



# ANNUAL COMPREHENSIVE FINANCIAL REPORT



**THE CITY OF NORMAN, OKLAHOMA**  
**FISCAL YEAR ENDING JUNE 30, 2022**





**ON THE COVER:** On October 13, 2015 the voters of Norman approved a one-half percent (1/2%), fifteen-year sales tax increase to fund quality of life improvement projects throughout Norman. The NORMAN FORWARD citizen initiative passed with over a 75% approval rate and is funding projects long anticipated in the City's Parks and Recreation Master Plan, Library Master Plan and Transportation Master Plan. Over \$195 million in capital projects are envisioned to be built through the NORMAN FORWARD program.

One of the major NORMAN FORWARD projects (budgeted at a combined \$22.5 million) is the construction of an indoor multi-sport and aquatics center. The facility is designed to provide a venue for basketball, swimming, volleyball, gymnastics, cheerleading and other activities to Norman residents, and for the high school swimming teams at Norman High and Norman North High Schools. After much public input and City Council discussion, it was decided to locate the indoor aquatics and multi-sport center in the University North Park development in northwest Norman. This location will enable sports competitions and tournaments to be hosted at the facility, drawing visitors from throughout the state of Oklahoma and the surrounding region. A unique asset is that visitors to Norman's indoor aquatic and sports venue will be within walking distance of over 600 hotel rooms and dozens of restaurants and commercial businesses.

The University North Park development is a Tax Increment Finance (UNP TIF) District. The siting of the facility within UNP enabled incremental tax revenues, dedicated to the enhancement of the UNP development, to be used toward the purchase of UNP land for and the construction of the indoor sports facility. Almost \$5 million of UNP TIF funding is being used toward the indoor sports facility (approximately \$2 million for land purchase and \$2.7 million for supplemental construction costs).

In June 2020, the family of National Basketball Association all-star and Norman native and resident Trae Young announced a \$4 million contribution toward the construction of the indoor multi-sport and aquatic center. The facility will be called the "Young Family Athletic Center (YFAC)" and will carry endorsements from private sector businesses associated with Trae Young.

The Norman Regional Health System, a public trust with the City of Norman as the sole beneficiary, will co-locate a major health and wellness clinic, "N-Motion", within the YFAC. This clinic, costing an estimated \$6.4 million, will enable athletes and patients to pursue state of the art exercise, rehabilitation and performance enhancement activities on the site of the YFAC.

In August, 2021, the Norman Municipal Authority completed a \$3.8 million financing to supplement construction costs for the YFAC, secured by a ten-year pledge of Norman Hotel/Motel Tax revenues. In total, the YFAC will have a combined budget of over \$41.2 million. Construction of the YFAC began in the fall of 2021, and the facility is expected to open in the summer of 2023.

**PHOTOS PROVIDED BY THE NORMAN PARKS AND RECREATION DEPARTMENT  
And BOLD-MULTIMEDIA**



The City  
of  
Norman, Oklahoma



Annual Comprehensive  
Financial Report  
Fiscal Year Ended  
June 30, 2021

Prepared by:  
City of Norman  
Finance Department

# THE CITY OF NORMAN, OKLAHOMA

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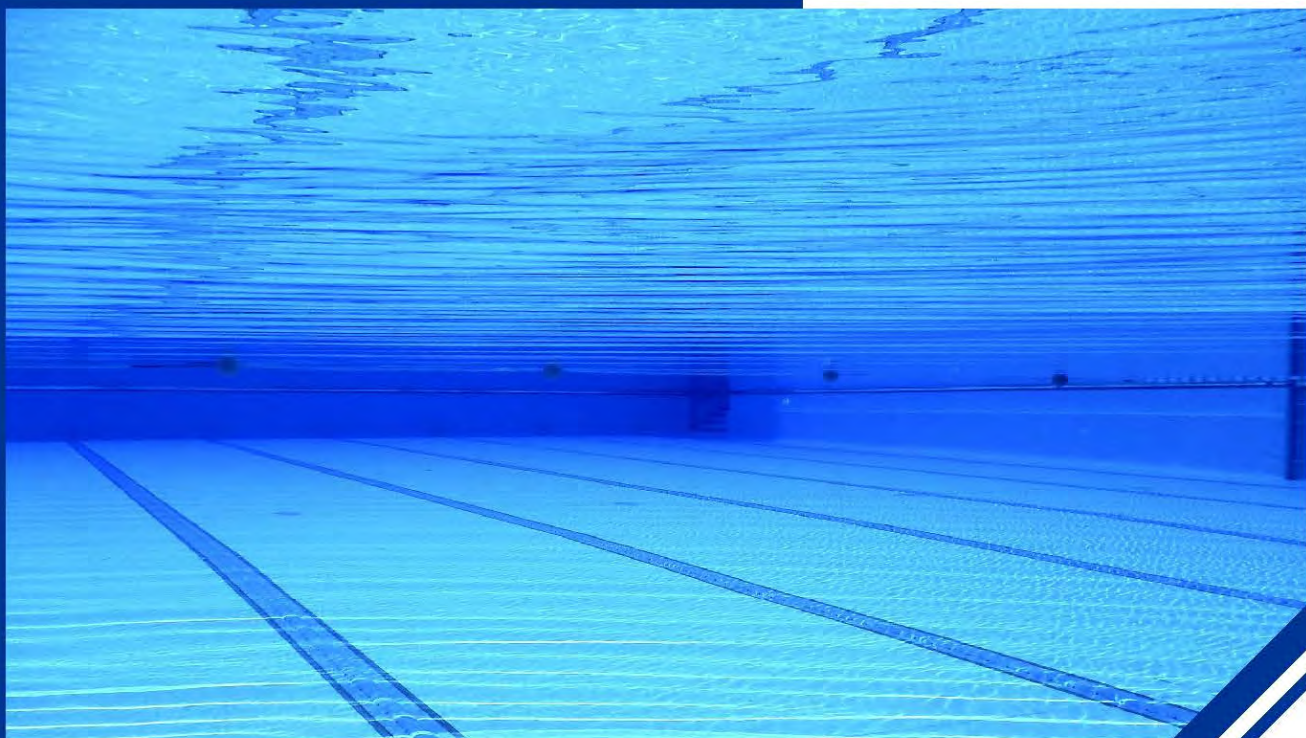
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# **Introductory Section**





# The City of **NORMAN**

201 West Gray, Bldg. • P.O. Box 370  
Norman, Oklahoma 73069 • 73070

CITY MANAGER'S OFFICE  
Phone: 405-366-5402

December 9, 2021

Citizens of the City of Norman, Oklahoma  
Honorable Mayor and City Council

State law requires that every general-purpose local government publish, within six months of the close of each fiscal year, a complete set of audited financial statements. Several disclosure covenants related to the City's beneficial Trusts and Authorities also require timely posting of approved financial statements. This report is published to fulfill those requirements for the fiscal year ended June 30, 2021.

Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal control that it has established for this purpose. Because the cost of internal control should not exceed the anticipated benefits of providing the control, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

BKD, LLP has issued an unmodified ("clean") opinion on the City of Norman ("City") financial statements for the year ended June 30, 2021. The independent auditors' report is located at the front of the financial section of this report.

Management's Discussion and Analysis ("MD&A") immediately follows the independent auditor's report and provides a narrative introduction, overview, and analysis of the basic financial statements. The MD&A complements this Letter of Transmittal and should be read in conjunction with it. We are pleased to report that the financial position of the City of Norman and its component units is strong.

## **Profile of the Government**

An elected Mayor and eight-member Council govern the City of Norman. Daily operations of the City are administered by a City Manager appointed by majority vote of the City Council.

The Basic Financial Statements of the City include all governmental and business-type activities, organizations and functions, including those legally separate organizations for which the City is financially accountable as defined by the Governmental Accounting Standards Board ("GASB").

The City provides a full range of municipal government services to over 128,000 residents and numerous visitors annually. Municipal services provided include: traffic control; water production and distribution; public transportation and paratransit services; stormwater management and flood control; wastewater collection and treatment (water reclamation); solid waste collection and disposal; emergency response services; city code enforcement; crime prevention, enforcement and adjudication; construction and maintenance of streets and bridges; maintenance of park land; and public recreational facilities.

The City does not operate hospitals or schools. Special districts and governmental entities with independent authority administer the public hospital, public schools and the university within the city. The City provides School Resource Police Officers through a cost-sharing agreement with the Norman Public Schools.

The Council is required to adopt a final budget by no later than ten days before the close of the fiscal year. This annual budget serves as the foundation for the City's financial planning and control. The budget is prepared by fund, department and category (e.g., salary and benefits). Department managers may transfer resources within their department as they see fit. Transfers between departments, however, need special approval from the City Manager. City Council approval is needed for transfers between funds or between capital projects.

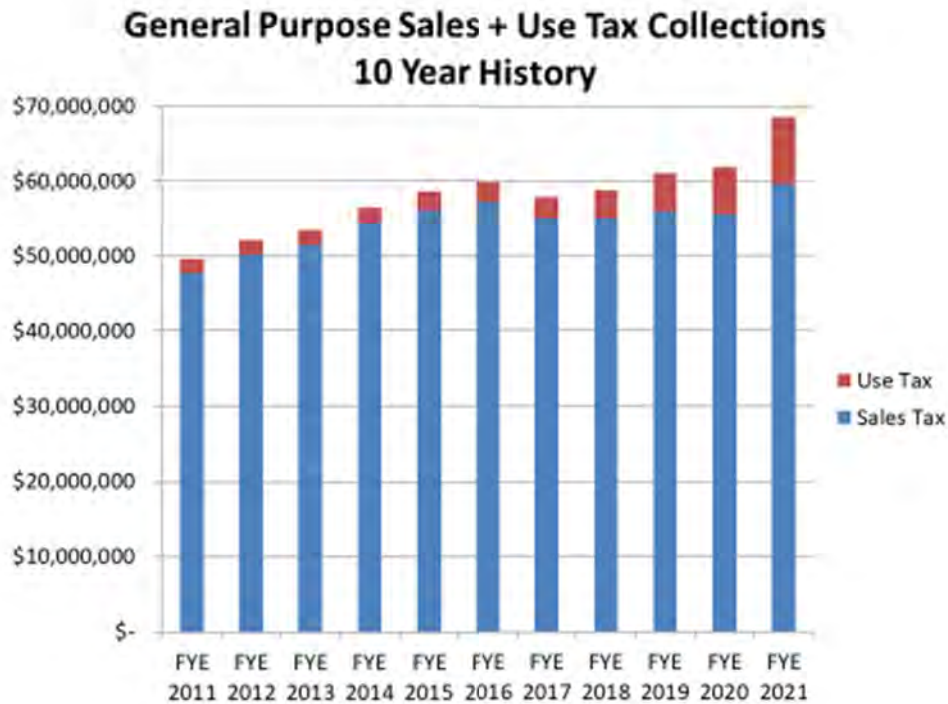
### **Local Economy; Relevant Financial Policies**

The City of Norman is located in the geographic center of Oklahoma and is within the Oklahoma City metropolitan area. Norman's high quality of life is sought by people of all ages and walks of life, and is demonstrated by population growth in recent years. The University of Oklahoma, National Severe Storms Laboratory and National Weather Service, Hitachi Computer Products, U.S. Postal Service Technical Center, Immuno Mycologics Incorporated, SYSCO Food Services, Avara Pharmaceutical Technologies, and Johnson Controls Unitary Products Group are some of the leading institutions and businesses located in Norman. Several of these businesses have recently expanded, helping to sustain the health of the local economy for years to come.

One of the best indicators of the economic condition of the City is the evaluation of trends in some key factors. Sales and use taxes and franchise fees collectively represent 60% of the City's total General Fund revenue. Sales tax receipts increase in proportion to the level of retail sales and therefore provide a good indication of the economic condition of the community. Use taxes are collected at the same rate as sales tax on sales of goods outside of the state of Oklahoma for use within Norman, such as on-line sales. Reflecting changes in consumer behavior to on-line purchasing, use tax is an increasing source of revenue, but is relatively difficult to enforce.

Overall, sales tax collections increased by 7.2% from fiscal year 2019-2020 (FYE 2020) levels. As an indicator of the local economy sales tax recovered strongly from the decline induced by the Coronavirus pandemic of 2020, with increasing rates of growth through the fourth quarter of the FYE 2021. Collections from the City's franchise fees (charges to private electric, natural gas and

cable companies to operate within the City's rights-of-way), which are heavily dependent on weather patterns, decreased 2.6% from FYE 2020 levels.

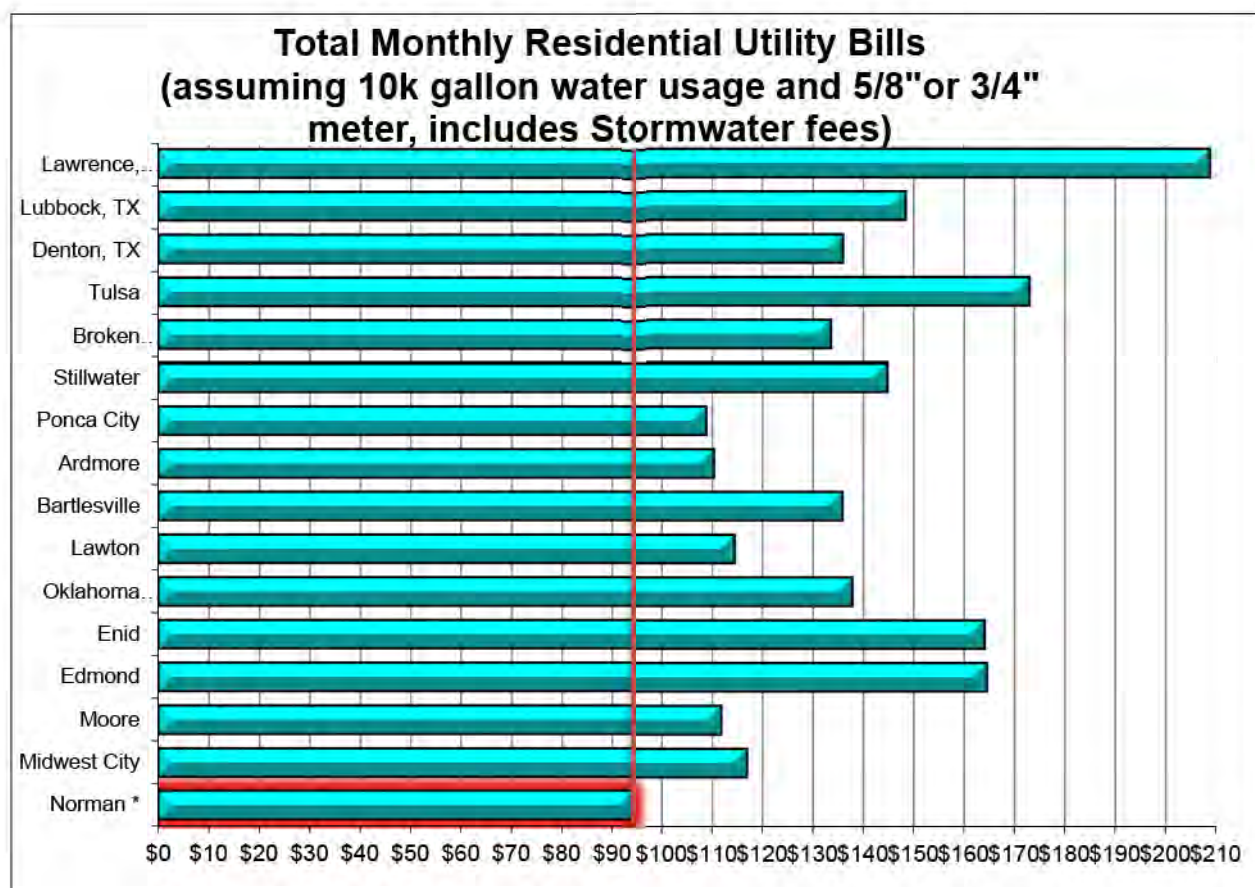


Since sales and use taxes and building permit revenues are a primary source of the City's general governmental revenue, are by nature volatile, and because Norman is subject to extreme weather conditions which can necessitate significant unexpected expenditures during the course of the budget year, the City must budget conservatively and maintain sufficient fund balances to absorb any shortfalls that may occur. As a result, prudent reserve policies have been codified in a Net Revenue Stabilization ("Rainy Day") Fund Ordinance. The Ordinance requires a budgetary (cash basis) fund balance of at least three percent (3%) of budgeted expenditures in the General Fund; a General Fund "Emergency Reserve" appropriation of 1%; and a minimum of 4% of General Fund expenditures to be maintained in a separate "Rainy Day" Fund (a minimum total of 8 percent of General Fund expenditures are mandated to be held in reserve fund balances or appropriations). The Ordinance sets a Targeted Rainy Day Fund balance of 5% of General Fund expenditures (the total Targeted Reserve Fund Balance is 9% of General Fund expenditures).

Fund balance in the Net Revenue Stabilization Fund can only be appropriated for expenditure in case of federally-declared disasters or extraordinary capital expense requirements in the General Fund, or if the General Fund balance falls below one percent. The Ordinance requires that the Net Revenue Stabilization Fund balance be built or rebuilt to its minimum level within three years of any expenditure of Rainy Day Fund balances. The City of Norman's Rainy Day Fund is being maintained at its Targeted level as of June 30, 2021.



The City also targets a fund balance level in other operating funds of at least eight percent (8%) of budgeted expenditures to protect citizen/customer service delivery from unexpected revenue shortfalls or cost overruns. The City also seeks to set utility rates within utility enterprise funds at a level to meet average net income and reserve requirements over a five-year period without the need for interim adjustments. The City's unique Charter requirement that utility rate increases must be approved by a majority vote of the people of Norman makes this policy more difficult to achieve. The voters of Norman have not approved a water rate increase since 2015; wastewater, since 2013; and sanitation, since 2011. Norman is also one of the few cities of its size that does not have a stormwater utility fee to pay for the costs of federally-mandated pollutant discharge programs. Norman's all-in utility rates are among the lowest in the region:



### Long-term Financial Planning

The City provides very competitive employee benefit packages, particularly for health insurance and retirement (information on employee benefits is given in the Notes to Financial Statements Section). Much of the City's long-term financial planning efforts in the general governmental service areas relate to controlling the rate of growth in these employee costs. The City continues to provide adequate service levels, but the ability to maintain these service levels without new revenue sources to support increased staffing will become doubtful. The Council continues to consider alternative revenue sources.

The financial status of the City's utility enterprise funds is driven by major capital expenditures. The Council, acting as Trustees of the Norman Utilities Authority, has approved major expansion and improvements to the Norman Water Treatment Plant and expansion of the City's groundwater supplies. These major water facility improvements are the first major phase of the program laid out in the NUA's 2060 Strategic Water Supply Plan, which was approved in 2014. A second phase is proposed for FYE 2023, to provide for groundwater treatment and advanced meter infrastructure, pending voter approval of adequate water rates.

## **Major Initiatives**

The citizens of Norman approved an earmarked, temporary (15-year term) sales tax of one-half percent (1/2%) to fund major quality of life improvements in October, 2015: the NORMAN FORWARD initiative. The City's Norman Municipal Authority issued Tax Revenue Notes to finance the major facilities included in the Norman Forward program, and major facilities have been completed or are under construction, including the new Westwood Family Aquatic Center; the new Norman Public Library, East Branch; the expanded Westwood Tennis Center; the Griffin Park Soccer Complex; the new Norman Public Library, Central Branch; the new Ruby Grant Regional Park, and community and neighborhood park improvement city-wide. Ongoing projects include the reconstructed Reaves Park Youth Softball/Baseball Complex; the construction and extension of James Garner Boulevard in central Norman; and a new Senior Wellness Center.

NORMAN FORWARD is also funding the new Trae Young Family Athletic Center, which will house 8 basketball courts, convertible to 12 volleyball courts or for other purposes; an indoor competition-sized swimming pool and separate "warm-up" pool; a state of the art physical therapy and training center in the Norman Regional Health System's "N-Motion" Clinic; and outdoor training facilities. The YFAC is illustrated in information and graphics on the cover and divider pages throughout this document.

The City of Norman is scheduled to receive over \$22,000,000 in American Rescue Plan Act entitlement funds, of which approximately \$11,000,000 was received in FYE 2021. The City Council has appropriated \$9,500,000 of these funds to complete funding necessary to construct the City's new Emergency Operations and Communications Center (EOCC). The EOCC will house the City's emergency dispatch functions, traffic control center, emergency operations center, and other functions. With funding in place, construction of the facility will begin in FYE 2022.

The voters of Norman also approved a major general obligation bond package for road and drainage improvements throughout Norman in 2019. Major projects funded by the 2019 G.O. Bond program are ongoing, including widening and streetscape improvements along Porter Avenue and Jenkins Avenue.

## **Awards and Acknowledgements**

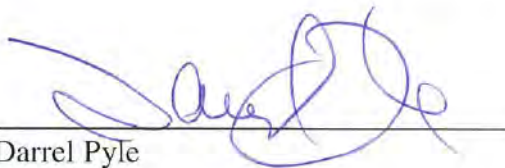
The Government Finance Officers Association ("GFOA") awarded a *Certificate of Achievement* for Excellence in Financial Reporting to the City for its Annual Comprehensive Financial Report ("ACFR") for the fiscal year ended June 30, 2020. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized ACFR. This

report must satisfy both accounting principles generally accepted in the United States of America and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. We believe our current report continues to conform to the Certificate of Achievement program requirements, and we will submit it to the GFOA to determine its eligibility for certification.

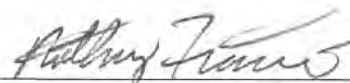
Preparation of an ACFR is a complex task and one that requires considerable expertise and experience. More important, the ongoing maintenance and reporting of the City's financial condition at the level to which Norman has been accustomed requires professionalism and dedication far beyond what could be expected from a paycheck. The City is fortunate to have a very talented accounting staff willing to undertake these magnanimous efforts year after year. It is our pleasure to express sincere thanks to the accounting staff of the City. Chief Accountant Clint Mercer, CPA, CPFO, and Municipal Accountant Debbie Whitaker deserve particular recognition for their efforts in preparing representative financial statements. We would also like to thank BKD, LLP, independent auditors of the City, for their guidance and technical assistance.

Finally, we would like to express our gratitude and appreciation to the members of the Norman City Council and the Council's Finance and Audit Committee for your policy guidance which is contained in this document. As the governing body, your commitment to ensure accurate and reliable financial accounting and reporting systems, and to provide adequate staffing levels to ensure them, establishes an environment influencing all other decisions that are made. We are proud to convey the City Council's commitment to excellence to our citizens and all readers of the FYE 2021 ACFR.

Respectfully submitted,



Darrel Pyle  
City Manager



Anthony Francisco, CPFO, CTP, CPFA, ACPFIM  
Director of Finance/City Controller





Government Finance Officers Association

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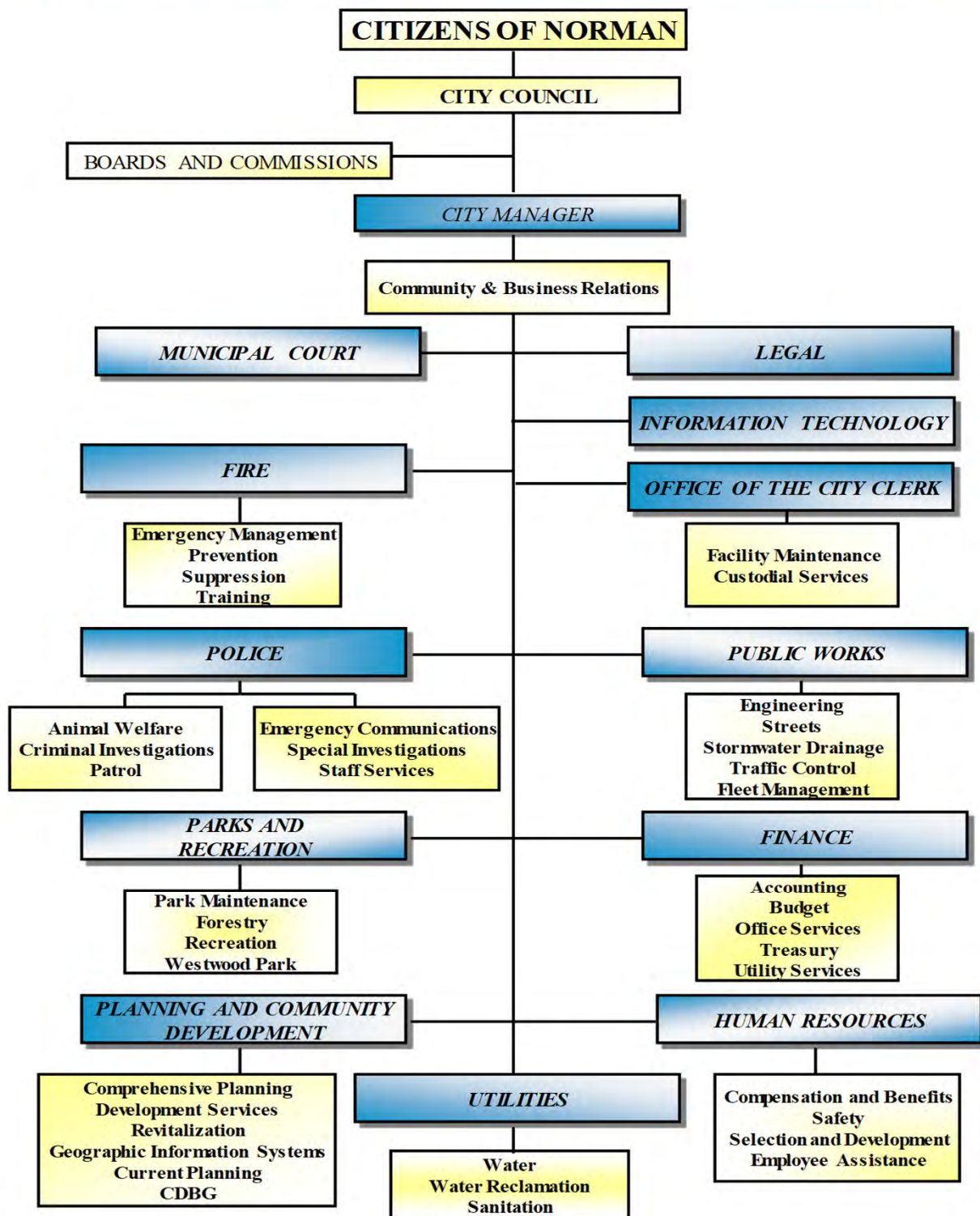
For its Comprehensive Annual  
Financial Report  
For the Fiscal Year Ended

June 30, 2020

*Christopher P. Morrill*

Executive Director/CEO

# 



## **CITY OFFICIALS**

**MAYOR**  
Breea Clark

<b>Ward 1</b>	Brandi Studley	<b>Ward 5</b>	Michael Nash
<b>Ward 2</b>	Joe Carter	<b>Ward 6</b>	Elizabeth Foreman
<b>Ward 3</b>	Alison Petrone	<b>Ward 7</b>	Stephen Holman
<b>Ward 4</b>	Lee Hall	<b>Ward 8</b>	Matthew Peacock

**City Manager** Darrel Pyle



## **ACCOUNTING & RESEARCH STAFF**

**Anthony Francisco, CPFO, CTP, CPFA**  
Finance Director

**Clint Mercer, CPA, CPFO**  
Chief Accountant

**Debbie Whitaker**  
Municipal Accountant III

**Mindy Aynes**  
Municipal Accountant II

**Ashley Evans**  
Administrative Technician IV

**Lisa Woods**  
Municipal Accountant I

**Kim Coffman**  
Budget Manager

This document was prepared by the City of Norman Finance Department  
For additional information please contact:  
City of Norman Finance Department  
P.O. Box 370  
Norman, OK 73070  
(405) 366-5413



## Financial Section

## Independent Auditor's Report

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

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Norman, Oklahoma (the City), as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, as listed in the table of contents.

### ***Management's Responsibility for the Financial Statements***

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

### ***Auditor's Responsibility***

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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



## ***Opinions***

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City, as of June 30, 2021, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## ***Other Matters***

### ***Required Supplementary Information***

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

### ***Other Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The other supplementary information, consisting of combining statements and budgetary comparison schedules and the introductory and statistical sections, as listed in the table of contents, is presented for purposes of additional analysis and is not a required part of the basic financial statements.

The combining statements and budgetary comparison schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining statements and budgetary comparison schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Honorable Mayor and City Council  
City of Norman, Oklahoma  
Page 3

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

*BKD, LLP*

Oklahoma City, Oklahoma  
December 9, 2021

## 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, 2021. 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-x 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 \$750,869,345 (net position).
- The City's total net position increased by \$33,338,544.
- As of the close of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$202,699,341, an increase of \$39,415,299 in comparison with the prior year. Approximately 94% or \$190,926,0997 was nonspendable, restricted, committed or assigned for specific purposes. Approximately 6% or \$11,773,244 was unassigned at fiscal year end.
- At the end of the current fiscal year, unassigned fund balance for the general fund was \$11,773,244 or 14% of total general fund expenditures.
- The City's total debt increased by \$27,257,342 (11.4 percent) during the current fiscal year. Key factors of this change were issuance of City of Norman General Obligation Bonds, Series 2020A and Series 2021 in the amounts of \$11,250,000 and 13,500,000, respectively. Issuance of the Norman Municipal Authority Revenue Note, Taxable Series 2020 in the amount of \$22,250,000. The City also drew \$2,995,607 on the Oklahoma Water Resources Board, Series 2017 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-sector 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 Westwood Park and the City’s sanitation services. Westwood Park includes golf, tennis and swimming facilities. 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 thirteen 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 eight 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 27-74 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 75-88 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 89-111 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 \$750,869,345 at the close of the most recent fiscal year.

**Net Position  
As of June 30**

	Governmental activities		Business-type activities		Total	
	2021	2020	2021	2020	2021	2020
Current and other assets	\$ 233,837,198	\$ 179,093,564	\$ 83,330,749	\$ 83,606,492	\$ 317,167,947	\$ 262,700,056
Capital assets, net	490,738,997	473,904,142	303,257,263	293,905,574	793,996,260	767,809,716
Noncurrent assets	-	241,484	7,185,087	6,745,712	7,185,087	6,987,196
Total assets	724,576,195	653,239,190	393,773,099	384,257,778	1,118,349,294	1,037,496,968
Deferred outflows	20,920,486	15,251,348	510,492	603,901	21,430,978	15,855,249
Total assets & deferred outflows	745,496,681	668,490,538	394,283,591	384,861,679	1,139,780,272	1,053,352,217
Long-term liabilities	243,029,838	198,293,813	73,386,902	78,291,136	316,416,740	276,584,949
Other liabilities	50,572,068	32,238,228	13,746,329	14,779,121	64,318,397	47,017,349
Total liabilities	293,601,906	230,532,041	87,133,231	93,070,257	380,735,137	323,602,298
Deferred inflows	8,175,790	12,219,118	-	-	8,175,790	12,219,118
Total liabilities & deferred inflows	301,777,696	242,751,159	87,133,231	93,070,257	388,910,927	335,821,416
Net position:						
Net investment in capital assets	357,563,482	404,269,078	228,867,966	220,190,180	586,431,448	624,459,258
Restricted	126,260,638	55,892,634	14,690,548	7,349,204	140,951,186	63,241,838
Unrestricted	(40,105,135)	(34,422,332)	63,591,846	64,252,037	23,486,711	29,829,705
Total net position	\$ 443,718,985	\$ 425,739,380	\$ 307,150,360	\$ 291,791,421	\$ 750,869,345	\$ 717,530,801

By far the largest portion of the City's net position (78 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 (19 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 \$15.4 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 increased by \$18 million during the current fiscal year. This increase 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	
	2021	2020	2021	2020	2021	2020
Program Revenues:						
Charges for services	\$ 9,447,778	\$ 8,924,887	\$ 59,274,876	\$ 55,077,914	\$ 68,722,654	\$ 64,002,801
Operating grants & contributions	24,521,662	10,767,930	-	-	24,521,662	10,767,930
Capital grants & contributions	12,643,765	6,333,788	10,796,491	2,786,305	23,440,256	9,120,093
General revenues:						
Sales and excise taxes	84,638,068	75,811,863	2,307,102	1,283,126	86,945,170	77,094,989
Franchise taxes	6,358,546	6,531,339	-	-	6,358,546	6,531,339
Property taxes	8,957,836	12,062,899	-	-	8,957,836	12,062,899
Use taxes	12,719,530	9,017,696	-	-	12,719,530	9,017,696
Other taxes	2,593,205	2,510,256	-	-	2,593,205	2,510,256
Investment earnings	469,832	2,489,875	47,842	1,974,631	517,674	4,464,506
Miscellaneous	1,816,052	2,450,934	32,621	52,054	1,848,673	2,502,988
Total revenues	164,166,274	136,901,467	72,458,932	61,174,030	236,625,206	198,075,497
Expenses:						
General government	18,819,315	17,378,592	-	-	18,819,315	17,378,592
Planning	3,345,940	3,228,429	-	-	3,345,940	3,228,429
City controller	2,227,636	2,207,900	-	-	2,227,636	2,207,900
Parks and recreation	8,513,678	8,539,967	-	-	8,513,678	8,539,967
Public works	41,734,848	39,467,992	-	-	41,734,848	39,467,992
Public service	3,831,725	1,995,214	-	-	3,831,725	1,995,214
Public safety	64,595,623	53,536,220	-	-	64,595,623	53,536,220
Interest on long-term debt	5,060,958	4,248,252	-	-	5,060,958	4,248,252
Westwood park	-	-	2,031,852	2,124,443	2,031,852	2,124,443
Water	-	-	18,178,326	18,435,089	18,178,326	18,435,089
Wastewater	-	-	20,239,517	18,627,217	20,239,517	18,627,217
Sanitation	-	-	14,707,244	13,479,559	14,707,244	13,479,559
Total expenses	148,129,723	130,602,566	55,156,939	52,666,308	203,286,662	183,268,874
Change in net position before transfers	16,036,551	6,298,901	17,301,993	8,507,722	33,338,544	14,806,623
Transfers	1,943,054	1,049,311	(1,943,054)	(1,049,311)	-	-
Change in net position	17,979,605	7,348,212	15,358,939	7,458,411	33,338,544	14,806,623
Net position, beginning	425,739,380	418,391,168	291,791,421	284,333,010	717,530,801	702,724,178
Net position, ending	\$ 443,718,985	\$ 425,739,380	\$ 307,150,360	\$ 291,791,421	\$ 750,869,345	\$ 717,530,801

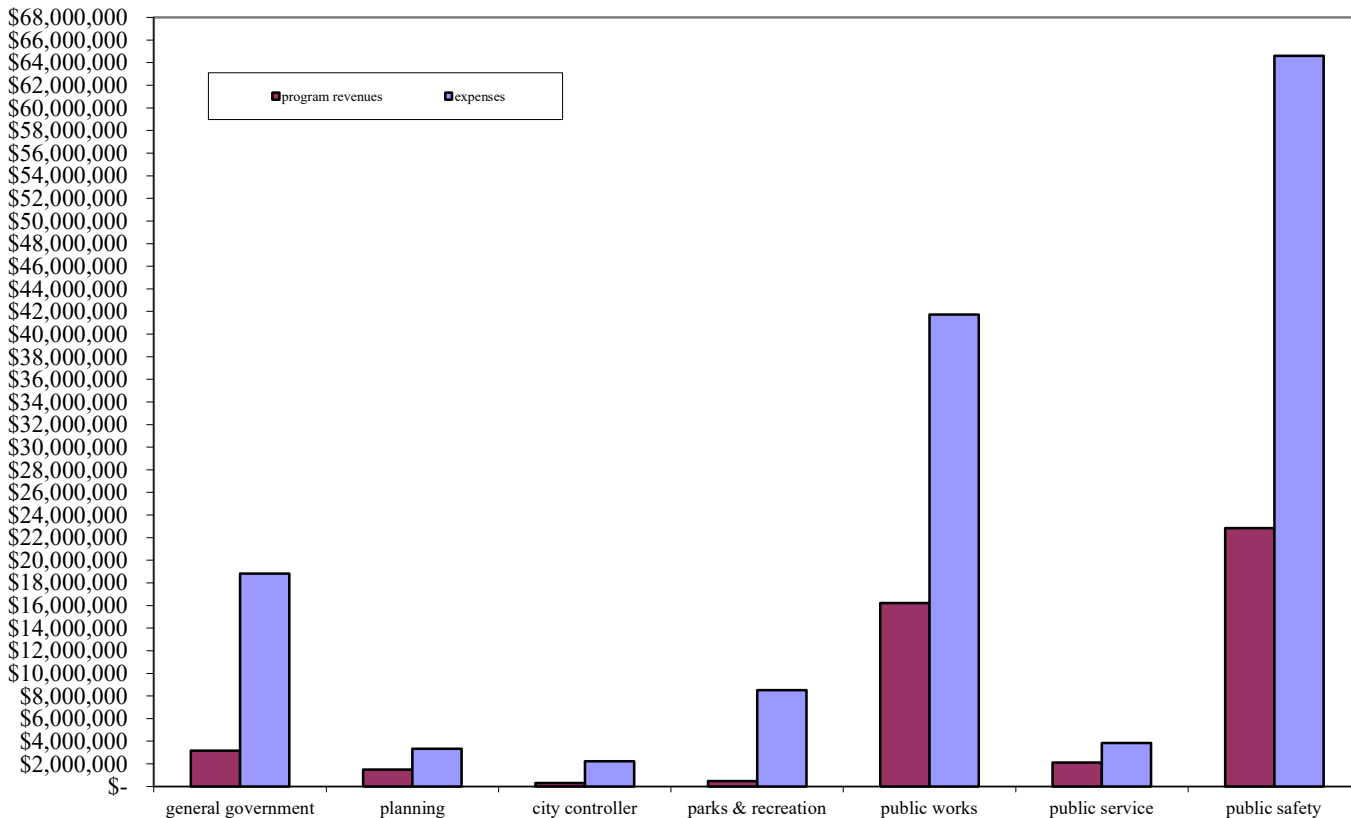
*Governmental activities* –Governmental activities increased the City’s net position by \$18 million. In the prior year, governmental activities increased the City’s net position by \$7.3 million. Key elements of this change are as follows:

- Sales tax revenue within the governmental activities (the City’s primary fund source) increased by \$8,826,205 or 11.6% over the prior fiscal year. The City and State’s economy experienced a significant increase in the last months of the fiscal year when City and State entities eliminated restrictions related to the pandemic.

- Use tax revenue has increased \$3,701,834 or 41% over the prior fiscal year. This increase is related to post-pandemic increases in demand for products.
- Property tax revenue has decreased \$3,105,063 or 25.7% from the prior fiscal year. Property taxes are collected to fund payment of general obligation bonds and judgements awarded against the City. These amounts decreased in the current fiscal year.
- Operating grants and contributions increased \$13,753,732 or 128% from the prior fiscal year. Most of this increase was due to Coronavirus Aid, Relief and Economic Security (CARES) Act funding (\$8,882,797) and Federal Emergency Management Agency (FEMA) reimbursement for the October 2020 ice storm that occurred within the City (\$3,842,835).
- Capital grants and contributions increased \$6,309,977 or 99% 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.
- Public works expenses increased \$2,266,856 or 5.7% from the prior year. Most of this increase was due to street maintenance projects.
- Public safety expenses increased \$11,059,403 or 20.6% from the prior year. Most of this increase was due to increases in pension expense related to the Police and Fire pension systems.

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### Expenses and Program Revenues – Governmental Activities



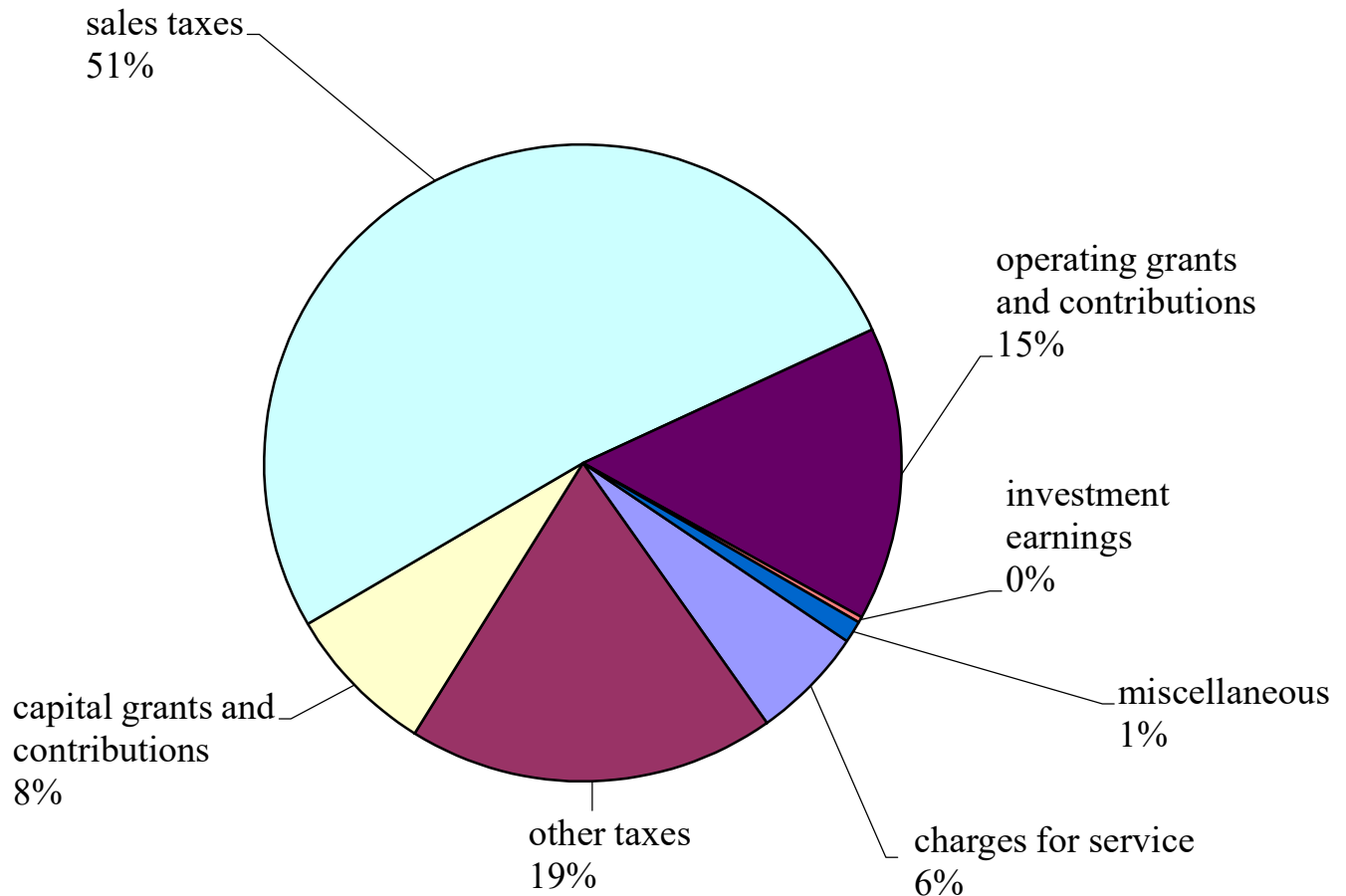


Although governmental expenses exceed program revenue, most governmental activities are financed through general revenues such as taxes.

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### Revenues by Source - Governmental Activities

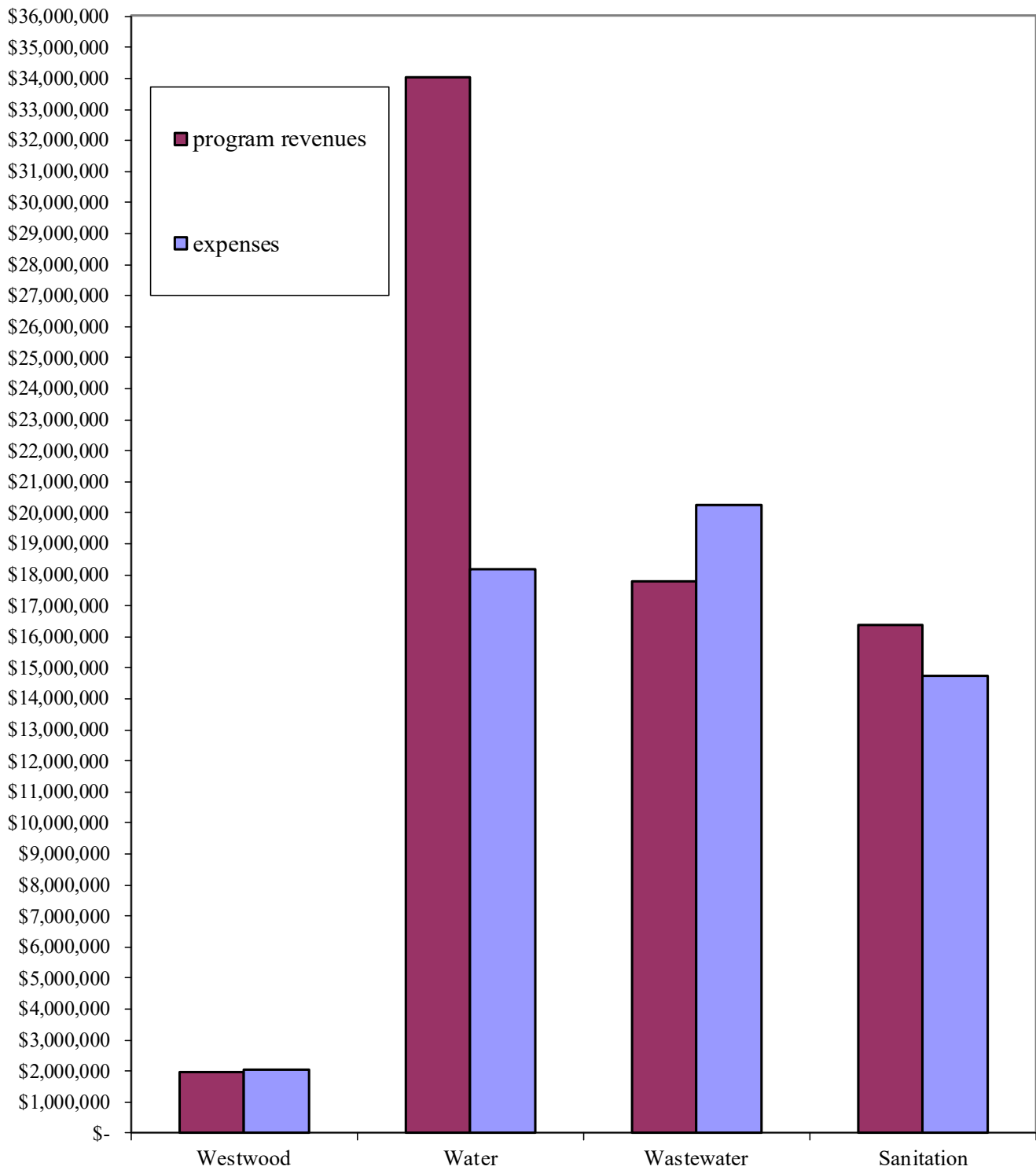
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*Business-type activities* – Business-type activities increased the City’s net position by \$15.4 million. In the prior year, business-type activities increased the City’s net position by \$7.5 million. Key elements of this change are as follows:

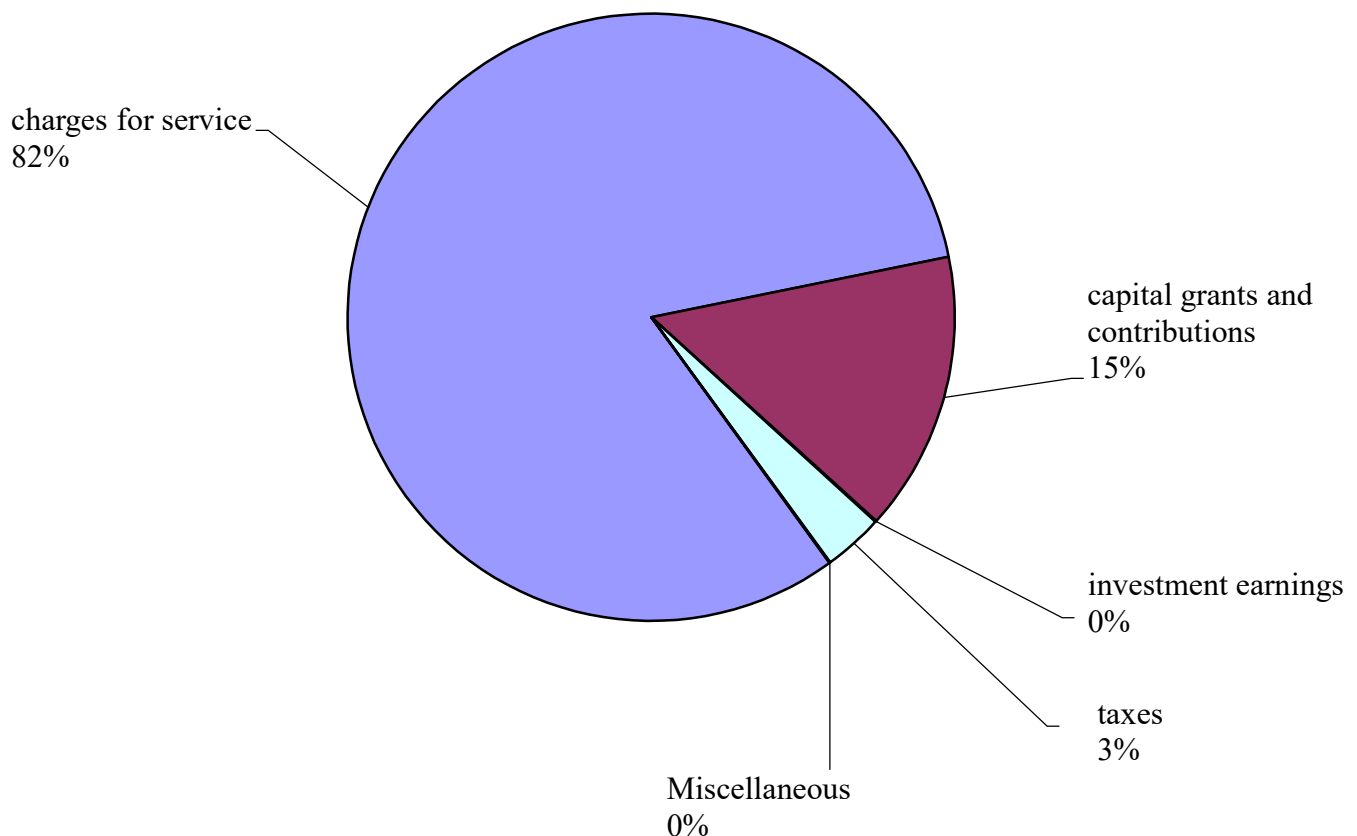
- Charges for services increased \$4,196,962 or 7.6% from the prior fiscal year. Most of this increase was due to increased water sales.
- Capital grants and contributions revenue increased \$8,010,186 or 287% from the prior fiscal year. This figure is made up of donated infrastructure (i.e., water and sewer pipe) from developers as they develop housing additions across the City. Most of the increase was in water pipe.
- Wastewater expenses increased \$1,612,300 or 8.7% from the prior fiscal year. Most of this increase was due to several sewer maintenance projects in the current fiscal year.
- Sanitation expenses increased \$1,227,685 or 9.1% from the prior fiscal year.

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



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## Revenues by Source – Business-type Activities



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## 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 end of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$202,699,341 an increase of \$39,415,299 from the prior year. Approximately 6 percent of this total amount (\$11,773,244) 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 \$11,773,244 while total fund balance reached \$18,713,132. 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 14 percent of total General Fund expenditures, while total fund balance represents 22 percent of that same amount.

The fund balance of the City's General Fund increased by \$1,123,814 during the current fiscal year compared to a decrease of \$2,002,417 in the previous year. Key factors in the current year change are as follows:

- Sales tax revenues within the General Fund increased \$5,968,420 or 14.5% from the prior fiscal year.
- Use tax revenues within the General Fund increased \$2,548,281 or 38% from the prior fiscal year.
- Intergovernmental revenues within the General Fund increased \$11,995,903 or 369.6% from the prior fiscal year. Most of this increase was due to CARES Act funds (\$8,882,797) and FEMA reimbursement for the October 2020 ice storm (\$3,842,835). Most of these revenues were offset by expenditures or transfers in the current fiscal year.

The Public Safety Sales Tax Fund has a total fund balance of \$10,709,750 all of which is restricted for public safety activities. The net decrease in fund balance during the current year was \$204,973. A portion of this decrease was due to spending of note proceeds for the Emergency Communications System Project (\$1,853,311) received in prior years.

The Special Grants Fund has a total fund balance of \$2,155,689 all of which is restricted for by grant agreements. The net decrease in the fund balance during the current year was \$68,977 due to expenditure of grant related uses.

The Capital Projects Fund has a total fund balance of \$89,797,503. The net increase in fund balance during the current year was \$10,960,742. This net increase was due to the sale of two new general obligations bonds totaling \$25,219,275 and the spending down of general obligation bond monies received in previous years.

The NORMAN FORWARD Fund has a total fund balance of \$67,991,784. The net increase in fund balance during the current year was \$27,486,849. This net increase was due to the sale of a new revenue note in the amount of \$22,250,000 and the spending down of previous note monies received in the previous year.

*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 \$16,426,267 and \$47,165,579 respectively. The total growth in net position for these funds was \$1,649,717 and \$13,709,222, 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 \$7,893,115 increase in appropriations between the original and final amended budget. Following are the main components of the increase:

- \$4,987,848 in increases to the street maintenance budget. Transfers totaling \$5,146,825 were made to cover debris removal associated with the October 2020 ice storm.
- \$2,851,717 in increases to the community relations budget. Transfers totaling \$2,907,124 were made to fund CARES Act payments.

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, 2021 the Rainy Day Fund had a balance of \$4,027,066 which represents 4.6% 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 above expectations by \$13,354,573.
  - Sales taxes were above expectations by \$1,111,921. See explanation above.
  - Use taxes were above expectations by \$2,455,061. See explanation above.
  - Franchise fees were below expectations by \$950,591, mainly within the electric, telephone and basic cable franchises.
  - Charges for services were below expectations by \$830,942, the most significant being within the recreation fees category.
  - Other revenue was above expectations by \$12,174,835, mainly within the miscellaneous category due to the CARES Act funding.
- General Fund expenditures and encumbrances were below expectations by \$4,134,762.
  - City Managers expenditures were \$417,107 below expectation due to lack of expense of all the CARES Act funds allocated to the General Fund.
  - Information Technology expenditures were \$203,519 below expectation due to savings within the contract data processing category.
  - Traffic Control expenditures were \$492,036 below expectation due to savings from electricity costs associated with street lights.
  - Fire Suppression expenditures were \$289,630 below expectation due to savings within salary and benefits.
- Net General Fund transfers were \$482,501 less than expected.

The City closed the year with a fund balance that was higher than what was budgeted by \$17,971,836.

## 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, 2021, amounted to \$793,996,260 (net of accumulated depreciation). This investment in capital assets includes land, buildings, improvements, machinery and equipment, roads, highways and bridges. The total increase in the City’s investment in capital assets for the current fiscal year was 3.4% (3.6% increase for governmental activities and a 3.1% increase for business-type activities).

### As of June 30

	Governmental activities		Business-type activities		Total	
	2021	2020	2021	2020	2021	2020
Land	\$ 69,550,542	\$ 68,360,714	\$ 10,489,037	\$ 10,417,288	\$ 80,039,579	\$ 78,778,002
Buildings and improvements	118,446,193	117,297,148	232,531,858	208,177,070	350,978,051	325,474,218
Machinery and equipment	86,390,845	69,165,189	237,291,824	213,300,245	323,682,669	282,465,434
Infrastructure	648,708,658	630,844,129	-	-	648,708,658	630,844,129
Construction in progress	47,895,914	46,139,237	34,755,638	59,244,491	82,651,552	105,383,728
Less: Accumulated depreciation	(480,253,155)	(457,902,275)	(211,811,094)	(197,233,520)	(692,064,249)	(655,135,795)
Total	\$ 490,738,997	\$ 473,904,142	\$ 303,257,263	\$ 293,905,574	\$ 793,996,260	\$ 767,809,716

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

- The new Emergency Communication Systems project was completed at a cost of \$13,993,695.
- The Water Treatment Plant, Phase II project was completed at a cost of \$31,298,365.
- 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 \$20,217,990.
- 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 \$18,949,565.
- A variety of water and sewer projects were underway; NUA construction in progress as of the end of the current fiscal year was \$32,932,774.

Additional information on the City's capital assets can be found in note 4 on pages 42-43 of this report.

*Long-term debt* – At the end of the current fiscal year, the City had total bonded debt outstanding of \$83,881,286. Of this amount, \$83,689,389 comprises debt backed by the full faith and credit of the government. The remainder of the City's bonded debt represents bonds secured solely by specified revenue sources (i.e., revenue bonds) of \$191,897. The City also had notes payable outstanding of \$182,019,552 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	
	2021	2020	2021	2020	2021	2020
General obligation bonds	\$ 83,689,389	\$ 67,812,055	\$ -	\$ -	\$ 83,689,389	\$ 67,812,055
Revenue bonds	-	-	191,897	368,793	191,897	368,793
Capital leases	-	-	-	-	-	-
Notes payable	102,655,000	86,675,000	79,364,552	83,787,648	182,019,552	170,462,648
Total	\$ 186,344,389	\$ 154,487,055	\$ 79,556,449	\$ 84,156,441	\$ 265,900,838	\$ 238,643,496

The City's total debt increased by \$27,257,342 (11.4 percent) during the current fiscal year. Key factors of this change were issuance of City of Norman General Obligation Bonds, Series 2020A and Series 2021 in the amounts of \$11,250,000 and 13,500,000, respectively. Issuance of the Norman Municipal Authority Revenue Note, Taxable Series 2020 in the amount of \$22,250,000. The City also drew \$2,995,607 on the Oklahoma Water Resources Board, Series 2017 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 59-66 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 3.2 percent. The state's average unemployment rate was 3.7 percent and the national average rate was 5.9 percent.
- Inflationary trends in the region have been on the rise in conjunction with national averages.
- The City's major source of revenue is sales and use tax revenue. Sales tax and use tax revenue increased 11.6% and 41.1%, respectively, over the prior year total.

All of these factors were considered in preparing the City's budget for the 2022 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, 201 West Gray, Building C, Norman, Oklahoma, 73069.

## **General Fund Budgetary Highlights**

During the year there was a \$7,893,115 increase in appropriations between the original and final amended budget. Following are the main components of the increase:

- \$4,987,848 in increases to the street maintenance budget. Transfers totaling \$5,146,825 were made to cover debris removal associated with the October 2020 ice storm.
- \$2,851,717 in increases to the community relations budget. Transfers totaling \$2,907,124 were made to fund CARES Act payments.

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, 2021 the Rainy Day Fund had a balance of \$4,027,066 which represents 4.6% 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 above expectations by \$13,354,573.
  - Sales taxes were above expectations by \$1,111,921. See explanation above.
  - Use taxes were above expectations by \$2,455,061. See explanation above.
  - Franchise fees were below expectations by \$950,591, mainly within the electric, telephone and basic cable franchises.
  - Charges for services were below expectations by \$830,942, the most significant being within the recreation fees category.
  - Other revenue was above expectations by \$12,174,835, mainly within the miscellaneous category due to the CARES Act funding.
- General Fund expenditures and encumbrances were below expectations by \$4,134,762.
  - City Managers expenditures were \$417,107 below expectation due to lack of expense of all the CARES Act funds allocated to the General Fund.
  - Information Technology expenditures were \$203,519 below expectation due to savings within the contract data processing category.
  - Traffic Control expenditures were \$492,036 below expectation due to savings from electricity costs associated with street lights.
  - Fire Suppression expenditures were \$289,630 below expectation due to savings within salary and benefits.
- Net General Fund transfers were \$482,501 less than expected.

The City closed the year with a fund balance that was higher than what was budgeted by \$17,971,836.

## **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, 2021, amounted to \$793,996,260 (net of accumulated depreciation). This investment in capital assets includes land, buildings, improvements, machinery and equipment, roads, highways and bridges. The total increase in the City's investment in capital assets for the current fiscal year was 3.4% (3.6% increase for governmental activities and a 3.1% increase for business-type activities).



### As of June 30

	Governmental activities		Business-type activities		Total	
	2021	2020	2021	2020	2021	2020
Land	\$ 69,550,542	\$ 68,360,714	\$ 10,489,037	\$ 10,417,288	\$ 80,039,579	\$ 78,778,002
Buildings and improvements	118,446,193	117,297,148	232,531,858	208,177,070	350,978,051	325,474,218
Machinery and equipment	86,390,845	69,165,189	237,291,824	213,300,245	323,682,669	282,465,434
Infrastructure	648,708,658	630,844,129	-	-	648,708,658	630,844,129
Construction in progress	47,895,914	46,139,237	34,755,638	59,244,491	82,651,552	105,383,728
Less: Accumulated depreciation	(480,253,155)	(457,902,275)	(211,811,094)	(197,233,520)	(692,064,249)	(655,135,795)
Total	<u>\$ 490,738,997</u>	<u>\$ 473,904,142</u>	<u>\$ 303,257,263</u>	<u>\$ 293,905,574</u>	<u>\$ 793,996,260</u>	<u>\$ 767,809,716</u>

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

- The new Emergency Communication Systems project was completed at a cost of \$13,993,695.
- The Water Treatment Plant, Phase II project was completed at a cost of \$31,298,365.
- 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 \$20,217,990.
- 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 \$18,949,565.
- A variety of water and sewer projects were underway; NUA construction in progress as of the end of the current fiscal year was \$32,932,774.

Additional information on the City's capital assets can be found in note 4 on pages 42-43 of this report.

*Long-term debt* – At the end of the current fiscal year, the City had total bonded debt outstanding of \$83,881,286. Of this amount, \$83,689,389 comprises debt backed by the full faith and credit of the government. The remainder of the City's bonded debt represents bonds secured solely by specified revenue sources (i.e., revenue bonds) of \$191,897. The City also had notes payable outstanding of \$182,019,552 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	
	2021	2020	2021	2020	2021	2020
General obligation bonds	\$ 83,689,389	\$ 67,812,055	\$ -	\$ -	\$ 83,689,389	\$ 67,812,055
Revenue bonds	-	-	191,897	368,793	191,897	368,793
Capital leases	-	-	-	-	-	-
Notes payable	102,655,000	86,675,000	79,364,552	83,787,648	182,019,552	170,462,648
Total	\$ 186,344,389	\$ 154,487,055	\$ 79,556,449	\$ 84,156,441	\$ 265,900,838	\$ 238,643,496

The City's total debt increased by \$27,257,342 (11.4 percent) during the current fiscal year. Key factors of this change were issuance of City of Norman General Obligation Bonds, Series 2020A and Series 2021 in the amounts of \$11,250,000 and 13,500,000, respectively. Issuance of the Norman Municipal Authority Revenue Note, Taxable Series 2020 in the amount of \$22,250,000. The City also drew \$2,995,607 on the Oklahoma Water Resources Board, Series 2017 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 59-66 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 3.2 percent. The state's average unemployment rate was 3.7 percent and the national average rate was 5.9 percent.
- Inflationary trends in the region have been on the rise in conjunction with national averages.
- The City's major source of revenue is sales and use tax revenue. Sales tax and use tax revenue increased 11.6% and 41.1%, respectively, over the prior year total.

All of these factors were considered in preparing the City's budget for the 2022 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, 201 West Gray, Building C, Norman, Oklahoma, 73069.

**THE CITY OF NORMAN, OKLAHOMA**  
**STATEMENT OF NET POSITION**  
**JUNE 30, 2021**

	Primary Government		
	Governmental	Business-Type	Total
	Activities	Activities	
<b>ASSETS</b>			
Current assets:			
Cash and cash equivalents	\$ 45,196,446	\$ 25,637,764	\$ 70,834,210
Restricted cash and cash equivalents	117,450,151	8,704,302	126,154,453
Investments	41,314,209	42,348,100	83,662,309
Restricted investments	3,000,429	-	3,000,429
Receivables:			
Taxes	19,485,169	-	19,485,169
Accounts, net of allowance for estimated uncollectible Business-Type accounts of \$1,735,143	1,680,108	5,779,895	7,460,003
Interest	111,142	114,319	225,461
Other	69,493	-	69,493
Due from Federal Government	6,257,096	-	6,257,096
Internal balances	(746,369)	746,369	-
Inventory	19,324	-	19,324
Total current assets	233,837,198	83,330,749	317,167,947
Non-current assets:			
Restricted cash and cash equivalents	-	7,185,087	7,185,087
Capital assets not subject to depreciation	117,446,455	45,244,676	162,691,131
Capital assets, net	373,292,542	258,012,587	631,305,129
Total non-current assets	490,738,997	310,442,350	801,181,347
Total assets	724,576,195	393,773,099	1,118,349,294
<b>DEFERRED OUTFLOW OF RESOURCES</b>			
Deferred resources related to pensions	19,968,502	-	19,968,502
Deferred resources related to OPEB	869,368	-	869,368
Deferred charge on refunding	82,616	510,492	593,108
Total deferred outflows of resources	20,920,486	510,492	21,430,978
<b>LIABILITIES</b>			
Current liabilities:			
Accounts payable and other accrued liabilities	7,734,234	2,814,231	10,548,465
Payroll payable	2,539,785	469,972	3,009,757
Accrued interest payable	1,618,535	502,931	2,121,466
Unearned revenue	11,122,771	-	11,122,771
Retainage payable	644,443	699,425	1,343,868
Guaranty deposits	7,133,965	1,791,742	8,925,707
Current portion of long-term debt	19,778,335	7,464,925	27,243,260
Total current liabilities	50,572,068	13,743,226	64,315,294
Non-current liabilities:			
Long-term debt and other liabilities	243,029,838	73,390,005	316,419,843
Total non-current liabilities	243,029,838	73,390,005	316,419,843
Total liabilities	293,601,906	87,133,231	380,735,137
<b>DEFERRED INFLOW OF RESOURCES</b>			
Deferred resources related to pensions	5,252,414	-	5,252,414
Deferred resources related to OPEB	2,923,376	-	2,923,376
Total deferred inflows of resources	8,175,790	-	8,175,790
<b>NET POSITION</b>			
Net investment in capital assets	357,563,482	228,867,966	586,431,448
Restricted for:			
Debt service	4,878,612	7,714,918	12,593,530
Capital improvements	100,691,395	6,975,630	107,667,025
Public safety	12,090,114	-	12,090,114
Public parks and recreation	1,529,706	-	1,529,706
Public service	3,127,671	-	3,127,671
Public works	3,943,140	-	3,943,140
Unrestricted (deficit)	(40,105,135)	63,591,846	23,486,711
Total net position	\$ 443,718,985	\$ 307,150,360	\$ 750,869,345

See notes to financial statements.

THE CITY OF NORMAN, OKLAHOMA  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2021

Function/Programs	Program Revenues			Net (Expense) Revenue and Changes in Net Assets		
	Expenses	Charges for Services	Operating Grants and Contributions	Primary Government		Total
				Governmental Activities	Business-Type Activities	
<b>Primary government</b>						
Governmental activities:						
General government	\$ 18,819,315	\$ 3,174,550	\$ -	\$ (15,644,765)	\$ -	\$ (15,644,765)
Planning	3,345,940	1,461,693	24,019	(1,860,228)	-	(1,860,228)
City controller	2,227,636	309,657	-	(1,917,979)	-	(1,917,979)
Parks and recreation	8,513,678	399,599	80,859	(8,033,220)	-	(8,033,220)
Public works	41,734,848	265,448	3,294,424	(25,531,211)	-	(25,531,211)
Public service	3,831,725	-	2,126,439	(1,705,286)	-	(1,705,286)
Public safety	64,595,623	3,836,831	18,995,921	(41,762,871)	-	(41,762,871)
Interest on long-term debt	5,060,958	-	-	(5,060,958)	-	(5,060,958)
Total governmental activities	148,129,723	9,447,778	24,521,662	(101,516,518)	-	(101,516,518)
Business-type activities:						
Westwood Park	2,031,852	1,942,080	-	-	(89,772)	(89,772)
Water	18,178,326	24,377,486	-	-	15,831,282	15,831,282
Wastewater	20,239,517	16,615,270	-	-	(2,459,878)	(2,459,878)
Sanitation	14,707,244	16,340,040	-	-	1,632,796	1,632,796
Total business-type activities	55,156,939	59,274,876	-	-	14,914,428	14,914,428
Total primary government	\$ 203,286,662	\$ 68,722,654	\$ 24,521,662	(101,516,518)	14,914,428	(86,602,090)
General revenues:						
Taxes (unrestricted unless otherwise noted):						
Sales taxes				47,172,094	-	47,172,094
Sales taxes - restricted				37,465,974	-	37,465,974
Excise taxes - restricted				-	2,307,102	2,307,102
Franchise taxes				6,358,546	-	6,358,546
Property taxes - restricted				8,957,836	-	8,957,836
Use taxes				9,250,568	-	9,250,568
Use taxes - restricted				3,468,962	-	3,468,962
Hotel/Motel taxes				1,264,409	-	1,264,409
Alcoholic beverage taxes				564,013	-	564,013
Cigarette taxes				764,783	-	764,783
Investment earnings				469,832	47,842	517,674
Miscellaneous				1,816,052	32,621	1,848,673
Transfers				1,943,054	(1,943,054)	-
Total general revenues and transfers				119,496,123	444,511	119,940,634
Change in net position				17,979,605	15,358,939	33,338,544
Net position - beginning				425,739,380	291,791,421	717,530,801
Net position - ending				\$ 443,718,985	\$ 307,150,360	\$ 750,869,345

See notes to financial statements.



# THE CITY OF NORMAN, OKLAHOMA

## BALANCE SHEET GOVERNMENTAL FUNDS JUNE 30, 2021

	General	Public Safety Sales Tax	Special Grants Fund	Capital Projects	Norman Forward	Other Governmental Funds	Total Governmental Funds
<b>ASSETS</b>							
Cash and cash equivalents	\$ -	\$ -	\$13,123,702	\$ 11,424,078	\$ 15,619,473	\$ 4,663,999	\$ 44,831,252
Investments	6,993,550	-	-	13,143,041	13,818,721	5,750,594	39,705,906
Receivables:							
Taxes	11,539,903	2,228,488	-	2,747,470	2,228,487	740,821	19,485,169
Accounts	1,583,551	-	-	90,722	-	504	1,674,777
Interest	15,591	81	-	38,198	37,424	15,510	106,804
Other	-	-	-	69,493	-	-	69,493
Due from Federal Govnmt	3,885,479	-	117,657	-	-	2,253,960	6,257,096
Due from other funds	2,489	8,121	54,566	315,874	428,924	131,567	941,541
Inventory	19,324	-	-	-	-	-	19,324
Restricted Assets:							
Cash and cash equivalents	2,333,810	10,056,381	-	67,625,604	37,103,094	331,262	117,450,151
Investments	3,000,429	-	-	-	-	-	3,000,429
Total assets	<u>\$ 29,374,126</u>	<u>\$ 12,293,071</u>	<u>\$13,295,925</u>	<u>\$ 95,454,480</u>	<u>\$ 69,236,123</u>	<u>\$ 13,888,217</u>	<u>\$233,541,942</u>
<b>LIABILITIES AND FUND BALANCES</b>							
<b>LIABILITIES</b>							
Accounts payable and							
other accrued liabilities	\$ 1,556,874	\$ 1,091,753	\$ 14,741	\$ 3,380,488	\$ 1,153,924	\$ 515,755	\$ 7,713,535
Payroll payable	2,106,573	342,063	2,724	38,576	-	38,490	2,528,426
Due to other funds	1,696,972	-	-	-	-	2,489	1,699,461
Unearned revenue	-	-	11,122,771	-	-	-	11,122,771
Retainage payable	-	149,505	-	404,523	90,415	-	644,443
Guaranty deposits	5,300,575	-	-	1,833,390	-	-	7,133,965
Total liabilities	<u>10,660,994</u>	<u>1,583,321</u>	<u>11,140,236</u>	<u>5,656,977</u>	<u>1,244,339</u>	<u>556,734</u>	<u>30,842,601</u>
<b>FUND BALANCES</b>							
Nonspendable	19,324	-	-	-	-	-	19,324
Restricted	-	10,709,750	1,723,969	87,345,875	65,984,901	13,195,553	178,960,048
Committed	4,027,066	-	-	-	-	-	4,027,066
Assigned	2,893,498	-	431,720	2,451,628	2,006,883	135,930	7,919,659
Unassigned	11,773,244	-	-	-	-	-	11,773,244
Total fund balances	<u>18,713,132</u>	<u>10,709,750</u>	<u>2,155,689</u>	<u>89,797,503</u>	<u>67,991,784</u>	<u>13,331,483</u>	<u>202,699,341</u>
Total liabilities and fund balances							
balances	<u>\$ 29,374,126</u>	<u>\$ 12,293,071</u>	<u>\$13,295,925</u>	<u>\$ 95,454,480</u>	<u>\$ 69,236,123</u>	<u>\$ 13,888,217</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.

490,738,997

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.

(1,097,768)

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.

(248,621,585)

Net position of governmental activities

\$443,718,985

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, 2021

	General	Public Safety Sales Tax	Special Grants Fund	Capital Projects	Norman Forward	Other Governmental Funds	Total Governmental Funds
Revenues:							
Taxes	\$ 62,781,208	\$ 11,796,564	\$ -	\$ 14,264,081	\$ 11,796,564	\$ 13,299,972	\$ 113,938,389
Licenses and permits	1,463,026	-	-	-	-	-	1,463,026
Intergovernmental revenues	15,241,354		448,463	-	-	6,799,616	22,489,433
Charges for services	10,719,243	-	-	-	-	167,724	10,886,967
Fines and forfeitures	1,548,357	-	-	-	-	-	1,548,357
Investment earnings	30,539	1,325	(1,567)	84,873	54,214	44,743	214,127
Other	2,005,707	684,746	-	348,177	-	694,051	3,732,681
Total revenues	<u>93,789,434</u>	<u>12,482,635</u>	<u>446,896</u>	<u>14,697,131</u>	<u>11,850,778</u>	<u>21,006,106</u>	<u>154,272,980</u>
Expenditures:							
Current:							
General government	13,214,426	-	-	3,362,905	11,036	-	16,588,367
Planning	3,380,597	-	-	99,106	-	-	3,479,703
City controller	3,690,009	-	-	11,485	-	-	3,701,494
Parks and recreation	4,902,139	-	233,780	517,698	519,213	54,289	6,227,119
Public works	20,060,617	85,870	84,296	5,796,782	-	4,716,830	30,744,395
Public service	-	-	23,989	-	-	3,803,240	3,827,229
Public safety	38,606,277	10,204,340	117,491	297,423	-	62,393	49,287,924
Capital outlay	2,909,623	2,869,447	56,317	13,871,680	10,267,073	53,595	30,027,735
Debt service:							
Principal retirement	-	2,015,000	-	1,255,000	3,000,000	9,080,000	15,350,000
Interest and fiscal charges	-	346,281	-	255,352	2,170,293	1,885,845	4,657,771
Total expenditures	<u>86,763,688</u>	<u>15,520,938</u>	<u>515,873</u>	<u>25,467,431</u>	<u>15,967,615</u>	<u>19,656,192</u>	<u>163,891,737</u>
Excess (deficiency) of revenues							
over (under) expenditures	<u>7,025,746</u>	<u>(3,038,303)</u>	<u>(68,977)</u>	<u>(10,770,300)</u>	<u>(4,116,837)</u>	<u>1,349,914</u>	<u>(9,618,757)</u>
Other financing sources (uses):							
Transfers in	5,875,576	2,797,330	-	5,470,176	9,576,381	4,555,316	28,274,779
Transfers out	(11,777,508)	-	-	(8,958,409)	(222,695)	(5,751,386)	(26,709,998)
Bond proceeds	-	-	-	25,219,275	22,250,000	-	47,469,275
Net other financing							
sources (uses)	<u>(5,901,932)</u>	<u>2,797,330</u>	<u>-</u>	<u>21,731,042</u>	<u>31,603,686</u>	<u>(1,196,070)</u>	<u>49,034,056</u>
Net change in fund balances	<u>1,123,814</u>	<u>(240,973)</u>	<u>(68,977)</u>	<u>10,960,742</u>	<u>27,486,849</u>	<u>153,844</u>	<u>39,415,299</u>
Fund balances, July 1, 2020	17,589,318	10,950,723	2,224,666	78,836,761	40,504,935	13,177,639	163,284,042
Fund balances, June 30, 2021	<u>\$ 18,713,132</u>	<u>\$ 10,709,750</u>	<u>\$ 2,155,689</u>	<u>\$ 89,797,503</u>	<u>\$ 67,991,784</u>	<u>\$ 13,331,483</u>	<u>\$ 202,699,341</u>

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, 2021

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

Net change in fund balances - total governmental funds	\$ 39,415,299
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.	6,849,222
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	9,985,633
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.	(31,650,000)
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	(490,460)
Decrease in liability for incurred claims and compensated absences and miscellaneous expenses in government-wide financial statements	200,635
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	(6,287,092)
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.	<u>(43,632)</u>
Change in net position of governmental activities	<u>\$ 17,979,605</u>

See notes to financial statements

**THE CITY OF NORMAN, OKLAHOMA**  
**STATEMENT OF NET POSITION - PROPRIETARY FUNDS**  
**JUNE 30, 2021**

	<b>Business-type Activities</b>			<b>Governmental Activities</b>
	<b>Norman Municipal Authority</b>	<b>Norman Utilities Authority</b>	<b>Total</b>	<b>Internal Service Fund</b>
<b>ASSETS</b>				
Current assets:				
Cash and cash equivalents	\$ 6,989,363	\$ 18,648,401	\$ 25,637,764	\$ 420,225
Restricted cash and cash equivalents	470,305	8,233,997	8,704,302	-
Investments	9,338,969	33,009,131	42,348,100	1,608,303
Receivables:				
Accounts, net of allowance for estimated uncollectible accounts	1,831,527	3,948,368	5,779,895	5,331
Interest	25,188	89,131	114,319	4,338
Due from other funds	187,731	558,638	746,369	11,551
Total current assets	18,843,083	64,487,666	83,330,749	2,049,748
Noncurrent assets:				
Restricted cash and cash equivalents	209,457	6,975,630	7,185,087	-
Capital assets, net	18,038,129	285,219,134	303,257,263	-
Total noncurrent assets	18,247,586	292,194,764	310,442,350	-
Total assets	37,090,669	356,682,430	393,773,099	2,049,748
<b>DEFERRED OUTFLOW OF RESOURCES</b>				
Deferred charge on refunding	-	510,492	510,492	-
Total deferred outflows of resources	-	510,492	510,492	-
<b>LIABILITIES</b>				
Current liabilities:				
Accounts payable and accrued liabilities	1,224,314	1,589,917	2,814,231	75,852
Payroll payable	256,203	213,769	469,972	11,359
Liability for incurred claims	-	-	-	1,200,000
Accrued interest payable	995	501,936	502,931	-
Retainage payable	-	699,425	699,425	-
Guaranty deposits	469,310	1,322,432	1,791,742	-
Revenue bonds payable	191,897	-	191,897	-
Notes payable	-	7,143,251	7,143,251	-
Compensated absences	46,884	82,893	129,777	6,024
Total current liabilities	2,189,603	11,553,623	13,743,226	1,293,235
Noncurrent liabilities:				
Notes payable, net	-	72,221,301	72,221,301	-
Compensated absences	422,213	746,491	1,168,704	54,281
Liability for incurred claims	-	-	-	1,800,000
Revenue bonds payable, net	-	-	-	-
Total noncurrent liabilities	422,213	72,967,792	73,390,005	1,854,281
Total liabilities	2,611,816	84,521,415	87,133,231	3,147,516
<b>NET POSITION</b>				
Net investment in capital assets	17,843,129	211,024,837	228,867,966	-
Restricted for debt service	209,457	7,505,461	7,714,918	-
Restricted for capital projects	-	6,975,630	6,975,630	-
Unrestricted	16,426,267	47,165,579	63,591,846	(1,097,768)
Total net position	\$ 34,478,853	\$ 272,671,507	\$ 307,150,360	\$ (1,097,768)

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, 2021

	Business-type Activities			Governmental Activities
	Norman Municipal Authority	Norman Utilities Authority	Total	Internal Service Fund
Operating revenues:				
Golf and pool fees	\$ 1,942,080	\$ -	\$ 1,942,080	\$ -
Water service, net	-	25,498,386	25,498,386	-
Wastewater service, net	-	16,615,270	16,615,270	-
Sanitation services, net	16,188,306	-	16,188,306	-
Self-insurance charges:				
Charges for services	-	-	-	14,474,277
Risk management administration	-	-	-	325,000
Workers' compensation	-	-	-	520,000
Unemployment compensation	-	-	-	22,220
Other	98,681	396,693	495,374	105,138
Total operating revenues	18,229,067	42,510,349	60,739,416	15,446,635
Operating expenses:				
Salaries and benefits	5,905,836	7,724,049	13,629,885	567,522
Supplies and materials	1,234,017	3,429,248	4,663,265	-
Services, maintenance and claims	7,522,171	12,635,628	20,157,799	15,308,553
Depreciation and amortization	2,113,816	14,170,624	16,284,440	-
Total operating expenses	16,775,840	37,959,549	54,735,389	15,876,075
Operating income (loss)	1,453,227	4,550,800	6,004,027	(429,440)
Nonoperating revenues (expenses):				
Excise tax revenue	-	2,307,102	2,307,102	-
Investment earnings	20,220	27,622	47,842	7,534
Interest and fiscal charges	(26,404)	(2,226,790)	(2,253,194)	-
Miscellaneous income (expense)	89,494	310,231	399,725	-
Net nonoperating revenues (expenses)	83,310	418,165	501,475	7,534
Income (loss) before capital contributions and transfers	1,536,537	4,968,965	6,505,502	(421,906)
Capital contributions - donated water and sewer distribution systems	-	10,796,491	10,796,491	-
Transfers in	264,012	-	264,012	447,167
Transfers out	(150,832)	(2,056,234)	(2,207,066)	(68,893)
Net capital contributions and transfers	113,180	8,740,257	8,853,437	378,274
Net income (loss)	1,649,717	13,709,222	15,358,939	(43,632)
Net position - beginning	32,829,136	258,962,285	291,791,421	(1,054,136)
Net position - ending	\$ 34,478,853	\$ 272,671,507	\$ 307,150,360	\$ (1,097,768)
See notes to financial statements				



**THE CITY OF NORMAN, OKLAHOMA**  
**STATEMENT OF CASH FLOWS - PROPRIETARY FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2021**

	<b>Business-type Activities</b>			<b>Governmental Activities</b>
	<b>Norman Municipal Authority</b>	<b>Norman Utilities Authority</b>	<b>Total</b>	<b>Interal Service Fund</b>
Cash flows from operating activities:				
Cash received from customers	\$ 17,404,851	\$ 41,807,543	\$ 59,212,394	\$ -
Cash received from interfund charges for health insurance	-	-	-	15,529,341
Cash paid to employees for services	(5,934,481)	(7,775,927)	(13,710,408)	(549,696)
Cash paid to suppliers	(8,237,605)	(17,850,697)	(26,088,302)	(15,403,455)
Other receipts (payments)	45,718	208,554	254,272	(1,713)
Net cash provided by (used for) operating activities	<u>3,278,483</u>	<u>16,389,473</u>	<u>19,667,956</u>	<u>(425,523)</u>
Cash flows from noncapital financing activities:				
Transfers in	264,012	-	264,012	447,167
Transfers out	(150,832)	(2,056,234)	(2,207,066)	(68,893)
Net cash provided by (used for) noncapital financing activities	<u>113,180</u>	<u>(2,056,234)</u>	<u>(1,943,054)</u>	<u>378,274</u>
Cash flows from capital and related financing activities:				
Proceeds from disposal of capital assets	84,728	16,368	101,096	-
Payments for the acquisition of capital assets	(2,790,259)	(12,392,778)	(15,183,037)	-
Proceeds from taxes	-	2,307,102	2,307,102	-
Principal payments on revenue bonds	(180,000)	-	(180,000)	-
Proceeds from notes payable	-	2,995,607	2,995,607	-
Principal payments on notes payable	-	(7,408,584)	(7,408,584)	-
Interest and fiscal charges paid	(24,219)	(2,238,728)	(2,262,947)	-
Net cash used for capital and related financing activities	<u>(2,909,750)</u>	<u>(16,721,013)</u>	<u>(19,630,763)</u>	<u>-</u>
Cash flows from investing activities:				
Proceeds from maturity of investments	2,931,340	11,948,954	14,880,294	337,164
Payments for purchases of investments	(6,302,935)	(22,278,091)	(28,581,026)	(1,085,455)
Investment earnings received	123,816	441,647	565,463	20,322
Net cash used for investing activities	<u>(3,247,779)</u>	<u>(9,887,490)</u>	<u>(13,135,269)</u>	<u>(727,969)</u>
Net change in cash and cash equivalents	(2,765,866)	(12,275,264)	(15,041,130)	(775,218)
Cash and cash equivalents - beginning	10,434,991	46,133,292	56,568,283	1,195,443
Cash and cash equivalents - ending	<u>\$ 7,669,125</u>	<u>\$ 33,858,028</u>	<u>\$ 41,527,153</u>	<u>\$ 420,225</u>
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:				
Operating income (loss)	\$ 1,453,227	\$ 4,550,800	\$ 6,004,027	\$ (429,440)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:				
Miscellaneous revenue	89,494	310,231	399,725	-
Bad debt expense	129,217	215,705	344,922	-
Depreciation and amortization	2,113,816	14,170,624	16,284,440	-
Loss on disposal of property, plant and equipment	63,148	179,155	242,303	-
(Increase) decrease in accounts receivable, net	(1,001,802)	(976,901)	(1,978,703)	82,706
Increase in due from other funds	(106,924)	(280,832)	(387,756)	(1,713)
Increase (decrease) in accounts payable and accrued liabilities	518,583	(1,423,906)	(905,323)	(94,902)
Increase (decrease) in payroll payable	12,536	(8,423)	4,113	1,489
Decrease in retainage payable	-	(361,915)	(361,915)	-
Increase in guaranty deposits	48,369	58,390	106,759	-
Increase (decrease) in compensated absences	(41,181)	(43,455)	(84,636)	16,337
Net cash provided by (used for) operating activities	<u>\$ 3,278,483</u>	<u>\$ 16,389,473</u>	<u>\$ 19,667,956</u>	<u>\$ (425,523)</u>
NONCASH ACTIVITIES:				
Donated water and sewer distribution systems	\$ -	\$ 10,796,491	\$ 10,796,491	\$ -
Change in unrealized loss on investments	<u>\$ 102,495</u>	<u>\$ 403,081</u>	<u>\$ 505,576</u>	<u>\$ -</u>
See notes to financial statements.				

# THE CITY OF NORMAN, OKLAHOMA

## STATEMENT OF FIDUCIARY NET POSITION - FIDUCIARY FUNDS JUNE 30, 2021

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	Pension Trust Fund	Custodial Fund
<b>ASSETS</b>		
Cash and cash equivalents	\$ -	\$ 4,133
Investments		
Mutual funds	118,759,230	-
U.S. Agencies	-	5,471
Interest receivable	-	14
Due from other funds	-	114
Loans to 401(a) Plan participants	<u>3,180,394</u>	<u>-</u>
Total assets	<u>\$ 121,939,624</u>	<u>\$ 9,732</u>
<b>LIABILITIES AND NET POSITION</b>		
Funds held for others	\$ -	\$ 9,732
Net position restricted for defined benefit pensions	215,102	-
Net position restricted for defined contribution pensions	<u>121,724,522</u>	<u>-</u>
Total liabilities and net position	<u>\$ 121,939,624</u>	<u>\$ 9,732</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, 2021

	Pension Trust Fund	Custodial Fund
ADDITIONS:		
Contributions:		
Employer	\$ 2,751,223	\$ -
Employee	<u>2,069,080</u>	<u>-</u>
Total contributions	4,820,303	-
Investment income	<u>29,063,637</u>	<u>6</u>
Total additions	<u>33,883,940</u>	<u>6</u>
DEDUCTIONS:		
Pension benefits paid	13,949,224	-
Administration costs	<u>626</u>	<u>-</u>
Total deductions	<u>13,949,850</u>	<u>-</u>
NET INCREASE IN FIDUCIARY NET POSITION	19,934,090	6
Net position:		
Beginning of year	<u>102,005,534</u>	<u>9,726</u>
End of year	<u>\$ 121,939,624</u>	<u>\$ 9,732</u>

See notes to financial statements.

# THE CITY OF NORMAN, OKLAHOMA

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2021

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### 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 financing and operating the Westwood Park recreational facilities and 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 11, 2006. Activities of the NTIF include financing Tax Increment Financing District #2 – University North Park. 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, 2019, 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.

In 2021, the City adopted Governmental Accounting Standards Board Statement No. 84, *Fiduciary Activities*, and Governmental Accounting Standards Board Statement No. 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans*, an amendment of GASB Statements No. 14 and No. 84, and a supersession of GASB No. 32. These standards provided for greater consistency and comparability by establishing specific criteria for identifying activities that should be reported as fiduciary activities and clarifying whether and how business-type activities should report their fiduciary activities. The adoption of these standards did not have a material impact on the City's financial statements.

***Government-wide and fund financial statements*** – The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government and its component units. For the most part, the effect of interfund activity has been removed from these statements. *Governmental activities*, which normally are supported 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 seven 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.
- *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.
- *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 construction and operation of Westwood Park recreational facilities and 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 an agency capacity and are not required to be reported in pension trust funds, investment trust funds, or private purpose trust funds. The City has one agency 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 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, 2021, 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 government-wide 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, are recorded 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. *Inventory* – The City records parts and fuel inventory within the General fund. Parts inventory is 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.
- i. *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.

- j. *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, 2021, 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.
- k. *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.
- l. *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.

- m. *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.
- n. *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 assets, net of accumulated depreciation 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 grantors 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.

- a) *Nonspendable* – Includes fund balance amounts that cannot be spent either because it is not in spendable form or because of legal or contractual requirements.
- b) *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.
- c) *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.
- d) *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.
- e) *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.

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 position 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 position that applies to a future period(s) and so will be recognized as an inflow of resources (revenue) until then. The City has a deferred inflow related to pensions and OPEB plans. 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, 2021 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 20th of the month following collection. The tax is then paid to the City by the 10th 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 pro-rata 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 \$248,621,585 difference are as follows:

General obligation bonds payable	\$ 83,689,389
Sales tax revenue notes payable	100,715,000
Notes payable	1,940,000
Compensated absences	8,706,694
Net OPEB obligation	9,154,430
Net pension liability	55,542,233
Deferred outflows of resources	(20,920,486)
Deferred inflow of resources	8,175,790
Accrued interest payable	<u>1,618,535</u>
Net adjustment to reduce fund balance - total governmental funds to arrive at net position - governmental activities	<u>\$ 248,621,585</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 \$6,849,222 difference are as follows:

Capital outlay	\$ 30,027,735
Depreciation expense	<u>(23,178,513)</u>
Net adjustment to increase net changes in fund balances - total governmental funds to arrive at changes in net position of governmental activities	<u>\$ 6,849,222</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 \$9,985,633 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.	\$ 9,985,633
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.	79,508
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>(79,508)</u>
Net adjustment to increase net changes in fund balances - total governmental funds to arrive at changes in net position of governmental activities	<u>\$ 9,985,633</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 \$490,460 difference are as follows:

Change in accrued interest payable	\$ (403,187)
Change in net pension and OPEB obligations	133,831
Change in debt issuance premium or discount	<u>(221,104)</u>
Net adjustment to increase net change in fund balances - total governmental funds to arrive at changes in net position of governmental activities	<u>\$ (490,460)</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, 2021 amounted to \$23,382,776. 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, 2021, none of the City's bank balance of \$144,085,664 was exposed to custodial credit risk. Approximately \$15,134,000 in uninvested cash was in trustee accounts and not considered to be uncollateralized. Also, approximately \$32,318,000 is made available to banking institutions to cover cash availability requirements and is covered by FDIC insurance. As of June 30, 2021, the City's carrying balance of these deposits was \$143,736,540.

*Interest Rate Risk* – As of June 30, 2021, the City had the following investments subject to interest rate risk:

Investment Type	Fair Value	Weighted Average Maturity (Years)
Money Market Mutual Funds	\$ 64,437,639	0.11
U.S. Treasury Notes	36,047,478	1.11
Federal Home Loan Bank	24,616,038	1.20
Federal Farm Credit Bank	14,002,953	0.98
Federal Home Loan Mortgage Corporation	7,995,840	1.46
Total fair value	<u>\$ 147,099,948</u>	
Portfolio weighted average maturity		0.69

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	\$ 143,736,540
Money market mutual funds	64,437,639
Less: Certificates of deposits classified as investments	<u>(4,000,429)</u>
	<u>\$ 204,173,750</u>

Cash as reported on the government-wide statement of net position -	
Cash and cash equivalents	\$ 70,834,210
Restricted cash and cash equivalents - current	126,154,453
Restricted cash and cash equivalents - long-term	<u>7,185,087</u>
	<u>\$ 204,173,750</u>

Carrying value of investments -	
Pooled and nonpooled funds	\$ 147,099,948
Site development certificate of deposits	4,000,429
Less: Money market mutual funds classified as cash equivalent	<u>(64,437,639)</u>
	<u>\$ 86,662,738</u>

As reported on the government-wide statement of net position -	
Investments	\$ 83,662,309
Restricted investments - current	<u>3,000,429</u>
	<u>\$ 86,662,738</u>

*Credit Risk* –The City’s investment policy does not cover credit risk. The City’s investments as of June 30, 2021 were rated by Moody’s Investor Service and Standard & Poor’s as follows:

	<u>Moody's</u>	<u>S &amp; P</u>
Federal Farm Credit Bank	Aaa	AA+
Federal Home Loan Mortgage Corporation	Aaa	AA+
Federal Home Loan Bank	Aaa	AA+
U.S. Treasury Notes	Unrated	Unrated
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 United States Treasury Notes, Federal Home Loan Bank and Federal Farm Credit Bank. These investments are 25%, 17% and 10%, respectively, of the City’s total investments. Additionally, the City is invested in three money market

mutual funds; the Federated Hermes Government Obligations Tax Managed Fund, the Federated Treasury Obligations Service Fund and the Cavanal Hill Government Securities Fund, which represents 22%, 16% and 6%, respectively of the City's total investments.

*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, 2021, 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, 2021:

- US Treasury securities of \$36,047,478 are valued using quoted market prices (Level 1 inputs).
- Federal government agencies securities of \$46,614,831 are valued using quoted market prices of similar assets in an active market (Level 2 inputs).
- Money market mutual funds of \$64,437,639 are valued using quoted market prices (Level 1 inputs).
- Mutual funds of \$118,759,230 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 \$6,257,096 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, 2021:

	Public			Norman	Special	Nonmajor			Total
	General	Safety	Capital	Forward	Grants	Govern-	Enterprise	Internal	
	Fund	Fund	Fund	Fund	Fund	mental	Fund	Fund	Due
						Funds			From
General Fund	\$ -	\$ 8,121	\$ 315,874	\$ 428,924	\$ 54,566	\$ 131,567	\$ 746,255	\$ 11,551	\$ 1,696,858
Nonmajor Governmental Funds	2,489	-	-	-	-	-	-	-	2,489
Total Due To	<u>\$ 2,489</u>	<u>\$ 8,121</u>	<u>\$ 315,874</u>	<u>\$ 428,924</u>	<u>\$ 54,566</u>	<u>\$ 131,567</u>	<u>\$ 746,255</u>	<u>\$ 11,551</u>	<u>\$ 1,699,347</u>

**Transfers** - Transfers for the year ended June 30, 2021 consisted of the following:

Transfers In								
Transfers	Public			Norman	Nonmajor	Enterprise	Internal	Total
	General	Safety	Capital					
Out	Fund	Fund	Projects	Forward	Governmental	Funds	Fund	Out
General Fund	\$ -	\$ 2,422,192	\$ -	\$ 4,800,000	\$ 4,555,316	\$ -	\$ -	\$ 11,777,508
Nonmajor Governmental Funds	-	-	5,100,000	-	-	204,219	447,167	5,751,386
Capital Projects Fund	3,782,098	375,138	-	4,776,381	-	24,793	-	8,958,410
Norman Forward Fund	187,695					35,000		222,695
Internal Service Fund	68,893	-	-	-	-	-	-	68,893
Enterprise Funds	<u>1,836,890</u>	<u>-</u>	<u>370,176</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,207,066</u>
Total Transfers In	<u>\$ 5,875,576</u>	<u>\$ 2,797,330</u>	<u>\$ 5,470,176</u>	<u>\$ 9,576,381</u>	<u>\$ 4,555,316</u>	<u>\$ 264,012</u>	<u>\$ 447,167</u>	<u>\$ 28,985,958</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 \$3,712,098 to the General Fund to pay for the purchase of vehicles and equipment and fund street maintenance projects.
- The Transportation and Parking Fund transferred \$5,100,000 to the Capital Fund to construct a maintenance facility.
- The Debt Services Fund transferred \$447,167 to the Risk Management Internal Service Fund to pay for judgments awarded against the City and funded via the property tax rolls over a three year period.
- The Enterprise Funds transferred \$1,686,058 to the General Fund as a fee in lieu of franchise fees.

- The General Fund transferred \$1,174,377 to the Transportation and Parking Fund to cover operating costs.
- The General Fund transferred \$2,327,776 to the Public Safety Sales Tax Fund to cover operating costs.

**Capital Assets** – Capital asset activity for the fiscal year ended June 30, 2021 was as follows:

	Beginning Balance	Additions	Deletions	Ending Balance
<b>Governmental activities:</b>				
Capital assets, not being depreciated:				
Land	\$ 68,360,714	\$ 1,189,828	\$ -	\$ 69,550,542
Construction in progress	46,139,237	26,526,728	(24,770,051)	47,895,914
Capital assets, being depreciated:				
Buildings	78,518,652	197,462	(3,743)	78,712,371
Improvements other than buildings	38,778,496	955,326	-	39,733,822
Machinery and equipment	44,123,488	16,184,361	(311,025)	59,996,824
Vehicles	25,041,700	1,865,215	(512,894)	26,394,021
Infrastructure	<u>630,844,129</u>	<u>17,864,529</u>	<u>-</u>	<u>648,708,658</u>
Totals at historical cost	<u>931,806,416</u>	<u>64,783,449</u>	<u>(25,597,713)</u>	<u>970,992,152</u>
Less accumulated depreciation				
Buildings	(19,953,437)	(2,413,284)	3,743	(22,362,978)
Improvements other than buildings	(17,074,288)	(1,693,319)	-	(18,767,607)
Machinery and equipment	(30,826,110)	(3,707,793)	310,995	(34,222,908)
Vehicles	(16,178,558)	(1,937,853)	512,894	(17,603,517)
Infrastructure	<u>(373,869,881)</u>	<u>(13,426,264)</u>	<u>-</u>	<u>(387,296,145)</u>
Total accumulated depreciation	<u>(457,902,274)</u>	<u>(23,178,513)</u>	<u>827,632</u>	<u>(480,253,155)</u>
Governmental activities capital assets, net	<u>\$ 473,904,142</u>	<u>\$ 41,604,936</u>	<u>\$ (24,770,081)</u>	<u>\$ 490,738,997</u>
<b>Business-type activities:</b>				
Capital assets, not being depreciated:				
Land	\$ 10,417,288	\$ 71,749	\$ -	\$ 10,489,037
Construction in progress	59,244,490	14,045,365	(38,534,217)	34,755,638
Capital assets, being depreciated:				
Buildings and improvements	208,119,409	25,392,370	(979,921)	232,531,858
Machinery and equipment	<u>213,376,331</u>	<u>25,076,009</u>	<u>(1,160,516)</u>	<u>237,291,824</u>
Totals at historical cost	<u>491,157,518</u>	<u>64,585,493</u>	<u>(40,674,654)</u>	<u>515,068,357</u>
Less accumulated depreciation				
Buildings and improvements	(113,360,010)	(5,300,536)	743,272	(117,917,274)
Machinery and equipment	<u>(83,891,934)</u>	<u>(10,983,904)</u>	<u>982,018</u>	<u>(93,893,820)</u>
Total accumulated depreciation	<u>(197,251,944)</u>	<u>(16,284,440)</u>	<u>1,725,290</u>	<u>(211,811,094)</u>
Business-type activities capital assets, net	<u>\$ 293,905,574</u>	<u>\$ 48,301,053</u>	<u>\$ (38,949,364)</u>	<u>\$ 303,257,263</u>

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

**Governmental activities:**

General government	\$1,994,496
Planning	60,543
City controller	256,387
Parks and recreation	2,387,164
Public works	14,992,829
Public service	202
Public safety	<u>3,486,892</u>
Total depreciation expense – governmental activities	<u>\$23,178,513</u>

**Business-type activities:**

Westwood park	\$147,477
Utilities authority	14,170,624
Sanitation services	<u>1,966,339</u>
Total depreciation expense – business-type activities	<u>\$16,284,440</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:

	<u>Governmental Activities</u>
<b><i>Pension expense</i></b>	
Employee Retirement System	\$53,075
OFPRS	10,220,553
OPPRS	<u>5,746,092</u>
	<u>\$16,019,720</u>
<b><i>Net pension liability (asset)</i></b>	
Employee Retirement System	\$0
OFPRS	50,653,960
OPPRS	<u>4,888,273</u>
	<u>\$55,542,233</u>
<b><i>Deferred outflows of resources</i></b>	
Employee Retirement System	\$0
OFPRS	11,681,630
OPPRS	<u>8,286,872</u>
	<u>\$19,968,502</u>
<b><i>Deferred inflows of resources</i></b>	
Employee Retirement System	\$0
OFPRS	3,618,121
OPPRS	<u>1,634,293</u>
	<u>\$5,252,414</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 entricral 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, 2021, 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, 2020, the date of the last actuarial study, the Annuity Pool participants included eight 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, 2020 the Actuarial Accrued Liability for the Annuity Pool was \$227,079 and the market value of assets in the Annuity Pool was \$162,162. The City’s actuary has suggested an annual contribution for a period of ten years commencing July 1, 2021. 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 contributed \$64,917 to the plan in 2021. 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, 2021 was \$31,604,611, and total City payroll was \$62,039,385.

Substantially all full-time, non-uniformed employees of the City are required to participate in the 401(a) Plan. At June 30, 2021, there were 611 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 the City’s contribution as follows:

**Years of Service****Vesting Percentage**

Less than 2	0%
2	25%
3	50%
4	75%
5	100%

The amount forfeited for the year ended June 30, 2021 was \$118,864. Contributions to the 401(a) Plan for 2021 were \$4,455,386. The contributions expressed in dollars and percent of covered payroll were: City - \$2,751,223, 8.5%, participants - \$2,069,080, 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*

<b>Fiscal Year</b>	<b>401(a) Plan</b>	
	<b>City's Required Contribution</b>	<b>City's Percentage Contributed</b>
2019	2,566,797	100%
2020	2,625,655	100%
2021	2,751,223	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, 2021**

	<b>Annuity Pool Fund</b>	<b>401(a) Plan Fund</b>	<b>Total</b>
<b>Assets</b>			
Investments - mutual funds	\$ 215,102	\$ 118,544,128	\$ 118,759,230
Loans to 401(a) Plan participants	-	3,180,394	3,180,394
Total assets	<u>\$ 215,102</u>	<u>\$ 121,724,522</u>	<u>\$ 121,939,624</u>
<b>Liabilities and Net Position</b>			
Net position restricted for pension benefits	\$ 215,102	\$ 121,724,522	\$ 121,939,624
Total liabilities and net position	<u>\$ 215,102</u>	<u>\$ 121,724,522</u>	<u>\$ 121,939,624</u>

**Statement of Changes in Fiduciary Net Position  
For the Year Ended June 30, 2021**

	Annuity Pool Fund	401(a) Plan Fund	Total
Additions:			
Contributions - employer	\$ 64,917	\$ 2,686,306	\$ 2,751,223
Contributions - employee	-	2,069,080	2,069,080
Investment income (loss)	39,070	29,024,567	29,063,637
Total additions	<u>103,987</u>	<u>33,779,953</u>	<u>33,883,940</u>
Deductions:			
Pension benefits paid	50,286	13,898,938	13,949,224
Administration costs	626	-	626
Total deductions	<u>50,912</u>	<u>13,898,938</u>	<u>13,949,850</u>
Net increase (decrease)	53,075	19,881,015	19,934,090
Net position restricted for pension and retirement benefits:			
Beginning of year	<u>162,027</u>	<u>101,843,507</u>	<u>102,005,534</u>
End of year	<u>\$ 215,102</u>	<u>\$ 121,724,522</u>	<u>\$ 121,939,624</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 1, 2013* - Normal retirement is attained upon completing 22 years of service. The normal retirement benefit is equal to 55% of the member's final average compensation. Final average compensation is defined as the monthly average of the highest 30 consecutive months of the last 60 months of participating service. Also 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, 2021, the total contribution to the system amounted to \$2,946,387 of which \$1,793,453 was made by the City and \$1,152,934 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 \$4,259,000 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, 2021, the City reported a liability of \$50,653,960, for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2020. 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, 2020, the City's proportion was 4.111812%

For the year ended June 30, 2021, the City recognized pension expense of \$10,220,553. At June 30, 2021, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 6,455,866	\$ 679,652
Changes of assumptions or other inputs	-	858,384
Employer change in proportion and differences between contributions recognized and proportionate share of contributions	2,687,756	2,080,085
Net difference between projected and actual earnings on pension plan investments	744,555	-
City's contributions subsequent to the measurement date	<u>1,793,453</u>	<u>-</u>
Total	<u>\$ 11,681,630</u>	<u>\$ 3,618,121</u>

At June 30, 2021, the City reported \$1,793,453 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, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources totaling \$6,270,056 related to pensions will be recognized as a (reduction) or increase in pension expense as follows:

2022	\$ 1,236,671
2023	2,160,937
2024	1,653,002
2025	<u>1,219,446</u>
	<u>\$ 6,270,056</u>

*Actuarial Assumptions* – The total pension liability in the July 1, 2020, 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, 2020 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:

Asset Class	Long-Term Expected Real Rate of Return	
	Target Allocation	
Fixed Income	20%	4.38%
Domestic Equity	42%	7.41%
International Equity	20%	9.82%
Real Estate	10%	7.70%
Other Assets	8%	5.67%
	100%	

*Discount Rate* – The single discount rate used to measure the total pension liability was 7.5% for the measurement period ended June 30, 2020. 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.

	1% Decrease (6.5%)	Current Discount Rate (7.5%)	1% Increase (8.5%)
City's proportionate share of the net pension liability	\$ 65,783,495	\$ 50,653,960	\$ 37,995,695

*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:
  - a) The retired member shall earn two percentage points below the net annual rate of return of the investment portfolio of the System.
  - b) If the portfolio earns less than a 2% rate of return, but more than zero, the retired member shall earn zero percentage points.
  - c) 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, 2021, the total contribution to the system amounted to \$2,768,570 of which \$1,712,101 was made by the City and \$1,056,469 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 \$1,715,000 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, 2021, the City reported a liability of \$4,888,273, for its proportionate share of the net pension liability (asset). The net pension liability (asset) was measured as of June 30, 2020, and the total pension asset used to calculate the net pension liability (asset) was determined by an actuarial valuation as of July 1, 2020. The City's proportion of the net pension liability (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, 2021, the City's proportion was 4.2564%

For the year ended June 30, 2021, the City recognized pension expense of \$5,746,092. At June 30, 2021, 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	\$ 126,463	\$ 1,327,526
Change in assumptions or other inputs	502,168	-
Employer change in proportion and differences between contributions recognized and proportionate share of contributions	178,740	306,767
Net difference between projected and actual earnings on pension plan investments	5,767,400	-
City's contributions subsequent to the measurement date	<u>1,712,101</u>	<u>-</u>
Total	<u>\$ 8,286,872</u>	<u>\$ 1,634,293</u>

At June 30, 2021, the City reported \$1,712,101 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, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources totaling \$4,940,478 related to pensions will be recognized as a (reduction) or increase in pension expense as follows:

2022	\$ 680,369
2023	1,445,551
2024	1,871,045
2025	1,080,635
2026	<u>(137,121)</u>
	<u>\$ 4,940,478</u>



*Actuarial Assumptions* – The total pension liability in the July 1, 2020, 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.
Investment rate of return	7.5%, net of pension plan investment expense.

Mortality rates were based on the RP-2000 Blue Collar Healthy Combined with generational mortality improvement using Scale AA with age set back four years for active, pre-retirement employees. For active post-retirement employees, mortality rates were based on the RP-2000 Blue Collar Healthy Combined index with generational mortality improvement using Scale AA. For disabled pensioners, mortality rates index were based on the RP-2000 Blue Collar Healthy Combined index with age set forward four years.

The actuarial assumptions used in the July 1, 2020 valuation was based on the results of an actuarial experience study for the period July 1, 2012 through June 30, 2017.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. 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	25%	5.11%
Domestic Equity	35%	6.80%
International Equity	15%	11.45%
Real Estate	10%	8.60%
Private Equity	10%	11.58%
Other Assets	5%	0.00%
	100%	

*Discount Rate* – The single discount rate used to measure the total pension liability was 7.5% for the measurement period ended June 30, 2020. 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.

	1% Decrease (6.5%)	Current Discount Rate (7.5%)	1% Increase (8.5%)
City's proportionate share of the net pension liability (asset)	\$ 17,268,257	\$ 4,888,273	\$ (5,582,609)

*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, 2020, membership consisted of:

Retirees and beneficiaries currently receiving benefits	52
Terminated employees entitled to benefits but not yet receiving them	0
Active employees	<u>695</u>
Total	<u>747</u>

*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, 2021, 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, 2021, the City reported a liability of \$9,154,430. The total OPEB liability was measured as of June 30, 2021, the total OPEB liability was determined by an actuarial valuation at July 1, 2019 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, 2021, the City recognized OPEB expense of \$115,969. At June 30, 2021, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual experience	\$ 635,537	\$ 1,291,868
Change in assumptions or other inputs	<u>233,831</u>	<u>1,631,508</u>
Total	<u>\$ 869,368</u>	<u>\$ 2,923,376</u>

At June 30, 2021, amounts reported as deferred outflows of resources and deferred inflows of resources totaling \$2,054,008 related to OPEB will be recognized as a (reduction) or increase in OPEB expense as follows:

2022	\$ (464,675)
2023	(464,675)
2024	(521,016)
2025	(545,164)
2026	(29,373)
Thereafter	<u>(29,105)</u>
	<u><u>\$ (2,054,008)</u></u>

*Actuarial Assumptions* – The total OPEB liability in the July 1, 2019, 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, 2019	30 years

Amortization growth rate	2.50%
Inflation	2.20%
Discount rate for valuing liabilities	2.16%, based on the Bond Buyer 20 year General Obligation Index
Healthcare cost trend rates	8.4%/8.4% for non-Medicare/Medicare claims in 2019, gradually decreasing to an ultimate rate of 3.7%/3.7% for 2073 and beyond. 15.9% for dental claims in 2019 and 3.9% afterward
Mortality rates	for AFSCME and non-union participants: Pub-2010 General mortality tables for employees, retirees and contingent survivors, projected generationally using scale MP-2019. For FOP and IAAF participants: Pub-2010 Safety mortality tables for employees, retirees and contingent survivors, projected generationally using scale MP-2019.

	<b><u>Changes in Total OPEB Liability</u></b>
Balance, beginning of year, July 1, 2020	\$ 8,762,331
Changes for the year:	
Service Cost	381,282
Interest on total OPEB Liability	199,362
Effect of economic/demographic gains or losses	-
Effect of assumptions changes or inputs	58,255
Benefit payments	<u>(246,800)</u>
Net changes	<u>392,099</u>
Balance, end of year, June 30, 2021	\$ <u>9,154,430</u>

*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 2.16%. 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 (1.16%)</b>	<b>Current Discount Rate (2.16%)</b>	<b>1% Increase (3.16%)</b>
Total OPEB liability	\$ 10,116,303	\$ 9,154,430	\$ 8,294,800

*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.

	1% Decrease	Current Rate	1% Increase
Total OPEB liability	\$ 7,922,218	\$ 9,154,430	\$ 10,638,942

**Guaranty Deposits** - At June 30, 2021, the guaranty deposit accounts of the City included the following deposit liabilities:

**Governmental activities:**

Oil and gas drilling escrow	\$239,600
Site improvements	6,433,847
Contractor's escrow	98,418
Park improvement	8,615
Court fines and bond deposits	25,576
Others	<u>327,909</u>

Total governmental activities	<u>\$7,133,965</u>
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**Business-type activities:**

Utility deposits	<u>\$1,791,742</u>
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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**

- a. *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, 2021, the net assessed valuation approximated \$1,117,000,000 or \$1.1 billion. The City had no such bonds outstanding at June 30, 2021. There is no such limit on the issuance of other types of general obligation bonds.

General obligation bonds outstanding as of June 30, 2021 are as follows:

\$20,050,000 2012D General Obligation bonds (publicly traded), due in annual installments of \$1,055,000 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	\$ 12,665,000
\$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)	16,600,000
\$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)	3,910,000
\$10,000,000 2019A General Obligation bonds (publicly traded), due in annual installments of \$5,000,000 beginning June 1, 2021 through June 1, 2022 at an interest rate of 2.5% (for various street reconstruction projects)	5,000,000
\$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)	18,950,000
\$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)	11,250,000
\$13,500,000 2021 General Obligation bonds (publicly traded), due in annual installments of \$3,375,000 beginning June 1, 2022 through June 1, 2026 at interest rates ranging from 0.25% to 1.5% (for various street reconstruction projects)	<u>13,500,000</u>
Total general obligation bonds	<u>\$ 81,875,000</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>
2022	\$ 9,085,000	\$ 2,136,629	\$ 11,221,629
2023	8,050,000	1,760,635	9,810,635
2024	8,050,000	1,619,097	9,669,097
2025	8,045,000	1,452,246	9,497,246
2026	7,625,000	1,265,344	8,890,344
2027 – 2031	19,765,000	4,382,831	24,147,831
2032 – 2036	15,065,000	1,846,962	16,911,962
2037 - 2040	<u>6,190,000</u>	<u>348,141</u>	<u>6,538,141</u>
<b>Total</b>	<u><b>\$ 81,875,000</b></u>	<u><b>\$ 14,811,885</b></u>	<u><b>\$ 96,686,885</b></u>

- b. *Revenue Bonds* - Revenue Bonds outstanding consist of debt issued by the NUA. The bonds are not indebtedness of the State of Oklahoma or of the City, but are obligations payable solely from resources of the NUA.

The revenue bonds outstanding as of June 30, 2021 are as follows:

\$2,315,000 Norman Municipal Authority, Recreation Facilities Revenue Bonds, Series 2002 (publicly traded), due in annual installments of \$75,000 to \$195,000 from June 1, 2004 through June 1, 2022 at interest rates from 3.5% to 6.125%

\$ 195,000

Total revenue bonds

\$ 195,000

Annual debt service requirements to maturity for revenue notes/bonds are as follows:

<b>Fiscal Year</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2022	<u>\$ 195,000</u>	<u>\$ 11,944</u>	<u>\$ 206,944</u>
<b>Total</b>	<u><b>\$ 195,000</b></u>	<u><b>\$ 11,944</b></u>	<u><b>\$ 206,944</b></u>

The Municipal Revenue Bonds Series 2002 (\$2,315,000) are collateralized by the revenues from the operation of the Westwood facility and room tax revenue collected by the City as defined in the bond indenture. Proceeds were used to complete capital project improvements to the golf course property. As stated above, the bonds are payable solely from Westwood facility operations and room tax collections and are payable through 2022. Annual principal and interest payments on the bonds are expected to require approximately 12 percent of net revenues. The total principal and interest remaining to be paid on the bonds is \$206,944. Principal and interest paid for the current year was \$202,969. Total Westwood revenues and room tax collections were \$4,554,763 for the current year.



Certain of the bonds may be called for redemption prior to maturity at the option of NUA 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. *Notes Payable* - Notes payable as of June 30, 2021 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%	7,640,000
\$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.	13,255,000
\$43,160,000 Norman Municipal Authority Revenue Note, Taxable Series 2015B (direct placement), due interest 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.	37,260,000
\$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.	27,950,000
\$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.	6,550,000
\$6,105,000 Norman Municipal Authority Revenue Note, Taxable Series 2017B (direct placement), due in annual payments ranging from \$490,000 to \$655,000 beginning June 1, 2018 through December 1, 2022. The loan has a 2.16% interest rate.	1,940,000
\$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.	22,250,000

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%.

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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%.

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Total notes payable \$ 116,845,000

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

Fiscal Year	Principal	Interest	Total
2022	\$ 11,373,964	\$ 3,019,536	\$ 14,393,500
2023	12,259,124	2,732,977	14,992,101
2024	12,659,318	2,437,481	15,096,799
2025	13,089,548	2,127,775	15,217,323
2026	13,374,812	1,798,853	15,173,665
2027 – 2031	59,964,246	4,286,774	64,251,020
2032 – 2036	6,291,202	252,667	6,543,869
2037 – 2040	4,332,786	87,040	4,419,826
Less unfunded notes *	<u>(16,500,000)</u>	<u>(1,179,296)</u>	<u>(17,679,296)</u>
Total	<u>\$ 116,845,000</u>	<u>\$ 15,563,807</u>	<u>\$ 132,408,807</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.

- d. *Oklahoma Water Resource Board (OWRB) Notes Payable* – OWRB notes payable as of June 30, 2021 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. \$ 3,143,593

\$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. 22,851,658

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. 27,900,000

\$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%. 11,290,000

Total OWRB loans payable \$ 65,185,251

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

Fiscal Year	Principal	Interest	Total
2022	\$ 5,198,250	\$ 1,660,340	\$ 6,858,590
2023	5,326,636	1,716,440	7,043,076
2024	5,469,951	1,574,584	7,044,535
2025	5,622,318	1,422,648	7,044,966
2026	5,774,849	1,269,244	7,044,093
2027 – 2031	17,569,769	4,405,753	21,975,522
2032 – 2036	12,034,087	2,362,724	14,396,811
2037 – 2039	<u>8,189,391</u>	<u>439,196</u>	<u>8,628,587</u>
Total	<u>\$ 65,185,251</u>	<u>\$ 14,850,929</u>	<u>\$ 80,036,180</u>

- e. *Applicability of Federal Arbitration Regulations* – Debt issuances of the City and Authorities issued after the Tax Reform Act of 1986 are subject to the federal arbitration regulations. The arbitration 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.

**Changes in Long-term Liabilities** – Long-term liability activity for the year ended June 30, 2021, was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
<b>Governmental activities:</b>					
Bonds payable:					
General obligation bonds	\$ 66,205,000	\$ 24,750,000	\$ (9,080,000)	\$ 81,875,000	\$ 9,085,000
Issuance premium/ (discount)	<u>1,607,055</u>	<u>469,275</u>	<u>(261,941)</u>	<u>1,814,389</u>	<u>-</u>
Total bonds payable	67,812,055	25,219,275	(9,341,941)	83,689,389	9,085,000
Sales tax revenue notes	83,480,000	22,250,000	(5,015,000)	100,715,000	7,370,000
Notes payable	3,195,000	-	(1,255,000)	1,940,000	1,285,000
Liability for incurred claims	3,000,122	12,585,461	(12,585,461)	3,000,122	1,200,000
Net OPEB obligation	8,762,331	392,099		9,154,430	-
Net pension liability	40,296,319	15,245,914	-	55,542,233	-
Compensated absences	<u>8,951,297</u>	<u>6,313,583</u>	<u>(6,497,881)</u>	<u>8,766,999</u>	<u>838,335</u>
Government activity long-term liabilities	<u>\$ 215,497,124</u>	<u>\$ 82,006,332</u>	<u>\$ (34,695,283)</u>	<u>\$ 262,808,173</u>	<u>\$ 19,778,335</u>
<b>Business-type activities:</b>					
Bonds payable:					
Revenue bonds	\$ 375,000	\$ -	\$ (180,000)	\$ 195,000	\$ 195,000
Less deferred amounts:					
For issuance premium and (discount)	<u>(6,207)</u>	<u>3,104</u>	<u>-</u>	<u>(3,103)</u>	<u>-</u>
Total bonds payable	368,793	3,104	(180,000)	191,897	195,000
Notes payable	16,164,444	-	(1,974,444)	14,190,000	1,945,000
Less deferred amounts:					
For issuance premium and (discount)	<u>(12,480)</u>	<u>1,781</u>	<u>-</u>	<u>(10,699)</u>	<u>-</u>
Total notes payable	16,151,964	1,781	(1,974,444)	14,179,301	1,945,000
OWRB loans payable	67,635,684	2,995,607	(5,446,040)	65,185,251	5,198,250
Compensated absences	<u>1,383,115</u>	<u>1,030,692</u>	<u>(1,115,327)</u>	<u>1,298,480</u>	<u>129,777</u>
Business-type activity long-term liabilities	<u>\$ 85,539,556</u>	<u>\$ 4,031,184</u>	<u>\$ (8,715,811)</u>	<u>\$ 80,854,929</u>	<u>\$ 7,468,027</u>

For governmental activities, liability for incurred claims, compensated absences, net pension liability and net OPEB obligation 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, 2021:

	General	Public Safety Sales Tax	Spl Grants Fund	Capital Projects	Norman Forward	Other Governmental Funds	Total Governmental Funds
<b>FUND BALANCES</b>							
Nonspendable:							
Inventory	\$ 19,324	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 19,324
Restricted:							
Debt service reserve	-	-	-	-	-	4,878,612	4,878,612
Arts and humanities	-	-	-	-	-	-	-
Grant activities	-	-	1,723,969	-	-	3,183,894	4,907,863
Bond capital projects	-	-	-	53,832,660	37,110,310	-	90,942,970
Other capital projects	-	-	-	33,513,215	28,874,591	1,526,339	63,914,145
Seizures	-	-	-	-	-	1,005,432	1,005,432
CLEET	-	-	-	-	-	-	-
Transit & Parking	-	-	-	-	-	2,601,276	2,601,276
Public safety	-	10,709,750	-	-	-	-	10,709,750
Committed:							
Economic stablization	4,027,066	-	-	-	-	-	4,027,066
Assigned:							
Other capital projects	-	-	-	2,451,628	2,006,883	-	4,458,511
Grant activities	-	-	431,720	-	-	135,930	567,650
Orders on purchase	2,893,498	-	-	-	-	-	2,893,498
Unassigned:	<u>11,773,244</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>11,773,244</u>
Total fund balances	<u>\$ 18,713,132</u>	<u>\$ 10,709,750</u>	<u>\$ 2,155,689</u>	<u>\$ 89,797,503</u>	<u>\$ 67,991,784</u>	<u>\$ 13,331,483</u>	<u>\$ 202,699,341</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, 2021 the Rainy Day Fund had a balance of \$4,027,066.

## 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 \$3,000,122 reported at June 30, 2021 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, 2021, 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, 2021, 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 2020	<u>\$ 2,500,122</u>	<u>\$ 12,877,067</u>	<u>\$ (12,377,067)</u>	<u>\$ 3,000,122</u>
Fiscal year 2021	<u>\$ 3,000,122</u>	<u>\$ 12,585,461</u>	<u>\$ (12,585,461)</u>	<u>\$ 3,000,122</u>

## 7. SEGMENT INFORMATION

The City operates various segments within its enterprise funds. Condensed financial statement information for these segments for the year ended June 30, 2021 was as follows:

	<b>Norman Municipal Authority</b>		
		<b>Sanitation</b>	
	<b>Westwood Park</b>	<b>Services</b>	<b>Total</b>
Current assets:			
Cash and cash equivalents	\$ 650,755	\$ 6,338,608	\$ 6,989,363
Restricted cash and cash equivalents	995	469,310	470,305
Investments	-	9,338,969	9,338,969
Receivables:			
Accounts, net of allowance	-	1,831,527	1,831,527
Due from other funds	-	187,731	187,731
Interest	-	25,188	25,188
Total current assets	<u>651,750</u>	<u>18,191,333</u>	<u>18,843,083</u>
Noncurrent assets:			
Restricted assets:			
Cash and cash equivalents	209,457	-	209,457
Capital assets, net	<u>6,892,114</u>	<u>11,146,015</u>	<u>18,038,129</u>
Total noncurrent assets	<u>7,101,571</u>	<u>11,146,015</u>	<u>18,247,586</u>
Total assets	<u>7,753,321</u>	<u>29,337,348</u>	<u>37,090,669</u>
Current liabilities:			
Accounts payable and accrued expenses	338,013	886,301	1,224,314
Payroll payable	95,876	160,327	256,203
Accrued interest payable	995	-	995
Guaranty deposits	-	469,310	469,310
Revenue bonds payable	191,897	-	191,897
Compensated absences	<u>9,789</u>	<u>37,095</u>	<u>46,884</u>
Total current liabilities	636,570	1,553,033	2,189,603
Non-current liabilities:			
Long-term debt and other liabilities	<u>88,151</u>	<u>334,062</u>	<u>422,213</u>
Total liabilities	<u>724,721</u>	<u>1,887,095</u>	<u>2,611,816</u>
Net investment in capital assets	6,697,114	11,146,015	17,843,129
Restricted for debt service	209,457	-	209,457
Unrestricted	<u>122,029</u>	<u>16,304,238</u>	<u>16,426,267</u>
Total net position	<u>\$ 7,028,600</u>	<u>\$ 27,450,253</u>	<u>\$ 34,478,853</u>

continued



Norman Municipal Authority			
	Westwood Park	Sanitation Services	Total
Charges for services and goods, net	1,942,080	16,188,306	18,130,386
Other	7,774	90,907	98,681
Total operating revenues	1,949,854	16,279,213	18,229,067
Operating expenses	1,857,971	12,804,053	14,662,024
Depreciation	147,477	1,966,339	2,113,816
Total operating expenses	2,005,448	14,770,392	16,775,840
Operating income (loss)	(55,594)	1,508,821	1,453,227
Investment earnings	1,488	18,732	20,220
Interest expense	(26,404)	-	(26,404)
Miscellaneous income (expense)	-	89,494	89,494
(expenses)	(24,916)	108,226	83,310
Income before capital contributions and transfers	(80,510)	1,617,047	1,536,537
Transfers, net	264,012	(150,832)	113,180
Change in net position	183,502	1,466,215	1,649,717
Total net position - beginning	6,845,098	25,984,038	32,829,136
Total net position - ending	7,028,600	27,450,253	34,478,853
Net cash provided (used) by:			
Operating activities	200,102	3,078,381	3,278,483
Noncapital financing activities	264,012	(150,832)	113,180
Capital and related financing activities	(226,169)	(2,683,581)	(2,909,750)
Investing activities	1,488	(3,249,267)	(3,247,779)
Beginning cash and cash equivalents	621,774	9,813,217	10,434,991
Ending cash and cash equivalents	\$ 861,207	\$ 6,807,918	\$ 7,669,125

concluded

## 8. 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, 2021, the City maintained a litigation reserve, including judgments that have been awarded but not yet paid, of approximately \$822,000.

**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.

**Lease Commitments** - The City has entered into a number of operating leases, all of which contain cancellation provisions that are subject to annual appropriations by the City Council. For the year ended June 30, 2021, rent expenditures approximated \$620,000 for all operating leases. These expenditures were made primarily from the General Fund.

**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, 2021, the City paid the District \$792,650.

**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, 2021 is as follows:

	<b>Total Construction In Progress</b>	<b>Total Project</b>	<b>Remaining To Complete</b>
General Government	\$ 47,895,914	\$ 185,887,307	\$ 137,991,393
Norman Municipal Authority:			
Sanitation	1,822,864	5,806,857	3,983,993
Norman Utilities Authority:			
Water Fund	27,746,305	66,668,704	38,922,399
Wastewater Fund	<u>5,186,469</u>	<u>17,054,008</u>	<u>11,867,539</u>
	<u>\$ 82,651,552</u>	<u>\$ 275,416,876</u>	<u>\$ 192,765,324</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.

**Pandemic** – The SARS-CoV-2 virus (COVID-19) continues to have an economic impact on the world economy as a whole which may negatively affect the financial position, results of operations and cash flows, where applicable, of the City. The duration of these uncertainties, and the ultimate financial effects cannot be reasonably estimated at this time.

**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, 2021 the amount of encumbrances expected to be honored upon performance by the vendor in the next year were as follows:

General fund	\$ 2,893,498
Public safety sales tax fund	857,567
Special grants fund	30,000
Capital projects fund	20,493,892
Norman forward fund	4,335,342
Nonmajor governmental funds	2,692,323
Total	<u>\$ 31,302,622</u>

## 9. SUBSEQUENT EVENTS

On September 14, 2021, the City sold \$3,882,000 in hotel/motel tax revenue notes. The notes are due in various amounts from \$149,000 to \$216,000 beginning March 2022 through September 2031.

On September 24, 2021, the City paid off the Norman Municipal Authority, Recreation Facility Revenue Bonds, Series 2002.

## 10. RECENTLY ISSUED ACCOUNTING STANDARDS

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

**GASB Statement No. 87 – *Leases* (GASB 87):** GASB 87 addresses the recognition of certain lease assets and liabilities for leases that were previously classified as operating leases and recognizing inflows of resources or outflows of resources based on the payment provisions of the contract. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activity. This statement is effective for periods beginning after June 15, 2021 (effective for the City's June 30, 2022 year-end).

**GASB Statement No. 91 - *Conduit Debt Obligations*:** The primary objectives of this statement are to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. This statement achieves those objectives by clarifying the existing definition of a conduit debt obligation, establishing that a conduit debt obligation is not a liability of the issuer; establishing standards for accounting and financial reporting of additional commitments and voluntary commitments extended by issuers and arrangements associated with conduit debt obligations; and improving required note disclosures. The requirements of this statement are effective for reporting periods beginning after December 15, 2021 (effective for the City's June 30, 2023 year-end).

**GASB Statement No. 92 – *Omnibus 2020*:** The objectives of GASB Statement No. 92 are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing practice issues that have been identified during implementation and application of certain GASB Statements. GASB Statement No. 92 addresses a variety of topics and includes specific provisions about the following:

- The effective date of GASB Statement No. 87, *Leases*, and Implementation Guide No. 2019-3, *Leases*, for interim financial reports

- Reporting of intra-entity transfers of assets between a primary government employer and a component unit defined benefit pension plan or defined benefit other postemployment benefit (OPEB) plan
- The applicability of GASB Statements No. 73, Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statements 67 and 68, as amended, and No. 74, Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans, as amended, to reporting assets accumulated for postemployment benefits
- The applicability of certain requirements of GASB Statement No. 84, Fiduciary Activities, to postemployment benefit arrangements
- Measurement of liabilities (and assets, if any) related to AROs in a government acquisition
- Reporting by public entity risk pools for amounts that are recoverable from reinsurers or excess insurers
- Reference to nonrecurring fair value measurements of assets or liabilities in authoritative literature
- Terminology used to refer to derivative instruments

GASB Statement No. 92 is effective for reporting periods beginning after June 15, 2021 (effective for the City's June 30, 2022, year-end).

GASB Statement No. 93 - *Replacement of Interbank Offered Rates*: Some governments have entered into agreements in which variable payments made or received depend on an interbank offered rate (IBOR)—most notably, the London Interbank Offered Rate (LIBOR). As a result of global reference rate reform, LIBOR is expected to cease to exist in its current form at the end of 2021, prompting governments to amend or replace financial instruments for the purpose of replacing LIBOR with other reference rates, by either changing the reference rate or adding or changing fallback provisions related to the reference rate.

The objective of GASB Statement No. 93 is to address those and other accounting and financial reporting implications that result from the replacement of an IBOR. GASB Statement No. 93 achieves that objective by:

- Providing exceptions for certain hedging derivative instruments to the hedge accounting termination provisions when an IBOR is replaced as the reference rate of the hedging derivative instrument's variable payment
- Clarifying the hedge accounting termination provisions when a hedged item is amended to replace the reference rate
- Clarifying that the uncertainty related to the continued availability of IBORs does not, by itself, affect the assessment of whether the occurrence of a hedged expected transaction is probable
- Removing LIBOR as an appropriate benchmark interest rate for the qualitative evaluation of the effectiveness of an interest rate swap
- Identifying a Secured Overnight Financing Rate and the Effective Federal Funds Rate as appropriate benchmark interest rates for the qualitative evaluation of the effectiveness of an interest rate swap
- Clarifying the definition of reference rate, as it is used in GASB Statement No. 53, as amended

- Providing an exception to the lease modifications guidance in GASB Statement No. 87, as amended, for certain lease contracts that are amended solely to replace an IBOR as the rate upon which variable payments depend

The removal of LIBOR as an appropriate benchmark interest rate is effective for reporting periods ending after June 15, 2021 (effective for the City's June 30, 2022, year-end). All other requirements of GASB Statement No. 93 are effective for reporting periods beginning after June 15, 2020 (effective for the City's June 30, 2021, year-end).

GASB Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*: The primary objective of GASB Statement No. 94 is to improve financial reporting by addressing issues related to public-private and public-public partnership arrangements (PPPs). As used in GASB Statement No. 94, a PPP is an arrangement in which a government (the transferor) contracts with an operator (a governmental or nongovernmental entity) to provide public services by conveying control of the right to operate or use a nonfinancial asset, such as infrastructure or other capital asset (the underlying PPP asset), for a period of time in an exchange or exchange-like transaction. Some PPPs meet the definition of a service concession arrangement (SCA), which GASB defines in GASB Statement No. 94 as a PPP in which 1) the operator collects and is compensated by fees from third parties; 2) the transferor determines or has the ability to modify or approve which services the operator is required to provide, to whom the operator is required to provide the services, and the prices or rates that can be charged for the services; and 3) the transferor is entitled to significant residual interest in the service utility of the underlying PPP asset at the end of the arrangement. GASB Statement No. 94 is effective for reporting periods beginning after June 15, 2022 (effective for the City's June 30, 2023, year-end).

GASB Statement No. 96 - *Subscription-Based Information Technology Arrangements* – This statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). GASB Statement No. 96 1) defines a SBITA; 2) establishes that a SBITA results in a right-to-use subscription asset—an intangible asset—and a corresponding subscription liability; 3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and 4) requires note disclosures regarding a SBITA. GASB Statement No. 96 is effective for reporting periods beginning after June 15, 2022 (effective for the City's June 30, 2023, year-end).

The effect of these statements on the City has not been determined but could have a significant impact on its overall net position.

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**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, 2021

	2015 *	2016 *	2017 *	2018 *	2019 *	2020 *	2021 *
City's proportion of the net pension liability or asset	3.9342%	4.1552%	4.1283%	4.1388%	4.1106%	3.8135%	4.1118%
City's proportion share of the net pension liability or (asset)	\$ 40,457,734	\$ 44,103,551	\$ 50,436,541	\$ 52,055,202	\$ 46,271,359	\$ 40,296,319	\$ 50,653,960
City's covered payroll	\$ 10,791,880	\$ 11,330,342	\$ 11,538,401	\$ 11,772,620	\$ 12,226,118	\$ 12,240,790	\$ 12,751,193
City's proportion share of the net pension liability as a percentage of its covered payroll	374.891%	389.252%	437.119%	442.172%	378.463%	329.197%	397.249%
Plan fiduciary net position as a percentage of the total pension liability	68.12%	68.27%	64.87%	66.61%	70.73%	72.85%	69.98%

\* - The amounts present for each fiscal year were determined as of the measurement date, June 30, 2014, 2015, 2016, 2017, 2018, 2019, and 2020, respectively.

Note to Schedule: Only fiscal years 2015, 2016, 2017, 2018, 2019, 2020 and 2021 are presented because 10 year data is not yet available.



# 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, 2021

	2015 *	2016 *	2017 *	2018 *	2019 *	2020 *	2021 *
City's proportion of the net pension liability or asset	3.8053%	3.8957%	4.0413%	4.0345%	4.2026%	3.7826%	4.2564%
City's proportion share of the net pension liability or (asset)	\$(1,281,185)	\$ 158,844	\$ 6,189,000	\$ 310,337	\$(2,001,892)	\$ (241,484)	\$ 4,888,273
City's covered payroll	\$10,645,515	\$11,172,374	\$11,918,115	\$12,064,110	\$12,359,354	\$12,802,792	\$13,753,405
City's proportion share of the net pension liability (asset) as a percentage of its covered payroll	-12.035%	1.422%	51.929%	2.572%	-16.197%	-1.886%	35.542%
Plan fiduciary net position as a percentage of the total pension liability	101.53%	99.82%	93.50%	99.68%	101.89%	100.24%	95.80%

\* - The amounts present for each fiscal year were determined as of the measurement date, June 30, 2014, 2015, 2016, 2017, 2018, 2019, and 2020, respectively.

Note to Schedule: Only fiscal years 2015, 2016, 2017, 2018, 2019, 2020 and 2021 are presented because 10 year data is not yet available.

# THE CITY OF NORMAN, OKLAHOMA

## Schedule of the City's Contributions Oklahoma Firefighters Pension and Retirement System (OFPRS) Year Ended June 30, 2021

	2015	2016	2017	2018	2019	2020	2021
Contractually required contribution	\$ 1,586,248	\$ 1,615,405	\$ 1,650,048	\$ 1,711,565	\$ 1,713,665	\$ 1,785,165	\$ 1,793,453
Contributions in relation to the contractually required contribution	1,586,248	1,615,405	1,650,048	1,711,565	1,713,665	1,785,165	1,793,453
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
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
Contributions as a percentage of covered payroll	14%	14%	14%	14%	14%	14%	14%

Note to Schedule: Only fiscal year 2015, 2016, 2017, 2018, 2019, 2020 and 2021 are presented because 10 year data is not yet available.

## 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:

<b>Changes in Assumptions</b>	<b>Previous Assumption</b>	<b>New Assumption</b>
<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, 2021

	2015	2016	2017	2018	2019	2020	2021
Contractually required contribution	\$ 1,452,409	\$ 1,550,235	\$ 1,568,335	\$ 1,606,716	\$ 1,664,363	\$ 1,787,879	\$ 1,712,101
Contributions in relation to the contractually required contribution	1,452,409	1,550,235	1,568,335	1,606,716	1,664,363	1,787,879	1,712,101
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
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
Contributions as a percentage of covered payroll	13%	13%	13%	13%	13%	13%	13%

Note to Schedule: Only fiscal year 2015, 2016, 2017, 2018, 2019, 2020 and 2021 are presented because 10 year data is not yet available.

### 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:

<b>Changes in Assumptions</b>	<b>Previous Assumption</b>	<b>New Assumption</b>
<b><i>Economic Assumption Changes:</i></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><i>Demographic Assumption Changes:</i></b>		
Severity of Disability Aware Percentage	50.00%	75.00%
<b><i>Actuarial Assumption Changes:</i></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	

# 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
Total OPEB Liability				
Service cost	\$ 363,920	\$ 417,331	\$ 382,009	\$ 381,282
Interest	423,574	387,327	345,352	199,362
Differences between expected and actual experience	965,685	-	-	-
Changes of economic/demographic gains or losses	-	-	(1,929,650)	-
Changes of assumptions or other inputs	(1,095,942)	426,593	(1,359,626)	58,255
Benefit payments	(731,674)	(725,099)	(181,232)	(246,800)
Net Change in Total OPEB Liability	(74,437)	506,152	(2,743,147)	392,099
City's Total OPEB Liability - Beginning	<u>11,073,763</u>	<u>10,999,326</u>	<u>11,505,478</u>	<u>8,762,331</u>
City's Total OPEB Liability - Ending	<u>10,999,326</u>	<u>11,505,478</u>	<u>8,762,331</u>	<u>9,154,430</u>
Covered Payroll	\$ 49,743,998	\$ 49,142,598	\$ 47,776,487	\$ 53,024,235
City's Total OPEB Liability as a Percentage of Covered Payroll	22.11%	23.41%	18.34%	17.26%

### 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.

### Changes in Assumptions:

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

# 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, 2021

	Original Budget	Revisions	Revised Budget	Expenditures	Encum- brances	Actual	Variance- Positive (Negative)
Taxes:							
Sales taxes	\$ 44,662,816	\$ -	\$ 44,662,816			\$ 45,774,737	\$ 1,111,921
Franchise fees	7,337,273	-	7,337,273			6,386,682	(950,591)
State use taxes	6,521,370	-	6,521,370			8,976,431	2,455,061
Total taxes	<u>58,521,459</u>	<u>-</u>	<u>58,521,459</u>			<u>61,137,850</u>	<u>2,616,391</u>
Licenses and permits:							
Licenses	557,887	-	557,887			795,520	237,633
Permits	634,439	-	634,439			667,504	33,065
Total licenses and permits	<u>1,192,326</u>	<u>-</u>	<u>1,192,326</u>			<u>1,463,024</u>	<u>270,698</u>
State Shared Revenues:							
Alcoholic beverage	337,304	-	337,304			554,062	216,758
Cigarette	910,920	-	910,920			750,365	(160,555)
State motor fuel and vehicle registration	<u>1,237,115</u>	<u>-</u>	<u>1,237,115</u>			<u>1,126,222</u>	<u>(110,893)</u>
Total intergovern- mental revenues	<u>2,485,339</u>	<u>-</u>	<u>2,485,339</u>			<u>2,430,649</u>	<u>(54,690)</u>
Charges for services:							
Zoning & subdivision	130,864	-	130,864			177,151	46,287
Public safety	434,517	-	434,517			303,824	(130,693)
Health	224,321	-	224,321			134,489	(89,832)
Recreation fees	666,800	-	666,800			157,920	(508,880)
Credit card convenience fees	686,527	-	686,527			309,051	(377,476)
911 emergency fees	<u>35,676</u>	<u>-</u>	<u>35,676</u>			<u>265,328</u>	<u>229,652</u>
Total charges for services	<u>2,178,705</u>	<u>-</u>	<u>2,178,705</u>			<u>1,347,763</u>	<u>(830,942)</u>
Fines and forfeitures:							
Police court fines	2,245,877	-	2,245,877			1,531,776	(714,101)
Miscellaneous forfeitures	-	-	-			16,580	16,580
Total fines and forfeits	<u>2,245,877</u>	<u>-</u>	<u>2,245,877</u>			<u>1,548,356</u>	<u>(697,521)</u>
Investment earnings	<u>182,070</u>	<u>-</u>	<u>182,070</u>			<u>57,872</u>	<u>(124,198)</u>
Other revenue:							
Contributions	28,755	87,927	116,682			89,196	(27,486)
Rents and royalties	360,577	-	360,577			191,588	(168,989)
Cost allocations	10,683,118	-	10,683,118			9,371,333	(1,311,785)
Sale of fixed assets	167,394	-	167,394			46,985	(120,409)
Miscellaneous revenues	<u>1,366,041</u>	<u>13,888</u>	<u>1,379,929</u>			<u>15,183,433</u>	<u>13,803,504</u>
Total other revenue	<u>12,605,885</u>	<u>101,815</u>	<u>12,707,700</u>			<u>24,882,535</u>	<u>12,174,835</u>
Total revenues	<u>79,411,661</u>	<u>101,815</u>	<u>79,513,476</u>			<u>92,868,049</u>	<u>13,354,573</u>

(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, 2021

	Original Budget	Revisions	Revised Budget	Expenditures	Encum- brances	Actual	Variance- Positive (Negative)
<b>General government:</b>							
City council	\$ 1,330,978	\$ (825,672)	\$ 505,306	\$ 473,655	\$ 24	\$ 473,679	\$ 31,627
Internal audit	235,000	(225,000)	10,000	-	8,800	8,800	1,200
City manager's office	521,276	425,538	946,814	529,671	36	529,707	417,107
Community relations	260,597	2,851,717	3,112,314	3,053,999	10,000	3,063,999	48,315
Communications	199,857	53,522	253,379	230,624	-	230,624	22,755
City clerk's office	665,027	(24,888)	640,139	617,913	13,716	631,629	8,510
Municipal court	1,130,273	410	1,130,683	1,088,997	17,238	1,106,235	24,448
Legal administration	1,310,178	44,954	1,355,132	1,342,689	422	1,343,111	12,021
Information Technology	2,938,324	149,571	3,087,895	2,794,275	90,101	2,884,376	203,519
Human resource admin	816,942	(14,095)	802,847	746,372	15,549	761,921	40,926
Safety administration	153,647	5,280	158,927	125,810	10,425	136,235	22,692
Building services admin	135,457	(23,085)	112,372	107,049	-	107,049	5,323
Custodial services	254,413	(59,100)	195,313	192,601	210	192,811	2,502
Building repair services	589,034	39,889	628,923	579,599	2,458	582,057	46,866
Human rights commission	230	-	230	-	-	-	230
Children's rights commission	176	-	176	-	-	-	176
Social & voluntary services	175,000	12,110	187,110	169,475	5,525	175,000	12,110
Norman public library	684,329	(99,795)	584,534	562,929	2,313	565,242	19,292
Firehouse art center	76,771	-	76,771	71,555	-	71,555	5,216
Historical museum	43,500	-	43,500	38,359	-	38,359	5,141
Sooner theatre	92,688	(7,000)	85,688	82,784	-	82,784	2,904
Juvenile services	48,796	(14,500)	34,296	27,594	-	27,594	6,702
Employee training	3,726	2,500	6,226	5,800	-	5,800	426
Employee assistance program	29,444	-	29,444	29,432	-	29,432	12
Special studies & contributions	5,000	(5,000)	-	-	-	-	-
Municipal elections	82,115	-	82,115	80,931	-	80,931	1,184
Sister cities program	1,000	2,000	3,000	2,549	-	2,549	451
Holiday decorations	6,730	-	6,730	5,083	143	5,226	1,504
<b>Total general government</b>	<b>11,790,508</b>	<b>2,289,356</b>	<b>14,079,864</b>	<b>12,959,745</b>	<b>176,960</b>	<b>13,136,705</b>	<b>943,159</b>
<b>Planning:</b>							
Planning commission	347	-	347	-	-	-	347
Historic district commission	2,840	14,937	17,777	455	-	455	17,322
Greenbelt commission	490	-	490	-	-	-	490
Planning administration	597,537	27,615	625,152	609,760	-	609,760	15,392
Geographic information	457,746	28,755	486,501	442,898	5,395	448,293	38,208
Development services	1,622,739	(116,254)	1,506,485	1,380,204	6,963	1,387,167	119,318
Code compliance	833,113	(82,248)	750,865	734,874	1,848	736,722	14,143
Current planning	222,278	(39,791)	182,487	175,741	-	175,741	6,746
<b>Total planning</b>	<b>3,737,090</b>	<b>(166,986)</b>	<b>3,570,104</b>	<b>3,343,932</b>	<b>14,206</b>	<b>3,358,138</b>	<b>211,966</b>

(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, 2021

	Original Budget	Revisions	Revised Budget	Expenditures	Encum- brances	Actual	Variance- Positive (Negative)
<b>City controller:</b>							
Finance administration	\$ 337,645	\$ 191,044	\$ 528,689	\$ 518,289	\$ -	\$ 518,289	\$ 10,400
Accounting services	727,964	40,201	768,165	762,003	378	762,381	5,784
Printing services	261,486	(11,030)	250,456	241,198	-	241,198	9,258
Budget services	195,578	1,199	196,777	192,625	-	192,625	4,152
Treasury services	803,799	(69,336)	734,463	718,356	9,802	728,158	6,305
Utility services	1,304,889	85,302	1,390,191	1,365,258	13,639	1,378,897	11,294
Total city controller	3,631,361	237,380	3,868,741	3,797,729	23,819	3,821,548	47,193
<b>Parks and recreation:</b>							
Parks board	767	66	833	704	46	750	83
Mosquito control program	-	-	-	-	-	-	-
Santa Fe Depot	7,183	234	7,417	4,808	234	5,042	2,375
Administration	654,935	119,532	774,467	772,013	1,557	773,570	897
Park maintenance	2,996,724	(58,627)	2,938,097	2,559,460	197,709	2,757,169	180,928
Forestry	152,340	36,201	188,541	134,032	681	134,713	53,828
Recreation programs	1,561,504	(97,216)	1,464,288	1,252,274	120,918	1,373,192	91,096
Senior citizens center	203,040	(8,985)	194,055	195,616	256	195,872	(1,817)
Total parks & recreation	5,576,493	(8,795)	5,567,698	4,918,907	321,401	5,240,308	327,390
<b>Public works:</b>							
Public works administratic	386,778	45,746	432,524	316,821	59,145	375,966	56,558
ADA compliance	169,093	(15,500)	153,593	72,226	71,209	143,435	10,158
Engineering department	1,257,187	(23,072)	1,234,115	1,161,398	19,720	1,181,118	52,997
Street maintenance	4,767,274	4,987,848	9,755,122	9,219,675	178,932	9,398,607	356,515
Stormwater drainage	2,151,588	(264,045)	1,887,543	1,646,435	250,069	1,896,504	(8,961)
Stormwater quality	498,391	51,278	549,669	429,303	7,423	436,726	112,943
Traffic control	4,052,666	(37,272)	4,015,394	3,464,744	58,614	3,523,358	492,036
Fleet maintenance admin	484,502	(60,637)	423,865	410,576	453	411,029	12,836
Fleet repair light duty	567,172	12,145	579,317	518,623	45,782	564,405	14,912
Fleet repair heavy duty	856,538	(48,013)	808,525	756,184	20,056	776,240	32,285
Fleet fuel and parts	3,246,420	(511,406)	2,735,014	2,215,077	262,824	2,477,901	257,113
CNG Station	371,341	(27,901)	343,440	248,590	46,938	295,528	47,912
Total public works	18,808,950	4,109,171	22,918,121	20,459,652	1,021,165	21,480,817	1,437,304
<b>Public safety:</b>							
Police department admin	780,088	448,671	1,228,759	1,159,314	15,966	1,175,280	53,479
Staff services	2,878,438	(216,518)	2,661,920	2,339,878	114,842	2,454,720	207,200
Criminal investigations	2,901,853	(10,570)	2,891,283	2,730,321	89,614	2,819,935	71,348
Patrol	11,368,463	431,578	11,800,041	11,351,378	197,291	11,548,669	251,372
Special Investigations	998,876	145,818	1,144,694	1,134,607	1,063	1,135,670	9,024
Animal control	1,539,584	138,039	1,677,623	1,508,382	103,248	1,611,630	65,993
911 services	2,134,443	148,840	2,283,283	1,947,914	170,152	2,118,066	165,217
Fire department admin	825,055	272,891	1,097,946	1,080,598	1,199	1,081,797	16,149
Training - fire department	360,436	(95,700)	264,736	251,311	1,773	253,084	11,652
Fire prevention	712,546	103,106	815,652	797,543	3,596	801,139	14,513
Fire suppression	14,477,238	(29,522)	14,447,716	14,084,286	73,800	14,158,086	289,630
Diaster preparedness servi	198,403	96,356	294,759	247,841	34,745	282,586	12,173
Total public safety	39,175,423	1,432,989	40,608,412	38,633,373	807,289	39,440,662	1,167,750
Total expenditures and encumbrances	82,719,825	7,893,115	90,612,940	\$ 84,113,338	\$ 2,364,840	86,478,178	4,134,762

(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, 2021

	Original Budget	Revisions	Revised Budget	Actual	Variance- Positive (Negative)
Excess (deficiency) of revenues over expendi- tures and encumbrances	<u>(3,308,164)</u>	<u>(7,791,300)</u>	<u>(11,099,464)</u>	<u>6,389,871</u>	<u>17,489,335</u>
OTHER FINANCING SOURCES (USES):					
Transfers in:					
Norman Utilities Authority	1,700,984	-	1,700,984	1,686,058	(14,926)
Capital Projects Fund	3,594,896	9,500	3,604,396	3,782,098	177,702
Sanitation Fund	-	-	-	150,832	150,832
Norman Forward Fund	187,695	-	187,695	187,695	-
Insurance Fund	<u>-</u>	<u>-</u>	<u>-</u>	<u>68,893</u>	<u>68,893</u>
Total transfers in	<u>5,483,575</u>	<u>9,500</u>	<u>5,493,075</u>	<u>5,875,576</u>	<u>382,501</u>
Transfers out:					
Room Tax Fund	-	(1,075,000)	(1,075,000)	(1,075,000)	-
Norman Forward Fund	-	(4,800,000)	(4,800,000)	(4,800,000)	-
Public Safety Sales Tax Fund	(1,294,239)	(1,127,953)	(2,422,192)	(2,422,192)	-
Rainy Day Fund	-	(135,000)	(135,000)	(135,000)	-
CLEET Fund	-	(5,435)	(5,435)	(5,435)	-
Transit & Parking Fund	<u>(1,174,377)</u>	<u>(2,400,504)</u>	<u>(3,574,881)</u>	<u>(3,474,881)</u>	<u>100,000</u>
Total transfers out	<u>(2,468,616)</u>	<u>(9,543,892)</u>	<u>(12,012,508)</u>	<u>(11,912,508)</u>	<u>100,000</u>
Net other financing sources (uses)	<u>3,014,959</u>	<u>(9,534,392)</u>	<u>(6,519,433)</u>	<u>(6,036,932)</u>	<u>482,501</u>

(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, 2021

	Original Budget	Revisions	Revised Budget	Actual	Variance- Positive (Negative)
Excess (deficiency) of revenues and other sources over (under) expenditures, encumbrances, and other uses	(293,205)	(17,325,692)	(17,618,897)	352,939	17,971,836
Fund balance, July 1, 2020 (Non-GAAP budgetary basis)	<u>1,044,656</u>	<u>-</u>	<u>1,044,656</u>	<u>1,044,656</u>	<u>-</u>
Fund balance, June 30, 2021 (Non-GAAP budgetary basis)	<u>\$ 751,451</u>	<u>\$(17,325,692)</u>	<u>\$(16,574,241)</u>	<u>\$ 1,397,595</u>	<u>\$ 17,971,836</u> (Concluded)

# THE CITY OF NORMAN, OKLAHOMA

## PUBLIC SAFETY SALES TAX FUND

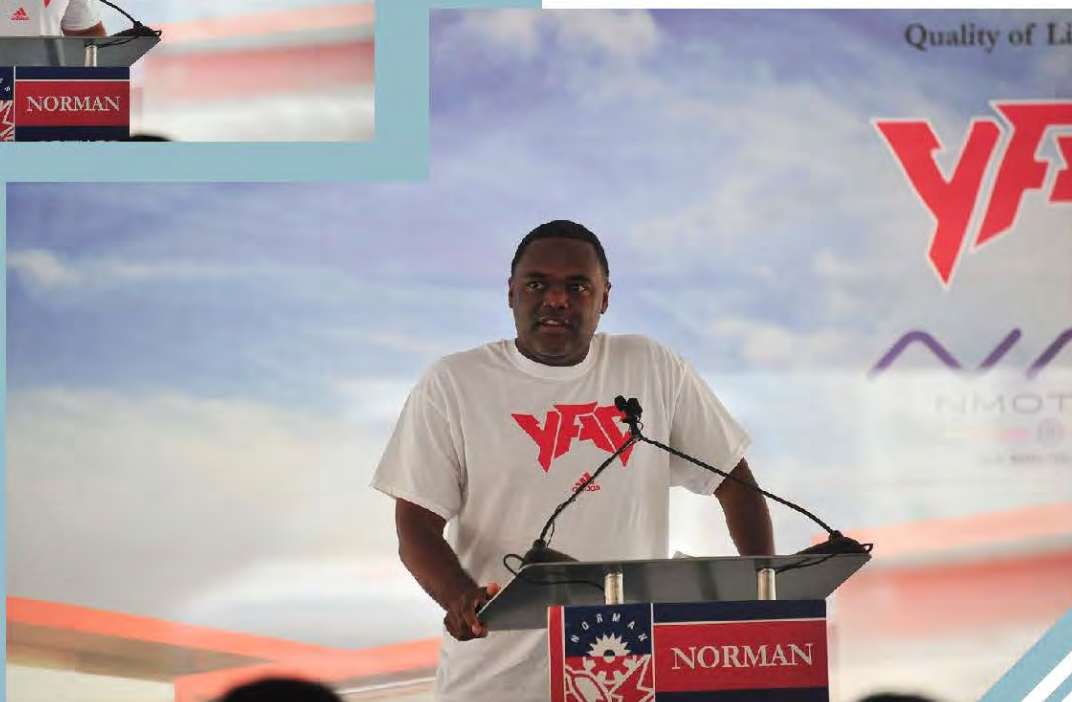
### SCHEDULE OF REVENUES, EXPENDITURES, ENCUMBRANCES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS) FOR THE YEAR ENDED JUNE 30, 2021

	Original Budget	Revisions	Revised Budget	Expenditures	Encum- brances	Actual	Variance- Positive (Negative)
REVENUES:							
Taxes:							
Sales tax	\$ 9,803,557	\$ -	\$ 9,803,557			\$ 9,951,030	\$ 147,473
Use tax	<u>1,076,444</u>	<u>-</u>	<u>1,076,444</u>			<u>1,496,071</u>	<u>419,627</u>
Total taxes	10,880,001	-	10,880,001			11,447,101	567,100
SRO reimbursement-NPS	691,732	-	691,732			849,067	157,335
Investment earnings	50,000	-	50,000			1,325	(48,675)
Miscellaneous income	<u>-</u>	<u>-</u>	<u>-</u>			<u>-</u>	<u>-</u>
Total revenues	<u>11,621,733</u>	<u>-</u>	<u>11,621,733</u>			<u>12,297,493</u>	<u>675,760</u>
EXPENDITURES AND ENCUMBRANCES:							
Public safety:							
Police staff services	50,027	190,183	240,210	\$ 43,769	\$ 8,131	51,900	188,310
Police criminal investigations	610,700	146,975	757,675	751,787	-	751,787	5,888
Police patrol	4,321,618	(53,264)	4,268,354	3,993,682	118,166	4,111,848	156,506
SRO	1,075,175	153,967	1,229,142	1,225,058	-	1,225,058	4,084
911	132,901	9,818	142,719	290,998	600	291,598	(148,879)
Fleet Heavy Repair	175,523	(50,987)	124,536	4,106	26,613	30,719	93,817
Fire suppression	4,736,461	779,022	5,515,483	4,229,199	162,828	4,392,027	1,123,456
Capital projects	-	9,256,541	9,256,541	(6,114)	355,920	349,806	8,906,735
Debt services	<u>2,361,641</u>	<u>-</u>	<u>2,361,641</u>	<u>2,361,281</u>	<u>-</u>	<u>2,361,281</u>	<u>360</u>
Total expenditures and encumbrances	<u>13,464,046</u>	<u>10,432,255</u>	<u>23,896,301</u>	<u>\$ 12,893,766</u>	<u>\$ 672,258</u>	<u>13,566,024</u>	<u>10,330,277</u>
Excess (deficiency) of revenues over (under) expenditures and encumbrances	(1,842,313)	(10,432,255)	(12,274,568)			(1,268,531)	11,006,037
OTHER FINANCING SOURCES:							
Transfers in:							
General Fund	1,294,239	-	1,294,239			2,422,192	1,127,953
Capital Fund	<u>343,666</u>	<u>-</u>	<u>343,666</u>			<u>375,138</u>	<u>31,472</u>
Net other financing sources	<u>1,637,905</u>	<u>-</u>	<u>1,637,905</u>			<u>2,797,330</u>	<u>1,159,425</u>
Excess (deficiency) of revenues and other sources over (under) expenditures, encumbrances and other sources (uses)	<u>(204,408)</u>	<u>(10,432,255)</u>	<u>(10,636,663)</u>			<u>1,528,799</u>	<u>12,165,462</u>
Fund balance, July 1, 2020 (Non-GAAP budgetary basis)	<u>6,436,498</u>	<u>-</u>	<u>6,436,498</u>			<u>6,436,498</u>	<u>-</u>
Fund balance, June 30, 2021 (Non-GAAP budgetary basis)	<u>\$ 6,232,090</u>	<u>\$ (10,432,255)</u>	<u>\$ (4,200,165)</u>			<u>\$ 7,965,297</u>	<u>\$ 12,165,462</u>

**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, 2021, are as follows:

	<b>General Fund</b>	<b>Public Safety Sales Tax Fund</b>
Fund balances - budgetary basis, June 30, 2021	\$ 1,397,595	\$ 7,965,297
Current year encumbrances included in expenditures	2,364,840	672,258
Prior year encumbrances outstanding	528,658	185,307
Current year revenue accrual	12,501,189	2,228,487
Current year expenditure accrual	(2,106,216)	(341,599)
Rainy Day Fund Balance	<u>4,027,066</u>	<u>-</u>
Fund balances - fund financial statements, June 30, 2021	<u>\$ 18,713,132</u>	<u>\$ 10,709,750</u>
Revenues - budgetary basis	\$ 92,868,049	\$ 12,297,493
Current year revenue accrual	12,501,189	2,228,487
Prior year revenue accrual	(11,582,695)	(2,043,345)
Interest earned within Rainy Day Fund	<u>2,891</u>	<u>-</u>
Revenues - fund financial statements	<u>\$ 93,789,434</u>	<u>\$ 12,482,635</u>
Expenditures - budgetary basis	\$ 86,478,178	\$ 13,566,024
Current year encumbrances included in expenditures	(2,364,840)	(672,258)
Prior year encumbrances paid	2,320,913	2,567,778
Current year expenditure accrual	2,106,216	341,599
Prior year expenditure accrual	<u>(1,776,779)</u>	<u>(282,205)</u>
Expenditures - fund financial statements	<u>\$ 86,763,688</u>	<u>\$ 15,520,938</u>



**Other Supplementary  
Information**

# THE CITY OF NORMAN, OKLAHOMA

## COMBINING BALANCE SHEET NONMAJOR GOVERNMENTAL FUNDS JUNE 30, 2021

	Norman Room Tax Fund	Community Development Fund	Park Land Fund	Seizures and Restitutions Fund	Cleet Fund	Transit & Parking Fund	Art in Public Places Fund	Debt Service Fund	Total Nonmajor Governmental Total
<b>ASSETS</b>									
Cash and cash equivalents	\$ 258,072	\$ 2,459,607	\$ 483,650	\$ 734,464	\$ -	\$ 726,892	\$ 1,314	\$ -	\$ 4,663,999
Investments	55,645	-	541,180	313,243	2,515	312,132	-	4,525,879	5,750,594
Receivables:									
Taxes	183,699	-	-	-	-	557,122	-	-	740,821
Accounts	-	-	-	164	-	-	340	-	504
Interest	150	-	1,459	845	7	842	-	12,207	15,510
Due from Federal Government	-	699,001	-	-	-	1,554,959	-	-	2,253,960
Due from other funds	7,112	67,342	13,330	15,794	-	18,689	36	9,264	131,567
Restricted Assets:									
Cash and cash equivalents	-	-	-	-	-	-	-	331,262	331,262
Total assets	\$ 504,678	\$ 3,225,950	\$ 1,039,619	\$ 1,064,510	\$ 2,522	\$ 3,170,636	\$ 1,690	\$ 4,878,612	\$ 13,888,217
<b>LIABILITIES AND FUND BALANCE</b>									
Liabilities:									
Accounts payable and other accrued liabilities	\$ 1,050	\$ 28,840	\$ -	\$ -	\$ -	\$ 485,865	\$ -	\$ -	\$ 515,755
Payroll payable	-	17,409	-	-	-	21,081	-	-	38,490
Deferred revenue	-	-	-	-	-	-	-	-	-
Due to other funds	-	-	-	-	2,489	-	-	-	2,489
Total liabilities	1,050	46,249	-	-	2,489	506,946	-	-	556,734
Fund balance:									
Restricted	486,389	3,183,894	1,039,619	1,005,432	(1,227)	2,601,276	1,558	4,878,612	13,195,553
Assigned	17,239	(4,193)	-	59,078	1,260	62,414	132	-	135,930
Total fund balance	503,628	3,179,701	1,039,619	1,064,510	33	2,663,690	1,690	4,878,612	13,331,483
Total liabilities and fund balance	\$ 504,678	\$ 3,225,950	\$ 1,039,619	\$ 1,064,510	\$ 2,522	\$ 3,170,636	\$ 1,690	\$ 4,878,612	\$ 13,888,217

# THE CITY OF NORMAN, OKLAHOMA

## COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES NONMAJOR GOVERNMENTAL FUNDS FOR THE YEAR ENDED JUNE 30, 2021

	Norman Room Tax Fund	Community Development Fund	Park Land Fund	Seizures and Restitutions Fund	Cleet Fund	Transit & Parking Fund	Art in Public Places Fund	Debt Service Fund	Total Nonmajor Governmental Total
Revenues:									
Taxes	\$ 1,264,409	\$ -	\$ -	\$ -	\$ -	\$ 2,985,084	\$ -	\$ 9,050,479	\$ 13,299,972
Intergovernmental revenues	-	2,126,439	-	-	18,005	4,655,172	-	-	6,799,616
Charges for services	-	-	167,724	-	-	-	-	-	167,724
Investment earnings	(669)	(4,193)	216	3,252	10	5,707	12	40,408	44,743
Other	-	-	-	619,715	-	68,000	6,336	-	694,051
Total revenues	<u>1,263,740</u>	<u>2,122,246</u>	<u>167,940</u>	<u>622,967</u>	<u>18,015</u>	<u>7,713,963</u>	<u>6,348</u>	<u>9,090,887</u>	<u>21,006,106</u>
Expenditures:									
Current:									
Parks and recreation	41,900	-	6,000	-	-	-	6,389	-	54,289
Public service	1,679,230	2,124,010	-	-	-	-	-	-	3,803,240
Public safety	-	-	-	34,259	28,134	-	-	-	62,393
Public works	-	-	-	-	-	4,716,830	-	-	4,716,830
Capital outlay	22,287	-	1,000	23,800	-	6,508	-	-	53,595
Debt service:									
Principal retirement	-	-	-	-	-	-	-	9,080,000	9,080,000
Interest and fiscal charges	-	-	-	-	-	-	-	1,885,845	1,885,845
Total expenditures	<u>1,743,417</u>	<u>2,124,010</u>	<u>7,000</u>	<u>58,059</u>	<u>28,134</u>	<u>4,723,338</u>	<u>6,389</u>	<u>10,965,845</u>	<u>19,656,192</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(479,677)</u>	<u>(1,764)</u>	<u>160,940</u>	<u>564,908</u>	<u>(10,119)</u>	<u>2,990,625</u>	<u>(41)</u>	<u>(1,874,958)</u>	<u>1,349,914</u>
Other financing sources (uses):									
Transfers in	1,075,000	-	-	-	5,435	3,474,881	-	-	4,555,316
Transfers out	(204,219)	-	-	-	-	(5,100,000)	-	(447,167)	(5,751,386)
Net other financing sources (uses)	<u>870,781</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,435</u>	<u>(1,625,119)</u>	<u>-</u>	<u>(447,167)</u>	<u>(1,196,070)</u>
Net change in fund balances	391,104	(1,764)	160,940	564,908	(4,684)	1,365,506	(41)	(2,322,125)	153,844
Fund balance - beginning	112,524	3,181,465	878,679	499,602	4,717	1,298,184	1,731	7,200,737	13,177,639
Fund balance - ending	<u>\$ 503,628</u>	<u>\$ 3,179,701</u>	<u>\$ 1,039,619</u>	<u>\$ 1,064,510</u>	<u>\$ 33</u>	<u>\$ 2,663,690</u>	<u>\$ 1,690</u>	<u>\$ 4,878,612</u>	<u>\$ 13,331,483</u>



# 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, 2021

	Original Budget	Revisions	Revised Budget	Expenditures	Encum- brances	Actual	Variance- Positive (Negative)
REVENUES:							
Taxes:							
Hotel/motel tax	\$ 1,750,000	\$ -	\$ 1,750,000			\$ 1,157,941	\$ (592,059)
Investment earnings	<u>2,640</u>	<u>-</u>	<u>2,640</u>			<u>703</u>	<u>(1,937)</u>
Total revenues	<u>1,752,640</u>	<u>-</u>	<u>1,752,640</u>			<u>1,158,644</u>	<u>(593,996)</u>
EXPENDITURES AND ENCUMBRANCES:							
Public service:							
Parks & recreation	<u>1,482,575</u>	<u>1,199,991</u>	<u>2,682,566</u>	<u>\$ 1,743,417</u>	<u>\$ 45,699</u>	<u>1,789,116</u>	<u>893,450</u>
Total expenditures and encumbrances	<u>1,482,575</u>	<u>1,199,991</u>	<u>2,682,566</u>	<u>\$ 1,743,417</u>	<u>\$ 45,699</u>	<u>1,789,116</u>	<u>893,450</u>
Excess (deficiency) of revenues over (under) expenditures and encumbrances	<u>270,065</u>	<u>(1,199,991)</u>	<u>(929,926)</u>			<u>(630,472)</u>	<u>299,454</u>
OTHER FINANCING USES:							
Transfers in:							
Westwood	-	1,075,000	1,075,000			1,075,000	-
Transfers out:							
Westwood	<u>(205,469)</u>	<u>-</u>	<u>(205,469)</u>			<u>(204,219)</u>	<u>1,250</u>
Net other financing sources (uses)	<u>(205,469)</u>	<u>1,075,000</u>	<u>869,531</u>			<u>870,781</u>	<u>1,250</u>
Excess (deficiency) of revenues and other sources over (under) expenditures, encumbrances and other uses	<u>64,596</u>	<u>(124,991)</u>	<u>(60,395)</u>			<u>240,309</u>	<u>300,704</u>
Fund balance, July 1, 2020 (Non-GAAP budgetary basis)	<u>(75,267)</u>		<u>(75,267)</u>			<u>(75,267)</u>	<u>-</u>
Fund balance, June 30, 2021 (Non-GAAP budgetary basis)	<u>\$ (10,671)</u>	<u>\$ (124,991)</u>	<u>\$ (135,662)</u>			<u>\$ 165,042</u>	<u>\$ 300,704</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, 2021

	Original Budget	Revisions	Revised Budget	Expenditures	Encum- brances	Actual	Variance- Positive (Negative)
<b>REVENUES:</b>							
Intergovernmental:							
Community development							
block grant ("CDBG")	\$ 910,621	\$ -	\$ 910,621			\$ 561,472	\$ (349,149)
CDBG - CV grant	-	737,568	737,568			492,019	(245,549)
Emergency shelter grants	-	245,636	245,636			166,349	(79,287)
Home grant	412,569	-	412,569			242,990	(169,579)
COC planning grant	-	-	-			12,587	12,587
Interest	-	-	-			31	31
Total revenues	<u>1,323,190</u>	<u>983,204</u>	<u>2,306,394</u>			<u>1,475,448</u>	<u>(830,946)</u>
<b>EXPENDITURES AND ENCUMBRANCES:</b>							
Public service:							
Community development	619,466	845,531	1,464,997	\$ 301,632	\$ 200,733	502,365	962,632
CDBG housing	291,155	290,048	581,203	360,142	-	360,142	221,061
CDBG-CV	-	1,267,242	1,267,242	615,948	25,619	641,567	625,675
Home grants	412,569	632,282	1,044,851	590,123	133,616	723,739	321,112
Emergency shelter grants	-	245,636	245,636	206,893	31,933	238,826	6,810
COC planning grants	-	12,587	12,587	12,587	-	12,587	-
Total expenditures and encumbrances	<u>1,323,190</u>	<u>3,293,326</u>	<u>4,616,516</u>	<u>\$ 2,087,325</u>	<u>\$ 391,901</u>	<u>2,479,226</u>	<u>2,137,290</u>
Excess (deficiency) of revenues over (under) expenditures and encumbrances	-	(2,310,122)	(2,310,122)			(1,003,778)	1,306,344
<b>OTHER FINANCING SOURCES (USES):</b>							
Operating transfers in:							
Capital Fund	-	-	-			-	-
Operating transfers out:							
Capital Fund	-	-	-			-	-
Excess (deficiency) of revenues over (under) expenditures, encumbrances and other uses	-	(2,310,122)	(2,310,122)			(1,003,778)	1,306,344
Fund balance (deficit), July 1, 2020 (Non-GAAP budgetary basis)	<u>3,074,153</u>	<u>-</u>	<u>3,074,153</u>			<u>3,074,153</u>	<u>-</u>
Fund balance (deficit), June 30, 2021 (Non-GAAP budgetary basis)	<u>\$ 3,074,153</u>	<u>\$ (2,310,122)</u>	<u>\$ 764,031</u>			<u>\$ 2,070,375</u>	<u>\$ 1,306,344</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, 2021

	Original Budget	Revisions	Revised Budget	Expenditures	Encum- brances	Actual	Variance- Positive (Negative)
REVENUES:							
Intergovernmental:							
County Court DUI	\$ 62,834	\$ -	\$ 62,834			\$ 22,579	\$ (40,255)
Public safety grants	-	347,984	347,984			224,771	(123,213)
Public service grants	-	19,459	19,459			9,269	(10,190)
Recreation grants	300,000	237,329	537,329			233,781	(303,548)
Public works grants	-	175,100	175,100			70,170	(104,930)
Total intergovernmental	362,834	779,872	1,142,706			560,570	(582,136)
Investment earnings	-	-	-			(1,567)	(1,567)
Total revenues	362,834	779,872	1,142,706			559,003	(583,703)
EXPENDITURES AND ENCUMBRANCES:							
DUI enforcement	62,834	-	62,834	\$ 39,510	\$ -	39,510	23,324
Traffic & alcohol enforcement	-	95,083	95,083	56,676	-	56,676	38,407
JAG grant	-	4,986	4,986	4,956	-	4,956	30
DOJ-BJA grant	-	60,733	60,733	10,617	37,804	48,421	12,312
COPS grant	-	199,209	199,209	-	-	-	199,209
Emergency management grant	-	10,000	10,000	5,000	-	5,000	5,000
Homeland security grant	-	43,692	43,692	43,692	-	43,692	-
Legacy Trail grant	-	626	626	-	-	-	626
CARES parks grant	-	237,329	237,329	233,781	115	233,896	3,433
SHPO / CLG grant	-	24,242	24,242	23,989	-	23,989	253
Firehouse art grant	300,000	25,000	325,000	-	-	-	325,000
Stormwater quality grant	-	85,500	85,500	74,523	10,977	85,500	-
Traffic grant	-	14,615	14,615	10,400	-	10,400	4,215
Northbase grant	-	89,600	89,600	-	72,000	72,000	17,600
Total expenditures and encumbrances	362,834	890,615	1,253,449			624,040	629,409

(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, 2021

	Original Budget	Revisions	Revised Budget	Expenditures	Encum- brances	Actual	Variance- Positive (Negative)
Excess (deficiency) of revenues and other sources over (under) expenditures, encumbrances	-	(110,743)	(110,743)			(65,037)	45,706
OTHER FINANCING SOURCES (USES):							
Operating transfers in:							
Capital Fund	-	-	-			-	-
General Fund	-	-	-			-	-
Operating transfers out:							
General Fund	-	-	-			-	-
Net other financing sources	-	-	-			-	-
Excess (deficiency) of revenues and other sources over (under) expenditures, encumbrances and other sources	-	(110,743)	(110,743)			(65,037)	45,706
Fund balance (deficit), July 1, 2020 (Non-GAAP budgetary basis)	1,984,898	-	1,984,898			1,984,898	-
Fund balance (deficit), June 30, 2021 (Non-GAAP budgetary basis)	\$1,984,898	\$ (110,743)	\$ 1,874,155			\$ 1,919,861	\$ 45,706

(Concluded)

# 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, 2021

	Original Budget	Revisions	Revised Budget	Expenditures	Encum- brances	Actual	Variance- Positive (Negative)
REVENUES:							
Investment earnings	\$ 10,000	\$ -	\$ 10,000			\$ 6,840	\$ (3,160)
Charges for services	<u>85,000</u>	<u>-</u>	<u>85,000</u>			<u>167,724</u>	<u>82,724</u>
Total revenues	<u>95,000</u>	<u>-</u>	<u>95,000</u>			<u>174,564</u>	<u>79,564</u>
EXPENDITURES AND ENCUMBRANCES:							
Parks and recreation	<u>-</u>	<u>416,364</u>	<u>416,364</u>	<u>\$ 7,000</u>	<u>\$ 280,407</u>	<u>287,407</u>	<u>128,957</u>
Total expenditures and encumbrances	<u>-</u>	<u>416,364</u>	<u>416,364</u>	<u>\$ 7,000</u>	<u>\$ 280,407</u>	<u>287,407</u>	<u>128,957</u>
Excess (deficiency) of revenues over (under) expenditures and encumbrances	95,000	(416,364)	(321,364)			(112,843)	208,521
OTHER FINANCING SOURCES (USES):							
Transfers Out:							
Norman Forward Fund	<u>-</u>	<u>-</u>	<u>-</u>			<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures and encumbrances and other financing sources (uses)	<u>95,000</u>	<u>(416,364)</u>	<u>(321,364)</u>			<u>(112,843)</u>	<u>208,521</u>
Fund balance, July 1, 2020 (Non-GAAP budgetary basis)	<u>868,998</u>	<u>-</u>	<u>868,998</u>			<u>868,998</u>	<u>-</u>
Fund balance, June 30, 2021 (Non-GAAP budgetary basis)	<u>\$ 963,998</u>	<u>\$ (416,364)</u>	<u>\$ 547,634</u>			<u>\$ 756,155</u>	<u>\$ 208,521</u>

# 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, 2021

	Original Budget	Revisions	Revised Budget	Expenditures	Encum- brances	Actual	Variance- Positive (Negative)
REVENUES:							
Intergovernmental:							
State Seizure/Restitution	\$ 9,000	\$ -	\$ 9,000			\$ 619,695	\$ 610,695
Federal Seizure/Restitution	6,000	-	6,000			-	(6,000)
Investment earnings	500	-	500			4,095	3,595
Miscellaneous income	-	-	-			21	21
Total revenues	<u>15,500</u>	<u>-</u>	<u>15,500</u>			<u>623,811</u>	<u>608,311</u>
EXPENDITURES AND ENCUMBRANCES:							
Public Safety:							
State seizures	-	44,011	44,011	\$ (13,779)	\$ -	(13,779)	57,790
Federal seizures	-	27,300	27,300	27,878	-	27,878	(578)
Total expenditures and encumbrances	<u>-</u>	<u>71,311</u>	<u>71,311</u>	<u>\$ 14,099</u>	<u>\$ -</u>	<u>14,099</u>	<u>57,212</u>
Excess (deficiency) of revenues over (under) expenditures and encumbrances	<u>15,500</u>	<u>(71,311)</u>	<u>(55,811)</u>			<u>609,712</u>	<u>665,523</u>
OTHER FINANCING SOURCES (USES):							
Transfers in:							
General Fund	-	-	-			-	-
Net other financing sources	<u>-</u>	<u>-</u>	<u>-</u>			<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures and encumbrances and other financing sources (uses)	<u>15,500</u>	<u>(71,311)</u>	<u>(55,811)</u>			<u>609,712</u>	<u>665,523</u>
Fund balance, July 1, 2020 (Non-GAAP budgetary basis)	<u>452,977</u>	<u>-</u>	<u>452,977</u>			<u>452,977</u>	<u>-</u>
Fund balance, June 30, 2021 (Non-GAAP budgetary basis)	<u>\$ 468,477</u>	<u>\$ (71,311)</u>	<u>\$ 397,166</u>			<u>\$ 1,062,689</u>	<u>\$ 665,523</u>

# 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, 2021

	Original Budget	Revisions	Revised Budget	Expenditures	Encum- brances	Actual	Variance- Positive (Negative)
REVENUES:							
Fines and forfeitures:							
Cleet training revenue	\$ 32,000	\$ -	\$ 32,000			\$ 18,006	\$ (13,994)
Investment earnings	-	-	-			32	32
Miscellaneous revenue	-	-	-			-	-
Total revenues	<u>32,000</u>	<u>-</u>	<u>32,000</u>			<u>18,038</u>	<u>(13,962)</u>
EXPENDITURES AND ENCUMBRANCES:							
Public Safety:							
Court Cleet Training	1,500	-	1,500	\$ 400	\$ -	400	1,100
Police Cleet Training	<u>29,005</u>	<u>11</u>	<u>29,016</u>	<u>27,723</u>	<u>587</u>	<u>28,310</u>	<u>706</u>
Total expenditures and encumbrances	<u>30,505</u>	<u>11</u>	<u>30,516</u>	<u>\$ 28,123</u>	<u>\$ 587</u>	<u>28,710</u>	<u>1,806</u>
Excess (deficiency) of revenues over (under) expenditures and encumbrances	1,495	(11)	1,484			(10,672)	(12,156)
OTHER FINANCING USES:							
Transfers in	-	-	-			5,435	5,435
Excess (deficiency) of revenue and other sources over (under) expenditures,	<u>1,495</u>	<u>(11)</u>	<u>1,484</u>			<u>(5,237)</u>	<u>(6,721)</u>
Fund balance, July 1, 2020 (Non-GAAP budgetary basis)	<u>4,669</u>	<u>-</u>	<u>4,669</u>			<u>4,669</u>	<u>-</u>
Fund balance, June 30, 2021 (Non-GAAP budgetary basis)	<u>\$ 6,164</u>	<u>\$ (11)</u>	<u>\$ 6,153</u>			<u>\$ (568)</u>	<u>\$ (6,721)</u>

# 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, 2021

	Original Budget	Revisions	Revised Budget	Expenditures	Encum- brances	Actual	Variance- Positive (Negative)
REVENUES:							
Sales taxes	\$ 2,500,000	\$ -	\$ 2,500,000			\$ 2,487,757	\$ (12,243)
Use taxes	-	-	-			374,016	374,016
Investment earnings	-	-	-			3,946	3,946
Grant revenue	7,100,000	-	7,100,000			3,100,211	(3,999,789)
Miscellaneous income	-	50,000	50,000			68,000	18,000
Total revenues	<u>9,600,000</u>	<u>50,000</u>	<u>9,650,000</u>			<u>6,033,930</u>	<u>(3,616,070)</u>
EXPENDITURES AND ENCUMBRANCES:							
Public Works:							
Fleet repair	1,936,052	1,076,899	3,012,951	\$ 1,197,207	\$ 1,251,892	2,449,099	563,852
Transit & parking admin	3,409,844	116,796	3,526,640	3,052,021	337,502	3,389,523	137,117
Capital projects	-	480,201	480,201	227,272	58,779	286,051	194,150
Total expenditures and encumbrances	<u>5,345,896</u>	<u>1,673,896</u>	<u>7,019,792</u>	<u>\$ 4,476,500</u>	<u>\$ 1,648,173</u>	<u>6,124,673</u>	<u>895,119</u>
Excess (deficiency) of revenues over (under) expenditures and encumbrances	<u>4,254,104</u>	<u>(1,623,896)</u>	<u>2,630,208</u>			<u>(90,743)</u>	<u>(2,720,951)</u>
OTHER FINANCING SOURCES (USES):							
Transfers in:							
General Fund	1,174,377	50,000	1,224,377			3,474,881	2,250,504
Transfers out:							
General Fund	<u>(5,100,000)</u>	<u>-</u>	<u>(5,100,000)</u>			<u>(5,100,000)</u>	<u>-</u>
Net other financing sources	<u>(3,925,623)</u>	<u>50,000</u>	<u>(3,875,623)</u>			<u>(1,625,119)</u>	<u>2,250,504</u>
Excess (deficiency) of revenues over (under) expenditures and encumbrances and other financing sources (uses)	328,481	(1,573,896)	(1,245,415)			(1,715,862)	(470,447)
Fund balance, July 1, 2020							
(Non-GAAP budgetary basis)	<u>554,927</u>	<u>-</u>	<u>554,927</u>			<u>554,927</u>	<u>-</u>
Fund balance, June 30, 2021							
(Non-GAAP budgetary basis)	<u>\$ 883,408</u>	<u>\$ (1,573,896)</u>	<u>\$ (690,488)</u>			<u>\$ (1,160,935)</u>	<u>\$ (470,447)</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, 2021

	Original Budget	Revisions	Revised Budget	Expenditures	Encum- brances	Actual	Variance- Positive (Negative)
REVENUES:							
Other revenue	\$ 16,000	\$ -	\$ 16,000			\$ 6,348	\$ (9,652)
Total revenues	<u>16,000</u>	<u>-</u>	<u>16,000</u>			<u>6,348</u>	<u>(9,652)</u>
EXPENDITURES AND ENCUMBRANCES:							
Parks & recreation							
Donation	<u>16,000</u>	<u>12,602</u>	<u>28,602</u>	\$ -	\$ -	-	<u>28,602</u>
Total expenditures and encumbrances	<u>16,000</u>	<u>12,602</u>	<u>28,602</u>	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>28,602</u>
Excess (deficiency) of revenues over (under) expenditures and encumbrances and other financing sources (uses)	-	(12,602)	(12,602)			6,348	18,950
Fund balance, July 1, 2020 (Non-GAAP budgetary basis)	<u>(10,871)</u>	<u>-</u>	<u>(10,871)</u>			<u>(10,871)</u>	<u>-</u>
Fund balance, June 30, 2021 (Non-GAAP budgetary basis)	<u>\$ (10,871)</u>	<u>\$ (12,602)</u>	<u>\$ (23,473)</u>			<u>\$ (4,523)</u>	<u>\$ 18,950</u>

# 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, 2021

	Original Budget	Revisions	Revised Budget	Expenditures	Encum- brances	Actual	Variance- Positive (Negative)
REVENUES:							
Taxes:							
Property tax	\$ 12,342,618	\$ -	\$ 12,342,618			\$ 9,050,479	\$ (3,292,139)
Sales tax	-	-	-			-	-
Total taxes	12,342,618	-	12,342,618			9,050,479	(3,292,139)
Investment earnings	25,000	-	25,000			57,208	32,208
Total revenues	12,367,618	-	12,367,618			9,107,687	(3,259,931)
EXPENDITURES AND ENCUMBRANCES:							
Debt service:							
Principal	9,080,000	-	9,080,000	\$ 9,080,000	\$ -	9,080,000	-
Interest and fiscal charges	1,889,398	-	1,889,398	1,885,845	-	1,885,845	3,553
Total expenditures and encumbrances	10,969,398	-	10,969,398	\$ 10,965,845	\$ -	10,965,845	3,553
Excess (deficiency) of revenues over (under) expenditures and encumbrances	1,398,220	-	1,398,220			(1,858,158)	(3,256,378)
OTHER FINANCING SOURCES (USES):							
Transfers out:							
Insurance fund	(500,000)	-	(500,000)			(447,167)	52,833
Net other financing sources (uses)	(500,000)	-	(500,000)			(447,167)	52,833
Excess (deficiency) of revenues and other sources over (under) expenditures, encumbrances and other sources (uses)	898,220	-	898,220			(2,305,325)	(3,203,545)
Fund balance, July 1, 2020 (Non-GAAP budgetary basis)	7,158,370	-	7,158,370			7,158,370	-
Fund balance, June 30, 2021 (Non-GAAP budgetary basis)	\$ 8,056,590	\$ -	\$ 8,056,590			\$ 4,853,045	\$ (3,203,545)

# 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, 2021

	Original Budget	Revisions	Revised Budget	Expenditures	Encum- brances	Actual	Variance- Positive (Negative)
<b>REVENUES:</b>							
Taxes:							
Sales tax	\$ 13,516,925	\$ -	\$ 13,516,925			\$ 13,931,441	\$ 414,516
Property tax - UNP TIF	-	-	-			(393,293)	(393,293)
Property tax - Center City TIF	-	-	-			300,650	300,650
Special assessment	175,000	-	175,000			211,512	36,512
Investment earnings	700,000	-	700,000			219,784	(480,216)
Miscellaneous	-	-	-			279,044	279,044
Total revenues	<u>14,391,925</u>	<u>-</u>	<u>14,391,925</u>			<u>14,549,138</u>	<u>157,213</u>
<b>EXPENDITURES AND ENCUMBRANCES:</b>							
Personnel costs	1,318,396	(153,163)	1,165,233	\$ 1,163,741	\$ -	1,163,741	1,492
Services and maintenance	165,254	201,631	366,885	203,872	-	203,872	163,013
Cost allocation charges	200	-	200	200	-	200	-
Capital projects	31,674,119	51,418,349	83,092,468	15,901,570	14,670,994	30,572,564	52,519,904
Capital projects - UNP TIF	-	6,679,959	6,679,959	480,185	51,617	531,802	6,148,157
Debt service	<u>1,319,762</u>	<u>307,591</u>	<u>1,627,353</u>	<u>1,510,352</u>	<u>-</u>	<u>1,510,352</u>	<u>117,001</u>
Total expenditures and encumbrances	<u>34,477,731</u>	<u>58,454,367</u>	<u>92,932,098</u>	<u>\$ 19,259,920</u>	<u>\$ 14,722,611</u>	<u>33,982,531</u>	<u>58,949,567</u>
Excess (deficiency) of revenues over (under) expenditures and encumbrances	<u>(20,085,806)</u>	<u>(58,454,367)</u>	<u>(78,540,173)</u>			<u>(19,433,393)</u>	<u>59,106,780</u>
<b>OTHER FINANCING SOURCES (USES):</b>							
Transfers Out:							
General fund	(3,594,896)	(103,667)	(3,698,563)			(3,782,098)	(83,535)
Westwood fund	(139,800)	-	(139,800)			(24,793)	115,007
Norman Forward fund	-	(4,776,381)	(4,776,381)			(4,776,381)	-
Seizures fund	-	-	-			-	-
PSST fund	(343,666)	-	(343,666)			(375,137)	(31,471)
Transfers In:							
Wastewater fund	-	81,676	81,676			81,676	-
Water fund	-	288,500	288,500			288,500	-
Transit & parking fund	5,100,000	-	5,100,000			5,100,000	-
Debt proceeds	<u>-</u>	<u>-</u>	<u>-</u>			<u>25,219,275</u>	<u>25,219,275</u>
Net other financing sources (uses)	<u>1,021,638</u>	<u>(4,509,872)</u>	<u>(3,488,234)</u>			<u>21,731,042</u>	<u>25,219,276</u>
Excess (deficiency) of revenues over expenditures and encumbrances and other sources (uses)	<u>(19,064,168)</u>	<u>(62,964,239)</u>	<u>(82,028,407)</u>			<u>2,297,649</u>	<u>84,326,056</u>
Fund balance, July 1, 2020 (Non-GAAP budgetary basis)	<u>64,544,874</u>	<u>-</u>	<u>64,544,874</u>			<u>64,544,874</u>	<u>-</u>
Fund balance, June 30, 2021 (Non-GAAP budgetary basis)	<u>\$ 45,480,706</u>	<u>\$ (62,964,239)</u>	<u>\$ (17,483,533)</u>			<u>\$ 66,842,523</u>	<u>\$ 84,326,056</u>

# 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, 2021

	Original Budget	Revisions	Revised Budget	Expenditures	Encum- brances	Actual	Variance- Positive (Negative)
<b>REVENUES:</b>							
Taxes:							
Sales tax	\$ 9,803,557	\$ -	\$ 9,803,557			\$ 9,951,030	\$ 147,473
Use tax	1,076,444	-	1,076,444			1,496,071	419,627
Investment earnings	15,000	-	15,000			177,819	162,819
Miscellaneous	2,000,000	-	2,000,000			-	(2,000,000)
Total revenues	12,895,001	-	12,895,001			11,624,920	(1,270,081)
<b>EXPENDITURES AND ENCUMBRANCES:</b>							
Services and maintenance	-	1,082,318	1,082,318	\$ -	\$ -	-	1,082,318
Capital projects	1,756,243	68,694,991	70,451,234	5,275,028	1,996,101	7,271,129	63,180,105
Debt service	7,648,848	-	7,648,848	5,170,293	-	5,170,293	2,478,555
Total expenditures and encumbrances	9,405,091	69,777,309	79,182,400	\$ 10,445,321	\$ 1,996,101	12,441,422	66,740,978
Excess (deficiency) of revenues over (under) expenditures and encumbrances	3,489,910	(69,777,309)	(66,287,399)			(816,502)	65,470,897
<b>OTHER FINANCING SOURCES (USES):</b>							
Transfers Out:							
General fund	(187,695)	-	(187,695)			(187,695)	-
Westwood fund	(35,000)	-	(35,000)			(35,000)	-
Transfers In:							
General fund	-	4,800,000	4,800,000			4,800,000	-
UNP TIF fund	-	4,776,381	4,776,381			4,776,381	-
Debt proceeds	-	-	-			22,250,000	22,250,000
Net other financing sources (uses)	(222,695)	9,576,381	9,353,686			31,603,686	22,250,000
Excess (deficiency) of revenues over expenditures and encumbrances and other sources (uses)	3,267,215	(60,200,928)	(56,933,713)			30,787,184	87,720,897
Fund balance, July 1, 2020 (Non-GAAP budgetary basis)	30,653,124	-	30,653,124			30,653,124	-
Fund balance, June 30, 2021 (Non-GAAP budgetary basis)	\$ 33,920,339	\$ (60,200,928)	\$ (26,280,589)			\$ 61,440,308	\$ 87,720,897

**NOTES TO OTHER SUPPLEMENTARY INFORMATION ON BUDGETARY COMPARISON  
SCHEDULES – NONMAJOR 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, 2021, are as follows:

	<b>Special Revenue Funds</b>	<b>Debt Service Fund</b>	<b>Capital Projects Fund</b>	<b>Norman Forward Fund</b>
Fund balances, June 30, 2021 (Non-GAAP budgetary basis)	\$ 4,808,096	\$ 4,853,045	\$ 66,842,523	\$ 61,440,308
Current year encumbrances included in expenditures	2,487,663	-	14,722,611	1,996,101
Prior year encumbrances outstanding	234,658	-	5,771,281	2,339,241
Current year revenue accrual	3,119,357	25,567	2,904,140	2,306,549
Current year expenditure accrual	(41,214)	-	(443,052)	(90,415)
GAAP basis fund balances, June 30, 2021	<u>\$ 10,608,560</u>	<u>\$ 4,878,612</u>	<u>\$ 89,797,503</u>	<u>\$ 67,991,784</u>
Budgetary basis revenues	\$ 10,049,786	\$ 9,107,687	\$ 14,549,138	\$ 11,624,920
Current year revenue accrual	3,119,357	25,567	2,904,140	2,306,549
Prior year revenue accrual	(807,028)	(42,367)	(2,756,147)	(2,080,691)
GAAP basis revenues	<u>\$ 12,362,115</u>	<u>\$ 9,090,887</u>	<u>\$ 14,697,131</u>	<u>\$ 11,850,778</u>
Budgetary basis expenditures	\$ 11,347,271	\$ 10,965,845	\$ 33,982,531	\$ 12,441,422
Current year encumbrances included in expenditures	(2,487,663)	-	(14,722,611)	(1,996,101)
Prior year encumbrances paid	734,276	-	6,569,434	5,486,640
Current year expenditure accrual	41,214	-	443,052	90,415
Prior year expenditure accrual	(428,878)	-	(804,975)	(54,761)
GAAP basis expenditures	<u>\$ 9,206,220</u>	<u>\$ 10,965,845</u>	<u>\$ 25,467,431</u>	<u>\$ 15,967,615</u>

# THE CITY OF NORMAN, OKLAHOMA

## COMBINING STATEMENT OF NET POSITION

### ENTERPRISE FUND - NORMAN MUNICIPAL AUTHORITY

JUNE 30, 2021

	Westwood Park	Sanitation Services	Total
<b>ASSETS</b>			
Current assets:			
Cash and cash equivalents	\$ 650,755	\$ 6,338,608	\$ 6,989,363
Restricted cash and cash equivalents	995	469,310	470,305
Investments	-	9,338,969	9,338,969
Receivables:			
Accounts, net of allowance for estimated uncollectible accounts	-	1,831,527	1,831,527
Interest	-	25,188	25,188
Due from other funds	-	187,731	187,731
Total current assets	<u>651,750</u>	<u>18,191,333</u>	<u>18,843,083</u>
Noncurrent assets:			
Restricted cash and cash equivalents	209,457	-	209,457
Capital assets, net	<u>6,892,114</u>	<u>11,146,015</u>	<u>18,038,129</u>
Total noncurrent assets	<u>7,101,571</u>	<u>11,146,015</u>	<u>18,247,586</u>
Total assets	<u>7,753,321</u>	<u>29,337,348</u>	<u>37,090,669</u>
<b>LIABILITIES</b>			
Current liabilities:			
Accounts payable and accrued liabilities	338,013	886,301	1,224,314
Payroll payable	95,876	160,327	256,203
Accrued interest payable	995	-	995
Guaranty deposits	-	469,310	469,310
Revenue bonds payable	191,897	-	191,897
Notes payable	-	-	-
Compensated absences	<u>9,789</u>	<u>37,095</u>	<u>46,884</u>
Total current liabilities	<u>636,570</u>	<u>1,553,033</u>	<u>2,189,603</u>
Noncurrent liabilities:			
Compensated absences	<u>88,151</u>	<u>334,062</u>	<u>422,213</u>
Total noncurrent liabilities	<u>88,151</u>	<u>334,062</u>	<u>422,213</u>
Total liabilities	<u>724,721</u>	<u>1,887,095</u>	<u>2,611,816</u>
<b>NET POSITION</b>			
Net invested in capital assets	6,697,114	11,146,015	17,843,129
Restricted for debt service	209,457	-	209,457
Unrestricted	<u>122,029</u>	<u>16,304,238</u>	<u>16,426,267</u>
Total net position	<u>\$ 7,028,600</u>	<u>\$ 27,450,253</u>	<u>\$ 34,478,853</u>

# THE CITY OF NORMAN, OKLAHOMA

## COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION ENTERPRISE FUND - NORMAN MUNICIPAL AUTHORITY FOR THE YEAR ENDED JUNE 30, 2021

	Westwood Park	Sanitation Services	Total
Operating revenues:			
Golf and pool fees	\$ 1,942,080	\$ -	\$ 1,942,080
Sanitation services, net	-	16,188,306	16,188,306
Other	7,774	90,907	98,681
Total operating revenues	1,949,854	16,279,213	18,229,067
Operating expenses:			
Salaries and benefits	1,103,266	4,802,570	5,905,836
Supplies and materials	344,192	889,825	1,234,017
Services and maintenance	410,513	7,111,658	7,522,171
Depreciation and amortization	147,477	1,966,339	2,113,816
Total operating expenses	2,005,448	14,770,392	16,775,840
Operating income (loss)	(55,594)	1,508,821	1,453,227
Nonoperating revenues (expenses):			
Investment earnings	1,488	18,732	20,220
Interest and fiscal charges	(26,404)	-	(26,404)
Miscellaneous income (expense)	-	89,494	89,494
Net nonoperating revenues (expenses)	(24,916)	108,226	83,310
Income (loss) before transfers	(80,510)	1,617,047	1,536,537
Transfers in (out):			
Transfers in	264,012	-	264,012
Transfers out	-	(150,832)	(150,832)
Net transfers	264,012	(150,832)	113,180
Net income	183,502	1,466,215	1,649,717
Net position - beginning	6,845,098	25,984,038	32,829,136
Net position - ending	\$ 7,028,600	\$ 27,450,253	\$ 34,478,853

**THE CITY OF NORMAN, OKLAHOMA**  
**COMBINING STATEMENT OF CASH FLOWS**  
**ENTERPRISE FUND - NORMAN MUNICIPAL AUTHORITY**  
**FOR THE YEAR ENDED JUNE 30, 2021**

	<b>Westwood Park</b>	<b>Sanitation Services</b>	<b>Total</b>
Cash flows from operating activities:			
Cash received from customers	\$ 1,949,854	\$ 15,454,997	\$ 17,404,851
Cash paid to employees for services	(1,131,036)	(4,803,445)	(5,934,481)
Cash paid to suppliers	(618,716)	(7,618,889)	(8,237,605)
Other payments	-	45,718	45,718
Net cash provided by operating activities	<u>200,102</u>	<u>3,078,381</u>	<u>3,278,483</u>
Cash flows from noncapital financing activities:			
Transfers in	264,012	-	264,012
Transfers out	<u>0</u>	<u>(150,832)</u>	<u>(150,832)</u>
Net cash provided by (used for) noncapital financing activities	<u>264,012</u>	<u>(150,832)</u>	<u>113,180</u>
Cash flows from capital and related financing activities:			
Proceeds from disposal of capital assets	-	84,728	84,728
Payments for the acquisition of capital assets	(21,950)	(2,768,309)	(2,790,259)
Principal payments on revenue bonds payable	(180,000)	-	(180,000)
Interest and fiscal charges paid	<u>(24,219)</u>	<u>-</u>	<u>(24,219)</u>
Net cash used for capital and related financing activities	<u>(226,169)</u>	<u>(2,683,581)</u>	<u>(2,909,750)</u>
Cash flows from investing activities:			
Proceeds from maturity of investments	-	2,931,340	2,931,340
Payments for purchases of investments	-	(6,302,935)	(6,302,935)
Investment earnings received	<u>1,488</u>	<u>122,328</u>	<u>123,816</u>
Net cash provided by (used for) investing activities	<u>1,488</u>	<u>(3,249,267)</u>	<u>(3,247,779)</u>
Net change in cash and cash equivalents	239,433	(3,005,299)	(2,765,866)
Cash and cash equivalents - beginning	<u>621,774</u>	<u>9,813,217</u>	<u>10,434,991</u>
Cash and cash equivalents - ending	<u>\$ 861,207</u>	<u>\$ 6,807,918</u>	<u>\$ 7,669,125</u>
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities:			
Operating income (loss)	\$ (55,594)	\$ 1,508,821	\$ 1,453,227
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:			
Miscellaneous revenue	-	89,494	89,494
Bad debt expense	-	129,217	129,217
Depreciation and amortization	147,477	1,966,339	2,113,816
Loss on disposal of property, plant and equipment	-	63,148	63,148
Increase in accounts receivable, net	-	(1,001,802)	(1,001,802)
Increase in due from other funds	-	(106,924)	(106,924)
Increase in accounts payable and accrued liabilities	135,989	382,594	518,583
Increase (decrease) in payroll payable	(14,752)	27,288	12,536
Increase in guaranty deposits	-	48,369	48,369
Decrease in compensated absences	<u>(13,018)</u>	<u>(28,163)</u>	<u>(41,181)</u>
Net cash provided by (used for) operating activities	<u>\$ 200,102</u>	<u>\$ 3,078,381</u>	<u>\$ 3,278,483</u>
NONCASH ACTIVITIES:			
Change in unrealized loss on investments	<u>\$ -</u>	<u>\$ 102,495</u>	<u>\$ 102,495</u>



# THE CITY OF NORMAN, OKLAHOMA

## COMBINING STATEMENT OF NET POSITION

### ENTERPRISE FUND - NORMAN UTILITIES AUTHORITY

JUNE 30, 2021

ASSETS	Water	Wastewater	Total
Current assets:			
Cash and cash equivalents	\$ 13,834,482	\$ 4,813,919	\$ 18,648,401
Restricted cash and cash equivalents	7,685,318	548,679	8,233,997
Investments	16,921,582	16,087,549	33,009,131
Receivables:			
Accounts, net of allowance for estimated uncollectible accounts	2,412,359	1,536,009	3,948,368
Interest	45,741	43,390	89,131
Due from other funds	425,027	133,611	558,638
Total current assets	41,324,509	23,163,157	64,487,666
Noncurrent assets:			
Restricted cash and cash equivalents	-	6,975,630	6,975,630
Capital assets, net	152,904,541	132,314,593	285,219,134
Total noncurrent assets	152,904,541	139,290,223	292,194,764
Total assets	194,229,050	162,453,380	356,682,430
DEFERRED OUTFLOW OF RESOURCES			
Deferred charge on refunding	510,492	-	510,492
Total deferred outflows of resources	510,492	-	510,492
LIABILITIES			
Current liabilities:			
Accounts payable and accrued liabilities	1,276,732	313,185	1,589,917
Payroll payable	142,520	71,249	213,769
Accrued interest payable	320,611	181,325	501,936
Retainage payable	569,643	129,782	699,425
Guaranty deposits	869,641	452,791	1,322,432
Notes payable	3,574,869	3,568,382	7,143,251
Compensated absences	48,873	34,020	82,893
Total current liabilities	6,802,889	4,750,734	11,553,623
Noncurrent liabilities:			
Notes payable, net	49,798,065	22,423,236	72,221,301
Compensated absences	440,127	306,364	746,491
Total noncurrent liabilities	50,238,192	22,729,600	72,967,792
Total liabilities	57,041,081	27,480,334	84,521,415
NET POSITION			
Net invested in capital assets	104,834,696	106,190,141	211,024,837
Restricted for debt service	615,268	6,890,193	7,505,461
Restricted for capital projects	-	6,975,630	6,975,630
Unrestricted	32,248,497	14,917,082	47,165,579
Total net position	\$ 137,698,461	\$ 134,973,046	\$ 272,671,507

# 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, 2021

	Water	Wastewater	Total
Operating revenues:			
Water service, net	\$ 25,498,386	\$ -	\$ 25,498,386
Wastewater service, net	-	16,615,270	16,615,270
Other	<u>396,693</u>	<u>-</u>	<u>396,693</u>
Total operating revenues	<u>25,895,079</u>	<u>16,615,270</u>	<u>42,510,349</u>
Operating expenses:			
Salaries and benefits	4,257,458	3,466,591	7,724,049
Supplies and materials	2,740,981	688,267	3,429,248
Services and maintenance	6,439,999	6,195,629	12,635,628
Depreciation and amortization	<u>4,920,432</u>	<u>9,250,192</u>	<u>14,170,624</u>
Total operating expenses	<u>18,358,870</u>	<u>19,600,679</u>	<u>37,959,549</u>
Operating income	<u>7,536,209</u>	<u>(2,985,409)</u>	<u>4,550,800</u>
Nonoperating revenues (expenses):			
Tax revenue	-	2,307,102	2,307,102
Investment earnings	(8,671)	36,293	27,622
Interest and fiscal charges	(1,579,354)	(647,436)	(2,226,790)
Miscellaneous income (expense)	<u>342,542</u>	<u>(32,311)</u>	<u>310,231</u>
Net nonoperating revenues (expenses)	<u>(1,245,483)</u>	<u>1,663,648</u>	<u>418,165</u>
Income before capital contributions and operating transfers	<u>6,290,726</u>	<u>(1,321,761)</u>	<u>4,968,965</u>
Capital contributions - donated water and sewer distribution systems	9,632,122	1,164,369	10,796,491
Transfers out	(1,392,153)	(664,081)	(2,056,234)
Transfers between Water and Wastewater	<u>33,500</u>	<u>(33,500)</u>	<u>-</u>
Net capital contributions and transfers	<u>8,273,469</u>	<u>466,788</u>	<u>8,740,257</u>
Net income	14,564,195	(854,973)	13,709,222
Net position - beginning	<u>123,134,266</u>	<u>135,828,019</u>	<u>258,962,285</u>
Net position - ending	<u>\$ 137,698,461</u>	<u>\$ 134,973,046</u>	<u>\$ 272,671,507</u>

**THE CITY OF NORMAN, OKLAHOMA**  
**COMBINING STATEMENT OF CASH FLOWS**  
**ENTERPRISE FUND - NORMAN UTILITIES AUTHORITY**  
**FOR THE YEAR ENDED JUNE 30, 2021**

	<b>Water</b>	<b>Wastewater</b>	<b>Total</b>
Cash flows from operating activities:			
Cash received from customers	\$ 25,625,565	\$ 16,181,978	\$ 41,807,543
Cash paid to employees for services	(4,309,991)	(3,465,936)	(7,775,927)
Cash paid to suppliers	(10,803,955)	(7,046,742)	(17,850,697)
Other payments	219,032	(10,478)	208,554
Net cash provided by operating activities	<u>10,730,651</u>	<u>5,658,822</u>	<u>16,389,473</u>
Cash flows from noncapital financing activities:			
Transfers out	(1,392,153)	(664,081)	(2,056,234)
Transfers between Water and Wastewater	33,500	(33,500)	-
Net cash used for noncapital financing activities	<u>(1,358,653)</u>	<u>(697,581)</u>	<u>(2,056,234)</u>
Cash flows from capital and related financing activities:			
Proceeds from disposal of capital assets	6,417	9,951	16,368
Payments for the acquisition of capital assets	(9,398,302)	(2,994,476)	(12,392,778)
Proceeds from taxes	-	2,307,102	2,307,102
Proceeds from notes payable	2,995,607	-	2,995,607
Principal payments on notes payable	(3,921,591)	(3,486,993)	(7,408,584)
Interest and fiscal charges paid	(1,571,742)	(666,986)	(2,238,728)
Net cash used for capital and related financing activities	<u>(11,889,611)</u>	<u>(4,831,402)</u>	<u>(16,721,013)</u>
Cash flows from investing activities:			
Proceeds from maturity of investments	7,030,468	4,918,486	11,948,954
Payments for purchases of investments	(11,420,493)	(10,857,598)	(22,278,091)
Investment earnings received	230,850	210,797	441,647
Net cash provided by investing activities	<u>(4,159,175)</u>	<u>(5,728,315)</u>	<u>(9,887,490)</u>
Net change in cash and cash equivalents	(6,676,788)	(5,598,476)	(12,275,264)
Cash and cash equivalents - beginning	<u>28,196,588</u>	<u>17,936,704</u>	<u>46,133,292</u>
Cash and cash equivalents - ending	<u>\$ 21,519,800</u>	<u>\$ 12,338,228</u>	<u>\$ 33,858,028</u>
Reconciliation of operating income to net cash provided by operating activities:			
Operating income (loss)	\$ 7,536,209	\$ (2,985,409)	\$ 4,550,800
Adjustments to reconcile operating income to net cash provided by operating activities:			
Miscellaneous income (expense)	342,542	(32,311)	310,231
Bad debt expense	114,524	101,181	215,705
Depreciation and amortization	4,920,432	9,250,192	14,170,624
Loss on disposal of property, plant and equipment	170,556	8,599	179,155
Increase in accounts receivable, net	(400,703)	(576,198)	(976,901)
(Increase) decrease due from other funds	(294,066)	13,234	(280,832)
Decrease in accounts payable and accrued liabilities	(1,165,154)	(258,752)	(1,423,906)
Increase (decrease) in payroll payable	(24,103)	15,680	(8,423)
Increase (decrease) in retainage payable	(457,821)	95,906	(361,915)
Increase in guaranty deposits	16,665	41,725	58,390
Decrease in compensated absences	(28,430)	(15,025)	(43,455)
Net cash provided by (used for) operating activities	<u>\$ 10,730,651</u>	<u>\$ 5,658,822</u>	<u>\$ 16,389,473</u>
NONCASH ACTIVITIES:			
Donated water and sewer distribution systems	<u>\$ 9,632,122</u>	<u>\$ 1,164,369</u>	<u>\$ 10,796,491</u>
Change in unrealized gain on investments	<u>\$ 229,890</u>	<u>\$ 173,191</u>	<u>\$ 403,081</u>

# THE CITY OF NORMAN, OKLAHOMA

## COMBINING STATEMENT OF PENSION TRUST FUND JUNE 30, 2021

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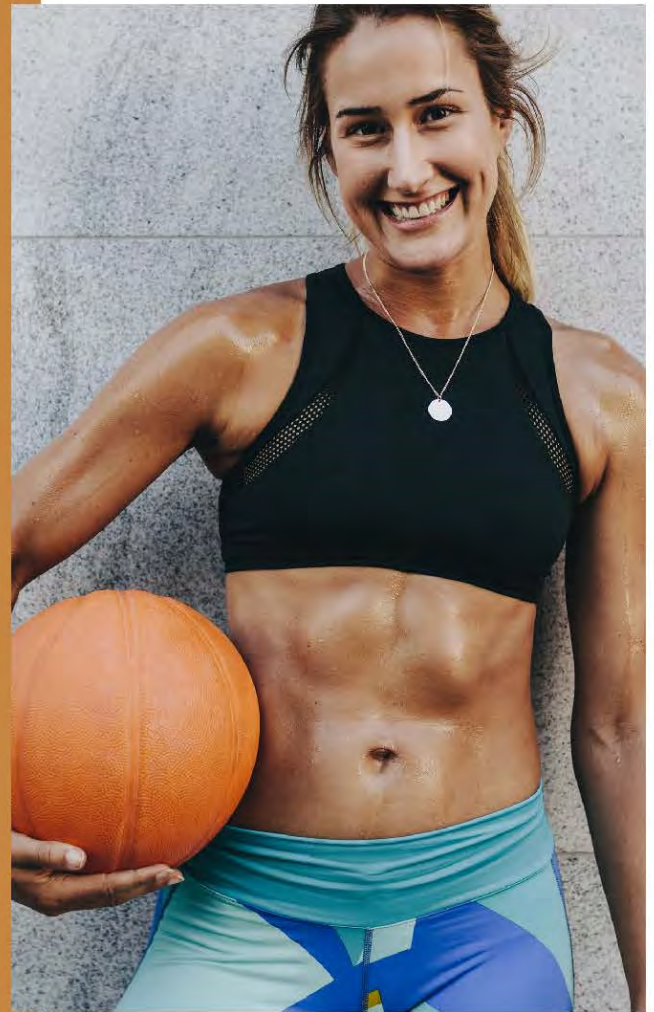
	<b>Annuity Pool Fund</b>	<b>401(a) Plan Fund</b>	<b>Total</b>
<b>ASSETS</b>			
Investments - mutual funds	\$ 215,102	\$ 118,544,128	\$ 118,759,230
Loans to 401(a) Plan participants	<u>-</u>	<u>3,180,394</u>	<u>3,180,394</u>
Total assets	<u>\$ 215,102</u>	<u>\$ 121,724,522</u>	<u>\$ 121,939,624</u>
<b>LIABILITIES AND NET POSITION</b>			
Net position:			
Restricted for defined pension benefits	\$ 215,102	\$ -	\$ 215,102
Restricted for defined contribution pension benefits	<u>-</u>	<u>121,724,522</u>	<u>121,724,522</u>
Total liabilities and net position	<u>\$ 215,102</u>	<u>\$ 121,724,522</u>	<u>\$ 121,939,624</u>

# THE CITY OF NORMAN, OKLAHOMA

## COMBINING STATEMENT OF CHANGES IN PENSION TRUST FUND FOR THE YEAR ENDED JUNE 30, 2021

	Annuity Pool Fund	401(a) Fund	Total
ADDITIONS:			
Contributions:			
Employer	\$ 64,917	\$ 2,686,306	\$ 2,751,223
Employee	<u>-</u>	<u>2,069,080</u>	<u>2,069,080</u>
Total contributions	64,917	4,755,386	4,820,303
Investment income (loss)	<u>39,070</u>	<u>29,024,567</u>	<u>29,063,637</u>
Total additions	<u>103,987</u>	<u>33,779,953</u>	<u>33,883,940</u>
DEDUCTIONS:			
Pension benefits paid	50,286	13,898,938	13,949,224
Administration costs	<u>626</u>	<u>-</u>	<u>626</u>
Total deductions	<u>50,912</u>	<u>13,898,938</u>	<u>13,949,850</u>
NET (DECREASE) INCREASE	53,075	19,881,015	19,934,090
Net position restricted for pension and retirement benefits, Beginning of year	<u>162,027</u>	<u>101,843,507</u>	<u>102,005,534</u>
End of year	<u>\$ 215,102</u>	<u>\$ 121,724,522</u>	<u>\$ 121,939,624</u>

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## Statistical Section

## STATISTICAL SECTION

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

<b>Contents</b>	<b>Page</b>
Financial Trends	113-118
These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.	
Revenue Capacity	119-121
These schedules contain information to help the reader assess the City's most significant local revenue source, the sales tax.	
Debt Capacity	122-126
These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.	
Demographic and Economic Information	127-128
These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.	
Operating Information	129-131
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.	



# THE CITY OF NORMAN, OKLAHOMA

## NET POSITION BY COMPONENT LAST TEN FISCAL YEARS (accrual basis of accounting)

	Fiscal Year									
	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
<b>Governmental activities</b>										
Net investment in capital assets	\$ 357,563,482	\$ 404,269,078	\$ 343,501,122	\$ 313,981,902	\$ 256,880,446	\$ 283,831,364	\$ 282,047,232	\$ 244,461,034	\$ 230,316,125	\$ 226,301,248
Restricted	126,260,638	55,892,634	104,620,414	90,270,821	128,695,200	86,079,582	62,156,755	59,573,841	59,450,003	46,103,535
Unrestricted	(40,105,135)	(34,422,332)	(29,730,368)	(38,717,191)	(44,522,535)	(43,098,736)	(48,153,075)	(6,068,605)	(6,704,318)	(2,190,465)
Total governmental activities net position	\$ 443,718,985	\$ 425,739,380	\$ 418,391,168	\$ 365,535,532	\$ 341,053,111	\$ 326,812,210	\$ 296,050,912	\$ 297,966,270	\$ 283,061,810	\$ 270,214,318
<b>Business-type activities</b>										
Net investment in capital assets	\$ 228,867,966	\$ 220,190,180	\$ 210,610,975	\$ 212,565,194	\$ 211,414,863	\$ 198,638,260	\$ 183,385,272	\$ 159,760,362	\$ 153,645,303	\$ 149,661,248
Restricted	14,690,548	7,349,204	10,621,197	16,958,115	6,629,187	1,067,921	10,023,153	23,214,855	23,764,771	23,888,626
Unrestricted	63,591,846	64,252,037	63,100,838	44,400,215	42,813,500	48,149,794	34,949,967	30,864,543	31,874,629	29,032,825
Total business-type activities net position	\$ 307,150,360	\$ 291,791,421	\$ 284,333,010	\$ 273,923,524	\$ 260,857,550	\$ 247,855,975	\$ 228,358,392	\$ 213,839,760	\$ 209,284,703	\$ 202,582,699
<b>Primary government</b>										
Net investment in capital assets	\$ 586,431,448	\$ 624,459,258	\$ 554,112,097	\$ 526,547,096	\$ 468,295,309	\$ 482,469,624	\$ 465,432,504	\$ 404,221,396	\$ 383,961,428	\$ 375,962,496
Restricted	140,951,186	63,241,838	115,241,611	107,228,936	135,324,387	87,147,503	72,179,908	82,788,696	83,214,774	69,992,161
Unrestricted	23,486,711	29,829,705	33,370,470	5,683,024	(1,709,035)	5,051,058	(13,203,108)	24,795,938	25,170,311	26,842,360
Total primary government net position	\$ 750,869,345	\$ 717,530,801	\$ 702,724,178	\$ 639,459,056	\$ 601,910,661	\$ 574,668,185	\$ 524,409,304	\$ 511,806,030	\$ 492,346,513	\$ 472,797,017

# THE CITY OF NORMAN, OKLAHOMA

## CHANGES IN NET POSITION LAST TEN FISCAL YEARS (accrual basis of accounting)

	Fiscal Year									
	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
<b>EXPENSES</b>										
Governmental activities:										
General government	\$ 18,819,315	\$ 17,378,592	\$ 13,738,006	\$ 12,859,373	\$ 10,763,028	\$ 7,999,471	\$ 8,500,923	\$ 11,353,764	\$ 10,067,554	\$ 10,443,931
Planning	3,345,940	3,228,429	3,367,244	3,477,364	3,315,422	3,320,979	3,297,788	3,208,350	3,334,674	3,063,260
City controller	2,227,636	2,207,900	2,093,411	2,449,352	1,231,508	893,000	706,793	3,337,932	3,256,464	2,404,401
Parks and recreation	8,513,678	8,539,967	7,509,979	6,502,407	7,087,981	5,936,777	5,194,010	5,555,796	5,251,598	5,076,388
Public works	41,734,848	39,467,992	25,614,539	26,682,973	30,953,789	25,389,053	22,130,634	21,530,165	21,126,808	19,810,834
Public service	3,831,725	1,995,214	4,118,076	2,627,283	3,892,316	2,976,064	2,875,451	2,841,186	2,242,861	2,368,850
Public safety	64,595,623	53,536,220	45,140,356	55,817,838	53,613,442	50,921,384	47,480,003	47,819,597	46,133,723	44,528,493
Interest on long-term debt	5,060,958	4,248,252	4,137,314	4,937,107	4,734,646	5,277,210	2,325,103	1,901,483	1,812,032	1,715,040
Total governmental activities expenses	148,129,723	130,602,566	105,718,925	115,353,697	115,592,132	102,713,938	92,510,705	97,548,273	93,225,714	89,411,197
Business-type activities:										
Westwood Park	2,031,852	2,124,443	2,026,461	1,500,752	1,256,295	1,340,514	1,352,050	1,456,266	1,451,959	1,477,312
Water	18,178,326	18,435,089	16,505,700	16,321,995	14,535,092	14,843,372	13,258,111	13,261,728	13,776,395	13,630,489
Wastewater	20,239,517	18,627,217	16,628,468	14,627,959	15,448,412	17,222,233	15,477,741	15,658,935	12,229,767	11,846,247
Sanitation	14,707,244	13,479,559	13,494,028	12,878,886	12,005,272	12,135,886	12,298,641	13,580,465	12,325,246	11,679,875
Total business-type activities expenses	55,156,939	52,666,308	48,654,657	45,329,592	43,245,071	45,542,005	42,386,543	43,957,394	39,783,367	38,633,923
Total primary government expenses	\$ 203,286,662	\$ 183,268,874	\$ 154,373,582	\$ 160,683,289	\$ 158,837,203	\$ 148,255,943	\$ 134,897,248	\$ 141,505,667	\$ 133,009,081	\$ 128,045,120

# THE CITY OF NORMAN, OKLAHOMA

## CHANGES IN NET POSITION

### LAST TEN FISCAL YEARS

(accrual basis of accounting)

	Fiscal Year									
	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
<b>PROGRAM REVENUES</b>										
Governmental activities:										
Charges for services:										
General government	\$ 3,174,550	\$ 3,337,660	\$ 3,002,995	\$ 2,767,032	\$ 2,730,336	\$ 2,612,495	\$ 2,644,776	\$ 2,554,566	\$ 2,431,538	\$ 2,297,341
Planning	1,461,693	913,979	844,712	992,383	1,061,776	1,353,411	1,369,582	1,376,330	1,213,106	1,123,524
City controller	309,657	515,612	670,685	683,215	661,162	642,726	624,135	214,838	165,969	155,226
Parks and recreation	399,599	405,547	520,044	497,538	530,140	653,613	609,175	587,433	506,358	568,817
Public works	265,448	497,224	-	-	-	-	-	-	-	-
Public safety	3,836,831	3,254,865	2,136,384	3,256,469	2,912,640	3,097,858	3,296,808	3,125,456	3,040,640	3,208,642
Operating grants and contributions	24,521,662	10,767,930	10,388,169	14,570,508	12,379,368	10,375,508	7,758,836	7,533,947	6,893,726	8,241,861
Capital grants and contributions	12,643,765	6,333,788	30,404,175	9,476,361	3,813,991	15,614,024	29,958,311	5,501,318	5,754,538	13,944,754
Total governmental activities										
program revenues	46,613,205	26,026,605	47,967,164	32,243,506	24,089,413	34,349,635	46,261,623	20,893,888	20,005,875	29,540,165
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	1,065,318	1,102,085	1,141,661	1,167,227
Water	24,377,486	22,217,540	20,498,886	21,843,184	21,735,237	21,496,086	16,050,007	14,053,978	14,817,012	15,460,504
Wastewater	16,615,270	15,984,512	15,992,294	15,781,490	15,767,530	15,923,396	15,715,128	13,906,530	11,383,549	11,451,634
Sanitation	16,340,040	15,243,633	14,791,863	14,549,273	14,584,853	14,338,856	13,991,281	14,006,612	13,546,341	13,501,474
Capital grants and contributions	10,796,491	2,786,305	2,569,510	5,263,425	2,324,230	10,525,831	7,703,017	3,721,838	5,006,692	4,291,238
Total business-type activities										
program revenues	70,071,367	57,864,219	55,514,345	58,701,431	55,345,703	63,382,639	54,524,751	46,791,043	45,895,255	45,872,077
Total primary government revenues	\$ 116,684,572	\$ 83,890,824	\$ 103,481,509	\$ 90,944,937	\$ 79,435,116	\$ 97,732,274	\$ 100,786,374	\$ 67,684,931	\$ 65,901,130	\$ 75,412,242
<b>NET (EXPENSE)/REVENUE</b>										
Governmental activities	\$ (101,516,518)	\$ (104,575,961)	\$ (57,751,761)	\$ (83,110,191)	\$ (91,502,719)	\$ (68,364,303)	\$ (46,249,082)	\$ (76,654,385)	\$ (73,219,839)	\$ (59,871,032)
Business-type activities	14,914,428	5,197,911	6,859,688	13,371,839	12,100,632	17,840,634	12,138,208	2,833,649	6,111,888	7,238,154
Total primary government net expense	\$ (86,602,090)	\$ (99,378,050)	\$ (50,892,073)	\$ (69,738,352)	\$ (79,402,087)	\$ (50,523,669)	\$ (34,110,874)	\$ (73,820,736)	\$ (67,107,951)	\$ (52,632,878)

# THE CITY OF NORMAN, OKLAHOMA

## CHANGES IN NET POSITION LAST TEN FISCAL YEARS (accrual basis of accounting)

	Fiscal Year									
	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
<b>GENERAL REVENUE AND OTHER CHANGES IN NET ASSETS</b>										
Governmental activities:										
Sales taxes	\$ 84,638,068	\$ 75,811,863	\$ 74,419,538	\$ 73,967,709	\$ 73,345,458	\$ 70,981,084	\$ 65,778,553	\$ 63,580,323	\$ 60,558,342	\$ 58,777,068
Franchise taxes	6,358,546	6,531,339	6,625,971	7,094,490	6,807,860	6,743,712	7,155,689	6,782,746	6,572,686	6,584,853
Property taxes	8,957,836	12,062,899	11,395,748	11,971,525	14,739,604	9,794,490	11,620,098	12,481,940	11,532,189	7,931,992
Use taxes	12,719,530	9,017,696	7,196,831	5,148,317	3,797,125	3,467,863	2,864,048	2,504,136	2,428,484	2,393,708
Hotel/Motel taxes	1,264,409	1,307,527	1,878,249	1,879,453	1,759,851	1,825,087	1,785,788	1,648,452	1,352,311	1,130,488
Alcoholic beverage taxes	564,013	498,318	441,456	324,252	316,013	306,225	301,618	272,697	285,339	271,359
Cigarette taxes	764,783	704,411	657,982	834,649	894,092	839,492	771,946	746,900	764,653	845,149
Investment earnings	469,832	2,489,875	3,198,922	1,586,732	513,238	1,965,790	323,863	379,805	208,763	701,524
Miscellaneous	1,816,052	2,450,934	3,762,651	3,627,956	2,275,838	1,943,106	2,196,990	2,458,091	2,319,411	2,761,766
Transfers	1,943,054	1,049,311	1,030,049	1,157,529	1,294,541	1,258,752	1,085,283	703,755	734,795	773,892
Total governmental activities	119,496,123	111,924,173	110,607,397	107,592,612	105,743,620	99,125,601	93,883,876	91,558,845	86,756,973	82,171,799
Business-type activities:										
Sales taxes	-	-	-	-	-	-	-	-	-	-
Excise taxes	2,307,102	1,283,126	1,236,361	1,319,885	1,530,490	1,709,914	2,149,079	1,769,195	1,432,321	1,597,960
Investment earnings	47,842	1,974,631	3,046,291	472,025	163,961	515,716	250,382	342,984	187,837	278,751
Miscellaneous	32,621	52,054	297,195	(940,246)	501,033	690,071	1,066,246	312,984	241,978	(333,548)
Transfers	(1,943,054)	(1,049,311)	(1,030,049)	(1,157,529)	(1,294,541)	(1,258,752)	(1,085,283)	(703,755)	(734,795)	(773,892)
Total business-type activities	444,511	2,260,500	3,549,798	(305,865)	900,943	1,656,949	2,380,424	1,721,408	1,127,341	769,271
Total primary government	\$ 119,940,634	\$ 114,184,673	\$ 114,157,195	\$ 107,286,747	\$ 106,644,563	\$ 100,782,550	\$ 96,264,300	\$ 93,280,253	\$ 87,884,314	\$ 82,941,070
<b>CHANGE IN NET POSITION</b>										
Governmental activities	\$ 17,979,605	\$ 7,348,212	\$ 52,855,636	\$ 23,282,421	\$ 14,240,901	\$ 30,761,298	\$ 47,634,794	\$ 14,904,460	\$ 13,537,134	\$ 22,300,767
Business-type activities	15,358,939	7,458,411	10,409,486	13,065,974	13,001,575	19,497,583	14,518,632	4,555,057	7,239,229	8,007,425
Total primary government	\$ 33,338,544	\$ 14,806,623	\$ 63,265,122	\$ 36,348,395	\$ 27,242,476	\$ 50,258,881	\$ 62,153,426	\$ 19,459,517	\$ 20,776,363	\$ 30,308,192

# THE CITY OF NORMAN, OKLAHOMA

## FUND BALANCES OF GOVERNMENTAL FUNDS

### LAST TEN FISCAL YEARS

(modified accrual basis of accounting)

	Fiscal Year									
	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
General fund										
Nonspendable	\$ 19,324	\$ 14,065	\$ 32,402	\$ 24,898	\$ 29,473	\$ 20,896	\$ 26,642	\$ 47,131	\$ 337,642	\$ 320,512
Restricted	-	-	-	-	-	-	-	-	-	-
Committed	4,027,066	3,889,176	3,794,419	3,331,295	3,302,656	3,226,149	3,191,393	2,554,596	1,510,323	1,503,429
Assigned	2,893,498	2,849,571	2,541,165	2,503,122	2,298,057	2,281,428	2,890,768	2,152,746	2,169,071	1,467,574
Unassigned	11,773,244	10,836,506	13,223,749	13,046,521	7,166,425	8,861,932	8,290,555	8,384,756	8,405,617	10,184,006
Total general fund	\$ 18,713,132	\$ 17,589,318	\$ 19,591,735	\$ 18,905,836	\$ 12,796,611	\$ 14,390,405	\$ 14,399,358	\$ 13,139,229	\$ 12,422,653	\$ 13,475,521
All other governmental funds										
Restricted	\$ 178,960,048	\$ 140,480,988	\$ 147,577,408	\$ 155,984,942	\$ 180,115,682	\$ 162,761,288	\$ 123,475,384	\$ 86,328,836	\$ 95,384,952	\$ 68,041,077
Assigned	5,026,161	5,213,736	3,994,574	4,540,592	3,712,781	3,436,379	2,148,078	1,834,631	1,350,473	1,059,369
Total all other governmental funds	\$ 183,986,209	\$ 145,694,724	\$ 151,571,982	\$ 160,525,534	\$ 183,828,463	\$ 166,197,667	\$ 125,623,462	\$ 88,163,467	\$ 96,735,425	\$ 69,100,446

# THE CITY OF NORMAN, OKLAHOMA

## CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS

### LAST TEN FISCAL YEARS

(modified accrual basis of accounting)

(Dollars in Thousands)

	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
<b>REVENUES</b>										
Taxes	\$ 113,938	\$ 104,731	\$ 101,516	\$ 100,061	\$ 100,450	\$ 92,812	\$ 89,204	\$ 86,998	\$ 82,444	\$ 76,818
Licenses & permits	1,463	1,142	1,129	1,104	1,162	1,399	1,393	1,426	1,212	1,190
Intergovernmental revenues	22,489	6,622	5,740	10,501	8,358	6,396	4,553	8,773	8,637	9,370
Charges for services	10,887	11,046	11,694	11,657	10,427	10,966	11,484	10,918	10,684	10,268
Fines and forfeitures	1,548	1,794	1,473	2,366	2,300	2,425	2,644	2,461	2,352	2,554
Investment earnings	214	2,254	2,898	1,330	278	334	278	365	194	517
Special assessment revenue	-	-	-	-	-	-	-	-	-	26
Other	3,733	3,324	2,737	3,466	2,652	1,762	2,403	2,424	1,424	2,381
Total revenues	154,272	130,913	127,187	130,485	125,627	116,094	111,959	113,365	106,947	103,124
<b>EXPENDITURES</b>										
General government	16,588	10,015	10,993	10,681	10,022	9,742	9,431	10,218	7,963	8,571
Planning	3,480	3,394	3,528	3,637	3,429	3,454	3,416	3,379	3,387	3,261
City controller	3,702	3,623	3,378	3,503	3,353	3,141	2,940	4,492	4,957	4,405
Parks & recreation	6,227	6,239	5,293	5,249	5,999	5,167	4,665	4,930	4,520	4,598
Public works	30,744	28,266	17,147	18,907	22,634	18,572	18,137	18,054	17,481	17,240
Public service	3,827	1,996	4,120	2,662	3,892	2,963	2,920	2,803	2,239	2,401
Public safety	49,287	48,638	43,009	45,765	43,913	46,079	43,780	45,846	42,780	40,310
Capital Outlay	30,028	24,521	47,788	43,097	31,375	32,910	22,358	20,897	18,152	16,449
Debt Service:										
Principal	15,350	8,415	27,269	16,245	11,671	9,668	9,542	22,949	5,655	4,319
Interest and fiscal charges	4,658	4,388	4,265	4,545	4,839	3,905	2,180	2,400	1,578	1,315
Total expenditures	163,891	139,495	166,790	154,291	141,127	135,601	119,369	135,968	108,712	102,869
Excess of revenues over (under) expenditures	(9,619)	(8,582)	(39,603)	(23,806)	(15,500)	(19,507)	(7,410)	(22,603)	(1,765)	255
<b>OTHER FINANCING SOURCES (USES)</b>										
Bonds issued	47,000	-	30,000	6,105	30,950	65,935	45,909	14,971	28,175	19,861
Premium on issuance of debt	469	-	585	-	-	1,426	-	-	179	19,861
Payment to refunded bond escrow agent	-	-	-	-	-	(7,707)	-	-	-	-
Transfers in	28,275	18,646	5,736	16,729	10,533	35,034	7,456	5,486	8,863	7,404
Transfers out	(26,710)	(17,943)	(4,986)	(16,222)	(9,946)	(34,616)	(7,235)	(5,710)	(8,870)	(7,992)
Total other financing sources (uses)	49,034	703	31,335	6,612	31,537	60,072	46,130	14,747	28,347	39,134
Net change in fund balances	\$ 39,415	\$ (7,879)	\$ (8,268)	\$ (17,194)	\$ 16,037	\$ 40,565	\$ 38,720	\$ (7,856)	\$ 26,582	\$ 39,389
Debt service as a percentage of noncapital expenditures	14.95%	11.14%	26.50%	18.70%	15.04%	13.22%	12.08%	22.03%	7.99%	6.52%

# THE CITY OF NORMAN, OKLAHOMA

## TAXABLE SALES BY CATEGORY LAST TEN FISCAL YEARS (Dollars in Thousands)

	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
General merchandise	\$ 20,068	\$ 18,579	\$ 17,864	\$ 17,324	\$ 16,869	\$ 15,678	\$ 15,047	\$ 14,991	\$ 10,174	\$ 14,697
Eating and drinking establishments	13,882	12,657	13,189	12,558	12,011	11,366	10,708	10,096	10,372	9,350
Miscellaneous retail	9,409	9,865	9,540	9,253	9,063	9,060	8,518	7,899	17,001	6,177
Building materials and farm tools	8,041	6,050	5,257	5,133	5,241	5,948	4,487	4,742	2,708	3,985
Electric, gas & sanitary services	3,981	3,820	3,986	4,242	3,864	3,460	3,586	3,512	3,393	3,538
Home furnishings and appliances	4,139	3,410	3,668	3,704	3,785	3,480	3,507	3,166	1,963	3,156
Food stores	4,194	3,843	3,849	4,019	4,158	4,062	3,849	4,058	2,430	3,470
Apparel and accessory stores	3,140	2,914	3,437	3,527	3,547	3,642	3,549	3,531	2,423	3,050
Communications	2,312	2,205	2,482	2,503	2,585	2,429	2,349	2,322	1,494	2,480
Wholesale trade-durable goods	5,224	4,855	4,539	4,571	4,657	4,392	4,042	3,341	2,487	2,018
All other outlets	9,453	7,028	7,141	7,204	8,097	7,377	6,327	6,484	5,477	7,267
<b>Total</b>	<b>\$ 83,843</b>	<b>\$ 75,226</b>	<b>\$ 74,952</b>	<b>\$ 74,038</b>	<b>\$ 73,877</b>	<b>\$ 70,894</b>	<b>\$ 65,969</b>	<b>\$ 64,142</b>	<b>\$ 59,922</b>	<b>\$ 59,188</b>
City direct sales tax rate	4.125%	4.125%	4.00%	4.00%	4.00%	4.00%	3.50%	3.50%	3.50%	3.50%

**Sources:** 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

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Fiscal Year	City Direct Rate	State of Oklahoma	Cleveland County
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 %
2015	3.500 %	4.5 %	0.250 %
2014	3.500 %	4.5 %	0.250 %
2013	3.500 %	4.5 %	0.250 %
2012	3.500 %	4.5 %	0.250 %

**Source:** Oklahoma Tax Commission

**Note:** Voters approved a .125% City sales tax for transit operations effective April 1, 2020. Voters approved a 0.5% City sales tax for Norman Forward quality of life projects effective January 1, 2016. Voters approved a temporary .5% City public safety sales tax effective October 1, 2008 and ending September 30, 2015. On April 1, 2014, the citizens approved permanent extension of the public safety sales tax.



# THE CITY OF NORMAN, OKLAHOMA

## SALES TAX REVENUE PAYERS BY INDUSTRY FISCAL YEARS 2021 AND 2012 (Dollars in Thousands)

	Fiscal Year 2021			Fiscal Year 2012		
	Number of Filers	Percentage of Total	Tax Liability	Number of Filers	Percentage of Total	Percentage of Total
Retail trade	1,222	37.0 %	\$ 51,135	1,417	48.9 %	76.8 %
Accommodation and food service	304	9.2 %	14,958	-	0.0 %	0.0 %
Real estate and rental and leasing	198	6.0 %	1,220	-	0.0 %	0.0 %
Wholesale trade	522	15.8 %	5,224	492	17.0 %	4.0 %
Manufacturing	301	9.1 %	1,674	169	5.8 %	1.8 %
Information	175	5.3 %	2,312	-	0.0 %	0.0 %
Other services (except public administration)	131	4.0 %	983	480	16.6 %	6.2 %
Professional, scientific, and technical services	81	2.5 %	317	-	0.0 %	0.0 %
Arts, entertainment, and recreation	41	1.2 %	466	-	0.0 %	0.0 %
Admin, support, waste mgmt and remediation services	63	1.9 %	124	-	0.0 %	0.0 %
Construction	33	1.0 %	98	16	0.6 %	0.1 %
Transportation and warehousing	28	0.8 %	321	151	5.2 %	10.2 %
Finance and insurance	23	0.7 %	82	13	0.4 %	0.0 %
Utilities	7	0.2 %	3,981	-	0.0 %	0.0 %
Agricultural, forestry, fishing and hunting	7	0.2 %	75	14	0.5 %	0.2 %
Educational services	5	0.2 %	558	-	0.0 %	0.0 %
Health care and social assistance	14	0.4 %	24	-	0.0 %	0.0 %
Mining, quarrying, and oil and gas extraction	5	0.2 %	3	6	0.2 %	0.0 %
Public administration	1	0.0 %	13	1	0.0 %	0.2 %
Nonclassifiable	140	4.2 %	272	141	4.9 %	0.4 %
Total	3,301	100.0 %	\$ 83,840	2,900	100.0 %	100.0 %

**Sources:** Oklahoma Tax Commission

**Notes:** 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			Special				Revenue	Bonds	Term Loans	Capital Leases	Term Loans	Capital Leases				
	Obligation	Bonds	Revenue	Assessment	Debt	Capital	Leases										
2012	\$	43,140	-	\$	-	-	6,925	\$	24,570	\$	22,025	-	\$	96,660	1.1 %	853.34	
2013		58,790	-		-	-	13,965		22,632		22,868	-		118,255	1.2 %	915.95	
2014		49,657	-		-	-	491		20,593		21,243	-		106,340	1.0 %	899.68	
2015		64,196	-		-	-	226		18,597		41,009	-		160,439	1.3 %	1,211.08	
2016		71,419	-		-	-	-		981		54,470	-		205,520	1.8 %	1,708.66	
2017		63,101	-		-	-	819		839		55,677	-		226,876	1.9 %	1,843.48	
2018		51,788	-		-	-	414		693		65,138	-		225,823	1.9 %	1,838.31	
2019		71,034	-		-	-	-		536		86,230	-		249,865	2.1 %	2,023.67	
2020		67,812	-		-	-	-		369		83,788	-		238,644	1.9 %	1,911.08	
2021		83,689	-		-	-	-		192		79,365	-		265,901	2.1 %	2,076.93	

**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 127 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>
2012	\$ 43,140	\$ 4,817	\$ 38,323	4.85%	338.32
2013	58,790	9,121	49,669	6.13%	429.80
2014	49,657	8,967	40,690	4.81%	344.26
2015	64,196	8,847	55,349	6.34%	468.90
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	4.37%	615.58

**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 125 for property value data.

<sup>2</sup> Population data can be found in the Schedule of Demographic and Economic Statistics on page 127.

# THE CITY OF NORMAN, OKLAHOMA

## DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT

AS OF JUNE 30, 2021

(dollars in thousands)

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable <sup>1</sup>	Estimated Share of Overlapping Debt
Debt repaid with property taxes: County	\$ -	0.00%	\$ -
Debt repaid with property taxes: Norman Public Schools	99,180	95.86%	95,074
Debt repaid with property taxes: McLoud Public Schools	740	0.02%	0
Debt repaid with property taxes: Robin Hill Public Schools	429	0.10%	0
Debt repaid with property taxes: Noble Public Schools	5,415	0.63%	34
Debt repaid with property taxes: Mid Del Public Schools	45,520	0.02%	9
Debt repaid with property taxes: Little Axe Public Schools	1,990	0.19%	4
Debt repaid with property taxes: Moore Public Schools	<u>109,255</u>	3.18%	<u>3,474</u>
Subtotal, overlapping debt	262,529		98,596
City of Norman direct debt			<u>186,344</u>
Total direct and overlapping debt			<u>\$ 284,940</u>

**Sources:** 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)

	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Assessed value of property	\$ 1,117,342	\$ 1,073,220	\$ 1,038,922	\$ 993,913	\$ 963,371	\$ 930,798	\$ 873,553	\$ 843,440	\$ 807,370	\$ 790,324
Debt limit <sup>1</sup> , 10% of assessed value	111,734	107,322	103,892	99,391	96,337	93,080	87,355	84,344	80,737	79,032
Amount of debt applicable to limit:										
General Obligation Bonds back by property taxes	-	-	-	-	-	-	-	-	-	-
Less: Resources restricted to paying principal	-	-	-	-	-	-	-	-	-	-
Total net debt applicable to limit	-	-	-	-	-	-	-	-	-	-
Legal debt margin	\$ 111,734	\$ 107,322	\$ 103,892	\$ 99,391	\$ 96,337	\$ 93,080	\$ 87,355	\$ 84,344	\$ 80,737	\$ 79,032
Total net debt applicable to the limit as a percentage of debt limit	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Debt limit <sup>2</sup> , 30% of assessed value	\$ 335,203	\$ 321,966	\$ 311,677	\$ 298,174	\$ 289,011	\$ 279,239	\$ 262,066	\$ 253,032	\$ 242,211	\$ 237,097
Amount of debt applicable to limit:										
General Obligation Bonds	81,875	66,205	69,230	50,360	61,445	71,419	64,196	49,495	58,620	43,140
Less: Resources restricted to paying principal	(4,879)	(7,201)	(2,674)	(5,769)	(8,638)	(6,552)	(8,847)	(8,967)	(9,121)	(4,817)
Total net debt applicable to limit	76,996	59,004	66,556	44,591	52,807	64,867	55,349	40,528	49,499	38,323
Legal debt margin	\$ 258,207	\$ 262,962	\$ 245,121	\$ 253,583	\$ 236,204	\$ 214,372	\$ 206,717	\$ 212,504	\$ 192,712	\$ 198,774
Total net debt applicable to the limit as a percentage of debt limit	22.97%	18.33%	21.35%	14.95%	18.27%	23.23%	21.12%	16.02%	20.44%	16.16%

<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					Special Assessment Term Loans				
	Gross Revenue <sup>1</sup>	Operating Expenses <sup>2</sup>	Net Available Revenue		Coverage	Gross Revenue <sup>1</sup>	Operating Expenses <sup>2</sup>	Net Available Revenue		Coverage	Special Assessment Collections	Debt Service		Interest	Coverage
			Less:	Revenue				Less:	Revenue			Principal	Interest		
2012	\$ 31,347	\$ 14,361	\$ 16,986	\$ 3,153	\$ 1,667	\$ 15,124	\$ 11,800	\$ 3,324	\$ 310	\$ 291	\$ 32	\$ 239	\$ 37	0.12	
2013	31,037	17,001	14,036	3,163	1,430	15,057	12,459	2,598	325	231	-	-	-	-	
2014	31,562	17,096	14,466	3,150	1,709	15,632	13,474	2,158	575	203	-	-	-	-	
2015	32,212	14,381	17,831	4,447	2,544	15,476	12,075	3,401	665	189	-	-	-	-	
2016	37,308	11,657	25,651	6,508	1,287	16,021	11,781	4,240	680	171	-	-	-	-	
2017	33,834	18,055	15,779	5,943	1,053	16,315	11,603	4,712	705	151	-	-	-	-	
2018	34,050	17,747	16,303	5,508	1,262	16,624	12,346	4,278	725	131	-	-	-	-	
2019	35,355	6,402	28,953	5,631	2,156	17,918	13,294	4,624	580	108	-	-	-	-	
2020	35,946	18,177	17,769	7,296	2,389	17,891	12,950	4,941	1,750	88	-	-	-	-	
2021	40,436	21,194	19,242	7,409	2,239	18,603	14,813	3,790	180	24	-	-	-	-	

**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 sales and use taxes and capital improvement charges.

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

# THE CITY OF NORMAN, OKLAHOMA

## DEMOGRAPHIC AND ECONOMIC STATISTICS LAST TEN FISCAL YEARS

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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>
2012	113,273	\$9.1	26,058	29.6	15,022	4.40%
2013	115,562	9.6	27,343	29.7	15,510	5.00%
2014	118,197	10.4	26,267	29.9	15,739	4.20%
2015	118,040	10.6	27,749	30.2	15,745	3.80%
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%

### Data Sources

<sup>1</sup> Years 2012- 21 obtained from census data

<sup>2</sup> U.S. Census Bureau, American Community Survey 2010-2019 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

Employer	2021			2012		
	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment
The University of Oklahoma	12,941	1	20.89%	11,932	1	22.03%
Norman Regional Hospital	3,040	2	4.91%	2,600	2	4.80%
Norman Public Schools	1,806	3	2.91%	2,112	3	3.90%
York International/Johnson Controls	1,030	4	1.66%	1,118	4	2.06%
Walmart	950	5	1.53%			
City of Norman	884	6	1.43%	834	5	1.54%
Department of Mental Health & Substance Abuse				578	6	1.07%
Hitachi	400	7	0.65%			
NOAA National Severe Storm Laboratory	400	8	0.65%	550	7	1.02%
Cleveland County	396	9	0.64%			
Target	380	10	0.61%			
USPS National Center for Employee Development				430	8	0.79%
ClientLogic/Site1				401	9	0.74%
Oklahoma Veteran's Center	-		-	361	10	0.67%
Total	<u>22,227</u>		<u>35.88%</u>	<u>20,916</u>		<u>38.62%</u>

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



## THE CITY OF NORMAN, OKLAHOMA

### FULL-TIME EQUIVALENT CITY EMPLOYEES BY FUNCTION LAST TEN FISCAL YEARS

FUNCTION	Full-time Equivalent Employees as of June 30									
	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
General government	59	62	64	60	64	61	59	40	38	36
Planning	35	34	38	36	38	37	36	37	36	36
City controller	35	34	32	30	30	29	28	35	37	38
Parks & recreation	52	52	55	59	58	53	52	47	52	54
Public works	120	118	115	116	119	112	112	110	108	106
Public safety										
Police	255	260	259	262	259	245	235	231	240	229
Fire	168	169	171	171	173	163	162	163	157	142
Westwood	34	34	37	18	16	17	17	18	18	19
Water	51	49	49	48	50	49	47	49	49	49
Wastewater	47	44	45	45	46	43	43	42	42	40
Sanitation	60	59	59	58	60	58	55	58	57	55
Total	916	915	924	903	913	867	846	830	834	804

**Source:** City Payroll Office

**Notes:** A full-time employee is scheduled to work 2,080 hours per year (including vacation and sick leave). Full-time equivalent 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									
	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Planning										
Building permits issued	1,962	1,704	1,552	1,540	1,575	2,418	2,493	3,437	1,997	1,661
Building inspections conducted	26,403	24,719	23,216	23,799	25,846	26,556	29,348	26,699	26,410	21,572
Police										
Physical arrests	4,018	5,172	6,478	6,076	5,594	5,709	5,637	6,529	5,922	5,740
Parking violations	5,607	6,576	12,029	14,836	17,438	13,433	15,616	12,422	10,053	5,883
Traffic violations	8,551	13,422	15,509	14,985	16,988	16,249	16,330	16,803	16,295	17,531
Non-traffic violations	2,534	2,421	3,585	3,792	4,704	4,012	4,444	4,619	4,423	4,996
Fire										
Calls answered	17,648	16,071	15,925	15,491	14,425	13,761	12,650	12,234	11,560	11,129
Inspections	1,477	1,967	2,440	2,331	2,972	2,983	3,456	2,083	2,700	2,814
Sanitation										
Refuse collected (tons per day)	338	319	321	288	272	316	286	286	298	279
Recyclables collected (tons per day)	17	18	20	22	28	32	32	27	28	22
Highways and streets										
Street resurfacing (miles)	20	17	13	19	8	17	16	15	19	26
Street patching (tons of asphalt used)	1,583	523	1,091	1,611	2,502	2,767	1,814	2,364	1,178	792
Parks and recreation										
Athletic field permits issued	189,564	135,485	189,663	150,173	119,904	146,641	143,878	154,596	159,817	170,291
Community center admissions	32,243	77,539	105,455	127,239	129,705	127,522	138,650	121,791	138,109	142,738
Water										
New connections	630	478	441	407	458	496	649	504	919	364
Water main breaks	213	163	133	166	160	159	185	191	268	308
Average daily consumption (thousands of gallons)										
Peak daily consumption (thousands of gallons)	13,880	13,440	12,080	13,250	12,730	12,180	12,500	12,470	12,390	13,220
Wastewater										
Average daily sewage treatment (thousands of gallons)	26,000	22,200	21,290	20,560	22,290	19,870	21,800	20,610	24,820	23,940
Average daily sewage treatment (thousands of gallons)	10,800	11,200	12,300	11,000	9,700	9,800	9,500	9,800	10,300	9,500

**Sources:** Various city departments.

**Note:** 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									
	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Public safety										
Police										
Stations	2	2	2	2	2	2	2	2	1	1
Patrol units	119	122	115	117	116	117	116	119	120	118
Fire stations	9	9	9	9	9	9	9	9	8	8
Sanitation										
Collection trucks	43	54	44	43	40	41	45	41	41	41
Highways and streets										
Streets (miles)	777	773	773	768	765	763	783	753	752	749
Streetlights	6,657	6,626	6,609	6,605	6,565	6,478	6,339	6,296	6,191	6,115
Traffic signals	256	257	256	256	256	250	246	241	189	185
Parks and recreation										
Acreage	1,158	1,158	1,158	1,158	1,158	1,158	1,158	1,156	1,150	1,150
Playgrounds	56	55	54	53	53	52	52	52	52	52
Swimming pools	6	6	6	6	6	5	5	5	5	5
Tennis courts	26	26	26	24	24	24	24	22	22	22
Community centers	5	5	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	4	4	4	4	4	4	4	4
Skateparks/Skate spots	4	4	3	1	1	1	1	1	1	1
Bike parks	1	1	1	-	-	-	-	-	-	-
Fishing lakes	7	7	7	7	7	7	7	7	7	7
Water										
Water mains (miles)	629	619	606	600	600	597	593	576	566	562
Fire hydrants	6,472	6,351	6,071	5,986	5,988	5,921	5,860	5,618	5,498	5,392
Water towers	5	5	5	5	5	5	4	4	4	4
Maximum daily capacity (thousands of gallons)	23,500	23,500	23,300	23,300	23,300	23,500	23,500	23,500	22,600	22,600
Wastewater										
Sanitary sewers (miles)	518	516	515	508	511	500	494	491	485	479
Manholes	12,186	12,147	12,097	11,927	11,928	11,656	11,625	11,530	11,387	11,228
Maximum daily treatment capacity (thousands of gallons)	36,000	36,000	36,000	36,000	36,000	30,000	30,000	30,000	30,000	24,000

**Sources:** Various city departments.

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

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YOUNG FAMILY  
ATHLETIC CENTER