



ANNUAL COMPREHENSIVE FINANCIAL REPORT
AND ACCOMPANYING INDEPENDENT AUDITOR'S
REPORTS

FOR THE FISCAL YEAR ENDED
JUNE 30, 2024

CITY OF SAPULPA, OKLAHOMA
ANNUAL COMPREHENSIVE FINANCIAL REPORT
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September 22, 2025

To the Honorable Mayor Craig Henderson, City Councilors and Citizens

We are pleased to submit to you the Annual Comprehensive Financial Report (ACFR) of the City of Sapulpa for the Fiscal Year ended June 30, 2024. This report was prepared by the Finance Department of the City of Sapulpa to present the financial position of the City and the results of the City's financial operations in accordance with generally accepted accounting principles (GAAP).

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

Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation including all disclosures rests with the city. We believe the data, as presented, is accurate in all material respects, and all disclosures necessary to enable the reader to gain the maximum understanding of the City's financial affairs have been included.

The Management's discussion and Analysis provides additional narrative and detailed analysis of the City's financial affairs, and we encourage readers to consider that information in conjunction with the information presented here.

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

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

Governmental Structure

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



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

Economic Conditions and Outlook

The City's primary indicator of local economic activity is sales tax revenue, which serves as the principal funding source for governmental operations. For FY 2023–2024, sales tax collections remained steady, reflecting a 1% increase over the prior fiscal year. Projections indicate that this level of performance will continue in the near term.

The City's other major revenue source is derived from Sapulpa Municipal Authority (SMA) charges for services, which include water, sewer, and refuse operations. Charges for services in FY 2023–2024 experienced minimal change, increasing by less than 1% from the prior year.

In preparing the FY 2024–2025 budget, City officials have maintained a conservative approach to revenue forecasting. Sales tax receipts were budgeted at \$18,041,910 during FY 2024–2025, representing a 2% increase over FY 2023–2024 actual collections. This reflects confidence in continued economic stability while ensuring fiscal prudence.

Overall, the City's economic outlook remains positive. Sapulpa is experiencing new job creation, residential development, industrial expansion, and reinvestment in existing properties through renovations and improvements.

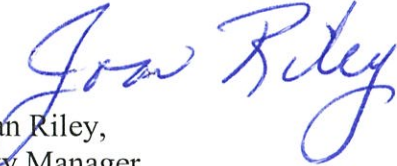
The City also continues to utilize the 2020 General Obligation Bond funds, totaling just over \$40 million. With approximately 88% of the funds already issued, multiple projects have been completed or are nearing completion. The remaining funds are expected to be drawn down ahead of schedule during the FY 2025–2026 budget year, well before the original 2030 projection. This accelerated timeline reflects both the strength of Sapulpa's growing housing market and the positive impact of rising property valuations.

The preparation of this report is a combined effort from the staff of the Finance Department, with the professional assistance of our consultants, Crawford & Associates, P.C., and our

independent auditors, Arledge & Associates, P.C. We would like to express our appreciation to all individuals who assisted in the preparation of this report.

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

Respectfully submitted,



Joan Riley,
City Manager

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CITY OF SAPULPA
LIST OF CITY OFFICIALS
FOR THE FISCAL YEAR
JULY 1, 2023 – JUNE 30, 2024

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

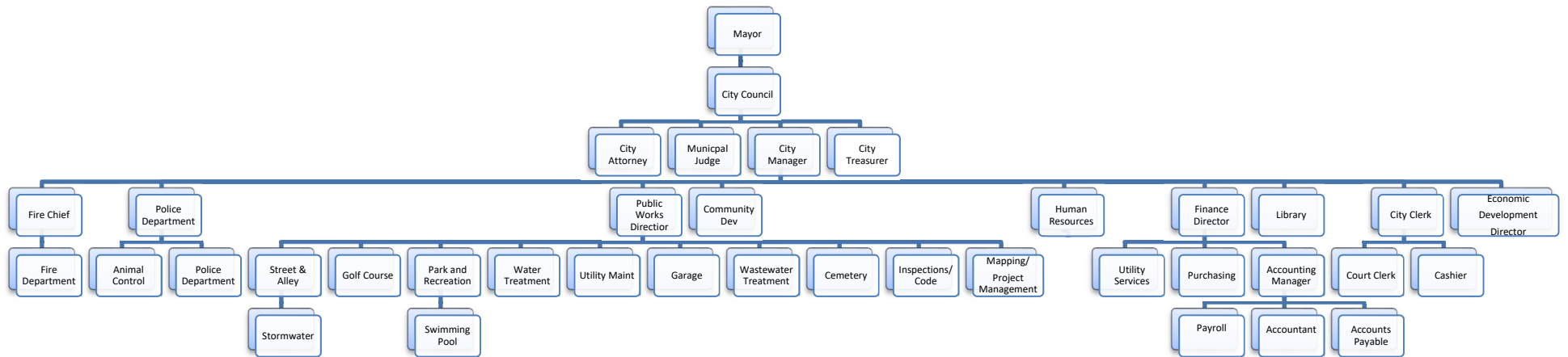
COUNCIL:

MARTY CUMMINS
RICHARD HUDSON
DAVID MORTAZAVI
SHERRY CAPPS

ALEXANDER HAMILTON
JEFF MOLINA
HUGO NAIFEH
ELIZABETH NICOLAS

Joan Riley, City Manager
David Widdoes, City Attorney
Shirley Burzio, City Clerk
Pam Vann, Interim Finance Director

City of Sapulpa Organizational Chart



INDEPENDENT AUDITOR'S REPORT

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

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Sapulpa, Oklahoma (the "City") as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City, as of June 30, 2024, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

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

Supplementary Information

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

Other Information

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

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



Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated September 22, 2025, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering City's internal control over financial reporting and compliance.

Arledge & Associates PC

Oklahoma City, Oklahoma
September 22, 2025



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Our discussion and analysis of the City of Sapulpa's financial performance provides an overview of the City's financial activities for the fiscal year ended June 30, 2024. Please read it in conjunction with the City's financial statements, which follow this section.

FINANCIAL HIGHLIGHTS

- The total net position at the end of fiscal years 2024 and 2023 for governmental activities was \$53.9 million and \$50 million, respectively.
- The total net position at the end of fiscal years 2024 and 2023 for business-type activities was \$15.1 million and \$12.8 million, respectively.
- During the year, the City's expenses for governmental activities were \$27.1 million and were funded by program revenues of \$4.9 million and further funded with taxes, other general revenues and transfers that totaled \$26.2 million.
- In the City's business-type activities, such as utilities and golf course, total program revenues were under total program expenses by \$0.7 million, while general revenues and transfers totaled \$3 million.
- At June 30, 2024, the General Fund reported an unassigned fund balance of \$4.1 million.
- For budgetary reporting purposes, the General Fund reported revenues and transfers under estimates by \$604 thousand or 2%, while expenditures and transfers were less than final appropriations by \$2.1 million or 6.6%.

OVERVIEW OF THE FINANCIAL STATEMENTS

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

Reporting the City as a Whole

Government-wide Statements

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

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

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

As mentioned above, in the Statement of Net Position and the Statement of Activities, we divide the City into two kinds of activities:

- Governmental activities -- Most of the City's basic services are reported here, including the police, fire, general administration, streets, and parks. Sales taxes, franchise fees, fines, and state and federal grants finance most of these activities.
- Business-type activities -- The City charges a fee to customers to help cover all or most of the cost of certain services it provides. The City's water, wastewater, sanitation, stormwater, and golf course activities are reported here.

Reporting the City's Most Significant Funds

Fund Financial Statements

The fund financial statements provide detailed information about the most significant funds – not the City as a whole. Some funds are required to be established by State law and by bond covenants. However, management establishes many other funds to help it control and manage money for particular purposes or to show that it is meeting legal responsibilities for using certain taxes, grants, and other money.

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

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

A FINANCIAL ANALYSIS OF THE CITY AS A WHOLE

Statement of Net Position

The City's total net position as of June 30, 2024 was \$69 million, which was \$6.3 million more than the fiscal year ended June 30, 2023. The most significant contributing factors to this change were an increase in capital assets, net of \$4.6 million, an increase in current assets of \$3.4 million, a decrease in current liabilities of \$2.4 million, an increase of \$1.6 million in non-current liabilities, an increase of \$1.4 million in restricted net position, and an increase in the negative unrestricted net position of \$3.2 million.

Deferred outflows of resources for business-type activities decreased by \$1.1 million due to the reduction in the unamortized loss on refunding.

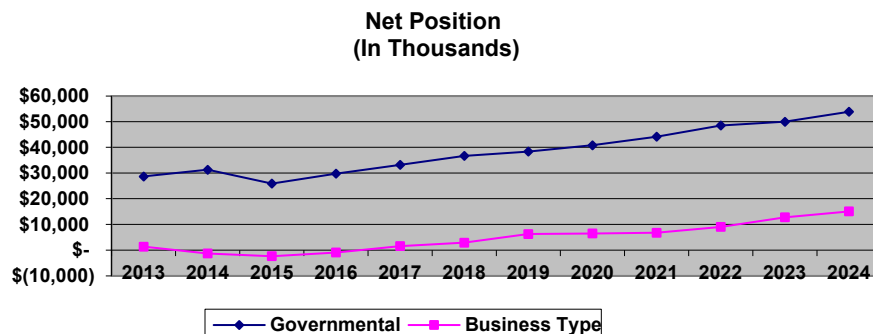
Current liabilities for governmental activities decreased by \$2.4 million due primarily to the reduction in accounts payable year-over-year.

A comparative, condensed presentation of net positions follows.

TABLE 1
NET POSITION (In Thousands)
JUNE 30, 2024 AND 2023

	Governmental Activities		% Inc. (Dec.)	Business-Type Activities		% Inc. (Dec.)	Total		% Inc. (Dec.)
	2024	2023		2024	2023		2024	2023	
Current assets	\$ 38,015	\$ 35,428	7%	\$ 10,607	\$ 9,744	9%	\$ 48,622	\$ 45,172	8%
Capital assets, net	73,418	68,484	7%	67,147	67,521	-1%	140,565	136,005	3%
Other non-current assets	200	576	-65%	-	-	0%	200	576	-65%
Total assets	111,633	104,488	7%	77,754	77,265	1%	189,387	181,753	4%
Deferred outflows of resources	5,161	5,439	-5%	4,056	5,156	-21%	9,217	10,595	-13%
Total assets and deferred outflows of resources	116,794	109,927	6%	81,810	82,421	-1%	198,604	192,348	3%
Current liabilities	4,835	7,195	-33%	5,390	5,467	-1%	10,225	12,662	-19%
Non-current liabilities	54,975	50,508	9%	61,088	63,978	-5%	116,063	114,486	1%
Total liabilities	59,810	57,703	4%	66,478	69,445	-4%	126,288	127,148	-1%
Deferring inflows of resources	3,047	2,265	35%	247	221	12%	3,294	2,486	33%
Net position									
Net investment in capital assets	45,924	45,238	2%	13,162	12,107	9%	59,086	57,345	3%
Restricted	10,721	9,939	8%	3,332	2,719	23%	14,053	12,658	11%
Unrestricted (deficit)	(2,708)	(5,218)	-48%	(1,409)	(2,071)	-32%	(4,117)	(7,289)	-44%
Total net position	\$ 53,937	\$ 49,959	8%	\$ 15,085	\$ 12,755	18%	\$ 69,022	\$ 62,714	10%

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



Statement of Activities

The City's total revenues amounted to \$46.7 million and \$45 million during the fiscal years ended June 30, 2024 and 2023, respectively. For the year ending June 30, 2024, charges for services made up \$14.4 million or 31.0%, and taxes made up \$26.8 million or 57.4%. For the year ending June 30, 2023, charges for services made up \$14.1 million or 31.2%, and taxes made up \$26.2 million or 58.2%.

The City's total expenses amounted to \$40.4 million and \$39.8 million during the fiscal years ended June 30, 2024 and 2023, respectively. For the year ending June 30, 2024, public safety totaled \$15.4 million or 38.1%, water totaled \$4.8 million or 11.9%, and wastewater totaled \$5.5 million or 13.6%. For the year ending June 30, 2023, public safety totaled \$14.4 million or 36.0%, water totaled \$5.1 million or 12.8%, and wastewater totaled \$5.3 million or 13.2%.

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

TABLE 2
CHANGES IN NET POSITION (In Thousands)
JUNE 30, 2024 AND 2023

	Governmental Activities		% Inc. (Dec.)	Business-Type Activities		% Inc. (Dec.)	Total		% Inc. (Dec.)
	<u>2024</u>	<u>2023</u>		<u>2024</u>	<u>2023</u>		<u>2024</u>	<u>2023</u>	
Revenues									
Charges for service	\$ 1,930	\$ 1,739	11%	\$ 12,517	\$ 12,319	2%	\$ 14,447	\$ 14,058	3%
Operating grants and contributions	2,039	1,623	26%	-	-	-	2,039	1,623	26%
Capital grants and contributions	888	117	659%	-	183	-100%	888	300	196%
Taxes	26,806	26,214	2%	-	-	-	26,806	26,214	2%
Intergovernmental revenue	325	586	-45%	-	1,774	-100%	325	2,360	-86%
Investment income	1,037	206	403%	303	102	197%	1,340	308	335%
Miscellaneous	630	-	100%	194	154	26%	824	154	435%
Total revenues	<u>33,655</u>	<u>30,485</u>	10%	<u>13,014</u>	<u>14,532</u>	-10%	<u>46,669</u>	<u>45,017</u>	4%
Expenses									
Administration	1,877	1,986	-5%	-	-	-	1,877	1,986	-5%
General government	2,794	3,990	-30%	-	-	-	2,794	3,990	-30%
Legal and judicial	440	384	15%	-	-	-	440	384	15%
Public safety	15,400	14,355	7%	-	-	-	15,400	14,355	7%
Urban development	570	342	67%	-	-	-	570	342	67%
Streets	2,687	2,856	-6%	-	-	-	2,687	2,856	-6%
Culture, parks and recreation	2,073	1,870	11%	-	-	-	2,073	1,870	11%
Interest on long-term debt	1,285	974	32%	-	-	-	1,285	974	32%
Water	-	-	-	4,814	5,096	-6%	4,814	5,096	-6%
Wastewater	-	-	-	5,498	5,265	4%	5,498	5,265	4%
Sanitation	-	-	-	1,384	1,024	35%	1,384	1,024	35%
Stormwater	-	-	-	479	763	-37%	479	763	-37%
Golf operations	-	-	-	1,060	920	15%	1,060	920	15%
Total expenses	<u>27,126</u>	<u>26,757</u>	1%	<u>13,235</u>	<u>13,068</u>	1%	<u>40,361</u>	<u>39,825</u>	1%
Excess (deficiency) before transfers	6,529	3,728	75%	(221)	1,464	-115%	6,308	5,192	21%
Transfers	(2,551)	(2,284)	-12%	2,551	2,284	12%	-	-	
Increase in net position	<u>\$ 3,978</u>	<u>\$ 1,444</u>	175%	<u>\$ 2,330</u>	<u>\$ 3,748</u>	-38%	<u>\$ 6,308</u>	<u>\$ 5,192</u>	21%

Explanations for the more significant change includes:

Intergovernmental revenue - \$2 million or -86% change primarily due to the recognition of ARPA-related revenue in fiscal year 2023 but not again in fiscal year 2024.

General Government - \$1.2 million or -30% change primarily due to expenses returning to levels comparable to fiscal year 2022 for this expense category.

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

Governmental Activities

The following table compares fiscal year 2024 and 2023 total Governmental Activities expenses and net revenue (expense) of services:

TABLE 3
Net Revenue (Expense) of Governmental Activities (In Thousands)
June 30, 2024 and 2023

	Total Expense of Services		% Inc. (Dec.)	Net Revenue (Expense) of Services		% Inc. (Dec.)
	<u>2024</u>	<u>2023</u>		<u>2024</u>	<u>2023</u>	
Administration	\$ 1,877	\$ 1,986	-5%	(\$1,877)	(\$1,986)	-5%
General government	2,794	3,990	-30%	(2,035)	(3,268)	-38%
Legal and judicial	440	384	15%	(440)	(384)	15%
Public safety	15,400	14,355	7%	(12,631)	(12,119)	4%
Urban development	570	342	67%	(570)	(342)	67%
Streets	2,687	2,856	-6%	(1,752)	(2,561)	-32%
Culture and recreation	2,073	1,870	11%	(1,679)	(1,644)	2%
Interest on long-term debt	<u>1,285</u>	<u>974</u>	32%	<u>(1,285)</u>	<u>(974)</u>	32%
Total	<u>\$27,126</u>	<u>\$26,757</u>	1%	<u>(\$22,269)</u>	<u>(\$23,278)</u>	-4%

Business-type Activities

The following table compares fiscal year 2024 and 2023 total Business-type Activities expenses and net revenue (expense) of services:

Net Revenue (Expense) of Business-Type Activities (In Thousands)
June 30, 2024 and 2023

	Total Expense of Services		% Inc. Dec.	Net Revenue (Expense) of Services		% Inc. Dec.
	<u>2024</u>	<u>2023</u>		<u>2024</u>	<u>2023</u>	
Water	\$ 4,814	\$ 5,096	-6%	\$ 237	\$ 254	-7%
Wastewater	5,498	5,265	4%	(892)	(817)	9%
Sanitation	1,384	1,024	35%	28	383	-93%
Stormwater	479	763	-37%	409	91	349%
Golf operations	<u>1,060</u>	<u>920</u>	15%	<u>(501)</u>	<u>(477)</u>	5%
Total	\$ 13,235	\$ 13,068	1%	\$ (719)	\$ (566)	27%

A FINANCIAL ANALYSIS OF THE CITY'S FUNDS

As the City completed its 2024 fiscal year, the governmental funds reported a combined fund balance of \$37.3 million and \$31.8 million in fiscal years 2024 and 2023, respectively. The enterprise funds reported a combined net position of \$11.8 million and \$10.2 million in fiscal years 2024 and 2023, respectively.

FUND BALANCE/NET POSITION
(In thousands of dollars)
June 30, 2024 and 2023

Governmental Funds			Enterprise Funds		
	<u>2024</u>	<u>2023</u>		<u>2024</u>	<u>2023</u>
Nonspendable	\$ 119	\$ 110	Net Investment in Capital Assets	\$ 13,162	\$ 12,107
Restricted	28,176	23,685	Restricted for debt service	646	615
Assigned	4,966	6,000	Unrestricted (deficit)	<u>(2,016)</u>	<u>(2,559)</u>
Unassigned	<u>4,063</u>	<u>2,024</u>			
Total Fund Balance	\$ 37,324	\$ 31,819	Total Net Position	\$ 11,792	\$ 10,163

Other fund highlights include:

- The General Fund's total fund balance declined somewhat between fiscal years 2024 and 2023 as the total fund balance increased by \$168 thousand or 3.3%, due to slight overall increases in asset categories including \$47 thousand in cash and cash equivalents and \$150 thousand in due from other governments outpacing the slight overall increases in liabilities primarily related to accrued payroll liabilities. There was not a noted single contributing factor to this change as overall revenues and other financing sources slightly exceeded total expenditures.
- The G.O. Bond Construction Fund's total fund balance increased \$3.9 million or 36.6% due to an increase of \$1.9 million in cash and cash equivalents, an increase of \$853 thousand in investments, and a \$1.1 million decrease in accounts payable related to capital outlay expenses. The largest factor related to the overall increase was the \$8.1 million of bond proceeds, not all of which have been spent yet.

- The Sapulpa Municipal Authority Utility enterprise fund increased \$1.5 million or 18.1% due primarily to normal scheduled debt payments occurring in a stable revenue and expense environment year-over-year.

General Fund Budgetary Highlights

Over the course of the year, the City Council revised the General Fund budget various times. The revised budget included an increase in overall revenue projections of 14.4% or approximately \$3.8 million, mainly related to increased sales tax collections over original estimates of 15.2% or \$2.5 million. For budgetary reporting purposes, the General Fund reported revenues less than final estimates by \$604 thousand or 2.0%, while expenditures were less than the final appropriations by \$2.1 million or 6.6%.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

At the end of June 30, 2024, the City had approximately \$140.6 million invested in capital assets, net of depreciation, including but not limited to police and fire equipment, buildings, park facilities, water and sewer lines, and other improvements. This represents a net increase of \$4.6 million or 3.4% over the prior year.

TABLE 5
Primary Government Capital Assets (In Thousands)
(Net of accumulated depreciation)
June 30, 2024 and 2023

	Governmental		Business-Type		Total	
	<u>Activities</u>		<u>Activities</u>			
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
Land	\$ 6,046	\$ 5,813	\$ 71	\$ 71	\$ 6,117	\$ 5,884
Intangible water rights	-	-	4,915	4,915	4,915	4,915
Construction in progress	10,567	12,336	3,218	4,853	13,785	17,189
Buildings	11,258	8,909	1,982	2,022	13,240	10,931
Other improvements	1,927	1,858	1,259	1,039	3,186	2,897
Utility property	-	-	48,766	47,404	48,766	47,404
Machinery, furniture and equipment	7,415	7,958	1,994	2,083	9,409	10,041
Infrastructure	36,119	31,607	4,940	5,130	41,059	36,737
Other assets - leased equipment	2	3	2	3	4	6
Other assets - SBITA software	84	-	-	-	84	-
Totals	\$ 73,418	\$ 68,484	\$ 67,147	\$ 67,520	\$ 140,565	\$ 136,004

This year's more significant capital asset additions include:

\$2,709,374 – Highway 117 & 49th West Avenue Intersection Improvements and Stop Light
 \$2,650,826 – Fire Station #3
 \$2,499,306 – South Basin #4
 \$1,650,461 – North Brown Street Improvements from Line to Cobb
 \$1,366,502 – Cheyenne Road

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

\$2,131,279 – Downtown Master Plan Phase 2
\$1,650,461 – North Brown Stormwater Improvements
\$1,536,006 – Sports Complex (Wickham Road)

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

Long- Term Debt

The City had \$107.6 million and \$104.9 million in outstanding debt at the end of fiscal years 2024 and 2023, respectively. Governmental Activities increased by \$5.5 million due to the city continuing to make scheduled debt payments and the issuance of \$8.1 million of Series 2023A G.O. Bonds. Business-type Activities decreased by \$2.8 million due to the regular retirement of debt and not issuing any significant amounts of debt.

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

TABLE 6
Primary Government Long-Term Debt (In Thousands)
June 30, 2024 and 2023

	<u>Governmental</u> <u>Activities</u>		<u>Business-Type</u> <u>Activities</u>		<u>Total</u>	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
Accrued absences	\$ 1,982	\$ 1,998	\$ 235	\$ 228	\$ 2,217	\$ 2,226
Revenue bonds	2,850	3,365	57,465	59,945	60,315	63,310
Due to depositors	-	-	341	336	341	336
Water contract obligations	-	-	522	564	522	564
Notes payable	171	282	5,211	5,513	5,382	5,795
General obligation bonds	38,785	32,640	-	-	38,785	32,640
Totals	<u>\$ 43,788</u>	<u>\$ 38,285</u>	<u>\$ 63,774</u>	<u>\$ 66,586</u>	<u>\$ 107,562</u>	<u>\$ 104,871</u>

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

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

Sapulpa's economic outlook continues to appear stable. Total sales tax collections, which are the major revenue for the General Fund, had a 0.8% increase from fiscal year 2022-2023 (\$17,526,105) to fiscal year 2023-2024 (\$17,667,772). A conservative approach was used in projecting sales tax for fiscal year 2024-2025, with sales tax budgeted at \$18,041,910 or 2.9% more than the fiscal year 2023-2024 actual. Total assessed valuation of property went up 6.6% from 2023 to 2024.

The Sapulpa Municipal Authority (SMA) charges for service, which include water, sewer, and refuse revenues, shows a minimal increase of 0.5% for fiscal year 2023-2024 (\$10,856,753) from 2022-2023 actual (\$10,806,967). Revenues for these services for fiscal year 2023-2024 were projected down 1.8%, or \$193,197, lower than fiscal year 2023-2024 actual. This slight decrease reflects a presumption of fairly stagnant charges for service revenue during fiscal year 2023-2024 with overall strong collections.

CONTACTING THE CITY'S FINANCIAL MANAGEMENT

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

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City of Sapulpa
Statement of Net Position
June 30, 2024

	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash and cash equivalents	\$ 18,818,701	\$ 7,228,498	\$ 26,047,199
Investments	12,473,371	1,935,597	14,408,968
Deposits with insurance pool	2,918	-	2,918
Internal balances	1,282,000	(1,282,000)	-
Interest receivable	158,962	19,499	178,461
Accounts receivable, net of allowance	120,100	850,330	970,430
Franchise tax receivable	48,241	-	48,241
Court fines receivable	460,498	-	460,498
Due from other governments	3,138,115	600,322	3,738,437
Other receivables	229,350	884,750	1,114,100
Lease receivables	1,260,259	-	1,260,259
Inventory	23,166	112,950	136,116
Prepaid expenses	-	257,411	257,411
Net pension asset	199,656	-	199,656
Capital assets:			
Land and construction in progress	16,613,576	8,204,664	24,818,240
Other capital assets, net of depreciation/amortization	56,804,250	58,942,232	115,746,482
Total assets	<u>111,633,163</u>	<u>77,754,253</u>	<u>189,387,416</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred amount on refunding	11,880	4,006,436	4,018,316
Deferred amounts related to OPEB	68,044	49,502	117,546
Deferred amounts related to pensions	5,081,862	-	5,081,862
Total deferred outflows	<u>5,161,786</u>	<u>4,055,938</u>	<u>9,217,724</u>
LIABILITIES			
Accounts payable	1,269,928	523,461	1,793,389
Accrued payroll liabilities	229,447	112,922	342,369
Accrued interest payable	480,480	395,984	876,464
Due to other governments	5,407	-	5,407
Escrow deposits	49,246	-	49,246
Due to bondholders	4,645	-	4,645
Unearned revenue	18,072	1,481,581	1,499,653
Long-term liabilities:			
Due within one year	2,778,343	2,875,825	5,654,168
Due in more than one year	42,232,808	60,900,180	103,132,988
Net pension liabilities- due in more than one year	12,067,906	-	12,067,906
Total OPEB liability - due in more than one year	673,885	188,291	862,176
Total liabilities	<u>59,810,167</u>	<u>66,478,244</u>	<u>126,288,411</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred amounts related to Leases	1,182,242	-	1,182,242
Deferred amounts related to OPEB	664,805	247,389	912,194
Deferred amounts related to pensions	1,200,384	-	1,200,384
Total deferred inflows	<u>3,047,431</u>	<u>247,389</u>	<u>3,294,820</u>
NET POSITION			
Net investment in capital assets	45,924,381	13,162,424	59,086,805
Restricted for:			
Capital projects	1,669,760	-	1,669,760
Debt service	2,449,648	645,875	3,095,523
Streets	3,590,756	-	3,590,756
Public safety	681,952	-	681,952
Grant projects	256,272	-	256,272
Economic development	2,072,643	-	2,072,643
Water capital projects	-	1,553,338	1,553,338
Sewer capital projects	-	1,131,957	1,131,957
Unrestricted (deficit)	(2,708,061)	(1,409,036)	(4,117,097)
Total net position	<u>\$ 53,937,351</u>	<u>\$ 15,084,558</u>	<u>\$ 69,021,909</u>

See accompanying notes to the basic financial statements.

**City of Sapulpa
Statement of Activities
For the Year Ended June 30, 2024**

Functions/Programs	Program Revenue				Net (Expense) Revenue and Changes in Net Position		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		
					Governmental Activities	Business-type Activities	Total
Primary government							
Governmental activities:							
Administration	\$ 1,876,890	\$ -	\$ -	\$ -	\$ (1,876,890)	\$ -	\$ (1,876,890)
General government	2,794,397	732,951	-	26,203	(2,035,243)	-	(2,035,243)
Legal and judicial	440,042	-	-	-	(440,042)	-	(440,042)
Public safety	15,399,399	1,016,159	1,743,157	9,471	(12,630,612)	-	(12,630,612)
Urban development	570,187	-	-	-	(570,187)	-	(570,187)
Streets	2,686,663	560	254,272	679,441	(1,752,390)	-	(1,752,390)
Culture and recreation	2,073,029	180,206	41,445	172,870	(1,678,508)	-	(1,678,508)
Interest on long-term debt	1,285,156	-	-	-	(1,285,156)	-	(1,285,156)
Total governmental activities	27,125,763	1,929,876	2,038,874	887,985	(22,269,028)	-	(22,269,028)
Business-type activities							
Water	4,814,352	5,051,327	-	-	-	236,975	236,975
Wastewater	5,498,315	4,606,852	-	-	-	(891,463)	(891,463)
Sanitation	1,384,153	1,411,984	-	-	-	27,831	27,831
Stormwater	479,068	888,142	-	-	-	409,074	409,074
Golf operations	1,060,228	558,924	-	-	-	(501,304)	(501,304)
Total business-type activities	13,236,116	12,517,229	-	-	-	(718,887)	(718,887)
Total primary government	\$ 40,361,879	\$ 14,447,105	\$ 2,038,874	\$ 887,985	\$ (22,269,028)	\$ (718,887)	\$ (22,987,915)
General revenues:							
Taxes:							
Sales and use taxes					\$ 20,316,472	\$ -	\$ 20,316,472
Property taxes					3,313,716	-	3,313,716
Franchise and public service taxes					952,698	-	952,698
Payment in lieu of tax					453,613	-	453,613
Hotel/motel taxes					329,233	-	329,233
Tax apportionment revenue					1,047,304	-	1,047,304
E-911 taxes					393,931	-	393,931
Intergovernmental revenue not restricted to specific programs					324,971	-	324,971
Investment income					1,036,554	302,915	1,339,469
Miscellaneous					629,969	194,362	824,331
Transfers - Internal activity					(2,551,197)	2,551,197	-
Total general revenues and transfers					26,247,264	3,048,474	29,295,738
Change in net position					3,978,236	2,329,587	6,307,823
Net position - beginning					49,959,115	12,754,971	62,714,086
Net position - ending					\$ 53,937,351	\$ 15,084,558	\$ 69,021,909

See accompanying notes to the basic financial statements.

**City of Sapulpa
Balance Sheet
Governmental Funds
June 30, 2024**

	General Fund	G.O. Bond Construction Fund	G.O. Sinking Fund	Other Governmental Funds	Total Governmental Funds
ASSETS					
Cash and cash equivalents	\$ 1,034,018	\$ 7,103,729	\$ 1,401,959	\$ 11,753,920	\$ 21,293,626
Investments	1,595,828	7,666,374	394,042	3,045,239	12,701,483
Deposits with insurance pool	2,918	-	-	-	2,918
Deposits with fiscal agent	-	-	188	-	188
Accrued interest receivable	17,400	93,074	3,626	47,310	161,410
Due from other funds	1,382,000	-	-	-	1,382,000
Due from other governments	1,467,960	-	692,267	1,663,393	3,823,620
Franchise tax receivable	48,241	-	-	-	48,241
Court fines receivable	446,008	-	-	14,490	460,498
Other receivables	182,904	-	-	71,266	254,170
Lease receivables	1,260,259	-	-	-	1,260,259
Inventory	-	-	-	118,880	118,880
Total assets	<u>\$ 7,437,536</u>	<u>\$ 14,863,177</u>	<u>\$ 2,492,082</u>	<u>\$ 16,714,498</u>	<u>\$ 41,507,293</u>
LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES					
Liabilities:					
Accounts payable	\$ 266,791	\$ 178,595	\$ -	\$ 843,387	\$ 1,288,773
Accrued payroll liabilities	143,322	-	-	113,000	256,322
Due to other funds	-	-	-	150,000	150,000
Due to other governments	6,668	-	-	305	6,973
Escrow deposit	49,246	-	-	-	49,246
Refundable court bonds	4,130	-	-	515	4,645
Unearned revenue	-	-	42,434	7,000	49,434
Total liabilities	<u>470,157</u>	<u>178,595</u>	<u>42,434</u>	<u>1,114,207</u>	<u>1,805,393</u>
DEFERRED INFLOW OF RESOURCES					
Unavailable revenue	485,331	41,992	503,857	164,587	1,195,767
Leases	1,182,242	-	-	-	1,182,242
Total deferred inflow of resources	<u>1,667,573</u>	<u>41,992</u>	<u>503,857</u>	<u>164,587</u>	<u>2,378,009</u>
Fund balances:					
Non-spendable	-	-	-	118,880	118,880
Restricted	-	14,642,590	1,945,791	11,587,672	28,176,053
Assigned	1,235,569	-	-	3,730,125	4,965,694
Unassigned (deficit)	4,064,237	-	-	(973)	4,063,264
Total fund balances	<u>5,299,806</u>	<u>14,642,590</u>	<u>1,945,791</u>	<u>15,435,704</u>	<u>37,323,891</u>
Total liabilities, deferred inflows and fund balances	<u>\$ 7,437,536</u>	<u>\$ 14,863,177</u>	<u>\$ 2,492,082</u>	<u>\$ 16,714,498</u>	<u>\$ 41,507,293</u>

See accompanying notes to the basic financial statements.

City of Sapulpa
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position
June 30, 2024

Fund Balance - Net Position Reconciliation: \$ 37,323,891

Amounts reported for governmental activities in the Statement of Net Position are different because:

Capital assets used in governmental activities are not current financial resources and therefore are not reported in the funds, net of accumulated depreciation/amortization of \$38,892,256 73,417,826

Internal service funds are used by management to charge costs of certain activities that benefit multiple funds, such as self-insurance costs, to individual funds. The assets and liabilities of these internal service funds are reported in the governmental activities of the Statement of Net Position:

Internal service funds' net position 14,754

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

Water & sewer sales tax fund	(458,690)
Water resources fund	(1,658,763)
Sewer plant sales tax fund	(1,175,126)
	(3,292,579)

Other long-term assets and deferred outflows are not available to pay for current period expenditures and therefore are deferred or not reported in the funds:

Net pension asset	199,656
Pension related deferred outflows of resources	5,081,862
Deferred amount on general obligation bond refunding	11,880
Unavailable revenue	1,168,194
OPEB related deferred outflows of resources	68,044
	6,529,636

Certain long-term liabilities are not due and payable from current financial resources and they, along with certain deferred inflows, are not reported in the funds:

Accrued interest payable	(438,046)
Capital notes payable obligation	(171,170)
Revenue bonds	(2,850,000)
General obligation bond	(38,785,000)
Unamortized premium on general obligation bonds	(1,140,913)
Lease liability	(1,729)
SBITA liability	(80,006)
Net pension liability	(12,067,906)
OPEB related deferred inflows of resources	(664,805)
Pension related deferred inflows of resources	(1,200,384)
Total OPEB liability	(673,885)
Accrued compensated absences	(1,982,333)
	(60,056,177)

Net Position of Governmental Activities in the Statement of Net Position \$ 53,937,351

City of Sapulpa
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended June 30, 2024

	General Fund	G.O. Bond Construction Fund	G.O. Sinking Fund	Other Governmental Funds	Total Governmental Funds
REVENUES					
Taxes	\$ 11,662,050	\$ -	\$ 3,313,716	\$ 11,226,995	\$ 26,202,761
Intergovernmental	2,408,664	-	-	910,520	3,319,184
Charges for services	871,364	-	-	557,278	1,428,642
Fines and forfeitures	326,319	-	-	14,315	340,634
Licenses and permits	422,637	-	-	-	422,637
Investment income	104,072	447,847	53,456	445,940	1,051,315
Miscellaneous	703,229	-	-	164,856	868,085
Total revenues	<u>16,498,335</u>	<u>447,847</u>	<u>3,367,172</u>	<u>13,319,904</u>	<u>33,633,258</u>
EXPENDITURES					
Current:					
Administration	2,264,749	-	-	-	2,264,749
General government	1,025,128	522,107	2,900	592,834	2,142,969
Legal and judicial	412,644	-	-	-	412,644
Public safety	13,457,458	-	-	780,557	14,238,015
Urban development	161,836	-	-	502,615	664,451
Streets	-	-	-	1,276,812	1,276,812
Culture and recreation	649,818	34,675	-	1,034,320	1,718,813
Water	-	-	-	1,090,444	1,090,444
Wastewater	-	-	-	149,006	149,006
Capital Outlay	201,016	4,163,375	-	5,692,293	10,056,684
Debt Service:					
Principal	21,565	-	1,935,000	603,896	2,560,461
Interest	1,691	-	1,036,593	113,951	1,152,235
Total expenditures	<u>18,195,905</u>	<u>4,720,157</u>	<u>2,974,493</u>	<u>11,836,728</u>	<u>37,727,283</u>
Excess (deficiency) of revenues over expenditures	<u>(1,697,570)</u>	<u>(4,272,310)</u>	<u>392,679</u>	<u>1,483,176</u>	<u>(4,094,025)</u>
OTHER FINANCING SOURCES (USES)					
Transfers in	6,211,775	-	-	2,574,292	8,786,067
Transfers out	(4,388,810)	-	(9,865)	(3,267,887)	(7,666,562)
Proceeds from long-term debt	42,851	8,080,000	-	88,600	8,211,451
Bond premium	-	112,430	155,087	-	267,517
Total other financing sources (uses)	<u>1,865,816</u>	<u>8,192,430</u>	<u>145,222</u>	<u>(604,995)</u>	<u>9,598,473</u>
Net change in fund balances	168,246	3,920,120		878,181	5,504,448
Fund balances, 6/30/23, as previously presented	<u>5,131,560</u>	<u>10,722,470</u>	<u>-</u>	<u>15,965,413</u>	<u>31,819,443</u>
Change within financial reporting entity (See Note 5)	-	-	1,407,890	(1,407,890)	-
Fund balances, 6/30/23, as adjusted	<u>5,131,560</u>	<u>10,722,470</u>	<u>1,407,890</u>	<u>14,557,523</u>	<u>31,819,443</u>
Fund balances, 6/30/24	<u>\$ 5,299,806</u>	<u>\$ 14,642,590</u>	<u>\$ 1,945,791</u>	<u>\$ 15,435,704</u>	<u>\$ 37,323,891</u>

See accompanying notes to the basic financial statements.

City of Sapulpa
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of
Governmental Funds to the Statement of Activities
For the Year Ended June 30, 2024

Changes in Fund Balance - Changes in Net Position Reconciliation: \$ 5,504,448

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

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

Capital asset purchases capitalized	9,036,067
Land acquisitions	233,203
Book value of disposed capital assets	(46,842)
Capital assets transferred to business-type activities	(1,414,961)
Depreciation/amortization expense	(2,874,149)
	4,933,318

Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds:

Change in unavailable revenue	498,192
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In the Statement of Activities, the net cost of pension benefits earned is calculated and reported as pension expense. The fund financial statements report pension contributions as pension expenditures. This amount represents the difference between pension contributions and calculated pension expense.

(246,526)

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

Water & Sewer Sales Tax Fund	(45,852)
Water Resources Fund	(437,376)
Sewer Plant Sales Tax Fund	(217,081)
	(700,309)

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

Principal payment on capital notes payable obligation	81,423
Principal payment on G.O. bonds payable	1,935,000
Principal payment on Revenue bonds payable	515,000
Principal payment on notes payable	29,039
Bond refunding amortization	(12,945)
Bond premium amortization	84,756
Bond premium received	(267,517)
Proceeds from general obligation bonds	(8,080,000)
Proceeds from SBITA liability	(131,451)
	(5,846,695)

Some expenses reported in the Statement of Activities do not require the use of current financial resources and these are not reported as expenditures in governmental funds:

Change in accrued interest payable	(203,248)
Change in total OPEB liability	7,328
Change in accrued compensated absences	15,879
Change in lease liability	1,693
Change in SBITA liability	51,445
	(126,903)

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

Change in net position for internal service funds	(37,289)
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Change in net position of governmental activities	\$ 3,978,236
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**City of Sapulpa
Statement of Net Position
Proprietary Funds
June 30, 2024**

	Enterprise Funds			
		Non-major Golf Course Fund	Total	Internal Service Fund
	SMA Utility Fund			
ASSETS				
Current assets:				
Cash and cash equivalents	\$ 3,011,806	\$ 609,099	\$ 3,620,905	\$ 14,700
Restricted cash and cash equivalents	1,117,780	-	1,117,780	-
Investments	1,409,496	-	1,409,496	-
Interest receivable	17,051	-	17,051	-
Accounts receivable, net	840,294	10,036	850,330	-
Other receivables	878,042	-	878,042	54
Inventory	-	17,236	17,236	-
Total current assets	7,274,469	636,371	7,910,840	14,754
Non-current assets:				
Restricted investments	297,990	-	297,990	-
Prepaid bond insurance	257,411	-	257,411	-
Capital assets:				
Land and other non-depreciable assets	8,184,004	20,660	8,204,664	-
Other capital assets, net of depreciation	57,233,065	1,707,484	58,940,549	-
Lease assets	1,683	-	1,683	-
Total non-current assets	65,974,153	1,728,144	67,702,297	-
Total assets	73,248,622	2,364,515	75,613,137	14,754
DEFERRED OUTFLOWS OF RESOURCES				
Related to OPEB	45,760	3,742	49,502	-
Deferred amount on refunding	4,006,436	-	4,006,436	-
Total deferred outflows	4,052,196	3,742	4,055,938	-
LIABILITIES				
Current liabilities:				
Accounts payable	431,029	35,550	466,579	-
Accrued payroll liabilities	67,276	21,991	89,267	-
Due to other funds	1,232,000	-	1,232,000	-
Accrued interest payable	395,984	-	395,984	-
Unearned revenue	1,474,686	6,895	1,481,581	-
Due to depositors	68,211	-	68,211	-
Notes payable	230,000	-	230,000	-
Capital lease obligation payable	1,729	-	1,729	-
Water contract obligations	43,494	-	43,494	-
Revenue bonds payable	2,510,000	-	2,510,000	-
Accrued compensated absences	15,694	6,697	22,391	-
Total current liabilities	6,470,103	71,133	6,541,236	-
Non-current liabilities:				
Due to depositors	272,846	-	272,846	-
Notes payable	4,980,790	-	4,980,790	-
Water contract obligations	479,001	-	479,001	-
Revenue bonds payable, net	54,955,001	-	54,955,001	-
Accrued compensated absences	152,270	60,272	212,542	-
Total OPEB liability	158,561	29,730	188,291	-
Total non-current liabilities	60,998,469	90,002	61,088,471	-
Total liabilities	67,468,572	161,135	67,629,707	-
DEFERRED INFLOWS OF RESOURCES				
Related to OPEB	176,333	71,056	247,389	-
NET POSITION				
Net investment in capital assets	11,434,280	1,728,144	13,162,424	-
Restricted for debt service	645,875	-	645,875	-
Unrestricted (deficit)	(2,424,242)	407,922	(2,016,320)	14,754
Total net position	\$ 9,655,913	\$ 2,136,066	\$ 11,791,979	\$ 14,754

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

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

3,292,579

Net Position of business-type activities

\$ 15,084,558

See accompanying notes to the basic financial statements.

City of Sapulpa
Statement of Revenues, Expenses and Changes in Fund Net Position
Proprietary Funds
For the Year Ended June 30, 2024

	Enterprise Funds			
		Non-major		
	SMA Utility Fund	Golf Course Fund	Total	Internal Service Fund
REVENUES				
Water charges	\$ 4,712,813	\$ -	\$ 4,712,813	\$ -
Sewer charges	4,547,012	-	4,547,012	-
Sanitation	1,364,904	-	1,364,904	-
Water taps	26,000	-	26,000	-
Sewer taps	59,840	-	59,840	-
Late charges	185,344	-	185,344	-
Recycling center	400	-	400	-
Trucked water	46,680	-	46,680	-
Stormwater	888,142	-	888,142	-
Golf course	-	545,451	545,451	-
Self insurance charges	-	-	-	2,754,455
Miscellaneous	127,170	6,088	133,258	-
Total operating revenues	11,958,305	551,539	12,509,844	2,754,455
OPERATING EXPENSES				
General government	338,253	-	338,253	-
Administration	229,561	-	229,561	-
Utility collections	529,217	-	529,217	-
Water treatment plant	2,149,758	-	2,149,758	-
Industrial pretreatment	95,667	-	95,667	-
Wastewater treatment plant	1,254,098	-	1,254,098	-
Stormwater management	377,956	-	377,956	-
Sanitation	999,421	-	999,421	-
Golf course operations	-	899,733	899,733	-
Depreciation/amortization expense	2,300,113	160,495	2,460,608	-
Claims expense	-	-	-	2,793,662
Total operating expenses	8,274,044	1,060,228	9,334,272	2,793,662
Operating income (loss)	3,684,261	(508,689)	3,175,572	(39,207)
NON-OPERATING REVENUES (EXPENSES)				
Investment income	212,987	14,713	227,700	1,918
Miscellaneous	179,907	-	179,907	-
Gain on disposal of capital assets	-	7,385	7,385	-
Interest expense and fiscal charges	(2,724,136)	-	(2,724,136)	-
Total non-operating revenue (expenses)	(2,331,242)	22,098	(2,309,144)	1,918
Income (loss) before contributions and transfers	1,353,019	(486,591)	866,428	(37,289)
Capital contributions	1,643,800	238,555	1,882,355	-
Transfers in	6,683,071	395,000	7,078,071	-
Transfers out	(8,197,576)	-	(8,197,576)	-
Change in net position	1,482,314	146,964	1,629,278	(37,289)
Total net position - beginning	8,173,599	1,989,102	10,162,701	52,043
Total net position - ending	\$ 9,655,913	\$ 2,136,066	\$ 11,791,979	\$ 14,754
Change in net position			\$ 1,629,278	
Amounts reported for business-type activities in the Statement of Activities are different because:				
Certain special revenue funds are used by management to perform business-type activities. The activities of these special revenue funds are included in the business-type activities in the Statement of Activities.				
Water & sewer sales tax fund			45,852	
Water resources fund			437,376	
Sewer plant sales tax fund			217,081	
Change in net position of the business-type activities			\$ 2,329,587	

See accompanying notes to the basic financial statements.

City of Sapulpa
Statement of Cash Flows
Proprietary Funds
For the Year Ended June 30, 2024

	SMA Utility Fund	Golf Course Fund	Total Enterprise Funds	Internal Service Fund
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from customers	\$ 12,065,487	\$ 544,087	\$ 12,609,574	\$ -
Payments to suppliers	(3,547,944)	(384,905)	(3,932,849)	(2,793,662)
Payments to employees	(2,522,714)	(533,494)	(3,056,208)	-
Receipts of customer meter deposits	103,954	-	103,954	-
Refunds of customer meter deposits	(98,736)	-	(98,736)	-
Receipts from others	-	-	-	2,754,455
Net cash provided by (used in) operating activities	<u>6,000,047</u>	<u>(374,312)</u>	<u>5,625,735</u>	<u>(39,207)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Transfers from other funds	6,683,071	395,000	7,078,071	-
Transfers to other funds	(8,197,576)	-	(8,197,576)	-
Net cash provided by (used in) noncapital financing activities	<u>(1,514,505)</u>	<u>395,000</u>	<u>(1,119,505)</u>	<u>-</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Purchases of capital assets	(197,941)	832	(197,109)	-
Principal paid on capital debt	(2,825,433)	-	(2,825,433)	-
Interest and fiscal agent fees paid on capital debt	(1,624,655)	-	(1,624,655)	-
Net cash provided by (used in) capital and related financing activities	<u>(4,648,029)</u>	<u>832</u>	<u>(4,647,197)</u>	<u>-</u>
CASH FLOWS FROM INVESTING ACTIVITIES				
Sale (purchase) of investments	(54,643)	-	(54,643)	-
Interest and dividends	211,437	14,713	226,150	1,918
Net cash provided by investing activities	<u>156,794</u>	<u>14,713</u>	<u>171,507</u>	<u>1,918</u>
Net increase (decrease) in cash and cash equivalents	<u>(5,693)</u>	<u>36,233</u>	<u>30,540</u>	<u>(37,289)</u>
Balances - beginning of year	<u>4,135,279</u>	<u>572,866</u>	<u>4,708,145</u>	<u>51,989</u>
Balances - end of year	<u>\$ 4,129,586</u>	<u>\$ 609,099</u>	<u>\$ 4,738,685</u>	<u>\$ 14,700</u>
Reconciliation to Statement of Net Position:				
Cash and cash equivalents	\$ 3,011,806	\$ 609,099	\$ 3,620,905	\$ 14,700
Restricted cash and cash equivalents - current	1,117,780	-	1,117,780	-
Total cash and cash equivalents, end of year	<u>\$ 4,129,586</u>	<u>\$ 609,099</u>	<u>\$ 4,738,685</u>	<u>\$ 14,700</u>

(Continued)

See accompanying notes to the financial statements.

City of Sapulpa
Statement of Cash Flows
Proprietary Funds
For the Year Ended June 30, 2024

	SMA Utility Fund	Golf Course Fund	Total Enterprise Funds	Internal Service Funds
Reconciliation of operating income (loss) to net cash provided				
by (used in) operating activities:				
Operating income (loss)	\$ 3,684,261	\$ (508,689)	\$ 3,175,572	\$ (39,207)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:				
Depreciation/amortization expense	2,300,113	160,495	2,460,608	-
Miscellaneous income	179,907	-	179,907	-
Change in assets, liabilities and deferrals:				
Total OPEB liability	(36,866)	(6,270)	(43,136)	-
Net inflows related to OPEB	36,676	(2,585)	34,091	-
Accounts receivable	16,594	(7,914)	8,680	-
Other receivables	(89,318)	-	(89,318)	-
Accounts payable	(101,590)	(24,893)	(126,483)	-
Accrued payroll payable	11,277	1,817	13,094	-
Unearned revenue	-	462	462	-
Deposits subject to refund	5,218	-	5,218	-
Accrued compensated absences	(6,225)	13,265	7,040	-
Net cash provided by (used in) operating activities	\$ 6,000,047	\$ (374,312)	\$ 5,625,735	\$ (39,207)
Noncash activities:				
Contributed capital assets	\$ 1,643,800	\$ 238,555	\$ 1,882,355	\$ -

See accompanying notes to the basic financial statements.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

1.A. FINANCIAL REPORTING ENTITY

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

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

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

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

BLENDED COMPONENT UNITS

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

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

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

CITY OF SAPULPA
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2024

Sapulpa Development
Authority

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

Sapulpa Development
Authority Fund -
Special Revenue Fund

1.B. BASIS OF PRESENTATION

Government-Wide Financial Statements:

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

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

Fund Financial Statements:

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

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

CITY OF SAPULPA
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2024

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

GOVERNMENTAL FUNDS

General Fund (Major Fund)

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

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

Other Major Funds

<u>Fund</u>	<u>Description</u>
G.O. Bond Construction Fund (Major Capital Project Fund)	Accounts for the financing and construction of specified capital improvements.
G.O Sinking Fund (Major Debt Service Fund)	Used to account for ad-valorem taxes levied by the City for use in the retiring of court-assessed judgments and general obligation bonds and their related interest expense. In State Statutes this fund is referred to as the Sinking Fund.

Special Revenue Funds (Nonmajor Funds)

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

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

CITY OF SAPULPA
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2024

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

Capital Project Fund (Nonmajor Funds)

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

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

CITY OF SAPULPA
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2024

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

PROPRIETARY FUNDS

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

CITY OF SAPULPA
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2024

Enterprise Funds

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

Nonmajor Fund

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

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

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

Measurement Focus

Government-wide and Proprietary Fund Financial Statements

In the government-wide Statement of Net Position and the Statement of Activities, and the proprietary fund statements, the “*economic resources*” measurement focus is applied. The accounting objectives of this measurement focus are the determination of operating income, changes in net position (or cost recovery), financial position, and cash flows. All assets, deferred outflows of resources, liabilities, and deferred inflows of resources (whether current or noncurrent, financial or nonfinancial) associated with their activities are reported. Fund equity is classified as net position.

Governmental Fund Financial Statements

In the governmental fund financial statements, a “*current financial resources*” measurement focus is applied. Under this focus, only current financial assets, deferred outflows of resources, liabilities, and deferred inflows of resources are generally included on their balance sheets. Their operating statements present sources and uses of available spendable financial resources during a given period. These funds use fund balance as their measure of available spendable financial resources at the end of the period.

Basis of Accounting

Government-wide and Proprietary Fund Financial Statements

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

Governmental Fund Financial Statements

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

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

Cash and Cash Equivalents

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

Investments

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

Receivables

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

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

CITY OF SAPULPA
NOTES TO BASIC FINANCIAL STATEMENTS
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Inventories

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

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

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

Capital Assets and Depreciation

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

Government-Wide Statements and Proprietary Funds

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

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

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

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

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

Intangible leased assets and intangible IT related software are amortized over the life of the associated contract.

Restricted Assets

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

Long-Term Debt

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

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

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

Pensions

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

Compensated Absences

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

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

Equity Classification

Government-Wide and Proprietary Fund Financial Statements:

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

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

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

Governmental Fund Financial Statements:

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

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

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

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

1.E. INTERNAL AND INTERFUND BALANCES AND ACTIVITIES

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

Government-Wide Financial Statements:

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

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

CITY OF SAPULPA
NOTES TO BASIC FINANCIAL STATEMENTS
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Fund Financial Statements:

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

1. Interfund loans - amounts provided with a requirement for repayment are reported as interfund receivables and payables.
2. Interfund services - sales or purchases of goods and services between funds are reported as revenues and expenditures/expenses.
3. Interfund reimbursements - repayments from funds responsible for certain expenditures/expenses to the funds that initially paid for them are not reported as reimbursements but as adjustments to expenditures/expenses in the respective funds.
4. Interfund transfers - flow of assets from one fund to another where repayment is not expected are reported as transfers in and out.

1.F. REVENUES, EXPENDITURES AND EXPENSES

Sales Tax

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

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

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

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

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

CITY OF SAPULPA
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2024

Property Tax

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

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

General Obligation Bonds

2015 General Obligation Bonds
2015A General Obligation Bonds
2016A General Obligation Bonds
2019 Refunding General Obligation Bonds
2020A General Obligation Bonds
2020B General Obligation Bonds
2021A General Obligation Bonds
2022A General Obligation Bonds
2023A General Obligation Bonds

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

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

For the year ended June 30, 2024, the City's net assessed valuation of taxable property was \$198,484,316. The taxes levied by the City per \$1,000 of net assessed valuation for the year ended June 30, 2024, was \$17.66.

Expenditures/Expenses

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

1.G. USE OF ESTIMATES

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

NOTE 2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

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

2.A. DEPOSITS AND INVESTMENT LAWS AND REGULATIONS

In accordance with State law, all uninsured deposits of municipal funds in financial institutions must be secured with acceptable collateral valued at no more than market value. Acceptable collateral includes certain U.S. Government or Government Agency securities, certain State of Oklahoma or political subdivision debt obligations, surety bonds, or certain letters of credit. As required by 12 U.S.C.A., Section 1823(e), all financial institutions pledging collateral to the City must have a written collateral agreement approved by the board of directors or loan committee. As reflected in Note 3.A., the City's uninsured deposits were sufficiently collateralized in accordance with these provisions for the year ended June 30, 2024.

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

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

Public trusts created under O.S. Title 60, are not subject to the above noted investment limitations and are primarily governed by any restrictions in their trust or bond indentures.

2.B. DEBT RESTRICTIONS AND COVENANTS

General Obligation Debt

Article 10, Sections 26 and 27 of the Oklahoma Constitution limits the amount of certain outstanding general obligation bonded debt of the municipality for non-utility or non-street purposes to no more than 10% of net assessed valuation. For the year ended June 30, 2024, the City complied with this restriction.

CITY OF SAPULPA
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2024

Other Long-Term Debt

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

Revenue Bond Debt

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

The following schedule presents a brief summary of the most significant requirements and the Authority's level of compliance, thereon, as of June 30, 2024:

<u>Requirement</u>	<u>Level of Compliance</u>
a. Flow of Funds 2020 Refunding Utility System Revenue Bonds: - Revenue Fund - Bond Fund	The Authority maintained all required accounts and made the required payments into such accounts.
b. Revenue Bond Coverage: Net operating revenue plus transferred sales tax must equal 1.25 times avg. annual debt service on the 2020 Refunding Utility System Revenue Bonds.	Net revenues available amounted to \$11,249,271. The avg. annual debt service was \$3,930,830. Actual coverage was 2.86 times.
c. Insurance Guarantee Requirements: 2020 Refunding Utility System Revenue Bonds required a municipal bond insurance policy to guarantee the scheduled debt payments.	The Authority paid the required bond insurance premium of \$318,446 as previously required.

2.C. FUND EQUITY / NET POSITION RESTRICTIONS

Restricted Net position

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

2.D. BUDGETARY COMPLIANCE

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

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

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

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

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

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

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

NOTE 3. DETAIL NOTES - TRANSACTION CLASSES/ACCOUNTS

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

3. A. DEPOSIT AND INVESTMENT RISKS

Primary Government:

The City of Sapulpa, including its blended component units, held the following deposits and investments at June 30, 2024:

Type	Maturities	Credit Rating	Carrying Value
Deposits:			
Demand deposits		N/A	\$ 24,987,063
Cash on hand		N/A	5,201
Time deposits (Certificates of Deposit)	Due within one year	N/A	11,765,807
Time deposits (Certificate of Deposit)	Due in 1 - 5 years	N/A	2,608,161
			<u>\$ 39,366,232</u>
Investments:			
Federated Hermes Government Obligations Tax-Managed Fund		AAAm ⁽¹⁾	\$ 1,054,935
U.S. Treasury HH Savings Bonds	7/1/2022	N/A	35,000
			<u>1,089,935</u>
Total deposits and investments			<u>\$ 40,456,167</u>

(1) Standard & Poor's

Reconciliation to Statement of Net Position:

	Governmental Activities	Business-type Activities	Total
Cash and cash equivalents	18,818,701	7,228,498	26,047,199
Investments	12,473,371	1,935,597	14,408,968
	<u>\$ 31,292,072</u>	<u>\$ 9,164,095</u>	<u>\$ 40,456,167</u>

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

Type	Fair Value	Fair Value Measurement Basis	
		Level 1 Inputs	Level 2 Inputs
Certificates of Deposit	14,373,968	-	14,373,968
Federated Hermes Government Obligations Tax-Managed Fund	1,054,935	1,054,935	-
U.S. Treasury HH Savings Bonds	35,000	35,000	-

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

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

At June 30, 2024, the City was not exposed to custodial credit risk as defined above.

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

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

As noted in the schedule of deposits and investments above, at June 30, 2024, the investments held by the City mature at various times.

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

At June 30, 2024, the City had no concentration of credit risk as defined above.

CITY OF SAPULPA
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2024

3. B. RESTRICTED ASSETS

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

The restricted assets as of June 30, 2024 were as follows:

	Current Cash and cash Equivalents	Noncurrent Investments
Utility Deposits	\$ 75,921	\$ 297,990
Trustee Accounts:		
2020 Bond Fund	1,041,859	-
Total	<u>\$ 1,117,780</u>	<u>\$ 297,990</u>

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

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

	Receivable balance	Less: allowance for uncollectible accounts	Net of allowance balance
Governmental:			
<u>Accounts receivable</u>			
Other	\$ 100	\$ -	\$ 100
James Calley Brewing	120,000		120,000
	<u>120,100</u>	<u>-</u>	<u>120,100</u>
<u>Franchise tax receivable</u>	48,241	-	48,241
<u>Court fine receivable</u>	3,587,134	(3,126,636)	460,498
<u>Due from other governments</u>			
Property tax	1,530,598	(690,849)	839,749
Sales tax	2,025,325	-	2,025,325
Other	273,041	-	273,041
	<u>3,828,964</u>	<u>(690,849)</u>	<u>3,138,115</u>
<u>Other receivables</u>	229,350	-	229,350
<u>Lease receivables</u>	1,260,259	-	1,260,259
 Business-type Activities:			
<u>Accounts receivable</u>			
Utilities receivable	3,576,166	(2,735,872)	840,294
Golf	10,036	-	10,036
	<u>3,586,202</u>	<u>(2,735,872)</u>	<u>850,330</u>
<u>Due from other governments (sales tax)</u>	600,322	-	600,322
<u>Other receivables</u>			
Water/sewer related	884,250	-	884,250
Other	500	-	500
	<u>\$ 884,750</u>	<u>\$ -</u>	<u>\$ 884,750</u>

CITY OF SAPULPA
NOTES TO BASIC FINANCIAL STATEMENTS
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3. D. CAPITAL ASSETS

Capital asset activity for the fiscal year ended June 30, 2024, was as follows:

	Balance at July 1, 2023,	Additions	Transfers	Disposals	Balance at June 30, 2024
Governmental activities:					
Capital assets not being depreciated:					
Land	\$ 5,812,870	\$ 233,203	\$ -	\$ -	\$ 6,046,073
Construction in progress	12,335,524	6,825,617	(8,593,638)	-	10,567,503
Total capital assets not being depreciated	18,148,394	7,058,820	(8,593,638)	-	16,613,576
Depreciable capital assets:					
Buildings	14,251,999	-	2,650,826	(97,500)	16,805,325
Other improvements	4,428,683	-	216,474	-	4,645,157
Machinery and equipment	17,641,473	664,040	-	(105,561)	18,199,952
Infrastructure	50,302,468	-	5,726,338	(120,919)	55,907,887
Total depreciable capital assets at historical cost	86,624,623	664,040	8,593,638	(323,980)	95,558,321
Less accumulated depreciation for:					
Buildings	(5,343,048)	(301,997)	-	97,500	(5,547,545)
Other improvements	(2,570,537)	(195,893)	-	48,523	(2,717,907)
Machinery and equipment	(9,683,023)	(1,138,630)	-	36,856	(10,784,797)
Infrastructure	(18,695,269)	(1,188,048)	-	94,259	(19,789,058)
Total accumulated depreciation	(36,291,877)	(2,824,568)	-	277,138	(38,839,307)
Leased assets - equipment	6,738	-	-	-	6,738
Less accumulated amortization - equipment	(3,370)	(1,685)	-	-	(5,055)
Total leased assets being amortized	3,368	(1,685)	-	-	1,683
Subscription assets - intangible IT assets	-	131,451	-	-	131,451
Less accumulated amortization - intangible IT assets	-	(47,898)	-	-	(47,898)
Total intangible IT assets being amortized	-	83,553	-	-	83,553
Depreciable and other capital assets, net	50,336,114	(2,078,660)	8,593,638	(46,842)	56,804,250
Governmental activities capital assets, net	\$ 68,484,508	\$ 4,980,160	\$ -	\$ (46,842)	\$ 73,417,826
Business-type activities:					
Capital assets not being depreciated:					
Land	\$ 70,721	\$ -	\$ -	\$ -	\$ 70,721
Water rights contracts	4,915,486	-	-	-	4,915,486
Construction in progress	4,853,458	1,744,349	(3,379,350)	-	3,218,457
Total capital assets not being depreciated	9,839,665	1,744,349	(3,379,350)	-	8,204,664
Depreciable capital assets:					
Buildings	3,939,633	-	37,209	-	3,976,842
Other improvements	2,335,391	18,324	200,895	-	2,554,610
Utility property	85,248,425	-	3,141,246	(2,357)	88,387,314
Machinery and equipment	5,448,243	324,175	-	(89,834)	5,682,584
Infrastructure	6,855,562	-	-	-	6,855,562
Total depreciable capital assets at historical cost	103,827,254	342,499	3,379,350	(92,191)	107,456,912
Less accumulated depreciation for:					
Buildings	(1,917,145)	(78,058)	-	-	(1,995,203)
Other improvements	(1,296,259)	(54,886)	-	55,044	(1,296,101)
Utility property	(37,845,170)	(1,777,929)	-	2,357	(39,620,742)
Machinery and equipment	(3,365,181)	(358,169)	-	34,790	(3,688,560)
Infrastructure	(1,725,876)	(189,881)	-	-	(1,915,757)
Total accumulated depreciation	(46,149,631)	(2,458,923)	-	92,191	(48,516,363)
Leased assets - equipment	6,738	-	-	-	6,738
Less accumulated amortization - equipment	(3,370)	(1,685)	-	-	(5,055)
Total leased assets being amortized	3,368	(1,685)	-	-	1,683
Depreciable and other capital assets, net	57,680,991	(2,118,109)	3,379,350	-	58,942,232
Business-type activities capital assets, net	\$ 67,520,656	\$ (373,760)	\$ -	\$ -	\$ 67,146,896

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

Depreciation expense charged to governmental activities:

General government	\$ 179,106
Legal and judicial	2,810
Public safety	950,670
Streets	1,342,846
Culture and recreation	349,136
Total governmental activities depreciation expense	<u>\$ 2,824,568</u>

Depreciation expense charged to business-type activities:

Water	\$ 674,340
Wastewater	1,339,537
Sanitation	22,186
Stormwater	262,365
Golf course	160,495
Total business-type activities depreciation expense	<u>\$ 2,458,923</u>

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

Amortization expense was charged to functions in the statement of activities with the \$49,583 of governmental activities to general government (\$1,685) and public safety (\$47,898), and the \$1,685 of business-type activities to water.

3. E. WATER RIGHTS CONTRACT

The Sapulpa Municipal Authority (SMA) entered into three agreements with the United States of America for water storage space in Skiatook Lake. In consideration of the right to utilize the aforesaid storage space in the project for municipal and industrial supply purposes, the SMA agreed to pay costs in the amount of \$4,915,486 (which is the balance of the unamortized water rights reported as capital assets at June 30, 2024), along with maintenance and operations costs on an annual basis. The City incurred an obligation to the federal government for the water rights. The obligations were incurred in March 1993, November 1999, November 2002, and June 2006. During fiscal year 2018, the obligations incurred in November 2002 and June 2006 were paid in full. The remaining obligations are payable in annual installments of \$30,491 and \$33,966, respectively. The total water right obligation balance at June 30, 2024 is \$522,495. See Note 3.F. for further disclosures.

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

3. F. LONG-TERM DEBT

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

Governmental Activities Long-Term Debt

At June 30, 2024, the governmental activities long-term debt consisted of the following:

CITY OF SAPULPA
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2024

General Obligation Bonds:

\$8,080,000 General Obligation Bonds of 2023A, due in annual installments of \$335,000 with a final installment of \$375,000 due August 1, 2048, and with interest rates at 4.0% to 5.0%. The purpose of issuance was for the following: 1) Booker T. Washington Recreation Center \$7,700,000; 2) Parks and Recreation \$500,000 \$8,080,000

\$6,300,000 General Obligation Bonds of 2022A, due in annual installments of \$260,000 with a final installment of \$320,000 due September 1, 2047, and with interest rates at 3.625% to 6.0%. The purpose of issuance was for the following: 1) Streets & Bridges \$2,340,000; 2) Community Park Enhancements \$500,000; 3) Recreation Center \$700,000; 4) Youth Sports Complex \$2,760,000 \$ 6,300,000

\$5,750,000 General Obligation Bonds of 2021A, due in annual installments of \$235,000 with a final installment of \$345,000 due June 1, 2046, and with interest rates at 1.0% to 2.0%. The purpose of issuance was for the following: 1) Streets & Bridges \$4,620,000; 2) Public Safety Facilities and Equipment \$720,000; 3) Community Park Enhancements \$410,000. 5,280,000

\$2,000,000 General Obligation Bonds of 2020B, due in annual installments of \$80,000 with a final installment of \$160,000 due June 1, 2045, and with interest rates at 3.0% to 3.75%. The purpose of issuance was for economic development purposes. 1,760,000

\$13,000,000 General Obligation Bonds of 2020A, due in annual installments of \$540,000 with a final installment of \$580,000 due June 1, 2045, and with interest rates at 2.375% to 3.0%. The purpose of issuance was to be utilized but not restricted for the following: 1) Streets & Bridges for \$3,680,000; 2) Public Safety Facilities and Equipment for \$5,065,000; 3) Community Park Enhancements for \$1,800,000; 4) Booker T Washington Recreation Center Study for \$100,000; and 5) Sapulpa Youth Sports Complex of \$2,355,000. 11,380,000

\$3,525,000 Refunding General Obligation Bonds of 2019, due in annual installments varying from \$295,000 to \$370,000 with a final maturity of June 1, 2030, and with interest rates at 2.0% to 4.0%. The purpose of issuance was to refund the \$6,800,000 General Obligation Bonds of 2010. 1,845,000

\$925,000 Refunding General Obligation Bonds of 2016, due in annual installments of \$100,000 with a final installment of \$125,000 due June 1, 2025, and with interest rates at 2.5% to 3.15%. The purpose of issuance was to refund the \$1,925,000 General Obligation Bonds of 2005. 125,000

\$2,865,000 General Obligation Bonds of 2015A, due in annual installments of \$150,000 with a final installment of \$15,000 due October 1, 2035, and with interest rates at 2.50% to 3.15%. The purpose of issuance was to construct, equip, and improve the municipal animal shelter, public parks and park lands, and recreational facilities. 1,815,000

\$3,750,000 General Obligation Bonds of 2015, due in annual installments varying from \$150,000 to \$200,000 with a final maturity of June 1, 2035, and with interest rates at 2.0% to 3.1%. The purpose of issuance was to purchase, construct, equip, improve, etc. the water distribution transportation and sewage disposal systems. 2,200,000

Total General Obligation Bonds	\$38,785,000
Plus: Unamortized Premium	<u>1,140,913</u>
Total General Obligation Bonds, net	<u>\$39,925,913</u>

Current portion	\$ 1,910,000
Non-current portion, net	<u>38,015,913</u>
Total General Obligation Bonds	<u>\$39,925,913</u>

CITY OF SAPULPA
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2024

Revenue Bonds Payable:

2014 Series Capital Improvement Revenue Bonds original issue amount \$7,410,000, dated July 1, 2014, issued by Sapulpa Municipal Authority, secured by year-to-year, appropriation of debt service payments made by city, and interest rates from 2.0% to 3.3%, final maturity on July 1, 2029. The bonds were issued to make improvements to roads, streets, and bridges of the City of Sapulpa.		<u>\$2,850,000</u>
Total Revenue Bonds Payable		<u>\$2,850,000</u>
Current portion		\$ 535,000
Non-current portion		<u>2,315,000</u>
Total Revenue Bonds		<u>\$2,850,000</u>

Capital Notes Payable Obligations (direct borrowings):

\$413,183 capital note payable with Spillman Technologies for software and hardware CAD System payable in annual installments of \$62,499, and with the final payment due January 2026 with an interest rate at 1.45%. In the event of default, the lender may suspend performance of Spillman's services until the past due amounts are paid.		\$ 122,330
\$108,413 capital note payable with De Lage Landen Public Finance for Xerox multifunction Printers payable in monthly installments of \$1,938 with an interest rate of 2.79% and the final payment due August 2026. In the event of default, the lender may: 1) declare the entire unpaid principal balance due along with all accrued unpaid interest; 2) charge interest at 18% until paid; 3) charge non-sufficient funds fees as applicable; 4) require the equipment be returned; 5) charge the City for any remaining balances after selling and/or re-renting the equipment; and 6) require the payment of all expenses incurred with the enforcement of any remedies including attorney fees.		<u>48,840</u>
Total Capital Notes Payable Obligations		<u>\$ 171,170</u>
Current portion		\$ 82,900
Non-current portion		<u>88,270</u>
Total Capital Note Obligations		<u>\$ 171,170</u>

Accrued Compensated Absences:

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

Current portion	\$ 198,233
Non-current portion	<u>1,784,100</u>
Total Accrued Compensated Absences	<u>\$1,982,333</u>

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

CITY OF SAPULPA
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2024

Business-Type Activities Long-Term Debt

At June 30, 2024, the long-term debt payable from enterprise fund resources consisted of the following:

Revenue Bonds Payable:

2020 Refunding Series Utility System Revenue Bonds with an original issue amount of \$66,325,000, dated September 1, 2020, issued by Sapulpa Municipal Authority, and it is secured by utility revenue and pledged sales tax, interest rate from 3.024% to 0.745%, and the final maturity on April 1, 2043. The bonds were issued to refund the Refunding Series Revenue Bonds (Series 2012 and Series 2013), and to fund the issuance costs, the underwriter's discount, and the bond insurance premium.		<u>\$57,465,000</u>
Current portion		\$ 2,510,000
Non-current portion, net		<u>54,955,000</u>
Total Revenue Bonds Payable, net		<u>\$57,465,000</u>

Note Payable (direct borrowing):

\$7,850,000 note payable direct borrowing debt with Oklahoma Water Resources Board Board used for wastewater system improvements, payable in semi-annual installments, final payment due September 2046, and it is secured by water, sewer, and sanitation net revenues, and 1.3% sales tax, interest rate of 2.59%. In the event of default the lender may: 1) file suit for specific performance covenants, 2) accelerate the payment of principal and interest accrued on all notes, 3) appoint temporary trustees to take over, operate, and maintain the System, 4) file suit to enforce or enjoin action or inaction of parties under provisions of the note or sales tax agreement, and 5) interest rate increases to 14% from date of default until date of payment.		<u>\$5,210,790</u>
Current portion		\$ 230,000
Non-current portion		<u>4,980,790</u>
Total Notes Payable		<u>\$5,210,790</u>

Accrued Compensated Absences:

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

Current portion	\$ 22,391
Non-current portion	<u>212,543</u>
Total Accrued Compensated Absences	<u>\$234,934</u>

CITY OF SAPULPA
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2024

Water Contract Obligations (direct borrowings):

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

Obligation payable to the U.S. Army Corps of Engineer, original amount of \$632,924, for use of water facility, payable in 41 annual installments of \$30,491, final maturity in March 2033, and interest rate 4.012%.	\$247,185
Obligation payable to the U.S. Army Corps of Engineer, original amount of \$632,924, for use of water facility, payable in 35 annual installments of \$33,966, final maturity in November, 2033, and interest rate 4.012%.	<u>275,310</u>
Total Water Contract Obligations	<u>\$522,495</u>
Current portion	\$ 43,494
Non-current portion	<u>479,001</u>
Total Water Contract Obligations	<u>\$522,495</u>

Due to Depositors:

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

Current portion	\$68,211
Non-current portion	<u>272,846</u>
Total Due to Depositors	<u>\$341,057</u>

Defeased Bonds Outstanding

The City, through its various public trusts, has in substance defeased a number of outstanding bond issues by placing deposits in irrevocable trusts, escrow accounts, for the purchase of U.S. Government Securities to pay principal and interest on the refunded bonds as they are due and payable.

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

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

CITY OF SAPULPA
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2024

Changes in Long-Term Debt

The following is a summary of changes in long-term debt for the year ended June 30, 2024:

<u>Type of Debt</u>	<u>Balance June 30, 2023</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance June 30, 2024</u>	<u>Amounts Due Within One Year</u>
Governmental Activities:					
General obligation bonds	\$ 32,640,000	\$ 8,080,000	\$ 1,935,000	\$ 38,785,000	\$ 1,910,000
Revenue bonds payable	3,365,000	-	515,000	2,850,000	535,000
Notes payable	281,631	-	110,461	171,170	82,900
Lease obligations	3,422	-	1,693	1,729	1,729
SBITA obligations	-	131,451	51,445	80,006	50,481
Accrued compensated absences	1,998,213	-	15,880	1,982,333	198,233
Unamortized bond premiums/discounts	958,152	267,517	84,756	1,140,913	89,389
Total Governmental Activities	<u>\$ 39,246,418</u>	<u>\$ 8,478,968</u>	<u>\$ 2,714,235</u>	<u>45,011,151</u>	<u>\$ 2,867,732</u>
Total OPEB Liability				673,885	
Net Pension Liability				12,067,906	
Net Long-term Debt				<u>\$ 57,752,942</u>	
<i>Reconciliation to Government-Wide Statement of Net Position:</i>					
Due in One Year				\$ 2,778,343	
Due in More than One Year				42,232,808	
Net Pension Liabilities				12,067,906	
Total OPEB Liability				673,885	
				<u>\$ 57,752,942</u>	
Business-Type Activities:					
Due to depositors	\$ 335,839	\$ 103,954	\$ 98,736	\$ 341,057	\$ 68,211
Water contract obligations	564,313	-	41,818	522,495	43,494
Notes payable (direct borrowing)	5,512,713	-	301,923	5,210,790	230,000
Revenue bonds payable	59,945,000	-	2,480,000	57,465,000	2,510,000
Lease Obligations	3,422	-	1,693	1,729	1,729
Accrued compensated absences	227,893	7,041	-	234,934	22,391
Total Business-Type Activities	<u>\$ 66,589,180</u>	<u>\$ 110,995</u>	<u>\$ 2,924,170</u>	<u>63,776,005</u>	<u>\$ 2,875,825</u>
Total OPEB Liability				188,291	
Net Long-term Debt				<u>\$ 63,964,296</u>	
<i>Reconciliation to Government-Wide Statement of Net Position:</i>					
Due in One Year				2,875,825	
Due in More than One Year				60,900,180	
Total OPEB Liability				188,291	
				<u>\$ 63,964,296</u>	

Annual Debt Service Requirements

The annual debt service requirements to maturity, including principal and interest, for long-term debt, excluding accrued compensated absences, due to depositors, estimated claims liability, net pension liability and total OPEB liability as of June 30, 2024 are as follows:

CITY OF SAPULPA
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2024

GOVERNMENTAL ACTIVITY DEBT						
Year Ending June 30,	General Obligation Bonds		Revenue Bonds		Direct Borrowing Notes Payable	
	Principal	Interest	Principal	Interest	Principal	Interest
2025	1,910,000	1,368,632	535,000	89,065	82,900	2,855
2026	2,115,000	1,133,733	550,000	73,015	88,270	1,361
2027	2,110,000	1,060,957	570,000	56,515	-	-
2028	2,105,000	989,058	590,000	38,845	-	-
2029	2,100,000	917,707	605,000	19,965	-	-
2030-2034	9,295,000	3,672,550	-	-	-	-
2035-2039	7,765,000	2,409,244	-	-	-	-
2040-2044	7,250,000	1,311,262	-	-	-	-
2045-2049	4,135,000	297,405	-	-	-	-
Totals	<u>\$ 38,785,000</u>	<u>\$ 13,160,548</u>	<u>\$ 2,850,000</u>	<u>\$ 277,405</u>	<u>\$ 171,170</u>	<u>\$ 4,216</u>

BUSINESS-TYPE ACTIVITY DEBT						
Year Ending June 30,	Revenue Bonds Payable		Direct Borrowing Notes Payable		Direct Borrowing Water Contract Obligation	
	Principal	Interest	Principal	Interest	Principal	Interest
2025	2,510,000	1,423,583	230,000	183,317	43,494	20,963
2026	2,540,000	1,393,990	240,000	177,236	45,239	19,218
2027	2,570,000	1,355,585	250,000	170,893	47,054	17,403
2028	2,615,000	1,314,414	250,000	164,799	48,942	15,515
2029	2,665,000	1,265,827	260,000	157,749	50,906	13,551
2030-2034	14,165,000	5,462,979	1,405,000	682,785	286,860	35,433
2035-2039	15,985,000	3,582,319	1,600,000	488,223	-	-
2040-2044	14,415,000	1,102,621	1,825,000	265,880	-	-
2045-2048	-	-	887,115	39,825	-	-
Totals	<u>\$ 57,465,000</u>	<u>\$ 16,901,318</u>	<u>\$ 6,947,115</u>	<u>\$ 2,330,707</u>	<u>\$ 522,495</u>	<u>\$ 122,083</u>
Amount left to draw			<u>(1,736,325)</u>			
			<u>\$ 5,210,790</u>			

Pledge of Future Revenues

Sales Tax and Utility Net Revenues Pledge - The City has pledged 40% of two cents (or 20%) of future sales tax revenues and net utility revenues to repay the \$66,325,000 2020 Refunding Utility System Revenue Bonds. Proceeds from the original bonds, which have since been refunded, provided for the purchase or construction of capital assets. The bonds are payable from pledged sales tax revenues and net utility revenues. These bonds are payable through 2043. The total principal and interest payable for the remainder of the life of these bonds is \$74,366,318. Pledged sales taxes received in the current year were \$5,051,910 and net utility revenues were \$6,197,361 for total pledged revenues of \$11,249,271. Debt service payments of \$3,930,838 for the current fiscal year were 34.9% of total pledged revenues for these bonds.

3. G. LEASES AND SBITA SUBSCRIPTIONS

Leases Payable

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

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

CITY OF SAPULPA
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2024

	<u>GOVERNMENTAL ACTIVITY</u>		<u>BUSINESS-TYPE ACTIVITY</u>	
<u>Year Ending June 30,</u>	<u>Lease Obligations</u>		<u>Lease Obligations</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2025	1,729	23	1,729	23
Totals	<u>\$ 1,729</u>	<u>\$ 23</u>	<u>\$ 1,729</u>	<u>\$ 23</u>

Leases Receivable

The City as a lessor, has entered into lease agreements involving rental space related land associated with towers. The total amount of inflows of resources, including lease revenue and interest revenue recognized during the fiscal year was \$98,342. Remaining lease receivable balances at June 30, 2024 totaled \$1,260,259.

Subscription-based Information Technology Arrangements (SBITAs) Payable

The City is a party as lessor to non-cancellable long-term subscriptions of intangible IT related software.

The subscription payables for intangible IT assets consists of annual installments that change as agreements mature. The applicable interest rates for these subscription payables are between 2.86% and 3.33%, and the dates of maturity are in November 2024 and July 2025. Future principal and interest terms of these lease agreements are as follows:

	<u>GOVERNMENTAL ACTIVITY</u>	
<u>Year Ending June 30,</u>	<u>IT Subscription Payable</u>	
	<u>Principal</u>	<u>Interest</u>
2025	50,481	2,389
2026	29,525	844
Totals	<u>\$ 80,006</u>	<u>\$ 3,233</u>

3.H. INTERFUND BALANCES AND ACTIVITIES

Interfund receivables and payables at June 31,2024, were as follows:

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

Reconciliation to Fund Financial Statements:

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

Reconciliation to Statement of Net Position:

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

CITY OF SAPULPA
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2024

Interfund transfers for the year ended June 30, 2024 were as follows:

Transfer From															
Transfer In	General	Cemetery Maintenance	Hotel/Motel Tax	Park Development	Polson Apportionment	Federal SAF	Fire Cash	Police Cash	Water Resources	Sewer Plant Sales Tax	Capital Improvement	Series 2014 Str Cap Imp	G.O Sinking	SMA Utility	
Governmental Funds:															
General Fund	\$ -	\$ -	\$ -	\$ -	5,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	9,865	\$ 6,196,910	\$ 6,211,775
Non-major funds															
Cemetery Maintenance	-	-	-	-	-	-	-	-	-	-	-	-	-	155,000	155,000
Development Authority	-	-	-	-	-	-	-	-	-	-	-	-	-	30,000	30,000
Street and Alley	-	-	-	-	-	-	-	-	-	-	-	-	-	582,900	582,900
Parks & Recreation	-	-	-	-	-	-	-	-	-	-	-	-	-	410,000	410,000
Water & Sewer Sales Tax	-	-	-	-	-	-	-	-	-	-	-	-	-	175,000	175,000
E911	400,000	-	-	-	-	-	-	-	-	-	-	-	-	-	400,000
Grant & Aid	-	-	-	-	-	-	-	-	-	-	-	-	-	252,766	252,766
Restricted Construction Park/Rec	16,500	-	-	-	-	-	-	-	-	-	-	-	-	-	16,500
Park Development	-	-	57,999	-	-	-	-	-	-	-	-	-	-	-	57,999
Police Cash	-	-	-	-	-	19,401	-	-	-	-	-	-	-	-	19,401
Cemetery Care	-	13,388	-	-	-	-	-	-	-	-	-	-	-	-	13,388
Capital Improvement	420,400	-	-	-	-	-	20,000	20,000	-	-	-	-	-	-	460,400
Street Improvement Sales Tax	-	-	-	-	-	-	-	-	-	-	-	938	-	-	938
															2,574,292
															8,786,067
Proprietary Funds:															
SMA Utility	3,551,910	-	-	-	-	-	-	-	1,131,161	1,650,000	350,000	-	-	-	6,683,071
Golf Course	-	-	-	-	-	-	-	-	-	-	-	-	-	395,000	395,000
															7,078,071
	\$ 4,388,810	\$ 13,388	\$ 57,999	\$ -	\$ 5,000	\$ 19,401	\$ 20,000	\$ 20,000	\$ 1,131,161	\$ 1,650,000	\$ 350,000	\$ 938	\$ 9,865		
													3,277,752		
													\$ 7,666,562	\$ 8,197,576	

	Transfers In	Transfers Out	Reconciliation - BTA - Special Revenue Funds	Reclass BTA Sales Tax	Capital Asset Activity	Net Transfers/ Internal Activity
Reconciliation to Fund Financial Statements:						
Governmental Funds	\$ 8,786,067	\$ (7,666,562)	\$ 2,606,161	\$ (4,861,902)	\$ (1,414,961)	\$ (2,551,197)
Proprietary Funds	7,078,071	(8,197,576)	(2,606,161)	4,861,902	1,414,961	2,551,197
Total Transfers	<u>\$ 15,864,138</u>	<u>\$ (15,864,138)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

The purposes of the interfund transfers for the year ended June 30, 2024 were as follows:

Transfer From	Transfer To	Amount	Purpose of Transfer
General Fund	E911	\$ 400,000	Supplemental operating transfer
General Fund	Restricted Construction Park/Rec Fund	16,500	Required revenue transfer
General Fund	Capital Improvement Fund	420,400	Supplemental for capital project
General Fund	SMA Utility	3,551,910	Pledged sales tax - bond indenture
Cemetery Maintenance Fund	Cemetery Care Fund	13,388	12.5% revenue transfer - state law
Hotel/Motel Tax Fund	Park Development Fund	57,999	Required revenue transfer
Polson Apportionment Fund	General Fund	5,000	Supplemental operating transfer
Federal SAF Fund	Police Cash	19,401	Supplemental operating transfer
Fire Cash Fund	Capital Improvement Fund	20,000	Supplemental for capital project
Police Cash Fund	Capital Improvement Fund	20,000	Supplemental for capital project
Water Resource Fund	SMA Utility	1,131,161	Supplemental for debt service
Water Resource Fund	SMA Utility	1,650,000	Supplemental for debt service
Capital Improvement Fund	SMA Utility	350,000	Supplemental operating transfer
Series 2014 Street Capital Improvemen	Street Improvement Sales Rax	938	Supplemental operating transfer
G.O. Sinking Fund	General Fund	9,865	Interest earnings
SMA Utility	General Fund	6,196,910	Supplemental operating transfer/return of pledged sales tax
SMA Utility	Cemetery Maintenance Fund	155,000	Supplemental operating transfer
SMA Utility	Development Authority	30,000	Supplemental for debt service
SMA Utility	Street and Alley	582,900	Supplemental operating transfer
SMA Utility	Parks & Recreation Fund	410,000	Supplemental operating transfer
SMA Utility	Water & Sewer Sales Tax	175,000	Supplemental operating transfer
SMA Utility	Grant & Aid Fund	252,766	Supplemental operating transfer
SMA Utility	Golf Course Fund	395,000	Supplemental operating transfer
Total		<u>\$ 15,864,138</u>	

CITY OF SAPULPA
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2024

3.I. ALLOCATION OF INDIRECT EXPENSES

Certain indirect expenses (expenses benefiting more than one function) have been allocated to specific functions in the Statement of Activities, while other indirect expenses have not been allocated. Indirect expenses reported in the Statement of Activities under the functions of Administration & General Government have not been allocated for governmental purposes. Indirect expenses of the proprietary funds, classified in the proprietary funds statement of revenues, expenses and changes in net position as General Government, Administration, and Utility Collections have been allocated on a percentage of total revenues to the business-type activity functions in the Statement of Activities.

3.J. FUND BALANCES AND NET POSITION

Fund Balance

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

	General Fund	G.O. Bond Construction	Other Governmental Funds	TOTAL
Fund Balances:				
Nonspendable:				
Inventory	\$ -	\$ -	\$ 118,880	\$ 118,880
Sub-total Nonspendable	-	-	118,880	118,880
Restricted for:				
Law enforcement	-	-	13,589	13,589
Major Thoroughfares	-	-	575,996	575,996
Increment District	-	-	1,135,786	1,135,786
Juvenile Justice programs	-	-	19,690	19,690
Economic Development	-	-	2,449,413	2,449,413
Capital Improvements	-	14,642,590	7,337,843	21,980,433
Grants	-	-	55,355	55,355
Debt Service	-	-	1,945,791	1,945,791
Sub-total Restricted	-	14,642,590	13,533,463	28,176,053
Assigned to:				
Subsequent Year Budget	926,826	-	-	926,826
Hunting & Fishing	49,790	-	-	49,790
Library	150,153	-	-	150,153
Swimming Pool	108,800	-	-	108,800
Streets	-	-	514,040	514,040
Cemetery	-	-	92,565	92,565
Parks	-	-	153,392	153,392
Major Thoroughfares	-	-	225,084	225,084
Water & Sewer maintenance	-	-	409,742	409,742
E911	-	-	213,637	213,637
Juvenile Justice programs	-	-	1,926	1,926
Economic Development	-	-	686,067	686,067
Grant projects	-	-	38,077	38,077
Capital Improvements	-	-	1,395,595	1,395,595
Sub-total Assigned	1,235,569	-	3,730,125	4,965,694
Unassigned (deficit)	4,064,237	-	(973)	4,063,264
TOTAL FUND BALANCES	\$ 5,299,806	\$ 14,642,590	\$ 17,381,495	\$ 37,323,891

Restricted Net Position

The restricted for debt service net position of the business-type activities consists of restricted assets relating to revenue bond trustee accounts. The balance at June 30, 2024, is comprised of the following:

Enterprise Funds:	
2020 Revenue Bond Trust Accounts	1,041,859
Restricted per bond indenture	1,041,859
Less: Accrued interest payable	(395,984)
Total Restricted for Debt Service	<u>\$ 645,875</u>

CITY OF SAPULPA
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2024

NOTE 4. OTHER NOTES

4.A. EMPLOYEE PENSION AND OTHER BENEFIT PLANS

The City participates in three employee pension systems as follows:

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

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

	<u>Governmental Activities</u>
Pension Expense:	
Police Pension System	\$ 552,218
Firefighter's Pension System	1,976,316
Total Net Pension Expense	<u>\$ 2,528,534</u>
Net Pension Liability (Asset):	
Police Pension System	\$ (199,656)
Firefighter's Pension System	12,067,906
Total Net Pension Liability	<u>\$ 11,868,250</u>
Deferred Outflows of Resources:	
Police Pension System	\$ 2,012,596
Firefighter's Pension System	3,069,266
Total Deferred Outflows of Resources	<u>\$ 5,081,862</u>
Deferred Inflows of Resources:	
Police Pension System	\$ 433,990
Firefighter's Pension System	766,394
Total Deferred Inflows of Resources	<u>\$ 1,200,384</u>

Oklahoma Police Pension and Retirement System

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

Benefits provided - OPPRS provides retirement, disability, and death benefits to members of the plan. The normal retirement date under the Plan is the date upon which the participant completes 20 years of credited service, regardless of age. Participants become vested upon completing 10 years of credited service as a contributing participant of the Plan. No vesting occurs prior to completing 10 years of credited service. Participants’ contributions are refundable, without interest, upon termination prior to normal retirement. Participants who have completed 10 years of credited service may elect a vested benefit in lieu of having their accumulated contributions refunded.

CITY OF SAPULPA
NOTES TO BASIC FINANCIAL STATEMENTS
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If the vested benefit is elected, the participant is entitled to a monthly retirement benefit commencing on the date the participant reaches 50 years of age or the date the participant would have had 20 years of credited service had employment continued uninterrupted, whichever is later.

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

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

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

Contributions - The contributions requirements of the Plan are at an established rate determine by Oklahoma Statute and are not based on actuarial calculations. Employees are required to contribute 8% percent of their annual pay. Participating cities are required to contribute 13% of the employees' annual pay. Contributions to the pension plan from the City were \$365,150. The State of Oklahoma also made on-behalf contributions to OPPRS in the amount of \$383,758 (modified accrual) during the calendar year and this is reported as both expense and revenue in the General Fund Statement of Revenues, Expenditures, and Changes in Fund Balance. These on-behalf payments did not meet the criteria of a special funding situation.

Pension Liabilities (Asset), Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions - At June 30, 2024, the City reported an asset of \$199,656 for its proportionate share of the net pension asset. The net pension asset was measured as of June 30, 2023, and the total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of July 1, 2023. The City's proportion of the net pension asset was based on the City's contributions received by the pension plan relative to the total contributions received by pension plan for all participating employers as of June 30, 2023. Based upon this information, the City's proportion was 0.653753%.

For the year ended June 30, 2024, the City recognized a pension expense of \$552,218. At June 30, 2024, 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	\$ 546,559	\$ 30,792
Changes of assumptions	-	372,679
Net difference between projected and actual earnings on pension plan investments	989,215	-
Changes in proportion	106,818	25,626
City contributions during measurement date	4,854	4,893
City contributions subsequent to the measurement date	365,150	-
Total	<u>\$ 2,012,596</u>	<u>\$ 433,990</u>

CITY OF SAPULPA
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2024

The \$365,150 reported as deferred outflows of resources related to pensions resulting from City contributions subsequent to the measurement date will be recognized as an increase/decrease of the net pension liability/(asset) in the year ended June 30, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:		
2025	\$	204,240
2026		19,943
2027		787,552
2028		193,135
2029		8,586
		\$ 1,213,456

Actuarial Assumptions-The total pension liability was determined by an actuarial valuation as of July 1, 2023, using the following actuarial assumptions, applied to all prior periods included in the measurement:

Inflation:	2.75%
Salary increases:	3.5% to 12% average, including inflation
Investment rate of return:	7.5% net of pension plan investment expense
Cost-of-living adjustments:	Police officers eligible to receive increased benefits according to repealed Section 50-120 of Title 11 of the Oklahoma Statutes pursuant to a court order receive an adjustment of 1/3 to 1/2 of the increase or decrease of any adjustment to the base salary of a regular police officer, based on an increase in base salary of 3.5% (wage inflation).
Mortality rates:	Active employees (pre-retirement) PubS-2010 with rates set forward two years and projected generationally using SOA Scale MP-2021. Active employees (post-retirement) and nondisabled pensioners: PubS-2010 with rates set forward two years and projected generationally using SOA Scale MP-2021. Disabled pensioners: PubS-2010 with rates set forward two years and projected generationally using SOA Scale MP-2021.

The actuarial assumptions used in July 1, 2023, valuation were based on the results of an actuarial experience study for the period July 1, 2017, to June 30, 2022.

The long-term expected rate of return on pension plan investments was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense, and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of June 30, 2023, are summarized in the following table:

CITY OF SAPULPA
NOTES TO BASIC FINANCIAL STATEMENTS
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<u>Asset Class</u>	<u>Long-Term Expected Real Rate of Return</u>
Fixed income	5.78%
Domestic equity	7.73%
International equity	11.55%
Real estate	7.66%
Private Equity	11.64%

The current allocation policy is that approximately 65% of assets in equity instruments, including public equity, long-short hedge, venture capital, and private equity strategies; approximately 20% of assets in fixed income to include investment grade bonds, high yield and non-dollar denominated bonds, convertible bonds, and low volatility hedge fund strategies, and absolute return strategies; and 15% of assets in real assets to include real estate, commodities, and other strategies.

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

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

	1% Decrease <u>6.5%</u>	Current Discount <u>Rate 7.5%</u>	1% Increase <u>8.5%</u>
Employers' net pension liability (asset)	\$ 1,885,082	\$ (199,656)	\$(1,964,775)

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

Oklahoma Firefighters Pension and Retirement System

Plan description - The City of Sapulpa, as the employer, participates in the Firefighters Pension & retirement—a cost-sharing multiple-employer defined benefit pension plan administered by the Oklahoma Firefighters Pension & Retirement System (FPRS).

Title 11 of the Oklahoma State Statutes grants the authority to establish and amend the benefit terms to the FPRS. FPRS issues a publicly available financial report that can be obtained at www.ok.gov/fprs/.

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

CITY OF SAPULPA
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2024

Normal Retirement:

- Hired Prior to November 1, 2013
Normal retirement is attained upon completing 20 years of service. The normal retirement benefit is equal to 50% of the member's final average compensation. Final average compensation is defined as the monthly average of the highest 30 consecutive months of the last 60 months of participating service. For volunteer firefighters, the monthly pension benefit for normal retirement is \$150.60 per month
- Hired After November 1, 2013
Normal retirement is attained upon completing 22 years of service. The normal retirement benefit is equal to 55% of the member's final average compensation. Final average compensation is defined as the monthly average of the highest 30 consecutive months of the last 60 months of participating service. Also participants must be age 50 to begin receiving benefits. For volunteer firefighters, the monthly pension benefit for normal retirement is \$165.66 per month.

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

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

Contributions - The contributions requirements of the Plan are at an established rate determine by Oklahoma Statute and are not based on actuarial calculations. Employees are required to contribute 9% percent of their annual pay. Participating cities are required to contribute 14% of the employees' annual pay. Contributions to the pension plan from the City were \$557,241. The State of Oklahoma also made on-behalf contributions to FPRS in the amount of \$1,314,820 (modified-accrual). These on-behalf payments did not meet the criteria of a special funding situation.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions - At June 30, 2024, the City reported a net pension liability of \$12,067,906 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2023.

The City's proportion of the net pension liability was based on the City's contributions received by the pension plan relative to the total contributions received by the pension plan for all participating employers as of June 30, 2023. Based upon this information, the City's proportion was 0.935315%.

For the year ended June 30, 2024, the City recognized pension expense of \$1,976,316. At June 30, 2024, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

CITY OF SAPULPA
NOTES TO BASIC FINANCIAL STATEMENTS
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	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 1,435,209	\$ 15,321
Changes of assumptions	-	19,350
Net difference between projected and actual earnings on pension plan investments	796,108	-
Changes in proportion and differences between City contributions and proportionate share of contributions	259,414	691,560
City contributions during the measurement date	21,294	40,163
City contributions subsequent to the measurement date	557,241	-
Total	<u>\$ 3,069,266</u>	<u>\$ 766,394</u>

The \$557,241 reported as deferred outflows of resources related to pensions resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:	
2025	\$ 567,374
2026	104,784
2027	1,203,973
2028	(130,500)
Total	<u>\$ 1,745,631</u>

Actuarial Assumptions-The total pension liability was determined by an actuarial valuation as of July 1, 2023, using the following actuarial assumptions, applied to all prior periods included in the measurement:

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

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

The actuarial assumptions used in the July 1, 2023, valuation were based on the results of an actuarial experience study for the period July 1, 2013, to June 30, 2018.

The long-term expected rate of return on pension plan investments was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense, and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of June 30, 2023, are summarized in the following table:

CITY OF SAPULPA
NOTES TO BASIC FINANCIAL STATEMENTS
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<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Fixed income	20%	5.80%
Domestic equity	47%	9.49%
International equity	15%	11.55%
Real estate	10%	9.48%
Other assets	8%	6.47%

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

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

	<u>1% Decrease 6.5%</u>	<u>Current Discount Rate 7.5%</u>	<u>1% Increase 8.5%</u>
Employers' net pension liability	\$ 15,725,003	\$ 12,067,906	\$ 9,009,606

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

Defined Contribution Plan - Oklahoma Municipal Retirement Fund (OkMRF)

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

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

For the year ended June 30, 2024, the following amounts related to the defined contribution plan:

Employee contributions made	\$ 189,919
Employer (City) contributions made	\$ 161,707

CITY OF SAPULPA
NOTES TO BASIC FINANCIAL STATEMENTS
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Defined Contribution Plan – Oklahoma Municipal Retirement Fund (OkMRF) CMO Plan

The City has also provided a defined contribution plan in the form of The Oklahoma Municipal Retirement System Master Defined Contribution Plan (OkMRF). The defined contribution plan is available to any person who is in the position of City Manager as of May 31, 2016. Employees are eligible on the employee's employment commencement date. The City has elected the variable funding option. The City intends to contribute to the Plan for the benefit of the participants on a monthly basis. The contribution may be varied from year to year by the City. The City's contributions for each employee (and interest allocated to the employee's account) are vested at 100% immediately upon the participation date. Benefits depend solely on amounts contributed to the plan plus investment earnings. The authority to establish and amend the provisions of the plan rests with the City Council. The City contributes 8% to the plan and the employee contributes 8% to the plan. The total contributions by the City for fiscal year 2024 were \$12,897 which is 100% of the required contribution.

Other Post-Employment Benefits

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

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

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

Active Employees	172
Inactives or beneficiaries currently receiving benefit payments	<u>2</u>
Total	<u>174</u>

Total OPEB Liability – The City's total OPEB liability of \$862,177 was measured as of June 30, 2024, and was determined by an actuarial valuation as of June 30, 2024.

Actuarial Assumptions - The total OPEB liability as of June 30, 2024 was determined based on an actuarial valuation prepared as of June 30, 2024 using the following actuarial assumptions:

- Actuarial Cost Method - Entry Age Normal
- Discount Rate – 4.21%, based on the S&P Municipal Bond 20 Year High Grade Rate Index.
- Termination – Civilian employees are based on withdrawal assumptions used in the OkMRF 2020 actuarial report. Rates for police and firefighters are based on termination assumptions in the 2017 OPPRS and OFPRS 2017 actuarial valuation reports.
- Retirement Age:

CITY OF SAPULPA
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2024

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

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

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

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

	<u>Total OPEB Liability</u>
Balances Beginning of Year	\$ 997,712
Changes for the Year:	
Service cost	77,163
Interest expense	37,706
Difference between expected and actual experience	(171,698)
Changes in assumptions	(59,214)
Benefits paid	(19,493)
Net changes	(135,536)
Balances Ending of Year	\$ 862,176
Governmental Activities	\$ 673,885
Business-Type Activities	188,291
	\$ 862,176

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate–The following presents the total OPEB liability of the employer calculated using the discount rate of 4.21%, as well as what the Plan's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage point lower (3.21%) or 1-percentage-point higher (5.21%) than the current rate:

CITY OF SAPULPA
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2024

	1% Decrease 3.21%	Current Discount Rate 4.21%	1% Increase 5.21%
Employer's Total OPEB Liability	\$ 952,053	\$ 862,176	\$ 781,012

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

	1% Decrease 3.50%	Healthcare Costs Trend Rates 4.50%	1% Increase 5.50%
Employer's Total OPEB Liability	\$ 751,602	\$ 862,176	\$ 994,175

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB-The total OPEB liability was measured as of June 30, 2024 and was determined by an actuarial valuation as of June 30, 2024.

For the year ended June 30, 2024, the employer recognized OPEB expenses of \$3,119. At June 30, 2024, the employer reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes of assumptions	\$ 4,492	\$ 454,459
Differences between expected and actual experience	-	344,682
Changes in proportion	113,054	113,053
Total	<u>\$ 117,546</u>	<u>\$ 912,194</u>
Governmental Activities	\$ 68,044	\$ 664,805
Business-Type Activities	49,502	247,389
	<u>\$ 117,546</u>	<u>\$ 912,194</u>

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

Year ended June 30:	
2025	\$ (111,750)
2026	(111,750)
2027	(111,750)
2028	(111,750)
2029	(108,550)
Thereafter	(239,098)
Total	<u>\$ (794,648)</u>

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

4.B. RISK MANAGEMENT

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

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

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

(1) Liability Protection Plan

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

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

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

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

(2) Worker's Compensation Plan

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

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

CITY OF SAPULPA
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2024

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

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

4.C. COMMITMENTS AND CONTINGENCIES

Commitments:

Construction Commitments

The City had the following construction commitments outstanding at June 30, 2024 with balances left on the contract:

1. Construction of Sports Complex; Contractors – Cherokee Pride Construction, Inc.; original contract - \$1,712,341; remaining contract – \$278,036.
2. Construction of Rock Creek Trail; Contractors – K & S Industrial; original contract \$258,474; remaining contract – \$126,864.
3. Construction of Downtown Master Plan Phase 2; Contractors – Cherokee Pride Construction, Inc. and Shade Structures; original contract - \$2,450,832; remaining contract – \$43,932
4. Construction of Cross Timbers; Contractors – Tulsa Engineering & Planning; original contract - \$130,000; remaining contract - \$65,850.
5. Construction of SBR #4 Restoration; Contractors – Crossland Heavy Contractors and Tetra Tech; original contract - \$208,984; remaining contract - \$93,650.

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

The City is under contract with the U.S. Army Corps of Engineer for the right to utilize an undivided 1.52 percent of the usable storage space in the Skiatook Lake Project. This storage space is to be used to impound water for anticipated future demand or need for municipal and industrial water supply. The City is also required to pay annual operations and maintenance (O&M) costs related to this contract. The total O&M costs paid during fiscal year 2023-2024 totaled \$29,081. See Note 3.F. for further debt disclosures.

Contingencies:

Grant Program Involvement

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

Litigation

The City is a party to various legal proceedings which normally occur during governmental operations. The financial statements do not include accrual or provisions for loss contingencies that may result from these proceedings. State statutes provide for the levy of an ad valorem tax over a three-year period by a City "Sinking Fund" for the payment of any court assessed judgment rendered against the City.

CITY OF SAPULPA
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2024

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

5. ACCOUNTING CHANGES

Beginning with the fiscal year ended June 30, 2024, the G.O. Sinking Fund met the quantitative threshold for presentation as a major fund. Due to this change, the Statement of Revenues, Expenditures and Changes in Fund Balances for Other Governmental Funds total beginning fund balance does not match the ending total fund balance of the prior fiscal year's financial statements. The effects of this accounting change to or within the financial reporting entity are summarized in the reconciliation below.

	Balance Before Restatement 6/30/2024	Restatement for Reclassification of G.O. Sinking Fund	Balance After Restatement 6/30/2024
Statement of Revenues, Expenditures and Changes in Fund Balances			
Non-Major Governmental Funds - Fund Balances - Beginning	\$ 15,965,413	\$ (1,407,890)	\$ 14,557,523
Total Change	<u>\$ 15,965,413</u>	<u>\$ (1,407,890)</u>	<u>\$ 14,557,523</u>

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF SAPULPA, OKLAHOMA
BUDGETARY COMPARISON SCHEDULE (Budgetary Basis)
GENERAL FUND
For the fiscal year ended June 30, 2024

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget Positive (Negative)
Beginning Budgetary Fund Balance:	\$ 3,962,090	\$ 4,000,874	\$3,880,319	(\$120,555)
Resources (Inflows):				
TAXES:				
Sales tax	16,469,360	18,969,360	17,667,772	(1,301,588)
Use tax	1,800,000	1,800,000	2,289,177	489,177
Franchise tax	900,000	900,000	952,698	52,698
Cigarette/tobacco tax	125,000	125,000	111,801	(13,199)
Payment in lieu of tax	270,000	270,000	243,339	(26,661)
Total Taxes	19,564,360	22,064,360	21,264,787	(799,573)
LICENSES AND PERMITS:				
Building permits	75,000	75,000	87,444	12,444
Trade permits	80,000	80,000	178,540	98,540
Resident construction park/rec fees	13,500	17,500	15,925	(1,575)
Occupation/business	85,000	85,000	98,930	13,930
Other permits	8,950	8,950	10,276	1,326
Total License and Permits	262,450	266,450	391,115	124,665
INTERGOVERNMENTAL:				
Alcoholic beverage tax	216,000	216,000	213,170	(2,830)
Grant revenue	-	-	356,063	356,063
Total Intergovernmental	216,000	216,000	569,233	353,233
CHARGES FOR SERVICES:				
Fire run fees	545,000	545,000	558,468	13,468
Fire run charges	500	500	4,561	4,061
Inspection fees	25,000	25,000	24,935	(65)
Special assessments	500	500	560	60
Other fees	20,000	20,000	17,135	(2,865)
Court collection fees	45,000	45,000	38,260	(6,740)
Shelter fees	500	500	1,060	560
Engineering fees	6,500	6,500	3,431	(3,069)
Total Charges for Services	643,000	643,000	648,410	5,410
FINES AND FORFEITURES	270,000	270,000	436,445	166,445
INVESTMENT INCOME	9,030	9,030	82,920	73,890
MISCELLANEOUS:				
Antenna tower rental	91,729	91,729	94,984	3,255
Reimbursements	40,000	171,987	190,897	18,910
Sale of capital assets	-	10,285	10,285	-
Donations	-	7,397	12,657	5,260
Pet adoption	5,000	5,000	7,740	2,740
Rental income	-	-	2,500	2,500
Miscellaneous	15,000	701,101	382,177	(318,924)
Total Miscellaneous	151,729	987,499	701,240	(286,259)
OTHER FINANCING SOURCES:				
Transfers from other funds	5,555,236	6,058,737	5,816,775	(241,962)
Total Other Financing Sources	5,555,236	6,058,737	5,816,775	(241,962)
Total Resources (Inflows)	26,671,805	30,515,076	29,910,925	(604,151)
Amounts available for appropriation	\$30,633,895	\$34,515,950	\$33,791,244	(\$724,706)

(Continued)

CITY OF SAPULPA, OKLAHOMA
BUDGETARY COMPARISON SCHEDULE (Budgetary Basis)
GENERAL FUND
For the fiscal year ended June 30, 2024

(Continued)

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
Charges to Appropriations (Outflows):				Positive (Negative)
ADMINISTRATION:				
City Council:				
Materials and supplies	250	255	145	110
Other services and charges	28,100	13,095	10,781	2,314
Total City Council	28,350	13,350	10,926	2,424
City Manager:				
Personal services	454,679	465,279	457,042	8,237
Materials and supplies	16,000	16,000	6,490	9,510
Other services and charges	48,690	38,090	29,916	8,174
Total City Manager	519,369	519,369	493,448	25,921
City Clerk:				
Personal services	246,587	246,587	226,001	20,586
Materials and supplies	4,000	4,000	3,039	961
Other services and charges	21,550	21,550	13,207	8,343
Total City Clerk	272,137	272,137	242,247	29,890
Finance:				
Personal services	404,508	420,708	420,741	(33)
Materials and supplies	10,500	5,600	4,601	999
Other services and charges	212,832	201,532	199,181	2,351
Total Finance	627,840	627,840	624,523	3,317
Treasurer:				
Personal services	28,785	28,785	19,079	9,706
Other services and charges	210	210	250	(40)
Total Treasurer	28,995	28,995	19,329	9,666
Personnel:				
Personal services	136,861	139,811	131,123	8,688
Materials and supplies	2,870	2,870	716	2,154
Other services and charges	22,837	19,887	14,810	5,077
Total Personnel	162,568	162,568	146,649	15,919
Code Enforcement:				
Personal services	55,903	55,903	54,780	1,123
Materials and supplies	2,350	2,350	1,362	988
Other services and charges	154,300	113,230	95,437	17,793
Capital outlay	-	40,270	40,270	-
Total Central Purchasing	212,553	211,753	191,849	19,904
Central Purchasing:				
Personal services	40,430	10,430	1,258	9,172
Materials and supplies	125	125	-	125
Other services and charges	1,000	1,000	-	1,000
Total Central Purchasing	41,555	11,555	1,258	10,297
Building Inspector:				
Personal services	149,909	169,909	160,875	9,034
Materials and supplies	4,800	4,800	1,553	3,247
Other services and charges	24,650	34,650	27,085	7,565
Capital outlay	450	450	177	273
Total Building Inspector	179,809	209,809	189,690	20,119
Information Technology:				
Materials and supplies	16,800	16,800	4,937	11,863
Other services and charges	379,000	380,560	342,281	38,279
Capital outlay	50,000	50,000	19,349	30,651
Total Information Technology	445,800	447,360	366,567	80,793
TOTAL ADMINISTRATION	2,518,976	2,504,736	2,286,486	218,250

(Continued)

CITY OF SAPULPA, OKLAHOMA
BUDGETARY COMPARISON SCHEDULE (Budgetary Basis)
GENERAL FUND
For the fiscal year ended June 30, 2024

(Continued)

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive (Negative)
GENERAL GOVERNMENT:				
Central Garage:				
Personal services	139,680	139,680	103,068	36,612
Materials and supplies	10,100	11,100	9,756	1,344
Other services and charges	4,650	3,650	2,354	1,296
Total Central Garage	<u>154,430</u>	<u>154,430</u>	<u>115,178</u>	<u>39,252</u>
General Government:				
Personal services	35,000	41,000	36,477	4,523
Materials and supplies	36,750	25,750	22,873	2,877
Other services and charges	755,318	760,818	711,709	49,109
Capital Outlay	3,500	3,500	-	3,500
Debt Service	27,924	27,924	24,740	3,184
Total General Government	<u>858,492</u>	<u>858,992</u>	<u>795,799</u>	<u>63,193</u>
Reserve:				
Other services and charges	150,000	130,000	116,332	13,668
Total Reserve	<u>150,000</u>	<u>130,000</u>	<u>116,332</u>	<u>13,668</u>
TOTAL GENERAL GOVERNMENT	<u>1,162,922</u>	<u>1,143,422</u>	<u>1,027,309</u>	<u>116,113</u>
LEGAL AND JUDICIAL:				
City Attorney:				
Personal services	295,206	285,706	246,468	39,238
Materials and supplies	6,141	5,152	4,929	223
Other services and charges	53,875	56,364	53,394	2,970
Capital outlay	20,000	29,000	17,423	11,577
Total City Attorney	<u>375,222</u>	<u>376,222</u>	<u>322,214</u>	<u>54,008</u>
Municipal Court:				
Personal services	46,550	62,350	41,638	20,712
Materials and supplies	2,200	2,200	597	1,603
Other services and charges	70,225	70,225	65,618	4,607
Total Municipal Court	<u>118,975</u>	<u>134,775</u>	<u>107,853</u>	<u>26,922</u>
TOTAL LEGAL AND JUDICIAL	<u>494,197</u>	<u>510,997</u>	<u>430,067</u>	<u>80,930</u>

(Continued)

CITY OF SAPULPA, OKLAHOMA
BUDGETARY COMPARISON SCHEDULE (Budgetary Basis)
GENERAL FUND
For the fiscal year ended June 30, 2024

(Continued)

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget Positive (Negative)
PUBLIC SAFETY:				
Police:				
Personal services	4,672,128	4,672,128	4,647,893	24,235
Materials and supplies	224,250	224,250	207,994	16,256
Other services and charges	493,000	531,021	473,112	57,909
Capital outlay	35,000	43,085	40,735	2,350
Total Police	5,424,378	5,470,484	5,369,734	100,750
Fire:				
Personal services	5,602,773	5,602,773	5,572,611	30,162
Materials and supplies	171,920	172,840	166,085	6,755
Other services and charges	309,519	334,976	323,425	11,551
Debt Service	1,800	1,800	-	1,800
Total Fire	6,086,012	6,112,389	6,062,121	50,268
Animal Control:				
Personal services	256,587	276,587	270,123	6,464
Materials and supplies	23,200	40,882	34,245	6,637
Other services and charges	41,800	46,100	38,166	7,934
Capital outlay	22,000	18,000	10,454	7,546
Total Animal Control	343,587	381,569	352,988	28,581
Civil Defense:				
Personal services	15,245	15,245	14,905	340
Materials and supplies	6,500	-	-	-
Other services and charges	22,500	31,648	31,396	252
Total Civil Defense	44,245	46,893	46,301	592
TOTAL PUBLIC SAFETY	11,898,222	12,011,335	11,831,144	180,191
URBAN DEVELOPMENT:				
Personal services	153,340	153,340	149,594	3,746
Materials and supplies	5,600	5,600	2,131	3,469
Other services and charges	47,840	47,840	10,111	37,729
TOTAL URBAN DEVELOPMENT	206,780	206,780	161,836	44,944
OTHER FINANCING USES:				
Transfers to other funds	13,265,520	15,564,920	14,100,742	1,464,178
Total Other Financing Uses	13,265,520	15,564,920	14,100,742	1,464,178
Total Charges to Appropriations	29,546,617	31,942,190	29,837,584	2,104,606
Ending Budgetary Fund Balance	\$1,087,278	\$2,573,760	\$3,953,660	\$1,379,900

CITY OF SAPULPA, OKLAHOMA
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE
For the fiscal year ended June 30, 2024

Budget Law

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

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

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

Budgetary Accounting

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

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

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

CITY OF SAPULPA, OKLAHOMA
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE
For the fiscal year ended June 30, 2024

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

	<u>General Fund</u>
Sources/Inflows of resources	
Actual amounts (budgetary basis) "total resources" from the budgetary comparison schedule	\$ 29,910,925
Differences - budget to GAAP:	
Sales tax recognized as inflows of budgetary resources but are not revenues for financial reporting purposes.	(9,711,932)
State payments made on-behalf of police and fire pension not considered a budgetary resources	1,698,578
Lease Revenue-related items	4,399
SBITA proceeds	42,851
Revenues from combined accounts:	
Hunting & Fishing Account	52,458
Hunting & Fishing Account - Transfer In	25,000
Library Account	257,759
Library Account - Transfer In	250,000
Swimming Pool Account	89,149
Swimming Pool Account - Transfer In	120,000
Stablization Account	13,774
Total revenues as reported on the statement of revenues, expenditures, and changes in fund balance - governmental funds	<u>\$ 22,752,961</u>
Total Revenues - General Fund	\$ 16,498,335
Transfer In - General Fund	6,211,775
Proceeds from long-term debt - General Fund	42,851
Total revenues and transfers in - General Fund	<u>\$ 22,752,961</u>
Uses/Outflows of appropriations	
Actual amounts (budgetary basis) "total appropriations" from the budgetary comparison schedule	\$ 29,837,584
Differences - budget to GAAP:	
Transfer of sales tax to various funds recognized as outflows of budgetary resources but are not uses for financial reporting purposes.	(9,711,932)
State payments made on-behalf of police and fire pension not considered a budgetary expenditure	1,698,578
SBITA obligation issuance expenditures	42,851
Expenditures from combined accounts:	
Hunting & Fishing Account	73,312
Library Account	475,002
Swimming Pool Account	169,320
Total expenditures and transfers out as reported on the statement of revenues, expenditures, and changes in fund balance - governmental funds	<u>\$ 22,584,715</u>
Total expenditures - General Fund	\$ 18,195,905
Transfer out - General Fund	4,388,810
Total expenditures and transfers out - General Fund	<u>\$ 22,584,715</u>

CITY OF SAPULPA, OKLAHOMA
OTHER POST-EMPLOYMENT BENEFITS
June 30, 2024

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

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

	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
Total OPEB Liability					
Service cost	\$ 77,521	\$ 80,529	\$ 80,259	\$ 80,259	\$ 124,116
Interest	52,911	52,957	59,453	56,257	35,963
Change in assumptions	-	-	(156,970)	7,592	(306,117)
Difference between expected and actual experience	-	-	-	-	(428,148)
Benefit payments	<u>(51,729)</u>	<u>(51,729)</u>	<u>(40,907)</u>	<u>(40,907)</u>	<u>(28,695)</u>
Net change in total OPEB liability	78,703	81,757	(58,165)	103,201	(602,881)
 Total OPEB liability - beginning	 1,312,028	 1,390,731	 1,472,488	 1,414,323	 1,517,524
Total OPEB liability - ending	<u>\$ 1,390,731</u>	<u>\$ 1,472,488</u>	<u>\$ 1,414,323</u>	<u>\$ 1,517,524</u>	<u>\$ 914,643</u>
 Covered employee payroll	 \$ 7,045,261	 \$ 8,048,015	 \$ 8,059,649	 \$ 8,382,035	 \$ 9,472,941
 Total OPEB liability as a percentage of covered employee payroll	 19.74%	 18.30%	 17.55%	 18.10%	 9.66%
	<u>2023</u>	<u>2024</u>			
Total OPEB Liability					
Service cost	\$ 77,163	\$ 77,163			
Interest	34,601	37,706			
Change in assumptions	-	(59,214)			
Difference between expected and actual experience	-	(171,698)			
Benefit payments	<u>(28,695)</u>	<u>(19,493)</u>			
Net change in total OPEB liability	83,069	(135,536)			
 Total OPEB liability - beginning	 914,643	 997,712			
Total OPEB liability - ending	<u>\$ 997,712</u>	<u>\$ 862,176</u>			
 Covered employee payroll	 \$ 9,472,941	 \$ 9,926,510			
 Total OPEB liability as a percentage of covered employee payroll	 10.53%	 8.69%			

Notes to Schedule:

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

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

CITY OF SAPULPA, OKLAHOMA
PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
June 30, 2024

Schedules of Required Supplementary Information

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

OKLAHOMA POLICE PENSION & RETIREMENT SYSTEM

Last 10 Fiscal Years

	2015	2016	2017	2018	2019
City's proportion of the net pension liability (asset)	0.8341%	0.8076%	0.7622211%	0.7224646%	0.7520145%
City's proportionate share of the net pension liability (asset)	\$ (280,848)	\$ 32,930	\$ 1,167,296	\$ 55,572	\$ (358,222)
City's covered payroll	\$2,414,739	\$2,279,608	\$ 2,249,462	\$ 2,151,923	\$2,298,985
City's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	11.63%	1.44%	51.89%	2.58%	15.58%
Plan fiduciary net position as a percentage of the total pension liability	101.53%	99.82%	93.50%	99.68%	101.89%
	2020	2021	2022	2023	2024
City's proportion of the net pension liability (asset)	0.730370%	0.709155%	0.686593%	0.718197%	0.653753%
City's proportionate share of the net pension liability (asset)	\$ (46,627)	\$ 814,429	\$ (3,293,696)	\$ (575,936)	\$ (199,656)
City's covered payroll	\$2,383,608	\$2,316,969	\$ 2,385,185	\$ 2,572,531	\$2,459,600
City's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	1.96%	35.15%	138.09%	22.39%	8.12%
Plan fiduciary net position as a percentage of the total pension liability	100.24%	95.80%	117.07%	102.74%	101.02%

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

CITY OF SAPULPA, OKLAHOMA
SCHEDULE OF CITY CONTRIBUTIONS
June 30, 2024

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

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
Statutorially required contribution	\$ 296,349	\$ 292,430	\$ 279,750	\$ 298,868	\$ 309,869
Contributions in relation to the statutorially required contribution	<u>296,349</u>	<u>292,430</u>	<u>279,750</u>	<u>298,868</u>	<u>309,869</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's covered payroll	\$2,279,608	\$2,249,462	\$2,151,923	\$2,298,985	\$2,383,608
Contributions as a percentage of covered-employee payroll	13.00%	13.00%	13.00%	13.00%	13.00%
	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
Statutorially required contribution	\$ 301,206	\$ 310,074	\$ 334,429	\$ 319,748	\$ 365,150
Contributions in relation to the statutorially required contribution	<u>301,206</u>	<u>310,074</u>	<u>334,429</u>	<u>319,748</u>	<u>365,150</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's covered payroll	\$2,316,969	\$2,385,185	\$2,572,531	\$2,459,600	\$2,808,846
Contributions as a percentage of covered-employee payroll	13.00%	13.00%	13.00%	13.00%	13.00%

CITY OF SAPULPA, OKLAHOMA
PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
June 30, 2024

Schedules of Required Supplementary Information

SCHEDULE OF THE CITY OF SAPULPA'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
OKLAHOMA FIREFIGHTERS PENSION & RETIREMENT SYSTEM
Last 10 Fiscal Years

	2015	2016	2017	2018	2019
City's proportion of the net pension liability	1.004270%	0.988614%	0.951429%	0.984476%	0.959416%
City's proportionate share of the net pension liability	\$10,327,388	\$10,493,224	\$ 11,623,741	\$ 12,381,986	\$ 10,799,633
City's covered payroll	\$ 2,727,320	\$ 2,697,814	\$ 2,701,350	\$ 2,759,207	\$ 2,775,664
City's proportionate share of the net pension liability as a percentage of its covered-employee payroll	379%	389%	430%	449%	389%
Plan fiduciary net position as a percentage of the total pension liability	68.12%	68.27%	64.87%	66.61%	70.73%
	2020	2021	2022	2023	2024
City's proportion of the net pension liability	0.966577%	0.998067%	0.975192%	1.013768%	0.935315%
City's proportionate share of the net pension liability	\$ 10,213,494	\$ 12,295,321	\$ 6,422,285	\$ 13,257,411	\$ 12,067,906
City's covered payroll	\$ 2,992,914	\$ 3,213,800	\$ 3,163,093	\$ 3,591,393	\$ 3,196,150
City's proportionate share of the net pension liability as a percentage of its covered-employee payroll	341%	383%	203%	369%	378%
Plan fiduciary net position as a percentage of the total pension liability	72.85%	69.98%	84.24%	69.49%	70.85%

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

CITY OF SAPULPA, OKLAHOMA
SCHEDULE OF CITY CONTRIBUTIONS
June 30, 2024

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

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
Statutorially required contribution	\$ 377,694	\$ 378,189	\$ 386,289	\$ 388,593	\$ 419,008
Contributions in relation to the statutorially required contribution	<u>377,694</u>	<u>378,189</u>	<u>386,289</u>	<u>388,593</u>	<u>419,008</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's covered payroll	\$ 2,697,814	\$ 2,701,350	\$ 2,759,207	\$ 2,775,664	\$2,992,914
Contributions as a percentage of covered- employee payroll	14.00%	14.00%	14.00%	14.00%	14.00%
	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
Statutorially required contribution	\$ 449,932	\$ 442,833	\$ 502,795	\$ 447,461	\$ 557,241
Contributions in relation to the statutorially required contribution	<u>449,932</u>	<u>442,833</u>	<u>502,795</u>	<u>447,461</u>	<u>557,241</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's covered payroll	\$ 3,213,800	\$ 3,163,093	\$ 3,591,393	\$ 3,196,150	\$3,980,293
Contributions as a percentage of covered- employee payroll	14.00%	14.00%	14.00%	14.00%	14.00%

OTHER SUPPLEMENTARY INFORMATION

City of Sapulpa
Combining Balance Sheet - General Fund Accounts
June 30, 2024

	<u>General Fund</u>	<u>Hunting & Fishing Account</u>	<u>Library Account</u>	<u>Swimming Pool Account</u>	<u>Stabilization Account</u>	<u>Total General Fund Accounts</u>
ASSETS						
Cash and cash equivalents	\$ 195,671	\$ 51,047	\$ 143,336	\$ 139,316	\$ 504,648	\$ 1,034,018
Investments	1,595,828	-	-	-	-	1,595,828
Deposits with insurance pool	2,918	-	-	-	-	2,918
Accrued interest receivable	17,400	-	-	-	-	17,400
Due from other funds	1,382,000	-	-	-	-	1,382,000
Due from other governments	1,440,673	-	27,287	-	-	1,467,960
Franchise tax receivable	48,241	-	-	-	-	48,241
Court fine receivable, net	446,008	-	-	-	-	446,008
Other receivables	178,533	1,347	-	3,024	-	182,904
Lease receivables	1,260,259	-	-	-	-	1,260,259
Total assets	<u>\$ 6,567,531</u>	<u>\$ 52,394</u>	<u>\$ 170,623</u>	<u>\$ 142,340</u>	<u>\$ 504,648</u>	<u>\$ 7,437,536</u>
LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES						
Liabilities:						
Accounts payable	\$ 235,686	\$ 2,604	\$ 10,031	\$ 18,470	\$ -	\$ 266,791
Accrued payroll liabilities	117,813	-	10,439	15,070	-	143,322
Due to other governments	6,668	-	-	-	-	6,668
Escrow deposits	49,246	-	-	-	-	49,246
Refundable court bonds	4,130	-	-	-	-	4,130
Total liabilities	<u>413,543</u>	<u>2,604</u>	<u>20,470</u>	<u>33,540</u>	<u>-</u>	<u>470,157</u>
DEFERRED INFLOW OF RESOURCES						
Unavailable revenue	485,331	-	-	-	-	485,331
Leases	1,182,242	-	-	-	-	1,182,242
Total deferred inflows of resources	<u>1,667,573</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,667,573</u>
Fund balances:						
Assigned	926,826	49,790	150,153	108,800	-	1,235,569
Unassigned	3,559,589	-	-	-	504,648	4,064,237
Total fund balances	<u>4,486,415</u>	<u>49,790</u>	<u>150,153</u>	<u>108,800</u>	<u>504,648</u>	<u>5,299,806</u>
Total liabilities, deferred inflows, and fund balances	<u>\$ 6,567,531</u>	<u>\$ 52,394</u>	<u>\$ 170,623</u>	<u>\$ 142,340</u>	<u>\$ 504,648</u>	<u>\$ 7,437,536</u>

City of Sapulpa
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances - General Fund Accounts
For the Year Ended June 30, 2024

	<u>General Fund</u>	<u>Hunting & Fishing Account</u>	<u>Library Account</u>	<u>Swimming Pool Account</u>	<u>Stabilization Account</u>	<u>Total General Fund Accounts</u>
REVENUES						
Taxes	\$ 11,441,054	\$ -	\$ 220,996	\$ -	\$ -	\$ 11,662,050
Intergovernmental	2,379,612	-	29,052	-	-	2,408,664
Charges for services	766,893	18,790	120	85,561	-	871,364
Fines and forfeitures	325,828	-	491	-	-	326,319
Licenses and permits	390,989	31,648	-	-	-	422,637
Investment income	82,920	1,138	3,299	2,941	13,774	104,072
Miscellaneous	697,899	882	3,801	647	-	703,229
Total revenues	<u>16,085,195</u>	<u>52,458</u>	<u>257,759</u>	<u>89,149</u>	<u>13,774</u>	<u>16,498,335</u>
EXPENDITURES						
Current:						
Administration	2,264,749	-	-	-	-	2,264,749
General government	1,025,128	-	-	-	-	1,025,128
Legal and judicial	412,644	-	-	-	-	412,644
Public safety	13,457,458	-	-	-	-	13,457,458
Urban development	161,836	-	-	-	-	161,836
Culture and recreation	-	48,364	432,134	169,320	-	649,818
Capital Outlay	133,200	24,948	42,868	-	-	201,016
Debt Service:						
Principal	21,565	-	-	-	-	21,565
Interest	1,691	-	-	-	-	1,691
Total expenditures	<u>17,478,271</u>	<u>73,312</u>	<u>475,002</u>	<u>169,320</u>	<u>-</u>	<u>18,195,905</u>
Excess (deficiency) of revenues over expenditures	<u>(1,393,076)</u>	<u>(20,854)</u>	<u>(217,243)</u>	<u>(80,171)</u>	<u>13,774</u>	<u>(1,697,570)</u>
OTHER FINANCING SOURCES (USES)						
Transfers in	5,816,775	25,000	250,000	120,000	-	6,211,775
Transfers out	(4,388,810)	-	-	-	-	(4,388,810)
Proceeds from long-term debt	42,851	-	-	-	-	42,851
Total other financing sources and uses	<u>1,470,816</u>	<u>25,000</u>	<u>250,000</u>	<u>120,000</u>	<u>-</u>	<u>1,865,816</u>
Net change in fund balances	77,740	4,146	32,757	39,829	13,774	168,246
Fund balances - beginning	4,408,675	45,644	117,396	68,971	490,874	5,131,560
Fund balances - ending	<u>\$ 4,486,415</u>	<u>\$ 49,790</u>	<u>\$ 150,153</u>	<u>\$ 108,800</u>	<u>\$ 504,648</u>	<u>\$ 5,299,806</u>

City of Sapulpa
Combining Balance Sheet
Non-Major Governmental Funds
June 30, 2024

Special Revenue Funds													
	Cemetery Maintenance Fund	Street and Alley Fund	Parks & Recreation Fund	Federal SAF Fund	Major Thoroughfare Fund	Water & Sewer Sales Tax Fund	Spay & Neuter Fund	E911 Fund	Juvenile Justice Fund	Hotel/Motel Tax Fund	Sapulpa Development Authority	Poison Apportionment Fund	Grants & Aid Fund
ASSETS													
Cash and cash equivalents	\$ 50,534	\$ 518,023	\$ 144,645	\$ 15,758	\$ 574,687	\$ 312,273	\$ 4,097	\$ 204,791	\$ 19,064	\$ 428,278	\$ 523,989	\$ 988,304	\$ 480,396
Investments	37,787	5,000	-	-	243,332	13,000	-	-	-	-	-	-	-
Due from other governments	27,287	21,352	54,575	-	54,575	109,149	-	37,307	-	-	-	147,482	118,945
Interest receivable	-	-	-	375	2,769	-	-	-	-	-	-	-	-
Court fines receivable, net of allowance	-	-	-	-	-	-	-	-	14,490	-	-	-	-
Other receivable	-	-	236	-	-	6,708	100	-	1,566	62,579	-	-	-
Inventory	-	-	-	-	23,166	48,948	-	-	-	-	-	-	-
Total assets	\$ 115,608	\$ 544,375	\$ 199,456	\$ 16,133	\$ 898,529	\$ 490,078	\$ 4,197	\$ 242,098	\$ 35,120	\$ 490,857	\$ 523,989	\$ 1,135,786	\$ 599,341
LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES													
Liabilities:													
Accounts payable	\$ 10,801	\$ 9,941	\$ 21,470	\$ 2,275	\$ 72,190	\$ 7,995	\$ 5,170	\$ 1,615	\$ 1,305	\$ 24,251	\$ -	\$ -	\$ 286,964
Accrued payroll payable	12,242	20,394	24,594	-	-	23,393	-	26,846	307	5,224	-	-	-
Due to other funds	-	-	-	-	-	-	-	-	-	-	-	-	100,000
Due to other governments	-	-	-	-	-	-	-	-	305	-	-	-	-
Refundable court bonds	-	-	-	-	-	-	-	-	515	-	-	-	-
Unearned revenue	-	-	-	-	-	-	-	-	-	-	-	-	-
Total liabilities	23,043	30,335	46,064	2,275	72,190	31,388	5,170	28,461	2,432	29,475	-	-	386,964
DEFERRED INFLOW OF RESOURCES													
Unavailable revenue	-	-	-	269	2,093	-	-	-	11,072	16,500	-	-	118,945
Fund balances:													
Non-spendable	-	-	-	-	23,166	48,948	-	-	-	-	-	-	-
Restricted	-	-	-	13,589	575,996	-	-	-	19,690	376,770	-	1,135,786	55,355
Assigned	92,565	514,040	153,392	-	225,084	409,742	-	213,637	1,926	68,112	523,989	-	38,077
Unassigned (deficit)	-	-	-	-	-	-	(973)	-	-	-	-	-	-
Total fund balances	92,565	514,040	153,392	13,589	824,246	458,690	(973)	213,637	21,616	444,882	523,989	1,135,786	93,432
Total liabilities, deferred inflows, and fund balances	\$ 115,608	\$ 544,375	\$ 199,456	\$ 16,133	\$ 898,529	\$ 490,078	\$ 4,197	\$ 242,098	\$ 35,120	\$ 490,857	\$ 523,989	\$ 1,135,786	\$ 599,341

City of Sapulpa
Combining Balance Sheet
Non-Major Governmental Funds
June 30, 2024

	Capital Project Funds					Capital Project Funds								
	Restricted Construction Park/Rec Fund	Park Development Fund	Fire Cash Fund	Police Cash Fund	Cemetery Care Fund	Capital Improvement Fund	Water Resources Fund	Economic Development Sales Tax Fund	Street Improvement Sales Tax Fund	Sewer Plant Sales Tax Fund	Series 2014 Str Cap Imp	ARTICLE X, SEC 35, GO BOND	Total Governmental Funds	
ASSETS														
Cash and cash equivalents	\$ 108,447	\$ 178,994	\$ 145,474	\$ 80,883	\$ 116,664	\$ (134,760)	\$ 1,187,928	\$ 1,473,972	\$ 3,005,331	\$ 999,612	\$ (77)	\$ 336,613	\$ 11,753,920	
Investments	-	-	151,034	-	-	110,454	215,111	646,194	1,206,550	-	-	416,777	3,045,239	
Due from other governments	-	-	27,287	27,287	-	109,149	218,299	44,951	272,874	272,874	-	120,000	1,663,393	
Interest receivable	-	-	612	-	-	-	2,448	6,119	23,074	-	-	11,913	47,310	
Court fines receivable, net of allowance	-	-	-	-	-	-	-	-	-	-	-	-	14,490	
Other receivable	-	-	-	-	-	-	-	-	-	-	77	-	71,266	
Inventory	-	-	-	-	-	-	46,766	-	-	-	-	-	118,880	
Total assets	\$ 108,447	\$ 178,994	\$ 324,407	\$ 108,170	\$ 116,664	\$ 84,843	\$ 1,670,552	\$ 2,171,236	\$ 4,507,829	\$ 1,262,486	\$ -	\$ 885,303	\$ 16,714,498	
LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES														
Liabilities:														
Accounts payable	\$ -	\$ -	\$ 1,399	\$ -	\$ -	\$ -	\$ 11,789	\$ -	\$ 348,862	\$ 37,360	\$ -	\$ -	\$ 845,372	
Accrued payroll payable	-	-	-	-	-	-	-	-	-	-	-	-	111,015	
Due to other funds	-	-	-	-	-	-	-	-	-	50,000	-	-	150,000	
Due to other governments	-	-	-	-	-	-	-	-	-	-	-	-	305	
Refundable court bonds	-	-	-	-	-	-	-	-	-	-	-	-	515	
Unearned revenue	-	-	-	-	-	7,000	-	-	-	-	-	-	7,000	
Total liabilities	-	-	1,399	-	-	7,000	11,789	-	348,862	87,360	-	-	1,114,207	
DEFERRED INFLOW OF RESOURCES														
Unavailable revenue	-	-	463	-	-	-	-	4,627	3,322	-	-	7,296	164,587	
Fund balances:														
Non-spendable	-	-	-	-	-	-	46,766	-	-	-	-	-	118,880	
Restricted	-	-	264,059	7,844	-	16,809	1,553,338	2,072,643	3,590,756	1,131,957	-	773,080	11,587,672	
Assigned	108,447	178,994	58,486	100,326	116,664	61,034	58,659	93,966	564,889	43,169	-	104,927	3,730,125	
Unassigned (deficit)	-	-	-	-	-	-	-	-	-	-	-	-	(973)	
Total fund balances	108,447	178,994	322,545	108,170	116,664	77,843	1,658,763	2,166,609	4,155,645	1,175,126	-	878,007	15,435,704	
Total liabilities, deferred inflows, and fund balances	\$ 108,447	\$ 178,994	\$ 324,407	\$ 108,170	\$ 116,664	\$ 84,843	\$ 1,670,552	\$ 2,171,236	\$ 4,507,829	\$ 1,262,486	\$ -	\$ 885,303	\$ 16,714,498	

City of Sapulpa
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Non-Major Governmental Funds
For the Year Ended June 30, 2024

	Special Revenue Funds												
	Cemetery Maintenance Fund	Street and Alley Fund	Parks & Recreation Fund	Federal SAF Fund	Major Thoroughfare Fund	Water & Sewer Sales Tax Fund	Spay & Neuter Fund	E911 Fund	Juvenile Justice Fund	Hotel/Motel Tax Fund	Sapulpa Development Authority	Polson Apportionment Fund	Grants & Aid Fund
REVENUES													
Taxes	\$ 220,996	\$ -	\$ 441,991	\$ -	\$ 441,991	\$ 883,982	\$ -	\$ -	\$ -	\$ 329,233	\$ -	\$ 1,047,304	\$ -
Intergovernmental	-	254,272	-	-	-	-	-	-	-	-	-	-	656,248
Charges for services	107,100	-	23,626	-	-	-	28,060	393,931	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-	-	-	-	14,315	-	-	-	-
Investment income	3,204	10,609	3,767	1,446	23,101	8,118	160	3,515	604	10,896	20,481	12,708	8,453
Miscellaneous	9,110	38,000	16,370	-	24,300	17,155	-	-	-	-	-	-	2,499
Total revenues	340,410	302,881	485,754	1,446	489,392	909,255	28,220	397,446	14,919	340,129	20,481	1,060,012	667,200
EXPENDITURES													
Current:													
General government	531,188	-	-	-	-	-	31,276	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	-	686,744	22,130	-	-	-	27,457
Streets	-	681,687	-	-	509,452	-	-	-	-	-	-	-	-
Culture and recreation	-	-	882,917	-	-	-	-	-	-	-	-	-	26,203
Urban development	-	-	-	-	-	-	-	-	-	249,099	-	-	253,516
Water	-	-	-	-	-	1,038,403	-	-	-	-	-	-	-
Wastewater	-	-	-	-	-	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	26,069	-	-	-	-	-	-	-	-	948,208
Debt service:													
Principal	-	-	-	-	-	-	-	-	-	-	29,039	-	-
Interest	-	-	-	-	-	-	-	-	-	-	294	-	-
Total expenditures	531,188	681,687	882,917	26,069	509,452	1,038,403	31,276	686,744	22,130	249,099	29,333	-	1,255,384
Excess (deficiency) of revenues over expenditures	(190,778)	(378,806)	(397,163)	(24,623)	(20,060)	(129,148)	(3,056)	(289,298)	(7,211)	91,030	(8,852)	1,060,012	(588,184)
OTHER FINANCING SOURCES (USES)													
Transfers in	155,000	582,900	410,000	-	-	175,000	-	400,000	-	-	30,000	-	252,766
Transfers out	(13,388)	-	-	(19,401)	-	-	-	-	-	(57,999)	-	(5,000)	-
SBITA Proceeds	-	-	-	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	141,612	582,900	410,000	(19,401)	-	175,000	-	400,000	-	(57,999)	30,000	(5,000)	252,766
Net change in fund balances	(49,166)	204,094	12,837	(44,024)	(20,060)	45,852	(3,056)	110,702	(7,211)	33,031	21,148	1,055,012	(335,418)
Fund balances, 6/30/23, as previously presented	141,731	309,946	140,555	57,613	844,306	412,838	2,083	102,935	28,827	411,851	502,841	80,774	428,850
Change within financial reporting entity	-	-	-	-	-	-	-	-	-	-	-	-	-
Fund balances, 6/30/23, as adjusted	141,731	309,946	140,555	57,613	844,306	412,838	2,083	102,935	28,827	411,851	502,841	80,774	428,850
Fund balances, 6/30/24	\$ 92,565	\$ 514,040	\$ 153,392	\$ 13,589	\$ 824,246	\$ 458,690	\$ (973)	\$ 213,637	\$ 21,616	\$ 444,882	\$ 523,989	\$ 1,135,786	\$ 93,432

City of Sapulpa
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Non-Major Governmental Funds
For the Year Ended June 30, 2024

	Capital Project Funds												Debt Service Fund	
	Restricted Construction Park/Rec Fund	Park Development Fund	Fire Cash Fund	Police Cash Fund	Cemetery Care Fund	Capital Improvement Fund	Water Resources Fund	Economic Development Sales Tax Fund	Street Improvement Sales Tax Fund	Sewer Plant Sales Tax Fund	Series 2014 Str Cap Imp	ARTICLE X, SEC 35, GO BOND	G.O. Sinking Fund	Total Governmental Funds
REVENUES														
Taxes	\$ -	\$ -	\$ 220,996	\$ 220,996	\$ -	\$ 883,982	\$ 1,767,964	\$ 347,650	\$ 2,209,955	\$ 2,209,955	\$ -	\$ -	\$ -	\$ 11,226,995
Intergovernmental	-	-	-	-	-	-	-	-	-	-	-	-	-	910,520
Charges for services	-	-	4,561	-	-	-	-	-	-	-	-	-	-	557,278
Fines and forfeitures	-	-	-	-	-	-	-	-	-	-	-	-	-	14,315
Investment income	2,779	3,790	9,383	1,320	2,983	4,258	34,770	57,118	155,149	32,327	174	34,827	-	445,940
Miscellaneous	-	-	-	57,422	-	-	-	-	-	-	-	-	-	164,856
Total revenues	2,779	3,790	234,940	279,738	2,983	888,240	1,802,734	404,768	2,365,104	2,242,282	174	34,827	-	13,319,904
EXPENDITURES														
Current:														
General government	-	-	30,370	-	-	-	-	-	-	-	-	-	-	592,834
Public safety	-	-	-	-	-	44,226	-	-	-	-	-	-	-	780,557
Streets	-	-	-	-	-	-	-	-	85,673	-	-	-	-	1,276,812
Culture and recreation	-	-	-	-	-	-	-	125,200	-	-	-	-	-	1,034,320
Urban development	-	-	-	-	-	-	-	-	-	-	-	-	-	502,615
Water	-	-	-	-	-	7,000	45,041	-	-	-	-	-	-	1,090,444
Wastewater	-	-	-	-	-	-	-	-	-	149,006	-	-	-	149,006
Capital outlay	-	-	193,370	299,953	-	863,848	189,156	-	2,736,291	226,195	-	209,203	-	5,692,293
Debt service:														
Principal	-	-	-	-	-	59,857	-	-	515,000	-	-	-	-	603,896
Interest	-	-	-	-	-	2,642	-	-	111,015	-	-	-	-	113,951
Total expenditures	-	-	223,740	299,953	-	977,573	234,197	125,200	3,447,879	375,201	-	209,203	-	11,836,728
Excess (deficiency) of revenues over expenditures	2,779	3,790	11,200	(20,215)	2,983	(89,333)	1,568,537	279,568	(1,082,875)	1,867,081	174	(174,376)	-	1,483,176
OTHER FINANCING SOURCES (USES)														
Transfers in	16,500	57,999	-	19,401	13,388	460,400	-	-	938	-	-	-	-	2,574,292
Transfers out	-	-	(20,000)	(20,000)	-	(350,000)	(1,131,161)	-	-	(1,650,000)	(938)	-	-	(3,267,887)
SBITA Proceeds	-	-	88,600	-	-	-	-	-	-	-	-	-	-	88,600
Total other financing sources (uses)	16,500	57,999	68,600	(599)	13,388	110,400	(1,131,161)	-	938	(1,650,000)	(938)	-	-	(604,995)
Net change in fund balances	19,279	61,789	79,800	(20,814)	16,371	21,067	437,376	279,568	(1,081,937)	217,081	(764)	(174,376)	-	878,181
Fund balances, 6/30/23, as previously presented	89,168	117,205	242,745	128,984	100,293	56,776	1,221,387	1,887,041	5,237,582	958,045	764	1,052,383	1,407,890	15,965,413
Change within financial reporting entity	-	-	-	-	-	-	-	-	-	-	-	-	(1,407,890)	(1,407,890)
Fund balances, 6/30/23, as adjusted	89,168	117,205	242,745	128,984	100,293	56,776	1,221,387	1,887,041	5,237,582	958,045	764	1,052,383	-	14,557,523
Fund balances, 6/30/24	\$ 108,447	\$ 178,994	\$ 322,545	\$ 108,170	\$ 116,664	\$ 77,843	\$ 1,658,763	\$ 2,166,609	\$ 4,155,645	\$ 1,175,126	\$ -	\$ 878,007	\$ -	\$ 15,435,704

City of Sapulpa
Schedule of Revenues, Expenditures, and Changes in Fund Balance - (Budgetary Basis)
Budget and Actual - Nonmajor Governmental Funds
For the Year ended June 30, 2024

	Cemetery Maintenance Fund			Street and Alley		
	Final	Actual Amounts, Budgetary Basis	Variance with Final Budget - Positive (Negative)	Final	Actual Amounts, Budgetary Basis	Variance with Final Budget - Positive (Negative)
REVENUES						
Taxes	\$ -	\$ 220,996	\$ 220,996	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	228,144	254,272	26,128
Charges for services	117,000	107,100	(9,900)	-	-	-
Investment income	500	3,204	2,704	700	10,609	9,909
Miscellaneous	9,110	9,110	-	38,000	38,000	-
Total revenues	126,610	340,410	213,800	266,844	302,881	36,037
EXPENDITURES						
Departmental:						
General government	587,443	531,188	56,255	-	-	-
Streets	-	-	-	956,908	681,687	275,221
Total Expenditures	587,443	531,188	56,255	956,908	681,687	275,221
Excess (deficiency) of revenues over expenditures	(460,833)	(190,778)	270,055	(690,064)	(378,806)	311,258
OTHER FINANCING SOURCES (USES)						
Transfers in	392,117	155,000	(237,117)	582,900	582,900	-
Transfers out	(14,625)	(13,388)	1,237	-	-	-
Total other financing sources and uses	377,492	141,612	(235,880)	582,900	582,900	-
Net change in fund balances	(83,341)	(49,166)	34,175	(107,164)	204,094	311,258
Fund balances - beginning	134,762	141,731	6,969	265,427	309,946	44,519
Fund balances - ending	\$ 51,421	\$ 92,565	\$ 41,144	\$ 158,263	\$ 514,040	\$ 355,777

(Continued)

City of Sapulpa
Schedule of Revenues, Expenditures, and Changes in Fund Balance - (Budgetary Basis)
Budget and Actual - Nonmajor Governmental Funds
For the Year ended June 30, 2024

(Continued)

	Parks & Recreation Fund			Federal SAF Fund		
	<u>Final</u>	<u>Actual Amounts.</u> <u>Budgetary Basis</u>	<u>Variance with</u> <u>Final Budget -</u> <u>Positive</u> <u>(Negative)</u>	<u>Final</u>	<u>Actual Amounts.</u> <u>Budgetary Basis</u>	<u>Variance with</u> <u>Final Budget -</u> <u>Positive</u> <u>(Negative)</u>
REVENUES						
Taxes	\$ -	\$ 441,991	\$ 441,991	\$ -	\$ -	\$ -
Charges for services	11,000	23,626	12,626	-	-	-
Investment income	300	3,767	3,467	150	1,446	1,296
Miscellaneous	6,996	16,370	9,374	-	-	-
Total revenues	<u>18,296</u>	<u>485,754</u>	<u>467,458</u>	<u>150</u>	<u>1,446</u>	<u>1,296</u>
EXPENDITURES						
Departmental:						
Culture and recreation	970,847	882,917	87,930	-	-	-
Public Safety	-	-	-	71,800	26,069	45,731
Total Expenditures	<u>970,847</u>	<u>882,917</u>	<u>87,930</u>	<u>71,800</u>	<u>26,069</u>	<u>45,731</u>
Excess (deficiency) of revenues over expenditures	<u>(952,551)</u>	<u>(397,163)</u>	<u>555,388</u>	<u>(71,650)</u>	<u>(24,623)</u>	<u>47,027</u>
OTHER FINANCING SOURCES (USES)						
Transfers in	884,234	410,000	(474,234)	-	-	-
Transfers out	-	-	-	(19,664)	(19,401)	263
Total other financing sources and uses	<u>884,234</u>	<u>410,000</u>	<u>(474,234)</u>	<u>(19,664)</u>	<u>(19,401)</u>	<u>263</u>
Net change in fund balances	(68,317)	12,837	81,154	(91,314)	(44,024)	47,290
Fund balances - beginning	<u>140,870</u>	<u>140,555</u>	<u>(315)</u>	<u>71,667</u>	<u>57,613</u>	<u>(14,054)</u>
Fund balances - ending	<u>\$ 72,553</u>	<u>\$ 153,392</u>	<u>\$ 80,839</u>	<u>\$ (19,647)</u>	<u>\$ 13,589</u>	<u>\$ 33,236</u>

City of Sapulpa
Schedule of Revenues, Expenditures, and Changes in Fund Balance - (Budgetary Basis)
Budget and Actual - Nonmajor Governmental Funds
For the Year ended June 30, 2024

(Continued)

	Major Thoroughfare Fund			Water & Sewer Sales Tax Fund		
		Actual Amounts.	Variance with		Actual Amounts.	Variance with
	Final	Budgetary Basis	Final Budget -	Final	Budgetary Basis	Final Budget -
			Positive			Positive
			(Negative)			(Negative)
REVENUES						
Taxes	\$ -	\$ 441,991	\$ 441,991	\$ -	\$ 883,982	\$ 883,982
Investment income	2,000	23,101	21,101	1,000	8,118	7,118
Miscellaneous	24,300	24,300	-	9,115	17,155	8,040
Total revenues	26,300	489,392	463,092	10,115	909,255	899,140
EXPENDITURES						
Departmental:						
Streets	604,300	509,452	94,848	-	-	-
Water	-	-	-	1,319,485	1,038,403	281,082
Total Expenditures	604,300	509,452	94,848	1,319,485	1,038,403	281,082
Excess (deficiency) of revenues over expenditures	(578,000)	(20,060)	557,940	(1,309,370)	(129,148)	1,180,222
OTHER FINANCING SOURCES (USES)						
Transfers in	474,234	-	(474,234)	1,123,468	175,000	(948,468)
Total other financing sources and uses	474,234	-	(474,234)	1,123,468	175,000	(948,468)
Net change in fund balances	(103,766)	(20,060)	83,706	(185,902)	45,852	231,754
Fund balances - beginning	800,287	844,306	44,019	335,420	412,838	77,418
Fund balances - ending	\$ 696,521	\$ 824,246	\$ 127,725	\$ 149,518	\$ 458,690	\$ 309,172

City of Sapulpa
Schedule of Revenues, Expenditures, and Changes in Fund Balance - (Budgetary Basis)
Budget and Actual - Nonmajor Governmental Funds
For the Year ended June 30, 2024

(Continued)

	Spay & Neuter Fund			E911 Fund		
	<u>Final</u>	<u>Actual Amounts. Budgetary Basis</u>	<u>Variance with Final Budget - Positive (Negative)</u>	<u>Final</u>	<u>Actual Amounts. Budgetary Basis</u>	<u>Variance with Final Budget - Positive (Negative)</u>
REVENUES						
Charges for services	\$ 30,000	\$ 28,060	\$ (1,940)	\$ 327,350	\$ 393,931	\$ 66,581
Investment income	10	160	150	50	3,515	3,465
Total revenues	30,010	28,220	(1,790)	327,400	397,446	70,046
EXPENDITURES						
Departmental:						
General government	30,000	31,276	(1,276)	-	-	-
Public safety	-	-	-	759,260	686,744	72,516
Total Expenditures	30,000	31,276	(1,276)	759,260	686,744	72,516
Excess (deficiency) of revenues over expenditures	10	(3,056)	(3,066)	(431,860)	(289,298)	142,562
OTHER FINANCING SOURCES (USES)						
Transfers in	-	-	-	400,000	400,000	-
Total other financing sources and uses	-	-	-	400,000	400,000	-
Net change in fund balances	10	(3,056)	(3,066)	(31,860)	110,702	142,562
Fund balances - beginning	4,048	2,083	(1,965)	91,525	102,935	11,410
Fund balances - ending	\$ 4,058	\$ (973)	\$ (5,031)	\$ 59,665	\$ 213,637	\$ 153,972

City of Sapulpa
Schedule of Revenues, Expenditures, and Changes in Fund Balance - (Budgetary Basis)
Budget and Actual - Nonmajor Governmental Funds
For the Year ended June 30, 2024

(Continued)

	Juvenile Justice Fund			Hotel/Motel Tax Fund		
	<u>Final</u>	<u>Actual Amounts. Budgetary Basis</u>	<u>Variance with Final Budget - Positive (Negative)</u>	<u>Final</u>	<u>Actual Amounts. Budgetary Basis</u>	<u>Variance with Final Budget - Positive (Negative)</u>
REVENUES						
Taxes	\$ -	\$ -	\$ -	\$ 295,000	\$ 329,233	\$ 34,233
Fines and forfeitures	21,500	14,315	(7,185)	-	-	-
Investment income	50	604	554	500	10,896	10,396
Total revenues	<u>21,550</u>	<u>14,919</u>	<u>(6,631)</u>	<u>295,500</u>	<u>340,129</u>	<u>44,629</u>
EXPENDITURES						
Departmental:						
Public safety	26,050	22,130	3,920	-	-	-
Community development	-	-	-	267,708	249,099	18,609
Total Expenditures	<u>26,050</u>	<u>22,130</u>	<u>3,920</u>	<u>267,708</u>	<u>249,099</u>	<u>18,609</u>
Excess (deficiency) of revenues over expenditures	<u>(4,500)</u>	<u>(7,211)</u>	<u>(2,711)</u>	<u>27,792</u>	<u>91,030</u>	<u>63,238</u>
OTHER FINANCING SOURCES (USES)						
Transfers out	-	-	-	(55,313)	(57,999)	(2,686)
Total other financing sources and uses	<u>-</u>	<u>-</u>	<u>-</u>	<u>(55,313)</u>	<u>(57,999)</u>	<u>(2,686)</u>
Net change in fund balances	(4,500)	(7,211)	(2,711)	(27,521)	33,031	60,552
Fund balances - beginning	31,969	28,827	(3,142)	412,064	411,851	(213)
Fund balances - ending	<u>\$ 27,469</u>	<u>\$ 21,616</u>	<u>\$ (5,853)</u>	<u>\$ 384,543</u>	<u>\$ 444,882</u>	<u>\$ 60,339</u>

City of Sapulpa
Schedule of Revenues, Expenditures, and Changes in Fund Balance - (Budgetary Basis)
Budget and Actual - Nonmajor Governmental Funds
For the Year ended June 30, 2024

(Continued)

	Polson Apportionment Fund			Economic Development Sales Tax		
	<u>Final</u>	<u>Actual Amounts.</u> <u>Budgetary Basis</u>	<u>Variance with</u> <u>Final Budget -</u> <u>Positive</u> <u>(Negative)</u>	<u>Final</u>	<u>Actual Amounts.</u> <u>Budgetary Basis</u>	<u>Variance with</u> <u>Final Budget -</u> <u>Positive</u> <u>(Negative)</u>
REVENUES						
Taxes	\$ 1,800,000	\$ 1,047,304	\$ (752,696)	\$ 350,000	\$ 347,650	\$ (2,350)
Investment income	40	12,708	12,668	5,600	57,118	51,518
Total revenues	<u>1,800,040</u>	<u>1,060,012</u>	<u>(740,028)</u>	<u>355,600</u>	<u>404,768</u>	<u>49,168</u>
EXPENDITURES						
Departmental:						
General government	1,800,000	-	1,800,000	-	-	-
Culture and recreation	-	-	-	129,261	125,200	4,061
Total Expenditures	<u>1,800,000</u>	<u>-</u>	<u>1,800,000</u>	<u>129,261</u>	<u>125,200</u>	<u>4,061</u>
Excess (deficiency) of revenues over expenditures	<u>40</u>	<u>1,060,012</u>	<u>1,059,972</u>	<u>226,339</u>	<u>279,568</u>	<u>53,229</u>
OTHER FINANCING SOURCES (USES)						
Transfers out	(5,000)	(5,000)	-	-	-	-
Total other financing sources and uses	<u>(5,000)</u>	<u>(5,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	(4,960)	1,055,012	1,059,972	226,339	279,568	53,229
Fund balances - beginning	93,769	80,774	(12,995)	1,867,602	1,887,041	19,439
Fund balances - ending	<u>\$ 88,809</u>	<u>\$ 1,135,786</u>	<u>\$ 1,046,977</u>	<u>\$ 2,093,941</u>	<u>\$ 2,166,609</u>	<u>\$ 72,668</u>

City of Sapulpa
Schedule of Revenues, Expenditures, and Changes in Fund Balance - (Budgetary Basis)
Budget and Actual - Nonmajor Governmental Funds
For the Year ended June 30, 2024

(Continued)

	Restricted Construction Park/Rec Fund			Series 2014 Str Cap Imp		
	<u>Final</u>	<u>Actual Amounts.</u> <u>Budgetary Basis</u>	<u>Variance with</u> <u>Final Budget -</u> <u>Positive</u> <u>(Negative)</u>	<u>Final</u>	<u>Actual Amounts.</u> <u>Budgetary Basis</u>	<u>Variance with</u> <u>Final Budget -</u> <u>Positive</u> <u>(Negative)</u>
REVENUES						
Investment income	\$ 50	\$ 2,779	\$ 2,729	\$ -	\$ 174	\$ 174
Total revenues	<u>50</u>	<u>2,779</u>	<u>2,729</u>	<u>-</u>	<u>174</u>	<u>174</u>
EXPENDITURES						
Departmental:						
Culture and recreation	-	-	-	-	-	-
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	<u>50</u>	<u>2,779</u>	<u>2,729</u>	<u>-</u>	<u>174</u>	<u>174</u>
OTHER FINANCING SOURCES (USES)						
Transfers in	17,500	16,500	(1,000)	-	-	-
Transfers out	-	-	-	(938)	(938)	-
Total other financing sources and uses	<u>17,500</u>	<u>16,500</u>	<u>(1,000)</u>	<u>(938)</u>	<u>(938)</u>	<u>-</u>
Net change in fund balances	17,550	19,279	1,729	(938)	(764)	174
Fund balances - beginning	<u>78,572</u>	<u>89,168</u>	<u>10,596</u>	<u>7</u>	<u>764</u>	<u>757</u>
Fund balances - ending	<u>\$ 96,122</u>	<u>\$ 108,447</u>	<u>\$ 12,325</u>	<u>\$ (931)</u>	<u>\$ -</u>	<u>\$ 931</u>

City of Sapulpa
Schedule of Revenues, Expenditures, and Changes in Fund Balance - (Budgetary Basis)
Budget and Actual - Nonmajor Governmental Funds
For the Year ended June 30, 2024

(Continued)

	Park Development Fund			Fire Cash Fund		
	<u>Final</u>	<u>Actual Amounts.</u> <u>Budgetary Basis</u>	<u>Variance with</u> <u>Final Budget -</u> <u>Positive</u> <u>(Negative)</u>	<u>Final</u>	<u>Actual Amounts.</u> <u>Budgetary Basis</u>	<u>Variance with</u> <u>Final Budget -</u> <u>Positive</u> <u>(Negative)</u>
REVENUES						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ 220,996	\$ 220,996
Charges for services	-	-	-	-	4,561	4,561
Investment income	300	3,790	3,490	1,000	9,383	8,383
Total revenues	300	3,790	3,490	1,000	234,940	233,940
EXPENDITURES						
Departmental:						
Public safety	-	-	-	146,103	223,740	(77,637)
Total Expenditures	-	-	-	146,103	223,740	(77,637)
Excess (deficiency) of revenues over expenditures	300	3,790	3,490	(145,103)	11,200	156,303
OTHER FINANCING SOURCES (USES)						
Transfers in	55,313	57,999	2,686	237,117	-	(237,117)
Transfers out	-	-	-	(20,000)	(20,000)	-
SBITA proceeds	-	-	-	-	88,600	(88,600)
Total other financing sources and uses	55,313	57,999	2,686	217,117	68,600	(325,717)
Net change in fund balances	55,613	61,789	6,176	72,014	79,800	7,786
Fund balances - beginning	148,996	117,205	(31,791)	335,865	242,745	(93,120)
Fund balances - ending	\$ 204,609	\$ 178,994	\$ (25,615)	\$ 407,879	\$ 322,545	\$ (85,334)

City of Sapulpa
Schedule of Revenues, Expenditures, and Changes in Fund Balance - (Budgetary Basis)
Budget and Actual - Nonmajor Governmental Funds
For the Year ended June 30, 2024

(Continued)

	Police Cash Fund			Cemetery Care Fund		
	Final	Actual Amounts. Budgetary Basis	Variance with Final Budget - Positive (Negative)	Final	Actual Amounts. Budgetary Basis	Variance with Final Budget - Positive (Negative)
REVENUES						
Taxes	\$ -	\$ 220,996	\$ 220,996	\$ -	\$ -	\$ -
Investment income	250	1,320	1,070	100	2,983	2,883
Miscellaneous	57,452	57,422	(30)	-	-	-
Total revenues	57,702	279,738	222,036	100	2,983	2,883
EXPENDITURES						
Departmental:						
Public safety	315,306	299,953	15,353	-	-	-
Total Expenditures	315,306	299,953	15,353	-	-	-
Excess (deficiency) of revenues over expenditures	(257,604)	(20,215)	237,389	100	2,983	2,883
OTHER FINANCING SOURCES (USES)						
Transfers in	256,781	19,401	(237,380)	14,625	13,388	(1,237)
Transfers out	(20,000)	(20,000)	-	-	-	-
Total other financing sources and uses	236,781	(599)	(237,380)	14,625	13,388	(1,237)
Net change in fund balances	(20,823)	(20,814)	9	14,725	16,371	1,646
Fund balances - beginning	133,652	128,984	(4,668)	98,790	100,293	1,503
Fund balances - ending	\$ 112,829	\$ 108,170	\$ (4,659)	\$ 113,515	\$ 116,664	\$ 3,149

City of Sapulpa
Schedule of Revenues, Expenditures, and Changes in Fund Balance - (Budgetary Basis)
Budget and Actual - Nonmajor Governmental Funds
For the Year ended June 30, 2024

(Continued)

	Capital Improvement Fund			Water Resources Fund		
		<u>Actual Amounts.</u>	<u>Variance with</u>		<u>Actual Amounts.</u>	<u>Variance with</u>
	<u>Final</u>	<u>Budgetary Basis</u>	<u>Final Budget -</u>	<u>Final</u>	<u>Budgetary Basis</u>	<u>Final Budget -</u>
			<u>Positive</u>			<u>Positive</u>
			<u>(Negative)</u>			<u>(Negative)</u>
REVENUES						
Taxes	\$ -	\$ 883,982	\$ 883,982	\$ -	\$ 1,767,964	\$ 1,767,964
Investment income	1,500	4,258	2,758	1,500	34,770	33,270
Total revenues	1,500	888,240	886,740	1,500	1,802,734	1,801,234
EXPENDITURES						
Departmental:						
General government	597,270	408,580	188,690	-	-	-
Culture and recreation	256,101	252,486	3,615	-	-	-
Public safety	229,778	189,229	40,549	-	-	-
Streets	250,902	70,902	180,000	-	-	-
Water	58,396	56,376	2,020	715,430	234,197	481,233
Total Expenditures	1,392,447	977,573	414,874	715,430	234,197	481,233
Excess (deficiency) of revenues over expenditures	(1,390,947)	(89,333)	1,301,614	(713,930)	1,568,537	2,282,467
OTHER FINANCING SOURCES (USES)						
Transfers in	1,408,868	460,400	(948,468)	1,896,936	-	(1,896,936)
Transfers out	(350,000)	(350,000)	-	(1,131,161)	(1,131,161)	-
Total other financing sources and uses	1,058,868	110,400	(948,468)	765,775	(1,131,161)	(1,896,936)
Net change in fund balances	(332,079)	21,067	353,146	51,845	437,376	385,531
Fund balances - beginning	64,855	56,776	(8,079)	1,205,052	1,221,387	16,335
Fund balances - ending	\$ (267,224)	\$ 77,843	\$ 345,067	\$ 1,256,897	\$ 1,658,763	\$ 401,866

City of Sapulpa
Schedule of Revenues, Expenditures, and Changes in Fund Balance - (Budgetary Basis)
Budget and Actual - Nonmajor Governmental Funds
For the Year ended June 30, 2024

(Continued)

	Street Improvement Sales Tax Fund			Sewer Plant Sales Tax Fund		
		Actual Amounts.	Variance with Final Budget - Positive (Negative)		Actual Amounts.	Variance with Final Budget - Positive (Negative)
	Final	Budgetary Basis		Final	Budgetary Basis	
REVENUES						
Taxes	\$ -	\$ 2,209,955	\$ 2,209,955	\$ -	\$ 2,209,955	\$ 2,209,955
Investment income	16,000	155,149	139,149	600	32,327	31,727
Total revenues	16,000	2,365,104	2,349,104	600	2,242,282	2,241,682
EXPENDITURES						
Departmental:						
Streets	6,902,659	3,447,979	3,454,680	-	-	-
Wastewater	-	-	-	1,251,259	375,201	876,058
Total Expenditures	6,902,659	3,447,979	3,454,680	1,251,259	375,201	876,058
Excess (deficiency) of revenues over expenditures	(6,886,659)	(1,082,875)	5,803,784	(1,250,659)	1,867,081	3,117,740
OTHER FINANCING SOURCES (USES)						
Transfers in	2,372,108	938	(2,371,170)	2,371,170	-	(2,371,170)
Transfers out	-	-	-	(1,650,000)	(1,650,000)	-
Total other financing sources and uses	2,372,108	938	(2,371,170)	721,170	(1,650,000)	(2,371,170)
Net change in fund balances	(4,514,551)	(1,081,937)	3,432,614	(529,489)	217,081	746,570
Fund balances - beginning	5,167,621	5,237,582	69,961	905,606	958,045	52,439
Fund balances - ending	\$ 653,070	\$ 4,155,645	\$ 3,502,575	\$ 376,117	\$ 1,175,126	\$ 799,009

City of Sapulpa
Schedule of Revenues, Expenditures, and Changes in Fund Balance - (Budgetary Basis)
Budget and Actual - Major and Nonmajor Governmental Funds
For the Year ended June 30, 2024

	Grants & Aid Fund			Major Debt Service Fund G.O. Sinking Fund		
	<u>Final</u>	<u>Actual Amounts. Budgetary Basis</u>	<u>Variance with Final Budget - Positive (Negative)</u>	<u>Final</u>	<u>Actual Amounts. Budgetary Basis</u>	<u>Variance with Final Budget - Positive (Negative)</u>
REVENUES						
Taxes	\$ -	\$ -	\$ -	\$ 2,300,000	\$ 3,313,716	\$ 1,013,716
Intergovernmental	1,251,902	658,747	(593,155)	-	-	-
Investment income	100	8,453	8,353	5,000	53,456	48,456
Miscellaneous	-	-	-	155,087	155,087	-
Total revenues	<u>1,252,002</u>	<u>667,200</u>	<u>(584,802)</u>	<u>2,460,087</u>	<u>3,522,259</u>	<u>1,062,172</u>
EXPENDITURES						
Departmental:						
General government	-	-	-	3,126,093	2,974,493	151,600
Culture and recreation	487,438	241,845	245,593	-	-	-
Public safety	71,243	47,457	23,786	-	-	-
Streets	735,736	712,565	23,171	-	-	-
Water	576,800	253,517	323,283	-	-	-
Total Expenditures	<u>1,871,217</u>	<u>1,255,384</u>	<u>615,833</u>	<u>3,126,093</u>	<u>2,974,493</u>	<u>151,600</u>
Excess (deficiency) of revenues over expenditures	<u>(619,215)</u>	<u>(588,184)</u>	<u>31,031</u>	<u>(666,006)</u>	<u>547,766</u>	<u>1,213,772</u>
OTHER FINANCING SOURCES (USES)						
Transfers in	252,766	252,766	-	-	-	-
Transfers out	-	-	-	(9,865)	(9,865)	-
Total other financing sources and uses	<u>252,766</u>	<u>252,766</u>	<u>-</u>	<u>(9,865)</u>	<u>(9,865)</u>	<u>-</u>
Net change in fund balances	(366,449)	(335,418)	31,031	(675,871)	537,901	1,213,772
Fund balances - beginning	410,051	428,850	18,799	1,100,124	1,407,890	307,766
Fund balances - ending	<u>\$ 43,602</u>	<u>\$ 93,432</u>	<u>\$ 49,830</u>	<u>\$ 424,253</u>	<u>\$ 1,945,791</u>	<u>\$ 1,521,538</u>

City of Sapulpa
Schedule of Revenues, Expenditures, and Changes in Fund Balance - (Budgetary Basis)
Budget and Actual - Nonmajor Governmental Funds
For the Year ended June 30, 2024

	<u>Sapulpa Development Authority</u>			<u>ARTICLE X, SEC 35, GO BOND</u>		
		<u>Actual Amounts,</u>	<u>Variance with</u>		<u>Actual Amounts,</u>	<u>Variance with</u>
	<u>Final</u>	<u>Budgetary Basis</u>	<u>Final Budget -</u>	<u>Final</u>	<u>Budgetary Basis</u>	<u>Final Budget -</u>
			<u>Positive</u>			<u>Positive</u>
			<u>(Negative)</u>			<u>(Negative)</u>
REVENUES						
Investment income	\$ -	\$ 20,481	\$ 20,481	\$ 10,000	\$ 34,827	\$ 24,827
Total revenues	-	20,481	20,481	10,000	34,827	24,827
EXPENDITURES						
Departmental:						
Economic development	449,950	-	449,950	1,028,923	209,203	819,720
Community Development	29,376	29,333	43	-	-	-
Total Expenditures	479,326	29,333	449,993	1,028,923	209,203	819,720
Excess (deficiency) of revenues over expenditures	(479,326)	(8,852)	470,474	(1,018,923)	(174,376)	844,547
OTHER FINANCING SOURCES (USES)						
Transfers in	530,000	30,000	(500,000)	-	-	-
Total other financing sources and uses	530,000	30,000	(500,000)	-	-	-
Net change in fund balances	50,674	21,148	(29,526)	(1,018,923)	(174,376)	844,547
Fund balances - beginning	502,189	502,841	652	1,049,336	1,052,383	3,047
Fund balances - ending	\$ 552,863	\$ 523,989	\$ (28,874)	\$ 30,413	\$ 878,007	\$ 847,594

City of Sapulpa
Schedule of Revenues, Expenditures, and Changes in Fund Balance - (Budgetary Basis)
Budget and Actual - Major and Nonmajor Governmental Funds
For the Year ended June 30, 2024

	Major Capital Project Fund		
	G.O. Bond Construction fund		
	<u>Final</u>	<u>Actual Amounts, Budgetary Basis</u>	<u>Variance with Final Budget - Positive (Negative)</u>
REVENUES			
Investment income	\$ 30,000	\$ 447,847	\$ 417,847
Miscellaneous	8,080,000	8,192,430	112,430
Total revenues	<u>8,110,000</u>	<u>8,640,277</u>	<u>530,277</u>
EXPENDITURES			
Departmental:			
General government	3,547,371	2,131,507	1,415,864
Culture and recreation	11,923,958	2,390,674	9,533,284
Public safety	922,764	102,617	820,147
Streets	1,978,551	95,359	1,883,192
Wastewater	14,792	-	14,792
Total Expenditures	<u>18,387,436</u>	<u>4,720,157</u>	<u>13,667,279</u>
Excess (deficiency) of revenues over expenditures	<u>(10,277,436)</u>	<u>3,920,120</u>	<u>14,197,556</u>
Net change in fund balances	(10,277,436)	3,920,120	14,197,556
Fund balances - beginning	10,579,438	10,722,470	143,032
Fund balances - ending	<u>\$ 302,002</u>	<u>\$ 14,642,590</u>	<u>\$ 14,340,588</u>

City of Sapulpa
Combining Schedule of Net Position
SMA Utility Fund Accounts
June 30, 2024

	Enterprise Fund Accounts			
	SMA Utility	Stormwater Management Account	Sewer System Development Account	Total
ASSETS				
Current assets:				
Cash and cash equivalents	\$ 347,216	\$ (68,953)	\$ 2,733,543	\$ 3,011,806
Restricted cash and cash equivalents	1,117,780	-	-	1,117,780
Investments	-	1,409,496	-	1,409,496
Interest receivable	1,500	15,551	-	17,051
Accounts receivable, net	749,654	90,640	-	840,294
Other receivables	877,542	-	500	878,042
Total current assets	3,093,692	1,446,734	2,734,043	7,274,469
Non-current assets:				
Restricted investments	297,990	-	-	297,990
Prepaid bond insurance	257,411	-	-	257,411
Capital Assets:				
Land and other non-depreciable assets	8,184,004	-	-	8,184,004
Other capital assets, net of depreciation	57,233,065	-	-	57,233,065
Capital lease assets, net of amortization	1,683	-	-	1,683
Total non-current assets	65,974,153	-	-	65,974,153
Total assets	69,067,845	1,446,734	2,734,043	73,248,622
DEFERRED OUTFLOWS OF RESOURCES				
Related to OPEB	45,760	-	-	45,760
Deferred amount on refunding	4,006,436	-	-	4,006,436
Total deferred outflows	4,052,196	-	-	4,052,196
LIABILITIES				
Current liabilities:				
Accounts payable	400,221	8,808	22,000	431,029
Accrued payroll liabilities	59,251	8,025	-	67,276
Due to other funds	-	-	1,232,000	1,232,000
Accrued interest payable	395,984	-	-	395,984
Unearned revenue	-	-	1,474,686	1,474,686
Due to depositors	68,211	-	-	68,211
Notes payable	230,000	-	-	230,000
Capital lease obligation payable	1,729	-	-	1,729
Water contract obligations	43,494	-	-	43,494
Revenue bonds payable	2,510,000	-	-	2,510,000
Accrued compensated absences	15,694	-	-	15,694
Total current liabilities	3,724,584	16,833	2,728,686	6,470,103
Non-current liabilities:				
Due to depositors	272,846	-	-	272,846
Notes payable	4,980,790	-	-	4,980,790
Water contract obligations	479,001	-	-	479,001
Revenue bonds payable, net	54,955,001	-	-	54,955,001
Accrued compensated absences	141,248	11,022	-	152,270
Total OPEB liability	158,561	-	-	158,561
Total non-current liabilities	60,987,447	11,022	-	60,998,469
Total liabilities	64,712,031	27,855	2,728,686	67,468,572
DEFERRED INFLOWS OF RESOURCES:				
Related to OPEB	176,333	-	-	176,333
NET POSITION				
Net investment in capital assets	11,434,280	-	-	11,434,280
Restricted for debt service	645,875	-	-	645,875
Unrestricted (deficit)	(3,848,478)	1,418,879	5,357	(2,424,242)
Total net position	\$ 8,231,677	\$ 1,418,879	\$ 5,357	\$ 9,655,913

City of Sapulpa
Combining Schedule of Revenues, Expenses and Changes in Net Position
SMA Utility Fund Accounts
For the Year Ended June 30, 2024

	Enterprise Fund Accounts			
	SMA Utility	Stormwater Management Account	Sewer System Development Account	Total
REVENUES				
Water charges	\$ 4,712,813	\$ -	\$ -	\$ 4,712,813
Sewer charges	4,547,012	-	-	4,547,012
Sanitation	1,364,904	-	-	1,364,904
Water taps	26,000	-	-	26,000
Sewer taps	46,098	-	13,742	59,840
Late charges	185,344	-	-	185,344
Recycling center	400	-	-	400
Trucked water	46,680	-	-	46,680
Stormwater	-	888,142	-	888,142
Miscellaneous	127,170	-	-	127,170
Total operating revenues	<u>11,056,421</u>	<u>888,142</u>	<u>13,742</u>	<u>11,958,305</u>
OPERATING EXPENSES				
General government	338,253	-	-	338,253
Administration	229,561	-	-	229,561
Utility collections	529,217	-	-	529,217
Water treatment plant	2,149,758	-	-	2,149,758
Industrial pretreatment	70,667	-	25,000	95,667
Wastewater treatment plant	1,254,098	-	-	1,254,098
Stormwater management	-	377,956	-	377,956
Sanitation	999,421	-	-	999,421
Depreciation/amortization expense	2,300,113	-	-	2,300,113
Total Operating Expenses	<u>7,871,088</u>	<u>377,956</u>	<u>25,000</u>	<u>8,274,044</u>
Operating income (loss)	<u>3,185,333</u>	<u>510,186</u>	<u>(11,258)</u>	<u>3,684,261</u>
NON-OPERATING REVENUES (EXPENSES)				
Investment income	104,548	47,279	61,160	212,987
Miscellaneous	161,728	18,179	-	179,907
Interest expense and fiscal charges	(2,724,136)	-	-	(2,724,136)
Total non-operating revenue (expenses)	<u>(2,457,860)</u>	<u>65,458</u>	<u>61,160</u>	<u>(2,331,242)</u>
Income before contributions and transfers	727,473	575,644	49,902	1,353,019
Capital contributions	1,643,800	-	-	1,643,800
Interaccount transfers - net	142,653	(142,653)	-	-
Transfers in	6,183,071	-	500,000	6,683,071
Transfers out	(7,921,910)	(275,666)	-	(8,197,576)
Change in net position	<u>775,087</u>	<u>157,325</u>	<u>549,902</u>	<u>1,482,314</u>
Total net position - beginning	<u>7,456,590</u>	<u>1,261,554</u>	<u>(544,545)</u>	<u>8,173,599</u>
Total net position - ending	<u>\$ 8,231,677</u>	<u>\$ 1,418,879</u>	<u>\$ 5,357</u>	<u>\$ 9,655,913</u>

Statistical Section

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

Financial Trends

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

Revenue Capacity

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

Debt Capacity

These schedules help the reader evaluate the affordability of the City's current level of outstanding debt and the City's ability to issue additional debt in the future.

Demographic and Economic Information

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

Operating Information

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

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

CITY OF SAPULPA, OKLAHOMA
NET POSITION BY COMPONENT
Last Ten Fiscal Years
June 30, 2024
TABLE 1

	FISCAL YEAR									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Governmental activities										
Net investment in capital assets	\$ 34,911,581	\$ 37,695,132	\$ 39,647,053	\$ 42,314,122	\$ 41,159,105	\$ 41,197,880	\$ 41,471,321	\$ 42,543,872	\$ 45,238,292	\$ 45,924,381
Restricted	2,177,147	2,246,070	3,460,194	4,468,667	5,187,945	6,270,449	7,637,793	9,776,065	9,939,428	10,721,031
Unrestricted*	(11,149,035)	(10,551,864)	(9,865,680)	(10,122,305)	(8,008,802)	(6,670,805)	(4,966,222)	(3,804,950)	(5,218,605)	(2,708,061)
Total governmental activities net assets	\$ 25,939,693	\$ 29,389,338	\$ 33,241,567	\$ 36,660,484	\$ 38,338,248	\$ 40,797,524	\$ 44,142,892	\$ 48,514,987	\$ 49,959,115	\$ 53,937,351
Business-type activities										
Net investment in capital assets	\$ (4,661,216)	\$ (4,739,349)	\$ (1,481,179)	\$ (204,354)	\$ 2,852,099	\$ 3,706,724	\$ 7,459,904	\$ 9,075,161	\$ 12,107,022	\$ 13,162,424
Restricted	1,250,754	694,330	697,854	721,995	915,268	993,315	1,857,483	1,838,508	2,718,505	3,331,170
Unrestricted*	1,074,381	3,096,006	2,345,547	2,368,358	2,495,276	1,758,281	(2,582,631)	(1,906,900)	(2,070,556)	(1,409,036)
Total business-type activities net assets	\$ (2,336,081)	\$ (949,013)	\$ 1,562,222	\$ 2,885,999	\$ 6,262,643	\$ 6,458,320	\$ 6,734,756	\$ 9,006,769	\$ 12,754,971	\$ 15,084,558
Primary government										
Net investment in capital assets	\$ 30,250,365	\$ 32,955,783	\$ 38,165,874	\$ 42,109,768	\$ 44,011,204	\$ 44,904,604	\$ 48,931,225	\$ 51,619,033	\$ 57,345,314	\$ 59,086,805
Restricted	3,427,901	2,940,400	4,158,048	5,190,662	6,103,213	7,263,764	9,495,276	11,614,573	12,657,933	14,052,201
Unrestricted*	(10,074,654)	(7,455,858)	(7,520,133)	(7,753,947)	(5,513,526)	(4,912,524)	(7,548,853)	(5,711,850)	(7,289,161)	(4,117,097)
Total primary government net assets	\$ 23,603,612	\$ 28,440,325	\$ 34,803,789	\$ 39,546,483	\$ 44,600,891	\$ 47,255,844	\$ 50,877,648	\$ 57,521,756	\$ 62,714,086	\$ 69,021,909

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

CITY OF SAPULPA, OKLAHOMA
CHANGES IN NET ASSETS/POSITION
Last Ten Fiscal Years
June 30, 2024
TABLE 2

	FISCAL YEAR									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Expenses										
Governmental activities:										
Administration	\$ 1,147,479	\$ 1,222,715	\$ 1,351,137	\$ 1,306,270	\$ 1,392,780	\$ 1,772,609	\$ 1,425,897	\$ 1,594,141	\$ 1,986,162	\$ 1,876,890
General government	1,498,532	1,310,220	1,206,167	1,364,855	1,461,436	1,963,610	1,822,882	3,137,944	3,990,386	2,794,397
Legal and judicial	360,529	351,084	345,408	310,484	385,385	369,390	351,067	358,571	384,032	440,042
Public safety	10,313,168	10,138,938	10,465,597	11,096,287	10,226,923	12,029,227	14,488,219	10,787,913	14,354,444	15,399,399
Urban development	487,448	412,479	307,727	240,837	768,945	496,708	1,053,445	514,917	342,047	570,187
Streets	2,555,471	1,754,903	1,306,127	1,769,022	1,760,452	2,077,081	2,170,664	2,386,986	2,855,614	2,686,663
Culture and recreation	1,541,965	1,463,855	1,437,105	1,524,113	1,521,404	1,476,389	1,425,240	1,659,915	1,870,302	2,073,029
Interest on long-term debt	645,615	670,007	725,486	600,320	649,405	543,310	837,911	843,743	974,376	1,285,156
Total governmental activities expenses	18,550,207	17,324,201	17,144,754	18,212,188	18,166,730	20,728,324	23,575,325	21,284,130	26,757,363	27,125,763
Business-type activities:										
Water operations	4,065,753	4,061,194	3,967,948	4,206,034	4,284,903	4,397,586	4,986,506	4,794,864	5,096,122	4,814,352
Wastewater operations	5,457,768	5,056,817	5,061,205	4,931,561	4,837,348	4,980,514	5,363,491	5,319,592	5,265,285	5,498,315
Sanitation operations	1,402,766	1,398,335	1,485,048	1,546,076	1,584,119	816,601	1,069,443	944,581	1,023,571	1,384,153
Stormwater maintenance	471,518	407,900	479,443	458,541	559,553	722,966	736,415	801,229	763,193	479,068
Golf course operations	845,914	795,604	816,663	808,562	746,335	760,332	771,134	801,632	919,735	1,060,228
Interest charges - governmental activities	-	-	-	-	-	-	-	-	-	-
Total business-type activities expenses	12,243,719	11,719,850	11,810,307	11,950,774	12,012,258	11,677,999	12,926,989	12,661,898	13,067,906	13,236,116
Total primary government expenses	\$ 30,793,926	\$ 29,044,051	\$ 28,955,061	\$ 30,162,962	\$ 30,178,988	\$ 32,406,323	\$ 36,502,314	\$ 33,946,028	\$ 39,825,269	\$ 40,361,879
Program Revenues										
Governmental activities:										
Charges for services:										
General government	\$ 383,677	\$ 416,739	\$ 370,386	\$ 413,385	\$ 438,957	\$ 431,281	\$ 543,842	\$ 582,358	\$ 672,603	\$ 732,951
Public safety	1,566,859	1,313,925	1,277,984	1,212,768	868,830	715,823	846,317	835,678	855,211	1,016,159
Streets	2,985	3,950	4,295	4,210	2,537	680	490	966	490	560
Culture and recreation	249,950	236,603	219,787	224,696	215,526	114,291	111,529	151,692	210,901	180,206
Operating grants and contributions	1,367,842	1,507,551	1,482,451	1,394,624	1,680,814	1,819,058	2,043,523	1,211,238	1,623,031	2,038,874
Capital grants and contributions	5,940,352	2,504,535	2,628,693	888,960	110,323	156,219	1,763,880	715,200	116,796	887,985
Total governmental activities program revenues	9,511,665	5,983,303	5,983,596	4,138,643	3,316,987	3,237,352	5,309,581	3,497,132	3,479,032	4,856,735

(Continued)

TABLE 2
(Continued)

	FISCAL YEAR									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Business-type activities:										
Charges for services:										
Water operations	4,269,833	4,857,419	4,944,803	5,085,638	4,897,220	4,971,089	4,940,725	5,305,207	5,167,352	5,051,327
Wastewater operations	3,557,465	3,701,235	3,628,741	3,772,659	3,979,941	4,174,685	4,290,569	4,343,059	4,449,003	4,606,852
Sanitation operations	1,605,453	1,658,509	1,737,669	1,848,351	1,917,216	1,217,922	1,256,785	1,343,259	1,406,268	1,411,984
Stormwater operations	861,917	860,229	860,819	866,218	864,438	870,016	869,924	868,512	854,070	888,142
Golf course operations	356,469	377,844	352,376	362,914	341,908	301,596	439,027	446,808	442,399	558,924
Operating grants and contributions	-	-	-	-	-	-	-	980	-	-
Capital grants and contributions	65,587	-	709,501	904,740	-	-	1,200	-	182,579	-
Total business-type activities program revenues	10,716,724	11,455,236	12,233,909	12,840,520	12,000,723	11,535,308	11,798,230	12,307,825	12,501,671	12,517,229
Total primary government program revenues	\$ 20,228,389	\$ 17,438,539	\$ 18,217,505	\$ 16,979,163	\$ 15,317,710	\$ 14,772,660	\$ 17,107,811	\$ 15,804,957	\$ 15,980,703	\$ 17,373,964
Net (Expense)/Revenue										
Governmental activities:	\$ (9,038,542)	\$ (11,340,898)	\$ (11,161,158)	\$ (14,073,545)	\$ (14,849,743)	\$ (17,490,972)	\$ (18,265,744)	\$ (17,786,998)	\$ (23,278,331)	\$ (22,269,028)
Business-type activities:	(1,526,995)	(264,614)	423,602	889,746	(11,535)	(142,691)	(1,128,759)	(354,073)	(566,235)	(718,887)
Total primary government net expense	\$ (10,565,537)	\$ (11,605,512)	\$ (10,737,556)	\$ (13,183,799)	\$ (14,861,278)	\$ (17,633,663)	\$ (19,394,503)	\$ (18,141,071)	\$ (23,844,566)	\$ (22,987,915)
General Revenues and Other Changes in Net Assets/Position										
Governmental activities:										
Taxes:										
Sales and use taxes	\$ 12,700,633	\$ 12,574,124	\$ 12,738,375	\$ 13,551,549	\$ 14,656,635	\$ 15,417,647	\$ 17,264,571	\$ 18,911,529	\$ 19,759,929	\$ 20,316,472
Ad valorem property taxes	1,880,483	1,299,375	2,001,667	1,870,647	2,120,808	2,057,748	1,813,505	2,778,914	2,902,731	3,313,716
Franchise and public service taxes	559,510	654,804	537,161	760,254	730,599	600,551	850,082	915,321	864,026	952,698
Payment in lieu of taxes	550,090	515,291	657,214	251,431	420,288	272,625	785,973	263,445	242,357	453,613
Hotel/motel taxes	233,668	233,289	226,145	238,006	264,140	220,138	242,481	347,501	259,770	329,233
Tax apportionment revenue	-	-	61,120	125,004	204,860	198,531	828,693	101,833	1,853,812	1,047,304
E-911 taxes	194,726	178,383	239,336	302,246	299,922	313,845	351,206	323,577	331,701	393,931
Intergovernmental revenue not restricted to specific programs	260,352	259,548	270,648	272,745	278,062	327,898	355,777	585,632	586,273	324,971
Investment income	19,857	41,612	62,587	98,796	144,570	119,840	82,603	112,166	205,722	1,036,554
Miscellaneous	150,704	339,546	139,931	137,061	581,060	537,273	274,365	247,767	-	629,969
Transfers-Internal activity	(346,991)	(1,305,429)	(1,920,797)	(590,258)	(3,173,437)	(115,848)	(1,238,144)	(2,428,592)	(2,283,862)	(2,551,197)
Total governmental activities	14,278,633	14,790,543	15,013,387	17,017,481	16,527,507	19,950,248	21,611,112	22,159,093	24,722,459	26,247,264
Business-type activities:										
Intergovernmental revenue not restricted to specific programs	-	-	-	-	-	-	-	-	1,774,191	-
Investment earnings	15,902	8,173	10,328	20,108	62,710	62,212	23,553	14,572	102,250	302,915
Miscellaneous	140,405	338,080	156,508	160,082	152,032	160,308	143,498	182,922	154,134	194,362
Transfers - Internal activity	346,991	1,305,429	1,920,797	590,258	3,173,437	115,848	1,238,144	2,428,592	2,283,862	2,551,197
Total business-type activities	503,298	1,651,682	2,087,633	770,448	3,388,179	338,368	1,405,195	2,626,086	4,314,437	3,048,474
Total primary government	\$ 14,781,931	\$ 16,442,225	\$ 17,101,020	\$ 17,787,929	\$ 19,915,686	\$ 20,288,616	\$ 23,016,307	\$ 24,785,179	\$ 29,036,896	\$ 29,295,738
Change in Net Assets/Position										
Governmental activities	\$ 7,164,490	\$ 3,449,645	\$ 3,852,229	\$ 2,943,936	\$ 1,677,764	\$ 2,459,276	\$ 3,345,368	\$ 4,372,095	\$ 1,444,128	\$ 3,978,236
Business-type activities	(1,023,697)	1,387,068	2,511,235	1,660,194	3,376,644	195,677	276,436	2,272,013	3,748,202	2,329,587
Total primary government	\$ 6,140,793	\$ 4,836,713	\$ 6,363,464	\$ 4,604,130	\$ 5,054,408	\$ 2,654,953	\$ 3,621,804	\$ 6,644,108	\$ 5,192,330	\$ 6,307,823

CITY OF SAPULPA, OKLAHOMA
FUND BALANCES - GOVERNMENTAL FUNDS
 Last Ten Fiscal Years
 June 30, 2024
TABLE 3

	Fiscal Year									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
General Fund										
Reserved	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved	-	-	-	-	-	-	-	-	-	-
Nonspendable	8,790	8,772	8,757	8,753	8,753	8,753	8,753	8,753	-	-
Committed	8,912	12,467	-	-	-	-	-	-	-	-
Assigned	1,527,532	1,275,512	1,061,401	951,579	1,335,272	1,822,526	2,333,409	3,668,635	3,106,823	1,235,569
Unassigned	<u>680,328</u>	<u>385,543</u>	<u>661,453</u>	<u>714,052</u>	<u>814,506</u>	<u>995,523</u>	<u>3,201,634</u>	<u>2,223,700</u>	<u>2,024,737</u>	<u>4,064,237</u>
Total general fund	<u>\$ 2,225,562</u>	<u>\$ 1,682,294</u>	<u>\$ 1,731,611</u>	<u>\$ 1,674,384</u>	<u>\$ 2,158,531</u>	<u>\$ 2,826,802</u>	<u>\$ 5,543,796</u>	<u>\$ 5,901,088</u>	<u>\$ 5,131,560</u>	<u>\$ 5,299,806</u>
All Other Governmental Funds										
Reserved	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved, reported in:										
Special revenue funds	-	-	-	-	-	-	-	-	-	-
Debt service funds	-	-	-	-	-	-	-	-	-	-
Capital project funds	-	-	-	-	-	-	-	-	-	-
Nonspendable	75,111	78,884	91,939	82,509	124,605	118,272	117,105	117,012	109,721	118,880
Restricted	11,623,625	11,982,145	11,777,932	11,337,476	9,946,966	23,436,988	26,952,280	23,774,353	23,685,100	28,176,053
Assigned	897,512	1,141,779	1,283,031	1,532,310	1,534,606	2,147,696	2,557,303	2,944,926	2,893,062	3,730,125
Unassigned	<u>(260,993)</u>	<u>(43,051)</u>	<u>(492)</u>	<u>(143,493)</u>	<u>25,705</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(973)</u>
Total all other governmental funds	<u>\$ 12,335,255</u>	<u>\$ 13,159,757</u>	<u>\$ 13,152,410</u>	<u>\$ 12,808,802</u>	<u>\$ 11,631,882</u>	<u>\$ 25,702,956</u>	<u>\$ 29,626,688</u>	<u>\$ 26,836,291</u>	<u>\$ 26,687,883</u>	<u>\$ 32,024,085</u>
 GRAND TOTAL	 <u>\$ 14,560,817</u>	 <u>\$ 14,842,051</u>	 <u>\$ 14,884,021</u>	 <u>\$ 14,483,186</u>	 <u>\$ 13,790,413</u>	 <u>\$ 28,529,758</u>	 <u>\$ 35,170,484</u>	 <u>\$ 32,737,379</u>	 <u>\$ 31,819,443</u>	 <u>\$ 37,323,891</u>

CITY OF SAPULPA, OKLAHOMA
CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
Last Ten Fiscal Years
June 30, 2024
TABLE 4

	Fiscal Year									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Revenues										
Sales and use taxes	\$ 12,700,633	\$ 12,574,124	\$ 12,738,375	\$ 13,551,549	\$ 14,656,635	\$ 15,417,647	\$ 17,264,571	\$ 18,911,529	\$ 19,759,929	\$ 20,316,472
Franchise and public service taxes	559,510	654,804	537,161	760,254	730,599	600,551	850,082	915,321	864,026	952,698
Ad valorem taxes	1,880,483	1,669,375	2,062,787	1,995,651	2,325,668	2,256,279	3,259,138	2,880,747	4,756,543	4,361,019
Payment in lieu of tax	465,666	327,694	509,743	326,330	290,124	283,266	286,955	261,465	264,556	243,339
Hotel/motel taxes	233,668	233,289	226,145	238,006	264,140	220,138	242,481	347,501	259,770	329,233
Intergovernmental	2,779,875	4,535,982	2,223,951	1,931,682	2,110,914	2,359,390	3,665,985	2,263,681	2,304,539	3,319,184
Charges for services	1,082,318	1,062,759	1,118,387	1,177,610	1,203,387	1,154,165	1,251,956	1,341,611	1,295,557	1,428,642
Fines and forfeitures	825,191	702,745	699,366	548,370	525,568	368,383	289,908	259,359	292,321	340,634
Licenses and permits	201,452	224,647	178,401	200,685	222,183	165,339	292,325	241,381	408,979	422,637
Investment income	20,611	36,837	61,256	95,513	156,233	126,637	83,103	114,799	214,318	1,051,315
Miscellaneous	307,719	551,099	295,327	238,084	1,173,917	651,891	520,378	508,423	508,000	868,085
Total Revenues	<u>21,057,126</u>	<u>22,573,355</u>	<u>20,650,899</u>	<u>21,063,734</u>	<u>23,659,368</u>	<u>23,603,686</u>	<u>28,006,882</u>	<u>28,045,817</u>	<u>30,928,538</u>	<u>33,633,258</u>
Expenditures:										
Administration	1,146,026	1,200,718	1,271,459	1,284,305	1,287,628	1,408,399	1,356,587	1,903,822	2,242,756	2,264,749
General government	1,416,531	1,391,966	1,188,280	1,224,546	1,317,933	2,154,763	2,324,100	1,702,261	1,700,112	2,142,969
Legal and judicial	330,599	313,227	308,989	308,234	358,609	351,489	344,722	348,458	355,699	412,644
Public safety	10,212,606	10,392,436	10,176,360	10,563,840	11,176,840	11,457,452	11,116,095	12,281,115	13,156,314	14,238,015
Urban development	658,295	430,378	337,512	231,899	378,953	304,451	274,378	342,592	362,214	664,451
Streets	1,759,652	921,631	675,147	801,925	817,806	981,786	949,764	1,018,050	1,174,071	1,276,812
Culture and recreation	1,167,813	1,254,560	1,201,433	1,238,370	1,182,568	1,109,800	1,160,048	1,328,662	1,893,089	1,718,813
Water	840,011	824,241	887,295	830,353	832,954	818,980	839,638	1,386,767	1,408,361	1,090,444
Wastewater	-	-	-	26,000	134,704	107,133	70,016	269,736	32,518	149,006
Capital outlay	3,710,229	6,319,488	3,312,081	4,101,086	5,984,619	4,803,732	7,313,132	7,102,916	13,229,536	10,056,684
Debt service:										
Principal	2,660,090	2,973,312	1,783,508	1,872,172	1,929,981	2,055,964	2,219,445	2,616,999	2,809,369	2,560,461
Interest and fiscal charges	644,865	666,696	765,209	633,839	895,419	726,702	887,539	946,513	887,284	1,152,235
Total Expenditures	<u>24,546,717</u>	<u>26,688,653</u>	<u>21,907,273</u>	<u>23,116,569</u>	<u>26,298,014</u>	<u>26,280,651</u>	<u>28,855,464</u>	<u>31,247,891</u>	<u>39,251,323</u>	<u>37,727,283</u>
Excess of revenues over(under) expenditures	(3,489,591)	(4,115,298)	(1,256,374)	(2,052,835)	(2,638,646)	(2,676,965)	(848,582)	(3,202,074)	(8,322,785)	(4,094,025)
Other financing sources(uses) and special item:										
Transfers in	7,348,812	5,981,157	6,145,938	6,124,230	7,022,232	7,865,200	7,501,018	7,219,938	9,750,861	8,786,067
Transfers out	(5,786,493)	(5,756,942)	(5,130,338)	(5,272,230)	(5,664,542)	(5,780,708)	(6,007,475)	(6,596,058)	(8,727,907)	(7,666,562)
Payment to escrow	-	-	-	-	-	(4,072,826)	-	-	-	-
Debt proceeds	11,160,000	4,172,317	133,712	-	588,183	19,404,644	5,836,223	108,413	6,300,000	8,211,451
Bond premium	34,816	-	-	-	-	-	159,542	-	81,895	267,517
Judgements	-	-	129,000	800,000	-	-	-	-	-	-
Special item - proceeds from sale of capital assets	-	-	20,032	-	-	-	-	36,676	-	-
Total other financing sources(uses) and special item	<u>12,757,135</u>	<u>4,396,532</u>	<u>1,298,344</u>	<u>1,652,000</u>	<u>1,945,873</u>	<u>17,416,310</u>	<u>7,489,308</u>	<u>768,969</u>	<u>7,404,849</u>	<u>9,598,473</u>
Net change in fund balances	<u>\$ 9,267,544</u>	<u>\$ 281,234</u>	<u>\$ 41,970</u>	<u>\$ (400,835)</u>	<u>\$ (692,773)</u>	<u>\$ 14,739,345</u>	<u>\$ 6,640,726</u>	<u>\$ (2,433,105)</u>	<u>\$ (917,936)</u>	<u>\$ 5,504,448</u>
Debt service as a percentage of noncapital expenditures	15.9%	17.9%	13.7%	15.5%	14.3%	13.8%	12.9%	14.0%	12.7%	12.4%

CITY OF SAPULPA, OKLAHOMA
GOVERNMENTAL ACTIVITIES TAX REVENUES BY SOURCE
Last Ten Fiscal Years
June 30, 2024
TABLE 5

Fiscal Year	Ad Valorem Tax	Sales Tax	Use Tax	Franchise Tax	Payment in lieu of Tax	Hotel/ Motel Tax	E-911 Tax	Totals
2014	1,279,523	11,692,608	590,689	543,345	471,073	196,538	218,150	14,991,926
2015	1,880,483	12,087,467	613,166	559,510	465,666	233,668	194,726	16,034,686
2016	1,669,375	12,080,526	493,598	654,804	327,694	233,289	178,383	15,637,669
2017	2,062,787	12,178,833	559,542	537,161	509,743	226,145	239,336	16,313,547
2018	1,995,651	12,877,535	674,014	760,254	326,330	238,006	302,246	17,174,036
2019	2,325,668	13,490,546	1,166,089	730,599	290,124	264,140	299,922	18,567,088
2020	2,256,279	14,146,410	1,271,237	600,551	283,266	220,138	313,845	19,091,726
2021	3,259,138	15,515,781	1,748,790	850,082	286,955	242,481	351,206	22,254,433
2022	2,880,747	16,958,859	1,952,670	915,321	261,465	347,501	323,577	23,640,140
2023	4,756,543	17,889,928	1,870,001	864,026	264,556	259,770	331,701	26,236,525
2024	4,361,019	18,027,295	2,289,177	952,698	243,339	329,233	393,931	26,596,692

CITY OF SAPULPA, OKLAHOMA
ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
Last Ten Fiscal Years
June 30, 2024
TABLE 6

Fiscal Year	Real Property	Personal Property	Public Service Property	Total Assessed Value	Homestead Exemption	Net Assessed Value	Estimated Actual Value
2015	108,275,772	19,619,921	6,417,131	134,312,824	5,291,198	129,021,626	1,075,180,217
2016	121,505,565	19,116,798	6,436,969	147,059,332	5,363,384	141,695,948	1,180,799,567
2017	125,527,260	20,068,645	6,210,808	151,806,713	5,395,672	146,411,041	1,220,092,008
2018	121,831,628	21,044,890	6,452,728	149,329,246	5,534,604	143,794,642	1,198,288,683
2019	127,563,572	23,354,204	6,494,676	157,412,452	5,579,948	151,832,504	1,265,270,867
2020	125,893,482	25,560,129	6,499,910	157,953,521	5,805,513	152,148,008	1,267,900,067
2021	132,335,721	24,589,521	6,853,104	163,778,346	5,925,873	157,852,473	1,315,437,275
2022	136,133,789	24,245,057	7,351,038	167,729,884	3,979,250	163,750,634	1,364,588,617
2023	146,808,525	37,842,477	7,622,705	192,273,707	6,114,881	186,158,826	1,551,323,550
2024	159,763,423	37,240,508	7,921,933	204,925,864	6,441,548	198,484,316	1,654,035,967

Note: County Excise Board

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

CITY OF SAPULPA, OKLAHOMA
PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS
(PER \$1,000 OF ASSESSED VALUE)
Last Ten Fiscal Years
June 30, 2024
TABLE 7

Fiscal Year	City Direct Rate	(1) Overlapping Rates			Total Levy
	Sinking Fund	Sapulpa School District	County	Vo Tech School District	
2015	15.23	67.36	21.30	13.26	117.15
2016	13.11	66.28	21.00	13.26	113.65
2017	14.89	66.29	20.01	13.26	114.45
2018	13.45	73.66	20.01	13.26	120.38
2019	14.35	73.40	20.01	13.26	121.02
2020	13.61	71.66	20.01	13.26	118.54
2021	15.04	69.66	20.01	13.26	117.97
2022	16.87	66.28	20.01	13.26	116.42
2023	15.32	67.04	20.01	13.26	115.63
2024	17.66	71.20	20.01	13.26	122.13

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

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

CITY OF SAPULPA, OKLAHOMA
 PRINCIPAL PROPERTY TAXPAYERS
 CURRENT YEAR
 June 30, 2024
 TABLE 8

Taxpayer	Type of Business	Rank	2024	
			Taxable Assessed Value	Percentage of Net Total Assessed Value
Ardagh Glass Inc XM2 (2021)	Glass	1	6,809,900	4.159%
Oklahoma Gas and Electric Co	Gas/Electric	2	5,236,049	3.198%
Ardagh Glass Inc	Glass	3	3,792,281	2.316%
Enable Oklahoma	Information Technology	4	1,919,280	1.172%
Timbers Apartments	Apartments/Leasing	5	1,752,468	1.070%
CoxCom LLC	Communications	6	1,706,671	1.042%
Rolled Alloys LP	Equipment	7	1,652,267	1.009%
FABSCO Shell & Tube LLC		8	1,556,059	0.950%
Berry Global Films LLC		9	1,516,840	0.926%
Oklahoma Natural Gas ONEOK		10	1,508,302	0.921%
Totals			<u>\$ 27,450,117</u>	<u>16.76%</u>

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

CITY OF SAPULPA, OKLAHOMA
PROPERTY TAX LEVIES AND COLLECTIONS
Last Ten Fiscal Years
June 30, 2024
TABLE 9

Fiscal Year	Total Tax Levy	Current Tax Collections	Percentage of Levy Collected	Delinquent Tax Collections	Total Tax Collections	Percentage of Total Collected to Total Levy	Net Assessed Value	Mill Levy
2015	1,965,293	1,808,677	92%	71,806	1,880,483	95.7%	129,021,626	15.23
2016	1,856,971	1,597,337	86%	73,208	1,670,545	90.0%	141,695,948	13.11
2017	2,180,147	1,921,206	88%	141,735	2,062,941	94.6%	146,411,041	13.45
2018	1,933,983	1,909,674	99%	73,495	1,983,169	102.5%	143,794,642	13.45
2019	2,178,249	1,992,664	91%	91,511	2,084,175	95.7%	151,832,504	14.35
2020	2,070,473	1,956,525	94%	67,431	2,023,956	97.8%	152,148,008	13.61
2021	2,374,493	2,293,390	97%	104,216	2,397,606	101.0%	157,852,473	15.04
2022	2,762,599	2,673,234	97%	71,904	2,745,138	99.4%	163,750,634	16.87
2023	2,851,351	2,520,372	88%	78,663	2,599,035	91.2%	186,158,826	15.32
2024	3,507,302	3,138,817	89%	83,713	3,222,530	91.9%	198,484,316	17.66

Estimate of Needs, County Report

CITY OF SAPULPA, OKLAHOMA
SALES TAX RATES OF DIRECT AND OVERLAPPING GOVERNMENTS
 Last Ten Fiscal Years
 June 30, 2024
TABLE 10

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
City	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%
Creek County	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.167%	1.17%
State of Oklahoma	4.50%	4.50%	4.50%	4.50%	4.50%	4.50%	4.50%	4.50%	4.50%	4.50%
Total	9.50%	9.50%	9.50%	9.50%	9.50%	9.50%	9.50%	9.50%	9.67%	9.67%
	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2023</u>
City	4.000%	4.000%	4.500%	4.500%	4.500%	4.500%	4.500%	4.500%	4.500%	4.500%
Tulsa County	0.917%	0.917%	0.367%	0.367%	0.367%	0.367%	0.367%	0.367%	0.367%	0.367%
State of Oklahoma	4.500%	4.500%	4.500%	4.500%	4.500%	4.500%	4.500%	4.500%	4.500%	4.500%
Total	9.417%	9.417%	9.367%	9.367%	9.367%	9.367%	9.367%	9.367%	9.367%	9.367%

Oklahoma Tax Commission

CITY OF SAPULPA, OKLAHOMA
TAXABLE SALES BY CATEGORY
Last Ten Fiscal Years
June 30, 2024
TABLE 11

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Agriculture, forestry, and fishing	\$ 2	\$ 12	\$ 63	\$ 22	\$ 224	\$ 10,019	60,794	53,677	42,683	359
Mining	99,305	58,055	56,750	51,380	2,240	5,157	15,034	132,657	40,525	7,955
Construction	22,196	5,583	16,947	(2,013)	17,866	10,446	10,316	12,702	31,924	53,387
Manufacturing	191,415	182,869	245,049	186,922	204,878	176,811	232,141	429,018	401,050	366,636
Transportation	200,910	235,295	252,317	261,441	261,884	238,601	289,041	341,686	464,685	470,736
Communications and utilities:										
Communications	281,842	286,571	357,230	342,486	253,926	246,370	244,786	244,329	224,861	212,062
Electric, gas, and sanitary services	914,509	855,692	873,048	875,324	903,233	882,548	916,716	1,093,771	1,289,716	1,168,463
Wholesale trade	1,180,595	1,161,478	1,187,704	1,423,865	1,651,388	1,598,397	1,667,578	1,951,584	2,229,974	2,458,633
Retail trade:										
Building materials, hardware, garden supply and mobile home dealer	510,290	510,416	650,171	722,616	827,498	874,856	1,042,758	1,143,120	1,218,705	1,218,315
General merchandise stores	2,986,164	2,936,387	2,976,458	3,041,583	3,179,313	3,395,968	3,676,227	3,775,128	4,042,354	4,177,323
Food stores	1,291,229	1,317,747	1,043,474	965,874	824,575	808,023	900,718	1,239,533	1,523,652	1,537,367
Automotive dealers and gasoline service stations	747,507	752,321	745,614	757,065	769,683	826,602	901,412	985,092	1,133,619	1,035,861
Apparel and accessory stores	139,801	148,863	147,220	148,593	139,065	136,815	151,689	195,247	141,706	130,563
Furniture, home furnishings and equipment stores	193,479	157,939	139,403	163,277	179,050	133,987	204,386	198,934	212,645	184,478
Eating and drinking places	1,680,998	1,685,045	1,737,414	1,834,286	1,858,664	1,925,502	2,024,419	2,129,943	2,199,877	2,240,162
Miscellaneous retail	910,867	1,044,786	1,139,562	1,284,497	1,596,919	1,889,011	2,248,469	1,932,753	1,676,489	1,794,702
Finance, insurance, and real estate	168,302	177,994	200,296	190,877	202,629	203,915	188,679	220,833	223,246	308,168
Services:										
Hotels and motels	200,200	229,848	175,919	228,797	260,960	213,599	252,323	301,669	273,421	252,724
Personal services	79,379	99,646	53,082	51,006	31,944	17,128	32,721	42,752	35,816	37,112
Business services	37,775	39,154	74,717	86,412	103,216	118,298	156,895	208,918	220,216	134,055
Automotive repair services and garages	53,676	53,766	70,751	76,371	83,484	86,853	148,684	118,851	116,829	234,972
Miscellaneous repair services	7,629	14,131	12,441	18,117	20,104	18,529	15,824	18,390	25,181	33,026
Motion pictures	35,062	32,460	27,098	37,869	49,451	35,023	10,588	39,766	41,588	34,399
Other services	60,567	27,289	21,575	11,175	27,168	32,049	20,755	26,766	31,510	57,889
Nonclassifiable establishments	219,190	109,585	89,604	37,218	46,500	159,978	33,830	50,365	36,956	38,914
	<u>\$ 12,212,889</u>	<u>\$ 12,122,933</u>	<u>\$ 12,293,906</u>	<u>\$ 12,795,060</u>	<u>\$ 13,495,861</u>	<u>\$ 14,044,485</u>	<u>\$ 15,446,783</u>	<u>\$ 16,887,484</u>	<u>17,879,227</u>	<u>18,188,259</u>

CITY OF SAPULPA, OKLAHOMA
RATIO FOR OUTSTANDING DEBT BY TYPE
Last Ten Fiscal Years
June 30, 2024
TABLE 12

Fiscal Year	Governmental Activities			Business-Type Activities			Total Primary Government	Per Capita
	General Obligation Bonds	Notes Payable	Revenue Bonds	Revenue Bonds Payable	Notes Payable	Water Contract Obligations		
2014	14,450,000	225,130	7,605,000	67,940,000	118,880	1,754,960	92,093,970	4,483
2015	16,365,000	474,466	6,700,000	65,870,000	76,321	1,433,192	90,918,979	4,418
2016	15,300,000	445,824	6,255,000	64,345,000	32,965	1,098,515	87,477,304	4,180
2017	14,025,000	351,154	5,795,000	62,780,000	172,313	750,412	83,873,879	4,024
2018	12,745,000	809,488	5,325,000	61,170,000	720,263	716,061	81,485,812	3,917
2019	25,955,000	629,945	4,850,000	59,530,000	1,150,599	680,334	92,795,878	4,386
2020	31,442,395	538,391	4,377,769	64,845,000	4,823,117	643,172	106,669,844	4,924
2021	29,459,576	426,001	3,870,000	62,405,000	5,814,636	604,517	102,579,730	4,620
2023	33,598,152	281,631	3,365,000	59,945,000	5,512,713	564,313	103,266,809	4,549
2024	39,925,913	171,170	2,850,000	57,465,000	5,210,790	522,496	106,145,369	4,551

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

CITY OF SAPULPA, OKLAHOMA
RATIO OF NET GENERAL BONDED DEBT TO ASSESSED
VALUE AND NET BONDED DEBT PER CAPITA
Last Ten Fiscal Years
June 30, 2024
TABLE 13

Fiscal Year	Population (1)	Net Assessed Value	Gross Bonded Debt	Less Debt Service Funds	Net Bonded Debt	Ratio of Net Bonded Debt to Assessed Value	Net Bonded Debt Per Capita
2015	20,544	129,021,626	14,450,000	368,329	14,081,671	10.91%	685
2016	20,579	141,695,948	16,365,000	525,880	15,839,120	11.18%	770
2017	20,928	146,411,041	15,300,000	792,264	14,507,736	9.91%	693
2018	20,843	143,794,642	14,025,000	896,692	13,128,308	9.13%	630
2019	20,802	151,832,504	12,745,000	970,059	11,774,941	7.76%	566
2020	21,156	152,148,008	25,955,000	1,117,211	24,837,789	16.32%	1,174
2021	21,664	157,852,473	30,415,000	1,362,895	29,052,105	18.40%	1,341
2022	22,205	163,750,634	28,500,000	1,416,785	27,083,215	16.54%	1,220
2023	22,700	186,158,826	32,640,000	1,407,890	31,232,110	16.53%	1,376
2024	23,321	198,484,316	39,925,913	1,945,791	37,980,122	19.14%	1,629

(1) Oklahoma Department of Commerce Projection

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

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

Jurisdiction	Net (1) Debt Outstanding	Percentage (2) Applicable to City of Sapulpa	Amount Applicable to City of Sapulpa
Direct - City of Sapulpa	\$39,925,913	100.00%	\$39,925,913
Overlapping: Sapulpa School District	\$13,475,352	66.09%	\$8,906,491
Overlapping: Tulsa School District	\$206,445,000	0.24%	\$491,130
Overlapping: Lone Star School District	\$316,899	51.65%	\$163,688
Overlapping: Allen Bowden School District	\$307,210	8.44%	\$25,931
Overlapping: Kiefer School District	\$3,448,408	1.43%	\$49,304
Overlapping: Kellyville School District	\$3,874,736	1.57%	\$60,699
Overlapping: Pretty Water School District	\$1,081,398	0.57%	\$6,158
Total	<u>\$268,874,916</u>		<u>\$49,629,315</u>

Outstanding bond debt-06-30-24

- (1) General bonded debt outstanding less debt service reserves (except for direct debt which excludes the reserves).
- (2) Determined by ratio of assessed valuation of property subject to taxation in overlapping unit to valuation of property subject to taxation in the City of Sapulpa.

CITY OF SAPULPA, OKLAHOMA
LEGAL DEBT MARGIN INFORMATION
 Last Ten Fiscal Years
 June 30, 2024
TABLE 15

	Fiscal Year									
	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
Debt limit	\$ 12,902,163	\$ 14,169,595	\$ 14,641,104	\$ 14,379,464	\$ 15,183,250	\$ 15,214,801	\$ 15,785,247	\$ 16,375,063	\$ 18,615,883	\$ 19,848,432
Total net debt applicable to limit	<u>8,995,000</u>	<u>9,355,000</u>	<u>8,810,000</u>	<u>8,115,000</u>	<u>7,415,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Legal debt margin	<u>\$ 3,907,163</u>	<u>\$ 4,814,595</u>	<u>\$ 5,831,104</u>	<u>\$ 6,264,464</u>	<u>\$ 7,768,250</u>	<u>\$ 15,214,801</u>	<u>\$ 15,785,247</u>	<u>\$ 16,375,063</u>	<u>\$ 18,615,883</u>	<u>\$ 19,848,432</u>
Total net debt applicable to the limit as a percentage of debt limit	69.72%	66.02%	60.17%	56.43%	48.84%	0.00%	0.00%	0.00%	0.00%	0.00%

Legal Debt Margin Calculation for Current Fiscal Year

Net assessed valuation	\$ 198,484,316
Debt limit (10% of total assessed value)	19,848,432
Debt applicable to limit:	
General obligation bonds	38,785,000
Less: bonds issued without debt limit in accordance with Article 10, Section 27	37,025,000
Less: bonds issued without debt limit in accordance with Article 10, Section 35	<u>1,760,000</u>
Total net debt applicable to limit	<u>-</u>
Legal debt margin	<u>\$ 19,848,432</u>

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

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

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

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

CITY OF SAPULPA, OKLAHOMA
THE SAPULPA MUNICIPAL AUTHORITY
UTILITY SYSTEMS DIVISION
PLEDGED REVENUE COVERAGE
Last Ten Fiscal Years
June 30, 2024
TABLE 16

		<u>Eligible Revenues</u>	<u>Eligible Expenses (1)</u>	<u>Net Revenue Available for Debt Service</u>	<u>Average Annual/ Annual Debt Service</u>	<u>Revenue Bond Coverage</u>
2015	Series 2012 and 2013 Refunding	14,171,125	5,154,402	9,016,723	4,095,687	2.20
2016	Series 2012 and 2013 Refunding	15,106,791	4,964,475	10,142,316	4,095,687	2.48
2017	Series 2012 and 2013 Refunding	15,068,058	5,423,023	9,645,035	4,095,687	2.35
2018	Series 2012 and 2013 Refunding	15,615,611	5,620,951	9,994,660	4,103,235	2.44
2019	Series 2012 and 2013 Refunding	15,959,581	5,728,300	10,231,281	4,102,794	2.49
2020	Series 2012 and 2013 Refunding	16,721,370	5,661,575	11,059,795	4,113,715	2.69
2021	Series 2020 Refunding	15,892,992	4,983,599	10,909,393	4,109,623	2.65
2022	Series 2020 Refunding	16,916,412	6,188,705	10,727,707	5,038,182	2.13
2023	Series 2020 Refunding	16,949,185	7,812,164	9,137,021	3,933,766	2.32
2024	Series 2020 Refunding	17,223,202	5,973,931	11,249,271	3,930,838	2.86

(1) Excludes depreciation and amortization expense.

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

Calendar Year	Population (1)	Personal Income (in thousands)	Per Capita Personal Income (2)	Median Age of Population (3)	School Enrollment (4)	Unemployment Rate (5)
2015	20,544	1,089,777	53,046	34.0	5,672	4.3%
2016	20,579	1,132,997	55,056	39.4	5,612	5.4%
2017	20,928	1,208,111	57,727	38.3	5,449	4.6%
2018	20,843	1,080,521	51,841	37.7	5,410	3.6%
2019	20,802	1,141,322	54,866	37.3	5,311	3.4%
2020	21,156	1,196,160	56,540	37.7	5,089	2.1%
2021	21,664	1,258,050	58,071	38.0	5,087	3.90%
2022	22,205	1,330,990	59,941	38.0	5,329	3.60%
2023	22,700	1,421,429	62,618	39.1	5,162	3.20%
2024	23,321	1,833,474	78,619	40.1	5,561	1.40%

Sources:

(1) Oklahoma Department of Commerce Projection

(2) Per Capital Personal Income - US Bureau of Economic Analysis for the Tulsa metropolitan area

(3) U.S. Census Bureau

(4) Sapulpa School District, Independent School Districts

(5) www.bls.gov

CITY OF SAPULPA, OKLAHOMA
PRINCIPAL EMPLOYERS
CURRENT YEAR
June 30, 2024
TABLE 18

Employer	Product/Business	2024	
		Rank	Employees
TD Williamson	Manufacturing/Engineering Equipment	1	435
Ardagh	Manufacturing/ Glass Bottles	2	400
Bennett Steel	Commercial Steel Fabrication	3	353
BIOS Corporation	Healthcare and Social Assistance	4	292
Walmart	Retail	5	285
Sapulpa Public Schools	Education Services	6	255
St. John Sapulpa	Health Services	7	175
Paragon Industries	Pipe Manufacturing	8	173
Hirschbach Motor Lines	Transportation	9	150
American Heritage Bank	Financial Institution	10	109
Green Bay Packing	Corrugated Boxes	11	100
Totals			<u>2,727</u>

Sapulpa Chamber of Commerce

CITY OF SAPULPA, OKLAHOMA
FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION/PROGRAM
 Last Ten Fiscal Years
 June 30, 2024
TABLE 19

Function/Program	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
General Government:										
Managment Services	5	5	5	5	5	5	5	5	7	5
Finance	5	5	5	5	5	5	5	6	5	5
Planning	3	3	3	3	3	3	5	4	3	4
Building	2	2	2	2	2	2	3	3	3	3
Community Image	1	1	1	1	1	1	1	1	1	1
Court	3	3	3	3	3	3	3	3	3	2
Treasurer										
Human Resources	1	1	1	1	1	1	1	1	1	1
MIS										
Legal	2	2	2	2	2	2	2	2	2	3
Cemetery	6	6	6	6	6	6	7	6	6	6
Other (FM, VM, Tort, FM, DCC)	5	5	5	5	5	5	2	2	2	1
Utility Accounting	6	6	6	6	6	6	3	5	6	5
Total General Government	39	39	39	39	39	39	37	38	39	36
Public Safety and Judiciary:										
Police										
Officers	43	43	47	46	47	47	50	43	50	47
Civilians	11	11	11	12	12	11	13	14	0	14
Animal Welfare	2	2	2	2	3	3	5	5	4	3
Fire:										
Firefighters & Officers	47	47	49	50	50	53	54	53	53	53
Civilians	1	1	1	1	1	1	2	1	9	1
Central Communications/EM										
Total Public Safety and Judiciary	104	104	110	111	113	115	124	116	116	118
Transportation:										
Streets	12	12	12	12	12	12	9	8	13	10
Total Transportation	12	12	12	12	12	12	9	8	13	10
Cultural, Parks and Recreation:										
Parks and Recreations	7	7	7	7	7	8	10	9	9	11
Library	5	5	5	5	5	5	5	4	5	7
Golf Course	5	5	6	5	7	8	8	6	8	10
Total Cultural, Parks and Recreation	17	17	18	17	19	21	23	19	22	28
Public Works:										
Solid Waste Collection	0	0	0	0	0	0	0	0	0	0
Utility Maintenance	12	12	11	11	11	11	10	11	13	11
Water Treatment	8	8	8	8	8	8	8	8	8	8
Wastewater Treatment	13	13	12	12	12	12	10	10	11	9
Industrial Pretreatment/Stormwater Management	4	4	3	3	4	4	4	4	4	4
Total Public Works	37	37	34	34	35	35	32	33	36	32
Total Full-Time Employees by Function/Program	209	209	213	213	218	222	225	214	226	224

CITY OF SAPULPA, OKLAHOMA
Capital Asset Statistics by Function/Program
Last Ten Fiscal Years
June 30, 2024
TABLE 20

Function/Program	Fiscal Year									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
General Government										
Buildings	17	17	17	17	17	17	17	18	18	18
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Zone Offices	1	1	1	1	1	1	1	1	1	1
Patrol units	32	32	32	35	44	44	46	52	52	57
Fire										
Stations	4	4	4	4	4	4	4	4	4	4
Trucks	12	12	11	14	14	15	10	10	15	15
Vehicles	10	10	11	9	11	12	14	14	9	9
Trailer Vans	4	4	4	4	4	4	2	2	1	1
Boats	2	2	2	1	2	2	2	2	2	2
Refuse Collection										
Collection trucks	-	-	-	-	-	-	-	-	-	-
Streets										
Street miles	209	209	209	209	209	209	209	209	209	209
Streetslights	1,410	1,410	1,410	1,410	1,410	1,410	1,410	1,410	1,410	1,410
Traffic signals	23	23	23	23	23	23	23	24	25	25
Parks and recreation										
Acreage	487	487	487	487	487	487	481	481	415	415
Playgrounds	12	12	12	12	12	12	10	10	7	7
Baseball/softball diamonds	14	14	14	14	14	16	8	14	14	14
Soccer/football fields	12	12	12	12	12	14	11	14	14	14
Community Center	1	1	1	1	1	1	1	1	1	1
Pool	1	1	1	1	1	1	1	1	1	1
Golf course	1	1	1	1	1	1	1	1	1	1
Library										
Buildings	2	2	2	2	2	2	2	2	2	2
Public Transportation										
Buses	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Trolley	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Cemetery										
Plots	34,150	34,150	46,925	27,225	100	102	150	161	93	35,882
Vehicles & Machinery	17	17	17	17	17	17	19	19	19	19
Water										
Water mains (miles)	94	94	94	94	94	94	94	94	98	94
Fire hydrants	547	547	547	570	578	578	1,400	601	580	580
Storage capacity (thousands of	6,250	6,250	6,250	6,250	6,250	6,250	6,250	6,250	6,250	6,250
Wastewater										
Sanitary sewers (miles)	106	106	106	106	106	106	106	106	110	107
Storm sewers (feet)	159,679	159,679	159,679	159,679	159,679	159,679	159,679	159,679	169,866	169,866
Daily Treatment Capacity	7,000	7,000	7,000	7,000	7,000	7,000	7,000	7,000	7,000	7,000

CITY OF SAPULPA, OKLAHOMA
Operating Indicators by Function/Program
Last Ten Fiscal Years
June 30, 2024
TABLE 21

Function/Program	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Police										
Physical Arrests	1078	1021	1135	990	899	748	422	544	604	595
*Parking Violations	12	7	4	6	2	4	0	0	1	1
Traffic Violations	5830	4350	4340	4180	3425	2251	2013	3198	1322	2428
Fire										
Emergency Responses	2924	2587	3475	3537	3873	4329	4936	4832	5490	5700
Fires Extinguished	224	143	234	154	147	172	161	205	242	150
Inspections	175	44	140	189	125	78	78	65	135	300
Solid Waste Collection										
Solid Waste Collected (Tons Per Day)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Recyclables Collected (Tons Per Day)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Other Public Works										
Potholes Repaired:										
Asphalt Patching (Tons)	485	404	572	420	226	356	542	305	421	302
Concrete Patching (Cubic Yards)	10	10	0	6	5	0	0	142	41	0
Parks & Recreation										
Athletic Field-Agreements										
Sapulpa Little League (# of Fields Usec	14	14	14	14	14	14	14	4	15	15
Sapulpa Youth Soccer (# of Fields Use	12	12	12	12	12	14	14	14	15	15
Sapulpa Girls Softball (# of Fields Usec	10	10	10	10	10	14	14	10	10	10
Community Center/Park Rentals	143	140	140	163	193	79	200	84	166	306
Senior Citizen- Meals Served	5750	5769	1476	1100	2131	1602	0	1037	0	0
-Sr. Center Lunch Program										
Water										
Connections	6557	6537	6544	6504	6541	6609	6265	6576	5869	6819
Water Main Breaks	50-100	50-100	50-100	50-100	50-100	50-100	50-100	20-50	50-100	20-50
Average Daily Consumption										
(Thousands of Gallons)	2612	3014	2666	2482	2452	2221	2397	2366	2367	2332
Peak Daily Consumption										
(Thousands of Gallons)	3974	4795	4068	3634	3587	3498	5278	3769	4432	3893
Wastewater										
Average Daily Sewage Treatment										
(Thousands of Gallons)	3000	3000	3000	3000	3000	3000	3000	3000	3000	3000
Transit										
Total Route Miles-Trolleys & Broncho	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Total Route Miles-Rt-37	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Passengers	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Source: Various City Departments

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INTERNAL CONTROL AND COMPLIANCE SECTION

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL
STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of City of Sapulpa, Oklahoma (the "City"), as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise City's basic financial statements, and have issued our report thereon dated September 22, 2025.

Report on Internal Control over Financial Reporting

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

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

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

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of This Report

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

Arlidge & Associates PC

Oklahoma City, Oklahoma
September 22, 2025

