

CITY OF ENID



AUDIT REPORT

City of Enid, Oklahoma
June 30, 2022

Contents

Independent Auditor’s Report	1
Management’s Discussion and Analysis	4
Government-Wide Financial Statements	
Statement of Net Position	13
Statement of Activities	15
Fund Financial Statements	
Balance Sheet – Governmental Funds.....	16
Reconciliation of the Balance Sheet – Governmental Funds to the Statement of Net Position	17
Statement of Revenues, Expenditures, and Changes in Fund Balance – Governmental Funds.....	18
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balance – Governmental Funds to the Statement of Activities	19
Statement of Net Position – Proprietary Funds	20
Statement of Revenues, Expenses, and Changes in Net Position – Proprietary Funds	22
Statement of Cash Flows – Proprietary Funds	23
Statement of Fiduciary Net Position – Fiduciary Funds.....	25
Statement of Changes in Fiduciary Net Position – Fiduciary Funds.....	26
Notes to Financial Statements	27
Required Supplementary Information	
The Employee Retirement System of Enid, Oklahoma	
Schedule of Changes in Net Pension Liability and Related Ratios.....	77
Schedule of Employer Contributions	78
Oklahoma Police Pension and Retirement System	
Schedule of the City’s Proportionate Share of the Net Pension Liability (Asset).....	79
Schedule of the City’s Contributions	80
Oklahoma Firefighters’ Pension and Retirement System	
Schedule of the City’s Proportionate Share of the Net Pension Liability (Asset).....	81
Schedule of the City’s Contributions	82

City of Enid, Oklahoma
June 30, 2022

Contents, continued

Schedule of Changes in the City’s Total OPEB Liability and Related Ratios	83
Budgetary Comparison Schedule – General Fund and Major Special Revenue Funds (Budgetary Basis).....	84
Reconciliation of Budgetary Comparison Schedule (Budgetary Basis) to Fund Financial Statements (GAAP Basis)	85
Note to Budgetary Comparison Schedule	86

Other Supplementary Information

Combining Balance Sheet – Nonmajor Governmental Funds.....	87
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance – Nonmajor Governmental Funds	89
Combining Statement of Net Position – Nonmajor Proprietary/Enterprise Funds.....	91
Combining Statement of Revenues, Expenses, and Changes in Net Position – Nonmajor Proprietary/Enterprise Funds.....	93
Combining Statement of Cash Flows – Nonmajor Proprietary/Enterprise Funds.....	94
Combining Statement of Fiduciary Net Position – Fiduciary Funds.....	96
Combining Statement of Changes in Fiduciary Net Position – Fiduciary Funds.....	97
Schedule of Debt Service Coverage Requirements	98



110 N. Elgin Avenue, Suite 400 / Tulsa, OK 74120

P 918.584.2900 / F 918.584.2931

forvis.com

Independent Auditor's Report

Honorable Mayor and City Council
City of Enid, Oklahoma
Enid, Oklahoma

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Enid, Oklahoma (the City) as of and for the year ended June 30, 2022 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 accompanying 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, 2022 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 (GAAS). 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.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America 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 12 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 GAAS 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 GAAS, 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 management's discussion and analysis, budgetary comparison, and pension and other postemployment benefit information, 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 GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other 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 other supplementary information, as listed in the table of contents, is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the 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 GAAS. In our opinion, the other supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

FORVIS,LLP

Tulsa, Oklahoma
March 31, 2023

City of Enid, Oklahoma

Management's Discussion and Analysis

Year Ended June 30, 2022

The following discussion and analysis of the City of Enid's (the City) financial performance provides an overview of the City's financial activities for the fiscal year ended June 30, 2022. During 2022, the City adopted the provisions of GASB Statement No. 87, *Leases*. However, the 2021 balances within the MD&A have not been restated. Please read it in conjunction with the City's basic financial statements, which begin on page 13.

Financial Highlights

The assets and deferred outflows of the City exceeded its liabilities and deferred inflows at the close of June 30, 2022 by \$323,242,133 (net position).

During the year, the City's total net position increased by \$16,494,884 from its beginning balance. This is largely attributed to activity related to the Kaw Lake Water Supply Project and decreases in the City's portion of its net pension liabilities.

Governmental activities accounted for a decrease of \$12,846,618. Business-type activities increased overall net position by \$29,341,502.

The City's total long-term liabilities increased \$46,168,871 during the current fiscal year. The key factors in the increase are due to draws of funds from Oklahoma Water Resources Board State Revolving Funds related to the Kaw Lake Water Supply Project.

At the close of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$26,501,120, a decrease of \$23,333,956 in comparison with the prior year. Fund balance of \$391,309 is considered nonspendable, consisting of inventories and prepaid expenses. A total of \$569,103 is restricted by contractual agreements, state statutes, or enabling legislation. Fund balance of \$26,403,838 is committed by the City Council for various uses, leaving an unassigned deficit fund balance of \$863,130, which is primarily the result of the timing of activity and transfers related to the Kaw Lake Water Supply Project.

At the end of the current fiscal year, unassigned fund balance for the General Fund was \$18,713,245, or 34% of total General Fund expenditures and transfers out.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-Wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad view of the City's finances, in a manner similar to a private-sector business.

The statement of net position presents information on all of the City's assets and liabilities, deferred inflows/outflows, with the net difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

The statement of activities presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in the future fiscal periods (*e.g.*, uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the City include general government, public safety, public works, culture and recreation, and economic development. The business-type activities of the City include the Enid Municipal Authority, which includes the City's water, wastewater, landfill, and sanitation utility operations. Business-type activities also include the Enid Events Center and Convention Hall (Stride Bank Center), Woodring Regional Airport, Meadowlake Golf Course, and the Enid Public Transit Authority.

The government-wide financial statements can be found on pages 13–15 of this report.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental Funds – Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. A reconciliation of the governmental fund balance sheet and statement of revenues, expenditures, and changes in fund balances with the government-wide statements of net position and activities provide a comparison between governmental funds and governmental activities.

The City maintains 18 individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, Police Fund, Fire Fund, and Water Capital Improvements Fund, all of which are considered to be major funds. Data from the remaining governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report. The City adopts an annual appropriated budget for its General Fund, Police Fund, and Fire Fund. A budgetary comparison statement has been provided, as required supplementary information, for these funds to demonstrate compliance with this budget.

The basic governmental fund financial statements can be found on pages 16–19 of this report.

Proprietary Funds – The City maintains two different types of proprietary funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. Internal service funds are an accounting device used to accumulate and allocate costs

internally among the entity's various functions. The City uses an internal service fund to account for its healthcare plan. Because this service predominately services governmental functions, it is included within governmental activities in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide information for the Enid Municipal Authority and the Enid Event Center and Convention Hall, which are considered to be major funds of the City. The City maintains a total of five proprietary funds. Data from the other proprietary funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor proprietary funds is provided in the form of combining statements found elsewhere in this report.

The basic proprietary fund financial statements can be found on pages 20–24 of this report.

Fiduciary Funds – Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reported in the government-wide financial statements because the resources of those funds are not available to support the City's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

The City maintains two different types of fiduciary funds. The pension trust funds are used to report resources held in trust for retirees and beneficiaries covered by the Employee Retirement System of Enid, Oklahoma. The custodial funds report sources held by the City in a custodial capacity for individuals, private organizations, and other governments.

The basic fiduciary fund financial statements can be found on pages 25–26 of this report.

Notes to Financial Statements

The notes to financial statements provide additional information that is necessary to acquire a full understanding of the data provided in the government-wide and fund financial statements. The notes to financial statements can be found on pages 27–76 of this report.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the City's progress in funding its obligations to provide pension benefits to its employees, and actual revenues and expenditures on a budgetary basis compared with the original and final budgets for the General Fund, Police Fund, and Fire Fund.

Required supplementary information can be found on pages 77–86 of this report.

The combining statements referred to earlier in connection with nonmajor governmental funds and nonmajor proprietary funds are presented immediately following the required supplementary information on pensions and budgetary comparisons.

Combining statements and schedules can be found on pages 87–98 of this report.

Government-Wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the City's governmental activities, assets and deferred outflows exceeded liabilities and deferred inflows by \$84,920,268 at the close of the most recent fiscal year. The business-type activities assets and deferred outflows exceeded liabilities and deferred inflows by \$238,321,865.

The following table presents the City's net position for the primary government at June 30:

	Governmental Activities		Business-Type Activities		Total	
	2022	2021	2022	2021	2022	2021
Current assets	\$ 69,888,467	\$ 68,868,003	\$ 18,521,988	\$ 10,914,459	\$ 88,410,455	\$ 79,782,462
Capital and lease assets	79,808,696	74,136,230	296,619,030	215,141,000	376,427,726	289,277,230
Noncurrent assets	6,507,716	48,681	143,242,304	146,740,781	149,750,020	146,789,462
Total assets	156,204,879	143,052,914	458,383,322	372,796,240	614,588,201	515,849,154
Deferred outflows of resources	7,562,173	7,694,383	609,811	255,578	8,171,984	7,949,961
Current liabilities	41,302,753	18,346,826	12,522,945	11,009,693	53,825,698	29,356,519
Long-term liabilities	20,346,705	30,106,990	207,528,108	151,894,543	227,874,813	182,001,533
Total liabilities	61,649,458	48,453,816	220,051,053	162,904,236	281,700,511	211,358,052
Deferred inflows of resources	17,197,326	4,526,595	620,215	1,167,219	17,817,541	5,693,814
Net position						
Net investment in capital assets	56,248,492	73,067,090	160,280,928	142,698,302	216,529,420	215,765,392
Restricted	7,029,438	424,440	72,255,475	54,309,851	79,284,913	54,734,291
Unrestricted	21,642,338	24,275,356	5,785,462	11,972,210	27,427,800	36,247,566
Total net position	\$ 84,920,268	\$ 97,766,886	\$ 238,321,865	\$ 208,980,363	\$ 323,242,133	\$ 306,747,249

By far the largest portion of the City's net position (67%) reflects its investment in capital assets (*e.g.*, land, buildings, improvements, vehicles, and equipment) less any related debt used to acquire those assets that is still outstanding. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the City's net position (24%) represents resources that are subject to external restrictions on how they may be used either by external groups, such as creditors, grantors, or laws and regulations of other governments, or by law through constitutional provisions or enabling legislation. The remaining balance is unrestricted net position of \$27,427,800 (9%).

The City's ending total net position increased by \$16,494,884 during the current fiscal year, compared with the beginning total net position. The reasons for this overall increase are discussed in the following sections for governmental activities and business-type activities.

The changes in net position for the years ended June 30 were as follows:

	Governmental Activities		Business-Type Activities		Total	
	2022	2021	2022	2021	2022	2021
Revenues						
Program revenues						
Charges for services	\$ 1,974,502	\$ 1,886,891	\$ 46,624,653	\$ 44,180,353	\$ 48,599,155	\$ 46,067,244
Grants/contributions	3,075,397	7,202,328	836,745	447,168	3,912,142	7,649,496
General revenues	<u>47,481,751</u>	<u>49,929,648</u>	<u>1,459,516</u>	<u>1,343,495</u>	<u>48,941,267</u>	<u>51,273,143</u>
Total revenues	<u>52,531,650</u>	<u>59,018,867</u>	<u>48,920,914</u>	<u>45,971,016</u>	<u>101,452,564</u>	<u>104,989,883</u>
Expenses						
General government	6,802,153	9,601,611	-	-	6,802,153	9,601,611
Public safety	19,018,477	24,882,150	-	-	19,018,477	24,882,150
Public works	18,391,928	10,815,832	-	-	18,391,928	10,815,832
Culture and recreation	2,788,156	2,624,132	-	-	2,788,156	2,624,132
Utility operations	-	-	26,426,147	26,177,557	26,426,147	26,177,557
Airport	-	-	3,422,954	2,494,038	3,422,954	2,494,038
Economic development	1,493,400	4,084,832	-	-	1,493,400	4,084,832
Golf	-	-	844,031	573,175	844,031	573,175
Event center	-	-	5,137,178	4,184,002	5,137,178	4,184,002
Transit	-	-	715,416	744,940	715,416	744,940
Other	<u>28,082</u>	<u>44,015</u>	<u>-</u>	<u>-</u>	<u>28,082</u>	<u>44,015</u>
Total expenses	<u>48,522,196</u>	<u>52,052,572</u>	<u>36,545,726</u>	<u>34,173,712</u>	<u>85,067,922</u>	<u>86,226,284</u>
Increase in Net Position Before Transfers and Capital Contributions	4,009,454	6,966,295	12,375,188	11,797,304	16,384,642	18,763,599
Gain on sale of capital assets	-	-	110,242	35,684	110,242	35,684
Transfers of capital assets	(89,625,597)	(28,499,871)	89,625,597	28,499,871	-	-
Other transfers, net	<u>72,769,525</u>	<u>24,295,167</u>	<u>(72,769,525)</u>	<u>(24,295,167)</u>	<u>-</u>	<u>-</u>
Increase (Decrease) in Net Position	(12,846,618)	2,761,591	29,341,502	16,037,692	16,494,884	18,799,283
Net Position, Beginning of Year	<u>97,766,886</u>	<u>95,005,295</u>	<u>208,980,363</u>	<u>192,942,671</u>	<u>306,747,249</u>	<u>287,947,966</u>
Net Position, End of Year	<u>\$ 84,920,268</u>	<u>\$ 97,766,886</u>	<u>\$ 238,321,865</u>	<u>\$ 208,980,363</u>	<u>\$ 323,242,133</u>	<u>\$ 306,747,249</u>

Governmental Activities

Governmental activities decreased the City's net position by \$12,846,618. The key elements of this decrease are due to the prior year receipts and use of federal funding related to the COVID-19 pandemic and the timing of transfers related to the construction activity of the Kaw Lake Water Supply Project.

	Program Revenues		Cost of Services	
	2022	2021	2022	2021
General government	\$ 100,944	\$ 3,937,191	\$ 6,802,153	\$ 9,601,611
Public safety	3,833,491	4,246,689	19,018,477	24,882,150
Public works	1,005,430	835,483	18,391,928	10,815,832
Culture and recreation	110,034	69,856	2,788,156	2,624,132
Economic development	-	-	1,493,400	4,084,832
Interest on long-term debt	-	-	<u>28,082</u>	<u>44,015</u>
	<u>\$ 5,049,899</u>	<u>\$ 9,089,219</u>	<u>\$ 48,522,196</u>	<u>\$ 52,052,572</u>

Business-Type Activities

Business-type activities increased the City's net position by \$29,341,502. The key element in this increase was transfer-related activity of the Kaw Lake Water Supply Project.

	<u>Program Revenues</u>		<u>Cost of Services</u>	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Utility operations	\$ 41,514,179	\$ 40,455,856	\$ 26,426,147	\$ 26,177,557
Airport	3,166,265	2,153,880	3,422,954	2,494,038
Golf	702,131	587,452	844,031	573,175
Event center	1,584,934	989,635	5,137,178	4,184,002
Transit	493,889	440,698	715,416	744,940
	<u>\$ 47,461,398</u>	<u>\$ 44,627,521</u>	<u>\$ 36,545,726</u>	<u>\$ 34,173,712</u>

Governmental Funds Financial Analysis

As noted earlier, the City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds

The focus of the City's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City's financing requirements. In particular, unrestricted fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

At the end of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$26,501,120, a decrease of \$23,333,956 in comparison with the prior year. Approximately -2% of this total amount (\$863,130) constitutes unassigned fund balance (deficits). The remainder of fund balance is nonspendable, or restricted by contractual obligations, laws and regulations, or enabling legislation as approved by a vote of the citizens of the City, or committed by the City Council for specific purposes.

The General Fund is the chief operating fund of the City. At the end of the current fiscal year, unassigned fund balance of the General Fund was \$18,713,245. As a measure of the General Fund's liquidity, it may be useful to compare fund balance to total fund expenditures. Unassigned fund balance represents 34% of total General Fund expenditures and transfers out.

The fund balance of the City's General Fund increased \$994,686 during the current fiscal year primarily due to an increase in tax receipts.

The Police Fund has a total fund balance of \$3,875,747, substantially all of which was committed. The net decrease in fund balance during the current year was \$93,036, due to the completion of the police training facility.

The Fire Fund has a total fund balance of \$914,168, substantially all of which was committed. The net decrease in fund balance during the current year was \$931,350, which is due to the purchase of two pumper trucks.

The water capital improvements fund has a deficit fund balance of \$19,191,552. The decrease in fund balance during the year was \$26,490,493, which is due to Kaw Lake Water Supply Project payments.

Proprietary Funds

The City's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

The Enid Municipal Authority had total net position of \$192,773,954. Unrestricted net position of the Enid Municipal Authority at the end of the year was \$2,191,849. The total increase in net position was \$31,337,429. Net operating income increased net position by \$21,133,299. Operating revenues increased by \$1,210,384 while operating expenses increased by \$248,590. The changes in operating revenues were due to increased utility services provided to customers, and expenses increased due to debt closing expenses related to the 2020 Oklahoma Water Resources State Revolving Fund loan. Net nonoperating revenues (expenses) decreased net position of the Enid Municipal Authority by \$5,557,011, substantially all of which was attributable to interest expense. Capital asset contributions increased net position by \$89,625,597, and interfund transfers decreased net position by a net of \$73,864,456.

The Enid Event Center and Convention Hall fund had total net position of \$22,419,658, of which \$21,636,511 was net investment in capital assets and \$783,147 was unrestricted. Overall net position decreased by \$1,747,197 during the year. Operating income (loss) incurred a loss of \$3,552,241, and net nonoperating revenues and transfers from other funds offset that by a combined \$1,805,044.

Budgetary Highlights of Major Governmental Funds

The final General Fund budget reflected a total of \$59,506,503 for departmental expenditures and transfers to other funds, compared to the original budget of \$54,206,965, an increase of \$5,299,538. The final budget for revenues and transfers from other funds was \$52,683,010 compared to the original budget of \$52,433,010, an increase of \$250,000. The General Fund breakdown by department is outlined on the accompanying budgetary comparison schedule – general fund and major special revenue funds (budgetary basis) in the “Required Supplementary Information” section of the report.

General Fund revenues received on a budgetary basis were more than final budget estimates by \$10,122,418, and actual expenditures and transfers were less than final budget appropriations by \$3,364,691, resulting in an overall net increase in budgetary fund balance of \$13,487,109 prior to adjustments outlined on the accompanying reconciliation of budgetary comparison schedule (budgetary basis) to fund financial statements in the “Required Supplementary Information” section of the report. As a result, the City did not need to use a portion of its fund balance to cover expenditures and transfers.

The final Police Fund budget reflected a total of \$12,652,538 in its budgeted expenditures and transfers to other funds during the year, an increase of \$1,022,108 over the original budget. Budgeted revenues and transfers from other funds were \$10,939,670 and remained the same as originally estimated. Actual revenues and transfers in totaled \$10,609,925 or \$329,745 less than budget estimates. Expenditures and transfers out of \$10,741,165 were less than budgeted by \$1,911,374, resulting in an overall net increase in budgetary fund balance of \$1,581,628.

The final Fire Fund budget reflected a total of \$10,354,489 in its budgeted expenditures and transfers to other funds during the year, an increase of \$1,413,459 over the original budget. Budgeted revenues and transfers from other funds were \$10,967,681, compared to the original budget of \$12,280,987, a decrease of \$1,313,306. Actual revenues and transfers in totaled \$11,087,589, or more than budget estimates by \$119,908. Expenditures and transfers out of \$10,193,819, were less than the budget appropriations by \$160,670, resulting in an overall net increase in budgetary fund balance of \$280,578.

Capital Asset and Debt Administration

Capital Assets

The City’s investment in capital assets for its governmental and business-type activities as of June 30, 2022, totaled \$376,339,613 (net of accumulated depreciation). This investment in capital assets includes land, construction in progress, buildings, infrastructure, equipment, and vehicles.

The following table presents a summary of the City’s capital assets, net of accumulated depreciation:

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Land	\$ 8,155,410	\$ 6,687,983	\$ 8,062,951	\$ 7,679,181	\$ 16,218,361	\$ 14,367,164
Construction in progress	12,965,842	13,641,385	103,842,636	52,329,900	116,808,478	65,971,285
Buildings	5,428,313	6,190,356	45,464,373	48,877,962	50,892,686	55,068,318
Infrastructure	48,863,485	43,905,270	126,308,370	95,162,370	175,171,855	139,067,640
Equipment	1,220,925	1,534,725	8,420,938	8,144,036	9,641,863	9,678,761
Vehicles	3,174,721	2,176,511	4,431,649	2,947,551	7,606,370	5,124,062
Capital assets, net	<u>\$ 79,808,696</u>	<u>\$ 74,136,230</u>	<u>\$ 296,530,917</u>	<u>\$ 215,141,000</u>	<u>\$ 376,339,613</u>	<u>\$ 289,277,230</u>

Major capital asset events during the current fiscal year included the following:

- Kaw Lake Water Supply Project
- ADA improvements
- Waterline improvements
- Soccer complex infrastructure improvements
- Waterline improvements
- Stormwater channel improvements
- Fire department pumper truck
- Police department training center
- 10 police vehicles
- Dump truck
- Grapple truck
- Landfill compactor
- Front load trash truck

Additional information regarding the City’s capital assets can be found in *Note 3* on pages 45–47 of this report.

Long-Term Obligations

At June 30, 2022, the City had total long term obligations outstanding of \$235,887,691. These obligations include debt secured solely by specified revenue sources (*i.e.*, revenue bonds and notes); tax apportionment bonds (TIF); lease and direct financing obligations; judgments against the City; the long-term portion of accrued compensated absences; total OPEB liability; workers’ compensation reserve liability; net pension liability; and landfill closure and post-closure liability and other long-term liabilities.

	Governmental Activities		Business-Type Activities		Total	
	2022	2021	2022	2021	2022	2021
Net pension liability	16,567,455	25,823,106	2,023,246	936,152	18,590,701	26,759,258
Total OPEB liability	1,957,227	1,975,085	139,802	438,908	2,097,029	2,413,993
Workers' compensation claims	926,148	1,104,676	379,315	366,468	1,305,463	1,471,144
Compensated absences	2,388,809	2,330,307	283,213	295,275	2,672,022	2,625,582
Notes payable	310,000	825,000	203,279,759	148,892,581	203,589,759	149,717,581
Lease obligations	186,639	244,140	2,097,225	1,502,558	2,283,864	1,746,698
Landfill closure and post-closure and other long-term liabilities	-	-	5,348,853	4,984,564	5,348,853	4,984,564
Total outstanding debt	<u>\$ 22,336,278</u>	<u>\$ 32,302,314</u>	<u>\$ 213,551,413</u>	<u>\$ 157,416,506</u>	<u>\$ 235,887,691</u>	<u>\$ 189,718,820</u>

The City's total long-term obligations increased \$46,168,871 during the current fiscal year. The key factors in the increase are due to draw of funds from Oklahoma Water Resources Board State Revolving Funds related to the Kaw Lake Water Supply Project.

Additional information on the City's long-term debt can be found in *Note 3* on pages 47–52 of this report.

Economic Factors and Next Year's Budgets and Rates

The City's elected and appointed officials considered many factors when setting the fiscal year 2022 revenue and expense budgets.

When setting the fiscal year 2022 expenditure budget, City staff worked diligently to keep increases in expenditures to a minimum.

The City will be looking at using general obligation bonds and revenue notes in the future to increase the funding available to build and repair infrastructure, such as streets, water lines, sewer lines, storm water drains, parks, and quality of life improvements.

The City currently has three recognized unions. The current agreement with the American Federation of State, County, and Municipal Employees (AFSCME) #1136 and the International Association of Fire Fighters (IAFF) is through June 2023. The Fraternal Order of Police (FOP) is through June 2024.

Requests for Information

This financial report is designed to provide the City's citizens, taxpayers, customers, and investors with a general overview of the City's finances and to show the City's accountability for the money it receives. If you have questions about this report, or need additional financial information, contact the City of Enid's Chief Financial Officer, at City of Enid, P.O. Box 1768, Enid, Oklahoma 73702-1768 or telephone 580.616.7283. You may also visit www.enid.org for more budgetary and contact information.

City of Enid, Oklahoma
Statement of Net Position
June 30, 2022

Assets and Deferred Outflows of Resources

	Governmental Activities	Business-Type Activities	Total
Assets			
Cash and cash equivalents	\$ 17,574,404	\$ 2,620,273	\$ 20,194,677
Investments	47,289,823	6,864,149	54,153,972
Receivables, net of allowance for uncollectibles	7,143,953	6,092,833	13,236,786
Receivables for property taxes – succeeding year	22,994	-	22,994
Internal balances	(2,535,371)	2,535,371	-
Inventories	72,277	320,842	393,119
Prepaid expenses	320,387	88,520	408,907
Restricted cash and investments	47,381	143,242,304	143,289,685
Net pension asset	6,460,335	-	6,460,335
Capital and lease assets			
Lease assets	-	88,113	88,113
Land and construction in progress	21,121,252	111,905,587	133,026,839
Depreciable buildings, improvements, equipment, and vehicles, net of accumulated depreciation	<u>58,687,444</u>	<u>184,625,330</u>	<u>243,312,774</u>
Total assets	<u>156,204,879</u>	<u>458,383,322</u>	<u>614,588,201</u>
Deferred Outflows of Resources			
Deferred amounts related to OPEB	143,150	10,225	153,375
Deferred amounts related to pensions	<u>7,419,023</u>	<u>599,586</u>	<u>8,018,609</u>
Total deferred outflows of resources	<u>7,562,173</u>	<u>609,811</u>	<u>8,171,984</u>

City of Enid, Oklahoma
Statement of Net Position, continued
June 30, 2022

Liabilities and Deferred Inflows of Resources

	Governmental Activities	Business-Type Activities	Total
Liabilities			
Accounts payable and accrued liabilities	\$ 26,784,669	\$ 2,620,498	\$ 29,405,167
Claims payable	646,113	-	646,113
Payable from restricted assets			
Accrued interest	2,024	2,364,425	2,366,449
Customer deposits	-	1,368,608	1,368,608
Unearned revenue	11,880,374	146,109	12,026,483
Long-term liabilities			
Due within one year	1,989,573	6,023,305	8,012,878
Due in more than one year	20,346,705	207,528,108	227,874,813
	<u>61,649,458</u>	<u>220,051,053</u>	<u>281,700,511</u>
Deferred Inflows of Resources			
Property taxes – succeeding year	22,994	-	22,994
Deferred amounts related to OPEB	535,128	38,223	573,351
Deferred amounts related to pensions	16,388,528	456,785	16,845,313
Deferred amounts related to leases	250,676	125,207	375,883
	<u>17,197,326</u>	<u>620,215</u>	<u>17,817,541</u>
Net Position			
Net investment in capital assets	56,248,492	160,280,928	216,529,420
Restricted:			
Debt service	13,526	3,268,686	3,282,212
Capital improvements	232,640	68,986,789	69,219,429
Public safety	322,937	-	322,937
Pension benefits	6,460,335	-	6,460,335
Unrestricted	21,642,338	5,785,462	27,427,800
	<u>\$ 84,920,268</u>	<u>\$ 238,321,865</u>	<u>\$ 323,242,133</u>

City of Enid, Oklahoma
Statement of Activities
Year Ended June 30, 2022

	Program Revenues			Net (Expenses) Revenues and Change 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							
General government	\$ 6,802,153	\$ 100,944	\$ -	\$ -	\$ (6,701,209)	\$ -	\$ (6,701,209)
Public safety	19,018,477	1,516,780	2,316,711	-	(15,184,986)	-	(15,184,986)
Public works	18,391,928	315,104	690,326	-	(17,386,498)	-	(17,386,498)
Culture and recreation	2,788,156	41,674	16,942	51,418	(2,678,122)	-	(2,678,122)
Economic development	1,493,400	-	-	-	(1,493,400)	-	(1,493,400)
Interest on long-term debt	28,082	-	-	-	(28,082)	-	(28,082)
Total governmental activities	<u>48,522,196</u>	<u>1,974,502</u>	<u>3,023,979</u>	<u>51,418</u>	<u>(43,472,297)</u>	<u>-</u>	<u>(43,472,297)</u>
Business-type activities							
Utility operations	26,426,147	41,514,179	-	-	-	15,088,032	15,088,032
Airport	3,422,954	2,728,886	-	437,379	-	(256,689)	(256,689)
Golf	844,031	702,131	-	-	-	(141,900)	(141,900)
Event center	5,137,178	1,584,934	-	-	-	(3,552,244)	(3,552,244)
Transit and other	715,416	94,523	399,366	-	-	(221,527)	(221,527)
Total business-type activities	<u>36,545,726</u>	<u>46,624,653</u>	<u>399,366</u>	<u>437,379</u>	<u>-</u>	<u>10,915,672</u>	<u>10,915,672</u>
Total primary government	<u>\$ 85,067,922</u>	<u>\$ 48,599,155</u>	<u>\$ 3,423,345</u>	<u>\$ 488,797</u>	<u>(43,472,297)</u>	<u>10,915,672</u>	<u>(32,556,625)</u>
General revenues							
Taxes							
Sales and use					42,334,716	-	42,334,716
Property					119,522	1,045,628	1,165,150
Franchise					3,039,973	-	3,039,973
Other					802,683	-	802,683
Investment income					484,861	413,888	898,749
Miscellaneous					699,996	-	699,996
Gain on disposal of capital assets					-	110,242	110,242
Transfers of capital assets					(89,625,597)	89,625,597	-
Transfers – internal activity					<u>72,769,525</u>	<u>(72,769,525)</u>	<u>-</u>
Total general revenues and transfers					<u>30,625,679</u>	<u>18,425,830</u>	<u>49,051,509</u>
Change in Net Position					<u>(12,846,618)</u>	<u>29,341,502</u>	<u>16,494,884</u>
Net Position, Beginning of Year					<u>97,766,886</u>	<u>208,980,363</u>	<u>306,747,249</u>
Net Position, End of Year					<u>\$ 84,920,268</u>	<u>\$ 238,321,865</u>	<u>\$ 323,242,133</u>

City of Enid, Oklahoma
Balance Sheet – Governmental Funds
June 30, 2022

	General	Police Fund	Fire Fund	Water Capital Improvements	Nonmajor Governmental Funds	Total
Assets						
Cash and cash equivalents	\$ 7,801,931	\$ 1,039,510	\$ 286,515	\$ 837,595	\$ 6,494,489	\$ 16,460,040
Investments	20,938,952	2,909,944	802,053	2,344,713	17,174,677	44,170,339
Receivables						
Taxes	5,762,227	159,707	159,707	-	269,132	6,350,773
Due from other governments	-	87,274	-	-	21,432	108,706
Other	35,302	-	-	-	2,558	37,860
Inventories	72,277	-	-	-	-	72,277
Prepaid expenses	224,397	24,753	1,220	-	68,662	319,032
Restricted cash and investments	-	-	-	-	47,381	47,381
	<u>34,835,086</u>	<u>4,221,188</u>	<u>1,249,495</u>	<u>3,182,308</u>	<u>24,078,331</u>	<u>67,566,408</u>
Total assets	<u>\$ 34,835,086</u>	<u>\$ 4,221,188</u>	<u>\$ 1,249,495</u>	<u>\$ 3,182,308</u>	<u>\$ 24,078,331</u>	<u>\$ 67,566,408</u>
Liabilities						
Accounts payable and accrued liabilities	\$ 1,078,154	\$ 345,441	\$ 335,327	\$ 22,373,860	\$ 2,493,767	\$ 26,626,549
Due to other funds	2,535,371	-	-	-	-	2,535,371
Unearned revenue	11,866,675	-	-	-	13,699	11,880,374
	<u>15,480,200</u>	<u>345,441</u>	<u>335,327</u>	<u>22,373,860</u>	<u>2,507,466</u>	<u>41,042,294</u>
Total liabilities	<u>15,480,200</u>	<u>345,441</u>	<u>335,327</u>	<u>22,373,860</u>	<u>2,507,466</u>	<u>41,042,294</u>
Deferred Inflows of Resources						
Property taxes – succeeding year	22,994	-	-	-	-	22,994
	<u>22,994</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>22,994</u>
Total deferred inflows of resources	<u>22,994</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>22,994</u>
Fund Balances						
Nonspendable						
Inventories and prepaid expenses	296,674	24,753	1,220	-	68,662	391,309
Restricted						
Public safety	-	-	-	-	322,937	322,937
Public works	-	-	-	-	185,259	185,259
Debt service	-	-	-	-	13,526	13,526
Capital improvements	-	-	-	-	47,381	47,381
Committed						
Public safety	-	3,850,994	912,948	-	136,810	4,900,752
Public works	-	-	-	-	4,928,447	4,928,447
Other	321,973	-	-	-	-	321,973
Capital improvements	-	-	-	-	16,252,666	16,252,666
Unassigned	18,713,245	-	-	(19,191,552)	(384,823)	(863,130)
	<u>19,331,892</u>	<u>3,875,747</u>	<u>914,168</u>	<u>(19,191,552)</u>	<u>21,570,865</u>	<u>26,501,120</u>
Total fund balances	<u>19,331,892</u>	<u>3,875,747</u>	<u>914,168</u>	<u>(19,191,552)</u>	<u>21,570,865</u>	<u>26,501,120</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 34,835,086</u>	<u>\$ 4,221,188</u>	<u>\$ 1,249,495</u>	<u>\$ 3,182,308</u>	<u>\$ 24,078,331</u>	<u>\$ 67,566,408</u>

City of Enid, Oklahoma
Reconciliation of the Balance Sheet – Governmental Funds to the
Statement of Net Position
June 30, 2022

Total fund balance – governmental funds	<u>\$ 26,501,120</u>
Amounts reported for governmental activities in the statement of net position are different because	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds	<u>79,808,696</u>
Certain long-term assets are not available to pay for period expenditures and, therefore, are either not reported or reported as deferred inflows in the funds	<u>669,609</u>
The net pension liability (asset) and the total OPEB liability and the pension and OPEB-related deferred outflows and deferred inflows of resources are not due and payable from current financial resources and, therefore, are not reported in these fund financial statements but are reported in the governmental activities – statement of net position	
Net pension liability	(16,567,455)
Net pension asset	6,460,335
Total OPEB liability	(1,957,227)
Pension-related deferred outflows	7,419,023
OPEB-related deferred outflows	143,150
Pension-related deferred inflows	(16,388,528)
OPEB-related deferred inflows	<u>(535,128)</u>
	<u>(21,425,830)</u>
Internal service funds are used by management to charge costs of certain activities that benefit multiple funds, such as health insurance, to individual funds. The assets and liabilities of the internal service funds are reported in governmental activities	<u>3,430,969</u>
Long-term liabilities and deferred inflows of resources are not due and payable in the current period and, therefore, are not reported in the funds	
Accrued interest payable	(2,024)
Accrued compensated absences	(2,388,809)
Accrued liability for workers’ compensation claims incurred	(926,148)
Leases payable	(186,639)
Leases – deferred inflows	(250,676)
Notes payable	<u>(310,000)</u>
	<u>(4,064,296)</u>
Net position of governmental activities in the statement of net position	<u>\$ 84,920,268</u>

City of Enid, Oklahoma
Statement of Revenues, Expenditures, and Changes in Fund Balance –
Governmental Funds
Year Ended June 30, 2022

	General	Police Fund	Fire Fund	Water Capital Improvements	Nonmajor Governmental Funds	Total
Revenues						
Taxes	\$ 42,901,575	\$ 1,236,557	\$ 1,236,557	\$ -	\$ 119,522	\$ 45,494,211
Licenses and permits	245,620	-	-	-	-	245,620
Intergovernmental	374,431	700,197	1,606,367	-	1,962,808	4,643,803
Fines and forfeitures	721,812	-	-	-	-	721,812
Charges for services	114,225	28,675	-	-	70,784	213,684
Other	652,768	27,751	13,136	-	60,869	754,524
Interest	244,017	46,218	8,829	(113,780)	254,053	439,337
	<u>45,254,448</u>	<u>2,039,398</u>	<u>2,864,889</u>	<u>(113,780)</u>	<u>2,468,036</u>	<u>52,512,991</u>
Total revenues						
Expenditures						
Current						
General government	5,700,750	-	-	-	343,700	6,044,450
Public safety	-	9,801,556	10,428,084	-	1,194,757	21,424,397
Public works	7,319,534	-	-	-	1,534,675	8,854,209
Culture and recreation	2,545,849	-	-	-	-	2,545,849
Economic development	-	-	-	-	1,390,918	1,390,918
Debt service						
Principal	-	-	-	-	515,000	515,000
Interest	-	-	-	-	17,928	17,928
Capital outlay	1,071,537	1,122,893	1,311,375	89,696,209	14,332,185	107,534,199
	<u>16,637,670</u>	<u>10,924,449</u>	<u>11,739,459</u>	<u>89,696,209</u>	<u>19,329,163</u>	<u>148,326,950</u>
Total expenditures						
Excess (Deficiency) of Revenues over Expenditures	<u>28,616,778</u>	<u>(8,885,051)</u>	<u>(8,874,570)</u>	<u>(89,809,989)</u>	<u>(16,861,127)</u>	<u>(95,813,959)</u>
Other Financing Sources (Uses)						
Transfers in	11,625,000	9,092,015	8,043,220	270,112,563	20,047,364	318,920,162
Transfers out	(39,247,092)	(300,000)	(100,000)	(206,793,067)	-	(246,440,159)
	<u>(27,622,092)</u>	<u>8,792,015</u>	<u>7,943,220</u>	<u>63,319,496</u>	<u>20,047,364</u>	<u>72,480,003</u>
Total other financing sources (uses)						
Net Change in Fund Balances	994,686	(93,036)	(931,350)	(26,490,493)	3,186,237	(23,333,956)
Fund Balances, Beginning of Year	<u>18,337,206</u>	<u>3,968,783</u>	<u>1,845,518</u>	<u>7,298,941</u>	<u>18,384,628</u>	<u>49,835,076</u>
Fund Balances, End of Year	<u>\$ 19,331,892</u>	<u>\$ 3,875,747</u>	<u>\$ 914,168</u>	<u>\$ (19,191,552)</u>	<u>\$ 21,570,865</u>	<u>\$ 26,501,120</u>

City of Enid, Oklahoma
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund
Balance – Governmental Funds to the Statement of Activities
Year Ended June 30, 2022

Net change in fund balances – total governmental funds	<u>\$ (23,333,956)</u>
<p>Amounts reported for governmental activities in the statement of activities are different because</p> <p>Governmental funds report capital outlays as expenditures, while governmental activities report depreciation expense to allocate those expenditures over the life of the assets</p>	
Capital outlay expenditures capitalized	11,542,532
Depreciation expense	<u>(5,834,165)</u>
	<u>5,708,367</u>
<p>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</p>	
Principal payments on notes payable and bonds payable	515,000
Principal payments on lease assets	<u>67,242</u>
	<u>582,242</u>
<p>Internal service fund activity is reported as a proprietary fund in the fund financial statements, but certain revenues/expenses are reported in governmental activities on the statement of activities, net of amounts allocated to business-type activities</p>	
	<u>915,709</u>
<p>Some (expenses) revenues in the statement of activities do not require the use of current financial resources and, therefore, are not reported in governmental funds</p>	
Accrued compensated absences, net of change	(58,502)
Pension expense	3,552,125
Accrued liability for workers' compensation claims incurred	178,528
Interest expense	59
Other postemployment benefits	<u>(391,190)</u>
	<u>3,281,020</u>
Change in net position of governmental activities	<u><u>\$ (12,846,618)</u></u>

City of Enid, Oklahoma
Statement of Net Position – Proprietary Funds
June 30, 2022

	<u>Business-Type Activities</u>				<u>Governmental</u>
	<u>Enterprise Funds</u>				<u>Internal</u>
	<u>Enid</u>	<u>Enid Event</u>	<u>Nonmajor</u>	<u>Total</u>	<u>Service Fund</u>
<u>Municipal</u>	<u>Center and</u>	<u>Enterprise</u>	<u>Health Care</u>		
	<u>Authority</u>	<u>Hall</u>	<u>Funds</u>		<u>Fund</u>
Assets and Deferred Outflows of Resources					
Current Assets					
Cash and cash equivalents	\$ 1,463,760	\$ 329,519	\$ 826,994	\$ 2,620,273	\$ 1,114,364
Investments	4,097,563	603,247	2,163,339	6,864,149	3,119,484
Receivables					
Accounts, net of uncollectibles	5,051,116	279,887	101,483	5,432,486	-
Accrued interest	100,548	-	375	100,923	-
Taxes	-	107,012	-	107,012	-
Due from other governments	-	-	319,275	319,275	-
Leases	91,015	-	42,122	133,137	-
Due from other funds	2,383,310	-	-	2,383,310	152,061
Inventories	122,901	27,183	170,758	320,842	-
Prepaid expenses	35,348	48,965	4,207	88,520	1,355
Restricted cash and cash equivalents	128,379,271	-	-	128,379,271	-
Restricted investments	14,863,033	-	-	14,863,033	-
Total current assets	156,587,865	1,395,813	3,628,553	161,612,231	4,387,264
Noncurrent Assets					
Lease assets, net	35,763	-	52,350	88,113	-
Capital assets, net of accumulated depreciation	254,628,968	21,636,511	20,265,437	296,530,916	-
Total assets	411,252,596	23,032,324	23,946,340	458,231,260	4,387,264
Deferred Outflows of Resources					
Deferred amounts related to OPEB	10,225	-	-	10,225	-
Deferred amounts related to pensions	463,647	-	135,939	599,586	-
Total deferred outflows of resources	473,872	-	135,939	609,811	-

City of Enid, Oklahoma
Statement of Net Position – Proprietary Funds, continued
June 30, 2022

	Business-Type Activities				Governmental Activities
	Enterprise Funds				Internal Service Fund
	Enid Municipal Authority	Enid Event Center and Convention Hall	Nonmajor Enterprise Funds	Total	Health Care Fund
Liabilities and Deferred Inflows of Resources					
Current Liabilities					
Accounts payable and accrued liabilities	\$ 1,862,304	\$ 587,973	\$ 170,221	\$ 2,620,498	\$ 158,120
Claims payable	-	-	-	-	646,113
Payable from restricted assets					
Accrued interest payable	2,364,425	-	-	2,364,425	-
Customer deposits	1,352,756	15,852	-	1,368,608	-
Unearned revenue	-	8,841	137,268	146,109	-
Current portion of noncurrent liabilities	5,988,148	-	35,157	6,023,305	-
Total current liabilities	11,567,633	612,666	342,646	12,522,945	804,233
Noncurrent Liabilities					
Compensated absences	28,919	-	75,537	104,456	-
Other postemployment benefits liability	139,802	-	-	139,802	-
Notes payable, net of unamortized premium	198,573,862	-	-	198,573,862	-
Direct financing obligations	923,759	-	-	923,759	-
Leases payable	35,825	-	52,094	87,919	-
Net pension liability	1,564,534	-	458,712	2,023,246	-
Landfill closure and post-closure obligations	5,348,853	-	-	5,348,853	-
Workers' compensation claims	288,402	-	37,809	326,211	-
Total noncurrent liabilities	206,903,956	-	624,152	207,528,108	-
Total liabilities	218,471,589	612,666	966,798	220,051,053	804,233
Deferred Inflows of Resources					
Deferred amounts related to OPEB	38,223	-	-	38,223	-
Deferred amounts related to pensions	353,222	-	103,563	456,785	-
Deferred amounts related to leases	89,480	-	35,727	125,207	-
Total deferred inflows of resources	480,925	-	139,290	620,215	-
Net Position					
Net investment in capital assets	118,326,630	21,636,511	20,317,787	160,280,928	-
Restricted:					
Debt service	3,268,686	-	-	3,268,686	-
Capital improvements	68,986,789	-	-	68,986,789	-
Unrestricted	2,191,849	783,147	2,658,404	5,633,400	3,583,031
Total net position	\$ 192,773,954	\$ 22,419,658	\$ 22,976,191	238,169,803	\$ 3,583,031
Some amounts reported for business-type activities in the statement of net position are different because certain internal service fund balances are included with business-type activities				152,062	
Total net position per government-wide financial statements				\$ 238,321,865	

City of Enid, Oklahoma
Statement of Revenues, Expenses, and Changes in Net Position –
Proprietary Funds
Year Ended June 30, 2022

	Business-Type Activities				Governmental
	Enterprise Funds				Activities
	Enterprise Funds				Internal
	Enid Municipal Authority	Enid Event Center and Convention Hall	Nonmajor Enterprise Funds	Total	Service Fund Health Care Fund
Operating Revenues					
Charges for services					
Utility operations	\$ 40,214,839	\$ -	\$ -	\$ 40,214,839	\$ -
Event center	-	1,584,934	-	1,584,934	-
Airport	-	-	2,747,532	2,747,532	-
Transit	-	-	94,525	94,525	-
Healthcare premiums	-	-	-	-	5,228,171
Other	1,458,252	-	702,132	2,160,384	97,667
Total operating revenues	<u>41,673,091</u>	<u>1,584,934</u>	<u>3,544,189</u>	<u>46,802,214</u>	<u>5,325,838</u>
Operating Expenses					
Utility operations	11,531,566	-	-	11,531,566	-
Event center	-	3,434,102	-	3,434,102	-
Airport	-	-	2,441,096	2,441,096	-
Transit	-	-	596,529	596,529	-
Insurance claims and expenses	-	-	-	-	4,753,843
Golf	-	-	785,095	785,095	-
Depreciation and amortization	9,008,226	1,703,073	1,183,342	11,894,641	-
Total operating expenses	<u>20,539,792</u>	<u>5,137,175</u>	<u>5,006,062</u>	<u>30,683,029</u>	<u>4,753,843</u>
Net Operating Income (Loss)	<u>21,133,299</u>	<u>(3,552,241)</u>	<u>(1,461,873)</u>	<u>16,119,185</u>	<u>571,995</u>
Nonoperating Revenues (Expenses)					
Taxes	-	1,045,628	-	1,045,628	-
Interest income	285,821	9,416	27,556	322,793	45,526
Government grants	-	-	399,366	399,366	-
Gain on disposition of assets	86,425	-	12,577	99,002	-
Interest expense and fiscal charges	(5,929,257)	-	-	(5,929,257)	-
Total nonoperating revenues (expenses)	<u>(5,557,011)</u>	<u>1,055,044</u>	<u>439,499</u>	<u>(4,062,468)</u>	<u>45,526</u>
Net Income (Loss) Before Capital Contributions and Transfers	15,576,288	(2,497,197)	(1,022,374)	12,056,717	617,521
Capital grants	-	-	437,379	437,379	-
Capital asset contributions	89,625,597	-	-	89,625,597	-
Transfers in	226,568,534	750,000	634,453	227,952,987	-
Transfers out	(300,432,990)	-	-	(300,432,990)	-
Change in Net Position	31,337,429	(1,747,197)	49,458	29,639,690	617,521
Net Position, Beginning of Year	<u>161,436,525</u>	<u>24,166,855</u>	<u>22,926,733</u>	<u>208,530,113</u>	<u>2,965,510</u>
Net Position, End of Year	<u>\$ 192,773,954</u>	<u>\$ 22,419,658</u>	<u>\$ 22,976,191</u>	<u>\$ 238,169,803</u>	<u>\$ 3,583,031</u>
Change in net position, per above				\$ 29,639,690	
Some amounts reported for business-type activities in the statement of activities are different because the net revenue of the internal service fund is reported with business-type activities				(298,188)	
Change in business-type activities in net position per the government-wide financial statements				<u>\$ 29,341,502</u>	

City of Enid, Oklahoma
Statement of Cash Flows – Proprietary Funds
Year Ended June 30, 2022

	Business-Type Activities				Governmental
	Enterprise Funds				Internal
	Enid Municipal Authority	Enid Event Center and Convention Hall	Nonmajor Enterprise Funds	Total	Service Fund
				Health Care Fund	
Cash Flows from Operating Activities					
Receipts from customers	\$ 40,773,901	\$ 1,021,701	\$ 3,507,083	\$ 45,302,685	\$ -
Receipts from interfund services	-	-	-	-	5,357,859
Payments to suppliers	(6,658,339)	(3,266,806)	(2,524,909)	(12,450,054)	-
Payments to employees	(3,998,337)	-	(1,376,630)	(5,374,967)	-
Claims and benefits paid	-	-	-	-	(4,942,552)
Net cash provided by (used in) operating activities	<u>30,117,225</u>	<u>(2,245,105)</u>	<u>(394,456)</u>	<u>27,477,664</u>	<u>415,307</u>
Cash Flows from Noncapital Financing Activities					
Taxes	-	1,133,625	-	1,133,625	-
Interfund payments	(1,088,054)	-	-	(1,088,054)	(152,061)
Operating transfers in	226,568,534	750,000	634,453	227,952,987	-
Operating transfers out	(300,432,990)	-	-	(300,432,990)	-
Net cash provided by (used in) noncapital financing activities	<u>(74,952,510)</u>	<u>1,883,625</u>	<u>634,453</u>	<u>(72,434,432)</u>	<u>(152,061)</u>
Cash Flows from Capital and Related Financing Activities					
Proceeds from issuance of debt	59,265,177	-	-	59,265,177	-
Principal paid on long-term debt	(5,524,596)	-	(6,220)	(5,530,816)	-
Interest expense and fiscal charges	(5,399,610)	-	(1,652)	(5,401,262)	-
Capital grants	-	-	611,568	611,568	-
Proceeds from sale of capital assets	396,234	-	12,577	408,811	-
Acquisition/construction of capital assets	(2,056,875)	-	(597,992)	(2,654,867)	-
Net cash provided by capital and related financing activities	<u>46,680,330</u>	<u>-</u>	<u>18,281</u>	<u>46,698,611</u>	<u>-</u>
Cash Flows from Investing Activities					
Purchases of investments	(27,948,000)	(250,000)	(950,000)	(29,148,000)	(500,000)
Proceeds from sale of investments	155,728,185	180,970	298,954	156,208,109	136,883
Interest income	217,801	9,416	27,282	254,499	45,526
Net cash provided by (used in) investing activities	<u>127,997,986</u>	<u>(59,614)</u>	<u>(623,764)</u>	<u>127,314,608</u>	<u>(317,591)</u>
Increase (Decrease) in Cash and Cash Equivalents	129,843,031	(421,094)	(365,486)	129,056,451	(54,345)
Cash and Cash Equivalents, Beginning of Year	-	750,613	1,192,480	1,943,093	1,168,709
Cash and Cash Equivalents, End of Year	<u>\$ 129,843,031</u>	<u>\$ 329,519</u>	<u>\$ 826,994</u>	<u>\$ 130,999,544</u>	<u>\$ 1,114,364</u>

City of Enid, Oklahoma
Statement of Cash Flows – Proprietary Funds, continued
Year Ended June 30, 2022

	<u>Business-Type Activities</u>				<u>Governmental</u>
	<u>Enterprise Funds</u>				<u>Internal</u>
	<u>Enid</u>	<u>Enid Event</u>	<u>Nonmajor</u>	<u>Total</u>	<u>Service Fund</u>
	<u>Municipal</u>	<u>Center and</u>	<u>Enterprise</u>		<u>Health Care</u>
	<u>Authority</u>	<u>Hall</u>	<u>Funds</u>		<u>Fund</u>
Reconciliation of Net Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities					
Net operating income (loss)	\$ 21,133,299	\$ (3,552,241)	\$ (1,461,873)	\$ 16,119,185	\$ 571,995
Adjustments to reconcile net operating income (loss) to net cash provided by (used in) operating activities					
Depreciation and amortization	9,008,226	1,703,073	1,183,342	11,894,641	-
Landfill closure costs	364,289	-	-	364,289	-
(Increase) decrease in assets and deferred outflows					
Receivables	(829,531)	(90,665)	(82,409)	(1,002,605)	32,021
Inventories	568	818	(59,161)	(57,775)	-
Prepaid expenses	(20,732)	(36,782)	522	(56,992)	589
Pension-related deferred outflows	(299,753)	-	(77,757)	(377,510)	-
OPEB-related deferred outflows	23,277	-	-	23,277	-
Increase (decrease) in liabilities and deferred inflows					
Accounts payable and accrued liabilities	539,026	203,260	67,891	810,177	-
Claims payable	-	-	-	-	(189,298)
Unearned revenue	-	(468,071)	3,181	(464,890)	-
Customer deposits	(17,625)	(4,497)	-	(22,122)	-
Net pension liability	873,646	-	213,448	1,087,094	-
Other postemployment benefits liability	(299,106)	-	-	(299,106)	-
Pension-related deferred inflows	(486,271)	-	(119,809)	(606,080)	-
OPEB-related deferred inflows	8,515	-	-	8,515	-
Other liabilities	119,397	-	(61,831)	57,566	-
Net cash provided by (used in) operating activities	<u>\$ 30,117,225</u>	<u>\$ (2,245,105)</u>	<u>\$ (394,456)</u>	<u>\$ 27,477,664</u>	<u>\$ 415,307</u>
Supplementary Information on Noncash Capital and Financial Activities					
Contributions of capital assets	\$ 89,625,597	\$ -	\$ -	\$ 89,625,597	\$ -
Direct financing obligations incurred for the acquisition of capital assets	\$ 1,278,940	\$ -	\$ -	\$ 1,278,940	\$ -
Lease obligations incurred for lease assets	\$ 35,825	\$ -	\$ 87,251	\$ 123,076	\$ -

City of Enid, Oklahoma
Statement of Fiduciary Net Position – Fiduciary Funds
June 30, 2022

Assets

	Pension Trust Funds	Custodial Funds
Cash and cash equivalents	\$ 1,384,625	\$ 6,580
Receivables		
Accrued interest	2,013	-
Negotiable certificates of deposit	-	4,702
Mutual funds – equities	32,224,579	-
Mutual funds – corporate bonds	9,566,870	-
Participant loans	442,556	-
	<u>43,620,643</u>	<u>11,282</u>
Total assets		

Net Position – Restricted

Employee pension benefits	43,620,643	-
Funds held for the benefit of others	-	11,282
	<u>-</u>	<u>11,282</u>
Total net position – restricted	<u>\$ 43,620,643</u>	<u>\$ 11,282</u>

City of Enid, Oklahoma
Statement of Changes in Fiduciary Net Position – Fiduciary Funds
Year Ended June 30, 2022

	Pension Trust Funds	Custodial Funds
	<u> </u>	<u> </u>
Additions		
Contributions		
Employer	\$ 1,328,669	\$ -
Plan members	675,360	-
	<u> </u>	<u> </u>
Total contributions	2,004,029	-
	<u> </u>	<u> </u>
Investment earnings		
Net decrease in the fair value of investments	(7,178,716)	-
Interest and dividends	723,801	-
	<u> </u>	<u> </u>
Total investment earnings	(6,454,915)	-
	<u> </u>	<u> </u>
Collection for other organizations and individuals	-	172,295
	<u> </u>	<u> </u>
Total additions	(4,450,886)	172,295
	<u> </u>	<u> </u>
Deductions		
Benefits and withdrawals	3,473,909	-
Administrative expenses	248,098	-
Distributions for other organizations and individuals	-	200,346
	<u> </u>	<u> </u>
Total deductions	3,722,007	200,346
	<u> </u>	<u> </u>
Change in Net Position	(8,172,893)	(28,051)
Net Position, Beginning of Year	51,793,536	39,333
	<u> </u>	<u> </u>
Net Position, End of Year	<u>\$ 43,620,643</u>	<u>\$ 11,282</u>

City of Enid, Oklahoma

Notes to Financial Statements

June 30, 2022

Note 1: Nature of Operations

Organization

The City of Enid, Oklahoma (the City) operates under a Council-Manager form of government under Title 11 of the Oklahoma Statutes. The City provides the following services to its citizens: public safety (police and fire), streets and highways, social services, culture and recreation, sanitation and solid waste services, public improvements, water utilities, public works, planning and zoning, development, and general administrative services.

Note 2: Summary of Significant Accounting Policies

Financial Reporting Entity

The accompanying financial statements present the City and its component units, entities for which the City is considered to be financially accountable. Blended component units, although legally separate entities, are, in substance, part of the City's operations. Thus, blended component units are appropriately presented as funds of the primary government. The City's financial statements do not include any discretely presented component units.

Blended Component Units

The Enid Municipal Authority (EMA) serves all citizens of the City and is governed by a board of trustees comprised of the City's elected City Commission members. The City is the sole beneficiary of EMA and receives all trust properties upon termination. EMA operates the water, wastewater, sanitation collection, and landfill services of the City. The rates for user charges and bond issuance authorizations are approved by the City Commission, and the legal liability for the general obligation portion of EMA's debt remains with the City. The City maintains all accounting records. EMA is presented as an enterprise fund and does not issue separate financial statements.

The Vance Development Authority was established in June 1995 to promote the development of Vance Air Force Base located in Enid, Oklahoma. It is governed by the board of trustees comprised of the members of City Council. The City is the sole beneficiary of the Vance Development Authority and receives all trust properties upon termination. The Vance Development Authority is reported as a nonmajor special revenue fund and does not issue separate financial statements. The Vance Development Authority's operations are managed by the management of the City. Additionally, the City Council approves the budget for the Vance Development Authority.

The Enid Public Transportation Authority (EPTA) was established in February 1984. EPTA provides on-demand public transportation within the city limits of Enid and North Enid. Transportation is also provided to and from Oklahoma City and Tulsa for a fee sufficient to cover costs. The City of Enid and North Enid have a combined land area of approximately 75 square miles. Estimated ridership of EPTA is 3,900 trips per month. The City would receive all properties upon termination of EPTA. EPTA is presented as a blended enterprise fund and does

City of Enid, Oklahoma

Notes to Financial Statements

June 30, 2022

not issue separate financial statements. EPTA's operations are managed by the management of the City. Additionally, the City Council approves the budget for EPTA.

The Enid Economic Development Authority (EEDA) was established in April 1987, for economic development purposes, including industrial recruitment and assistance to new and expanding industry with relocation assistance and infrastructure construction. It is governed by a board of trustees comprised of the City's elected City Council. The City is the sole beneficiary of EEDA and receives all trust property upon termination. The City maintains all accounting records. EEDA is presented as a nonmajor special revenue fund and does not issue separate financial statements.

Basis of Presentation

Government-Wide Financial Statements

While separate government-wide and fund financial statements are presented, they are inter-related. The governmental activities column incorporates data from governmental funds and internal service funds, while business-type activities incorporate data from the government's enterprise funds. Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements.

The government-wide financial statements (*i.e.*, the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government. As a general rule, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. All other governmental revenues are reported as general. All taxes are classified as general revenue.

Fund Financial Statements

The fund financial statements provide information about the government's funds, including its fiduciary funds and blended component units. Separate statements for each fund category – governmental, proprietary, and fiduciary – are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental and enterprise funds are aggregated and reported as nonmajor funds.

City of Enid, Oklahoma
Notes to Financial Statements
June 30, 2022

Governmental Funds – The City reports the following major governmental funds:

- The General Fund is the City’s primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.
- The Police Fund is a special revenue fund that accounts for the resources accumulated from a portion of sales tax revenues and payments made for police operations and capital expenditures and committed revenues from the General Fund.
- The Fire Fund is a special revenue fund that accounts for the resources accumulated from a portion of sales tax revenues and payments made for fire operations and capital expenditures and committed revenues from the General Fund.
- The Water Capital Improvement Fund is a capital project fund that accounts for the resources accumulated from a portion of sales tax revenues and customer payments made to help fund drinking water projects of the City.

The other governmental funds are reported as nonmajor governmental funds. The aggregate nonmajor governmental funds include debt service funds, special revenue funds, and capital project funds. Special revenue funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects. Capital projects funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets. Debt service funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for principal and interest.

Proprietary Funds – The City reports the following major enterprise funds:

- EMA accounts for the City’s utility operations, including water, wastewater, sanitation, and landfill.
- The Enid Event Center and Convention Hall (EECCH) accounts for the operations of the Stride Bank Center. It includes the hotel tax revenues and disbursements and the Enid Convention and Visitor’s Bureau (ECVB) budget.

The City also reports nonmajor enterprise funds.

Additionally, the City reports the following fund types:

- The pension trust funds account for the activities of The Employee Retirement System of Enid, Oklahoma and the City of Enid, Oklahoma 401(k) Supplement Plan, which accumulate resources for pension benefit payments to qualified employees.
- The custodial funds account for court bonds and the Council on Law Enforcement Education and Training (CLEET) fund deposits.
- The internal service fund accounts for the health and dental benefits administered to City employees.

City of Enid, Oklahoma
Notes to Financial Statements
June 30, 2022

Interfund Activity

During the course of operations, the City has activity between funds for various purposes. Any residual balances outstanding at year-end are reported as due to/due from other funds. While these balances are reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Balances between the funds included in governmental activities and business-type activities are eliminated so that only the net amount is included as internal balances in the government-wide financial statements.

Further, certain activity occurs during the year involving transfer of resources between funds. In the fund financial statements these amounts are reported as transfers in/out. While reported in the fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Transfers between funds included in the governmental activities are eliminated so that only the net amount is included as transfers in the government-wide financial statements. Similarly, balances between the funds included in business-type activities are eliminated so that only the net amount is included as transfers in the business-type activities column.

Measurement Focus and Basis of Accounting

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured, such as current financial resources or economic resources. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. The proprietary and pension benefit trust funds are also reported using the economic resources measurement focus and the accrual basis of accounting. The agency fund has no measurement focus but utilizes the accrual basis of accounting for reporting its assets and liabilities. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied and budgeted for. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

The governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, pensions, other postemployment benefits (OPEB), and claims and judgments, are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under capital leases are reported as other financing sources.

City of Enid, Oklahoma
Notes to Financial Statements
June 30, 2022

Property taxes, sales taxes, franchise taxes, licenses, fines, charges for services, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Expenditure-driven grants are recognized as revenue when the eligibility requirements have been met, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year-end). All other revenue items are considered to be measurable and available only when cash is received by the government.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the enterprise funds are charges to customers for sales and services. Operating expenses for enterprise funds include the cost of sales and services, administrative expense, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance

Cash and Cash Equivalents

The City's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

Pooled Cash and Investments

Certain cash funds and investments belonging to the City and its component units are placed in a pooled cash fund. This "pooled cash" concept is used to maintain the cash and investment accounts in the accounting records. Under this method, all cash is pooled for investment purposes and each participating fund has equity in the pooled accounts. This equity in the pooled cash accounts is allocated to the fund level as cash and investments.

Statement of Cash Flows

For purposes of the statement of cash flows for proprietary fund type funds, the City considers the pooled cash and investments to be cash equivalents as these pooled amounts have the same characteristics of demand deposits.

Investments

Investments for the City, as well as for its component units, are reported at fair value, with the exception of non-negotiable certificates of deposit, which are reported at cost. Negotiable certificates of deposit are recorded at fair value. Fair value is the price that would be received to sell an investment in an orderly transaction between market participants at the measurement date.

City of Enid, Oklahoma
Notes to Financial Statements
June 30, 2022

Receivables

All trade receivables are shown net of an allowance for uncollectible receivables. Trade accounts receivable are reserved by aging category as follows:

Current	5%
0–30 days	10%
31–60 days	20%
61–90 days	50%
120+ days	80%

Inventories and Prepaid Items

Inventories are valued at cost using the lower of cost or market method and consist of warehouse supplies and fuel at the service center, landfill, and central supply. The cost of inventory is allocated to the user departments based upon consumption. Airport and golf course inventories are sold to end users using costs of goods sold accounts.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

Restricted Assets

Certain proceeds of the general obligation bonds, revenue bonds, and sales tax notes payable, as well as certain resources set aside for their repayment, are classified as restricted assets on the statement of net position and the balance sheet because they are maintained in separate trustee accounts and their use is limited by applicable debt covenants. Construction accounts are used to report those proceeds of bond and note issuances that are restricted for use in construction.

Capital Assets

Capital assets, which include land, construction in progress, buildings, infrastructure, equipment, and vehicles, are reported in the applicable governmental or business-type activities column in the government-wide financial statements and the proprietary fund financial statements. Capital assets are defined by the City as assets with an initial, individual cost of more than \$10,000 and an estimated useful life of more than one year. Assets acquired with federal grant money are capitalized when the individual cost of the asset is more than \$5,000 and have an estimated useful life of more than one year. As the City acquires or constructs capital assets each year, they are capitalized and reported at historical cost. The reported value excludes normal maintenance and repairs, which are essentially amounts spent in relation to capital assets that do not increase the capacity or efficiency of the item or increase its estimated useful life. Donated capital assets are recorded at their estimated acquisition value at the date of donation.

City of Enid, Oklahoma
Notes to Financial Statements
June 30, 2022

Land and construction in progress are not depreciated. Buildings, infrastructure, equipment, and vehicles of the primary government are depreciated using the straight-line method over the following estimated useful lives:

Buildings	10–20 years
Infrastructure	20–30 years
Equipment	3–5 years
Vehicles	5–7 years

Lease Assets

Lease assets are initially recorded at the initial measurement of the lease liability, plus lease payments made at or before the commencement of the lease term, less any lease incentives received from the lessor at or before the commencement of the lease, plus initial direct costs that are ancillary to place the asset into service. Lease assets are amortized on a straight-line basis over the shorter of the lease term or the useful life of the underlying asset. Lease assets that have variable payment requirements each month do not carry an initial value since there is not an offsetting lease liability required to be measured.

Impairment of Capital and Lease Assets

The City reviews long-lived capital and lease assets for impairment whenever events or circumstances indicate the carrying amount of an asset may not be recoverable. Recoverability of assets to be held and used is measured by a comparison of the carrying amount of an asset to future undiscounted net cash flows expected to be generated by the asset. If such assets are considered to be impaired, the impairment to be recognized is measured by the amount by which the carrying amount of the assets exceeded the fair value of the assets. Assets to be disposed of are reported at the lower of the carrying amount or fair value less cost to sell. For the year ended June 30, 2022, there were no impairments recognized and there were minimal disposals of capital assets and lease assets.

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. Deferred outflows of resources represent a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The City has two items that qualify for reporting in this category. Deferred amounts related to pensions and OPEB are reported as deferred outflows in the government-wide and proprietary funds statement of net position.

In addition to liabilities, the statement of net position and balance sheet will sometimes report a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The governmental fund balance sheet and the government-wide and proprietary funds statement of net position include succeeding year property tax revenue, which is reported as a deferred inflow of resources under both the modified accrual and accrual basis of accounting. Deferred amounts related to pensions, OPEB, and leases are also reported as deferred inflows in the government-wide statement of net position. These amounts are deferred and recognized as an inflow of resources in the period that the funds become available.

City of Enid, Oklahoma
Notes to Financial Statements
June 30, 2022

Pensions

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

Other Postemployment Benefits

For purposes of measuring the total OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information has been determined based on the City's actuary report. For this purpose, benefit payments are recognized when due and payable in accordance with the benefit terms. The total OPEB liability attributable to the governmental activities will be paid primarily by the General Fund.

Compensated Absences

It is the City's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. There is some liability for unpaid accumulated sick leave since the City pays retiring, full-time regular employees who have accrued 90 days of sick leave \$50 per day up to 12 accrued unused sick leave days per year. Employees employed under the International Association of Fire Fighters (IAFF) received \$75 per day. All vacation pay is accrued when incurred in the government-wide and proprietary fund financial statements. For governmental fund types, the amount of accumulated unpaid vacation that is payable from available resources is recorded as a liability of the respective fund only if they have matured, for example, as a result of employee retirements and resignations.

Long-Term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using a method that approximates the effective interest method. Issuance costs are reported as expenditures.

In the fund financial statements, governmental fund types recognize bond premiums and discounts during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as expenditures. Debt principal payments are reported as expenditures.

City of Enid, Oklahoma
Notes to Financial Statements
June 30, 2022

Fund Balances and Net Position

Fund Balances

Governmental fund balances are classified as nonspendable, restricted, committed, assigned, and unassigned as follows:

- **Nonspendable** – Includes amounts that cannot be spent because they are either 1) not in spendable form or 2) legally or contractually required to be maintained intact.
- **Restricted** – Consists of fund balance with constraints placed on the use of resources either by 1) external groups, such as creditors, grantors, contributors, or laws or regulations of other governments or 2) laws through constitutional provisions or enabling legislation.
- **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.
- **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 Commission’s action or the City Manager when the City Council has designated that authority through the budget resolutions. The City had no assigned fund balance at June 30, 2022.
- **Unassigned** – All amounts not included in other spendable classifications. The General Fund is the only fund that would report a positive amount in unassigned fund balance. Residual deficit amounts of other governmental funds would also be reported as unassigned.

Sometimes the City will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the City’s policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

Net Position

Net position is displayed in three components as follows:

- **Net Investment in Capital Assets** – Consists of capital assets, including restricted capital assets, net of accumulated depreciation and reduced by outstanding balances of any debt or other borrowings that are attributable to the acquisition, construction, or improvement of these assets. Net investment in capital assets excludes unspent bond proceeds.

City of Enid, Oklahoma

Notes to Financial Statements

June 30, 2022

- **Restricted Net Position** – Consists of net position with constraints placed on the use by 1) external groups, such as creditors, grantors, contributors, or laws and regulations of other governments or 2) law through constitutional provisions or enabling legislation.
- **Unrestricted Net Position** – All other net position that does not meet the definition of net investment in capital assets or restricted.

Sometimes the City will fund outlays for a particular purpose from both restricted (*e.g.*, restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted net position and unrestricted net position in the government-wide and proprietary fund financial statements, a flow assumption must be made about the order in which resources are considered to be applied. It is the City's policy to consider restricted net position to have been depleted before unrestricted net position is applied.

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 the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. Significant estimates include the allowance for uncollectible accounts receivable, useful lives assigned to capital and lease assets, and loyalty program costs.

Sales and Use Taxes

The sales tax rate in the City is 9.1%. The State of Oklahoma receives 4.5%, the City receives 4.25%, and Garfield County receives 0.35%. The 4.25% for the City is broken down as follows:

- 2% remains in the General Fund to fund City operations.
- 1% is transferred to EMA to pay for capital infrastructure and water bond debt.
- 0.25% is restricted for the Police Fund and Fire Fund for public safety purposes.
- 1% is transferred to EMA to pay for the Kaw Lake Water Supply Project and the related debt.

The use tax mirrors the sales tax rate and applies to purchases by a resident or business in Enid for the use, storage, or consumption of goods in Oklahoma that were purchased outside of the state.

Property Taxes

Property tax revenue recognized by the City is billed and collected by the county treasurer's office and remitted to the City in the month following the collection. Property taxes are levied annually in November 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 November. The City recognizes the tax revenue in the year it is levied by Garfield County. For the

City of Enid, Oklahoma
Notes to Financial Statements
June 30, 2022

year ended June 30, 2022 and 2021, the City's net assessed valuation of taxable real and personal property aggregated \$435,140,660 and \$425,630,281 while the property taxes levied per \$1,000 had a millage rate of 0.03 and 0.00, respectively.

New Accounting Pronouncements

The Governmental Accounting Standards Board (GASB) has issued several new accounting pronouncements, which are effective for the City in the current year or will be effective in subsequent years. A description of the new accounting pronouncements, the fiscal year in which they are effective, and the City's consideration of the impact of these pronouncements are described below.

Fiscal Year Ended June 30, 2022

The City adopted the following accounting pronouncement in the year ended June 30, 2022.

GASB Statement No. 87, *Leases*, issued June 2017, will be effective for the City beginning with its year ending June 30, 2022. GASB 87 is designed to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. GASB 87 increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under GASB 87, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities.

In April 2022, GASB issued Statement No. 99, *Omnibus 2022*. A portion of this standard provides additional information on interpreting and applying GASB 87 by clarifying the definition of a lease term and further explaining what is included and excluded in the term. GASB 99 also provides additional guidance on short-term leases, variable payments, and lease incentives. Only the portion that is applicable to leases was adopted in the current year.

The City has applied the applicable provisions of these standards to the beginning of the period of adoption for which there was no impact on net position/fund balances.

Fiscal Year Ended June 30, 2023 and Thereafter

The following pronouncements will be implemented in future periods. The City is currently evaluating the potential impact these statements will have on its financial statements and the impact may be material.

In May 2020, GASB issued Statement No. 96, *Subscription-Based Information Technology Arrangements*. GASB 96 provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITA) for government end users. GASB 96 defines a SBITA, establishes that a SBITA results in a right-to-use subscription intangible asset and a corresponding liability, provides the capitalization criteria for outlays other than subscription payments, and requires note disclosures regarding a SBITA. To the extent

City of Enid, Oklahoma

Notes to Financial Statements

June 30, 2022

relevant, the standards for SBITAs are based on standards established in GASB 87. GASB 96 is effective for reporting periods beginning after June 15, 2022 (effective for the City's June 30, 2023 year-end). Earlier application is encouraged.

In April 2022, GASB issued Statement No. 99, *Omnibus 2022*. GASB 99 provides guidance to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing 1) practice issues that have been identified during implementation and application of certain GASB Statements and 2) accounting and financial reporting for financial guarantees. The requirements of GASB Statement No. 99 are effective as follows:

- The requirements related to extension of the use of LIBOR, accounting for SNAP distributions, disclosures of nonmonetary transactions, pledges of future revenues by pledging governments, clarification of certain provisions in GASB Statement No. 34, as amended, and terminology updates related to GASB Statement No. 53 and GASB Statement No. 63 are effective upon issuance (effective for the City's June 30, 2022 year-end).
- The requirements related to leases, public-private partnerships, and SBITAs are effective for fiscal years beginning after June 15, 2022 and all reporting periods thereafter (effective for the City's June 30, 2023 year-end).
- The requirements related to financial guarantees and the classification and reporting of derivative instruments within the scope of GASB Statement No. 53 are effective for fiscal years beginning after June 15, 2023 and all reporting periods thereafter (effective for the City's June 30, 2024 year-end).

In June 2022, GASB issued Statement No. 100, *Accounting Changes and Error Corrections – an amendment of GASB Statement No. 62*. GASB 100 enhances accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability. The requirements of this standard are effective for accounting changes and error corrections made in fiscal years beginning after June 15, 2023 and all reporting periods thereafter (effective for the City's June 30, 2024 year-end). Earlier application is encouraged.

In June 2022, GASB issued Statement No. 101, *Compensated Absences*. The objective of GASB 101 is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. The requirements of GASB 101 are effective for fiscal years beginning after December 15, 2023 and all reporting periods thereafter (effective for the City's June 30, 2025 year-end). Earlier application is encouraged.

City of Enid, Oklahoma
Notes to Financial Statements
June 30, 2022

Note 3: Detailed Notes on All Activities and Funds

Cash and Investments

The City held the following deposits and investments subject to interest rate and credit risk, as applicable, at June 30, 2022:

Governmental and Proprietary Funds

	Carrying Value	Credit Rating	Investment Maturities (in Years)		
			Less than 1	1–5	6–10
Demand deposits	\$ 27,383,438	N/A	N/A	N/A	N/A
Petty cash and change funds	10,250	N/A	N/A	N/A	N/A
Investments					
Government money market mutual funds	121,228,457	Aaa-mf	\$ 121,228,457	\$ -	\$ -
Negotiable certificates of deposit	30,548,000	N/A	8,500,000	21,798,000	250,000
Non-negotiable certificates of deposit	17,649,000	N/A	2,000,000	15,149,000	500,000
U.S. agency securities	20,819,189	Aaa	14,856,963	5,962,226	-
Total cash and cash equivalents and investments	<u>\$ 217,638,334</u>		<u>\$ 146,585,420</u>	<u>\$ 42,909,226</u>	<u>\$ 750,000</u>
Reconciliation to statement of net position					
Cash and cash equivalents	\$ 20,194,677				
Investments	54,153,972				
Restricted cash and investments	<u>143,289,685</u>				
	<u>\$ 217,638,334</u>				

City of Enid, Oklahoma
Notes to Financial Statements
June 30, 2022

Fiduciary Funds

	Carrying Value	Credit Rating	Investment Maturities (in Years)		
			Less than 1	1–5	6–10
Investments					
Government money market mutual funds	\$ 1,384,625	Not Rated	\$ 1,384,625	\$ -	\$ -
Mutual funds – equities	32,224,579	N/A	32,224,579	-	-
Mutual funds – corporate bonds	<u>9,566,870</u>	Bb–Alaa	<u>-</u>	<u>9,566,870</u>	<u>-</u>
Total cash and cash equivalents and investments	<u>\$ 43,176,074</u>		<u>\$ 33,609,204</u>	<u>\$ 9,566,870</u>	<u>\$ -</u>

Government money market mutual funds are measured at amortized cost as opposed to their fair value as they have maturity dates of less than one year at the time of purchase.

Custodial Credit Risk – Deposits

Custodial credit risk is the risk that in the event of a bank failure, the City’s deposits may not be returned to it. The City does not have a deposit policy for custodial credit risk. As of June 30, 2022, the City had no bank balances that were not covered by Federal Depository Insurance or collateralized by securities pledged by the banks and held in safekeeping by another bank in the name of the City.

Investments

The City uses a pooled investment concept for all its funds, with the exception of restricted funds in connection with debt securities, to maximize its investment program. Investment income from this internal pooling is allocated to the respective funds based upon the sources of funds invested. State statutes limit investments to the following: (a) direct obligations of the U.S. government, its agencies, or instrumentalities; (b) collateralized or insured certificates of deposit within the state, and insured certificates only if out of state; (c) savings accounts or savings certificates; (d) fully collateralized prime banker acceptances, prime commercial paper, repurchase agreements, or SEC-regulated money market funds; (e) obligations to the payment of which the full faith and credit of the state is pledged; (f) county, municipal, or school district and valorem tax-funded debt; (g) bonds, notes, or money judgments of a county, municipality, or school district; (h) revenue anticipation notes of a public trust of which the municipality is beneficiary; or (i) any bond, note, or other debt of any public trust of which the municipality is sole beneficiary, or other entities whose governing boards were appointed by the municipality. The City’s investment policy does not further limit its investment choices.

City of Enid, Oklahoma
Notes to Financial Statements
June 30, 2022

Fair Value Measurements

The City uses the fair value hierarchy established by generally accepted accounting principles based on the valuation inputs used to measure the fair value of the asset. The fair value hierarchy categorizes the inputs to valuation techniques used to measure fair value into three levels. Level 1 inputs are quoted prices (unadjusted) for identical assets or liabilities in active markets that a government can access at the measurement date. Level 2 inputs are inputs – other than quoted prices included within Level 1 – that are observable for an asset or liability, either directly or indirectly. Level 3 inputs are unobservable inputs for an asset or liability. The fair value hierarchy gives the highest priority to Level 1 inputs and the lowest priority to Level 3 inputs.

Government-Wide Investments

	Fair Value	Fair Value Measurements Using		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Negotiable certificates of deposit	\$ 30,548,000	\$ -	\$ 30,548,000	\$ -
U.S. agency securities	20,819,189	-	20,819,189	-
	<u>\$ 51,367,189</u>	<u>\$ -</u>	<u>\$ 51,367,189</u>	<u>\$ -</u>

Fiduciary Funds

	Fair Value	Fair Value Measurements Using		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Mutual funds – equities	\$ 32,224,579	\$ 32,224,579	\$ -	\$ -
Mutual funds – corporate bonds	9,566,870	9,566,870	-	-
	<u>\$ 41,791,449</u>	<u>\$ 41,791,449</u>	<u>\$ -</u>	<u>\$ -</u>

The value of Level 2 inputs is determined using quoted prices for similar assets or liabilities in active markets. The City has no assets reported at fair value on a nonrecurring basis and no other investments meeting the fair value disclosure requirements.

City of Enid, Oklahoma
Notes to Financial Statements
June 30, 2022

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 in years of its various investments. The City's investment policy limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Credit Risk

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.

Concentration of Credit Risk

The City places no limit on the amount it may invest in any one issuer. More than 5% of the City's investments are in U.S. agency securities. 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.

Custodial Credit Risk

Custodial credit risk is the risk that in the event of the failure of the counterparty the government will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. It is the City's policy to maintain investment securities that are insured or registered in the City's name and held by the City or its agent in the City's name whenever possible. As of June 30, 2022, the City's investments were not exposed to custodial credit risk as all the City's investments were registered in the name of the City and held by a counterparty.

Restricted Cash and Investments

The amounts reported as restricted cash and investments included the Enid Municipal Authority 2003 Sales Tax note, 2009 Oklahoma Water Resources Board (OWRB) note, 2010 OWRB note, 2015 Revenue note, 2018B OWRB note, 2019 OWRB note, and 2020 CWSRF note in the EMA Fund, as well as the EEDA Tax Apportionment Bonds and Series 2015 in the Enid Economic Development Authority Fund, which include restricted cash and investments for sinking funds and reserve funds for repayment of principal and interest when due. Restricted balances also contain \$17,436,086 in unspent note proceeds from the 2018B OWRB note and \$51,550,702 in unspent note proceeds from the 2019 OWRB note set aside for the Kaw Lake Water Supply Project in the EMA Fund. Additionally, funds transferred to EMA that are restricted for the purpose of acquiring

City of Enid, Oklahoma
Notes to Financial Statements
June 30, 2022

capital assets through a 1% sales tax, 1% sales tax to fund the Kaw Lake Water Supply Project, and sanitary sewer fee restriction are included in the restricted cash and investments of the EMA Fund.

The following is a summary of the debt issuances that require restricted cash and investments to be maintained. The balances as of June 30, 2022 are as follows:

	Governmental Funds	Proprietary Funds	Total
EMA 2009 OWRB note	\$ -	\$ 86,284	\$ 86,284
EMA 2010 OWRB note	-	365,114	365,114
EMA 2016 OWRB note	-	370,732	370,732
1% Restricted Sales Tax	-	37,223,240	37,223,240
1% Restricted Sales Tax	-	11,418,074	11,418,074
1% Restricted Tax for Kaw Lake Water Supply Project	-	22,345,515	22,345,515
EMA BOK 2018b OWRB Project Fund	-	17,436,086	17,436,086
EMA BOK 2018b OWRB FAP Debit SRVC	-	1,042,881	1,042,881
EMA BOK 2019 OWRB Project Fund	-	51,550,702	51,550,702
EMA BOK 2019 OWRB FAP Debit SRVC	-	1,172,238	1,172,238
EMA BOK 2020 CWSRF Debit SRVC	-	231,438	231,438
EEDA Series 2015 Sales Tax Revenue Note	47,381	-	47,381
	<u>47,381</u>	<u>-</u>	<u>47,381</u>
Total restricted cash and investments	<u>\$ 47,381</u>	<u>\$ 143,242,304</u>	<u>\$ 143,289,685</u>

City of Enid, Oklahoma
Notes to Financial Statements
June 30, 2022

Receivables

Receivables as of June 30, 2022 for the City’s individual major funds and nonmajor funds in the aggregate, including the applicable allowances for uncollectible accounts, are as follows:

	Taxes	Accounts	Due from Other Governments	Accrued Interest	Leases	Allowance for Doubtful Accounts	Net Receivables
Governmental Activities							
Governmental funds							
General	\$ 5,762,227	\$ 40,092	\$ -	\$ -	\$ -	\$ (4,790)	\$ 5,797,529
Police	159,707	-	87,274	-	-	-	246,981
Fire	159,707	-	-	-	-	-	159,707
Nonmajor governmental funds	<u>269,132</u>	<u>-</u>	<u>21,432</u>	<u>2,558</u>	<u>-</u>	<u>-</u>	<u>293,122</u>
Total governmental activities	<u>6,350,773</u>	<u>40,092</u>	<u>108,706</u>	<u>2,558</u>	<u>-</u>	<u>(4,790)</u>	<u>6,497,339</u>
Business-Type Activities							
Enterprise funds							
Enid Municipal Authority	-	5,452,495	-	100,548	91,015	(401,379)	5,242,679
Enid Event Center and Convention Hall	107,012	279,887	-	-	-	-	386,899
Nonmajor enterprise funds	<u>-</u>	<u>147,775</u>	<u>319,275</u>	<u>375</u>	<u>42,122</u>	<u>(46,292)</u>	<u>463,255</u>
Total business-type activities	<u>107,012</u>	<u>5,880,157</u>	<u>319,275</u>	<u>100,923</u>	<u>133,137</u>	<u>(447,671)</u>	<u>6,092,833</u>
Receivables, net	<u>\$ 6,457,785</u>	<u>\$ 5,920,249</u>	<u>\$ 427,981</u>	<u>\$ 103,481</u>	<u>\$ 133,137</u>	<u>\$ (452,461)</u>	<u>\$ 12,590,172</u>

City of Enid, Oklahoma
Notes to Financial Statements
June 30, 2022

Capital Assets

Capital asset balances and activities for the year ended June 30, 2022 were as follows:

Governmental Activities

	Beginning Balance	Increases	Transfers	Decreases	Ending Balance
Capital assets not being depreciated					
Land	\$ 6,687,983	\$ 1,467,427	\$ -	\$ -	\$ 8,155,410
Construction in progress	<u>13,641,385</u>	<u>7,832,787</u>	<u>(8,389,955)</u>	<u>(118,375)</u>	<u>12,965,842</u>
Total capital assets not being depreciated	<u>20,329,368</u>	<u>9,300,214</u>	<u>(8,389,955)</u>	<u>(118,375)</u>	<u>21,121,252</u>
Capital assets being depreciated					
Buildings	16,548,890	55,760	30,545	(252,713)	16,382,482
Infrastructure	102,362,828	49,101	8,059,777	-	110,471,706
Equipment	13,641,127	420,583	278,321	(27,222)	14,312,809
Vehicles	<u>13,004,672</u>	<u>2,034,049</u>	<u>(50,393)</u>	<u>(316,263)</u>	<u>14,672,065</u>
Total capital assets being depreciated	<u>145,557,517</u>	<u>2,559,493</u>	<u>8,318,250</u>	<u>(596,198)</u>	<u>155,839,062</u>
Less accumulated depreciation					
Buildings	(10,358,534)	(613,647)	-	18,012	(10,954,169)
Infrastructure	(58,457,558)	(3,150,663)	-	-	(61,608,221)
Equipment	(12,106,402)	(1,034,016)	21,312	27,222	(13,091,884)
Vehicles	<u>(10,828,161)</u>	<u>(1,035,839)</u>	<u>50,393</u>	<u>316,263</u>	<u>(11,497,344)</u>
Total accumulated depreciation	<u>(91,750,655)</u>	<u>(5,834,165)</u>	<u>71,705</u>	<u>361,497</u>	<u>(97,151,618)</u>
Total capital assets being depreciated, net	<u>53,806,862</u>	<u>(3,274,672)</u>	<u>8,389,955</u>	<u>(234,701)</u>	<u>58,687,444</u>
Capital assets, net	<u>\$ 74,136,230</u>	<u>\$ 6,025,542</u>	<u>\$ -</u>	<u>\$ (353,076)</u>	<u>\$ 79,808,696</u>

City of Enid, Oklahoma
Notes to Financial Statements
June 30, 2022

Business-Type Activities

	Beginning Balance	Increases	Transfers	Decreases	Ending Balance
Capital assets not being depreciated					
Land	\$ 7,679,181	\$ 225,607	\$ 158,163	\$ -	\$ 8,062,951
Construction in progress	<u>52,329,900</u>	<u>90,232,191</u>	<u>(38,349,312)</u>	<u>(370,143)</u>	<u>103,842,636</u>
Total capital assets not being depreciated	<u>60,009,081</u>	<u>90,457,798</u>	<u>(38,191,149)</u>	<u>(370,143)</u>	<u>111,905,587</u>
Capital assets being depreciated					
Buildings	81,166,228	-	550,960	-	81,717,188
Infrastructure	176,994,391	-	36,995,302	-	213,989,693
Equipment	26,550,047	562,365	666,199	-	27,778,611
Vehicles	<u>10,500,182</u>	<u>2,909,383</u>	<u>50,393</u>	<u>(1,658,118)</u>	<u>11,801,840</u>
Total capital assets being depreciated	<u>295,210,848</u>	<u>3,471,748</u>	<u>38,262,854</u>	<u>(1,658,118)</u>	<u>335,287,332</u>
Less accumulated depreciation					
Buildings	(32,288,266)	(3,964,549)	-	-	(36,252,815)
Infrastructure	(81,832,021)	(5,849,302)	-	-	(87,681,323)
Equipment	(18,406,011)	(930,350)	(21,312)	-	(19,357,673)
Vehicles	<u>(7,552,631)</u>	<u>(1,115,533)</u>	<u>(50,393)</u>	<u>1,348,366</u>	<u>(7,370,191)</u>
Total accumulated depreciation	<u>(140,078,929)</u>	<u>(11,859,734)</u>	<u>(71,705)</u>	<u>1,348,366</u>	<u>(150,662,002)</u>
Total capital assets being depreciated, net	<u>155,131,919</u>	<u>(8,387,986)</u>	<u>38,191,149</u>	<u>(309,752)</u>	<u>184,625,330</u>
Capital assets, net	<u>\$ 215,141,000</u>	<u>\$ 82,069,812</u>	<u>\$ -</u>	<u>\$ (679,895)</u>	<u>\$ 296,530,917</u>

Depreciation expense was charged to functions/programs of the primary government as follows:

Governmental Activities

General government	\$ 970,799
Public safety	1,294,361
Public works	3,231,162
Culture and recreation	235,360
Economic development	<u>102,483</u>
Total governmental activities	<u>\$ 5,834,165</u>

City of Enid, Oklahoma
Notes to Financial Statements
June 30, 2022

Business-Type Activities

Utility operations	\$ 9,008,228
Airport	970,618
Golf	58,928
Transit	118,887
Event center	<u>1,703,073</u>
Total business-type activities	<u>\$ 11,859,734</u>

Deposits Subject to Refund

Utility customers are required to make a meter deposit, which is refunded upon the customer's termination of services or upon request after 12 months of on-time payments with no cut-offs, provided there are no outstanding bills. Monies are deposited into the pooled cash account, and a liability has been recorded to represent the amount of deposits due to customers. As of June 30, 2022, the liability to utility customers was \$1,352,756. Customer deposits also included \$15,852 related to future events at EECCH.

Appearance bonds and other payments made to the municipal court funds reported in the agency fund financial statements are held until final disposition by the court, at which time they are refunded to the bondholder or paid over to the City's General Fund as fines.

Long-Term Liabilities

The City's long-term liabilities consist of revenue bonds and notes payable, accrued compensated absences, net pension liability, OPEB liability, workers' compensation claims, and lease obligations. Long-term liabilities for the year ended June 30, 2022 were as follows:

Governmental Activities

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deductions</u>	<u>Ending Balance</u>	<u>Current Portion</u>
Compensated absences	\$ 2,330,307	\$ 1,378,630	\$ (1,320,128)	\$ 2,388,809	\$ 1,323,413
Workers' compensation claims	1,104,676	-	(178,528)	926,148	296,365
Notes payable	825,000	-	(515,000)	310,000	310,000
Direct financing obligations	<u>244,140</u>	<u>-</u>	<u>(57,501)</u>	<u>186,639</u>	<u>59,795</u>
Total governmental activities	<u>\$ 4,504,123</u>	<u>\$ 1,378,630</u>	<u>\$ (2,071,157)</u>	3,811,596	1,989,573
Reconciliation to the statement of net position					
Add net pension liability				16,567,455	-
Add OPEB liability				<u>1,957,227</u>	-
				<u>\$ 22,336,278</u>	<u>\$ 1,989,573</u>

City of Enid, Oklahoma
Notes to Financial Statements
June 30, 2022

Business-Type Activities

	Beginning Balance	Additions	Deductions	Ending Balance	Current Portion
Compensated absences	\$ 295,275	\$ 174,373	\$ (186,435)	\$ 283,213	\$ 178,757
Workers' compensation claims	366,468	39,810	(26,963)	379,315	53,104
Landfill closure and post-closure and other long-term liabilities	4,984,564	364,289	-	5,348,853	-
Revenue notes payable	144,418,257	59,265,177	(4,717,247)	198,966,187	4,545,145
Unamortized premium on notes payable	4,474,324	-	(160,752)	4,313,572	160,752
Leases payable	-	301,220	(178,144)	123,076	35,157
Direct financing obligations	<u>1,502,558</u>	<u>1,278,940</u>	<u>(807,349)</u>	<u>1,974,149</u>	<u>1,050,390</u>
Total business-type activities	<u>\$ 156,041,446</u>	<u>\$ 61,423,809</u>	<u>\$ (6,076,890)</u>	211,388,365	6,023,305
Reconciliation to the statement of net position					
Add net pension liability				2,023,246	-
Add OPEB liability				<u>139,802</u>	<u>-</u>
				<u>\$ 213,551,413</u>	<u>\$ 6,023,305</u>

Accrued compensated absences of governmental activities are primarily liquidated by the General Fund, Police Fund, and Fire Fund. Accrued compensated absences of business-type activities are primarily liquidated by EMA. OPEB liabilities of governmental activities are liquidated primarily by the General Fund. Workers' compensation claims liabilities of governmental activities are liquidated primarily by the General Fund, Police Fund, and Fire Fund. Workers' compensation claim liabilities of business-type activities are primarily liquidated by EMA.

Governmental Activities

Long-term debt payable from property tax levies and other revenues, including sales taxes, includes the following:

Note payable (A)	\$ 310,000
Direct finance purchase (B)	<u>186,639</u>
	<u>\$ 496,639</u>

- (A) Series 2015 Sales Tax Revenue Note payable in the amount of \$2,920,000 with interest in semiannual installments and principal in 84 monthly installments beginning February 1, 2017, with final installment due January 1, 2023, with interest at 3.03% for economic development. Note will be repaid using future sales tax revenues.

City of Enid, Oklahoma
Notes to Financial Statements
June 30, 2022

- (B) Direct finance purchase with Motorola Solutions dated May 1, 2018 with seven annual payments of \$67,242, including an interest rate of 3.99%, with final installment due May 1, 2025. This purchase also included a \$50,000 down payment.

Business-Type Activities

Long-term debt payable from net revenues generated and taxes pledged to the City's business-type activities include the following:

Notes payable	
Series 2009 – Drinking water SRF promissory note (A)	\$ 2,578,561
Series 2010 – Clean water SRF promissory note (B)	11,318,401
Series 2016 – Promissory note (C)	12,560,000
Series 2018A – Drinking water SRF promissory note (D)	18,666,667
Series 2018B – Promissory note (E)	40,675,000
Series 2019A – Promissory note (F)	45,895,000
Series 2019B – Clean water SRF promissory note (G)	8,502,979
Series 2020 – Drinking water SRF promissory note (H)	58,682,106
Series 2022 – Drinking water SRF promissory note (I)	87,473
	<u>198,966,187</u>
Plus premium on Series 2016, 2018B, and 2019A promissory notes	<u>4,313,572</u>
 Total notes payable	 <u>203,279,759</u>
Direct financing obligations	
Caterpillar Financial (J)	337,320
Caterpillar Financial (K)	438,940
Arvest Equipment Finance (L)	486,057
Security National Bank (M)	711,832
	<u>1,974,149</u>
 Total direct financing obligations	 <u>1,974,149</u>
	 <u><u>\$ 205,253,908</u></u>

- (A) Series 2009 – Drinking water SRF promissory note to the OWRB, dated November 20, 2009, in the amount of \$8,345,000, payable in semiannual payments over 20 years, each March 15 and September 15, including interest at 2.37% and an administrative fee of 0.50%, maturing September 2030, for the purchase and installation of an automated metering system.
- (B) Series 2010 – Clean water SRF promissory note to the OWRB/Oklahoma Development Finance Authority, dated May 25, 2011, in the amount of \$39,900,000, payable in semiannual installments over 20 years each March 15 and September 15, including interest at 2.31% and an administrative fee of 0.50%, maturing March 2032, for the construction of a wastewater treatment plant.

City of Enid, Oklahoma
Notes to Financial Statements
June 30, 2022

- (C) Series 2016 – Enid Municipal Authority Taxable promissory note to the OWRB, dated December 21, 2016, payable in semiannual installments, including interest at 2.2%, maturity date of September 15, 2046, to provide funds for the Kaw Lake Water Supply Project.
- (D) Series 2018A – Drinking water SRF promissory note to the OWRB, dated September 10, 2018, payable in semiannual installments, including interest at 2.49%, maturity date of March 15, 2050, to provide funds for the Kaw Lake Water Supply Project.
- (E) Series 2018B – Promissory note to the OWRB, dated September 20, 2018, payable in semiannual installments, including interest at 3.2%, maturity date of October 1, 2048, to provide funds for the Kaw Lake Water Supply Project.
- (F) Series 2019A – Promissory note to the OWRB, dated February 13, 2019, payable in semiannual installments, including interest at 4.2%, maturity date of October 1, 2048, to provide funds for the Kaw Lake Water Supply Project.
- (G) Series 2019B – Clean water SRF promissory note to the OWRB, dated September 10, 2019, in the amount of \$10,431,584, payable in semiannual installments over 12 years, including interest at 1.53%, maturing March 2032, to provide funds for the construction of a new wastewater treatment center and partial refunding of the Series 2021 bond issue.
- (H) Series 2020 – Drinking water SRF promissory note to the OWRB, dated December 1, 2020, in the amount of \$205,000,000, including interest at 1.34% per annum plus an administrative fee of 0.50%, semiannual principal and interest payments until the project is completed. Upon completion of the Kaw Lake Water Supply Project, payments are converted to monthly, maturity date is 30 years after completion of the Kaw Lake Water Supply Project, estimated completion is September 2023.
- (I) Series 2022 – Drinking water SRF promissory note to the OWRB, dated May 17, 2022, in the amount of \$4,000,000, including interest at 1.88% per annum plus an administrative fee of 0.50%, semiannual principal and interest payments, maturity date of March 15, 2025, to provide funds for three water line replacements.
- (J) Direct financing obligation with Caterpillar Financial, dated November 29, 2017, with 60 monthly payments of \$11,950, including interest at 5.56%, with a final balloon payment of \$284,900 for the purchase of one 623K scraper, secured by the equipment.
- (K) Direct financing obligation with Caterpillar Financial, dated March 25, 2022, with 60 monthly payments of \$6,025, including interest at 2.99%, with a final balloon payment of \$120,560 available to be financed for additional terms, for the purchase of a D6-20 Track-Type Tractor, secured by the equipment.
- (L) Direct financing obligation with Arvest Equipment Finance, dated December 11, 2019, with 36 monthly payments of \$14,899, including interest at 3.75%, with a final balloon payment of \$406,600, available to be refinanced for additional terms, for the purchase of three Mack trash trucks, secured by the vehicles.

City of Enid, Oklahoma
Notes to Financial Statements
June 30, 2022

(M) Direct financing obligation with Security National Bank, dated August 3, 2021, with 36 monthly payments of \$13,940, including interest at 1.73%, with a final balloon payment of \$369,945, available to be refinanced for two additional one-year terms, for the purchase of three Peterbilt trash trucks, secured by the vehicles.

The City's outstanding notes from direct borrowings related to governmental activities of \$310,000 contain a provision that in an event of default outstanding amounts may become immediately due if the City is unable to make payment.

The City's direct borrowings related to business-type activities for outstanding notes payable of \$198,966,186 contain accelerated payment provisions in the event of default if the City is unable to make payment. In addition, if the City defaults on any of its required payments, the amount of such default shall bear interest at the rate of 14% per annum from the date of default until the date of payment thereof in full. The notes are secured by pledged revenues and contain debt service coverage requirements of 125% of annual debt service payments for the net revenues available for debt service. Noncompliance with the debt service coverage requirement may require an initial deposit to the debt reserve account in the amount of 1/24 of the cash reserve requirement for a period of not more than 24 months until the cash reserve requirement is fully funded.

Annual debt service requirements to maturity for governmental and business-type activities long-term debt are as follows:

Governmental Activities

Year Ending June 30,	Direct Financing Obligations		Notes Payable	
	Principal	Interest	Principal	Interest
2023	\$ 59,795	\$ 7,447	\$ 310,000	\$ 3,156
2024	62,181	5,061	-	-
2025	64,663	2,580	-	-
Total	<u>\$ 186,639</u>	<u>\$ 15,088</u>	<u>\$ 310,000</u>	<u>\$ 3,156</u>

City of Enid, Oklahoma
Notes to Financial Statements
June 30, 2022

Business-Type Activities

Year Ending June 30,	Direct Financing Obligations		Notes Payable	
	Principal	Interest	Principal	Interest
2023	\$ 1,050,390	\$ 41,878	\$ 4,545,145	\$ 5,087,351
2024	221,098	18,490	4,690,243	5,005,066
2025	460,304	9,824	4,852,503	4,840,195
2026	65,880	6,423	5,023,824	4,666,564
2027	176,477	4,336	5,201,948	4,480,840
2028–2032	-	-	22,606,629	19,473,384
2033–2037	-	-	25,976,481	15,595,156
2038–2042	-	-	24,504,939	11,116,957
2043–2047	-	-	29,819,623	5,692,536
2048–2051	-	-	12,975,273	573,163
Draws for which a maturity has not yet been determined	-	-	58,769,579	-
Total	<u>\$ 1,974,149</u>	<u>\$ 80,951</u>	<u>\$ 198,966,187</u>	<u>\$ 76,531,212</u>

Pledged Revenues

Governmental Activities

	Remaining Principal and Interest	Current Year Debt Service	Pledged Revenues	Debt Payment as % of Pledged Revenues
2015 Sales Tax Revenue Note	\$ 313,156	\$ 313,156	\$ 1,236,557	25.32%

The City has pledged the proceeds from a 0.125% sales tax to repay the Series 2015 Sales Tax Revenue Note. The bond is payable through 2023 and was used to provide funds to promote local economic development by providing economic incentives for the redevelopment of underutilized property.

City of Enid, Oklahoma
Notes to Financial Statements
June 30, 2022

Business-Type Activities

	Remaining Principal and Interest	Current Year Debt Service	Pledged Revenues	Debt Payment as % of Pledged Revenues
Series 2009 (A)	\$ 2,821,472	\$ 329,964	\$ 51,558,700	0.64%
Series 2010 (B)	\$ 12,837,816	\$ 1,283,252	\$ 51,558,700	2.49%
Series 2016 (C)	\$ 20,499,116	\$ 827,301	\$ 9,892,460	8.36%
Series 2018A (D)	\$ 27,767,156	\$ 922,914	\$ 61,451,160	1.50%
Series 2018B (E)	\$ 66,904,181	\$ 2,488,932	\$ 61,451,160	4.05%
Series 2019A (F)	\$ 76,684,872	\$ 2,858,811	\$ 61,451,160	4.65%
Series 2019B (G)	\$ 9,213,207	\$ 921,321	\$ 61,451,160	1.50%
Series 2020 (H)	\$ 270,953,409	\$ 3,289,343	\$ 61,451,160	5.35%

- (A) Series 2009 – The City has pledged the proceeds from a 1% sales tax, along with utility revenues, to repay the Series 2009 drinking water SRF Promissory Note to the OWRB. The bond is payable through 2031 and was used to finance an automated meter infrastructure.
- (B) Series 2010 – The City has pledged the proceeds from a 1% sales tax, along with utility revenues, to repay the Series 2010 clean water SRF Promissory Note to the OWRB. The bond is payable through 2032 and was used to finance a new wastewater treatment facility.
- (C) Series 2016 – The City has pledged 0.75% of the proceeds from a 1% sales tax, to repay the Series 2016 Promissory Note to the OWRB. The bond is payable through 2047 and was used to finance the Kaw Lake Water Supply Project.
- (D) Series 2018A – The City has pledged the proceeds from a 2% sales tax, along with utility revenues, to repay the Series 2018A Promissory Note to the OWRB. The bond is payable through 2050 and was used to provide funds toward the Kaw Lake Water Supply Project.
- (E) Series 2018B – The City has pledged the proceeds from a 2% sales tax, along with utility revenues, to repay the Series 2018B Promissory Note to the OWRB. The bond is payable through 2048 and was used to provide funds toward the Kaw Lake Water Supply Project.
- (F) Series 2019A – The City has pledged the proceeds from a 2% sales tax, along with utility revenues, to repay the Series 2019A Promissory Note to the OWRB. The bond is payable through 2048 and was used to provide funds toward the Kaw Lake Water Supply Project.
- (G) Series 2019B – The City has pledged the proceeds from a 2% sales tax, along with utility revenues, to repay the Series 2019B Promissory Note to the OWRB. The bond is payable through 2032 and was used to provide funds to finance a new wastewater treatment facility.

City of Enid, Oklahoma
Notes to Financial Statements
June 30, 2022

(H) Series 2020 – The City has pledged the proceeds from a 2% sales tax, along with utility revenues, to repay the Series 2020 Promissory Note to the OWRB. Proceeds of the note are being used to provide funds toward the Kaw Lake Water Supply Project and matures 30 years after completion of the project.

Judgments

Judgments against the City may be paid by a property tax assessment over a three-year period.

Interfund Receivables, Payables, and Transfers

The composition of interfund balances as of June 30, 2022 is as follows:

	Receivables	Payables
Major governmental funds – General	\$ -	\$ 2,535,371
Major enterprise funds – EMA	2,383,310	-
Internal service fund	152,061	-
	\$ 2,535,371	\$ 2,535,371

Due to/from Other Funds

Interfund balances result from the time lag between the dates that 1) interfund goods and services are provided or reimbursable expenditures occur, 2) transactions are recorded in the accounting system, and 3) payments between funds are made. The interfund receivables and payables are scheduled to be collected in the subsequent year.

Interfund Transfers

The following is a schedule of transfers as included in the basic financial statements of the City:

	Transfers In	Transfers Out
Major governmental funds – General	\$ 11,625,000	\$ 39,247,092
Major governmental funds – Police	9,092,015	300,000
Major governmental funds – Fire	8,043,220	100,000
Major governmental funds – Water Capital Improvement	270,112,563	206,793,067
Nonmajor governmental funds	20,047,364	-
Major enterprise funds – EMA	226,568,534	300,432,990
Major enterprise funds – EECCH	750,000	-
Nonmajor enterprise funds	634,453	-
	\$ 546,873,149	\$ 546,873,149

City of Enid, Oklahoma
Notes to Financial Statements
June 30, 2022

Transfers are used to 1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, or 2) use unrestricted revenues collected in the General Fund to finance various programs accounted for in other governmental and proprietary funds in accordance with budgetary functions. In addition, the City also transfers capital assets acquired through capital outlay of governmental funds to business-type activities/proprietary funds if the purpose is for utility construction or other activities included in business-type activities. Such transfers totaled \$89,625,597 during the year ended June 30, 2022.

Landfill Closure and Post-Closure Liability

Federal and state regulations require the City to place a final cover on its landfill site when it stops accepting waste and to perform certain maintenance and monitoring functions at the site for 30 years after closure. Although closure and post-closure care costs will be paid only near or after the date the landfill stops accepting waste, the City reports a portion of those costs as an operating expense of EMA each fiscal year. The amount of the current period expense is based upon the amount of landfill capacity used as of each fiscal year-end as adjusted by actual usage and estimates.

The \$5,348,853 reported as other noncurrent liabilities for the accrued landfill closure cost liability as of June 30, 2022 represents the cumulative amount of such cost reported to date based on the use of approximately 83% of the estimated capacity of the landfill. EMA will recognize the remaining estimated costs of closure and post-closure care in the amount of \$1,095,548 as the remaining estimated capacity is filled. These amounts are based on what it would cost to perform all closure and post-closure care in 2022.

The City expects to close the landfill in 2039. Actual costs may be more or less at that time than are currently estimated. The estimated closure and post-closure costs and the accrued liability as of June 30, 2022 are as follows:

Estimated closure costs	\$ 4,887,502
Estimated post-closure costs	<u>1,556,899</u>
Total estimated costs	<u><u>\$ 6,444,401</u></u>
Accrued closure costs	<u><u>\$ 5,348,853</u></u>
Current costs charged to expense	<u><u>\$ 364,289</u></u>

The City qualified under the State of Oklahoma Department of Environmental Quality (DEQ) financial assurance test relating to these future closure and post-closure costs, whereby the City's overall financial condition and other submitted information serves as evidence of the City's ability to pay for the closure and post-closure care costs when the landfill is actually closed.

City of Enid, Oklahoma
Notes to Financial Statements
June 30, 2022

Tax Abatements

GASB Statement No. 77 defines tax abatements as a reduction in tax revenues that results from an agreement between one or more governments and an individual or entity in which (a) one or more governments promise to forgo tax revenues to which they are otherwise entitled and (b) the individual or entity promises to take a specific action after the agreement that has been entered into that contributes to economic development or otherwise benefits the governments or the citizens of those governments.

The City provides tax abatements for urban renewal and economic development projects with tax increment financing as provided for in Title 11 §11-38-120 of the Oklahoma Statutes. To be eligible for the abatements for these types of projects, the developer has to enter into an agreement with the City. After developers meet the terms of the agreements, the City is required to rebate a portion of the sales tax paid by the developers, pay the developers an economic development grant, or pay the developers a predetermined dollar amount. No other commitments were made by the City as part of these agreements.

For the year ended June 30, 2022, the City abated \$677,501 of sales tax under the urban renewal and economic development projects.

Note 4: Employee Retirement Systems and Pension Plans

The City participates in five employee pension systems as follows:

Name of System	Type of System
Oklahoma Police Pension and Retirement System	Cost-Sharing Multiple Employer – Defined Benefit Plan
Oklahoma Firefighters’ Pension and Retirement System	Cost-Sharing Multiple Employer – Defined Benefit Plan
The Employee Retirement System of Enid, Oklahoma	Single Employer Defined Benefit Plan
City of Enid, Oklahoma 401(k) Supplement Plan	Single Employer Defined Contribution Plan
ICMA Section 457 Deferred Compensation Plan	Single Employer Defined Compensation Plan

City of Enid, Oklahoma
Notes to Financial Statements
June 30, 2022

The City has recognized the following in the government-wide statements related to pensions:

	Governmental Activities	Business-Type Activities	Total
Net pension liability (asset)			
OPPRS	\$ (6,460,335)	\$ -	\$ (6,460,335)
OFPRS	11,747,318	-	11,747,318
ERP	4,820,137	2,023,246	6,843,383
	<u>\$ 10,107,120</u>	<u>\$ 2,023,246</u>	<u>\$ 12,130,366</u>
Deferred outflows of resources			
OPPRS	\$ 844,416	\$ -	\$ 844,416
OFPRS	5,146,169	-	5,146,169
ERP	1,428,438	599,586	2,028,024
	<u>\$ 7,419,023</u>	<u>\$ 599,586</u>	<u>\$ 8,018,609</u>
Deferred inflows of resources			
OPPRS	\$ 4,977,203	\$ -	\$ 4,977,203
OFPRS	10,323,092	-	10,323,092
ERP	1,088,233	456,785	1,545,018
	<u>\$ 16,388,528</u>	<u>\$ 456,785</u>	<u>\$ 16,845,313</u>
Pension expense			
OPPRS	\$ (646,693)	\$ -	\$ (646,693)
OFPRS	1,018,467	-	1,018,467
ERP	590,524	247,867	838,391
	<u>\$ 962,298</u>	<u>\$ 247,867</u>	<u>\$ 1,210,165</u>

The City participates in two statewide cost-sharing multi-employer defined benefit plans on behalf of City Police and Firefighters. Both the OPPRS and OFPRS are funded by contributions from participants, employers, insurance premium taxes, and state appropriations, as necessary.

City of Enid, Oklahoma
Notes to Financial Statements
June 30, 2022

The following table provides the eligibility factors, contribution methods, and benefit provisions for the OPPRS and OFPRS:

	Oklahoma Police Pension and Retirement System	Oklahoma Firefighters' Pension and Retirement System
Obtaining separately issued financial statements	Police Pension and Retirement 1001 NW 63rd St., Ste. 605 Oklahoma City, OK 73116-7335	Firefighters' Pension and Retirement 4545 N. Lincoln Blvd., Ste. 265 Oklahoma City, OK 73105-3414
Authority establishing contribution obligations and benefits	Title 11 of the Oklahoma State Statutes – The authority to establish and amend benefit provisions and contribution requirements rests with the state legislature.	
Eligibility to participate	All full-time officers employed by a participating municipality; age no less than 21 nor more than 45 when accepted for membership	All full-time firefighters of participating municipalities and fire protection districts; minimum age of 18, maximum age of 45 when accepted for membership
Member contributions	8% of base salary	9% of base salary
Employer contributions	13% of base salary	14% of base salary
Benefit provisions	Provides defined retirement benefits based on members' final average compensation, age, and terms of service. In addition, the OPPRS provides for death and disability benefits. Title 11 of the Oklahoma Statutes, Section 50-101, defines all retirement benefits	Provides defined retirement benefits based on members' final average compensation, age, and terms of service. In addition, the OFPRS provides for death and disability benefits. Title 11 of the Oklahoma Statutes, Section 49-101, defines all retirement benefits

Oklahoma Police Pension and Retirement System

Pension Liabilities, Pension Expense, and Deferred Outflows and Inflows of Resources Related to Pensions

At June 30, 2022, the City reported an asset of \$6,460,335 for its proportionate share of the net pension asset. The net pension asset was measured as of July 1, 2021, and the total pension asset used to calculate the net pension asset was determined by an actuarial valuation as of July 1, 2021. 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 the pension plan for all participating employers as of June 30, 2021. The City's proportionate share was 1.3467% at June 30, 2021, which was a decrease of 0.268% of the City's proportion at June 30, 2020.

City of Enid, Oklahoma
Notes to Financial Statements
June 30, 2022

For the year ended June 30, 2022, the City recognized \$(646,693) in pension expense. At June 30, 2022, 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
Changes of assumptions	\$ 98,241	\$ -
Differences between expected and actual experience	92,755	(254,989)
Net difference between projected and actual earnings on pension plan investments	-	(4,712,581)
Changes in proportion and differences between city contributions and proportionate share of contributions	35,871	(9,633)
Total deferred amounts to be recognized in pension expense in future years	226,867	(4,977,203)
City contributions subsequent to the measurement date	617,549	-
Total deferred amounts related to pensions	<u>\$ 844,416</u>	<u>\$ (4,977,203)</u>

Amortization of Pension Deferrals

Deferred outflows of resources related to pensions totaling \$617,549 resulting from City contributions subsequent to the measurement date will be recognized as a decrease of the net pension liability in the year ending June 30, 2023. The net deferred outflows related to the difference between projected and actual investment earnings is being amortized over a closed five-year period as of the beginning of each measurement period. The other deferred outflows and deferred inflows of resources are being amortized over a closed period equal to the average of the expected service lives of all OPPRS members. The average is determined by taking the calculated total future years of the plan divided by the number of the people in the plan, including retirees.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

2023	\$ (1,067,041)
2024	(935,412)
2025	(1,186,736)
2026	(1,570,414)
2027	9,267
	<u>\$ (4,750,336)</u>

City of Enid, Oklahoma
Notes to Financial Statements
June 30, 2022

Actuarial Assumptions

The total pension liability was determined by an actuarial valuation as of July 1, 2021 using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.75%, compounded annually
Salary increases	3.5% to 12.0% average, including inflation
Investment rate of return	7.5% net of pension plan investment expense
Mortality rates	Active employees (pre-retirement): RP-2000 Combined Blue Collar Healthy Employees (generational using Scale AA) with age set back four years
	Active employees (post-retirement) and nondisabled pensioners: RP-2000 Combined Blue Collar Healthy Employees (generational using Scale AA)
	Disabled pensioners: RP-2000 Combined Blue Collar Healthy Employees with age set forward four years (no generational improvement)

The actuarial assumptions used in the July 1, 2021 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, 2021 are summarized in the following table:

	Long-Term Expected Real Rate of Return
Fixed income	3.22%
Domestic equity	4.55%
International equity	8.50%
Real estate	7.97%
Private equity	9.36%

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; 20% of assets in fixed income to include investment grade bonds, high-yield bonds, and non-dollar denominated bonds, convertible bonds, and low volatility hedge fund strategies; and 15% of assets in real assets to include real estate, commodities, and other strategies.

City of Enid, Oklahoma
Notes to Financial Statements
June 30, 2022

Discount Rate

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

Sensitivity of the Net Pension Asset/Liability to Changes in the Discount Rate

The following presents the net pension liability (asset) of the City, 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 or 1-percentage point higher than the current rate:

	1% Decrease (6.5%)	Current Discount Rate (7.5%)	1% Increase (8.5%)
City’s net pension liability (asset)	\$ (2,422,821)	\$ (6,460,335)	\$ (9,874,355)

Payables to the Pension Plan

The City reported no payables to the OPPRS at June 30, 2022.

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.

On-Behalf Payments for Retirement

For the year ended June 30, 2022, the State of Oklahoma contributed approximately \$550,000 to the OPPRS on behalf of the City. These amounts have been recorded as both a revenue and expenditure of the Police Fund in the governmental funds financial statements.

Related-Party Investments

As of June 30, 2022, the OPPRS held no related-party investments of the City or of its related entities.

City of Enid, Oklahoma
Notes to Financial Statements
June 30, 2022

Oklahoma Firefighters' Pension and Retirement System

Pension Liabilities, Pension Expense, and Deferred Outflows and Inflows of Resources Related to Pensions

At June 30, 2022, the City reported a net pension liability of \$11,747,318 for its proportionate share of the net pension liability. The net pension liability was measured as of July 1, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2021. 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, 2021. The City's proportionate share was 1.783771% at June 30, 2021, which was an increase of 0.0182% of the City's proportion at June 30, 2020.

For the year ended June 30, 2022, the City recognized \$1,018,467 in pension expense. At June 30, 2022, 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
Changes of assumptions	\$ -	\$ (260,554)
Differences between expected and actual experience	4,260,486	(206,302)
Net difference between projected and actual earnings on pension plan investments	-	(9,338,610)
Changes in proportion and differences between city contributions and proportionate share of contributions	52,751	(517,626)
Total deferred amounts to be recognized in pension expense in future years	4,313,237	(10,323,092)
City contributions subsequent to the measurement date	832,932	-
Total deferred amounts related to pensions	\$ 5,146,169	\$ (10,323,092)

Amortization of Pension Deferrals

Deferred outflows of resources related to pensions totaling \$832,932 resulting from City contributions subsequent to the measurement date will be recognized as a decrease of the net pension liability in the year ending June 30, 2023. The net deferred outflows related to the difference between projected and actual investment earnings is being amortized over a closed five-year period as of the beginning of each measurement period. The other deferred outflows and deferred inflows of resources are being amortized over a closed period equal to the average of the expected service lives of all OFPRS members. The average is determined by taking the calculated total future service years of the plan divided by the number of the people in the plan, including retirees.

City of Enid, Oklahoma
Notes to Financial Statements
June 30, 2022

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

2023	\$ (1,129,347)
2024	(1,234,594)
2025	(1,414,595)
2026	<u>(2,231,319)</u>
	<u>\$ (6,009,855)</u>

Actuarial Assumptions

The total pension liability was determined by an actuarial valuation as of July 1, 2021 using the following actuarial assumptions, applied to all periods included in the measurement.

Inflation	2.75%, compounded annually
Salary increases	2.75% to 10.5% average, including inflation
Investment rate of return	7.5% net of pension plan investment expense
Mortality rates	Active members: Pub-2010 Public Safety Table with generational mortality improvement using Scale MP-2018
	Retired members: Pub-2010 Public Safety Below Median Table with generational mortality improvement using Scale MP-2018
	Disabled pensioners: Pub-2010 Public Safety Disabled Table set forward two years

The actuarial assumptions used in the July 1, 2021 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-estimates 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 percentages and by adding expected inflation.

City of Enid, Oklahoma
Notes to Financial Statements
June 30, 2022

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, 2021 are summarized in the following table:

	Target Allocation	Long-Term Expected Real Rate of Return
Fixed income	20.00%	3.53%
Domestic equity	42.00%	5.73%
International equity	20.00%	8.50%
Real estate	10.00%	7.97%
Other assets	8.00%	4.73%

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 the City will be made at contractually required rates, determined by Oklahoma 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 Asset/Liability to Changes in the Discount Rate

The following presents the net pension liability of the City, calculated using the discount rate of 7.5%, as well as what the plan’s net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

	1% Decrease (6.5%)	Current Discount Rate (7.5%)	1% Increase (8.5%)
City’s net pension liability	\$ 18,357,617	\$ 11,747,318	\$ 6,213,145

Payables to the Pension Plan

The City reported no payables to the OFPRS at June 30, 2022.

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 OFPRS, which can be located at www.ok.gov/OFPS.

City of Enid, Oklahoma
Notes to Financial Statements
June 30, 2022

On-Behalf Payments for Retirement

For the year ended June 30, 2022, the State of Oklahoma contributed approximately \$1,600,000 to the OFPRS on behalf of the City. These amounts have been recorded as both a revenue and expenditure of the Fire Fund in the governmental funds financial statements.

Related-Party Investments

As of June 30, 2022, the OFPRS held no related-party investments of the City or of its related entities.

The Employee Retirement System of Enid, Oklahoma

Plan Description

The Employee Retirement System of Enid, Oklahoma (the Plan) is a single-employer defined benefit pension plan administered by the City's management, with assets managed by Wells Fargo. The Plan provides retirement, disability, and death benefits to plan members and beneficiaries.

The Plan does not issue a stand-alone financial report and is not included in the report of a public employee retirement system or a report of another entity.

The Plan is managed by a retirement committee composed by the City Manager, Chief Financial Officer, Human Resources Director, and an at-large employee. Meetings are held as needed but at least annually.

Basis of Accounting

The Plan's financial statements are prepared using the accrual basis of accounting. Employer and plan member contributions are recognized in the period that the contributions are due. Benefits and refunds are recognized when due and payable in accordance with the terms of the Plan.

Method Used to Value Investments

The Plan's investments are reported at fair value. Securities traded on national exchanges are valued at the last reported sales price. Investments that do not have a quoted market price are reported at estimated fair value.

Membership Information

Membership in the Plan is provided for all full-time employees after one year of service except uniformed police and fire personnel, who are covered by their respective state retirement plans. At July 1, 2022, there were 527 plan participants. Of these participants, 231 were active, 103 have been terminated but are vested, and 193 are receiving benefits. Administrative costs are financed through investment earnings.

City of Enid, Oklahoma
Notes to Financial Statements
June 30, 2022

Contributions

Benefits are entirely funded by employer contributions as determined by an actuarially determined rate. The current rate is 8.5% of annual covered payroll. Significant actuarial assumptions used to compute the actuarially determined contribution requirements are the same as those used to compute the pension benefit obligation. The contribution requirements are in accordance with City ordinance. Plan provisions and contribution requirements are established and may be amended by the City Council.

Benefits

Benefits vest after 10 years of credited service and participation. Employees, who retire at age 65 or completion of 10 years of service, if later, are entitled to an annual retirement benefit, payable monthly in an amount equal to 0.85% of average compensation for each year (up to 35 years) that the employee participates in the Plan plus 0.65% of average basic earnings in excess of \$6,600 for each year (up to 35 years) the employee participates in the Plan. After 35 years of service, the benefit is 1.2% of average compensation. Normal retirement is at age 65, but full accrued benefits are provided at age 62 with 15 years of service, or under the Rule of 85.

An employee is eligible for an early retirement benefit once they have attained age 55 and have completed five years of service. The amount of benefit is determined based on normal retirement computation then reduced ½ of 1% for each month the participant is from attaining age 65. A late retirement benefit is computed in the same manner as a normal retirement based on average salary and credited service as of the termination of employment.

Employee contributions are returned with interest if their employment is terminated prior to completion of the years of service needed for vesting. A death benefit is payable after five years of service based on 50% of the employee’s accrued benefit. This benefit is payable for life or until remarriage of the surviving spouse.

Related-Party Investments

As of June 30, 2022, the System held no related-party investments of the City or of its related entities.

Investments

Investments, including cash equivalents, consist of the following at June 30, 2022:

Cash and cash equivalents	\$	570,504
Mutual funds – equities		19,221,479
Mutual funds – corporate bonds		7,656,090
		7,656,090
Total investments	\$	27,448,073

The money-weighted rate of return for the year ended June 30, 2022 was -12.6%.

City of Enid, Oklahoma
Notes to Financial Statements
June 30, 2022

Net Pension Liability

The City’s 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 that date.

Total pension liability	\$ 34,293,469
Plan fiduciary net pension	<u>27,450,086</u>
 Net pension liability	 <u><u>\$ 6,843,383</u></u>
 Plan fiduciary net position as a percentage of the total pension liability	 80.04%

Actuarial Assumptions

The total pension liability in the July 1, 2022 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement.

Valuation date	July 1, 2022
Actuarial cost method	Entry Age Normal
Investment rate of return	7.00%
Inflation	2.60%
Projected salary increases	4.25%
Mortality rates	Pub-2010 Public Retirement Plans General Mortality Table projected by MP-2021

Discount Rate

A discount rate of 6.50% was used to measure the total pension liability. The projection of cash flows used to determine the discount rate assumed that contributions from the City would be made at the current contribution policy of 8.5%. Based on this assumption, 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.

City of Enid, Oklahoma
Notes to Financial Statements
June 30, 2022

Changes in the Net Pension Liability

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balance, July 1, 2021	\$ 35,498,117	\$ 32,344,170	\$ 3,153,947
Service cost	504,254	-	504,254
Interest	2,284,693	-	2,284,693
Differences between expected and actual experience	(254,792)	-	(254,792)
Assumption changes	(2,005,010)	-	(2,005,010)
Contributions – employer	-	838,286	(838,286)
Contributions – employee	-	-	-
Net investment income	-	(3,793,636)	3,793,636
Benefit payments, including refunds of contributions	(1,733,793)	(1,733,793)	-
Administrative expenses	-	(204,941)	204,941
Net changes	(1,204,648)	(4,894,084)	3,689,436
Balance, June 30, 2022	<u>\$ 34,293,469</u>	<u>\$ 27,450,086</u>	<u>\$ 6,843,383</u>

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following presents the Plan’s estimated net pension liability, calculated using a single discount rate of 7.00%, as well as what the Plan’s net pension liability would be if it were calculated using a single discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate :

	1% Decrease (6.0%)	Current Discount Rate (7.0%)	1% Increase (8.0%)
City’s net pension liability	\$ 10,814,207	\$ 6,843,383	\$ 3,506,996

City of Enid, Oklahoma
Notes to Financial Statements
June 30, 2022

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

For the year ended June 30, 2022, the City recognized pension expense of \$838,391 related to the Plan. At June 30, 2022, 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
Changes of assumptions	\$ 204,940	\$ (1,306,400)
Differences between expected and actual experience	-	(238,617)
Net difference between projected and actual earnings on pension plan investments	1,823,084	-
Total deferred amounts to be recognized in pension expense in future years	2,028,024	(1,545,017)
City contributions subsequent to the measurement date	-	-
Total deferred amounts related to pensions	\$ 2,028,024	\$ (1,545,017)

Amortization of Pension Deferrals

The net deferred outflows related to the difference between projected and actual investment earnings is being amortized over a closed five-year period as of the beginning of each measurement period. The other deferred outflows and deferred inflows of resources are being amortized over a closed period equal to the average of the expected service lives of all plan members. The average is determined by taking the calculated total future service years of the Plan divided by the number of the people in the Plan, including retirees.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

2023	\$ (82,203)
2024	(381,451)
2025	(225,500)
2026	1,172,160
	\$ 483,006

Payables to the Pension Plan

The City reported no payables to the Plan at June 30, 2022.

City of Enid, Oklahoma
Notes to Financial Statements
June 30, 2022

City of Enid, Oklahoma 401(k) Supplement Plan

The City also maintains the City of Enid, Oklahoma 401(k) Supplement Plan (the Supplement), a defined contribution pension plan for employees other than those covered under the OPPRS or OFPRS plans. Contribution rates to the Plan have been determined by management and approved by the City Council through the budgeting process. Employees are eligible to participate in the Supplement upon employment, provided they are at least 21 years of age, with vesting in employer contributions upon contributions by the City. Participants may elect to make voluntary contributions through regular payroll deductions up to allowable IRS limits, with the City making matching contributions to those participants' accounts at a rate of 100% of the employees' compensation up to 5%. Contributions to the Supplement, plus earnings, constitute retirement benefits from this plan. Contributions to the Supplement over the last seven years were:

Fiscal Year	Required Contribution	Percentage Contributed
2016	\$ 353,794	100%
2017	\$ 339,797	100%
2018	\$ 349,212	100%
2019	\$ 375,689	100%
2020	\$ 390,866	100%
2021	\$ 445,397	100%
2022	\$ 490,383	100%

ICMA Section 457 Deferred Compensation Plan

The City also allows all employees to make voluntary contributions with no employer match to a Section 457 deferred compensation plan maintained by the ICMA Retirement Corporation.

Condensed financial statements of the plans are presented below:

Statement of Fiduciary Net Position – the Plan and the Supplement

	Plan	Supplement	Total
Assets			
Cash and cash equivalents	\$ 570,504	\$ 814,121	\$ 1,384,625
Investments	26,877,569	14,913,880	41,791,449
Accrued interest	2,013	-	2,013
Participant loans	-	442,556	442,556
Total assets	27,450,086	16,170,557	43,620,643
Net position restricted for pensions	\$ 27,450,086	\$ 16,170,557	\$ 43,620,643

City of Enid, Oklahoma
Notes to Financial Statements
June 30, 2022

Statement of Changes in Fiduciary Net Position – the Plan and the Supplement

	<u>Plan</u>	<u>Supplement</u>	<u>Total</u>
Additions			
Contributions			
Employer	\$ 838,286	\$ 490,383	\$ 1,328,669
Plan members	-	675,360	675,360
Total contributions	<u>838,286</u>	<u>1,165,743</u>	<u>2,004,029</u>
Investment earnings			
Net decrease in fair value of investments	(4,517,437)	(2,661,279)	(7,178,716)
Interest and dividends	723,801	-	723,801
Total investment earnings	<u>(3,793,636)</u>	<u>(2,661,279)</u>	<u>(6,454,915)</u>
Total additions	<u>(2,955,350)</u>	<u>(1,495,536)</u>	<u>(4,450,886)</u>
Deductions			
Benefits and withdrawals	1,733,793	1,740,116	3,473,909
Administrative expenses	204,941	43,157	248,098
Total deductions	<u>1,938,734</u>	<u>1,783,273</u>	<u>3,722,007</u>
Change in net position	(4,894,084)	(3,278,809)	(8,172,893)
Net position restricted for pensions, beginning of year	<u>32,344,170</u>	<u>19,449,366</u>	<u>51,793,536</u>
Net position restricted for pensions, end of year	<u>\$ 27,450,086</u>	<u>\$ 16,170,557</u>	<u>\$ 43,620,643</u>

Note 5: Claims Liability

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; employee health and life; and natural disasters.

City of Enid, Oklahoma
Notes to Financial Statements
June 30, 2022

The City manages these various risks of loss as follows:

- **General Liability** – Covered through a purchased insurance with a deductible that varies from \$0 to \$10,000 per occurrence depending on the type of liability.
- **Physical Property** – Covered through purchased insurance with a deductible of \$10,000 per occurrence.
- **Workers’ Compensation** – Workers’ compensation is covered through self-insurance with the City administering the claims process. The City also has a stop-loss policy that covers individual claims in excess of \$1,000,000.
- **Employees’ Group Medical** – Covered through self-insurance using a third-party administrator to process medical claims. The City uses the third-party administrator’s estimates to record group insurance claims payable. The City also has a stop-loss policy that covers individual claims in excess of \$150,000 during any year.

Management believes the insurance coverage listed above 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.

Claims Liability Analysis

	Medical Claims	Workers’ Compensation Claims
Balance, July 1, 2020	\$ 421,987	\$ 1,441,415
Current year claims and changes in estimates	5,869,794	510,011
Claim payments	(5,298,250)	(480,282)
Balance, June 30, 2021	993,531	1,471,144
Current year claims and changes in estimates	4,753,844	248,221
Claim payments	(5,371,363)	(413,910)
Balance, June 30, 2022	\$ 376,012	\$ 1,305,455

Note 6: Other Postemployment Benefits

City of Enid Postretirement Medical Plan

Plan Description

The City’s defined benefit OPEB plan, the City of Enid Postretirement Medical Plan (the Medical Plan), a single-employer healthcare plan, provides OPEB for all active and retired employees and their eligible dependents. The Medical Plan is administered by the City, and the City has the

City of Enid, Oklahoma
Notes to Financial Statements
June 30, 2022

authority to establish or amend the plan provisions or contribution requirements through its personnel manual and union contracts. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75. The Medical Plan does not issue a stand-alone financial report.

Benefits Provided

The City provides postretirement healthcare and prescription benefits to its retirees. The Medical Plan covers all current retirees who elected postretirement medical coverage through the City and future retired general employees, police officers, and firefighters.

Contributions

The retired employee who participates in the Medical Plan shall pay the full cost of said health insurance plan at the rates and terms established by the City. The City offers the Medical Plan to those retired employees unless the retired employee or dependent is over 65 years of age and qualifies for Medicare. For the year ended June 30, 2022, retirees and dependents paid the full cost of the coverage.

Employees Covered by Benefit Terms

At June 30, 2022, the following employees were covered by the benefit terms:

Inactive employees currently receiving benefits	15
Inactive employees entitled to but not yet receiving benefits	-
Active employees	371
	386

Total OPEB Liability

The City’s total OPEB liability of \$2,097,029 was measured as of June 30, 2022 and was determined by an actuarial valuation as of that date.

Actuarial Methods and Assumptions

The total OPEB liability in the June 30, 2022 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Cost method	Entry Age Normal
Salary increases	4.25%
Discount rate	3.54% based on the 20-year bond yield (Bond Buyers’ Index)
Healthcare cost trend rates	7.35% decreasing to 4.50%
Retirees’ share of benefit-related costs	100.00%
Mortality rates	Pub-2010 Public Retirement Plans General Mortality Table weighted by MP-2021
Plan participation	35% of future retired employees are assumed to participate

City of Enid, Oklahoma
Notes to Financial Statements
June 30, 2022

The discount rate was based on the municipal bond rate as of July 1, 2022.

The actuarial assumptions used in the June 30, 2022 valuation were based on the results of an actuarial experience study completed in 2022.

Changes in the Total OPEB Liability

	Total OPEB Liability
Balance, July 1, 2021	\$ 2,413,993
Service cost	123,151
Interest	54,714
Changes in assumptions or other inputs	(114,917)
Difference between expected and actual experience	(371,745)
Contributions and payments made	(8,167)
Net changes	(316,964)
Balance, June 30, 2022	\$ 2,097,029

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate

The following presents the total OPEB liability of the City, as well as what the City’s approximate total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current discount rate.

	1% Decrease (2.54%)	Current Discount Rate (3.54%)	1% Increase (4.54%)
Total OPEB liability	\$ 2,277,511	\$ 2,097,029	\$ 1,937,307

Sensitivity of the Total OPEB liability to Changes in the Healthcare Cost Trend Rates

The following presents the total OPEB liability of the City, as well as what the City’s total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates.

	1% Decrease	Current Trend Rates	1% Increase
Total OPEB liability	\$ 1,864,649	\$ 2,097,029	\$ 2,374,010

City of Enid, Oklahoma
Notes to Financial Statements
June 30, 2022

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

For the year ended June 30, 2022, the City recognized OPEB expense of \$132,043. At June 30, 2022, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 29,418	\$ (453,035)
Changes of assumptions or other inputs	123,957	(120,316)
	\$ 153,375	\$ (573,351)

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense over the average future service to retirement of plan participants as follows:

2023	\$ (45,822)
2024	(45,822)
2025	(45,822)
2026	(42,371)
2027	(45,829)
Thereafter	(194,310)
	\$ (419,976)

Note 7: Other Information

Contingent Liabilities

Amounts received or receivable from grant agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures that may be disallowed by the grantor cannot be determined at this time, although the City expects such amounts, if any, to be immaterial.

The City is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, in the opinion of the City's counsel, the ultimate resolution of these matters will not have a significant adverse effect on the financial condition of the City.

City of Enid, Oklahoma
Notes to Financial Statements
June 30, 2022

Construction Commitments

The City has active construction projects as of June 30, 2022. The projects include engineering and design work on the Kaw Lake Water Supply Project, wellfield improvements, stormwater detention improvements, road overlays and reconstruction, and sidewalk construction. The City's commitments with contractors as of June 30, 2022 totaled approximately \$194,939,771.

COVID-19

The spread of COVID-19, a novel strain of coronavirus, is altering the behavior of businesses, state and local governments, and people throughout the United States. Further, financial markets have experienced significant volatility attributed to coronavirus concerns. The continued spread of COVID-19 may adversely impact the local, regional, and national economies. The extent to which the coronavirus impacts the City's results will depend on future developments, which are highly uncertain and cannot be predicted. The impact is highly dependent on the breadth and duration of the outbreak and could be affected by other factors that cannot currently be predicted.

Accordingly, management cannot presently estimate the overall operation and financial impact to the City, but such an impact could have a material adverse effect on the financial condition of the City.

Deficit Fund Balance

At June 30, 2022, the City's Water Capital Improvements Fund and Sanitary Sewer Fund, both of which are capital projects funds, reported deficit unassigned fund balances of \$19,191,552 and \$123,261, respectively. Maintaining a deficit fund balance is a violation of Oklahoma Statutes. Subsequent to June 30, 2022, the City cured the deficits with transfers in from other funds.

Required Supplementary Information

City of Enid, Oklahoma
Schedule of Changes in Net Pension Liability and Related Ratios
The Employee Retirement System of Enid, Oklahoma

	2022	2021	2020	2019	2018	2017	2016	2015	2014
Total Pension Liability									
Service cost	\$ 504,254	\$ 459,574	\$ 504,795	\$ 516,572	\$ 542,182	\$ 656,371	\$ 670,226	\$ 591,646	\$ 734,106
Interest cost	2,284,693	2,272,542	2,165,468	2,069,168	2,051,173	1,978,963	1,779,631	1,730,996	1,577,043
Differences between expected and actual experience	(254,792)	(233,941)	1,016,730	471,018	(353,084)	(758,410)	916,889	184,832	151,414
Changes in assumptions	(2,005,010)	660,364	(405,016)	(145,714)	420,110	(3,052,454)	(1,783,421)	2,216,163	(2,970,593)
Benefit payments, including refunds of employee contributions	(1,733,793)	(1,708,378)	(1,594,496)	(1,354,575)	(1,212,812)	(1,136,264)	(1,028,439)	(888,864)	(716,211)
Net Change in Total Pension Liability	(1,204,648)	1,450,161	1,687,481	1,556,469	1,447,569	(2,311,794)	554,886	3,834,773	(1,224,241)
Total Pension Liability, Beginning of Year	35,498,117	34,047,956	32,360,475	30,804,006	29,356,437	31,668,231	31,113,345	27,278,572	28,502,813
Total Pension Liability, End of Year	<u>\$ 34,293,469</u>	<u>\$ 35,498,117</u>	<u>\$ 34,047,956</u>	<u>\$ 32,360,475</u>	<u>\$ 30,804,006</u>	<u>\$ 29,356,437</u>	<u>\$ 31,668,231</u>	<u>\$ 31,113,345</u>	<u>\$ 27,278,572</u>
Plan Fiduciary Net Position									
Employer contributions	\$ 838,286	\$ 802,663	\$ 820,252	\$ 771,013	\$ 851,680	\$ 794,176	\$ 614,577	\$ 604,869	\$ 594,880
Net investment income (loss)	(3,793,636)	8,623,407	(886,716)	437,783	2,182,509	3,340,476	(348,571)	334,990	3,810,457
Benefit payments, including refunds of employee contributions	(1,733,793)	(1,708,378)	(1,594,496)	(1,354,575)	(1,212,812)	(1,136,264)	(1,028,439)	(888,864)	(716,211)
Administrative expense	(204,941)	(83,823)	(125,491)	(150,647)	(124,372)	(140,457)	(122,015)	(152,240)	(124,792)
Net Change in Plan Fiduciary Net Position	(4,894,084)	7,633,869	(1,786,451)	(296,426)	1,697,005	2,857,931	(884,448)	(101,245)	3,564,334
Plan Fiduciary Net Position, Beginning of Year	32,344,170	24,710,301	26,496,752	26,793,178	25,096,173	22,238,242	23,122,690	23,223,935	19,659,601
Plan Fiduciary Net Position, End of Year	<u>\$ 27,450,086</u>	<u>\$ 32,344,170</u>	<u>\$ 24,710,301</u>	<u>\$ 26,496,752</u>	<u>\$ 26,793,178</u>	<u>\$ 25,096,173</u>	<u>\$ 22,238,242</u>	<u>\$ 23,122,690</u>	<u>\$ 23,223,935</u>
Total pension liability	\$ 34,293,469	\$ 35,498,117	\$ 34,047,956	\$ 32,360,475	\$ 30,804,006	\$ 29,356,437	\$ 31,668,231	\$ 31,113,345	\$ 27,278,572
Plan fiduciary net position	27,450,086	32,344,170	24,710,301	26,496,752	26,793,178	25,096,173	22,238,242	23,122,690	23,223,935
Net Pension Liability	<u>\$ 6,843,383</u>	<u>\$ 3,153,947</u>	<u>\$ 9,337,655</u>	<u>\$ 5,863,723</u>	<u>\$ 4,010,828</u>	<u>\$ 4,260,264</u>	<u>\$ 9,429,989</u>	<u>\$ 7,990,655</u>	<u>\$ 4,054,637</u>
Plan fiduciary net position as percentage of total pension liability	80.04%	91.12%	72.57%	81.88%	86.98%	85.49%	70.22%	74.32%	85.14%
Covered payroll	\$ 10,103,961	\$ 9,793,708	\$ 9,386,582	\$ 9,372,085	\$ 9,618,041	\$ 10,294,018	\$ 10,436,736	\$ 9,135,300	\$ 9,477,203
Net pension liability as a percentage of covered payroll	67.73%	32.20%	99.48%	62.57%	41.70%	41.39%	90.35%	87.47%	42.78%
Annual money-weighted rate of return, net of investment expense	-12.60%	35.30%	-3.90%	1.10%	8.30%	14.50%	-2.00%	0.80%	19.40%

Note to Schedule

This schedule is intended to show a 10-year trend. Additional years will be reported as they become available.

City of Enid, Oklahoma
Schedule of Employer Contributions
The Employee Retirement System of Enid, Oklahoma

	2022	2021	2020	2019	2018	2017	2016	2015	2014
Actuarially determined contribution	\$ 1,022,769	\$ 1,960,946	\$ 1,430,123	\$ 1,133,638	\$ 1,186,230	\$ 1,414,669	\$ 1,246,777	\$ 928,504	\$ 982,744
Actual contributions	\$ 838,286	\$ 802,663	\$ 820,252	\$ 771,013	\$ 851,680	\$ 794,176	\$ 614,577	\$ 604,869	\$ 594,880
Contribution (deficiency) excess	\$ 184,483	\$ (1,158,283)	\$ (609,871)	\$ (362,625)	\$ (334,550)	\$ (620,493)	\$ (632,200)	\$ (323,635)	\$ (387,864)
Annual covered payroll	\$ 10,103,961	\$ 9,793,708	\$ 9,386,582	\$ 9,372,085	\$ 9,618,041	\$ 10,294,018	\$ 10,436,736	\$ 9,135,300	\$ 9,477,203
Actual contributions as a percentage of covered payroll	8.30%	8.20%	8.74%	8.23%	8.86%	7.71%	5.89%	6.62%	6.28%

Note to Schedule

This schedule is intended to show a 10-year trend. Additional years will be reported as they become available.

Changes of Benefit Terms

There were no significant changes of benefit terms.

Changes of Assumptions

The 2022 valuation implemented the following refinements to plan assumptions:

- The mortality projection was changed from MP-2020 to MP-2021.
- The expected return on assets for both funding and accounting was changed from 6.50% to 7.00%
- Salary increase was changed from 4.00% to 4.25%
- Funding method was changed from Aggregate to Entry Age Normal

The 2021 valuation implemented the following refinements to plan assumptions:

- The mortality projection was changed from MP-2019 to MP-2020.
- Changed the discount rate from a 6.75% rate to a single rate using the long-term rate of return of 6.50%.

The 2019 valuation implemented the following refinements to plan assumptions:

- Changed the mortality tables used from the RP2006 Fully Generational Scale using the MP-2017 combined mortality improvement scale to the Pub-2010 Public Retirement Plans General Mortality Table projected by MP-2018.

The 2017 valuation implemented the following refinements to plan assumptions:

- Changed the discount rate from a 7.00% rate to a single rate using the long-term rate of return of 6.75%.

City of Enid, Oklahoma
Schedule of the City's Proportionate Share of the Net Pension Liability (Asset)
Oklahoma Police Pension and Retirement System

	2022	2021	2020	2019	2018	2017	2016	2015
Measurement date	July 1, 2021	July 1, 2020	July 1, 2019	July 1, 2018	July 1, 2017	July 1, 2016	July 1, 2015	July 1, 2014
City's proportion of the net pension liability (asset)	1.3470%	1.6150%	1.5898%	1.6734%	1.6505%	1.5900%	1.6606%	1.7136%
City's proportionate share of the net pension liability (asset)	\$ (6,460,335)	\$ 1,854,748	\$ (101,493)	\$ (797,124)	\$ 126,954	\$ 2,433,461	\$ 67,708	\$ (576,952)
City's covered payroll	\$ 4,853,138	\$ 5,217,138	\$ 5,169,838	\$ 5,104,415	\$ 4,922,146	\$ 4,686,108	\$ 4,759,546	\$ 4,759,546
City's proportionate share of the net pension liability (asset) as a percentage of covered payroll	-133.12%	35.55%	-1.96%	-15.62%	2.58%	51.93%	1.42%	-12.12%
Plan fiduciary net position as a percentage of total pension liability	117.07%	95.80%	100.24%	101.89%	99.70%	93.50%	99.82%	101.53%

Note to Schedule

This schedule is intended to show a 10-year trend. Additional years will be reported as they become available.

City of Enid, Oklahoma
Schedule of the City's Contributions
Oklahoma Police Pension and Retirement System

	2022	2021	2020	2019	2018	2017	2016	2015
Contractually required contribution	\$ 617,549	\$ 630,772	\$ 678,228	\$ 672,079	\$ 663,574	\$ 639,879	\$ 609,194	\$ 618,741
Actual contributions	<u>617,549</u>	<u>630,772</u>	<u>678,228</u>	<u>672,079</u>	<u>663,574</u>	<u>639,879</u>	<u>609,194</u>	<u>618,741</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll	\$ 4,750,356	\$ 4,853,138	\$ 5,217,138	\$ 5,169,838	\$ 5,104,415	\$ 4,922,146	\$ 4,686,108	\$ 4,759,546
Contributions as a percentage of covered payroll	13.00%	13.00%	13.00%	13.00%	13.00%	13.00%	13.00%	13.00%

Note to Schedule

This schedule is intended to show a 10-year trend. Additional years will be reported as they become available.

Changes of Benefit Terms

There were no significant changes of benefit terms.

Changes of Assumptions

For the plan year ended June 30, 2018 (City fiscal year ended June 30, 2019), the following assumptions were changed as a result of an experience study for the five-year period ended June 30, 2017:

- Inflation rate was reduced to 2.75%.
- Salary increases were established at 3.5% to 12.0%.

City of Enid, Oklahoma
Schedule of the City's Proportionate Share of the Net Pension Liability (Asset)
Oklahoma Firefighters' Pension and Retirement System

	2022	2021	2020	2019	2018	2017	2016	2015
Measurement date	July 1, 2021	July 1, 2020	July 1, 2019	July 1, 2018	July 1, 2017	July 1, 2016	July 1, 2015	July 1, 2014
City's proportion of the net pension liability (asset)	1.7838%	1.7656%	1.7564%	1.7838%	1.8223%	1.8671%	1.9216%	1.9056%
City's proportionate share of the net pension liability (asset)	\$ 11,747,318	\$ 21,750,563	\$ 18,559,704	\$ 20,079,911	\$ 22,919,477	\$ 22,810,114	\$ 20,396,061	\$ 19,596,197
City's covered payroll	\$ 5,794,689	\$ 5,667,421	\$ 5,460,257	\$ 5,301,029	\$ 5,179,200	\$ 5,222,543	\$ 5,335,993	\$ 5,335,993
City's proportionate share of the net pension liability (asset) as a percentage of covered payroll	202.73%	383.78%	339.91%	378.79%	442.53%	436.76%	382.24%	367.25%
Plan fiduciary net position as a percentage of total pension liability	84.24%	69.98%	72.85%	70.73%	65.42%	64.87%	68.27%	68.12%

Note to Schedule

This schedule is intended to show a 10-year trend. Additional years will be reported as they become available.

City of Enid, Oklahoma
Schedule of the City's Contributions
Oklahoma Firefighters' Pension and Retirement System

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Contractually required contribution	\$ 832,932	\$ 811,257	\$ 793,439	\$ 764,436	\$ 742,144	\$ 725,088	\$ 731,156	\$ 747,039
Actual contributions	<u>832,932</u>	<u>811,257</u>	<u>793,439</u>	<u>764,436</u>	<u>742,144</u>	<u>725,088</u>	<u>731,156</u>	<u>747,039</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll	\$ 5,949,509	\$ 5,794,689	\$ 5,667,421	\$ 5,460,257	\$ 5,301,029	\$ 5,179,200	\$ 5,222,543	\$ 5,335,993
Contributions as a percentage of covered payroll	14.00%	14.00%	14.00%	14.00%	14.00%	14.00%	14.00%	14.00%

Note to Schedule

This schedule is intended to show a 10-year trend. Additional years will be reported as they become available.

Changes of Benefit Terms

There were no significant changes of benefit terms.

Changes of Assumptions

For the plan year ended June 30, 2018 (City fiscal year ended June 30, 2019), the following assumptions were changed as a result of an experience study for the five-year period ended June 30, 2017:

- Inflation rate was reduced to 2.75%.
- Salary increases were established at 2.75% to 10.50%.
- Pub-2010 Public Safety mortality tables were adopted.

City of Enid, Oklahoma

Schedule of Changes in the City's Total OPEB Liability and Related Ratios

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Total OPEB Liability					
Service cost	\$ 123,151	\$ 116,089	\$ 88,737	\$ 91,843	\$ 85,808
Interest	54,714	55,444	78,402	85,605	82,010
Differences between expected and actual experience	(114,917)	(157,298)	27,841	22,741	-
Changes of assumptions or other inputs	(371,745)	4,478	153,800	44,776	(45,095)
Benefit payments, net of contributions	<u>(8,167)</u>	<u>2,619</u>	<u>(213,027)</u>	<u>(214,405)</u>	<u>(200,951)</u>
Net Change in Total Pension Liability	(316,964)	21,332	135,753	30,560	(78,228)
Total Pension Liability, Beginning of Year	<u>2,413,993</u>	<u>2,392,661</u>	<u>2,256,908</u>	<u>2,226,348</u>	<u>2,304,576</u>
Total Pension Liability, End of Year	<u>\$ 2,097,029</u>	<u>\$ 2,413,993</u>	<u>\$ 2,392,661</u>	<u>\$ 2,256,908</u>	<u>\$ 2,226,348</u>
Covered payroll	\$ 24,555,824	\$ 24,033,351	\$ 23,578,094	\$ 22,961,434	\$ 22,886,095
Total OPEB liability as a percentage of covered payroll	8.54%	10.04%	10.15%	9.83%	9.73%

Note to Schedule

This schedule is intended to show a 10-year trend. Additional years will be reported as they become available.

Changes of Benefit Terms

There were no significant changes of benefit terms.

Changes of Assumptions

Changes of assumptions and other inputs reflect the effects of changes in the discount rate each period. The following are the discount rates used in each period:

2022	3.54%
2021	2.16%
2020	2.21%
2019	3.58%
2018	3.87%

City of Enid, Oklahoma
Budgetary Comparison Schedule – General Fund and Major Special Revenue Funds (Budgetary Basis)
Year Ended June 30, 2022

	General Fund				Police Fund				Fire Fund			
	Budget		Actual	Variance with Final Budget	Budget		Actual	Variance with Final Budget	Budget		Actual	Variance with Final Budget
	Original	Final			Original	Final			Original	Final		
Fund Balances, Beginning of Year	\$ 32,809,622	\$ 25,326,518	\$ 25,326,518	\$ -	\$ 4,779,347	\$ 3,757,239	\$ 3,757,239	\$ -	\$ 3,193,612	\$ 1,780,306	\$ 1,780,306	\$ -
Resources												
Taxes	39,221,960	39,221,960	43,256,468	4,034,508	1,121,155	1,121,155	1,238,757	117,602	1,121,155	1,121,155	1,238,757	117,602
Licenses and permits	242,400	242,400	248,370	5,970	-	-	-	-	-	-	-	-
Intergovernmental	103,250	103,250	6,014,477	5,911,227	110,000	110,000	177,282	67,282	-	-	11,360	11,360
Fines and forfeitures	870,000	870,000	719,131	(150,869)	-	-	-	-	-	-	-	-
Charges for services	117,000	117,000	79,844	(37,156)	53,500	53,500	31,140	(22,360)	-	-	-	-
Miscellaneous	333,400	333,400	624,869	291,469	20,000	20,000	25,286	5,286	8,000	8,000	4,611	(3,389)
Interest	170,000	170,000	237,269	67,269	43,000	43,000	45,445	2,445	15,000	15,000	9,334	(5,666)
Operating transfers	11,375,000	11,625,000	11,625,000	-	9,592,015	9,592,015	9,092,015	(500,000)	7,943,220	8,043,220	8,043,220	-
Total resources	52,433,010	52,683,010	62,805,428	10,122,418	10,939,670	10,939,670	10,609,925	(329,745)	9,087,375	9,187,375	9,307,283	119,908
Amounts Available for Appropriation	85,242,632	78,009,528	88,131,946	10,122,418	15,719,017	14,696,909	14,367,164	(329,745)	12,280,987	10,967,681	11,087,589	119,908
Charges to Appropriations												
Administration	657,920	716,122	692,079	(24,043)	-	-	-	-	-	-	-	-
Police	-	-	-	-	10,628,325	10,781,620	9,318,271	(1,463,349)	-	-	-	-
Fire	-	-	-	-	-	-	-	-	8,651,030	8,783,039	8,734,639	(48,400)
Human resources	513,845	513,845	466,338	(47,507)	-	-	-	-	-	-	-	-
Legal	1,285,655	1,285,655	1,067,795	(217,860)	-	-	-	-	-	-	-	-
Safety	168,045	140,045	109,530	(30,515)	-	-	-	-	-	-	-	-
PR/Marketing	422,835	435,764	365,551	(70,213)	-	-	-	-	-	-	-	-
General government	1,032,755	946,266	716,474	(229,791)	-	-	-	-	-	-	-	-
Accounting	845,550	963,687	822,621	(141,066)	-	-	-	-	-	-	-	-
Records and receipts	293,045	294,533	260,348	(34,185)	-	-	-	-	-	-	-	-
Information technology	829,020	868,729	772,535	(96,194)	-	-	-	-	-	-	-	-
Community development	265,185	265,185	254,963	(10,222)	-	-	-	-	-	-	-	-
Code enforcement	807,075	755,875	640,302	(115,573)	-	-	-	-	-	-	-	-
Engineering	1,620,690	1,732,729	1,532,570	(200,159)	-	-	-	-	-	-	-	-
Public works management	601,985	637,211	634,326	(2,885)	-	-	-	-	-	-	-	-
Fleet management	746,115	823,034	795,503	(27,531)	-	-	-	-	-	-	-	-
Parks and recreation	1,491,505	1,565,500	1,558,201	(7,299)	-	-	-	-	-	-	-	-
Stormwater and roadway maintenance	2,704,115	2,764,496	2,743,000	(21,497)	-	-	-	-	-	-	-	-
Technical services	1,395,495	1,428,655	1,384,404	(44,250)	-	-	-	-	-	-	-	-
Library	959,625	988,443	875,810	(112,633)	-	-	-	-	-	-	-	-
Capital outlay	1,206,690	2,133,916	1,221,014	(912,902)	702,105	1,570,918	1,122,894	(448,025)	190,000	1,471,450	1,359,180	(112,270)
Operating transfers	36,359,815	40,246,815	39,228,448	(1,018,367)	300,000	300,000	300,000	-	100,000	100,000	100,000	-
Total charges to appropriations	54,206,965	59,506,503	56,141,812	(3,364,691)	11,630,430	12,652,538	10,741,165	(1,911,374)	8,941,030	10,354,489	10,193,819	(160,670)
Fund Balances, End of Year	\$ 31,035,667	\$ 18,503,025	\$ 31,990,134	\$ 13,487,109	\$ 4,088,587	\$ 2,044,371	\$ 3,625,999	\$ 1,581,628	\$ 3,339,957	\$ 613,192	\$ 893,770	\$ 280,578

The accompanying note is an integral part of this schedule.

City of Enid, Oklahoma
Reconciliation of Budgetary Comparison Schedule (Budgetary Basis)
to Fund Financial Statements (GAAP Basis)
Year Ended June 30, 2022

	<u>General Fund</u>	<u>Police Fund</u>	<u>Fire Fund</u>
Revenues			
Actual amounts (budgetary basis) resources from the budgetary comparison schedule	\$ 62,805,428	\$ 10,609,925	\$ 9,307,283
Adjustments			
Budgetary fund revenues are reported on the cash basis rather than the modified accrual basis	(5,925,980)	521,488	1,600,826
Operating transfers in are reported as other financing sources and uses for GAAP purposes	<u>(11,625,000)</u>	<u>(9,092,015)</u>	<u>(8,043,220)</u>
Total revenues as reported on the statement of revenues, expenditures, and changes in fund balances – governmental funds	<u>\$ 45,254,448</u>	<u>\$ 2,039,398</u>	<u>\$ 2,864,889</u>
Expenditures			
Actual amounts (budgetary basis) charges to appropriations from the budgetary comparison schedule	\$ 56,141,812	\$ 10,741,165	\$ 10,193,819
Adjustments			
Budgetary fund expenditures are reported on the cash basis rather than the modified accrual basis	(275,694)	483,284	1,645,640
Operating transfers out are reported as other financing sources and uses for GAAP purposes	<u>(39,228,448)</u>	<u>(300,000)</u>	<u>(100,000)</u>
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances – governmental funds	<u>\$ 16,637,670</u>	<u>\$ 10,924,449</u>	<u>\$ 11,739,459</u>

City of Enid, Oklahoma
Note to Budgetary Comparison Schedule
Year Ended June 30, 2022

Note 1: Budgetary Accounting

Annual budgets are adopted on a modified cash basis for all governmental and enterprise funds. Annual expenditures within a fund may not exceed 90% of the budget until actual revenues equal to the estimated amount have been received. No expenditure can exceed the actual amount on hand. The appropriated budget is prepared by fund and department. The City Manager may make transfers or appropriations within a department or between departments. The legal level of budgetary control (*i.e.*, the level at which expenditures may not legally exceed appropriations) is the department level. Appropriations in all budgeted funds lapse at the end of the fiscal year even if they have related encumbrances. Encumbrances are commitments related to unperformed (executory) contracts for goods or services (*i.e.*, purchase orders, contracts, and commitments). Encumbrance accounting is utilized to the extent necessary to assure effective budgetary control and accountability and to facilitate effective cash planning and control. While all appropriations and encumbrances lapse at year-end, valid outstanding encumbrances (those for which performance under the executory contract is expected in the next year) are re-appropriated and become part of the subsequent year's budget pursuant to state regulations.

Other Supplementary Information

City of Enid, Oklahoma
Combining Balance Sheet – Nonmajor Governmental Funds
June 30, 2022

	Special Revenue							
	Enid Economic Development Authority	Special Projects Fund	Water Assessment	Street and Alley Fund	CDBG Fund	Paving Assessment	911 Fund	Vance Development Authority
Assets								
Cash and cash equivalents	\$ 849,108	\$ 366,192	\$ 2,045	\$ 1,357,744	\$ 30,925	\$ 579	\$ -	\$ 49,026
Investments	2,376,943	19,484	5,725	3,800,790	86,571	1,620	-	137,241
Receivables								
Taxes	-	-	-	97,833	-	-	171,290	-
Due from other governments	-	-	-	-	21,432	-	-	-
Other	2,558	-	-	-	-	-	-	-
Prepaid expenses	-	2,156	-	-	-	-	66,506	-
Restricted cash and investments	47,381	-	-	-	-	-	-	-
	<u>3,275,990</u>	<u>387,832</u>	<u>7,770</u>	<u>5,256,367</u>	<u>138,928</u>	<u>2,199</u>	<u>237,796</u>	<u>186,267</u>
Total assets	<u>\$ 3,275,990</u>	<u>\$ 387,832</u>	<u>\$ 7,770</u>	<u>\$ 5,256,367</u>	<u>\$ 138,928</u>	<u>\$ 2,199</u>	<u>\$ 237,796</u>	<u>\$ 186,267</u>
Liabilities								
Accounts payable and accrued liabilities	\$ 87,465	\$ 49,040	\$ 6,665	\$ 329,025	\$ 400,490	\$ 1,887	\$ 34,480	\$ 1,320
Unearned revenue	-	13,699	-	-	-	-	-	-
	<u>87,465</u>	<u>62,739</u>	<u>6,665</u>	<u>329,025</u>	<u>400,490</u>	<u>1,887</u>	<u>34,480</u>	<u>1,320</u>
Total liabilities	<u>87,465</u>	<u>62,739</u>	<u>6,665</u>	<u>329,025</u>	<u>400,490</u>	<u>1,887</u>	<u>34,480</u>	<u>1,320</u>
Fund Balances								
Nonspendable	-	2,156	-	-	-	-	66,506	-
Restricted								
Public safety	-	322,937	-	-	-	-	-	-
Public works	-	-	-	-	-	312	-	184,947
Debt service	-	-	-	-	-	-	-	-
Capital improvements	47,381	-	-	-	-	-	-	-
Committed								
Public safety	-	-	-	-	-	-	136,810	-
Public works	-	-	1,105	4,927,342	-	-	-	-
Capital improvements	3,141,144	-	-	-	-	-	-	-
Unassigned	-	-	-	-	(261,562)	-	-	-
	<u>3,188,525</u>	<u>325,093</u>	<u>1,105</u>	<u>4,927,342</u>	<u>(261,562)</u>	<u>312</u>	<u>203,316</u>	<u>184,947</u>
Total fund balances	<u>3,188,525</u>	<u>325,093</u>	<u>1,105</u>	<u>4,927,342</u>	<u>(261,562)</u>	<u>312</u>	<u>203,316</u>	<u>184,947</u>
Total liabilities and fund balances	<u>\$ 3,275,990</u>	<u>\$ 387,832</u>	<u>\$ 7,770</u>	<u>\$ 5,256,367</u>	<u>\$ 138,928</u>	<u>\$ 2,199</u>	<u>\$ 237,796</u>	<u>\$ 186,267</u>

City of Enid, Oklahoma
Combining Balance Sheet – Nonmajor Governmental Funds, continued
June 30, 2022

	<u>Capital Projects</u>					<u>Debt Service</u>		<u>Total</u>
	<u>Street Improvement Fund</u>	<u>Capital Improvement Fund</u>	<u>Sanitary Sewer Fund</u>	<u>Storm Water Fund</u>	<u>Capital Projects Escrow</u>	<u>Sinking Fund</u>		
Assets								
Cash and cash equivalents	\$ 185,720	\$ 1,391,905	\$ 45,658	\$ 1,742,297	\$ 469,732	\$ 3,558		\$ 6,494,489
Investments	519,894	3,896,415	127,812	4,877,282	1,314,941	9,959		17,174,677
Receivables								
Taxes	-	-	-	-	-	9		269,132
Due from other governments	-	-	-	-	-	-		21,432
Other	-	-	-	-	-	-		2,558
Prepaid expenses	-	-	-	-	-	-		68,662
Restricted cash and investments	-	-	-	-	-	-		47,381
	<u>-\$</u>	<u>-\$</u>	<u>-\$</u>	<u>-\$</u>	<u>-\$</u>	<u>-\$</u>		<u>-\$</u>
Total assets	<u>\$ 705,614</u>	<u>\$ 5,288,320</u>	<u>\$ 173,470</u>	<u>\$ 6,619,579</u>	<u>\$ 1,784,673</u>	<u>\$ 13,526</u>		<u>\$ 24,078,331</u>
Liabilities								
Accounts payable and accrued liabilities	\$ 301,430	\$ 531,066	\$ 296,731	\$ 454,168	\$ -	\$ -		\$ 2,493,767
Unearned revenue	-	-	-	-	-	-		13,699
	<u>-\$</u>	<u>-\$</u>	<u>-\$</u>	<u>-\$</u>	<u>-\$</u>	<u>-\$</u>		<u>-\$</u>
Total liabilities	<u>301,430</u>	<u>531,066</u>	<u>296,731</u>	<u>454,168</u>	<u>-</u>	<u>-</u>		<u>2,507,466</u>
Fund Balances								
Nonspendable	-	-	-	-	-	-		68,662
Restricted								
Public safety	-	-	-	-	-	-		322,937
Public works	-	-	-	-	-	-		185,259
Debt service	-	-	-	-	-	13,526		13,526
Capital improvements	-	-	-	-	-	-		47,381
Committed								
Public safety	-	-	-	-	-	-		136,810
Public works	-	-	-	-	-	-		4,928,447
Capital improvements	404,184	4,757,254	-	6,165,411	1,784,673	-		16,252,666
Unassigned	-	-	(123,261)	-	-	-		(384,823)
	<u>-\$</u>	<u>-\$</u>	<u>-\$</u>	<u>-\$</u>	<u>-\$</u>	<u>-\$</u>		<u>-\$</u>
Total fund balances	<u>404,184</u>	<u>4,757,254</u>	<u>(123,261)</u>	<u>6,165,411</u>	<u>1,784,673</u>	<u>13,526</u>		<u>21,570,865</u>
	<u>-\$</u>	<u>-\$</u>	<u>-\$</u>	<u>-\$</u>	<u>-\$</u>	<u>-\$</u>		<u>-\$</u>
Total liabilities and fund balances	<u>\$ 705,614</u>	<u>\$ 5,288,320</u>	<u>\$ 173,470</u>	<u>\$ 6,619,579</u>	<u>\$ 1,784,673</u>	<u>\$ 13,526</u>		<u>\$ 24,078,331</u>

City of Enid, Oklahoma
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance –
Nonmajor Governmental Funds
Year Ended June 30, 2022

	Special Revenue							
	Enid Economic Development Authority	Special Projects Fund	Water Assessment	Street and Alley Fund	CDBG Fund	Paving Assessment	911 Fund	Vance Development Authority
Revenues								
Taxes	\$ 119,459	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	469,779	700,217	-	792,812	-
Charges for services	-	-	-	-	-	-	-	-
Other	24,000	32,712	-	-	-	-	15	-
Interest	36,937	1,041	89	48,585	-	25	1,693	3,118
Total revenues	<u>180,396</u>	<u>33,753</u>	<u>89</u>	<u>518,364</u>	<u>700,217</u>	<u>25</u>	<u>794,520</u>	<u>3,118</u>
Expenditures								
Current								
General government	-	-	-	-	-	-	-	143,700
Public safety	-	69,494	-	-	-	-	1,125,263	-
Public works	-	-	-	549,679	984,996	-	-	-
Economic development	1,390,918	-	-	-	-	-	-	-
Debt service								
Principal	515,000	-	-	-	-	-	-	-
Interest	17,928	-	-	-	-	-	-	-
Capital outlay	-	-	-	3,003,862	-	-	-	-
Total expenditures	<u>1,923,846</u>	<u>69,494</u>	<u>-</u>	<u>3,553,541</u>	<u>984,996</u>	<u>-</u>	<u>1,125,263</u>	<u>143,700</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(1,743,450)</u>	<u>(35,741)</u>	<u>89</u>	<u>(3,035,177)</u>	<u>(284,779)</u>	<u>25</u>	<u>(330,743)</u>	<u>(140,582)</u>
Other Financing Sources (Uses)								
Transfers in	1,834,130	-	-	6,078,000	-	-	453,837	171,100
Total other financing sources (uses)	<u>1,834,130</u>	<u>-</u>	<u>-</u>	<u>6,078,000</u>	<u>-</u>	<u>-</u>	<u>453,837</u>	<u>171,100</u>
Net Change in Fund Balances	90,680	(35,741)	89	3,042,823	(284,779)	25	123,094	30,518
Fund Balances, Beginning of Year	<u>3,097,845</u>	<u>360,834</u>	<u>1,016</u>	<u>1,884,519</u>	<u>23,217</u>	<u>287</u>	<u>80,222</u>	<u>154,429</u>
Fund Balances, End of Year	<u>\$ 3,188,525</u>	<u>\$ 325,093</u>	<u>\$ 1,105</u>	<u>\$ 4,927,342</u>	<u>\$ (261,562)</u>	<u>\$ 312</u>	<u>\$ 203,316</u>	<u>\$ 184,947</u>

City of Enid, Oklahoma

Combining Statement of Revenues, Expenditures, and Changes in Fund Balance – Nonmajor Governmental Funds, continued Year Ended June 30, 2022

	Capital Projects					Debt Service	Total
	Street Improvement Fund	Capital Improvement Fund	Sanitary Sewer Fund	Storm Water Fund	Capital Projects Escrow	Sinking Fund	
Revenues							
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 63	\$ 119,522
Intergovernmental	-	-	-	-	-	-	1,962,808
Charges for services	-	-	-	-	70,784	-	70,784
Other	-	-	4,142	-	-	-	60,869
Interest	14,043	47,321	429	80,567	20,050	155	254,053
Total revenues	14,043	47,321	4,571	80,567	90,834	218	2,468,036
Expenditures							
Current							
General government	-	-	200,000	-	-	-	343,700
Public safety	-	-	-	-	-	-	1,194,757
Public works	-	-	-	-	-	-	1,534,675
Economic development	-	-	-	-	-	-	1,390,918
Debt service							
Principal	-	-	-	-	-	-	515,000
Interest	-	-	-	-	-	-	17,928
Capital outlay	2,124,258	5,052,102	1,080,427	3,071,536	-	-	14,332,185
Total expenditures	2,124,258	5,052,102	1,280,427	3,071,536	-	-	19,329,163
Excess (Deficiency) of Revenues over Expenditures	(2,110,215)	(5,004,781)	(1,275,856)	(2,990,969)	90,834	218	(16,861,127)
Other Financing Sources (Uses)							
Transfers in	1,635,000	6,555,000	1,274,612	2,045,685	-	-	20,047,364
Total other financing sources (uses)	1,635,000	6,555,000	1,274,612	2,045,685	-	-	20,047,364
Net Change in Fund Balances	(475,215)	1,550,219	(1,244)	(945,284)	90,834	218	3,186,237
Fund Balances, Beginning of Year	879,399	3,207,035	(122,017)	7,110,695	1,693,839	13,308	18,384,628
Fund Balances, End of Year	\$ 404,184	\$ 4,757,254	\$ (123,261)	\$ 6,165,411	\$ 1,784,673	\$ 13,526	\$ 21,570,865

City of Enid, Oklahoma
Combining Statement of Net Position –
Nonmajor Proprietary/Enterprise Funds
June 30, 2022

	Business-Type Activities – Enterprise Funds			
	Woodring Airport	Enid Public Transportation Authority	Meadowlake Golf Course	Total
Assets				
Current Assets				
Cash and cash equivalents	\$ 550,334	\$ 152,254	\$ 124,406	\$ 826,994
Investments	1,540,571	322,744	300,024	2,163,339
Receivables				
Accounts, net of uncollectibles	93,881	7,602	-	101,483
Accrued interest	-	375	-	375
Due from other governments	173,940	145,335	-	319,275
Leases	42,122	-	-	42,122
Inventories	112,932	-	57,826	170,758
Prepaid expenses	1,151	-	3,056	4,207
	<u>2,514,931</u>	<u>628,310</u>	<u>485,312</u>	<u>3,628,553</u>
Total current assets				
Noncurrent Assets				
Lease assets, net	-	-	52,350	52,350
Capital assets, net	19,150,169	280,799	834,469	20,265,437
	<u>19,150,169</u>	<u>280,799</u>	<u>886,819</u>	<u>20,317,787</u>
Total noncurrent assets				
Total assets	<u>21,665,100</u>	<u>909,109</u>	<u>1,372,131</u>	<u>23,946,340</u>
Deferred Outflows of Resources				
Deferred amounts related to pensions	51,086	44,779	40,074	135,939
	<u>51,086</u>	<u>44,779</u>	<u>40,074</u>	<u>135,939</u>
Total deferred outflows of resources				

City of Enid, Oklahoma
Combining Statement of Net Position –
Nonmajor Proprietary/Enterprise Funds, continued
June 30, 2022

	Business-Type Activities – Enterprise Funds			
	Woodring Airport	Enid Public Transportation Authority	Meadowlake Golf Course	Total
Liabilities and Deferred Inflows of Resources				
Current Liabilities				
Accounts payable and accrued liabilities	\$ 97,467	\$ 25,083	\$ 47,671	\$ 170,221
Unearned revenue	-	121,083	16,185	137,268
Current portion of noncurrent liabilities	-	-	35,157	35,157
Total current liabilities	<u>97,467</u>	<u>146,166</u>	<u>99,013</u>	<u>342,646</u>
Noncurrent Liabilities				
Compensated absences	24,001	14,355	37,181	75,537
Leases payable	-	-	52,094	52,094
Net pension liability	172,385	151,102	135,225	458,712
Workers' compensation claims	5,418	23,598	8,793	37,809
Total noncurrent liabilities	<u>201,804</u>	<u>189,055</u>	<u>233,293</u>	<u>624,152</u>
Total liabilities	<u>299,271</u>	<u>335,221</u>	<u>332,306</u>	<u>966,798</u>
Deferred Inflows of Resources				
Deferred amounts related to pensions	38,919	34,114	30,530	103,563
Deferred amounts related to leases	35,727	-	-	35,727
Total deferred outflows of resources	<u>74,646</u>	<u>34,114</u>	<u>30,530</u>	<u>139,290</u>
Net Position				
Net investment in capital assets	19,150,169	280,799	886,819	20,317,787
Unrestricted	2,192,100	303,754	162,550	2,658,404
Total net position	<u>\$ 21,342,269</u>	<u>\$ 584,553</u>	<u>\$ 1,049,369</u>	<u>\$ 22,976,191</u>

City of Enid, Oklahoma
Combining Statement of Revenues, Expenses, and Changes in Net Position –
Nonmajor Proprietary/Enterprise Funds
Year Ended June 30, 2022

	Business-Type Activities – Enterprise Funds			Total
	Woodring Airport	Enid Public Transportation Authority	Meadowlake Golf Course	
Operating Revenues				
Charges for services – other	\$ -	\$ 94,525	\$ 702,132	\$ 796,657
Airport	2,747,532	-	-	2,747,532
Total operating revenues	<u>2,747,532</u>	<u>94,525</u>	<u>702,132</u>	<u>3,544,189</u>
Operating Expenses				
Airport	2,441,096	-	-	2,441,096
Transit	-	596,529	-	596,529
Other	-	-	785,095	785,095
Depreciation and amortization	970,618	118,887	93,837	1,183,342
Total operating expenses	<u>3,411,714</u>	<u>715,416</u>	<u>878,932</u>	<u>5,006,062</u>
Net Operating Loss	<u>(664,182)</u>	<u>(620,891)</u>	<u>(176,800)</u>	<u>(1,461,873)</u>
Nonoperating Revenues (Expenses)				
Interest income	18,387	4,695	4,474	27,556
Government grants	-	399,366	-	399,366
Gain on disposition of assets	-	12,577	-	12,577
Total nonoperating revenues (expenses)	<u>18,387</u>	<u>416,638</u>	<u>4,474</u>	<u>439,499</u>
Net Loss Before Capital Grants and Transfers	<u>(645,795)</u>	<u>(204,253)</u>	<u>(172,326)</u>	<u>(1,022,374)</u>
Capital grants	437,379	-	-	437,379
Transfers in	-	385,000	249,453	634,453
Change in Net Position	<u>(208,416)</u>	<u>180,747</u>	<u>77,127</u>	<u>49,458</u>
Net Position, Beginning of Year	<u>21,550,685</u>	<u>403,806</u>	<u>972,242</u>	<u>22,926,733</u>
Net Position, End of Year	<u><u>\$ 21,342,269</u></u>	<u><u>\$ 584,553</u></u>	<u><u>\$ 1,049,369</u></u>	<u><u>\$ 22,976,191</u></u>

City of Enid, Oklahoma
Combining Statement of Cash Flows – Nonmajor Proprietary/Enterprise Funds
Year Ended June 30, 2022

	Business-Type Activities – Enterprise Funds			Total
	Woodring Airport	Enid Public Transportation Authority	Meadowlake Golf Course	
Cash Flows from Operating Activities				
Receipts from customers	\$ 2,711,292	\$ 86,978	\$ 708,813	\$ 3,507,083
Payments to suppliers	(2,002,235)	(124,170)	(398,504)	(2,524,909)
Payments to employees	(461,220)	(504,238)	(411,172)	(1,376,630)
Net cash provided by (used in) operating activities	<u>247,837</u>	<u>(541,430)</u>	<u>(100,863)</u>	<u>(394,456)</u>
Cash Flows from Noncapital Financing Activities				
Operating transfers in	<u>-</u>	<u>385,000</u>	<u>249,453</u>	<u>634,453</u>
Net cash provided by noncapital financing activities	<u>-</u>	<u>385,000</u>	<u>249,453</u>	<u>634,453</u>
Cash Flows from Capital and Related Financing Activities				
Proceeds from the sale of capital assets	-	12,577	-	12,577
Principal paid on long-term debt	-	-	(6,220)	(6,220)
Interest expense and fiscal charges	-	-	(1,652)	(1,652)
Capital grants	263,439	348,129	-	611,568
Acquisition/construction of capital assets	(527,632)	-	(70,360)	(597,992)
Net cash provided by (used in) capital and related financing activities	<u>(264,193)</u>	<u>360,706</u>	<u>(78,232)</u>	<u>18,281</u>
Cash Flows from Investing Activities				
Purchases of investments	(550,000)	(200,000)	(200,000)	(950,000)
Proceeds from sale of investments	122,206	38,367	138,381	298,954
Interest income	18,387	4,421	4,474	27,282
Net cash used in investing activities	<u>(409,407)</u>	<u>(157,212)</u>	<u>(57,145)</u>	<u>(623,764)</u>
Increase (Decrease) in Cash and Cash Equivalents	<u>(425,763)</u>	<u>47,064</u>	<u>13,213</u>	<u>(365,486)</u>
Cash and Cash Equivalents, Beginning of Year	<u>976,097</u>	<u>105,190</u>	<u>111,193</u>	<u>1,192,480</u>
Cash and Cash Equivalents, End of Year	<u>\$ 550,334</u>	<u>\$ 152,254</u>	<u>\$ 124,406</u>	<u>\$ 826,994</u>

City of Enid, Oklahoma
Combining Statement of Cash Flows – Nonmajor Proprietary/Enterprise Funds,
continued
Year Ended June 30, 2022

	Business-Type Activities – Enterprise Funds			
	Woodring Airport	Enid Public Transportation Authority	Meadowlake Golf Course	Total
Reconciliation of Net Operating Loss to Net Cash Provided by (Used in) Operating Activities				
Net operating loss	\$ (664,182)	\$ (620,891)	\$ (176,800)	\$ (1,461,873)
Adjustments to reconcile net operating loss to net cash provided by (used in) operating activities				
Depreciation and amortization	970,618	118,887	93,837	1,183,342
(Increase) decrease in assets and deferred outflows				
Receivables	(78,362)	(7,547)	3,500	(82,409)
Inventories	(57,125)	-	(2,036)	(59,161)
Prepaid expenses	3,578	-	(3,056)	522
Pension-related deferred outflows	(27,366)	(27,094)	(23,297)	(77,757)
Increase (decrease) in liabilities and deferred inflows				
Accounts payable and accrued liabilities	61,459	4,226	2,206	67,891
Unearned revenue	-	-	3,181	3,181
Net pension liability	72,395	76,552	64,501	213,448
Other liabilities	13,673	(29,092)	(7,493)	(22,912)
Lease-related deferred inflows	(38,919)	-	-	(38,919)
Pension-related deferred inflows	(7,932)	(56,471)	(55,406)	(119,809)
Net cash provided by (used in) operating activities	<u>\$ 247,837</u>	<u>\$ (541,430)</u>	<u>\$ (100,863)</u>	<u>\$ (394,456)</u>
Supplementary Information on Noncash Capital and Financial Activities				
Lease obligations incurred for lease assets	\$ -	\$ -	\$ 87,251	\$ 87,251

City of Enid, Oklahoma
Combining Statement of Fiduciary Net Position – Fiduciary Funds
June 30, 2022

	Pension Trust Funds			Custodial Funds		
	Retirement Defined Benefit	Retirement 401(k)	Total	CLEET Fund	Court Bonds	Total
Assets						
Cash and cash equivalents	\$ 570,504	\$ 814,121	\$ 1,384,625	\$ 1,680	\$ 4,900	\$ 6,580
Receivables						
Accrued interest	2,013	-	2,013	-	-	-
Investments		-	-	4,702	-	4,702
Mutual funds – equities	19,221,479	13,003,100	32,224,579	-	-	-
Mutual funds – corporate bonds	7,656,090	1,910,780	9,566,870	-	-	-
Participant loans	-	442,556	442,556	-	-	-
Total assets	<u>27,450,086</u>	<u>16,170,557</u>	<u>43,620,643</u>	<u>6,382</u>	<u>4,900</u>	<u>11,282</u>
Net Position – Restricted						
Employee pension benefits	27,450,086	16,170,557	43,620,643	-	-	-
Organizations and individuals	-	-	-	6,382	4,900	11,282
Total net position – restricted	<u>\$ 27,450,086</u>	<u>\$ 16,170,557</u>	<u>\$ 43,620,643</u>	<u>\$ 6,382</u>	<u>\$ 4,900</u>	<u>\$ 11,282</u>

City of Enid, Oklahoma
Combining Statement of Changes in Fiduciary Net Position – Fiduciary Funds
Year Ended June 30, 2022

	Pension Trust Funds			Custodial Funds		
	Retirement Defined Benefit	Retirement 401(k)	Total	CLEET Fund	Court Bonds	Total
Additions						
Contributions						
Employer	\$ 838,286	\$ 490,383	\$ 1,328,669	\$ -	\$ -	\$ -
Plan members	-	675,360	675,360	-	-	-
Total contributions	<u>838,286</u>	<u>1,165,743</u>	<u>2,004,029</u>	<u>-</u>	<u>-</u>	<u>-</u>
Investment earnings						
Net decrease in the fair value of investments	(4,517,437)	(2,661,279)	(7,178,716)	-	-	-
Interest and dividends	723,801	-	723,801	-	-	-
Total investment earnings	<u>(3,793,636)</u>	<u>(2,661,279)</u>	<u>(6,454,915)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Collections for others	-	-	-	96,464	75,831	172,295
Total additions	<u>(2,955,350)</u>	<u>(1,495,536)</u>	<u>(4,450,886)</u>	<u>96,464</u>	<u>75,831</u>	<u>172,295</u>
Deductions						
Benefits and withdrawals	1,733,793	1,740,116	3,473,909	-	-	-
Administrative expenses	204,941	43,157	248,098	-	-	-
Distributions to others	-	-	-	106,276	94,070	200,346
Total deductions	<u>1,938,734</u>	<u>1,783,273</u>	<u>3,722,007</u>	<u>106,276</u>	<u>94,070</u>	<u>200,346</u>
Change in Net Position	<u>(4,894,084)</u>	<u>(3,278,809)</u>	<u>(8,172,893)</u>	<u>(9,812)</u>	<u>(18,239)</u>	<u>(28,051)</u>
Net Position, Beginning of Year	<u>32,344,170</u>	<u>19,449,366</u>	<u>51,793,536</u>	<u>16,194</u>	<u>23,139</u>	<u>39,333</u>
Net Position, End of Year	<u>\$ 27,450,086</u>	<u>\$ 16,170,557</u>	<u>\$ 43,620,643</u>	<u>\$ 6,382</u>	<u>\$ 4,900</u>	<u>\$ 11,282</u>

City of Enid, Oklahoma
Schedule of Debt Service Coverage Requirements
Year Ended June 30, 2022

	OWRB Notes
Gross Revenue Available for Debt Service	
Charges for services	
Water	\$ 22,332,016
Wastewater	9,793,384
Stormwater	2,108,135
Solid waste	5,150,293
Landfill	961,757
Other	1,320,655
Sales tax collections pledged and transferred	19,784,920
Total gross revenue	61,451,160
Operating expenses, excluding depreciation and amortization	
Utility services	581,760
Water production	2,767,860
Wastewater management services	4,419,915
Solid waste	2,918,812
Landfill	364,289
Other	478,930
Total operating expenses	11,531,566
Net Revenues Available for Debt Service	\$ 49,919,594
Maximum Annual Debt Service Requirements	\$ 20,211,593
Computed Coverage	247%
Coverage Requirement	125%

Notes to Schedule

- The above gross revenue and operating expenses only include the activities of EMA related to water, wastewater, refuse services, and landfill operations, excluding depreciation and amortization.
- The coverage requirements on the OWRB notes are calculated using maximum annual debt service on these notes and any subordinate debt.