

### Management's Discussion and Analysis

As management of the City of Norman (the "City"), we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended June 30, 2025. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on pages i-vi of this report.

#### Financial Highlights

- The assets and deferred outflow of resources of the City exceeded its liabilities and deferred inflows at the close of the most recent fiscal year by \$845,045,875 (net position).
- The City's total net position decreased by \$3,770,082.
- As of the close of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$153,232,014, a decrease of \$14,284,975 in comparison with the prior year. Approximately 89% or \$136,191,870 was nonspendable, restricted, committed or assigned for specific purposes. Approximately 11% or \$17,040,144 was unassigned at fiscal year end.
- At the end of the current fiscal year, unassigned fund balance for the general fund was \$17,148,674 or 16% of total general fund expenditures.
- The City's total debt decreased by \$27,876,434 (11 percent) during the current fiscal year. Key factors of this change were draws totalling \$3,899,982 on the Oklahoma Water Resources Board, Series 2025, Clean Water loan. Also, the City made its normally scheduled payments.

#### 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. A brief description of the basic financial statements follows.

**Government-wide financial statements** – The government-wide financial statements are designed to provide readers with a broad overview of the City's finances, in a manner similar to a private-segment business.

The statement of net position presents information on all the City's assets, deferred outflow of resources, liabilities and deferred inflow of resources with the difference between the assets plus deferred outflows of resources less liabilities and deferred inflows of resources 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 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, planning, city controller, parks and recreation, public works, public service and public safety. The business-type activities of the City include the Norman Municipal Authority (the “NMA”), the Norman Utilities Authority (the “NUA”) and the Norman Economic Development Authority (the “NEDA”). The NMA operates the City’s sanitation services. The NUA operates the City’s water and wastewater services. The NEDA includes financing and operating economic development activities for the City.

The government-wide financial statements can be found on pages 17-18 of this report.

***Fund financial statements*** – A fund is a group 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. A brief description of these funds follows.

***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 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. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The City maintains fifteen 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, public safety sales tax fund, special grants fund, capital projects fund and NORMAN FORWARD fund, all of which are considered to be major funds. Data from the other ten 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. A budgetary comparison statement has been provided for the general fund to demonstrate compliance with the budget.

The basic governmental fund financial statements can be found on pages 19-21 of this report.

***Proprietary funds*** – The City maintains two different types of major proprietary funds. Enterprise funds report the same functions presented as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for NMA and NUA activities, which

are both presented as major proprietary funds. The components of these funds are presented in additional detail in the form of combining statements elsewhere in this report. The City uses one other type of proprietary fund, an internal service fund to account for its retained risks. These services predominantly benefit governmental rather than business-type functions and have been 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 basic proprietary fund financial statements can be found on pages 22-24 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 reflected 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 basic fiduciary fund financial statements can be found on pages 25-26 of this report.

*Notes to the financial statements* – The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 28-74 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 obligation to provide pension and other post-employment benefits to its employees and budgetary comparison schedules for the general fund and public safety sales tax fund. Required supplementary information can be found on pages 77-91 of this report. Also, this report presents certain other supplementary information such as combining financial information for non-major governmental funds, budgetary comparison schedules for non-major governmental funds and combining financial statements for enterprise funds and fiduciary funds. Other supplementary information can be found on pages 94-113 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, assets and deferred outflows exceeded liabilities and deferred inflows by \$845,045,875 at the close of the most recent fiscal year.

## Net Position As of June 30

	Governmental Activities		Business-type Activities		Total	
	2025	2024	2025	2024	2025	2024
Assets:						
Current and other assets	\$ 179,682,227	\$ 202,816,254	\$ 91,996,422	\$ 89,527,666	\$ 271,678,649	\$ 292,343,920
Capital assets, net	602,044,367	608,123,566	296,729,037	291,983,627	898,773,404	900,107,193
Noncurrent assets	2,601,271	1,176,968	3,293,732	3,097,942	5,895,003	4,274,910
Total assets	784,327,865	812,116,788	392,019,191	384,609,235	1,176,347,056	1,196,726,023
Deferred outflows	24,582,794	29,558,003	186,776	267,705	24,769,570	29,825,708
Total assets & deferred outflows	808,910,659	841,674,791	392,205,967	384,876,940	1,201,116,626	1,226,551,731
Liabilities:						
Long-term liabilities	228,634,031	241,510,004	47,001,531	51,844,521	275,635,562	293,354,525
Other liabilities	53,928,229	60,958,306	18,745,967	15,248,130	72,674,196	76,206,436
Total liabilities	282,562,260	302,468,310	65,747,498	67,092,651	348,309,758	369,560,961
Deferred inflows	6,263,117	7,923,029	1,497,876	251,784	7,760,993	8,174,813
Total liabilities & deferred inflows	288,825,377	310,391,339	67,245,374	67,344,435	356,070,751	377,735,774
Net position:						
Net investments in capital assets	487,942,607	482,249,162	238,538,006	237,920,695	726,480,613	720,169,857
Restricted	60,899,855	56,479,288	6,065,695	8,143,308	66,965,550	64,622,596
Unrestricted	(28,757,180)	(7,444,998)	80,356,892	71,468,502	51,599,712	64,023,504
Total net position	\$ 520,085,282	\$ 531,283,452	\$ 324,960,593	\$ 317,532,505	\$ 845,045,875	\$ 848,815,957

By far the largest portion of the City's net position (86 percent) reflect its investment in capital assets (e.g., land, buildings, machinery and equipment and infrastructure), less any related debt used to acquire those 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 (8 percent) represents resources that are subject to external restrictions on how they may be used. The remaining balance of net position is unrestricted.

There was an increase of \$7.4 million in the net position reported in connection with the City's business-type activities. This increase was due to several factors. See below for more information.

The governmental net position decreased by \$11.2 million during the current fiscal year. This decrease was due to several factors. See below for more information.

## Change in Net Position For the Year Ended June 30

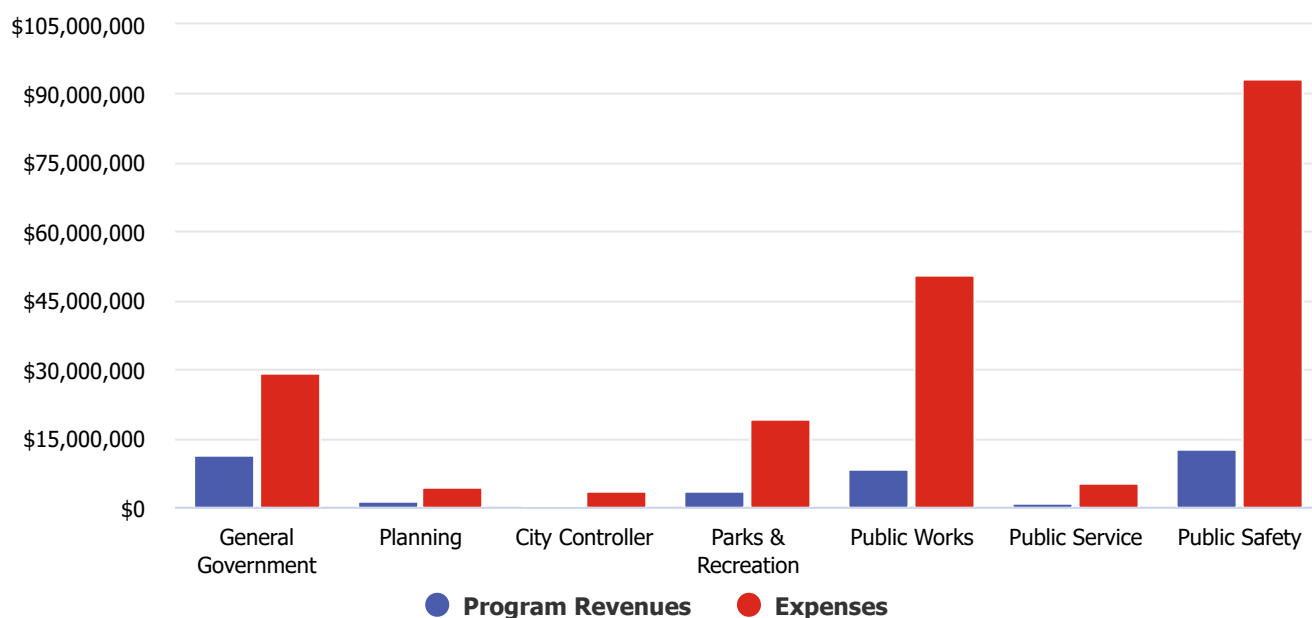
	Governmental Activities		Business-type Activities		Total	
	2025	2024	2025	2024	2025	2024
Revenues:						
Program revenues:						
Charges for services	\$ 13,087,707	\$ 11,540,297	\$ 65,116,317	\$ 63,563,263	\$ 78,204,024	\$ 75,103,560
Operating grants & contributions	22,974,679	21,861,463	-	-	22,974,679	21,861,463
Capital grants & contributions	2,292,097	14,765,728	10,153,631	5,358,576	12,445,728	20,124,304
General revenues:						
Sales and excise taxes	97,743,932	98,665,799	1,076,848	1,115,765	98,820,780	99,781,564
Franchise taxes	7,271,013	7,170,092	-	-	7,271,013	7,170,092
Property taxes	17,763,324	17,039,980	-	-	17,763,324	17,039,980
Use taxes	17,315,062	17,735,378	-	-	17,315,062	17,735,378
Other taxes	5,401,486	4,809,634	-	-	5,401,486	4,809,634
Investment earnings	5,839,165	7,086,444	4,013,488	4,214,564	9,852,653	11,301,008
Miscellaneous	5,257,988	6,244,664	3,736,690	1,377,598	8,994,678	7,622,262
Total revenues	194,946,453	206,919,479	84,096,974	75,629,766	279,043,427	282,549,245
Expenses:						
General government	28,995,721	19,107,073	-	-	28,995,721	19,107,073
Planning	4,289,165	4,057,475	-	-	4,289,165	4,057,475
City controller	3,400,759	845,105	-	-	3,400,759	845,105
Parks and recreation	19,253,450	16,081,719	-	-	19,253,450	16,081,719
Public works	50,639,876	52,795,961	-	-	50,639,876	52,795,961
Public service	5,222,657	4,460,812	-	-	5,222,657	4,460,812
Public safety	93,272,112	74,437,512	-	-	93,272,112	74,437,512
Interest on long-term debt	5,165,598	5,319,433	-	-	5,165,598	5,319,433
Water	-	-	26,941,220	26,567,015	26,941,220	26,567,015
Wastewater	-	-	28,340,971	20,314,509	28,340,971	20,314,509
Sanitation	-	-	17,291,980	17,330,909	17,291,980	17,330,909
Total expenses	210,239,338	177,105,090	72,574,171	64,212,433	282,813,509	241,317,523
Change in net position before transfers	(15,292,885)	29,814,389	11,522,803	11,417,333	(3,770,082)	41,231,722
Transfers	4,094,715	2,025,750	(4,094,715)	(2,025,750)	-	-
Change in net position	(11,198,170)	31,840,139	7,428,088	9,391,583	(3,770,082)	41,231,722
Net position, beginning	531,283,452	499,443,313	317,532,505	308,140,922	848,815,957	807,584,235
Beginning balance adjustment	-	-	-	-	-	-
Revised net position, beginning	-	-	-	-	-	-
Net position, ending	\$ 520,085,282	\$ 531,283,452	\$ 324,960,593	\$ 317,532,505	\$ 845,045,875	\$ 848,815,957

*Governmental activities* – Governmental activities decreased the City's net position by \$11.2 million. In the prior year, governmental activities increased the City's net position by \$31.8 million. Key elements of this change are as follows:

- Sales tax revenue within the governmental activities (the City's primary fund source) decreased by (\$921,867) or 0.9% under the prior fiscal year. This decrease was due to a flat economy that included tariffs with flat interest rates.
- Use tax revenue has decreased \$420,316 or 2.4% under the prior fiscal year. On-line shopping slowed in the current year as the economy remained flat.

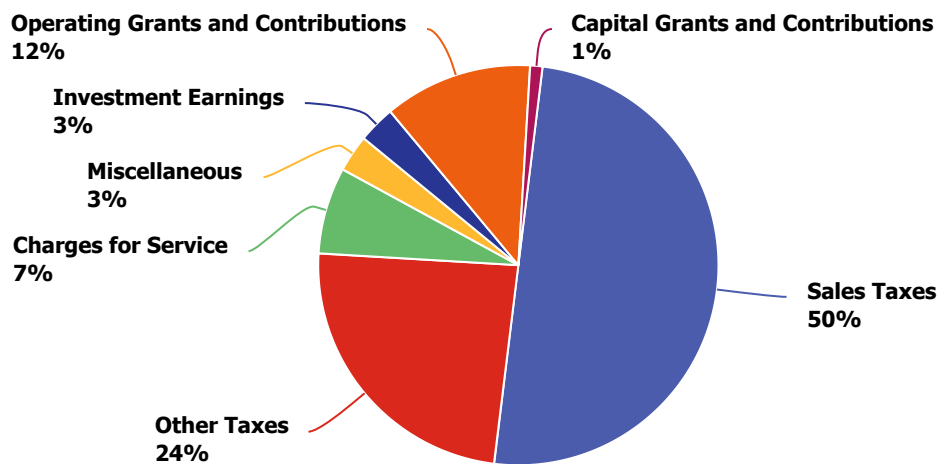
- Property tax revenue has increased \$723,344 or 4.2% from the prior fiscal year. Property taxes are collected to fund payment of general obligation bonds and judgements awarded against the City. No new general obligation bonds were added in the current year.
- Investment earnings decreased \$1,247,279 or 17.6% from the prior fiscal year. Interest rates were high during the prior year as part of the nation-wide program to fight inflation but dropped in the current year due to Federal Reserve rate cuts in late 2024.
- Capital grants and contributions decreased \$12,473,631 or 84.5% from the prior fiscal year. Most of this figure is donated infrastructure (i.e., roads) from both developers and joint projects with the State of Oklahoma and the decrease is a direct reflection of a reduction in that activity.
- Public safety expenses increased \$18,834,600 or 25.3% from the prior year. The most significant factor was pension obligation charges mainly within the Fire pension.
- General government expenses increased \$9,888,648 or 51.7% from the prior year. Most of this increase was due to payment of an economic incentive in the current fiscal year.

### Expenses and Program Revenues - Governmental Activities



Although governmental expenses exceed program revenue, most governmental activities are financed through general revenues such as taxes.

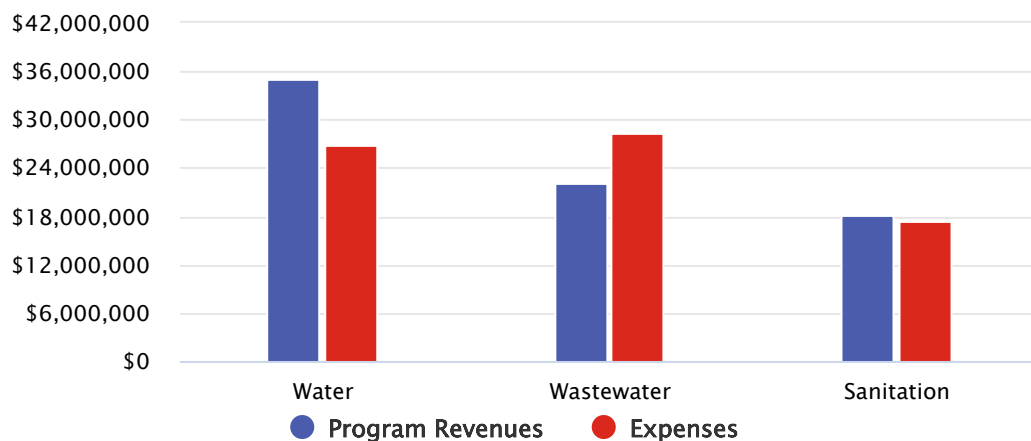
### Revenues by Source - Governmental Activities



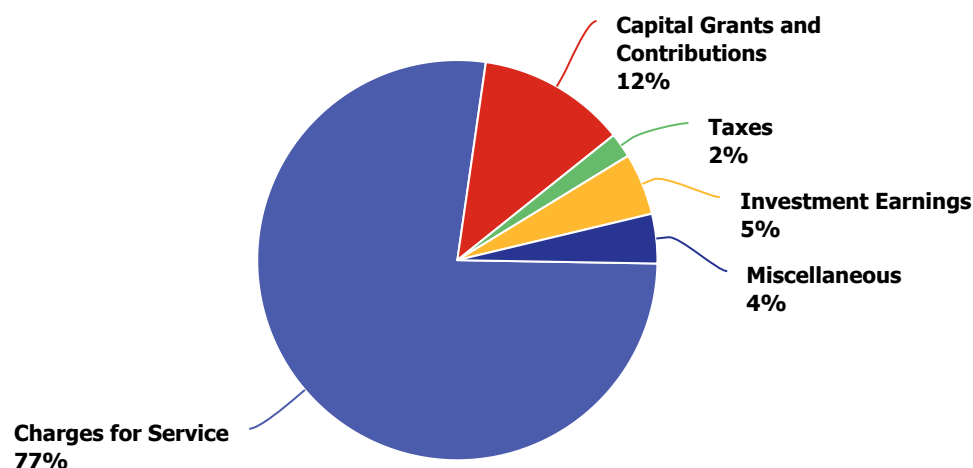
*Business-type activities* – Business-type activities increased the City's net position by \$7.4 million. In the prior year, business-type activities increased the City's net position by \$9.4 million. Key elements of this change are as follows:

- Charges for services increased \$1,553,054 or 2.4% from the prior fiscal year. Water and sewer charges are dependent on weather conditions. Overall, the current fiscal year winter months were wetter than the previous fiscal year.
- Investment earnings revenue decreased \$201,076 or 4.7% from the prior fiscal year. Interest rates were high during the prior year but decreased in the current year due to the Federal Reserve interest rate cuts.
- Wastewater expenses increased \$8,026,462 or 39.5% from the prior fiscal year. The most significant factor was a maintenance project at the Wastewater Plant..

### Expenses and Program Revenues – Business-type Activities



### Revenues by Source - Business-type Activities



### Financial Analysis of the Government's Funds

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, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of a fiscal year.

As of the end of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$153,232,014 (a decrease of \$14,284,975) from the prior year. Approximately 11 percent of this total amount (\$17,040,144) constitutes unassigned fund balance, which is available for spending at the government's discretion. The remainder of fund balance is either nonspendable, restricted, committed or assigned to indicate that it is not available for new spending.

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 \$17,148,674 while total fund balance reached \$25,683,435. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 16 percent of total General Fund expenditures, while total fund balance represents 24 percent of that same amount.

The fund balance of the City's General Fund decreased by (\$6,201,993) during the current fiscal year compared to a decrease of \$868,011 in the previous year. Key factors in the current year change are as follows:

- Sales tax revenues within the General Fund decreased (\$513,919 or 0.9% from the prior fiscal year. As noted previously above, sales taxes decreased overall this past fiscal year due to a flat economy and national tariffs.



- Use tax revenues within the General Fund decreased \$305,684 or 2.4% from the prior fiscal year. As noted previously above, use taxes decreased along with sales taxes due to a flat economy..
- Public safety expenditures within the General Fund increased \$2,238,287 or 4.4% from the prior fiscal year. Most of this increase was in salary and benefits. The City granted a 4% increase in the current fiscal year plus an additional step in the pay scale.
- Transfers in decreased \$5,059,170 or 74.9% from the prior year. Most of this decrease was due to transfers from the Capital Fund for the purchase of equipment in the prior year. Capital outlay also decreased \$4,228,848 or 61.6% from the prior year. A good percentage of these purchases were hold overs from previous years.

The Public Safety Sales Tax Fund has a total fund balance of \$1,703,989 all of which is restricted for public safety activities. The net decrease in fund balance during the current year was (\$2,508,550). Construction of the Emergency Communications and Operations Center was substantially completed in the current fiscal year which drew down loan funds held for this purpose.

The Special Grants Fund has a total fund balance of \$10,014,340 all of which is assigned. The net increase in the fund balance during the current year was \$5,115,488 due to grant activity mostly related to various ARPA grants (as was the case in the prior fiscal year, the most significant being a portion of the Emergency Communications and Operations Center mentioned above). Another significant grant received was for opioid abatement.

The Capital Projects Fund has a total fund balance of \$85,420,349. The net decrease in fund balance during the current year was (\$14,134,547). This net decrease was due to the spending down of general obligation bond monies received in previous years for major infrastructure projects including new bridge projects approved by voters in prior years.

The NORMAN FORWARD Fund has a total fund balance of \$11,015,918. The net increase in fund balance during the current year was \$2,924,851. This net increase was due to the spending down of previous note proceeds received in the previous years for major capital projects including the Adult Wellness and Education Center, the James Garner street project, and Griffin Park remodel.

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

Unrestricted net position of the NMA and NUA funds were \$11,353,023 and \$69,003,869 respectively. The total growth in net position for these funds was \$1,419,777 and \$6,008,311, respectively. Other factors concerning the finances of these two funds have already been addressed in the discussion of the City's business-type activities.

### General Fund Budgetary Highlights

During the year there was a \$4,975,608 increase in appropriations between the original and final amended budget. Following are the main components of the increase:

- \$1,694,918 in increases to the Fire Suppression budget. The most significant transfer was to cover overtime costs. .

- \$1,260,488 in increases to the Police Patrol budget. The most significant transfers were to cover overtime costs and funds carried over from a prior year to purchase equipment (i.e., cars and computer equipment).
- \$547,312 in increases to the Recreation Programs budget. The most significant transfer was for funds carried over from a prior year to purchase equipment (i.e., computer equipment and Christmas decorations).
- \$1,032,490 in decreases to the Fleet Fuel and Parts budget. Savings were transferred to various other departments during the year-end budget cleanup process.

The City has an adopted reserve policy established by ordinance. The ordinance establishes that the General Fund will have an unappropriated reserve of at least three percent (3%) of annually budgeted expenditures, in addition to an appropriated emergency reserve of one percent (1%) of annually budgeted expenditures. In addition, the ordinance establishes the Net Revenue Stabilization Fund (i.e., "Rainy Day Fund") which has a targeted balance of not less than four percent (4%) but not more than seven percent (7%) of annually budgeted General Fund expenditures. As of June 30, 2025 the Rainy Day Fund had a balance of \$4,982,373 which represents 5% of General Fund expenditures.

The net difference between the General Fund amended budget and actual amounts received/expended can be briefly summarized as follows:

- General Fund revenues were below expectations by \$4,262,022.
  - Sales taxes were below expectations by \$1,782,331. See explanation above. The expectation was that sales taxes would grow slightly during the fiscal year.
  - Use taxes were below expectations by \$218,171. As with sales taxes, use taxes were expected to grow slightly during the fiscal year.
  - Franchise fees were below expectations by \$147,071, mainly within the basic cable franchise. This reduction is a reflection of the slowing economy and cuts to consumer spending.
  - Miscellaneous revenues were below expectations by \$1,236,478, the most significant being within the miscellaneous refunds and reimbursements category. The expectation was built based on past experience that didn't materialize in the current fiscal year.
- General Fund expenditures and encumbrances were below expectations by \$5,950,082.
  - Fire suppression expenditures were \$471,447 below expectation mainly for equipment purchases encumbered in the prior year but liquidated in the current year.
  - Norman public library expenditures were \$711,297 below expectation mainly for reduced facility cleaning costs as the Central Library was closed throughout the fiscal year.
  - Street maintenance expenditures were \$469,012 below expectation mainly for equipment purchases encumbered in the prior year but liquidated in the current year.
- Net General Fund transfers were \$180,860 less than expected.
  - Transfers in the Capital Fund were \$21,583 less than expected to cover vehicle and equipment purchases.

- Transfers in the Norman Utility Authority representing fees-in-lieu of franchise taxes were \$173,983 less than expected based upon lower than expected water and wastewater revenues.

The City closed the year with a fund balance that was higher than what was budgeted by \$1,507,197.

## Capital Asset and Debt Administration

*Capital assets* – The City's gross investment in capital assets for its governmental and business-type activities as of June 30, 2025, amounted to \$898,773,404 (net of accumulated depreciation). This investment in capital assets includes land, buildings, improvements, machinery and equipment, roads, highways and bridges. The total decrease in the City's investment in capital assets for the current fiscal year was .1% (.1% decrease for governmental activities and a 1.6% increase for business-type activities). As noted previously, Westwood Fund was relocated to a special revenue fund in the current fiscal year.

### Capital Assets As of June 30

	Governmental Activities		Business-type Activities		Total	
	2025	2024	2025	2024	2025	2024
Land	\$ 78,842,874	\$ 78,774,594	\$ 6,131,236	\$ 6,192,948	\$ 84,974,110	\$ 84,967,542
Buildings and improvements	256,412,722	206,849,456	266,679,233	256,641,576	523,091,955	463,491,032
Machinery and equipment	109,253,861	104,228,076	265,624,952	260,639,599	374,878,813	364,867,675
Infrastructure	692,452,199	700,652,687	-	-	692,452,199	700,652,687
Construction in progress	48,345,242	72,434,077	33,213,229	25,200,770	81,558,471	97,634,847
Less: Accumulated depreciation	(583,262,531)	(554,815,324)	(274,919,613)	(256,691,266)	(858,182,144)	(811,506,590)
Total	\$ 602,044,367	\$ 608,123,566	\$ 296,729,037	\$ 291,983,627	\$ 898,773,404	\$ 900,107,193

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

- The Emergency Communications Operations Center was completed at a cost of \$18,565,050.
- The North Base Wash Facility was completed at a cost of \$2,606,694.
- The Alameda Safety project was completed at a cost of \$3,716,398.
- A variety of Norman Forward construction projects were underway; construction in progress related to Norman Forward projects as of the end of the current fiscal year had reached \$19,637,884.
- A variety of street and roadway construction projects were underway; governmental construction in progress related to public works as of the end of the current fiscal year had reached \$28,682,358.
- A variety of water and sewer projects were underway; NUA construction in progress as of the end of the current fiscal year was \$32,619,312.

Additional information on the City's capital assets can be found in note 4 on pages 44-45 of this report.

*Long-term debt* – At the end of the current fiscal year, the City had total bonded debt outstanding of \$101,432,784. All of this amount comprises debt backed by the full faith and credit of the government. The City also had notes payable outstanding of \$120,650,643 at the end of the current fiscal year which were secured by capital assets and specified revenue sources.

## Outstanding Debt As of June 30

	Governmental Activities		Business-type Activities		Total	
	2025	2024	2025	2024	2025	2024
General obligation bonds	\$ 101,432,784	\$ 114,502,827	\$ -	\$ -	\$ 101,432,784	\$ 114,502,827
Notes payable	67,212,724	77,856,562	53,437,919	57,600,472	120,650,643	135,457,034
Total	<u>\$ 168,645,508</u>	<u>\$ 192,359,389</u>	<u>\$ 53,437,919</u>	<u>\$ 57,600,472</u>	<u>\$ 222,083,427</u>	<u>\$ 249,959,861</u>

The City's total debt decreased by \$27,876,434 (11 percent) during the current fiscal year. Key factors of this change were draws totalling \$3,899,982 on the Oklahoma Water Resources Board, Series 2025, Clean Water loan. Also, the City made its normally scheduled payments.

The City maintained an "Aa2" rating from Moody's for those general obligation debt issues that are rated by the service. The NUA maintained an "Aa3" rating from Moody's for those debt issues that they rate.

Additional information on the City's long-term debt can be found in note 4 on pages 62-69 of this report.

## Economic Factors and Next Year's Budgets and Rates

- The unemployment rate for the Oklahoma City metropolitan area which includes Norman is currently 3.7 percent. The state's average unemployment rate was 3.4 percent and the national average rate was 4.1 percent.
- Inflationary trends in the region have remained steady in the last fiscal year.
- The City's major source of revenue is sales and use tax revenue. Sales tax and use tax revenue decreased 0.9% and 11.5%, respectively, over the prior year total.

All of these factors were considered in preparing the City's budget for the 2026 fiscal year.

## Requests for Information

This financial report is designed to provide a general overview of the City's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Office of the Finance Director, 225 North Webster, Norman, Oklahoma, 73069.



---

# **BASIC FINANCIAL STATEMENTS**

---



## The City of Norman, Oklahoma

Statement of Net Position  
June 30, 2025

	Primary Government		
	Governmental Activities	Business-type Activities	Total
<b>ASSETS</b>			
Current assets:			
Cash and cash equivalents	\$ 65,296,488	\$ 46,662,217	\$ 111,958,705
Restricted cash and cash equivalents	68,906,708	8,875,217	77,781,925
Investments	19,989,814	25,567,107	45,556,921
Restricted investments	3,221,486	-	3,221,486
Receivables:			
Taxes	19,933,861	-	19,933,861
Accounts, net of allowance for estimated uncollectible Business-type accounts of \$199,500	2,052,841	8,863,351	10,916,192
Interest	314,304	456,246	770,550
Other	58,837	-	58,837
Due from Federal Government	1,057,813	-	1,057,813
Leases receivable	-	281,550	281,550
Internal balances	(1,290,734)	1,290,734	-
Inventory	140,809	-	140,809
Total current assets	179,682,227	91,996,422	271,678,649
Non-current assets			
Restricted cash and cash equivalents	-	1,904,470	1,904,470
Leases receivable	-	1,389,262	1,389,262
Net pension asset	2,601,271	-	2,601,271
Capital assets:			
Capital assets not subject to depreciation	127,188,116	38,198,212	165,386,328
Capital assets, net	474,312,122	257,647,024	731,959,146
Lease assets, net	544,129	883,801	1,427,930
Total non-current assets	604,645,638	300,022,769	904,668,407
Total assets	784,327,865	392,019,191	1,176,347,056
<b>DEFERRED OUTFLOW OF RESOURCES</b>			
Deferred resources related to pensions	24,091,068	-	24,091,068
Deferred resources related to OPEB	464,188	-	464,188
Deferred charge on refunding	27,538	186,776	214,314
Total deferred outflows of resources	24,582,794	186,776	24,769,570
<b>LIABILITIES</b>			
Current liabilities:			
Accounts payable and other accrued liabilities	5,219,453	6,484,525	11,703,978
Payroll payable	4,595,548	765,066	5,360,614
Accrued interest payable	1,270,815	444,832	1,715,647
Unearned revenue	6,514,059	-	6,514,059
Retainage payable	1,753,489	573,390	2,326,879
Guaranty deposits	7,807,280	1,778,506	9,585,786
Leases payable	142,481	55,159	197,640
Current portion of long-term debt	26,625,104	8,644,489	35,269,593
Total current liabilities	53,928,229	18,745,967	72,674,196
Non-current liabilities:			
Leases payable	433,828	692,294	1,126,122
Long-term debt and other liabilities	228,200,203	46,309,237	274,509,440
Total non-current liabilities	228,634,031	47,001,531	275,635,562
Total liabilities	282,562,260	65,747,498	348,309,758
<b>DEFERRED INFLOW OF RESOURCES</b>			
Deferred resources related to pensions	3,271,543	-	3,271,543
Deferred resources related to OPEB	2,991,574	-	2,991,574
Deferred resources related to leases	-	1,497,876	1,497,876
Total deferred inflows of resources	6,263,117	1,497,876	7,760,993
<b>NET POSITION</b>			
Net investments in capital assets	487,942,607	238,538,006	726,480,613
Restricted for:			
Debt service	9,460,984	4,161,225	13,622,209
Capital improvements	29,703,713	1,904,470	31,608,183
Pension benefits	2,601,271	-	2,601,271
General government	3,000,000	-	3,000,000
Public safety	3,657,971	-	3,657,971
Public parks and recreation	1,556,284	-	1,556,284
Public service	4,983,000	-	4,983,000
Public works	5,936,632	-	5,936,632
Unrestricted (deficit)	(28,757,180)	80,356,892	51,599,712
Total net position	\$ 520,085,282	\$ 324,960,593	\$ 845,045,875

See notes to financial statements

## The City of Norman, Oklahoma

### Statement of Activities For the Year Ended June 30, 2025

Function/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Assets		Total
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government	Business-Type Activities	
					Governmental Activities		
Primary government							
Governmental activities:							
General government	\$ 28,995,721	\$ 3,818,564	\$ 7,468,242	\$ -	\$ (17,708,915)	\$ -	\$ (17,708,915)
Planning	4,289,165	1,107,953	17,844	-	(3,163,368)	-	(3,163,368)
City controller	3,400,759	329,073	-	-	(3,071,686)	-	(3,071,686)
Parks and recreations	19,253,450	3,619,543	4,951	-	(15,628,956)	-	(15,628,956)
Public works	50,639,876	430,056	5,760,068	2,292,097	(42,157,655)	-	(42,157,655)
Public service	5,222,657	-	890,523	-	(4,332,134)	-	(4,332,134)
Public safety	93,272,112	3,782,518	8,833,051	-	(80,656,543)	-	(80,656,543)
Interest on long-term debt	5,165,598	-	-	-	(5,165,598)	-	(5,165,598)
Total governmental activities	210,239,338	13,087,707	22,974,679	2,292,097	(171,884,855)	-	(171,884,855)
Business-type activities:							
Water	26,941,220	31,258,427	-	3,766,965	-	8,084,172	8,084,172
Wastewater	28,340,971	15,826,850	-	6,386,666	-	(6,127,455)	(6,127,455)
Sanitation	17,291,980	18,031,040	-	-	-	739,060	739,060
Total business-type activities	72,574,171	65,116,317	-	10,153,631	-	2,695,777	2,695,777
Total primary government	\$ 282,813,509	\$ 78,204,024	\$ 22,974,679	\$ 12,445,728	(171,884,855)	2,695,777	(169,189,078)
General revenues and transfers:							
Taxes (unrestricted unless otherwise noted):							
Sales taxes					54,499,649	-	54,499,649
Sales taxes - restricted					43,244,283	-	43,244,283
Excise taxes - restricted					-	1,076,848	1,076,848
Franchise taxes					7,271,013	-	7,271,013
Property taxes - restricted					17,763,324	-	17,763,324
Use taxes					12,592,773	-	12,592,773
Use taxes - restricted					4,722,289	-	4,722,289
Hotel/Motel taxes					4,218,919	-	4,218,919
Alcoholic beverage taxes					601,385	-	601,385
Cigarette taxes					581,182	-	581,182
Investment earnings (losses)					5,839,165	4,013,488	9,852,653
Miscellaneous					5,257,988	3,736,690	8,994,678
Transfers					4,094,715	(4,094,715)	-
Total general revenues and transfers					160,686,685	4,732,311	165,418,996
Change in net position					(11,198,170)	7,428,088	(3,770,082)
Net position - beginning					531,283,452	317,532,505	848,815,957
Net position - ending					\$ 520,085,282	\$ 324,960,593	\$ 845,045,875

See notes to financial statements



## The City of Norman, Oklahoma

**Balance Sheet**  
**Governmental Funds**  
**June 30, 2025**

	General Fund	Public Safety Sales Tax Fund	Special Grants Fund	Capital Projects Fund	Norman Forward Fund	Other Governmental Funds	Total Governmental Funds
<b>ASSETS</b>							
Cash and cash equivalents	\$ 11,601,168	\$ -	\$ 15,907,178	\$ 19,978,610	\$ 8,897,386	\$ 8,912,146	\$ 65,296,488
Investments	5,541,326	-	-	7,042,037	1,271,066	5,616,670	19,471,099
Receivables:							
Taxes	11,690,835	2,244,669	-	2,712,052	2,244,669	1,041,636	19,933,861
Accounts	1,434,490	-	-	17,344	-	357	1,452,191
Interest	100,874	81	-	83,001	22,497	98,733	305,186
Other	-	-	-	58,837	-	-	58,837
Due from Federal Government	-	-	801,217	-	-	256,596	1,057,813
Due from other funds	352,127	-	206,121	382,752	89,446	284,433	1,314,879
Inventory	32,279	-	-	-	-	108,530	140,809
Restricted Assets:							
Cash and cash equivalents	2,397,297	2,309,671	-	59,048,442	-	5,151,298	68,906,708
Investments	3,221,486	-	-	-	-	-	3,221,486
Total assets	<u>\$ 36,371,882</u>	<u>\$ 4,554,421</u>	<u>\$ 16,914,516</u>	<u>\$ 89,323,075</u>	<u>\$ 12,525,064</u>	<u>\$ 21,470,399</u>	<u>\$ 181,159,357</u>
<b>LIABILITIES AND FUND BALANCES</b>							
<b>LIABILITIES</b>							
Accounts payable and other accrued liabilities	\$ 1,507,268	\$ 47,463	\$ 317,116	\$ 1,377,177	\$ 31,143	\$ 1,785,481	\$ 5,065,648
Payroll payable	3,630,896	594,825	4,528	57,539	-	290,935	4,578,723
Due to other funds	-	2,208,144	-	-	-	-	2,208,144
Unearned revenue	-	-	6,514,059	-	-	-	6,514,059
Retainage payable	-	-	64,473	211,013	1,478,003	-	1,753,489
Guaranty deposits	5,550,283	-	-	2,256,997	-	-	7,807,280
Total liabilities	<u>10,688,447</u>	<u>2,850,432</u>	<u>6,900,176</u>	<u>3,902,726</u>	<u>1,509,146</u>	<u>2,076,416</u>	<u>27,927,343</u>
<b>FUND BALANCES</b>							
Nonspendable	32,279	-	-	-	-	108,530	140,809
Restricted	-	1,703,989	-	79,167,556	7,377,602	18,669,161	106,918,308
Committed	4,982,373	-	-	-	-	-	4,982,373
Assigned	3,520,109	-	10,014,340	6,252,793	3,638,316	724,822	24,150,380
Unassigned	17,148,674	-	-	-	-	(108,530)	17,040,144
Total fund balances	<u>25,683,435</u>	<u>1,703,989</u>	<u>10,014,340</u>	<u>85,420,349</u>	<u>11,015,918</u>	<u>19,393,983</u>	<u>153,232,014</u>
Total liabilities and fund balances	<u>\$ 36,371,882</u>	<u>\$ 4,554,421</u>	<u>\$ 16,914,516</u>	<u>\$ 89,323,075</u>	<u>\$ 12,525,064</u>	<u>\$ 21,470,399</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.							601,500,238
Internal service funds are used by management to charge the costs of risk management activities to individual funds.							
The assets, deferred outflow of resources, liabilities and deferred inflows of the internal service funds are included in governmental activities in the statement of net position.							(3,284,658)
Long-term liabilities, including bonds payable and net pension liability (including related deferred outflows/inflows of resources) are not due and payable in the current period and, therefore, are not reported in the funds.							(231,362,312)
Net position of governmental activities							<u>\$ 520,085,282</u>

See notes to financial statements



## The City of Norman, Oklahoma

### Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds for the Year Ended June 30, 2025

	General Fund	Public Safety Sales Tax Fund	Special Grants Fund	Capital Projects Fund	Norman Forward Fund	Other Governmental Funds	Total Governmental Funds
Revenues:							
Taxes	\$ 74,363,433	\$ 13,946,545	\$ -	\$ 18,080,175	\$ 13,946,544	\$ 23,975,553	\$ 144,312,250
Licenses and permits	1,154,500	-	-	-	-	-	1,154,500
Intergovernmental revenues	2,339,717	-	8,311,095	-	-	4,992,222	15,643,034
Charges for services	16,209,266	-	-	-	-	3,302,877	19,512,143
Fines and forfeitures	1,756,850	-	-	-	-	-	1,756,850
Investment earnings	775,332	103,351	323,561	3,173,723	301,738	817,315	5,495,020
Other	953,861	501,721	525,000	148,178	600,000	1,351,467	4,080,227
Total revenues	97,552,959	14,551,617	9,159,656	21,402,076	14,848,282	34,439,434	191,954,024
Expenditures:							
Current:							
General government	14,119,783	-	702,489	7,436,101	-	-	22,258,373
Planning	4,647,164	-	-	-	-	-	4,647,164
City controller	3,751,662	-	-	4,847	-	-	3,756,509
Parks and recreation	10,993,081	-	-	676,063	80,000	5,045,769	16,794,913
Public works	19,435,779	236,189	1,587,757	11,715,503	-	6,162,216	39,137,444
Public service	-	-	1,128,101	-	-	4,094,874	5,222,975
Public safety	53,075,497	13,329,908	97,982	991	-	194,059	66,698,437
Capital outlay	2,635,206	1,393,016	3,386,716	10,871,448	1,703,726	2,418,800	22,408,912
Debt service:							
Principal retirement	50,838	2,235,000	-	-	7,985,000	13,158,000	23,428,838
Interest and fiscal charges	20,855	149,009	-	-	1,726,558	3,484,986	5,381,408
Total expenditures	108,729,865	17,343,122	6,903,045	30,704,953	11,495,284	34,558,704	209,734,973
Excess (deficiency) of revenues over (under) expenditures	(11,176,906)	(2,791,505)	2,256,611	(9,302,877)	3,352,998	(119,270)	(17,780,949)
Other financing sources (uses):							
Transfers in	6,750,272	282,955	4,121,601	4,122,627	-	2,076,252	17,353,707
Transfers out	(1,775,359)	-	(1,262,724)	(8,954,297)	(428,147)	(1,437,206)	(13,857,733)
Net other financing sources (uses)	4,974,913	282,955	2,858,877	(4,831,670)	(428,147)	639,046	3,495,974
Net change in fund balances	(6,201,993)	(2,508,550)	5,115,488	(14,134,547)	2,924,851	519,776	(14,284,975)
Fund balances, July 1, 2024	31,885,428	4,212,539	4,898,852	99,554,896	8,091,067	18,874,207	167,516,989
Fund balances, June 30, 2025	\$ 25,683,435	\$ 1,703,989	\$ 10,014,340	\$ 85,420,349	\$ 11,015,918	\$ 19,393,983	\$ 153,232,014

See notes to financial statements



## The City of Norman, Oklahoma

### Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities For the Year Ended June 30, 2025

Amounts reported for governmental activities in the statement of activities are different because:

Net change in fund balances - total governmental funds	\$ (14,284,975)
Governmental funds report capital outlay as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.	(7,893,488)
Contributed capital assets (land, buildings and infrastructure) and other miscellaneous capital asset transactions recorded in government-wide financial statements but not recorded in fund level financial statements	1,989,751
The issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on the net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.	23,428,838
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore are not reported as expenditures in the governmental funds	1,719,511
Decrease in liability for incurred claims and compensated absences and miscellaneous expenses in government-wide financial statements	(638,258)
The cost of pension benefits earned, net of contributions made, are reported as an element of pension expense in government-wide financial statements. In the fund-level financial statements only the contributions made are reported as expenditures	(13,991,816)
Internal service funds are used by management to charge the costs of insurance services to individual funds. The net loss of the internal service fund is reported with governmental activities.	(1,526,552)
Change in net position of governmental activities	<u>\$ (11,196,989)</u>

See notes to financial statements

## The City of Norman, Oklahoma

### Statement of Net Position - Proprietary Funds

#### June 30, 2025

	Business-type Activities			Governmental Activities
	Norman Municipal Authority Fund	Norman Utilities Authority Funds	Total	Internal Service Fund
<b>ASSETS</b>				
Current assets:				
Cash and cash equivalents	\$ 6,173,922	\$ 40,488,295	\$ 46,662,217	\$ -
Restricted cash and cash equivalents	465,819	8,409,398	8,875,217	-
Investments	3,580,176	21,986,931	25,567,107	518,715
Receivables:				
Accounts, net of allowance for estimated uncollectible accounts	3,054,289	5,809,062	8,863,351	600,650
Interest	62,934	393,312	456,246	9,118
Leases receivable	-	281,550	281,550	-
Due from other funds	169,338	1,121,396	1,290,734	(397,649)
Total current assets	13,506,478	78,489,944	91,996,422	730,834
Noncurrent assets:				
Restricted cash and cash equivalents	-	1,904,470	1,904,470	-
Leases receivable	-	1,389,262	1,389,262	-
Capital assets, net	20,386,005	275,459,231	295,845,236	-
Leases asset, net	-	883,801	883,801	-
Total noncurrent assets	20,386,005	279,636,764	300,022,769	-
Total assets	33,892,483	358,126,708	392,019,191	730,834
<b>DEFERRED OUTFLOW OF RESOURCES</b>				
Deferred charge on refunding	-	186,776	186,776	-
Total deferred outflows of resources	-	186,776	186,776	-
<b>LIABILITIES</b>				
Current liabilities:				
Accounts payable and accrued liabilities	824,607	5,659,918	6,484,525	153,805
Payroll payable	306,673	458,393	765,066	16,825
Liability for incurred claims	-	-	-	1,200,000
Accrued interest payable	-	444,832	444,832	-
Retainage payable	-	573,390	573,390	-
Guaranty deposits	465,820	1,312,686	1,778,506	-
Leases payable	-	55,159	55,159	-
Notes payable	-	8,597,130	8,597,130	-
Compensated absences	24,678	51,634	76,312	2,149
Total current liabilities	1,621,778	17,153,142	18,774,920	1,372,779
Noncurrent liabilities:				
Notes payable, net	-	44,840,789	44,840,789	-
Leases payable	-	692,294	692,294	-
Compensated absences	465,504	973,991	1,439,495	42,713
Liability for incurred claims	-	-	-	2,600,000
Total noncurrent liabilities	465,504	46,507,074	46,972,578	2,642,713
Total liabilities	2,087,282	63,660,216	65,747,498	4,015,492
<b>DEFERRED INFLOW OF RESOURCES</b>				
Deferred inflows from leases	-	1,497,876	1,497,876	-
Total deferred outflows of resources	-	1,497,876	1,497,876	-
<b>NET POSITION</b>				
Net investment in capital assets	20,452,178	218,085,828	238,538,006	-
Restricted for debt service	-	4,161,225	4,161,225	-
Restricted for capital projects	-	1,904,470	1,904,470	-
Unrestricted	11,353,023	69,003,869	80,356,892	(3,284,658)
Total net position	\$ 31,805,201	\$ 293,155,392	\$ 324,960,593	\$ (3,284,658)

See notes to financial statements

## The City of Norman, Oklahoma

**Statement of Revenues, Expenses, and Changes in Fund Net Position -  
Proprietary Funds  
for the Year Ended June 30, 2025**

	Business-type Activities		Governmental Activities
	Norman Municipal Authority Fund	Norman Utilities Authority Funds	Internal Service Fund
			Total
Operating revenues:			
Water service, net	\$ -	\$ 31,831,298	\$ 31,831,298
Wastewater service, net	-	15,826,850	15,826,850
Sanitation services, net	17,910,658	-	17,910,658
Self-insurance charges:			
Charges for services	-	-	18,539,049
Risk management administration	-	-	1,204,916
Workers' compensation	-	-	522,447
Other	120,382	1,835,895	1,956,277
Total operating revenues	18,031,040	49,494,043	67,525,083
Operating expenses:			
Salaries and benefits	6,594,655	10,178,584	16,773,239
Supplies and materials	1,333,198	4,835,235	6,168,433
Services, maintenance and claims	6,826,887	21,936,513	28,763,400
Depreciation and amortization	2,522,945	17,217,930	19,740,875
Total operating expenses	17,277,685	54,168,262	71,445,947
Operating income (loss)	753,355	(4,674,219)	(3,920,864)
Nonoperating revenues (expenses):			
Excise tax revenue	-	1,076,848	1,076,848
Investment earnings	504,672	3,508,816	4,013,488
Interest and fiscal charges	-	(1,878,971)	(1,878,971)
Miscellaneous income (expense)	161,750	1,916,921	2,078,671
Net nonoperating revenues (expenses)	666,422	4,623,614	5,290,036
Income (loss) before capital contributions and transfers	1,419,777	(50,605)	1,369,172
Capital contributions and transfers:			
Capital contributions - donated water and sewer distribution systems	-	10,153,631	10,153,631
Transfers in	-	-	688,358
Transfers out	-	(4,094,715)	(4,094,715)
Net capital contributions and transfers	-	6,058,916	6,058,916
Net income (loss)	1,419,777	6,008,311	7,428,088
Net position - beginning	30,385,424	287,147,081	317,532,505
Net position - ending	\$ 31,805,201	\$ 293,155,392	\$ 324,960,593

See notes to financial statements

## The City of Norman, Oklahoma

### Statement of Cash Flows - Proprietary Funds For the Year Ended June 30, 2025

	Business-type Activities			Governmental Activities
	Norman Municipal Authority Fund	Norman Utilities Authority Funds	Total	Internal Service Fund
Cash flows from operating activities:				
Cash received from customers	\$ 17,847,957	\$ 49,899,663	\$ 67,747,620	\$ -
Cash received from interfund charges for health insurance	-	-	-	21,608,489
Cash paid to employees for services	(6,494,509)	(9,897,971)	(16,392,480)	(726,231)
Cash paid to suppliers	(8,250,259)	(24,403,522)	(32,653,781)	(23,077,228)
Other receipts	58,350	1,260,310	1,318,660	417,608
Net cash provided by (used for) operating activities	3,161,539	16,858,480	20,020,019	(1,777,362)
Cash flows from noncapital financing activities:				
Transfers in	-	-	-	688,358
Transfers out	-	(4,094,715)	(4,094,715)	(89,617)
Net cash provided by (used for) noncapital financing activities	-	(4,094,715)	(4,094,715)	598,741
Cash flows from capital and related financing activities:				
Proceeds from disposal of capital assets	17,850	118,150	136,000	-
Payments for the acquisition of capital assets	(3,420,815)	(10,645,037)	(14,065,852)	-
Proceeds from taxes	-	1,076,848	1,076,848	-
Proceeds from lease activity	-	(53,947)	(53,947)	-
Payments for the acquisition of lease assets	-	(124,206)	(124,206)	-
Principal payments on notes payable	-	(8,062,534)	(8,062,534)	-
Interest and fiscal charges paid	-	(1,980,084)	(1,980,084)	-
Proceeds from notes payable	-	3,899,982	3,899,982	-
Net cash used for capital and related financing activities	(3,402,965)	(15,770,828)	(19,173,793)	-
Cash flows from investing activities:				
Proceeds from maturity of investments	3,748,218	22,335,727	26,083,945	476,837
Payments for purchases of investments	(3,490,774)	(21,437,887)	(24,928,661)	(505,762)
Investment earnings received	473,310	3,303,993	3,777,303	67,754
Net cash provided by investing activities	730,754	4,201,833	4,932,587	38,829
Net change in cash and cash equivalents	489,328	1,194,770	1,684,098	(1,139,792)
Cash and cash equivalents - beginning	6,150,413	49,607,393	55,757,806	1,139,792
Cash and cash equivalents - ending	\$ 6,639,741	\$ 50,802,163	\$ 57,441,904	\$ -
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities:				
Operating income (loss)	\$ 753,355	\$ (4,674,219)	\$ (3,920,864)	\$ (2,198,166)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:				
Miscellaneous revenue	161,750	1,916,921	2,078,671	-
Bad debt expense	129,796	300,221	430,017	-
Depreciation and amortization	2,522,945	17,217,930	19,740,875	-
disposal of property, plant and equipment	(14,295)	(102,443)	(116,738)	-
accounts receivable, net	(333,420)	46,673	(286,747)	(32,857)
Gain (loss) on due from other funds	(89,105)	(554,167)	(643,272)	417,608
Increase in lease receivable	-	(1,399,546)	(1,399,546)	-
(Increase) decrease in accounts payable and accrued liabilities	(90,174)	2,262,062	2,171,888	47,658
Decrease in payroll payable	47,385	106,532	153,917	1,708
Increase in liability for incurred claims	-	-	-	-
Increase in due to other funds	-	-	-	-
Increase in retainage payable	-	259,618	259,618	-
Increase in guaranty deposits	20,541	58,727	79,268	-
Increase (decrease) in compensated absences	52,761	174,080	226,841	(13,313)
Increase in deferred inflow from leases	-	1,246,091	1,246,091	-
Net cash provided by (used for) operating activities	\$ 3,161,539	\$ 16,858,480	\$ 20,020,019	\$ (1,777,362)
NONCASH ACTIVITIES:				
Donated water and sewer distribution systems	\$ -	\$ 10,153,631	\$ 10,153,631	\$ -
Change in unrealized loss on investments	\$ (16,015)	\$ (95,809)	\$ (111,824)	\$ (2,073)

See notes to financial statements

**The City of Norman, Oklahoma**  
**Statement of Fiduciary Net Position -**  
**Fiduciary Funds**  
**June 30, 2025**

	<b>Pension Trust Fund</b>	<b>Custodial Fund</b>
<b>ASSETS</b>		
Cash and cash equivalents	\$ -	\$ 7,011
Investments:		
Mutual funds	133,513,219	-
U.S. Agencies	-	3,585
Interest receivable	-	62
Due from other funds	-	180
Loans to 401(a) Plan participants	4,291,145	-
Total assets	<u>\$ 137,804,364</u>	<u>\$ 10,838</u>
<b>LIABILITIES AND NET POSITION</b>		
Liabilities:		
Total liabilities	<u>\$ -</u>	<u>\$ -</u>
Net position:		
Funds held for others	\$ -	\$ 10,838
Restricted for defined pension benefits	127,256	-
Restricted for defined contribution pension benefits	137,677,108	-
Total liabilities and net position	<u>\$ 137,804,364</u>	<u>\$ 10,838</u>

See notes to financial statements

**The City of Norman, Oklahoma**  
**Statement of Changes in Fiduciary Net Position -**  
**Fiduciary Funds**  
**For the Year Ended June 30, 2025**

	<b>Pension Trust Fund</b>	<b>Custodial Fund</b>
ADDITIONS:		
Contributions:		
Employer	\$ 3,624,841	\$ -
Employee	3,287,143	-
Total contributions	6,911,984	-
Investment income	15,850,390	505
Total additions	22,762,374	505
DEDUCTIONS:		
Pension benefits paid	9,282,725	-
Administration costs	(331,518)	-
Total deductions	8,951,207	-
NET INCREASE IN FIDUCIARY NET POSITION	13,811,167	505
Net position:		
Beginning of year	123,993,197	10,333
End of year	<u>\$ 137,804,364</u>	<u>\$ 10,838</u>

See notes to financial statements



---

# **NOTES TO BASIC FINANCIAL STATEMENTS**

---





# The City of Norman, Oklahoma

## Notes to Financial Statements

### For the Year Ended June 30, 2025

#### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting and reporting policies of the City of Norman, Oklahoma (the “City”) conform to accounting principles generally accepted in the United States of America for state and local governments. Generally accepted accounting principles for municipalities are defined as those principles promulgated by the Governmental Accounting Standards Board (“GASB”). The following represent the more significant accounting and reporting policies and practices of the City.

**Reporting Entity** — The City is a municipal corporation governed by an elected mayor and eight-member council. The accompanying financial statements present the government 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 and therefore data from these units are combined with data of the City. Each blended component unit has a June 30 year end.

**Blended Component Units** — The Norman Municipal Authority (“NMA”) was established in April 1965. Activities of the NMA include sanitation services for the City. The governing body of the NMA is the same as the City’s governing body. The City is the sole beneficiary of the NMA and receives all trust properties and resulting revenues upon retirement of all trust indebtedness. The City maintains all accounting records. The NMA is reported as an enterprise fund and does not issue separate financial statements.

The Norman Utilities Authority (“NUA”) was established February 2, 1970. Activities of the NUA include financing and operating certain utility systems for the City. The governing body of the NUA is the same as the City’s governing body. The City is the sole beneficiary of the NUA and receives all trust properties upon termination. The City maintains all accounting records. The NUA is presented as an enterprise fund and does not issue separate financial statements.

The Norman Tax Increment Finance Authority (“NTIF”) was established July 1, 2006. Activities of the NTIF include financing Tax Increment Financing District #2 — University North Park, and Tax Increment Financing District #3 — Center City. The governing body of the NTIF is the same as the City’s governing body. The City is the sole beneficiary of the NTIF and receives all trust properties upon termination. The City maintains all accounting records. The NTIF is presented within the Capital Project Fund in the governmental funds balance sheet and does not issue separate financial statements.

The Norman Economic Development Authority (“NEDA”) was established June 12, 2012. Activities of the NEDA include financing and operating economic development activities for the City. The governing body of the NEDA is the same as the City’s governing body. The City is the sole beneficiary of the NEDA and receives all trust properties upon termination. The City maintains all accounting records. As of June 30, 2025, NEDA had no transactions.

**Basis of presentation** — The City follows Governmental Accounting Standards Board (“GASB”) statements in the preparation of its financial statements. Additional information regarding the

basis of accounting and the differences in presentation are contained in the Management's Discussion and Analysis, which preceded the financial statements.

**Government-wide and full 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 non fiduciary activities of the primary government and its component units. For the most part, the effect of interfund activity has been removed from these statements. *Governmental activities*, which normally are supplied by taxes, intergovernmental revenues and other nonexchange transactions are reported separately from *business-type activities*, which rely to a significant extent on fees and charges to external customers for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are 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. Taxes and other items not properly included among program revenues are reported instead as *general revenues*.

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. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements. All remaining governmental and enterprise funds are aggregated and reported as non-major funds.

**Measurement focus, basis of accounting, and financial statement presentation** — The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the proprietary fund and fiduciary fund financial statements. 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. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

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 and claims and judgments are recorded only when payment is due.

Sales taxes, excise taxes, franchise taxes, property taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and have been recognized as revenues of the current fiscal period. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. Expenditure driven grants are recognized as revenue when the qualifying expenditures

have been incurred and all other eligibility requirements have been met. All other revenue items are considered to be measurable and available only when cash is received by the City.

The City reports the following major governmental funds:

*General Fund* — The General Fund is the principal fund of the City which accounts for the general operations of the City and all other financial transactions not reported in other funds.

*Public Safety Sales Tax Fund* — A special revenue fund established to receive revenues from a special half-cent sales tax dedicated to public safety activities.

*Special Grants Fund* — Established to account for revenues and expenditures of other miscellaneous grants received from various sources.

*Capital Projects Fund* — The Capital Projects Fund is used to account for all major capital improvements which have been financed by designated resources, except those accounted for in the Norman Forward Fund or proprietary funds. Activities of the NTIF are included in this fund.

*NORMAN FORWARD Fund* — A capital projects fund established to receive revenues from a special half-cent sales tax dedicated to quality-of-life projects including multiple recreation facilities, libraries, parks, athletic venues, public art, trails, and swim complexes.

The City reports the following non-major governmental funds:

*Debt Service Fund* — The Debt Service Fund accounts for the accumulation of financial resources that are restricted or assigned for the payment of interest and principal on the general long-term debt of the City, other than debt service payments made by enterprise funds. Ad valorem taxes and interest earned on investments of the Debt Service Fund are used for the payment of principal, interest and commission to fiscal agents on the City's general obligation bonds and judgments.

*Special Revenue Funds* — Special Revenue Funds are used to account for the proceeds of government grants or specific revenue sources (other than grants applicable to enterprise fund activities, expendable trusts or major capital projects) that are legally restricted, committed or assigned to expenditures for specified purposes. The City has nine nonmajor special revenue funds including:

- *Norman Room Tax Fund* — Established by City ordinance to receive revenues from the City hotel/motel occupancy tax. Tax receipts are required to be used for promoting and fostering convention and tourism development in the City.
- *Community Development Fund* — Established to account for the City's Community Development Block Grants, Home Ownership Made Easy ("HOME") Grants, Rental Rehabilitation and Emergency Shelter Grants received from the US Department of Housing and Urban Development ("HUD").
- *Park Land Fund* - Established by City ordinance to receive revenues from developer fees dedicated to the acquisition of park land around the City.

- *Young Family Athletic Center (YFAC) Fund* — Established to account for the activities of the YFAC facility.
- *Seizures and Restitutions Fund* — Established to account for the revenue available as a result of property seizures resulting from criminal investigations.
- *Cleet Fund* - Established to account for revenue derived by provision of State law to be utilized for law enforcement education and training.
- *Transit and Parking Fund* — Established to account for revenues and expenditures from transit and parking services.
- *Westwood Fund* — Established to account for revenues and expenditures from the operation of Westwood Park recreational facilities.
- *Art in Public Places Fund* — Established to account for donations made to provide public art displays throughout the City.

The City reports the following major proprietary funds:

*Norman Municipal Authority* — A blended component unit established to account for the City's sanitation services.

*Norman Utilities Authority* — A blended component unit established to account for the water and wastewater utility systems for the City.

*Risk Management Internal Service Fund* - Established to account for the resources utilized by departments to provide for the self-insurance of Workers' Compensation and Unemployment Insurance and to pay claims and receive premiums on insurance for employee health and property loss on a long-term cost-reimbursement basis.

The City reports the following fiduciary funds:

*Pension Trust Funds* — The Pension Trust Funds are used to account for the receipt, investment and distribution of retirement contributions to the Annuity Pool portion of the Employee Retirement System of the City. The Employee Retirement System Annuity Pool is a contributory defined benefit plan. The Pension Trust Funds are also used to account for the receipt, investment and distribution of retirement contributions from the City and employees to the Section 401(a) portion of the Employee Retirement System of the City. The Section 401(a) plan is a defined contribution plan for qualifying City employees.

*Custodial Funds* — Custodial Funds are accounted for using the accrual basis of accounting. These funds are used to account for assets that the City holds for others in a custodial capacity and are not required to be reported in pension trust funds, investment trust funds, or private purpose trust funds because the City does not have administration involvement or direct financial involvement and the assets were not derived from the City's provision of goods or services. The City has one custodial fund, the Centennial Fund, which was created to account for assets held for the City's firefighters to develop a yearbook celebrating the centennial anniversary of the City of Norman Firefighters.

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to the general rule are payments-in-lieu of taxes and other

charges between the government's enterprise funds. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Amounts reported in governmental funds as *program revenues* include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments that are restricted to meeting the operational or capital requirements of a particular function or segment. Internally dedicated resources are reported as *general revenues* rather than as program revenues. Likewise, general revenues include all taxes.

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 City's enterprise funds are charges to customers for sales and services. Operating expenses for the enterprise funds and the internal service fund include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

**Accounting Policies** — The City's significant accounting policies related to the following financial statement categories are summarized below:

### **Assets, Liabilities, and Fund Equity**

- a. *Cash and Cash Equivalents* — The City considers all highly liquid investments with an original maturity of three months or less when purchased to be cash and cash equivalents.
- b. *Pooled Cash and Investments* — The City Charter requires all cash belonging to the City to be placed in the custody of the Financial Services Department of the City. A "Pooled Cash" concept is used in maintaining the cash and investment accounts in the accounting records. Under this method, all cash is pooled for investment purposes and each fund has equity in the pooled amounts. Investments are allocated to the individual participating funds based upon a percentage determined by the Financial Services Department of the City. An interfund receivable/payable is recognized if the allocation of investments to a particular fund exceeds the fund's pooled cash amount before the allocation of the pooled investments.

Purchases and maturities of the pooled investments, as reported in the fund's statement of cash flows, are allocated to the participating proprietary funds based on their portion of total pooled investments.

- c. *Investments* — Investments are stated at fair value. Fair value is the amount at which a financial instrument could be exchanged in a current transaction between willing parties. The City considers quoted market price at June 30, 2025, to be the fair value of its investments.

Oklahoma Statutes authorize the City to invest in obligations of the United States government, its agencies and instrumentalities; collateralized or insured certificates of deposit and other evidences of deposit at banks, savings banks, savings and loan associations and credit unions located in this state, or fully insured certificates of deposit at banks, savings banks, savings and loan associations and credit unions located out of state; negotiable certificates of deposit

issued by a nationally or state-chartered bank, a savings bank, a savings and loan association or a state-licensed branch of a foreign bank; prime banker's acceptances which are eligible for purchase by the Federal Reserve System and which do not exceed 270 days' maturity; prime commercial paper which shall not have a maturity that exceeds 180 days nor represent more than 10% of the outstanding paper of an issuing corporation; repurchase agreements that have underlying collateral consisting of those items specified above; and money market funds regulated by the Securities and Exchange Commission and which investments consist of those items noted above.

The Pension Trust Fund is invested based on guidelines established by its separate Board of Trustees.

- d. *Receivables and payables* — In the government-wide financial statements, receivables consist of all revenues earned at year-end and not yet received. Allowances for uncollectible accounts receivable are based upon historical trends and the periodic aging of accounts receivable.
- e. *Interfund Receivables and Payables* — Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to / due from other funds" (i.e., the current portion of interfund loans) or "advances to/ from other funds" (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as "due to/ from other funds." Any residual balances outstanding between the governmental activities and business-type activities are reported in the governmentwide financial statements as "internal balances."
- f. *Restricted Assets* — Restricted assets include cash and investments of both governmental activities and business-type activities that are legally restricted as to their use. The restricted assets are primarily related to debt trustee accounts and guaranty deposits.
- g. *Capital Assets* — Capital assets, which include property, plant and equipment and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than \$2,500 (amount not rounded) and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets, the majority of which generally consist of donated land and infrastructure which are recorded in the governmental funds and donated water and sewer distribution systems which are recorded in the proprietary funds, at acquisition value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.



Land and construction in progress are not depreciated. The other property, plant, equipment and infrastructure are depreciated using the straight line method over the following estimated useful lives:

Buildings	40 - 65 years
Infrastructure	25 - 50 years
Improvements other than buildings & infrastructure	10 - 20 years
Machinery and equipment	3 - 20 years
Vehicles	3 - 7 years

- h. *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.
- i. *Capital and Lease Asset Impairment* - The City evaluates capital and lease assets for impairment whenever events or circumstances indicate a significant, unexpected decline in the service utility of a capital or lease asset has occurred. If a capital or lease asset is tested for impairment and the magnitude of the decline in service utility is significant and unexpected, the capital asset historical cost and related accumulated depreciation are decreased proportionally such that the net decrease equals the impairment loss. No asset impairment was recognized during the year ended June 30, 2025.
- j. *Inventory* - The City records parts and fuel inventory within the General Fund and golf shop merchandise within the Westwood Fund. Parts inventory and golf shop inventory are valued at actual cost using the first-in/first out method. Fuel inventory is recorded using average cost. The cost of such inventories is recorded as expenditures/expenses when consumed rather than when purchased.
- k. *Long-term Debt* - In the government-wide financial statements and proprietary fund types in the fund financial statements, long-term debt is reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bond premiums and discounts, and losses on refunding are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are expensed during the current period.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, 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 debt service expenditures.

- l. *Liability for Incurred Claims* - The liability for incurred claims represents estimated claims (including future claim adjustment expenses) incurred but unpaid for workers compensation, group medical and dental, and unemployment claims as of the fiscal year end. The estimate includes claims reported as of June 30, 2025, as well as an estimated amount representing claims incurred but not reported. The City utilizes the services of an actuary in computation of the incurred but unpaid workers compensation portion of the liability.
- m. *Claims and Judgments Payable* - Under state law, judgments against the City can be paid over three years or can be paid immediately. The General Fund pays all claims and judgments. A liability has been recorded within the government-wide statements for claims and judgments payable. A liability for these amounts is reported in governmental funds when they become due and payable.
- n. *Compensated Absences* - Under the terms of union contracts and City personnel policies, City employees are granted vacation and sick leave in varying amounts. In the event of termination, an employee is paid for vacation leave accumulated and vested accumulated sick leave. Vesting of sick leave by employees and the maximum number of hours that can be accumulated for vacation and sick leave are dependent upon an employee's years of service. Upon retirement, one-half of accumulated sick leave is converted to vacation time, subject to the above limitation for maximum compensation for unused compensated absences.

A liability has been recorded within the government-wide and proprietary financial statements for accrued vacation and sick leave and certain salary related payments associated with the payment of compensated absences. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

- o. *Unearned Revenues* - The City received federal Coronavirus State and Local Fiscal Recovery Funds (CSLFR) as part of the American Rescue Plan Act (ARPA). The funding was received in advance of meeting certain eligibility requirements that must be met prior to being recognized as revenues. The City records these funds as an unearned revenue liability until the funds are expended in accordance with the required grant terms.
- p. *Fund Equity* - In the government-wide financial statements, equity is classified as net position and displayed in three components:
  - 1. *Net investment in capital assets* - Consists of capital and lease assets, net of accumulated depreciation and amortization and reduced by the outstanding balances of any notes or other borrowings attributable to those assets.
  - 2. *Restricted net position* - Consists of net position with constraints placed on the use either by external groups, such as granters or laws and regulations of other governments, or law through constitutional provisions or enabling legislation.
  - 3. *Unrestricted net position* - All other assets that do not meet the definition of "restricted" or "net investment in capital assets."

When both restricted and unrestricted net positions are available for use, generally it is the City's policy to use restricted resources first. For projects funded with tax-exempt debt proceeds and other sources, the debt proceeds are used first.



Governmental fund equity is classified as fund balance. Fund balance is further classified as follows and based on the nature of any limitations requiring the use of resources for specific purposes.

1. *Nonspendable* - Includes fund balance amounts that cannot be spent either because it is not in spendable form or because of legal or contractual requirements.
2. *Restricted* - Includes fund balance amounts that are constrained for specific purposes which are externally imposed by providers, such as creditors or amounts constrained due to constitutional provisions or enabling legislation.
3. *Committed* - Includes fund balance amounts that are constrained for specific purposes that are internally imposed by the City through formal action of the highest level of decision making authority. The City Council is the highest level of decision making authority that can, by adoption of an Ordinance prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the ordinance remains in place until a similar action by City Council is taken (the adoption of another ordinance) to remove or revise the limitation.
4. *Assigned* - Amounts in the assigned fund balance classification are intended to be used by the government for specific purposes but do not meet the criteria to be classified as committed. The City Council may assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent year's appropriated budget. Unlike commitments, assignments generally only exist temporarily. In other words, an additional action does not normally have to be taken for the removal of an assignment. Conversely, as discussed above, an additional action is essential to either remove or revise a commitment.
5. *Unassigned* - Includes the residual balance of the General Fund that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes with the General Fund. The General Fund is the only fund that reports a positive unassigned fund balance.

When both restricted and unrestricted sources (the total of committed, assigned, and unassigned fund balance) are available for use, generally it is the City's policy to use restricted resources first. 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.

### ***Cost Sharing Defined Benefit Pension Plans***

The City participates in two cost-sharing multiple-employer defined benefit pension plans, the Oklahoma Firefighters Pension & Retirement System (OFPRS) and the Oklahoma Police Pension and Retirement System (OPPRS) (the Plans). For purposes of measuring the net pension asset, liability, deferred outflows of resources and deferred inflows of resources related to the pensions, and pension expense, information about the fiduciary net position of the Plan and additions to/deductions from the Plan's fiduciary net position have been determined on the same basis as they are reported by the Plan. 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.

***Defined Benefit Other Postemployment Benefit Plan***

The City has a single-employer defined benefit other postemployment benefit (OPEB) plan, (the OPEB Plan). For purposes of measuring the total OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, these line items have been determined on the same basis as they are reported by the OPEB Plan. For this purpose, benefit payments are recognized when due and payable in accordance with the benefit terms.

***Deferred outflows/inflows of resources***

Deferred outflows of resources represent a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense) until then. The City has a deferred outflow for a bond refunding, which is the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred or amortized to interest expense over the shorter of the life of the refunded or new debt. In addition, the City has deferred outflows related to pensions or other post employment benefits (OPEB), See Note 4(b) and 4(c) for additional information.

Deferred inflows of resources represent an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until then. The City has a deferred inflow related to pensions, OPEB plans and leases. See Note 4(b) and 4(c) for additional information.

***Revenues, Expenditures and Expenses***

- a. *Property Tax Revenue* - Property taxes attach an enforceable lien on property as of January 1. Taxes are levied annually on November 1 and are due one-half by December 31 and one-half by March 31. The Tax Assessor's office bills and collects the property taxes and remits to the City its portion. Property taxes not paid prior to April are considered delinquent. Such delinquent tax payments have not historically been material. Delinquent tax payments are received throughout the year and are recognized as revenue in the year received, except for those received within 60 days of year end, which are recognized as revenues as of June 30, 2025 in both the government-wide and fund financial statements.
- b. *Sales Taxes* - Sales taxes are collected by vendors and required to be remitted to the State of Oklahoma by the 20<sup>th</sup> of the month following collection. The tax is then paid to the City by the 10<sup>th</sup> of the next month. A two month lag exists between collection by the vendor and payment to the City by the State. Revenue received in July and August from sales made in May and June, respectively, is available for prior year expenses and is accrued in both the government-wide and fund financial statements
- c. *Charges for Service* - Charges for services consist primarily of charges made by the General Fund for services such as motor pool usage, printing, accounting, data processing, facilities usage and other benefits provided to the other funds of the City.

- d. *Intergovernmental Revenues/Capital Grants Earned* - Revenues from Federal and State operating grants are recognized when expenditures are made. Similarly, capital grants are considered earned when the expenditures are made. The earned portion of capital grants in Proprietary Funds is treated as a capital contribution within the statement of revenues, expenses and changes in fund net position.
- e. *Investment Earnings* - Investment earnings on pooled cash and investments are allocated on a prorata basis to the City's funds based on the percentage of each fund's average month-end pooled cash balance.

**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, deferred outflows of resources, liabilities and deferred inflows of resources and disclosure 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.

## 2. RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

**Explanation of certain differences between the governmental fund balance sheet and the government wide statement of net position** - The governmental fund balance sheet includes a reconciliation between *fund balance - total governmental funds* and *net position - governmental activities* as reported in the government-wide statement of net position. One element of that reconciliation explains that "long-term liabilities, including bonds payable and net pension and OPEB liabilities (including related deferred outflows/inflows of resources), are not due and payable in the current period and therefore are not reported in the funds." The details of this \$231,362,312 difference are as follows:

General obligation bonds payable	\$ 101,432,784
Sales tax revenue notes payable	67,212,724
Compensated absences	10,560,238
Leases asset	(544,129)
Leases payable	576,309
Total OPEB liability	5,396,056
Net pension asset	(2,601,271)
Net pension liability	66,378,463
Deferred outflows of resources	(24,582,794)
Deferred inflow of resources	6,263,117
Accrued interest payable	1,270,815
Net adjustment to reduce fund balance - total governmental funds to arrive at net position - governmental activities	<u>\$ 231,362,312</u>

***Explanation of certain differences between the governmental fund statement of revenues, expenditures, and changes in fund balances and the government-wide statement of activities***

- The governmental fund statement of revenues, expenditures, and changes in fund balances includes a reconciliation between net *changes in fund balances - total governmental funds* and *changes in net position of governmental activities* as reported in the government-wide statement of activities. One element of that reconciliation explains that "Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense." The details of this \$7,893,488 difference are as follows:

Capital outlay	\$ 22,408,912
Loss on disposal and other	(327,806)
Depreciation expense	<u>(29,974,594)</u>
Net adjustment to increase net changes in fund balances - total governmental funds to arrive at changes in net position of governmental activities	<u>\$ (7,893,488)</u>

Another element of that reconciliation states that "Contributed capital assets (land, buildings, and infrastructure) and other miscellaneous capital asset transactions recorded in government-wide financial statements but not recorded in fund level financial statements." The details of this \$1,989,751 difference are as follows:

Donations of capital assets increase net position in the statement of activities, but do not appear in the governmental funds because they are not financial resources.	\$ 2,003,664
---	--------------

In the statement of activities, only the gain on the sale of capital assets is reported. However, in the governmental funds, the proceeds from the sale increase financial resources. Thus, the change in net position differs from the change in fund balance by the cost of the capital asset sold.	(126,187)
---	-----------

The statement of activities reports gains arising from the trade-in of existing capital assets to acquire new capital assets. Conversely, governmental funds do not report any gain or loss on a trade-in of capital assets.	<u>112,274</u>
--	----------------

Net adjustment to increase net changes in fund balances - total governmental funds to arrive at changes in net position of governmental activities	<u>\$ 1,989,751</u>
--	---------------------

Another element of that reconciliation states that "Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore are not reported as expenditures in the governmental funds." The details of this \$1,719,511 difference are as follows:

Change in accrued interest payable	\$ 252,675
Change in net pension and total OPEB liability	1,198,681
Change in lease payable	(3,298)
Change in debt issuance premium or discount	<u>271,453</u>
Net adjustment to increase net change in fund balances - total governmental funds to arrive at changes in net position of governmental activities	<u>\$ 1,719,511</u>

### 3. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

**Budgets and Budgetary Accounting** - The City Manager is required by City Charter and the Oklahoma Municipal Budget Act to prepare and submit an annual budget to the City Council. A budget is prepared and legally adopted for the General Fund, Special Revenue Funds, Debt Service Fund, and Capital Projects Fund. These budgets are prepared on a cash basis for revenues, except for accrued interest receivable and other receivables. For budget purposes, expenditures include amounts paid and encumbered, as well as amounts in accounts payable at the end of the fiscal year. Purchase orders, contracts and other commitments for the expenditure of funds are recorded as encumbrances to reserve a portion of the applicable appropriation.

Budgeted expenditures and encumbrances for the budgeted funds cannot exceed the estimated revenues and fund balance, and it is unlawful for the City to create or authorize creation of a deficit in any of these funds. Budgetary control is exercised by function at the fund level. These functional categories include salaries and benefits; supplies and materials; services and maintenance; debt service; and capital outlay. Amendments must be approved by the City Council. The City Manager is authorized to transfer budgeted appropriations within individual funds, but cannot alter the appropriations on a fund level without City Council approval. Supplemental appropriations within all funds by the City Council during the fiscal year ended June 30, 2025 amounted to \$17,687,318. Unencumbered appropriations lapse at year end while encumbered appropriations are carried over to the ensuing fiscal year until utilized or canceled and are classified within the restricted, committed or assigned fund balance category, as appropriate, based on the criteria of the fund balance classifications.

Oklahoma Statutes also require the City Council each year to make an ad valorem tax levy for a sinking fund (Debt Service Fund) which shall, with cash and investments in the fund, be sufficient to pay all the bonded indebtedness, interest and one-third of all outstanding judgments coming due in the following year.

### 4. DETAIL NOTES ON ALL FUNDS

#### **Deposits and Investments**

**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's policy for collateralization is that pledged securities will have a market value of at least 102% of the value of funds on deposit and that collateral be limited to either 1) U.S. Treasury, agency and instrumentality securities or 2) direct debt obligations of municipalities, counties, and school districts in Oklahoma. As of June 30, 2025, none of the City's bank balance of \$85,666,815 was exposed to custodial credit risk. Approximately \$5,514,000 in uninvested cash was in trustee accounts and not considered to be uncollateralized. As of June 30, 2025, the City's carrying balance of these deposits was \$85,637,393

*Interest Rate Risk* - As of June 30, 2025, the City had the following investments subject to interest rate risk:

<b>Investment Type</b>	<b>Fair Value</b>	<b>Weighted Average Maturity (Years)</b>
Money Market Mutual Funds	\$ 110,229,193	0.12
U.S. Treasury Notes	15,524,910	1.09
Federal Home Loan Bank	-	0
Federal Farm Credit Bank	18,960,011	1.03
Tennessee Valley Authority	10,072,000	0.34
Total fair value	<u>\$ 154,786,114</u>	
Portfolio weighted average maturity		0.34

In accordance with its investment policy, the City manages its exposure to declines in fair values by limiting investment maturities to not more than ten years from the date of purchase.

The following schedules reconcile the carrying amounts of deposits and investments above to the government-wide statement of net position:

**Primary Government:**

Carrying value of deposits -	
Pooled and nonpooled funds	\$ 85,637,393
Money market mutual funds	110,229,193
Less: Certificates of deposits classified as investments	<u>(4,221,486)</u>
	<u>\$ 191,645,100</u>
Cash as reported on the government-wide statement of net position -	
Cash and cash equivalents	\$ 111,958,705
Restricted cash and cash equivalents - current	77,781,925
Restricted cash and cash equivalents - long-term	<u>1,904,470</u>
	<u>\$ 191,645,100</u>
Carrying value of investments -	
Pooled and nonpooled funds	\$ 154,786,114
Site development certificate of deposits	4,221,486
Less: Money market mutual funds classified as cash equivalent	<u>(110,229,193)</u>
	<u>\$ 48,778,407</u>
As reported on the government-wide statement of net position -	
Investments	\$ 45,556,921
Restricted investments - current	<u>3,221,486</u>
	<u>\$ 48,778,407</u>



*Credit Risk* – The City’s investment policy does not cover credit risk. The City’s investments as of June 30, 2025 were rated by Moody’s Investor Service and Standard & Poor’s as follows:

	Moody’s	S&P
Federal Farm Credit Bank	Aaa	AA+
Tennessee Valley Authority	Aaa	AA+
Federal Home Loan Bank	Aaa	AA+
U.S. Treasury Notes	Aaa	AA+
Money Market Mutual Funds	Unrated	Unrated

*Concentration of Credit Risk* – The City’s investment policy places no limit on the amount the City may invest in any one issuer. More than 5% of the City’s investments are in two money market mutual funds; the Federated Hermes Government Obligations Tax Managed Fund and the Cavanal Hill Government Securities Fund which represents 9% and 61% of the City’s total investments, respectively. Also, more than 5% of the City’s investments are in Federal Farm Credit Bank securities and US Treasury bonds which represent 12% and 10% of the City’s total investments, respectively.

*Fiduciary Funds* – The City’s fiduciary funds are not included in the risks and amounts identified above and are invested in mutual funds traded on public exchanges and have substantially the same risks as the primary government.

*Custodial Credit Risk-Investments* – For an investment, this is the risk that, in the event of the failure of the counterparty, the City 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, 2025, the City’s investment were not exposed to custodial credit risk as all of the City’s investments were registered in the name of the City and held by a counterparty.

*Investments Measured at Fair Value*

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

The City has the following recurring fair value measurements as of June 30, 2025:

- US Treasury securities of \$15,524,910 are valued using quoted market prices (Level 1 inputs).
- Federal government agencies securities of \$29,032,011 are valued using quoted market prices of similar assets in an active market (Level 2 inputs).
- Money market mutual funds of \$110,229,193 are valued using quoted market prices (Level 1 inputs).
- Mutual funds of \$133,513,219 reported in the Statement of Fiduciary Net Position are valued using quoted market prices (Level 1 inputs).

**Amount Due From Federal Government** – The amount shown in both the government-wide and fund financial statements as due from the Federal government represents \$1,057,813 of allowable expenditures under various direct and pass through grants for which the City has requested reimbursement.

**Interfund receivables and payables** – Interfund receivables and payables for the year ended June 30, 2025:

Fund Name	Due from other funds	Due to other funds
General Fund	\$ 352,127	\$ -
Public Safety Sales Tax Fund	-	2,208,144
Special Grants Fund	206,121	-
Capital Projects Fund	382,752	-
Nonmajor Governmental Fund	284,613	-
Norman Forward Fund	89,446	-
Norman Municipal Authority	169,338	-
Norman Utilities Authority	1,121,396	-
Internal Service Fund	(397,649)	-
	<u>\$ 2,208,144</u>	<u>\$ 2,208,144</u>

**Transfers** – Transfers for the year ended June 30, 2025 consisted of the following:

Transfers Out	Transfers In						Total Transfers Out
	General Fund	Capital Projects Fund	Public Safety Sales Tax Fund	Special Grants Fund	Nonmajor Govern- mental Fund	Internal Service Fund	
General Fund	\$ -	\$ -	\$ 212,216	\$ -	\$ 1,563,143	\$ -	\$ 1,775,359
Nonmajor Governmental Funds	-	719,608	-	-	29,240	688,358	1,437,206
Special Grants Fund	14,705	1,248,019	-	-	-	-	1,262,724
Capital Projects Fund	4,323,135	-	70,739	4,121,601	438,822	-	8,954,297
Norman Forward Fund	393,147	-	-	-	35,000	-	428,147
Internal Service Fund	79,570	-	-	-	10,047	-	89,617
Enterprise Funds	1,939,715	2,155,000	-	-	-	-	4,094,715
Total Transfers In	<u>\$ 6,750,272</u>	<u>\$ 4,122,627</u>	<u>\$ 282,955</u>	<u>\$ 4,121,601</u>	<u>\$ 2,076,252</u>	<u>\$ 688,358</u>	<u>\$ 18,042,065</u>

Transfers are used for varying reasons including but not limited to moving unrestricted general fund revenues to finance various programs that the City must account for in other funds in accordance with budgetary authorizations, including amounts provided as subsidies or matching funds for various grant programs.

The most significant transfers were initiated by the City for the following reasons:

- The Capital Projects Fund transferred \$4,233,795 to the General Fund to pay for the purchase of vehicles and equipment and fund street maintenance projects.
- The Debt Service Fund transferred \$688,358 to the Risk Management Fund to pay judgments awarded against the City.



- The Enterprise Funds transferred \$2,155,000 to the Capital Fund to cover the costs of water and sewer line relocation done in conjunction with a road widening project.
- The Enterprise Funds transferred \$1,939,715 to the General Fund as a fee in lieu of franchise fees.

**Leases Receivable** – The City leases space on its water towers to various cellular companies, the terms of which expire September 2025. Payments increase three percent (3%) annually. The leases were measured based upon the 3% increase at lease commencement. The City leases land for stand-alone towers to various cellular companies, the terms of which expire April 2026 through June 2026. Payments increase three percent (3%) annually. The leases were measured based upon the 3% increase at lease commencement.

Revenue recognized under lease contracts during the year ended June 30, 2025 was \$945,609 which includes both lease revenue and interest.

**Capital Assets** - Capital asset activity for the fiscal year ended June 30, 2025 was as follows:

	<b>Beginning Balance</b>	<b>Additions</b>	<b>Deletions</b>	<b>Ending Balance</b>
<b>Governmental activities:</b>				
Capital assets, not being depreciated:				
Land	\$ 78,774,594	\$ 68,280	\$ -	\$ 78,842,874
Construction in progress	72,434,077	16,579,534	(40,668,369)	48,345,242
Capital assets, being depreciated:				
Buildings	160,135,551	36,340,150	-	196,475,701
Improvements other than buildings	45,608,321	13,223,116	-	58,831,437
Machinery and equipment	66,124,874	1,763,426	(978,659)	66,909,641
Vehicles	38,062,957	4,803,659	(562,641)	42,303,975
Infrastructure	700,652,687	11,738,561	(19,939,049)	692,452,199
Totals at historical cost	1,161,793,061	84,516,726	(62,148,718)	1,184,161,069
Less accumulated depreciation				
Buildings	(30,695,319)	(5,470,477)	-	(36,165,796)
Improvements other than buildings	(25,361,359)	(1,662,331)	-	(27,023,690)
Machinery and equipment	(45,711,965)	(4,322,093)	964,746	(49,069,312)
Vehicles	(21,407,040)	(3,048,610)	562,641	(23,893,009)
Infrastructure	(431,213,403)	(15,295,621)	-	(446,509,024)
Total accumulated depreciation	(554,389,086)	(29,799,132)	1,527,387	(582,660,831)
Governmental activities capital assets, net	\$ 607,403,975	\$ 54,717,594	\$ (60,621,331)	\$ 601,500,238
Lease assets, being amortized:				
Buildings (right-to-use)	\$ 1,105,584	\$ -	\$ -	\$ 1,105,584
Machinery and equipment (right-to-use)	40,245	-	-	40,245
Totals	1,145,829	-	-	1,145,829
Less accumulated amortization				
Buildings (right-to-use)	(389,032)	(170,146)	-	(559,178)
Machinery and equipment (right-to-use)	(37,206)	(5,316)	-	(42,522)
Total accumulated amortization	(426,238)	(175,462)	-	(601,700)
Governmental activities lease assets, net	\$ 719,591	\$ (175,462)	\$ -	\$ 544,129

	<b>Beginning Balance</b>	<b>Additions</b>	<b>Deletions</b>	<b>Ending Balance</b>
<b>Business-type activities:</b>				
Capital assets, not being depreciated:				
Land	\$ 5,192,120	\$ -	\$ -	\$ 5,192,120
Construction in progress	25,200,770	9,760,560	(1,748,101)	33,213,229
Capital assets, being depreciated:				
Buildings and improvements	256,641,576	10,280,198	(242,541)	266,679,233
Machinery and equipment	260,634,002	6,088,684	(1,099,012)	265,623,674
Totals at historical cost	<u>547,668,468</u>	<u>26,129,442</u>	<u>(3,089,654)</u>	<u>570,708,256</u>
Less accumulated depreciation				
Buildings and improvements	(133,325,275)	(6,637,628)	226,834	(139,736,069)
Machinery and equipment	(123,119,161)	(13,042,335)	1,034,545	(135,126,951)
Total accumulated depreciation	<u>(256,444,436)</u>	<u>(19,679,963)</u>	<u>1,261,379</u>	<u>(274,863,020)</u>
Governmental activities capital assets, net	<u>\$ 291,224,032</u>	<u>\$ 6,449,479</u>	<u>\$ (1,828,275)</u>	<u>\$ 295,845,236</u>
Lease assets, being amortized:				
Land (right-to-use)	\$ 1,000,828	\$ -	\$ (61,712)	\$ 939,116
Machinery and equipment (right-to-use)	5,597	-	(4,319)	1,278
Totals at historical cost	<u>1,006,425</u>	<u>-</u>	<u>(66,031)</u>	<u>940,394</u>
Less accumulated amortization				
Land (right-to-use)	(243,422)	(60,426)	276,830	(27,018)
Machinery and equipment (right-to-use)	<u>(33,408)</u>	<u>(486)</u>	<u>4,319</u>	<u>(29,575)</u>
Total accumulated amortization	<u>(246,830)</u>	<u>(60,912)</u>	<u>281,149</u>	<u>(56,593)</u>
Business-type activities lease assets, net	<u>\$ 759,595</u>	<u>\$ (60,912)</u>	<u>\$ 215,118</u>	<u>\$ 883,801</u>

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

**Governmental activities:**

General government	\$ 2,921,328
Planning	20,356
City controller	100,393
Parks and recreation	4,839,572
Public works	17,674,349
Public service	202
Public safety	<u>4,418,394</u>
Total depreciation and amortization expense - governmental activities	<u>\$29,974,594</u>

**Business-type activities:**

Utilities authority	\$17,217,930
Sanitation services	<u>2,522,945</u>
Total depreciation and amortization expense - business-type activities	<u>\$19,740,875</u>

**Pension Plan Obligations** – Each qualified employee participates in one of the three retirement plans in which the City participates. These are The Employee Retirement System of the City of Norman, The Oklahoma Firefighters Pension and Retirement System, and The Oklahoma Police Pension and Retirement System. The City does not maintain the accounting records, hold the investments nor administer the firefighters' or police retirement funds. The police officers' and

firefighters' plans are statewide systems administered by the State of Oklahoma. The municipal employees' plan is managed by a separate board of trustees, and the assets are held in custody and administered by two asset managers.

## *Pension Plan*

The City participates in three pension retirement plans:

- Employee Retirement System of the City of Norman – A single-employer employee retirement system.
- Oklahoma Firefighters Pension & Retirement System (OFPRS) – A statewide cost-sharing multiple-employer defined benefit pension plan.
- Oklahoma Police Pension & Retirement System (OPPRS) – A statewide cost-sharing multiple employer defined benefit pension plan.

The aggregate total for all pension-related items for all defined benefit plans is as follows:

	<b>Governmental Activities</b>
<b><i>Pension expense</i></b>	
Employee Retirement System	\$ (13,433)
OFPRS	14,436,162
OPPRS	12,652,410
	<u>\$ 27,075,139</u>
<b><i>Net pension liability (asset)</i></b>	
Employee Retirement System	\$ -
OFPRS	66,378,463
OPPRS	(2,601,271)
	<u>\$ 63,777,192</u>
<b><i>Deferred outflows of resources</i></b>	
Employee Retirement System	\$ -
OFPRS	12,052,141
OPPRS	12,038,928
	<u>\$ 24,091,069</u>
<b><i>Deferred inflows of resources</i></b>	
Employee Retirement System	\$ -
OFPRS	2,023,110
OPPRS	1,974,163
	<u>\$ 3,997,273</u>

A summary of significant data for each of the retirement plans follows:

- a. *Employee Retirement System of the City of Norman – Plan Description* – The Employee Retirement System (“ERS”) of the City of Norman is a single-employer public employee retirement system which was established on November 1, 1967 by a City ordinance and amended on January 29, 1985 and July 1, 1991. The ERS was originally established as a defined benefit plan. On July 1, 1991, the City converted that portion of the ERS which related to unretired participants to a money purchase plan under Section 401(a) of the Internal Revenue Code (the “401(a) Plan”). An amount equal to the greater of the participants vested benefits under the ERS or their account balance in the ERS was transferred to a participant account in the 401(a) Plan. The portion of the ERS that relates to retired participants at July 1, 1991 (“the Annuity Pool”) remains in existence to pay benefits to those retired employees receiving benefits at July 1, 1991. The activities of the Annuity Pool and the 401(a) Plan are recorded in separate Pension Trust Funds which are included within the City’s financial statements.

The ERS does not issue a stand-alone financial report. Overall the defined benefit portion of the ERS plan is not entral to the City’s financial statement as a whole. Therefore the information provided is for informational purposes only and is not intended to comply with the provisions of GASB Statement 68, *Accounting and Financial Reporting for Pensions – An Amendment of GASB Statement 27*.

The ERS is managed by a Board of Trustees, composed of six members, meeting once a quarter. Members by position include the City Manager, Finance Director and Personnel Director. One additional member is elected by the City Council and the final two members are elected by the American Federation of State, County and Municipal Employees Union membership.

*Basis of Accounting* – The ERS’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 each plan.

*Method Used to Value Investments* – ERS plan investments are reported at fair value. Short-term investments are reported at cost, which approximates fair value. Securities traded on national exchanges are valued at the last reported sales price. Investments that do not have an established market are reported at estimated fair value.

As of June 30, 2025, and for the year ended, the ERS held no securities issued by the City or other related parties.

1. *Annuity Pool* – As of July 1, 2024, the date of the last actuarial study, the Annuity Pool participants included five retirees and other beneficiaries who are entitled retirement benefits including a death benefit equal to a lump sum amount equal to the normal retirement as projected for a ten year period of time.

At July 1, 2024 the Actuarial Accrued Liability for the Annuity Pool was \$132,785 and the market value of assets in the Annuity Pool was \$163,919. The actuarial assumptions included (a) 7.25% investment rate of return (net of administrative expenses), (b) no projected salary increases, and (c) no cost of living increases. The actuarial value of assets

was determined using techniques that smooth the effects of short-term volatility in the market value of investments over a five-year period. The City did not to the plan in 2025. The City will make future contributions as needed to make benefit payments should present plan assets be insufficient to do so.

- 2. *The 401(a) Plan* – The 401(a) Plan is a money purchase defined contribution plan under section 401(a) of the Internal Revenue Code. All non-voluntary contributions have been designated by the City as “picked up contributions” pursuant to Internal Revenue Code section 414(h)(2) and are treated as employer contributions for federal income tax purposes.

The City’s payroll for employees covered by the 401(a) Plan for the year ended June 30, 2025 was \$42,646,245, and total City payroll was \$80,517,415.

Substantially all full-time, non-uniformed employees of the City are required to participate in the 401(a) Plan. At June 30, 2025, there were 683 plan participants. Participants are required to contribute 6.5% of their compensation to the 401(a) Plan each pay period. This contribution is matched by the City at a rate of 8.5% of payroll. Administrative costs are financed through investment earnings. Participants become vested in contribution as follows:

<u>Years of Service</u>	<u>Vesting Percentage</u>
Less than 2	-%
2	25%
3	50%
4	75%
5	100%

The amount forfeited for the year ended June 30, 2025 was \$122,130. Contributions to the 401(a) Plan for 2025 were \$6,396,779. The contributions expressed in dollars and percent of covered payroll were: City - \$3,634,841 , 8.5%, participants - \$2,771,938, 6.5%. The contribution requirements are in accordance with the City ordinance. Plan provisions and contribution requirements are established and may be amended by the City Council.

*Trend Information*

<u>Fiscal Year</u>	<u>401(a) Plan</u>	
	<u>City’s Required Contribution</u>	<u>City’s Percentage Contributed</u>
2023	3,100,324	100%
2024	3,347,393	100%
2025	3,634,841	100%

*Financial Reports* - Neither the Annuity Pool nor the 401(a) Plan issues stand-alone financial reports and are not included in the report of a public employee retirement system or a report of another entity. Their financial statements are as follows:

**Statement of Net Position  
June 30, 2025**

<b>Assets</b>	<b>Annuity Pool Fund</b>	<b>401(a) Plan Fund</b>	<b>Total</b>
Investments - mutual funds	\$ 127,256	\$ 133,385,963	\$ 133,513,219
Loans to 401(a) Plan participants	-	4,291,145	4,291,145
Total assets	<u>\$ 127,256</u>	<u>\$ 137,677,108</u>	<u>\$ 137,804,364</u>
<b>Liabilities and Net Position</b>			
Net position restricted for pension benefits	\$ 127,256	\$ 137,677,108	\$ 137,804,364
Total liabilities and net position	<u>\$ 127,256</u>	<u>\$ 137,677,108</u>	<u>\$ 137,804,364</u>

**Statement of Changes in Fiduciary Net Position  
For the Year Ended June 30, 2025**

	<b>Annuity Pool Fund</b>	<b>401(a) Plan Fund</b>	<b>Total</b>
Additions:			
Contributions - employer	\$ -	\$ 3,624,841	\$ 3,624,841
Contributions - employee	-	3,287,143	3,287,143
Investment income (loss)	15,256	15,835,134	15,850,390
Total additions	<u>15,256</u>	<u>22,747,118</u>	<u>22,762,374</u>
Deductions:			
Pension benefits paid	28,128	9,254,597	9,282,725
Administration costs	561	(332,079)	(331,518)
Total deductions	<u>28,689</u>	<u>8,922,518</u>	<u>8,951,207</u>
Net increase (decrease)	(13,433)	13,824,600	13,811,167
Net position restricted for pension and retirement benefits:			
Beginning of year	<u>140,689</u>	<u>123,852,508</u>	<u>123,993,197</u>
End of year	<u>\$ 127,256</u>	<u>\$ 137,677,108</u>	<u>\$ 137,804,364</u>

b. *Oklahoma Firefighters Pension and Retirement System (OFPRS)*

*Plan Description* - Members of the City's Fire Department are covered by the Oklahoma Firefighters Pension and Retirement System (OFPRS), which is a statewide cost sharing multiple-employer public employee retirement system (the OFPRS Plan). The plan is administered by a board of trustees (the Board) appointed under state statute. Benefit provisions are contained in the Plan document and were established and can be amended by action of the OFPRS' board of trustees. The plan issues a publicly available financial report that can be obtained at [www.ok.gov/fprs/](http://www.ok.gov/fprs/).

*Benefits Provided* - In general, the OFPRS Plan provides defined retirement benefits based on members' final average compensation, age, and term of service. In addition, the retirement program provides for benefits upon disability and to survivors upon death of eligible members.

The Plan's benefits are established and amended by state statute. Retirement provisions are as follows:

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

Hired After November 11, 2013 - Normal retirement is attained upon completing 22 years of service. The normal retirement benefit is equal to 55% of the member's final average compensation. Final average compensation is defined as the monthly average of the highest 30 consecutive months of the last 60 months of participating service. Also must be age 50 to begin receiving benefits.

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

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

Firefighters hired prior to November 1, 2013, with 20 or more years of service may elect to participate in the Oklahoma Firefighters Deferred Retirement Option Plan (the "Deferred Option Plan"). Firefighters hired after November 1, 2013, with 22 or more years of service may elect to participate in the Deferred Option Plan. Active participation (having benefit payments credited to the account) in the Deferred Option Plan shall not exceed 5 years. Under the Deferred Option Plan, retirement benefits are calculated based on compensation and service at the time of election. The retirement benefits plus half of the municipal contributions on behalf of the participant are deposited into a deferred retirement account. The Deferred Option Plan accounts are credited with interest at a rate of 2% below the rate of return on the investment portfolio of the Plan, with a guaranteed minimum interest rate equal to the assumed actuarial interest rate of 7.5%, as approved by the Board. The participant is no longer required to make contributions. Upon retirement, the firefighter receives his/her monthly retirement benefit as calculated at the time of election. The member can elect to either leave the account balance accumulated in the Deferred Option Plan account or they can elect to have the balance paid to them either as a lump sum or in specified monthly payments. If the member elects to leave their



account balance in the Deferred Option Plan account, they will continue to earn interest on their balance at the rate described above; however, no more benefit payments will be credited to their account. The member can leave their account balance in the Deferred Option Plan account until the age of 70½. When the member reaches 70½ years of age, they must either begin receiving regular monthly payments, based on the annuity method, or a lump sum distribution.

The Deferred Option Plan was modified effective November 1, 2013, to limit post-retirement interest for new members to a rate of return on the portfolio, less a 1% administrative fee. In addition, the members participating must withdraw all money by the age of 70½.

In the 2003 Legislative Session, Senate Bill 286 and House Bill 1464 created a "Back" DROP for members of the System effective July 1, 2003. The "Back" DROP is a modified deferred retirement option plan. The "Back" DROP allows the member flexibility by not having to commit to terminate employment within 5 years. Once a member has met their normal retirement period of 20 years for those hired prior to November 1, 2013, and 22 years for those hired after November 1, 2013, the member can choose, upon retirement, to be treated as if the member had entered into the Deferred Option Plan. A member, however, cannot receive credit to the Deferred Option Plan account based upon any years prior to when the member reached their normal retirement date. Once a member is ready to retire, the member can make the election to participate in the "Back" DROP and can receive a Deferred Option Plan benefit based upon up to 5 years of participation. The member's regular retirement benefit will not take into account any years of service credited to the "Back" DROP. Firefighters with 20 years of service or who were receiving pension benefits as of May 26, 1983, are entitled to post-retirement adjustments equal to one-half the increase or decrease for top-step firefighters. Pensions will not be adjusted below the level at which the firefighter retired.

*Contributions* - The Board has the authority to establish and amend the contribution requirements of the City and active employees. Members of the OFPRS are required to pay 9% of their base pay to the pension plan until they reach 20 years of service, after which no contributions are required. The City is contractually required to pay 14% of base salary. For the year ended June 30, 2025, the total contribution to the system amounted to \$3,757,127 of which \$2,286,947 was made by the City and \$1,470,180 was made by the employees. These contributions represent 14% (City) and 9% (member) of covered payroll, actuarially determined as an amount that is expected to finance the costs of benefits earned by employees during the year, with any additional amount to finance any unfunded accrued liability. The total amount contributed to the system by the State of Oklahoma on behalf of the City was approximately \$2,154,000 and does not meet the criteria of a special funding situation.

*Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions* - At June 30, 2025, the City reported a liability of \$66,378,463, for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2024. The City's proportion of the net pension liability was based on a projection of the City's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2024, the City's proportion was 4.058832%



For the year ended June 30, 2025, the City recognized pension expense of \$14,436,162. At June 30, 2025, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual experience	\$ 7,832,540	\$ -
Changes of assumptions or other inputs	1,932,654	-
Employer change in proportion and differences between contributions recognized and proportionate share of contributions	-	1,612,510
Net difference between projected and actual earnings on pension plan investments	-	410,600
City's contributions subsequent to the measurement date	<u>2,286,947</u>	<u>-</u>
Total	<u>\$ 12,052,141</u>	<u>\$ 2,023,110</u>

At June 30, 2025, the City reported \$2,286,947 as deferred outflows of resources related to pensions resulting from City's contributions subsequent to the measurement date that will be recognized as a reduction of the net pension liability in the year ending June 30, 2026.

Other amounts reported as deferred outflows of resources and deferred inflows of resources totaling \$7,742,084 related to pensions will be recognized as a (reduction) or increase in pension expense as follows:

2026	\$ 1,833,958
2027	6,435,853
2028	197,936
2029	<u>(725,663)</u>
	<u>\$ 7,742,084</u>

*Actuarial Assumptions* - The total pension liability in the July 1, 2022, actuarial valuations was determined 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
Ad hoc cost of living adjustments	Half of the dollar amount of a 2.75%
	Assumed increase in base pay for retirees with 20 years of service as of May 26, 1983, no increase afterwards
Investment rate of return	7.5%, net of pension plan investment expense

Mortality rates were based on the Pub-2010 Public Safety Table with generational mortality improvement using MP-2018 (RP-2000 Blue Collar Healthy Combined with generational

mortality improvement using Scale AA for healthy lives and no mortality improvement for disabled lives in 2018).

The actuarial assumptions used in the July 1, 2024 valuation were based on the results of an actuarial experience study for the period July 1, 2013 through June 30, 2018.

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

<b>Asset Class</b>	<b>Target Allocation</b>	<b>Long-Term Expected Real Rate of Return</b>
Fixed Income	20%	5.80%
Domestic Equity	42%	9.49%
International Equity	20%	11.55%
Real Estate	10%	8.48%
Other Assets	8%	6.47%
	100%	

**Discount Rate** - The single discount rate used to measure the total pension liability was 7.5% for the measurement period ended June 30, 2024. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that participating employer contributions will be made at contractually required rates, actuarially determined. 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 active and inactive employees. 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 City's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate** - The City's proportionate share of the net pension liability has been calculated using a discount rate of 7.5%. The following presents the City's proportionate share of the net pension liability calculated using a discount rate 1% higher and 1% lower than the current rate.

	<b>1% Decrease (6.5%)</b>	<b>Current Discount Rate (7.5%)</b>	<b>1% Increase (8.5%)</b>
City's proportionate share of the net pension liability	\$71,150,705	\$66,378,463	\$38,717,394

**Pension Plan Fiduciary Net Position** - Detailed information about the pension plan's fiduciary net position is available in the separately issued OFPRS Plan financial report, which can be located at [www.ok.gov/fprs/](http://www.ok.gov/fprs/).

### c. *Oklahoma Police Pension and Retirement System (OPPRS)*

*Plan Description* - Members of the City's Police Department are covered by the Oklahoma Police Pension and Retirement System (OPPRS), which is a statewide cost sharing multiple-employer public employee retirement system (the OPPRS Plan). The plan is administered by a board of trustees (the Board) appointed under state statute. Benefit provisions are contained in the Plan document and were established and can be amended by action of the OPPRS' board of trustees. The plan issues a publicly available financial report that can be obtained at [www.ok.gov/OPPRS/](http://www.ok.gov/OPPRS/).

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

- The normal retirement date under the Plan is the date upon which the participant completes 20 years of credited service, regardless of age. Participants become vested upon completing 10 years of credited service as a contributing participant of the Plan. No vesting occurs prior to completing 10 years of credited service. Participants' contributions are refundable, without interest, upon termination prior to normal retirement. Participants who have completed 10 years of credited service may elect a vested benefit in lieu of having their accumulated contributions refunded. If the vested benefit is elected, the participant is entitled to a monthly retirement benefit commencing on the date the participant reaches 50 years of age or the date the participant would have had 20 years of credited service had employment continued uninterrupted, whichever is later.
- Monthly retirement benefits are calculated at 2.5% of the final average salary (defined as the average paid base salary of the officer over the highest 30 consecutive months of the last 60 months of credited service) multiplied by the years of credited service, with a maximum of 30 years of credited service considered.
- Monthly benefits for participants due to permanent disability incurred in the line of duty are 2.5% of the participants' final average salary multiplied by 20 years. This disability benefit is reduced by stated percentages for partial disability based on the percentage of impairment. After 10 years of credited service, participants who retire due to disability incurred from any cause are eligible for a monthly benefit based on 2.5% of their final average salary multiplied by the years of service. This disability benefit is also reduced by stated percentages for partial disability based on the percentage of impairment. Effective July 1, 1998, once a disability benefit is granted to a participant, that participant is no longer allowed to apply for an increase in the dollar amount of the benefit at a subsequent date.
- Survivor's benefits are payable in full to the participant's beneficiary upon the death of a retired participant. The beneficiary of any active participant killed in the line of duty is entitled to a pension benefit. Effective July 1, 1999, a \$5,000 death benefit is also paid, in addition to any survivor's pension benefits under the Plan, to the participant's beneficiary or estate for active or retired members.
- The Deferred Option allows participants otherwise eligible for a normal retirement benefit to defer terminating employment and drawing retirement benefits for a period not to

exceed 5 years. Under the Deferred Option, retirement benefits are calculated based on compensation and service at the time of election and a separate account is established for each participant. During the participation period, the employee's retirement benefit is credited to the participant's account along with a portion of the employer's contribution and interest. Interest is credited at a rate of 2% below the rate of return on the investment portfolio of the Plan, with a guaranteed minimum interest equal to the assumed actuarial interest of 7.5%. Employee contributions cease once participation in the Deferred Option is elected. At the conclusion of participation in the Deferred Option, the participant will receive the balance in the separate account under payment terms allowed by the Deferred Option and will then begin receiving retirement benefit payments as calculated at the time of election.

- In the 2003 Legislative Session, Senate Bill 688 and House Bill 1464 created a "Back" DROP for members of the System. The "Back" DROP is a modified deferred retirement option plan. The "Back" DROP allows the member flexibility by not having to commit to terminate employment within 5 years. Once a member has met their normal retirement period of 20 years, the member can choose, upon retirement, to be treated as if the member had entered into the "Back" DROP. A member, however, cannot receive credit to the "Back" DROP account based upon any years prior to when the member reached their normal retirement date. Once a member is ready to retire, the member can make the election to participate in the "Back" DROP and can receive a "Back" DROP benefit based upon up to 5 years of participation. The member's regular retirement benefit will not take into account any years of service credited to the "Back" DROP.
- In 2006, the Board approved a method of payment called the Deferred Option Payout Provision (the "Payout Provision"). The Payout Provision allows a retired member who has completed participation in the Deferred Option or the "Back" DROP the ability to leave their account balance in the Plan. The retired member's account balance will be commingled and reinvested with the total assets, and therefore the member will not be able to direct their personal investments. Written election must be made to the Board no more than 30 days following the termination of employment.
- Upon participating in the Payout Provision, a retired member shall not be guaranteed a minimum rate of return on their investment. A retired member shall earn interest on their account as follows:
  - i. The retired member shall earn two percentage points below the net annual rate of return of the investment portfolio of the System.
  - ii. If the portfolio earns less than a 2% rate of return, but more than zero, the retired member shall earn zero percentage points.
  - iii. If the portfolio earns less than zero percentage points, there shall be a deduction from the retired member's balance equal to the net annual rate of return of the investment portfolio of the System.

Interest as earned above shall be credited to the retired member's account.

The Oklahoma Legislature has the authority to grant percentage increases or special one-time payments to persons receiving benefits from the Plan. Additionally, certain retirees are entitled to receive a cost-of-living adjustment (COLA) when a COLA is granted to active police

officers in the retiree's city. Participants eligible to receive both types of benefit increases are to receive the greater of the legislative increase or the benefit increase the participant would receive pursuant to the COLA provision.

*Contributions* - The Board has the authority to establish and amend the contribution requirements of the City and active employees. Members of the OPPRS are required to pay 8% of their base pay to the pension plan. The City is contractually required to pay 13% of base salary. For the year ended June 30, 2025, the total contribution to the system amounted to \$3,566,923 of which \$2,205,841 was made by the City and \$1,361,082 was made by the employees. These contributions represent 13% (City) and 8% (member) of covered payroll, actuarially determined as an amount that is expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The total amount contributed to the system by the State of Oklahoma on behalf of the City was approximately \$6,450,000 and does not meet the criteria of a special funding situation.

*Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions* - At June 30, 2025, the City reported an asset of \$2,601,271, for its proportionate share of the net pension asset. The net pension asset was measured as of June 30, 2024, and the total pension asset used to calculate the net pension asset was determined by an actuarial valuation as of July 1, 2024. The City's proportion of the net pension asset was based on a projection of the City's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2024, the City's proportion was 3.9393%

For the year ended June 30, 2025, the City recognized pension expense of \$12,652,410. At June 30, 2025, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual experience	\$ 4,308,423	\$ 84,152
Change in assumptions or other inputs	-	1,747,712
Employer change in proportion and differences between contributions recognized and proportionate share of contributions	-	142,299
Net difference between projected and actual earnings on pension plan investments	5,524,664	-
City's contributions subsequent to the measurement date	2,205,841	-
Total	<u>\$ 12,038,928</u>	<u>\$ 1,974,163</u>

At June 30, 2025, the City reported \$2,205,841 as deferred outflows of resources related to pensions resulting from City's contributions subsequent to the measurement date that will be recognized as a reduction of the net pension liability in the year ending June 30, 2026.

Other amounts reported as deferred outflows of resources and deferred inflows of resources totaling \$7,858,924 related to pensions will be recognized as a (reduction) or increase in pension expense as follows:

2026	\$	504,586
2027		4,895,740
2028		1,697,832
2029		565,622
2030		195,144
	\$	<u>7,858,924</u>

*Actuarial Assumptions* - The total pension liability in the July 1, 2022, actuarial valuations was determined using the following actuarial assumptions, applied to all periods included in the measurement:

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

Mortality rates were based as follows:

Active and Inactive Vested Members and Health Retirees - PubS-2010 Employee (Below Median) Mortality Table with rates set forward two years and projected generationally using SOA Scale MP-2021

Beneficiaries - Pub-2010 Contingent Survivor (Below Median) Mortality Table with rates set forward two years and projected generationally using SOA Scale MP-2021.

Disabled Retirees - Pub-2010 Disabled Retiree Mortality Table with rates projected to 2023 using SOA Scale MP-2021.

The actuarial assumptions used in the July 1, 2024 valuation was based on the results of an actuarial experience study for the period July 1, 2017 through June 30, 2022.

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. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

<b>Asset Class</b>	<b>Target Allocation</b>	<b>Long-Term Expected Real Rate of Return</b>
Fixed Income	20%	5.78%
Domestic Equity	35%	7.73%
International Equity	15%	11.55%
Real Estate	15%	7.66%
Private Equity	10%	11.64%
Other Assets	5%	-%
	<u>100%</u>	

**Discount Rate** - The single discount rate used to measure the total pension liability was 7.5% for the measurement period ended June 30, 2024. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that participating employer contributions will be made at contractually required rates, actuarially determined. 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 active and inactive employees. 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 City's Proportionate Share of the Net Pension Liability (Asset) to Changes in the Discount Rate** - The City's proportionate share of the net pension liability (asset) has been calculated using a discount rate of 7.5%. The following presents the City's proportionate share of the net pension liability (asset) calculated using a discount rate 1% higher and 1% lower than the current rate.

	<b>1% Decrease (6.5%)</b>	<b>Current Discount Rate (7.5%)</b>	<b>1% Increase (8.5%)</b>
City's proportionate share of the net pension liability (asset)	\$ 25,094,089	\$(2,601,271)	\$ (2,175,360)

**Pension Plan Fiduciary Net Position** - Detailed information about the pension plan's fiduciary net position is available in the separately issued OPPRS Plan financial report, which can be located at [www.ok.gov/OPPRS/](http://www.ok.gov/OPPRS/).



**Other Postemployment Benefits**

*Plan Description* - The City provides postemployment healthcare benefits (OPEB) for retired employees and their dependents through the City of Norman Postretirement Medical Plan (the Plan), a single employer defined benefit healthcare plan. The benefits, coverage levels, employee contributions and employer contributions are governed by the City and can be amended by the City through its personnel manual and union contracts.

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

All healthcare benefits are provided through the City’s self insured health plan. The benefit levels are the same as those afforded to active employees. Benefits include general inpatient and outpatient medical services and prescriptions. General employees are eligible for membership in the Plan if they retire from the City with eight years of service and with age and service totaling 70 points. Police officers and firefighters are eligible for benefits under the Plan if they retire from the City with 20 years of service. Coverage for dependants can continue upon the death of the retiree. Spouses of employees who die in active service eligible for benefits can receive coverage.

*Membership* - At July 1, 2023, membership consisted of:

Retirees and beneficiaries currently receiving benefits	66
Terminated employees entitled to benefits but not yet receiving them	-
Active employees	802
Total	868

*Funding Policy* - The plan participants are responsible for paying the full cost of their medical premium and the City is responsible for the claims and expenses in excess of participant contributions. As of June 30, 2025, no assets have been accumulated in a trust that meets the criteria in paragraph 4 of Statement 75. The net claims and expenses paid by the City are funded on a pay-as-you-go basis.

*OPEB Liabilities, OPEB Expense, Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB* - At June 30, 2025, the City reported a liability of \$5,396,056. The total OPEB liability was measured as of June 30, 2025, the total OPEB liability was determined by an actuarial valuation at July 1, 2023 calculated based on the discount rate and actuarial assumptions and was then projected forward to the measurement date. No actuarial experience study has been performed.



For the year ended June 30, 2025, the City recognized OPEB expense of (\$894,251). At June 30, 2025, 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	\$ 453,683	\$ 733,079
Change in assumptions or other inputs	10,505	2,258,495
Total	<u>\$ 464,188</u>	<u>\$ 2,991,574</u>

At June 30, 2025, amounts reported as deferred outflows of resources and deferred inflows of resources totaling \$2,527,386 related to OPEB will be recognized as a (reduction) or increase in OPEB expense as follows:

2026	\$ (826,679)
2027	(807,484)
2028	(579,398)
2029	(256,585)
2030	(57,240)
Thereafter	-
	<u>\$ (2,527,386)</u>



*Actuarial Assumptions* - The total OPEB liability in the July 1, 2023, actuarial valuations was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial cost method	Entry Age Normal
Amortization method	
Level percent or level dollar	Level percent
Closed, open, or layered periods	Open
Amortization period at July 1, 2021	30 years
Amortization growth rate	2.50%
Inflation	2.30%
Discount rate for valuing liabilities	5.20%, based on the Bond Buyer 20 year General Obligation Municipal Index
Healthcare cost trend rates	6.7%/7.5% for non-Medicare/Medicare claims in 2023, gradually decreasing to an ultimate rate of 3.7%/3.7% for 2073 and beyond. 4% for dental claims in 2023 and gradually decreasing to an ultimate rate of 3.7% for 2073 and beyond
Mortality rates	for AFSCME and non-union participants: Pub-2010 General mortality tables for employees, retirees and contingent survivors, projected generationally using scale IRS 2024 adjusted MP-2021. For FOP and IAFF participants: Pub-2010 Safety mortality tables for employees, retirees and contingent survivors, projected generationally using scale IRS 2024 adjusted MP 2021.

	<b>Changes in Total OPEB Liability</b>
Balance, beginning of year, July 1, 2024	\$ 5,975,102
Changes for the year:	
Service Cost	211,028
Interest on total OPEB Liability	237,191
Effect of economic/demographic gains or losses	-
Effect of assumptions changes or inputs	(722,835)
Benefit payments	(304,430)
Net changes	(579,046)
Balance, end of year, June 30, 2025	\$ 5,396,056

*Sensitivity of the City's Total OPEB Liability to Changes in the Discount Rate* - The City's total OPEB liability has been calculated using a discount rate of 5.20%. The following presents the City's total OPEB liability calculated using a discount rate 1% higher and 1% lower than the current rate.

	<b>1% Decrease (4.20%)</b>	<b>Current Discount Rate (5.20%)</b>	<b>1% Increase (6.20%)</b>
Total OPEB liability	\$ 5,955,367	\$ 5,396,056	\$ 4,903,567

*Sensitivity of the City's Total OPEB Liability to Changes in the current healthcare cost trend rates* - The City's total OPEB liability has been calculated using a current healthcare cost trend rate (see assumptions). The following presents the City's total OPEB liability calculated using a current healthcare cost trend rate 1% higher and 1% lower than the current rate.

	<b>1% Decrease</b>	<b>Current Rate</b>	<b>1% Increase</b>
Total OPEB liability	\$ 4,727,603	\$ 5,396,056	\$ 6,190,007

**Guaranty Deposits** - At June 30, 2025, the guaranty deposit accounts of the City included the following deposit liabilities:

**Governmental activities:**

Oil and gas drilling escrow	239,600
Site improvements	6,983,582
Contractor's escrow	97,618
Park improvement	8,615
Court fines and bond deposits	57,078
Others	420,787
Total governmental activities	<u>\$ 7,807,280</u>

**Business-type activities:**

Utility deposits	<u>\$ 1,778,506</u>
------------------	---------------------

The above liabilities and related cash and cash equivalents have been presented as restricted assets in both the government-wide and fund financial statements.

**Long-Term Debt**

- General Obligation Bonds - General obligation bonds have been approved by the voters and issued by the City for various municipal improvements. These bonds are required to be fully paid within 25 years from the date of issue and are backed by the full faith and credit of the City.

Bonds, backed by property taxes, whose proceeds are dedicated to streets, rights-of-way, and limited access facilities, together with outstanding judgments against the City, are limited in total by State statute to 10 percent of the net assessed valuation of taxable property in the City. At June 30, 2025, the net assessed valuation approximated \$1,464,000,000 or \$1.5 billion. The City had no such bonds outstanding at June 30, 2025. There is no such limit on the issuance of other types of general obligation bonds.

General obligation bonds outstanding as of June 30, 2025 are as follows:

\$20,050,000 2012D General Obligation bonds (publicly traded), due in annual installments of 8,445,000 to \$1,060,000 beginning December 1, 2014 through December 1, 2032 at interest rates ranging from 2.5% to 3.0% (for various street reconstruction project)	\$ 8,445,000
\$22,525,000 2015 General Obligation bonds (publicly traded), due in annual installments of \$1,185,000 to \$1,195,000 beginning June 1, 2017 through June 1, 2035 at interest rates ranging from 0.5% to 4.00% (for various street reconstruction projects)	11,860,000
\$7,775,000 2016A General Obligation bonds (publicly traded), due in annual installments of \$365,000 to \$795,000 beginning June 1, 2017 through July 1, 2027 at interest rates ranging from 4.0% to 5.0% (for refunding of the City's Series 2005A and 2007A Combined Purpose Bonds)	735,000
\$20,000,000 2019B General Obligation bonds (publicly traded), due in annual installments of \$1,050,000 to \$1,100,000 beginning June 1, 2021 through June 1, 2039 at interest rates ranging from 2.0% to 3.0% (for various street reconstruction projects)	14,750,000
\$11,250,000 2020A General Obligation bonds (publicly traded), due in annual installments of \$590,000 to \$630,000 beginning August 1, 2021 through August 1, 2040 at interest rates ranging from 2.0% to 2.125% (for a building renovation project)	9,480,000
\$13,500,000 2021 General Obligation bonds (publicly traded), due in annual installments of \$3,375,000 beginning June 1, 2025 through June 1, 2026 at interest rates ranging from 0.25% to 1.5% (for various street reconstruction projects)	3,375,000
\$26,000,000 2023A General Obligation bonds (publicly traded), due in annual installments of \$1,365,000 to \$1,430,000 beginning May 1, 2025 through May 1, 2043 at interest rates ranging from 3% to 4% (for various street reconstruction projects)	24,635,000
\$13,500,000 2023B General Obligation bonds (publicly traded), due in annual installments of \$1,365,000 to \$1,430,000 beginning May 1, 2025 through May 1, 2043 at interest rates ranging from 3% to 4% (for various street reconstruction projects)	10,125,000
\$16,000,000 2024A General Obligation bonds (publicly traded) due in annual installments of \$840,000 to \$880,000 beginning April 1, 2026 through April 1, 2044 at interest rates ranging from 3% to 4% (for various street reconstruction projects)	16,000,000
Total general obligation bonds	<u>\$ 99,405,000</u>

Annual debt service requirements to maturity for general obligation bonds are as follows:

<b>Fiscal Year</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2026	\$ 13,205,000	\$ 3,062,234	\$ 16,267,234
2027	9,825,000	2,727,653	12,552,653
2028	9,460,000	2,430,396	11,890,396
2029	6,085,000	2,116,281	8,201,281
2030	6,085,000	1,936,406	8,021,406
2031-2035	28,330,000	7,004,373	35,334,373
2036-2040	18,225,000	3,196,633	21,421,633
2041-2045	8,190,000	545,454	8,735,454
Total	<u>\$ 99,405,000</u>	<u>\$ 23,019,430</u>	<u>\$122,424,430</u>

b. *Notes Payable* - Notes payable as of June 30, 2025 are as follows:

\$17,505,000 Norman Utilities Authority, Utility Revenue Notes, Refunding Series 2015 (direct placement), due in annual installments of \$ 730,000 to \$1,315,000 from November 1, 2015 to November 1, 2026, at an interest rate of 2.13%	\$ 2,180,000
\$22,825,000 Norman Municipal Authority Revenue Note, Taxable Series 2015 (direct placement), due in annual payments ranging from \$900,000 to \$1,185,000 beginning September 1, 2016 through March 1, 2027. The loan has a 2.33% interest rate.	4,650,000
\$43,160,000 Norman Municipal Authority Revenue Note, Taxable Series 2015B (direct placement), due in annual payments ranging from \$500,000 to \$5,845,000 beginning January 1, 2017 through January 1, 2029. The loan has a 2.98% interest rate.	22,795,000
\$30,950,000 Norman Municipal Authority Revenue Note, Taxable Series 2017 (direct placement), due in annual payments ranging from \$400,000 to \$3,450,000 beginning January 1, 2018 through July 1, 2030. The loan has a 3.00% interest rate.	20,450,000
\$9,380,000 Norman Utilities Authority Revenue Note, Refunding Series 2016, due in annual installments ranging from \$190,000 to \$755,000 beginning September 1, 2016 through September 1, 2030. The loan has a 2.23% interest rate.	3,965,000
\$22,250,000 Norman Municipal Authority Revenue Note, Taxable Series 2020 (direct placement), due in annual payments ranging from \$900,000 to \$5,000,000 beginning July 1, 2021 through July 1, 2031. The loan has a 2.29% interest rate.	16,550,000
\$22,250,000 Norman Municipal Authority Hotel/Motel Revenue Note, Taxable Series 2021 (direct placement), due in annual payments ranging from \$149,000 to \$216,000 beginning March 1, 2024 through September 1, 2031. The loan has a 1.89% interest rate.	2,637,000
\$304,092 Norman Municipal Authority Loan (direct placement), due in annual payments of \$71,692.50 beginning June 15, 2024 through June 15, 2027. The loan has a 8.97% interest rate.	126,161
Authorized, but not issued, \$8,250,000 Norman Tax Increment Finance Authority Norman University North Park Project Plan Tax Apportionment Revenue Note, Series 2011 (direct placement), due in annual installments beginning July 1, 2012 through June 30, 2031 , at interest rates not to exceed 8%.	-
Authorized, but not issued, \$8,250,000 Norman Tax Increment Finance Authority Norman University North Park Project Plan Revenue Note, Series 2011 (direct placement), due in annual installments beginning July 1, 2012 through June 30, 2031, at interest rates not to exceed 8%.	-
Total notes payable	<u>\$73,353,161</u>

Annual debt service requirements to maturity for direct placement notes payable are as follows:

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2026	\$ 13,795,336	\$ 1,879,074	\$ 15,674,410
2027	14,169,913	1,531,294	15,701,207
2028	11,743,318	1,189,403	12,932,721
2029	12,331,548	891,129	13,222,677
2030	11,861,812	592,594	12,454,406
2031-2035	17,427,246	1,113,070	18,540,316
2036-2040	4,191,202	228,622	4,419,824
2041	4,332,786	87,040	4,419,826
Less unfunded notes*	(16,500,000)	-	(16,500,000)
Total	<u>\$ 73,353,161</u>	<u>\$ 7,512,226</u>	<u>\$ 80,865,387</u>

Certain of the bonds may be called for redemption prior to maturity at the option of NUA/ NMA in accordance with the redemption terms stated in the bond indentures. In the event of a default, the bonds shall become due and payable on demand in an amount equal to the principal outstanding plus all interest accrued thereon and which will accrue thereon the date of payment, provided upon written concurrence of all the Credit Facility Providers, if any.

- c. *Oklahoma Water Resource Board (OWRB) Notes Payable* - OWRB notes payable as of June 30, 2025 are as follows:

\$4,964,024 Clean Water SRF direct borrowing loan payable to the OWRB due in annual installments ranging between \$212,595 and \$349,740 beginning September 15, 2013 through March 15, 2031. The loan has a 2.91% interest rate.	\$ 1,952,628
\$50,300,000 Clean Water SRF direct borrowing loan payable to the OWRB due in annual installments ranging from \$1,410,000 to \$3,880,000 beginning March 15, 2015 and ending September 15, 2029. The loan has a 1.75% interest rate with a .5% administration fee.	9,188,547
Authorized, but not fully issued, \$31,000,000 Drinking Water SRF direct borrowing loan payable to the OWRB due in annual payments ranging from \$1,140,000 to \$1,935,000 beginning October 1, 2019 through October 1, 2039. The loan has a 2.82% interest rate.	22,870,327
\$12,000,000 Drinking Water direct borrowing loan payable to the OWRB due in annual payments ranging from \$300,000 to \$865,000 beginning October 1, 2019 through October 1, 2038. The loan has an interest rate ranging from 3.2% to 5.2%.	9,485,000
\$15,000,000 Clean Water direct borrowing loan payable to the OWRB due in annual payments ranging from \$362,000 to \$1,057,000 beginning March 15, 2025 through September 15, 2041. The loan has an interest rate of 2.53%.	3,725,482
\$5,000,000 Clean Water direct borrowing to the OWRB due in annual payments ranging from \$69,100 to \$271,500 beginning March 19, 2026 through September 15, 2050. The loan has an interest rate of 2.82%.	74,500
Total OWRB loans payable	<u>\$ 47,296,484</u>

Annual debt service requirements to maturity for notes payable are as follows:

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2026	\$ 6,579,949	\$ 1,733,774	\$ 8,313,723
2027	6,823,788	1,591,483	8,415,271
2028	5,100,222	1,410,210	6,510,432
2029	3,319,989	1,288,581	4,608,570
2030	3,419,512	1,190,106	4,609,618
2031-2035	17,157,537	4,439,333	21,596,870
2036-2040	16,604,305	1,743,825	18,348,130
2041-2045	2,706,800	333,481	3,040,281
2046-2050	1,283,700	123,055	1,406,755
2051-2052	138,700	1,997	140,697
Less unfunded notes *	<u>(15,838,018)</u>		<u>(15,838,018)</u>
Total	<u>\$47,296,484</u>	<u>\$ 13,855,845</u>	<u>\$ 61,152,329</u>



- d. *Applicability of Federal Arbitrage Regulations* - Debt issuances of the City and Authorities issued after the Tax Reform Act of 1986 are subject to the federal arbitrage regulations. The arbitrage rebate regulations require that all earnings from the investment of gross proceeds of a bond issue in excess of the amount that could have been earned had the yield on the investment been equal to the yield on the bonds be remitted to the federal government. These carry strict penalties for noncompliance including taxability of interest retroactive to the date of the issue. The City's management believes the City is in compliance with these rules and regulations. By letter dated October 26, 2021, the City received notice from the IRS that its \$22,825,000 Sales Tax Revenue Note, Series 2015, was selected for an examination. The City did have an arbitrage tax rebate review prepared by an external specialist for the period of June 9, 2015 to June 9, 2020 in which no tax was owed to the IRS. As of the date of the auditor's report, the examination was still in progress.

\* - Relates to \$16,500,000 of the Norman TIF Notes Payable, \$10,912,518 of the 2022 OWRB SRF loan payable and \$4,925,500 of the 2024 OWRB SRF loan payable.

## Lease Liabilities

The City leases copier equipment, office space and land for water wells, the terms of which expire in various years through 2040.

The following is a schedule by year of payments under the government-type leases as of June 30, 2025:

<b>Fiscal Year</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2026	\$ 142,480	\$ 10,799	\$ 153,279
2027	145,315	7,614	152,929
2028	55,171	5,642	60,813
2029	56,418	4,391	60,809
2030	57,677	3,127	60,804
2030-2032	119,248	2,349	121,597
Total	<u>\$ 576,309</u>	<u>\$ 33,922</u>	<u>\$ 610,231</u>

The following is a schedule by year of payments under the business-type leases as of June 30, 2025:

<b>Fiscal Year</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2026	\$ 55,130	\$ 21,534	\$ 76,664
2027	56,807	19,853	76,660
2028	53,655	18,212	71,867
2029	50,434	16,642	67,076
2030	51,968	15,104	67,072
2030-2034	284,499	50,800	335,299
2035-2039	194,960	9,419	204,379
2040	-	-	-
Total	<u>\$ 747,453</u>	<u>\$ 151,564</u>	<u>\$ 899,017</u>

**Changes in Long-term Liabilities** - Long-term liability activity for the year ended June 30, 2025, was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
<b>Governmental activities:</b>					
Bonds payable:					
General obligation bonds	\$112,190,000	\$ -	\$ (12,785,000)	\$ 99,405,000	\$ 13,205,000
Issuance premium/(discount)	2,312,827	-	(285,043)	2,027,784	-
Total bonds payable	114,502,827	-	(13,070,043)	101,432,784	13,205,000
Sales tax revenue notes	77,856,562	-	(10,643,838)	67,212,724	11,599,964
Notes payable	-	-	-	-	-
Leases payable	748,172	-	(171,863)	576,309	142,481
Liability for incurred claims	3,800,000	-	-	3,800,000	1,200,000
Total OPEB liability	5,975,102	-	(579,046)	5,396,056	110,000
Net pension liability	54,883,506	11,494,957	-	66,378,463	-
Compensated absences	9,980,336	624,944	-	10,605,280	510,140
Government activity long-term liabilities	<u>\$267,746,505</u>	<u>\$ 12,119,901</u>	<u>\$ (24,464,790)</u>	<u>\$255,401,616</u>	<u>\$ 26,767,585</u>
<b>Business-type activities:</b>					
Notes payable	\$ 8,225,000	\$ -	\$ (2,080,000)	\$ 6,145,000	\$ 2,974,812
Less deferred amounts:					
For issuance premium and (discount)	(5,348)	1,783	-	(3,565)	-
Total notes payable	8,219,652	1,783	(2,080,000)	6,141,435	2,974,812
OWRB loans payable	49,380,820	3,899,982	(5,984,318)	47,296,484	5,622,318
Leases payable	801,400	-	(53,947)	747,453	55,159
Compensated absences	1,288,966	226,841	-	1,515,807	47,359
Business-type activity long-term liabilities	<u>\$ 59,690,838</u>	<u>\$ 4,128,606</u>	<u>\$ (8,118,265)</u>	<u>\$ 55,701,179</u>	<u>\$ 8,699,648</u>

For governmental activities, liability for incurred claims, compensated absences, net pension liability and total OPEB liability are generally liquidated by the General Fund.

## 5. FUND BALANCE

The following table shows the fund balance classifications as shown on the governmental funds balance sheet as of June 30, 2025:

	General	Public Safety Sales Tax	Spl Grants Fund	Capital Projects	Norman Forward	Other Governmental Funds	Total Governmental Funds
<b>FUND BALANCES</b>							
Nonspendable:							
Inventory	\$ 32,279	\$ -	\$ -	\$ -	\$ -	\$ 108,530	\$ 140,809
Restricted:							
Debt sevice reserve	-	-	-	-	-	9,460,984	9,460,984
Arts and humanities	-	-	-	-	-	472	472
Grant activities	-	-	-	-	-	4,434,597	4,434,597
Bond capital projects	-	-	-	56,127,616	-	-	56,127,616
Other capital projects	-	-	-	22,386,416	7,377,602	2,127,747	31,891,765
Seizures	-	-	-	-	-	1,139,513	1,139,513
Transit & Parking	-	-	-	-	-	1,505,848	1,505,848
Public safety	-	1,703,989	-	-	-	-	1,703,989
Parks and recreation	-	-	-	-	-	-	-
Assessment District	-	-	-	653,524	-	-	653,524
Committed:							
Economic stablization	4,982,373	-	-	-	-	-	4,982,373
Assigned:							
Other capital projects	-	-	-	6,252,793	3,638,316	724,821	10,615,930
Grant activities	-	-	10,014,340	-	-	-	10,014,340
Orders on purchase	3,520,109	-	-	-	-	-	3,520,109
Unassigned:	17,148,674	-	-	-	-	(108,530)	17,040,144
Total fund balances	<u>\$ 25,683,435</u>	<u>\$ 1,703,989</u>	<u>\$ 10,014,340</u>	<u>\$ 85,420,349</u>	<u>\$ 11,015,918</u>	<u>\$ 19,393,982</u>	<u>\$ 153,232,013</u>

On June 28, 2011, the City adopted ordinance O-1011-58 changing the City's reserve policy. The ordinance establishes that the General Fund will have an unappropriated reserve of at least three percent (3%) of annually budgeted expenditures, in addition to an appropriated emergency reserve of one percent (1%) of annually budgeted expenditures. In addition, the ordinance establishes the Net Revenue Stabilization Fund (i.e., "Rainy Day Fund") which has a targeted balance of not less than four and a half percent (4.5%) but not more than six percent (6%) of annually budgeted General Fund expenditures. Further, expenditures of the reserved amounts may occur only when specific circumstances exist. As of June 30, 2025 the Rainy Day Fund had a balance of \$4,982,373.

## 6. RISK MANAGEMENT

The City is self-insured against the following risks:

- Employee health claims to a maximum liability of \$250,000 per employee per year.
- Workers compensation claims.
- Unemployment benefits.
- General liability and property damage, except for buildings and contents and employee surety bonds for which the City has purchased commercial insurance.

Employee health claims in excess of the \$250,000 limit are covered by insurance. The City's unpaid claims liability of \$3,800,000 reported at June 30, 2025 is based on the requirements of GASB Statement No. 10, which requires that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated. However, events could occur that would cause the estimate for unpaid claims liability to differ materially in the near term. The claims liability for health claims incurred but not reported is estimated by management using a three month claims lag analysis. These amounts are recorded as a current liability within both the government-wide and governmental fund financial statements. The claims liability for workers compensation claims and judgments is estimated using legal counsel's opinion of probable outcome of litigation plus an estimate of claims experience for incurred but unreported claims. These amounts are recorded as long-term liabilities within the government-wide financial statements. A liability for these amounts are recorded in governmental funds when they become due and payable. As of June 30, 2025, no liability has been recognized in the governmental fund financial statements. There are no allocated or unallocated claim adjustment expenditures/expenses included in the liability for unpaid claims.

At June 30, 2025, the City maintained commercial insurance coverage for building and contents and employee theft. In the past three years, the City has had no losses that exceeded commercial insurance coverage. Changes in the reported liability are as follows:

	<b>Balance at Beginning of Year</b>	<b>Current Year Claims and Changes in Estimates</b>	<b>Claim Payments</b>	<b>Balance at End of Year</b>
Fiscal year 2024	\$ 3,800,000	\$ 17,538,493	\$ (17,538,493)	\$ 3,800,000
Fiscal year 2025	\$ 3,800,000	\$ 15,201,176	\$ (15,201,176)	\$ 3,800,000

## 7. COMMITMENTS AND CONTINGENCIES

**Litigation** - The City is party to various legal proceedings which normally occur in governmental operations. Management and management's counsel do not believe these legal proceedings will have a material adverse impact on the affected funds of the City. However, events could occur in the near term that would cause these estimates to change materially. Resulting judgments will be paid from ad valorem taxes to be received over a three-year period. At June 30, 2025, the City maintained a litigation reserve, including judgments that have been awarded but not yet paid, of approximately \$998,000.

**Federal Grants** - In the normal course of operations, the City receives grant funds from various federal agencies. The grant programs are subject to audit by agents of the granting authority, the purpose of which is to insure compliance with conditions precedent to the granting of funds. Management does not believe any liability for reimbursement which may arise as the result of these audits will be material.

**Water Revenues** - The City entered into a contract with the Central Oklahoma Master Conservancy District (the "District") in 1961 (subsequently modified in 1963) for the purchase of water and operation of water facilities. In general, the contract provides for reimbursing the District for costs of providing the City with water from Lake Thunderbird. The contract is effective for a term of fifty years beginning with the first calendar year during which water was used by the City (1965). During the year ended June 30, 2025, the City paid the District \$807,343.

**Construction in Progress** - Construction in progress is authorized by actions of the City Council (governing body). A summary of construction in progress as of June 30, 2025 is as follows:

	<b>Total Construction in Progress</b>	<b>Total Project</b>	<b>Remaining to Complete</b>
General Government	\$ 48,345,242	\$ 89,719,662	\$ 41,374,420
Norman Municipal Authority:			
Sanitation	593,917	3,838,831	3,244,914
Norman Utilities Authority:			
Water Fund	28,769,712	60,925,114	32,155,402
Wastewater Fund	3,849,600	5,815,436	1,965,836
	<u>\$ 81,558,471</u>	<u>\$ 160,299,043</u>	<u>\$ 78,740,572</u>

The City also contributes to certain State and Federal aid projects which are administered by the State of Oklahoma Department of Highway. The City is billed by the Highway Department for these projects at various stages of completion, subject to Federal audits of the project costs.

**Encumbrances** - As discussed in note three above, budgetary information, budgetary basis of accounting, encumbrance accounting is utilized to the extent necessary to assure effective budgetary control and accountability and to facilitate effective cash planning and control. At June 30, 2025 the amount of encumbrances expected to be honored upon performance by the vendor in the next year were as follows:

General fund	\$ 3,520,109
Public safety sales tax fund	1,474,320
Special grants fund	2,747,504
Capital projects fund	13,445,721
Norman forward fund	2,061,708
Nonmajor governmental funds	<u>1,171,732</u>
Total	<u>\$ 24,421,094</u>

## 8. RECENTLY ISSUED ACCOUNTING STANDARDS

The following accounting standards have been recently issued and will be adopted as applicable by the City in future years.

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.

In December 2023, GASB issued Statement No. 102, *Certain Risk Disclosures*. This Statement requires a government to assess whether a concentration or constraint makes the primary government reporting unit or other reporting units that report a liability for revenue debt vulnerable to the risk of a substantial impact. Additionally, this Statement requires a government to assess whether an event or events associated with a concentration or constraint that could cause the substantial impact have occurred, have begun to occur, or a more likely than not to begin to occur within 12 months of the date the financial statements are issued.

If a government determines that those criteria for disclosure have been met for a concentration or constraint, it should disclose information in notes to financial statements in sufficient detail to enable users of financial statements to understand the nature of the circumstances disclosed and the government's vulnerability to the risk of a substantial impact. The disclosure should include descriptions of the following:

- The concentration or constraint
- Each event associated with the concentration or constraint that could cause a substantial impact if the event had occurred or had begun to occur prior to the issuance of the financial statements
- Actions taken by the government prior to the issuance of the financial statements to mitigate the risk

The requirements of GASB Statement No. 102 are effective for fiscal years beginning after June 15, 2024 and all reporting periods thereafter (effective for the City's June 30, 2025 year-end). Earlier application is encouraged.

In April 2024, GASB issued Statement No. 103, *Financial Reporting Model Improvements*. The objective of this Statement is to improve key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing a government's accountability. This Statement also addresses certain application issues to the following items:

- Management's Discussion and Analysis
- Unusual or Infrequent Items
- Presentation of the Proprietary Fund Statement of Revenues, Expenses, and Changes in Fund Net Position
- Major Component Unit Information
- Budgetary Comparison Information

The requirements of GASB Statement No. 103 are effective for fiscal years beginning after June 15, 2025 and all reporting periods thereafter (effective for the City's June 30, 2026 year-end). Earlier application is encouraged.

In September 2024, GASB issued Statement No. 104, *Disclosure of Certain Capital Assets*. This Statement requires certain types of capital assets to be disclosed separately in the capital assets note disclosures required by Statement 34. Lease assets recognized in accordance with Statement No. 87, Leases, and intangible right-to-use assets recognized in accordance with Statement No. 94, Public-Private and Public-Public Partnerships and Availability Payment Arrangements, should be disclosed separately by major class of underlying asset in the capital assets note disclosures. Subscription assets recognized in accordance with Statement No. 96, Subscription-Based Information Technology Arrangements, also should be separately disclosed. In addition, this Statement requires intangible assets other than those three types to be disclosed separately by major class. This Statement also requires additional disclosures for capital assets held for sale. A capital asset is a capital asset held for sale if (a) the government has decided to pursue the sale of the capital asset and (b) it is probable that the sale will be finalized within one year of the financial statement date. Governments should consider relevant factors to evaluate the likelihood of the capital asset being sold within the established time frame. This Statement requires that capital assets held for sale be evaluated each reporting period. Governments should disclose (1) the ending balance of capital assets held for sale, with separate disclosure for historical cost and accumulated depreciation by major class of asset, and (2) the carrying amount of debt for which the capital assets held for sale are pledged as collateral for each major class of asset. The requirements of this Statement are effective for fiscal years beginning after June 15, 2025, and all reporting periods thereafter (effective for the City's June 30, 2026 year-end). Earlier application is encouraged.





This page left intentionally blank



# REQUIRED SUPPLEMENTARY INFORMATION

## The City of Norman, Oklahoma

### Schedule of the City's Proportionate Share of the Net Pension Liability (Asset) Oklahoma Firefighters Pension and Retirement System (OFPRS) Year Ended June 30, 2025

	2016*	2017*	2018*	2019*	2020*	2021*	2022*	2023*	2024*	2025*
City's proportion of the net pension liability or asset	4.1552%	4.1283%	4.1388%	4.1106%	3.8135%	4.1118%	3.9434%	3.7675%	4.2537%	4.2537%
City's proportion share of the net pension liability or (asset)	\$ 44,103,551	\$ 50,436,541	\$ 52,055,202	\$ 46,271,359	\$ 40,296,319	\$ 50,653,960	\$ 25,969,901	\$ 49,269,045	\$ 54,883,506	\$ 66,378,463
City's covered payroll	\$ 11,330,342	\$ 11,538,401	\$ 11,772,620	\$ 12,226,118	\$ 12,240,790	\$ 12,751,193	\$ 12,810,379	\$ 14,887,745	\$ 15,717,437	\$ 15,717,437
City's proportion share of the net pension liability as a percentage of its covered payroll	389.252%	437.119%	442.172%	378.463%	329.197%	397.249%	202.725%	351.604%	349.189%	422.324%
Plan fiduciary net position as a percentage of the total pension liability	68.27%	64.87%	66.61%	70.73%	72.85%	69.98%	84.24%	69.49%	70.85%	70.85%

\* - The amounts present for each fiscal year were determined as of the measurement date. June 30, 2016, 2017, 2018, 2019, 2020, 2021, 2022, 2023, 2024 and 2025 respectively.

See notes to financial statements



# The City of Norman, Oklahoma

## Schedule of the City's Proportionate Share of the Net Pension Liability (Asset) Oklahoma Police Pension and Retirement System (OPPRS) Year Ended June 30, 2025

	2016*	2017*	2018*	2019*	2020*	2021*	2022*	2023*	2024*	2025*
City's proportion of the net pension liability or asset	3.8957%	4.0413%	4.0345%	4.2026%	3.7826%	4.2564%	3.8058%	3.8375%	3.8539%	3.8539%
City's proportion share of the net pension liability or (asset)	\$ 158,844	\$ 6,189,000	\$ 310,337	\$ (2,001,892)	\$ (241,484)	\$ 4,888,273	\$(18,257,065)	\$ (3,077,337)	\$ (1,176,968)	\$ (2,601,271)
City's covered payroll	\$ 11,172,374	\$ 11,918,115	\$ 12,064,110	\$ 12,359,354	\$ 12,802,792	\$ 13,753,405	\$ 13,170,008	\$ 14,536,315	\$ 15,785,685	\$ 15,785,685
City's proportion share of the net pension liability (asset) as a percentage of its covered payroll	1.422%	51.929%	2.572%	(16.197%)	(1.886%)	35.542%	(138.626%)	(21.524%)	(7.456%)	(16.479%)
Plan fiduciary net position as a percentage of the total pension liability	99.82%	93.50%	99.68%	101.89%	100.24%	95.80%	95.80%	102.74%	101.02%	101.02%

\* - The amounts present for each fiscal year were determined as of the measurement date. June 30, 2016, 2017, 2018, 2019, 2020, 2021, 2022, 2023, 2024 and 2025 respectively.

See notes to financial statements



## The City of Norman, Oklahoma

### Schedule of the City's Contributions Oklahoma Firefighters Pension and Retirement System (OFPRS) Year Ended June 30, 2025

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Contractually required contribution	\$ 1,615,405	\$ 1,650,048	\$ 1,711,565	\$ 1,713,665	\$ 1,785,165	\$ 1,793,453	\$ 1,961,771	\$ 2,084,284	\$ 2,200,441	\$ 2,286,947
Contributions in relation to the contractually required contribution	1,615,405	1,650,048	1,711,565	1,713,665	1,785,165	1,793,453	1,961,771	2,084,284	2,200,441	2,286,947
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
City's covered payroll	\$ 11,538,401	\$ 11,772,620	\$ 12,226,118	\$ 12,240,790	\$ 12,751,193	\$ 12,810,379	\$ 14,012,648	\$ 14,887,745	\$15,717,437	\$ 15,717,437
Contributions as a percentage of covered payroll	14%	14%	14%	14%	14%	14%	14%	14%	14%	15%

See notes to financial statements



## Changes of Assumptions:

For the fiscal year beginning July 1, 2019, certain changes in assumptions, the the OFPRS Plan, were made based on the Plan's most recent actuarial experience study covering the July 1, 2013 to June 30, 2018 period. In addition to updates for retirement rates and termination rates to better fit experience, the following significant assumptions were made:

Changes in Assumptions	Previous Assumption	New Assumption
<b><i>Economic Assumption Changes:</i></b>		
Salary Scale Rates	3.5% to 9.0%	2.75% to 10.5%
Price Inflation	3.00%	2.75%
COLA Basis (Baker Case Group Only)	3.00%	2.75%
<b><i>Demographic Assumption Changes:</i></b>		
Termination Rates	3.0% to .40%	5.0% to 1.00%
Disability Rates	0.05% to 9.00%	0.10% to 8.00%
Retirement Rates	10.00% to 100%	5.00% to 100%

## ***Mortality Table Assumption Changes***

### *Previous Assumptions:*

- Active Employees Pre-retirement: RP-2000 with Blue Collar Healthy Combined with general mortality improvement using Scale AA
- Retired Members: RP-2000 with Blue Collar Healthy Combined with generational mortality using Scale AA
- Disabled Members: RP-2000 with Blue Collar Healthy Combined

### *New Assumptions:*

- Active Employees Pre-retirement: RP-2010 Public Safety Table with general mortality improvement using Scale MP-2018
- Retired Members: RP-2010 Public Safety Below Median Table with generational mortality using Scale MP-2018
- Disabled Members: RP-2010 Public Safety Disabled Table set forward two years



## The City of Norman, Oklahoma

### Schedule of the City's Contributions Oklahoma Police Pension and Retirement System (OPPRS) Year Ended June 30, 2025

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Contractually required contribution	\$ 1,550,235	\$ 1,568,335	\$ 1,606,716	\$ 1,664,363	\$ 1,787,879	\$ 1,712,101	\$ 1,858,657	\$ 1,889,721	\$ 2,052,139	\$ 2,205,841
Contributions in relation to the contractually required contribution	1,550,235	1,568,335	1,606,716	1,664,363	1,787,879	1,712,101	1,858,657	1,889,721	2,052,139	2,205,841
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
City's covered payroll	\$ 11,918,115	\$ 12,064,110	\$ 12,359,354	\$ 12,802,792	\$ 13,753,405	\$ 13,170,008	\$ 14,297,362	\$ 14,536,315	\$ 15,785,685	\$ 15,785,685
Contributions as a percentage of covered payroll	13%	13%	13%	13%	13%	13%	13%	13%	13%	14%

#### Changes in Benefit Terms:

During the 2018 legislative session House Bill 1340 was passed to provide most OPPRS Plan retirees with a one-time, non permanent benefit payment. This payment equaled 2.00% of a retiree's gross annual retirement benefit, subject to a cap of \$1,400 and a floor of \$350 if all eligibility requirements were met.

#### Changes of Assumptions:

For the fiscal year beginning July 1, 2019, certain changes in assumptions, to the OPPRS Plan, were made based on the Plan's most recent actuarial experience study covering the July 1, 2012 to June 30, 2017 period. In addition to updates for retirement rates and termination rates to better fit experience, the following significant changes in assumption were made:

See notes to financial statements





Changes in Assumptions	Previous Assumption	New Assumption
<b>Economic Assumption Changes:</b>		
Salary Scale Rates	4.5% to 17.0%	3.5% to 10%
Price Inflation	3.00%	2.75%
Interest Credit on DOP Balances	7.75%	11.00%
Real Wage Growth	N/A	0.75%
COLA Basis (Baker Case Group Only)	3.00%	3.50%
<b>Demographic Assumption Changes:</b>		
Severity of Disability Aware Percentage	50.00%	75.00%
<b>Actuarial Assumption Changes:</b>		
Amortization of UAAL when in Surplus (Funded over 100%)	When the UAAL is a surplus, it is amortized over an open 30-year period	
Amortization of UAAL when in Deficit (Funded under 100%)	When the UAAL is a deficit, it is amortized over an open five-year period	

## New Assumptions:

For the fiscal year beginning July 1, 2022, certain changes in assumptions were made based on the OPERS most recent experience study covering the July 1, 2017 to June 30, 2022 period. The following demographic changes were made:

1. Mortality Rates - Moved to Pub-2010 Safety below-median mortality tables, with rates set forward two years and future mortality improvements projected generationally using SOA Scale MP-2021.
2. Retirement Rates - Moved to an age-based retirement assumption for members with 100% retirement at age 67 to 35 years of service.
3. Disability Rates - Increase rates across the board by 10%.
4. Salary Scale - Small changes for the period between 11 and 16 years of service.

## The City of Norman, Oklahoma

### Schedule of Changes in the City's Total OPEB Liability and Related Ratios Last Ten Fiscal Years

	2018	2019	2020	2021	2022	2023	2024	2025
Total OPEB Liability								
Service cost	\$ 363,920	\$ 417,331	\$ 382,009	\$ 381,282	\$ 445,779	\$ 267,698	\$ 220,765	\$ 211,028
Interest	423,574	387,327	345,352	199,362	205,111	253,522	264,613	237,191
Differences between expected and actual experience	965,685	-	-	-	-	-	-	-
Changes of economic/demographic gains or losses	-	-	(1,929,650)	-	393,406	-	(1,134,721)	-
Changes of assumptions or other inputs	(1,095,942)	426,593	(1,359,626)	58,255	(2,928,651)	(77,228)	(262,197)	(722,835)
Benefit payments	(731,674)	(725,099)	(181,232)	(246,800)	(209,779)	(335,621)	(282,025)	(304,430)
Net Change in Total OPEB Liability	(74,437)	506,152	(2,743,147)	392,099	(2,094,134)	108,371	(1,193,565)	(579,046)
City's Total OPEB Liability - Beginning	11,073,763	10,999,326	11,505,478	8,762,331	9,154,430	7,060,296	7,168,667	5,975,102
City's Total OPEB Liability - Ending	10,999,326	11,505,478	8,762,331	9,154,430	7,060,296	7,168,667	5,975,102	5,396,056
Covered-Employee Payroll	\$ 49,743,998	\$ 49,142,598	\$ 47,776,487	\$ 53,024,235	\$ 54,501,402	\$ 58,084,665	\$ 74,008,827	\$ 83,159,251
City's Total OPEB Liability as a Percentage of Covered-Employee Payroll	22.11%	23.41%	18.34%	17.26%	12.95%	12.34%	8.07%	6.49%

#### Notes to Schedule:

This schedule is presented as of the measurement date for the fiscal year and is intended to show a 10-year trend. Additional years will be reported as they become available.

There are no assets accumulated in a trust that meets the criteria of GASB Codification P22.101 to pay related benefits.

#### Changes in Assumptions:

For each year presented, assumptions made for mortality rates and discount rates are updated using current year estimates

See notes to financial statements



## The City of Norman, Oklahoma

### General Fund

### Schedule of Revenues, Expenditures, Encumbrances and Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis) for the Year Ended June 30, 2025

	Original Budget	Revisions	Revised Budget	Expenditures	Encum- brances	Actual	Variance Positive (Negative)
REVENUES:							
Taxes:							
Sales taxes	\$ 56,283,247	\$ -	\$ 56,283,247			\$ 54,500,916	\$ (1,782,331)
Franchise fees	7,368,360	-	7,368,360			7,221,289	(147,071)
State use taxes	12,979,200	-	12,979,200			12,761,029	(218,171)
Total taxes	76,630,807	-	76,630,807			74,483,234	(2,147,573)
Licenses and permits:							
Licenses	329,423	-	329,423			642,388	312,965
Permits	682,073	-	682,073			512,112	(169,961)
Total licenses and permits	1,011,496	-	1,011,496			1,154,500	143,004
Intergovernmental revenues:							
Alcoholic beverage	855,000	-	855,000			604,097	(250,903)
Cigarette	881,160	-	881,160			571,234	(309,926)
State motor fuel and vehicle registration	810,000	-	810,000			1,139,428	329,428
Total intergovernmental revenues	2,546,160	-	2,546,160			2,314,759	(231,401)
Charges for services:							
Zoning & subdivision	300,000	-	300,000			201,957	(98,043)
Public safety	503,221	-	503,221			353,658	(149,563)
Health	279,000	-	279,000			139,105	(139,895)
Recreation fees	336,439	-	336,439			251,943	(84,496)
Credit card convenience fees	800,000	-	800,000			323,177	(476,823)
911 emergency fees	375,000	-	375,000			391,853	16,853
Total charges for services	2,593,660	-	2,593,660			1,661,693	(931,967)
Fines and forfeitures:							
Police court fines	1,256,190	-	1,256,190			1,752,886	496,696
Miscellaneous forfeitures	-	-	-			3,964	3,964
Total fines and forfeits	1,256,190	-	1,256,190			1,756,850	500,660
Investment earnings	197,078	-	197,078			522,473	325,395
Other revenue:							
Rents and royalties	169,086	-	169,086			178,854	9,768
Sale of fixed asset	-	-	-			148,162	148,162
Contributions	109,052	21,127	130,179			37,927	(92,252)
Cost allocations	15,302,141	-	15,302,141			14,552,801	(749,340)
Miscellaneous revenues	1,780,139	-	1,780,139			543,661	(1,236,478)
Total other revenue	17,360,418	21,127	17,381,545			15,461,405	(1,920,140)
Total revenues	101,595,809	21,127	101,616,936			97,354,914	(4,262,022)

(continued)

## The City of Norman, Oklahoma

## General Fund

Schedule of Revenues, Expenditures, Encumbrances and Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
for the Year Ended June 30, 2025

	Original Budget	Revisions	Revised Budget	Expenditures	Encum- brances	Actual	Variance Positive (Negative)
EXPENDITURES AND ENCUMBRANCES:							
General government:							
City council	\$ 1,759,275	\$ (1,054,328)	\$ 704,947	\$ 656,953	\$ 30,401	\$ 687,354	\$ 17,593
Internal audit	245,105	3,277	248,382	209,592	-	209,592	38,790
City manager's office	1,088,296	611,851	1,700,147	1,463,052	-	1,463,052	237,095
Community relations	214,762	10,417	225,179	200,557	-	200,557	24,622
Communications	327,378	92,783	420,161	314,013	-	314,013	106,148
City clerk's office	782,209	22,871	805,080	804,614	193	804,807	273
Municipal court	1,424,064	5,614	1,429,678	1,378,014	9,045	1,387,059	42,619
Legal administration	1,656,513	63,841	1,720,354	1,670,066	357	1,670,423	49,931
Information Technology	4,204,219	181,478	4,385,697	4,173,029	107,768	4,280,797	104,900
Printing services	333,698	51,612	385,310	308,287	13,946	322,233	63,077
Human resource admin	1,083,234	(196,380)	886,854	847,473	16,740	864,213	22,641
Safety administration	170,117	(63,633)	106,484	91,203	4,573	95,776	10,708
Human rights commission	230	408	638	408	-	408	230
Social & voluntary services	250,000	5,624	255,624	231,161	14,115	245,276	10,348
Norman public library	776,300	(749,616)	26,684	26,684	-	26,684	-
Juvenile services	34,804	715	35,519	3,220	-	3,220	32,299
Culture & social responsibility	290,396	(97,866)	192,530	150,266	-	150,266	42,264
Special studies & contributions	5,000	55,569	60,569	49,999	-	49,999	10,570
Municipal elections	137,115	(19,500)	117,615	75,591	-	75,591	42,024
Sister cities program	10,000	-	10,000	7,800	-	7,800	2,200
Employee Assistance	29,444	-	29,444	29,400	-	29,400	44
Environmental Services	1,118,953	(288,498)	830,455	755,876	654	756,530	73,925
Storm Water Quality	394,914	101,370	496,284	473,114	13	473,127	23,157
Total general government	16,336,026	(1,262,391)	15,073,635	13,920,372	197,805	14,118,177	955,458
Planning:							
Planning commission	347	-	347	-	-	-	347
Historic district commission	3,045	-	3,045	944	2,048	2,992	53
Greenbelt commission	490	-	490	-	-	-	490
Planning administration	697,823	2,124	699,947	672,378	12,486	684,864	15,083
Geographic information	589,146	17,508	606,654	594,723	-	594,723	11,931
Development service	1,932,892	243,384	2,176,276	2,103,158	13,162	2,116,320	59,956
Code compliance	767,400	551	767,951	734,476	540	735,016	32,935
Current planning	591,176	-	591,176	546,248	62	546,310	44,866
Total planning	4,582,319	263,567	4,845,886	4,651,927	28,298	4,680,225	165,661
City controller:							
Finance administration	422,740	108,216	530,956	528,542	-	528,542	2,414
Accounting services	1,070,685	67,469	1,138,154	1,104,782	-	1,104,782	33,372
Budget services	276,277	17,220	293,497	280,440	-	280,440	13,057
Treasury services	944,046	53,283	997,329	971,615	-	971,615	25,714
Utility services	877,983	2,680	880,663	842,290	116	842,406	38,257
Total city controller	3,591,731	248,868	3,840,599	3,727,669	116	3,727,785	112,814

(continued)

## The City of Norman, Oklahoma

### General Fund

### Schedule of Revenues, Expenditures, Encumbrances and Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis) for the Year Ended June 30, 2025

	Original Budget	Revisions	Revised Budget	Expenditures	Encum- brances	Actual	Variance Positive (Negative)
Parks and recreation:							
Parks board	767	-	767	66	-	66	701
Santa Fe Depot	6,417	78	6,495	4,414	-	4,414	2,081
Administration	878,938	57,436	936,374	849,937	724	850,661	85,713
Park maintenance	4,331,804	409,834	4,741,638	4,099,940	275,137	4,375,077	366,561
Park development	269,229	63,943	333,172	286,621	-	286,621	46,551
Recreation programs	2,096,685	547,315	2,644,000	2,427,608	4,485	2,432,093	211,907
Senior citizens center	64,070	15,720	79,790	60,109	-	60,109	19,681
Facility administration	869,839	336,101	1,205,940	1,066,880	63,771	1,130,651	75,289
Facility maintenance	885,990	233,464	1,119,454	1,043,372	2,732	1,046,104	73,350
Custodial services	224,903	68,129	293,032	261,819	15,250	277,069	15,963
Adult Wellness Center	293,256	(239)	293,017	176,694	71,693	248,387	44,630
Firehouse art center	148,012	3,360	151,372	149,291	-	149,291	2,081
Historical museum	58,520	1,614	60,134	55,805	-	55,805	4,329
Sooner theatre	114,486	8,336	122,822	122,821	-	122,821	1
Norman Public Library	-	974,209	974,209	262,912	-	262,912	711,297
Total parks and recreation	10,242,916	2,719,300	12,962,216	10,868,289	433,792	11,302,081	1,660,135
Public safety:							
Police department admin	1,829,926	275,771	2,105,697	1,667,235	200,491	1,867,726	237,971
Police staff services	6,125,525	56,301	6,181,826	5,937,841	176,532	6,114,373	67,453
Police criminal investigations	3,961,108	196,805	4,157,913	3,928,341	65,070	3,993,411	164,502
Police patrol	12,398,674	1,260,488	13,659,162	12,824,395	101,923	12,926,318	732,844
Special Investigations	1,474,857	8,103	1,482,960	1,389,736	35,231	1,424,967	57,993
Animal control	2,406,136	(68,465)	2,337,671	2,210,573	94,206	2,304,779	32,892
911 services	3,036,466	388,343	3,424,809	3,019,485	144,325	3,163,810	260,999
Fire department admin	1,363,795	81,341	1,445,136	1,334,252	958	1,335,210	109,926
Training - fire department	255,222	21,264	276,486	255,251	-	255,251	21,235
Fire prevention	1,064,129	99,034	1,163,163	1,116,235	41,105	1,157,340	5,823
Fire suppression	17,677,102	1,694,918	19,372,020	18,324,271	576,302	18,900,573	471,447
Diaster preparedness service	369,180	87,801	456,981	327,540	20,491	348,031	108,950
Total public safety	51,962,120	4,101,704	56,063,824	52,335,155	1,456,634	53,791,789	2,272,035
Public works:							
Public works administrative	389,459	64,067	453,526	424,175	160	424,335	29,191
Engineering department	1,510,576	(111,799)	1,398,777	1,373,353	5,589	1,378,942	19,835
Street maintenance	4,493,602	78,661	4,572,263	4,038,376	64,875	4,103,251	469,012
Stormwater drainage	2,497,947	145,678	2,643,625	2,240,330	57,265	2,297,595	346,030
Stormwater quality	5,196	9,399	14,595	10,373	-	10,373	4,222
Traffic control	5,437,295	(320,335)	5,116,960	4,849,162	159,774	5,008,936	108,024
Fleet maintenance admin	661,075	43,550	704,625	659,890	7,328	667,218	37,407
Fleet repair light duty	806,258	(80,369)	725,889	675,687	38,217	713,904	11,985
Fleet repair heavy duty	968,098	(66,323)	901,775	891,922	3,716	895,638	6,137
Fleet fuel and parts	4,532,231	(1,032,490)	3,499,741	2,945,047	961,496	3,906,543	(406,802)
CNG Station	383,980	174,524	558,504	376,442	23,124	399,566	158,938
Total public works	21,685,717	(1,095,437)	20,590,280	18,484,757	1,321,544	19,806,301	783,979
Total expenditures and encumbrances	108,400,829	4,975,611	113,376,440	103,988,169	3,438,189	107,426,358	5,950,082

(continued)



## The City of Norman, Oklahoma

## General Fund

## Schedule of Revenues, Expenditures, Encumbrances and Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis) for the Year Ended June 30, 2025

	Original Budget	Revisions	Revised Budget	Expenditures	Encum- brances	Actual	Variance Positive (Negative)
Excess (deficiency) of revenues over (under) expenditures and encumbrances	(6,805,020)	(4,954,484)	(11,759,504)			(10,071,444)	1,688,060
OTHER FINANCIAL SOURCES (USES):							
Transfers in:							
Special Grants Fund	-	-	-			14,705	14,705
Water Fund	1,542,448	-	1,542,448			1,398,776	(143,672)
Wastewater Fund	571,250	-	571,250			540,939	(30,311)
Insurance Fund	-	79,570	79,570			79,570	-
Capital Projects Fund	4,344,718	-	4,344,718			4,323,135	(21,583)
Norman Forward Fund	393,147	-	393,147			393,147	-
Total transfers in	6,851,563	79,570	6,931,133			6,750,272	(180,861)
Transfers out:							
Public Safety Sales Tax Fund	(212,216)	-	(212,216)			(212,216)	-
Community Development Fund	-	(800,000)	(800,000)			(800,000)	-
Young Family Athletic Center Fund	-	(302,089)	(302,089)			(302,089)	-
Cleet Fund	-	(14,011)	(14,011)			(14,011)	-
Westwood Fund	(30,559)	(416,485)	(447,044)			(447,043)	1
Total transfers out	(242,775)	(1,532,585)	(1,775,360)			(1,775,359)	1
Net other financing sources (uses)	6,608,788	(1,453,015)	5,155,773			4,974,913	(180,860)
Excess (deficiency) of revenues over (under) expenditures, encumbrances and other financing sources (uses)	(196,232)	(6,407,499)	(6,603,731)			(5,096,531)	1,507,200
Fund balance (deficit), July 1, 2024 (Non-GAAP budgetary basis)	13,227,063	-	13,227,063			13,227,063	-
Fund balance (deficit), June 30, 2025 (Non-GAAP budgetary basis)	\$ 13,030,831	\$ (6,407,499)	\$ 6,623,332			\$ 8,130,532	\$ 1,507,200 (concluded)

## The City of Norman, Oklahoma

### Public Safety Sales Tax Fund

### Schedule of Revenues, Expenditures, Encumbrances and Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis) for the Year Ended June 30, 2025

	Original Budget	Revisions	Revised Budget	Expenditures	Encum- brances	Actual	Variance- Positive (Negative)
REVENUES:							
Taxes:							
Sales taxes	\$ 12,928,778	\$ -	\$ 12,928,778			\$ 11,848,045	\$ (1,080,733)
Use taxes	1,909,982	-	1,909,982			2,126,837	216,855
Investment earnings	50,000	-	50,000			103,353	53,353
Other:							
SRO reimbursement-NPS	732,957	-	732,957			501,721	(231,236)
Total revenues	<u>15,621,717</u>	<u>-</u>	<u>15,621,717</u>			<u>14,579,956</u>	<u>(1,041,761)</u>
EXPENDITURES AND ENCUMBRANCES:							
Public safety:							
Police staff services	50,027	3,900	53,927	\$ 53,588	\$ -	53,588	339
Police criminal investigations	820,937	-	820,937	773,292	-	773,292	47,645
Police patrol	5,142,700	374,252	5,516,952	4,397,832	24,791	4,422,623	1,094,329
911 services	230,861	5,050	235,911	207,947	-	207,947	27,964
Fire suppression	4,849,710	1,027,924	5,877,634	5,346,504	344,283	5,690,787	186,847
SRO	1,918,075	605,386	2,523,461	2,128,790	5,010	2,133,800	389,661
Fleet Heavy Repair	507,373	48,296	555,669	190,677	2,687	193,364	362,305
Capital projects	-	3,600,221	3,600,221	135,388	2,385	137,773	3,462,448
Debt services	2,384,989	-	2,384,989	2,384,009	-	2,384,009	980
Total expenditures and encumbrances	<u>15,904,672</u>	<u>5,665,029</u>	<u>21,569,701</u>	<u>\$ 15,618,027</u>	<u>\$ 379,156</u>	<u>15,997,183</u>	<u>5,572,518</u>
Excess (deficiency) of revenues over (under) expenditures and encumbrances	(282,955)	(5,665,029)	(5,947,984)			(1,417,227)	4,530,757
OTHER FINANCING SOURCES:							
Transfers in:							
General Fund	212,216	-	212,216			212,216	-
Capital Projects Fund	70,739	-	70,739			70,739	-
Net other financing sources (uses)	<u>282,955</u>	<u>-</u>	<u>282,955</u>			<u>282,955</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures, encumbrances and other financing sources (uses)	<u>-</u>	<u>(5,665,029)</u>	<u>(5,665,029)</u>			<u>(1,134,272)</u>	<u>4,530,757</u>
Fund balance (deficit), July 1, 2024 (Non-GAAP budgetary basis)	<u>(64,415)</u>	<u>-</u>	<u>(64,415)</u>			<u>(64,415)</u>	<u>-</u>
Fund balance (deficit), June 30, 2025 (Non-GAAP budgetary basis)	<u>\$ (64,415)</u>	<u>\$ (5,665,029)</u>	<u>\$ (5,729,444)</u>			<u>\$ (1,198,687)</u>	<u>\$ 4,530,757</u>



## The City of Norman, Oklahoma

## Special Grants Fund

Schedule of Revenues, Expenditures, Encumbrances and Changes in Fund Balance -  
Budget and Actual (Non-GAAP Budgetary Basis)  
for the Year Ended June 30, 2025

	Original Budget	Revisions	Revised Budget	Expenditures	Encum- brances	Actual	Variance Positive (Negative)
REVENUES:							
Intergovernmental revenues:							
General government grants	\$ -	\$ -	\$ -			\$ 1,266,998	\$ 1,266,998
County Court DUI	21,316	-	21,316			12,715	(8,601)
Public safety grants	-	997,057	997,057			133,710	(863,347)
Public service grants	-	18,375	18,375			6,328,768	6,310,393
Public works grants	-	-	-			789,705	789,705
Investment earnings	-	-	-			323,561	323,561
Other:							
Sale of fixed asset	-	-	-			525,000	525,000
Total revenues	21,316	1,015,432	1,036,748			9,380,457	8,343,709
EXPENDITURES AND ENCUMBRANCES:							
DUI enforcement	19,500	-	19,500	\$ 2,658	\$ -	2,658	16,842
Traffic & alcohol enforcement	-	59,281	59,281	43,711	-	43,711	15,570
JAG grant	-	81,803	81,803	53,209	-	53,209	28,594
VOCA grant	-	15,757	15,757	18,530	-	18,530	(2,773)
Emergency management grant	-	24,814	24,814	3,018	-	3,018	21,796
Homeland security grant	-	695,000	695,000	473,019	-	473,019	221,981
Misc police grants	-	9,370	9,370	5,800	-	5,800	3,570
SHPO / CLG grant	1,816	18,375	20,191	17,844	-	17,844	2,347
Firehouse art grant	-	25,000	25,000	25,000	-	25,000	-
Traffic grant	-	16,000	16,000	11,473	-	11,473	4,527
Traffic mgmt ctr grant	-	378,548	378,548	-	-	-	378,548
ACOG fleet conversion	-	2,577,481	2,577,481	349,697	422,293	771,990	1,805,491
Transportation projects	-	776,714	776,714	-	-	-	776,714
Affordable housing ARPA	-	5,619,025	5,619,025	1,110,255	-	1,110,255	4,508,770
Vehicle wash facility	-	43,839	43,839	-	17,930	17,930	25,909
Boyd Street Replacement ARPA	-	1,978,602	1,978,602	12,113	1,364,114	1,376,227	602,375
ECOC building grant	-	3,949,613	3,949,613	(2,909)	14,773	11,864	3,937,749
Opioid abatement state grant	-	523,633	523,633	229,471	294,162	523,633	-
Stormwater Master Plan Grant	-	2,662,835	2,662,835	-	-	-	2,662,835
Misty Lake Dam Repair Grant	-	747,500	747,500	-	-	-	747,500
Total expenditures and encumbrances	21,316	20,203,190	20,224,506	\$ 2,352,889	\$ 2,113,272	4,466,161	15,758,345
Excess (deficiency) of revenues over (under) expenditures and encumbrances	-	(19,187,758)	(19,187,758)			4,914,296	24,102,054

(continued)

## The City of Norman, Oklahoma

### Special Grants Fund

#### Schedule of Revenues, Expenditures, Encumbrances and Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis) for the Year Ended June 30, 2025

	Original Budget	Revisions	Revised Budget	Expenditures	Encum- brances	Actual	Variance Positive (Negative)
OTHER FINANCING SOURCES (USES):							
Transfers in:							
Capital Projects Fund	-	4,121,601	4,121,601			4,121,601	-
Transfers out:							
General Fund	-	-	-			(14,705)	(14,705)
Capital Projects	-	(301,981)	(301,981)			(1,248,019)	(946,038)
Net other financing sources (uses)	-	3,819,620	3,819,620			2,858,877	(960,743)
Excess (deficiency) of revenues over (under) expenditures, encumbrances and other financing sources (uses)	-	(15,368,138)	(15,368,138)			7,773,173	23,141,311
Fund balance (deficit), July 1, 2024 (Non-GAAP budgetary basis)	(1,238,552)	-	(1,238,552)			(1,238,552)	-
Fund balance (deficit), June 30, 2025 (Non-GAAP budgetary basis)	<u>\$ (1,238,552)</u>	<u>\$(15,368,138)</u>	<u>\$(16,606,690)</u>			<u>\$ 6,534,621</u>	<u>\$ 23,141,311</u> (concluded)

## Notes to Required Supplementary Information on Budgetary Comparison Schedule - General Fund and Public Safety Sales Tax Fund

**Budget Reconciliations** - Items required to adjust actual revenues, expenditures, and fund balances reported on the budgetary basis to those reported within the fund financial statements as of and for the year ended June 30, 2025, are as follows:

	General Fund	Public Safety Sales Tax Fund	Special Grants Fund
Fund balances - budgetary basis, June 30, 2025	\$ 8,130,532	\$ (1,198,687)	\$ 6,534,621
Current year encumbrances included in expenditures	3,438,189	379,156	2,113,272
Prior year encumbrances outstanding	81,920	1,095,162	634,232
Current year revenue accrual	12,654,313	2,244,669	801,216
Current year expenditure accrual	(3,603,892)	(816,311)	(69,001)
Rainy Day Fund Balance	4,982,373	-	-
Fund balances - fund financial statements, June 30, 2025	<u>\$ 25,683,435</u>	<u>\$ 1,703,989</u>	<u>\$ 10,014,340</u>
Revenues - budgetary basis	\$ 97,354,914	\$ 14,579,956	\$ 9,380,457
Current year revenue accrual	12,654,313	2,244,669	801,216
Prior year revenue accrual	(12,688,201)	(2,273,008)	(1,038,017)
Interest earned within Rainy Day Fund	231,933	-	-
Revenues - fund financial statements	<u>\$ 97,552,959</u>	<u>\$ 14,551,617</u>	<u>\$ 9,159,656</u>
Expenditures - budgetary basis	\$ 107,426,358	\$ 15,997,183	\$ 4,466,161
Current year encumbrances included in expenditures	(3,438,189)	(379,156)	(2,113,272)
Prior year encumbrances paid	4,489,583	1,599,097	5,089,450
Current year expenditure accrual	3,603,892	816,311	69,001
Prior year expenditure accrual	(3,351,779)	(690,313)	(608,295)
Expenditures - fund financial statements	<u>\$ 108,729,865</u>	<u>\$ 17,343,122</u>	<u>\$ 6,903,045</u>



This page left intentionally blank







**OTHER  
SUPPLEMENTARY  
INFORMATION**

**The City of Norman, Oklahoma**  
**Combining Balance Sheet**  
**Nonmajor Governmental Funds**  
**June 30, 2025**

	Norman Room Tax Fund	Community Development Fund	Park Land Fund	Seizures and Res- titutions Fund	Cleet Fund	Transit & Parking Fund	Art in Public Places Fund	Debt Service Fund	Westwood Fund	Young Family Athletic Center Fund	Total Nonmajor Governmen- tal Total
<b>ASSETS</b>											
Cash and cash equivalents	\$ 794,712	\$ 4,199,003	\$ 579,407	\$ 861,513	\$ 3,193	\$ 1,339,331	\$ 2,609	\$ -	\$ 1,039,070	\$ 93,308	\$ 8,912,146
Investments	269,099	-	289,475	497,215	-	446,370	-	4,114,511	-	-	5,616,670
Receivables:											
Taxes	480,469	-	-	-	-	561,167	-	-	-	-	1,041,636
Accounts	-	-	-	164	-	-	193	-	-	-	357
Interest	4,730	-	5,088	8,741	-	7,846	-	72,328	-	-	98,733
Due from Federal Government	-	156,596	-	-	-	100,000	-	-	-	-	256,596
Due from other funds	16,573	106,558	14,783	14,171	81	8,204	66	122,847	-	1,150	284,433
Inventory	-	-	-	-	-	-	-	-	108,530	-	108,530
Restricted Assets:											
Cash and cash equivalents	-	-	-	-	-	-	-	5,151,298	-	-	5,151,298
Total assets	<u>\$ 1,565,583</u>	<u>\$ 4,462,157</u>	<u>\$ 888,753</u>	<u>\$ 1,381,804</u>	<u>\$ 3,274</u>	<u>\$ 2,462,918</u>	<u>\$ 2,868</u>	<u>\$ 9,460,984</u>	<u>\$ 1,147,600</u>	<u>\$ 94,458</u>	<u>\$ 21,470,399</u>
<b>LIABILITIES AND FUND BALANCE</b>											
<b>LIABILITIES</b>											
Accounts payable and other accrued liabilities	\$ 58,491	\$ 183	\$ -	\$ -	\$ 3,276	\$ 714,306	\$ 2,050	\$ -	\$ 960,938	\$ 46,237	\$ 1,785,481
Payroll payable	-	16,618	-	-	-	39,434	-	-	186,662	48,221	290,935
Total liabilities	<u>58,491</u>	<u>16,801</u>	<u>-</u>	<u>-</u>	<u>3,276</u>	<u>753,740</u>	<u>2,050</u>	<u>-</u>	<u>1,147,600</u>	<u>94,458</u>	<u>2,076,416</u>
<b>FUND BALANCES</b>											
Nonspendable	-	-	-	-	-	-	-	-	108,530	-	108,530
Restricted	1,389,947	4,434,597	737,800	1,139,513	-	1,505,848	472	9,460,984	-	-	18,669,161
Assigned	117,145	10,759	150,953	242,291	(2)	203,330	346	-	-	-	724,822
Unassigned	-	-	-	-	-	-	-	-	(108,530)	-	(108,530)
Total fund balance	<u>1,507,092</u>	<u>4,445,356</u>	<u>888,753</u>	<u>1,381,804</u>	<u>(2)</u>	<u>1,709,178</u>	<u>818</u>	<u>9,460,984</u>	<u>-</u>	<u>-</u>	<u>19,393,983</u>
Total liabilities and fund balance	<u>\$ 1,565,583</u>	<u>\$ 4,462,157</u>	<u>\$ 888,753</u>	<u>\$ 1,381,804</u>	<u>\$ 3,274</u>	<u>\$ 2,462,918</u>	<u>\$ 2,868</u>	<u>\$ 9,460,984</u>	<u>\$ 1,147,600</u>	<u>\$ 94,458</u>	<u>\$ 21,470,399</u>

See notes to financial statements





## The City of Norman, Oklahoma

**Combining Statement of Revenues, Expenditures, and Changes in Fund Balances  
Nonmajor Governmental Funds  
for the Year Ended June 30, 2025**

	Norman Room Tax Fund	Community Development Fund	Park Land Fund	Seizures and Res- titutions Fund	Cleet Fund	Transit & Parking Fund	Art in Public Places Fund	Debt Service Fund	Westwood Fund	Young Family Athletic Center Fund	Total Nonmajor Governmental Total
Revenues:											
Taxes	\$ 4,218,919	\$ -	\$ -	\$ -	\$ -	\$ 3,486,636	\$ -	\$ 16,269,998	\$ -	\$ -	\$ 23,975,553
Intergovernmental revenues	-	890,523	-	-	20,763	4,080,936	-	-	-	-	4,992,222
Charges for services	-	-	52,275	-	-	-	-	-	2,279,025	971,577	3,302,877
Investment earnings	42,868	6,003	40,778	78,299	-	62,633	80	572,566	14,088	-	817,315
Other	-	-	-	582,601	-	423,660	4,951	-	206,549	133,706	1,351,467
Total revenues	4,261,787	896,526	93,053	660,900	20,763	8,053,865	5,031	16,842,564	2,499,662	1,105,283	34,439,434
Expenditures:											
Current:											
Parks and recreation	624,195	-	-	-	-	-	5,362	-	3,008,840	1,407,372	5,045,769
Public works	-	-	-	-	-	6,162,216	-	-	-	-	6,162,216
Public service	3,223,913	870,961	-	-	-	-	-	-	-	-	4,094,874
Public safety	-	-	-	159,283	34,776	-	-	-	-	-	194,059
Capital outlay	-	-	4,213	1,231,711	-	1,161,745	-	-	21,131	-	2,418,800
Debt service:											
Principal retirement	373,000	-	-	-	-	-	-	12,785,000	-	-	13,158,000
Interest and fiscal charges	56,391	-	-	-	-	-	-	3,428,595	-	-	3,484,986
Total expenditures	4,277,499	870,961	4,213	1,390,994	34,776	7,323,961	5,362	16,213,595	3,029,971	1,407,372	34,558,704
Excess (deficiency) of revenues over (under) expenditures	(15,712)	25,565	88,840	(730,094)	(14,013)	729,904	(331)	628,969	(530,309)	(302,089)	(119,270)
Other financing sources (uses):											
Transfers in	29,240	1,200,000	-	-	14,011	10,047	-	-	520,865	302,089	2,076,252
Transfers out	-	(223,451)	(29,240)	-	-	(496,157)	-	(688,358)	-	-	(1,437,206)
Net other financing sources (uses)	29,240	976,549	(29,240)	-	14,011	(486,110)	-	(688,358)	520,865	302,089	639,046
Net change in fund balances	13,528	1,002,114	59,600	(730,094)	(2)	243,794	(331)	(59,389)	(9,444)	-	519,776
Fund balances, July 1, 2024	1,493,564	3,443,242	829,153	2,111,898	-	1,465,384	1,149	9,520,373	9,444	-	18,874,207
Fund balances, June 30, 2025	\$ 1,507,092	\$ 4,445,356	\$ 888,753	\$ 1,381,804	\$ (2)	\$ 1,709,178	\$ 818	\$ 9,460,984	\$ -	\$ -	\$ 19,393,983

See notes to financial statements



## The City of Norman, Oklahoma

## Norman Room Tax Fund

Schedule of Revenues, Expenditures, Encumbrances and Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
for the Year Ended June 30, 2025

	Original Budget	Revisions	Revised Budget	Expenditures	Encum- brances	Actual	Variance Positive (Negative)
REVENUES:							
Taxes:							
Hotel/motel taxes	\$ 3,718,750	\$ -	\$ 3,718,750			\$ 3,450,792	\$ (267,958)
Airbnb taxes	-	-	-			525,552	525,552
Airbnb fees	-	-	-			77,400	77,400
Investment earnings	2,500	-	2,500			41,863	39,363
Total revenues	<u>3,721,250</u>	<u>-</u>	<u>3,721,250</u>			<u>4,095,607</u>	<u>374,357</u>
EXPENDITURES AND ENCUMBRANCES:							
Parks and recreations	3,410,938	675,628	4,086,566	\$ 3,847,444	\$ 183,899	4,031,343	55,223
Debt services	<u>430,641</u>	<u>-</u>	<u>430,641</u>	<u>429,391</u>	<u>-</u>	<u>429,391</u>	<u>1,250</u>
Total expenditures and encumbrances	<u>3,841,579</u>	<u>675,628</u>	<u>4,517,207</u>	<u>\$ 4,276,835</u>	<u>\$ 183,899</u>	<u>4,460,734</u>	<u>56,473</u>
Excess (deficiency) of revenues over (under) expenditures and encumbrances	(120,329)	(675,628)	(795,957)			(365,127)	430,830
OTHER FINANCIAL SOURCES (USES):							
Transfers in:							
Park Land Fund	-	29,240	29,240			29,240	-
Net other financing sources (uses)	<u>-</u>	<u>29,240</u>	<u>29,240</u>			<u>29,240</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures, encumbrances and other financing sources (uses)	<u>(120,329)</u>	<u>(646,388)</u>	<u>(766,717)</u>			<u>(335,887)</u>	<u>430,830</u>
Fund balance (deficit), July 1, 2024 (Non-GAAP budgetary basis)	<u>1,178,482</u>	<u>-</u>	<u>1,178,482</u>			<u>1,178,482</u>	<u>-</u>
Fund balance (deficit), June 30, 2025 (Non-GAAP budgetary basis)	<u>\$ 1,058,153</u>	<u>\$ (646,388)</u>	<u>\$ 411,765</u>			<u>\$ 842,595</u>	<u>\$ 430,830</u>

## The City of Norman, Oklahoma

## Community Development Fund

Schedule of Revenues, Expenditures, Encumbrances and Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
for the Year Ended June 30, 2025

	Original Budget	Revisions	Revised Budget	Expenditures	Encum- brances	Actual	Variance Positive (Negative)
REVENUES:							
Intergovernmental revenues:							
Community development block grant ("CDBG")	\$ 944,550	\$ -	\$ 944,550			\$ 1,207,405	\$ 262,855
CDBG - CV grant	-	-	-			257,397	257,397
CDBG - CV2 grant	-	-	-			223,451	223,451
Home grant	390,065	-	390,065			75,388	(314,677)
Investment earnings	-	-	-			6,003	6,003
Total revenues	1,334,615	-	1,334,615			1,769,644	435,029
EXPENDITURES AND ENCUMBRANCES:							
Public service:							
Community development	463,439	270,143	733,582	\$ 173,369	\$ 140,657	314,026	419,556
CDBG housing	456,111	1,343,709	1,799,820	541,281	-	541,281	1,258,539
CDBG public service	25,000	170,375	195,375	47,175	6,598	53,773	141,602
CD13G-CV	-	49,135	49,135	33,306	-	33,306	15,829
Home grants	390,065	969,292	1,359,357	47,091	-	47,091	1,312,266
Home ARPA grants	-	1,557,408	1,557,408	20,150	393,257	413,407	1,144,001
Total expenditures and encumbrances	1,334,615	4,360,062	5,694,677	\$ 862,372	\$ 540,512	1,402,884	4,291,793
Excess (deficiency) of revenues over (under) expenditures and encumbrances	-	(4,360,062)	(4,360,062)			366,760	4,726,822
OTHER FINANCIAL SOURCES (USES):							
Transfers in:							
General Fund	-	800,000	800,000			800,000	-
Capital Projects Fund	-	400,000	400,000			400,000	-
Transfers out:							
Capital Projects	-	-	-			(223,451)	(223,451)
Net other financing sources (uses)	-	1,200,000	1,200,000			976,549	(223,451)
Excess (deficiency) of revenues over (under) expenditures, encumbrances and other financing sources (uses)	-	(3,160,062)	(3,160,062)			1,343,309	4,503,371
Fund balance (deficit), July 1, 2024 (Non-GAAP budgetary basis)	2,421,559	-	2,421,559			2,421,559	-
Fund balance (deficit), June 30, 2025 (Non-GAAP budgetary basis)	\$ 2,421,559	\$ (3,160,062)	\$ (738,503)			\$ 3,764,868	\$ 4,503,371

## The City of Norman, Oklahoma

## Park Land Fund

**Schedule of Revenues, Expenditures, Encumbrances and Changes in Fund Balance -  
Budget and Actual (Non-GAAP Budgetary Basis)  
for the Year Ended June 30, 2025**

	Original Budget	Revisions	Revised Budget	Expenditures	Encum- brances	Actual	Variance Positive (Negative)
REVENUES:							
Charges for services	\$ 85,000	\$ -	\$ 85,000			\$ 52,275	\$ (32,725)
Investment earnings	10,000	-	10,000			39,510	29,510
Total revenues	95,000	-	95,000			91,785	(3,215)
EXPENDITURES AND ENCUMBRANCES:							
Parks and recreations	-	612,858	612,858	\$ 4,213	\$ -	4,213	608,645
Total expenditures and encumbrances	-	612,858	612,858	\$ 4,213	\$ -	4,213	608,645
Excess (deficiency) of revenues over (under) expenditures and encumbrances	95,000	(612,858)	(517,858)			87,572	605,430
OTHER FINANCIAL SOURCES (USES):							
Transfers out:							
Norman Room Tax Fund	-	(29,240)	(29,240)			(29,240)	-
Net other financing sources (uses)	-	(29,240)	(29,240)			(29,240)	-
Excess (deficiency) of revenues over (under) expenditures, encumbrances and other financing sources (uses)	95,000	(642,098)	(547,098)			58,332	605,430
Fund balance (deficit), July 1, 2024 (Non-GAAP budgetary basis)	825,371	-	825,371			825,371	-
Fund balance (deficit), June 30, 2025 (Non-GAAP budgetary basis)	\$ 920,371	\$ (642,098)	\$ 278,273			\$ 883,703	\$ 605,430

## The City of Norman, Oklahoma

## Seizures and Restitutions Fund

Schedule of Revenues, Expenditures, Encumbrances and Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
for the Year Ended June 30, 2025

	Original Budget	Revisions	Revised Budget	Expenditures	Encum- brances	Actual	Variance Positive (Negative)
REVENUES:							
Investment earnings	\$ 500	\$ -	\$ 500			\$ 75,942	\$ 75,442
Other:							
State Seizure/Restitution	-	-	-			554,589	554,589
Federal Seizure/Restitution	-	-	-			28,012	28,012
Total revenues	500	-	500			658,543	658,043
EXPENDITURES AND ENCUMBRANCES:							
Public safety:							
Federal seizures	-	290,092	290,092	\$ (32,226)	\$ -	(32,226)	322,318
Court Cleet Training	-	1,171,979	1,171,979	(37,996)	-	(37,996)	1,209,975
Total expenditures and encumbrances	-	1,462,071	1,462,071	(70,222)	-	(70,222)	1,532,293
Excess (deficiency) of revenues over (under) expenditures and encumbrances	500	(1,462,071)	(1,461,571)			728,765	2,190,336
OTHER FINANCIAL SOURCES (USES):							
Net other financing sources (uses)	-	-	-			-	-
Excess (deficiency) of revenues over (under) expenditures, encumbrances and other financing sources (uses)	500	(1,462,071)	(1,461,571)			728,765	2,190,336
Fund balance (deficit), July 1, 2024 (Non-GAAP budgetary basis)	652,634	-	652,634			652,634	-
Fund balance (deficit), June 30, 2025 (Non-GAAP budgetary basis)	\$ 653,134	\$ (1,462,071)	\$ (808,937)			\$ 1,381,399	\$ 2,190,336

## The City of Norman, Oklahoma

## Cleet Fund

## Schedule of Revenues, Expenditures, Encumbrances and Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis) for the Year Ended June 30, 2025

	Original Budget	Revisions	Revised Budget	Expenditures	Encum- brances	Actual	Variance Positive (Negative)
REVENUES:							
Intergovernmental revenues:							
Police CLEET training	\$ 30,000	\$ -	\$ 30,000			\$ 19,307	\$ (10,693)
Court CLEET training	2,000	-	2,000			1,453	(547)
Investment earnings	-	-	-			3	3
 Total revenues	 32,000	 -	 32,000			 20,763	 (11,237)
EXPENDITURES AND ENCUMBRANCES:							
Public service							
Court Cleet Training	1,500	-	1,500	\$ 1,233	\$ -	1,233	267
Police Cleet Training	29,005	9,751	38,756	23,792	4,525	28,317	10,439
 Total expenditures and encumbrances	 30,505	 9,751	 40,256	 \$ 25,025	 \$ 4,525	 29,550	 10,706
Excess (deficiency) of revenues over (under) expenditures and encumbrances	1,495	(9,751)	(8,256)			(8,787)	(531)
OTHER FINANCIAL SOURCES (USES):							
Transfers in:							
General Fund	-	-	-			14,011	14,011
Net other financing sources (uses)	-	-	-			14,011	14,011
Excess (deficiency) of revenues over (under) expenditures, encumbrances and other financing sources (uses)	1,495	(9,751)	(8,256)			5,224	13,480
Fund balance (deficit), July 1, 2024 (Non-GAAP budgetary basis)	(9,752)	-	(9,752)			(9,752)	-
Fund balance (deficit), June 30, 2025 (Non-GAAP budgetary basis)	\$ (8,257)	\$ (9,751)	\$ (18,008)			\$ (4,528)	\$ 13,480

## The City of Norman, Oklahoma

## Transit and Parking Fund

Schedule of Revenues, Expenditures, Encumbrances and Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
for the Year Ended June 30, 2025

	Original Budget	Revisions	Revised Budget	Expenditures	Encum- brances	Actual	Variance Positive (Negative)
REVENUES:							
Taxes:							
Sales taxes	\$ 3,232,194	\$ -	\$ 3,232,194			\$ 2,962,102	\$ (270,092)
Use taxes	491,539	-	491,539			531,710	40,171
Intergovernmental revenues:							
Miscellaneous revenues	-	-	-			188,433	188,433
Public safety grants	207,400	-	207,400			291,195	83,795
Public works grants	2,857,122	-	2,857,122			4,141,761	1,284,639
Investment earnings	-	-	-			60,925	60,925
Other:							
Rents and royalties	27,000	-	27,000			44,488	17,488
Contributions	-	-	-			50,000	50,000
Miscellaneous revenues	323,000	-	323,000			128,098	(194,902)
Miscellaneous income	12,000	-	12,000			12,641	641
Total revenues	<u>7,150,255</u>	<u>-</u>	<u>7,150,255</u>			<u>8,411,353</u>	<u>1,261,098</u>
EXPENDITURES AND ENCUMBRANCES:							
Public works:							
Fleet repair	939,778	196,393	1,136,171	\$ 716,451	\$ 94,165	810,616	325,555
Transit & parking admin	6,292,638	(466,426)	5,826,212	\$ 5,694,706	\$ 303,489	5,998,195	(171,983)
Capital projects	-	58,992	58,992	-	-	-	58,992
Total expenditures and encumbrances	<u>7,232,416</u>	<u>(211,041)</u>	<u>7,021,375</u>	<u>\$ 6,411,157</u>	<u>\$ 397,654</u>	<u>6,808,811</u>	<u>212,564</u>
Excess (deficiency) of revenues over (under) expenditures and encumbrances	<u>(82,161)</u>	<u>211,041</u>	<u>128,880</u>			<u>1,602,542</u>	<u>1,473,662</u>
OTHER FINANCIAL SOURCES (USES):							
Transfers in:							
Insurance Fund	-	10,047	10,047			10,047	-
Transfers out:							
Capital Projects	-	(992,314)	(992,314)			(496,157)	496,157
Net other financing sources (uses)	<u>-</u>	<u>(982,267)</u>	<u>(982,267)</u>			<u>(486,110)</u>	<u>496,157</u>
Excess (deficiency) of revenues over (under) expenditures, encumbrances and other financing sources (uses)	<u>(82,161)</u>	<u>(771,226)</u>	<u>(853,387)</u>			<u>1,116,432</u>	<u>1,969,819</u>
Fund balance (deficit), July 1, 2024 (Non-GAAP budgetary basis)	<u>(426,855)</u>	<u>-</u>	<u>(426,855)</u>			<u>(426,855)</u>	<u>-</u>
Fund balance (deficit), June 30, 2025 (Non-GAAP budgetary basis)	<u>\$ (509,016)</u>	<u>\$ (771,226)</u>	<u>\$ (1,280,242)</u>			<u>\$ 689,577</u>	<u>\$ 1,969,819</u>



## The City of Norman, Oklahoma

## Art in Public Places Fund

Schedule of Revenues, Expenditures, Encumbrances and Changes in Fund Balance -  
Budget and Actual (Non-GAAP Budgetary Basis)  
for the Year Ended June 30, 2025

	Original Budget	Revisions	Revised Budget	Expenditures	Encum- brances	Actual	Variance Positive (Negative)
REVENUES:							
Investment earnings	\$ -	\$ -	\$ -			\$ 80	\$ 80
Other	16,000	-	16,000			4,951	(11,049)
Total revenues	16,000	-	16,000			5,031	(10,969)
EXPENDITURES AND ENCUMBRANCES:							
Parks and recreations:							
Donation	16,000	-	16,000	\$ 5,362	\$ -	5,362	10,638
Total expenditures and encumbrances	16,000	-	16,000	\$ 5,362	\$ -	5,362	10,638
Excess (deficiency) of revenues over (under) expenditures and encumbrances	-	-	-			(331)	(331)
OTHER FINANCIAL SOURCES (USES):							
Net other financing sources (uses)	-	-	-			-	-
Excess (deficiency) of revenues over (under) expenditures, encumbrances and other financing sources (uses)	-	-	-			(331)	(331)
Fund balance (deficit), July 1, 2024 (Non-GAAP budgetary basis)	1,149	-	1,149			1,149	-
Fund balance (deficit), June 30, 2025 (Non-GAAP budgetary basis)	\$ 1,149	\$ -	\$ 1,149			\$ 818	\$ (331)

## The City of Norman, Oklahoma

## Debt Service Fund

Schedule of Revenues, Expenditures, Encumbrances and Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
for the Year Ended June 30, 2025

	Original Budget	Revisions	Revised Budget	Expenditures	Encum- brances	Actual	Variance Positive (Negative)
REVENUES:							
Taxes:							
Property taxes	\$16,059,496	\$ -	\$16,059,496			\$16,269,998	\$ 210,502
Investment earnings	25,000	-	25,000			561,588	536,588
Total revenues	16,084,496	-	16,084,496			16,831,586	747,090
EXPENDITURES AND ENCUMBRANCES:							
Debt services:							
Principal retirement	12,785,000	-	12,785,000	\$ 12,785,000	\$ -	12,785,000	-
Interest and fiscal charges	3,396,336	32,259	3,428,595	3,428,595	-	3,428,595	-
Total expenditures and encumbrances	16,181,336	32,259	16,213,595	\$ 16,213,595	\$ -	16,213,595	-
Excess (deficiency) of revenues over (under) expenditures and encumbrances	(96,840)	(32,259)	(129,099)			617,991	747,090
OTHER FINANCIAL SOURCES (USES):							
Transfers out:							
Insurance Fund	(500,000)	(188,358)	(688,358)			(688,358)	-
Net other financing sources (uses)	(500,000)	(188,358)	(688,358)			(688,358)	-
Excess (deficiency) of revenues over (under) expenditures, encumbrances and other financing sources (uses)	(596,840)	(220,617)	(817,457)			(70,367)	747,090
Fund balance (deficit), July 1, 2024 (Non-GAAP budgetary basis)	9,529,358	-	9,529,358			9,529,358	-
Fund balance (deficit), June 30, 2025 (Non-GAAP budgetary basis)	\$ 8,932,518	\$ (220,617)	\$ 8,711,901			\$ 9,458,991	\$ 747,090

## The City of Norman, Oklahoma

## Capital Projects Fund

Schedule of Revenues, Expenditures, Encumbrances and Changes in Fund Balance -  
Budget and Actual (Non-GAAP Budgetary Basis)  
for the Year Ended June 30, 2025

	Original Budget	Revisions	Revised Budget	Expendi- tures	Encum- brances	Actual	Variance Positive (Negative)
REVENUES:							
Taxes:							
Sales taxes	\$ 17,512,533	\$ -	\$ 17,512,533			\$ 16,587,263	\$ (925,270)
Property taxes	1,470,414	-	1,470,414			1,493,326	22,912
Investment earnings	726,000	-	726,000			3,137,820	2,411,820
Other:							
Miscellaneous revenues	-	12,500	12,500			148,178	135,678
Total revenues	19,708,947	12,500	19,721,447			21,366,587	1,645,140
EXPENDITURES AND ENCUMBRANCES:							
Personnel costs	1,409,304	(109,709)	1,299,595	\$ 1,128,313	\$ -	1,128,313	171,282
Services and maintenance	147,437	386,042	533,479	140,984	68,917	209,901	323,578
Cost allocation charges	24,371	-	24,371	7,053	-	7,053	17,318
Capital projects	26,974,191	55,998,838	82,973,029	19,468,981	8,863,343	28,332,324	54,640,705
Capital projects - Center City	-	188,780	188,780	(15,000)	15,000	-	188,780
Capital projects - UNP TIF	-	10,077,485	10,077,485	5,245,011	10,000	5,255,011	4,822,474
Total expenditures and encumbrances	28,555,303	66,541,436	95,096,739	\$ 25,975,342	\$ 8,957,260	34,932,602	60,164,137
Excess (deficiency) of revenues over (under) expenditures and encumbrances	(8,846,356)	(66,528,936)	(75,375,292)			(13,566,015)	61,809,277
OTHER FINANCIAL SOURCES (USES):							
Transfers in:							
Community Development Fund	-	-	-			223,451	223,451
Special Grants Fund	-	-	-			1,248,019	1,248,019
Transit & Parking Fund	-	-	-			496,157	496,157
Water Fund	-	-	-			1,905,000	1,905,000
Wastewater Fund	-	-	-			250,000	250,000
Transfers out:							
General Fund	(4,344,718)	4,415	(4,340,303)			(4,323,135)	17,168
Public Safety Sales Tax Fund	(70,739)	-	(70,739)			(70,739)	-
Community Development Fund	-	(400,000)	(400,000)			(400,000)	-
Special Grants Fund	-	(4,121,601)	(4,121,601)			(4,121,601)	-
Westwood Fund	(66,186)	-	(66,186)			(38,822)	27,364
Issuance of debt	26,000,000	-	26,000,000			-	(26,000,000)
Net other financing sources (uses)	21,518,357	(4,517,186)	17,001,171			(4,831,670)	(21,832,841)
Excess (deficiency) of revenues over (under) expenditures, encumbrances and other financing sources (uses)	12,672,001	(71,046,122)	(58,374,121)			(18,397,685)	39,976,436
Fund balance (deficit), July 1, 2024 (Non-GAAP budgetary basis)	87,925,393	-	87,925,393			87,925,393	-
Fund balance (deficit), June 30, 2025 (Non-GAAP budgetary basis)	\$ 100,597,394	\$ (71,046,122)	\$ 29,551,272			\$ 69,527,708	\$ 39,976,436

## The City of Norman, Oklahoma

## Norman Forward Fund

Schedule of Revenues, Expenditures, Encumbrances and Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
for the Year Ended June 30, 2025

	Original Budget	Revisions	Revised Budget	Expenditures	Encum- brances	Actual	Variance Positive (Negative)
REVENUES:							
Taxes:							
Sales taxes	\$12,928,778	\$ -	\$ 12,928,778			\$11,848,045	\$ (1,080,733)
Use taxes	1,966,154	-	1,966,154			2,126,837	160,683
Investment earnings	15,000	-	15,000			294,199	279,199
Other:							
Contributions	400,000	-	400,000			600,000	200,000
Total revenues	15,309,932	-	15,309,932			14,869,081	(440,851)
EXPENDITURES AND ENCUMBRANCES:							
Capital projects	730,000	6,924,915	7,654,915	\$ 767,153	\$ 95,754	862,907	6,792,008
Debt services	9,709,679	1,879	9,711,558	9,711,558	-	9,711,558	-
Total expenditures and encumbrances	10,439,679	6,926,794	17,366,473	\$ 10,478,711	\$ 95,754	10,574,465	6,792,008
Excess (deficiency) of revenues over (under) expenditures and encumbrances	4,870,253	(6,926,794)	(2,056,541)			4,294,616	6,351,157
OTHER FINANCIAL SOURCES (USES):							
Transfers out:							
General Fund	(393,147)	-	(393,147)			(393,147)	-
Westwood Fund	(35,000)	-	(35,000)			(35,000)	-
Net other financing sources (uses)	(428,147)	-	(428,147)			(428,147)	-
Excess (deficiency) of revenues over (under) expenditures, encumbrances and other financing sources (uses)	4,442,106	(6,926,794)	(2,484,688)			3,866,469	6,351,157
Fund balance (deficit), July 1, 2024 (Non-GAAP budgetary basis)	4,320,459	-	4,320,459			4,320,459	-
Fund balance (deficit), June 30, 2025 (Non-GAAP budgetary basis)	\$ 8,762,565	\$ (6,926,794)	\$ 1,835,771			\$ 8,186,928	\$ 6,351,157

## The City of Norman, Oklahoma

## Westwood Fund

## Schedule of Revenues, Expenditures, Encumbrances and Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis) for the Year Ended June 30, 2025

	Original Budget	Revisions	Revised Budget	Expenditures	Encum- brances	Actual	Variance Positive (Negative)
REVENUES:							
Charges for services:							
Pool charges	\$ 955,000	\$ -	\$ 955,000			\$ 877,392	\$ (77,608)
Golf charges	1,160,500	-	1,160,500			1,022,937	(137,563)
Concessions pool charges	205,000	-	205,000			197,743	(7,257)
Concessions restaurant charges	190,000	-	190,000			180,952	(9,048)
Investment earnings	7,500	-	7,500			14,088	6,588
Other:							
Pool charges	200,000	-	200,000			839	(199,161)
Golf charges	-	-	-			204,781	204,781
Miscellaneous revenues	-	-	-			930	930
Total revenues	2,718,000	-	2,718,000			2,499,662	(218,338)
EXPENDITURES AND ENCUMBRANCES:							
Concessions	351,293	(6,288)	345,005	\$ 330,802	\$ 13,371	344,173	832
Swimming pool	930,097	205,254	1,135,351	1,108,790	12,836	1,121,626	13,725
Golf maintenance	930,503	(32,238)	898,265	894,684	823	895,507	2,758
Golf course	603,059	45,409	648,468	647,649	16,052	663,701	(15,233)
Capital projects	-	49,758	49,758	2,882	3,748	6,630	43,128
Total expenditures and encumbrances	2,814,952	261,895	3,076,847	\$ 2,984,807	\$ 46,830	3,031,637	45,210
Excess (deficiency) of revenues over (under) expenditures and encumbrances	(96,952)	(261,895)	(358,847)			(531,975)	(173,128)
OTHER FINANCIAL SOURCES (USES):							
Transfers in:							
General Fund	30,559	-	30,559			447,043	416,484
Capital Projects Fund	66,186	-	66,186			38,822	(27,364)
Norman Forward Fund	35,000	-	35,000			35,000	-
Net other financing sources (uses)	131,745	-	131,745			520,865	389,120
Excess (deficiency) of revenues over (under) expenditures, encumbrances and other financing sources (uses)	34,793	(261,895)	(227,102)			(11,110)	215,992
Fund balance (deficit), July 1, 2024 (Non-GAAP budgetary basis)	150,943	-	150,943			150,943	-
Fund balance (deficit), June 30, 2025 (Non-GAAP budgetary basis)	\$ 185,736	\$ (261,895)	\$ (76,159)			\$ 139,833	\$ 215,992

## The City of Norman, Oklahoma

## Young Family Athletic Center Fund

Schedule of Revenues, Expenditures, Encumbrances and Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
for the Year Ended June 30, 2025

	Original Budget	Revisions	Revised Budget	Expenditures	Encum- brances	Actual	Variance Positive (Negative)
REVENUES:							
Charges for services:							
Membership fees	\$ 350,000	\$ -	\$ 350,000			\$ 43,070	\$ (306,930)
Day Passes	125,000	-	125,000			30,803	(94,197)
Classes	225,000	-	225,000			75,356	(149,644)
Rental fees	1,025,000	-	1,025,000			492,987	(532,013)
Tournament fees	-	-	-			329,361	329,361
Other:							
Lease fees	50,000	-	50,000			42,448	(7,552)
Advertising/Sponsorship	275,000	-	275,000			88,930	(186,070)
Sale of fixed asset	-	-	-			2,148	2,148
Miscellaneous revenues	-	-	-			180	180
Total revenues	<u>2,050,000</u>	<u>-</u>	<u>2,050,000</u>			<u>1,105,283</u>	<u>(944,717)</u>
EXPENDITURES AND ENCUMBRANCES:							
Parks and recreations:							
Administration	1,085,718	12,787	1,098,505	\$ 976,835	\$ -	976,835	121,670
Gym	269,775	-	269,775	158,545	-	158,545	111,230
Pool	433,427	128	433,555	248,157	-	248,157	185,398
Total expenditures and encumbrances	<u>1,788,920</u>	<u>12,915</u>	<u>1,801,835</u>	<u>\$ 1,383,537</u>	<u>\$ -</u>	<u>1,383,537</u>	<u>418,298</u>
Excess (deficiency) of revenues over (under) expenditures and encumbrances	<u>261,080</u>	<u>(12,915)</u>	<u>248,165</u>			<u>(278,254)</u>	<u>(526,419)</u>
OTHER FINANCIAL SOURCES (USES):							
Transfers in:							
General Fund	-	-	-			302,089	302,089
Net other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>			<u>302,089</u>	<u>302,089</u>
Excess (deficiency) of revenues over (under) expenditures, encumbrances and other financing sources (uses)	<u>261,080</u>	<u>(12,915)</u>	<u>248,165</u>			<u>23,835</u>	<u>(224,330)</u>
Fund balance (deficit), July 1, 2024 (Non-GAAP budgetary basis)	<u>24,387</u>	<u>-</u>	<u>24,387</u>			<u>24,387</u>	<u>-</u>
Fund balance (deficit), June 30, 2025 (Non-GAAP budgetary basis)	<u>\$ 285,467</u>	<u>\$ (12,915)</u>	<u>\$ 272,552</u>			<u>\$ 48,222</u>	<u>\$ (224,330)</u>

## Notes to Other Supplementary Information on Budgetary Comparison Schedules Special Revenue Funds, Debt Service Fund, Capital Projects Fund and Norman Forward Fund

**Budget Reconciliations** - Items required to adjust actual revenues, expenditures, and fund balances reported on the budgetary basis to those reported within the fund financial statements as of and for the year ended June 30, 2025, are as follows:

	Special Revenue Funds	Debt Service Fund	Capital Projects Fund	Norman Forward Fund
Fund balances, June 30, 2025 (Non-GAAP budgetary basis)	\$ 7,746,487	\$ 9,458,991	\$ 69,527,708	\$ 8,186,928
Current year encumbrances included in expenditures	1,173,421	-	8,957,260	95,754
Prior year encumbrances outstanding	4,909	-	4,488,461	1,965,954
Current year revenue accrual	1,299,119	1,992	2,715,463	2,245,285
Current year expenditure accrual	(290,937)	-	(268,543)	(1,478,003)
GAAP basis fund balances, June 30, 2025	<u>\$ 9,932,999</u>	<u>\$ 9,460,984</u>	<u>\$ 85,420,349</u>	<u>\$ 11,015,918</u>
Budgetary basis revenues	\$ 18,657,671	\$ 16,831,586	\$ 21,366,587	\$ 14,869,081
Current year revenue accrual	1,299,119	1,992	2,715,463	2,245,285
Prior year revenue accrual	(2,359,920)	8,986	(2,679,974)	(2,266,084)
GAAP basis revenues	<u>\$ 17,596,870</u>	<u>\$ 16,842,564</u>	<u>\$ 21,402,076</u>	<u>\$ 14,848,282</u>
Budgetary basis expenditures	\$ 17,056,506	\$ 16,213,595	\$ 34,932,602	\$ 10,574,465
Current year encumbrances included in expenditures	(1,173,421)	-	(8,957,260)	(95,754)
Prior year encumbrances paid	2,427,840	-	4,658,965	1,838,775
Current year expenditure accrual	290,937	-	268,543	1,478,003
Prior year expenditure accrual	(256,753)	-	(197,897)	(2,300,205)
GAAP basis expenditures	<u>\$ 18,345,109</u>	<u>\$ 16,213,595</u>	<u>\$ 30,704,953</u>	<u>\$ 11,495,284</u>



**The City of Norman, Oklahoma**  
**Combining Statement of Net Position**  
**Enterprise Fund - Norman Utilities Authority**  
**June 30, 2025**

	<b>Water Fund</b>	<b>Wastewater Fund</b>	<b>Total</b>
<b>ASSETS</b>			
Current assets:			
Cash and cash equivalents	\$ 27,213,980	\$ 13,274,315	\$ 40,488,295
Restricted cash and cash equivalents	6,803,022	1,606,376	8,409,398
Investments	12,995,024	8,991,907	21,986,931
Receivables:			
Accounts, net of allowance for estimated uncollectible accounts	3,885,878	1,923,184	5,809,062
Interest	235,247	158,065	393,312
Leases receivable	281,550	-	281,550
Due from other funds	722,526	398,870	1,121,396
Total current assets	<u>52,137,227</u>	<u>26,352,717</u>	<u>78,489,944</u>
Noncurrent assets:			
Restricted cash and cash equivalents	-	1,904,470	1,904,470
Leases receivable	1,389,262	-	1,389,262
Capital assets, net	156,388,619	119,070,612	275,459,231
Leases asset, net	883,801	-	883,801
Total noncurrent assets	<u>158,661,682</u>	<u>120,975,082</u>	<u>279,636,764</u>
Total assets	<u>210,798,909</u>	<u>147,327,799</u>	<u>358,126,708</u>
<b>DEFERRED OUTFLOW OF RESOURCES</b>			
Deferred charge on refunding	186,776	-	186,776
Total deferred outflows of resources	<u>186,776</u>	<u>-</u>	<u>186,776</u>
<b>LIABILITIES</b>			
Current liabilities:			
Accounts payable and accrued liabilities	4,289,597	1,370,321	5,659,918
Payroll payable	256,823	201,570	458,393
Accrued interest payable	366,192	78,640	444,832
Retainage payable	-	573,390	573,390
Guaranty deposits	865,882	446,804	1,312,686
Leases payable	55,159	-	55,159
Notes payable	4,730,703	3,866,427	8,597,130
Compensated absences	28,953	22,681	51,634
Total current liabilities	<u>10,593,309</u>	<u>6,559,833</u>	<u>17,153,142</u>
Noncurrent liabilities:			
Notes payable, net	37,490,936	7,349,853	44,840,789
Leases payable	692,294	-	692,294
Compensated absences	546,146	427,845	973,991
Total noncurrent liabilities	<u>38,729,376</u>	<u>7,777,698</u>	<u>46,507,074</u>
Total liabilities	<u>49,322,685</u>	<u>14,337,531</u>	<u>63,660,216</u>
<b>DEFERRED INFLOW OF RESOURCES</b>			
Deferred inflows from leases	1,497,876	-	1,497,876
Total deferred outflows of resources	<u>1,497,876</u>	<u>-</u>	<u>1,497,876</u>
<b>NET POSITION</b>			
Net investment in capital assets	109,924,841	108,160,987	218,085,828
Restricted for debt service	1,175,823	2,985,402	4,161,225
Restricted for capital projects	-	1,904,470	1,904,470
Unrestricted	<u>49,064,460</u>	<u>19,939,409</u>	<u>69,003,869</u>
Total net position	<u>\$ 160,165,124</u>	<u>\$ 132,990,268</u>	<u>\$ 293,155,392</u>

## The City of Norman, Oklahoma

### Combining Statement of Revenues, Expenses and Changes in Net Position Enterprise Fund - Norman Utilities Authority for the Year Ended June 30, 2025

	Water Fund	Wastewater Fund	Total
Operating revenues:			
Water service, net	\$ 31,831,298	\$ -	\$ 31,831,298
Wastewater service, net	-	15,826,850	15,826,850
Other	1,242,524	593,371	1,835,895
Total operating revenues	33,073,822	16,420,221	49,494,043
Operating expenses:			
Salaries and benefits	5,726,113	4,452,471	10,178,584
Supplies and materials	4,006,928	828,307	4,835,235
Services, maintenance and claims	8,644,562	13,291,951	21,936,513
Depreciation and amortization	7,854,204	9,363,726	17,217,930
Total operating expenses	26,231,807	27,936,455	54,168,262
Operating income (loss)	6,842,015	(11,516,234)	(4,674,219)
Nonoperating revenues (expenses):			
Excise tax revenue	-	1,076,848	1,076,848
Investment earnings	2,196,702	1,312,114	3,508,816
Interest and fiscal charges	(1,573,439)	(305,532)	(1,878,971)
Miscellaneous income (expense)	549,733	1,367,188	1,916,921
Net nonoperating revenues (expenses)	1,172,996	3,450,618	4,623,614
Income (loss) before capital contributions and transfers	8,015,011	(8,065,616)	(50,605)
Capital contributions and transfers:			
Capital contributions - donated water and sewer distribution systems	3,766,965	6,386,666	10,153,631
Transfers out	(3,303,776)	(790,939)	(4,094,715)
Net capital contributions and transfers	463,189	5,595,727	6,058,916
Net income (loss)	8,478,200	(2,469,889)	6,008,311
Net position - beginning	151,686,924	135,460,157	287,147,081
Net position - ending	\$ 160,165,124	\$ 132,990,268	\$ 293,155,392

**The City of Norman, Oklahoma**  
**Combining Statement of Cash Flows**  
**Enterprise Fund - Norman Utilities Authority**  
**for the Year Ended June 30, 2025**

	<b>Water Fund</b>	<b>Wastewater Fund</b>	<b>Total</b>
Cash flows from operating activities:			
Cash received from customers	\$ 33,359,776	\$ 16,539,887	\$ 49,899,663
Cash paid to employees for services	(5,629,605)	(4,268,366)	(9,897,971)
Cash paid to suppliers	(11,606,884)	(12,796,638)	(24,403,522)
Other receipts	155,369	1,104,941	1,260,310
Net cash provided by operating activities	<u>16,278,656</u>	<u>579,824</u>	<u>16,858,480</u>
Cash flows from noncapital financing activities:			
Transfers out	(3,303,776)	(790,939)	(4,094,715)
Net cash used for noncapital financing activities	<u>(3,303,776)</u>	<u>(790,939)</u>	<u>(4,094,715)</u>
Cash flows from capital and related financing activities:			
Proceeds from disposal of capital assets	18,150	100,000	118,150
Payments for the acquisition of capital assets	(9,352,120)	(1,292,917)	(10,645,037)
Proceeds from taxes	-	1,076,848	1,076,848
Proceeds from lease activity	(53,947)	-	(53,947)
Payments for the acquisition of lease assets	(124,206)	-	(124,206)
Principal payments on notes payable	(4,237,746)	(3,824,788)	(8,062,534)
Interest and fiscal charges paid	(1,648,436)	(331,648)	(1,980,084)
Proceeds from notes payable	3,899,982	-	3,899,982
Net cash used for capital and related financing activities	<u>(11,498,323)</u>	<u>(4,272,505)</u>	<u>(15,770,828)</u>
Cash flows from investing activities:			
Proceeds from maturity of investments	12,525,319	9,810,408	22,335,727
Payments for purchases of investments	(12,670,520)	(8,767,367)	(21,437,887)
Investment earnings received	2,067,206	1,236,787	3,303,993
Net cash provided by investing activities	<u>1,922,005</u>	<u>2,279,828</u>	<u>4,201,833</u>
Net change in cash and cash equivalents	3,398,562	(2,203,792)	1,194,770
Cash and cash equivalents - beginning	30,618,440	18,988,953	49,607,393
Cash and cash equivalents - ending	<u>\$ 34,017,002</u>	<u>\$ 16,785,161</u>	<u>\$ 50,802,163</u>
Reconciliation of operating income (loss) to net cash provided by operating activities:			
Operating income (loss)	\$ 6,842,015	\$ (11,516,234)	\$ (4,674,219)
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:			
Miscellaneous revenue	549,733	1,367,188	1,916,921
Bad debt expense	184,540	115,681	300,221
Depreciation and amortization	7,854,204	9,363,726	17,217,930
disposal of property, plant and equipment	(3,459)	(98,984)	(102,443)
accounts receivable, net	61,528	(14,855)	46,673
Gain on due from other funds	(390,905)	(163,262)	(554,167)
Increase in lease receivable	(1,399,546)	-	(1,399,546)
Decrease in accounts payable and accrued liabilities	1,511,832	750,230	2,262,062
Decrease in payroll payable	28,783	77,749	106,532
Increase in liability for incurred claims	-	-	-
Increase in due to other funds	-	-	-
Increase (decrease) in retainage payable	(313,772)	573,390	259,618
Increase in guaranty deposits	39,887	18,840	58,727
Increase in compensated absences	67,725	106,355	174,080
Increase in deferred inflow from leases	1,246,091	-	1,246,091
Net cash provided by operating activities	<u>\$ 16,278,656</u>	<u>\$ 579,824</u>	<u>\$ 16,858,480</u>
NONCASH ACTIVITIES:			
Donated water and sewer distribution systems	\$ 3,766,965	\$ 6,386,666	\$ 10,153,631
Change in unrealized loss on investments	<u>\$ (54,110)</u>	<u>\$ (41,699)</u>	<u>\$ (95,809)</u>

The City of Norman, Oklahoma  
Combining Statement of Pension Trust Fund  
June 30, 2025

	Annuity Pool Fund	401(a) Plan Fund	Total
ASSETS			
Total assets	\$ -	\$ -	\$ -
LIABILITIES AND NET POSITION			
Liabilities:			
Total liabilities	\$ -	\$ -	\$ -
Net position:			
Total liabilities and net position	\$ -	\$ -	\$ -

## The City of Norman, Oklahoma

Combining Statement of Changes in Pension Trust Fund  
for the Year Ended June 30, 2025

	Annuity Pool Fund	401(a) Plan Fund	Total
ADDITIONS:			
Contributions:			
Employer	\$ -	\$ 3,624,841	\$ 3,624,841
Employee	-	3,287,143	3,287,143
Total contributions	-	6,911,984	6,911,984
Investment income	15,256	15,835,134	15,850,390
Total additions	15,256	22,747,118	22,762,374
DEDUCTIONS:			
Pension benefits paid	28,128	9,254,597	9,282,725
Administration costs	561	(332,079)	(331,518)
Total deductions	28,689	8,922,518	8,951,207
NET (DECREASE) INCREASE	(13,433)	13,824,600	13,811,167
Net position:			
Beginning of year	140,689	123,852,508	123,993,197
End of year	\$ 127,256	\$ 137,677,108	\$ 137,804,364





# STATISTICAL SECTION



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

**Financial Trends**

These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time. . . . .116

**Revenue Capacity**

These schedules contain information to help the reader assess the City's most significant local revenue source, the sales tax. . . . .122

**Debt Capacity**

These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future. . . . .125

**Demographic and Economic Information**

These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.. . . .130

**Operating Information**

These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.. . . .132

## The City of Norman, Oklahoma

## Net Position by Component

## Last Ten Fiscal Years

## (accrual basis of accounting)

	Fiscal Year									
	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Governmental activities										
Net investment in capital assets	\$ 487,942,607	\$ 482,249,162	\$ 428,738,811	\$ 419,320,944	\$ 357,563,482	\$ 404,269,078	\$ 343,501,122	\$ 313,981,902	\$ 256,880,446	\$ 283,831,364
Restricted	60,899,855	56,479,288	83,440,209	104,378,534	126,260,638	55,892,634	104,620,414	90,270,821	128,695,200	86,079,582
Unrestricted	(28,757,180)	(7,444,998)	(12,735,707)	(40,958,528)	(40,105,135)	(34,422,332)	(29,730,368)	(38,717,191)	(44,522,535)	(43,098,736)
Total governmental activities net position	\$ 520,085,282	\$ 531,283,452	\$ 499,443,313	\$ 482,740,950	\$ 443,718,985	\$ 425,739,380	\$ 418,391,168	\$ 365,535,532	\$ 341,053,111	\$ 326,812,110
Business-type activities										
Net investment in capital assets	\$ 238,538,006	\$ 237,920,695	\$ 233,526,892	\$ 225,662,267	\$ 228,867,966	\$ 220,190,180	\$ 210,610,975	\$ 212,565,194	\$ 211,414,863	\$ 198,638,260
Restricted	6,065,695	8,143,308	11,946,477	14,632,159	14,690,548	7,349,204	10,621,197	16,958,115	6,629,187	1,067,921
Unrestricted	80,356,892	71,468,502	62,667,553	61,049,433	63,591,846	64,252,037	63,100,838	44,400,215	42,813,500	48,149,794
Total business-type activities net position	\$ 324,960,593	\$ 317,532,505	\$ 308,140,922	\$ 301,343,859	\$ 307,150,360	\$ 291,791,421	\$ 284,333,010	\$ 273,923,524	\$ 260,857,550	\$ 247,855,975
Primary government										
Net investment in capital assets	\$ 726,480,613	\$ 720,169,857	\$ 662,265,703	\$ 644,983,211	\$ 586,431,448	\$ 624,459,258	\$ 554,112,097	\$ 526,547,096	\$ 468,295,309	\$ 482,469,624
Restricted	66,965,550	64,622,596	95,386,686	119,010,693	140,951,186	63,241,838	115,241,611	107,228,936	135,324,387	87,147,503
Unrestricted	51,599,712	64,023,504	49,931,846	20,090,905	23,486,711	29,829,705	33,370,470	5,683,024	(1,709,035)	5,051,058
Total primary government net position	\$ 845,045,875	\$ 848,815,957	\$ 807,584,235	\$ 784,084,809	\$ 750,869,345	\$ 717,530,801	\$ 702,714,178	\$ 639,459,056	\$ 601,910,661	\$ 574,668,185

## The City of Norman, Oklahoma

### Changes in Net Position Last Ten Fiscal Years (accrual basis of accounting)

	Fiscal Year									
	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
<b>EXPENSES</b>										
Governmental activities:										
General government	\$ 28,995,721	\$ 19,107,073	\$ 19,410,645	\$ 22,116,186	\$ 18,819,315	\$ 17,378,592	\$ 13,738,006	\$ 12,859,373	\$ 10,763,028	\$ 7,999,471
Planning	4,289,165	4,057,475	3,739,028	3,574,817	3,345,940	3,228,429	3,367,244	3,477,364	3,315,422	3,320,979
City controller	3,400,759	845,105	2,391,399	1,544,569	2,227,636	2,207,900	2,093,411	2,449,352	1,231,508	893,000
Parks and recreation	19,253,450	16,081,719	13,000,150	13,719,291	8,513,678	8,539,967	7,509,979	6,502,407	7,087,981	5,936,777
Public works	50,639,876	52,795,961	49,472,283	40,833,147	41,734,848	39,467,992	25,614,539	26,682,973	30,953,789	25,389,053
Public service	5,222,657	4,460,812	6,909,435	3,055,832	3,831,725	1,995,214	4,118,076	2,627,283	3,892,316	2,976,064
Public safety	93,272,112	74,437,512	64,521,693	50,530,408	64,595,623	53,536,220	45,140,356	55,817,838	53,613,442	50,921,384
Interest on long-term debt	5,165,598	5,319,433	4,571,464	4,689,880	5,060,958	4,248,252	4,137,314	4,937,107	4,734,646	5,277,210
Total governmental activities expenses	<u>210,239,338</u>	<u>177,105,090</u>	<u>164,016,097</u>	<u>140,064,130</u>	<u>148,129,723</u>	<u>130,602,566</u>	<u>105,718,925</u>	<u>115,353,697</u>	<u>115,592,132</u>	<u>102,713,938</u>
Business-type activities:										
Westwood Park	-	-	-	-	2,031,852	2,124,443	2,026,461	1,500,752	1,256,295	1,340,514
Water	26,941,220	26,567,015	22,317,666	23,293,028	18,178,326	18,435,089	16,505,700	16,321,995	14,535,092	14,843,372
Wastewater	28,340,971	20,314,509	19,020,441	19,076,169	20,239,517	18,627,217	16,628,468	14,627,959	15,448,412	17,222,233
Sanitation	17,291,980	17,330,909	16,724,104	14,696,179	14,707,244	13,479,559	13,494,028	12,878,886	12,005,272	12,135,886
Total business-type activities expenses	<u>72,574,171</u>	<u>64,212,433</u>	<u>58,062,211</u>	<u>57,065,376</u>	<u>55,156,939</u>	<u>52,666,308</u>	<u>48,654,657</u>	<u>45,329,592</u>	<u>43,245,071</u>	<u>45,542,005</u>
Total primary government expenses	<u>\$ 282,813,509</u>	<u>\$ 241,317,523</u>	<u>\$ 222,078,308</u>	<u>\$ 197,129,506</u>	<u>\$ 203,286,662</u>	<u>\$ 183,268,874</u>	<u>\$ 154,373,582</u>	<u>\$ 160,683,289</u>	<u>\$ 158,837,203</u>	<u>\$ 148,255,943</u>

## The City of Norman, Oklahoma

# Changes in Net Position Last Ten Fiscal Years (accrual basis of accounting)

	Fiscal Year									
	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
<b>PROGRAM REVENUES</b>										
Governmental activities:										
Charges for services:										
General government	\$ 3,818,564	\$ 3,322,179	\$ 2,850,501	\$ 3,315,489	\$ 3,174,550	\$ 3,337,660	\$ 3,002,995	\$ 2,767,032	\$ 2,730,336	\$ 2,612,495
Planning	1,107,953	1,116,543	1,229,377	1,327,181	1,461,693	913,979	844,712	992,383	1,061,776	1,353,411
City controller	329,073	303,786	210,550	174,989	309,657	515,612	670,685	683,215	661,162	642,726
Parks and recreation	3,619,543	3,044,954	2,865,262	2,822,989	399,599	405,547	520,044	497,538	530,140	653,613
Public works	430,056	268,778	482,635	286,103	265,448	497,224	-	-	-	-
Public safety	3,782,518	3,484,057	2,807,217	3,175,674	3,836,831	3,254,865	2,136,384	3,256,469	2,912,640	3,097,858
Operating grants and contributions	22,974,679	21,861,463	20,341,333	9,679,746	24,521,662	10,767,930	10,388,169	14,570,508	12,379,368	10,375,508
Capital grants and contributions	2,292,097	14,765,728	1,488,513	8,244,353	12,643,765	6,333,788	30,404,175	9,476,361	3,813,991	15,614,024
Total governmental activities program revenues	38,354,483	48,167,488	32,275,388	29,026,524	46,613,205	26,026,605	47,967,164	32,243,506	24,089,413	34,349,635
Business-type activities:										
Charges for services										
Westwood Park	-	-	-	-	1,942,080	1,632,229	1,661,792	1,264,059	933,853	1,098,470
Water	31,258,427	30,124,897	24,847,978	23,937,759	24,377,486	22,217,540	20,498,886	21,843,184	21,735,237	21,496,086
Wastewater	15,826,850	15,742,616	17,121,748	15,974,265	16,615,270	15,984,512	15,992,294	15,781,490	15,767,530	15,923,396
Sanitation	18,031,040	17,695,750	17,098,253	16,149,743	16,340,040	15,243,633	14,791,863	14,549,273	14,584,853	14,338,856
Capital grants and contributions	10,153,631	5,358,576	4,791,771	3,511,824	10,796,491	2,786,305	2,569,510	5,263,425	2,324,230	10,525,831
Total business-type activities program revenues	75,269,948	68,921,839	63,859,750	59,573,591	70,071,367	57,864,219	55,514,345	58,701,431	55,345,703	63,382,639
Total primary government revenues	\$ 113,624,431	\$ 117,089,327	\$ 96,135,138	\$ 88,600,115	\$ 116,684,572	\$ 83,890,824	\$ 103,481,509	\$ 90,944,937	\$ 79,435,116	\$ 97,732,274
<b>NET (EXPENSE)/REVENUE</b>										
Governmental activities	\$ (171,884,855)	\$ (128,937,602)	\$ (131,740,709)	\$ (111,037,606)	\$ (101,516,518)	\$ (104,575,961)	\$ (57,751,761)	\$ (83,110,191)	\$ (91,502,719)	\$ (68,364,303)
Business-type activities	2,695,777	4,709,406	5,797,539	2,508,215	14,914,428	5,197,911	6,859,688	13,371,839	12,100,632	17,840,634
Total primary government net expense	\$ (169,189,078)	\$ (124,228,196)	\$ (125,943,170)	\$ (108,529,391)	\$ (86,602,090)	\$ (99,378,050)	\$ (50,892,073)	\$ (69,738,352)	\$ (79,402,087)	\$ (50,523,669)

## The City of Norman, Oklahoma

## Changes in Net Position

## Last Ten Fiscal Years

## (accrual basis of accounting)

	Fiscal Year									
	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
<b>GENERAL REVENUE AND OTHER CHANGES IN NET ASSETS</b>										
Governmental activities:										
Sales taxes	\$ 97,743,932	\$ 98,665,799	\$ 99,514,777	\$ 98,398,676	\$ 84,638,068	\$ 75,811,863	\$ 74,419,538	\$ 73,967,709	\$ 73,345,458	\$ 70,981,084
Franchise taxes	7,271,013	7,170,092	8,256,119	7,294,416	6,358,546	6,531,339	6,625,971	7,094,490	6,807,860	6,743,712
Property taxes	17,763,324	17,039,980	9,650,382	13,887,375	8,957,836	12,062,899	11,395,748	11,971,525	14,739,604	9,794,490
Use taxes	17,315,062	17,735,378	15,909,739	14,628,785	12,719,530	9,017,696	7,196,831	5,148,317	3,797,125	3,467,863
Hotel/Motel taxes	4,218,919	3,600,483	2,209,418	1,808,382	1,264,409	1,307,527	1,878,249	1,879,453	1,759,851	1,825,087
Alcoholic beverage taxes	601,385	601,757	607,987	609,833	564,013	498,318	441,456	324,252	316,013	306,225
Cigarette taxes	581,182	607,394	684,271	755,712	764,783	704,411	657,982	834,649	894,092	839,492
Investment earnings	5,839,165	7,086,444	3,512,616	(535,003)	469,832	2,489,875	3,198,922	1,586,732	513,238	1,965,790
Miscellaneous	5,257,988	6,244,664	6,301,733	3,863,587	1,816,052	2,450,934	3,762,651	3,627,956	2,275,838	1,943,106
Transfers	4,094,715	2,025,750	1,796,030	2,319,413	1,943,054	1,049,311	1,030,049	1,157,529	1,294,541	1,258,752
Total governmental activities	160,686,685	160,777,741	148,443,072	143,031,176	119,496,123	111,924,173	110,607,397	107,592,612	105,743,620	99,125,601
Business-type activities:										
Sales taxes	-	-	-	-	-	-	-	-	-	-
Excise taxes	1,076,848	1,115,765	1,037,712	1,758,833	2,307,102	1,283,126	1,236,361	1,319,885	1,530,490	1,709,914
Investment earnings	4,013,488	4,214,564	1,613,383	(764,489)	47,842	1,974,631	3,046,291	472,025	163,961	515,716
Miscellaneous	3,736,690	1,377,598	144,459	43,237	32,621	52,054	297,195	(940,246)	501,033	690,071
Transfers	(4,094,715)	(2,025,750)	(1,796,030)	(2,319,413)	(1,943,054)	(1,049,311)	(1,030,049)	(1,157,529)	(1,294,541)	(1,258,752)
Total business-type activities	4,732,311	4,682,177	999,524	(1,281,832)	444,511	2,260,500	3,549,798	(305,865)	900,943	1,656,949
Total primary government	\$ 165,418,996	\$ 165,459,918	\$ 149,442,596	\$ 141,749,344	\$ 119,940,634	\$ 114,184,673	\$ 114,157,195	\$ 107,286,747	\$ 106,644,563	\$ 100,782,550
<b>CHANGE IN NET POSITION</b>										
Governmental activities	\$ (11,198,170)	\$ 31,840,139	\$ 16,702,363	\$ 31,993,570	\$ 17,979,605	\$ 7,348,212	\$ 52,855,636	\$ 23,282,421	\$ 14,240,901	\$ 30,761,298
Business-type activities	7,428,088	9,391,583	6,797,063	1,226,383	15,358,939	7,458,411	10,409,486	13,065,974	13,001,575	19,497,583
Total primary government	\$ (3,770,082)	\$ 41,231,722	\$ 23,499,426	\$ 33,219,953	\$ 33,338,544	\$ 14,806,623	\$ 63,265,122	\$ 36,348,395	\$ 27,242,476	\$ 50,258,881

**The City of Norman, Oklahoma**  
**Fund Balances of Governmental Funds**  
**Last Ten Fiscal Years**  
**(modified accrual basis of accounting)**

	Fiscal Year									
	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
General fund										
Nonspendable	\$ 32,279	\$ 31,721	\$ 37,016	\$ 202,496	\$ 19,324	\$ 14,065	\$ 32,402	\$ 24,898	\$ 29,473	\$ 20,896
Committed	4,982,373	4,750,438	4,517,987	4,168,853	4,027,066	3,889,176	3,794,419	3,331,295	3,302,656	3,226,149
Assigned	3,520,109	4,572,631	5,473,549	3,887,398	2,893,498	2,849,571	2,541,165	2,503,122	2,298,057	2,281,428
Unassigned	17,148,674	22,530,638	22,724,887	18,490,142	11,773,244	10,836,506	13,223,749	13,046,521	7,166,425	8,861,932
Total general fund	<u>\$ 25,683,435</u>	<u>\$ 31,885,428</u>	<u>\$ 32,753,439</u>	<u>\$ 26,748,889</u>	<u>\$ 18,713,132</u>	<u>\$ 17,589,318</u>	<u>\$ 19,591,735</u>	<u>\$ 18,905,836</u>	<u>\$ 12,796,611</u>	<u>\$ 14,390,405</u>
All other governmental funds										
Nonspendable	\$ 108,530	\$ 110,204	\$ -	\$ 705,994	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted	106,918,308	121,811,750	138,271,260	168,476,838	178,960,048	140,480,988	147,577,408	155,984,942	180,115,682	162,761,288
Assigned	20,630,271	13,819,811	13,284,258	4,622	5,026,161	5,213,736	3,994,574	4,540,592	3,712,781	3,436,379
Unassigned	(108,530)	(110,204)	-	-	-	-	-	-	-	-
Total all other governmental funds	<u>\$ 127,548,579</u>	<u>\$ 135,631,561</u>	<u>\$ 151,555,518</u>	<u>\$ 173,099,234</u>	<u>\$ 183,986,209</u>	<u>\$ 145,694,724</u>	<u>\$ 151,571,982</u>	<u>\$ 160,525,534</u>	<u>\$ 183,828,463</u>	<u>\$ 166,197,667</u>

## The City of Norman, Oklahoma

### Changes in Fund Balances of Governmental Funds Last Ten Fiscal Years (modified accrual basis of accounting) (dollars in thousands)

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
<b>REVENUES</b>										
Taxes	\$ 144,312	\$ 144,212	\$ 135,540	\$ 136,018	\$ 113,938	\$ 104,731	\$ 101,516	\$ 100,061	\$ 100,450	\$ 92,812
Licenses & permits	1,155	1,104	1,343	1,386	1,463	1,142	1,129	1,104	1,162	1,399
Intergovernmental revenues	15,643	16,667	16,135	9,487	22,489	6,622	5,740	10,501	8,358	6,396
Charges for services	19,512	17,648	15,668	14,251	10,887	11,046	11,694	11,657	10,427	10,966
Fines and forfeitures	1,757	1,585	1,189	1,090	1,548	1,794	1,473	2,366	2,300	2,425
Investment earnings	5,495	6,726	3,252	(696)	214	2,254	2,898	1,330	278	334
Other	4,080	4,729	6,193	5,610	3,733	3,324	2,737	3,466	2,652	1,762
Total revenues	191,954	192,671	179,320	167,146	154,272	130,913	127,187	130,485	125,627	116,094
<b>EXPENDITURES</b>										
General government	22,258	14,603	12,428	18,149	16,588	10,015	10,993	10,681	10,022	9,742
Planning	4,647	4,360	3,984	3,816	3,480	3,394	3,528	3,637	3,429	3,454
City controller	3,757	3,471	3,303	3,755	3,702	3,623	3,378	3,503	3,353	3,141
Parks & recreation	16,795	15,549	12,316	11,219	6,227	6,239	5,293	5,249	5,999	5,167
Public works	39,137	41,681	38,432	30,154	30,744	28,266	17,147	18,907	22,634	18,572
Public service	5,223	4,458	6,902	3,067	3,827	1,996	4,120	2,662	3,892	2,963
Public safety	66,698	62,858	57,148	51,565	49,287	48,638	43,009	45,765	43,913	46,079
Capital Outlay	22,409	57,742	78,752	30,806	30,028	24,521	47,788	43,097	31,375	32,910
Debt Service:										
Principal	23,429	18,311	17,898	18,081	15,350	8,415	27,269	16,245	11,671	9,668
Interest and fiscal charges	5,382	5,288	4,450	4,887	4,658	4,388	4,265	4,545	4,839	3,905
Total expenditures	209,735	228,321	235,613	175,499	163,891	139,495	166,790	154,291	141,127	135,601
Excess of revenues over (under) expenditures	(17,781)	(35,650)	(56,293)	(8,353)	(9,619)	(8,582)	(39,603)	(23,806)	(15,500)	(19,507)
<b>OTHER FINANCING SOURCES (USES)</b>										
Issuance of debt	-	16,232	39,500	3,882	47,000	-	30,000	6,105	30,950	65,935
Premium on issuance of debt	-	487	773	-	469	-	-	-	-	1,426
Payment to refunded bond escrow agent	-	-	-	-	-	-	585	-	-	(7,707)
Transfers in	17,354	21,017	15,139	27,114	28,275	18,646	5,736	16,729	10,533	35,034
Transfers out	(13,858)	(18,878)	(15,364)	(25,215)	(26,710)	(17,943)	(4,986)	(16,222)	(9,946)	(34,616)
Total other financing sources (uses)	3,496	18,858	40,048	5,781	49,034	703	31,335	6,612	31,537	60,072
Net change in fund balances	\$ (14,285)	\$ (16,792)	\$ (16,245)	\$ (2,572)	\$ 39,415	\$ (7,879)	\$ (8,268)	\$ (17,194)	\$ 16,037	\$ 40,565
Debt service as a percentage of noncapital expenditures	13.83%	13.83%	14.25%	15.87%	14.95%	11.14%	26.50%	18.70%	15.04%	13.22%



## The City of Norman, Oklahoma

### Taxable Sales by Category Last Ten Fiscal Years (dollars in thousands)

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
General merchandise	\$ 23,042	\$ 23,042	\$ 22,291	\$ 20,974	\$ 20,068	\$ 18,579	\$ 17,864	\$ 17,324	\$ 16,869	\$ 15,678
Eating and drinking establishments	17,895	17,895	17,731	16,628	13,882	12,657	13,189	12,558	12,011	11,366
Miscellaneous retail	9,261	9,261	9,381	9,698	9,409	9,865	9,540	9,253	9,063	9,060
Building materials and farm tools	7,203	7,203	8,441	12,511	8,041	6,050	5,257	5,133	5,241	5,948
Electric, gas & sanitary services	5,235	5,235	5,737	4,735	3,981	3,820	3,986	4,242	3,864	3,460
Home furnishings and appliances	3,859	3,859	4,081	4,284	4,139	3,410	3,668	3,704	3,785	3,480
Food stores	4,656	4,656	4,702	4,456	4,194	3,843	3,849	4,019	4,158	4,062
Apparel and accessory stores	3,887	3,887	3,812	3,855	3,140	2,914	3,437	3,527	3,547	3,642
Communications	2,395	2,395	2,601	2,592	2,312	2,205	2,482	2,503	2,585	2,429
Wholesale trade-durable goods	7,035	7,035	7,685	6,345	5,224	4,855	4,539	4,571	4,657	4,392
All other outlets	14,670	14,670	77,448	12,818	9,453	7,028	7,141	7,204	8,097	7,377
Total	<u>\$ 99,138</u>	<u>\$ 99,138</u>	<u>\$163,910</u>	<u>\$ 98,896</u>	<u>\$ 83,843</u>	<u>\$ 75,226</u>	<u>\$ 74,952</u>	<u>\$ 74,038</u>	<u>\$ 73,877</u>	<u>\$ 70,894</u>
City direct sales tax rate	4.125%	4.125%	4.125%	4.125%	4.125%	4.125%	4.00%	4.00%	4.00%	4.00%

**Source:** Oklahoma Tax Commission

**Note:** Beginning January 1, 2016 sales tax increased by 0.5% for Norman Forward projects.

**The City of Norman, Oklahoma**  
**Direct and Overlapping Sales Tax Rates**  
**Last Ten Fiscal Years**

<u>Fiscal Year</u>	<u>City Direct Rate</u>	<u>State of Oklahoma</u>	<u>Cleveland County</u>
2025	4.125%	4.5%	0.125%
2024	4.125%	4.5%	0.125%
2023	4.125%	4.5%	0.125%
2022	4.125%	4.5%	0.125%
2021	4.125%	4.5%	0.125%
2020	4.125%	4.5%	0.125%
2019	4.000%	4.5%	0.250%
2018	4.000%	4.5%	0.250%
2017	4.000%	4.5%	0.250%
2016	4.000%	4.5%	0.250%

**Source:** Oklahoma Tax Commission

**Note:** Voters approved a .125% City sales tax for transit operations effective April 1, 2021. Voters approved a 0.5% City sales tax for Norman Forward quality of life projects effective January 1, 2017. Voters approved a temporary .5% City public safety sales tax effective October 1, 2008 and ending September 30, 2015. On April 1, 2015, the citizens approved permanent extension of the public safety sales tax.

**The City of Norman, Oklahoma**  
**Sales Tax Revenue Payers by Industry**  
**Fiscal Years 2025 and 2016**  
**(dollars in thousands)**

	Fiscal Year 2025				Fiscal Year 2016			
	Number of Filers	Percentage of Total	Tax Liability	Percentage of Total	Number of Filers	Percentage of Total	Tax Liability	Percentage of Total
Retail trade	1,222	34.2%	\$ 54,237	55.5%	1,131	37.2%	\$ 41,870	59.1%
Accommodation and food service	341	9.5%	20,511	21.0%	289	9.5%	13,120	18.5%
Wholesale trade	490	13.7%	6,539	6.7%	518	17.0%	4,392	6.2%
Utilities	9	0.3%	3,960	4.1%	8	0.3%	3,460	4.9%
Information	192	5.4%	1,949	2.0%	145	4.8%	2,429	3.4%
Manufacturing	332	9.3%	2,297	2.4%	199	6.5%	1,686	2.4%
Educational services	9	0.3%	1,876	1.9%	6	0.2%	19	0.0%
Real estate and rental and leasing	202	5.6%	1,317	1.3%	212	7.0%	1,105	1.6%
Other services (except public administration)	131	3.7%	1,413	1.4%	106	3.5%	636	0.9%
Arts, entertainment, and recreation	56	1.6%	702	0.7%	26	0.9%	403	0.6%
Professional, scientific and technical services	86	2.4%	348	0.4%	77	2.5%	196	0.3%
Construction	55	1.5%	289	0.3%	24	0.8%	48	0.1%
Admin, support, wastemgmt and remediation services	53	1.5%	151	0.2%	39	1.3%	72	0.1%
Transportation and warehousing	22	0.6%	193	0.2%	16	0.5%	116	0.2%
Finance and insurance	30	0.8%	119	0.1%	11	0.4%	60	0.1%
Health care and social assistance	22	0.6%	72	0.1%	7	0.2%	26	0.0%
Agricultural, forestry, fishing and hunting	14	0.4%	27	0.0%	4	0.1%	14	0.0%
Mining, quarrying, and oil and gas extraction	7	0.2%	1,296	1.3%	9	0.3%	84	0.1%
Public administration	3	0.1%	4	0.0%	-	0.0%	-	0.0%
Nonclassifiable	301	8.3%	399	0.4%	216	7.0%	1,159	1.5%
Total	3,577	100.0%	\$ 97,699	100.0%	3,043	100.0%	\$ 70,895	100.0%

**Source:** Oklahoma Tax Commission

**Note:** Due to confidentiality issues, the names of the ten largest revenue payers are not available. The categories presented are intended to provide alternative information regarding the sources of the City's revenue.



## The City of Norman, Oklahoma

### Ratios of Outstanding Debt by Type

#### Last Ten Fiscal Years

(dollars in thousands, except per capita)

Fiscal Year	Governmental Activities				Business-Type Activities			Total Primary Government	Percentage of Personal Income <sup>1</sup>	Per Capita <sup>1</sup>
	General Obligation Bonds	Revenue Bonds	Leases	Term Loans	Revenue Bonds	Term Loans	Leases			
2016	71,419	-	-	78,650	981	54,470	-	205,520	1.8%	1,708.66
2017	63,101	-	819	106,440	839	55,677	-	226,876	1.9%	1,843.48
2018	51,788	-	414	107,790	693	65,138	-	225,823	1.9%	1,838.31
2019	71,034	-	-	92,065	536	86,230	-	249,865	2.1%	2,023.67
2020	67,812	-	-	86,675	369	83,788	-	238,644	1.9%	1,911.08
2021	83,689	-	-	102,655	192	79,365	-	265,901	2.1%	2,076.93
2022	74,404	-	547	97,733	-	72,223	907	245,814	1.9%	1,918.96
2023	106,359	-	918	87,885	-	64,837	855	260,854	2.0%	2,088.31
2024	114,503	-	748	77,857	-	57,600	801	251,509	1.8%	1,934.00
2025	101,433	-	576	67,213	-	53,438	747	223,407	1.8%	1,705.27

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

<sup>1</sup> See the Schedule of Demographic and Economic Statistics on page 130 for personal income and population data.

## The City of Norman, Oklahoma

### Ratios of General Bonded Debt Outstanding Last Ten Fiscal Years (dollars in thousands, except per capita)

Fiscal Year	General Obligation Bonds	Less: Amounts Available in Debt Service Fund	Total	Percentage of Estimated Actual Taxable Value <sup>1</sup> of Property	Per Capita <sup>2</sup>
2016	71,419	6,552	64,867	6.97%	539.28
2017	63,101	8,638	54,463	5.48%	432.21
2018	51,788	5,769	46,019	4.49%	362.99
2019	71,034	2,674	68,360	6.58%	553.65
2020	67,812	7,201	60,611	5.65%	485.35
2021	83,689	4,879	78,810	7.05%	615.58
2022	74,404	6,550	67,854	5.71%	529.71
2023	106,359	4,282	102,077	7.87%	787.47
2024	114,503	9,520	104,983	7.63%	807.27
2025	101,433	9,461	91,972	6.28%	702.02

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

<sup>1</sup> See the Schedule of Legal Debt Margin Information on page 128 for property value data.

<sup>2</sup> Population data can be found in the Schedule of Demographic and Economic Statistics on page 130.

## The City of Norman, Oklahoma

### Direct and Overlapping Governmental Activities Debt As of June 30, 2025 (dollars in thousands)

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable <sup>1</sup>	Estimated Share of Overlapping Debt
Debt repaid with property taxes: Norman Public Schools	136,790	95.37%	130,457
Debt repaid with property taxes: McCloud Public Schools	-	0.02%	-
Debt repaid with property taxes: Robin Hill Public Schools	505	0.10%	1
Debt repaid with property taxes: Noble Public Schools	8,065	0.62%	50
Debt repaid with property taxes: Mid Del Public Schools	49,690	0.02%	10
Debt repaid with property taxes: Little Axe Public Schools	1,795	0.18%	3
Debt repaid with property taxes: Moore Public Schools	141,015	3.13%	4,414
Subtotal, overlapping debt	337,860		134,935
City of Norman direct debt			169,273
Total direct and overlapping debt			\$ 304,208

**Source:** Assessed value data used to estimate applicable percentages and debt outstanding provided by the Cleveland County Assessor.

**Note:** Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the City. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and business of the City of Norman. This process recognizes that, when considering the City's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping government.

<sup>1</sup> The percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of the county's taxable assessed value that is within the City's boundaries and dividing it by the county's total taxable assessed value.

## The City of Norman, Oklahoma

**Legal Debt Margin Information**  
**Last Ten Fiscal Years**  
**(dollars in thousands)**

	Fiscal Year									
	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Assessed value of property	\$ 1,464,468	\$ 1,375,296	\$ 1,296,635	\$ 1,187,461	\$ 1,117,342	\$ 1,073,220	\$ 1,038,922	\$ 993,913	\$ 963,371	\$ 930,798
Debt limit <sup>1</sup> , 10% of assessed value	146,447	137,530	129,664	118,746	111,734	107,322	103,892	99,391	96,337	93,080
Amount of debt applicable to limit:										
Legal debt margin	\$ 146,447	\$ 137,530	\$ 129,664	\$ 118,746	\$ 111,734	\$ 107,322	\$ 103,892	\$ 99,391	\$ 96,337	\$ 93,080
Debt limit <sup>2</sup> , 30% of assessed value	\$ 439,340	\$ 412,589	\$ 388,991	\$ 356,238	\$ 335,203	\$ 321,966	\$ 311,677	\$ 298,174	\$ 289,011	\$ 279,239
Amount of debt applicable to limit:										
General Obligation Bonds	101,433	114,503	104,240	72,790	81,875	66,205	69,230	50,360	61,445	71
Less: Resources restricted to paying principal	(9,461)	(9,520)	(4,282)	(6,550)	(4,879)	(7,201)	(2,674)	(5,769)	(8,638)	(6,552)
Total net debt applicable to limit	91,972	104,983	99,958	66,240	76,996	59,004	66,556	44,591	52,807	64,867
Legal debt margin	\$ 347,368	\$ 307,606	\$ 289,033	\$ 289,998	\$ 258,207	\$ 262,962	\$ 245,121	\$ 253,583	\$ 236,204	\$ 214,372
Total net debt applicable to the limit as a percentage of debt limit	25.44%	25.44%	25.70%	18.59%	22.97%	18.33%	21.35%	14.95%	18.27%	23.23%

<sup>1</sup> Article X, Section 26 of the Oklahoma Constitution states that bonds issued for road and/or bridge improvements cannot exceed ten percent (10%) of the net assessed valuation (gross valuation minus homestead) of the City,

<sup>2</sup> Article X, Section 27 of the Oklahoma Constitution authorizes cities and towns to issue bonds for utilities. The courts have defined utilities broadly as anything used by the public. If the City's debt exceeds 30% of its net assessed valuation, the City can still sell its general obligation bonds; however, due to collateralization requirements, it may be difficult to attract Oklahoma banks to bid on the bonds and therefore affect the marketability of the bonds.



## The City of Norman, Oklahoma

### Pledged-Revenue Coverage

#### Last Ten Fiscal Years

(dollars in thousands)

Fiscal Year	NUA Revenue Bonds & Term Loans						NMA Revenue Bonds and Term Loans					
	Gross Revenue <sup>1</sup>	Less: Operating Expenses <sup>2</sup>	Net Available Revenue	Debt Service		Coverage	Gross Revenue <sup>1</sup>	Less: Operating Expenses <sup>2</sup>	Net Available Revenue	Debt Service		Coverage
				Principal	Interest					Principal	Interest	
2016	37,308	11,657	25,651	6,508	1,287	3.29	16,021	11,781	4,240	680	171	4.98
2017	33,834	18,055	15,779	5,943	1,053	2.26	16,315	11,603	4,712	705	151	5.50
2018	34,050	17,747	16,303	5,508	1,262	2.41	16,624	12,346	4,278	725	131	5.00
2019	35,355	6,402	28,953	5,631	2,156	3.72	17,918	13,294	4,624	580	108	6.72
2020	35,946	18,177	17,769	7,296	2,389	1.83	17,891	12,950	4,941	1,750	88	2.69
2021	39,647	21,199	18,448	7,409	2,239	1.91	18,603	14,813	3,790	180	24	18.58
2022	37,433	24,521	12,912	7,143	2,366	1.36	16,084	14,033	2,051	-	-	-
2023	40,365	23,927	16,438	7,104	2,551	1.70	17,713	17,212	501	-	-	-
2024	46,283	26,486	19,797	7,786	2,418	1.94	18,982	15,336	3,646	-	-	-
2025	50,186	31,737	18,449	8,064	1,816	1.87	18,697	14,755	3,942	-	-	-

**Notes:** Details regarding the City's outstanding debt can be found in the notes to the financial statements.

<sup>1</sup> Total revenues (including interest and transfers in) exclusive of sewer maintenance charges and capital improvement charges.

<sup>2</sup> Total operating expenses exclusive of depreciation, amortization, Sewer Maintenance Fund expenses.

## The City of Norman, Oklahoma

### Demographic and Economic Statistics

#### Last Ten Fiscal Years

Fiscal year	Population <sup>1</sup>	Personal Income (billions of dollars) <sup>5</sup>	Per Capita Income <sup>2</sup>	Median Age <sup>2</sup>	School Enrollment <sup>3</sup>	Unemployment Rate <sup>4</sup>
2016	120,284	11.2	28,273	30.1	15,944	4.20%
2017	122,180	11.9	28,458	30.3	16,363	4.20%
2018	122,843	11.8	30,168	30.3	16,162	3.50%
2019	123,471	12.1	28,977	30.1	16,289	3.20%
2020	124,880	12.7	30,449	30.4	14,419	6.70%
2021	128,026	12.8	31,710	30.9	15,449	3.20%
2022	128,097	13.2	31,877	30.9	16,430	2.90%
2023	129,627	13.4	33,899	32.3	15,786	2.70%
2024	130,046	13.9	35,102	32.9	15,867	3.50%
2025	131,010	13.9	39,077	34.1	16,048	3.30%

#### Data Sources

<sup>1</sup> Years 2016-25 obtained from census data

<sup>2</sup> U.S. Census Bureau, American Community Survey 2015-2020 and 2022-2025 estimated

<sup>3</sup> Norman Public Schools

<sup>4</sup> U.S. Department of Labor

<sup>5</sup> Personal income estimated

**The City of Norman, Oklahoma**  
**Principal Employers**  
**Current Year and Nine Years Ago**

<b>Employer</b>	<b>2025</b>			<b>2016</b>		
	<b>Employees</b>	<b>Rank</b>	<b>Percentage of Total City Employment</b>	<b>Employees</b>	<b>Rank</b>	<b>Percentage of Total City Employment</b>
The University of Oklahoma	11,917	1	17.05%	12,734	1	21.49%
Norman Regional Hospital	3,000	2	4.29%	2,933	2	4.95%
Norman Public Schools	2,251	3	3.22%	1,875	3	3.16%
Advanced Call Center Technology	1,500	4	2.15%			
Walmart / Sam's Club	1,300	5	1.86%	795	6	1.34%
York International / Johnson Controls / Bosch	1,300	5	1.86%	950	4	1.60%
City of Norman	954	7	1.46%	859	5	1.45%
Cleveland County	526	8	0.75%			
Oklahoma Vetran's Center	399	10	0.57%	413	10	0.70%
NOAA National Severe Storm Laboratory				550	7	0.93%
Dept. of Mental Health & Substance Abuse Services				515	8	0.87%
Oklahoma Vetran's Center	380	10	0.54%	505	9	0.85%
<b>Total</b>	<b>23,527</b>		<b>33.75%</b>	<b>22,129</b>		<b>37.34%</b>

**Source:** Various employers within the City of Norman and the Bureau of Labor and Statistics.

## The City of Norman, Oklahoma

### Full Equivalent City Employees by Function Last Ten Fiscal Years

FUNCTION	Full-time Equivalent Employees as of June 30									
	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
General government	57	55	54	53	59	62	64	60	64	61
Planning	36	37	36	38	35	34	38	36	38	37
City controller	23	23	34	33	35	34	32	30	30	29
Parks & recreation	90	82	72	72	52	52	55	59	58	53
Public works	124	123	123	124	120	118	115	116	119	112
Public safety										
Police	261	263	253	247	255	260	259	262	259	245
Fire	179	169	167	164	168	169	171	171	173	163
Westwood	36	35	36	33	34	34	37	18	16	17
Water	65	65	51	50	51	49	49	48	50	49
Wastewater	51	50	48	45	47	44	45	45	46	43
Sanitation	73	65	63	63	60	59	59	58	60	58
Total	995	967	937	922	916	915	924	903	913	867

**Source:** City Payroll Office

**Notes:** A full-time employee is scheduled to work 2,080 hours per year (including vacation and sick leave). Fulltime employment is calculated by dividing total labor hours by 2,080.

## The City of Norman, Oklahoma

### Operating Indicators by Function

#### Last Ten Fiscal Years

FUNCTION	Fiscal Year									
	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Planning										
Building permits issued	1,235	1,542	1,642	1,835	1,962	1,704	1,552	1,540	1,575	2,418
Building inspections conducted	21,876	21,950	26,348	27,897	26,403	24,719	23,216	23,799	25,846	26,556
Police										
Physical arrests	5,415	5,319	4,679	4,478	4,018	5,172	6,478	6,076	5,594	5,709
Parking violations	7,897	8,829	8,339	6,145	5,607	6,576	12,029	14,836	17,438	13,433
Traffic violations	12,437	10,364	6,545	4,303	8,551	13,422	15,509	14,985	16,988	16,249
Non-traffic violations	3,280	3,133	2,580	2,476	2,534	2,421	3,585	3,792	4,704	4,012
Fire										
Calls answered	20,626	18,249	17,781	17,962	17,648	16,071	15,925	15,491	14,425	13,761
Inspections	1,341	774	816	775	1,477	1,967	2,440	2,331	2,972	2,983
Sanitation										
Refuse collected (tons per day)	337	336	338	337	338	319	321	288	272	316
Recyclables collected (tons per day)	29	19	19	19	17	18	20	22	28	32
Highways and streets										
Street resurfacing (miles)	7	5	8	12	20	17	13	19	8	17
Street patching (tons of asphalt used)	3,139	3,796	2,700	3,030	1,583	523	1,091	1,611	2,502	2,767
Parks and recreation										
Athletic field permits issued	173,435	162,950	171,359	171,313	189,564	135,485	189,663	150,173	119,904	146,641
Community center admissions	189,173	186,733	54,848	76,533	32,243	77,539	105,455	127,239	129,705	127,522
Water										
New connections	389	387	364	550	630	478	441	407	458	496
Water main breaks	163	143	212	127	213	163	133	166	160	159
Average daily consumption (thousands of gallons)	14,620	15,080	14,980	14,310	13,880	13,440	12,080	13,250	12,730	12,180
Peak daily consumption (thousands of gallons)	23,150	23,350	25,520	20,880	26,000	22,200	21,290	20,560	22,290	19,870
Wastewater										
Average daily sewage treatment (thousands of gallons)	11,400	11,400	11,200	11,200	10,800	11,200	12,300	11,000	9,700	9,800

**Sources:** Various city departments.

**Notes:** No indicators are available for the general government function.

# The City of Norman, Oklahoma

## Capital Asset Statistics by Function

### Last Ten Fiscal Years

FUNCTION	Fiscal year									
	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Public safety										
Police										
Stations	2	2	2	2	2	2	2	2	2	2
Patrol units	107	103	108	119	119	122	115	117	116	117
Fire stations	9	9	9	9	9	9	9	9	9	9
Sanitation										
Collection trucks	42	39	38	43	43	54	44	43	40	41
Highways and streets										
Streets (miles)	784	784	784	782	777	773	773	768	765	763
Streetlights	6,767	6,758	6,744	6,680	6,657	6,626	6,609	6,605	6,565	6,478
Traffic signals	256	256	256	258	256	257	256	256	256	250
Parks and recreation										
Acreage	1,165	1,165	1,158	1,158	1,158	1,158	1,158	1,158	1,158	1,158
Playgrounds	57	57	56	56	56	55	54	53	53	52
Swimming pools	6	6	6	6	6	6	6	6	6	5
Tennis courts	27	27	26	26	26	26	26	24	24	24
Community centers	6	6	5	5	5	5	5	5	5	5
Golf courses	1	1	1	1	1	1	1	1	1	1
Disc golf courses	5	5	5	5	5	5	4	4	4	4
Skateparks/Skate spots	4	4	4	4	4	4	3	1	1	1
Bike parks	1	1	1	1	1	1	1	-	-	-
Fishing lakes	7	7	7	7	7	7	7	7	7	7
Water										
Water mains (miles)	654	650	645	636	629	619	606	600	600	597
Fire hydrants	7,095	7,016	6,932	6,701	6,472	6,351	6,071	5,986	5,988	5,921
Water towers	5	5	5	5	5	5	5	5	5	5
Maximum daily capacity (thousands of gallons)	30,340	28,940	25,780	25,700	23,500	23,500	23,300	23,300	23,300	23,500
Wastewater										
Sanitary sewers (miles)	532	531	525	521	518	516	515	508	511	500
Manholes	12,591	12,551	12,399	12,288	12,186	12,147	12,097	11,927	11,928	11,656
Maximum daily treatment capacity (thousands of gallons)	36,000	36,000	36,000	36,000	36,000	36,000	36,000	36,000	36,000	30,000

**Sources:** Various city departments.

**Note:** No capital asset indicators are available for the general government function.





Photos taken by Eli Coffman  
Operator, Water Treatment Plant





