in the current fiscal year of \$2 million.

Public safety - \$3.6 million or 33% change primarily due to expenses returning to levels comparable to fiscal year 2021 after a significant one-year decline during fiscal year 2022.

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

Governmental Activities

The following table compares fiscal year 2023 and 2022 total Governmental Activities expenses and net revenue (expense) of services:

TABLE 3
Net Revenue (Expense) of Governmental Activities (In Thousands)
June 30, 2023 and 2022

	Total Expense of Services		% Inc. (Dec.)	Net Revenue (Expense) of Services		% Inc. (Dec.)
	2023	2022		2023	2022	
	Administration	\$ 1,986		\$ 1,594	25%	
General government	3,990	3,138	27%	(3,268)	(2,506)	30%
Legal and judicial	384	359	7%	(384)	(359)	7%
Public safety	14,355	10,788	33%	(12,119)	(8,531)	42%
Urban development	342	515	-34%	(342)	(515)	-34%
Streets	2,856	2,387	20%	(2,561)	(2,006)	28%
Culture and recreation	1,870	1,660	13%	(1,644)	(1,432)	15%
Interest on long-term debt	974	844	15%	(974)	(844)	15%
Total	<u>\$26,757</u>	<u>\$21,285</u>	26%	<u>(\$23,278)</u>	<u>(\$17,787)</u>	31%

Business-type Activities

The following table compares fiscal year 2023 and 2022 total Business-type Activities expenses and net revenue (expense) of services:

Net Revenue (Expense) of Business-Type Activities (In Thousands)
June 30, 2023 and 2022

	Total Expense of Services		% Inc. Dec.	Net Revenue (Expense) of Services		% Inc. Dec.
	2023	2022		2023	2022	
	Water	\$ 5,096		\$ 4,795	6%	
Wastewater	5,265	5,320	-1%	(817)	(976)	-16%
Sanitation	1,024	944	8%	383	399	-4%
Stormwater	763	801	-5%	91	67	36%
Golf operations	920	802	15%	(477)	(354)	35%
Total	<u>\$ 13,068</u>	<u>\$ 12,662</u>	3%	<u>\$ (566)</u>	<u>\$ (354)</u>	60%

A FINANCIAL ANALYSIS OF THE CITY'S FUNDS

As the City completed its 2023 fiscal year, the governmental funds reported a combined fund balance of \$31.8 million and \$32.7 million in fiscal years 2023 and 2022, respectively. The enterprise funds reported a combined net position of \$10.2 million and \$7.2 million in fiscal years 2023 and 2022, respectively.

FUND BALANCE/NET POSITION
(In thousands of dollars)
June 30, 2023 and 2022

Governmental Funds			Enterprise Funds		
	2023	2022		2023	2022
Nonspendable	\$ 110	\$ 126	Net Investment in Capital Assets	\$ 12,107	\$ 9,075
Restricted	23,685	23,774	Restricted for debt service	615	572
Assigned	6,000	6,613	Unrestricted (deficit)	<u>(2,559)</u>	<u>(2,468)</u>
Unassigned	<u>2,024</u>	<u>2,224</u>			
Total Fund Balance	<u>\$ 31,819</u>	<u>\$ 32,737</u>	Total Net Position	<u>\$ 10,163</u>	<u>\$ 7,179</u>

Other fund highlights include:

- The General Fund's total fund balance declined somewhat between fiscal years 2023 and 2022 as the total net position decreased by \$770 thousand or 13.0%, due primarily to a decrease in cash and cash equivalents of \$755 thousand. The biggest contributing factor to this change was a year-over-year increase in transfers out of \$912,403, which was not offset by increased revenues as expenses increased and transfers in were decreased.
- The G.O. Bond Construction Fund's total fund balance decreased \$1.1 million or 9.3% due to a decrease of \$1.2 million in cash and cash equivalents, an increase of \$299 thousand in investments, and an \$193 thousand increase in accounts payable related to capital outlay expenses.
- The Sapulpa Municipal Authority Utility enterprise fund increased \$0.7 million or 13.7% due primarily to an \$829 thousand increase in cash and cash equivalents that resulted from capital contributions and transfers in outpacing loss before contributions and transfers (net of operating income and non-operating loss) and transfers out.

General Fund Budgetary Highlights

Over the course of the year, the City Council revised the General Fund budget various times. The revised budget included an increase in overall revenue projections of 16.2% or approximately \$4 million, mainly related to increased sales tax collections over original estimates of 20.6% or \$3.2 million.

For budgetary reporting purposes, the General Fund reported revenues less than final estimates by \$817 thousand or 2.8%, while expenditures were less than the final appropriations by \$2.4 million or 7.6%.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

At the end of June 30, 2023, the City had approximately \$136 million invested in capital assets, net of depreciation, including but not limited to police and fire equipment, buildings, park facilities, water and sewer lines, and other improvements. This represents a net increase of \$8.6 million or 6.7% over the prior year.

TABLE 5
Primary Government Capital Assets (In Thousands)
(Net of accumulated depreciation)
June 30, 2023 and 2022

	Governmental		Business-Type		Total	
	Activities		Activities			
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Land	\$ 5,813	\$ 5,314	\$ 71	\$ 71	\$ 5,884	\$ 5,385
Intangible water rights	-	-	4,915	4,915	4,915	4,915
Construction in progress	12,336	9,278	4,853	5,481	17,189	14,759
Buildings	8,909	8,806	2,022	2,065	10,931	10,871
Other improvements	1,858	1,537	1,039	223	2,897	1,760
Utility property	-	-	47,404	46,211	47,404	46,211
Machinery, furniture and equipment	7,958	7,859	2,083	1,688	10,041	9,547
Infrastructure	31,607	28,718	5,130	5,238	36,737	33,956
Other assets - leased equipment	3	5	3	5	6	10
Totals	<u>\$ 68,484</u>	<u>\$ 61,517</u>	<u>\$ 67,520</u>	<u>\$ 65,897</u>	<u>\$ 136,004</u>	<u>\$ 127,414</u>

This year's more significant capital asset additions include:

- \$1,990,618 – Canyon Road Project
- \$1,978,007 – Frankoma Road Sewer Extension
- \$1,054,220 – Ozark Trail
- \$831,447 – Golf Course Irrigation System

This year's more significant additions to construction in progress include:

- \$2,358,275– 117th & 49th West Avenue Intersection
- \$2,019,040– South Basin #4
- \$1,171,929 – Fire Station #3

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

Long- Term Debt

The City had \$104.9 million and \$104 million in outstanding debt at the end of fiscal years 2023 and 2022, respectively. Governmental Activities increased by \$3.6 million due to the city continuing to make scheduled debt payments and the issuance of \$6.3 million of Series 2022A G.O. Bonds. Business-type Activities decreased by \$2.8 million due to the regular retirement of debt and not issuing any significant amounts of debt.

The City's changes in long-term debt by type of debt are as follows (excludes unamortized premiums/discounts and deferred amounts on refunding):

TABLE 6
Primary Government Long-Term Debt (In Thousands)
June 30, 2023 and 2022

	<u>Governmental</u> <u>Activities</u>		<u>Business-Type</u> <u>Activities</u>		<u>Total</u>	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Accrued absences	\$ 1,998	\$ 1,854	\$ 228	\$ 201	\$ 2,226	\$ 2,055
Revenue bonds	3,365	3,870	59,945	62,405	63,310	66,275
Due to depositors	-	-	336	337	336	337
Water contract obligations	-	-	564	605	564	605
Notes payable	282	426	5,513	5,815	5,795	6,241
General obligation bonds	32,640	28,500	-	-	32,640	28,500
Totals	<u>\$ 38,285</u>	<u>\$ 34,650</u>	<u>\$ 66,586</u>	<u>\$ 69,363</u>	<u>\$ 104,871</u>	<u>\$ 104,013</u>

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

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

Even though certain impacts related to the COVID-19 pandemic recovery are ongoing, Sapulpa's economic outlook continues to appear stable.

Total sales tax collections, which are the major revenue for the General Fund, had a 5.5% increase from fiscal year 2021-2022 (\$16,615,424) to fiscal year 2022-2023 (\$17,526,105). A conservative approach was used in projecting sales tax for fiscal year 2023-2024, with sales tax budgeted at \$16,469,357 or 6.0% less than the fiscal year 2022-2023 actual. Total assessed valuation of property went up 13.7% from 2022 to 2023.

The Sapulpa Municipal Authority (SMA) charges for service, which include water, sewer, and refuse revenues, shows a minimal increase of 0.0% for fiscal year 2022-2023 (\$10,806,967) from 2021-2022 actual (\$10,798,902). Revenues for these services for fiscal year 2022-2023 were projected down 3.2%, or \$346,781, lower than fiscal year 2022-2023 actual. This slight decrease reflects a presumption of fairly stagnant charges for service revenue during fiscal year 2022-2023 with overall strong collections.

CONTACTING THE CITY'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, and creditors with a general overview of the City's finances and to show the City's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Finance Director's office at 425 E. Dewey, P. O. Box 1130, Sapulpa, Oklahoma 74067-1130 or by phone at (918)248-5911.

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City of Sapulpa
Statement of Net Position
June 30, 2023

	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash and cash equivalents	\$ 17,251,135	\$ 6,487,358	\$ 23,738,493
Investments	12,140,392	1,874,162	14,014,554
Deposits with insurance pool	16,760	-	16,760
Internal balances	1,282,000	(1,282,000)	-
Interest receivable	80,075	17,676	97,751
Accounts receivable, net of allowance	100	859,010	859,110
Franchise tax receivable	49,439	-	49,439
Court fines receivable	408,396	-	408,396
Due from other governments	2,673,193	622,297	3,295,490
Other receivables	167,457	791,895	959,352
Lease receivables	1,335,442	-	1,335,442
Inventory	23,267	100,283	123,550
Prepaid expenses	-	273,333	273,333
Net pension asset	575,936	-	575,936
Capital assets:			
Land and construction in progress	18,148,394	9,839,665	27,988,059
Other capital assets, net of depreciation/amortization	50,336,114	57,680,991	108,017,105
Total assets	<u>104,488,100</u>	<u>77,264,670</u>	<u>181,752,770</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred amount on refunding	24,825	5,099,101	5,123,926
Deferred amounts related to OPEB	56,902	57,032	113,934
Deferred amounts related to pensions	5,357,086	-	5,357,086
Total deferred outflows	<u>5,438,813</u>	<u>5,156,133</u>	<u>10,594,946</u>
LIABILITIES			
Accounts payable	3,901,172	639,921	4,541,093
Accrued payroll liabilities	182,712	98,267	280,979
Accrued interest payable	248,553	405,090	653,643
Due to other governments	2,075	-	2,075
Escrow deposits	49,246	-	49,246
Due to bondholders	2,369	-	2,369
Unearned revenue	46,525	1,481,119	1,527,644
Long-term liabilities:			
Due within one year	2,761,940	2,842,696	5,604,636
Due in more than one year	36,484,478	63,746,484	100,230,962
Net pension liabilities- due in more than one year	13,257,411	-	13,257,411
Total OPEB liability - due in more than one year	766,285	231,427	997,712
Total liabilities	<u>57,702,766</u>	<u>69,445,004</u>	<u>127,147,770</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred amounts related to Leases	1,280,584	-	1,280,584
Deferred amounts related to OPEB	568,591	220,828	789,419
Deferred amounts related to pensions	415,857	-	415,857
Total deferred inflows	<u>2,265,032</u>	<u>220,828</u>	<u>2,485,860</u>
NET POSITION			
Net investment in capital assets	45,238,292	12,107,022	57,345,314
Restricted for:			
Debt service	1,701,353	614,848	2,316,201
Streets	4,827,842	-	4,827,842
Public safety	680,906	-	680,906
Grant projects	404,976	-	404,976
Economic development	1,850,193	-	1,850,193
Enabling legislation - pension	474,158	-	474,158
Water capital projects	-	1,156,454	1,156,454
Sewer capital projects	-	947,203	947,203
Unrestricted (deficit)	(5,218,605)	(2,070,556)	(7,289,161)
Total net position	<u>\$ 49,959,115</u>	<u>\$ 12,754,971</u>	<u>\$ 62,714,086</u>

See accompanying notes to the basic financial statements.

**City of Sapulpa
Statement of Activities
For the Year Ended June 30, 2023**

Functions/Programs	Program Revenue				Net (Expense) Revenue and Changes in Net Position		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
Primary government							
Governmental activities:							
Administration	\$ 1,986,162	\$ -	\$ -	\$ -	\$ (1,986,162)	\$ -	\$ (1,986,162)
General government	3,990,386	672,603	50,000	-	(3,267,783)	-	(3,267,783)
Legal and judicial	384,032	-	-	-	(384,032)	-	(384,032)
Public safety	14,354,444	855,211	1,352,025	27,651	(12,119,557)	-	(12,119,557)
Urban development	342,047	-	-	-	(342,047)	-	(342,047)
Streets	2,855,614	490	206,262	88,148	(2,560,714)	-	(2,560,714)
Culture and recreation	1,870,302	210,901	14,744	997	(1,643,660)	-	(1,643,660)
Interest on long-term debt	974,376	-	-	-	(974,376)	-	(974,376)
Total governmental activities	<u>26,757,363</u>	<u>1,739,205</u>	<u>1,623,031</u>	<u>116,796</u>	<u>(23,278,331)</u>	<u>-</u>	<u>(23,278,331)</u>
Business-type activities							
Water	5,096,122	5,167,352	-	182,579	-	253,809	253,809
Wastewater	5,265,285	4,449,003	-	-	-	(816,282)	(816,282)
Sanitation	1,023,571	1,406,268	-	-	-	382,697	382,697
Stormwater	763,193	854,070	-	-	-	90,877	90,877
Golf operations	919,735	442,399	-	-	-	(477,336)	(477,336)
Total business-type activities	<u>13,067,906</u>	<u>12,319,092</u>	<u>-</u>	<u>182,579</u>	<u>-</u>	<u>(566,235)</u>	<u>(566,235)</u>
Total primary government	<u>\$ 39,825,269</u>	<u>\$ 14,058,297</u>	<u>\$ 1,623,031</u>	<u>\$ 299,375</u>	<u>\$ (23,278,331)</u>	<u>\$ (566,235)</u>	<u>\$ (23,844,566)</u>
General revenues:							
Taxes:							
Sales and use taxes					\$ 19,759,929	\$ -	\$ 19,759,929
Property taxes					2,902,731	-	2,902,731
Franchise and public service taxes					864,026	-	864,026
Payment in lieu of tax					242,357	-	242,357
Hotel/motel taxes					259,770	-	259,770
Tax apportionment revenue					1,853,812	-	1,853,812
E-911 taxes					331,701	-	331,701
Intergovernmental revenue not restricted to specific programs					586,273	1,774,191	2,360,464
Investment income					205,722	102,250	307,972
Miscellaneous					-	154,134	154,134
Transfers - Internal activity					(2,283,862)	2,283,862	-
Total general revenues and transfers					<u>24,722,459</u>	<u>4,314,437</u>	<u>29,036,896</u>
Change in net position					<u>1,444,128</u>	<u>3,748,202</u>	<u>5,192,330</u>
Net position - beginning					<u>48,514,987</u>	<u>9,006,769</u>	<u>57,521,756</u>
Net position - ending					<u>\$ 49,959,115</u>	<u>\$ 12,754,971</u>	<u>\$ 62,714,086</u>

See accompanying notes to the basic financial statements.

**City of Sapulpa
Balance Sheet
Governmental Funds
June 30, 2023**

	General Fund	G.O. Bond Construction Fund	Other Governmental Funds	Total Governmental Funds
ASSETS				
Cash and cash equivalents	\$ 986,991	\$ 5,142,054	\$ 12,849,126	\$ 18,978,171
Investments	1,552,433	6,831,064	3,978,214	12,361,711
Deposits with insurance pool	16,760	-	-	16,760
Deposits with fiscal agent	-	-	188	188
Accrued interest receivable	1,903	49,309	31,036	82,248
Due from other funds	1,382,000	-	-	1,382,000
Due from other governments	1,317,006	-	1,944,656	3,261,662
Franchise tax receivable	49,439	-	-	49,439
Court fines receivable	389,036	-	19,360	408,396
Other receivables	140,790	-	31,485	172,275
Lease receivables	1,335,442	-	-	1,335,442
Inventory	-	-	106,314	106,314
Total assets	<u>\$ 7,171,800</u>	<u>\$ 12,022,427</u>	<u>\$ 18,960,379</u>	<u>\$ 38,154,606</u>
LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES				
Liabilities:				
Accounts payable	\$ 241,484	\$ 1,271,585	\$ 2,396,884	\$ 3,909,953
Accrued payroll liabilities	108,988	-	97,568	206,556
Due to other funds	-	-	150,000	150,000
Due to other governments	3,473	-	200	3,673
Escrow deposit	49,246	-	-	49,246
Refundable court bonds	2,369	-	-	2,369
Unearned revenue	-	-	23,255	23,255
Total liabilities	<u>405,560</u>	<u>1,271,585</u>	<u>2,667,907</u>	<u>4,345,052</u>
DEFERRED INFLOW OF RESOURCES				
Unavailable revenue	354,096	28,372	327,059	709,527
Leases	1,280,584	-	-	1,280,584
Total deferred inflow of resources	<u>1,634,680</u>	<u>28,372</u>	<u>327,059</u>	<u>1,990,111</u>
Fund balances:				
Non-spendable	-	-	109,721	109,721
Restricted	-	10,722,470	12,962,630	23,685,100
Assigned	3,106,823	-	2,893,062	5,999,885
Unassigned	2,024,737	-	-	2,024,737
Total fund balances	<u>5,131,560</u>	<u>10,722,470</u>	<u>15,965,413</u>	<u>31,819,443</u>
Total liabilities, deferred inflows and fund balances	<u>\$ 7,171,800</u>	<u>\$ 12,022,427</u>	<u>\$ 18,960,379</u>	<u>\$ 38,154,606</u>

See accompanying notes to the basic financial statements.

City of Sapulpa
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position
June 30, 2023

Fund Balance - Net Position Reconciliation:	\$ 31,819,443
Amounts reported for governmental activities in the Statement of Net Position are different because:	
Capital assets used in governmental activities are not current financial resources and therefore are not reported in the funds, net of accumulated depreciation/amortization of \$36,295,247	68,484,508
Internal service funds are used by management to charge costs of certain activities that benefit multiple funds, such as self-insurance costs, to individual funds. The assets and liabilities of these internal service funds are reported in the governmental activities of the Statement of Net Position: Internal service funds' net position	52,043
Certain special revenue funds are used by management to perform business-type activities. The assets and liabilities of these special revenue funds are included in business-type activities in the Statement of Net Position:	
Water & sewer sales tax fund	(412,838)
Water resources fund	(1,221,387)
Sewer plant sales tax fund	(958,045)
	(2,592,270)
Other long-term assets and deferred outflows are not available to pay for current period expenditures and therefore are deferred or not reported in the funds:	
Net pension asset	575,936
Pension related deferred outflows of resources	5,357,086
Deferred amount on general obligation bond refunding	24,825
Unavailable revenue	670,002
OPEB related deferred outflows of resources	56,902
	6,684,751
Certain long-term liabilities are not due and payable from current financial resources and they, along with certain deferred inflows, are not reported in the funds:	
Accrued interest payable	(234,798)
Capital notes payable obligation	(252,593)
Notes payable	(29,039)
Revenue bonds	(3,365,000)
General obligation bond	(32,640,000)
Unamortized premium on general obligation bonds	(958,152)
Lease liability	(3,422)
Net pension liability	(13,257,411)
OPEB related deferred inflows of resources	(568,591)
Pension related deferred inflows of resources	(415,857)
Total OPEB liability	(766,285)
Accrued compensated absences	(1,998,212)
	(54,489,360)
Net Position of Governmental Activities in the Statement of Net Position	\$ 49,959,115

See accompanying notes to the basic financial statements.

City of Sapulpa
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended June 30, 2023

	<u>General Fund</u>	<u>G.O. Bond Construction Fund</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
REVENUES				
Taxes	\$ 11,094,423	\$ -	\$ 14,810,401	\$ 25,904,824
Intergovernmental	1,804,779	-	499,760	2,304,539
Charges for services	788,435	-	507,122	1,295,557
Fines and forfeitures	275,617	-	16,704	292,321
Licenses and permits	408,979	-	-	408,979
Investment income	38,922	74,500	100,896	214,318
Miscellaneous	322,918	9,132	175,950	508,000
Total revenues	<u>14,734,073</u>	<u>83,632</u>	<u>16,110,833</u>	<u>30,928,538</u>
EXPENDITURES				
Current:				
Administration	2,242,756	-	-	2,242,756
General government	926,839	149,170	624,103	1,700,112
Legal and judicial	355,699	-	-	355,699
Public safety	12,409,180	-	747,134	13,156,314
Urban development	156,737	-	205,477	362,214
Streets	-	-	1,174,071	1,174,071
Culture and recreation	568,954	230,400	1,093,735	1,893,089
Water	-	-	1,408,361	1,408,361
Wastewater	-	-	32,518	32,518
Capital Outlay	142,875	7,109,172	5,977,489	13,229,536
Debt Service:				
Principal	20,972	-	2,788,397	2,809,369
Interest	2,284	-	885,000	887,284
Total expenditures	<u>16,826,296</u>	<u>7,488,742</u>	<u>14,936,285</u>	<u>39,251,323</u>
Excess (deficiency) of revenues over expenditures	<u>(2,092,223)</u>	<u>(7,405,110)</u>	<u>1,174,548</u>	<u>(8,322,785)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	5,771,968	-	3,978,893	9,750,861
Transfers out	(4,449,273)	-	(4,278,634)	(8,727,907)
Proceeds from long-term debt	-	6,300,000	-	6,300,000
Bond premium	-	-	81,895	81,895
Total other financing sources (uses)	<u>1,322,695</u>	<u>6,300,000</u>	<u>(217,846)</u>	<u>7,404,849</u>
Net change in fund balances	(769,528)	(1,105,110)	956,702	(917,936)
Fund balances - beginning	5,901,088	11,827,580	15,008,711	32,737,379
Fund balances - ending	<u>\$ 5,131,560</u>	<u>\$ 10,722,470</u>	<u>\$ 15,965,413</u>	<u>\$ 31,819,443</u>

See accompanying notes to the basic financial statements.

City of Sapulpa
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of
Governmental Funds to the Statement of Activities
For the Year Ended June 30, 2023

Changes in Fund Balance - Changes in Net Position Reconciliation: \$ (917,936)

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

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

Capital asset purchases capitalized	9,700,081
Land acquisitions	378,980
Book value of disposed capital assets	(302,110)
Capital assets transferred to business-type activities	(244,881)
Depreciation/amortization expense	(2,564,167)
	6,967,903

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

Amortization expense	(1,685)
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Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds:

Change in unavailable revenue	(47,168)
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In the Statement of Activities, the net cost of pension benefits earned is calculated and reported as pension expense. The fund financial statements report pension contributions as pension expenditures. This amount represents the difference between pension contributions and calculated pension expense.

14,376

Certain special revenue funds are used by management to perform business-type activities. The net change in fund balances of these special revenue funds are included in business-type activities in the Statement of Net Position:

Water & Sewer Sales Tax Fund	74,520
Water Resources Fund	(414,739)
Sewer Plant Sales Tax Fund	(423,901)
	(764,120)

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

Principal payment on capital notes payable obligation	115,615
Principal payment on G.O. bonds payable	2,160,000
Principal payment on Revenue bonds payable	505,000
Principal payment on notes payable	28,754
Bond refunding amortization	(12,945)
Bond premium amortization	83,318
Bond premium received	(81,894)
Proceeds from general obligation bonds	(6,300,000)
	(3,502,152)

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 interest payable	(157,825)
Change in total OPEB liability	949
Change in accrued compensated absences	(144,071)
Change in lease liability	3,343
	(297,604)

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

Change in net position for internal service funds	(7,486)
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Change in net position of governmental activities	\$ 1,444,128
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See accompanying notes to the basic financial statements.

**City of Sapulpa
Statement of Net Position
Proprietary Funds
June 30, 2023**

	Enterprise Funds			Internal Service Fund
	SMA Utility Fund	Non-major		
		Golf Course Fund	Total	
ASSETS				
Current assets:				
Cash and cash equivalents	\$ 3,046,570	\$ 572,866	\$ 3,619,436	\$ 51,989
Restricted cash and cash equivalents	1,088,709	-	1,088,709	-
Investments	1,364,922	-	1,364,922	-
Interest receivable	15,503	-	15,503	-
Accounts receivable, net	856,888	2,122	859,010	-
Other receivables	788,721	-	788,721	54
Inventory	-	17,236	17,236	-
Total current assets	<u>7,161,313</u>	<u>592,224</u>	<u>7,753,537</u>	<u>52,043</u>
Non-current assets:				
Restricted investments	287,921	-	287,921	-
Prepaid bond insurance	273,333	-	273,333	-
Capital assets:				
Land and other non-depreciable assets	9,691,365	148,300	9,839,665	-
Other capital assets, net of depreciation	56,182,392	1,495,231	57,677,623	-
Lease assets	3,368	-	3,368	-
Total non-current assets	<u>66,438,379</u>	<u>1,643,531</u>	<u>68,081,910</u>	<u>-</u>
Total assets	<u>73,599,692</u>	<u>2,235,755</u>	<u>75,835,447</u>	<u>52,043</u>
DEFERRED OUTFLOWS OF RESOURCES				
Related to OPEB	52,764	4,268	57,032	-
Deferred amount on refunding	5,099,101	-	5,099,101	-
Total deferred outflows	<u>5,151,865</u>	<u>4,268</u>	<u>5,156,133</u>	<u>-</u>
LIABILITIES				
Current liabilities:				
Accounts payable	532,619	60,589	593,208	-
Accrued payroll liabilities	55,999	20,028	76,027	-
Due to other funds	1,232,000	-	1,232,000	-
Accrued interest payable	405,090	-	405,090	-
Unearned revenue	1,474,686	6,433	1,481,119	-
Due to depositors	67,168	-	67,168	-
Notes payable	230,000	-	230,000	-
Capital lease obligation payable	1,658	-	1,658	-
Water contract obligations	41,816	-	41,816	-
Revenue bonds payable	2,480,000	-	2,480,000	-
Accrued compensated absences	16,684	5,370	22,054	-
Total current liabilities	<u>6,537,720</u>	<u>92,420</u>	<u>6,630,140</u>	<u>-</u>
Non-current liabilities:				
Due to depositors	268,671	-	268,671	-
Notes payable	5,282,713	-	5,282,713	-
Water contract obligations	522,496	-	522,496	-
Revenue bonds payable, net	57,465,001	-	57,465,001	-
Lease liability	1,764	-	1,764	-
Accrued compensated absences	157,505	48,334	205,839	-
Total OPEB liability	195,427	36,000	231,427	-
Total non-current liabilities	<u>63,893,577</u>	<u>84,334</u>	<u>63,977,911</u>	<u>-</u>
Total liabilities	<u>70,431,297</u>	<u>176,754</u>	<u>70,608,051</u>	<u>-</u>
DEFERRED INFLOWS OF RESOURCES				
Related to OPEB	146,661	74,167	220,828	-
NET POSITION				
Net investment in capital assets	10,463,491	1,643,531	12,107,022	-
Restricted for debt service	614,848	-	614,848	-
Unrestricted (deficit)	<u>(2,904,740)</u>	<u>345,571</u>	<u>(2,559,169)</u>	<u>52,043</u>
Total net position	<u>\$ 8,173,599</u>	<u>\$ 1,989,102</u>	<u>\$ 10,162,701</u>	<u>\$ 52,043</u>

Amounts reported for business-type activities in the Statement of Net Position are different because:

Certain special revenue funds are used by management to perform business-type activities. The assets and liabilities of certain special revenue funds are included in the business-type activities in the Statement of Net Position.

2,592,270

Net Position of business-type activities

\$ 12,754,971

See accompanying notes to the basic financial statements.

City of Sapulpa
Statement of Revenues, Expenses and Changes in Fund Net Position
Proprietary Funds
For the Year Ended June 30, 2023

	<u>Enterprise Funds</u>			<u>Internal Service Fund</u>
	<u>Non-major</u>			
	<u>SMA Utility Fund</u>	<u>Golf Course Fund</u>	<u>Total</u>	
REVENUES				
Water charges	\$ 4,799,047	\$ -	\$ 4,799,047	\$ -
Sewer charges	4,413,768	-	4,413,768	-
Sanitation	1,274,604	-	1,274,604	-
Water taps	44,500	-	44,500	-
Sewer taps	35,235	-	35,235	-
Late charges	188,789	-	188,789	-
Recycling center	905	-	905	-
Trucked water	130,759	-	130,759	-
Stormwater	854,070	-	854,070	-
Golf course	-	441,120	441,120	-
Self insurance charges	-	-	-	2,822,996
Miscellaneous	135,016	1,279	136,295	-
Total operating revenues	<u>11,876,693</u>	<u>442,399</u>	<u>12,319,092</u>	<u>2,822,996</u>
OPERATING EXPENSES				
General government	226,825	-	226,825	-
Administration	214,185	-	214,185	-
Utility collections	484,915	-	484,915	-
Water treatment plant	2,342,701	-	2,342,701	-
Industrial pretreatment	1,992,680	-	1,992,680	-
Wastewater treatment plant	1,185,576	-	1,185,576	-
Stormwater management	460,148	-	460,148	-
Sanitation	905,134	-	905,134	-
Golf course operations	-	808,351	808,351	-
Depreciation/amortization expense	2,173,732	111,384	2,285,116	-
Claims expense	-	-	-	2,830,786
Total operating expenses	<u>9,985,896</u>	<u>919,735</u>	<u>10,905,631</u>	<u>2,830,786</u>
Operating income (loss)	<u>1,890,797</u>	<u>(477,336)</u>	<u>1,413,461</u>	<u>(7,790)</u>
NON-OPERATING REVENUES (EXPENSES)				
Investment income	88,719	2,478	91,197	304
Miscellaneous	148,419	-	148,419	-
Gain (loss) on disposal of capital assets	(19,154)	(2,791)	(21,945)	-
Transfer capital assets to governmental activities	(63,539)	-	(63,539)	-
Interest expense and fiscal charges	(2,756,771)	-	(2,756,771)	-
Total non-operating revenue (expenses)	<u>(2,602,326)</u>	<u>(313)</u>	<u>(2,602,639)</u>	<u>304</u>
Income (loss) before contributions and transfers	(711,529)	(477,649)	(1,189,178)	(7,486)
Capital contributions	4,661,993	534,221	5,196,214	-
Transfers in	7,488,036	395,000	7,883,036	-
Transfers out	(8,905,990)	-	(8,905,990)	-
Change in net position	<u>2,532,510</u>	<u>451,572</u>	<u>2,984,082</u>	<u>(7,486)</u>
Total net position - beginning	5,641,089	1,537,530	7,178,619	59,529
Total net position - ending	<u>\$ 8,173,599</u>	<u>\$ 1,989,102</u>	<u>\$ 10,162,701</u>	<u>\$ 52,043</u>

Change in net position \$ 2,984,082

Amounts reported for business-type activities in the Statement of Activities are different because:

Certain special revenue funds are used by management to perform business-type activities. The activities of these special revenue funds are included in the business-type activities in the Statement of Activities.	
Water & sewer sales tax fund	(74,520)
Water resources fund	414,739
Sewer plant sales tax fund	423,901
Change in net position of the business-type activities	<u>\$ 3,748,202</u>

See accompanying notes to the basic financial statements.

**City of Sapulpa
Statement of Cash Flows
Proprietary Funds
For the Year Ended June 30, 2023**

	SMA Utility Fund	Golf Course Fund	Total Enterprise Funds	Internal Service Fund
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from customers	\$ 13,479,636	\$ 446,711	\$ 13,926,347	\$ -
Payments to suppliers	(5,501,343)	(226,907)	(5,728,250)	(2,830,786)
Payments to employees	(2,504,791)	(533,040)	(3,037,831)	-
Receipts of customer meter deposits	104,992	-	104,992	-
Refunds of customer meter deposits	(105,851)	-	(105,851)	-
Receipts from others	-	-	-	2,822,996
Net cash provided by (used in) operating activities	<u>5,472,643</u>	<u>(313,236)</u>	<u>5,159,407</u>	<u>(7,790)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Transfers from other funds	7,488,036	395,000	7,883,036	-
Transfers to other funds	(8,905,990)	-	(8,905,990)	-
Net cash provided by (used in) noncapital financing activities	<u>(1,417,954)</u>	<u>395,000</u>	<u>(1,022,954)</u>	<u>-</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Purchases of capital assets	1,198,190	-	1,198,190	-
Proceeds from sale of capital assets	4,760	-	4,760	-
Principal paid on capital debt	(2,803,784)	-	(2,803,784)	-
Interest and fiscal agent fees paid on capital debt	(1,656,250)	-	(1,656,250)	-
Net cash provided by (used in) capital and related financing activities	<u>(3,257,084)</u>	<u>-</u>	<u>(3,257,084)</u>	<u>-</u>
CASH FLOWS FROM INVESTING ACTIVITIES				
Sale (purchase) of investments	(9,075)	-	(9,075)	-
Interest and dividends	75,385	2,478	77,863	304
Net cash provided by investing activities	<u>66,310</u>	<u>2,478</u>	<u>68,788</u>	<u>304</u>
Net increase (decrease) in cash and cash equivalents	863,915	84,242	948,157	(7,486)
Balances - beginning of year	<u>3,271,364</u>	<u>488,624</u>	<u>3,759,988</u>	<u>59,475</u>
Balances - end of year	<u>\$ 4,135,279</u>	<u>\$ 572,866</u>	<u>\$ 4,708,145</u>	<u>\$ 51,989</u>
Reconciliation to Statement of Net Position:				
Cash and cash equivalents	\$ 3,046,570	\$ 572,866	\$ 3,619,436	\$ 51,989
Restricted cash and cash equivalents - current	1,088,709	-	1,088,709	-
Total cash and cash equivalents, end of year	<u>\$ 4,135,279</u>	<u>\$ 572,866</u>	<u>\$ 4,708,145</u>	<u>\$ 51,989</u>

(Continued)

See accompanying notes to the financial statements.

City of Sapulpa
Statement of Cash Flows
Proprietary Funds
For the Year Ended June 30, 2023

	SMA Utility Fund	Golf Course Fund	Total Enterprise Funds	Internal Service Funds
Reconciliation of operating income (loss) to net cash provided				
by (used in) operating activities:				
Operating income (loss)	\$ 1,890,797	\$ (477,336)	\$ 1,413,461	\$ (7,790)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:				
Depreciation/amortization expense	2,173,732	111,384	2,285,116	-
Miscellaneous income	148,419	-	148,419	-
Change in assets, liabilities and deferrals:				
Total OPEB liability	27,894	4,304	32,198	-
Net inflows related to OPEB	(24,110)	(12,522)	(36,632)	-
Accounts receivable	16,874	1,052	17,926	-
Other receivables	(37,036)	-	(37,036)	-
Accounts payable	(216,756)	41,723	(175,033)	-
Accrued payroll payable	3,075	4,390	7,465	-
Unearned revenue	1,474,686	3,260	1,477,946	-
Deposits subject to refund	(859)	-	(859)	-
Accrued compensated absences	15,927	10,509	26,436	-
Net cash provided by (used in) operating activities	\$ 5,472,643	\$ (313,236)	\$ 5,159,407	\$ (7,790)
Noncash activities:				
Contributed capital assets	\$ 4,661,993	\$ 534,221	\$ 5,196,214	\$ -

See accompanying notes to the basic financial statements.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

1.A. FINANCIAL REPORTING ENTITY

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

Primary Government:	City of Sapulpa
Component Units:	Sapulpa Municipal Authority Sapulpa Development Authority

In determining the financial reporting entity, the City complies with the provisions of Governmental Accounting Standards Board Statement (GASB) No. 14, *The Financial Reporting Entity*, and GASB Statement No. 61, *The Financial Reporting Entity: Omnibus, an amendment of GASB Statements No. 14 and No. 34*, and includes all component units of which the City is fiscally accountable.

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

BLENDED COMPONENT UNITS

A blended component unit is a separate legal entity that meets the component unit criteria in the standards listed above. The Sapulpa Municipal Authority, a blended component unit is included since 1) the City can impose its will by authorization of debt issuances; 2) the governing body is the same as the City Council; and 3) management of the Trust and the City are the same. The component unit’s funds are blended into those of the City’s by appropriate fund category to comprise the primary government presentation. The Sapulpa Development Authority is blended for the same reasons.

The component units that are blended into the primary government’s fund categories are:

<u>Component Unit</u>	<u>Brief Description/Inclusion Criteria</u>	<u>Included Funds</u>
Sapulpa Municipal Authority	Created February 19, 1968, to finance, develop and operate the water, wastewater, solid waste, and golf activities of the City. Current City Council serves as the entire governing body (Trustees). Debt issued by the Authority requires 2/3rds approval of the City Council, while management of the City and Trust is the same.	SMA Utility and SMA Golf Course Enterprise Funds

CITY OF SAPULPA
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2023

Sapulpa Development Authority	Created September 21, 2009 to promote the development of business and industry within and without the city limits and to provide additional employment and commerce that will benefit and strengthen the economy of the City. Current City Council serves as the entire governing body (Trustees). Debt issued by the Authority requires 2/3rds approval of the City Council, while management of the City and Trust is the same.	Sapulpa Development Authority Fund - Special Revenue Fund
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1.B. BASIS OF PRESENTATION

Government-Wide Financial Statements:

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

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

Fund Financial Statements:

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

- a. Total assets plus deferred outflows of resources, liabilities plus deferred inflows of resources, revenues or expenditures/expenses of that individual governmental or enterprise fund are at least 10 percent of the corresponding total for all funds of that category or type, and
- b. Total assets plus deferred outflows of resources, liabilities plus deferred inflows of resources, revenues or expenditures/expenses of the individual governmental fund or enterprise fund are at least 5 percent of the corresponding total for all governmental and enterprise funds combined.
- c. A fund that does not meet the criteria of (a) and (b), but for which management has determined is of such significance to be reported as a major fund.

CITY OF SAPULPA
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2023

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

GOVERNMENTAL FUNDS

General Fund (Major Fund)

The General Fund is the primary operating fund of the City. It is used to account for and report all financial resources not accounted for and reported in another fund. Included or combined with the General Fund are the following accounts that, in addition to the General Fund, comprise the total presentation of the General Fund:

<u>Fund</u>	<u>Description</u>
Hunting & Fishing Account	Accounts for revenues from hunting and fishing fees and other sources and expenditures made there from.
Library Account	Accounts for revenues received from sales tax (2.5% of the second and third penny), grants, fines and other sources for library maintenance and operations.
Swimming Pool	Accounts for revenues received from donations and charges for services for swimming pool expenditures.
Stabilization Account	Accounts for reserves to be used to mitigate instability due to the disruption of revenue which prevent normal operations of the City, or to provide funds in case of emergency declarations.

Other Major Fund

<u>Fund</u>	<u>Description</u>
G.O. Bond Construction Fund (Major Capital Project Fund)	Accounts for the financing and construction of specified capital improvements.

Special Revenue Funds (Nonmajor Funds)

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

<u>Fund</u>	<u>Description</u>
Cemetery Maintenance Fund	Accounts for revenues received from sales tax (2.5% of the second and third penny), lot sales and charges for interment to be used for maintenance and operations of the cemetery. Additional monies are transferred into this fund for right-of-way mowing operations.
Street & Alley Fund	Accounts for revenues received from gasoline excise tax, motor vehicle tax, and expenditures made for street maintenance and operations.

CITY OF SAPULPA
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2023

Parks & Recreation Fund	Accounts for revenues received from sales tax (5% of the second and third penny) and from other sources to be used for parks and leisure services.
Federal SAF Fund	Accounts for monies received from federal drug seizures. All monies and property received must be used for law enforcement purposes only.
Major Thoroughfare Fund	Accounts for revenue received from sales tax (5% of the second and third penny) and expenditures for major thoroughfares.
Water & Sewer Sales Tax Fund	Accounts for revenues received from sales tax (10% of the second and third penny) and expenditures made for maintenance, operations, and capital outlay.
Spay & Neuter Fund	Accounts for monies received for and expenditures related to spaying and neutering.
E911 Fund	Accounts for revenues received from tariff rates on base line telephone charges and expenditures for operations and maintenance of the E-911 system.
Juvenile Justice Fund	Accounts for revenues received and expenditures related to the municipal juvenile court and/or any juvenile programs.
Hotel/Motel Tax Fund	Accounts for revenues received from Hotel/Motel Tax and expenditures for operations of the Sapulpa Economic Development Department, promoting tourism, and park capital improvements.
Sapulpa Development Authority	Accounts for expenditures for economic development capital outlay.
Polson Apportionment Fund	Accounts for all apportioned ad valorem tax levies within the Polson Industrial Park Increment District and payment of project costs with the same.
Grants & Aid Fund	Accounts for revenue received and expenditures made for all grant projects, except for library grants and aid.

Capital Project Fund (Nonmajor Funds)

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

<u>Fund</u>	<u>Description</u>
Restricted Construction Park & Recreation Fund	Accounts for revenue received and expenditures made exclusively for the acquisition of new park lands and/or capital and maintenance improvements of such new parks.
Park Development Fund	Accounts for revenue received from the Hotel/Motel Tax fund and expenditures for the acquisition of new park lands and/or making capital improvements to parks.

CITY OF SAPULPA
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2023

Fire Cash Fund	Accounts for revenue received from sales tax (2.5% of the second and third penny) and for expenditures for capital improvements.
Police Cash Fund	Accounts for revenue received from sales tax (2.5% of the second and third penny) and for expenditures for capital improvements.
Cemetery Care Fund	Accounts for revenues received from 12.5% of cemetery lot sales and interments. Per state statute, the principal can only be used for the purchase of land and for making permanent capital improvements. The interest can be used for improving, caring for and embellishing lots, walks, drives, parks and other improvements in such cemeteries, and maintenance of office and care of records.
Capital Improvement Fund	Accounts for revenues received from sales tax (10% of the second and third penny) and other sources and expenditures for capital improvements in an amount of \$7,500 or greater in value with an estimated life of three years or more.
Water Resources Fund	Accounts for revenues received from sales tax (20% of the second and third penny) and expenditures made for water systems capital improvements.
Economic Development Sales Tax	Accounts for revenues received from ½ cent dedicated sales tax (only effective for the portion of Sapulpa in Tulsa County) for the promotion of economic development.
Street Improvement Sales Tax	Accounts for revenues received from ½ cent dedicated sales tax, transfers made to the SMA for debt service payments, and expenditures made for capital outlay.
Sewer Plant Sales Tax	Accounts for revenues received from ½ cent dedicated sales tax, transfers made to the SMA for debt service payments, and expenditures made for capital outlay.
Series 2014 Street Capital Improvement Fund	Accounts for the use of bond proceeds from the Series 2014 Street Capital Improvement bonds.
Article X, Section 35	Accounts for GO Bond Proceeds issued from Article X, Section 35 of the Oklahoma Constitution for the funding of economic development purposes within or near the City.

Debt Service Fund (Nonmajor Fund)

The Debt Service Fund is used to account for ad-valorem taxes levied by the City for use in retiring court-assessed judgments and general obligation bonds and their related interest expense. In State Statutes this fund is referred to as the Sinking Fund.

PROPRIETARY FUNDS

Proprietary funds include both enterprise funds and internal service funds. Enterprise funds are used to account for business-like activities provided to the general public. Internal service funds are used to account for business-like activities provided and charged to other funds or entities within the reporting entity. These activities are financed primarily by user charges and the measurement of financial activity focuses on net income measurement similar to the private sector. The reporting entity includes the following enterprise funds and internal service fund:

CITY OF SAPULPA
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2023

Enterprise Funds

<u>Major Fund</u>	<u>Description</u>
Sapulpa Municipal Authority Utility	Accounts for revenues of the public trust from providing water, wastewater, and sanitation services to the public. Included accounts of the SMA:
Sewer System Development & Extension Fee Account	Accounts for revenues received from sewer system development and extension fees associated with the sewer expansion program, related expenses, and to account for funds being placed in escrow which are received from developers.
Stormwater Management Account	Accounts for revenues received from stormwater management fees and expenses made for stormwater maintenance and operations.

Nonmajor Fund

SMA Golf Course Fund	Accounts for revenues received from fees and operational expenses associated with the golf course.
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Internal Service Fund

Insurance Fund	Accounts for revenues and expenses of insurance costs for employees with the City, including police and fire retirees.
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1.C. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

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

Measurement Focus

Government-wide and Proprietary Fund Financial Statements

In the government-wide Statement of Net Position and the Statement of Activities, and the proprietary fund statements, the “*economic resources*” measurement focus is applied. 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, deferred outflows of resources, liabilities, and deferred inflows of resources (whether current or noncurrent, financial or nonfinancial) associated with their activities are reported. Fund equity is classified as net position.

Governmental Fund Financial Statements

In the governmental fund financial statements, a “*current financial resources*” measurement focus is applied. Under this focus, only current financial assets, deferred outflows of resources, liabilities, and deferred inflows of resources 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.

Basis of Accounting

Government-wide and Proprietary Fund Financial Statements

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

Governmental Fund Financial Statements

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

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

Cash and Cash Equivalents

Cash and cash equivalents include all demand and savings accounts, and certificates of deposit, or short-term investments with an original maturity of three months or less. Investments in open-ended mutual funds held in the trustee accounts are considered cash equivalents.

Investments

Investments consist of certificates of deposit whose original maturity term exceeds three months and certain U.S. Government securities. Investments that do not have an established market are reported at estimated fair value as estimated by a broker/dealer. The U.S. Government securities are reported at fair value. All non-negotiable certificates of deposit whose original maturity term exceeds three months are carried at cost.

Receivables

Material receivables in governmental funds and governmental activities include revenue accruals such as sales tax, franchise tax, lease receivables, and grants and other similar intergovernmental revenues since they are usually both measurable and available. Revenue from non-exchange transactions collectible but not available are deferred in accordance with GASB Statement 33 at the fund level.

Proprietary funds and business-type activities material receivables consist of all revenues earned at year-end and not yet received. Billed and unbilled utility accounts receivable comprise the majority of these receivables. They are reported net of allowances for uncollectible accounts.

CITY OF SAPULPA
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Inventories

Inventory recorded in governmental funds and governmental activities is valued at average cost and consists of material and supplies used for vehicle maintenance and office and janitorial activities. The cost is allocated to the various user departments based upon their consumption. The consumption method of accounting treatment is utilized by the City's governmental funds.

Special reporting treatments are applied to governmental fund inventories to indicate that they do not represent available spendable resources even though they are a component of current assets. Such amounts are generally offset by fund balance nonspendable accounts.

Proprietary fund and business-type activities inventories are recorded on an average cost basis. Inventory of the enterprise funds consists of materials and supplies used for golf.

Capital Assets and Depreciation

The accounting treatment of 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 and Proprietary Funds

In the government-wide financial statements and proprietary funds, property, plant and equipment are accounted for as capital assets. The City's capitalization threshold was increased through Resolution from \$2,000 to \$10,000 for the period beginning July 1, 2022, and this increase impacts new capital assets only from this point forward. 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 acquisition fair value at the date of donation. General infrastructure assets (such as roads, bridges, and traffic systems) acquired prior to July 1, 2002, are reported at estimated historical cost using deflated replacement costs. The cost of normal maintenance and repairs to these assets that do not add materially to the value of the asset or materially extend the assets' useful lives are not capitalized.

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

The range of estimated useful lives by type of asset is as follows:

Buildings	25 - 50 years
Other Improvements	5 - 50 years
Infrastructure	25-100 years
Machinery and Equipment	3 - 20 years
Utility System	25 - 50 years

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

Intangible leased assets are amortized over the life of the associated contract.

Restricted Assets

Restricted assets include current and noncurrent assets of enterprise funds and business-type activities that are legally restricted as to their use. The primary restricted assets are related to trustee accounts restricted for debt service and deposits held for refund.

Long-Term Debt

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

All long-term debt to be repaid from governmental activities, business-type activities, and proprietary funds are reported as liabilities as incurred. The long-term debt presently is primarily comprised of general obligation bonds, notes payable, judgments payable, water contract obligations, revenue bonds payable, leases, net pension liability, and accrued compensated absences. This long-term debt is reported net of unamortized discounts and premiums.

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

Pensions

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

Compensated Absences

The City's policies regarding vacation, sick, and compensatory time permit employees to accumulate varying amounts as determined by management and contracts with employee groups.

Compensated absences are reported as accrued in the government-wide and proprietary fund financial statements. Governmental funds report only the matured compensated absences payable to currently terminating employees.

Equity Classification

Government-Wide and Proprietary Fund Financial Statements:

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

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

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

Governmental Fund Financial Statements:

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

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

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

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

1.E. INTERNAL AND INTERFUND BALANCES AND ACTIVITIES

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

Government-Wide Financial Statements:

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

1. Internal balances - amounts reported in the fund financial statements as interfund receivables and payables are eliminated in the governmental and business-type activities columns of the statement of net position, except for the net residual amounts due between governmental and business-type activities, which are reported as Internal Balances.
2. Internal activities - amounts reported as interfund transfers in the fund financial statements are eliminated in the government-wide statement of activities except for the net amount of transfers between governmental and business-type activities, which are reported as Transfers - Internal Activities. The effect of interfund services between funds are not eliminated in the statement of activities.

CITY OF SAPULPA
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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.

1.F. REVENUES, EXPENDITURES AND EXPENSES

Sales Tax

The City presently levies a four and one-half cent sales tax on taxable sales within the City. The sales tax is collected by the Oklahoma Tax Commission and remitted to the City in the month following receipt by the Tax Commission. One cent of the sales tax received is to be recorded as sales tax revenue within the General Fund, one-half cent in the Street Improvement Sales Tax Fund, one-half cent in the Sewer Plant Sales Tax Fund, one-half cent in the Economic Sales Tax Fund (only effective for the portion of Sapulpa in Tulsa County), and the remaining two cents distributed to various funds based on various percentages.

These percentages, initially set by ordinance, have been further restricted by management and governing body approval as follows:

General Fund	40.00%
Cemetery Maintenance Fund	2.50%
Library Fund	2.50%
Parks & Recreation Fund	5.00%
Fire Cash Fund	2.50%
Police Cash Fund	2.50%
Major Thoroughfare Fund	5.00%
Capital Improvement Fund	10.00%
Water & Sewer Sales Tax Fund	10.00%
Water Resources Fund	<u>20.00%</u>
Total	<u>100.00%</u>

In accordance with the 2020 sales tax agreements of their respective bond indentures, sales tax has been pledged for the payment of principal and interest on the indebtedness. The 2020 revenue bond indentures state that 40% of two cents of the sales tax levied and assessed pursuant to the City's ordinances is pledged for the payment of those debt issues. In addition, ½ of one cent recorded in the Street Improvement Sales Tax Fund has been pledged for payment on the 2014 Capital Improvement Revenue Bonds.

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

CITY OF SAPULPA
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Property Tax

Under State law, municipalities are limited in their ability to levy a property tax. Such tax may only be levied to repay principal and interest on general obligation bonded debt approved by voters and any court-assessed judgments.

At the present time the City levies a property tax, in addition to dedicated sales tax, to fund the annual debt service requirements of the following general obligation bonds:

General Obligation Bonds

2012B Refunding General Obligation Bonds
2015 General Obligation Bonds
2015A General Obligation Bonds
2016A General Obligation Bonds
2019 Refunding General Obligation Bonds
2020A General Obligation Bonds
2020B General Obligation Bonds
2021A General Obligation Bonds
2022A General Obligation Bonds

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

Property taxes levied by the City are billed and collected by the County Treasurer's office and remitted to the City in the month following collection. Property taxes are levied normally in October and are due in equal installments on December 31 and March 31. Property taxes unpaid for the fiscal year are attached by an enforceable lien on property in the following October.

For the year ended June 30, 2023, the City's net assessed valuation of taxable property was \$186,158,826. The taxes levied by the City per \$1,000 of net assessed valuation for the year ended June 30, 2023, was \$15.32.

Expenditures/Expenses

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

1.G. USE OF ESTIMATES

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

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. DEPOSITS AND INVESTMENT LAWS AND REGULATIONS

In accordance with State law, all uninsured deposits of municipal funds in financial institutions must be secured with acceptable collateral valued at no more than market value. Acceptable collateral includes certain U.S. Government or Government Agency securities, certain State of Oklahoma or political subdivision debt obligations, surety bonds, or certain letters of credit. As required by 12 U.S.C.A., Section 1823(e), all financial institutions pledging collateral to the City must have a written collateral agreement approved by the board of directors or loan committee. As reflected in Note 3.A., the City’s uninsured deposits were sufficiently collateralized in accordance with these provisions for the year ended June 30, 2023.

Investments of a City (excluding Public Trusts) are limited by State Law to the following:

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

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.

2.B. DEBT RESTRICTIONS AND COVENANTS

General Obligation Debt

Article 10, Sections 26 and 27 of the Oklahoma Constitution limits the amount of certain outstanding general obligation bonded debt of the municipality for non-utility or non-street purposes to no more than 10% of net assessed valuation. For the year ended June 30, 2023, the City complied with this restriction.

Other Long-Term Debt

As required by the Oklahoma State Constitution, the City (excluding Public Trusts) may not incur any indebtedness that would require payment from resources beyond the current fiscal year revenue, without first obtaining voter approval.

Revenue Bond Debt

The bond indentures relating to the revenue bond issues of the Sapulpa Municipal Authority contain a number of restrictions or covenants that are financial related. These include covenants such as a required flow of funds through special accounts, debt service coverage requirements 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 June 30, 2023:

<u>Requirement</u>	<u>Level of Compliance</u>
<p>a. Flow of Funds 2020 Refunding Utility System Revenue Bonds: - Revenue Fund - Bond Fund</p>	<p>The Authority maintained all required accounts and made the required payments into such accounts.</p>
<p>b. Revenue Bond Coverage: Net operating revenue plus transferred sales tax must equal 1.25 times avg. annual debt service on the 2020 Refunding Utility System Revenue Bonds.</p>	<p>Net revenues available amounted to \$9,137,021. The avg. annual debt service was \$3,933,766. Actual coverage was 2.32 times.</p>
<p>c. Insurance Guarantee Requirements: 2020 Refunding Utility System Revenue Bonds required a municipal bond insurance policy to guarantee the scheduled debt payments.</p>	<p>The Authority paid the required bond insurance premium of \$318,446 as previously required.</p>

2.C. FUND EQUITY / NET POSITION RESTRICTIONS

Restricted Net position

Restricted net position at the government-wide financial statements are required to restrict funds in accordance with various laws and regulations, specifically those laws and regulations dealing with debt service and the use of restricted revenues. See Note 3.J. for details of restricted net position.

2.D. BUDGETARY COMPLIANCE

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

- a. Prior to June 1, the City Manager submits to the City Council a proposed operating budget for the fiscal year commencing the following July 1.
- b. Public hearings are conducted to obtain citizen comments. At least one public hearing must be held no later than 15 days prior to July 1.

CITY OF SAPULPA
NOTES TO BASIC FINANCIAL STATEMENTS
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c. Subsequent to the public hearings but no later than seven days prior to July 1, the budget is adopted by resolution of the City Council.

d. The adopted budget is filed with the Office of the State Auditor and Inspector.

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

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

In accordance with Title 60 of the Oklahoma State Statutes, the Sapulpa Municipal Authority and the Sapulpa Development Authority, accounted for as blended enterprise funds in this report, are required to prepare annual budgets and submit a copy to the City as beneficiary. However, there are no further requirements such as form of budget, approval of the budget, or definition of a legal level of control.

NOTE 3. DETAIL NOTES - TRANSACTION CLASSES/ACCOUNTS

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

3. A. DEPOSIT AND INVESTMENT RISKS

Primary Government:

The City of Sapulpa, including its blended component units, held the following deposits and investments at June 30, 2023:

<u>Type</u>	<u>Maturities</u>	<u>Credit Rating</u>	<u>Carrying Value</u>
Deposits:			
Demand deposits		N/A	\$ 23,698,493
Cash on hand		N/A	5,001
Time deposits (Certificates of Deposit)	Due within one year	N/A	13,433,754
Time deposits (Certificate of Deposit)	Due in 1 - 5 years	N/A	545,800
			<u>\$ 37,683,048</u>
Investments:			
Federated Hermes Government Obligations Tax-Managed Fund		AAAm ⁽¹⁾	\$ 34,999
U.S. Treasury HH Savings Bonds	7/1/2022	N/A	35,000
			<u>69,999</u>
Total deposits and investments			<u>\$ 37,753,047</u>

(1) Standard & Poor's

Reconciliation to Statement of Net Position:

	Governmental Activities	Business-type Activities	Total
Cash and cash equivalents	17,251,135	6,487,358	23,738,493
Investments	12,140,392	1,874,162	14,014,554
	<u>\$ 29,391,527</u>	<u>\$ 8,361,520</u>	<u>\$ 37,753,047</u>

CITY OF SAPULPA
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The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs. The level inputs for the City's investments are reflected at fiscal year-end as follows:

<u>Type</u>	<u>Fair Value</u>	<u>Fair Value Measurement Basis</u>	
		<u>Level 1 Inputs</u>	<u>Level 2 Inputs</u>
Certificates of Deposit	13,979,554	-	13,979,554
Federated Hermes Government Obligations Tax-Managed Fund	34,999	34,999	-
U.S. Treasury HH Savings Bonds	35,000	35,000	-

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

The City's policy as it relates to custodial credit risk is to secure its uninsured deposits with collateral, valued at no more than market value, at least at a level of 100% of the uninsured deposits and accrued interest thereon. The investment policy also limits acceptable collateral to U.S. Treasury securities and direct debt obligations of municipalities, counties, and school districts in the state of Oklahoma. As required by Federal 12 U.S.C.A., Section 1823(e), all financial institutions pledging collateral to the City must have a written collateral agreement approved by the board of directors or loan committee.

At June 30, 2023, the City was not exposed to custodial credit risk as defined above.

Investment Credit Risk – The City's investment policy limits investments to those allowed in state law applicable to municipalities. These investment limitations are described in Note 2.A. Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The City has no formal policy limiting investments based on credit rating, but discloses any such credit risk associated with their investments by reporting the credit quality ratings of investments in debt securities as determined by nationally recognized statistical rating organizations—rating agencies—as of the year end. Unless there is information to the contrary, obligations of the U.S. government or obligations explicitly guaranteed by the U.S. government are not considered to have credit risk and do not require disclosure of credit quality.

Investment Interest Rate Risk – Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The City discloses its exposure to interest rate risk by disclosing the maturity dates of its various investments.

As noted in the schedule of deposits and investments above, at June 30, 2023, the investments held by the City mature at various times.

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

At June 30, 2023, the City had no concentration of credit risk as defined above.

CITY OF SAPULPA
NOTES TO BASIC FINANCIAL STATEMENTS
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3. B. RESTRICTED ASSETS

The amounts reported as restricted assets on the Proprietary Funds Statement of Net Position are comprised of cash and investments held by the trustee bank on behalf of the SMA public trust (Authority) related to its required revenue bond accounts as described in Note 2.B and amounts due to depositors related to utility deposits.

The restricted assets as of June 30, 2023 were as follows:

	<u>Current Cash and cash Equivalents</u>	<u>Noncurrent Investments</u>
Utility Deposits	\$ 68,771	\$ 287,921
Trustee Accounts:		
2020 Bond Fund	1,019,938	-
Total	<u>\$ 1,088,709</u>	<u>\$ 287,921</u>

3. C. ACCOUNTS RECEIVABLE, COURT FINES RECEIVABLE AND PROPERTY TAX RECEIVABLE

Accounts receivable of the governmental and business-type activities as reflected in the Statement of Net Position consist of the following categories. As applicable, the primary source(s) of the receivables net of any allowances for uncollectible accounts is depicted.

	<u>Receivable balance</u>	<u>Less: allowance for uncollectible accounts</u>	<u>Net of allowance balance</u>
Governmental:			
<u>Accounts receivable</u>			
Other	\$ 100	\$ -	\$ 100
	<u>100</u>	<u>-</u>	<u>100</u>
<u>Franchise tax receivable</u>	49,439	-	49,439
<u>Court fine receivable</u>	3,498,947	(3,090,551)	408,396
<u>Due from other governments</u>			
Property tax	1,105,127	(508,764)	596,363
Sales tax	1,991,187	-	1,991,187
Other	85,643	-	85,643
	<u>3,181,957</u>	<u>(508,764)</u>	<u>2,673,193</u>
<u>Other receivables</u>	167,457	-	167,457
<u>Lease receivables</u>	1,335,442	-	1,335,442
Business-type Activities:			
<u>Accounts receivable</u>			
Utilities receivable	3,468,610	(2,611,722)	856,888
Golf	2,122	-	2,122
	<u>3,470,732</u>	<u>(2,611,722)</u>	<u>859,010</u>
<u>Due from other governments (sales tax)</u>	622,297	-	622,297
<u>Other receivables</u>			
Water/sewer related	791,395	-	791,395
Other	500	-	500
	<u>\$ 791,895</u>	<u>\$ -</u>	<u>\$ 791,895</u>

CITY OF SAPULPA
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3. D. CAPITAL ASSETS

Capital asset activity for the fiscal year ended June 30, 2023, was as follows:

	Balance at July 1, 2022,	Additions	Transfers	Disposals	Balance at June 30, 2023
Governmental activities:					
Capital assets not being depreciated:					
Land	\$ 5,313,890	\$ 378,980	\$ 120,000	\$ -	\$ 5,812,870
Construction in progress	9,277,872	8,285,167	(5,227,515)	-	12,335,524
Total capital assets not being depreciated	<u>14,591,762</u>	<u>8,664,147</u>	<u>(5,107,515)</u>	<u>-</u>	<u>18,148,394</u>
Depreciable capital assets:					
Buildings	14,211,988	291,500	254,352	(505,841)	14,251,999
Other improvements	3,993,886	12,585	465,833	(43,621)	4,428,683
Machinery and equipment	18,174,779	974,405	356,639	(1,864,350)	17,641,473
Infrastructure	46,414,509	136,425	3,874,461	(122,927)	50,302,468
Total depreciable capital assets at historical cost	<u>82,795,162</u>	<u>1,414,915</u>	<u>4,951,285</u>	<u>(2,536,739)</u>	<u>86,624,623</u>
Less accumulated depreciation for:					
Buildings	(5,406,237)	(263,121)	-	326,310	(5,343,048)
Other improvements	(2,456,886)	(157,272)	-	43,621	(2,570,537)
Machinery and equipment	(10,315,491)	(1,047,491)	(88,651)	1,768,610	(9,683,023)
Infrastructure	(17,696,758)	(1,094,599)	-	96,088	(18,695,269)
Total accumulated depreciation	<u>(35,875,372)</u>	<u>(2,562,483)</u>	<u>(88,651)</u>	<u>2,234,629</u>	<u>(36,291,877)</u>
Other assets:					
Leased assets - equipment	6,738	-	-	-	6,738
Total other assets	<u>6,738</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>6,738</u>
Less accumulated amortization					
Leased assets - equipment	(1,685)	(1,685)	-	-	(3,370)
Total accumulated amortization	<u>(1,685)</u>	<u>(1,685)</u>	<u>-</u>	<u>-</u>	<u>(3,370)</u>
Depreciable and other capital assets, net	<u>46,924,843</u>	<u>(1,149,253)</u>	<u>4,862,634</u>	<u>(302,110)</u>	<u>50,336,114</u>
Governmental activities capital assets, net	<u>\$ 61,516,605</u>	<u>\$ 7,514,894</u>	<u>\$ (244,881)</u>	<u>\$ (302,110)</u>	<u>\$ 68,484,508</u>
Business-type activities:					
Capital assets not being depreciated:					
Land	\$ 70,721	\$ -	\$ -	\$ -	\$ 70,721
Water rights contracts	4,915,486	-	-	-	4,915,486
Construction in progress	5,481,283	2,800,061	(3,427,886)	-	4,853,458
Total capital assets not being depreciated	<u>10,467,490</u>	<u>2,800,061</u>	<u>(3,427,886)</u>	<u>-</u>	<u>9,839,665</u>
Depreciable capital assets:					
Buildings	3,903,823	35,810	-	-	3,939,633
Other improvements	1,720,809	35,000	831,447	(251,865)	2,335,391
Utility property	82,403,278	-	2,861,190	(16,043)	85,248,425
Machinery and equipment	5,952,597	738,780	(108,521)	(1,134,613)	5,448,243
Infrastructure	6,775,609	79,953	-	-	6,855,562
Total depreciable capital assets at historical cost	<u>100,756,116</u>	<u>889,543</u>	<u>3,584,116</u>	<u>(1,402,521)</u>	<u>103,827,254</u>
Less accumulated depreciation for:					
Buildings	(1,838,845)	(78,300)	-	-	(1,917,145)
Other improvements	(1,497,462)	(50,662)	-	251,865	(1,296,259)
Utility property	(36,191,894)	(1,669,319)	-	16,043	(37,845,170)
Machinery and equipment	(4,264,916)	(296,824)	88,651	1,107,908	(3,365,181)
Infrastructure	(1,537,550)	(188,326)	-	-	(1,725,876)
Total accumulated depreciation	<u>(45,330,667)</u>	<u>(2,283,431)</u>	<u>88,651</u>	<u>1,375,816</u>	<u>(46,149,631)</u>
Other assets:					
Leased assets - equipment	6,738	-	-	-	6,738
Total other assets	<u>6,738</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>6,738</u>
Less accumulated amortization					
Leased assets - equipment	(1,685)	(1,685)	-	-	(3,370)
Total accumulated amortization	<u>(1,685)</u>	<u>(1,685)</u>	<u>-</u>	<u>-</u>	<u>(3,370)</u>
Depreciable and other capital assets, net	<u>55,430,502</u>	<u>(1,395,573)</u>	<u>3,672,767</u>	<u>(26,705)</u>	<u>57,680,991</u>
Business-type activities capital assets, net	<u>\$ 65,897,992</u>	<u>\$ 1,404,488</u>	<u>\$ 244,881</u>	<u>\$ (26,705)</u>	<u>\$ 67,520,656</u>

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

Depreciation expense charged to governmental activities:

General government	\$	161,809
Legal and judicial		1,702
Public safety		834,939
Urban development		64
Streets		1,259,785
Culture and recreation		304,184
Total governmental activities depreciation expense		2,562,483

Depreciation expense charged to business-type activities:

Water	\$	645,578
Wastewater		1,255,251
Sanitation		25,145
Stormwater		246,073
Golf course		111,384
Total business-type activities depreciation expense		2,283,431

Note: General government, administration, utility collections and utility maintenance of the business-type activities were allocated to the appropriate functions based upon a percentage of revenues.

Amortization expense was charged to functions in the statement of activities with the \$1,685 of governmental activities to general government, and the \$1,685 of business-type activities to water.

3. E. WATER RIGHTS CONTRACT

The Sapulpa Municipal Authority (SMA) entered into three agreements with the United States of America for water storage space in Skiatook Lake. In consideration of the right to utilize the aforesaid storage space in the project for municipal and industrial supply purposes, the SMA agreed to pay costs in the amount of \$4,915,486 (which is the balance of the unamortized water rights reported as capital assets at June 30, 2023), along with maintenance and operations costs on an annual basis. The City incurred an obligation to the federal government for the water rights. The obligations were incurred in March 1993, November 1999, November 2002, and June 2006. During fiscal year 2018, the obligations incurred in November 2002 and June 2006 were paid in full. The remaining obligations are payable in annual installments of \$30,491 and \$33,966, respectively. The total water right obligation balance at June 30, 2023 is \$564,313. See Note 3.F. for further disclosures.

Due to the long-term nature of this agreement, and the infinite economic life of the water rights, the SMA's investment in the water rights contract is not being amortized.

3. F. LONG-TERM DEBT

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

Governmental Activities Long-Term Debt

At June 30, 2023, the governmental activities long-term debt consisted of the following:

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General Obligation Bonds:

<p>\$6,300,000 General Obligation Bonds of 2022A, due in annual installments of \$260,000 with a final installment of \$320,000 due September 1, 2047, and with interest rates at 3.625% to 6.0%. The purpose of issuance was for the following: 1) Streets & Bridges \$2,340,000; 2) Community Park Enhancements \$500,000; 3) Recreation Center \$700,000; 4) Youth Sports Complex \$2,760,000</p>	\$ 6,300,000
<p>\$5,750,000 General Obligation Bonds of 2021A, due in annual installments of \$235,000 with a final installment of \$345,000 due June 1, 2046, and with interest rates at 1.0% to 2.0%. The purpose of issuance was for the following: 1) Streets & Bridges \$4,620,000; 2) Public Safety Facilities and Equipment \$720,000; 3) Community Park Enhancements \$410,000.</p>	5,515,000
<p>\$2,000,000 General Obligation Bonds of 2020B, due in annual installments of \$80,000 with a final installment of \$160,000 due June 1, 2045, and with interest rates at 3.0% to 3.75%. The purpose of issuance was for economic development purposes.</p>	1,840,000
<p>\$13,000,000 General Obligation Bonds of 2020A, due in annual installments of \$540,000 with a final installment of \$580,000 due June 1, 2045, and with interest rates at 2.375% to 3.0%. The purpose of issuance was to be utilized but not restricted for the following: 1) Streets & Bridges for \$3,680,000; 2) Public Safety Facilities and Equipment for \$5,065,000; 3) Community Park Enhancements for \$1,800,000; 4) Booker T Washington Recreation Center Study for \$100,000; and 5) Sapulpa Youth Sports Complex of \$2,355,000.</p>	11,920,000
<p>\$3,525,000 Refunding General Obligation Bonds of 2019, due in annual installments varying from \$295,000 to \$370,000 with a final maturity of June 1, 2030, and with interest rates at 2.0% to 4.0%. The purpose of issuance was to refund the \$6,800,000 General Obligation Bonds of 2010.</p>	2,165,000
<p>\$925,000 Refunding General Obligation Bonds of 2016, due in annual installments of \$100,000 with a final installment of \$125,000 due June 1, 2025, and with interest rates at 2.5% to 3.15%. The purpose of issuance was to refund the \$1,925,000 General Obligation Bonds of 2005.</p>	225,000
<p>\$2,865,000 General Obligation Bonds of 2015A, due in annual installments of \$150,000 with a final installment of \$15,000 due October 1, 2035, and with interest rates at 2.50% to 3.15%. The purpose of issuance was to construct, equip, and improve the municipal animal shelter, public parks and park lands, and recreational facilities.</p>	1,965,000
<p>\$3,750,000 General Obligation Bonds of 2015, due in annual installments varying from \$150,000 to \$200,000 with a final maturity of June 1, 2035, and with interest rates at 2.0% to 3.1%. The purpose of issuance was to purchase, construct, equip, improve, etc. the water distribution transportation and sewage disposal systems.</p>	2,400,000
<p>\$3,720,000 Refunding General Obligation Bonds of 2012B, due in annual installments varying from \$425,000 to \$260,000 with a final maturity of June 1, 2024, and with interest rates at 1.6% to 4%. The purpose of issuance was to refund the \$5,600,000 General Obligation Bonds of 2004.</p>	310,000
<p>Total General Obligation Bonds</p>	\$32,640,000
<p>Plus: Unamortized Premium</p>	<u>958,152</u>
<p>Total General Obligation Bonds, net</p>	<u>\$33,598,152</u>
<p>Current portion</p>	\$ 1,935,000
<p>Non-current portion, net</p>	<u>31,663,152</u>
<p>Total General Obligation Bonds</p>	<u>\$33,598,152</u>

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Revenue Bonds Payable:

2014 Series Capital Improvement Revenue Bonds original issue amount \$7,410,000, dated July 1, 2014, issued by Sapulpa Municipal Authority, secured by year-to-year, appropriation of debt service payments made by city, and interest rates from 2.0% to 3.3%, final maturity on July 1, 2029. The bonds were issued to make improvements to roads, streets, and bridges of the City of Sapulpa.	<u>\$3,365,000</u>
Total Revenue Bonds Payable	<u>\$3,365,000</u>
Current portion	\$ 515,000
Non-current portion	<u>2,850,000</u>
Total Revenue Bonds	<u>\$3,365,000</u>

Capital Notes Payable Obligations (direct borrowings):

\$413,183 capital note payable with Spillman Technologies for software and hardware CAD System payable in annual installments of \$62,499, and with the final payment due January 2026 with an interest rate at 1.45%. In the event of default, the lender may suspend performance of Spillman’s services until the past due amounts are paid.	\$ 182,187
\$108,413 capital note payable with De Lage Landen Public Finance for Xerox multifunction Printers payable in monthly installments of \$1,938 with an interest rate of 2.79% and the final payment due August 2026. In the event of default, the lender may: 1) declare the entire unpaid principal balance due along with all accrued unpaid interest; 2) charge interest at 18% until paid; 3) charge non-sufficient funds fees as applicable; 4) require the equipment be returned; 5) charge the City for any remaining balances after selling and/or re-renting the equipment; and 6) require the payment of all expenses incurred with the enforcement of any remedies including attorney fees.	<u>70,405</u>
Total Capital Notes Payable Obligations	<u>\$ 252,592</u>
Current portion	\$ 81,422
Non-current portion	<u>171,170</u>
Total Capital Note Obligations	<u>\$ 252,592</u>

Note Payable (direct borrowing):

\$86,223 note payable direct borrowing debt with American Heritage Bank used for the purchase of property, payable in annual installments unless the lender demands payment in full prior to that point at any time, final payment due December 2023, and it is unsecured. In the event of default, the lender may: 1) declare the entire unpaid principal balance due along with all accrued unpaid interest, 2) hire another entity to help collect payment, with the cost to be paid by the borrower, and 3) right to set off the balance due with balances in other accounts held by the lender.	<u>\$ 29,039</u>
Total Note Payable	<u>\$ 29,039</u>
Current portion	\$ 29,039
Non-current portion	<u>-</u>
Total Notes Payable	<u>\$ 29,039</u>

CITY OF SAPULPA
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Accrued Compensated Absences:

Accrued compensated absences reported in the governmental activities are comprised of accrued vacation leave, sick leave and compensatory time.

Current portion	\$ 199,821
Non-current portion	<u>1,798,392</u>
Total Accrued Compensated Absences	<u>\$1,998,213</u>

Over 90% of governmental compensated absences will be liquidated by the general fund. Other funds that will be used include the following: Cemetery Maintenance, Street and Alley, Hotel/Motel Tax, Parks & Recreation, and E911.

Business-Type Activities Long-Term Debt

At June 30, 2023, the long-term debt payable from enterprise fund resources consisted of the following:

Revenue Bonds Payable:

2020 Refunding Series Utility System Revenue Bonds with an original issue amount of \$66,325,000, dated September 1, 2020, issued by Sapulpa Municipal Authority, and it is secured by utility revenue and pledged sales tax, interest rate from 3.024% to 0.745%, and the final maturity on April 1, 2043. The bonds were issued to refund the Refunding Series Revenue Bonds (Series 2012 and Series 2013), and to fund the issuance costs, the underwriter's discount, and the bond insurance premium.	<u>\$59,945,000</u>
Current portion	\$ 2,480,000
Non-current portion, net	<u>57,465,000</u>
Total Revenue Bonds Payable, net	<u>\$59,945,000</u>

Note Payable (direct borrowing):

\$7,850,000 note payable direct borrowing debt with Oklahoma Water Resources Board Board used for wastewater system improvements, payable in semi-annual installments, final payment due September 2046, and it is secured by water, sewer, and sanitation net revenues, and 1.3% sales tax, interest rate of 2.59%. In the event of default the lender may: 1) file suit for specific performance covenants, 2) accelerate the payment of principal and interest accrued on all notes, 3) appoint temporary trustees to take over, operate, and maintain the System, 4) file suit to enforce or enjoin action or inaction of parties under provisions of the note or sales tax agreement, and 5) interest rate increases to 14% from date of default until date of payment.	<u>\$5,512,713</u>
Current portion	\$ 230,000
Non-current portion	<u>5,282,713</u>
Total Notes Payable	<u>\$5,512,713</u>

Accrued Compensated Absences:

Accrued compensated absences reported in the business-type activities are comprised of accrued vacation leave, sick leave and compensatory time.

Current portion	\$ 22,054
Non-current portion	<u>205,839</u>
Total Accrued Compensated Absences	<u>\$227,893</u>

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Water Contract Obligations (direct borrowings):

The City has two direct borrowing contractual obligations with the U.S. Army Corps of Engineer for water use rights. In the event of default, the lender may: 1) compound interest annually on overdue payments based upon an interest rate determined by the department of Treasury's Treasury Fiscal Requirements Manual, 2) charge interest for payments overdue for a period of less than a year on a monthly basis, and 3) payments overdue for greater than a year shall also be charged interest for any portion of each succeeding month. The outstanding amounts due are as follows:

Obligation payable to the U.S. Army Corps of Engineer, original amount of \$632,924, for use of water facility, payable in 41 annual installments of \$30,491, final maturity in March 2033, and interest rate 4.012%.	\$266,966
Obligation payable to the U.S. Army Corps of Engineer, original amount of \$632,924, for use of water facility, payable in 35 annual installments of \$33,966, final maturity in November, 2033, and interest rate 4.012%.	<u>297,347</u>
Total Water Contract Obligations	<u>\$564,313</u>
Current portion	\$ 41,816
Non-current portion	<u>522,497</u>
Total Water Contract Obligations	<u>\$564,313</u>

Due to Depositors:

Outstanding deposits for utility services, refundable only upon termination of service, amounted to the following:

Current portion	\$67,168
Non-current portion	<u>268,671</u>
Total Due to Depositors	<u>\$335,839</u>

CITY OF SAPULPA
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Defeased Bonds Outstanding

The City, through its various public trusts, has in substance defeased a number of outstanding bond issues by placing deposits in irrevocable trusts, escrow accounts, for the purchase of U.S. Government Securities to pay principal and interest on the refunded bonds as they are due and payable. During the prior fiscal year, the issuance of the 2020 Refunding Series Utility System Revenue Bonds resulted in the defeasance in substance of the 2012 and 2013 Refunding Series Revenue Bonds as funds were placed in an escrow trust agreement that resulted in calls for the defeased balances on July 1, 2022 for the 2012 Refunding Series Revenue Bonds and April 1, 2023 for the 2012 Refunding Series Revenue Bonds. The accounting loss of \$8,194,985 as recorded in fiscal year 2021 was recorded as a deferred outflow of resources which will be amortized through fiscal year 2028.

For financial reporting purposes, both the defeased bonds outstanding and the escrowed securities have been excluded from the financial statements. At year end, the remaining outstanding defeased debt issues were as follows:

2003A Series Revenue Bonds	<u>4,700,000</u>
Total Defeased Bonds Outstanding	<u>\$4,700,000</u>

Changes in Long-Term Debt

The following is a summary of changes in long-term debt for the year ended June 30, 2023:

<u>Type of Debt</u>	<u>Balance June 30, 2022</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance June 30, 2023</u>	<u>Amounts Due Within One Year</u>
Governmental Activities:					
General obligation bonds	\$ 28,500,000	\$ 6,300,000	\$ 2,160,000	\$ 32,640,000	\$ 1,935,000
Revenue bonds payable	3,870,000	-	505,000	3,365,000	515,000
Notes payable	426,001	-	144,370	281,631	110,461
Lease obligations	5,080	-	1,658	3,422	1,658
Accrued compensated absences	1,854,141	1,534,781	1,390,709	1,998,213	199,821
Unamortized bond premiums/discounts	959,576	81,895	83,319	958,152	80,588
Total Governmental Activities	<u>\$ 35,614,798</u>	<u>\$ 7,916,676</u>	<u>\$ 4,285,056</u>	<u>39,246,418</u>	<u>\$ 2,842,528</u>
Total OPEB Liability				766,285	
Net Pension Liability				<u>13,257,411</u>	
Net Long-term Debt				<u>\$ 53,270,114</u>	
<i>Reconciliation to Government-Wide Statement of Net Position:</i>					
Due in One Year				\$ 2,761,940	
Due in More than One Year				36,484,478	
Net Pension Liabilities				13,257,411	
Total OPEB Liability				<u>766,285</u>	
				<u>\$ 53,270,114</u>	
Business-Type Activities:					
Due to depositors	\$ 336,698	\$ 104,992	\$ 105,851	\$ 335,839	\$ 67,168
Water contract obligations	604,517	-	40,204	564,313	41,816
Notes payable (direct borrowing)	5,814,636	-	301,923	5,512,713	230,000
Revenue bonds payable	62,405,000	-	2,460,000	59,945,000	2,480,000
Lease Obligations	5,080	-	1,658	3,422	1,658
Accrued compensated absences	201,458	175,040	148,605	227,893	22,054
Total Business-Type Activities	<u>\$ 69,367,389</u>	<u>\$ 280,032</u>	<u>\$ 3,058,241</u>	<u>66,589,180</u>	<u>\$ 2,842,696</u>
Total OPEB Liability				231,427	
Net Long-term Debt				<u>\$ 66,820,607</u>	
<i>Reconciliation to Government-Wide Statement of Net Position:</i>					
Due in One Year				2,842,696	
Due in More than One Year				63,746,484	
Total OPEB Liability				<u>231,427</u>	
				<u>\$ 66,820,607</u>	

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Annual Debt Service Requirements

The annual debt service requirements to maturity, including principal and interest, for long-term debt, excluding accrued compensated absences, due to depositors, estimated claims liability, net pension liability and total OPEB liability as of June 30, 2023 are as follows:

Year Ending June 30,	GOVERNMENTAL ACTIVITY DEBT					
	General Obligation Bonds		Revenue Bonds		Direct Borrowing Notes Payable	
	Principal	Interest	Principal	Interest	Principal	Interest
2024	1,935,000	1,036,593	515,000	104,515	110,461	4,626
2025	1,910,000	863,732	535,000	89,065	82,911	2,855
2026	1,780,000	805,508	550,000	73,015	88,259	1,361
2027	1,775,000	749,482	570,000	56,515	-	-
2028	1,770,000	694,333	590,000	38,845	-	-
2029-2033	7,920,000	2,711,337	605,000	19,965	-	-
2034-2038	6,440,000	1,735,186	-	-	-	-
2039-2043	5,575,000	950,705	-	-	-	-
2044-2047	3,535,000	221,765	-	-	-	-
Totals	\$ 32,640,000	\$ 9,768,641	\$ 3,365,000	\$ 381,920	\$ 281,631	\$ 8,842

Year Ending June 30,	BUSINESS-TYPE ACTIVITY DEBT					
	Revenue Bonds Payable		Direct Borrowing Notes Payable		Direct Borrowing Water Contract Obligation	
	Principal	Interest	Principal	Interest	Principal	Interest
2024	2,480,000	1,450,838	230,000	189,848	41,816	22,640
2025	2,510,000	1,423,583	230,000	183,317	43,494	20,963
2026	2,540,000	1,393,990	240,000	177,236	45,239	19,218
2027	2,570,000	1,355,585	250,000	170,893	47,054	17,403
2028	2,615,000	1,314,414	250,000	164,799	48,942	15,515
2029-2033	13,870,000	5,766,567	1,370,000	718,816	275,788	46,497
2034-2038	15,600,000	4,013,612	1,555,000	529,224	61,980	2,487
2039-2043	17,760,000	1,633,568	1,780,000	312,616	-	-
2044-2048	-	-	1,272,115	73,806	-	-
Totals	\$ 59,945,000	\$ 18,352,157	\$ 7,177,115	\$ 2,520,555	\$ 564,313	\$ 144,723
Amount left to draw			(1,664,402)			
			\$ 5,512,713			

Pledge of Future Revenues

Sales Tax and Utility Net Revenues Pledge - The City has pledged 40% of two cents (or 20%) of future sales tax revenues and net utility revenues to repay the \$66,325,000 2020 Refunding Utility System Revenue Bonds. Proceeds from the original bonds, which have since been refunded, provided for the purchase or construction of capital assets. The bonds are payable from pledged sales tax revenues and net utility revenues. These bonds are payable through 2043. The total principal and interest payable for the remainder of the life of these bonds is \$78,297,157. Pledged sales taxes received in the current year were \$4,983,773 and net utility revenues were \$4,153,248 for total pledged revenues of \$9,137,021. Debt service payments of \$3,933,766 for the current fiscal year were 43.1% of total pledged revenues for these bonds.

3. G. LEASES

Leases Payable

The City as a lessee, both on a governmental activity and business-type activity level, periodically enters into lease agreements involving various equipment.

CITY OF SAPULPA
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The lease of this equipment, such as copiers, etc., consists of annual installments that change as agreements mature. The applicable interest rate for these leases is 2.12%, and the dates of maturity are in March 2025. Future principal and interest terms of these lease agreements are as follows:

<u>Year Ending June 30,</u>	<u>GOVERNMENTAL ACTIVITY</u>		<u>BUSINESS-TYPE ACTIVITY</u>	
	<u>Lease Obligations</u>		<u>Lease Obligations</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2024	\$ 1,658	\$ 59	\$ 1,658	\$ 59
2025	1,764	23	1,764	23
Totals	<u>\$ 3,422</u>	<u>\$ 82</u>	<u>\$ 3,422</u>	<u>\$ 82</u>

Leases Receivable

The City as a lessor, has entered into lease agreements involving rental space related land associated with towers. The total amount of inflows of resources, including lease revenue and interest revenue recognized during the fiscal year was \$98,342. Remaining lease receivable balances at June 30, 2023 totaled \$1,335,442.

3.H. INTERFUND BALANCES AND ACTIVITIES

Interfund receivables and payables at June 31, 2023, were as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>	<u>Nature of Interfund Balance</u>
General Fund	Grants & Aids Fund	\$ 100,000	Temporary loan of cash
General Fund	Sewer Improvement Sales Tax Fund	50,000	Temporary loan of cash
General Fund	SMA Utility Fund	1,232,000	Temporary loan of cash
		<u>\$ 1,382,000</u>	

Reconciliation to Fund Financial Statements:

	<u>Due From</u>	<u>Due to</u>	<u>Net Interfund Balances</u>
Governmental Funds	\$ 1,382,000	\$ (150,000)	\$ 1,232,000
Proprietary Funds	-	(1,232,000)	(1,232,000)
	<u>\$ 1,382,000</u>	<u>\$ (1,382,000)</u>	<u>\$ -</u>

Reconciliation to Statement of Net Position:

Net Interfund Balances	\$ (1,232,000)
BTA- Special Revenue Funds	(50,000)
Internal Balances	<u>\$ (1,282,000)</u>

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Interfund transfers for the year ended June 30, 2023 were as follows:

Transfer In	Transfer From														SMA Utility
	General	Cemetery Maintenance	Hotel/Motel Tax	Park Development	Polson Apportionment	Federal SAF	Fire Cash	Police Cash	Water Resources	Sewer Plant Sales Tax	Capital Improvement	Series 2014 Str Cap Imp	G.O Sinking	SMA Utility	
Governmental Funds:															
General Fund	\$ -	\$ -	\$ -	\$ -	\$ 5,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,195	\$ 5,763,773	\$ 5,771,968
Non-major funds															
Cemetery Maintenance	-	-	-	-	-	-	-	-	-	-	-	-	-	155,000	155,000
Development Authority	500,000	-	-	-	-	-	-	-	-	-	-	-	-	30,000	530,000
Street and Alley	-	-	-	-	-	-	-	-	-	-	-	-	-	372,900	372,900
Parks & Recreation	-	-	-	-	-	-	-	-	-	-	-	-	-	305,000	305,000
Water & Sewer Sales Tax	-	-	-	-	-	-	-	-	-	-	-	-	-	125,000	125,000
E911	400,000	-	-	-	-	-	-	-	-	-	-	-	-	-	400,000
Grant & Aid	-	-	-	100,000	-	-	-	-	-	-	-	-	-	386,215	486,215
Restricted Construction Park/Rec	65,500	-	-	-	-	-	-	-	-	-	-	-	-	-	65,500
Park Development	-	-	48,902	-	-	-	-	-	-	-	-	-	-	-	48,902
Police Cash	-	-	-	-	-	29,873	-	-	-	-	-	-	-	-	29,873
Cemetery Care	-	16,706	-	-	-	-	-	-	-	-	-	-	-	-	16,706
Capital Improvement	-	-	-	-	-	-	20,000	20,000	-	-	-	-	-	1,373,102	1,413,102
Street Improvement Sales Tax	-	-	-	-	-	-	-	-	-	-	-	30,695	-	-	30,695
															<u>3,978,893</u>
															<u>9,750,861</u>
Proprietary Funds:															
SMA Utility	3,483,773	-	-	-	-	-	-	-	1,131,161	1,500,000	1,373,102	-	-	-	7,488,036
Golf Course	-	-	-	-	-	-	-	-	-	-	-	-	-	395,000	395,000
	<u>\$ 4,449,273</u>	<u>\$ 16,706</u>	<u>\$ 48,902</u>	<u>\$ 100,000</u>	<u>\$ 5,000</u>	<u>\$ 29,873</u>	<u>\$ 20,000</u>	<u>\$ 20,000</u>	<u>\$ 1,131,161</u>	<u>\$ 1,500,000</u>	<u>\$ 1,373,102</u>	<u>\$ 30,695</u>	<u>\$ 3,195</u>		<u>7,883,036</u>
															<u>4,278,634</u>
															<u>\$ 8,727,907</u>

	Transfers In	Transfers Out	Reconciliation - BTA - Special Revenue Funds	Debt Related Activity	Reclass BTA Sales Tax	Capital Asset Activity	Net Transfers/ Internal Activity
Reconciliation to Fund							
Financial Statements:							
Governmental Funds	\$ 9,750,861	\$ (8,727,907)	\$ 2,506,161	\$ 24,046	\$ (4,813,744)	\$ (1,023,279)	\$ (2,283,862)
Proprietary Funds	7,883,036	(8,905,990)	(2,506,161)	(24,046)	4,813,744	1,086,818	2,347,401
Total Transfers	<u>\$ 17,633,897</u>	<u>\$ (17,633,897)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 63,539</u>	<u>\$ 63,539</u>

The noted variance of \$63,539 on Capital Asset Activity concerns a transfer between governmental activities and business-type activities that was adjusted at the government-wide level, but not the fund level.

The purposes of the interfund transfers for the year ended June 30, 2023 were as follows:

Transfer From	Transfer To	Amount	Purpose of Transfer
General Fund	Development Authority	\$ 500,000	Supplemental for economic development
General Fund	E911	400,000	Supplemental operating transfer
General Fund	Restricted Construction Park/Rec Fund	65,500	Required revenue transfer
General Fund	SMA Utility	3,483,773	Pledged sales tax - bond indenture
Cemetery Maintenance Fund	Cemetery Care Fund	16,706	12.5% revenue transfer - state law
Hotel/Motel Tax Fund	Park Development Fund	48,902	Required revenue transfer
Park Development	Grant & Aid Fund	100,000	Supplemental for grant project
Polson Apportionment Fund	General Fund	5,000	Supplemental operating transfer
Federal SAF Fund	Police Cash	29,873	Supplemental operating transfer
Fire Cash Fund	Capital Improvement Fund	20,000	Supplemental for capital project
Police Cash Fund	Capital Improvement Fund	20,000	Supplemental for capital project
Water Resource Fund	SMA Utility	1,131,161	Supplemental for debt service
Water Resource Fund	SMA Utility	1,500,000	Supplemental for debt service
Capital Improvement Fund	SMA Utility	1,373,102	Supplemental operating transfer
Series 2014 Street Capital Improvement	Street Improvement Sales Tax	30,695	Supplemental for debt service
G.O. Sinking Fund	General Fund	3,195	Interest earnings
SMA Utility	General Fund	5,763,773	Supplemental operating transfer/return of pledged sales ta
SMA Utility	Cemetery Maintenance Fund	155,000	Supplemental operating transfer
SMA Utility	Development Authority	30,000	Supplemental for debt service
SMA Utility	Street and Alley	372,900	Supplemental operating transfer
SMA Utility	Parks & Recreation Fund	305,000	Supplemental operating transfer
SMA Utility	Water & Sewer Sales Tax	125,000	Supplemental operating transfer
SMA Utility	Grant & Aid Fund	386,215	Supplemental operating transfer
SMA Utility	Capital Improvement Fund	1,373,102	Supplemental for capital project
SMA Utility	Golf Course Fund	395,000	Supplemental operating transfer
Total		<u>\$ 17,633,897</u>	

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3.I. ALLOCATION OF INDIRECT EXPENSES

Certain indirect expenses (expenses benefiting more than one function) have been allocated to specific functions in the Statement of Activities, while other indirect expenses have not been allocated. Indirect expenses reported in the Statement of Activities under the functions of Administration & General Government have not been allocated for governmental purposes.

Indirect expenses of the proprietary funds, classified in the proprietary funds statement of revenues, expenses and changes in net position as General Government, Administration, and Utility Collections have been allocated on a percentage of total revenues to the business-type activity functions in the Statement of Activities.

3.J. FUND BALANCES AND NET POSITION

Fund Balance

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

	General Fund	G.O. Bond Construction	Other Governmental Funds	TOTAL
Fund Balances:				
Nonspendable:				
Inventory	\$ -	\$ -	\$ 109,721	\$ 109,721
Sub-total Nonspendable	-	-	109,721	109,721
Restricted for:				
Law enforcement	-	-	57,613	57,613
Major Thoroughfares	-	-	643,457	643,457
Increment District	-	-	80,774	80,774
Animal control	-	-	1,436	1,436
Juvenile Justice programs	-	-	27,505	27,505
Economic Development	-	-	2,204,828	2,204,828
Capital Improvements	-	10,722,470	8,137,402	18,859,872
Grants	-	-	401,725	401,725
Debt Service	-	-	1,407,890	1,407,890
Sub-total Restricted	-	10,722,470	12,962,630	23,685,100
Assigned to:				
Subsequent Year Budget	2,874,812	-	-	2,874,812
Hunting & Fishing	45,644	-	-	45,644
Library	117,396	-	-	117,396
Swimming Pool	68,971	-	-	68,971
Streets	-	-	309,946	309,946
Cemetery	-	-	141,731	141,731
Parks	-	-	140,555	140,555
Major Thoroughfares	-	-	177,532	177,532
Water & Sewer maintenance	-	-	367,478	367,478
Animal control	-	-	647	647
E911	-	-	102,935	102,935
Juvenile Justice programs	-	-	1,322	1,322
Economic Development	-	-	596,905	596,905
Grant projects	-	-	27,125	27,125
Capital Improvements	-	-	1,026,886	1,026,886
Sub-total Assigned	3,106,823	-	2,893,062	5,999,885
Unassigned (deficit)	2,024,737	-	-	2,024,737
TOTAL FUND BALANCES	\$ 5,131,560	\$ 10,722,470	\$ 15,965,413	\$ 31,819,443

Restricted Net Position

The restricted for debt service net position of the business-type activities consists of restricted assets relating to revenue bond trustee accounts. The balance at June 30, 2023, is comprised of the following:

Enterprise Funds:	
2020 Revenue Bond Trust Accounts	1,019,938
Restricted per bond indenture	1,019,938
Less: Accrued interest payable	(405,090)
Total Restricted for Debt Service	\$ 614,848

NOTE 4. OTHER NOTES

4.A. EMPLOYEE PENSION AND OTHER BENEFIT PLANS

The City participates in three employee pension systems as follows:

<u>Name of Plan/System</u>	<u>Type of Plan</u>
Oklahoma Police Pension and Retirement Fund	Cost Sharing Multiple Employer – Defined Benefit Plan
Oklahoma Firefighters Pension and Retirement Fund	Cost Sharing Multiple Employer – Defined Benefit Plan
Oklahoma Municipal Retirement Fund (OkMRF)	Agent Multiple Employer – Defined Contribution Plan Agent Multiple Employer – Defined Contribution Plan - CMO

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

	<u>Governmental Activities</u>
Pension Expense:	
Police Pension System	\$ 132,326
Firefighter’s Pension System	1,945,219
Total Net Pension Expense	<u>\$ 2,077,545</u>
Net Pension Liability (Asset):	
Police Pension System	\$ (575,936)
Firefighter’s Pension System	13,257,411
Total Net Pension Liability	<u>\$ 12,681,475</u>
Deferred Outflows of Resources:	
Police Pension System	\$ 1,200,540
Firefighter’s Pension System	4,156,546
Total Deferred Outflows of Resources	<u>\$ 5,357,086</u>
Deferred Inflows of Resources:	
Police Pension System	\$ 101,778
Firefighter’s Pension System	314,079
Total Deferred Inflows of Resources	<u>\$ 415,857</u>

Oklahoma Police Pension and Retirement System

Plan description - The City of Sapulpa, 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.

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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 \$319,748. The State of Oklahoma also made on-behalf contributions to OPPRS in the amount of \$290,620 (modified accrual) during the calendar year and this is reported as both expense and revenue in the General Fund Statement of Revenues, Expenditures, and Changes in Fund Balance. These on-behalf payments did not meet the criteria of a special funding situation.

Pension Liabilities (Asset), Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions - At June 30, 2023, the City reported an asset of \$575,936 for its proportionate share of the net pension asset. The net pension asset was measured as of June 30, 2022, and the total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of July 1, 2022. 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, 2022. Based upon this information, the City's proportion was 0.718197%.

For the year ended June 30, 2023, the City recognized a pension expense of \$132,326. At June 30, 2023, 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	\$ 282,504	\$ 62,734
Changes of assumptions	20,051	-
Net difference between projected and actual earnings on pension plan investments	561,997	-
Changes in proportion	9,596	32,684
City contributions during measurement date	6,644	6,360
City contributions subsequent to the measurement date	319,748	-
Total	\$ 1,200,540	\$ 101,778

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The \$319,748 reported as deferred outflows of resources related to pensions resulting from City contributions subsequent to the measurement date will be recognized as an increase/decrease of the net pension liability/(asset) in the year ended June 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:		
2024	\$	177,081
2025		43,838
2026		(158,450)
2027		684,833
2028		31,712
	<u>\$</u>	<u>779,014</u>

Actuarial Assumptions-The total pension liability was determined by an actuarial valuation as of July 1, 2022, using the following actuarial assumptions, applied to all prior periods included in the measurement:

Inflation:	2.75%
Salary increases:	3.5% to 12% average, including inflation
Investment rate of return:	7.5% net of pension plan investment expense
Cost-of-living adjustments:	Police officers eligible to receive increased benefits according to repealed Section 50-120 of Title 11 of the Oklahoma Statutes pursuant to a court order receive an adjustment of 1/3 to 1/2 of the increase or decrease of any adjustment to the base salary of a regular police officer, based on an increase in base salary of 3.5% (wage inflation).
Mortality rates:	<p>Active employees (pre-retirement) RP-2000 Blue Collar Healthy Combined table with age set back 4 years with fully generational improvement using Scale AA.</p> <p>Active employees (post-retirement) and nondisabled pensioners: RP-2000 Blue Collar Healthy Combined table with fully generational improvement using scale AA.</p> <p>Disabled pensioners: RP-2000 Blue Collar Healthy Combined table with age set forward 4 years.</p>

The actuarial assumptions used in the July 1, 2022, valuation were based on the results of an actuarial experience study for the period July 1, 2012, to June 30, 2017.

The long-term expected rate of return on pension plan investments was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense, and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of June 30, 2022, are summarized in the following table:

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<u>Asset Class</u>	<u>Long-Term Expected Real Rate of Return</u>
Fixed income	3.34%
Domestic equity	4.69%
International equity	8.34%
Real estate	7.64%
Private Equity	9.66%

The current allocation policy is that approximately 65% of assets in equity instruments, including public equity, long-short hedge, venture capital, and private equity strategies; approximately 20% 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 absolute return strategies; and 15% of assets in real assets to include real estate, commodities, and other strategies.

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

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

	1% Decrease 6.5%	Current Discount Rate 7.5%	1% Increase 8.5%
Employers' net pension liability (asset)	\$ 1,668,658	\$ (575,936)	\$ (2,473,167)

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 Firefighters Pension and Retirement System

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

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

Normal Retirement:

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

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

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

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

Contributions - The contributions requirements of the Plan are at an established rate determine by Oklahoma Statute and are not based on actuarial calculations. Employees are required to contribute 9% percent of their annual pay. Participating cities are required to contribute 14% of the employees' annual pay. Contributions to the pension plan from the City were \$447,461. The State of Oklahoma also made on-behalf contributions to FPRS in the amount of \$1,158,651 (modified-accrual). 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, 2023, the City reported a net pension liability of \$13,257,411 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2022.

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 the pension plan for all participating employers as of June 30, 2022. Based upon this information, the City's proportion was 1.013768%.

For the year ended June 30, 2023, the City recognized pension expense of \$1,945,219. At June 30, 2023, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

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	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 1,701,895	\$ 66,927
Changes of assumptions	-	84,527
Net difference between projected and actual earnings on pension plan investments	1,540,654	-
Changes in proportion and differences between City contributions and proportionate share of contributions	436,433	161,264
City contributions during the measurement date	30,103	1,361
City contributions subsequent to the measurement date	447,461	-
Total	\$ 4,156,546	\$ 314,079

The \$447,461 reported as deferred outflows of resources related to pensions resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:		
	2024	\$ 926,991
	2025	758,213
	2026	258,368
	2027	1,451,434
	2028	-
Total		\$ 3,395,006

Actuarial Assumptions-The total pension liability was determined by an actuarial valuation as of July 1, 2022, using the following actuarial assumptions, applied to all prior periods included in the measurement:

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

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

The actuarial assumptions used in the July 1, 2022, valuation were based on the results of an actuarial experience study for the period July 1, 2013, to June 30, 2018.

The long-term expected rate of return on pension plan investments was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense, and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of June 30, 2022, are summarized in the following table:

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<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Fixed income	20%	3.62%
Domestic equity	47%	5.66%
International equity	15%	8.34%
Real estate	10%	7.64%
Other assets	8%	5.08%

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 city's proportionate share of the net pension liability calculated using the discount rate of 7.5%, as well as what the city's proportionate share of the 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	\$ 17,083,179	\$ 13,257,411	\$ 10,057,318

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

Defined Contribution Plan - Oklahoma Municipal Retirement Fund (OkMRF)

The City has also provided a defined contribution plan and trust known as the City of Sapulpa Plan and Trust (the "Plan") in the form of The Oklahoma Municipal Retirement System Master Defined Contribution Plan (OkMRF). OkMRF operations are supervised by a nine-member Board of Trustees elected by the participating municipalities. The plan is administered by Bank One of Oklahoma City. The defined contribution plan is available to all full-time employees except those participating in state fire or police program. Benefits depend solely on amounts contributed to the plan plus investment earnings. Employees are eligible to participate on the employee's employment commencement date, and may make contributions to the plan up to 15% at their option. By City ordinance, the City, as employer, is required to make contributions to the plan, based upon employee contributions under the thrift option, at rates presently varying from 0% - 8% of covered payroll. The City's contributions for each employee (and interest allocated to the employee's account) are vested at a rate of 20% per year of completed service, thus fully vested after five years.

City contributions for, and interest forfeited by, employees who leave employment prior to fully vesting shall be added to employer contribution. The authority to establish and amend the provisions of the plan rest with the City Council.

For the year ended June 30, 2023, the following amounts related to the defined contribution plan:

Employee contributions made	\$ 183,271
Employer (City) contributions made	\$ 167,929

Defined Contribution Plan – Oklahoma Municipal Retirement Fund (OkMRF) CMO Plan

The City has also provided a defined contribution plan in the form of The Oklahoma Municipal Retirement System Master Defined Contribution Plan (OkMRF). The defined contribution plan is available to any person who is in the position of City Manager as of May 31, 2016. Employees are eligible on the employee’s employment commencement date. The City has elected the variable funding option. The City intends to contribute to the Plan for the benefit of the participants on a monthly basis. The contribution may be varied from year to year by the City. The City’s contributions for each employee (and interest allocated to the employee’s account) are vested at 100% immediately upon the participation date. Benefits depend solely on amounts contributed to the plan plus investment earnings. The authority to establish and amend the provisions of the plan rests with the City Council. The City contributes 8% to the plan and the employee contributes 8% to the plan. The total contributions by the City for fiscal year 2023 were \$12,249 which is 100% of the required contribution.

Other Post-Employment Benefits

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

Benefits provided – The City provides medical and prescription drug benefits to eligible retirees and their dependents. The benefits are provided in accordance with State law, police and firefighter's union contracts and the Consolidated Omnibus Budget Reconciliation Act of 1985 (COBRA). The retirees and dependents pay 110% of the active employee coverage rates. This results in the retirees and beneficiaries receiving an implicit rate subsidy. Retirees and dependents coverage ceases at age 65 and are no longer eligible for the City’s OPEB plan.

Employees covered by benefit terms - At fiscal year-end the following employees were covered by the benefit terms:

Active Employees	182
Inactives or beneficiaries currently receiving benefit payments	<u>5</u>
Total	<u>187</u>

Total OPEB Liability – The City’s total OPEB liability of \$997,712 was measured as of June 30, 2023, and was determined by an actuarial valuation as of June 30, 2022.

Actuarial Assumptions - The total OPEB liability as of June 30, 2023 was determined based on an actuarial valuation prepared as of June 30, 2022 using the following actuarial assumptions:

- Actuarial Cost Method - Entry Age Normal
- Discount Rate – 3.54%, based on June 30, 2020 published Bond Buyer GO 20 Index
- Termination – Civilian employees are based on withdrawal assumptions used in the OkMRF 2020 actuarial report. Rates for police and firefighters are based on termination assumptions in the 2017 OPPRS and OFPRS 2017 actuarial valuation reports.
- Retirement Age:

CITY OF SAPULPA
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2023

<u>Age</u>	<u>Civilian Retirement Rate</u>
55	25.00%
60	17.00%
61	17.00%
62	30.00%
63	20.00%
64	15.00%
65	30.00%
70	100.00%

<u>Years of Service</u>	<u>Retirement Rate</u>	
	<u>Police</u>	<u>Fire</u>
20	20%	10%
25	20%	15%
30	100%	20%
35		100%

- Participation – 25% of currently covered civilian employees are assumed to elect retiree medical coverage and 50% for police and firefighters. Dependents are assumed acceptance rate is 50%
- Healthcare cost trend rate - Level 4.50%
- Mortality Rates - The RPH-2014 Total mortality table is a current mortality table used for valuation purposes and the MP-2021 mortality projection used is the most current available.

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

	<u>Total OPEB Liability</u>
Balances Beginning of Year	\$ 914,643
Changes for the Year:	
Service cost	77,163
Interest expense	34,601
Benefits paid	<u>(28,695)</u>
Net changes	<u>83,069</u>
Balances Ending of Year	<u>\$ 997,712</u>
Governmental Activities	\$ 766,285
Business-Type Activities	<u>231,427</u>
	<u>\$ 997,712</u>

CITY OF SAPULPA
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2023

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate-The following presents the total OPEB liability of the employer calculated using the discount rate of 3.54%, as well as what the Plan's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage point lower (2.54%) or 1-percentage-point higher (4.54) than the current rate:

	1% Decrease 2.54%	Current Discount Rate 3.54%	1% Increase 4.54%
Employer's Total OPEB Liability	\$ 1,104,814	\$ 997,712	\$ 901,273

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rate-The following presents the total OPEB liability of the employer calculated using the healthcare cost trend rate of 4.50%, as well as what the Plan's total OPEB liability would be if it were calculated using a healthcare cost trend rate that is 1-percentage point lower (3.50%) or 1-percentage-point higher (5.50%) than the current rate:

	1% Decrease 3.50%	Healthcare Costs Trend Rates 4.50%	1% Increase 5.50%
Employer's Total OPEB Liability	\$ 864,925	\$ 997,712	\$ 1,157,178

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB-The total OPEB liability was measured as of June 30, 2023 and was determined by an actuarial valuation as of June 30, 2022.

For the year ended June 30, 2023, the employer recognized OPEB expenses of \$23,316. At June 30, 2023, the employer reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Changes of assumptions	\$ 5,267	\$ 337,979
Differences between expected and actual experience	-	342,774
Changes in proportion	108,667	108,666
Total	<u>\$ 113,934</u>	<u>\$ 789,419</u>
Governmental Activities	\$ 56,902	\$ 568,591
Business-Type Activities	57,032	220,828
	<u>\$ 113,934</u>	<u>\$ 789,419</u>

CITY OF SAPULPA
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2023

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

Year ended June 30:		
2024	\$	(88,449)
2025		(88,449)
2026		(88,449)
2027		(88,449)
2028		(88,449)
Thereafter		<u>(233,240)</u>
Total	\$	<u>(675,485)</u>

Over 90% of governmental OPEB-related liabilities will be liquidated by the general fund. The other fund that will be used is Street and Alley.

4.B. RISK MANAGEMENT

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

<u>Type of Loss</u>	<u>Method Managed</u>	<u>Risk of Loss Retained</u>
a. Torts, errors and omissions; asset loss and natural disasters	Participation in Oklahoma Municipal Assurance Group risk entity pool	(1)
b. Injuries to employees (workers compensation)	Participation in Oklahoma Municipal Assurance Group risk entity pool	(2)
c. Employee health and life	Purchased commercial insurance through Community Care	No risk of loss

The City participates in the Oklahoma Municipal Assurance Group Liability Protection Plan and Worker’s Compensation Plan (risk entity pool) as follows.

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

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

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

4.C. COMMITMENTS AND CONTINGENCIES

Commitments:

Construction Commitments

The City had the following construction commitments outstanding at June 30, 2023 with balances left on the contract:

1. Construction of Fire Station 3; Contractors – Lambert Construction; original contract -\$2,657,000; change orders-(24,989); remaining contract – \$132,030.
2. Construction of waterline from Highway 66 to Spocogee Street; Contractors – Cherokee Pride Construction, Inc.; original contract \$247,597; change order \$25,478; remaining contract – \$50,303.
3. Construction of Frankoma Road Sanitary Sewer Improvements; Contractors – Cherokee Pride Construction, Inc.; original contract -\$1,448,261; remaining contract – \$140,368.
4. Downtown Master Plan Construction; Contractors – Shade Structures and Harlin Youcam II; remaining contract - \$1,717,967.

U.S. Army Corps of Engineer – Water Storage Space in Skiatook Lake

The City is under contract with the U.S. Army Corps of Engineer for the right to utilize an undivided 1.52 percent of the usable storage space in the Skiatook Lake Project. This storage space is to be used to impound water for anticipated future demand or need for municipal and industrial water supply. The City is also required to pay annual operations and maintenance (O&M) costs related to this contract. The total O&M costs paid during fiscal year 2022-2023 totaled \$31,371. See Note 3.F. for further debt disclosures.

CITY OF SAPULPA
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2023

Contingencies:

Grant Program Involvement

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

Litigation

The City is a party to various legal proceedings which normally occur during 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.

While the outcome of the above noted proceedings cannot be predicted, due to the insurance coverage maintained by the City and the State statute relating to judgments, the City feels that any settlement or judgment not covered by insurance would not have a material adverse effect on the financial condition of the City. This statutory taxing ability is not available to the City's public trusts (Authorities).

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF SAPULPA, OKLAHOMA
BUDGETARY COMPARISON SCHEDULE (Budgetary Basis)
GENERAL FUND
For the fiscal year ended June 30, 2023

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive (Negative)
Beginning Budgetary Fund Balance:	\$ 4,598,410	\$ 4,806,728	\$4,674,750	(\$131,978)
Resources (Inflows):				
TAXES:				
Sales tax	15,550,904	18,750,904	17,526,105	(1,224,799)
Use tax	1,400,000	1,400,000	1,870,001	470,001
Franchise tax	850,000	850,000	864,026	14,026
Payment in lieu of tax	270,000	270,000	264,556	(5,444)
Total Taxes	<u>18,070,904</u>	<u>21,270,904</u>	<u>20,524,688</u>	<u>(746,216)</u>
LICENSES AND PERMITS:				
Building permits	50,000	50,000	94,807	44,807
Trade permits	50,000	50,000	108,370	58,370
Resident construction park/rec fees	13,500	65,500	66,075	575
Occupation/business	77,500	77,500	95,369	17,869
Other permits	8,150	8,150	8,177	27
Total License and Permits	<u>199,150</u>	<u>251,150</u>	<u>372,798</u>	<u>121,648</u>
INTERGOVERNMENTAL:				
Alcoholic beverage tax	216,000	216,000	220,082	4,082
Cigarette/tobacco tax	130,000	130,000	121,341	(8,659)
Total Intergovernmental	<u>346,000</u>	<u>346,000</u>	<u>341,423</u>	<u>(4,577)</u>
CHARGES FOR SERVICES:				
Fire run fees	545,000	545,000	504,869	(40,131)
Fire run charges	-	-	150	150
Inspection fees	50,000	50,000	30,185	(19,815)
Special assessments	1,000	1,000	490	(510)
Other fees	30,000	22,500	19,188	(3,312)
Court collection fees	45,000	45,000	44,419	(581)
Shelter fees	500	500	660	160
Engineering fees	-	-	2,000	2,000
Weed abatement	10,000	10,000	87,220	77,220
Pet adoption	5,000	5,000	7,085	2,085
Total Charges for Services	<u>686,500</u>	<u>679,000</u>	<u>696,266</u>	<u>17,266</u>
FINES AND FORFEITURES	<u>254,000</u>	<u>254,000</u>	<u>274,921</u>	<u>20,921</u>
INVESTMENT INCOME	<u>9,030</u>	<u>9,030</u>	<u>36,613</u>	<u>27,583</u>
MISCELLANEOUS:				
Antenna tower rental	90,993	90,993	91,730	737
Reimbursements	44,500	132,783	138,960	6,177
Donations	-	1,200	11,813	10,613
Rental income	-	-	25,002	25,002
Miscellaneous	15,000	15,000	45,967	30,967
Total Miscellaneous	<u>150,493</u>	<u>239,976</u>	<u>313,472</u>	<u>73,496</u>
OTHER FINANCING SOURCES:				
Transfers from other funds	<u>5,119,305</u>	<u>5,819,305</u>	<u>5,491,968</u>	<u>(327,337)</u>
Total Other Financing Sources	<u>5,119,305</u>	<u>5,819,305</u>	<u>5,491,968</u>	<u>(327,337)</u>
Total Resources (Inflows)	<u>24,835,382</u>	<u>28,869,365</u>	<u>28,052,149</u>	<u>(817,216)</u>
Amounts available for appropriation	<u>\$29,433,792</u>	<u>\$33,676,093</u>	<u>\$32,726,899</u>	<u>(\$949,194)</u>

(Continued)

CITY OF SAPULPA, OKLAHOMA
BUDGETARY COMPARISON SCHEDULE (Budgetary Basis)
GENERAL FUND
For the fiscal year ended June 30, 2023

(Continued)

Charges to Appropriations (Outflows):	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive (Negative)
ADMINISTRATION:				
City Council:				
Materials and supplies	250	250	92	158
Other services and charges	22,100	22,100	5,179	16,921
Total City Council	22,350	22,350	5,271	17,079
City Manager:				
Personal services	434,428	436,741	430,440	6,301
Materials and supplies	8,350	10,350	5,846	4,504
Other services and charges	24,790	28,870	12,439	16,431
Total City Manager	467,568	475,961	448,725	27,236
City Clerk:				
Personal services	240,975	240,975	228,866	12,109
Materials and supplies	2,700	2,700	2,491	209
Other services and charges	19,510	19,510	12,863	6,647
Total City Clerk	263,185	263,185	244,220	18,965
Finance:				
Personal services	468,500	475,223	474,625	598
Materials and supplies	9,500	5,852	5,621	231
Other services and charges	189,742	213,542	209,953	3,589
Total Finance	667,742	694,617	690,199	4,418
Treasurer:				
Personal services	42,365	42,365	32,434	9,931
Other services and charges	185	185	110	75
Total Treasurer	42,550	42,550	32,544	10,006
Personnel:				
Personal services	117,116	127,299	126,159	1,140
Materials and supplies	4,220	2,020	910	1,110
Other services and charges	19,777	17,794	12,347	5,447
Total Personnel	141,113	147,113	139,416	7,697
Code Enforcement:				
Personal services	53,895	53,895	53,465	430
Materials and supplies	2,350	2,350	952	1,398
Other services and charges	176,800	196,648	98,478	98,170
Total Central Purchasing	233,045	252,893	152,895	99,998
Central Purchasing:				
Personal services	81,550	81,550	34,135	47,415
Materials and supplies	550	550	-	550
Other services and charges	2,750	2,750	653	2,097
Total Central Purchasing	84,850	84,850	34,788	50,062
Building Inspector:				
Personal services	146,260	146,260	145,233	1,027
Materials and supplies	4,000	3,550	1,734	1,816
Other services and charges	11,800	18,078	18,078	-
Capital outlay	750	750	161	589
Total Building Inspector	162,810	168,638	165,206	3,432
Information Technology:				
Personal services	209,961	209,961	184,386	25,575
Materials and supplies	16,800	16,800	4,043	12,757
Other services and charges	136,000	136,000	144,276	(8,276)
Capital outlay	45,000	45,000	35,851	9,149
Total Information Technology	407,761	407,761	368,556	39,205
TOTAL ADMINISTRATION	2,492,974	2,559,918	2,281,820	278,098

(Continued)

CITY OF SAPULPA, OKLAHOMA
BUDGETARY COMPARISON SCHEDULE (Budgetary Basis)
GENERAL FUND
For the fiscal year ended June 30, 2023

(Continued)

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive (Negative)
GENERAL GOVERNMENT:				
Central Garage:				
Personal services	127,553	128,595	128,000	595
Materials and supplies	10,100	9,058	8,217	841
Other services and charges	4,050	4,050	3,524	526
Total Central Garage	<u>141,703</u>	<u>141,703</u>	<u>139,741</u>	<u>1,962</u>
General Government:				
Personal services	30,000	35,518	35,518	-
Materials and supplies	36,250	30,732	21,863	8,869
Other services and charges	751,079	743,457	525,511	217,946
Capital Outlay	3,500	3,500	1,425	2,075
Debt Service	27,924	27,924	23,350	4,574
Total General Government	<u>848,753</u>	<u>841,131</u>	<u>607,667</u>	<u>233,464</u>
Reserve:				
Other services and charges	150,000	348,547	204,112	144,435
Total Reserve	<u>150,000</u>	<u>348,547</u>	<u>204,112</u>	<u>144,435</u>
TOTAL GENERAL GOVERNMENT	<u>1,140,456</u>	<u>1,331,381</u>	<u>951,520</u>	<u>379,861</u>
LEGAL AND JUDICIAL:				
City Attorney:				
Personal services	283,771	283,771	235,375	48,396
Materials and supplies	6,550	6,550	1,687	4,863
Other services and charges	58,725	58,725	15,914	42,811
Capital outlay	27,500	27,500	24,591	2,909
Total City Attorney	<u>376,546</u>	<u>376,546</u>	<u>277,567</u>	<u>98,979</u>
Municipal Court:				
Personal services	44,784	44,784	42,007	2,777
Materials and supplies	2,200	2,200	215	1,985
Other services and charges	70,225	70,225	60,501	9,724
Total Municipal Court	<u>117,209</u>	<u>117,209</u>	<u>102,723</u>	<u>14,486</u>
TOTAL LEGAL AND JUDICIAL	<u>493,755</u>	<u>493,755</u>	<u>380,290</u>	<u>113,465</u>

(Continued)

CITY OF SAPULPA, OKLAHOMA
 BUDGETARY COMPARISON SCHEDULE (Budgetary Basis)
 GENERAL FUND
 For the fiscal year ended June 30, 2023

(Continued)

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget Positive (Negative)
PUBLIC SAFETY:				
Police:				
Personal services	4,481,743	4,481,743	4,283,275	198,468
Materials and supplies	208,400	218,650	202,010	16,640
Other services and charges	391,672	399,920	367,927	31,993
Capital outlay	35,000	26,645	21,558	5,087
Total Police	<u>5,116,815</u>	<u>5,126,958</u>	<u>4,874,770</u>	<u>252,188</u>
Fire:				
Personal services	5,485,444	5,486,384	5,393,483	92,901
Materials and supplies	141,920	173,315	151,250	22,065
Other services and charges	292,184	267,677	249,034	18,643
Debt Service	1,800	1,800	-	1,800
Total Fire	<u>5,921,348</u>	<u>5,929,176</u>	<u>5,793,767</u>	<u>135,409</u>
Animal Control:				
Personal services	268,532	259,532	228,902	30,630
Materials and supplies	23,200	25,400	22,439	2,961
Other services and charges	41,800	40,945	30,827	10,118
Capital outlay	10,000	10,000	6,116	3,884
Total Animal Control	<u>343,532</u>	<u>335,877</u>	<u>288,284</u>	<u>47,593</u>
Civil Defense:				
Personal services	16,234	16,234	14,501	1,733
Materials and supplies	6,500	6,500	-	6,500
Other services and charges	16,350	19,472	16,261	3,211
Total Civil Defense	<u>39,084</u>	<u>42,206</u>	<u>30,762</u>	<u>11,444</u>
TOTAL PUBLIC SAFETY	<u>11,420,779</u>	<u>11,434,217</u>	<u>10,987,583</u>	<u>446,634</u>
URBAN DEVELOPMENT:				
Personal services	147,828	147,828	146,741	1,087
Materials and supplies	5,600	6,123	2,576	3,547
Other services and charges	47,840	47,317	7,420	39,897
TOTAL URBAN DEVELOPMENT	<u>201,268</u>	<u>201,268</u>	<u>156,737</u>	<u>44,531</u>
OTHER FINANCING USES:				
Transfers to other funds	<u>12,576,676</u>	<u>15,200,076</u>	<u>14,088,630</u>	<u>1,111,446</u>
Total Other Financing Uses	<u>12,576,676</u>	<u>15,200,076</u>	<u>14,088,630</u>	<u>1,111,446</u>
Total Charges to Appropriations	<u>28,325,908</u>	<u>31,220,615</u>	<u>28,846,580</u>	<u>2,374,035</u>
Ending Budgetary Fund Balance	<u>\$1,107,884</u>	<u>\$2,455,478</u>	<u>\$3,880,319</u>	<u>\$1,424,841</u>

**CITY OF SAPULPA, OKLAHOMA
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE
For the fiscal year ended June 30, 2023**

Budget Law

The City has adopted the provisions of the Municipal Budget Act of 1979 (the “Budget Act”). In accordance with the Budget Act, the following process is used to adopt the annual budget:

- a. Prior to June 1, the City Manager submits to the City Council a proposed operating budget for the fiscal year commencing the following July 1.
- b. Public hearings are conducted to obtain citizen comments. At least one public hearing must be held no later than 15 days prior to July 1.
- c. Subsequent to the public hearings but no later than seven days prior to July 1, the budget is adopted by resolution of the City Council.
- d. By July 1, the adopted budget is filed with the Office of State Auditor and Inspector.

Per State law, the legal level of control at which expenditures may not legally exceed appropriations is the department level within a fund. All transfers of appropriation between departments in separate funds and supplemental appropriations require City Council approval. The City Manager may transfer appropriations between object categories within a department and between departments in the same fund without City Council approval. Supplemental appropriations must also be filed with the Office of State Auditor and Inspector. No departments exceeded appropriations.

Budgetary Accounting

The annual operating budgets are prepared and presented on the modified accrual basis of accounting.

However, for budgetary purposes, sales tax revenues, both dedicated and undedicated, are recognized first in the General Fund, with appropriated transfers out of the dedicated portions of sales tax to the respective dedicated sales tax funds. This differs from the City’s treatment of dedicated sales taxes in the basic financial statements which recognizes sales tax as revenue in the respective dedicated sales tax funds. Also, the State on-behalf payments for the police and firefighter’s pension are excluded in the budgetary schedule as are capital note proceeds and related capital outlay.

The City utilizes encumbrance accounting under which all purchase orders, contracts, and other commitments for the expenditure of funds are recorded in order to reserve a portion of the applicable appropriation. Encumbrances outstanding at year-end are not considered expenditures for budgetary purposes since the City intends to honor the commitments and provide for supplemental appropriations in the following budget year. All appropriations lapse at year end.

CITY OF SAPULPA, OKLAHOMA
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE
For the fiscal year ended June 30, 2023

Explanation of Differences between Budgetary Inflows and Outflows and GAAP Revenues and Expenditures

	<u>General Fund</u>
Sources/Inflows of resources	
Actual amounts (budgetary basis) "total resources" from the budgetary comparison schedule	\$ 28,052,149
Differences - budget to GAAP:	
Sales tax recognized as inflows of budgetary resources but are not revenues for financial reporting purposes.	(9,649,071)
State payments made on-behalf of police and fire pension not considered a budgetary resources	1,449,271
Lease Revenue-related items	6,754
Revenues from combined accounts:	
Hunting & Fishing Account	43,573
Library Account	236,934
Library Account - Transfer In	190,000
Swimming Pool Account	85,170
Swimming Pool Account - Transfer In	90,000
Stablization Account	1,261
Total revenues as reported on the statement of revenues, expenditures, and changes in fund balance - governmental funds	\$ 20,506,041
Total Revenues - General Fund	\$ 14,734,073
Transfer In - General Fund	5,771,968
Total revenues and transfers in - General Fund	\$ 20,506,041
Uses/Outflows of appropriations	
Actual amounts (budgetary basis) "total appropriations" from the budgetary comparison schedule	\$ 28,846,580
Differences - budget to GAAP:	
Transfer of sales tax to various funds recognized as outflows of budgetary resources but are not uses for financial reporting purposes.	(9,639,357)
State payments made on-behalf of police and fire pension not considered a budgetary expenditure	1,449,271
Expenditures from combined accounts:	
Hunting & Fishing Account	44,052
Library Account	458,377
Swimming Pool Account	116,646
Total expenditures and transfers out as reported on the statement of revenues, expenditures, and changes in fund balance - governmental funds	\$ 21,275,569
Total expenditures - General Fund	\$ 16,826,296
Transfer out - General Fund	4,449,273
Total expenditures and transfers out - General Fund	\$ 21,275,569

**CITY OF SAPULPA, OKLAHOMA
OTHER POST-EMPLOYMENT BENEFITS
June 30, 2023**

OPEB Schedule of Changes in Total OPEB Liability and Related ratios – Last 10 Years*

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

	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
Total OPEB Liability					
Service cost	\$ 77,521	\$ 80,529	\$ 80,259	\$ 80,259	\$ 124,116
Interest	52,911	52,957	59,453	56,257	35,963
Change in assumptions	-	-	(156,970)	7,592	(306,117)
Difference between expected and actual experience	-	-	-	-	(428,148)
Benefit payments	<u>(51,729)</u>	<u>(51,729)</u>	<u>(40,907)</u>	<u>(40,907)</u>	<u>(28,695)</u>
Net change in total OPEB liability	78,703	81,757	(58,165)	103,201	(602,881)
Total OPEB liability - beginning	<u>1,312,028</u>	<u>1,390,731</u>	<u>1,472,488</u>	<u>1,414,323</u>	<u>1,517,524</u>
Total OPEB liability - ending	<u>\$ 1,390,731</u>	<u>\$ 1,472,488</u>	<u>\$ 1,414,323</u>	<u>\$ 1,517,524</u>	<u>\$ 914,643</u>
Covered employee payroll	\$ 7,045,261	\$ 8,048,015	\$ 8,059,649	\$ 8,382,035	\$ 9,472,941
Total OPEB liability as a percentage of covered employee payroll	19.74%	18.30%	17.55%	18.10%	9.66%
	<u>2023</u>				
Total OPEB Liability					
Service cost	\$ 77,163				
Interest	34,601				
Benefit payments	<u>(28,695)</u>				
Net change in total OPEB liability	83,069				
Total OPEB liability - beginning	<u>914,643</u>				
Total OPEB liability - ending	<u>\$ 997,712</u>				
Covered employee payroll	\$ 9,472,941				
Total OPEB liability as a percentage of covered employee payroll	10.53%				

Notes to Schedule:

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

*No assets are accumulating in a trust to offset the OPEB liability reflected above.

CITY OF SAPULPA, OKLAHOMA
PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
June 30, 2023

Schedules of Required Supplementary Information

SCHEDULE OF THE CITY OF SAPULPA PROPORTIONATE SHARE OF THE NET PENSION LIABILITY (ASSET)

OKLAHOMA POLICE PENSION & RETIREMENT SYSTEM

Last 10 Fiscal Years*

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
City's proportion of the net pension liability (asset)	0.8341%	0.8076%	0.7622211%	0.7224646%	0.7520145%
City's proportionate share of the net pension liability (asset)	\$ (280,848)	\$ 32,930	\$ 1,167,296	\$ 55,572	\$ (358,222)
City's covered payroll	\$ 2,414,739	\$ 2,279,608	\$ 2,249,462	\$ 2,151,923	\$2,298,985
City's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	11.63%	1.44%	51.89%	2.58%	15.58%
Plan fiduciary net position as a percentage of the total pension liability	101.53%	99.82%	93.50%	99.68%	101.89%
	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	
City's proportion of the net pension liability (asset)	0.730370%	0.709155%	0.686593%	0.718197%	
City's proportionate share of the net pension liability (asset)	\$ (46,627)	\$ 814,429	\$ (3,293,696)	\$ (575,936)	
City's covered payroll	\$ 2,383,608	\$ 2,316,969	\$ 2,385,185	\$ 2,572,531	
City's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	1.96%	35.15%	138.09%	22.39%	
Plan fiduciary net position as a percentage of the total pension liability	100.24%	95.80%	117.07%	102.74%	

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

Notes to Schedule:

*Only nine years are presented because 10-year data is not yet available.

CITY OF SAPULPA, OKLAHOMA
SCHEDULE OF CITY CONTRIBUTIONS
June 30, 2023

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

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
Statutorially required contribution	\$ 296,349	\$ 292,430	\$ 279,750	\$ 298,868	\$ 309,869
Contributions in relation to the statutorially required contribution	<u>296,349</u>	<u>292,430</u>	<u>279,750</u>	<u>298,868</u>	<u>309,869</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's covered payroll	\$ 2,279,608	\$ 2,249,462	\$ 2,151,923	\$ 2,298,985	\$ 2,383,608
Contributions as a percentage of covered-employee payroll	13.00%	13.00%	13.00%	13.00%	13.00%
	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	
Statutorially required contribution	\$ 301,206	\$ 310,074	\$ 334,429	\$ 319,748	
Contributions in relation to the statutorially required contribution	<u>301,206</u>	<u>310,074</u>	<u>334,429</u>	<u>319,748</u>	
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	
City's covered payroll	\$ 2,316,969	\$ 2,385,185	\$ 2,572,531	\$ 2,459,600	
Contributions as a percentage of covered-employee payroll	13.00%	13.00%	13.00%	13.00%	

Notes to Schedule:

*Only nine years are presented because 10-year data is not yet available.

CITY OF SAPULPA, OKLAHOMA
PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
June 30, 2023

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

	2015	2016	2017	2018	2019
City's proportion of the net pension liability	1.004270%	0.988614%	0.951429%	0.984476%	0.959416%
City's proportionate share of the net pension liability	\$ 10,327,388	\$ 10,493,224	\$ 11,623,741	\$ 12,381,986	\$ 10,799,633
City's covered payroll	\$ 2,727,320	\$ 2,697,814	\$ 2,701,350	\$ 2,759,207	\$ 2,775,664
City's proportionate share of the net pension liability as a percentage of its covered-employee payroll	379%	389%	430%	449%	389%
Plan fiduciary net position as a percentage of the total pension liability	68.12%	68.27%	64.87%	66.61%	70.73%
	2020	2021	2022	2023	
City's proportion of the net pension liability	0.966577%	0.998067%	0.975192%	1.013768%	
City's proportionate share of the net pension liability	\$10,213,494	\$12,295,321	\$ 6,422,285	\$ 13,257,411	
City's covered payroll	\$ 2,992,914	\$ 3,213,800	\$ 3,163,093	\$ 3,591,393	
City's proportionate share of the net pension liability as a percentage of its covered-employee payroll	341%	383%	203%	369%	
Plan fiduciary net position as a percentage of the total pension liability	72.85%	69.98%	84.24%	69.49%	

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

Notes to Schedule:

*Only nine years are presented because 10-year data is not yet available.

CITY OF SAPULPA, OKLAHOMA
SCHEDULE OF CITY CONTRIBUTIONS
June 30, 2023

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

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
Statutorially required contribution	\$ 377,694	\$ 378,189	\$ 386,289	\$ 388,593	\$ 419,008
Contributions in relation to the statutorially required contribution	<u>377,694</u>	<u>378,189</u>	<u>386,289</u>	<u>388,593</u>	<u>419,008</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's covered payroll	\$ 2,697,814	\$ 2,701,350	\$ 2,759,207	\$ 2,775,664	\$2,992,914
Contributions as a percentage of coverd-employee payroll	14.00%	14.00%	14.00%	14.00%	14.00%
	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	
Statutorially required contribution	\$ 449,932	\$ 442,833	\$ 502,795	\$ 447,461	
Contributions in relation to the statutorially required contribution	<u>449,932</u>	<u>442,833</u>	<u>502,795</u>	<u>447,461</u>	
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	
City's covered payroll	\$ 3,213,800	\$ 3,163,093	\$ 3,591,393	\$ 3,196,150	
Contributions as a percentage of coverd-employee payroll	14.00%	14.00%	14.00%	14.00%	

Notes to Schedule:

*Only nine years are presented because 10-year data is not yet available.

OTHER SUPPLEMENTARY INFORMATION

City of Sapulpa
Combining Balance Sheet - General Fund Accounts
June 30, 2023

	<u>General Fund</u>	<u>Hunting & Fishing Account</u>	<u>Library Account</u>	<u>Swimming Pool Account</u>	<u>Stabilization Account</u>	<u>Total General Fund Accounts</u>
ASSETS						
Cash and cash equivalents	\$ 232,954	\$ 49,826	\$ 119,047	\$ 94,290	\$ 490,874	\$ 986,991
Investments	1,552,433	-	-	-	-	1,552,433
Deposits with insurance pool	16,760	-	-	-	-	16,760
Accrued interest receivable	1,903	-	-	-	-	1,903
Due from other funds	1,382,000	-	-	-	-	1,382,000
Due from other governments	1,288,720	-	28,286	-	-	1,317,006
Franchise tax receivable	49,439	-	-	-	-	49,439
Court fine receivable, net	389,036	-	-	-	-	389,036
Other receivables	135,245	935	-	4,610	-	140,790
Lease receivables	1,335,442	-	-	-	-	1,335,442
Inventory	-	-	-	-	-	-
Total assets	<u>\$ 6,383,932</u>	<u>\$ 50,761</u>	<u>\$ 147,333</u>	<u>\$ 98,900</u>	<u>\$ 490,874</u>	<u>\$ 7,171,800</u>
LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES						
Liabilities:						
Accounts payable	\$ 196,162	\$ 5,117	\$ 20,106	\$ 20,099	\$ -	\$ 241,484
Accrued payroll liabilities	89,327	-	9,831	9,830	-	108,988
Due to other governments	3,473	-	-	-	-	3,473
Escrow deposits	49,246	-	-	-	-	49,246
Refundable court bonds	2,369	-	-	-	-	2,369
Total liabilities	<u>340,577</u>	<u>5,117</u>	<u>29,937</u>	<u>29,929</u>	<u>-</u>	<u>405,560</u>
DEFERRED INFLOW OF RESOURCES						
Unavailable revenue	354,096	-	-	-	-	354,096
Leases	1,280,584	-	-	-	-	1,280,584
Total deferred inflows of resources	<u>1,634,680</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,634,680</u>
Fund balances:						
Assigned	2,874,812	45,644	117,396	68,971	-	3,106,823
Unassigned	1,533,863	-	-	-	490,874	2,024,737
Total fund balances	<u>4,408,675</u>	<u>45,644</u>	<u>117,396</u>	<u>68,971</u>	<u>490,874</u>	<u>5,131,560</u>
Total liabilities, deferred inflows, and fund balances	<u>\$ 6,383,932</u>	<u>\$ 50,761</u>	<u>\$ 147,333</u>	<u>\$ 98,900</u>	<u>\$ 490,874</u>	<u>\$ 7,171,800</u>

City of Sapulpa
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances - General Fund Accounts
For the Year Ended June 30, 2023

	<u>General Fund</u>	<u>Hunting & Fishing Account</u>	<u>Library Account</u>	<u>Swimming Pool Account</u>	<u>Stabilization Account</u>	<u>Total General Fund Accounts</u>
REVENUES						
Taxes	\$ 10,875,617	\$ -	\$ 218,806	\$ -	\$ -	\$ 11,094,423
Intergovernmental	1,790,694	-	14,085	-	-	1,804,779
Charges for services	696,266	7,064	120	84,985	-	788,435
Fines and forfeitures	275,078	-	539	-	-	275,617
Licenses and permits	372,641	36,289	-	-	-	408,930
Investment income	36,613	220	635	185	1,261	38,914
Miscellaneous	320,226	-	2,749	-	-	322,975
Total revenues	<u>14,367,135</u>	<u>43,573</u>	<u>236,934</u>	<u>85,170</u>	<u>1,261</u>	<u>14,734,073</u>
EXPENDITURES						
Current:						
Administration	2,242,756	-	-	-	-	2,242,756
General government	926,839	-	-	-	-	926,839
Legal and judicial	355,699	-	-	-	-	355,699
Public safety	12,409,180	-	-	-	-	12,409,180
Urban development	156,737	-	-	-	-	156,737
Culture and recreation	-	25,873	426,435	116,646	-	568,954
Capital Outlay	92,754	18,179	31,942	-	-	142,875
Debt Service:						
Principal	20,972	-	-	-	-	20,972
Interest	2,284	-	-	-	-	2,284
Total expenditures	<u>16,207,221</u>	<u>44,052</u>	<u>458,377</u>	<u>116,646</u>	<u>-</u>	<u>16,826,296</u>
Excess (deficiency) of revenues over expenditures	<u>(1,840,086)</u>	<u>(479)</u>	<u>(221,443)</u>	<u>(31,476)</u>	<u>1,261</u>	<u>(2,092,223)</u>
OTHER FINANCING SOURCES (USES)						
Transfers in	5,491,968	-	190,000	90,000	-	5,771,968
Transfers out	(4,449,273)	-	-	-	-	(4,449,273)
Total other financing sources and uses	<u>1,042,695</u>	<u>-</u>	<u>190,000</u>	<u>90,000</u>	<u>-</u>	<u>1,322,695</u>
Net change in fund balances	(797,391)	(479)	(31,443)	58,524	1,261	(769,528)
Fund balances - beginning	5,206,066	46,123	148,839	10,447	489,613	5,901,088
Fund balances - ending	<u>\$ 4,408,675</u>	<u>\$ 45,644</u>	<u>\$ 117,396</u>	<u>\$ 68,971</u>	<u>\$ 490,874</u>	<u>\$ 5,131,560</u>

City of Sapulpa
Combining Balance Sheet
Non-Major Governmental Funds
June 30, 2023

	Special Revenue Funds												
	Cemetery Maintenance Fund	Street and Alley Fund	Parks & Recreation Fund	Federal SAF Fund	Major Thoroughfare Fund	Water & Sewer Sales Tax Fund	Spay & Neuter Fund	E911 Fund	Juvenile Justice Fund	Hotel/Motel Tax Fund	Sapulpa Development Authority	Polson Apportionment Fund	Grants & Aid Fund
ASSETS													
Cash and cash equivalents	\$ 104,162	\$ 310,014	\$ 127,781	\$ 23,798	\$ 571,898	\$ 277,913	\$ 5,523	\$ 83,689	\$ 25,700	\$ 410,029	\$ 502,841	\$ 1,416,009	\$ 557,171
Investments	36,554	5,000	-	34,077	235,648	13,000	-	-	-	-	-	-	-
Deposits with fiscal agent	-	-	-	-	-	-	-	-	-	-	-	-	-
Due from other governments	28,286	22,215	56,572	-	56,572	113,145	-	41,168	-	-	-	-	10,647
Interest receivable	-	-	-	363	2,459	-	-	-	-	-	-	-	-
Court fines receivable, net of allowance	-	-	-	-	-	-	-	-	19,360	-	-	-	-
Other receivable	-	-	361	-	-	3,174	100	-	1,598	26,174	-	-	-
Inventory	-	-	-	-	23,267	42,003	-	-	-	-	-	-	-
Total assets	<u>\$ 169,002</u>	<u>\$ 337,229</u>	<u>\$ 184,714</u>	<u>\$ 58,238</u>	<u>\$ 889,844</u>	<u>\$ 449,235</u>	<u>\$ 5,623</u>	<u>\$ 124,857</u>	<u>\$ 46,658</u>	<u>\$ 436,203</u>	<u>\$ 502,841</u>	<u>\$ 1,416,009</u>	<u>\$ 567,818</u>
LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES													
Liabilities:													
Accounts payable	\$ 15,186	\$ 8,116	\$ 23,772	\$ 365	\$ 43,679	\$ 14,488	\$ 3,540	\$ 3,005	\$ 1,265	\$ 19,518	\$ -	\$ 1,335,235	\$ 35,717
Accrued payroll payable	12,085	19,167	20,387	-	-	21,909	-	18,917	269	4,834	-	-	-
Due to other funds	-	-	-	-	-	-	-	-	-	-	-	-	100,000
Due to other governments	-	-	-	-	-	-	-	-	200	-	-	-	-
Unearned revenue	-	-	-	-	-	-	-	-	-	-	-	-	-
Total liabilities	<u>27,271</u>	<u>27,283</u>	<u>44,159</u>	<u>365</u>	<u>43,679</u>	<u>36,397</u>	<u>3,540</u>	<u>21,922</u>	<u>1,734</u>	<u>24,352</u>	<u>-</u>	<u>1,335,235</u>	<u>135,717</u>
DEFERRED INFLOW OF RESOURCES													
Unavailable revenue	-	-	-	260	1,859	-	-	-	16,097	-	-	-	3,251
Fund balances:													
Non-spendable	-	-	-	-	23,317	45,360	-	-	-	-	-	-	-
Restricted	-	-	-	57,613	643,457	-	1,436	-	27,505	354,635	-	80,774	401,725
Assigned	141,731	309,946	140,555	-	177,532	367,478	647	102,935	1,322	57,216	502,841	-	27,125
Total fund balances	<u>141,731</u>	<u>309,946</u>	<u>140,555</u>	<u>57,613</u>	<u>844,306</u>	<u>412,838</u>	<u>2,083</u>	<u>102,935</u>	<u>28,827</u>	<u>411,851</u>	<u>502,841</u>	<u>80,774</u>	<u>428,850</u>
Total liabilities, deferred inflows, and fund balances	<u>\$ 169,002</u>	<u>\$ 337,229</u>	<u>\$ 184,714</u>	<u>\$ 58,238</u>	<u>\$ 889,844</u>	<u>\$ 449,235</u>	<u>\$ 5,623</u>	<u>\$ 124,857</u>	<u>\$ 46,658</u>	<u>\$ 436,203</u>	<u>\$ 502,841</u>	<u>\$ 1,416,009</u>	<u>\$ 567,818</u>

City of Sapulpa
 Combining Balance Sheet
 Non-Major Governmental Funds
 June 30, 2023

	Capital Project Funds										Debt Service Fund	Total Governmental Funds		
	Restricted Construction Park/Rec Fund	Park Development Fund	Fire Cash Fund	Police Cash Fund	Cemetery Care Fund	Capital Improvement Fund	Water Resources Fund	Economic Development Sales Tax Fund	Street Improvement Sales Tax Fund	Sewer Plant Sales Tax Fund	Series 2014 Str Cap Imp		ARTICLE X, SEC 35, GO BOND	G.O. Sinking Fund
ASSETS														
Cash and cash equivalents	\$ 124,068	\$ 117,205	\$ 108,851	\$ 102,697	\$ 100,293	\$ 261,432	\$ 769,039	\$ 1,309,521	\$ 4,056,108	\$ 732,261	\$ 686	\$ 14,341	\$ 736,096	\$ 12,849,126
Investments	-	-	145,937	-	-	106,323	208,319	591,632	1,185,850	-	-	1,034,375	381,499	3,978,214
Deposits with fiscal agent	-	-	-	-	-	-	-	-	-	-	-	-	188	188
Due from other governments	-	-	28,286	28,286	-	113,145	226,290	57,957	282,862	282,862	-	-	598,363	1,944,656
Interest receivable	-	-	543	-	-	-	2,173	5,433	6,645	-	-	9,958	3,462	31,036
Court fines receivable, net of allowance	-	-	-	-	-	-	-	-	-	-	-	-	-	19,360
Other receivable	-	-	-	-	-	-	-	-	-	-	78	-	-	31,485
Inventory	-	-	-	-	-	-	41,044	-	-	-	-	-	-	106,314
Total assets	\$ 124,068	\$ 117,205	\$ 283,617	\$ 130,983	\$ 100,293	\$ 480,900	\$ 1,246,865	\$ 1,964,543	\$ 5,531,465	\$ 1,015,123	\$ 764	\$ 1,058,674	\$ 1,717,608	\$ 18,960,379
LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES														
Liabilities:														
Accounts payable	\$ 34,900	\$ -	\$ 40,461	\$ 1,999	\$ -	\$ 417,124	\$ 25,478	\$ 73,394	\$ 292,564	\$ 7,078	\$ -	\$ -	\$ -	\$ 2,396,884
Accrued payroll payable	-	-	-	-	-	-	-	-	-	-	-	-	-	97,568
Due to other funds	-	-	-	-	-	-	-	-	-	50,000	-	-	-	150,000
Due to other governments	-	-	-	-	-	-	-	-	-	-	-	-	-	200
Unearned revenue	-	-	-	-	-	7,000	-	-	-	-	-	-	16,255	23,255
Total liabilities	34,900	-	40,461	1,999	-	424,124	25,478	73,394	292,564	57,078	-	-	16,255	2,667,907
DEFERRED INFLOW OF RESOURCES														
Unavailable revenue	-	-	411	-	-	-	-	4,108	1,319	-	-	6,291	293,463	327,059
Fund balances:														
Non-spendable	-	-	-	-	-	-	41,044	-	-	-	-	-	-	109,721
Restricted	-	-	193,642	29,978	-	-	1,156,454	1,850,193	4,827,842	947,203	-	982,283	1,407,890	12,962,630
Assigned	89,168	117,205	49,103	99,006	100,293	56,776	23,889	36,848	459,740	10,842	764	70,100	-	2,893,082
Total fund balances	89,168	117,205	242,745	128,984	100,293	56,776	1,221,387	1,887,041	5,237,582	958,045	764	1,052,383	1,407,890	15,965,413
Total liabilities, deferred inflows, and fund balances	\$ 124,068	\$ 117,205	\$ 283,617	\$ 130,983	\$ 100,293	\$ 480,900	\$ 1,246,865	\$ 1,964,543	\$ 5,531,465	\$ 1,015,123	\$ 764	\$ 1,058,674	\$ 1,717,608	\$ 18,960,379

City of Sapulpa
 Combining Statement of Revenues, Expenditures and Changes in Fund Balances
 Non-Major Governmental Funds
 For the Year Ended June 30, 2023

Special Revenue Funds

	Cemetery Maintenance Fund	Street and Alley Fund	Parks & Recreation Fund	Federal SAF Fund	Major Thoroughfare Fund	Water & Sewer Sales Tax Fund	Spay & Neuter Fund	E911 Fund	Juvenile Justice Fund	Hotel/Motel Tax Fund	Sapulpa Development Authority	Polson Apportionment Fund	Grants & Aid Fund
REVENUES													
Taxes	\$ 218,806	\$ -	\$ 437,613	\$ -	\$ 437,613	\$ 875,226	\$ -	\$ -	\$ -	\$ 259,770	\$ -	\$ 1,853,812	\$ -
Intergovernmental	-	206,262	-	-	-	-	-	-	-	-	-	-	48,648
Charges for services	133,650	-	13,093	-	-	-	28,678	331,701	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-	-	-	-	16,704	-	-	-	-
Investment income	963	1,566	728	427	4,138	1,740	13	234	145	2,018	1,350	3,322	967
Miscellaneous	10	-	10,847	-	-	5,715	-	-	-	-	-	-	-
Total revenues	<u>353,429</u>	<u>207,828</u>	<u>462,281</u>	<u>427</u>	<u>441,751</u>	<u>882,681</u>	<u>28,691</u>	<u>331,935</u>	<u>16,849</u>	<u>261,788</u>	<u>1,350</u>	<u>1,857,134</u>	<u>49,615</u>
EXPENDITURES													
Current:													
General government	511,635	-	-	-	-	-	27,971	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	-	654,161	21,616	-	-	-	27,131
Streets	-	617,624	-	-	371,383	-	-	-	-	-	-	-	-
Culture and recreation	-	-	816,017	-	-	-	-	-	-	-	-	-	-
Urban development	-	-	-	-	-	-	-	-	-	181,777	-	-	23,700
Water	-	-	-	-	-	1,082,201	-	-	-	-	-	-	-
Wastewater	-	-	-	-	-	-	-	-	-	-	-	-	-
Capital outlay	-	-	22,466	18,300	-	-	-	-	-	-	-	1,771,736	95,036
Debt service:													
Principal	-	-	-	-	-	-	-	-	-	-	28,754	-	-
Interest	-	-	-	-	-	-	-	-	-	-	572	-	-
Total expenditures	<u>511,635</u>	<u>617,624</u>	<u>838,483</u>	<u>18,300</u>	<u>371,383</u>	<u>1,082,201</u>	<u>27,971</u>	<u>654,161</u>	<u>21,616</u>	<u>181,777</u>	<u>29,326</u>	<u>1,771,736</u>	<u>145,867</u>
Excess (deficiency) of revenues over expenditures	<u>(158,206)</u>	<u>(409,796)</u>	<u>(376,202)</u>	<u>(17,873)</u>	<u>70,368</u>	<u>(199,520)</u>	<u>720</u>	<u>(322,226)</u>	<u>(4,767)</u>	<u>80,011</u>	<u>(27,976)</u>	<u>85,398</u>	<u>(96,252)</u>
OTHER FINANCING SOURCES (USES)													
Transfers in	155,000	372,900	305,000	-	-	125,000	-	400,000	-	-	530,000	-	486,215
Transfers out	(16,706)	-	-	(29,873)	-	-	-	-	-	(48,902)	-	(5,000)	-
Bond premium	-	-	-	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	<u>138,294</u>	<u>372,900</u>	<u>305,000</u>	<u>(29,873)</u>	<u>-</u>	<u>125,000</u>	<u>-</u>	<u>400,000</u>	<u>-</u>	<u>(48,902)</u>	<u>530,000</u>	<u>(5,000)</u>	<u>486,215</u>
Net change in fund balances	(19,912)	(36,896)	(71,202)	(47,746)	70,368	(74,520)	720	77,774	(4,767)	31,109	502,024	80,398	389,963
Fund balances - beginning	161,643	346,842	211,757	105,359	773,938	487,358	1,363	25,161	33,594	380,742	817	376	38,887
Fund balances - ending	<u>\$ 141,731</u>	<u>\$ 309,946</u>	<u>\$ 140,555</u>	<u>\$ 57,613</u>	<u>\$ 844,306</u>	<u>\$ 412,838</u>	<u>\$ 2,083</u>	<u>\$ 102,935</u>	<u>\$ 28,827</u>	<u>\$ 411,851</u>	<u>\$ 502,841</u>	<u>\$ 80,774</u>	<u>\$ 428,850</u>

City of Sapulpa
 Combining Statement of Revenues, Expenditures and Changes in Fund Balances
 Non-Major Governmental Funds
 For the Year Ended June 30, 2023

	Capital Project Funds											Debt Service Fund	Total Governmental Funds	
	Restricted Construction Fund	Park Development Fund	Fire Cash Fund	Police Cash Fund	Cemetery Care Fund	Capital Improvement Fund	Water Resources Fund	Economic Development Sales Tax Fund	Street Improvement Sales Tax Fund	Sewer Plant Sales Tax Fund	Series 2014 Str Cap Imp	ARTICLE X, SEC 35, GO BOND		G.O. Sinking Fund
REVENUES														
Taxes	\$ -	\$ -	\$ 218,806	\$ 218,806	\$ -	\$ 875,226	\$ 1,750,453	\$ 385,409	\$ 2,188,065	\$ 2,188,065	\$ -	\$ -	\$ 2,902,731	\$ 14,810,401
Intergovernmental	-	-	-	-	-	244,850	-	-	-	-	-	-	-	499,760
Charges for services	-	-	-	-	-	-	-	-	-	-	-	-	-	507,122
Fines and forfeitures	-	-	-	-	-	-	-	-	-	-	-	-	-	16,704
Investment income	505	532	2,002	856	456	4,235	6,096	9,903	35,303	3,217	762	9,549	9,869	100,896
Miscellaneous	-	-	-	-	-	109,378	-	-	-	-	-	50,000	-	175,950
Total revenues	505	532	220,808	219,662	456	1,233,689	1,756,549	395,312	2,223,368	2,191,282	762	59,549	2,912,600	16,110,833
EXPENDITURES														
Current:														
General government	-	-	-	1,115	-	-	-	-	-	-	-	-	83,382	624,103
Public safety	-	-	-	-	-	44,226	-	-	-	-	-	-	-	747,134
Streets	-	-	-	-	-	-	-	-	185,064	-	-	-	-	1,174,071
Culture and recreation	-	-	-	-	-	-	-	77,193	-	-	-	200,525	-	1,093,735
Urban development	-	-	-	-	-	-	-	-	-	-	-	-	-	205,477
Water	-	-	-	-	-	246,946	79,214	-	-	-	-	-	-	1,408,361
Wastewater	-	-	-	-	-	-	-	-	-	32,518	-	-	-	32,518
Capital outlay	34,900	31,000	180,254	334,639	-	1,523,719	106,936	-	1,003,088	234,863	-	620,552	-	5,977,489
Debt service:														
Principal	-	-	-	-	-	70,597	24,046	-	505,000	-	-	-	2,160,000	2,788,397
Interest	-	-	-	-	-	3,497	453	-	123,665	-	-	-	756,813	885,000
Total expenditures	34,900	31,000	180,254	335,754	-	1,888,985	210,649	77,193	1,816,817	267,381	-	821,077	3,000,195	14,936,285
Excess (deficiency) of revenues over expenditures	(34,395)	(30,468)	40,554	(116,092)	456	(655,296)	1,545,900	318,119	406,551	1,923,901	762	(761,528)	(87,595)	1,174,548
OTHER FINANCING SOURCES (USES)														
Transfers in	65,500	48,902	-	29,873	16,706	1,413,102	-	-	30,695	-	-	-	-	3,978,893
Transfers out	-	(100,000)	(20,000)	(20,000)	-	(1,373,102)	(1,131,161)	-	-	(1,500,000)	(30,695)	-	(3,195)	(4,278,634)
Bond premium	-	-	-	-	-	-	-	-	-	-	-	-	81,895	81,895
Total other financing sources (uses)	65,500	(51,098)	(20,000)	9,873	16,706	40,000	(1,131,161)	-	30,695	(1,500,000)	(30,695)	-	78,700	(217,846)
Net change in fund balances	31,105	(81,566)	20,554	(106,219)	17,162	(615,296)	414,739	318,119	437,246	423,901	(29,933)	(761,528)	(8,895)	956,702
Fund balances - beginning	58,063	198,771	222,191	235,203	83,131	672,072	806,648	1,568,922	4,800,336	534,144	30,697	1,813,911	1,416,785	15,008,711
Fund balances - ending	\$ 89,168	\$ 117,205	\$ 242,745	\$ 128,984	\$ 100,293	\$ 56,776	\$ 1,221,387	\$ 1,887,041	\$ 5,237,582	\$ 958,045	\$ 764	\$ 1,052,383	\$ 1,407,890	\$ 15,965,413

City of Sapulpa
Schedule of Revenues, Expenditures, and Changes in Fund Balance - (Budgetary Basis)
Budget and Actual - Nonmajor Governmental Funds
For the Year ended June 30, 2023

	Cemetery Maintenance Fund			Street and Alley		
	<u>Final</u>	<u>Actual Amounts, Budgetary Basis</u>	<u>Variance with Final Budget - Positive (Negative)</u>	<u>Final</u>	<u>Actual Amounts, Budgetary Basis</u>	<u>Variance with Final Budget - Positive (Negative)</u>
REVENUES						
Taxes	\$ -	\$ 218,806	\$ 218,806	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	203,000	206,262	3,262
Charges for services	132,000	133,650	1,650	-	-	-
Investment income	500	963	463	500	1,566	1,066
Miscellaneous	-	10	10	-	-	-
Total revenues	<u>132,500</u>	<u>353,429</u>	<u>220,929</u>	<u>203,500</u>	<u>207,828</u>	<u>4,328</u>
EXPENDITURES						
Departmental:						
General government	574,315	511,635	62,680	-	-	-
Streets	-	-	-	871,082	617,624	253,458
Total Expenditures	<u>574,315</u>	<u>511,635</u>	<u>62,680</u>	<u>871,082</u>	<u>617,624</u>	<u>253,458</u>
Excess (deficiency) of revenues over expenditures	<u>(441,815)</u>	<u>(158,206)</u>	<u>283,609</u>	<u>(667,582)</u>	<u>(409,796)</u>	<u>257,786</u>
OTHER FINANCING SOURCES (USES)						
Transfers in	392,236	155,000	(237,236)	372,900	372,900	-
Transfers out	(18,750)	(16,706)	2,044	-	-	-
Total other financing sources and uses	<u>373,486</u>	<u>138,294</u>	<u>(235,192)</u>	<u>372,900</u>	<u>372,900</u>	<u>-</u>
Net change in fund balances	(68,329)	(19,912)	48,417	(294,682)	(36,896)	257,786
Fund balances - beginning	144,183	161,643	17,460	336,829	346,842	10,013
Fund balances - ending	<u>\$ 75,854</u>	<u>\$ 141,731</u>	<u>\$ 65,877</u>	<u>\$ 42,147</u>	<u>\$ 309,946</u>	<u>\$ 267,799</u>

(Continued)

City of Sapulpa
Schedule of Revenues, Expenditures, and Changes in Fund Balance - (Budgetary Basis)
Budget and Actual - Nonmajor Governmental Funds
For the Year ended June 30, 2023

(Continued)

	<u>Parks & Recreation Fund</u>			<u>Federal SAF Fund</u>		
	<u>Final</u>	<u>Actual Amounts, Budgetary Basis</u>	<u>Variance with Final Budget - Positive (Negative)</u>	<u>Final</u>	<u>Actual Amounts, Budgetary Basis</u>	<u>Variance with Final Budget - Positive (Negative)</u>
REVENUES						
Taxes	\$ -	\$ 437,613	\$ 437,613	\$ -	\$ -	\$ -
Charges for services	11,000	13,093	2,093	-	-	-
Investment income	300	728	428	150	427	277
Miscellaneous	10,488	10,847	359	-	-	-
Total revenues	<u>21,788</u>	<u>462,281</u>	<u>440,493</u>	<u>150</u>	<u>427</u>	<u>277</u>
EXPENDITURES						
Departmental:						
Culture and recreation	913,115	838,483	74,632	-	-	-
Public Safety	-	-	-	57,768	18,300	39,468
Total Expenditures	<u>913,115</u>	<u>838,483</u>	<u>74,632</u>	<u>57,768</u>	<u>18,300</u>	<u>39,468</u>
Excess (deficiency) of revenues over expenditures	<u>(891,327)</u>	<u>(376,202)</u>	<u>515,125</u>	<u>(57,618)</u>	<u>(17,873)</u>	<u>39,745</u>
OTHER FINANCING SOURCES (USES)						
Transfers in	783,773	305,000	(478,773)	-	-	-
Transfers out	-	-	-	(63,768)	(29,873)	33,895
Total other financing sources and uses	<u>783,773</u>	<u>305,000</u>	<u>(478,773)</u>	<u>(63,768)</u>	<u>(29,873)</u>	<u>33,895</u>
Net change in fund balances	(107,554)	(71,202)	36,352	(121,386)	(47,746)	73,640
Fund balances - beginning	225,317	211,757	(13,560)	105,350	105,359	9
Fund balances - ending	<u>\$ 117,763</u>	<u>\$ 140,555</u>	<u>\$ 22,792</u>	<u>\$ (16,036)</u>	<u>\$ 57,613</u>	<u>\$ 73,649</u>

City of Sapulpa
Schedule of Revenues, Expenditures, and Changes in Fund Balance - (Budgetary Basis)
Budget and Actual - Nonmajor Governmental Funds
For the Year ended June 30, 2023

(Continued)

	<u>Major Thoroughfare Fund</u>			<u>Water & Sewer Sales Tax Fund</u>		
	<u>Final</u>	<u>Actual Amounts, Budgetary Basis</u>	<u>Variance with Final Budget - Positive (Negative)</u>	<u>Final</u>	<u>Actual Amounts, Budgetary Basis</u>	<u>Variance with Final Budget - Positive (Negative)</u>
REVENUES						
Taxes	\$ -	\$ 437,613	\$ 437,613	\$ -	\$ 875,226	\$ 875,226
Investment income	2,000	4,138	2,138	500	1,740	1,240
Miscellaneous	-	-	-	2,765	5,715	2,950
Total revenues	<u>2,000</u>	<u>441,751</u>	<u>439,751</u>	<u>3,265</u>	<u>882,681</u>	<u>879,416</u>
EXPENDITURES						
Departmental:						
Streets	582,995	371,383	211,612	-	-	-
Water	-	-	-	1,252,886	1,082,201	170,685
Total Expenditures	<u>582,995</u>	<u>371,383</u>	<u>211,612</u>	<u>1,252,886</u>	<u>1,082,201</u>	<u>170,685</u>
Excess (deficiency) of revenues over expenditures	<u>(580,995)</u>	<u>70,368</u>	<u>651,363</u>	<u>(1,249,621)</u>	<u>(199,520)</u>	<u>1,050,101</u>
OTHER FINANCING SOURCES (USES)						
Transfers in	478,773	-	(478,773)	1,082,545	125,000	(957,545)
Total other financing sources and uses	<u>478,773</u>	<u>-</u>	<u>(478,773)</u>	<u>1,082,545</u>	<u>125,000</u>	<u>(957,545)</u>
Net change in fund balances	(102,222)	70,368	172,590	(167,076)	(74,520)	92,556
Fund balances - beginning	748,652	773,938	25,286	430,524	487,358	56,834
Fund balances - ending	<u>\$ 646,430</u>	<u>\$ 844,306</u>	<u>\$ 197,876</u>	<u>\$ 263,448</u>	<u>\$ 412,838</u>	<u>\$ 149,390</u>

City of Sapulpa
Schedule of Revenues, Expenditures, and Changes in Fund Balance - (Budgetary Basis)
Budget and Actual - Nonmajor Governmental Funds
For the Year ended June 30, 2023

(Continued)

	Spay & Neuter Fund			E911 Fund		
	<u>Final</u>	<u>Actual Amounts, Budgetary Basis</u>	<u>Variance with Final Budget - Positive (Negative)</u>	<u>Final</u>	<u>Actual Amounts, Budgetary Basis</u>	<u>Variance with Final Budget - Positive (Negative)</u>
REVENUES						
Charges for services	\$ 27,500	\$ 28,678	\$ 1,178	\$ 314,850	\$ 331,701	\$ 16,851
Investment income	10	13	3	50	234	184
Total revenues	<u>27,510</u>	<u>28,691</u>	<u>1,181</u>	<u>314,900</u>	<u>331,935</u>	<u>17,035</u>
EXPENDITURES						
Departmental:						
General government	29,000	27,971	1,029	-	-	-
Public safety	-	-	-	671,898	654,161	17,737
Total Expenditures	<u>29,000</u>	<u>27,971</u>	<u>1,029</u>	<u>671,898</u>	<u>654,161</u>	<u>17,737</u>
Excess (deficiency) of revenues over expenditures	<u>(1,490)</u>	<u>720</u>	<u>2,210</u>	<u>(356,998)</u>	<u>(322,226)</u>	<u>34,772</u>
OTHER FINANCING SOURCES (USES)						
Transfers in	-	-	-	400,000	400,000	-
Total other financing sources and uses	<u>-</u>	<u>-</u>	<u>-</u>	<u>400,000</u>	<u>400,000</u>	<u>-</u>
Net change in fund balances	(1,490)	720	2,210	43,002	77,774	34,772
Fund balances - beginning	279	1,363	1,084	4,965	25,161	20,196
Fund balances - ending	<u>\$ (1,211)</u>	<u>\$ 2,083</u>	<u>\$ 3,294</u>	<u>\$ 47,967</u>	<u>\$ 102,935</u>	<u>\$ 54,968</u>

City of Sapulpa
Schedule of Revenues, Expenditures, and Changes in Fund Balance - (Budgetary Basis)
Budget and Actual - Nonmajor Governmental Funds
For the Year ended June 30, 2023

(Continued)

	Juvenile Justice Fund			Hotel/Motel Tax 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	\$ -	\$ -	\$ -	\$ 275,000	\$ 259,770	\$ (15,230)
Fines and forfeitures	21,500	16,704	(4,796)	-	-	-
Investment income	50	145	95	500	2,018	1,518
Total revenues	<u>21,550</u>	<u>16,849</u>	<u>(4,701)</u>	<u>275,500</u>	<u>261,788</u>	<u>(13,712)</u>
EXPENDITURES						
Departmental:						
Public safety	26,050	21,616	4,434	-	-	-
Community development	-	-	-	275,779	181,777	94,002
Total Expenditures	<u>26,050</u>	<u>21,616</u>	<u>4,434</u>	<u>275,779</u>	<u>181,777</u>	<u>94,002</u>
Excess (deficiency) of revenues over expenditures	<u>(4,500)</u>	<u>(4,767)</u>	<u>(267)</u>	<u>(279)</u>	<u>80,011</u>	<u>80,290</u>
OTHER FINANCING SOURCES (USES)						
Transfers out	-	-	-	(51,563)	(48,902)	2,661
Total other financing sources and uses	<u>-</u>	<u>-</u>	<u>-</u>	<u>(51,563)</u>	<u>(48,902)</u>	<u>2,661</u>
Net change in fund balances	(4,500)	(4,767)	(267)	(51,842)	31,109	82,951
Fund balances - beginning	31,884	33,594	1,710	337,413	380,742	43,329
Fund balances - ending	<u>\$ 27,384</u>	<u>\$ 28,827</u>	<u>\$ 1,443</u>	<u>\$ 285,571</u>	<u>\$ 411,851</u>	<u>\$ 126,280</u>

City of Sapulpa
Schedule of Revenues, Expenditures, and Changes in Fund Balance - (Budgetary Basis)
Budget and Actual - Nonmajor Governmental Funds
For the Year ended June 30, 2023

(Continued)

	Polson Apportionment Fund			Economic Development Sales Tax		
	Final	Actual Amounts, Budgetary Basis	Variance with Final Budget - Positive (Negative)	Final	Actual Amounts, Budgetary Basis	Variance with Final Budget - Positive (Negative)
REVENUES						
Taxes	\$ 1,855,000	\$ 1,853,812	\$ (1,188)	\$ 300,000	\$ 385,409	\$ 85,409
Investment income	40	3,322	3,282	5,000	9,903	4,903
Total revenues	<u>1,855,040</u>	<u>1,857,134</u>	<u>2,094</u>	<u>305,000</u>	<u>395,312</u>	<u>90,312</u>
EXPENDITURES						
Departmental:						
General government	1,850,000	1,771,736	78,264	-	-	-
Culture and recreation	300,000	-	300,000	300,000	77,193	222,807
Total Expenditures	<u>2,150,000</u>	<u>1,771,736</u>	<u>378,264</u>	<u>300,000</u>	<u>77,193</u>	<u>222,807</u>
Excess (deficiency) of revenues over expenditures	<u>(294,960)</u>	<u>85,398</u>	<u>380,358</u>	<u>5,000</u>	<u>318,119</u>	<u>313,119</u>
OTHER FINANCING SOURCES (USES)						
Transfers out	(5,000)	(5,000)	-	-	-	-
Total other financing sources and uses	<u>(5,000)</u>	<u>(5,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	(299,960)	80,398	380,358	5,000	318,119	313,119
Fund balances - beginning	262	376	114	1,550,426	1,568,922	18,496
Fund balances - ending	<u>\$ (299,698)</u>	<u>\$ 80,774</u>	<u>\$ 380,472</u>	<u>\$ 1,555,426</u>	<u>\$ 1,887,041</u>	<u>\$ 331,615</u>

City of Sapulpa
Schedule of Revenues, Expenditures, and Changes in Fund Balance - (Budgetary Basis)
Budget and Actual - Nonmajor Governmental Funds
For the Year ended June 30, 2023

(Continued)

	Restricted Construction Park/Rec Fund			Series 2014 Str Cap Imp		
	<u>Final</u>	<u>Actual Amounts, Budgetary Basis</u>	<u>Variance with Final Budget - Positive (Negative)</u>	<u>Final</u>	<u>Actual Amounts, Budgetary Basis</u>	<u>Variance with Final Budget - Positive (Negative)</u>
REVENUES						
Investment income	\$ 50	\$ 505	\$ 455	\$ 5	\$ 762	\$ 757
Total revenues	<u>50</u>	<u>505</u>	<u>455</u>	<u>5</u>	<u>762</u>	<u>757</u>
EXPENDITURES						
Departmental:						
Culture and recreation	45,000	34,900	10,100	-	-	-
Total Expenditures	<u>45,000</u>	<u>34,900</u>	<u>10,100</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	<u>(44,950)</u>	<u>(34,395)</u>	<u>10,555</u>	<u>5</u>	<u>762</u>	<u>757</u>
OTHER FINANCING SOURCES (USES)						
Transfers in	65,500	65,500	-	-	-	-
Transfers out	-	-	-	(30,695)	(30,695)	-
Total other financing sources and uses	<u>65,500</u>	<u>65,500</u>	<u>-</u>	<u>(30,695)</u>	<u>(30,695)</u>	<u>-</u>
Net change in fund balances	20,550	31,105	10,555	(30,690)	(29,933)	757
Fund balances - beginning	58,407	58,063	(344)	30,690	30,697	7
Fund balances - ending	<u>\$ 78,957</u>	<u>\$ 89,168</u>	<u>\$ 10,211</u>	<u>\$ -</u>	<u>\$ 764</u>	<u>\$ 764</u>

City of Sapulpa
Schedule of Revenues, Expenditures, and Changes in Fund Balance - (Budgetary Basis)
Budget and Actual - Nonmajor Governmental Funds
For the Year ended June 30, 2023

(Continued)

	Park Development Fund			Fire Cash Fund		
	<u>Final</u>	<u>Actual Amounts, Budgetary Basis</u>	<u>Variance with Final Budget - Positive (Negative)</u>	<u>Final</u>	<u>Actual Amounts, Budgetary Basis</u>	<u>Variance with Final Budget - Positive (Negative)</u>
REVENUES						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ 218,806	\$ 218,806
Investment income	200	532	332	1,000	2,002	1,002
Total revenues	<u>200</u>	<u>532</u>	<u>332</u>	<u>1,000</u>	<u>220,808</u>	<u>219,808</u>
EXPENDITURES						
Departmental:						
Culture and recreation	31,000	31,000	-	-	-	-
Public safety	-	-	-	263,222	180,254	82,968
Total Expenditures	<u>31,000</u>	<u>31,000</u>	<u>-</u>	<u>263,222</u>	<u>180,254</u>	<u>82,968</u>
Excess (deficiency) of revenues over expenditures	<u>(30,800)</u>	<u>(30,468)</u>	<u>332</u>	<u>(262,222)</u>	<u>40,554</u>	<u>302,776</u>
OTHER FINANCING SOURCES (USES)						
Transfers in	51,563	48,902	(2,661)	237,236	-	(237,236)
Transfers out	(100,000)	(100,000)	-	(20,000)	(20,000)	-
Total other financing sources and uses	<u>(48,437)</u>	<u>(51,098)</u>	<u>(2,661)</u>	<u>217,236</u>	<u>(20,000)</u>	<u>(237,236)</u>
Net change in fund balances	(79,237)	(81,566)	(2,329)	(44,986)	20,554	65,540
Fund balances - beginning	194,925	198,771	3,846	234,614	222,191	(12,423)
Fund balances - ending	<u>\$ 115,688</u>	<u>\$ 117,205</u>	<u>\$ 1,517</u>	<u>\$ 189,628</u>	<u>\$ 242,745</u>	<u>\$ 53,117</u>

City of Sapulpa
Schedule of Revenues, Expenditures, and Changes in Fund Balance - (Budgetary Basis)
Budget and Actual - Nonmajor Governmental Funds
For the Year ended June 30, 2023

(Continued)

	Police Cash Fund			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	\$ -	\$ 218,806	\$ 218,806	\$ -	\$ -	\$ -
Investment income	250	856	606	100	456	356
Total revenues	<u>250</u>	<u>219,662</u>	<u>219,412</u>	<u>100</u>	<u>456</u>	<u>356</u>
EXPENDITURES						
Departmental:						
Public safety	390,830	335,754	55,076	-	-	-
Total Expenditures	<u>390,830</u>	<u>335,754</u>	<u>55,076</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	<u>(390,580)</u>	<u>(116,092)</u>	<u>274,488</u>	<u>100</u>	<u>456</u>	<u>356</u>
OTHER FINANCING SOURCES (USES)						
Transfers in	301,004	29,873	(271,131)	13,750	16,706	2,956
Transfers out	(20,000)	(20,000)	-	-	-	-
Total other financing sources and uses	<u>281,004</u>	<u>9,873</u>	<u>(271,131)</u>	<u>13,750</u>	<u>16,706</u>	<u>2,956</u>
Net change in fund balances	(109,576)	(106,219)	3,357	13,850	17,162	3,312
Fund balances - beginning	193,272	235,203	41,931	82,484	83,131	647
Fund balances - ending	<u>\$ 83,696</u>	<u>\$ 128,984</u>	<u>\$ 45,288</u>	<u>\$ 96,334</u>	<u>\$ 100,293</u>	<u>\$ 3,959</u>

City of Sapulpa
Schedule of Revenues, Expenditures, and Changes in Fund Balance - (Budgetary Basis)
Budget and Actual - Nonmajor Governmental Funds
For the Year ended June 30, 2023

(Continued)

	<u>Capital Improvement Fund</u>			<u>Water Resources Fund</u>		
	<u>Final</u>	<u>Actual Amounts, Budgetary Basis</u>	<u>Variance with Final Budget - Positive (Negative)</u>	<u>Final</u>	<u>Actual Amounts, Budgetary Basis</u>	<u>Variance with Final Budget - Positive (Negative)</u>
REVENUES						
Taxes	\$ -	\$ 875,226	\$ 875,226	\$ -	\$ 1,750,453	\$ 1,750,453
Intergovernmental	-	244,850	244,850	-	-	-
Investment income	1,500	4,235	2,735	1,500	6,096	4,596
Miscellaneous	258,000	109,378	(148,622)	-	-	-
Total revenues	<u>259,500</u>	<u>1,233,689</u>	<u>974,189</u>	<u>1,500</u>	<u>1,756,549</u>	<u>1,755,049</u>
EXPENDITURES						
Departmental:						
General government	194,471	197,967	(3,496)	-	-	-
Culture and recreation	792,179	839,038	(46,859)	-	-	-
Public safety	292,650	289,153	3,497	-	-	-
Streets	346,762	275,161	71,601	-	-	-
Water	346,372	287,666	58,706	1,094,390	210,649	883,741
Total Expenditures	<u>1,972,434</u>	<u>1,888,985</u>	<u>83,449</u>	<u>1,094,390</u>	<u>210,649</u>	<u>883,741</u>
Excess (deficiency) of revenues over expenditures	<u>(1,712,934)</u>	<u>(655,296)</u>	<u>1,057,638</u>	<u>(1,092,890)</u>	<u>1,545,900</u>	<u>2,638,790</u>
OTHER FINANCING SOURCES (USES)						
Transfers in	997,545	1,413,102	415,557	1,895,090	-	(1,895,090)
Transfers out	(1,373,102)	(1,373,102)	-	(1,131,161)	(1,131,161)	-
Total other financing sources and uses	<u>(375,557)</u>	<u>40,000</u>	<u>415,557</u>	<u>763,929</u>	<u>(1,131,161)</u>	<u>(1,895,090)</u>
Net change in fund balances	(2,088,491)	(615,296)	1,473,195	(328,961)	414,739	743,700
Fund balances - beginning	2,321,603	672,072	(1,649,531)	760,057	806,648	46,591
Fund balances - ending	<u>\$ 233,112</u>	<u>\$ 56,776</u>	<u>\$ (176,336)</u>	<u>\$ 431,096</u>	<u>\$ 1,221,387</u>	<u>\$ 790,291</u>

City of Sapulpa
Schedule of Revenues, Expenditures, and Changes in Fund Balance - (Budgetary Basis)
Budget and Actual - Nonmajor Governmental Funds
For the Year ended June 30, 2023

(Continued)

	<u>Street Improvement Sales Tax Fund</u>			<u>Sewer Plant Sales Tax Fund</u>		
	<u>Final</u>	<u>Actual Amounts, Budgetary Basis</u>	<u>Variance with Final Budget - Positive (Negative)</u>	<u>Final</u>	<u>Actual Amounts, Budgetary Basis</u>	<u>Variance with Final Budget - Positive (Negative)</u>
REVENUES						
Taxes	\$ -	\$ 2,188,065	\$ 2,188,065	\$ -	\$ 2,188,065	\$ 2,188,065
Investment income	14,000	35,303	21,303	600	3,217	2,617
Total revenues	<u>14,000</u>	<u>2,223,368</u>	<u>2,209,368</u>	<u>600</u>	<u>2,191,282</u>	<u>2,190,682</u>
EXPENDITURES						
Departmental:						
Streets	6,131,129	1,816,817	4,314,312	-	-	-
Wastewater	-	-	-	898,186	267,381	630,805
Total Expenditures	<u>6,131,129</u>	<u>1,816,817</u>	<u>4,314,312</u>	<u>898,186</u>	<u>267,381</u>	<u>630,805</u>
Excess (deficiency) of revenues over expenditures	<u>(6,117,129)</u>	<u>406,551</u>	<u>6,523,680</u>	<u>(897,586)</u>	<u>1,923,901</u>	<u>2,821,487</u>
OTHER FINANCING SOURCES (USES)						
Transfers in	2,384,558	30,695	(2,353,863)	2,353,863	-	(2,353,863)
Transfers out	-	-	-	(1,500,000)	(1,500,000)	-
Total other financing sources and uses	<u>2,384,558</u>	<u>30,695</u>	<u>(2,353,863)</u>	<u>853,863</u>	<u>(1,500,000)</u>	<u>(2,353,863)</u>
Net change in fund balances	(3,732,571)	437,246	4,169,817	(43,723)	423,901	467,624
Fund balances - beginning	4,740,624	4,800,336	59,712	541,399	534,144	(7,255)
Fund balances - ending	<u>\$ 1,008,053</u>	<u>\$ 5,237,582</u>	<u>\$ 4,229,529</u>	<u>\$ 497,676</u>	<u>\$ 958,045</u>	<u>\$ 460,369</u>

City of Sapulpa
Schedule of Revenues, Expenditures, and Changes in Fund Balance - (Budgetary Basis)
Budget and Actual - Nonmajor Governmental Funds
For the Year ended June 30, 2023

	<u>Grants & Aid Fund</u>			<u>G.O. Sinking Fund</u>		
	<u>Final</u>	<u>Actual Amounts, Budgetary Basis</u>	<u>Variance with Final Budget - Positive (Negative)</u>	<u>Final</u>	<u>Actual Amounts, Budgetary Basis</u>	<u>Variance with Final Budget - Positive (Negative)</u>
REVENUES						
Taxes	\$ -	\$ -	\$ -	\$ 2,300,000	\$ 2,902,731	\$ 602,731
Intergovernmental	761,405	48,648	(712,757)	-	-	-
Investment income	100	967	867	5,000	9,869	4,869
Miscellaneous	-	-	-	81,895	81,895	-
Total revenues	<u>761,505</u>	<u>49,615</u>	<u>(711,890)</u>	<u>2,386,895</u>	<u>2,994,495</u>	<u>607,600</u>
EXPENDITURES						
Departmental:						
General government	-	-	-	3,150,495	3,000,195	150,300
Culture and recreation	1,037,000	-	1,037,000	-	-	-
Public safety	79,978	56,167	23,811	-	-	-
Streets	392,731	66,000	326,731	-	-	-
Urban Development	25,500	23,700	1,800	-	-	-
Total Expenditures	<u>1,535,209</u>	<u>145,867</u>	<u>1,389,342</u>	<u>3,150,495</u>	<u>3,000,195</u>	<u>150,300</u>
Excess (deficiency) of revenues over expenditures	<u>(773,704)</u>	<u>(96,252)</u>	<u>677,452</u>	<u>(763,600)</u>	<u>(5,700)</u>	<u>757,900</u>
OTHER FINANCING SOURCES (USES)						
Transfers in	486,215	486,215	-	-	-	-
Transfers out	-	-	-	(4,125)	(3,195)	930
Total other financing sources and uses	<u>486,215</u>	<u>486,215</u>	<u>-</u>	<u>(4,125)</u>	<u>(3,195)</u>	<u>930</u>
Net change in fund balances	(287,489)	389,963	677,452	(767,725)	(8,895)	758,830
Fund balances - beginning	112,351	38,887	(73,464)	1,324,979	1,416,785	91,806
Fund balances - ending	<u>\$ (175,138)</u>	<u>\$ 428,850</u>	<u>\$ 603,988</u>	<u>\$ 557,254</u>	<u>\$ 1,407,890</u>	<u>\$ 850,636</u>

City of Sapulpa
Schedule of Revenues, Expenditures, and Changes in Fund Balance - (Budgetary Basis)
Budget and Actual - Major and Nonmajor Governmental Funds
For the Year ended June 30, 2023

	<u>Sapulpa Development Authority</u>			<u>ARTICLE X, SEC 35, GO BOND</u>		
	<u>Final</u>	<u>Actual Amounts, Budgetary Basis</u>	<u>Variance with Final Budget - Positive (Negative)</u>	<u>Final</u>	<u>Actual Amounts, Budgetary Basis</u>	<u>Variance with Final Budget - Positive (Negative)</u>
REVENUES						
Investment income	\$ -	\$ 1,350	\$ 1,350	\$ 10,000	\$ 9,549	\$ (451)
Miscellaneous	-	-	-	50,000	50,000	-
Total revenues	<u>-</u>	<u>1,350</u>	<u>1,350</u>	<u>60,000</u>	<u>59,549</u>	<u>(451)</u>
EXPENDITURES						
Departmental:						
Economic development	450,000	-	450,000	1,449,475	620,552	828,923
Culture and recreation	-	-	-	400,525	200,525	200,000
Community Development	29,326	29,326	-	-	-	-
Total Expenditures	<u>479,326</u>	<u>29,326</u>	<u>450,000</u>	<u>1,850,000</u>	<u>821,077</u>	<u>1,028,923</u>
Excess (deficiency) of revenues over expenditures	<u>(479,326)</u>	<u>(27,976)</u>	<u>451,350</u>	<u>(1,790,000)</u>	<u>(761,528)</u>	<u>1,028,472</u>
OTHER FINANCING SOURCES (USES)						
Transfers in	530,000	530,000	-	-	-	-
Total other financing sources and uses	<u>530,000</u>	<u>530,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	50,674	502,024	451,350	(1,790,000)	(761,528)	1,028,472
Fund balances - beginning	814	817	3	1,813,900	1,813,911	11
Fund balances - ending	<u>\$ 51,488</u>	<u>\$ 502,841</u>	<u>\$ 451,353</u>	<u>\$ 23,900</u>	<u>\$ 1,052,383</u>	<u>\$ 1,028,483</u>

City of Sapulpa
Schedule of Revenues, Expenditures, and Changes in Fund Balance - (Budgetary Basis)
Budget and Actual - Major and Nonmajor Governmental Funds
For the Year ended June 30, 2023

	Major Capital Project Fund		
	G.O. Bond Construction fund		
	<u>Final</u>	<u>Actual Amounts, Budgetary Basis</u>	<u>Variance with Final Budget - Positive (Negative)</u>
REVENUES			
Investment income	\$ 30,000	\$ 74,500	\$ 44,500
Miscellaneous	6,300,000	6,309,132	9,132
Total revenues	6,330,000	6,383,632	53,632
EXPENDITURES			
Departmental:			
General government	4,940,976	1,384,740	3,556,236
Culture and recreation	4,910,868	808,682	4,102,186
Public safety	2,151,181	1,237,436	913,745
Streets	5,883,695	3,913,263	1,970,432
Wastewater	159,413	144,621	14,792
Total Expenditures	18,046,133	7,488,742	10,557,391
Excess (deficiency) of revenues over expenditures	(11,716,133)	(1,105,110)	10,611,023
Net change in fund balances	(11,716,133)	(1,105,110)	10,611,023
Fund balances - beginning	11,800,792	11,827,580	26,788
Fund balances - ending	\$ 84,659	\$ 10,722,470	\$ 10,637,811

City of Sapulpa
Combining Schedule of Net Position
SMA Utility Fund Accounts
June 30, 2023

	Enterprise Fund Accounts			Total
	SMA Utility	Stormwater Management Account	Sewer System Development Account	
ASSETS				
Current assets:				
Cash and cash equivalents	\$ 927,153	\$ (182,593)	\$ 2,302,010	\$ 3,046,570
Restricted cash and cash equivalents	1,088,709	-	-	1,088,709
Investments	-	1,364,922	-	1,364,922
Interest receivable	1,453	14,050	-	15,503
Accounts receivable, net	765,851	91,037	-	856,888
Other receivables	788,221	-	500	788,721
Total current assets	3,571,387	1,287,416	2,302,510	7,161,313
Non-current assets:				
Restricted investments	287,921	-	-	287,921
Prepaid bond insurance	273,333	-	-	273,333
Capital Assets:				
Land and other non-depreciable assets	9,691,365	-	-	9,691,365
Other capital assets, net of depreciation	56,182,392	-	-	56,182,392
Capital lease assets, net of amortization	3,368	-	-	3,368
Total non-current assets	66,438,379	-	-	66,438,379
Total assets	70,009,766	1,287,416	2,302,510	73,599,692
DEFERRED OUTFLOWS OF RESOURCES				
Related to OPEB	52,764	-	-	52,764
Deferred amount on refunding	5,099,101	-	-	5,099,101
Total deferred outflows	5,151,865	-	-	5,151,865
LIABILITIES				
Current liabilities:				
Accounts payable	380,823	11,427	140,369	532,619
Accrued payroll liabilities	48,911	7,088	-	55,999
Due to other funds	-	-	1,232,000	1,232,000
Accrued interest payable	405,090	-	-	405,090
Unearned revenue	-	-	1,474,686	1,474,686
Due to depositors	67,168	-	-	67,168
Notes payable	230,000	-	-	230,000
Capital lease obligation payable	1,658	-	-	1,658
Water contract obligations	41,816	-	-	41,816
Revenue bonds payable	2,480,000	-	-	2,480,000
Accrued compensated absences	16,684	-	-	16,684
Total current liabilities	3,672,150	18,515	2,847,055	6,537,720
Non-current liabilities:				
Due to depositors	268,671	-	-	268,671
Notes payable	5,282,713	-	-	5,282,713
Water contract obligations	522,496	-	-	522,496
Revenue bonds payable, net	57,465,001	-	-	57,465,001
Lease liability	1,764	-	-	1,764
Accrued compensated absences	150,158	7,347	-	157,505
Total OPEB liability	195,427	-	-	195,427
Total non-current liabilities	63,886,230	7,347	-	63,893,577
Total liabilities	67,558,380	25,862	2,847,055	70,431,297
DEFERRED INFLOWS OF RESOURCES:				
Related to OPEB	146,661	-	-	146,661
NET POSITION				
Net investment in capital assets	10,463,491	-	-	10,463,491
Restricted for debt service	614,848	-	-	614,848
Unrestricted (deficit)	(3,621,749)	1,261,554	(544,545)	(2,904,740)
Total net position	\$ 7,456,590	\$ 1,261,554	\$ (544,545)	\$ 8,173,599

City of Sapulpa
Combining Schedule of Revenues, Expenses and Changes in Net Position
SMA Utility Fund Accounts
For the Year Ended June 30, 2023

	Enterprise Fund Accounts			Total
	SMA Utility	Stormwater Management Account	Sewer System Development Account	
REVENUES				
Water charges	\$ 4,799,047	\$ -	\$ -	\$ 4,799,047
Sewer charges	4,413,768	-	-	4,413,768
Sanitation	1,274,604	-	-	1,274,604
Water taps	44,500	-	-	44,500
Sewer taps	34,350	-	885	35,235
Late charges	188,789	-	-	188,789
Recycling center	905	-	-	905
Trucked water	130,759	-	-	130,759
Stormwater	-	854,070	-	854,070
Miscellaneous	135,016	-	-	135,016
Total operating revenues	<u>11,021,738</u>	<u>854,070</u>	<u>885</u>	<u>11,876,693</u>
OPERATING EXPENSES				
General government	226,825	-	-	226,825
Administration	214,185	-	-	214,185
Utility collections	484,915	-	-	484,915
Water treatment plant	2,342,701	-	-	2,342,701
Industrial pretreatment	74,122	-	1,918,558	1,992,680
Wastewater treatment plant	1,185,576	-	-	1,185,576
Stormwater management	-	460,148	-	460,148
Sanitation	905,134	-	-	905,134
Depreciation/amortization expense	2,173,732	-	-	2,173,732
Total Operating Expenses	<u>7,607,190</u>	<u>460,148</u>	<u>1,918,558</u>	<u>9,985,896</u>
Operating income (loss)	<u>3,414,548</u>	<u>393,922</u>	<u>(1,917,673)</u>	<u>1,890,797</u>
NON-OPERATING REVENUES (EXPENSES)				
Investment income	57,894	18,504	12,321	88,719
Miscellaneous	116,287	32,132	-	148,419
Gain (loss) on disposal of capital assets	(19,154)	-	-	(19,154)
Transfer capital assets to governmental activities	(63,539)	-	-	(63,539)
Interest expense and fiscal charges	(2,756,771)	-	-	(2,756,771)
Total non-operating revenue (expenses)	<u>(2,665,283)</u>	<u>50,636</u>	<u>12,321</u>	<u>(2,602,326)</u>
Income (loss) before contributions and transfers	749,265	444,558	(1,905,352)	(711,529)
Capital contributions	2,887,803	-	1,774,190	4,661,993
Interaccount transfers - net	550,498	(550,498)	-	-
Transfers in	6,114,934	-	1,373,102	7,488,036
Transfers out	(7,509,988)	(22,900)	(1,373,102)	(8,905,990)
Change in net position	<u>2,792,512</u>	<u>(128,840)</u>	<u>(131,162)</u>	<u>2,532,510</u>
Total net position - beginning	4,664,078	1,390,394	(413,383)	5,641,089
Total net position - ending	<u>\$ 7,456,590</u>	<u>\$ 1,261,554</u>	<u>\$ (544,545)</u>	<u>\$ 8,173,599</u>

Statistical Section

This part of the City of Sapulpa's Annual Comprehensive Financial Report presents detailed information as a way to help understand the information in the financial statements, note disclosures, and required supplementary information and what it says about the City's overall financial health.

Financial Trends

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

Revenue Capacity

These schedules contain information to help the reader assess the City's most significant revenue sources.

Debt Capacity

These schedules help the reader evaluate the affordability of the City's current level 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.

Source: Unless otherwise noted, the information in these schedules is derived from the Annual Comprehensive Financial Reports for the relevant year.

CITY OF SAPULPA, OKLAHOMA
NET ASSETS/NET POSITION BY COMPONENT
 Last Ten Fiscal Years
 June 30, 2023
TABLE 1

	FISCAL YEAR									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Governmental activities										
Net investment in capital assets	\$ 28,299,654	\$ 34,911,581	\$ 37,695,132	\$ 39,647,053	\$ 42,314,122	\$ 41,159,105	\$ 41,197,880	\$ 41,471,321	\$ 42,543,872	\$ 45,238,292
Restricted	3,508,260	2,177,147	2,246,070	3,460,194	4,468,667	5,187,945	6,270,449	7,637,793	9,776,065	9,939,428
Unrestricted*	(525,971)	(11,149,035)	(10,551,864)	(9,865,680)	(10,122,305)	(8,008,802)	(6,670,805)	(4,966,222)	(3,804,950)	(5,218,605)
Total governmental activities net assets	<u>\$ 31,281,963</u>	<u>\$ 25,939,693</u>	<u>\$ 29,389,338</u>	<u>\$ 33,241,567</u>	<u>\$ 36,660,484</u>	<u>\$ 38,338,248</u>	<u>\$ 40,797,524</u>	<u>\$ 44,142,892</u>	<u>\$ 48,514,987</u>	<u>\$ 49,959,115</u>
Business-type activities										
Net investment in capital assets	\$ (4,880,098)	\$ (4,661,216)	\$ (4,739,349)	\$ (1,481,179)	\$ (204,354)	\$ 2,852,099	\$ 3,706,724	\$ 7,459,904	\$ 9,075,161	\$ 12,107,022
Restricted	764,732	1,250,754	694,330	697,854	721,995	915,268	993,315	1,857,483	1,838,508	2,718,505
Unrestricted*	2,802,982	1,074,381	3,096,006	2,345,547	2,368,358	2,495,276	1,758,281	(2,582,631)	(1,906,900)	(2,070,556)
Total business-type activities net assets	<u>\$ (1,312,384)</u>	<u>\$ (2,336,081)</u>	<u>\$ (949,013)</u>	<u>\$ 1,562,222</u>	<u>\$ 2,885,999</u>	<u>\$ 6,262,643</u>	<u>\$ 6,458,320</u>	<u>\$ 6,734,756</u>	<u>\$ 9,006,769</u>	<u>\$ 12,754,971</u>
Primary government										
Net investment in capital assets	\$ 23,419,556	\$ 30,250,365	\$ 32,955,783	\$ 38,165,874	\$ 42,109,768	\$ 44,011,204	\$ 44,904,604	\$ 48,931,225	\$ 51,619,033	\$ 57,345,314
Restricted	4,273,012	3,427,901	2,940,400	4,158,048	5,190,662	6,103,213	7,263,764	9,495,276	11,614,573	12,657,933
Unrestricted*	2,277,011	(10,074,654)	(7,455,858)	(7,520,133)	(7,753,947)	(5,513,526)	(4,912,524)	(7,548,853)	(5,711,850)	(7,289,161)
Total primary government net assets	<u>\$ 29,969,579</u>	<u>\$ 23,603,612</u>	<u>\$ 28,440,325</u>	<u>\$ 34,803,789</u>	<u>\$ 39,546,483</u>	<u>\$ 44,600,891</u>	<u>\$ 47,255,844</u>	<u>\$ 50,877,648</u>	<u>\$ 57,521,756</u>	<u>\$ 62,714,086</u>

* 2015 and after unrestricted net position includes net pension liabilities with the implementation of GASB 68. Prior years have not been restated because the information was not available.

CITY OF SAPULPA, OKLAHOMA
 CHANGES IN NET ASSETS/POSITION
 Last Ten Fiscal Years
 June 30, 2023
 TABLE 2

	FISCAL YEAR									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Expenses										
Governmental activities:										
Administration	\$ 1,161,305	\$ 1,147,479	\$ 1,222,715	\$ 1,351,137	\$ 1,306,270	\$ 1,392,780	\$ 1,772,609	\$ 1,425,897	\$ 1,594,141	\$ 1,986,162
General government	1,355,737	1,498,532	1,310,220	1,206,167	1,364,855	1,461,436	1,963,610	1,822,882	3,137,944	3,990,386
Legal and judicial	356,413	360,529	351,084	345,408	310,484	385,385	369,390	351,067	358,571	384,032
Public safety	10,949,137	10,313,168	10,138,938	10,465,597	11,096,287	10,226,923	12,029,227	14,488,219	10,787,913	14,354,444
Urban development	502,722	487,448	412,479	307,727	240,837	768,945	496,708	1,053,445	514,917	342,047
Streets	1,271,007	2,555,471	1,754,903	1,306,127	1,769,022	1,760,452	2,077,081	2,170,664	2,386,986	2,855,614
Culture and recreation	1,479,655	1,541,965	1,463,855	1,437,105	1,524,113	1,521,404	1,476,389	1,425,240	1,659,915	1,870,302
Interest on long-term debt	500,720	645,615	670,007	725,486	600,320	649,405	543,310	837,911	843,743	974,376
Total governmental activities expenses	<u>17,576,696</u>	<u>18,550,207</u>	<u>17,324,201</u>	<u>17,144,754</u>	<u>18,212,188</u>	<u>18,166,730</u>	<u>20,728,324</u>	<u>23,575,325</u>	<u>21,284,130</u>	<u>26,757,363</u>
Business-type activities:										
Water operations	4,353,733	4,065,753	4,061,194	3,967,948	4,206,034	4,284,903	4,397,586	4,986,506	4,794,864	5,096,122
Wastewater operations	5,496,979	5,457,768	5,056,817	5,061,205	4,931,561	4,837,348	4,980,514	5,363,491	5,319,592	5,265,285
Sanitation operations	1,320,618	1,402,766	1,398,335	1,485,048	1,546,076	1,584,119	816,601	1,069,443	944,581	1,023,571
Stormwater maintenance	382,874	471,518	407,900	479,443	458,541	559,553	722,966	736,415	801,229	763,193
Golf course operations	766,627	845,914	795,604	816,663	808,562	746,335	760,332	771,134	801,632	919,735
Interest charges - governmental activities	1,910	-	-	-	-	-	-	-	-	-
Total business-type activities expenses	<u>12,322,741</u>	<u>12,243,719</u>	<u>11,719,850</u>	<u>11,810,307</u>	<u>11,950,774</u>	<u>12,012,258</u>	<u>11,677,999</u>	<u>12,926,989</u>	<u>12,661,898</u>	<u>13,067,906</u>
Total primary government expenses	<u>\$ 29,899,437</u>	<u>\$ 30,793,926</u>	<u>\$ 29,044,051</u>	<u>\$ 28,955,061</u>	<u>\$ 30,162,962</u>	<u>\$ 30,178,988</u>	<u>\$ 32,406,323</u>	<u>\$ 36,502,314</u>	<u>\$ 33,946,028</u>	<u>\$ 39,825,269</u>
Program Revenues										
Governmental activities:										
Charges for services:										
General government	\$ 346,197	\$ 383,677	\$ 416,739	\$ 370,386	\$ 413,385	\$ 438,957	\$ 431,281	\$ 543,842	\$ 582,358	\$ 672,603
Public safety	1,562,331	1,566,859	1,313,925	1,277,984	1,212,768	868,830	715,823	846,317	835,678	855,211
Streets	2,160	2,985	3,950	4,295	4,210	2,537	680	490	966	490
Culture and recreation	231,384	249,950	236,603	219,787	224,696	215,526	114,291	111,529	151,692	210,901
Operating grants and contributions	1,454,026	1,367,842	1,507,551	1,482,451	1,394,624	1,680,814	1,819,058	2,043,523	1,211,238	1,623,031
Capital grants and contributions	3,013,628	5,940,352	2,504,535	2,628,693	888,960	110,323	156,219	1,763,880	715,200	116,796
Total governmental activities program revenues	<u>6,609,726</u>	<u>9,511,665</u>	<u>5,983,303</u>	<u>5,983,596</u>	<u>4,138,643</u>	<u>3,316,987</u>	<u>3,237,352</u>	<u>5,309,581</u>	<u>3,497,132</u>	<u>3,479,032</u>

(Continued)

TABLE 2
(Continued)

	FISCAL YEAR									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Business-type activities:										
Charges for services:										
Water operations	4,550,607	4,269,833	4,857,419	4,944,803	5,085,638	4,897,220	4,971,089	4,940,725	5,305,207	5,167,352
Wastewater operations	3,367,955	3,557,465	3,701,235	3,628,741	3,772,659	3,979,941	4,174,685	4,290,569	4,343,059	4,449,003
Sanitation operations	1,446,311	1,605,453	1,658,509	1,737,669	1,848,351	1,917,216	1,217,922	1,256,785	1,343,259	1,406,268
Stormwater operations	925,114	861,917	860,229	860,819	866,218	864,438	870,016	869,924	868,512	854,070
Golf course operations	465,583	356,469	377,844	352,376	362,914	341,908	301,596	439,027	446,808	442,399
Operating grants and contributions	-	-	-	-	-	-	-	-	980	-
Capital grants and contributions	-	65,587	-	709,501	904,740	-	-	1,200	-	182,579
Total business-type activities program revenues	10,755,570	10,716,724	11,455,236	12,233,909	12,840,520	12,000,723	11,535,308	11,798,230	12,307,825	12,501,671
Total primary government program revenues	\$ 17,365,296	\$ 20,228,389	\$ 17,438,539	\$ 18,217,505	\$ 16,979,163	\$ 15,317,710	\$ 14,772,660	\$ 17,107,811	\$ 15,804,957	\$ 15,980,703
Net (Expense)/Revenue										
Governmental activities:	\$ (10,966,970)	\$ (9,038,542)	\$ (11,340,898)	\$ (11,161,158)	\$ (14,073,545)	\$ (14,849,743)	\$ (17,490,972)	\$ (18,265,744)	\$ (17,786,998)	\$ (23,278,331)
Business-type activities:	(1,567,171)	(1,526,995)	(264,614)	423,602	889,746	(11,535)	(142,691)	(1,128,759)	(354,073)	(566,235)
Total primary government net expense	\$ (12,534,141)	\$ (10,565,537)	\$ (11,605,512)	\$ (10,737,556)	\$ (13,183,799)	\$ (14,861,278)	\$ (17,633,663)	\$ (19,394,503)	\$ (18,141,071)	\$ (23,844,566)
General Revenues and Other Changes in Net Assets/Position										
Governmental activities:										
Taxes:										
Sales and use taxes	\$ 12,283,297	\$ 12,700,633	\$ 12,574,124	\$ 12,738,375	\$ 13,551,549	\$ 14,656,635	\$ 15,417,647	\$ 17,264,571	\$ 18,911,529	\$ 19,759,929
Ad valorem property taxes	1,281,765	1,880,483	1,299,375	2,001,667	1,870,647	2,120,808	2,057,748	1,813,505	2,778,914	2,902,731
Franchise and public service taxes	543,345	559,510	654,804	537,161	760,254	730,599	600,551	850,082	915,321	864,026
Payment in lieu of taxes	471,073	550,090	515,291	657,214	251,431	420,288	272,625	785,973	263,445	242,357
Hotel/motel taxes	196,538	233,668	233,289	226,145	238,006	264,140	220,138	242,481	347,501	259,770
Tax apportionment revenue	-	-	-	61,120	125,004	204,860	198,531	828,693	101,833	1,853,812
E-911 taxes	218,150	194,726	178,383	239,336	302,246	299,922	313,845	351,206	323,577	331,701
Intergovernmental revenue not restricted to specific programs	243,731	260,352	259,548	270,648	272,745	278,062	327,898	355,777	585,632	586,273
Investment income	21,745	19,857	41,612	62,587	98,796	144,570	119,840	82,603	112,166	205,722
Miscellaneous	335,570	150,704	339,546	139,931	137,061	581,060	537,273	274,365	247,767	-
Transfers-Internal activity	(1,316,581)	(346,991)	(1,305,429)	(1,920,797)	(590,258)	(3,173,437)	(115,848)	(1,238,144)	(2,428,592)	(2,283,862)
Total governmental activities	14,278,633	16,203,032	14,790,543	15,013,387	17,017,481	16,527,507	19,950,248	21,611,112	22,159,093	24,722,459
Business-type activities:										
Intergovernmental revenue not restricted to specific programs	-	-	-	-	-	-	-	-	-	1,774,191
Investment earnings	25,728	15,902	8,173	10,328	20,108	62,710	62,212	23,553	14,572	102,250
Miscellaneous	154,862	140,405	338,080	156,508	160,082	152,032	160,308	143,498	182,922	154,134
Transfers - Internal activity	1,316,581	346,991	1,305,429	1,920,797	590,258	3,173,437	115,848	1,238,144	2,428,592	2,283,862
Total business-type activities	1,497,171	503,298	1,651,682	2,087,633	770,448	3,388,179	338,368	1,405,195	2,626,086	4,314,437
Total primary government	\$ 15,775,804	\$ 16,706,330	\$ 16,442,225	\$ 17,101,020	\$ 17,787,929	\$ 19,915,686	\$ 20,288,616	\$ 23,016,307	\$ 24,785,179	\$ 29,036,896
Change in Net Assets/Position										
Governmental activities	\$ 3,530,615	\$ 3,311,663	\$ 7,164,490	\$ 3,852,229	\$ 2,943,936	\$ 1,677,764	\$ 2,459,276	\$ 3,345,368	\$ 4,372,095	\$ 1,444,128
Business-type activities	(379,000)	(70,000)	(1,023,697)	2,511,235	1,660,194	3,376,644	195,677	276,436	2,272,013	3,748,202
Total primary government	\$ 3,151,615	\$ 3,241,663	\$ 6,140,793	\$ 6,363,464	\$ 4,604,130	\$ 5,054,408	\$ 2,654,953	\$ 3,621,804	\$ 6,644,108	\$ 5,192,330

CITY OF SAPULPA, OKLAHOMA
FUND BALANCES - GOVERNMENTAL FUNDS
 Last Ten Fiscal Years
 June 30, 2023
TABLE 3

	Fiscal Year									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
General Fund										
Reserved	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved	-	-	-	-	-	-	-	-	-	-
Nonspendable	8,903	8,790	8,772	8,757	8,753	8,753	8,753	8,753	8,753	-
Committed	7,074	8,912	12,467	-	-	-	-	-	-	-
Assigned	642,999	1,527,532	1,275,512	1,061,401	951,579	1,335,272	1,822,526	2,333,409	3,668,635	3,106,823
Unassigned	<u>873,660</u>	<u>680,328</u>	<u>385,543</u>	<u>661,453</u>	<u>714,052</u>	<u>814,506</u>	<u>995,523</u>	<u>3,201,634</u>	<u>2,223,700</u>	<u>2,024,737</u>
Total general fund	<u>\$ 1,532,636</u>	<u>\$ 2,225,562</u>	<u>\$ 1,682,294</u>	<u>\$ 1,731,611</u>	<u>\$ 1,674,384</u>	<u>\$ 2,158,531</u>	<u>\$ 2,826,802</u>	<u>\$ 5,543,796</u>	<u>\$ 5,901,088</u>	<u>\$ 5,131,560</u>
All Other Governmental Funds										
Reserved	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved, reported in:										
Special revenue funds	-	-	-	-	-	-	-	-	-	-
Debt service funds	-	-	-	-	-	-	-	-	-	-
Capital project funds	-	-	-	-	-	-	-	-	-	-
Nonspendable	72,754	75,111	78,884	91,939	82,509	124,605	118,272	117,105	117,012	109,721
Restricted	3,389,744	11,623,625	11,982,145	11,777,932	11,337,476	9,946,966	23,436,988	26,952,280	23,774,353	23,685,100
Assigned	576,895	897,512	1,141,779	1,283,031	1,532,310	1,534,606	2,147,696	2,557,303	2,944,926	2,893,062
Unassigned	<u>(278,756)</u>	<u>(260,993)</u>	<u>(43,051)</u>	<u>(492)</u>	<u>(143,493)</u>	<u>25,705</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total all other governmental funds	<u>\$ 3,760,637</u>	<u>\$ 12,335,255</u>	<u>\$ 13,159,757</u>	<u>\$ 13,152,410</u>	<u>\$ 12,808,802</u>	<u>\$ 11,631,882</u>	<u>\$ 25,702,956</u>	<u>\$ 29,626,688</u>	<u>\$ 26,836,291</u>	<u>\$ 26,687,883</u>
GRAND TOTAL	<u>\$ 5,293,273</u>	<u>\$ 14,560,817</u>	<u>\$ 14,842,051</u>	<u>\$ 14,884,021</u>	<u>\$ 14,483,186</u>	<u>\$ 13,790,413</u>	<u>\$ 28,529,758</u>	<u>\$ 35,170,484</u>	<u>\$ 32,737,379</u>	<u>\$ 31,819,443</u>

CITY OF SAPULPA, OKLAHOMA
CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
Last Ten Fiscal Years
June 30, 2023
TABLE 4

	Fiscal Year									
	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
Revenues										
Sales and use taxes	\$ 12,283,297	\$ 12,700,633	\$ 12,574,124	\$ 12,738,375	\$ 13,551,549	\$ 14,656,635	\$ 15,417,647	\$ 17,264,571	\$ 18,911,529	\$ 19,759,929
Franchise and public service taxes	543,345	559,510	654,804	537,161	760,254	730,599	600,551	850,082	915,321	864,026
Ad valorem taxes	1,279,523	1,880,483	1,669,375	2,062,787	1,995,651	2,325,668	2,256,279	3,259,138	2,880,747	4,756,543
Payment in lieu of tax	471,073	465,666	327,694	509,743	326,330	290,124	283,266	286,955	261,465	264,556
Hotel/motel taxes	196,538	233,668	233,289	226,145	238,006	264,140	220,138	242,481	347,501	259,770
Intergovernmental	2,496,953	2,779,875	4,535,982	2,223,951	1,931,682	2,110,914	2,359,390	3,665,985	2,263,681	2,304,539
Charges for services	1,069,476	1,082,318	1,062,759	1,118,387	1,177,610	1,203,387	1,154,165	1,251,956	1,341,611	1,295,557
Fines and forfeitures	1,005,125	825,191	702,745	699,366	548,370	525,568	368,383	289,908	259,359	292,321
Licenses and permits	171,406	201,452	224,647	178,401	200,685	222,183	165,339	292,325	241,381	408,979
Investment income	21,284	20,611	36,837	61,256	95,513	156,233	126,637	83,103	114,799	214,318
Miscellaneous	435,900	307,719	551,099	295,327	238,084	1,173,917	651,891	520,378	508,423	508,000
Total Revenues	19,973,920	21,057,126	22,573,355	20,650,899	21,063,734	23,659,368	23,603,686	28,006,882	28,045,817	30,928,538
Expenditures:										
Administration	1,171,955	1,146,026	1,200,718	1,271,459	1,284,305	1,287,628	1,408,399	1,356,587	1,903,822	2,242,756
General government	1,138,947	1,416,531	1,391,966	1,188,280	1,224,546	1,317,933	2,154,763	2,324,100	1,702,261	1,700,112
Legal and judicial	324,632	330,599	313,227	308,989	308,234	358,609	351,489	344,722	348,458	355,699
Public safety	10,301,401	10,212,606	10,392,436	10,176,360	10,563,840	11,176,840	11,457,452	11,116,095	12,281,115	13,156,314
Urban development	502,286	658,295	430,378	337,512	231,899	378,953	304,451	274,378	342,592	362,214
Streets	856,310	1,759,652	921,631	675,147	801,925	817,806	981,786	949,764	1,018,050	1,174,071
Culture and recreation	1,094,492	1,167,813	1,254,560	1,201,433	1,238,370	1,182,568	1,109,800	1,160,048	1,328,662	1,893,089
Water	852,745	840,011	824,241	887,295	830,353	832,954	818,980	839,638	1,386,767	1,408,361
Wastewater	111,708	-	-	-	26,000	134,704	107,133	70,016	269,736	32,518
Capital outlay	3,801,541	3,710,229	6,319,488	3,312,081	4,101,086	5,984,619	4,803,732	7,313,132	7,102,916	13,229,536
Debt service:										
Principal	2,149,087	2,660,090	2,973,312	1,783,508	1,872,172	1,929,981	2,055,964	2,219,445	2,616,999	2,809,369
Interest and fiscal charges	510,795	644,865	666,696	765,209	633,839	895,419	726,702	887,539	946,513	887,284
Total Expenditures	22,815,899	24,546,717	26,688,653	21,907,273	23,116,569	26,298,014	26,280,651	28,855,464	31,247,891	39,251,323
Excess of revenues over(under) expenditures	(2,841,979)	(3,489,591)	(4,115,298)	(1,256,374)	(2,052,835)	(2,638,646)	(2,676,965)	(848,582)	(3,202,074)	(8,322,785)
Other financing sources(uses) and special item:										
Transfers in	7,530,391	7,348,812	5,981,157	6,145,938	6,124,230	7,022,232	7,865,200	7,501,018	7,219,938	9,750,861
Transfers out	(6,270,528)	(5,786,493)	(5,756,942)	(5,130,338)	(5,272,230)	(5,664,542)	(5,780,708)	(6,007,475)	(6,596,058)	(8,727,907)
Payment to escrow	-	-	-	-	-	-	(4,072,826)	-	-	-
Debt proceeds	153,643	11,160,000	4,172,317	133,712	-	588,183	19,404,644	5,836,223	108,413	6,300,000
Bond premium	-	34,816	-	-	-	-	-	159,542	-	81,895
Judgements	331,300	-	-	129,000	800,000	-	-	-	-	-
Special item - proceeds from sale of capital assets	-	-	-	20,032	-	-	-	-	36,676	-
Total other financing sources(uses) and special item	1,744,806	12,757,135	4,396,532	1,298,344	1,652,000	1,945,873	17,416,310	7,489,308	768,969	7,404,849
Net change in fund balances	\$ (1,097,173)	\$ 9,267,544	\$ 281,234	\$ 41,970	\$ (400,835)	\$ (692,773)	\$ 14,739,345	\$ 6,640,726	\$ (2,433,105)	\$ (917,936)
Debt service as a percentage of noncapital expenditures	16.3%	15.9%	17.9%	13.7%	15.5%	14.3%	13.8%	12.9%	14.0%	12.7%

CITY OF SAPULPA, OKLAHOMA
GOVERNMENTAL ACTIVITIES TAX REVENUES BY SOURCE
Last Ten Fiscal Years
June 30, 2023
TABLE 5

Fiscal Year	Ad Valorem Tax	Sales Tax	Use Tax	Franchise Tax	Payment in lieu of Tax	Hotel/Motel Tax	E-911 Tax	Totals
2014	1,279,523	11,692,608	590,689	543,345	471,073	196,538	218,150	14,991,926
2015	1,880,483	12,087,467	613,166	559,510	465,666	233,668	194,726	16,034,686
2016	1,669,375	12,080,526	493,598	654,804	327,694	233,289	178,383	15,637,669
2017	2,062,787	12,178,833	559,542	537,161	509,743	226,145	239,336	16,313,547
2018	1,995,651	12,877,535	674,014	760,254	326,330	238,006	302,246	17,174,036
2019	2,325,668	13,490,546	1,166,089	730,599	290,124	264,140	299,922	18,567,088
2020	2,256,279	14,146,410	1,271,237	600,551	283,266	220,138	313,845	19,091,726
2021	3,259,138	15,515,781	1,748,790	850,082	286,955	242,481	351,206	22,254,433
2022	2,880,747	16,958,859	1,952,670	915,321	261,465	347,501	323,577	23,640,140
2023	4,756,543	17,889,928	1,870,001	864,026	264,556	259,770	331,701	26,236,525

CITY OF SAPULPA, OKLAHOMA
ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
Last Ten Fiscal Years
June 30, 2023
TABLE 6

Fiscal Year	Real Property	Personal Property	Public Service Property	Total Assessed Value	Homestead Exemption	Net Assessed Value	Estimated Actual Value
2014	105,689,967	17,282,094	6,514,937	129,486,998	4,309,270	125,177,728	1,043,147,733
2015	108,275,772	19,619,921	6,417,131	134,312,824	5,291,198	129,021,626	1,075,180,217
2016	121,505,565	19,116,798	6,436,969	147,059,332	5,363,384	141,695,948	1,180,799,567
2017	125,527,260	20,068,645	6,210,808	151,806,713	5,395,672	146,411,041	1,220,092,008
2018	121,831,628	21,044,890	6,452,728	149,329,246	5,534,604	143,794,642	1,198,288,683
2019	127,563,572	23,354,204	6,494,676	157,412,452	5,579,948	151,832,504	1,265,270,867
2020	125,893,482	25,560,129	6,499,910	157,953,521	5,805,513	152,148,008	1,267,900,067
2021	132,335,721	24,589,521	6,853,104	163,778,346	5,925,873	157,852,473	1,315,437,275
2022	136,133,789	24,245,057	7,351,038	167,729,884	3,979,250	163,750,634	1,364,588,617
2023	146,808,525	37,842,477	7,622,705	192,273,707	6,114,881	186,158,826	1,551,323,550

Note: County Excise Board

Note: Property in the county is reassessed annually. The ratio of assessed value to true value cannot be less than 11 percent nor more than 13 1/2 percent.
Tax rates are per \$1,000 of assessed value.

CITY OF SAPULPA, OKLAHOMA
PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS
(PER \$1,000 OF ASSESSED VALUE)
Last Ten Fiscal Years
June 30, 2023
TABLE 7

Fiscal Year	City Direct Rate	(1) Overlapping Rates			Total Levy
	Sinking Fund	Sapulpa School District	County	Vo Tech School District	
2014	10.24	67.39	20.22	13.26	111.11
2015	15.23	67.36	21.30	13.26	117.15
2016	13.11	66.28	21.00	13.26	113.65
2017	14.89	66.29	20.01	13.26	114.45
2018	13.45	73.66	20.01	13.26	120.38
2019	14.35	73.40	20.01	13.26	121.02
2020	13.61	71.66	20.01	13.26	118.54
2021	15.04	69.66	20.01	13.26	117.97
2022	15.32	66.28	20.01	13.26	114.87
2023	17.66	67.04	20.01	13.26	117.97

Note: City property tax may only be levied to repay principal and interest on general obligation bonded debt approved by the voters and any court-assessed judgments.

(1) Overlapping rates are those of local and county governments that apply to property owners within the City of Sapulpa

CITY OF SAPULPA, OKLAHOMA
 PRINCIPAL PROPERTY TAXPAYERS
 CURRENT YEAR
 June 30, 2023
 TABLE 8

Taxpayer	Type of Business	Rank	2023	
			Taxable Assessed Value	Percentage of Net Total Assessed Value
Green Bay Packaging Inc	Real Estate	1	11,632,886	6.249%
Ardagh Glass Inc XM2 (2021)	Glass	2	7,667,656	4.119%
Oklahoma Gas and Electric Co	Gas/Electric	3	4,431,638	2.381%
Ardagh Glass Inc XM5(2018)	Glass	4	2,088,635	1.122%
Ardagh Glass Inc	Glass	5	1,947,019	1.046%
Rolled Alloys LP	Equipment	6	1,903,956	1.023%
Smithway Tulsa LLC	Real Estate	7	1,866,425	1.003%
Enable Oklahoma	Information Technology	8	1,771,740	0.952%
Timbers Apartments	Apartments/Leasing	9	1,752,468	0.941%
CoxCom LLC	Communications	10	1,530,228	0.822%
Totals			<u>\$ 36,592,651</u>	<u>19.66%</u>

Source: County Assessor's Office - Marie Stevens - 918-224-4508

CITY OF SAPULPA, OKLAHOMA
PROPERTY TAX LEVIES AND COLLECTIONS
Last Ten Fiscal Years
June 30, 2023
TABLE 9

Fiscal Year	Total Tax Levy	Current Tax Collections	Percentage of Levy Collected	Delinquent Tax Collections	Total Tax Collections	Percentage of Total Collected to Total Levy	Net Assessed Value	Mill Levy
2014	1,281,372	1,224,170	96%	55,353	1,279,523	99.9%	125,177,728	10.24
2015	1,965,293	1,808,677	92%	71,806	1,880,483	95.7%	129,021,626	15.23
2016	1,856,971	1,597,337	86%	73,208	1,670,545	90.0%	141,695,948	13.11
2017	2,180,147	1,921,206	88%	141,735	2,062,941	94.6%	146,411,041	13.45
2018	1,933,983	1,909,674	99%	73,495	1,983,169	102.5%	143,794,642	13.45
2019	2,178,249	1,992,664	91%	91,511	2,084,175	95.7%	151,832,504	14.35
2020	2,070,473	1,956,525	94%	67,431	2,023,956	97.8%	152,148,008	13.61
2021	2,374,493	2,293,390	97%	104,216	2,397,606	101.0%	157,852,473	15.04
2022	2,762,599	2,673,234	97%	71,904	2,745,138	99.4%	163,750,634	16.87
2023	2,851,351	2,520,372	88%	78,663	2,599,035	91.2%	186,158,826	15.32

Estimate of Needs, County Report

CITY OF SAPULPA, OKLAHOMA
SALES TAX RATES OF DIRECT AND OVERLAPPING GOVERNMENTS
Last Ten Fiscal Years
June 30, 2023
TABLE 10

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
City	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%
Creek County	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.167%
State of Oklahoma	4.50%	4.50%	4.50%	4.50%	4.50%	4.50%	4.50%	4.50%	4.50%	4.50%
Total	9.50%	9.50%	9.50%	9.50%	9.50%	9.50%	9.50%	9.50%	9.50%	9.667%
	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
City	4.000%	4.000%	4.000%	4.500%	4.500%	4.500%	4.500%	4.500%	4.500%	4.500%
Tulsa County	0.917%	0.917%	0.917%	0.367%	0.367%	0.367%	0.367%	0.367%	0.367%	0.367%
State of Oklahoma	4.500%	4.500%	4.500%	4.500%	4.500%	4.500%	4.500%	4.500%	4.500%	4.500%
Total	9.417%	9.417%	9.417%	9.367%	9.367%	9.367%	9.367%	9.367%	9.367%	9.367%

Oklahoma Tax Commission

CITY OF SAPULPA, OKLAHOMA
TAXABLE SALES BY CATEGORY
Last Ten Fiscal Years
June 30, 2023
TABLE 11

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Agriculture, forestry, and fishing	\$ (11)	\$ 2	\$ 12	\$ 63	\$ 22	\$ 224	\$ 10,019	60,794	53,677	42,683
Mining	72,905	99,305	58,055	56,750	51,380	2,240	5,157	15,034	132,657	40,525
Construction	32,766	22,196	5,583	16,947	(2,013)	17,866	10,446	10,316	12,702	31,924
Manufacturing	191,519	191,415	182,869	245,049	186,922	204,878	176,811	232,141	429,018	401,050
Transportation	211,423	200,910	235,295	252,317	261,441	261,884	238,601	289,041	341,686	464,685
Communications and utilities:										
Communications	264,794	281,842	286,571	357,230	342,486	253,926	246,370	244,786	244,329	224,861
Electric, gas, and sanitary services	912,652	914,509	855,692	873,048	875,324	903,233	882,548	916,716	1,093,771	1,289,716
Wholesale trade	1,031,499	1,180,595	1,161,478	1,187,704	1,423,865	1,651,388	1,598,397	1,667,578	1,951,584	2,229,974
Retail trade:										
Building materials, hardware, garden supply and mobile home dealer	468,238	510,290	510,416	650,171	722,616	827,498	874,856	1,042,758	1,143,120	1,218,705
General merchandise stores	2,730,900	2,986,164	2,936,387	2,976,458	3,041,583	3,179,313	3,395,968	3,676,227	3,775,128	4,042,354
Food stores	1,104,023	1,291,229	1,317,747	1,043,474	965,874	824,575	808,023	900,718	1,239,533	1,523,652
Automotive dealers and gasoline service stations	731,878	747,507	752,321	745,614	757,065	769,683	826,602	901,412	985,092	1,133,619
Apparel and accessory stores	147,636	139,801	148,863	147,220	148,593	139,065	136,815	151,689	195,247	141,706
Furniture, home furnishings and equipment stores	175,198	193,479	157,939	139,403	163,277	179,050	133,987	204,386	198,934	212,645
Eating and drinking places	1,572,118	1,680,998	1,685,045	1,737,414	1,834,286	1,858,664	1,925,502	2,024,419	2,129,943	2,199,877
Miscellaneous retail	1,021,678	910,867	1,044,786	1,139,562	1,284,497	1,596,919	1,889,011	2,248,469	1,932,753	1,676,489
Finance, insurance, and real estate	174,950	168,302	177,994	200,296	190,877	202,629	203,915	188,679	220,833	223,246
Services:										
Hotels and motels	257,499	200,200	229,848	175,919	228,797	260,960	213,599	252,323	301,669	273,421
Personal services	50,175	79,379	99,646	53,082	51,006	31,944	17,128	32,721	42,752	35,816
Business services	29,697	37,775	39,154	74,717	86,412	103,216	118,298	156,895	208,918	220,216
Automotive repair services and garages	47,919	53,676	53,766	70,751	76,371	83,484	86,853	148,684	118,851	116,829
Miscellaneous repair services	7,936	7,629	14,131	12,441	18,117	20,104	18,529	15,824	18,390	25,181
Motion pictures	38,868	35,062	32,460	27,098	37,869	49,451	35,023	10,588	39,766	41,588
Other services	116,619	60,567	27,289	21,575	11,175	27,168	32,049	20,755	26,766	31,510
Nonclassifiable establishments	379,110	219,190	109,585	89,604	37,218	46,500	159,978	33,830	50,365	36,956
	<u>\$ 11,771,988</u>	<u>\$ 12,212,889</u>	<u>\$ 12,122,933</u>	<u>\$ 12,293,906</u>	<u>\$ 12,795,060</u>	<u>\$ 13,495,861</u>	<u>\$ 14,044,485</u>	<u>\$ 15,446,783</u>	<u>16,887,484</u>	<u>17,879,227</u>

CITY OF SAPULPA, OKLAHOMA
RATIO FOR OUTSTANDING DEBT BY TYPE
Last Ten Fiscal Years
June 30, 2023
TABLE 12

Fiscal Year	Governmental Activities			Business-Type Activities			Total Primary Government	Per Capita
	General Obligation Bonds	Notes Payable	Revenue Bonds	Revenue Bonds Payable	Notes Payable	Water Contract Obligations		
2014	11,905,000	343,109	1,315,000	69,335,000	201,663	2,064,317	85,164,089	4,087
2015	14,450,000	225,130	7,605,000	67,940,000	118,880	1,754,960	92,093,970	4,483
2016	16,365,000	474,466	6,700,000	65,870,000	76,321	1,433,192	90,918,979	4,418
2017	15,300,000	445,824	6,255,000	64,345,000	32,965	1,098,515	87,477,304	4,180
2018	14,025,000	351,154	5,795,000	62,780,000	172,313	750,412	83,873,879	4,024
2019	12,745,000	809,488	5,325,000	61,170,000	720,263	716,061	81,485,812	3,917
2020	25,955,000	629,945	4,850,000	59,530,000	1,150,599	680,334	92,795,878	4,386
2021	31,442,395	538,391	4,377,769	64,845,000	4,823,117	643,172	106,669,844	4,924
2022	29,459,576	426,001	3,870,000	62,405,000	5,814,636	604,517	102,579,730	4,620
2023	33,598,152	281,631	3,365,000	59,945,000	5,512,713	564,313	103,266,809	4,549

Note: Beginning in fiscal year 2021 in accordance with a GFOA comment recommendation, the Judgments Payable category was removed from the calculations above.

CITY OF SAPULPA, OKLAHOMA
RATIO OF NET GENERAL BONDED DEBT TO ASSESSED
VALUE AND NET BONDED DEBT PER CAPITA
Last Ten Fiscal Years
June 30, 2023
TABLE 13

Fiscal Year	Population (1)	Net Assessed Value	Gross Bonded Debt	Less Debt Service Funds	Net Bonded Debt	Ratio of Net Bonded Debt to Assessed Value	Net Bonded Debt Per Capita
2014	20,836	125,177,728	11,905,000	354,392	11,550,608	9.23%	554
2015	20,544	129,021,626	14,450,000	368,329	14,081,671	10.91%	685
2016	20,579	141,695,948	16,365,000	525,880	15,839,120	11.18%	770
2017	20,928	146,411,041	15,300,000	792,264	14,507,736	9.91%	693
2018	20,843	143,794,642	14,025,000	896,692	13,128,308	9.13%	630
2019	20,802	151,832,504	12,745,000	970,059	11,774,941	7.76%	566
2020	21,156	152,148,008	25,955,000	1,117,211	24,837,789	16.32%	1,174
2021	21,664	157,852,473	30,415,000	1,362,895	29,052,105	18.40%	1,341
2022	22,205	163,750,634	28,500,000	1,416,785	27,074,912	16.53%	1,219
2023	22,700	186,158,826	32,640,000	1,407,890	32,640,000	17.53%	1,438

(1) Oklahoma Department of Commerce Projection

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

**CITY OF SAPULPA, OKLAHOMA
COMPUTATION OF DIRECT AND OVERLAPPING DEBT
TABLE 14**

<u>Jurisdiction</u>	<u>Net (1) Debt Outstanding</u>	<u>Percentage (2) Applicable to City of Sapulpa</u>	<u>Amount Applicable to City of Sapulpa</u>
Direct - City of Sapulpa	\$29,519,045	100.00%	\$29,519,045
Overlapping: Sapulpa School District	\$10,788,560	66.09%	\$7,130,665
Overlapping: Tulsa School District	\$178,013,270	0.24%	\$423,491
Overlapping: Lone Star School District	\$628,008	51.65%	\$324,386
Overlapping: Allen Bowden School District	\$1,030,377	8.44%	\$86,973
Overlapping: Kiefer School District	\$3,785,057	1.43%	\$54,117
Overlapping: Kellyville School District	\$1,835,930	1.57%	\$28,760
Overlapping: Pretty Water School District	\$488,041	0.57%	\$2,779
Total	<u>\$218,320,875</u>		<u>\$37,484,560</u>

Outstanding bond debt-06-30-23

(1) 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 Sapulpa.

CITY OF SAPULPA, OKLAHOMA
LEGAL DEBT MARGIN INFORMATION
Last Ten Fiscal Years
June 30, 2023
TABLE 15

	Fiscal Year									
	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
Debt limit	\$ 12,517,773	\$ 12,902,163	\$ 14,169,595	\$ 14,641,104	\$ 14,379,464	\$ 15,183,250	\$ 15,214,801	\$ 15,785,247	\$ 16,375,063	\$ 18,615,883
Total net debt applicable to limit	<u>7,765,000</u>	<u>8,995,000</u>	<u>9,355,000</u>	<u>8,810,000</u>	<u>8,115,000</u>	<u>7,415,000</u>	-	-	-	-
Legal debt margin	<u>\$ 4,752,773</u>	<u>\$ 3,907,163</u>	<u>\$ 4,814,595</u>	<u>\$ 5,831,104</u>	<u>\$ 6,264,464</u>	<u>\$ 7,768,250</u>	<u>\$ 15,214,801</u>	<u>\$ 15,785,247</u>	<u>\$ 16,375,063</u>	<u>\$ 18,615,883</u>
Total net debt applicable to the limit as a percentage of debt limit	62.03%	69.72%	66.02%	60.17%	56.43%	48.84%	0.00%	0.00%	0.00%	0.00%

Legal Debt Margin Calculation for Current Fiscal Year

Net assessed valuation	\$ 186,158,826
Debt limit (10% of total assessed value)	18,615,883
Debt applicable to limit:	
General obligation bonds	32,640,000
Less: bonds issued without debt limit in accordance with Article 10, Section 27	30,800,000
Less: bonds issued without debt limit in accordance with Article 10, Section 35	<u>1,840,000</u>
Total net debt applicable to limit	<u>-</u>
Legal debt margin	<u>\$ 18,615,883</u>

Note: Article 10, Section 26 of the Constitution of the State of Oklahoma limits municipal debt to 10% of net assessed valuation.

Article 10, Section 27 of the Constitution of the State of Oklahoma limits municipal debt to various purposes based upon City ownership of property that are excluded from the 10% debt limit.

Article 10, Section 35 of the Constitution of the State of Oklahoma excludes economic development purposes from the 10% debt limit.

Note 2: During fiscal year 2020 a further understanding of Article 10, Section 27 was obtained, and it was determined that all current general obligation debt is exempt from the 10% debt limit of total assessed value. As such, the debt limit margin remaining in previous fiscal years likely should have been greater than reflected above.

CITY OF SAPULPA, OKLAHOMA
THE SAPULPA MUNICIPAL AUTHORITY
UTILITY SYSTEMS DIVISION
PLEDGED REVENUE COVERAGE
Last Ten Fiscal Years
June 30, 2023
TABLE 16

		<u>Eligible Revenues</u>	<u>Eligible Expenses (1)</u>	<u>Net Revenue Available for Debt Service</u>	<u>Average Annual/ Annual Debt Service</u>	<u>Revenue Bond Coverage</u>
2014	Series 2012 and 2013 Refunding	14,042,548	5,571,732	8,470,816	4,095,687	2.07
2015	Series 2012 and 2013 Refunding	14,171,125	5,154,402	9,016,723	4,095,687	2.20
2016	Series 2012 and 2013 Refunding	15,106,791	4,964,475	10,142,316	4,095,687	2.48
2017	Series 2012 and 2013 Refunding	15,068,058	5,423,023	9,645,035	4,095,687	2.35
2018	Series 2012 and 2013 Refunding	15,615,611	5,620,951	9,994,660	4,103,235	2.44
2019	Series 2012 and 2013 Refunding	15,959,581	5,728,300	10,231,281	4,102,794	2.49
2020	Series 2012 and 2013 Refunding	16,721,370	5,661,575	11,059,795	4,113,715	2.69
2021	Series 2020 Refunding	15,892,992	4,983,599	10,909,393	4,109,623	2.65
2022	Series 2020 Refunding	16,916,412	6,188,705	10,727,707	5,038,182	2.13
2023	Series 2020 Refunding	16,949,185	7,812,164	9,137,021	3,933,766	2.32

(1) Excludes depreciation and amortization expense.

CITY OF SAPULPA, OKLAHOMA
DEMOGRAPHIC AND ECONOMIC STATISTICS
Last Ten Calendar Years
June 30, 2023
TABLE 17

Calendar Year	Population (1)	Personal Income (in thousands)	Per Capita Personal Income (2)	Median Age of Population (3)	School Enrollment (4)	Unemployment Rate (5)
2014	20,836	983,875	47,220	34.9	5,782	4.6%
2015	20,544	1,089,777	53,046	34.0	5,672	4.3%
2016	20,579	1,132,997	55,056	39.4	5,612	5.4%
2017	20,928	1,208,111	57,727	38.3	5,449	4.6%
2018	20,843	1,080,521	51,841	37.7	5,410	3.6%
2019	20,802	1,141,322	54,866	37.3	5,311	3.4%
2020	21,156	1,196,160	56,540	37.7	5,089	2.1%
2021	21,664	1,258,050	58,071	38.0	5,087	3.90%
2022	22,205	1,330,990	59,941	38.0	5,329	3.60%
2023	22,700	1,421,429	62,618	39.1	5,162	3.20%

Sources:

- (1) Oklahoma Department of Commerce Projection
- (2) Per Capital Personal Income - US Bureau of Economic Analysis for the Tulsa metropolitan area
- (3) U.S. Census Bureau
- (4) Sapulpa School District, Independent School Districts
- (5) www.bls.gov

CITY OF SAPULPA, OKLAHOMA
PRINCIPAL EMPLOYERS
CURRENT YEAR
June 30, 2023
TABLE 18

<u>Employer</u>	<u>Product/Business</u>	<u>2023</u>	
		<u>Rank</u>	<u>Employees</u>
BIOS Corporation	Health Care and Social Assistance	1	1,050
Sapulpa Public Schools	Education Services	2	577
TD Williamson	Manufacturing/Engineering Equipment	3	495
Paragon Industries	Pipe Manufacturing	4	400
Ardagh	Manufacturing/Glass Bottles	5	372
John Christner Trucking	Transportation	6	340
Bennett Steel	Commercial Steel Fabrication	7	286
Walmart Supercenter	Retail	8	280
St. John Sapulpa	Health Services	9	175
Green Bay Packing	Corrugated Boxes	10	134
American Heritage Bank	Financial Institution	11	100
Totals			<u>4,209</u>

Sapulpa Chamber of Commerce
Updated 2-29-2024

CITY OF SAPULPA, OKLAHOMA
FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION/PROGRAM
 Last Ten Fiscal Years
 June 30, 2023
TABLE 19

Function/Program	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
General Government:										
Management Services	5	5	5	5	5	5	5	5	5	7
Finance	5	5	5	5	5	5	5	5	6	5
Planning	3	3	3	3	3	3	3	5	4	3
Building	2	2	2	2	2	2	2	3	3	3
Community Image	1	1	1	1	1	1	1	1	1	1
Court	3	3	3	3	3	3	3	3	3	3
Treasurer										
Human Resources	1	1	1	1	1	1	1	1	1	1
MIS										
Legal	2	2	2	2	2	2	2	2	2	2
Cemetery	6	6	6	6	6	6	6	7	6	6
Other (FM, VM, Tort, FM, DCC)	5	5	5	5	5	5	5	2	2	2
Utility Accounting	6	6	6	6	6	6	6	3	5	6
Total General Government	39	39	39	39	39	39	39	37	38	39
Public Safety and Judiciary:										
Police										
Officers	43	43	43	47	46	47	47	50	43	50
Civilians	11	11	11	11	12	12	11	13	14	0
Animal Welfare	2	2	2	2	2	3	3	5	5	4
Fire:										
Firefighters & Officers	49	47	47	49	50	50	53	54	53	53
Civilians	1	1	1	1	1	1	1	2	1	9
Central Communications/EM										
Total Public Safety and Judiciary	106	104	104	110	111	113	115	124	116	116
Transportation:										
Streets	12	12	12	12	12	12	12	9	8	13
Total Transportation	12	12	12	12	12	12	12	9	8	13
Cultural, Parks and Recreation:										
Parks and Recreations	7	7	7	7	7	7	8	10	9	9
Library	5	5	5	5	5	5	5	5	4	5
Golf Course	5	5	5	6	5	7	8	8	6	8
Total Cultural, Parks and Recreation	17	17	17	18	17	19	21	23	19	22
Public Works:										
Solid Waste Collection	0	0	0	0	0	0	0	0	0	
Utility Maintenance	11	12	12	11	11	11	11	10	11	13
Water Treatment	8	8	8	8	8	8	8	8	8	8
Wastewater Treatment	13	13	13	12	12	12	12	10	10	11
Industrial Pretreatment/Stormwater Management	4	4	4	3	3	4	4	4	4	4
Total Public Works	36	37	37	34	34	35	35	32	33	36
Total Full-Time Employees by Function/Program	210	209	209	213	213	218	222	225	214	226

CITY OF SAPULPA, OKLAHOMA
Capital Asset Statistics by Function/Program
Last Ten Fiscal Years
June 30, 2023
TABLE 20

<u>Function/Program</u>	<u>Fiscal Year</u>									
	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
General Government										
Buildings	17	17	17	17	17	17	17	17	18	18
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Zone Offices	1	1	1	1	1	1	1	1	1	1
Patrol units	33	32	32	32	35	44	44	46	52	52
Fire										
Stations	4	4	4	4	4	4	4	4	4	4
Trucks	12	12	12	11	14	14	15	10	10	15
Vehicles	8	10	10	11	9	11	12	14	14	9
Trailer Vans	4	4	4	4	4	4	4	2	2	1
Boats	2	2	2	2	1	2	2	2	2	2
Refuse Collection										
Collection trucks	-	-	-	-	-	-	-	-	-	-
Streets										
Street miles	209	209	209	209	209	209	209	209	209	209
Streetlights	1,410	1,410	1,410	1,410	1,410	1,410	1,410	1,410	1,410	1,410
Traffic signals	23	23	23	23	23	23	23	23	24	25
Parks and recreation										
Acreage	487	487	487	487	487	487	487	481	481	415
Playgrounds	12	12	12	12	12	12	12	10	10	7
Baseball/softball diamonds	14	14	14	14	14	14	16	8	14	14
Soccer/football fields	12	12	12	12	12	12	14	11	14	14
Community Center	1	1	1	1	1	1	1	1	1	1
Pool	1	1	1	1	1	1	1	1	1	1
Golf course	1	1	1	1	1	1	1	1	1	1
Library										
Buildings	2	2	2	2	2	2	2	2	2	2
Public Transportation										
Buses	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Trolley	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Cemetery										
Plots	35,750	34,150	34,150	46,925	27,225	100	102	150	161	93
Vehicles & Machinery	17	17	17	17	17	17	17	19	19	19
Water										
Water mains (miles)	94	94	94	94	94	94	94	94	94	98
Fire hydrants	860	547	547	547	570	578	578	1,400	601	580
Storage capacity (thousands of	6,250	6,250	6,250	6,250	6,250	6,250	6,250	6,250	6,250	6,250
Wastewater										
Sanitary sewers (miles)	106	106	106	106	106	106	106	106	106	110
Storm sewers (feet)	159,679	159,679	159,679	159,679	159,679	159,679	159,679	159,679	159,679	169,866
Daily Treatment Capacity	7,000	7,000	7,000	7,000	7,000	7,000	7,000	7,000	7,000	7,000

CITY OF SAPULPA, OKLAHOMA
Operating Indicators by Function/Program
Last Ten Fiscal Years
June 30, 2023
TABLE 21

Function/Program	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Police										
Physical Arrests	863	1078	1021	1135	990	899	748	422	544	604
*Parking Violations	17	12	7	4	6	2	4	0	0	1
Traffic Violations	8728	5830	4350	4340	4180	3425	2251	2013	3198	1322
Fire										
Emergency Responses	3137	2924	2587	3475	3537	3873	4329	4936	4832	5490
Fires Extinguished	206	224	143	234	154	147	172	161	205	242
Inspections	310	175	44	140	189	125	78	78	65	135
Solid Waste Collection										
Solid Waste Collected (Tons Per Day)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Recyclables Collected (Tons Per Day)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Other Public Works										
Potholes Repaired:										
Asphalt Patching (Tons)	452	485	404	572	420	226	356	542	305	421
Concrete Patching (Cubic Yards)	10	10	10	0	6	5	0	0	142	41
Parks & Recreation										
Athletic Field-Agreements										
Sapulpa Little League (# of Fields Usec	14	14	14	14	14	14	14	14	4	15
Sapulpa Youth Soccer (# of Fields Use	12	12	12	12	12	12	14	14	14	15
Sapulpa Girls Softball (# of Fields Usec	10	10	10	10	10	10	14	14	10	10
Community Center/Park Rentals	97	143	140	140	163	193	79	200	84	166
Senior Citizen- Meals Served	4000	5750	5769	1476	1100	2131	1602	0	1037	0
-Sr. Center Lunch Program										
Water										
Connections	6552	6557	6537	6544	6504	6541	6609	6265	6576	5869
Water Main Breaks	50	50-100	50-100	50-100	50-100	50-100	50-100	50-100	20-50	50-100
Average Daily Consumption (Thousands of Gallons)	3036	2612	3014	2666	2482	2452	2221	2397	2366	2367
Peak Daily Consumption (Thousands of Gallons)	4643	3974	4795	4068	3634	3587	3498	5278	3769	4432
Wastewater										
Average Daily Sewage Treatment (Thousands of Gallons)	3000	3000	3000	3000	3000	3000	3000	3000	3000	3000
Transit										
Total Route Miles-Trolleys & Broncho	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Total Route Miles-Rt-37	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Passengers	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Source: Various City Departments

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