

COMPREHENSIVE ANNUAL FINANCIAL REPORT
for Year Ending June 30, 2013



THE CITY OF
Sand Springs
OKLAHOMA



CITY OF SAND SPRINGS, OKLAHOMA

**COMPREHENSIVE ANNUAL FINANCIAL REPORT
AND ACCOMPANYING
INDEPENDENT AUDITOR'S REPORT**

**FOR THE FISCAL YEAR ENDED
JUNE 30, 2013**

**Prepared by the
Department of Finance
Kelly Lamberson – Finance Director
Julie Casteen – Budget Officer
Jamie Muns-Dobson – Accountant**

www.sandspringsok.org

City of Sand Springs 100 E Broadway Sand Springs, Oklahoma 74063

**CITY OF SAND SPRINGS, OKLAHOMA
 COMPREHENSIVE ANNUAL FINANCIAL REPORT
 AND ACCOMPANYING INDEPENDENT AUDITOR'S REPORTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2013**

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Introduction

SECTION





City of Sand Springs

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Oklahoma 74063

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sandspringsok.org

December 31, 2013

Honorable Mayor, members of the City Council and the Citizens of the City of Sand Springs, Oklahoma:

The Comprehensive Annual Financial Report of the City of Sand Springs (the "City") for the year ended June 30, 2013, is hereby submitted as mandated by the city charter and state statutes. The City is required to publish within six months of the close of each fiscal year a complete set of financial statements presented in conformance with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants.

Responsibility of both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with management. Management of the City is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the City are protected from loss, theft or misuse and to ensure that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles. The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. We believe the information, as presented, is accurate in all material aspects and that all disclosures necessary to enable the reader to gain an adequate understanding of the City's financial activities have been included.

The City's financial statements have been audited by Arledge & Associates, P.C., a firm of licensed certified public accountants. The independent audit was conducted to provide reasonable assurance that the financial statements of the City are free of material misstatement. The independent auditor has issued an unqualified ("clean") opinion on the City's financial statements for the year ended June 30, 2013, except for the portion related to the aggregate discretely presented component units which received a disclaimer of opinion as the city elected to request an audit waiver for the Museum Trust Authority. The independent auditor's report is presented as the first component of the financial section of this report.

Management provides a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The City's MD&A can be found immediately following the independent auditor's report.

Profile of the Government

Sand Springs is located in Northeast Oklahoma, six miles west of Tulsa. The City was incorporated as a city in 1912, just five years after statehood. The city is continually flourishing with an area of 22 square miles, an extended growth area of 150 square miles, and a city population estimated by INCOG at 19,101.

The City has been governed by the Council-Manager form of government since the adoption of a charter in 1969. This form of government most closely resembles the private sector with the Manager serving as the Chief Executive Officer, the Mayor as the Chairman of the Board, and the Council as the Board of Directors.

The City Council is the legislative body for the City of Sand Springs. It is comprised of the Mayor, Vice-Mayor and five council members who are elected to serve three-year terms. The seven members represent each of the City's six wards; one member serving an at-large position. The City Council members are also the Trustees of the Sand Springs Municipal Authority.

The duties of the Council include, but are not limited to, adopting the City's annual budget, adopting ordinances, establishing personnel policies, appointing or electing members of all quasi-legislative boards and commissions, enacting legislation, regulating all other fiscal affairs of the City, and appointing the City Manager.

The City provides its residents with a variety of municipal services, including police and fire protection, comprehensive land use, planning and zoning services, parks and recreational activities, cultural events, and the construction and maintenance of highways, streets and other infrastructure. The City also provides water, wastewater, stormwater, and solid waste services to its residents under the legal entity of the Sand Springs Municipal Authority (SSMA). SSMA is a public trust created under applicable Oklahoma statutes on March 14, 1966, with the City named as the beneficiary thereof. These utility systems operate for the benefit of the City of Sand Springs and are an integral part of City operations. The City owns and operates an 18-hole golf course, The Canyons at Blackjack Ridge, and the Sand Springs-Pogue Airport under the SSMA. SSMA's financial statements are blended into the City's financial statements and together they comprise the City's primary financial presentation. The City is also financially accountable for a legally separate economic development authority (SSEDA). This entity is reported separately within the City's financial statements. Additional information on this legally separate entity can be found in the notes to the financial statements (see Note 1.A).

The City operates on a fiscal year basis, beginning July 1st and ending June 30th. All funds of the City with revenues and expenditures are required to have annual budgets. The City Manager's proposed operating budget for the fiscal year

commencing the following July 1 is submitted to the City Council prior to June 1. A public hearing is held prior to June 15 to obtain citizen comments. Subsequent to the public hearing but not later than seven days prior to July 1, the budget is adopted by resolution of the City Council. The adopted budget is filed with the Office of State Auditor and Inspector. The appropriated budget is prepared by fund, function and department. All supplemental appropriations require City Council approval. The City Manager may transfer appropriations between departments without City Council approval. Supplemental appropriations must also be filed with the Office of the State Auditor and Inspector.

The City maintains an encumbrance accounting system as one technique of accomplishing budgetary control. Encumbrances outstanding at year-end are reported as reservations of fund balances and do not constitute expenditures or liabilities. The commitments will be honored during the subsequent year.

In accordance with Title 60 of the Oklahoma State Statutes the Sand Springs Economic Development prepares an annual budget and submits a copy to the City as beneficiary.

Local Economy

The City relies on sales and other taxes to fund the majority of its governmental operations. These revenue streams are volatile and consequently the City's finances are directly impacted by economic conditions and weather patterns. During the calendar year 2013, taxable sales growth began to slow down and as a result, sales tax revenues fell short of its FY13 budget and are on track to slightly fall short of FY14 budget projections. Despite sales tax revenues, other indicators show continued stabilization of the local economy. Building permits have increased, taxable property values continue to improve, and the rate of unemployment continues to decline.

The City has taken precautionary measures over the past several years to build its fund balance reserves to offset any revenue shortfalls or unforeseen expenditures, most recently by adopting a resolution to increase the General Fund unreserved fund balance to no less than 15% of net operating revenues and with a goal to increase that to 30%. Furthermore, the City has taken advantage of the low interest rates to refinance its debts to save the taxpayers' money, and has invested in energy-efficiency projects to reduce its energy consumption and also save money. Due to these measures as well as conservative spending and budgeting, the City remains financially stable despite the slowdown of sales tax revenues, as shown by its fairly healthy ending fund balances and net assets.

Major Initiatives

The City worked on several initiatives during FY13 to improve City facilities and overall quality of life in Sand Springs. In the Fall of 2012, the City Council accepted a grant to be used to make improvements to the Airport. The FAA awarded the City \$3.1 million and the Oklahoma Aeronautics Commission matched the award \$273 thousand to overlay the runway to preserve and extend the life of the runway. This grant also allowed for a crack sealant and seal coat on all aprons and taxiways, and the extension of the taxiway on the northwest side of the airport to open the area up for future development. The project was completed in the Fall of 2013.

In the Fall of 2012, the City secured funding through a utility revenue bond to allow for three major projects. The first is to upgrade and expand the City's wastewater treatment plant with an estimated cost of over \$18 million. The second project covered with this funding is to build a new 1.5 million gallon elevated water storage tank with an estimated cost of \$2.6 million. The third project is to consolidate several City facilities and construct a municipal complex with an estimated cost of approximately \$9 million. This will house the Public Works Administration department as well as Water maintenance, Solid Waste, Street, and Facilities and Fleet departments. All three projects were still in the design phase as of June 30th.

Awards and Acknowledgments

The Government Finance Officers Association of the United States and Canada (GFOA) awarded the Certificate of Achievement for Excellence in Financial Reporting to the City for its comprehensive annual financial report for the fiscal year ended June 30, 2012. This was the 23rd consecutive year that the City has received this prestigious award. In order to be awarded a Certificate of Achievement, the City must publish an easily readable and efficiently organized Comprehensive Annual Financial Report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current Comprehensive Annual Financial Report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

The City also received its 17th consecutive Award for Outstanding Achievement in Popular Annual Financial Reporting for the fiscal year 2012. This award recognizes conformance with the highest standards for preparation of state and local popular reports. The popular report is an easily understandable financial report on all activities for the general public at large.

The preparation of this Comprehensive Annual Financial Report is a combined effort of the Accounting staff of the Finance Department with the professional assistance of Crawford & Associates, P.C. Our sincere appreciation is extended to all who contributed to its preparation.

We would also like to thank the Mayor and the members of the City Council for their leadership, encouragement and support in strengthening and improving the fiscal policies of the City of Sand Springs.

Respectfully Submitted,



Derek Campbell
Interim City Manager



Kelly Lamberson
Finance Director

CITY OF SAND SPRINGS, OKLAHOMA

PRINCIPAL OFFICIALS and STAFF

JUNE 30, 2013

MAYOR AND CITY COUNCIL

Mike Burdge	Mayor	Ward 3	Jesse Honn	Councilmember	Ward 4
Dean Nichols	Councilmember	Ward 2	Brian Jackson	Councilmember	Ward 6
Michael Phillips	Councilmember	Ward 1	James Rankin	Councilmember	At-Large
Harold Neal	Vice Mayor	Ward 5			

FINANCE COMMITTEE

Mike Burdge	Chairman	Rocky Rogers	Member
Dean Nichols	Member	Kelly Lamberson	Member
Jesse Honn	Member	Julie Casteen	Member

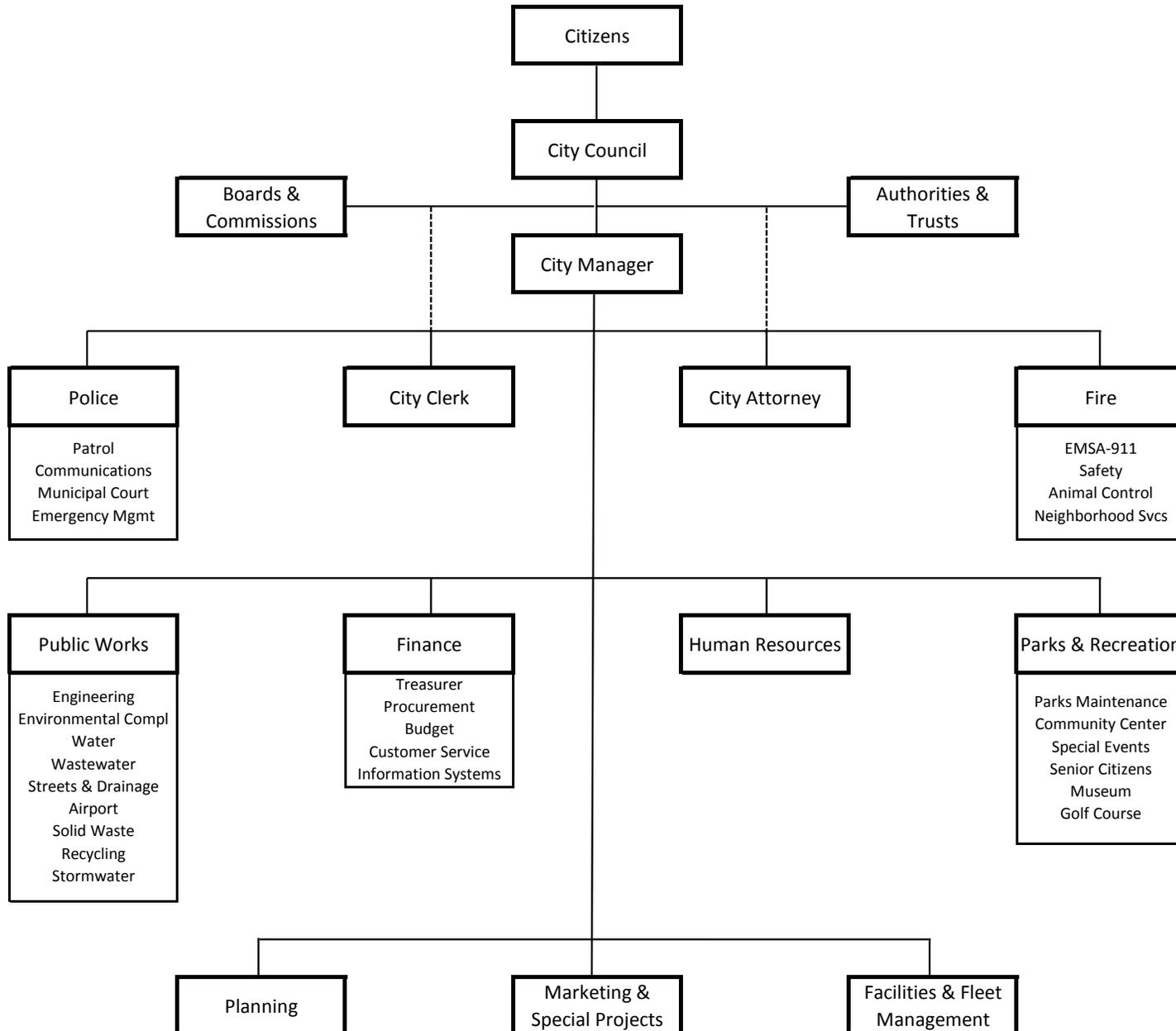
ADMINISTRATION

Rocky Rogers	City Manager	Kelly Lamberson	Finance Director
Derek Campbell	Public Works Director	Susan Pitts	City Planner
Kim Booth	Human Resources Director	Grant Gerondale	Parks Director
Daniel Bradley	Police Chief	Mike Wood	Fire Chief
David Weatherford	City Attorney	Janice Almy	City Clerk
Melissa Carlson	Marketing Manager		

ACCOUNTING STAFF

Julie Casteen	Budget Officer	Jamie Muns-Dobson	Accountant
Arlena Barnes	Purchasing Agent	Peggy Filby	Accounts Payable Specialist

CITY OF SAND SPRINGS ORGANIZATIONAL CHART





Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

**City of Sand Springs
Oklahoma**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2012

Executive Director/CEO

Financial

SECTION



INDEPENDENT AUDITOR'S REPORT

The Honorable Mayor and City Council of the
City of Sand Springs, Oklahoma

Report on the Financial Statements

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 Sand Springs, Oklahoma (the "City"), as of and for the year ended June 30, 2013, and the related notes to the financial statements. We were engaged to audit the financial statements of the aggregate discretely presented component units. These financial statements collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. Because of the matter described in the "Basis for Disclaimer of Opinion" paragraph, however, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on the aggregate discretely presented component units.

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

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

Basis for Disclaimer of Opinion on the Aggregate Discretely Presented Component Units

The financial statements of the Sand Springs Cultural and Historical Museum Trust Authority (the "MTA") have not been audited and we were not engaged to audit the MTA financial statements as part of our audit of the City's basic financial statements. The MTA's financial activities are included in the City's basic financial statements as a discretely presented component unit and represent 91%, 91% and 100% of the assets, net position, and revenues, respectively, of the City's aggregate discretely presented component units.

Disclaimer of Opinion

Because of the significance of the matter described in the "Basis for Disclaimer of Opinion on the Aggregate Discretely Presented Component Units" paragraph, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on the financial statements of the aggregate discretely presented component units of the City of Sand Springs, Oklahoma. Accordingly, we do not express an opinion on these financial statements.

Unmodified Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Sand Springs, Oklahoma, as of June 30, 2013, 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.

Change in Accounting Principle

As discussed in Note 1 to the financial statements, in fiscal year 2013 the City adopted new accounting guidance, Governmental Accounting Standards Board ("GASB") Statement No. 60, *Accounting and Financial Reporting for Service Concession Arrangements*, GASB Statement No. 61, *The Financial Reporting Entity: Omnibus – an Amendment of GASB Statements No. 14 and No. 34*, GASB Statement No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*, GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*, and GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*. Our opinion is not modified with respect to these matters.

Other Matters

Required Supplementary Information

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

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The introductory section, other supplementary information, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The other supplementary information, as listed in the table of contents, 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. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements as a whole.

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 26, 2013, 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 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 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 the City's internal control over financial reporting and compliance.

Arledge & Associates, P.C.

December 26, 2013



Sand Springs

O K L A H O M A

**MANAGEMENT'S DISCUSSION & ANALYSIS
CITY OF SAND SPRINGS, OKLAHOMA
JUNE 30, 2013**

As Management of the City of Sand Springs, we offer readers this narrative overview and analysis of the financial activities of the City of Sand Springs for the fiscal year ended June 30, 2013. We encourage readers to use this information in conjunction with the City's financial statements, which follow this section.

FINANCIAL HIGHLIGHTS

- The City's total net position increased by \$9.5 million and the assets and deferred outflows of the City continued to exceed its liabilities and deferred inflows at June 30, 2013, by \$120.5 million (net position). Of this amount, \$26.5 million (unrestricted net position) may be used to meet the government's ongoing obligations to citizens and creditors.
- At June 30, 2013, the City's governmental funds reported combined ending fund balances of \$25.9 million. Approximately 13% of this amount, \$3.3 million, is unassigned.
- At the end of fiscal year 2013, unassigned fund balance for the General Fund was \$3.3 million or 20% of General Fund revenues.
- The City's total debt increased by \$26.3 million or 122% during fiscal year 2013, primarily due to the issuance of \$30.5 million in revenue bonds. The highlights of this increase can be found starting on page 54 of this report.

OVERVIEW OF THE FINANCIAL STATEMENTS

The financial statements presented herein include all of the activities of the City of Sand Springs (the "City"), the Sand Springs Municipal Authority (the "Authority") and other component units. Included in this report are government-wide statements for each of two categories of activities – governmental and business-type, along with two discretely-presented component units.

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. For governmental activities, these statements tell how these services were financed in the short term as well as what remains for future spending. Fund financial statements also report the City's operations in more detail than the government-wide statements by providing information about the City's most significant funds. These statements include all assets of the City (including infrastructure) as well as all liabilities (including long-term debt).

Reporting the City as a Whole - Statements of Net Position and Activities

This discussion and analysis is intended to serve as an introduction to the City of Sand Springs' basic financial statements. The Statement of Net Position and the Statement of Activities (on pages 23 & 24, respectively) report information about the City as a whole and about its activities in a way that helps answer questions. These statements include all assets, deferred outflows, liabilities, and deferred inflows using the accrual basis of accounting. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

These two statements report the City's net position and changes in net position from the prior year. You can think of the City's net position – the difference between assets, and deferred outflows, liabilities, and deferred inflows – 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 non-financial 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 of the City.

The Statement of Net Position and the Statement of Activities are divided into three types 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, sewer, stormwater and refuse utilities are reported here, along with the golf course and airport enterprises.
- Discretely-presented component units -- These account for activities of the City's reporting entity that do not meet the criteria for blending.

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. The City of Sand Springs, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. 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. All of the funds of the City of Sand Springs can be divided into two categories: governmental funds and proprietary funds.

MANAGEMENT'S DISCUSSION & ANALYSIS
CITY OF SAND SPRINGS, OKLAHOMA
JUNE 30, 2013

Governmental funds -- Most of the City's basic services are reported in governmental funds, which focus on near-term inflows and outflows of spendable resources, as well as spendable resources available at the end of the fiscal year. These funds are presented on the modified accrual basis of accounting. Under this modified accrual basis of accounting, revenues are recognized when "measurable and available". 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. Enterprise funds are one type of proprietary funds and are used to report the same functions presented as business-type activities in the governmental-wide financial statements. The City uses enterprise funds to account for its water and sewer operations, solid waste collection and disposal services, stormwater drainage, the operations of the municipal golf course, and the operations of the municipal airport. Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail.

Notes to the Financial Statements

The notes provide additional information that is essential to gain understanding of the data provided in the government-wide and fund financial statements. The Notes to the Financial Statements can be found on pages 33-67 of this report.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information which includes General Fund Budgetary Comparison Schedule, Notes to Required Supplemental Information Budgetary Comparison Schedule and Schedule of OPEB Status and Funding Progress. Other supplementary information includes Budgetary Comparison Combining schedules for governmental funds, Cash Flow Statements for component units and a Schedule of Debt Service. This information can be found on pages 69-91 of this report.

Also included in this report is the Statistical Section which can be found on pages 93-117. This section presents detailed information, typically in ten-year trends, that assists users in utilizing the basic financial statements, notes to basic financial statements, and required supplementary information to assess the economic condition of the City of Sand Springs.

MANAGEMENT'S DISCUSSION & ANALYSIS
CITY OF SAND SPRINGS, OKLAHOMA
JUNE 30, 2013

GOVERNMENT-WIDE FINANCIAL ANALYSIS

The largest portion of the City's net position reflects investment in capital assets (e.g., land, buildings, machinery, equipment, and infrastructure); less any related debt used to acquire those assets that is still outstanding. This year the net investment in capital assets amounted to \$57.7 million. Although the City's investment in its capital assets is reported net of related debt, the resources needed to repay this debt must be provided from other sources, since capital assets themselves cannot be used to liquidate these liabilities. The Discretely-Presented Component Units are excluded from the following table.

The City of Sand Springs' Net Position
(expressed in \$ 000's)

	Governmental Activities		Business-type Activities		Total	
	2013	Restated 2012	2013	Restated 2012	2013	Restated 2012
Assets:						
Current and other assets	\$ 16,828	\$ 16,408	\$ 48,357	\$ 16,078	\$ 65,185	\$ 32,486
Capital assets	39,967	37,574	66,431	63,982	106,398	101,556
Total assets	56,795	53,982	114,788	80,060	171,583	134,042
Deferred Outflows of Resources:						
Unamortized loss on refunding	59	73	-	-	59	73
Total deferred outflows	59	73	-	-	59	73
Liabilities:						
Long-term liabilities	7,461	7,839	40,397	13,732	47,858	21,571
Other liabilities	1,070	619	2,201	947	3,271	1,566
Total liabilities	8,531	8,458	42,598	14,679	51,129	23,137
Net position:						
Net investment in capital assets	32,506	30,859	26,917	51,114	59,423	81,973
Restricted	8,213	8,213	26,343	573	34,556	8,786
Unrestricted	7,604	6,525	18,930	13,694	26,534	20,219
Total net position	\$ 48,323	\$ 45,597	\$ 72,190	\$ 65,381	\$ 120,513	\$ 110,978

A portion of the City's net position, \$34.6 million, represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position, \$26.5 million, may be used to meet the government's ongoing obligations to citizens and creditors.

At the end of the current fiscal year the City is able to report positive balances in all categories of net position, both for the government as a whole, as well as for its separate governmental and business-type activities.

The significant increases of the current assets in both governmental and business-type activities are due primarily to an increase in cash and cash equivalents of approximately \$32.1 million or 114%. This increase is primarily due to \$23.6 million in revenue bond proceeds that have not been spent at June 30.

**MANAGEMENT'S DISCUSSION & ANALYSIS
CITY OF SAND SPRINGS, OKLAHOMA
JUNE 30, 2013**

The following table reflects the changes in the City's net position as a result of revenue collection and payment of expenses during the fiscal year. A comparison is made between the two fiscal years to show the change in net position.

	Governmental Activities		Business-type Activities		Total	
	2013	Restated 2012	2013	Restated 2012	2013	Restated 2012
Revenues:						
Program revenues:						
Charges for Services	\$ 1,552	\$ 1,591	\$ 14,235	\$ 13,554	\$ 15,787	\$ 15,145
Grants & Contributions	1,366	1,650	-	25	1,366	1,675
Capital Grants & Contributions	3,238	395	3,347	304	6,585	699
General Revenues:						
Sales & Use Tax	11,728	10,493	-	-	11,728	10,493
Other Taxes	2,193	3,285	-	-	2,193	3,285
Other General Revenues	793	567	45	29	838	596
Total Revenues	20,870	17,981	17,627	13,912	38,497	31,893
Program Expenses:						
General Government	1,164	1,499	-	-	1,164	1,499
Planning & Zoning	124	107	-	-	124	107
Financial Administration	778	656	-	-	778	656
Public Safety	8,239	7,824	-	-	8,239	7,824
Highways & Streets	2,307	2,562	-	-	2,307	2,562
Health & Welfare	36	56	-	-	36	56
Culture & Recreation	1,181	1,104	-	-	1,181	1,104
Economic Development	504	346	-	-	504	346
General Properties	606	454	-	-	606	454
Interest on Long-term Debt	187	222	-	-	187	222
Water	-	-	7,276	5,768	7,276	5,768
Wastewater	-	-	3,455	4,299	3,455	4,299
Solid Waste	-	-	1,343	1,317	1,343	1,317
Storm Water	-	-	326	324	326	324
Airport	-	-	647	645	647	645
Golf Course	-	-	788	832	788	832
Total Expenses	15,126	14,830	13,835	13,185	28,961	28,015
Excess/(Deficiency)	5,744	3,151	3,792	727	9,536	3,878
Net Transfers	(3,018)	(837)	3,018	837	-	-
Increase/(Decrease) in Net Position	\$ 2,726	\$ 2,314	\$ 6,810	\$ 1,564	\$ 9,536	\$ 3,878
Beginning net position, restated	45,597	43,283	65,380	63,816	110,977	107,099
Ending net position	\$ 48,323	\$45,597	\$72,190	\$65,380	\$120,513	\$110,977

In governmental activities, capital grants and contributions increased over prior year of \$2.8 million. General government expenses decreased approximately \$335,000 or 22% due to additional expenses in one of the non-major funds in the previous year. Public

MANAGEMENT'S DISCUSSION & ANALYSIS
CITY OF SAND SPRINGS, OKLAHOMA
JUNE 30, 2013

safety had additional expenses from the previous year of approximately \$415,000 or 5%. Transfers from governmental to business-type activities increased over prior year approximately \$2.2 million due to governmental funds expenditures for business-type activities.

In business-type activities, charges for services increased over prior year of approximately \$681,000 showing increases in each activity. Water expenses increased from prior year of approximately \$1.5 million or 28% due primarily to the issuance costs of \$30 million in revenue bonds and the related debt.

Governmental Activities

The City's governmental activities' increase in net position of \$2.7 million represents a 6% positive increase in net position. The City's operating expenses came in under budget by approximately 7%, contributing to part of the increase. The remaining increase in net position is due an increase in capital assets.

Business-type Activities

The business-type activities' increase in net position of \$6.8 million represents a 10% positive increase in net position.

Overall, combined business-type activities' revenues are sufficient to cover their combined expenses. Individually, Water, Wastewater, Solid Waste, Stormwater, and Airport revenues cover more than their expenses, and make up for the losses in the Golf business-type functions.

A FINANCIAL ANALYSIS OF THE CITY'S FUNDS

As the City completed its 2013 fiscal year, the governmental funds reported a combined fund balance of \$25.9 million, or a 19% increase from the prior year. The enterprise funds reported combined net position of \$61.6 million, or a 4% increase from 2012. The fund balance and net position restrictions are listed below.

Fund Balance Classifications:	
Nonspendable	\$ 22,982
Restricted	16,746,950
Assigned	5,828,736
Unassigned	<u>3,283,653</u>
Total Fund Balance	<u>\$ 25,882,321</u>
Net Position Restrictions:	
Restricted for capital projects	\$ 23,644,846
Restricted for debt service	<u>2,698,557</u>
Total Enterprise Fund Net Position Restrictions	<u>\$ 26,343,403</u>

Other fund highlights include:

For the year ended June 30, 2013, the General Fund's total fund balance increased by \$350,822, or 7%, due to an increase in tax, intergovernmental, and service revenues and in overall expenses. The Council has established a policy for maintaining the unassigned fund balance in the General Fund at not less than 10% of net revenues. Net revenues equals total revenues less required sales tax transfers out. The total unassigned fund balance at year end was 20% of net revenues.

- The Street Improvement Fund's total fund balance increased by \$900,133 in order to accumulate the funds needed to complete large projects in the near future.
- The SSMA Water Fund reported a decrease in net position, after transfers, for the year, but overall the total change in net position for the enterprise funds was \$2.6 million.

General Fund Budgetary Highlights

Comparing the fiscal year 2013 original budget (or adopted) General Fund expenditures and transfers amount of \$16,716,660 to the final budgeted amount of \$17,860,434 shows a net increase of \$1,143,774 or 7%. Total original budgeted revenues and transfers were revised from \$15,769,897 to \$16,511,890, an increase of \$741,993 or 5%.

General Fund actual revenues and transfers totaled \$403,651 more than final estimates, while expenditures and transfers out were under final appropriations by \$1,296,612. Public safety departments were the primary reason, coming in approximately \$517,000 under budget appropriations.

CAPITAL ASSETS & DEBT ADMINISTRATION

Capital Assets

At the end of June 30, 2013, the City had \$106 million invested in capital assets including land, buildings, machinery and equipment, park facilities, water, sewer and stormwater systems, roads and bridges. This represents a net increase of \$4 million over last year.

Following are details regarding the change in the City's capital assets for the year ending June 30, 2013.¹

¹ For more detailed information on capital asset activity please refer to page 51, Note 3.D. Capital Assets

MANAGEMENT'S DISCUSSION & ANALYSIS
CITY OF SAND SPRINGS, OKLAHOMA
JUNE 30, 2013

The City of Sand Springs' Capital Assets
(expressed in \$ 000's)

	Governmental Activities		Business-type Activities		Totals	
	2013	2012	2013	2012	2013	2012
Land	\$ 11,497	\$ 11,453	\$ 2,169	\$ 2,169	\$ 13,666	\$ 13,622
Buildings	8,311	8,303	22,081	22,018	30,392	30,321
Improvements & Other	3,970	3,892	26,653	26,640	30,623	30,532
Equipment	7,648	7,922	4,688	4,447	12,336	12,369
Infrastructure	38,433	35,097	55,852	55,033	94,285	90,130
Intangible	-	-	6,703	6,703	6,703	6,703
Construction-in-progress	2,824	2,413	8,984	5,008	11,808	7,421
Totals	72,683	69,080	127,130	122,018	199,813	191,098
Less Depreciation	(32,716)	(31,548)	(60,699)	(58,036)	(93,415)	(89,584)
Totals, Net	\$ 39,967	\$ 37,532	\$ 66,431	\$ 63,982	\$ 106,398	\$ 101,514

This year's more significant capital asset additions include street and other infrastructure improvements of approximately \$6.5 million and various machinery and equipment.

Debt Administration

At year-end, the City had \$47.3 million in long-term debt outstanding, which represents a \$26.2 million increase from the prior year due mainly to the issuance of \$30.5 million in revenue bonds. These debts are further detailed as follows:²

The City of Sand Springs' Long-term Debt
(expressed in \$ 000's)

	Governmental Activities		Business-type Activities		Totals	
	2013	2012	2013	2012	2013	2012
General Obligation Bonds, Net	\$ 5,720	\$ 6,650	\$ -	\$ -	\$ 5,720	\$ 6,650
Capital Lease Obligations	626	190	-	-	626	190
Notes Payable	-	-	9,070	12,868	9,070	12,868
Revenue Bonds	-	-	30,510	-	30,510	-
Accrued Compensation	729	677	260	260	989	937
Utility Deposits	-	-	444	451	444	451
Totals	\$ 7,075	\$ 7,517	\$ 40,284	\$ 13,579	\$ 47,359	\$ 21,096

² For more detailed information on long-term debt activity please refer to page 53, Note 3.E. Long-Term Debt

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

The economic picture for Sand Springs continues to show some improvement, however sales tax revenue growth over the past year has slowed down. In 2012, building permits increased to a level not seen since 2006 and taxable property values continue to improve. Per Capita personal income increased in 2012 by 7% and the rate of unemployment continues to decline.

Taxable sales have slowed down during the 2013 fiscal year. As a result, sales tax revenues fell short of budget in FY13 and are expected to fall short of budget again in FY14. This not only affects General Fund operations, but capital projects that are funded with sales tax dollars will also be affected.

Overall, the economic outlook for Sand Springs remains fairly stable despite the slowdown of taxable sales. This is made evident with fairly healthy ending fund balances and net assets. The City continues to move forward with the expansion of its retail sector, and expects stable but slowed revenue growth in the next year.

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 Office at 100 E. Broadway, Sand Springs, Oklahoma or phone at (918) 246-2518. This report may be found on the City's website, www.sandspringsok.org.



Sand Springs

O K L A H O M A

BASIC FINANCIAL STATEMENTS

The basic financial statements include integrated sets of financial statements as required by the GASB. The sets of statements include:

- Government-wide financial statements
- Fund financial statements:
 - Governmental funds
 - Proprietary (enterprise) funds

In addition, the notes to the financial statements are included to provide information that is essential to a user's understanding of the basic financial statements.

City of Sand Springs, Oklahoma
Statement of Net Position
June 30, 2013

	Primary Government			Component Units	
	Governmental Activities	Business-type Activities	Total	Museum Trust Authority	Economic Development Authority
ASSETS					
Cash and equivalents	\$ 9,373,366	\$ 17,057,713	\$ 26,431,079	\$ 141,360	\$ 4,301
Investments	5,005,779	28,884,537	33,890,316	-	9,251
Interest receivable	7,383	2,591	9,974	-	-
Accounts receivable, net	603,293	1,509,418	2,112,711	1,800	-
Due from other governmental agencies	1,813,671	743,554	2,557,225	-	-
Inventories	22,982	159,401	182,383	-	-
Other assets	1,975	123	2,098	-	-
Capital assets:					
Capital assets, nondepreciable	14,321,182	17,856,372	32,177,554	-	-
Other capital assets, net of depreciation	25,645,729	48,574,377	74,220,106	-	-
Total Assets	<u>56,795,360</u>	<u>114,788,086</u>	<u>171,583,446</u>	<u>143,160</u>	<u>13,552</u>
DEFERRED OUTFLOWS OF RESOURCES					
Unamortized amount on refunding	58,641	-	58,641	-	-
LIABILITIES					
Accounts payable and accrued expenses	716,453	1,890,681	2,607,134	150	-
Accrued interest payable	49,503	239,604	289,107	-	-
Accrued payroll liabilities	160,333	60,859	221,192	-	-
Due to other governmental agencies	90,119	3,838	93,957	12	-
Amounts held in escrow	53,117	-	53,117	-	-
Unearned revenue	-	5,810	5,810	-	-
Long-term liabilities:					
Due within one year	1,176,772	1,656,147	2,832,919	-	-
Due in more than one year	6,284,515	38,741,092	45,025,607	-	-
Total Liabilities	<u>8,530,812</u>	<u>42,598,031</u>	<u>51,128,843</u>	<u>162</u>	<u>-</u>
NET POSITION					
Net investment in capital assets	32,505,624	26,916,703	59,422,327	-	-
Restricted for:					
Capital projects	6,620,344	23,644,846	30,265,190	-	-
Public safety	171,204	-	171,204	-	-
Debt service	1,199,363	2,698,557	3,897,920	-	-
Economic development	142,659	-	142,659	-	-
Culture and recreation	7,320	-	7,320	-	-
Other projects	72,602	-	72,602	-	-
Unrestricted	7,604,073	18,929,949	26,534,022	142,998	13,552
Total Net Position	<u>\$ 48,323,189</u>	<u>\$ 72,190,055</u>	<u>\$ 120,513,244</u>	<u>\$ 142,998</u>	<u>\$ 13,552</u>

See accompanying notes to the Basic Financial Statements.

**City of Sand Springs, Oklahoma
Statement of Activities
For the Year Ended June 30, 2013**

Functions/Programs	Expenses	Program Revenue			Net (Expense) Revenue and Changes in Net Position			Component Units	
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		Museum Trust Authority	Economic Development Authority	
					Governmental Activities	Business-type Activities			Total
Primary government									
Governmental Activities									
General government	\$ 1,164,073	\$ 306,843	\$ 44,352	\$ -	\$ (812,878)	\$ -	\$ (812,878)	\$ -	
Planning and zoning	123,879	10,220	-	-	(113,659)	-	(113,659)	-	
Financial administration	778,035	-	-	-	(778,035)	-	(778,035)	-	
Public safety	8,239,023	1,134,480	1,110,747	-	(5,993,796)	-	(5,993,796)	-	
Highways and streets	2,306,716	1,298	171,079	3,075,438	941,099	-	941,099	-	
Health and welfare	35,958	-	-	-	(35,958)	-	(35,958)	-	
Culture and recreation	1,181,165	99,001	-	162,249	(919,915)	-	(919,915)	-	
Economic development	503,795	-	40,012	-	(463,783)	-	(463,783)	-	
Facilities management and fleet maintenance	606,146	-	-	-	(606,146)	-	(606,146)	-	
Interest on long-term debt	186,830	-	-	-	(186,830)	-	(186,830)	-	
Total governmental activities	<u>15,125,620</u>	<u>1,551,842</u>	<u>1,366,190</u>	<u>3,237,687</u>	<u>(8,969,901)</u>	<u>-</u>	<u>(8,969,901)</u>	<u>-</u>	
Business-type activities									
Water operations	7,276,661	7,692,277	-	107,423	-	523,039	523,039	-	
Wastewater operations	3,454,771	3,122,031	-	349,433	-	16,693	16,693	-	
Solid waste operations	1,343,240	1,725,143	-	-	-	381,903	381,903	-	
Stormwater operations	325,681	848,193	-	109,169	-	631,681	631,681	-	
Airport operations	646,802	340,534	-	2,781,249	-	2,474,981	2,474,981	-	
Golf course operations	788,392	506,516	-	-	-	(281,876)	(281,876)	-	
Total business-type activities	<u>13,835,547</u>	<u>14,234,694</u>	<u>-</u>	<u>3,347,274</u>	<u>-</u>	<u>3,746,421</u>	<u>3,746,421</u>	<u>-</u>	
Total primary government	<u>\$ 28,961,167</u>	<u>\$ 15,786,536</u>	<u>\$ 1,366,190</u>	<u>\$ 6,584,961</u>	<u>(8,969,901)</u>	<u>3,746,421</u>	<u>(5,223,480)</u>	<u>-</u>	
Component Units									
Culture and recreation	\$ 3,431	\$ 19,307	\$ 1,807	\$ -	-	-	17,683	-	
Economic development	3,788	-	-	-	-	-	-	(3,788)	
Total component units	<u>\$ 7,219</u>	<u>\$ 19,307</u>	<u>\$ 1,807</u>	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>17,683</u>	<u>(3,788)</u>	
General revenues:									
Taxes:									
Sales and use taxes					10,555,793	-	10,555,793	-	
Property taxes					1,172,499	-	1,172,499	-	
Franchise taxes					796,444	-	796,444	-	
Abatement taxes					23,300	-	23,300	-	
E-911 taxes					146,279	-	146,279	-	
Hotel/Motel taxes					123,728	-	123,728	-	
Payment in lieu of tax					1,103,053	-	1,103,053	-	
Grants and contributions not restricted to specific programs					526,006	-	526,006	-	
Unrestricted investment earnings					192,065	42,218	234,283	116	
Miscellaneous					75,382	2,738	78,120	-	
Transfers					(3,018,162)	3,018,162	-	-	
Total general revenues and transfers					<u>11,696,387</u>	<u>3,063,118</u>	<u>14,759,505</u>	<u>116</u>	
Change in net position					2,726,486	6,809,539	9,536,025	17,799	
Net position - beginning, restated					45,596,703	65,380,516	110,977,219	125,199	
Net position - ending					<u>\$ 48,323,189</u>	<u>\$ 72,190,055</u>	<u>\$ 120,513,244</u>	<u>\$ 142,998</u>	
								<u>\$ 13,552</u>	

See accompanying notes to the Basic Financial Statements.

**City of Sand Springs, Oklahoma
Balance Sheet
Governmental Funds
June 30, 2013**

	<u>General Fund</u>	<u>Street Improvement</u>	<u>Capital Improvement Water/Wastewater</u>	<u>Airport Construction</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
ASSETS						
Cash and cash equivalents	\$ 2,686,720	\$ 3,830,792	\$ 6,370,792	\$ 185,051	\$ 5,482,449	\$ 18,555,804
Investments	1,253,248	3,234,192	1,747,464	-	842,710	7,077,614
Accrued interest receivable	2,302	4,623	1,081	-	896	8,902
Taxes receivable, net	211,611	-	-	-	-	211,611
Due from other governments	1,412,757	-	-	743,554	189,303	2,345,614
Court fines receivable, net	364,743	-	-	-	-	364,743
Other receivables	238,550	-	-	11,393	-	249,943
Inventories	22,982	-	-	-	-	22,982
Prepaid items	1,975	-	-	-	-	1,975
Total assets	<u>\$ 6,194,888</u>	<u>\$ 7,069,607</u>	<u>\$ 8,119,337</u>	<u>\$ 939,998</u>	<u>\$ 6,515,358</u>	<u>\$ 28,839,188</u>
LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES						
Liabilities:						
Accounts payable	\$ 361,368	\$ 104,330	\$ 101,129	\$ 922,442	\$ 677,504	\$ 2,166,773
Payable to other governments	90,119	-	-	-	-	90,119
Other accrued expenses	146,031	-	-	-	-	146,031
Amounts held in escrow	29,565	-	-	-	-	29,565
Other payables	23,502	-	-	-	-	23,502
Total liabilities	<u>650,585</u>	<u>104,330</u>	<u>101,129</u>	<u>922,442</u>	<u>677,504</u>	<u>2,455,990</u>
Deferred inflows of resources:						
Deferred revenues	368,218	-	-	54,183	78,476	500,877
Fund balances:						
Non-spendable	22,982	-	-	-	-	22,982
Restricted	400,085	6,911,893	7,653,846	-	1,781,126	16,746,950
Assigned	1,432,738	53,384	364,362	-	3,978,252	5,828,736
Unassigned (deficit)	3,320,280	-	-	(36,627)	-	3,283,653
Total fund balances	<u>5,176,085</u>	<u>6,965,277</u>	<u>8,018,208</u>	<u>(36,627)</u>	<u>5,759,378</u>	<u>25,882,321</u>
Total liabilities, deferred inflows and fund balance	<u>\$ 6,194,888</u>	<u>\$ 7,069,607</u>	<u>\$ 8,119,337</u>	<u>\$ 939,998</u>	<u>\$ 6,515,358</u>	<u>\$ 28,839,188</u>

See accompanying notes to the Basic Financial Statements.

City of Sand Springs, Oklahoma
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net
Position
June 30, 2013

Total fund balance, governmental funds	\$	25,882,321
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 of \$32,715,636		39,966,911
Certain other long-term assets are not available to pay current period expenditures and therefore are deferred in the funds:		
Accrued interest receivable		68
Court fines receivable		364,589
Other receivables		1,500
Receivable from other governments		80,537
Capital project funds are used by management to purchase or construct certain capital assets for the City. The assets and liabilities of certain capital project funds are included in the business-type activities in the Statement of Net Position:		
Fund balance of the Water and Wastewater CIP Fund		(8,018,208)
Fund balance of the SSMA CIP Fund		(52,980)
Fund balance of the Airport CIP Fund		36,627
Fund balance of the Stormwater CIP Fund		(2,460,293)
Fund balance of the Golf Course CIP Fund		(25,734)
Certain long-term liabilities and related accounts are not due and payable from current financial resources and, therefore, are not reported in the funds:		
Accrued interest payable		(49,503)
General obligation bonds payable		(5,720,000)
Capital lease payable		(625,673)
Unamortized amount on bond refunding		58,641
Accrued compensated absences		(729,628)
Other post employment benefits obligation		(385,986)
Net Position of Governmental Activities in the Statement of Net Position	\$	48,323,189

See accompanying notes to the Basic Financial Statements.

City of Sand Springs, Oklahoma
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended June 30, 2013

	<u>General Fund</u>	<u>Street Improvement</u>	<u>Capital Improvement Water/Wastewater</u>	<u>Airport Construction</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
REVENUES						
Taxes	\$ 12,837,817	\$ -	\$ -	\$ -	\$ 1,258,392	\$ 14,096,209
Fees and fines	415,268	-	-	-	-	415,268
Licenses and permits	194,444	-	-	-	-	194,444
Intergovernmental	1,561,333	-	-	2,727,066	142,033	4,430,432
Charges for services	986,999	-	104,686	-	7,425	1,099,110
Investment earnings	38,544	14,390	12,955	344	3,484	69,717
Miscellaneous	257,407	-	-	-	31,123	288,530
Total revenues	<u>16,291,812</u>	<u>14,390</u>	<u>117,641</u>	<u>2,727,410</u>	<u>1,442,457</u>	<u>20,593,710</u>
EXPENDITURES						
Current:						
General government	875,356	-	-	-	-	875,356
Planning and zoning	121,776	-	-	-	-	121,776
Financial administration	763,850	-	-	-	-	763,850
Public safety	7,465,352	-	-	-	-	7,465,352
Highways and streets	643,840	-	-	-	-	643,840
Health and welfare	32,088	-	-	-	-	32,088
Culture and recreation	934,028	-	-	-	-	934,028
Community and economic development	306,983	-	-	-	186,834	493,817
Facilities management and fleet maintenance	703,484	-	-	-	-	703,484
Debt Service:						
Principal	61,142	-	-	-	930,000	991,142
Interest and other charges	7,735	-	-	-	171,577	179,312
Capital Outlay	769,064	596,948	1,812,845	3,069,398	1,045,236	7,293,491
Total expenditures	<u>12,684,698</u>	<u>596,948</u>	<u>1,812,845</u>	<u>3,069,398</u>	<u>2,333,647</u>	<u>20,497,536</u>
Excess (deficiency) of revenues over (under) expenditures	<u>3,607,114</u>	<u>(582,558)</u>	<u>(1,695,204)</u>	<u>(341,988)</u>	<u>(891,190)</u>	<u>96,174</u>
OTHER FINANCING SOURCES (USES)						
Proceeds from capital leases	496,304	-	-	-	-	496,304
Transfers in	1,344,467	1,482,691	5,102,620	155,000	2,611,755	10,696,533
Transfers out	(5,097,063)	-	-	-	(2,033,742)	(7,130,805)
Total other financing sources and uses	<u>(3,256,292)</u>	<u>1,482,691</u>	<u>5,102,620</u>	<u>155,000</u>	<u>578,013</u>	<u>4,062,032</u>
Net change in fund balances	350,822	900,133	3,407,416	(186,988)	(313,177)	4,158,206
Fund balances - beginning	4,825,263	6,065,144	4,610,792	150,361	6,072,555	21,724,115
Fund balances - ending	<u>\$ 5,176,085</u>	<u>\$ 6,965,277</u>	<u>\$ 8,018,208</u>	<u>\$ (36,627)</u>	<u>\$ 5,759,378</u>	<u>\$ 25,882,321</u>

See accompanying notes to the Basic Financial Statements.

City of Sand Springs, Oklahoma
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of
Governmental Funds to the Statement of Activities
For the Year Ended June 30, 2013

Net change in fund balances - total governmental funds: \$ 4,158,206

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

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

Capital asset purchases capitalized	1,663,392
Capital assets donated	2,675,021
Depreciation expense	(1,938,975)

Governmental funds report the entire net sales price (proceeds) from sale of an asset as revenue because it provides current financial resources. In contrast, the Statement of Activities reports only the gain on the sale of the assets. Thus, the change in net position differs from the change in fund balance by the book value of the asset sold. (6,218)

Governmental funds do not present revenues that are not available to pay current obligations. In contrast, such revenues are reported in the Statement of Activities when earned. (39,658)

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:

Capital lease obligation principal payments	60,648
Capital lease obligation proceeds	(496,304)
General obligation bond principal payments	930,000

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

Accrued interest	7,636
Amortization expense	(14,660)
Accrued compensated absences	(52,913)
Post employment benefit obligation	(63,412)

Capital project funds are used by management to purchase or construct certain capital assets for the City. The net change in fund balances of certain capital project funds are included in the business-type activities column of the Statement of Activities:

Water and Wastewater CIP	(3,407,416)
SSMA Capital Fund	(17,053)
Airport CIP Fund	186,988
Stormwater CIP Fund	(618,430)
DWSRF AMR Program	(275,885)
Golf Course CIP Fund	(24,481)

Change in net position of governmental activities \$ 2,726,486

See accompanying notes to the Basic Financial Statements.

City of Sand Springs, Oklahoma
Statement of Net Position
Proprietary Funds
June 30, 2013

	SSMA Water Utility Fund	SSMA Wastewater Utility Fund	SSMA Solid Waste Utility Fund	SSMA Airport Fund	SSMA Golf Fund	SSMA Stormwater Fund	Total
ASSETS							
Current assets:							
Cash and cash equivalents	\$ 2,772,843	\$ 2,139,850	\$ 1,099,342	\$ 101,266	\$ 186,693	\$ 234,506	\$ 6,534,500
Restricted cash and cash equivalents	785,960	332,495	-	-	-	-	1,118,455
Investments	903,380	46,077	177,599	-	-	-	1,127,056
Interest receivable	634	-	438	-	-	-	1,072
Accounts receivable, net	837,943	328,631	187,546	23,277	29,416	91,212	1,498,025
Inventories	153,039	-	-	6,362	-	-	159,401
Prepaid expenses	123	-	-	-	-	-	123
Total current assets	<u>5,453,922</u>	<u>2,847,053</u>	<u>1,464,925</u>	<u>130,905</u>	<u>216,109</u>	<u>325,718</u>	<u>10,438,632</u>
Noncurrent assets:							
Restricted cash and cash equivalents	-	272,693	-	-	-	-	272,693
Restricted investments	25,635,273	-	-	-	-	-	25,635,273
Capital assets, nondepreciable	13,216,166	802,910	-	3,489,625	330,992	16,679	17,856,372
Other capital assets, net	20,619,294	18,311,397	356,053	2,672,083	1,171,717	5,443,833	48,574,377
Total noncurrent assets	<u>59,470,733</u>	<u>19,387,000</u>	<u>356,053</u>	<u>6,161,708</u>	<u>1,502,709</u>	<u>5,460,512</u>	<u>92,338,715</u>
Total assets	<u>64,924,655</u>	<u>22,234,053</u>	<u>1,820,978</u>	<u>6,292,613</u>	<u>1,718,818</u>	<u>5,786,230</u>	<u>102,777,347</u>
LIABILITIES							
Current liabilities:							
Accounts payable	256,083	71,400	27,567	10,362	44,634	5,603	415,649
Accrued payroll liabilities	36,639	14,660	8,166	1,394	-	-	60,859
Accrued interest payable	191,289	48,230	76	-	9	-	239,604
Payable to other governments	-	3,828	-	-	-	-	3,828
Other accrued expenses	-	-	634	-	38,440	-	39,074
Unearned revenue	-	-	-	-	5,810	-	5,810
Current portion of:							
Compensated absences	31,396	9,611	8,861	1,053	-	-	50,921
Deposits subject to refund	131,234	-	-	-	-	-	131,234
Notes payable	225,200	508,440	19,646	-	40,706	-	793,992
Revenue bonds payable	556,990	-	-	-	-	-	556,990
Total current liabilities	<u>1,428,831</u>	<u>656,169</u>	<u>64,950</u>	<u>12,809</u>	<u>129,599</u>	<u>5,603</u>	<u>2,297,961</u>
Noncurrent liabilities:							
Compensated absences	125,583	38,442	35,444	9,477	-	-	208,946
Deposits subject to refund	312,265	-	-	-	-	-	312,265
Other postemployment benefit obligation	106,266	43,113	23,361	2,829	2,016	2,242	179,827
Notes payable	2,056,049	6,228,427	-	-	48,588	-	8,333,064
Revenue bonds payable	29,830,000	-	-	-	-	-	29,830,000
Total non-current liabilities	<u>32,430,163</u>	<u>6,309,982</u>	<u>58,805</u>	<u>12,306</u>	<u>50,604</u>	<u>2,242</u>	<u>38,864,102</u>
Total liabilities	<u>33,858,994</u>	<u>6,966,151</u>	<u>123,755</u>	<u>25,115</u>	<u>180,203</u>	<u>7,845</u>	<u>41,162,063</u>
NET POSITION							
Net investment in capital assets	1,167,221	12,377,440	336,407	6,161,708	1,413,415	5,460,512	26,916,703
Restricted for debt service	2,141,599	556,958	-	-	-	-	2,698,557
Restricted for capital projects	23,644,846	-	-	-	-	-	23,644,846
Unrestricted	4,111,995	2,333,504	1,360,816	105,790	125,200	317,873	8,355,178
Total net position	<u>\$ 31,065,661</u>	<u>\$ 15,267,902</u>	<u>\$ 1,697,223</u>	<u>\$ 6,267,498</u>	<u>\$ 1,538,615</u>	<u>\$ 5,778,385</u>	<u>61,615,284</u>

Capital project funds are used by management to purchase or construct certain capital assets for the City. The assets and liabilities of certain capital project governmental funds are included in the business-type activities in the Statement of Net Position:

Water and wastewater CIP	8,018,208
SSMA Capital Fund	52,980
Airport CIP Fund	(36,627)
Stormwater CIP Fund	2,460,293
Golf Course CIP Fund	25,734

Revenue deferred in governmental capital project funds because the revenue is not available to pay fund liabilities has been recognized as revenue in the Statement of Activities for capital project funds classified as business type activities.

Total net position per Government-Wide financial statements	<u>\$ 72,190,055</u>
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See accompanying notes to the Basic Financial Statements.

City of Sand Springs, Oklahoma
Statement of Revenues, Expenses and Changes in Fund Net Position
Proprietary Funds
For the Year Ended June 30, 2013

	SSMA Water Utility Fund	SSMA Wastewater Utility Fund	SSMA Solid Waste Utility Fund	SSMA Airport Fund	SSMA Golf Fund	SSMA Stormwater Fund	Total
OPERATING REVENUES							
Charges for services	\$ 7,544,028	\$ 3,104,664	\$ 1,722,453	\$ 112,356	\$ 245,028	\$ 847,266	\$ 13,575,795
Miscellaneous	-	-	-	225,705	-	-	225,705
Total operating revenues	<u>7,544,028</u>	<u>3,104,664</u>	<u>1,722,453</u>	<u>338,061</u>	<u>245,028</u>	<u>847,266</u>	<u>13,801,500</u>
OPERATING EXPENSES							
Personal services	1,723,220	868,705	515,165	74,614	856	2,503	3,185,063
Operations and maintenance	2,121,184	1,002,313	716,076	303,654	375,166	145,777	4,664,170
Depreciation	1,148,227	981,674	107,424	265,316	145,449	143,906	2,791,996
Total operating expenses	<u>4,992,631</u>	<u>2,852,692</u>	<u>1,338,665</u>	<u>643,584</u>	<u>521,471</u>	<u>292,186</u>	<u>10,641,229</u>
Operating income (loss)	<u>2,551,397</u>	<u>251,972</u>	<u>383,788</u>	<u>(305,523)</u>	<u>(276,443)</u>	<u>555,080</u>	<u>3,160,271</u>
NON-OPERATING REVENUES (EXPENSES)							
Interest and investment revenue	25,707	1,307	577	65	78	135	27,869
Miscellaneous revenue	695	263	-	-	562	-	1,520
Loss on disposal of capital asset	(16,111)	-	-	(745)	-	-	(16,856)
Interest expense and fiscal agent charges	(757,320)	(199,136)	(1,885)	-	(5,433)	-	(963,774)
Debt issuance expense	(1,239,728)	(61,969)	-	-	-	-	(1,301,697)
Total non-operating revenue (expenses)	<u>(1,986,757)</u>	<u>(259,535)</u>	<u>(1,308)</u>	<u>(680)</u>	<u>(4,793)</u>	<u>135</u>	<u>(2,252,938)</u>
Income (loss) before contributions and transfers	564,640	(7,563)	382,480	(306,203)	(281,236)	555,215	907,333
Capital contributions	884,413	1,045,577	-	3,078,348	120,868	128,268	5,257,474
Transfers in	3,027,571	-	-	70,000	330,000	-	3,427,571
Transfers out	(5,914,326)	(36,000)	(350,000)	(11,000)	(31,973)	(650,000)	(6,993,299)
Change in net position	(1,437,702)	1,002,014	32,480	2,831,145	137,659	33,483	2,599,079
Total net position - beginning, restated	32,503,363	14,265,888	1,664,743	3,436,353	1,400,956	5,744,902	59,016,205
Total net position - ending	<u>\$ 31,065,661</u>	<u>\$ 15,267,902</u>	<u>\$ 1,697,223</u>	<u>\$ 6,267,498</u>	<u>\$ 1,538,615</u>	<u>\$ 5,778,385</u>	<u>\$ 61,615,284</u>

Change in net position, per above \$ 2,599,079

Capital project funds are used by management to purchase or construct certain capital assets for the City. The activities of certain capital project governmental funds are included in the business-type activities in the Statement of Activities:

Water and Wastewater CIP	3,407,416
SSMA Capital Fund	17,053
Airport CIP Fund	(186,988)
Stormwater CIP Fund	618,430
DWSRF AMR Program	275,885
Golf Course CIP Fund	24,481

Revenue deferred in governmental capital project funds because the revenue is not available to pay fund liabilities has been recognized as revenue in the Statement of Activities for capital project funds classified as business type activities. 54,183

Change in Business-Type Activities in Net Position per Government-Wide Financial Statements \$ 6,809,539

See accompanying notes to the Basic Financial Statements.

City of Sand Springs, Oklahoma
Statement of Cash Flows
Proprietary Funds
For the Year Ended June 30, 2013

	<u>SSMA Water Utility Fund</u>	<u>SSMA Wastewater Utility Fund</u>	<u>SSMA Solid Waste Utility Fund</u>	<u>SSMA Airport Fund</u>	<u>SSMA Golf Fund</u>	<u>SSMA Stormwater Fund</u>	<u>Total Proprietary Funds</u>
CASH FLOWS FROM OPERATING ACTIVITIES							
Receipts from customers	\$ 7,636,374	\$ 3,089,645	\$ 1,708,351	\$ 334,031	\$ 252,334	\$ 830,380	\$ 13,851,115
Receipts (payments) from (to) other funds	180,419	-	-	-	-	-	180,419
Payments to suppliers	(1,966,777)	(952,018)	(709,297)	(282,093)	(344,322)	(143,537)	(4,398,044)
Payments to employees	(1,723,078)	(868,024)	(512,224)	(72,829)	(856)	(2,503)	(3,179,514)
Receipts of customer meter deposits	147,921	-	-	-	-	-	147,921
Refunds of customer meter deposits	(155,893)	-	-	-	-	-	(155,893)
Net Cash Provided by (Used in) Operating Activities	<u>4,118,966</u>	<u>1,269,603</u>	<u>486,830</u>	<u>(20,891)</u>	<u>(92,844)</u>	<u>684,340</u>	<u>6,446,004</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES							
Transfers from other funds	3,027,571	-	-	70,000	330,000	-	3,427,571
Transfers to other funds	(5,914,326)	(36,000)	(350,000)	(11,000)	(31,973)	(650,000)	(6,993,299)
Net Cash Provided by (Used in) Noncapital Financing Activities	<u>(2,886,755)</u>	<u>(36,000)</u>	<u>(350,000)</u>	<u>59,000</u>	<u>298,027</u>	<u>(650,000)</u>	<u>(3,565,728)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES							
Proceeds from capital debt	30,917,791	1,240,000	-	-	-	-	32,157,791
Principal paid on capital debt	(3,593,310)	(1,737,026)	(58,238)	-	(56,628)	-	(5,445,202)
Interest paid on capital debt	(629,493)	(211,151)	(2,105)	-	(5,484)	-	(848,233)
Debt issuance expense	(1,239,727)	(61,969)	-	-	-	-	(1,301,696)
Payment of debt discount	(127,251)	-	-	-	-	-	(127,251)
Receipt of debt premium	-	56,659	-	-	-	-	56,659
Net Cash Provided by (Used in) Capital and Related Financing Activities	<u>25,328,010</u>	<u>(713,487)</u>	<u>(60,343)</u>	<u>-</u>	<u>(62,112)</u>	<u>-</u>	<u>24,492,068</u>
CASH FLOWS FROM INVESTING ACTIVITIES							
Sale (Purchase) of investments	(25,330,596)	(3)	-	-	-	-	(25,330,599)
Interest and dividends	25,773	1,307	587	65	77	135	27,944
Net Cash Provided by (Used in) Investing Activities	<u>(25,304,823)</u>	<u>1,304</u>	<u>587</u>	<u>65</u>	<u>77</u>	<u>135</u>	<u>(25,302,655)</u>
Net Increase in Cash and Cash Equivalents	1,255,398	521,420	77,074	38,174	143,148	34,475	2,069,689
Balances - beginning of the year	2,303,405	2,223,618	1,022,268	63,092	43,545	200,031	5,855,959
Balances - end of the year	<u>\$ 3,558,803</u>	<u>\$ 2,745,038</u>	<u>\$ 1,099,342</u>	<u>\$ 101,266</u>	<u>\$ 186,693</u>	<u>\$ 234,506</u>	<u>\$ 7,925,648</u>
Reconciliation to Statement of Net Position:							
Cash and cash equivalents	\$ 2,772,843	\$ 2,139,850	\$ 1,099,342	\$ 101,266	\$ 186,693	\$ 234,506	\$ 6,534,500
Restricted cash and cash equivalents	785,960	332,495	-	-	-	-	1,118,455
Noncurrent restricted cash and cash equivalents	-	272,693	-	-	-	-	272,693
	<u>\$ 3,558,803</u>	<u>\$ 2,745,038</u>	<u>\$ 1,099,342</u>	<u>\$ 101,266</u>	<u>\$ 186,693</u>	<u>\$ 234,506</u>	<u>\$ 7,925,648</u>

See accompanying notes to the Basic Financial Statements.

(Continued)

**City of Sand Springs, Oklahoma
Statement of Cash Flows
Proprietary Funds
For the Year Ended June 30, 2013**

(Continued)

	SSMA Water Utility Fund	SSMA Wastewater Utility Fund	SSMA Solid Waste Utility Fund	SSMA Airport Fund	SSMA Golf Fund	SSMA Stormwater Fund	Total Proprietary Funds
Reconciliation of operating income (loss) to net cash provided by operating activities:							
Operating income (loss)	\$ 2,551,397	\$ 251,972	\$ 383,788	\$ (305,523)	\$ (276,443)	\$ 555,080	\$ 3,160,271
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:							
Depreciation expense	1,148,227	981,674	107,424	265,316	145,449	143,906	2,791,996
Other non-operating revenues (expenses)	695	263	-	-	562	-	1,520
Change in assets and liabilities:							
Receivables, net	91,651	(15,284)	(14,102)	(4,030)	2,247	(16,886)	43,596
Inventory	8,361	-	-	17,541	-	-	25,902
Unearned revenue	-	-	-	-	4,497	-	4,497
Prepaid expenses	(96)	-	-	-	(32,951)	-	(33,047)
Due from other funds	180,419	-	-	-	-	-	180,419
Accounts payables	146,142	49,885	6,145	4,021	63,795	2,240	272,228
Customer meter deposits payable	(7,972)	-	-	-	-	-	(7,972)
Payable to other governments	-	412	-	-	-	-	412
Other accrued expenses	-	-	634	-	-	-	634
Other post-employment benefit obligation	15,988	6,684	3,794	452	-	-	26,918
Accrued payroll liabilities	(13,079)	(5,911)	(2,156)	(80)	-	-	(21,226)
Accrued compensated absences	(2,767)	(92)	1,303	1,412	-	-	(144)
Net Cash Provided by (Used in) Operating Activities	<u>\$ 4,118,966</u>	<u>\$ 1,269,603</u>	<u>\$ 486,830</u>	<u>\$ (20,891)</u>	<u>\$ (92,844)</u>	<u>\$ 684,340</u>	<u>\$ 6,446,004</u>
Noncash activities:							
Contributed capital assets - from governmental funds	\$ 776,990	\$ 696,144	\$ -	\$ 3,078,348	\$ 120,868	\$ 19,099	\$ 4,691,449
Contributed capital assets - from donor contributions	107,423	349,433	-	-	-	109,169	566,025
Total Noncash Activities	<u>\$ 884,413</u>	<u>\$ 1,045,577</u>	<u>\$ -</u>	<u>\$ 3,078,348</u>	<u>\$ 120,868</u>	<u>\$ 128,268</u>	<u>\$ 5,257,474</u>

See accompanying notes to the basic financial statements.

**NOTES TO BASIC FINANCIAL STATEMENTS
CITY OF SAND SPRINGS, OKLAHOMA
JUNE 30, 2013**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

- A. FINANCIAL REPORTING ENTITY
- B. BASIS OF PRESENTATION
- C. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING
- D. ASSETS, DEFERRED OUTFLOWS, LIABILITIES, DEFERRED INFLOWS AND EQUITY
- E. REVENUES, EXPENDITURES AND EXPENSES
- F. INTERNAL AND INTERFUND BALANCES AND ACTIVITIES
- G. USE OF ESTIMATES

NOTE 2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

- A. FUND ACCOUNTING REQUIREMENTS
- B. DEPOSITS AND INVESTMENTS LAWS AND REGULATIONS
- C. REVENUE RESTRICTIONS
- D. DEBT RESTRICTIONS AND COVENANTS
- E. FUND EQUITY / NET POSITION RESTRICTIONS
- F. BUDGETARY COMPLIANCE

NOTE 3. DETAIL NOTES - TRANSACTION CLASSES/ACCOUNTS

- A. DEPOSIT AND INVESTMENT RISKS
- B. ACCOUNTS RECEIVABLE
- C. RESTRICTED ASSETS
- D. CAPITAL ASSETS
- E. LONG-TERM DEBT
- F. INTERFUND TRANSACTIONS AND BALANCES
- G. FUND EQUITY

NOTE 4. OTHER NOTES

- A. EMPLOYEE PENSION AND OTHER BENEFIT PLANS
- B. RISK MANAGEMENT
- C. COMMITMENTS AND CONTINGENCIES
- D. NEW ACCOUNTING PRONOUNCEMENTS

**NOTES TO BASIC FINANCIAL STATEMENTS
CITY OF SAND SPRINGS, OKLAHOMA
JUNE 30, 2013**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

These financial statements are prepared in accordance with generally accepted accounting principles (GAAP). Generally accepted accounting principles (GAAP) include 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.

During the fiscal year, the City implemented the following GASB Pronouncements:

Statement No. 60, *Accounting and Financial Reporting for Service Concession Arrangements* – GASB 60 addresses issues related to service concession arrangements (SCA's), which are a type of public-private or public-public partnership. This Statement applies only to those arrangements in which specific criteria determining whether a transferor has control over the facility are met.

Statement No. 61, *The Financial Reporting Entity: Omnibus – An Amendment of GASB Statements No. 14 and No. 34*. GASB No. 61 modifies certain requirements for inclusion of component units in the financial reporting entity and also amends the criteria for reporting component units as if they were part of the primary government (that is, blending) in certain circumstances.

Statement No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*. GASB No. 62 is intended to enhance the usefulness of its Codification by incorporating guidance that previously could only be found in certain FASB and AICPA pronouncements.

Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*. GASB No. 63 provides financial reporting guidance for deferred outflows of resources and deferred inflows of resources. Previous financial reporting standards do not include guidance for reporting those financial statement elements, which are distinct from assets and liabilities. Adoption of this statement requires the City to make changes in its financial statement presentation.

In addition, the City early implemented:

Statement No. 65, *Items Previously Reported as Assets and Liabilities*. GASB No. 65 establishes accounting and financial reporting standards that reclassify, as deferred outflows of resources or deferred inflows of resources, certain items that were previously reported as assets and liabilities and recognizes, as outflows of resources (expenses) or inflows of resources (revenues), certain items that were previously recognized as assets and liabilities.

1.A. FINANCIAL REPORTING ENTITY

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

Primary Government:	City of Sand Springs
Blended Component Unit:	Sand Springs Municipal Authority
Discretely Presented Component Units:	Sand Springs Economic Development Authority
	Sand Springs Cultural and Historical Museum Trust Authority

**NOTES TO BASIC FINANCIAL STATEMENTS
CITY OF SAND SPRINGS, OKLAHOMA
JUNE 30, 2013**

In determining the financial reporting entity, the City complies with the provisions of Governmental Accounting Standards Board Statement No. 14, "The Financial Reporting Entity" as amended by Statement 61 and includes all component units of which the City is fiscally accountable.

Each of these component units are Public Trusts established pursuant to Title 60 of Oklahoma State law. Public Trusts (Authorities) have no taxing power. The Authorities are 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 Authorities generally retain title to assets which are acquired or constructed with Authority debt or other Authority generated resources. In addition, the City has leased certain existing assets at the creation of the Authorities to the Trustees on a long-term basis. The City, as beneficiary of the Public Trusts, receives title to any residual assets when a Public Trust is dissolved.

BLENDED COMPONENT UNITS

Blended component units are separate legal entities that meet the component unit criteria described above and whose governing body is the same or substantially the same as the City Council or the component unit provides services entirely to the City. These component units' funds are blended into those of the City by appropriate fund category to comprise the primary government presentation.

The component unit that is blended into the primary government's fund categories is presented below:

<u>Component Unit</u>	<u>Brief Description/Inclusion Criteria</u>	<u>Included Funds</u>
Sand Springs Municipal Authority (SSMA)	Created March 14, 1966, to finance, develop and operate the water, wastewater, stormwater, and solid waste disposal facilities. Also, the Authority operates and maintains the golf course and airport facilities. The current City Council serves as the entire governing body (Trustees) of the SSMA. Any issuances of debt would require a two-thirds approval of the City Council.	Enterprise Funds: Water Fund Wastewater Fund Solid Waste Fund Airport Fund Golf Fund Stormwater Fund

DISCRETELY PRESENTED COMPONENT UNITS

Discretely presented component units are separate legal entities that meet the component unit criteria described above but do not meet the criteria for blending.

Component units that are discretely presented in the City's report are presented below:

Sand Springs Economic Development Authority (Economic Development Authority)	Created October 24, 1980, to promote and encourage development of industry and commerce on behalf of the City. This Trust was primarily set up to be the loan servicing agent for Community Development Block Grant Economic Development Loans, and lender for Oklahoma Industrial Finance Authority Loans to private enterprises. The SSEDAA governing body is comprised of eight members; two appointed council members and six other members appointed by the full City Council. Any issuances of debt would require a two-thirds approval of the City Council.
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**NOTES TO BASIC FINANCIAL STATEMENTS
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Sand Springs Cultural and Historical Museum Trust Authority (Museum Trust Authority)	Created December 20, 1990, to promote cultural and historical activities within the City. The governing body is comprised of seven members appointed by the full City Council. No current City Council members serve on the board. Any issuance of debt would require a two-thirds approval of the City Council.
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The discretely presented component units of the City do not issue separately audited component unit financial statements.

RELATED ORGANIZATIONS

The following related organizations are not included in the financial reporting entity:

Sand Springs Development Authority	An Authority created on February 14, 1983, pursuant to Title 11 of Oklahoma Statutes, Sections 38-101, regarding urban renewal through private and public resources. This authority was created to formulate a workable program of urban renewal. The City appoints a voting majority of the organization's governing body; however, the City does not have the ability to impose its will on the governing body, nor does a financial benefit or burden relationship exist between the two. Of the governing body appointed, no member shall hold any other public office under the City.
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1.B. BASIS OF PRESENTATION

Government-Wide Financial Statements:

The statement of net position and statement of activities display information about the City as a whole. They include all funds of the reporting entity. 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.

**NOTES TO BASIC FINANCIAL STATEMENTS
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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 outflows, liabilities, deferred inflows, 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), liabilities (plus deferred inflows), 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), liabilities (plus deferred inflows), 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) or (b), but for which management has determined is of such significance to be reported as a major fund.

The funds of the financial reporting entity are described below.

GOVERNMENTAL FUNDS

General Fund

The General Fund is the primary operating fund of the City and always classified as a major fund. It is used to account for and report all financial resources not accounted for and reported in another fund. It includes the Special Programs sub-fund for reporting purposes. This sub-fund accounts for revenues assigned for specific public safety activities and recreational services provided by the City.

Special Revenue Funds

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

CDBG Home Investment Partnership Fund

Debt Service Fund

The Debt Service Fund is used to account for restricted ad-valorem taxes levied by the City for use in retiring general obligation bonds, court-assessed judgments, and their related interest and fiscal agent fees.

Capital Project Funds

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

**NOTES TO BASIC FINANCIAL STATEMENTS
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Street Improvement Fund
DWSRF AMR Program Fund
Community Development Block Grant (CDBG) Fund – EDIF
Park and Recreation Fund
T.I.D. Cimarron Center Fund
Short-term Capital Improvements Fund
ODOC EECBG Fund
Capital Improvement Fund
Airport Construction Fund
Stormwater Capital Improvement Fund
SSMA Capital Fund
2002 General Obligation Bond Fund
2006 General Obligation Bond Fund
Capital Improvement Water and Wastewater Fund
Golf Course Capital Improvement Fund

PROPRIETARY FUNDS

Enterprise Funds

Enterprise funds are used to account for business-like activities provided to the general public. 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:

Sand Springs Municipal Authority (SSMA) - Water
Sand Springs Municipal Authority (SSMA) - Wastewater
Sand Springs Municipal Authority (SSMA) - Solid Waste
Sand Springs Municipal Authority (SSMA) - Airport
Sand Springs Municipal Authority (SSMA) - Golf
Sand Springs Municipal Authority (SSMA) - Stormwater

COMPONENT UNITS

Discretely presented component units are separate legal entities whose governing body (in majority) is appointed by the Mayor or City Council, but whose governing body is not substantially the same as the City Council nor is an entity established to provide services primarily to the primary government. Since these component units are not as closely associated with the City as are the blended component units, they are reported in discretely presented columns on the government-wide financial statements labeled “Component Units.” The reporting entity includes the following discretely presented component units:

- Sand Springs Economic Development Authority (Economic Development Authority)
- Sand Springs Cultural and Historical Museum Trust Authority (Museum Trust Authority)

Major and Non-Major Funds

The funds are further classified as major or non-major as follows:

<u>Fund</u>	<u>Brief Description</u>
Major: General	See previous description.

**NOTES TO BASIC FINANCIAL STATEMENTS
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Capital Project Funds:

Street Improvement	Accounts for the permanent half-cent sales tax extension approved by the voters in September 11, 2007 with effective date of January 1, 2008. These funds are to be used to make capital improvements to the roads, streets and bridges.
Capital Improvement Water and Wastewater	Accounts for the one-cent increase in sales tax approved by the citizens in 1979. These funds are to be expended for water and wastewater capital improvement projects and retirement of debt as provided in the ordinance.
Airport Construction	Accounts for governmental grants and transfers from the City set aside for capital improvement projects of the airport.

Enterprise Funds:

SSMA Water Fund	Accounts for activities of the public trust in providing water services to the citizens.
SSMA Wastewater Fund	Accounts for activities of the public trust in providing wastewater services to the citizens.
SSMA Solid Waste Fund	Accounts for activities of the public trust in providing solid waste services to the citizens.
SSMA Airport Fund	Accounts for revenues and expenses related to the operations of the airport facility and financing for future airport improvements.
SSMA Golf Fund	Accounts for revenues and expenses related to the operation of the golf course, payment of debt service requirements on the debt issued related to the golf course and financing for future golf improvements.
SSMA Stormwater Fund	Accounts for revenues and expenses related to the maintenance of stormwater operations.

Non-Major:

Special Revenue Funds

Community Development Block Grant HOME Investment Partnership	Accounts for grants received from the U.S. Department of Housing and Urban Development and transfers from the City for housing rehabilitation.
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Capital Project Funds:

Community Development Block Grant - EDIF	Accounts for grants received from the U.S. Department of Housing and Urban Development and transfers from the City for infrastructure.
Park and Recreation	Accounts for revenues from housing developers restricted for park improvements.

**NOTES TO BASIC FINANCIAL STATEMENTS
CITY OF SAND SPRINGS, OKLAHOMA
JUNE 30, 2013**

Short-term Capital Improvements	Accounts for revenues, transfers from other City funds and certain bond proceeds as the City Council may designate for the City's short-term capital needs, consisting of items having a useful life of ten years or less.
T.I.D. #1 Cimarron Center	Accounts for tax increment financing revenues initially collected by the General Fund and related economic development expenditures.
ODOC ECBG	Accounts for revenues from grants received from the Oklahoma Department of Commerce or transfers from other City funds and expenditures for various capital projects, related to energy efficiency at City facilities.
Capital Improvement	Accounts for contributions and specific revenues and transfers from other City funds and expenditures for various capital projects as the City Council may designate.
Stormwater Capital Improvement	Accounts for transfers from the Municipal Authority stormwater revenues set aside for stormwater capital improvement projects.
SSMA Capital	Accounts for transfers from the Municipal Authority water, wastewater, solid waste, airport and golf revenues set aside for capital improvement projects.
2002 General Obligation Bond Fund	Accounts for the proceeds of general obligation bond issues. These funds are to be expended for streets and bridges, public safety, public parks and park lands, cultural and recreational facilities, and acquiring and rehabilitating land, rights-of-way and improvements for flood mitigation.
2006 General Obligation Bond Fund	Accounts for the proceeds of general obligation bond issues. These funds are to be expended for fire land and equipment, street improvements, and a community center.
Golf Course Capital Improvement	Accounts for transfers from the Golf Course Fund set aside for golf course capital improvement projects
DWSRF AMR Program	Accounts for OWRB loan proceeds used for the automated meter reading capital project.
Debt Service Fund	See previous description.

New Accounting Pronouncements

- The City implemented GASB Statement No. 61, *The Financial Reporting Entity: Omnibus – An Amendment of GASB Statements No. 14 and No. 34*. GASB No. 61 modifies certain requirements for inclusion of component units in the financial reporting entity and also amends the criteria for reporting component units as if they were part of the primary government (that is, blending) in certain circumstances. The Statement is effective for periods beginning after June 15, 2012.
- The City implemented GASB Statement No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*. GASB No. 62 is intended to enhance the usefulness of its Codification by incorporating guidance that previously could only be found in certain FASB and AICPA pronouncements.

**NOTES TO BASIC FINANCIAL STATEMENTS
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- The City implemented GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*. GASB No. 63 provides financial reporting guidance for deferred outflows of resources and deferred inflows of resources. Previous financial reporting standards do not include guidance for reporting those financial statement elements, which are distinct from assets and liabilities.
- The City early implemented GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*. GASB No. 65 establishes accounting and financial reporting standards that reclassify, as deferred outflows of resources or deferred inflows of resources, certain items that were previously reported as assets and liabilities and recognizes, as outflows of resources (expenses) or inflows of resources (revenues), certain items that were previously recognized as assets and liabilities. The Statement is effective for fiscal years ended June 30, 2014, however, the City, as mentioned, above, has chose to early implement Statement No. 65. This early implementation resulted in a prior period restatement for the removal of bond issuance costs from the Statement of Net Position in the Business Type Activities and the Proprietary Fund Statement of Changes in Net Position totaling \$1,041,472.

1.C. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

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

Measurement Focus

On the government-wide Statement of Net Position and the Statement of Activities both governmental and business-like activities are presented using the economic resources measurement focus as defined in item 2. below.

In the fund financial statements, the “current financial resources” measurement focus or the “economic resources” measurement focus is used as appropriate:

1. All governmental fund types and similar component units utilize a “current financial resources” measurement focus. Only current financial assets and liabilities 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.
2. Proprietary fund types and similar component units utilize an “economic resources” measurement focus. 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 and liabilities (whether current or noncurrent, financial or nonfinancial) and deferred outflows and deferred inflows associated with their activities are reported. Proprietary fund equity is classified as net position.

Basis of Accounting

In the government-wide Statement of Net Position and Statement of Activities both governmental and business-like activities are presented using the accrual basis of accounting. 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, liabilities and deferred inflows resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

In the fund financial statements, governmental funds are presented on the modified accrual basis of accounting. Under this modified accrual basis of accounting, revenues are recognized when “measurable and available”.

**NOTES TO BASIC FINANCIAL STATEMENTS
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Measurable means knowing or being able to reasonably estimate the amount. Available means collectible within the current period or soon enough thereafter (defined by the City as 60 days after year end) to pay current liabilities. Sales tax and franchise taxes are major revenues that meet this criteria. Expenditures (including capital outlay) are recorded when the related fund liability is incurred, except for general obligation bond principal and interest which are recorded when due.

All proprietary funds utilize the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used.

1.D. ASSETS, LIABILITIES AND EQUITY

Cash and Cash Equivalents

For the purposes of financial reporting, "cash and cash equivalents" includes all demand, savings accounts, and certificates of deposit or short-term investments with an original maturity of three months or less. Revenue bond and promissory note trust account investments in open-ended mutual fund shares are also considered cash equivalents.

Investments

Investments consist of money market investments and government securities that are reported at fair value unless they had remaining maturities of one year or less at the time of purchase, in which case they are carried at amortized cost. All non-negotiable certificates of deposit are carried at cost. Additional investment risk disclosures are presented in Notes 2.B. and 3.A.

Receivables

In the government-wide statements, receivables consist of all revenues earned at year-end and not yet received. Allowances for uncollectible accounts receivable are based upon historical trends and the periodic aging of accounts receivable. Major receivable balances for the governmental activities include sales and use taxes, franchise taxes, grants and court fines. Business-type activities report utilities and interest earnings as its major receivables.

In the fund financial statements, material receivables in governmental funds include revenue accruals such as sales tax, franchise tax, and grants and other similar intergovernmental revenues since they are usually both measurable and available. Non-exchange transactions collectible but not available are deferred in the fund financial statements in accordance with modified accrual, but not deferred in the government-wide financial statements in accordance with the accrual basis. Interest and investment earnings are recorded when earned only if paid within 60 days since they would be considered both measurable and available. Proprietary fund material receivables consist of all revenues earned at year-end and not yet received. Utility accounts receivable and interest earnings comprise the majority of proprietary fund receivables. Allowances for uncollectible accounts receivable are based upon historical trends and the periodic aging of accounts receivable.

Inventories and Prepaids

The City has chosen to record consumable materials and supplies as inventory in the governmental funds at the time of purchase and expense when consumed. In addition, in the Sand Springs Municipal Authority Water Fund and Sand Springs Municipal Authority Airport Enterprise Funds, the water and airport fuel inventories, respectively, are recorded as an asset when purchased and expensed when consumed. Such inventory is valued at cost on a first-in, first-out basis. Prepaid expenses are recorded as expense when goods or services are received.

**NOTES TO BASIC FINANCIAL STATEMENTS
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Capital Assets

The accounting treatment over property, plant and equipment (capital assets) depends on whether the assets are used in governmental fund operations and similar discretely presented component unit operations or proprietary fund operations and similar discretely presented component unit operations and whether they are reported in the government-wide or fund financial statements. The City's capitalization threshold for the year ended June 30, 2013 was \$5,000.

Government-Wide Statements

In the government-wide financial statements, property, plant and equipment are accounted for as capital assets. 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 estimated fair value at the date of donation.

Prior to July 1, 2000, governmental activities' infrastructure assets were not capitalized. These assets (dating back to July 1, 1980) have been valued at estimated historical cost.

Depreciation of all exhaustible capital assets is recorded as 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 are as follows:

Buildings	20-100 years
Other Improvements	20-100 years
Equipment and vehicles	3-25 years
Infrastructure	25-50 years

Fund Financial Statements

In the fund financial statements, capital assets used in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition. Capital assets used in proprietary fund operations are accounted for the same as in the government-wide statements.

Restricted Assets

Restricted assets reported in the fund financial statements include current assets of enterprise funds and similar discretely presented component units that are legally restricted as to their use. The primary restricted assets are related to revenue bond and promissory note 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 whether the debt is reported in the government-wide or fund financial statements.

All long-term debt to be repaid from governmental and similar discretely presented component unit resources and business-type and similar discretely presented component unit resources are reported as liabilities in the government-wide statements. The long-term debt consists primarily of accrued compensated absences, other post employment benefits payable, general obligation bonds payable, capital leases payable, notes payable and revenue bonds payable.

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 payment of principal and interest reported as expenditures. The accounting for proprietary funds is the same in the fund statements as it is in the government-wide statements.

**NOTES TO BASIC FINANCIAL STATEMENTS
CITY OF SAND SPRINGS, OKLAHOMA
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Compensated Absences

All regular and part-time employees are granted vacation benefits in amounts from 10 to 20 days depending upon tenure with the City. These benefits accumulate pro rata by pay period. Accumulated vacation leave vests and the City is obligated to make payment even if the employee terminates. After a probationary period, police officers receive vacation ranging from 168 to 248 hours per year depending upon years of service. Members of the Fire Department receive vacation ranging from 4 to 15 shifts per year, after a probationary period, depending upon years of service. Employees may accrue ten days of sick leave per year up to a maximum of 100 days accrued. Employees with accrued sick leave in excess of 100 days on or about December 15 of each year are paid for the excess accrual at the rate of one day's pay for each three days of accumulated sick leave. The City did not have a liability for this excess leave at June 30, 2013. However, any employee leaving the service of the City after a period of 10 years are paid at the rate of one day's pay for each four days of accumulated leave and the City reports a liability for this leave type.

The liability for these compensated absences is recorded as long-term debt in the government-wide statements. The current portion of this debt is estimated based on historical trends. In the fund financial statements, governmental funds report only the compensated absence liability that has matured and is payable from expendable available financial resources, while the proprietary funds report the liability as it is incurred. The compensated absence obligation of the governmental funds are typically liquidated through the use of General Fund resources.

Equity Classifications

Government-Wide Financial Statements:

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

1. Net investment in capital assets - Consists of capital assets 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.
2. 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.
3. Unrestricted net position - All other net position that does not meet the definition of "restricted" or "net investment in capital assets".

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

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.

**NOTES TO BASIC FINANCIAL STATEMENTS
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- d. Assigned – includes amounts that are constrained by the City’s intent to be used for specific purposes but are neither restricted or committed. Assignments of fund balance may be made by city council action or management decision when the city council has delegated that authority to the city manager. 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. REVENUES, EXPENDITURES AND EXPENSES

Sales Tax

The City levies a three 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. The Tax Commission receives the sales tax approximately one month after collection by vendors. The entire sales tax is recorded as revenue within the General Fund. Upon receipt, the General Fund distributes the dedicated portion of the sales tax as follows:

- 2 cents retained by the General Fund
- 1 cent transferred to the Sand Springs Municipal Authority Water Fund as required by revenue bond indenture, and then transferred to the Capital Improvement Water and Wastewater Fund.
- 1/2 cent transferred to the Street Improvement Fund as required by city ordinance.

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 to fund the annual debt service requirements of the 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. Property taxes levied, but not collected during the year or within 60 days of year-end are reported as deferred revenue.

For the year ended June 30, 2013, the City’s net assessed valuation of taxable property was \$123,219,414. The taxes levied by the City per \$1,000 of net assessed valuation for the year ended June 30, 2013 was \$9.52.

**NOTES TO BASIC FINANCIAL STATEMENTS
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Program Revenues

In the Statement of Activities, revenues that are derived directly from each activity or from parties outside the City's taxpayers are reported as program revenues. The City has the following program revenues in each activity:

General government	Inspection fees, rent and royalties, special assessment fees, other fees, licenses and permits, state operating grants and capital grants.
Planning and zoning	Zoning charges.
Public safety	Fine and forfeiture revenue, court costs and fees, fire run fees, rentals, donations; operating grants include Federal Emergency Management Agency and Oklahoma Highway Safety Office grants, state on-behalf pension contributions, individual donations, and Homeland Security grants.
Highways and streets	Street and curb permits; capital grants and contributions from the Department of Housing and Urban Development, motor fuel and commercial vehicle revenues.
Culture and recreation	Park and recreation fees; and state operating grant
Economic development	Federal operating grant

All other governmental revenues are reported as general. It is important to note that all taxes are classified as general revenue even if restricted for a specific purpose.

Pledge of Future Revenues

Sales Tax and Utility Net Revenues Pledge - The City has pledged one cent (or 28.5%) of future sales tax revenues to repay \$30,510,000 of the Series 2012 Revenue Bonds and the OWRB Notes Payable Series 2003, 2004, 2005, 2006, 2009, and 2012. Proceeds from the bonds and notes provided financing for capital assets. The bonds and notes are payable from pledged sales tax revenues and further secured by net water and wastewater revenues. The bonds and notes are payable through 2023, 2024, 2026, 2027 and 2030 respectively. If the net utility revenues are sufficient to service the debt, the pledged sales taxes are transferred to the Capital Improvement Water and Wastewater Fund to be used for capital purchases. The total principal and interest payable for the remainder of the life of these bonds and notes is \$60,114,819. Pledged sales taxes received in the current year were \$2,895,381 and the net utility revenues were \$2,113,229. Debt service payments of \$5,816,597 for the current fiscal year were 201% of the pledged sales taxes and 275% of both pledged sales taxes and utility revenues.

Operating Revenues and Expenses

Operating revenues and expenses for proprietary funds and similar discretely presented component units are those that result from providing services and producing and delivering goods and/or services. It also includes all revenue and expenses not related to capital and related financing, noncapital financing, or investing activities.

Expenditures/Expenses

In the government-wide financial statements, expenses are reported on the accrual basis and are classified by function for both governmental and business-type activities.

**NOTES TO BASIC FINANCIAL STATEMENTS
CITY OF SAND SPRINGS, OKLAHOMA
JUNE 30, 2013**

In the fund financial statements, expenditures/expenses are classified as follows:

Governmental Funds - By Character:	Current (further classified by function)
	Capital outlay
	Debt service
Proprietary Funds - By Operating and Non-Operating	

In the fund financial statements, governmental funds report expenditures of financial resources. Proprietary funds report expenses relating to use of economic resources.

1.F. INTERNAL AND INTERFUND BALANCES AND ACTIVITIES

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

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.

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.

3. Primary government and component unit activity and balances - resource flows between the primary government and the discretely-presented component units are reported as if they were external transactions.

**NOTES TO BASIC FINANCIAL STATEMENTS
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1.G. USE OF ESTIMATES

The preparation of financial statements in conformity with generally accepted accounting principles 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. FUND ACCOUNTING REQUIREMENTS

The City complies, in all material respects, with all state and local laws and regulations requiring the use of separate funds. The legally required funds used by the City include the following:

<u>Fund</u>	<u>Required By</u>
Airport Construction Fund	State Law
Debt Service Fund	State Law
Sand Springs Municipal Authority Utility Funds	Trust Indenture
Sand Springs Economic Development Authority Fund	Trust Indenture
Sand Springs Cultural and Historical Museum Trust Authority Fund	Trust Indenture

2.B. DEPOSITS AND INVESTMENTS 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, 2013.

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 limitations, negotiable certificates of deposit, prime bankers acceptances, prime commercial paper and repurchase agreements.
- 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.

**NOTES TO BASIC FINANCIAL STATEMENTS
CITY OF SAND SPRINGS, OKLAHOMA
JUNE 30, 2013**

- 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. and d.

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. For the year ended June 30, 2013, the City and its public trusts complied, in all material respects, with these investment restrictions.

2.C. REVENUE RESTRICTIONS

The City has various restrictions placed over certain revenue sources from state or local requirements. The primary restricted revenue sources include:

<u>Revenue Source</u>	<u>Legal Restrictions of Use</u>
Sales Tax	See Note 1.E.
Gasoline Excise & Commercial Vehicle Tax	Street and Alley Purposes
E-911 Revenue	E-911 Emergency Services Purposes
Water, Wastewater and Solid Waste Revenue	Debt Service and Utility Operations
Ad Valorem Tax	Debt Service on Bonds and Judgments (Also see Note 1.E.)
Airport Revenue	Airport Operations
Grants Revenue	Based upon Individual Grant Agreements
Hotel/Motel Tax	Economic Development
Special Program Fund Revenue	Public Safety and Parks and Recreation
Park and Recreation Developer Fees	Park Improvements

For the year ended June 30, 2013, the City complied, in all material respects, with these revenue restrictions.

2.D. DEBT RESTRICTIONS AND COVENANTS

General Obligation Debt

Article 10, Sections 26 and 27 of the Oklahoma Constitution Limits the amount of 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, 2013, the City complied with this restriction.

Other Long-Term Debt

As required by the Oklahoma State Constitution, the City (excluding Public Trusts) may not incur any indebtedness that would require payment from resources beyond the current fiscal year revenue, without first obtaining voter approval. For the year ended June 30, 2013, no such debt was incurred by the City.

Revenue Bond and Note Payable Debt

The bond indenture and note agreements relating to the long-term debt issues of the Sand Springs Municipal Authority contains a number of restrictions or covenants that are financial related. These include covenants such as a required flow of funds through special accounts, required reserve account balances, and debt service coverage requirements. The following schedule presents a brief summary of the most significant requirements and the Authority's level of compliance thereon as of June 30, 2013.

**NOTES TO BASIC FINANCIAL STATEMENTS
CITY OF SAND SPRINGS, OKLAHOMA
JUNE 30, 2013**

<u>Requirement</u>	<u>Level of Compliance</u>
a. Flow of Funds: <ul style="list-style-type: none"> - 2003 Bond Account - 2003 Reserve Account - 2004 Bond Account - 2004 Project Account -2004 Reserve Account - 2012 Bond Account - 2012 Project Account -2012 Reserve Account 	All required accounts have been established and are used per Bond Indenture requirements.
b. Reserve Account Requirement: 2004 OWRB Promissory Note: Required balance is \$142,983	Balance in Reserve Account at June 30, 2013 is \$142,982.
2012 OWRB Promissory Note: Required balance is \$129,711.	Balance in Reserve Account at June 30, 2013 is \$129,711.
2012 Revenue Bonds: Required balance is \$1,678,162	Balance in Reserve Account at June 30, 2013 is \$1,678,162.
c. 2003, 2004 2005, 2006, 2009, and 2012 Series OWRB Notes: Net revenues of the Authority plus transferred sales tax should be at least 125% of maximum annual principal and interest requirements on this note and any senior debt.	For the year ended June 30, 2013, net revenues plus sales tax amounted to \$7,828,651 maximum annual principal and interest requirements was \$1,794,578. Actual coverage was 436%.
2012 Revenue Bonds: Net revenues of the Authority plus transferred sales tax should be at least 125% of average annual principal and interest requirements on the bonds and OWRB notes listed above.	For the year ended June 30, 2013, net revenues plus sales tax amounted to \$7,828,651 average annual principal and interest requirements was \$1,675,637. Actual coverage was 467%.

2.E. BUDGETARY COMPLIANCE

Budget Law

The City prepares its annual operating budget under the provisions of the Municipal Budget Act of 1979 (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.
- 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 State Auditor and Inspector.

**NOTES TO BASIC FINANCIAL STATEMENTS
CITY OF SAND SPRINGS, OKLAHOMA
JUNE 30, 2013**

All funds of the City with revenues and expenditures are required to have annual budgets. The legal level of control at which expenditures may not legally exceed appropriations is the department level within a fund.

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

The City prepared and adopted a legal annual budget for all governmental funds.

In accordance with Title 60 of the Oklahoma State Statutes, the Sand Springs Municipal Authority, the Sand Springs Economic Development Authority and the Sand Springs Cultural and Historical Museum Trust Authority are required to prepare an annual budget 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.

Budgetary Compliance

For the year ended June 30, 2013, the City complied, in all material respects, with the applicable budget laws with the following noted exceptions of expenditures exceeding final budget:

General Fund – Other Financing Uses	\$(119,720)
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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, deferred outflows, liabilities, deferred inflows, equity, revenues and expenditures/expenses.

3.A. DEPOSIT AND INVESTMENT RISKS

Primary Government:

The City of Sand Springs, including its blended component units held the following deposits and investments at June 30, 2013:

	Carrying Value		Maturity Dates 0 - 13 Months
Deposits:			
Demand deposits	\$ 25,221,538		\$ 25,221,538
Time deposits	8,458,889		8,458,889
Total deposits	33,680,427		33,680,427
	Fair Value	Credit Rating	
Investments:			
Goldman Financial Money Market	26,582,921	Aaa	26,582,921
Money Market Funds	58,047	Aaa	58,047
Total investments	26,640,968		26,640,968
 Total deposits and investments	 \$ 60,321,395		 \$ 60,321,395
Reconciliation to Statement of Net Position:			
Cash and cash equivalents	\$ 26,431,079		
Investments	33,890,316		
	\$ 60,321,395		

**NOTES TO BASIC FINANCIAL STATEMENTS
CITY OF SAND SPRINGS, OKLAHOMA
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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 110% 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, 2013, 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.B. 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.

As noted in the schedule of deposits and investments above, at June 30, 2013, all of the City’s investments in debt securities were rated Aaa by Moody’s Investor Service.

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’s investment policy limits investments to those with a maturity no more than three years from the date of purchase, except for reserve funds, as a means of managing exposure to fair value losses arising from increasing interest rates. The City discloses its exposure to interest rate risk by disclosing the maturity dates of its various investments.

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. The City’s investment policy requires diversification of investments and indicates that, with the exception of U.S. Treasury securities and authorized pools, no more than 50% of the City’s total investment portfolio will be invested in a single financial institution.

At June 30, 2013, the City had no concentration of credit risk.

Component Units:

Total bank deposits of the discretely presented component units were insured with Federal Deposit Insurance Corporation Insurance and not subject to the custodial credit risk as defined above.

**NOTES TO BASIC FINANCIAL STATEMENTS
CITY OF SAND SPRINGS, OKLAHOMA
JUNE 30, 2013**

3.B. ACCOUNTS RECEIVABLE

Accounts receivable of the business-type activities consist of customers' utilities, airport and golf accounts receivable. Accounts receivable of the governmental activities consists primarily of police fines. Receivables detail at June 30, 2013, is as follows:

	Governmental Activities	Business- Type Activities	Total
Service receivables	\$ 133,600	\$ 2,210,692	\$ 2,344,292
Other receivable	104,950	101,699	206,649
Municipal court fines receivable	1,660,926	-	1,660,926
Allowance for uncollectible accounts	(1,296,183)	(802,973)	(2,099,156)
Net accounts receivable	<u>\$ 603,293</u>	<u>\$ 1,509,418</u>	<u>\$ 2,112,711</u>

3.C. RESTRICTED ASSETS

The amounts reported as restricted assets in the fund financial statements are comprised of cash and investments held by the trustee bank on behalf of the public trust (Authority) related to their required revenue bond and promissory note accounts as described in Note 2.D. and deposits held for refund.

The restricted assets as of June 30, 2013 were as follows:

<u>Types of Restricted Assets</u>	<u>Current Cash and Cash Equivalents</u>	<u>Noncurrent Cash and Cash Equivalents</u>	<u>Noncurrent Investments</u>
ENTERPRISE FUND:			
Trustee Accounts:			
2003 OWRB Notes:			
Bond Fund Account	\$ -	\$ -	\$ -
Reserve Fund Account	-	129,711	-
2004 OWRB Notes:			
Bond Fund Account	224,075	-	-
Reserve Fund Account	-	142,982	-
2012 OWRB Notes:			
Reserve Fund Account	108,420	-	-
2012 Revenue Bonds:			
Bond Fund Account	654,726	-	-
Project Account	-	-	23,644,846
Reserve Fund Account	-	-	1,678,162
Deposits held for refund	131,234	-	312,265
Total	<u>\$ 1,118,455</u>	<u>\$ 272,693</u>	<u>\$ 25,635,273</u>

3.D. CAPITAL ASSETS

Capital asset activity for the fiscal year ended June 30, 2013, was as follows:

**NOTES TO BASIC FINANCIAL STATEMENTS
CITY OF SAND SPRINGS, OKLAHOMA
JUNE 30, 2013**

	Balance at <u>July 1, 2012</u>	<u>Adjustments</u>	<u>Additions</u>	<u>Deductions</u>	<u>Transfers</u>	Balance at <u>June 30, 2013</u>
PRIMARY GOVERNMENT:						
<i>Governmental Activities:</i>						
Capital assets not being depreciated:						
Land	\$ 11,452,896	\$ -	\$ 43,980	\$ -	\$ -	\$ 11,496,876
Construction-in-progress	2,413,112	562,028	2,849,187	3,000,021	-	2,824,306
Total capital assets not being depreciated	<u>13,866,008</u>	<u>562,028</u>	<u>2,893,167</u>	<u>3,000,021</u>	<u>-</u>	<u>14,321,182</u>
Other capital assets:						
Buildings	8,303,223	-	7,600	-	-	8,310,823
Other improvements	3,891,990	19,281	58,500	-	-	3,969,771
Machinery and equipment	7,921,758	8,376	495,752	769,558	(8,331)	7,647,997
Infrastructure	35,096,997	40,862	3,294,915	-	-	38,432,774
Total other capital assets at historical cost	<u>55,213,968</u>	<u>68,519</u>	<u>3,856,767</u>	<u>769,558</u>	<u>(8,331)</u>	<u>58,361,365</u>
Less accumulated depreciation for:						
Buildings	1,776,010	-	171,460	-	-	1,947,470
Other improvements	1,071,988	-	156,589	-	-	1,228,577
Machinery and equipment	5,413,530	-	624,885	763,341	(8,331)	5,266,743
Infrastructure	23,286,805	-	986,041	-	-	24,272,846
Total accumulated depreciation	<u>31,548,333</u>	<u>-</u>	<u>1,938,975</u>	<u>763,341</u>	<u>(8,331)</u>	<u>32,715,636</u>
Other capital assets, net	<u>23,665,635</u>	<u>68,519</u>	<u>1,917,792</u>	<u>6,217</u>	<u>-</u>	<u>25,645,729</u>
Governmental activities capital assets, net	<u>\$ 37,531,643</u>	<u>\$ 630,547</u>	<u>\$ 4,810,959</u>	<u>\$ 3,006,238</u>	<u>\$ -</u>	<u>\$ 39,966,911</u>
<i>Business-Type Activities:</i>						
Capital assets not being depreciated:						
Land	\$ 2,169,204	\$ -	\$ -	\$ -	\$ -	\$ 2,169,204
Intangible assets	6,702,666	-	-	-	-	6,702,666
Construction in progress	5,008,289	347,298	3,691,846	62,931	-	8,984,502
Total capital assets not being depreciated	<u>13,880,159</u>	<u>347,298</u>	<u>3,691,846</u>	<u>62,931</u>	<u>-</u>	<u>17,856,372</u>
Other capital assets:						
Buildings	22,017,636	-	62,932	-	-	22,080,568
Improvements other than buildings	26,640,144	-	12,773	-	-	26,652,917
Machinery and equipment	4,446,595	44,456	342,413	153,561	8,331	4,688,234
Infrastructure	55,033,386	28,536	790,150	-	-	55,852,072
Total other capital assets at historical cost	<u>108,137,761</u>	<u>72,992</u>	<u>1,208,268</u>	<u>153,561</u>	<u>8,331</u>	<u>109,273,791</u>
Less accumulated depreciation for:						
Buildings	8,773,173	-	451,564	-	-	9,224,737
Improvements other than buildings	12,349,065	-	816,437	-	-	13,165,502
Machinery and equipment	2,996,052	-	301,240	136,705	8,331	3,168,918
Infrastructure	33,917,502	-	1,222,755	-	-	35,140,257
Total accumulated depreciation	<u>58,035,792</u>	<u>-</u>	<u>2,791,996</u>	<u>136,705</u>	<u>8,331</u>	<u>60,699,414</u>
Other capital assets, net	<u>50,101,969</u>	<u>72,992</u>	<u>(1,583,728)</u>	<u>16,856</u>	<u>-</u>	<u>48,574,377</u>
Business-type activities capital assets, net	<u>\$ 63,982,128</u>	<u>\$ 420,290</u>	<u>\$ 2,108,118</u>	<u>\$ 79,787</u>	<u>\$ -</u>	<u>\$ 66,430,749</u>

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

Primary Government:	
Governmental Activities:	
General Government	\$ 193,189
Planning and Zoning	14
Financial Administration	7,510
Public Safety	477,115
Highways and Streets	1,079,806
Health and Welfare	3,842
Culture and Recreation	175,809
Economic Development	1,690
Total depreciation expense for governmental activities	<u>\$ 1,938,975</u>
Business-Type Activities:	
Water	1,148,227
Wastewater	981,674
Solid Waste	107,424
Storm Water	143,906
Airport	265,316
Golf	145,449
Total depreciation expense for business-type activities	<u>\$ 2,791,996</u>

**NOTES TO BASIC FINANCIAL STATEMENTS
CITY OF SAND SPRINGS, OKLAHOMA
JUNE 30, 2013**

3.E. LONG-TERM DEBT

The reporting entity's long-term debt is segregated between the amounts to be repaid from governmental activities, amounts to be repaid from business-type activities, and amounts to be repaid from component units.

Governmental Activities:

At June 30, 2013, the governmental activities long-term debt consisted of the following:

General Obligation Bonds:

\$6,360,000 General Obligation Bonds of 2006, used for streets, Community Center, and public safety equipment, due in annual installments of \$450,000, final payment due March 1, 2021, with interest rates of 3.7% to 5.0%	\$3,660,000
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\$1,510,000 General Obligation Refunding Bonds of 2012 A, used for advanced refunding of the 2002, due in annual installments varying from \$155,000 to \$210,000, final payment due June 1, 2018, with interest rates of 1.2% to 9.5%	1,200,000
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\$1,030,000 General Obligation Refunding Bonds of 2012 B, used for advanced Refunding of 2003, due in annual installments varying from \$285,000 to \$320,000, final payment due June 1, 2017, with interest rates of 3.15% to 3.85%	<u>860,000</u>
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Total General Obligation Bonds	<u>\$5,720,000</u>
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Current portion	\$920,000
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Non-current portion	<u>4,800,000</u>
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Total General Obligation Bonds	<u>\$5,720,000</u>
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Capital Leases Payable:

\$408,047 capital lease with American Heritage Bank for fire pumper, due in annual installments of \$68,887, final payment due November 14, 2014, with interest rate of 4.35%	\$129,369
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\$496,304 capital lease with Community First National Bank for fire pumper, due in monthly installments of \$5,747, final payment due May 1, 2016, with interest rate of 2.406%	<u>496,304</u>
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Total Capital Leases Payable	<u>\$625,673</u>
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Current portion	\$110,846
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Non-current portion	<u>514,827</u>
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Total Capital Leases Payable	<u>\$625,673</u>
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Accrued Compensated Absences:

Current portion	\$145,926
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Non-current portion	<u>583,702</u>
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Total Accrued Compensated Absences	<u>\$729,628</u>
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**NOTES TO BASIC FINANCIAL STATEMENTS
CITY OF SAND SPRINGS, OKLAHOMA
JUNE 30, 2013**

Business-Type Activities:

As of June 30, 2013, the long-term debt payable from business-type activities resources consisted of the following:

Notes Payable:

2003A OWRB SRF Note Payable dated January 1, 2003, original amount of \$1,200,000 with an annual administration fee of 0.5%, semiannual installments of principal and interest, final installment September 15, 2022, used for sewer improvements.	\$569,987
2004A OWRB Note Payable dated April 1, 2004, original amount of \$950,806, with an annual interest rate of 0% plus 0.5% admin fee, installments due semiannually, final installment March 8, 2024, used for sewer improvements.	522,944
2004B OWRB Note Payable dated April 1, 2004, original amount of \$1,860,000 with a variable interest rate ranging from 1.145% to 4.495%, semiannual installments of principal and interest, final installment September 15, 2023, used for sewer improvements.	1,190,000
2005A OWRB Note Payable dated June 29, 2006, original amount of \$2,314,000 with an annual interest rate of 2.60%, semiannual installments of principal and interest, final installment September 15, 2026, used for sewer improvements.	1,619,084
2006 OWRB Note Payable dated August 30, 2005, original amount of \$2,250,000 with an interest rate of 2.60% plus a .5% admin fee, with semi-annual payments, final payment due March 15, 2026, used for sewer improvements.	1,538,191
2009 OWRB SRF Note Payable dated December 9, 2009, original amount of \$5,631,709 with an interest rate of 3.11% with semi-annual payments, final payment due September 15, 2030, used for water improvements; remaining funds left to draw are \$2,294,668.	2,281,247
2012 OWRB Note Payable dated August 29, 2012, original amount of \$1,240,000 with a variable interest rate ranging from 0.25% to 4.00% plus a .5% admin fee, with semi-annual payments, final payment due September 1, 2022, used for refinancing 2003B OWRB Note that was issued for sewer improvements	1,240,000
Notes Payable with American Heritage Bank dated October 2, 2006, original amount of \$360,000, with an annual interest rate of 4.65%, annual payments of \$60,358, final installment due October 2, 2013, used for refuse trucks.	19,646
Notes Payable with BancFirst dated August 14, 2008, original amount of \$99,000, with an annual interest rate of 4.3%, monthly payments of \$1,837, final installment due August 14, 2013, used for golf equipment.	3,790
Notes Payable with Yamaha dated September 23, 2011, original amount of \$146,175, with an annual interest rate of 4.79%, monthly payments of \$3,339, final installment due October 1, 2015, used for golf cars.	<u>85,505</u>
Total Notes Payable	<u>\$9,070,394</u>
Current portion	\$793,992
Non-current portion	<u>8,276,402</u>
Total Notes Payable	<u>\$9,070,394</u>

**NOTES TO BASIC FINANCIAL STATEMENTS
CITY OF SAND SPRINGS, OKLAHOMA
JUNE 30, 2013**

Revenue Bonds:

2012 Series Utility System Revenue Bonds dated November 1, 2012, original amount of \$30,510,000, issued by Sand Springs Municipal Authority, secured by utility revenues and pledged sales tax, interest rates from 2.0% to 4.0%, final maturity November 1, 2042, used for water and sewer improvements and pay off notes payable. \$30,510,000

Current portion	\$680,000
Non-current portion	<u>29,830,000</u>
Total Revenue Bonds Payable	<u>\$30,510,000</u>

Accrued Compensated Absences:

Current portion	\$50,921
Non-current portion	<u>208,947</u>
Total Accrued Compensated Absences	<u>\$259,868</u>

Deposits Subject to Refund:

Current portion	\$131,234
Non-current portion	<u>312,265</u>
Total Deposits Subject to Refund	<u>\$443,499</u>

Changes in Long-Term Debt

The following is a summary of changes in long-term debt for the year ended June 30, 2013:

<u>Type of Debt</u>	<u>Balance July 1, 2012</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance June 30, 2013</u>	<u>Amounts Due Within One Year</u>
Primary Government					
Governmental Activities:					
General Obligation Bonds	\$ 6,650,000	\$ -	\$ 930,000	\$ 5,720,000	\$ 920,000
Capital Leases Payable	190,017	496,304	60,648	625,673	110,846
Accrued Compensated Absences	676,715	679,953	627,040	729,628	145,926
Total Governmental Activities	<u>\$ 7,516,732</u>	<u>\$ 1,176,257</u>	<u>\$ 1,617,688</u>	7,075,301	<u>\$ 1,176,772</u>
Plus: OPEB obligation (See Note 4A)				385,986	
				<u>\$ 7,461,287</u>	
Reconciliation to Statement of Net Position:					
Due in one year				\$ 1,176,772	
Due in more than one year				<u>6,284,515</u>	
				<u>\$ 7,461,287</u>	
Business-Type Activities:					
Notes Payable	\$ 12,867,801	\$ 1,647,792	\$ 5,445,199	\$ 9,070,394	\$ 793,992
Revenue Bonds Payable	-	30,510,000	-	30,510,000	680,000
Accrued Compensated Absences	260,011	211,195	211,338	259,868	50,921
Deposits Subject to Refund	451,471	119,850	127,822	443,499	131,234
Total Business-Type Activities	<u>\$ 13,579,283</u>	<u>\$ 32,488,837</u>	<u>\$ 5,784,359</u>	40,283,761	<u>\$ 1,656,147</u>
Plus: OPEB obligation (See Note 4A)				179,827	
Unamortized bond premium (See Note 3E)				56,661	
Less: Unamortized bond discount (See Note 3E)				123,010	
				<u>\$ 40,397,239</u>	
Reconciliation to Statement of Net Position:					
Due in one year				\$ 1,656,147	
Due in more than one year				<u>38,741,092</u>	
				<u>\$ 40,397,239</u>	

**NOTES TO BASIC FINANCIAL STATEMENTS
CITY OF SAND SPRINGS, OKLAHOMA
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The General, SSMA Water, SSMA Wastewater, SSMA Solid Waste, SSMA Airport, and SSMA Golf Course funds have been used to liquidate the net OPEB obligation.

Debt Service Requirements to Maturity - Primary Government

The debt service requirements to maturity, including principal and interest, for long-term debt as of June 30, 2013 are as follows:

<u>Year Ending June 30,</u>	Governmental Activities			
	General Obligation Bonds		Capital Leases Payable	
	Principal	Interest	Principal	Interest
2014	\$ 920,000	\$ 149,338	\$ 110,846	\$ 21,244
2015	910,000	131,003	124,948	12,419
2016	895,000	112,037	60,239	8,720
2017	925,000	92,277	61,704	7,255
2018	660,000	71,340	63,206	5,753
2019-2022	1,410,000	106,560	204,730	7,894
Totals	\$ 5,720,000	\$ 662,555	\$ 625,673	\$ 63,285

<u>Year Ending June 30,</u>	Business-Type Activities			
	Notes Payable		Revenue Bonds Payable	
	Principal	Interest	Principal	Interest
2014	\$ 793,992	\$ 320,223	\$ 680,000	\$ 1,028,350
2015	778,407	301,196	660,000	1,008,250
2016	761,014	281,347	675,000	991,600
2017	767,579	262,779	690,000	977,950
2018	779,291	242,541	705,000	964,000
2019-2023	4,084,686	884,893	3,785,000	4,546,905
2024-2028	2,202,177	406,478	4,380,000	3,921,676
2029-2033	1,126,000	183,848	5,230,000	3,059,894
2034-2038	71,916	15,758	6,215,000	2,041,544
2039-2043	-	-	7,490,000	743,051
Totals	\$ 11,365,062	\$ 2,899,063	\$ 30,510,000	\$ 19,283,220
Remaining loan proceeds to be drawn	(2,294,668)			
	\$ 9,070,394			

Advance Refunding

On November 1, 2012 the City issued \$30,510,000 Utility System Revenue Bonds Series 2012, with interest rates ranging from 1.20% to 9.5% to current refund \$1,365,000 and \$2,110,000 Army Corps of Engineer Notes 1992 and 2006, respectively. A portion of the net proceeds along with available debt service funds were used to refund the outstanding loan at the next principal due date. As a result, the 1992 and 2006 notes are considered to be paid in full and the liability for those bonds has been removed from the Statement of Net Position.

The advance refunding resulted in a difference between the reacquisition price and the net carrying amount of the old debt of \$68,412. This difference, reported in the accompanying financial statements as a deferred outflow, is being charged to operations through the year 2017 using the straight line method. The City completed the advance refunding and the total debt service payments over the next twenty-one years on the 1992 Note increased by

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\$83,365 and the city incurred an economic gain (the difference between the present values of the old and new debt service payments) of \$44,161. The advance refunding of the 2006 Note resulted in the total debt service on the payments of the next five years to increase by \$226,099 and an economic gain of \$43,863.

In addition, on August 1, 2012 the City issued \$1,240,000 Oklahoma Water Resources Board Note Payable, with interest rates ranging from .25% to 4.0% to refund \$1,355,000 of the 2003 Series OWRB Note Payable. A portion of the net proceeds along with available debt service funds were used to refund the outstanding loan at the next principal due date. As a result, the 2003 Series bonds are considered to be paid in full and the liability for those bonds has been removed from the Statement of Net Position.

The advance refunding resulted in a difference between the reacquisition price and the net carrying amount of the old debt of \$7,934. This difference, reported in the accompanying financial statements as a deferred outflow, is being charged to operations through the year 2017 using the straight line method. The City completed the advance refunding to reduce its total debt service payments over the next four years by \$96,329.

3.F. INTERFUND TRANSACTIONS AND BALANCES

Interfund transfers reported in the fund financial statements for the year ended June 30, 2013 were as follows:

<u>Transfer From</u>	<u>Transfer To</u>	<u>Amount</u>	<u>Purpose of Transfer</u>
Short-term Capital Improvement	* General Fund	\$ 14,200	B E911 wireless system
Sinking Fund	* General Fund	267	B Interest earnings
* SSMA Water Fund	* General Fund	980,000	Operating subsidy
* SSMA Solid Waste Utility Fund	* General Fund	350,000	Operating subsidy
2006 G.O. Bond Fund	* Street Improvement Fund	35,000	B Capital asset purchases
* General Fund	Capital Improvement Fund	204,000	A Capital asset purchases
* SSMA Water Fund	Capital Improvement Fund	495,000	A Capital asset purchases
* SSMA Golf Course Fund	Capital Improvement Fund	7,500	A Capital asset purchases
* General Fund	Street Improvement Fund	1,447,691	Sales tax transfer
* General Fund	2006 G.O. Bond Fund	68,108	A Operating subsidy
* General Fund	Short-Term Capital Improvement	295,052	A Capital asset purchases
* General Fund	T.I.D. #1 Cimarron Center Fund	186,831	A Grant match
Capital Improvement Fund	* Capital Improvement W&WW Fund	1,852,085	B Capital asset purchases
* SSMA Golf Course Fund	Golf Course Capital Improvement	24,473	A Capital asset purchases
* SSMA Water Fund	* Capital Improvement W&WW Fund	2,895,381	Sales tax transfer
* SSMA Water Fund	* Airport Construction Fund	155,000	Operating subsidy
* General Fund	* SSMA Water Fund	2,895,381	Sales tax transfer
DWSRF AMR Program Fund	* SSMA Water Fund	132,190	B Capital asset purchases
* SSMA Wastewater Utility Fund	* SSMA Capital Fund	36,000	A Capital asset purchases
* SSMA Airport Fund	* SSMA Capital Fund	11,000	A Capital asset purchases
* SSMA Water Fund	Capital Improvement W&WW Fund	355,154	Operating subsidy
* SSMA Stormwater Fund	Stormwater Capital Improvement	650,000	A Operating subsidy
* SSMA Water Fund	* SSMA Airport Fund	70,000	Operating subsidy
* SSMA Water Fund	* SSMA Golf Course Fund	330,000	Operating subsidy
* SSMA Water Fund	DWSRF AMR Program Fund	407,791	A Operating subsidy
* SSMA Water Fund	* SSMA Capital Fund	226,000	A Capital asset purchases
		<u>\$ 14,124,104</u>	
* - Denotes major fund			
	Sub-total of Nonmajor Governmental Fund Transfers In	2,611,755	Sum of A
	Sub-total of Nonmajor Governmental Fund Transfers Out	(2,033,742)	Sum of B
	Transfers	Transfers	Net Transfers
	<u>In</u>	<u>Out</u>	
Reconciliation to Fund Financials:			
Governmental Funds	\$ 10,696,533	\$ (7,130,805)	\$ 3,565,728
Enterprise Funds	3,427,571	(6,993,299)	(3,565,728)
Total Transfers	<u>\$ 14,124,104</u>	<u>\$ (14,124,104)</u>	<u>\$ -</u>
Reconciliation to Statement of Activities:			
Net Transfers Governmental Funds			\$ 3,565,728
Net transfer for Capital project funds reported as business-type activities			(6,480,694)
Capital outlay for governmental capital project funds reported as transfers to business-type activities			(4,691,449)
Capital assets transferred to governmental activities			5,172,431
Governmental activities transfer of non-capitalized business type activities expenses			(584,178)
Net Transfers/Internal Activity			<u>\$ (3,018,162)</u>

**NOTES TO BASIC FINANCIAL STATEMENTS
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3.G. FUND EQUITY

Fund Balance and Net Position:

The following tables show the fund balance classifications as shown on the Governmental Funds Balance Sheet and Proprietary Fund Statement of Net Position:

	General Fund	Major Capital Project Funds			Other Governmental Funds	TOTAL
		Street Improvement	Capital Improvement Water & Wastewater	Airport CIP		
Fund Balances:						
Nonspendable:						
Inventory	\$ 22,982	\$ -	\$ -	-	\$ -	\$ 22,982
Sub-total Nonspendable	22,982	-	-	-	-	22,982
Restricted for:						
Animal Sterilization	21,148	-	-	-	-	21,148
Jail Reserves	72,144	-	-	-	-	72,144
Substance Abuse	66,875	-	-	-	-	66,875
Juvenile Programs	61,699	-	-	-	-	61,699
Economic Development	178,219	-	-	-	-	178,219
Streets	-	6,911,893	-	-	222,349	7,134,242
Housing Rehabilitation	-	-	-	-	51,491	51,491
Capital Improvements	-	-	-	-	20,039	20,039
Energy Efficiency Projects	-	-	-	-	21,669	21,669
Utility Capital Projects	-	-	7,653,846	-	-	7,653,846
Debt Service	-	-	-	-	1,197,906	1,197,906
Public Safety	-	-	-	-	126,740	126,740
Culture and Recreation	-	-	-	-	106,699	106,699
Arbitrage Rebate	-	-	-	-	34,233	34,233
Sub-total Restricted	400,085	6,911,893	7,653,846	-	1,781,126	16,746,950
Assigned to:						
Subsequent Year Budget	1,042,053	-	-	-	-	1,042,053
Community Center	256,242	-	-	-	-	256,242
Police	126,337	-	-	-	-	126,337
Fire	4,025	-	-	-	-	4,025
Alive at 25	4,081	-	-	-	-	4,081
Streets	-	53,384	-	-	-	53,384
Capital Improvements	-	-	-	-	1,087,899	1,087,899
Parks	-	-	-	-	230,332	230,332
Energy Efficiency Projects	-	-	-	-	57	57
River City Crossing	-	-	-	-	109,661	109,661
South Side Park	-	-	-	-	10,750	10,750
Stormwater Projects	-	-	-	-	2,460,293	2,460,293
Utility Capital Projects	-	-	364,362	-	52,980	417,342
Golf Course	-	-	-	-	25,734	25,734
Debt Service	-	-	-	-	546	546
Sub-total Assigned	1,432,738	53,384	364,362	-	3,978,252	5,828,736
Unassigned (deficit):	3,320,280	-	-	(36,627)	-	3,283,653
TOTAL FUND BALANCES	\$ 5,176,085	\$ 6,965,277	\$ 8,018,208	(36,627)	\$ 5,759,378	\$ 25,882,321

Enterprise Funds:

Restricted For Debt Service

Cash and investments	\$ 2,938,076
Less: accrued interest payable	(239,519)
	<u>2,698,557</u>

Restricted for Capital Projects

Total Enterprise Fund Restrictions	<u>\$ 26,343,403</u>
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**NOTES TO BASIC FINANCIAL STATEMENTS
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Prior Period Adjustment

The following table shows the net position restatement due to the implementation of GASB Statement 65:

	SSMA	SSMA	Government-Wide	
	Water Utility Fund	Wastewater Utility Fund	Governmental Activities	Business-type Activities
Beginning net position, as previously reported	\$ 32,626,824	\$ 14,482,714	\$ 45,679,850	\$ 65,720,803
Understatement of capital assets	-	-	42,047	-
Removal of debt issuance costs due to the implementation of GASB 65	<u>(123,461)</u>	<u>(216,826)</u>	<u>(125,194)</u>	<u>(340,287)</u>
Beginning net position, restated	<u>\$ 32,503,363</u>	<u>\$ 14,265,888</u>	<u>\$ 45,596,703</u>	<u>\$ 65,380,516</u>

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 Plan	Cost Sharing Multiple Employer - Defined Benefit
Oklahoma Firefighters Pension and Retirement Fund Plan	Cost Sharing Multiple Employer - Defined Benefit
Oklahoma Municipal Retirement Fund (OMRF)	Defined Contribution Plan Defined Contribution Plan – CMO Defined Contribution Plan – CMO Special Incentive

Oklahoma Police and Firefighter’s Pension and Retirement Systems

The City of Sand Springs, as the employer, participates in two statewide cost-sharing multi-employer defined benefit plans on behalf of the policemen and firefighters. The systems are funded by contributions from participants, employers, insurance premium taxes, and state appropriations, as necessary. The following is a summary of eligibility factors, contributions methods and benefit provisions.

**NOTES TO BASIC FINANCIAL STATEMENTS
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A. Eligibility Factors, Contributions Methods, and Benefit Provisions

	<u>Oklahoma Police Pension and Retirement System</u>	<u>Oklahoma Firefighter's Pension and Retirement System</u>
Obtaining separately issued financial statements.	Police Pension and Retirement 1001 N.W. 63 rd St., Ste. 305 Oklahoma City, OK 73116-7335	Firefighters Pension and Retirement 4545 N. Lincoln Blvd., Ste. 265 Oklahoma City, OK 73105-3414
Eligibility to participate	All full-time officers employed by a participating municipality; not less than 21 years of age or more than 45 years of age when hired.	All full-time or voluntary firefighters of a participating municipality, not less than 18 years of age or more than 45 years of age.
Authority establishing contribution obligations and benefits	State Statute	State Statute
Employee's contribution rate (percent of covered payroll)	8%	8%
City's contribution rate (percent of covered payroll)	13%	13%
State obligation	State appropriation to fund the unfunded actuarial accrued liability.	State appropriation to fund the unfunded actuarial accrued liability.
Period required to vest	10 years	10 years
Eligibility and benefits for distribution (full-time)	20 years credited service, 2 1/2% of final average salary multiplied by the years of credited service with a maximum of 30 years considered; if vested, at or after age 50, or after 10 but before 20 years of credited service, with reduced benefits.	20 years credited service, 2 1/2% of final average salary multiplied by the years of credited service with a maximum of 30 years considered; if vested, at or after age 50, or after 10 but before 20 years of credited service, with reduced benefits.

**NOTES TO BASIC FINANCIAL STATEMENTS
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Eligibility and benefits for distribution (volunteer)	-	20 years credited service equal to \$7.53 per month per year of service, with a maximum of 30 years considered. If vested, but less than 20 years, \$7.53 per month per year of service
Deferred retirement option	Yes, 20 years credited service with continued service for a maximum of 5 years.	Yes, 20 years credited service with continued service for a maximum of 5 or more years.
Provisions for:		
Cost of living adjustments (normal retirement)	Yes	Yes, if vested by 5/83
Death (duty, non-duty, postretirement)	Yes	Yes
Disability (duty, non-duty)	Yes	Yes
Cost of Living allowances	Yes	Yes

B. Trend Information

The state made on-behalf payments for the police pension system of \$163,163 and for the fire pension system of \$511,906. These on-behalf payments were recognized as revenue and expenditures in the current fiscal year. City contributions required by State statute:

Fiscal Year	<u>Oklahoma Police Pension and Retirement System</u>		<u>Oklahoma Firefighter's Pension and Retirement System</u>	
	<u>Required Contribution</u>	<u>Percentage Contributed</u>	<u>Required Contribution</u>	<u>Percentage Contributed</u>
2011	160,873	100%	198,620	100%
2012	173,089	100%	212,973	100%
2013	179,756	100%	221,826	100%

Trend information showing the progress of the Systems in accumulating sufficient assets to pay benefits when due is presented in their respective separate annual financial reports.

C. Related Party Investments

As of June 30, 2013, the Systems held no related-party investments of the City or of its related entities.

**NOTES TO BASIC FINANCIAL STATEMENTS
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Defined Contribution Plan - OMRF

The City has provided a defined contribution plan and trust known as the City of Sand Springs Plan and Trust (the "Plan") in the form of The Oklahoma Municipal Retirement System Master Defined Contribution Plan (OMRF). OMRF operations are supervised by a nine-member Board of Trustees elected by the participating municipalities. The plan is administered by JP Morgan Chase of Oklahoma City. The OMRF Plan issues a separate financial report that may be obtained from OMRF. The defined contribution plan is available to all full-time employees except those participating in state fire or police program and the City Manager. Employees are eligible on the employee's employment commencement date. Each employee shall be required to contribute 4% (not to exceed 10%) of his or her compensation. By City ordinance, the City, as employer, is required to make contributions to the plan, under the government pick-up option, at a rate of 8% of covered payroll. The City has also elected the variable funding option. The contribution rate of the employer may be determined annually by the City council. The City's contributions for each employee (and interest allocated to the employee's account) are vested at a rate of 50% after completion of five years of service and then 10% per year for the next five years. The employee is fully vested after 10 years of service. City contributions for, and interest forfeited by, employees who leave employment prior to fully vesting are allocated back to remaining eligible participants. 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.

For the year ended June 30, 2013, the following amounts related to the defined contribution plan:

Employee contributions made	\$180,500
Employer (City) contributions made	\$360,985

Defined Contribution Plan – OMRF - CMO Plan

The City has also provided a defined contribution plan in the form of The Oklahoma Municipal Retirement System Master Defined Contribution Plan (OMRF). The defined contribution plan is available to any person who is in the position of City Manager as of August 14, 2006. Employees are eligible on the employee's employment commencement date. The City has elected the variable funding option. The City intends to make a contribution 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 13% to the plan and the employee does not contribute to the plan. The total contributions by the City for fiscal year 2013 were \$9,555 which is 100% of the required contribution.

Other Post-Employment Benefits

Plan Description: The City provides post-retirement benefit options for health care, prescription drug, dental and vision benefits for retired employees and their dependents that elect to make required contributions. 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 relationship for these benefits is not formalized in a contract or plan document, only a few sentences in the administrative policy. These benefits are considered for accounting purposes to be provided in accordance with a single employer substantive plan. A substantive plan is one in which the plan terms are understood by the city and plan members. This understanding is based on communications between the employers and plan member and the historical pattern of practice with regard to the sharing of benefit costs. Substantially all of the government's employees may become eligible for those post-retirement benefits if they reach normal retirement age while working for the City. As of June 30, 2013, approximately 7 retired employees are receiving benefits under this plan. The Plan does not have a separate, audited financial report prepared.

**NOTES TO BASIC FINANCIAL STATEMENTS
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Funding Policy. The contribution requirement of the City is an implicit subsidy. The implicit subsidy is not a direct payment from the employer on behalf of the member but rather stems from retiree contribution levels that are less than the claims cost at retiree ages. Since claims experience for employees and non-Medicare eligible retirees are pooled when determining premiums, these retired members pay a premium based on a pool of members that, on average, are younger and healthier. There is an implicit subsidy from the employee group since the premiums paid by the retirees are lower than they would have been if the retirees were insured separately. The subsidies are valued using the difference between the age-based claims costs and the premium paid by the retiree. The amount required to fund the implicit rate is based on projected pay-as-you-go financing requirements. For fiscal year 2013, the City contributed \$20,537 to the plan. Plan members receiving benefits contributed \$20,537, or approximately 100 percent of the total premiums, through their required contribution of \$466.15 per month for retiree-only coverage and \$950.54 for retiree and spouse medical/dental coverage.

Annual OPEB Cost and Net OPEB Obligation. The City's annual other postemployment benefit (OPEB) cost (expense) is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years. The following table shows the components of the City's annual OPEB cost the amount actually contributed to the plan, and changes in the City's net OPEB obligation for the year ended June 30, 2013:

Annual required contribution	\$139,420
Interest on net OPEB obligation	21,073
Adjustment to annual required contribution	(49,624)
Annual OPEB cost (expense)	110,869
Contributions made	(20,537)
Increase in net OPEB obligation	90,332
Net OPEB obligation—beginning of year	475,483
Net OPEB obligation—end of year	\$565,815
Governmental Activities	\$385,988
Business-Type Activities	179,827
	\$565,815

The City's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for 2013 was as follows:

Fiscal Year	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
6/30/11	\$156,119	19.0%	\$349,317
6/30/12	\$156,118	19.0%	\$475,483
6/30/13	\$116,889	18.0%	\$565,815

Funded Status and Funding Progress. As of June 30, 2013, the most recent actuarial valuation date, the plan was 100% percent unfunded. The actuarial accrued liability for benefits was \$1,210,599, and the actuarial value of assets was zero, resulting in an unfunded actuarial accrued liability (UAAL) of \$1,210,599. The covered payroll (annual payroll of active employees covered by the plan) was \$7.5 million.

**NOTES TO BASIC FINANCIAL STATEMENTS
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Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

Actuarial Methods and Assumptions. Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

In the August 23, 2013, actuarial valuation, the projected unit credit cost method was used. The actuarial assumptions included a 4.75 percent investment rate of return (net of administrative expenses), which is a blended rate of the expected long-term investment returns on plan assets and on the employer's own investments calculated based on the funded level of the plan at the valuation date, and an annual healthcare cost trend rate of 4.5 percent initially, reduced by decrements to an ultimate rate of 4.87 percent in 2060, based upon dependent rates. There were no assets to determine the actuarial value of assets. Projected salary increases are assumed at 4%. The inflation rate assumed is 2.5% and the post-retirement benefit increases are included in the healthcare cost trend rate. The UAAL is being amortized over a closed 30 year period as level payments. The remaining amortization period at June 30, 2013, was twenty-seven years.

4.B. RISK MANAGEMENT

The City is exposed to various risks of loss related to torts, theft of, damage to, or destruction of assets; errors and omissions; injuries to employees; employee's 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. General Liability: - Torts - Errors and omissions - Police liability - Vehicle	Purchased commercial insurance.	None
b. Physical Property: - Theft - Damage to assets - Natural disasters	All physical property except vehicles is insured through commercial insurance with deductible of \$1,000.	All physical property except vehicles - None
	Vehicle damage is not covered by insurance.	Vehicles - entire risk of loss retained through fund incurring the loss.

**NOTES TO BASIC FINANCIAL STATEMENTS
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c. Workers Compensation: - Employee injuries	Participates in OMAG risk entity pool. Participation fee includes an actuarially determined amount held by OMAG as the loss reserve fund, to pay claims incurred. Claims are administered by the State Insurance Fund.	Specific aggregate stop loss coverage is provided by the State Insurance Fund and covers all claims above the loss reserve fund.
d. Health and Life: - Medical - Dental	All group health and life coverage is insured through a commercial carrier.	None

OMAG Worker's Compensation

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

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

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

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

4.C. COMMITMENTS AND CONTINGENCIES

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 of reimbursement which may arise as a result of these audits cannot be reasonably determined at this time, although it is believed the amount, if any, would not be material.

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Litigation

The City is a party to various legal proceedings which normally occur in the course of 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. This statutory taxing ability is not available to the City's public trusts (Authorities).

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.

Commitments:

Construction Projects

At June 30, 2013, the City had several construction projects ongoing. The material projects are noted below:

Project	Total Contract	Remaining Contract	Funding Source
Main Street Improvements	\$ 664,478	\$ 135,826	Street Improvement Fund
Runway Rehab - Taxiway	\$ 3,133,935	\$ 662,617	Airport Construction Fund

Tax Increment Financing District

The City established a tax increment financing district (the "District") for the purpose of assisting an existing company within the City to expand its business. Under terms of the agreement, the Company agreed to relocate/expand its business on an underdeveloped parcel of land within the City. Pursuant to the agreement, sales tax generated within the District would be rebated by the City to the company on allowable construction costs incurred in the District as defined in the agreement. In addition, one hundred percent of the ad valorem tax generated within the District in excess of the base assessed value of the District is to be apportioned and used to reimburse the company for certain allowable project costs. The apportionment of ad valorem will terminate upon the final payment for all allowable project costs incurred, less previous apportionments of sales tax, but in no case shall extend beyond twenty-five years from the original effective date. During fiscal 2013, the ad valorem assessments on the District totaled \$186,831.

4.D. NEW ACCOUNTING PRONOUNCEMENTS

The GASB has issued several new accounting pronouncements, which will be effective in subsequent years. A description of the new accounting pronouncements, the fiscal year in which they are effective, and the City's consideration of the impact of these pronouncements are described below:

Statement No. 68, *Accounting and Financial Reporting for Pensions, an Amendment of GASB Statement No. 27*. GASB No. 68 establishes standards for measuring and recognizing liabilities, deferred outflows of resources, deferred inflows of resources, and pension expenses. GASB No. 68 also details the recognition and disclosure requirements for employers with liabilities to a defined benefit pension plan and for employers whose employees are provided with defined contribution pensions. Defined benefit pensions are further classified by GASB No. 68 as single employer plans, agent employer plans and cost-sharing plans, and recognition and disclosure requirements are addressed for each classification. GASB No. 68 was issued in June 2012, and the City has not yet determined the impact that implementation of GASB No. 68 will have on its net position. The Statement is effective for fiscal years ended June 30, 2015.



Sand Springs

O K L A H O M A

REQUIRED SUPPLEMENTARY INFORMATION

Required supplementary information (RSI) includes financial information and disclosures that are required by the GASB but are not considered a part of the basic financial statements. Such information includes:

- Budgetary Comparison Schedule - General Fund
- Notes to RSI - Budgetary Comparison Schedule
- Notes to RSI – Schedule of OPEB Status and Funding Process

**CITY OF SAND SPRINGS, OKLAHOMA
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
For the fiscal year ended June 30, 2013**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Beginning Budgetary Fund Balance:	\$2,999,362	\$4,714,090	\$4,714,090	-
Resources (Inflows):				
TAXES:				
Sales tax	9,904,323	9,904,323	10,133,835	229,512
Use tax	274,275	274,275	421,958	147,683
Hotel/Motel tax	93,000	93,000	123,728	30,728
Incremental tax	-	121,763	186,834	65,071
Franchise tax	869,000	869,000	796,444	(72,556)
Video Provider Fee	950	950		(950)
Emergency telephone tax	56,000	56,000	48,665	(7,335)
Abatement fees	15,000	15,000	23,300	8,300
Payment in lieu of taxes	1,038,311	1,038,311	1,103,053	64,742
Total Taxes	<u>12,250,859</u>	<u>12,372,622</u>	<u>12,837,817</u>	<u>465,195</u>
INTERGOVERNMENTAL:				
Taxes	195,400	191,400	203,541	12,141
Cigarette tax	130,000	134,000	131,297	(2,703)
Grants	115,008	698,138	406,689	(291,449)
Total Intergovernmental	<u>440,408</u>	<u>1,023,538</u>	<u>741,527</u>	<u>(282,011)</u>
CHARGES FOR SERVICES:				
Court costs	224,500	178,000	151,327	(26,673)
Zoning and inspection fees	89,000	89,000	103,097	14,097
Park and recreation fees	58,800	58,800	73,777	14,977
Fire run fees	7,200	7,200	7,875	675
Fire protection fee	145,000	145,000	144,446	(554)
First responder runs	15,000	15,000	21,135	6,135
First responder fees	175,000	175,000	174,381	(619)
EMSA fees	262,000	262,000	264,870	2,870
Other fees	32,030	32,030	46,091	14,061
Total Charges for Services	<u>1,008,530</u>	<u>962,030</u>	<u>986,999</u>	<u>24,969</u>
FINES AND FORFEITURES	<u>365,500</u>	<u>412,000</u>	<u>414,863</u>	<u>2,863</u>
LICENSES AND PERMITS:				
Licenses	79,600	79,600	148,351	68,751
Permits	48,300	48,300	46,093	(2,207)
Total Licenses and Permits	<u>127,900</u>	<u>127,900</u>	<u>194,444</u>	<u>66,544</u>
OTHER:				
Transfers from other funds	1,345,100	1,345,100	1,344,467	(633)
Interest on taxes	12,000	12,000	9,456	(2,544)
Interest	16,200	16,200	29,030	12,830
Other	203,400	240,500	356,938	116,438
Total Other	<u>1,576,700</u>	<u>1,613,800</u>	<u>1,739,891</u>	<u>126,091</u>
Total Resources (Inflows)	<u>15,769,897</u>	<u>16,511,890</u>	<u>16,915,541</u>	<u>403,651</u>
Amounts available for appropriation	<u>18,769,259</u>	<u>21,225,980</u>	<u>21,629,631</u>	<u>403,651</u>

(Continued)

**CITY OF SAND SPRINGS, OKLAHOMA
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
For the fiscal year ended June 30, 2013
(Continued)**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Charges to Appropriations (Outflows):				
GENERAL GOVERNMENT:				
General Administration:				
Materials and supplies	\$ 11,155	\$ 19,205	\$ 14,433	\$ 4,772
Other services and charges	112,502	133,841	117,040	16,801
Total General Administration	<u>123,657</u>	<u>153,046</u>	<u>131,473</u>	<u>21,573</u>
Municipal Court:				
Personal services	151,795	153,271	127,653	25,618
Materials and supplies	2,576	4,451	4,166	285
Other services and charges	23,131	21,882	16,976	4,906
Total Municipal Court	<u>177,502</u>	<u>179,604</u>	<u>148,795</u>	<u>30,809</u>
City Manager:				
Personal services	347,235	305,697	302,164	3,533
Materials and supplies	10,159	9,260	9,258	2
Other services and charges	16,389	12,358	12,337	21
Total City Manager	<u>373,783</u>	<u>327,315</u>	<u>323,759</u>	<u>3,556</u>
Information Services:				
Personal services	145,936	130,836	125,112	5,724
Materials and supplies	2,975	14,017	13,368	649
Other services and charges	129,784	137,431	132,849	4,582
Total Information Services	<u>278,695</u>	<u>282,284</u>	<u>271,329</u>	<u>10,955</u>
TOTAL GENERAL GOVERNMENT	<u>953,637</u>	<u>942,249</u>	<u>875,356</u>	<u>66,893</u>
PLANNING AND ZONING:				
Planning and Development:				
Personal services	62,173	115,093	103,355	11,738
Materials and supplies	1,600	2,075	1,483	592
Other services and charges	72,181	21,881	16,938	4,943
TOTAL PLANNING AND ZONING	<u>135,954</u>	<u>139,049</u>	<u>121,776</u>	<u>17,273</u>
FINANCIAL ADMINISTRATION:				
Human Resources:				
Personal services	151,723	152,917	144,861	8,056
Materials and supplies	6,060	6,060	2,811	3,249
Other services and charges	15,208	32,000	25,585	6,415
Total Human Resources	<u>172,991</u>	<u>190,977</u>	<u>173,257</u>	<u>17,720</u>
Finance:				
Personal services	442,757	346,448	346,332	116
Materials and supplies	7,405	8,571	7,883	688
Other services and charges	100,364	192,477	144,852	47,625
Total Finance	<u>550,526</u>	<u>547,496</u>	<u>499,067</u>	<u>48,429</u>
City Attorney:				
Personal services	21,503	19,282	19,280	2
Materials and supplies	945	30	28	2
Other services and charges	78,227	72,220	72,218	2
Total City Attorney	<u>100,675</u>	<u>91,532</u>	<u>91,526</u>	<u>6</u>
TOTAL FINANCIAL ADMINISTRATION	<u>824,192</u>	<u>830,005</u>	<u>763,850</u>	<u>66,155</u>

(Continued)

CITY OF SAND SPRINGS, OKLAHOMA
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
For the fiscal year ended June 30, 2013
(Continued)

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
PUBLIC SAFETY:				
Police:				
Personal services	\$ 2,761,185	\$ 2,723,254	\$ 2,544,620	\$ 178,634
Materials and supplies	225,828	226,083	168,956	57,127
Other services and charges	65,753	72,127	65,903	6,224
Capital outlay	-	67,307	-	67,307
Total Police	3,052,766	3,088,771	2,779,479	309,292
Emergency Management:				
Personal services	38,230	37,873	34,663	3,210
Materials and supplies	31,672	32,637	30,559	2,078
Other services and charges	25,398	25,638	25,443	195
Total Emergency Management	95,300	96,148	90,665	5,483
Animal Control:				
Personal services	-	92,123	84,307	7,816
Materials and supplies	-	13,489	11,872	1,617
Other services and charges	-	3,865	2,268	1,597
Total Animal Control	-	109,477	98,447	11,030
Communications:				
Personal services	373,894	373,895	370,163	3,732
Materials and supplies	18,800	18,800	11,419	7,381
Other services and charges	175,983	227,711	116,952	110,759
Total Communications	568,677	620,406	498,534	121,872
Fire:				
Personal services	2,571,848	2,637,207	2,621,435	15,772
Materials and supplies	115,235	117,392	109,506	7,886
Other services and charges	281,528	286,833	279,405	7,428
Capital outlay	15,500	203,639	199,172	4,467
Total Fire	2,984,111	3,245,071	3,209,518	35,553
Neighborhood Services:				
Personal services	161,345	247,823	226,627	21,196
Materials and supplies	13,367	16,067	11,542	4,525
Other services and charges	55,358	77,658	69,070	8,588
Total Neighborhood Services	230,070	341,548	307,239	34,309
TOTAL PUBLIC SAFETY	6,930,924	7,501,421	6,983,882	517,539
HIGHWAYS AND STREETS:				
Street and Alley:				
Personal services	441,675	444,406	373,702	70,704
Materials and supplies	234,074	233,699	113,075	120,624
Other services and charges	240,677	241,052	157,063	83,989
Capital outlay	7,595	28,595	20,495	8,100
TOTAL HIGHWAYS AND STREETS	924,021	947,752	664,335	283,417
HEALTH AND WELFARE:				
Senior Citizens:				
Personal services	21,316	22,391	21,468	923
Materials and supplies	13,524	12,449	6,326	6,123
Other services and charges	13,911	5,772	4,294	1,478
TOTAL HEALTH AND WELFARE	48,751	40,612	32,088	8,524

(Continued)

CITY OF SAND SPRINGS, OKLAHOMA
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
For the fiscal year ended June 30, 2013
(Continued)

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
CULTURE AND RECREATION:				
Parks and Recreation:				
Personal services	\$ 414,779	\$ 436,659	\$ 415,044	\$ 21,615
Materials and supplies	169,648	167,896	133,006	34,890
Other services and charges	401,911	405,823	343,244	62,579
Total Parks and Recreation	<u>986,338</u>	<u>1,010,378</u>	<u>891,294</u>	<u>119,084</u>
Museum:				
Personal services	8,510	8,395	8,240	155
Materials and supplies	13,430	10,338	945	9,393
Other services and charges	36,242	39,449	33,549	5,900
Total Museum	<u>58,182</u>	<u>58,182</u>	<u>42,734</u>	<u>15,448</u>
TOTAL CULTURE AND RECREATION	<u>1,044,520</u>	<u>1,068,560</u>	<u>934,028</u>	<u>134,532</u>
ECONOMIC DEVELOPMENT:				
Economic Development:				
Personal services	95,104	77,273	40,063	37,210
Materials and supplies	3,045	1,654	1,425	229
Other services and charges	44,003	286,241	265,495	20,746
Capital outlay	-	8,000	4,500	3,500
TOTAL ECONOMIC DEVELOPMENT	<u>142,152</u>	<u>373,168</u>	<u>311,483</u>	<u>61,685</u>
FACILITIES MANAGEMENT AND FLEET MAINTENANCE:				
Facilities Management:				
Personal services	218,488	216,815	212,550	4,265
Materials and supplies	93,847	112,535	77,225	35,310
Other services and charges	218,838	223,570	143,604	79,966
Capital Outlay	12,605	12,605	7,600	5,005
Total Facilities Management	<u>543,778</u>	<u>565,525</u>	<u>440,979</u>	<u>124,546</u>
Fleet Maintenance:				
Personal services	274,200	262,508	210,898	51,610
Materials and supplies	12,671	23,179	23,269	(90)
Other services and charges	37,966	39,931	35,938	3,993
Total Fleet Maintenance	<u>324,837</u>	<u>325,618</u>	<u>270,105</u>	<u>55,513</u>
TOTAL FACILITIES MANAGEMENT AND FLEET MAINTENANCE	<u>868,615</u>	<u>891,143</u>	<u>711,084</u>	<u>180,059</u>
OTHER FINANCING USES:				
Transfers to other funds	4,694,762	4,977,343	5,097,063	(119,720)
Debt service:				
Capital lease principal	125,860	125,860	61,142	64,718
Capital lease interest	23,272	23,272	7,735	15,537
Total Other Financing Uses	<u>4,843,894</u>	<u>5,126,475</u>	<u>5,165,940</u>	<u>(39,465)</u>
Total Charges to Appropriations	16,716,660	17,860,434	16,563,822	1,296,612
Ending Budgetary Fund Balance	<u>\$ 2,052,599</u>	<u>\$ 3,365,546</u>	5,065,809	<u>\$ 1,700,263</u>
Less:				
Encumbrances			(87,147)	
Ending Unobligated Budgetary Fund Balance			<u>\$ 4,978,662</u>	
Reconciliation to Statement of Revenues, Expenditures and Changes in Fund Balance:				
Total Resources per Budgetary Comparison Schedule			\$ 16,915,541	
Add State Fire and Police pension on-behalf payments			675,069	
Add Special Programs sub-fund revenues			45,669	
Less transfer in			<u>(1,344,467)</u>	
Total Revenues per Statement of Revenues, Expenditures, and Changes in Fund Balance			<u>\$ 16,291,812</u>	
Total Charges to Appropriations per Budgetary Comparison Schedule				
Add State Fire and Police pension on-behalf payments			\$ 675,069	
Add Capital Lease on fire truck capital outlay			496,304	
Add Special Programs sub-fund expenditures			46,566	
Less transfer out			<u>(5,097,063)</u>	
Total Expenditures per Statement of Revenues, Expenditures, and Changes in Fund Balance			<u>\$ 12,684,698</u>	

CITY OF SAND SPRINGS, OKLAHOMA
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE
For the fiscal year ended June 30, 2013

Budgetary Accounting

The City prepares its budget for the General Fund on the modified accrual basis of accounting. The City utilizes encumbrance accounting under which 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, but are reported as a assignment of fund balance since the City intends to honor the commitments and provide for supplemental appropriations in the following budget year. All appropriations lapse at year-end.

Expenditures Exceeding Appropriations

Expenditures exceed budget at the legal level of control, as follows:

Fleet Maintenance	\$90
Transfer to other funds	\$119,720

CITY OF SAND SPRINGS
REQUIRED SUPPLEMENTAL INFORMATION
SCHEDULE OF OPEB STATUS AND FUNDING PROGRESS

JUNE 30, 2013

Required Supplementary Information

The funded status and funding progress of the City's defined benefit OPEB plan for the most recent actuarial valuations is as follows:

	<u>July 1, 2008</u>
Actuarial accrued liability - AAL (a)	\$1,051,239
Actuarial value of plan assets (b)	-
Unfunded actuarial accrued liability – UAAL (funding excess) (a) – (b)	\$1,051,239
Funded ratio (b)/(a)	0%
Covered payroll (c)	\$7,216,000
UAAL (funding excess) as a % of covered payroll [UAAL/(c)]	15%

	<u>July 1, 2010</u>
Actuarial accrued liability - AAL (a)	\$1,319,030
Actuarial value of plan assets (b)	-
Unfunded actuarial accrued liability – UAAL (funding excess) (a) – (b)	\$1,319,030
Funded ratio (b)/(a)	0%
Covered payroll (c)	\$6,819,000
UAAL (funding excess) as a % of covered payroll [UAAL/(c)]	19%

	<u>July 1, 2012</u>
Actuarial accrued liability - AAL (a)	\$1,089,982
Actuarial value of plan assets (b)	-
Unfunded actuarial accrued liability – UAAL (funding excess) (a) – (b)	\$1,089,982
Funded ratio (b)/(a)	0%
Covered payroll (c)	\$7,501,000
UAAL (funding excess) as a % of covered payroll [UAAL/(c)]	15%

OTHER SUPPLEMENTARY INFORMATION

Other supplementary information (OSI) includes financial statements and schedules not required by the GASB, nor a part of the basic financial statements, but are presented for purposes of additional analysis.

Such statements and schedules include:

- Combining Statements – General fund accounts
- Combining Statements - Non-major governmental funds
- Budgetary Comparison Schedules - Non-major governmental funds
- Budgetary Comparison Schedule - Major governmental funds (capital project funds and debt service)
- Statement of Cash Flows – Discretely Presented Component Units
- Schedule of Debt Coverage

**City of Sand Springs, Oklahoma
Combining Balance Sheet
General Fund Accounts
June 30, 2013**

	<u>General Fund</u>	<u>Special Programs</u>	<u>Total</u>
ASSETS			
Cash and cash equivalents	\$ 2,566,849	\$ 119,871	\$ 2,686,720
Investments	1,253,248	-	1,253,248
Accrued interest receivable	2,302	-	2,302
Taxes receivable, net	211,611	-	211,611
Receivable from other governments	1,412,757	-	1,412,757
Court fines receivable, net	364,743	-	364,743
Other receivables	238,550	-	238,550
Inventories	22,982	-	22,982
Prepaid expenses	1,975	-	1,975
Total assets	<u>\$ 6,075,017</u>	<u>\$ 119,871</u>	<u>\$ 6,194,888</u>
 LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES			
Liabilities:			
Accounts payable	\$ 360,973	\$ 395	\$ 361,368
Payable to other governments	90,119	-	90,119
Other accrued expenses	146,031	-	146,031
Amounts held in escrow	29,565	-	29,565
Other payables	14,302	9,200	23,502
Total liabilities	<u>640,990</u>	<u>9,595</u>	<u>650,585</u>
Deferred inflows of resources:			
Deferred revenues	368,218	-	368,218
Fund balances:			
Non-spendable	22,982	-	22,982
Restricted	400,085	-	400,085
Assigned	1,322,462	110,276	1,432,738
Unassigned	3,320,280	-	3,320,280
Total fund balances	<u>5,065,809</u>	<u>110,276</u>	<u>5,176,085</u>
Total liabilities, deferred inflows and fund balances	<u>\$ 6,075,017</u>	<u>\$ 119,871</u>	<u>\$ 6,194,888</u>

City of Sand Springs, Oklahoma
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances
General Fund Accounts
For the Year Ended June 30, 2013

	<u>General Fund</u>	<u>Special Programs</u>	<u>Total</u>
REVENUES			
Taxes	\$ 12,837,817	\$ -	\$ 12,837,817
Fees and fines	414,863	405	415,268
Licenses and permits	194,444	-	194,444
Intergovernmental	1,561,333	-	1,561,333
Charges for services	986,999	-	986,999
Investment earnings	38,486	58	38,544
Miscellaneous	212,201	45,206	257,407
Total revenues	<u>16,246,143</u>	<u>45,669</u>	<u>16,291,812</u>
EXPENDITURES			
Current:			
General government	875,356	-	875,356
Planning and zoning	121,776	-	121,776
Financial administration	763,850	-	763,850
Public Safety	7,459,779	5,573	7,465,352
Highways and streets	643,840	-	643,840
Health and welfare	32,088	-	32,088
Culture and recreation	934,028	-	934,028
Community and economic development	306,983	-	306,983
Facilities management and fleet maintenance	703,484	-	703,484
Debt Service:			
Principal	61,142	-	61,142
Interest and other charges	7,735	-	7,735
Capital Outlay	728,071	40,993	769,064
Total expenditures	<u>12,638,132</u>	<u>46,566</u>	<u>12,684,698</u>
Excess (deficiency) of revenues over expenditures	<u>3,608,011</u>	<u>(897)</u>	<u>3,607,114</u>
OTHER FINANCING SOURCES (USES)			
Proceeds from capital leases	496,304	-	496,304
Transfers in	1,344,467	-	1,344,467
Transfers out	(5,097,063)	-	(5,097,063)
Total other financing sources and uses	<u>(3,256,292)</u>	<u>-</u>	<u>(3,256,292)</u>
Net change in fund balances	351,719	(897)	350,822
Fund balances - beginning	4,714,090	111,173	4,825,263
Fund balances - ending	<u>\$ 5,065,809</u>	<u>\$ 110,276</u>	<u>\$ 5,176,085</u>

City of Sand Springs, Oklahoma
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2013

	Special Revenue Fund	CAPITAL PROJECT FUNDS					
	<u>CDBG Home Investment Partnership</u>	<u>Short-Term Capital Improvements</u>	<u>Community Development Block Grant - EDIF</u>	<u>T.I.D. #1 Cimarron Center</u>	<u>Park and Recreation</u>	<u>ODOC EECBG</u>	<u>Capital Improvement</u>
ASSETS							
Cash and cash equivalents	\$ 51,491	\$ 546,924	\$ 26,614	\$ 65,071	\$ 230,332	\$ 21,726	\$ 677,992
Investments	-	-	-	-	-	-	-
Accrued interest receivable	-	-	-	-	-	-	-
Receivable from other governments	-	56,750	42,901	-	-	-	-
Other receivables	-	-	-	-	-	-	-
Total assets	<u>\$ 51,491</u>	<u>\$ 603,674</u>	<u>\$ 69,515</u>	<u>65,071</u>	<u>\$ 230,332</u>	<u>\$ 21,726</u>	<u>\$ 677,992</u>
LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES							
Liabilities:							
Accounts payable	\$ -	\$ 67,729	\$ 42,484	65,071	\$ -	\$ -	\$ 89,823
Total liabilities	<u>-</u>	<u>67,729</u>	<u>42,484</u>	<u>65,071</u>	<u>-</u>	<u>-</u>	<u>89,823</u>
Deferred inflows of resources:							
Deferred revenues	-	-	6,992	-	-	-	-
Fund balances:							
Restricted	51,491	-	20,039	-	-	21,669	-
Assigned	-	535,945	-	-	230,332	57	588,169
Total fund balances	<u>51,491</u>	<u>535,945</u>	<u>20,039</u>	<u>-</u>	<u>230,332</u>	<u>21,726</u>	<u>588,169</u>
Total liabilities, deferred inflows and fund balances	<u>\$ 51,491</u>	<u>\$ 603,674</u>	<u>\$ 69,515</u>	<u>\$ 65,071</u>	<u>\$ 230,332</u>	<u>\$ 21,726</u>	<u>\$ 677,992</u>

City of Sand Springs, Oklahoma
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2013

	CAPITAL PROJECT FUNDS					DEBT SERVICE FUND		Total Other Governmental Funds
	Stormwater Capital Improvement	SSMA Capital	2002 General Obligation Bond Fund	2006 General Obligation Bond Fund	Golf Course Capital Improvement	DWSRF AMR Program	Debt Service Fund	
ASSETS								
Cash and cash equivalents	\$ 2,144,855	\$ 57,586	\$ 76,748	\$ 69,369	\$ 25,734	\$ 407,791	\$ 1,080,216	\$ 5,482,449
Investments	315,000	-	152,165	275,545	-	-	100,000	842,710
Accrued interest receivable	438	-	75	315	-	-	68	896
Receivable from other governments	-	-	-	-	-	-	89,652	189,303
Other receivables	-	-	-	-	-	-	-	-
Total assets	<u>\$ 2,460,293</u>	<u>\$ 57,586</u>	<u>\$ 228,988</u>	<u>\$ 345,229</u>	<u>\$ 25,734</u>	<u>\$ 407,791</u>	<u>\$ 1,269,936</u>	<u>\$ 6,515,358</u>
LIABILITIES, DEFERRED INFLOWS AND FUND BAL								
Liabilities:								
Accounts payable	\$ -	\$ 4,606	\$ -	\$ -	\$ -	\$ 407,791	\$ -	\$ 677,504
Total liabilities	<u>-</u>	<u>4,606</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>407,791</u>	<u>-</u>	<u>677,504</u>
Deferred inflows of resources:								
Deferred revenues	-	-	-	-	-	-	71,484	78,476
Fund balances:								
Restricted	-	-	222,349	267,672	-	-	1,197,906	1,781,126
Assigned	2,460,293	52,980	6,639	77,557	25,734	-	546	3,978,252
Total fund balances	<u>2,460,293</u>	<u>52,980</u>	<u>228,988</u>	<u>345,229</u>	<u>25,734</u>	<u>-</u>	<u>1,198,452</u>	<u>5,759,378</u>
Total liabilities, deferred inflows and fund balances	<u>\$ 2,460,293</u>	<u>\$ 57,586</u>	<u>\$ 228,988</u>	<u>\$ 345,229</u>	<u>\$ 25,734</u>	<u>\$ 407,791</u>	<u>\$ 1,269,936</u>	<u>\$ 6,515,358</u>

City of Sand Springs, Oklahoma
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended June 30, 2013

	Special Revenue Fund	CAPITAL PROJECT FUNDS					
	<u>CDBG Home Investment Partnership</u>	<u>Short-Term Capital Improvements</u>	<u>Community Development Block Grant - EDIF</u>	<u>T.I.D. #1 Cimarron Center</u>	<u>Park and Recreation</u>	<u>ODOC EECBG</u>	<u>Capital Improvement</u>
	REVENUES						
Taxes	\$ -	\$ 97,614	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	44,352	57,669	-	-	40,012	-
Charges for services	-	-	-	-	7,425	-	-
Investment earnings	37	297	-	3	62	19	621
Miscellaneous	-	-	-	-	-	-	29,210
Total revenues	<u>37</u>	<u>142,263</u>	<u>57,669</u>	<u>3</u>	<u>7,487</u>	<u>40,031</u>	<u>29,831</u>
EXPENDITURES							
Current:							
Community development	-	-	-	186,834	-	-	-
Debt Service:							
Principal	-	-	-	-	-	-	-
Interest and other charges	-	-	-	-	-	-	-
Capital Outlay	-	490,363	53,547	-	-	26,607	127,716
Total expenditures	<u>-</u>	<u>490,363</u>	<u>53,547</u>	<u>186,834</u>	<u>-</u>	<u>26,607</u>	<u>127,716</u>
Excess (deficiency) of revenues over expenditures	<u>37</u>	<u>(348,100)</u>	<u>4,122</u>	<u>(186,831)</u>	<u>7,487</u>	<u>13,424</u>	<u>(97,885)</u>
OTHER FINANCING SOURCES (USES)							
Transfers in	-	295,052	-	186,831	-	-	706,500
Transfers out	-	(14,200)	-	-	-	-	(1,852,085)
Total other financing sources and uses	<u>-</u>	<u>280,852</u>	<u>-</u>	<u>186,831</u>	<u>-</u>	<u>-</u>	<u>(1,145,585)</u>
Net change in fund balances	37	(67,248)	4,122	-	7,487	13,424	(1,243,470)
Fund balances - beginning	51,454	603,193	15,917	-	222,845	8,302	1,831,639
Fund balances - ending	<u>\$ 51,491</u>	<u>\$ 535,945</u>	<u>\$ 20,039</u>	<u>\$ -</u>	<u>\$ 230,332</u>	<u>\$ 21,726</u>	<u>\$ 588,169</u>

City of Sand Springs
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended June 30, 2013

	CAPITAL PROJECT FUNDS						DEBT SERVICE FUND	Total Other Governmental Funds
	Stormwater Capital Improvement	SSMA Capital	2002 General Obligation Bond Fund	2006 General Obligation Bond Fund	Golf Course Capital Improvement	DWSRF AMR Program	Debt Service Fund	
REVENUES								
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,160,778	\$ 1,258,392
Intergovernmental	-	-	-	-	-	-	-	142,033
Charges for services	-	-	-	-	-	-	-	7,425
Investment earnings	998	12	1,250	(336)	8	32	481	3,484
Miscellaneous	-	-	-	-	-	1,913	-	31,123
Total revenues	<u>998</u>	<u>12</u>	<u>1,250</u>	<u>(336)</u>	<u>8</u>	<u>1,945</u>	<u>1,161,259</u>	<u>1,442,457</u>
EXPENDITURES								
Current:								
Community development	-	-	-	-	-	-	-	186,834
Debt Service:								
Principal	-	-	-	-	-	-	930,000	930,000
Interest and other charges	-	-	-	-	-	-	171,577	171,577
Capital Outlay	32,568	255,959	11,147	45,668	-	1,661	-	1,045,236
Total expenditures	<u>32,568</u>	<u>255,959</u>	<u>11,147</u>	<u>45,668</u>	<u>-</u>	<u>1,661</u>	<u>1,101,577</u>	<u>2,333,647</u>
Excess (deficiency) of revenues over expenditures	<u>(31,570)</u>	<u>(255,947)</u>	<u>(9,897)</u>	<u>(46,004)</u>	<u>8</u>	<u>284</u>	<u>59,682</u>	<u>(891,190)</u>
OTHER FINANCING SOURCES (USES)								
Transfers in	650,000	273,000	-	68,108	24,473	407,791	-	2,611,755
Transfers out	-	-	-	(35,000)	-	(132,190)	(267)	(2,033,742)
Total other financing sources and uses	<u>650,000</u>	<u>273,000</u>	<u>-</u>	<u>33,108</u>	<u>24,473</u>	<u>275,601</u>	<u>(267)</u>	<u>578,013</u>
Net change in fund balances	618,430	17,053	(9,897)	(12,896)	24,481	275,885	59,415	(313,177)
Fund balances - beginning	1,841,863	35,927	238,885	358,125	1,253	(275,885)	1,139,037	6,072,555
Fund balances - ending	<u>\$ 2,460,293</u>	<u>\$ 52,980</u>	<u>\$ 228,988</u>	<u>\$ 345,229</u>	<u>\$ 25,734</u>	<u>\$ -</u>	<u>\$ 1,198,452</u>	<u>\$ 5,759,378</u>

CITY OF SAND SPRINGS, OKLAHOMA
 BUDGETARY COMPARISON SCHEDULE
 NONMAJOR GOVERNMENTAL FUNDS
 For the fiscal year ended June 30, 2013

	SPECIAL REVENUE - COMMUNITY DEVELOPMENT BLOCK GRANT HOME INVESTMENT PARTNERSHIP				CAPITAL PROJECT - SHORT-TERM CAPITAL IMPROVEMENTS			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final			Original	Final		
Revenues:								
Taxes	\$ -	\$ -	\$ -	\$ -	\$ 78,000	\$ 78,000	\$ 97,614	\$ 19,614
Intergovernmental	-	-	-	-	-	-	44,352	44,352
Investment income	60	60	37	(23)	200	200	297	97
Total Revenues	<u>60</u>	<u>60</u>	<u>37</u>	<u>(23)</u>	<u>78,200</u>	<u>78,200</u>	<u>142,263</u>	<u>64,063</u>
Expenditures:								
Economic Development:								
Capital outlay	-	-	-	-	-	-	-	-
Information Services:								
Capital outlay	-	-	-	-	8,000	108,000	107,649	351
Communications:								
Capital outlay	-	-	-	-	-	12,247	-	12,247
Parks and Recreation:								
Capital outlay	-	-	-	-	26,500	43,500	43,310	190
Neighborhood Services:								
Capital outlay	-	-	-	-	26,500	43,500	43,310	190
Police:								
Capital outlay	-	-	-	-	121,006	121,006	118,921	2,085
Total Police	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>121,006</u>	<u>121,006</u>	<u>118,921</u>	<u>2,085</u>
Communications:								
Capital outlay	-	-	-	-	-	19,252	13,518	5,734
Fire:								
Capital outlay	-	-	-	-	28,646	29,098	28,506	592
Total Fire	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>28,646</u>	<u>29,098</u>	<u>28,506</u>	<u>592</u>
Emergency Management:								
Capital outlay	-	-	-	-	-	159,178	153,305	5,873
Public Works:								
Capital outlay	-	-	-	-	-	55,500	25,154	30,346
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>184,152</u>	<u>547,781</u>	<u>490,363</u>	<u>57,418</u>
Revenues over (under) expenditures	60	60	37	(23)	(105,952)	(469,581)	(348,100)	121,481
Other Financing Sources (Uses):								
Transfers in	-	-	-	-	246,052	295,052	295,052	-
Transfers out	-	-	-	-	(14,200)	(14,200)	(14,200)	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>231,852</u>	<u>280,852</u>	<u>280,852</u>	<u>-</u>
Revenues and other sources over (under) expenditures and other uses	60	60	37	(23)	125,900	(188,729)	(67,248)	121,481
Fund Balance - beginning of year	51,452	51,454	51,454	-	198,907	603,193	603,193	-
Fund Balance - end of year	<u>\$ 51,512</u>	<u>\$ 51,514</u>	<u>\$ 51,491</u>	<u>\$ (23)</u>	<u>\$ 324,807</u>	<u>\$ 414,464</u>	<u>\$ 535,945</u>	<u>\$ 121,481</u>

(Continued)

CITY OF SAND SPRINGS, OKLAHOMA
 BUDGETARY COMPARISON SCHEDULE
 NONMAJOR GOVERNMENTAL FUNDS
 For the fiscal year ended June 30, 2013

	CAPITAL PROJECT - COMMUNITY DEVELOPMENT BLOCK GRANT - EDIF				CAPITAL PROJECT - PARK AND RECREATION			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final			Original	Final		
Revenues:								
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	160,009	57,669	(102,340)	-	-	-	-
Charges for services	-	-	-	-	7,200	7,200	7,425	225
Investment income	-	-	-	-	110	110	62	(48)
Miscellaneous	-	-	-	-	-	-	-	-
Total Revenues	<u>-</u>	<u>160,009</u>	<u>57,669</u>	<u>(102,340)</u>	<u>7,310</u>	<u>7,310</u>	<u>7,487</u>	<u>177</u>
Expenditures:								
Parks and Recreation:								
Capital outlay	-	-	-	-	-	12,401	-	12,401
Administration:								
Other services & charges	-	-	-	-	-	-	-	-
Public Improvements:								
Capital outlay	-	160,008	53,547	106,461	-	-	-	-
Total Expenditures	<u>-</u>	<u>160,008</u>	<u>53,547</u>	<u>106,461</u>	<u>-</u>	<u>12,401</u>	<u>-</u>	<u>12,401</u>
Revenues over (under) expenditures	-	1	4,122	4,121	7,310	(5,091)	7,487	12,578
Other Financing Sources (Uses):								
Transfers in	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Revenues and other sources over (under) expenditures and other uses	-	1	4,122	4,121	7,310	(5,091)	7,487	12,578
Fund Balance - beginning of year	27,031	15,917	15,917	-	210,425	222,845	222,845	-
Fund Balance - end of year	<u>\$ 27,031</u>	<u>\$ 15,918</u>	<u>\$ 20,039</u>	<u>\$ 4,121</u>	<u>\$ 217,735</u>	<u>\$ 217,754</u>	<u>\$ 230,332</u>	<u>\$ 12,578</u>

(Continued)

CITY OF SAND SPRINGS, OKLAHOMA
 BUDGETARY COMPARISON SCHEDULE
 NONMAJOR GOVERNMENTAL FUNDS
 For the fiscal year ended June 30, 2013

	CAPITAL PROJECT - T.I.D. #1 CIMARRON CENTER				CAPITAL PROJECT - ODOC EECBG			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final			Original	Final		
Revenues:								
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-	-	40,012	40,012	-
Charges for services	-	-	-	-	-	-	-	-
Investment income	-	-	3	3	60	60	19	(41)
Miscellaneous	-	-	-	-	-	-	-	-
Total Revenues	-	-	3	3	60	40,072	40,031	(41)
Expenditures:								
Current:								
Emergency Management:								
Capital Outlay	-	-	-	-	-	-	-	-
Public Improvements:								
Capital Outlay	-	-	-	-	-	-	-	-
Parks and Recreation:								
Capital Outlay	-	-	-	-	-	-	-	-
Public Works:								
Capital Outlay	-	-	-	-	-	-	-	-
Economic Development:								
Capital Outlay	-	-	-	-	-	-	-	-
Community Development:								
Other Services and Charges	-	165,473	186,834	(21,361)	-	-	-	-
Facilities Management:								
Capital Outlay	-	-	-	-	16,376	26,608	26,607	1
Street:								
Capital Outlay	-	-	-	-	-	-	-	-
Total Expenditures	-	165,473	186,834	(21,361)	16,376	26,608	26,607	1
Revenues over (under) expenditures	-	(165,473)	(186,831)	(21,358)	(16,316)	13,464	13,424	(40)
Other Financing Sources (Uses):								
Transfers in	-	165,473	186,831	21,358	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total Other Financing Sources (Uses)	-	165,473	186,831	21,358	-	-	-	-
Revenues and other sources over (under) expenditures and other uses	-	-	-	-	(16,316)	13,464	13,424	(40)
Fund Balance - beginning of year	-	-	-	-	16,429	8,302	8,302	-
Fund Balance - end of year	\$ -	\$ -	\$ -	\$ -	\$ 113	\$ 21,766	\$ 21,726	\$ (40)

(Continued)

**CITY OF SAND SPRINGS, OKLAHOMA
BUDGETARY COMPARISON SCHEDULE
NONMAJOR GOVERNMENTAL FUNDS
For the fiscal year ended June 30, 2013**

	CAPITAL PROJECT - CAPITAL IMPROVEMENT				CAPITAL PROJECT - STORMWATER CAPITAL IMPROVEMENT			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final			Original	Final		
Revenues:								
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	226,023	-	(226,023)	-	-	-	-
Charges for services	-	-	-	-	-	-	-	-
Investment income	2,200	2,200	621	(1,579)	2,200	2,200	998	(1,202)
Miscellaneous	-	5,887	29,210	23,323	-	-	-	-
Total Revenues	2,200	234,110	29,831	(204,279)	2,200	2,200	998	(1,202)
Expenditures:								
Current:								
Emergency Management:								
Capital Outlay	-	4,660	-	4,660	-	-	-	-
Economic Development:								
Capital Outlay	80,000	94,740	5,744	88,996	-	-	-	-
Parks and Recreation:								
Capital Outlay	153,475	334,260	55,218	279,042	-	-	-	-
Streets:								
Capital Outlay	-	13,887	-	13,887	-	-	-	-
Public Works:								
Capital Outlay	400,837	81,656	30,064	51,592	-	-	-	-
Facilities Management:								
Capital Outlay	-	68,436	36,690	31,746	-	-	-	-
Fleet Maintenance:								
Capital Outlay	740	-	-	-	-	-	-	-
Golf Course:								
Capital Outlay	50,000	101,975	-	101,975	-	-	-	-
Water:								
Capital Outlay	-	50,000	-	50,000	-	-	-	-
Stormwater:								
Capital Outlay	-	-	-	-	684,431	2,485,050	32,568	2,452,482
Total Expenditures	685,052	749,614	127,716	621,898	684,431	2,485,050	32,568	2,452,482
Revenues over (under) expenditures	(682,852)	(515,504)	(97,885)	417,619	(682,231)	(2,482,850)	(31,570)	2,451,280
Other Financing Sources (Uses):								
Transfers in	699,000	706,500	706,500	-	650,000	650,000	650,000	-
Transfers out	-	(1,852,085)	(1,852,085)	-	-	-	-	-
Total Other Financing Sources (Uses)	699,000	(1,145,585)	(1,145,585)	-	650,000	650,000	650,000	-
Revenues and other sources over (under) expenditures and other uses	16,148	(1,661,089)	(1,243,470)	417,619	(32,231)	(1,832,850)	618,430	2,451,280
Fund Balance - beginning of year	81,700	1,831,639	1,831,639	-	40,600	1,841,863	1,841,863	-
Fund Balance - end of year	\$ 97,848	\$ 170,550	\$ 588,169	\$ 417,619	\$ 8,369	\$ 9,013	\$ 2,460,293	\$ 2,451,280

(Continued)

CITY OF SAND SPRINGS, OKLAHOMA
 BUDGETARY COMPARISON SCHEDULE
 NONMAJOR GOVERNMENTAL FUNDS
 For the fiscal year ended June 30, 2013

	CAPITAL PROJECT - SSMA CAPITAL				CAPITAL PROJECT - 2002 G.O. BOND			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final			Original	Final		
Revenues:								
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-	-
Investment income	60	60	12	(48)	500	500	1,250	750
Miscellaneous	-	-	-	-	-	-	-	-
Total Revenues	60	60	12	(48)	500	500	1,250	750
Expenditures:								
Current:								
Water:								
Capital Outlay	57,000	84,899	84,898	1	-	-	-	-
Public Works:								
Capital Outlay	-	44,000	41,560	2,440	-	-	-	-
Wastewater:								
Capital Outlay	36,000	35,987	34,373	1,614	-	-	-	-
Fire:								
Capital Outlay	-	-	-	-	-	89	-	89
Airport:								
Capital Outlay	11,000	11,000	8,950	2,050	-	-	-	-
Parks & Recreation:								
Capital Outlay	-	-	-	-	-	11	-	11
Golf Course:								
Capital Outlay	125,000	125,000	86,178	38,822	-	-	-	-
Street:								
Capital Outlay	-	-	-	-	-	11,147	11,147	-
Total Expenditures	229,000	300,886	255,959	44,927	-	11,247	11,147	100
Revenues over (under) expenditures	(228,940)	(300,826)	(255,947)	44,879	500	(10,747)	(9,897)	850
Other Financing Sources (Uses):								
Transfers in	229,000	273,000	273,000	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total Other Financing Sources (Uses)	229,000	273,000	273,000	-	-	-	-	-
Revenues and other sources over (under) expenditures and other uses	60	(27,826)	17,053	44,879	500	(10,747)	(9,897)	850
Fund Balance - beginning of year	3,027	35,927	35,927	-	21,407	238,885	238,885	-
Fund Balance - end of year	\$ 3,087	\$ 8,101	\$ 52,980	\$ 44,879	\$ 21,907	\$ 228,138	\$ 228,988	\$ 850

(Continued)

CITY OF SAND SPRINGS, OKLAHOMA
 BUDGETARY COMPARISON SCHEDULE
 NONMAJOR GOVERNMENTAL FUNDS
 For the fiscal year ended June 30, 2013

	CAPITAL PROJECT - 2006 G.O. BOND				CAPITAL PROJECT - GOLF COURSE CAPITAL IMPROVEMENT			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final			Original	Final		
Revenues:								
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-	-
Investment income	2,200	2,200	(336)	(2,536)	60	60	8	(52)
Miscellaneous	-	-	-	-	-	-	-	-
Total Revenues	<u>2,200</u>	<u>2,200</u>	<u>(336)</u>	<u>(2,536)</u>	<u>60</u>	<u>60</u>	<u>8</u>	<u>(52)</u>
Expenditures:								
Park and Recreation:								
Capital Outlay	-	177,023	1,698	175,325	-	-	-	-
Fire:								
Capital Outlay	-	180,000	43,970	136,030	-	-	-	-
Street:								
Capital Outlay	-	-	-	-	-	-	-	-
Golf Course:								
Capital Outlay	-	21,220	-	21,220	21,620	21,220	-	21,220
Wastewater:								
Capital Outlay	-	-	-	-	-	-	-	-
Total Expenditures	<u>-</u>	<u>378,243</u>	<u>45,668</u>	<u>332,575</u>	<u>21,620</u>	<u>21,220</u>	<u>-</u>	<u>21,220</u>
Revenues over (under) expenditures	2,200	(376,043)	(46,004)	330,039	(21,560)	(21,160)	8	21,168
Other Financing Sources (Uses):								
Transfers in	-	68,108	68,108	-	20,000	20,000	24,473	4,473
Transfers out	(35,000)	(35,000)	(35,000)	-	-	-	-	-
Total Other Financing Sources (Uses)	<u>(35,000)</u>	<u>33,108</u>	<u>33,108</u>	<u>-</u>	<u>20,000</u>	<u>20,000</u>	<u>24,473</u>	<u>4,473</u>
Revenues and other sources over (under) expenditures and other uses	(32,800)	(342,935)	(12,896)	330,039	(1,560)	(1,160)	24,481	25,641
Fund Balance - beginning of year	69,279	358,125	358,125	-	1,670	1,253	1,253	-
Fund Balance - end of year	<u>\$ 36,479</u>	<u>\$ 15,190</u>	<u>\$ 345,229</u>	<u>\$ 330,039</u>	<u>\$ 110</u>	<u>\$ 93</u>	<u>\$ 25,734</u>	<u>\$ 25,641</u>

(Continued)

CITY OF SAND SPRINGS, OKLAHOMA
 BUDGETARY COMPARISON SCHEDULE
 NONMAJOR GOVERNMENTAL FUNDS
 For the fiscal year ended June 30, 2013

	CAPITAL PROJECT - DWSRF AMR PROGRAM				DEBT SERVICE FUND			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final			Original	Final		
Revenues:								
Taxes	\$ -	\$ -	\$ -	\$ -	\$ 1,207,455	\$ 1,207,455	\$ 1,160,778	\$ (46,677)
Intergovernmental	-	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-	-
Investment income	-	-	32	32	920	920	481	(439)
Miscellaneous	-	-	1,913	1,913	-	-	-	-
Total Revenues	-	-	1,945	1,945	1,208,375	1,208,375	1,161,259	(47,116)
Expenditures:								
Water:								
Capital Outlay	-	146,224	1,661	144,563	-	-	-	-
Street:								
Capital Outlay	-	-	-	-	-	-	-	-
Golf Course:								
Capital Outlay	-	-	-	-	-	-	-	-
Finance:								
Capital Outlay	-	-	-	-	-	-	-	-
Wastewater:								
Capital Outlay	-	-	-	-	-	-	-	-
Debt Service	-	-	-	-	1,134,188	1,134,188	1,101,577	32,611
Total Expenditures	-	146,224	1,661	144,563	1,134,188	1,134,188	1,101,577	32,611
Revenues over (under) expenditures	-	(146,224)	284	146,508	74,187	74,187	59,682	(14,505)
Other Financing Sources (Uses):								
Transfers in	-	407,791	407,791	-	-	-	-	-
Transfers out	-	-	(132,190)	(132,190)	(900)	(900)	(267)	633
Total Other Financing Sources (Uses)	-	407,791	275,601	(132,190)	(900)	(900)	(267)	633
Revenues and other sources over (under) expenditures and other uses	-	261,567	275,885	14,318	73,287	73,287	59,415	(13,872)
Fund Balance - beginning of year	-	-	(275,885)	(275,885)	1,140,368	1,139,037	1,139,037	-
Fund Balance - end of year	\$ -	\$ 261,567	\$ -	\$ (261,567)	\$ 1,213,655	\$ 1,212,324	\$ 1,198,452	\$ (13,872)

**CITY OF SAND SPRINGS, OKLAHOMA
BUDGETARY COMPARISON SCHEDULE
MAJOR GOVERNMENTAL FUNDS (CAPITAL PROJECT FUNDS)
For the fiscal year ended June 30, 2013**

	<u>CAPITAL PROJECT - STREET IMPROVEMENT</u>				<u>CAPITAL PROJECT - CAPITAL IMPROVEMENT WATER/WASTEWATER</u>			
	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>			<u>Original</u>	<u>Final</u>		
Revenues:								
Intergovernmental	\$ 412,500	\$ 3,750,753	\$ -	\$ (3,750,753)	\$ -	\$ -	\$ -	\$ -
Charges for services	-	-	-	-	115,000	115,000	104,686	(10,314)
Investment income	7,000	7,000	14,390	7,390	3,700	3,700	12,955	9,255
Total Revenues	419,500	3,757,753	14,390	(3,743,363)	118,700	118,700	117,641	(1,059)
Expenditures:								
Water:								
Capital Outlay	-	-	-	-	1,253,869	12,749,887	836,090	11,913,797
Wastewater:								
Capital Outlay	-	-	-	-	2,010,743	20,335,126	976,755	19,358,371
Street:								
Capital Outlay	2,359,595	11,256,106	596,948	10,659,158	-	-	-	-
Total Expenditures	2,359,595	11,256,106	596,948	10,659,158	3,264,612	33,085,013	1,812,845	31,272,168
Revenues over (under) expenditures	(1,940,095)	(7,498,353)	(582,558)	6,915,795	(3,145,912)	(32,966,313)	(1,695,204)	31,271,109
Other Financing Sources (Uses):								
Transfers in	1,449,903	1,449,903	1,482,691	32,788	2,829,807	28,681,892	5,102,620	(23,579,272)
Total Other Financing Sources (Uses)	1,449,903	1,449,903	1,482,691	32,788	2,829,807	28,681,892	5,102,620	(23,579,272)
Revenues and other sources over (under) expenditures and other uses	(490,192)	(6,048,450)	900,133	6,948,583	(316,105)	(4,284,421)	3,407,416	7,691,837
Fund Balance - beginning of year	515,729	6,065,144	6,065,144	-	558,501	4,610,792	4,610,792	-
Fund Balance - end of year	\$ 25,537	\$ 16,694	\$ 6,965,277	\$ 6,948,583	\$ 242,396	\$ 326,371	\$ 8,018,208	\$ 7,691,837

**CITY OF SAND SPRINGS, OKLAHOMA
BUDGETARY COMPARISON SCHEDULE
MAJOR GOVERNMENTAL FUNDS (CAPITAL PROJECT FUNDS)
For the fiscal year ended June 30, 2013**

	CAPITAL PROJECT - AIRPORT CONSTRUCTION			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ 3,185,778	\$ 3,412,681	\$ 2,727,066	\$ (685,615)
Investment income	200	200	344	144
Total Revenues	<u>3,185,978</u>	<u>3,412,881</u>	<u>2,727,410</u>	<u>(685,471)</u>
Expenditures:				
Airport:				
Capital Outlay	<u>3,475,617</u>	<u>3,635,259</u>	<u>3,069,398</u>	<u>565,861</u>
Total Expenditures	<u>3,475,617</u>	<u>3,635,259</u>	<u>3,069,398</u>	<u>565,861</u>
Revenues over (under) expenditures	(289,639)	(222,378)	(341,988)	(119,610)
Other Financing Sources (Uses):				
Transfers in	155,000	155,000	155,000	-
Total Other Financing Sources (Uses)	<u>155,000</u>	<u>155,000</u>	<u>155,000</u>	<u>-</u>
Revenues and other sources over (under) expenditures and other uses	(134,639)	(67,378)	(186,988)	(119,610)
Fund Balance - beginning of year	140,198	150,361	150,361	-
Fund Balance - end of year	<u>\$ 5,559</u>	<u>\$ 82,983</u>	<u>\$ (36,627)</u>	<u>\$ (119,610)</u>
Fund Balance - end of year				

**CITY OF SAND SPRINGS, OKLAHOMA
STATEMENT OF CASH FLOWS
DISCRETELY PRESENTED COMPONENT UNITS
For the fiscal year ended June 30, 2013**

	<u>Museum Trust Authority</u>	<u>Economic Development Authority</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from customers	\$ 20,214	\$ -
Payments to suppliers	(3,455)	(3,788)
Net Cash Provided by (Used in) Operating Activities	<u>16,759</u>	<u>(3,788)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Sale of investments	-	(37)
Interest and dividends	116	37
Net Cash Provided by Investing Activities	<u>116</u>	<u>-</u>
Net Increase (Decrease) in Cash and Cash Equivalents	16,875	(3,788)
Balances - beginning of the year	<u>124,485</u>	<u>8,089</u>
Balances - end of the year	<u>\$ 141,360</u>	<u>\$ 4,301</u>
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:		
Operating income (loss)	\$ 17,683	\$ (3,788)
Adjustments to reconcile operating income to net cash provided by (used in) operating activities:		
Change in assets and liabilities:		
Accounts receivable	(900)	
Accounts payable	150	-
Due to other governmental agencies	(174)	-
Net Cash Provided by (Used in) Operating Activities	<u>\$ 16,759</u>	<u>\$ (3,788)</u>

**CITY OF SAND SPRINGS, OKLAHOMA
SCHEDULE OF DEBT COVERAGE
For the fiscal year ended June 30, 2013**

	Series 2003, 2004, 2005, 2006, 2009 & 2012 OWRB Notes and <u>Series 2012 Revenue Bond</u>
Gross Revenue Available for Debt Service:	
Charges for services:	
Water charges	\$ 7,544,028
Wastewater charges	3,104,664
Sales tax pledged and transferred	<u>2,895,381</u>
Total Gross Revenues Available	<u>13,544,073</u>
Operating Expenses:	
Water	3,844,404
Wastewater	<u>1,871,018</u>
Total Operating Expenses	<u>5,715,422</u>
Net Revenues Available for Debt Service	<u>\$ 7,828,651</u>
Debt Service Requirements:	
Average annual debt service - 2012 Revenue Bonds	1,675,637
Maximum annual debt service - 2003, 2004, 2005, 2006, 2009 and 2012 OWRB Notes	<u>1,794,578</u>
Total Debt Service Requirements	<u>\$ 3,470,215</u>
Computed Coverage	<u>226%</u>
Coverage Requirement	<u>125%</u>

NOTE: The above gross revenue and operating expenses only include the activities of the Authority related to water and wastewater services, excluding depreciation and amortization expense.



Sand Springs

O K L A H O M A

Statistical

SECTION



STATISTICAL SECTION

The STATISTICAL SECTION presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the government's overall financial health.

Financial Trends

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

Revenue Capacity

These schedules contain information to help the reader assess the government's most significant local revenue sourced, sales tax and property tax.

Debt Capacity

These schedules present information to help the reader assess the affordability of the government's current levels of outstanding debt and the government'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 government's financial activities take place.

Operating Information

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

Sources: Unless otherwise noted, the information in these schedules is derived from the Comprehensive Annual Financial Reports for the relevant year. The City implemented GASB Statement 34 in FY 2001; schedules presenting government-wide information include information beginning in that year.

FINANCIAL TRENDS

CITY OF SAND SPRINGS, OKLAHOMA
NET POSITION BY COMPONENT
Last Ten Fiscal Years
June 30, 2013
TABLE 1

	Fiscal Year									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Governmental activities										
Net investment in capital assets	\$22,148,499	\$24,024,469	\$ 23,252,650	\$25,487,774	\$26,609,943	\$ 27,381,827	\$ 28,851,218	\$ 30,526,321	\$ 30,816,820	\$ 32,505,624
Restricted	6,022,792	3,943,385	3,818,431	4,678,135	6,438,915	7,083,138	7,722,731	8,138,469	8,213,492	8,213,492
Unrestricted	<u>1,837,371</u>	<u>1,666,040</u>	<u>2,698,874</u>	<u>3,460,471</u>	<u>3,735,791</u>	<u>3,938,052</u>	<u>4,256,358</u>	<u>4,635,252</u>	<u>6,649,538</u>	<u>7,604,073</u>
Total governmental activities net assets	<u>\$30,008,662</u>	<u>\$29,633,894</u>	<u>\$ 29,769,955</u>	<u>\$33,626,380</u>	<u>\$36,784,649</u>	<u>\$ 38,403,017</u>	<u>\$ 40,830,307</u>	<u>\$ 43,300,042</u>	<u>\$ 45,679,850</u>	<u>\$ 48,323,189</u>
Business-type activities										
Net investment in capital assets	\$34,906,256	\$36,881,714	\$ 41,409,074	\$42,403,325	\$48,620,995	\$ 49,632,325	\$ 49,617,735	\$ 51,590,911	\$ 51,114,327	\$ 26,916,703
Restricted	2,754,577	480,590	590,477	593,305	605,905	612,159	623,522	602,187	573,042	26,343,403
Unrestricted	<u>6,014,320</u>	<u>7,589,172</u>	<u>8,496,370</u>	<u>9,710,518</u>	<u>8,616,261</u>	<u>8,881,754</u>	<u>10,182,084</u>	<u>11,623,672</u>	<u>14,033,434</u>	<u>18,929,949</u>
Total business-type activities net assets	<u>\$43,675,153</u>	<u>\$44,951,476</u>	<u>\$ 50,495,921</u>	<u>\$52,707,148</u>	<u>\$57,843,161</u>	<u>\$ 59,126,238</u>	<u>\$ 60,423,341</u>	<u>\$ 63,816,770</u>	<u>\$ 65,720,803</u>	<u>\$ 72,190,055</u>
Primary government										
Net investment in capital assets	\$57,054,755	\$60,906,183	\$ 64,661,724	\$67,891,099	\$75,230,938	\$ 77,014,152	\$ 78,468,953	\$ 82,117,232	\$ 81,931,147	\$ 59,422,327
Restricted	8,777,369	4,423,975	4,408,908	5,271,440	7,044,820	7,695,297	8,346,253	8,740,656	8,786,534	34,556,895
Unrestricted	<u>7,851,691</u>	<u>9,255,212</u>	<u>11,195,244</u>	<u>13,170,989</u>	<u>12,352,052</u>	<u>12,819,806</u>	<u>14,438,442</u>	<u>16,258,924</u>	<u>20,682,972</u>	<u>26,534,022</u>
Total primary government net position	<u>\$73,683,815</u>	<u>\$74,585,370</u>	<u>\$ 80,265,876</u>	<u>\$86,333,528</u>	<u>\$94,627,810</u>	<u>\$ 97,529,255</u>	<u>\$ 101,253,648</u>	<u>\$ 107,116,812</u>	<u>\$ 111,400,653</u>	<u>\$ 120,513,244</u>

CITY OF SAND SPRINGS, OKLAHOMA
CHANGES IN NET ASSETS
 Last Ten Fiscal Years
 June 30, 2013
TABLE 2

	Fiscal Year									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Expenses										
Government activities:										
Government government	\$ 520,895	\$ 642,118	\$ 667,541	\$ 660,936	\$ 947,343	\$ 965,662	\$ 945,967	\$ 1,082,775	\$ 1,433,226	\$ 1,164,073
Planning and zoning	147,260	127,914	141,553	166,669	224,498	167,527	155,859	156,231	107,071	123,879
Financial administration	759,124	772,277	838,949	826,693	797,290	768,416	635,064	677,511	655,916	778,035
Public Safety	4,644,967	5,171,418	5,538,637	6,611,563	8,446,033	7,357,456	7,183,822	7,184,873	7,824,047	8,239,023
Highways and streets	2,434,859	2,692,442	2,258,629	2,738,366	3,244,249	2,662,136	2,110,331	2,136,980	2,562,148	2,306,716
Health and Welfare	62,558	59,631	65,113	65,755	69,808	67,528	78,942	220,668	55,807	35,958
Culture and recreation	751,407	791,694	1,020,867	1,085,249	1,190,069	1,232,443	988,997	712,249	1,103,527	1,181,165
Economic development	83,492	1,342,743	990,335	245,110	201,337	177,654	169,517	186,419	346,436	503,795
Facilities Mgmt & Fleet Maint	681,147	804,804	929,562	666,365	582,302	531,806	523,629	486,409	453,988	606,146
Interest on long-term debt	365,608	326,850	383,282	413,384	453,445	404,049	352,741	316,308	222,039	186,830
Total governmental activities expenses	<u>10,451,317</u>	<u>12,731,891</u>	<u>12,834,468</u>	<u>13,480,090</u>	<u>16,156,374</u>	<u>14,334,677</u>	<u>13,144,869</u>	<u>13,160,423</u>	<u>14,764,205</u>	<u>15,125,620</u>
Business-type activities:										
Water	4,374,287	4,745,200	5,330,339	5,958,896	5,977,518	5,551,089	5,710,896	5,468,136	5,643,653	7,276,661
Wastewater	2,871,977	2,678,715	2,984,607	2,938,901	3,135,457	3,680,021	3,267,638	3,111,019	4,082,209	3,454,771
Solid Waste	926,054	1,040,217	1,129,805	1,206,394	1,252,313	1,248,133	1,264,220	1,286,736	1,316,341	1,343,240
Stormwater	-	9,604	328,427	265,620	336,197	312,960	344,514	341,465	324,183	325,681
Airport	564,096	583,366	607,593	672,050	645,473	580,753	523,944	547,780	645,081	646,802
Golf course	707,255	813,667	899,084	843,319	872,651	768,141	806,336	797,618	832,127	788,392
Total business-type activities expenses	<u>9,443,669</u>	<u>9,870,769</u>	<u>11,279,855</u>	<u>11,885,180</u>	<u>12,219,609</u>	<u>12,141,097</u>	<u>11,917,548</u>	<u>11,552,754</u>	<u>12,843,594</u>	<u>13,835,547</u>
Total primary government expenses	<u>\$ 19,894,986</u>	<u>\$ 22,602,660</u>	<u>\$ 24,114,323</u>	<u>\$ 25,365,270</u>	<u>\$ 28,375,983</u>	<u>\$ 26,475,774</u>	<u>\$ 25,062,417</u>	<u>\$ 24,713,177</u>	<u>\$ 27,607,799</u>	<u>\$ 28,961,167</u>
Program Revenues										
Government activities:										
Charges for services:										
General government	\$ 195,260	\$ 264,023	\$ 347,297	\$ 231,003	\$ 257,035	\$ 319,310	\$ 214,752	\$ 258,705	\$ 276,483	\$ 306,843
Planning and zoning	3,622	8,532	17,511	11,248	11,131	9,758	10,206	8,424	10,033	10,220
Public safety	327,040	329,770	295,596	308,505	920,555	1,033,857	1,262,554	1,127,012	1,217,555	1,134,480
Highways and streets	780	1,490	1,875	1,625	1,155	1,275	1,545	1,180	1,475	1,298
Culture and recreation	24,357	23,037	105,868	39,197	29,641	59,683	59,997	71,802	84,991	99,001
Operating grants and contributions	427,172	222,089	507,885	1,058,660	1,937,238	927,006	967,138	1,231,916	1,650,439	1,366,190
Capital grants and contributions	2,413,400	1,451,202	3,298,710	1,918,152	3,033,260	500,299	821,415	182,110	395,186	3,237,687
Total governmental activities program revenues	<u>3,391,631</u>	<u>2,300,143</u>	<u>4,574,742</u>	<u>3,568,390</u>	<u>6,190,015</u>	<u>2,851,188</u>	<u>3,337,607</u>	<u>2,881,149</u>	<u>3,636,162</u>	<u>6,155,719</u>

TABLE 2

	Fiscal Year									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Business-type activities:										
Charges for services:										
Water	4,796,729	4,994,849	6,437,709	6,472,253	6,447,181	6,548,363	6,383,640	6,743,572	7,444,684	7,692,277
Wastewater	1,912,489	1,941,250	2,314,500	2,570,584	2,611,393	2,663,316	2,615,660	2,783,389	2,928,048	3,122,031
Solid Waste	1,128,957	1,139,353	1,210,312	1,289,409	1,332,182	1,409,823	1,519,914	1,575,918	1,622,290	1,725,143
Stormwater	-	287,752	415,852	423,312	430,029	435,950	495,067	575,355	701,081	848,193
Airport	261,178	256,390	271,488	222,268	234,067	229,342	222,551	242,640	344,829	340,534
Golf course	453,603	476,422	530,862	452,656	410,977	444,065	414,739	470,994	512,909	506,516
Operating grants and contributions	-	-	-	-	-	-	-	167,252	25,100	-
Capital grants and contributions	294,456	343,398	484,814	1,448,481	3,857,066	184,335	1,399,517	1,428,524	304,391	3,347,274
Total business-type activities program revenues	<u>8,847,412</u>	<u>9,439,414</u>	<u>11,665,537</u>	<u>12,878,963</u>	<u>15,322,895</u>	<u>11,915,194</u>	<u>13,051,088</u>	<u>13,987,644</u>	<u>13,883,332</u>	<u>17,581,968</u>
Total primary government program revenues	<u>\$ 12,239,043</u>	<u>\$ 11,739,557</u>	<u>\$ 16,240,279</u>	<u>\$ 16,447,353</u>	<u>\$ 21,512,910</u>	<u>\$ 14,766,382</u>	<u>\$ 16,388,695</u>	<u>\$ 16,868,793</u>	<u>\$ 17,519,494</u>	<u>\$ 23,737,687</u>
Net (Expense)/Revenue										
Government activities:	\$ (7,059,686)	\$ (10,431,748)	\$ (8,259,726)	\$ (9,911,700)	\$ (9,966,359)	\$ (11,483,489)	\$ (9,807,262)	\$ (10,279,274)	\$ (11,128,043)	\$ (8,969,901)
Business-type activities:	<u>(596,257)</u>	<u>(431,355)</u>	<u>385,682</u>	<u>993,783</u>	<u>3,103,286</u>	<u>(225,903)</u>	<u>1,133,540</u>	<u>2,434,890</u>	<u>1,039,738</u>	<u>3,746,421</u>
Total primary government net expense	<u>\$ (7,655,943)</u>	<u>\$ (10,863,103)</u>	<u>\$ (7,874,044)</u>	<u>\$ (8,917,917)</u>	<u>\$ (6,863,073)</u>	<u>\$ (11,709,392)</u>	<u>\$ (8,673,722)</u>	<u>\$ (7,844,384)</u>	<u>\$ (10,088,305)</u>	<u>\$ (5,223,480)</u>
General Revenues and Other Changes in Net Assets										
Government activities:										
Taxes:										
Sales and use taxes	\$ 8,627,953	\$ 8,399,591	\$ 9,372,801	\$ 9,923,881	\$ 10,236,749	\$ 10,109,396	\$ 9,238,802	\$ 9,595,485	\$ 10,493,465	\$ 10,555,793
Property taxes	823,993	1,001,052	790,268	1,366,579	1,227,930	1,243,884	1,246,910	1,207,441	1,145,387	1,172,499
Franchise and public service taxes	964,905	967,991	1,188,717	1,092,544	1,118,390	1,188,713	850,678	845,865	817,700	796,444
Other taxes	774,604	862,475	1,062,708	1,178,664	1,168,310	1,195,425	1,156,779	1,213,471	1,321,145	1,396,360
Unrestricted grants and contributions	27,918	87,865	176,343	164,064	282,188	282,315	328,756	337,019	306,994	526,006
Investment earnings	191,963	225,670	293,501	655,958	535,617	303,822	181,840	187,952	221,243	192,065
Miscellaneous	174,602	55,273	362,490	103,704	301,570	13,425	28,495	277,837	38,446	75,382
Special item	-	-	-	-	-	-	296,703	-	-	-
Transfers	<u>(1,230,583)</u>	<u>(1,542,937)</u>	<u>(4,808,212)</u>	<u>(717,269)</u>	<u>(1,746,122)</u>	<u>(1,235,120)</u>	<u>(1,094,411)</u>	<u>(916,062)</u>	<u>(836,527)</u>	<u>(3,018,162)</u>
Total governmental activities	<u>10,355,355</u>	<u>10,056,980</u>	<u>8,438,616</u>	<u>13,768,125</u>	<u>13,124,632</u>	<u>13,101,860</u>	<u>12,234,552</u>	<u>12,749,008</u>	<u>13,507,853</u>	<u>11,696,387</u>
Business-type activities:										
Investment earnings	186,840	154,394	239,179	493,795	282,182	256,198	120,158	40,910	26,365	42,218
Special item	-	-	-	-	-	-	-	-	(1,523)	-
Miscellaneous	11,640	10,347	7,553	6,380	4,426	17,662	873	1,567	3,844	2,738
Transfers	<u>1,230,583</u>	<u>1,542,937</u>	<u>4,808,212</u>	<u>717,269</u>	<u>1,746,122</u>	<u>1,235,120</u>	<u>1,094,411</u>	<u>916,062</u>	<u>836,213</u>	<u>3,018,162</u>
Total business-type activities	<u>1,429,063</u>	<u>1,707,678</u>	<u>5,054,944</u>	<u>1,217,444</u>	<u>2,032,730</u>	<u>1,508,980</u>	<u>1,215,442</u>	<u>958,539</u>	<u>864,899</u>	<u>3,063,118</u>
Total primary government	<u>\$ 11,784,418</u>	<u>\$ 11,764,658</u>	<u>\$ 13,493,560</u>	<u>\$ 14,985,569</u>	<u>\$ 15,157,362</u>	<u>\$ 14,610,840</u>	<u>\$ 13,449,994</u>	<u>\$ 13,707,547</u>	<u>\$ 14,372,752</u>	<u>\$ 14,759,505</u>
Change in Net Assets										
Government activities	\$ 3,295,669	\$ (374,768)	\$ 178,890	\$ 3,856,425	\$ 3,158,273	\$ 1,618,371	\$ 2,427,290	\$ 2,469,734	\$ 2,379,810	\$ 2,726,486
Business-type activities	<u>832,806</u>	<u>1,276,323</u>	<u>5,440,626</u>	<u>2,211,227</u>	<u>5,136,016</u>	<u>1,283,077</u>	<u>2,348,982</u>	<u>3,393,429</u>	<u>1,904,637</u>	<u>6,809,539</u>
Total primary government	<u>\$ 4,128,475</u>	<u>\$ 901,555</u>	<u>\$ 5,619,516</u>	<u>\$ 6,067,652</u>	<u>\$ 8,294,289</u>	<u>\$ 2,901,448</u>	<u>\$ 4,776,272</u>	<u>\$ 5,863,163</u>	<u>\$ 4,284,447</u>	<u>\$ 9,536,025</u>

CITY OF SAND SPRINGS, OKLAHOMA
FUND BALANCES, GOVERNMENTAL FUNDS
 Last Ten Fiscal Years
 June 30, 2013
TABLE 3

	Fiscal Year									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
General Fund										
Reserved	\$ 168,001	\$ 611,433	\$ 560,968	\$ 1,045,543	\$ 882,736	\$ 430,283	\$ 484,790	\$ -	\$ -	\$ -
Unreserved	828,283	284,551	1,467,262	1,570,957	2,224,572	3,032,268	2,645,547	-	-	-
Nonspendable	-	-	-	-	-	-	-	23,616	22,597	22,982
Restricted	-	-	-	-	-	-	-	269,763	319,094	400,085
Assigned	-	-	-	-	-	-	-	1,052,274	1,322,428	1,432,738
Unassigned	-	-	-	-	-	-	-	<u>2,785,293</u>	<u>3,161,144</u>	<u>3,320,280</u>
Total general fund	<u>\$ 996,284</u>	<u>\$ 895,984</u>	<u>\$ 2,028,230</u>	<u>\$ 2,616,500</u>	<u>\$ 3,107,308</u>	<u>\$ 3,462,551</u>	<u>\$ 3,130,337</u>	<u>\$ 4,130,946</u>	<u>\$ 4,825,263</u>	<u>\$ 5,176,085</u>
All Other Governmental Funds										
Reserved	\$ 2,873,351	\$ 1,106,333	\$ 2,180,538	\$ 5,131,179	\$ 1,260,303	\$ 1,426,121	\$ 4,198,748	\$ -	\$ -	\$ -
Unreserved, reported in:										
Special revenue funds	702,552	273,822	310,769	545,923	390,572	562,483	599,264	-	-	-
Debt service funds	1,218,159	1,240,925	944,628	1,263,778	1,139,456	1,102,825	1,080,982	-	-	-
Capital project funds	4,711,583	4,443,999	11,822,362	9,247,365	8,735,442	8,923,255	7,832,523	-	-	-
Restricted	-	-	-	-	-	-	-	11,987,586	13,041,167	16,346,865
Committed	-	-	-	-	-	-	-	26,000	43,536	-
Assigned	-	-	-	-	-	-	-	2,985,162	4,787,572	4,395,998
Unassigned	-	-	-	-	-	-	-	<u>(697,538)</u>	<u>(973,423)</u>	<u>(36,627)</u>
Total all other governmental funds	<u>\$ 9,505,645</u>	<u>\$ 7,065,079</u>	<u>\$ 15,258,297</u>	<u>\$ 16,188,245</u>	<u>\$ 11,525,773</u>	<u>\$ 12,014,684</u>	<u>\$ 13,711,517</u>	<u>\$ 14,301,210</u>	<u>\$ 16,898,852</u>	<u>\$ 20,706,236</u>
GRAND TOTAL	<u>\$ 10,501,929</u>	<u>\$ 7,961,063</u>	<u>\$ 17,286,527</u>	<u>\$ 18,804,745</u>	<u>\$ 14,633,081</u>	<u>\$ 15,477,235</u>	<u>\$ 16,841,854</u>	<u>\$ 18,432,156</u>	<u>\$ 21,724,115</u>	<u>\$ 25,882,321</u>

CITY OF SAND SPRINGS, OKLAHOMA
 CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS
 Last Ten Fiscal Years
 June 30, 2013
 TABLE 4

	Fiscal Year									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Revenues										
Taxes	\$ 11,133,184	\$ 11,256,765	\$ 12,425,501	\$ 13,521,336	\$ 13,771,835	\$ 13,728,301	\$ 12,444,830	\$ 12,909,683	\$ 13,786,404	\$ 14,096,209
Intergovernmental	1,418,316	1,896,387	1,062,720	1,424,660	2,484,795	1,572,496	302,569	371,277	413,805	415,268
Charges for services	356,203	423,774	618,219	458,241	1,061,311	1,046,901	115,303	147,757	131,722	194,444
Fines and forfeitures	209,014	161,258	179,071	154,594	205,494	252,006	1,769,104	1,675,578	2,356,440	4,430,432
Licenses and permits	96,462	137,579	158,422	128,184	114,291	132,115	1,023,287	1,069,579	1,145,909	1,099,110
Investment Income	289,132	269,842	348,977	817,798	768,500	450,644	250,813	112,131	62,465	69,717
Miscellaneous	266,680	119,286	401,760	216,008	402,072	166,948	591,137	465,838	199,827	288,530
Total Revenues	\$ 13,768,991	\$ 14,264,891	\$ 15,194,670	\$ 16,720,821	\$ 18,808,298	\$ 17,349,411	\$ 16,497,043	\$ 16,751,843	\$ 18,096,572	\$ 20,593,710
Expenditures:										
General government	\$ 494,209	\$ 529,199	\$ 568,731	\$ 566,298	\$ 758,973	\$ 752,642	\$ 756,851	\$ 671,627	\$ 778,817	\$ 875,356
Planning and zoning	146,863	127,326	139,898	164,969	223,746	167,431	156,007	154,985	103,903	121,776
Financial administration	643,995	714,275	763,923	774,229	787,438	763,458	643,633	571,438	654,358	763,850
Public safety	4,378,294	4,789,446	5,044,309	6,283,029	7,982,580	6,908,601	6,798,342	6,750,855	7,071,741	7,465,352
Highways and streets	645,162	740,427	841,810	918,413	896,688	904,388	853,007	827,665	648,994	643,840
Health and welfare	53,649	54,292	60,496	60,978	65,526	62,815	71,857	51,842	51,572	32,088
Culture and recreation	628,784	738,411	877,632	985,803	1,069,565	1,021,500	845,083	700,856	919,003	934,028
Economic development	82,546	1,342,620	990,498	244,891	215,964	160,612	143,509	137,435	341,095	493,817
Facilities Mgmt & Fleet Maint	669,927	739,463	797,062	560,109	578,014	527,770	523,870	478,511	454,319	703,484
Water	-	-	-	-	-	-	-	42,221	14,989	-
Capital outlay	7,524,329	5,976,400	3,004,735	5,325,002	9,717,407	5,220,108	5,055,225	6,649,063	5,097,127	7,293,491
Debt service										
Principal	1,327,166	1,390,192	1,394,400	1,408,531	1,374,779	946,003	946,030	943,896	507,967	991,142
Interest	409,062	350,281	298,499	488,287	440,853	402,579	361,914	325,066	233,420	179,312
Total Expenditures	\$ 17,003,986	\$ 17,492,332	\$ 14,781,993	\$ 17,780,539	\$ 24,111,533	\$ 17,837,907	\$ 17,155,328	\$ 18,305,460	\$ 16,877,305	\$ 20,497,536
Excess of revenues over/under expenditures	\$ (3,234,995)	\$ (3,227,441)	\$ 412,677	\$ (1,059,718)	\$ (5,303,235)	\$ (488,496)	\$ (658,285)	\$ (1,553,617)	\$ 1,219,267	\$ 96,174
Other financing sources(uses)										
Issuance of debt	\$ -	\$ -	\$ -	\$ 12,142	\$ 408,047	\$ -	\$ -	\$ -	\$ -	\$ 496,304
Transfers in	6,786,651	6,805,861	9,157,723	9,007,653	8,724,058	6,723,405	7,922,227	8,608,201	8,856,527	10,696,533
Transfers out	(6,166,027)	(6,119,286)	(6,503,411)	(6,418,316)	(8,000,529)	(5,390,750)	(5,899,323)	(5,464,282)	(6,307,866)	(7,130,805)
Proceeds from sale of capital assets	-	-	-	-	-	-	-	-	-	-
Bond proceeds	3,705,000	-	6,392,361	-	-	-	-	-	2,540,000	-
Premium on bonds sold	135,107	-	-	-	-	-	-	-	-	-
Payment of issue costs	(106,291)	-	(92,388)	-	-	-	-	-	(74,611)	-
Transfer to bond escrow	(3,740,084)	-	-	-	-	-	-	-	(2,941,356)	-
Total other financing sources(uses)	\$ 614,356	\$ 686,575	\$ 8,954,285	\$ 2,601,479	\$ 1,131,576	\$ 1,332,655	\$ 2,022,904	\$ 3,143,919	\$ 2,072,694	\$ 4,062,032
Net change in fund balances	\$ (2,620,639)	\$ (2,540,866)	\$ 9,366,962	\$ 1,541,761	\$ (4,171,659)	\$ 844,159	\$ 1,364,619	\$ 1,590,302	\$ 3,291,961	\$ 4,158,206
Debt service as a percentage of noncapital expenditures	18.3%	15.1%	14.4%	15.2%	12.6%	8.2%	8.6%	7.8%	4.7%	9.7%

CITY OF SAND SPRINGS, OKLAHOMA
 GOVERNMENTAL ACTIVITIES TAX REVENUES BY SOURCE
 Last Ten Fiscal Years
 June 30, 2013
 TABLE 5

<u>Fiscal Year</u>	<u>Ad Valorem Tax</u>	<u>Sales Tax</u>	<u>Franchise Tax</u>	<u>Hotel/Motel Tax</u>	<u>Use Tax</u>	<u>Emergency Telephone Tax</u>	<u>Payment in Lieu of Taxes</u>	<u>Abatement Tax</u>	<u>Incremental Property Tax</u>	<u>Totals</u>
2004	817,554	8,387,039	964,905	85,355	240,914	85,497	603,752	5,973	6,439	9,428,642
2005	688,013	8,188,750	967,991	98,914	210,841	84,583	678,978	13,610	313,039	11,197,428
2006	484,824	9,145,675	1,188,717	114,303	227,126	100,827	847,578	16,882	305,444	11,244,719
2007	1,355,511	9,631,280	1,092,544	124,960	292,601	149,711	903,993	11,068	-	12,431,376
2008	1,227,930	9,953,972	1,118,390	129,021	282,777	139,899	884,807	14,583	-	13,561,668
2009	1,243,884	9,801,602	1,188,713	112,617	307,794	146,920	912,146	23,742	-	13,751,379
2010	1,246,910	8,982,429	850,678	94,065	256,373	131,685	905,686	25,343	-	12,493,169
2011	1,207,441	9,220,076	845,865	96,017	375,409	140,836	964,375	12,243	-	12,862,262
2012	1,145,387	10,096,850	817,700	98,154	396,615	139,986	1,045,046	37,959	-	13,777,697
2013	1,172,499	10,133,835	796,444	123,728	421,958	146,279	1,103,053	23,300	186,834	14,107,929

REVENUE CAPACITY

CITY OF SAND SPRINGS OKLAHOMA
SALES TAX RATES OF DIRECT AND OVERLAPPING GOVERNMENTS
Last Ten Fiscal Years
June 30, 2013
TABLE 6

	Fiscal Year															
	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>						
General Fund Operations	1.918	%	1.926	%	1.877	%	1.980	%	2.000	%	2.000	%	2.000	%	2.000	%
TIF District (Economic Development)	0.160		0.232		0.221		0.036		-		-		-		-	
Water & Wastewater Improvements	0.948		0.895		0.935		0.989		1.000		1.000		1.000		1.000	
Street Improvements	0.474		0.447		0.467		0.495		0.500		0.500		0.500		0.500	
Sand Springs Total	3.500	%	3.500	%	3.500	%	3.500	%	3.500	%	3.500	%	3.500	%	3.500	%
Osage County	1.000		1.000		1.000		1.250	%	1.250	%	1.250	%	1.250	%	1.250	%
Tulsa County	1.017		1.017		1.017		1.017		1.017		1.017		1.017		0.850	
State of Oklahoma	4.500	%	4.500	%	4.500	%	4.500	%	4.500	%	4.500	%	4.500	%	4.500	%
Total (Osage County)	9.000		9.000		9.000		9.250	%	9.250	%	9.250	%	9.250	%	9.250	%
Total (Tulsa County)	9.017	%	9.017	%	9.017	%	9.017	%	9.017	%	9.017	%	9.017	%	8.850	%

Source:

1. City sales tax rate - City Finance Department
2. State & County tax rate - Oklahoma Tax Commission

Note:

1. City sales tax increases must be approved by voters.

CITY OF SAND SPRINGS OKLAHOMA
TAXABLE SALES BY CATEGORY
 Last Ten Fiscal Years
 June 30, 2013
 TABLE 7

<u>Category</u>	<u>Fiscal Year</u>									
	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Manufacturing	\$ 5,625,042	\$ 2,766,428	\$ 4,659,527	\$ 6,190,383	\$ 5,953,722	\$ 5,821,246	\$ 4,579,167	\$ 4,865,836	\$ 6,474,226	\$ 6,733,569
Telecommunications & Other	8,266,155	8,659,129	8,616,794	9,528,113	9,885,585	10,297,993	10,464,868	10,386,773	11,683,916	8,223,040
Public Utilities	14,938,404	15,551,311	18,025,443	20,948,925	19,909,178	19,411,239	11,989,841	17,945,755	18,032,682	16,426,109
Wholesale trade	10,159,340	10,240,026	13,359,064	12,742,978	12,861,982	11,221,153	8,751,312	10,278,070	17,835,578	15,467,491
Retail - Building Materials	8,431,173	7,064,604	9,086,537	9,741,230	8,970,644	8,588,221	7,407,764	6,342,063	8,787,999	8,603,061
Retail - General Merchandise	93,772,475	105,897,003	114,890,248	114,331,070	118,663,516	120,144,526	112,456,892	106,016,119	109,547,834	104,402,935
Retail - Food	32,122,767	27,263,715	24,164,289	25,096,753	26,301,397	26,984,740	26,092,097	27,023,835	28,800,036	36,373,046
Retail - Automotive	7,684,617	7,330,604	7,652,488	8,242,938	8,708,689	9,161,857	9,084,846	9,753,355	9,667,077	10,541,623
Retail - Apparel	2,985,683	2,976,349	3,233,677	3,583,126	3,424,991	2,966,055	2,784,830	2,937,195	3,043,655	3,391,412
Retail - Furniture & Accessories	6,093,327	6,588,417	8,041,895	7,363,451	8,673,964	8,855,436	8,025,192	7,776,746	6,990,153	10,123,520
Retail - Restaurants	24,133,080	26,785,161	28,579,894	29,871,371	32,536,241	31,440,715	30,529,296	33,419,129	38,597,334	36,561,022
Retail - Miscellaneous	12,105,090	12,491,546	9,351,907	15,070,351	15,218,655	14,385,069	13,908,037	14,647,439	16,173,648	17,209,459
Retail - Hotel	1,802,625	1,916,921	1,848,719	2,480,909	2,578,607	2,242,911	1,853,185	1,917,219	1,923,991	2,060,773
Services - Business	4,342,479	3,834,961	4,905,357	6,426,879	3,983,746	4,518,959	1,509,937	1,432,019	1,335,123	2,843,803
Services - Other	5,731,898	6,379,944	5,772,404	5,814,532	6,729,053	6,484,679	8,785,053	8,660,226	10,557,317	9,040,125
All Other Categories	346,162	269,469	1,201,410	728,657	1,956,101	1,194,079	1,469,187	1,494,020	1,363,093	1,853,813
Total	\$ 238,540,317	\$ 246,015,588	\$ 263,389,651	\$ 278,161,666	\$ 286,356,071	\$ 283,718,878	\$ 259,691,506	\$ 264,895,799	\$ 290,813,662	\$ 289,854,801

Source:

1. Oklahoma Tax Commission

Note:

1. The City is prohibited by state law from reporting individual sales tax payers.
2. See Table 6 for City direct sales tax rates

CITY OF SAND SPRINGS OKLAHOMA
 ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
 LAST TEN FISCAL YEARS
 June 30, 2013
 TABLE 8

<u>Fiscal Year</u>	<u>Real Property</u>	<u>Personal Property</u>	<u>Public Service Property</u>	<u>Total Assessed Value</u>	<u>Homestead Exemption</u>	<u>Net Total Assessed Value</u>	<u>Total Direct Tax Rate</u>	<u>Estimated Actual Value</u>
2004	68,396,346	18,827,956	6,555,673	93,779,975	4,417,750	89,362,225	8.70	852,545,227
2005	71,179,763	16,549,935	7,011,950	94,741,648	4,445,326	90,296,322	7.92	861,287,709
2006	74,318,446	16,177,751	7,460,217	97,956,414	4,442,804	93,513,610	5.03	890,512,855
2007	78,205,350	18,076,819	7,488,210	103,770,379	4,227,931	99,542,448	13.41	943,367,082
2008	86,263,297	20,591,649	7,110,571	113,965,517	4,295,289	109,670,228	11.25	1,036,050,155
2009	90,627,821	22,683,328	3,490,138	116,801,287	4,291,332	112,509,955	10.74	1,061,829,882
2010	94,163,935	25,551,946	8,459,397	128,175,278	4,238,669	123,936,609	10.06	1,165,229,800
2011	96,715,793	18,912,594	8,387,535	124,015,922	4,247,420	119,768,502	10.08	1,127,417,473
2012	98,591,088	17,445,941	8,108,272	124,145,301	4,205,921	119,937,191	9.55	1,128,593,645
2013	100,441,255	18,670,079	8,284,161	127,395,495	4,176,081	123,219,414	9.52	1,158,140,864

Source:

1. Tulsa County Excise Board

Note:

1. Property in the county is reassessed annually. The ratio of assessed value to true value cannot be less than 11% nor more than 13.5%.
2. Tax rates are per \$1,000 of assessed value.

CITY OF SAND SPRINGS, OKLAHOMA
PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS
(PER \$1,000 OF ASSESSED VALUE)
Last Ten Fiscal Years
June 30, 2013
TABLE 9

Fiscal Year	City Direct Rate	(2) Overlapping Rates				Total Sand Springs City Resident
	Debt Service Fund*	Sand Springs School District	Tulsa County	Tulsa Community College	Tulsa Technology Center	
2004	8.70	69.07	18.89	8.28	13.33	118.27
2005	7.92	72.39	22.61	7.21	13.33	123.46
2006	5.03	73.24	22.59	7.21	13.33	121.40
2007	13.41	73.45	22.21	7.21	13.33	129.61
2008	11.25	71.81	22.21	7.21	13.33	125.81
2009	10.74	68.35	22.21	7.21	13.33	121.84
2010	10.06	69.71	22.21	7.21	13.33	122.52
2011	10.08	73.92	22.21	7.21	13.33	126.75
2012	9.55	73.42	22.24	7.21	13.33	125.75
2013	9.52	72.83	22.24	7.21	13.33	125.13

The levy certified to the tax rolls for the upcoming fiscal year is as follows:

2014	3.23	73.27	22.23	7.21	13.33	119.27
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Source:

1. Tulsa County Excise Board

Note:

1. City property tax may only be levied to repay principal and interest on general obligation bonded debt approved by voters and any court assessed judgments.
2. Overlapping rates are those of local and county governments that apply to property owners within the City of Sand Springs.

* Direct rate is solely for direct and overlapping debt

CITY OF SAND SPRINGS, OKLAHOMA
 PRINCIPAL PROPERTY TAXPAYERS
 Current Year And Nine Years Ago
 June 30, 2013
 TABLE 10

Taxpayer	Type of Business	Taxable Assessed Value	Rank	2013	Taxable Assessed Value	Rank	2004
				Percentage of Net Total Assessed Value			Percentage of Net Total Assessed Value
Chemlink Inc/Baker Petrolite	Manufacturing	4,751,603	1	3.85%	1,723,707	5	1.89%
Public Service Co of Okla	Utility	4,421,905	2	3.58%	\$ 2,250,934	3	2.47%
Webco Industries	Manufacturing	3,851,855	3	3.12%	2,303,643	2	2.53%
Gerdau Ameristeel	Manufacturing	1,987,724	4	1.61%	6,257,885	1	6.87%
Sand Springs Home	Real Estate	1,389,080	5	1.12%	—		—
Daniel Kamin Sand Springs	Real Estate	1,313,807	6	1.06%	—		—
Highland Crossing	Apartment	1,235,840	7	1.00%	—		—
Wal-Mart	Retail	1,151,018	8	0.93%	824,991	7	0.91%
Oklahoma Natural Gas	Utility	964,262	9	0.78%	721,047	9	0.79%
Green Tree	Real Estate	841,641	10	0.68%	—		—
Cust-O-Fab	Manufacturing	792,889	11	0.64%	—		—
Yellowhouse Machinery	Equipment	776,758	12	0.63%	853,536	6	0.94%
Fiberglass Systems LP	Manufacturing	697,134	13	0.56%	—		—
AT&T	Utility	607,428	14	0.49%	2,062,224	4	2.26%
Parker Plastics	Manufacturing	566,248	15	0.46%	—		—
Totals		<u>\$ 25,349,192</u>		<u>20.51%</u>	<u>\$ 16,997,967</u>		<u>18.66%</u>

Source:
 1. Tulsa County Assessors Office

CITY OF SAND SPRINGS, OKLAHOMA
PROPERTY TAX LEVIES AND COLLECTIONS
 Last Ten Fiscal Years
 June 30, 2013
TABLE 11

Fiscal Year	Actual Levy 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
2004	2003	777,503	732,478	94%	26,805	759,283	98%	89,362,225	8.70
2005	2004	715,182	680,985	95%	32,684	713,669	100%	90,296,322	7.92
2006	2005	469,940	465,188	99%	13,761	478,949	102%	93,513,610	5.03
2007	2006	1,335,081	1,311,419	98%	9,510	1,320,929	99%	99,542,448	13.41
2008	2007	1,234,615	1,208,401	98%	41,784	1,250,185	101%	109,670,228	11.25
2009	2008	1,243,871	1,205,963	97%	20,900	1,226,863	99%	112,509,955	10.74
2010	2009	1,246,887	1,202,135	96%	23,103	1,225,238	98%	123,936,609	10.06
2011	2010	1,207,455	1,184,282	98%	63,032	1,247,314	103%	119,768,502	10.08
2012	2011	1,145,387	1,111,816	97%	42,278	1,154,094	101%	119,937,191	9.55
2013	2012	1,172,499	1,126,854	96%	33,924	1,160,778	99%	123,219,414	9.52

DEBT CAPACITY

CITY OF SAND SPRINGS, OKLAHOMA
RATIO OF NET GENERAL BONDED DEBT TO ASSESSED
VALUE AND NET BONDED DEBT PER CAPITA
Last Ten Fiscal Years
June 30, 2013
TABLE 12

<u>Fiscal Year</u>	<u>Population</u>	<u>Net Assessed Value</u>	<u>Gross Bonded Debt (1)</u>	<u>Less Debt Service Funds</u>	<u>Net Bonded Debt</u>	<u>Ratio of Net Bonded Debt to Assessed Value</u>	<u>Net Bonded Debt Per Capita</u>
2004	17,700	89,362,225	9,260,000	1,218,159	8,041,841	9.00%	454
2005	17,640	90,296,322	7,875,000	1,240,925	6,634,075	7.35%	376
2006	17,765	93,513,610	12,851,029	939,136	11,911,893	12.74%	671
2007	17,877	99,542,448	11,445,000	1,245,860	10,199,140	10.25%	571
2008	18,450	109,670,228	10,080,000	1,250,185	8,829,815	8.05%	479
2009	18,489	112,509,955	9,195,000	1,225,985	7,969,015	7.08%	431
2010	18,868	123,936,609	8,310,000	1,225,238	7,084,762	5.72%	375
2011	18,906	119,768,402	7,425,000	1,132,394	6,292,606	5.25%	333
2012	19,140	119,937,191	6,650,000	1,139,037	5,510,963	4.59%	288
2013	19,101	123,219,414	5,720,000	1,198,452	4,521,548	3.67%	237

Note:

1. Represents outstanding general obligation bonds financed through ad valorem and sales tax.

CITY OF SAND SPRINGS, OKLAHOMA
COMPUTATION OF DIRECT AND OVERLAPPING DEBT
June 30, 2013
TABLE 13

<u>Jurisdiction</u>	<u>Net Debt Outstanding</u>	<u>Percentage (1) Applicable to City of Sand Springs</u>	<u>Amount Applicable to City of Sand Springs</u>
City of Sand Springs	\$ 5,720,000	100.00%	\$ 5,720,000
Overlapping Debt:			
Sand Springs School District	14,057,208	76.98%	10,821,239
Berryhill School District	2,057,963	22.47%	462,424
Tulsa County	0	2.42%	0
Tulsa Community College	0	2.47%	0
Total overlapping debt	<u>16,115,171</u>		<u>11,283,663</u>
Total Direct and Overlapping Debt	<u><u>\$ 21,835,171</u></u>		<u><u>\$ 17,003,663</u></u>

Source:

1. Tulsa & Osage County Assessors Office

Note:

1. 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 Sand Springs.

CITY OF SAND SPRINGS, OKLAHOMA
 LEGAL DEBT MARGIN INFORMATION
 Last Ten Fiscal Years
 June 30, 2013
 TABLE 14

	Fiscal Year									
	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Debt limit	\$ 8,936,223	\$ 9,029,632	\$ 9,351,361	\$ 9,954,245	\$ 10,967,023	\$ 11,579,257	\$ 12,393,661	\$ 11,976,850	\$ 11,993,938	\$ 11,993,938
Total net debt applicable to limit	<u>3,988,000</u>	<u>3,690,692</u>	<u>7,945,207</u>	<u>7,682,782</u>	<u>7,064,879</u>	<u>6,447,018</u>	<u>5,829,158</u>	<u>5,211,297</u>	<u>4,668,269</u>	<u>4,668,269</u>
Legal debt margin	<u>\$ 4,948,223</u>	<u>\$ 5,338,940</u>	<u>\$ 1,406,154</u>	<u>\$ 2,271,463</u>	<u>\$ 3,902,144</u>	<u>\$ 5,132,239</u>	<u>\$ 6,564,503</u>	<u>\$ 6,765,553</u>	<u>\$ 7,325,669</u>	<u>\$ 7,325,669</u>
Total net debt applicable to the limit as a percentage of debt limit	44.63%	40.87%	84.96%	77.18%	64.42%	55.68%	47.03%	43.51%	38.92%	38.92%

Legal Debt Margin Calculation for Fiscal Year 2013

Net assessed valuation	\$ 123,219,414
Debt limit (10% of total assess value)	\$ 12,321,941
Debt applicable to limit:	
General obligation bonds	\$ 5,720,000
Less: Street bonds outstanding	<u>1,600,366</u>
Total net debt applicable to limit	<u>4,119,634</u>
Legal debt margin	<u>\$ 8,202,308</u>

Note:

1. Article 10, Section 26 of the Constitution of the State of Oklahoma limits municipal debt to 10% of net assessed valuation.
2. Article 10, Section 27 of the Constitution of the State of Oklahoma limits municipal debt to non-utility or non-street purposes.

CITY OF SAND SPRINGS, OKLAHOMA
MUNICIPAL AUTHORITY
PLEDGED REVENUE COVERAGE
Last Ten Fiscal Years
June 30, 2013
TABLE 15

<u>Fiscal Year</u>	<u>Gross Revenues</u>	<u>Direct Operating Expenses</u>	<u>Net Revenue Available for Debt Service</u>	<u>Average Annual Debt Service (1)</u>	<u>Debt Service Coverage</u>
2004	8,786,415	4,811,606	3,974,809	1,184,771	3.35
2005	8,810,534	4,833,031	3,977,503	785,719	5.06
2006	10,918,580	(3) 5,362,886	5,555,694	898,125	6.19
2007	11,510,750	5,571,560	5,939,190	898,125	6.61
2008	11,668,999	6,006,857	5,662,142	898,125	6.30
2009	11,883,093	5,773,039	6,110,054	898,125	6.80
2010	11,387,089	5,250,446	6,136,643	779,905	7.87
2011	12,028,674	5,292,914	6,735,760	779,905	8.64
2012	13,069,529	5,465,821	7,603,708	0	N/A
2013	13,544,073	5,715,422	7,828,651	1,675,637	4.67

Note:

1. Average annual debt service includes principal, interest and fee payments to fiscal agents for revenue bonds payable secured by or for which debt service is paid from trust revenue.
2. Beginning in fiscal year 2003, the SSMA issued OWRB Notes Payable that contained a coverage requirement based on maximum annual debt service on the OWRB notes and all parity debt. The maximum annual debt service totaled \$1,794,578 with coverage computed at 4.36
3. In fiscal year 2006 a 5-year utility rate plan was implemented.

CITY OF SAND SPRINGS, OKLAHOMA
RATIO FOR OUTSTANDING DEBT BY TYPE
Last Ten Fiscal Years
June 30, 2013
TABLE 16

Fiscal Year	Governmental Activities		Business-Type Activities			Total Primary Government	Percentage of Personal Income	Per Capita
	General Obligation Bonds	Capital Leases Payable	Revenue Bonds Payable	Notes Payable	Capital Leases Payable			
2004	9,260,000	5,192	5,315,000	8,168,023	74,374	22,822,589	4%	1,289
2005	7,875,000	-	4,725,000	12,070,030	30,337	24,700,367	4%	1,400
2006	12,845,000	27,961	4,120,000	14,860,010	50,222	31,903,193	5%	1,796
2007	11,445,000	31,572	3,475,000	15,937,925	131,078	31,020,575	5%	1,735
2008	10,080,000	429,840	2,815,000	14,839,240	139,430	28,303,510	4%	1,534
2009	9,195,000	368,838	2,120,000	13,916,658	91,328	25,691,824	4%	1,390
2010	8,310,000	307,769	1,390,000	13,946,941	35,601	23,990,311	3%	1,271
2011	7,425,000	248,085	620,000	13,328,720	12,279	21,634,084	3%	1,144
2012	6,650,000	190,017	-	12,867,801	-	19,707,818	2%	1,030
2013	5,720,000	625,673	30,510,000	9,070,394	-	45,926,067	5%	2,404



Sand Springs

O K L A H O M A

DEMOGRAPHIC AND ECONOMIC INFORMATION

CITY OF SAND SPRINGS, OKLAHOMA
 BUILDING PERMITS, CONSTRUCTION AND BANK DEPOSITS
 Last Ten Calendar Years
 June 30, 2013
 TABLE 17

Calendar Year	Number of Building Permits	Construction Values			Estimated Actual Value of Taxable Property	Bank Deposits
		Residential	Commercial	Total		
2003	215	12,250,018	12,880,803	25,130,821	852,545,227	251,450,628
2004	201	12,801,411	6,653,632	19,455,043	861,287,709	219,899,302
2005	262	17,937,748	19,754,327	37,692,075	890,512,855	231,672,353
2006	273	14,862,545	11,365,538	26,228,083	943,367,082	248,778,000
2007	214	18,188,885	27,922,578	46,111,463	1,036,050,155	275,757,000
2008	190	15,838,709	14,167,699	30,006,408	1,036,050,155	279,222,000
2009	195	12,901,230	7,665,365	20,566,595	1,061,829,882	272,193,000
2010	190	10,910,659	27,059,845	37,970,504	1,127,417,473	275,391,000
2011	178	37,056,719	12,670,862	49,727,581	1,128,593,645	301,579,000
2012	250	15,046,585	7,292,732	22,339,317	1,158,140,864	311,563,000

Source:
 1. City Neighborhood Services Department

CITY OF SAND SPRINGS, OKLAHOMA
 DEMOGRAPHIC AND ECONOMIC STATISTICS
 Last Ten Calendar Years
 June 30, 2013
 TABLE 18

<u>Calendar Year</u>	<u>Population (1)</u>	<u>Current Personal Income (thousands of dollars)</u>	<u>Per Capita Personal Income (MSA)</u>	<u>Median Age of Population (3)</u>	<u>School Enrollment (4)</u>	<u>Unemployment Rate (5)</u>
2003	17,700	547,072	30,908	N/A	4,940	4.7%
2004	17,640	575,240	32,610	34.5	4,972	4.5%
2005	17,765	602,589	33,920	35.1	5,017	3.9%
2006	17,877	671,532	37,564	34.5	5,315	4.5%
2007	18,450	705,141	38,219	35.1	5,425	4.1%
2008	18,489	763,725	41,307	35.1	5,328	4.9%
2009	18,868	744,192	39,442	35.1	5,327	7.7%
2010	18,906	771,232	40,793	35.2	5,261	7.9%
2011	19,140	808,397	42,236	36.5	5,315	5.3%
2012	19,101	866,230	45,350	36.2	5,315	5.2%

Source:

1. INCOG
2. Per Capita Personal Income - U.S. Bureau of Economic Analysis (BEA) for the Tulsa metropolitan area (information for Sand Springs unavailable)
3. Municipal Net Guide
4. Sand Springs School District
5. Bureau of Labor Statistics, for the Tulsa metropolitan area.

CITY OF SAND SPRINGS, OKLAHOMA
PRINCIPAL EMPLOYERS
 Current Year And Nine Years Ago
 June 30, 2013
TABLE 19

<u>Employer</u>	<u>2013</u>			<u>2004</u>		
	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total City Employment</u>	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total City Employment</u>
Sand Springs Schools	800	1	12.84%	590	2	8.93%
Webco	531	2	8.52%	389	4	5.89%
Wal Mart	415	3	6.66%	600	1	9.08%
City of Sand Springs	215	4	3.45%	250	6	3.78%
Tulsa Community College	212	5	3.40%	—		—
Baker Petrolite	185	6	2.97%	139	8	2.10%
Cust-O-Fab	176	7	2.83%	125	7	1.89%
Osage Million Dollar Elm	167	8	2.68%	—		—
Reasor's	134	9	2.15%	—		—
Keystone Chevrolet	92	10	1.48%	110	10	1.66%
Totals	<u>2,927</u>		<u>46.98%</u>	<u>2,203</u>		<u>33.33%</u>

Source:

1. U S Census Bureau ZIP Code Business Patterns (NAICS) website provided the total labor force numbers

Note:

1. 2013 percentage is based on the U S Census Bureau 2011 totals
2. 2004 numbers total 6,610 and 2011 numbers total 6,230
3. The total number of employees includes full and part time employees



Sand Springs

O K L A H O M A

OPERATING INFORMATION

CITY OF SAND SPRINGS OKLAHOMA
FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION/PROGRAM
Last Ten Fiscal Years
June 30, 2013
TABLE 20

Function/Program	Fiscal Year									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
General Government	6	6	5	5	7	7	5	5	6	8
Planning and Zoning	1	1	1	1	1	1	1	1	1	1
Financial Administration	20	21	22	22	22	20	18	16	19	17
Public Safety	83	83	83	85	87	84	82	76	79	79
Highways and Streets	14	14	14	14	14	12	12	8	9	9
Culture and Recreation	12	13	13	13	14	14	11	7	6	6
Economic Development	1	1	1	1	1	1	1	1	1	1
Facilities Management & Maint	10	10	10	10	10	10	10	8	9	10
Water Operations	31	33	33	33	33	32	32	31	31	31
Stormwater	0	0	0	1	1	1	1	1	1	0
Wastewater Operations	20	20	20	20	20	19	19	19	19	19
Solid Waste Operations	10	11	11	11	11	11	11	11	11	11
Airport Operations	1	1	1	1	1	1	1	1	1	1
Golf Course Operations	8	8	8	8	8	8	0	0	0	0
Total	229	217	222	222	225	230	204	185	193	193

Source:
 1. City Finance Office

CITY OF SAND SPRINGS OKLAHOMA
CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM
Last Ten Fiscal Years
June 30, 2013
TABLE 21

Function/Program	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Public Safety										
Police Stations	1	1	1	1	1	1	1	1	1	1
Patrol Units	29	29	29	31	31	33	33	33	38	38
Fire Stations	2	2	2	2	2	2	2	2	2	2
Fire Trucks	10	10	10	10	11	11	11	13	13	9
Highways and Streets										
Roadways (arterial lane miles)	170	170	170	170	170	170	170	170	172	173
Streetlights	1,009	1,033	1,034	1,074	1,096	1,208	1,209	1,209	1,211	1,211
Signalized Intersections	18	18	18	18	18	18	18	18	18	18
Culture and Recreation										
Acreage	262	262	262	263	263	263	263	263	263	263
Tennis Courts	6	6	6	6	6	6	6	6	6	6
Ball diamonds	13	13	13	13	13	13	13	13	11	11
Community Centers	1	1	1	1	1	1	1	1	1	1
Senior Centers	1	1	1	1	1	1	1	1	1	1
Water Operations										
Treatment Plants	1	1	1	1	1	1	1	1	1	1
Water Mains (miles)	417	420	422	426	430	431	448	452	452	454
Storage capacity (thousands of gallons)	6,550	6,550	6,550	6,550	7,023	7,023	7,023	7,023	6,523	6,523
Wastewater Operations										
Treatment Plants	1	1	1	1	1	1	1	1	1	1
Sanitary Sewers (miles)	110	111	119	120	122	122	126	126	126	127
Treatment capacity (thousands of gallons)	3,120	3,120	3,120	3,120	3,120	3,120	3,120	3,120	3,120	3,120
Solid Waste Operations										
Collection Trucks	8	8	8	9	8	8	10	10	10	8
Stormwater Operations										
Storm sewers (miles)	49	49	49	50	50	50	50	50	50	51

Source:

1. City Departments

CITY OF SAND SPRINGS OKLAHOMA
OPERATING INDICATORS BY FUNCTION/PROGRAM
Last Ten Fiscal Years
June 30, 2013
TABLE 22

Function/Program	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Public Safety										
Police										
Number of Violations (Citations)	4,676	3,642	5,529	5,448	6,433	5,031	10,029	8,859	8,810	6,677
Fire										
Call Responses	2,033	2,363	2,648	2,866	3,452	3,054	3,033	3,475	3,959	4,023
Highways and Streets										
Streets Resurfacing (miles)	-	22	-	-	31	7	7	14	2	9
Asphalt Repairs (tons)	507	952	872	255	98	82	145	258	208	208
Culture and Recreation										
Community Center Visitors (daily average)	169	150	138	119	125	264	348	338	310	293
Water and Wastewater Operations										
Number of Water Consumers	10,880	10,890	10,927	11,007	11,059	11,151	11,828	11,774	11,767	11,836
Average Daily Water Consumption (thousands of gallons)	3,454	3,200	3,480	3,446	3,175	3,072	2,844	2,839	3,073	3,065
Number of Sewer Consumers	6,610	6,620	6,658	6,701	6,680	6,731	6,827	6,792	6,780	6,835
Solid Waste Operations										
Refuse collected (tons per day)	51	49.9	51.1	53.3	50.4	48.3	41.3	41.1	38.7	39.3
Active Refuse Accounts	6,700	6,720	6,725	6,703	6,740	6,789	6,883	6,850	6,859	6,911
Airport Operations										
Annual Aviation/Jet Fuel Sales ¹	82,970	67,912	59,739	38,470	34,868	30,944	29,168	30,006	47,481	43,357
Golf Operations										
Number of Rounds Played	22,237	21,693	23,720	20,533	18,269	19,942	19,542	23,880	24,919	25,254

Source: City Departments

Note:

1. FY 2007 city no longer selling jet aviation fuel



Sand Springs

O K L A H O M A



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